

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2015 Estimated Costs and Returns per Acre
Rotation, Sorghum-Fallow-Wheat, Minimum Till, Fallow - 160 Acres
Panhandle Extension District - 1

Crop Acres		160				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total		Total
Total Revenue				\$0.00		\$0.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total		Enterprise
Production Costs						
Herbicide						
Herbicide and Apply Fallow	2	Acre	\$11.45	\$22.90		\$3,664.00
Machinery Labor						
Tractors/Self-Propelled	0.27	Hour	\$11.75	\$3.17		\$507.60
Diesel Fuel						
Tractors/Self-Propelled	0.95	Gallon	\$3.30	\$3.14		\$501.60
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$1.84	\$1.84		\$294.27
Implements	1	Acre	\$2.62	\$2.62		\$419.46
Interest on Credit Line			4.90%	\$0.81		\$130.31
Total Variable Costs				<u>\$34.48</u>		<u>\$5,517.24</u>
Planned Returns Above Variable Costs:						
Breakeven Price to Cover Variable Costs			n/a			
					(\$34.48)	(\$5,517.24)
FIXED COSTS	Quantity	Units	\$/Unit	Total		Enterprise
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$1.90	\$1.90		\$304.08
Implements	1	Acre	\$2.95	\$2.95		\$471.90
Equipment Investment						
Tractors/Self-Propelled	\$21.46	Dollars	5.40%	\$1.16		\$185.39
Implements	\$22.94	Dollars	5.40%	\$1.24		\$198.20
Cash Rent - Wheat Dryland	1	Acre	\$28.50	\$28.50		\$4,560.00
Total Fixed Costs				<u>\$35.75</u>		<u>\$5,719.56</u>
Total Specified Costs				<u>\$70.23</u>		<u>\$11,236.80</u>
Returns Above Specified Costs					(\$70.23)	(\$11,236.80)
Breakeven Price to Cover Total Costs			n/a			

Example Breakeven Prices						
Example Yield Percent	Example Yield	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
90%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
100%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
110%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
125%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$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.