

Projections for Planning Purposes Only -- Not to be Used without Updating
2015 Estimated Costs and Returns per Acre
Soft Red Winter Wheat, 45 bu. Yield Goal - 500 Acres
Upper Coastal Bend Extension District - 11

Crop Acres		500			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Soft Red Wheat	45.00	Bushel	\$5.65	\$254.25	\$127,125.00
Total Revenue				\$254.25	\$127,125.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Seed					
Soft Red Wheat	90	Pound	\$0.34	\$30.60	\$15,300.00
Fertilizer					
18-18-18	159	Pounds	\$0.23	\$35.78	\$17,887.50
46-0-0	100	Pounds	\$0.23	\$23.00	\$11,500.00
Custom					
Fertilizer Application UC	2	Acre	\$5.50	\$11.00	\$5,500.00
Apply by Air	1	Acre	\$6.00	\$6.00	\$3,000.00
Custom Grain Haul	27	CWT	\$0.30	\$8.10	\$4,050.00
Miscellaneous					
Crop Insurance -Wheat UC	1	Acre	\$16.50	\$16.50	\$8,250.00
Hand Labor	0.0833	Hour	\$13.75	\$1.15	\$572.69
G&A Overhead	1	Acre	\$10.50	\$10.50	\$5,250.00
Herbicide					
Wheat PostEmerge Herbicide	0.5	Ounce	\$10.43	\$5.22	\$2,607.50
Machinery Labor					
Tractors/Self-Propelled	0.65	Hour	\$19.50	\$12.68	\$6,337.50
Diesel Fuel					
Tractors/Self-Propelled	7.08	Gallon	\$3.30	\$23.36	\$11,682.00
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$20.64	\$20.64	\$10,321.58
Implements	1	Acre	\$11.76	\$11.76	\$5,878.82
Interest on Credit Line			5.00%	\$6.09	\$3,045.70
Total Variable Costs				\$222.37	\$111,183.29
Planned Returns Above Variable Costs:				\$31.88	\$15,941.71
Breakeven Price to Cover Variable Costs			\$4.94	Bushel	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$19.81	\$19.81	\$9,903.33
Implements	1	Acre	\$14.14	\$14.14	\$7,070.89
Equipment Investment					
Tractors/Self-Propelled	\$224.79	Dollars	7.00%	\$15.74	\$7,867.60
Implements	\$131.30	Dollars	7.00%	\$9.19	\$4,595.57
Management Fee, Owner/Operator Labor	1	Acre	\$12.71	\$12.71	\$6,356.25
UCB - Land Charge	1	Acre	\$85.00	\$85.00	\$42,500.00
Total Fixed Costs				\$156.59	\$78,293.64
Total Specified Costs				\$378.95	\$189,476.93
Returns Above Specified Costs				(\$124.70)	(\$62,351.93)
Breakeven Price to Cover Total Costs			\$8.42	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%	33.75	\$6.59	\$6.59	\$11.23	\$11.23	\$0.00
90%	40.50	\$5.49	\$5.49	\$9.36	\$9.36	\$0.00
100%	45.00	\$4.94	\$4.94	\$8.42	\$8.42	\$0.00
110%	49.50	\$4.49	\$4.49	\$7.66	\$7.66	\$0.00
125%	56.25	\$3.95	\$3.95	\$6.74	\$6.74	\$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.