

**Projections for Planning Purposes Only -- *Not to be Used without Updating***  
**2020 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
<b>Total Revenue</b>				<b>\$375.00</b>	<b>\$37,500.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>					
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	\$6.12	\$6.12	\$612.06
Implements	1	Acre	\$21.72	\$21.72	\$2,172.25
Interest on Credit Line			4.75%	\$4.75	\$474.94
<b>Total Variable Costs</b>				<b>\$323.59</b>	<b>\$32,359.25</b>
Planned Returns Above Variable Costs:				\$51.41	\$5,140.75
Breakeven Price to Cover Variable Costs			\$64.72	Roll	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$5.77	\$5.77	\$577.41
Implements	1	Acre	\$25.54	\$25.54	\$2,553.95
Equipment Investment					
Tractors/Self-Propelled	\$44.98	Dollars	6.00%	\$2.70	\$269.89
Implements	\$111.11	Dollars	6.00%	\$6.67	\$666.66
Rent-Dryland Crop	1	Acre	\$25.00	\$25.00	\$2,500.00
<b>Total Fixed Costs</b>				<b>\$65.68</b>	<b>\$6,567.92</b>
<b>Total Specified Costs</b>				<b>\$389.27</b>	<b>\$38,927.16</b>
Returns Above Specified Costs				<b>(\$14.27)</b>	<b>(\$1,427.16)</b>
<b>Breakeven Price to Cover Total Costs</b>			<b>\$77.85</b>	Roll	

Example Breakeven Prices			
Example Yield Percent	Example Yield Roll	To Cover Variable Costs	To Cover Total Costs
75%	3.75	\$86.29	\$103.81
90%	4.50	\$71.91	\$86.50
100%	5.00	\$64.72	\$77.85
110%	5.50	\$58.83	\$70.78
125%	6.25	\$51.77	\$62.28

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.**