

Projections for Planning Purposes Only -- Not to be Used without Updating
2021 Estimated Costs and Returns per Acre
Non-Irrigated Sorghum Haygrazer, 3 ton yield
West Central Extension District - 7

Crop Acres	50				
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Hay, 1200# BRB	3.00	Ton	\$145.00	\$435.00	\$21,750.00
Total Revenue				\$435.00	\$21,750.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Fertilizer					
Nitrogen Dry-Urea	40	Pounds	\$0.40	\$16.09	\$804.40
Herbicide					
Husky	12	Ounce	\$0.89	\$10.64	\$532.03
Custom					
Soil Test-Dryland	1	Each	\$0.25	\$0.25	\$12.50
Swath, Rake and Bale	5	Bale	\$29.58	\$147.90	\$7,395.00
Seed					
Forage Sorghum	15	Pound	\$1.79	\$26.85	\$1,342.50
Insecticide					
Transform	1	Ounce	\$7.78	\$7.78	\$389.06
Machinery Labor					
Tractors/Self-Propelled	0.93	Hour	\$15.00	\$13.95	\$697.50
Diesel Fuel					
Tractors/Self-Propelled	7.53	Gallon	\$1.50	\$11.30	\$564.75
Gasoline					
Pickup/General Use Equipment	1	Acre	\$4.09	\$4.09	\$204.48
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$2.19	\$2.19	\$109.50
Tractors/Self-Propelled	1	Acre	\$19.52	\$19.52	\$975.90
Implements	1	Acre	\$12.11	\$12.11	\$605.48
Interest on Credit Line			4.55%	\$2.10	\$104.92
Total Variable Costs				\$274.76	\$13,738.03
Planned Returns Above Variable Costs:				\$160.24	\$8,011.97
Breakeven Price to Cover Variable Costs			\$91.59	Ton	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$4.64	\$4.64	\$232.20
Tractors/Self-Propelled	1	Acre	\$21.17	\$21.17	\$1,058.75
Implements	1	Acre	\$15.78	\$15.78	\$788.97
Equipment Investment					
Pickup/General Use Equipment	\$25.74	Dollars	5.50%	\$1.42	\$70.79
Tractors/Self-Propelled	\$164.46	Dollars	5.50%	\$9.05	\$452.25
Implements	\$67.91	Dollars	5.50%	\$3.73	\$186.74
Rent-Dryland Crop	1	Acre	\$35.00	\$35.00	\$1,750.00
Total Fixed Costs				\$90.79	\$4,539.70
Total Specified Costs				\$365.55	\$18,277.73
Returns Above Specified Costs				\$69.45	\$3,472.27
Breakeven Price to Cover Total Costs			\$121.85	Ton	

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	2.25	\$122.12	\$162.47
90%	2.70	\$101.76	\$135.39
100%	3.00	\$91.59	\$121.85
110%	3.30	\$83.26	\$110.77
125%	3.75	\$73.27	\$97.48

Developed by Bill Thompson, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension Service, 325-653-4576.

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.