

Projections for Planning Purposes Only -- Not to be Used without Updating
2018 Estimated Costs and Returns per Acre
Sorghum-Sudangrass for Hay, Center Pivot Irrigated, 5 Ton Yield
Far West Extension District - 6

| Crop Acres | | 122 | | Enterprise | |
|---|----------|---------|----------|-----------------|--------------------|
| REVENUE | Quantity | Units | \$/Unit | Total | Total |
| Sorghum Hay | 5.00 | Ton | \$160.00 | \$800.00 | \$97,600.00 |
| Total Revenue | | | | \$800.00 | \$97,600.00 |
| VARIABLE COSTS | Quantity | Units | \$/Unit | Total | Enterprise Total |
| Production Costs | | | | | |
| Fertilizer | | | | | |
| Urea, Solid (46% N) | 0.89 | CWT | \$19.75 | \$17.58 | \$2,144.46 |
| Seed | | | | | |
| Haygrazer Seed | 15 | Pound | \$0.52 | \$7.80 | \$951.60 |
| Irrigation | | | | | |
| Energy Cost | 3.42 | Mcf | \$4.00 | \$13.68 | \$1,668.96 |
| Irrigation Labor | 0.02 | Hour | \$11.00 | \$0.22 | \$26.57 |
| Machinery Labor | | | | | |
| Tractors/Self-Propelled | 3.17 | Hour | \$12.00 | \$38.04 | \$4,640.88 |
| Diesel Fuel | | | | | |
| Tractors/Self-Propelled | 13.33 | Gallon | \$2.14 | \$28.53 | \$3,480.20 |
| Gasoline | | | | | |
| Pickup/General Use Equipment | 1 | Acre | \$7.69 | \$7.69 | \$937.84 |
| Repairs & Maintenance | | | | | |
| Pickup/General Use Equipment | 1 | Acre | \$1.61 | \$1.61 | \$196.20 |
| Irrigation Equipment | 1 | Acre | \$9.05 | \$9.05 | \$1,104.14 |
| Tractors/Self-Propelled | 1 | Acre | \$20.59 | \$20.59 | \$2,512.48 |
| Implements | 1 | Acre | \$11.83 | \$11.83 | \$1,443.69 |
| Interest on Credit Line | | | 6.50% | \$2.92 | \$356.80 |
| Total Variable Costs | | | | \$159.54 | \$19,463.81 |
| Planned Returns Above Variable Costs: | | | | \$640.46 | \$78,136.19 |
| Breakeven Price to Cover Variable Costs | | | \$31.91 | Ton | |
| FIXED COSTS | Quantity | Units | \$/Unit | Total | Enterprise Total |
| Machinery Depreciation | | | | | |
| Pickup/General Use Equipment | 1 | Acre | \$6.03 | \$6.03 | \$735.75 |
| Irrigation Equipment | 1 | Acre | \$24.32 | \$24.32 | \$2,966.87 |
| Tractors/Self-Propelled | 1 | Acre | \$24.05 | \$24.05 | \$2,933.98 |
| Implements | 1 | Acre | \$15.85 | \$15.85 | \$1,933.58 |
| Equipment Investment | | | | | |
| Pickup/General Use Equipment | \$25.13 | Dollars | 6.50% | \$1.63 | \$199.27 |
| Irrigation Equipment | \$182.39 | Dollars | 6.50% | \$11.86 | \$1,446.35 |
| Tractors/Self-Propelled | \$180.91 | Dollars | 6.50% | \$11.76 | \$1,434.61 |
| Implements | \$74.70 | Dollars | 6.50% | \$4.86 | \$592.39 |
| Trans Pecos Irrigated Land | 1 | Acre | \$40.00 | \$40.00 | \$4,880.00 |
| Total Fixed Costs | | | | \$140.35 | \$17,122.81 |
| Total Specified Costs | | | | \$299.89 | \$36,586.62 |
| Returns Above Specified Costs | | | | \$500.11 | \$61,013.38 |
| Breakeven Price to Cover Total Costs | | | \$59.98 | Ton | |

| Example Breakeven Prices | | | |
|--------------------------|-------------------|-------------------------|----------------------|
| Example Yield Percent | Example Yield Ton | To Cover Variable Costs | To Cover Total Costs |
| 75% | 3.75 | \$42.54 | \$79.97 |
| 90% | 4.50 | \$35.45 | \$66.64 |
| 100% | 5.00 | \$31.91 | \$59.98 |
| 110% | 5.50 | \$29.01 | \$54.53 |
| 125% | 6.25 | \$25.53 | \$47.98 |

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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.