

Projections for Planning Purposes Only -- Not to be Used without Updating
2020 Estimated Costs and Returns per Acre
Grain Sorghum, Reduced 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								
Glyphosate		2	Pint	\$1.56		\$3.13	\$312.50	
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		0.22	Hour	\$12.00		\$2.64	\$264.00	
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		0.97	Hour	\$12.00		\$11.64	\$1,164.00	
Diesel Fuel								
Tractors/Self-Propelled		4.95	Gallon	\$2.30		\$11.39	\$1,138.50	
Repairs & Maintenance								
Tractors/Self-Propelled		1	Acre	\$9.55		\$9.55	\$955.42	
Implements		1	Acre	\$10.01		\$10.01	\$1,001.29	
Interest on Credit Line				5.00%		\$3.01	\$301.35	
Total Variable Costs						\$186.46	\$18,646.09	
Planned Returns Above Variable Costs:						\$106.04	\$10,603.91	
Breakeven Price to Cover Variable Costs				\$4.14	CWT			
FIXED COSTS				Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation								
Tractors/Self-Propelled		1	Acre	\$10.97		\$10.97	\$1,097.40	
Implements		1	Acre	\$12.13		\$12.13	\$1,213.49	
Equipment Investment								
Tractors/Self-Propelled		\$84.98	Dollars	7.00%		\$5.95	\$594.86	
Implements		\$59.25	Dollars	7.00%		\$4.15	\$414.74	
Cash Rent, Irrigated		1	Acre	\$85.00		\$85.00	\$8,500.00	
Total Fixed Costs						\$118.20	\$11,820.48	
Total Specified Costs						\$304.67	\$30,466.57	
Returns Above Specified Costs						(\$12.17)	(\$1,216.57)	
Breakeven Price to Cover Total Costs				\$6.77	CWT			

Example Breakeven Prices			
Example Yield Percent	Example Yield CWT	To Cover Variable Costs	To Cover Total Costs
75%	33.75	\$5.52	\$9.03
90%	40.50	\$4.60	\$7.52
100%	45.00	\$4.14	\$6.77
110%	49.50	\$3.77	\$6.15
125%	56.25	\$3.31	\$5.42

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.