

Projections for Planning Purposes Only – Not to be Used without Updating
2018 Estimated Costs and Returns per Acre
Sorghum Silage, Sprinkler Irrigated
Panhandle Extension District - 1

Crop Acres		122				Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total	
Sorghum Silage	21.00	Ton	\$32.25	\$677.25		\$82,624.50	
Total Revenue				\$677.25		\$82,624.50	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise	
Production Costs							
Fertilizer							
Fertilizer (N) - ANH3	120	Pound	\$0.24	\$28.80		\$3,513.60	
Fertilizer (P) - Dry	60	Pound	\$0.43	\$25.80		\$3,147.60	
Fertilizer (N) - Liquid	45	Pound	\$0.40	\$18.00		\$2,196.00	
Custom							
Fertilizer Application - ANH3	1	Acre	\$15.36	\$15.36		\$1,873.92	
Fertilizer Application	1	Acre	\$5.12	\$5.12		\$624.64	
Harvest and Haul - Sorghum Silage	21	Ton	\$9.22	\$193.62		\$23,621.64	
Miscellaneous							
Crop Insurance Sorghum Silage	1	Acre	\$33.00	\$33.00		\$4,026.00	
Insecticide							
Insecticide Head Worm	0.33	Application	\$9.93	\$3.28		\$399.78	
Insecticide Sugar Cane Aphid	1	Application	\$21.27	\$21.27		\$2,594.94	
Herbicide							
Herbicide and Apply Sorghum Sudan	1	Acre	\$12.31	\$12.31		\$1,501.82	
Seed							
Seed - Sorghum	5	Pound	\$2.20	\$11.00		\$1,342.00	
Irrigation							
Energy Cost	14.00	AcreInch	\$3.50	\$49.00		\$5,978.00	
Irrigation Labor	0.83	Hour	\$12.64	\$10.52		\$1,283.01	
Machinery Labor							
Tractors/Self-Propelled	0.37	Hour	\$12.44	\$4.60		\$561.54	
Other Labor	0.42	Hour	\$12.44	\$5.22		\$637.43	
Diesel Fuel							
Tractors/Self-Propelled	2.04	Gallon	\$1.99	\$4.06		\$495.27	
Gasoline							
Pickup/General Use Equipment	1	Acre	\$6.45	\$6.45		\$787.50	
Repairs & Maintenance							
Pickup/General Use Equipment	1	Acre	\$3.76	\$3.76		\$459.00	
Irrigation Equipment	1	Acre	\$56.56	\$56.56		\$6,900.32	
Tractors/Self-Propelled	1	Acre	\$3.48	\$3.48		\$424.88	
Implements	1	Acre	\$12.32	\$12.32		\$1,502.71	
Interest on Credit Line			5.74%	\$7.99		\$974.91	
Total Variable Costs				\$531.53		\$64,846.50	
Planned Returns Above Variable Costs:						\$145.72	
Breakeven Price to Cover Variable Costs			\$25.31	Ton			
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise	
Machinery Depreciation							
Pickup/General Use Equipment	1	Acre	\$3.95	\$3.95		\$481.95	
Irrigation Equipment	1	Acre	\$36.27	\$36.27		\$4,425.00	
Tractors/Self-Propelled	1	Acre	\$3.39	\$3.39		\$413.13	
Implements	1	Acre	\$15.01	\$15.01		\$1,831.81	
Equipment Investment							
Pickup/General Use Equipment	\$27.28	Dollars	6.01%	\$1.64		\$200.00	
Irrigation Equipment	\$490.57	Dollars	6.01%	\$29.48		\$3,596.99	
Tractors/Self-Propelled	\$26.38	Dollars	6.01%	\$1.59		\$193.43	
Implements	\$64.23	Dollars	6.01%	\$3.86		\$470.95	
Cash Rent - Sorghum Silage	1	Acre	\$72.00	\$72.00		\$8,784.00	
Total Fixed Costs				\$167.19		\$20,397.24	
Total Specified Costs				\$698.72		\$85,243.75	
Returns Above Specified Costs						(\$21.47) (\$2,619.25)	
Breakeven Price to Cover Total Costs			\$33.27	Ton			

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	15.75	\$33.75	\$44.36
90%	18.90	\$28.12	\$36.97
100%	21.00	\$25.31	\$33.27
110%	23.10	\$23.01	\$30.25
125%	26.25	\$20.25	\$26.62

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.