

Projections for Planning Purposes Only -- Not to be Used without Updating
2020 Estimated Costs and Returns per Acre
Grain Sorghum, Conventional Tillage, Furrow Irrigated, Rio Grande Valley
South Extension District - 12

Crop Acres		100			
REVENUE					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Grain Sorghum	45.00	CWT	\$6.50	\$292.50	\$29,250.00
Total Revenue				\$292.50	\$29,250.00
VARIABLE COSTS					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Harvest/Haul Sorghum	45	CWT	\$0.51	\$22.95	\$2,295.00
Fertilizer					
UAN (32% N)	2.11	CWT	\$15.25	\$32.18	\$3,217.75
Herbicide					
AAtrex 4L	2	Pint	\$2.48	\$4.95	\$495.28
Insecticide					
Transform	1	Ounce	\$7.80	\$7.80	\$780.00
Seed					
Grain Sorghum Seed	6	Pound	\$2.40	\$14.40	\$1,440.00
Other Labor					
Unallocated Labor	0.7232	Hour	\$12.00	\$8.68	\$867.84
Miscellaneous					
Insurance, Sorghum - Irrigated	1	Acre	\$10.41	\$10.41	\$1,041.00
Irrigation					
Water Cost	0.80	Acre/Foot	\$20.00	\$16.00	\$1,600.00
Irrigation Labor	2.20	Hour	\$12.00	\$26.40	\$2,640.00
Machinery Labor					
Tractors/Self-Propelled	1.66	Hour	\$12.00	\$19.92	\$1,992.00
Diesel Fuel					
Tractors/Self-Propelled	10.45	Gallon	\$2.30	\$24.04	\$2,403.50
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$23.11	\$23.11	\$2,310.53
Implements	1	Acre	\$18.61	\$18.61	\$1,861.34
Interest on Credit Line			5.00%	\$4.59	\$458.69
Total Variable Costs				\$234.03	\$23,402.93
Planned Returns Above Variable Costs:				\$58.47	\$5,847.07
Breakeven Price to Cover Variable Costs			\$5.20 CWT		
FIXED COSTS					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$23.88	\$23.88	\$2,387.55
Implements	1	Acre	\$22.54	\$22.54	\$2,254.10
Equipment Investment					
Tractors/Self-Propelled	\$186.00	Dollars	7.00%	\$13.02	\$1,301.98
Implements	\$103.32	Dollars	7.00%	\$7.23	\$723.22
Cash Rent, Irrigated	1	Acre	\$85.00	\$85.00	\$8,500.00
Total Fixed Costs				\$151.67	\$15,166.85
Total Specified Costs				\$385.70	\$38,569.78
Returns Above Specified Costs				(\$93.20)	(\$9,319.78)
Breakeven Price to Cover Total Costs			\$8.57 CWT		

Example Breakeven Prices			
Example Yield Percent	Example Yield CWT	To Cover Variable Costs	To Cover Total Costs
75%	33.75	\$6.93	\$11.43
90%	40.50	\$5.78	\$9.52
100%	45.00	\$5.20	\$8.57
110%	49.50	\$4.73	\$7.79
125%	56.25	\$4.16	\$6.86

Developed by Samuel Zapata, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension, 956-968-5581.

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.