

Projections for Planning Purposes Only -- Not to be Used without Updating
2015 Estimated Costs and Returns per Acre
Sorghum Sudangrass, Sprinkler Irrigated (NG), Grazing - 122 Acres
Panhandle Extension District - 1

Crop Acres		122			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Grazing - Sorghum	800.00	Pound	\$0.50	\$400.00	\$48,800.00
Total Revenue				\$400.00	\$48,800.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Seed					
Seed - Sorghum Sudangrass	22	Pound	\$0.95	\$20.90	\$2,549.80
Fertilizer					
Fertilizer (N) - ANH3	160	Pound	\$0.40	\$64.00	\$7,808.00
Fertilizer (P) - Liquid	50	Pound	\$0.85	\$42.50	\$5,185.00
Custom					
Fertilizer Application - ANH3	1	Acre	\$11.75	\$11.75	\$1,433.50
Miscellaneous					
Crop Insurance Sorghum Sudan Irrigated	1	Acre	\$22.46	\$22.46	\$2,740.61
Herbicide					
Herbicide and Apply Sorghum Sudan	1	Acre	\$7.95	\$7.95	\$969.90
Irrigation					
Energy Cost	9.00	AcreInch	\$4.30	\$38.70	\$4,721.40
Irrigation Labor	0.58	Hour	\$11.75	\$6.77	\$825.70
Machinery Labor					
Tractors/Self-Propelled	0.87	Hour	\$11.75	\$10.22	\$1,247.15
Diesel Fuel					
Tractors/Self-Propelled	2.13	Gallon	\$3.30	\$7.03	\$857.54
Gasoline					
Pickup/General Use Equipment	1	Acre	\$6.13	\$6.13	\$747.50
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$2.51	\$2.51	\$306.00
Irrigation Equipment	1	Acre	\$36.36	\$36.36	\$4,435.92
Tractors/Self-Propelled	1	Acre	\$3.22	\$3.22	\$392.74
Implements	1	Acre	\$7.79	\$7.79	\$949.88
Interest on Credit Line			4.90%	\$5.35	\$652.39
Total Variable Costs				\$293.63	\$35,823.01
Planned Returns Above Variable Costs:				\$106.37	\$12,976.99
Breakeven Price to Cover Variable Costs			\$0.37	Pound	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$2.63	\$2.63	\$321.30
Irrigation Equipment	1	Acre	\$22.50	\$22.50	\$2,745.60
Tractors/Self-Propelled	1	Acre	\$3.18	\$3.18	\$388.43
Implements	1	Acre	\$9.84	\$9.84	\$1,200.43
Equipment Investment					
Pickup/General Use Equipment	\$31.35	Dollars	5.40%	\$1.69	\$206.55
Irrigation Equipment	\$703.28	Dollars	5.40%	\$37.98	\$4,633.20
Tractors/Self-Propelled	\$35.95	Dollars	5.40%	\$1.94	\$236.82
Implements	\$76.53	Dollars	5.40%	\$4.13	\$504.18
Cash Rent - Sorghum f	1	Acre	\$80.75	\$80.75	\$9,851.50
Total Fixed Costs				\$164.66	\$20,088.01
Total Specified Costs				\$458.29	\$55,911.01
Returns Above Specified Costs				(\$58.29)	(\$7,111.01)
Breakeven Price to Cover Total Costs			\$0.57	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	\$0.49	\$0.49	\$0.76	\$0.76	\$0.00
90%	720.00	\$0.41	\$0.41	\$0.64	\$0.64	\$0.00
100%	800.00	\$0.37	\$0.37	\$0.57	\$0.57	\$0.00
110%	880.00	\$0.33	\$0.33	\$0.52	\$0.52	\$0.00
125%	1000.00	\$0.29	\$0.29	\$0.46	\$0.46	\$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.