

Projections for Planning Purposes Only -- Not to be Used without Updating
2016 Estimated Costs and Returns per Acre
Continuous Wheat, Sprinkler Irrigated (NG) - 122 Acres
Panhandle Extension District - 1

Crop Acres		122				Enterprise
REVENUE		Quantity	Units	\$/Unit	Total	Total
Wheat		50.00	Bushel	\$4.50	\$225.00	\$27,450.00
Grazing - Wheat		136.00	Pound	\$0.45	\$61.20	\$7,466.40
Total Revenue					\$286.20	\$34,916.40
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Seed						
Seed - Wheat		1.2	Bushel	\$24.61	\$29.54	\$3,603.60
Fertilizer						
Fertilizer (N) - ANH3		50	Pound	\$0.36	\$18.00	\$2,196.00
Fertilizer (P) - Liquid		30	Pound	\$0.90	\$27.00	\$3,294.00
Fertilizer (N) - Liquid		25	Pound	\$0.53	\$13.25	\$1,616.50
Custom						
Fertilizer Application - ANH3		1	Acre	\$12.07	\$12.07	\$1,472.92
Harvest and Haul - Wheat Irrigated		50	Bushel	\$0.63	\$31.34	\$3,823.33
Miscellaneous						
Crop Insurance Wheat Irrigated		1	Acre	\$35.00	\$35.00	\$4,270.00
Insecticide						
Insecticide and Apply Wheat		1	Acre	\$8.89	\$8.89	\$1,084.00
Irrigation						
Energy Cost		10.00	AcreInch	\$3.20	\$32.00	\$3,904.00
Irrigation Labor		0.96	Hour	\$12.16	\$11.67	\$1,424.05
Machinery Labor						
Tractors/Self-Propelled		0.87	Hour	\$11.97	\$10.41	\$1,270.22
Diesel Fuel						
Tractors/Self-Propelled		2.13	Gallon	\$1.97	\$4.20	\$511.92
Gasoline						
Pickup/General Use Equipment		1	Acre	\$4.22	\$4.22	\$515.00
Repairs & Maintenance						
Pickup/General Use Equipment		1	Acre	\$2.51	\$2.51	\$306.00
Irrigation Equipment		1	Acre	\$40.40	\$40.40	\$4,928.80
Tractors/Self-Propelled		1	Acre	\$3.22	\$3.22	\$392.74
Implements		1	Acre	\$7.79	\$7.79	\$949.88
Interest on Credit Line				5.15%	\$8.66	\$1,056.43
Total Variable Costs					\$300.16	\$36,619.37
Planned Returns Above Variable Costs:					(\$13.96)	(\$1,702.97)
Breakeven Price to Cover Variable Costs					\$4.78	Bushel
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
Pickup/General Use Equipment		1	Acre	\$2.63	\$2.63	\$321.30
Irrigation Equipment		1	Acre	\$22.50	\$22.50	\$2,745.60
Tractors/Self-Propelled		1	Acre	\$3.18	\$3.18	\$388.43
Implements		1	Acre	\$9.84	\$9.84	\$1,200.43
Equipment Investment						
Pickup/General Use Equipment		\$18.18	Dollars	5.40%	\$0.98	\$119.80
Irrigation Equipment		\$421.97	Dollars	5.40%	\$22.79	\$2,779.92
Tractors/Self-Propelled		\$24.80	Dollars	5.40%	\$1.34	\$163.40
Implements		\$42.09	Dollars	5.40%	\$2.27	\$277.30
Cash Rent - Wheat Irrigated		1	Acre	\$75.00	\$75.00	\$9,150.00
Total Fixed Costs					\$140.54	\$17,146.18
Total Specified Costs					\$440.70	\$53,765.56
Returns Above Specified Costs					(\$154.50)	(\$18,849.16)
Breakeven Price to Cover Total Costs					\$7.59	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%	37.50	\$6.37	\$10.12
90%	45.00	\$5.31	\$8.43
100%	50.00	\$4.78	\$7.59
110%	55.00	\$4.34	\$6.90
125%	62.50	\$3.82	\$6.07

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.