

Projections for Planning Purposes Only -- Not to be Used without Updating
2015 Estimated Costs and Returns per Acre
Malting Barley - 200 Acres
Central Texas Extension District - 8

Crop Acres		200				Enterprise
REVENUE		Quantity	Units	\$/Unit	Total	Total
Malting Barley		60.00	Bushel	\$7.00	\$420.00	\$84,000.00
Total Revenue					\$420.00	\$84,000.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Custom						
	Custom Combine	1	Acre	\$25.00	\$25.00	\$5,000.00
	Custom Hauling Barley	60	Bushel	\$0.24	\$14.40	\$2,880.00
Fertilizer						
	46-0-0	106	Pound	\$0.60	\$63.60	\$12,720.00
Insecticide						
	Insecticide Greenbug	1	Acre	\$4.50	\$4.50	\$900.00
Seed						
	Barley Seed	50	Pound	\$0.35	\$17.50	\$3,500.00
Miscellaneous						
	Insurance - Barley 65%	1	Acre	\$7.00	\$7.00	\$1,400.00
	Insurance - Barley SCO	1	Acre	\$2.00	\$2.00	\$400.00
Herbicide						
	Weed Burndown	10	Ounce	\$0.24	\$2.40	\$480.00
	Peak	0.45	Ounce	\$15.00	\$6.75	\$1,350.00
Machinery Labor						
	Tractors/Self-Propelled	0.91	Hour	\$10.00	\$9.10	\$1,820.00
Diesel Fuel						
	Tractors/Self-Propelled	5.95	Gallon	\$2.65	\$15.77	\$3,153.50
Repairs & Maintenance						
	Tractors/Self-Propelled	1	Acre	\$9.54	\$9.54	\$1,907.51
	Implements	1	Acre	\$12.39	\$12.39	\$2,477.97
	Interest on Credit Line			4.75%	\$3.19	\$638.99
Total Variable Costs					\$193.14	\$38,627.98
Planned Returns Above Variable Costs:					\$226.86	\$45,372.02
Breakeven Price to Cover Variable Costs				\$3.22	Bushel	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
	Tractors/Self-Propelled	1	Acre	\$9.86	\$9.86	\$1,971.10
	Implements	1	Acre	\$14.54	\$14.54	\$2,908.94
Equipment Investment						
	Tractors/Self-Propelled	\$111.27	Dollars	6.00%	\$6.68	\$1,335.26
	Implements	\$117.71	Dollars	6.00%	\$7.06	\$1,412.53
	Dryland Crop Rent	1	Acre	\$30.00	\$30.00	\$6,000.00
Total Fixed Costs					\$68.14	\$13,627.83
Total Specified Costs					\$261.28	\$52,255.81
Returns Above Specified Costs					\$158.72	\$31,744.19
Breakeven Price to Cover Total Costs				\$4.35	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%	45.00	\$4.29	\$4.29	\$5.81	\$5.81	\$0.00
90%	54.00	\$3.58	\$3.58	\$4.84	\$4.84	\$0.00
100%	60.00	\$3.22	\$3.22	\$4.35	\$4.35	\$0.00
110%	66.00	\$2.93	\$2.93	\$3.96	\$3.96	\$0.00
125%	75.00	\$2.58	\$2.58	\$3.48	\$3.48	\$0.00

Developed by Jason Johnson, Associate 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.