

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2016 Estimated Costs and Returns per Acre
Hard Red Spring Wheat, Dryland, 35 bu. Yield Goal - 500 Acres
Coastal Bend Extension District - 11

Crop Acres		500			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Hard Red Spring Wheat	35.00	Bushel	\$4.95	\$173.25	\$86,625.00
Total Revenue				\$173.25	\$86,625.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Fertilizer Application	1	CWT	\$0.10	\$0.10	\$50.00
Custom Haul - Wheat	35	Bushel	\$0.21	\$7.35	\$3,675.00
Fertilizer					
24-8-0	0.1	Ton	\$332.00	\$33.20	\$16,600.00
Herbicide					
Glyphosate (Generic)	1	Quart	\$4.00	\$4.00	\$2,000.00
Affinity	0.5	Ounce	\$11.20	\$5.60	\$2,800.00
Insecticide					
Wheat Insect Control	1.5	Pint	\$9.00	\$13.50	\$6,750.00
Miscellaneous					
Pickup Milage Charge	1	Acre	\$3.88	\$3.88	\$1,940.00
Crop Insurance -Wheat LC	1	Acre	\$14.00	\$14.00	\$7,000.00
Seed					
HRS Wheat Seed	90	Pound	\$0.44	\$39.60	\$19,800.00
Other Labor					
Hand Labor	0.018	Hour	\$16.00	\$0.29	\$144.00
Machinery Labor					
Tractors/Self-Propelled	0.56	Hour	\$19.50	\$10.92	\$5,460.00
Diesel Fuel					
Tractors/Self-Propelled	6.47	Gallon	\$2.10	\$13.59	\$6,793.50
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$20.76	\$20.76	\$10,379.03
Implements	1	Acre	\$10.18	\$10.18	\$5,091.33
Interest on Credit Line			4.25%	\$3.66	\$1,831.25
Total Variable Costs				\$180.63	\$90,314.11
Planned Returns Above Variable Costs:					
Breakeven Price to Cover Variable Costs			\$5.16	Bushel	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$22.27	\$22.27	\$11,136.70
Implements	1	Acre	\$12.36	\$12.36	\$6,178.93
Equipment Investment					
Tractors/Self-Propelled	\$169.38	Dollars	7.00%	\$11.86	\$5,928.24
Implements	\$68.26	Dollars	7.00%	\$4.78	\$2,388.99
Management Fee, Owner/Operator Labor	1	Acre	\$8.66	\$8.66	\$4,331.25
LCB - Land Charge	1	Acre	\$70.00	\$70.00	\$35,000.00
Total Fixed Costs				\$129.93	\$64,964.11
Total Specified Costs				\$310.56	\$155,278.22
Returns Above Specified Costs					
Breakeven Price to Cover Total Costs			\$8.87	Bushel	

Example Breakeven Prices			
Example Yield Percent	Example Yield Bushel	Price Needed to Cover Your Variable Costs	Price Needed to Cover Your Total Costs
75%	26.25	\$6.88	\$11.83
90%	31.50	\$5.73	\$9.86
100%	35.00	\$5.16	\$8.87
110%	38.50	\$4.69	\$8.07
125%	43.75	\$4.13	\$7.10

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.