

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2020 Estimated Costs and Returns per Acre
Sorghum - Conventional Till-24 Row, Dryland, 72 bu. Yield Goal
Coastal Bend Extension District - 11

Crop Acres		500						
REVENUE				Quantity	Units	\$/Unit	Total	Enterprise Total
Grain Sorghum, Lower Coast				72.00	Bushel	\$3.30	\$237.60	\$118,800.00
Total Revenue							\$237.60	\$118,800.00
VARIABLE COSTS				Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs								
Custom								
Fertilizer Application				1	Ounce	\$0.15	\$0.15	\$75.00
Custom Haul - Sorghum				42	CWT	\$0.35	\$14.70	\$7,350.00
Fertilizer								
24-8-0				0.165	Ton	\$266.00	\$43.89	\$21,945.00
Herbicide								
Atrazine 4L				2	Quart	\$3.00	\$6.00	\$3,000.00
Sorghum PreEmerge Herbicide				14	Ounce	\$0.92	\$12.88	\$6,440.00
Insecticide								
Headworm Control				2.6	Ounce	\$1.16	\$3.02	\$1,508.00
Transform				1	Ounce	\$7.73	\$7.73	\$3,865.00
Stinkbug Control				2	Ounce	\$0.33	\$0.66	\$330.00
Miscellaneous								
Crop Insurance -Sorghum LC				1	Acre	\$6.05	\$6.05	\$3,025.00
Pickup Milage Charge				1	Acre	\$3.88	\$3.88	\$1,940.00
Other Labor								
Hand Labor				0.04	Hour	\$16.00	\$0.64	\$320.00
Seed								
Treated Sorghum Seed				4.5	Pound	\$3.20	\$14.40	\$7,200.00
Machinery Labor								
Tractors/Self-Propelled				0.81	Hour	\$19.50	\$15.80	\$7,897.50
Diesel Fuel								
Tractors/Self-Propelled				9.67	Gallon	\$2.20	\$21.27	\$10,637.00
Repairs & Maintenance								
Tractors/Self-Propelled				1	Acre	\$32.14	\$32.14	\$16,069.30
Implements				1	Acre	\$22.18	\$22.18	\$11,090.41
Interest on Credit Line						6.00%	\$5.90	\$2,950.09
Total Variable Costs							\$211.28	\$105,642.30
Planned Returns Above Variable Costs:							\$26.32	\$13,157.70
Breakeven Price to Cover Variable Costs						\$2.93	Bushel	
FIXED COSTS				Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation								
Tractors/Self-Propelled				1	Acre	\$36.52	\$36.52	\$18,262.37
Implements				1	Acre	\$28.80	\$28.80	\$14,402.24
Equipment Investment								
Tractors/Self-Propelled				\$278.85	Dollars	6.00%	\$16.73	\$8,365.53
Implements				\$143.74	Dollars	6.00%	\$8.62	\$4,312.32
Management Fee, Owner/Operator Labor				1	Acre	\$11.88	\$11.88	\$5,940.00
LCB - Land Charge				1	Acre	\$70.00	\$70.00	\$35,000.00
Total Fixed Costs							\$172.56	\$86,282.46
Total Specified Costs							\$383.85	\$191,924.75
Returns Above Specified Costs							(\$146.25)	(\$73,124.75)
Breakeven Price to Cover Total Costs						\$5.33	Bushel	

Example Breakeven Prices			
Example Yield Percent	Example Yield Bushel	To Cover Variable Costs	To Cover Total Costs
75%	54.00	\$3.91	\$7.11
90%	64.80	\$3.26	\$5.92
100%	72.00	\$2.93	\$5.33
110%	79.20	\$2.67	\$4.85
125%	90.00	\$2.35	\$4.26

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.