

Projections for Planning Purposes Only -- Not to be Used without Updating
2016 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	\$0.45	\$360.00	\$360.00	\$43,920.00
Total Revenue				\$360.00		\$43,920.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Seed						
Seed - Sorghum Sudangrass	22	Pound	\$0.93	\$20.39		\$2,487.58
Fertilizer						
Fertilizer (N) - ANH3	160	Pound	\$0.36	\$57.60		\$7,027.20
Fertilizer (P) - Liquid	50	Pound	\$0.90	\$45.00		\$5,490.00
Custom						
Fertilizer Application - ANH3	1	Acre	\$12.07	\$12.07		\$1,472.92
Miscellaneous						
Crop Insurance Sorghum Sudan Irrigated	1	Acre	\$19.00	\$19.00		\$2,318.00
Herbicide						
Herbicide and Apply Sorghum Sudan	1	Acre	\$12.00	\$12.00		\$1,464.00
Irrigation						
Energy Cost	9.00	AcreInch	\$3.20	\$28.80		\$3,513.60
Irrigation Labor	0.58	Hour	\$12.16	\$7.00		\$854.43
Machinery Labor						
Tractors/Self-Propelled	0.87	Hour	\$11.97	\$10.41		\$1,270.22
Diesel Fuel						
Tractors/Self-Propelled	2.13	Gallon	\$1.97	\$4.20		\$511.92
Gasoline						
Pickup/General Use Equipment	1	Acre	\$4.22	\$4.22		\$515.00
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			5.15%	\$5.27		\$643.42
Total Variable Costs				\$275.84		\$33,652.83
Planned Returns Above Variable Costs:				\$84.16		\$10,267.17
Breakeven Price to Cover Variable Costs			\$0.34	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
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	\$18.18	Dollars	5.40%	\$0.98		\$119.80
Irrigation Equipment	\$421.97	Dollars	5.40%	\$22.79		\$2,779.92
Tractors/Self-Propelled	\$24.80	Dollars	5.40%	\$1.34		\$163.40
Implements	\$42.09	Dollars	5.40%	\$2.27		\$277.30
Cash Rent - Sorghum f	1	Acre	\$75.00	\$75.00		\$9,150.00
Total Fixed Costs				\$140.54		\$17,146.18
Total Specified Costs				\$416.39		\$50,799.01
Returns Above Specified Costs					(\$56.39)	(\$6,879.01)
Breakeven Price to Cover Total Costs			\$0.52	Pound		

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	Price Needed to Cover Your Variable Costs	Price Needed to Cover Your Total Costs
75%	600.00	\$0.46	\$0.69
90%	720.00	\$0.38	\$0.58
100%	800.00	\$0.34	\$0.52
110%	880.00	\$0.31	\$0.47
125%	1000.00	\$0.28	\$0.42

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.