

Projections for Planning Purposes Only -- Not to be Used without Updating
2020 Estimated Costs and Returns per Acre
Sorghum Sudangrass, Sprinkler Irrigated (NG), Grazing
Panhandle Extension District - 1

Crop Acres		122			
				Total	Enterprise Total
REVENUE					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Grazing - Sorghum	800.00	Pound	\$0.45	\$360.00	\$43,920.00
Total Revenue				\$360.00	\$43,920.00
VARIABLE COSTS					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Fertilizer					
Fertilizer (N) - ANH3	150	Pound	\$0.29	\$43.05	\$5,252.10
Fertilizer (P) - Liquid	50	Pound	\$0.48	\$23.88	\$2,913.31
Custom					
Fertilizer Application - ANH3	1	Acre	\$16.05	\$16.05	\$1,958.27
Miscellaneous					
Crop Insurance Sorghum Sudan Irrigated	1	Acre	\$25.00	\$25.00	\$3,050.00
Herbicide					
Herbicide and Apply Sorghum Sudan	1	Acre	\$13.17	\$13.17	\$1,607.12
Seed					
Seed - Sorghum Sudangrass	22	Pound	\$0.90	\$19.74	\$2,408.02
Irrigation					
Energy Cost	9.00	AcreInch	\$3.96	\$35.64	\$4,348.08
Irrigation Labor	0.58	Hour	\$13.65	\$7.86	\$959.21
Machinery Labor					
Tractors/Self-Propelled	0.41	Hour	\$13.43	\$5.51	\$671.77
Other Labor	0.45	Hour	\$13.43	\$6.04	\$737.31
Diesel Fuel					
Tractors/Self-Propelled	2.12	Gallon	\$2.33	\$4.94	\$602.63
Gasoline					
Pickup/General Use Equipment	1	Acre	\$4.82	\$4.82	\$587.50
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$2.51	\$2.51	\$306.00
Irrigation Equipment	1	Acre	\$33.75	\$33.75	\$4,117.50
Tractors/Self-Propelled	1	Acre	\$3.83	\$3.83	\$467.01
Implements	1	Acre	\$13.52	\$13.52	\$1,649.82
Interest on Credit Line			6.25%	\$6.45	\$787.08
Total Variable Costs				\$265.76	\$32,422.74
Planned Returns Above Variable Costs:				\$94.24	\$11,497.26
Breakeven Price to Cover Variable Costs			\$0.33	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	\$3.80	\$3.80	\$463.82
Implements	1	Acre	\$17.11	\$17.11	\$2,087.21
Equipment Investment					
Pickup/General Use Equipment	\$18.18	Dollars	6.25%	\$1.14	\$138.66
Irrigation Equipment	\$450.00	Dollars	6.25%	\$28.13	\$3,431.25
Tractors/Self-Propelled	\$29.62	Dollars	6.25%	\$1.85	\$225.83
Implements	\$73.19	Dollars	6.25%	\$4.57	\$558.04
Cash Rent - Sorghum f	1	Acre	\$76.00	\$76.00	\$9,272.00
Total Fixed Costs				\$165.97	\$20,248.11
Total Specified Costs				\$431.73	\$52,670.84
Returns Above Specified Costs				(\$71.73)	(\$8,750.84)
Breakeven Price to Cover Total Costs			\$0.54	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	600.00	\$0.44	\$0.72
90%	720.00	\$0.37	\$0.60
100%	800.00	\$0.33	\$0.54
110%	880.00	\$0.30	\$0.49
125%	1000.00	\$0.27	\$0.43

Developed by Justin Benavidez, Assistant Professor, 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.