

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2019 Estimated Costs and Returns per Acre
Sorghum Hay (2 Cuttings)
Coastal Bend Extension District - 11

Crop Acres	100				
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Sorghum Hay	8.00	Roll	\$65.00	\$520.00	\$52,000.00
Total Revenue				\$520.00	\$52,000.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Seed					
Sorghum Hay Seed	15	Pound	\$0.75	\$11.25	\$1,125.00
Fertilizer					
24-8-0	0.2705	Ton	\$266.00	\$71.95	\$7,195.30
Custom					
Custom Spread Truck	2	Acre	\$7.50	\$15.00	\$1,500.00
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	\$2.46	\$29.91	\$2,991.36
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$16.52	\$16.52	\$1,651.96
Implements	1	Acre	\$14.94	\$14.94	\$1,493.71
Interest on Credit Line			6.75%	\$5.65	\$565.07
Total Variable Costs				\$217.03	\$21,703.40
Planned Returns Above Variable Costs:				\$302.97	\$30,296.60
Breakeven Price to Cover Variable Costs			\$27.13	Roll	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$15.43	\$15.43	\$1,542.81
Implements	1	Acre	\$19.53	\$19.53	\$1,953.15
Equipment Investment					
Tractors/Self-Propelled	\$120.19	Dollars	6.00%	\$7.21	\$721.14
Implements	\$112.74	Dollars	6.00%	\$6.76	\$676.46
Land - Hay Meadow	1	Acre	\$25.00	\$25.00	\$2,500.00
Total Fixed Costs				\$73.94	\$7,393.54
Total Specified Costs				\$290.97	\$29,096.94
Returns Above Specified Costs				\$229.03	\$22,903.06
Breakeven Price to Cover Total Costs			\$36.37	Roll	

Example Breakeven Prices			
Example Yield Percent	Example Yield Roll	To Cover Variable Costs	To Cover Total Costs
75%	6.00	\$36.17	\$48.49
90%	7.20	\$30.14	\$40.41
100%	8.00	\$27.13	\$36.37
110%	8.80	\$24.66	\$33.06
125%	10.00	\$21.70	\$29.10

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.