

Projections for Planning Purposes Only -- Not to be Used without Updating
2016 Estimated Costs and Returns per Acre
Irrigated Winter Wheat - 122 Acres
Southwest Extension District - 10

Crop Acres		122				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Winter Wheat	70.00	Bushel	\$5.73	\$401.10	\$48,934.20	\$48,934.20
Total Revenue				\$401.10	\$48,934.20	\$48,934.20
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Herbicide						
2, 4-D Amine 4	16	Ounce	\$0.12	\$1.92	\$234.24	
Seed						
Wheat Seed Public	60	Pound	\$0.18	\$10.50	\$1,281.00	
Fertilizer						
UAN(32% N)	2.8	CWT	\$16.00	\$44.80	\$5,465.60	
Fertilizer 18-46-0	87	Pound	\$0.27	\$23.49	\$2,865.78	
Custom						
Haul Wheat	70	Bushel	\$0.14	\$9.80	\$1,195.60	
Miscellaneous						
Crop Insurance - Wheat Irrigated	1	Acre	\$9.00	\$9.00	\$1,098.00	
Insecticide						
Lorsban 4E	1	Pint	\$5.03	\$5.03	\$613.66	
Fungicides						
Quilt	10.5	Ounce	\$1.86	\$19.53	\$2,382.66	
Irrigation						
Energy Cost	390.00	kWh	\$0.17	\$66.30	\$8,088.60	
Machinery Labor						
Tractors/Self-Propelled	1.14	Hour	\$12.00	\$13.68	\$1,668.96	
Diesel Fuel						
Tractors/Self-Propelled	8.04	Gallon	\$2.10	\$16.88	\$2,059.85	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$19.35	\$19.35	\$2,361.29	
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$4.84	\$4.84	\$590.37	
Irrigation Equipment	1	Acre	\$4.06	\$4.06	\$494.83	
Tractors/Self-Propelled	1	Acre	\$22.66	\$22.66	\$2,765.01	
Implements	1	Acre	\$13.86	\$13.86	\$1,691.13	
Interest on Credit Line			6.50%	\$7.21	\$880.12	
Total Variable Costs				\$292.92	\$35,736.70	
Planned Returns Above Variable Costs:				\$108.18	\$13,197.50	
Breakeven Price to Cover Variable Costs			\$4.18	Bushel		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$25.20	\$25.20	\$3,074.85	
Irrigation Equipment	1	Acre	\$34.75	\$34.75	\$4,239.44	
Tractors/Self-Propelled	1	Acre	\$24.18	\$24.18	\$2,949.84	
Implements	1	Acre	\$17.33	\$17.33	\$2,113.76	
Equipment Investment						
Pickup/General Use Equipment	\$105.02	Dollars	6.50%	\$6.83	\$832.77	
Irrigation Equipment	\$260.62	Dollars	6.50%	\$16.94	\$2,066.73	
Tractors/Self-Propelled	\$185.67	Dollars	6.50%	\$12.07	\$1,472.33	
Implements	\$81.35	Dollars	6.50%	\$5.29	\$645.10	
Irrigated Winter Garden Rent	1	Acre	\$50.00	\$50.00	\$6,100.00	
Total Fixed Costs				\$192.58	\$23,494.81	
Total Specified Costs				\$485.50	\$59,231.51	
Returns Above Specified Costs				(\$84.40)	(\$10,297.31)	
Breakeven Price to Cover Total Costs			\$6.94	Bushel		

Example Breakeven Prices			
Example	Example	Price Needed to Cover	Price Needed to Cover
Yield	Yield	Your Variable Costs	Your Total Costs
Percent	Bushel		
75%	52.50	\$5.58	\$9.25
90%	63.00	\$4.65	\$7.71
100%	70.00	\$4.18	\$6.94
110%	77.00	\$3.80	\$6.31
125%	87.50	\$3.35	\$5.55

Developed by Rob Hogan, 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.