

Projections for Planning Purposes Only -- Not to be Used without Updating
2019 Estimated Costs and Returns per Acre
Sorghum Sudangrass, Dryland, Grazing
Panhandle Extension District - 1

Crop Acres		160			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Grazing - Sorghum	336.00	Pound	\$0.45	\$151.20	\$24,192.00
Total Revenue				\$151.20	\$24,192.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Fertilizer					
Fertilizer (N) - ANH3	50	Pound	\$0.28	\$14.00	\$2,240.00
Custom					
Fertilizer Application - ANH3	1	Acre	\$15.36	\$15.36	\$2,457.60
Seed					
Seed - Sorghum Sudangrass	15	Pound	\$0.92	\$13.80	\$2,208.00
Miscellaneous					
Crop Insurance Sorghum Sudan Dry	1	Acre	\$19.00	\$19.00	\$3,040.00
Herbicide					
Herbicide and Apply Sorghum Sudan	1	Acre	\$12.57	\$12.57	\$2,011.20
Machinery Labor					
Tractors/Self-Propelled	0.44	Hour	\$13.03	\$5.73	\$917.31
Other Labor	0.49	Hour	\$13.03	\$6.38	\$1,021.55
Diesel Fuel					
Tractors/Self-Propelled	2.15	Gallon	\$2.33	\$5.01	\$801.52
Gasoline					
Pickup/General Use Equipment	1	Acre	\$4.77	\$4.77	\$763.75
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$2.49	\$2.49	\$397.80
Tractors/Self-Propelled	1	Acre	\$3.36	\$3.36	\$538.31
Implements	1	Acre	\$10.19	\$10.19	\$1,630.84
Interest on Credit Line			6.04%	\$2.87	\$459.36
Total Variable Costs				\$115.55	\$18,487.24
Planned Returns Above Variable Costs:				\$35.65	\$5,704.76
Breakeven Price to Cover Variable Costs			\$0.34	Pound	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$2.61	\$2.61	\$417.69
Tractors/Self-Propelled	1	Acre	\$3.33	\$3.33	\$532.30
Implements	1	Acre	\$12.87	\$12.87	\$2,059.58
Equipment Investment					
Pickup/General Use Equipment	\$18.03	Dollars	6.32%	\$1.14	\$182.27
Tractors/Self-Propelled	\$25.92	Dollars	6.32%	\$1.64	\$262.07
Implements	\$55.07	Dollars	6.32%	\$3.48	\$556.82
Cash Rent - Sorghum	1	Acre	\$26.50	\$26.50	\$4,240.00
Total Fixed Costs				\$51.57	\$8,250.73
Total Specified Costs				\$167.11	\$26,737.97
Returns Above Specified Costs				(\$15.91)	(\$2,545.97)
Breakeven Price to Cover Total Costs			\$0.50	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	252.00	\$0.46	\$0.66
90%	302.40	\$0.38	\$0.55
100%	336.00	\$0.34	\$0.50
110%	369.60	\$0.31	\$0.45
125%	420.00	\$0.28	\$0.40

Developed by DeDe Jones, Extension Risk Management Specialist III, 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.