

Projections for Planning Purposes Only -- Not to be Used without Updating
2019 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	\$22.25	\$19.80	\$2,415.91
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	\$2.99	\$39.86	\$4,862.52
Gasoline					
Pickup/General Use Equipment	1	Acre	\$9.30	\$9.30	\$1,134.04
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	\$19.42	\$19.42	\$2,368.89
Implements	1	Acre	\$12.66	\$12.66	\$1,544.43
Interest on Credit Line			6.50%	\$3.14	\$382.96
Total Variable Costs				\$174.57	\$21,297.10
Planned Returns Above Variable Costs:				\$625.43	\$76,302.90
Breakeven Price to Cover Variable Costs			\$34.91	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	\$22.78	\$22.78	\$2,779.21
Implements	1	Acre	\$16.97	\$16.97	\$2,070.03
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	\$171.15	Dollars	6.50%	\$11.12	\$1,357.22
Implements	\$79.71	Dollars	6.50%	\$5.18	\$632.10
Trans Pecos Irrigated Land	1	Acre	\$40.00	\$40.00	\$4,880.00
Total Fixed Costs				\$139.89	\$17,066.80
Total Specified Costs				\$314.46	\$38,363.90
Returns Above Specified Costs				\$485.54	\$59,236.10
Breakeven Price to Cover Total Costs			\$62.89	Ton	

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	3.75	\$46.55	\$83.86
90%	4.50	\$38.79	\$69.88
100%	5.00	\$34.91	\$62.89
110%	5.50	\$31.74	\$57.17
125%	6.25	\$27.93	\$50.31

Developed by Rob Hogan, Associate Professor and Extension Economist, Texas A&M AgriLife Extension, 830-278-9151.

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.