

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2018 Estimated Costs and Returns per Acre
Rotation, Sorghum-Fallow-Wheat, Minimum Till, Wheat with Grazing
Panhandle Extension District - 1

Crop Acres		160				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total		Total
Wheat	26.00	Bushel	\$4.20	\$109.20		\$17,472.00
Grazing - Wheat	73.00	Pound	\$0.40	\$29.20		\$4,672.00
Total Revenue				\$138.40		\$22,144.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total		Enterprise
Production Costs						
Seed						
Seed - Wheat Dryland	1	Bushel	\$12.00	\$12.00		\$1,920.00
Fertilizer						
Fertilizer (N) - Dry	30	Pound	\$0.32	\$9.60		\$1,536.00
Custom						
Fertilizer Application	1	Acre	\$5.12	\$5.12		\$819.20
Custom Harvest - Wheat	1	Acre	\$25.61	\$25.61		\$4,097.60
Custom Haul - Wheat	26	Bushel	\$0.26	\$6.76		\$1,081.60
Machinery Labor						
Tractors/Self-Propelled	0.18	Hour	\$12.44	\$2.24		\$358.27
Other Labor	0.18	Hour	\$12.44	\$2.24		\$358.27
Diesel Fuel						
Tractors/Self-Propelled	0.6	Gallon	\$1.99	\$1.19		\$191.04
Gasoline						
Pickup/General Use Equipment	1	Acre	\$4.27	\$4.27		\$682.50
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$2.49	\$2.49		\$397.80
Tractors/Self-Propelled	1	Acre	\$0.77	\$0.77		\$123.98
Implements	1	Acre	\$7.99	\$7.99		\$1,279.10
Interest on Credit Line			5.74%	\$1.21		\$194.22
Total Variable Costs				\$81.50		\$13,039.59
Planned Returns Above Variable Costs:				\$56.90		\$9,104.41
Breakeven Price to Cover Variable Costs			\$2.01	Bushel		
FIXED COSTS	Quantity	Units	\$/Unit	Total		Enterprise
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$2.61	\$2.61		\$417.69
Tractors/Self-Propelled	1	Acre	\$0.64	\$0.64		\$102.49
Implements	1	Acre	\$10.28	\$10.28		\$1,644.56
Equipment Investment						
Pickup/General Use Equipment	\$18.03	Dollars	6.01%	\$1.08		\$173.33
Tractors/Self-Propelled	\$4.99	Dollars	6.01%	\$0.30		\$47.99
Implements	\$43.97	Dollars	6.01%	\$2.64		\$422.81
Cash Rent - Wheat Dryland	1	Acre	\$26.50	\$26.50		\$4,240.00
Total Fixed Costs				\$44.06		\$7,048.87
Total Specified Costs				\$125.55		\$20,088.46
Returns Above Specified Costs				\$12.85		\$2,055.54
Breakeven Price to Cover Total Costs			\$3.71	Bushel		

Example Breakeven Prices

Example Yield Percent	Example Yield Bushel	To Cover Variable Costs	To Cover Total Costs
75%	19.50	\$2.68	\$4.94
90%	23.40	\$2.23	\$4.12
100%	26.00	\$2.01	\$3.71
110%	28.60	\$1.83	\$3.37
125%	32.50	\$1.61	\$2.96

Developed by Steve Amosson, Regents Fellow, Professor and Extension Economist, Texas A&M AgriLife Extension, 806-677-5600.

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.