

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2018 Estimated Costs and Returns per Acre
Sorghum for Hay
North Texas Extension District - 4

Crop Acres		100			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Sorghum Hay	5.00	Roll	\$75.00	\$375.00	\$37,500.00
Total Revenue				\$375.00	\$37,500.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Custom Bale	5	Roll	\$28.00	\$140.00	\$14,000.00
Custom Haul	5	Roll	\$3.30	\$16.50	\$1,650.00
Fertilizer					
18-46-0	100	Pounds	\$0.36	\$36.00	\$3,600.00
82-0-0	100	Pounds	\$0.44	\$44.00	\$4,400.00
Seed					
Forage Sorghum Seed	50	Pounds	\$0.75	\$37.50	\$3,750.00
Machinery Labor					
Tractors/Self-Propelled	0.75	Hour	\$10.00	\$7.50	\$750.00
Diesel Fuel					
Tractors/Self-Propelled	3.8	Gallon	\$2.50	\$9.50	\$950.00
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$6.20	\$6.20	\$620.09
Implements	1	Acre	\$19.71	\$19.71	\$1,971.41
Interest on Credit Line			4.75%	\$4.70	\$470.38
Total Variable Costs				\$321.62	\$32,161.89
Planned Returns Above Variable Costs:				\$53.38	\$5,338.11
Breakeven Price to Cover Variable Costs			\$64.32	Roll	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$5.84	\$5.84	\$583.95
Implements	1	Acre	\$23.12	\$23.12	\$2,312.21
Equipment Investment					
Tractors/Self-Propelled	\$45.49	Dollars	6.00%	\$2.73	\$272.95
Implements	\$100.77	Dollars	6.00%	\$6.05	\$604.62
Rent-Dryland Crop	1	Acre	\$25.00	\$25.00	\$2,500.00
Total Fixed Costs				\$62.74	\$6,273.71
Total Specified Costs				\$384.36	\$38,435.61
Returns Above Specified Costs				(\$9.36)	(\$935.61)
Breakeven Price to Cover Total Costs			\$76.87	Roll	

Example Breakeven Prices			
Example Yield Percent	Example Yield Roll	To Cover Variable Costs	To Cover Total Costs
75%	3.75	\$85.77	\$102.49
90%	4.50	\$71.47	\$85.41
100%	5.00	\$64.32	\$76.87
110%	5.50	\$58.48	\$69.88
125%	6.25	\$51.46	\$61.50

Developed by Blake Bennet, Associate Professor and Extension Economist, Texas A&M AgriLife Extension Service, 972-952-9273.

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.