

Projections for Planning Purposes Only -- Not to be Used without Updating
2014 Estimated Costs and Returns per Acre
Hard Red Spring Wheat, Dryland, 35 bu. Yield Goal - 500 Acres
Coastal Bend Extension District - 11 (Lower Coast)

Crop Acres		500				
		Quantity	Units	\$/Unit	Total	Enterprise Total
REVENUE						
Hard Red Spring Wheat		35.00	Bushel	\$6.80	\$238.00	\$119,000.00
Total Revenue					\$238.00	\$119,000.00
VARIABLE COSTS						
Production Costs						
Seed						
HRS Wheat Seed		90	Pound	\$0.34	\$30.60	\$15,300.00
Fertilizer						
24-8-0 LC		0.125	Ton	\$365.00	\$45.63	\$22,812.50
Herbicide						
2, 4D		1	Pound	\$4.67	\$4.67	\$2,335.00
Glyphosate (Generic)		0.5	Quart	\$4.04	\$2.02	\$1,010.00
Insecticide						
Wheat Insect Control		1.5	Pint	\$6.17	\$9.26	\$4,627.50
Miscellaneous						
Pickup Milage Charge		1	Acre	\$3.88	\$3.88	\$1,940.00
Crop Insurance -Wheat		1	Acre	\$18.00	\$18.00	\$9,000.00
Custom						
Fertilizer Application		1	CWT	\$0.10	\$0.10	\$50.00
Custom Haul - Wheat		35	Bushel	\$0.18	\$6.30	\$3,150.00
Other Labor						
Hand Labor		0.018	Hour	\$7.50	\$0.14	\$67.50
Machinery Labor						
Tractors/Self-Propelled		0.36	Hour	\$13.75	\$4.95	\$2,475.00
Diesel Fuel						
Tractors/Self-Propelled		4.27	Gallon	\$3.30	\$14.09	\$7,045.50
Repairs & Maintenance						
Tractors/Self-Propelled		1	Acre	\$9.71	\$9.71	\$4,855.52
Implements		1	Acre	\$2.71	\$2.71	\$1,353.28
Interest on Credit Line				5.00%	\$3.75	\$1,875.26
Total Variable Costs					\$155.79	\$77,897.07
Planned Returns Above Variable Costs:					\$82.21	\$41,102.93
Breakeven Price to Cover Variable Costs				\$4.45	Bushel	
FIXED COSTS						
Machinery Depreciation						
Tractors/Self-Propelled		1	Acre	\$10.72	\$10.72	\$5,361.18
Implements		1	Acre	\$3.12	\$3.12	\$1,561.51
Equipment Investment						
Tractors/Self-Propelled		\$115.65	Dollars	7.00%	\$8.10	\$4,047.64
Implements		\$40.47	Dollars	7.00%	\$2.83	\$1,416.53
Management Fee, Ownwer/Operator Labor		1	Acre	\$11.90	\$11.90	\$5,950.00
LCB - Land Charge		1	Acre	\$55.00	\$55.00	\$27,500.00
Total Fixed Costs					\$91.67	\$45,836.86
Total Specified Costs					\$247.47	\$123,733.93
Returns Above Specified Costs					(\$9.47)	(\$4,733.93)
Breakeven Price to Cover Total Costs				\$7.07	Bushel	

Example Breakeven Prices						
Example Yield Percent	Example Yield Bushel	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	26.25	\$5.94	\$5.94	\$9.43	\$9.43	\$0.00
90%	31.50	\$4.95	\$4.95	\$7.86	\$7.86	\$0.00
100%	35.00	\$4.45	\$4.45	\$7.07	\$7.07	\$0.00
110%	38.50	\$4.05	\$4.05	\$6.43	\$6.43	\$0.00
125%	43.75	\$3.56	\$3.56	\$5.66	\$5.66	\$0.00

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