

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2018 Estimated Costs and Returns per Acre
Sorghum Hay (2 Cuttings)
Coastal Bend Extension District - 11

Crop Acres	100					Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Sorghum Hay	8.00	Roll	\$40.00	\$320.00	\$32,000.00	
Total Revenue				\$320.00	\$32,000.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total	
Production Costs						
Seed						
Sorghum Hay Seed	45	Pound	\$0.75	\$33.75	\$3,375.00	
Fertilizer						
30-20-40	2	Acre	\$30.91	\$61.82	\$6,182.00	
Custom						
Custom Spread Truck	2	Acre	\$5.50	\$11.00	\$1,100.00	
Miscellaneous						
Hay Wrap	8	Bale	\$1.43	\$11.44	\$1,144.00	
Soil Test	1	Acre	\$0.20	\$0.20	\$20.00	
Machinery Labor						
Tractors/Self-Propelled	2.06	Hour	\$19.50	\$40.17	\$4,017.00	
Diesel Fuel						
Tractors/Self-Propelled	12.16	Gallon	\$2.30	\$27.97	\$2,796.80	
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$16.62	\$16.62	\$1,661.53	
Implements	1	Acre	\$13.22	\$13.22	\$1,321.76	
Interest on Credit Line			5.50%	\$4.78	\$477.67	
Total Variable Costs				\$220.96	\$22,095.76	
Planned Returns Above Variable Costs:				\$99.04	\$9,904.24	
Breakeven Price to Cover Variable Costs			\$27.62	Roll		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total	
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$15.60	\$15.60	\$1,559.71	
Implements	1	Acre	\$17.34	\$17.34	\$1,734.49	
Equipment Investment						
Tractors/Self-Propelled	\$121.51	Dollars	6.00%	\$7.29	\$729.04	
Implements	\$97.40	Dollars	6.00%	\$5.84	\$584.38	
Land - Hay Meadow	1	Acre	\$25.00	\$25.00	\$2,500.00	
Total Fixed Costs				\$71.08	\$7,107.61	
Total Specified Costs				\$292.03	\$29,203.38	
Returns Above Specified Costs				\$27.97	\$2,796.62	
Breakeven Price to Cover Total Costs			\$36.50	Roll		

Example Breakeven Prices			
Example Yield Percent	Example Yield Roll	To Cover Variable Costs	To Cover Total Costs
75%	6.00	\$36.83	\$48.67
90%	7.20	\$30.69	\$40.56
100%	8.00	\$27.62	\$36.50
110%	8.80	\$25.11	\$33.19
125%	10.00	\$22.10	\$29.20

Developed by Extension Economists, Texas A&M AgriLife Extension Service, budgets@tamu.edu.

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.