

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2017 Estimated Costs and Returns per Acre
Sorghum for Hay - 100 Acres
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	\$3.50	\$13.30	\$1,330.00
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$6.51	\$6.51	\$651.49
Implements	1	Acre	\$18.72	\$18.72	\$1,871.81
Interest on Credit Line			4.75%	\$4.56	\$456.03
Total Variable Costs				\$324.59	\$32,459.32
Planned Returns Above Variable Costs:				\$50.41	\$5,040.68
Breakeven Price to Cover Variable Costs			\$64.92	Roll	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$6.12	\$6.12	\$612.21
Implements	1	Acre	\$22.00	\$22.00	\$2,200.27
Equipment Investment					
Tractors/Self-Propelled	\$47.69	Dollars	6.00%	\$2.86	\$286.16
Implements	\$95.98	Dollars	6.00%	\$5.76	\$575.89
Rent-Dryland Crop	1	Acre	\$25.00	\$25.00	\$2,500.00
Total Fixed Costs				\$61.75	\$6,174.53
Total Specified Costs				\$386.34	\$38,633.85
Returns Above Specified Costs				(\$11.34)	(\$1,133.85)
Breakeven Price to Cover Total Costs			\$77.27	Roll	

Example Breakeven Prices			
Example Yield Percent	Example Yield Roll	To Cover Variable Costs	To Cover Total Costs
75%	3.75	\$86.56	\$103.02
90%	4.50	\$72.13	\$85.85
100%	5.00	\$64.92	\$77.27
110%	5.50	\$59.02	\$70.24
125%	6.25	\$51.93	\$61.81

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.