

Projections for Planning Purposes Only -- Not to be Used without Updating
2014 Estimated Costs and Returns per Acre
Rotation, Sorghum-Fallow-Wheat, Minimum Till, Wheat with Grazing - 160 Acres
Panhandle Extension District - 1

Crop Acres		160				Enterprise
REVENUE		Quantity	Units	\$/Unit	Total	Total
Wheat		26.00	Bushel	\$6.58	\$171.08	\$27,372.80
Grazing - Wheat		73.00	Pound	\$0.60	\$43.80	\$7,008.00
Total Revenue					\$214.88	\$34,380.80
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Seed						
Seed - Wheat		1	Bushel	\$23.80	\$23.80	\$3,808.53
Fertilizer						
Fertilizer (N) - Dry		30	Pound	\$0.47	\$14.10	\$2,256.00
Custom						
Fertilizer Application		1	Acre	\$5.50	\$5.50	\$880.00
Custom Harvest - Wheat		1	Acre	\$22.05	\$22.05	\$3,528.00
Custom Haul - Wheat		26	Bushel	\$0.22	\$5.72	\$915.20
Machinery Labor						
Tractors/Self-Propelled		0.43	Hour	\$11.75	\$5.05	\$808.40
Diesel Fuel						
Tractors/Self-Propelled		0.55	Gallon	\$3.28	\$1.80	\$288.64
Gasoline						
Pickup/General Use Equipment		1	Acre	\$6.60	\$6.60	\$1,056.25
Repairs & Maintenance						
Pickup/General Use Equipment		1	Acre	\$2.49	\$2.49	\$397.80
Tractors/Self-Propelled		1	Acre	\$2.24	\$2.24	\$357.86
Implements		1	Acre	\$5.58	\$5.58	\$892.20
Interest on Credit Line				4.75%	\$1.33	\$212.73
Total Variable Costs					\$96.26	\$15,401.61
Planned Returns Above Variable Costs:					\$118.62	\$18,979.19
Breakeven Price to Cover Variable Costs					\$2.02	Bushel
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
Pickup/General Use Equipment		1	Acre	\$2.61	\$2.61	\$417.69
Tractors/Self-Propelled		1	Acre	\$1.85	\$1.85	\$295.83
Implements		1	Acre	\$7.17	\$7.17	\$1,147.11
Equipment Investment						
Pickup/General Use Equipment		\$31.08	Dollars	5.25%	\$1.63	\$261.06
Tractors/Self-Propelled		\$20.88	Dollars	5.25%	\$1.10	\$175.35
Implements		\$55.76	Dollars	5.25%	\$2.93	\$468.40
Cash Rent - Wheat Dryland		1	Acre	\$30.00	\$30.00	\$4,800.00
Total Fixed Costs					\$47.28	\$7,565.45
Total Specified Costs					\$143.54	\$22,967.06
Returns Above Specified Costs					\$71.34	\$11,413.74
Breakeven Price to Cover Total Costs					\$3.84	Bushel

Example Breakeven Prices						
Example Yield Percent	Example Yield Bushel	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	Share/Tenant	Own/Rent	Share/Tenant	Landlord
75%	19.50	\$2.69	\$2.69	\$5.12	\$5.12	\$0.00
90%	23.40	\$2.24	\$2.24	\$4.26	\$4.26	\$0.00
100%	26.00	\$2.02	\$2.02	\$3.84	\$3.84	\$0.00
110%	28.60	\$1.83	\$1.83	\$3.49	\$3.49	\$0.00
125%	32.50	\$1.61	\$1.61	\$3.07	\$3.07	\$0.00

Developed by Steve Amosson, Regents Fellow, Professor and Extension Economist, Texas A&M AgriLife Extension.

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.