

Projections for Planning Purposes Only -- Not to be Used without Updating
2020 Estimated Costs and Returns per Acre
Sorghum - Conventional Till-24 Row, Irrigated, 100 bu. Yield Goal
Coastal Bend Extension District - 11

Crop Acres		505			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Grain Sorghum, Lower Coast	100.00	Bushel	\$3.30	\$330.00	\$166,650.00
Total Revenue				\$330.00	\$166,650.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Fertilizer Application	1	Ounce	\$0.15	\$0.15	\$75.75
Custom Haul - Sorghum	57	CWT	\$0.35	\$19.95	\$10,074.75
Fertilizer					
24-8-0	0.227	Ton	\$266.00	\$60.38	\$30,492.91
Herbicide					
Atrazine 4L	2	Quart	\$3.00	\$6.00	\$3,030.00
Sorghum PreEmerge Herbicide	14	Ounce	\$0.92	\$12.88	\$6,504.40
Insecticide					
Stinkbug Control	2	Ounce	\$0.33	\$0.66	\$333.30
Headworn Control	2.6	Ounce	\$1.16	\$3.02	\$1,523.08
Transform	1	Ounce	\$7.73	\$7.73	\$3,903.65
Miscellaneous					
Crop Insurance - Irr Sorghum	1	Acre	\$6.05	\$6.05	\$3,055.25
Pickup Milage Charge	1	Acre	\$3.88	\$3.88	\$1,959.40
Seed					
Treated Sorghum Seed	5	Pound	\$3.20	\$16.00	\$8,080.00
Other Labor					
Hand Labor	0.04	Hour	\$16.00	\$0.64	\$323.20
Irrigation					
Energy Cost	10.00	AcreInch	\$2.10	\$21.00	\$10,605.00
Irrigation Labor	1.50	Hour	\$19.50	\$29.25	\$14,771.25
Machinery Labor					
Tractors/Self-Propelled	0.72	Hour	\$19.50	\$14.04	\$7,090.20
Diesel Fuel					
Tractors/Self-Propelled	8.9	Gallon	\$2.20	\$19.58	\$9,887.90
Repairs & Maintenance					
Irrigation Equipment	1	Acre	\$25.08	\$25.08	\$12,666.67
Tractors/Self-Propelled	1	Acre	\$30.13	\$30.13	\$15,214.50
Implements	1	Acre	\$23.47	\$23.47	\$11,853.73
Interest on Credit Line			6.00%	\$8.35	\$4,214.69
Total Variable Costs				\$308.24	\$155,659.63
Planned Returns Above Variable Costs:				\$21.76	\$10,990.37
Breakeven Price to Cover Variable Costs			\$3.08	Bushel	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Irrigation Equipment	1	Acre	\$28.18	\$28.18	\$14,233.33
Tractors/Self-Propelled	1	Acre	\$34.45	\$34.45	\$17,395.65
Implements	1	Acre	\$29.59	\$29.59	\$14,942.81
Equipment Investment					
Irrigation Equipment	\$293.56	Dollars	6.00%	\$17.61	\$8,895.00
Tractors/Self-Propelled	\$262.66	Dollars	6.00%	\$15.76	\$7,958.70
Implements	\$158.98	Dollars	6.00%	\$9.54	\$4,817.14
Management Fee, Owner/Operator Labor	1	Acre	\$16.50	\$16.50	\$8,332.50
LCB - Land Charge	1	Acre	\$70.00	\$70.00	\$35,350.00
Total Fixed Costs				\$221.63	\$111,925.13
Total Specified Costs				\$529.87	\$267,584.76
Returns Above Specified Costs				(\$199.87)	(\$100,934.76)
Breakeven Price to Cover Total Costs			\$5.30	Bushel	

Example Breakeven Prices			
Example Yield Percent	Example Yield Bushel	To Cover Variable Costs	To Cover Total Costs
75%	75.00	\$4.11	\$7.06
90%	90.00	\$3.42	\$5.89
100%	100.00	\$3.08	\$5.30
110%	110.00	\$2.80	\$4.82
125%	125.00	\$2.47	\$4.24

Developed by Extension Economists, Texas A&M AgriLife Extension Service, budgets@tamu.edu.

Information presented is prepared solely as a general guide and not intended to recognize or predict the costs and returns from any one operation. Brand names are mentioned only as examples and imply no endorsement.