

Projections for Planning Purposes Only -- Not to be Used without Updating
2019 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	\$5.00	\$130.00	\$20,800.00
Grazing - Wheat				73.00	Pound	\$0.45	\$32.85	\$5,256.00
Total Revenue							\$162.85	\$26,056.00
VARIABLE COSTS				Quantity	Units	\$/Unit	Total	Total
Production Costs								
Seed								
Seed - Wheat Dryland				1	Bushel	\$11.77	\$11.77	\$1,883.20
Fertilizer								
Fertilizer (N) - Dry				30	Pound	\$0.38	\$11.40	\$1,824.00
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	\$13.03	\$2.35	\$375.26
Other Labor				0.18	Hour	\$13.03	\$2.35	\$375.26
Diesel Fuel								
Tractors/Self-Propelled				0.6	Gallon	\$2.33	\$1.40	\$223.68
Gasoline								
Pickup/General Use Equipment				1	Acre	\$4.77	\$4.77	\$763.75
Repairs & Maintenance								
Pickup/General Use Equipment				1	Acre	\$2.49	\$2.49	\$397.80
Tractors/Self-Propelled				1	Acre	\$0.72	\$0.72	\$115.93
Implements				1	Acre	\$7.99	\$7.99	\$1,279.10
Interest on Credit Line						6.04%	\$1.32	\$211.17
Total Variable Costs							\$84.05	\$13,447.55
Planned Returns Above Variable Costs:							\$78.80	\$12,608.45
Breakeven Price to Cover Variable Costs						\$1.97	Bushel	
FIXED COSTS				Quantity	Units	\$/Unit	Total	Total
Machinery Depreciation								
Pickup/General Use Equipment				1	Acre	\$2.61	\$2.61	\$417.69
Tractors/Self-Propelled				1	Acre	\$0.60	\$0.60	\$95.83
Implements				1	Acre	\$10.28	\$10.28	\$1,644.55
Equipment Investment								
Pickup/General Use Equipment				\$18.03	Dollars	6.32%	\$1.14	\$182.27
Tractors/Self-Propelled				\$4.67	Dollars	6.32%	\$0.29	\$47.18
Implements				\$43.97	Dollars	6.32%	\$2.78	\$444.61
Cash Rent - Wheat Dryland				1	Acre	\$26.50	\$26.50	\$4,240.00
Total Fixed Costs							\$44.20	\$7,072.14
Total Specified Costs							\$128.25	\$20,519.70
Returns Above Specified Costs							\$34.60	\$5,536.30
Breakeven Price to Cover Total Costs						\$3.67	Bushel	

Example Breakeven Prices			
Example Yield Percent	Example Yield Bushel	To Cover Variable Costs	To Cover Total Costs
75%	19.50	\$2.63	\$4.89
90%	23.40	\$2.19	\$4.08
100%	26.00	\$1.97	\$3.67
110%	28.60	\$1.79	\$3.34
125%	32.50	\$1.58	\$2.94

Developed by DeDe Jones, Extension Risk Management Specialist III, 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.