

Projections for Planning Purposes Only -- Not to be Used without Updating
2016 Estimated Costs and Returns per Acre
Hard Red Spring Wheat, Irrigated, 60 bu. Yield Goal - 505 Acres
Coastal Bend Extension District - 11

Crop Acres		505		Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total
Hard Red Spring Wheat	60.00	Bushel	\$4.95	\$297.00	\$149,985.00
Total Revenue				\$297.00	\$149,985.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Fertilizer Application	1	CWT	\$0.10	\$0.10	\$50.50
Custom Haul - Wheat	60	Bushel	\$0.21	\$12.60	\$6,363.00
Fertilizer					
24-8-0	0.125	Ton	\$332.00	\$41.50	\$20,957.50
Herbicide					
2, 4D	0	Ton	\$446.00	\$0.00	\$0.00
Glyphosate (Generic)	1	Quart	\$4.00	\$4.00	\$2,020.00
Affinity	0.5	Ounce	\$11.20	\$5.60	\$2,828.00
Insecticide					
Wheat Insect Control	1.5	Pint	\$9.00	\$13.50	\$6,817.50
Miscellaneous					
Pickup Milage Charge	1	Acre	\$3.88	\$3.88	\$1,959.40
Crop Insurance - Irr HRS Wheat	1	Acre	\$10.31	\$10.31	\$5,205.54
Seed					
HRS Wheat Seed	90	Pound	\$0.44	\$39.60	\$19,998.00
Other Labor					
Hand Labor	0.018	Hour	\$16.00	\$0.29	\$145.44
Irrigation					
Energy Cost	10.00	AcreInch	\$2.10	\$21.00	\$10,605.00
Irrigation Labor	1.50	Hour	\$19.50	\$29.25	\$14,771.25
Machinery Labor					
Tractors/Self-Propelled	0.56	Hour	\$19.50	\$10.92	\$5,514.60
Diesel Fuel					
Tractors/Self-Propelled	7.23	Gallon	\$2.10	\$15.18	\$7,667.42
Repairs & Maintenance					
Irrigation Equipment	1	Acre	\$25.08	\$25.08	\$12,666.67
Tractors/Self-Propelled	1	Acre	\$32.46	\$32.46	\$16,393.48
Implements	1	Acre	\$10.18	\$10.18	\$5,142.24
Interest on Credit Line			4.25%	\$4.09	\$2,063.88
Total Variable Costs				\$279.54	\$141,169.41
Planned Returns Above Variable Costs:				\$17.46	\$8,815.59
Breakeven Price to Cover Variable Costs			\$4.66	Bushel	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Irrigation Equipment	1	Acre	\$28.18	\$28.18	\$14,233.33
Tractors/Self-Propelled	1	Acre	\$32.08	\$32.08	\$16,200.87
Implements	1	Acre	\$12.36	\$12.36	\$6,240.72
Equipment Investment					
Irrigation Equipment	\$293.56	Dollars	7.00%	\$20.55	\$10,377.50
Tractors/Self-Propelled	\$241.21	Dollars	7.00%	\$16.88	\$8,526.77
Implements	\$68.26	Dollars	7.00%	\$4.78	\$2,412.88
Management Fee, Owner/Operator Labor	1	Acre	\$14.85	\$14.85	\$7,499.25
LCB - Land Charge	1	Acre	\$70.00	\$70.00	\$35,350.00
Total Fixed Costs				\$199.69	\$100,841.32
Total Specified Costs				\$479.23	\$242,010.73
Returns Above Specified Costs				(\$182.23)	(\$92,025.73)
Breakeven Price to Cover Total Costs			\$7.99	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%	45.00	\$6.21	\$10.65
90%	54.00	\$5.18	\$8.87
100%	60.00	\$4.66	\$7.99
110%	66.00	\$4.24	\$7.26
125%	75.00	\$3.73	\$6.39

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 endorsement.