

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2025 Estimated Costs and Returns per Acre
Sorghum Hay (2 Cuttings)
Coastal Bend Extension District - 11

Crop Acres	100					Enterprise
REVENUE	Quantity	Units	\$/Unit	Total		Total
Sorghum Hay	8.00	Roll	\$75.00	\$600.00		\$60,000.00
Total Revenue				\$600.00		\$60,000.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total		Enterprise Total
Production Costs						
Seed				\$45		
Sorghum Hay Seed	15	Pound	\$3.00	\$45.00		\$4,500.00
Fertilizer				\$93.32		
24-8-0	0.2705	Ton	\$345.00	\$93.32		\$9,332.25
Custom				\$31.16		
Custom Spread Truck	2	Acre	\$15.58	\$31.16		\$3,116.40
Miscellaneous				\$27.7		
Hay Wrap	8	Bale	\$3.40	\$27.20		\$2,720.00
Soil Test	1	Acre	\$0.50	\$0.50		\$50.00
Machinery Labor				\$24.48		
Tractors/Self-Propelled	1.53	Hour	\$16.00	\$24.48		\$2,448.00
Diesel Fuel				\$25.41		
Tractors/Self-Propelled	8.47	Gallon	\$3.00	\$25.41		\$2,541.00
Repairs & Maintenance				\$23.52		
Tractors/Self-Propelled	1	Acre	\$12.55	\$12.55		\$1,255.38
Implements	1	Acre	\$10.97	\$10.97		\$1,096.60
Interest on Credit Line			8.60%	\$9.24		\$923.88
Total Variable Costs				\$279.84		\$27,983.51
Planned Returns Above Variable Costs:				\$320.16		\$32,016.49
Breakeven Price to Cover Variable Costs			\$34.98	Roll		
FIXED COSTS	Quantity	Units	\$/Unit	Total		Enterprise Total
Machinery Depreciation				\$27.13		
Tractors/Self-Propelled	1	Acre	\$11.57	\$11.57		\$1,156.78
Implements	1	Acre	\$15.57	\$15.57		\$1,556.61
Equipment Investment				\$16.26		
Tractors/Self-Propelled	\$90.12	Dollars	8.60%	\$7.75		\$775.01
Implements	\$98.96	Dollars	8.60%	\$8.51		\$851.07
Land - Hay Meadow	1	Acre	\$25.00	\$25.00		\$2,500.00
Total Fixed Costs				\$68.39		\$6,839.46
Total Specified Costs				\$348.23		\$34,822.97
Returns Above Specified Costs				\$251.77		\$25,177.03
Breakeven Price to Cover Total Costs			\$43.53	Roll		

Example Breakeven Prices			
Example Yield Percent	Example Yield Roll	To Cover Variable Costs	To Cover Total Costs
75%	6.00	\$46.64	\$58.04
90%	7.20	\$38.87	\$48.37
100%	8.00	\$34.98	\$43.53
110%	8.80	\$31.80	\$39.57
125%	10.00	\$27.98	\$34.82

Developed by Yuri Calil, Assistant Professor & Extension Economist, Texas A&M AgriLife Extension, 361-265-9203.

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.