## 2016 Estimated Costs and Returns per Acre

**Sorghum Hay (2 Cuttings) - 100 Acres**

**Coastal Bend Extension District - 11**

### Crop Acres

<table>
<thead>
<tr>
<th>REVENUE</th>
<th>Quantity</th>
<th>Units</th>
<th>$/Unit</th>
<th>Total</th>
<th>Enterprise</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sorghum Hay</td>
<td>8.00</td>
<td>Roll</td>
<td>$40.00</td>
<td>$320.00</td>
<td>$32,000.00</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>0.00</td>
<td></td>
<td></td>
<td>$320.00</td>
<td>$32,000.00</td>
</tr>
</tbody>
</table>

### VARIABLE COSTS

#### Production Costs

**Seed**
- Sorghum Hay Seed: 45 Pound, $0.75, $33.75, $3,375.00
- Fertilizer: 30-20-40, 2 Acre, $43.60, $87.20, $8,720.00

**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: 2.13 Hour, $19.50, $41.54, $4,153.50

**Diesel Fuel**
- Tractors/Self-Propelled: 12.16 Gallon, $2.10, $25.45, $2,553.60

**Repairs & Maintenance**
- Tractors/Self-Propelled: 1 Acre, $12.34, $12.34, $1,233.54
- Implements: 1 Acre, $10.62, $10.62, $1,061.88

**Interest on Credit Line**
- 4.25%, $3.41, $340.82

**Total Variable Costs**
- $237.02, $23,702.35

### Planned Returns Above Variable Costs:
- $82.98, $8,297.65

**Breakeven Price to Cover Variable Costs**
- $29.63, Roll

### FIXED COSTS

#### Machinery Depreciation
- Tractors/Self-Propelled: 1 Acre, $11.64, $11.64, $1,164.14
- Implements: 1 Acre, $13.06, $13.06, $1,306.21

#### Equipment Investment
- Tractors/Self-Propelled: $90.69 Dollars, 7.00%, $6.35, $634.83
- Implements: $68.91 Dollars, 7.00%, $4.82, $482.34

**Land - Hay Meadow**
- 1 Acre, $25.00, $25.00, $2,500.00

**Total Fixed Costs**
- $60.88, $6,087.52

**Total Specified Costs**
- $297.90, $29,799.87

### Returns Above Specified Costs
- $22.10, $2,210.13

**Breakeven Price to Cover Total Costs**
- $37.24, Roll

### Example Breakeven Prices

<table>
<thead>
<tr>
<th>Example Yield Percent</th>
<th>Example Yield Roll</th>
<th>Price Needed to Cover Your Variable Costs</th>
<th>Price Needed to Cover Your Total Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>75%</td>
<td>6.00</td>
<td>$39.50</td>
<td>$49.65</td>
</tr>
<tr>
<td>90%</td>
<td>7.20</td>
<td>$32.92</td>
<td>$41.37</td>
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<tr>
<td>100%</td>
<td>8.00</td>
<td>$29.63</td>
<td>$37.24</td>
</tr>
<tr>
<td>110%</td>
<td>8.80</td>
<td>$26.93</td>
<td>$33.85</td>
</tr>
<tr>
<td>125%</td>
<td>10.00</td>
<td>$23.70</td>
<td>$29.79</td>
</tr>
</tbody>
</table>

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.