

Projections for Planning Purposes Only – Not to be Used without Updating
2018 Estimated Costs and Returns per Acre
Sorghum Sudangrass, Sprinkler Irrigated (NG), Grazing
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 | \$0.24 | \$38.40 | \$4,684.80 |
| | Fertilizer (P) - Liquid | 50 | Pound | \$0.47 | \$23.50 | \$2,867.00 |
| Custom | | | | | | |
| | Fertilizer Application - ANH3 | 1 | Acre | \$15.36 | \$15.36 | \$1,873.92 |
| Miscellaneous | | | | | | |
| | Crop Insurance Sorghum Sudan Irrigated | 1 | Acre | \$25.00 | \$25.00 | \$3,050.00 |
| Herbicide | | | | | | |
| | Herbicide and Apply Sorghum Sudan | 1 | Acre | \$12.31 | \$12.31 | \$1,501.82 |
| Seed | | | | | | |
| | Seed - Sorghum Sudangrass | 22 | Pound | \$0.94 | \$20.68 | \$2,522.96 |
| Irrigation | | | | | | |
| | Energy Cost | 9.00 | AcreInch | \$3.50 | \$31.50 | \$3,843.00 |
| | Irrigation Labor | 0.58 | Hour | \$12.64 | \$7.28 | \$888.24 |
| Machinery Labor | | | | | | |
| | Tractors/Self-Propelled | 0.41 | Hour | \$12.44 | \$5.10 | \$622.25 |
| | Other Labor | 0.45 | Hour | \$12.44 | \$5.60 | \$682.96 |
| Diesel Fuel | | | | | | |
| | Tractors/Self-Propelled | 2.12 | Gallon | \$1.99 | \$4.22 | \$514.69 |
| Gasoline | | | | | | |
| | Pickup/General Use Equipment | 1 | Acre | \$4.30 | \$4.30 | \$525.00 |
| 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 | \$3.75 | \$3.75 | \$457.98 |
| | Implements | 1 | Acre | \$12.53 | \$12.53 | \$1,528.39 |
| | Interest on Credit Line | | | 5.74% | \$5.70 | \$694.84 |
| Total Variable Costs | | | | | \$254.10 | \$30,999.77 |
| Planned Returns Above Variable Costs: | | | | | \$65.90 | \$8,040.23 |
| 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 | \$3.72 | \$3.72 | \$453.71 |
| | Implements | 1 | Acre | \$15.83 | \$15.83 | \$1,931.31 |
| Equipment Investment | | | | | | |
| | Pickup/General Use Equipment | \$18.18 | Dollars | 6.01% | \$1.09 | \$133.33 |
| | Irrigation Equipment | \$450.00 | Dollars | 6.01% | \$27.05 | \$3,299.49 |
| | Tractors/Self-Propelled | \$28.97 | Dollars | 6.01% | \$1.74 | \$212.43 |
| | Implements | \$67.72 | Dollars | 6.01% | \$4.07 | \$496.53 |
| | Cash Rent - Sorghum f | 1 | Acre | \$72.00 | \$72.00 | \$8,784.00 |
| Total Fixed Costs | | | | | \$158.87 | \$19,382.10 |
| Total Specified Costs | | | | | \$412.97 | \$50,381.87 |
| Returns Above Specified Costs | | | | | (\$92.97) | (\$11,341.87) |
| Breakeven Price to Cover Total Costs | | | | \$0.52 | Pound | |

| Example Breakeven Prices | | | |
|--------------------------|---------------------|-------------------------|----------------------|
| Example Yield Percent | Example Yield Pound | To Cover Variable Costs | To Cover Total Costs |
| 75% | 600.00 | \$0.42 | \$0.69 |
| 90% | 720.00 | \$0.35 | \$0.57 |
| 100% | 800.00 | \$0.32 | \$0.52 |
| 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.

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