

Projections for Planning Purposes Only -- Not to be Used without Updating
2014 Estimated Costs and Returns per Acre
Sorghum Sudangrass, Sprinkler Irrigated (NG), Grazing - 122 Acres
Panhandle Extension District - 1

Crop Acres		122				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Grazing - Sorghum	800.00	Pound	\$0.60	\$480.00	\$480.00	\$58,560.00
Total Revenue				\$480.00	\$480.00	\$58,560.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Seed						
Seed - Sorghum Sudangrass	22	Pound	\$0.92	\$20.17	\$20.17	\$2,460.42
Fertilizer						
Fertilizer (N) - ANH3	100	Pound	\$0.38	\$38.00	\$38.00	\$4,636.00
Fertilizer (N) - ANH3	60	Pound	\$0.38	\$22.80	\$22.80	\$2,781.60
Fertilizer (P) - Liquid	50	Pound	\$0.79	\$39.50	\$39.50	\$4,819.00
Herbicide						
Herbicide and Apply Sorghum Sud.	1	Acre	\$7.80	\$7.80	\$7.80	\$951.39
Miscellaneous						
Crop Insurance Sorghum Sudan Irr	1	Acre	\$22.46	\$22.46	\$22.46	\$2,740.61
Custom						
Fertilizer Application - ANH3	1	Acre	\$11.75	\$11.75	\$11.75	\$1,433.50
Irrigation						
Energy or Water Cost	9.00	AcreInch	\$4.30	\$38.70	\$38.70	\$4,721.40
Irrigation Labor	0.58	Hour	\$11.75	\$6.77	\$6.77	\$825.70
Machinery Labor						
Tractors/Self-Propelled	1.09	Hour	\$11.75	\$12.81	\$12.81	\$1,562.52
Diesel Fuel						
Tractors/Self-Propelled	2.46	Gallon	\$3.28	\$8.07	\$8.07	\$984.39
Gasoline						
Pickup/General Use Equipment	1	Acre	\$6.66	\$6.66	\$6.66	\$812.50
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$2.51	\$2.51	\$2.51	\$306.00
Irrigation Equipment	1	Acre	\$36.36	\$36.36	\$36.36	\$4,435.92
Tractors/Self-Propelled	1	Acre	\$8.41	\$8.41	\$8.41	\$1,026.55
Implements	1	Acre	\$11.12	\$11.12	\$11.12	\$1,356.19
Interest on Credit Line			4.75%	\$5.31	\$5.31	\$647.34
Total Variable Costs				\$299.19	\$299.19	\$36,501.02
Planned Returns Above Variable Costs:				\$180.81	\$180.81	\$22,058.98
Breakeven Price to Cover Variable Costs			\$0.37	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$2.63	\$2.63	\$2.63	\$321.30
Irrigation Equipment	1	Acre	\$22.50	\$22.50	\$22.50	\$2,745.60
Tractors/Self-Propelled	1	Acre	\$8.23	\$8.23	\$8.23	\$1,004.37
Implements	1	Acre	\$13.76	\$13.76	\$13.76	\$1,678.30
Equipment Investment						
Pickup/General Use Equipment	\$31.35	Dollars	5.25%	\$1.65	\$1.65	\$200.81
Irrigation Equipment	\$703.28	Dollars	5.25%	\$36.92	\$36.92	\$4,504.50
Tractors/Self-Propelled	\$92.95	Dollars	5.25%	\$4.88	\$4.88	\$595.33
Implements	\$107.00	Dollars	5.25%	\$5.62	\$5.62	\$685.31
Cash Rent - Sorghum f	1	Acre	\$85.00	\$85.00	\$85.00	\$10,370.00
Total Fixed Costs				\$181.19	\$181.19	\$22,105.53
Total Specified Costs				\$480.38	\$480.38	\$58,606.55
Returns Above Specified Costs				(\$0.38)	(\$0.38)	(\$46.55)
Breakeven Price to Cover Total Costs			\$0.60	Pound		

Example Breakeven Prices						
Example Yield Percent	Example Yield Pound	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	600.00	\$0.50	\$0.50	\$0.80	\$0.80	\$0.00
90%	720.00	\$0.42	\$0.42	\$0.67	\$0.67	\$0.00
100%	800.00	\$0.37	\$0.37	\$0.60	\$0.60	\$0.00
110%	880.00	\$0.34	\$0.34	\$0.55	\$0.55	\$0.00
125%	1000.00	\$0.30	\$0.30	\$0.48	\$0.48	\$0.00

Developed by Steve Amosson, Regents Fellow, Professor and Extension Economist, Texas A&M AgriLife Extension.

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.