

Projections for Planning Purposes Only -- Not to be Used without Updating
2015 Estimated Costs and Returns per Acre
Hard Red Spring Wheat, Irrigated, 60 bu. Yield Goal - 505 Acres
Lower Coastal Bend Extension District - 11

Crop Acres		505			Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total	Enterprise
Hard Red Spring Wheat	60.00	Bushel	\$5.90	\$354.00	\$178,770.00	
Total Revenue				\$354.00	\$178,770.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Custom						
Fertilizer Application	1	CWT	\$0.10	\$0.10	\$50.50	
Custom Haul - Wheat	60	Bushel	\$0.21	\$12.60	\$6,363.00	
Fertilizer						
24-8-0 LC	0.125	Ton	\$325.00	\$40.63	\$20,515.63	
Herbicide						
2, 4D	0	Pound	\$4.00	\$0.00	\$0.00	
Glyphosate (Generic)	1	Quart	\$4.04	\$4.04	\$2,040.20	
Insecticide						
Wheat Insect Control	1.5	Pint	\$8.16	\$12.24	\$6,181.20	
Seed						
HRS Wheat Seed	90	Pound	\$0.44	\$39.60	\$19,998.00	
Miscellaneous						
Pickup Milage Charge	1	Acre	\$3.88	\$3.88	\$1,959.40	
Crop Insurance -Wheat LC	1	Acre	\$8.50	\$8.50	\$4,292.50	
Irrigation						
Energy Cost	10.00	AcreInch	\$2.10	\$21.00	\$10,605.00	
Irrigation Labor	1.50	Hour	\$19.50	\$29.25	\$14,771.25	
Machinery Labor						
Tractors/Self-Propelled	0.56	Hour	\$19.50	\$10.92	\$5,514.60	
Diesel Fuel						
Tractors/Self-Propelled	7.03	Gallon	\$3.30	\$23.20	\$11,715.50	
Repairs & Maintenance						
Irrigation Equipment	1	Acre	\$25.08	\$25.08	\$12,666.67	
Tractors/Self-Propelled	1	Acre	\$32.25	\$32.25	\$16,284.69	
Implements	1	Acre	\$10.18	\$10.18	\$5,142.24	
Interest on Credit Line			5.00%	\$4.40	\$2,219.83	
Total Variable Costs				\$277.86	\$140,320.20	
Planned Returns Above Variable Costs:				\$76.14	\$38,449.80	
Breakeven Price to Cover Variable Costs			\$4.63	Bushel		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Irrigation Equipment	1	Acre	\$28.18	\$28.18	\$14,233.33	
Tractors/Self-Propelled	1	Acre	\$31.08	\$31.08	\$15,693.21	
Implements	1	Acre	\$12.36	\$12.36	\$6,240.72	
Equipment Investment						
Irrigation Equipment	\$574.26	Dollars	7.00%	\$40.20	\$20,300.00	
Tractors/Self-Propelled	\$354.04	Dollars	7.00%	\$24.78	\$12,515.46	
Implements	\$117.43	Dollars	7.00%	\$8.22	\$4,151.04	
LCB - Land Charge	1	Acre	\$70.00	\$70.00	\$35,350.00	
Total Fixed Costs				\$214.82	\$108,483.76	
Total Specified Costs				\$492.68	\$248,803.96	
Returns Above Specified Costs				(\$138.68)	(\$70,033.96)	
Breakeven Price to Cover Total Costs			\$8.21	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	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	45.00	\$6.17	\$6.17	\$10.95	\$10.95	\$0.00
90%	54.00	\$5.15	\$5.15	\$9.12	\$9.12	\$0.00
100%	60.00	\$4.63	\$4.63	\$8.21	\$8.21	\$0.00
110%	66.00	\$4.21	\$4.21	\$7.46	\$7.46	\$0.00
125%	75.00	\$3.70	\$3.70	\$6.57	\$6.57	\$0.00

Developed by Levi Russell, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension Service.

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.