

Projections for Planning Purposes Only -- Not to be Used without Updating
2017 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	\$0.40	\$320.00	\$39,040.00
Total Revenue				\$320.00	\$39,040.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Fertilizer					
Fertilizer (N) - ANH3	160	Pound	\$0.25	\$40.00	\$4,880.00
Fertilizer (P) - Liquid	50	Pound	\$0.47	\$23.50	\$2,867.00
Custom					
Fertilizer Application - ANH3	1	Acre	\$15.00	\$15.00	\$1,830.00
Miscellaneous					
Crop Insurance Sorghum Sudan Irrigated	1	Acre	\$25.00	\$25.00	\$3,050.00
Herbicide					
Herbicide and Apply Sorghum Sudan	1	Acre	\$12.10	\$12.10	\$1,476.20
Seed					
Seed - Sorghum Sudangrass	22	Pound	\$0.95	\$20.90	\$2,549.80
Irrigation					
Energy Cost	9.00	AcreInch	\$3.60	\$32.40	\$3,952.80
Irrigation Labor	0.58	Hour	\$12.45	\$7.17	\$874.89
Machinery Labor					
Tractors/Self-Propelled	0.86	Hour	\$12.25	\$10.54	\$1,285.27
Diesel Fuel					
Tractors/Self-Propelled	2.12	Gallon	\$1.81	\$3.84	\$468.14
Gasoline					
Pickup/General Use Equipment	1	Acre	\$3.95	\$3.95	\$482.50
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	\$3.78	\$3.78	\$461.01
Implements	1	Acre	\$11.98	\$11.98	\$1,461.15
Interest on Credit Line			5.40%	\$5.09	\$620.99
Total Variable Costs				\$254.11	\$31,001.67
Planned Returns Above Variable Costs:				\$65.89	\$8,038.33
Breakeven Price to Cover Variable Costs			\$0.32	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	\$30.74	\$30.74	\$3,750.00
Tractors/Self-Propelled	1	Acre	\$3.75	\$3.75	\$457.02
Implements	1	Acre	\$15.13	\$15.13	\$1,845.43
Equipment Investment					
Pickup/General Use Equipment	\$18.18	Dollars	5.65%	\$1.03	\$125.35
Irrigation Equipment	\$450.00	Dollars	5.65%	\$25.43	\$3,101.85
Tractors/Self-Propelled	\$29.18	Dollars	5.65%	\$1.65	\$201.16
Implements	\$64.71	Dollars	5.65%	\$3.66	\$446.03
Cash Rent - Sorghum f	1	Acre	\$72.00	\$72.00	\$8,784.00
Total Fixed Costs				\$156.00	\$19,032.13
Total Specified Costs				\$410.11	\$50,033.80
Returns Above Specified Costs				(\$90.11)	(\$10,993.80)
Breakeven Price to Cover Total Costs			\$0.51	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	600.00	\$0.42	\$0.68
90%	720.00	\$0.35	\$0.57
100%	800.00	\$0.32	\$0.51
110%	880.00	\$0.29	\$0.47
125%	1000.00	\$0.25	\$0.41

Developed by Steve Amosson, Regents Fellow, Professor and Extension Economist, Texas A&M AgriLife Extension, 806-677-5600.

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.