

**WHEAT FOR GRAIN, CONVENTIONAL  
GEORGIA, 2012**

**ESTIMATED COSTS AND RETURNS**

Expected Yield      **55 Bushels**      YIELD: YOUR FARM \_\_\_\_\_

Variable Costs:*	Unit	Number of Units	\$/Unit	Cost/Acre	\$/Bushels	Your Farm
Seed	Bushel	1.50	\$ 25.00	\$ 37.50	\$ 0.68	_____
Lime	Tons	0.25	\$ 33.00	\$ 8.25	\$ 0.15	_____
Fertilizer						
Nitrogen	Lbs	80.00	\$ 0.62	\$ 48.00	\$ 0.87	_____
Phosphate (P2O5)	Lbs	40.00	\$ 0.46	\$ 18.00	\$ 0.33	_____
Potash (K2O)	Lbs	40.00	\$ 0.57	\$ 22.00	\$ 0.40	_____
Weed Control	Acre	1.00	\$ 16.72	\$ 16.72	\$ 0.30	_____
Insect Control	Acre	1.00	\$ -	\$ -	\$ -	_____
Disease Control	Acre	1.00	\$ -	\$ -	\$ -	_____
<i>Machinery: Preharvest</i>						
Fuel	Gallon	2.77	\$ 3.50	\$ 9.70	\$ 0.18	_____
Repairs & Maintenance	Acre	1.00	\$ 5.28	\$ 5.28	\$ 0.10	_____
<i>Machinery: Harvest</i>						
Fuel	Gallon	2.77	\$ 3.50	\$ 9.71	\$ 0.18	_____
Repairs & Maintenance	Acre	1.00	\$ 4.07	\$ 4.07	\$ 0.07	_____
Labor	Hrs	0.62	\$ 11.50	\$ 7.15	\$ 0.13	_____
Crop Insurance	Acre	1.00	\$ 10.00	\$ 10.00	\$ 0.18	_____
Land Rental	Acre	1.00	\$ -	\$ -	\$ -	_____
Interest on Operating capital	Percent	\$ 98.19	7.50%	\$ 7.36	\$ 0.13	_____
Drying - 2 points	Bushel	56.65	\$ 0.09	\$ 5.10	\$ 0.09	_____
<b>Total Variable Costs</b>				<b>\$ 208.84</b>	<b>\$ 3.80</b>	
<b>Fixed Costs:</b>						
Machinery: Depreciation, Taxes, Insurance, and Housing						
Preharvest	Acre	1.00	\$ 14.92	\$ 14.92	\$ 0.27	_____
Harvest	Acre	1.00	\$ 19.50	\$ 19.50	\$ 0.35	_____
General Overhead	% of VC	\$ 208.84	5.00%	\$ 10.44	\$ 0.19	_____
Management	% of VC	\$ 208.84	5.00%	\$ 10.44	\$ 0.19	_____
Owned Land Costs; Taxes, Cash Payment, Etc.	Acre	1.00	\$ -	\$ -	\$ -	_____
Other _____						_____
<b>Total Fixed Costs</b>				<b>\$ 55.31</b>	<b>\$ 1.01</b>	
<b>TOTAL COSTS AND PROFIT GOAL</b>						
<b>Total Costs Excluding Land</b>				<b>\$ 264.15</b>	<b>\$ 4.80</b>	
**** YOUR PROFIT GOAL ****				\$ _____	/Bu.	
\$\$-PRICE NEEDED FOR PROFIT-\$\$				\$ _____	/Bu.	

**FOOTNOTES**

\*Seed, fertilizer, chemical and fuel costs could vary as much as +/- 15 to 20% from estimates shown. The estimates are based on "normal" or typical growing conditions and pest pressure. Abnormal weather, weed/grass problems, insects, and diseases would alter the estimates shown above.

**Sensitivity Analysis of WHEAT FOR GRAIN, CONVENTIONAL**

NET RETURNS ABOVE VARIABLE COSTS PER ACRE						
Varying Prices and Yield (Bushels)						
		-25%	-10%	Average	+10%	+25%
		41.25	49.5	55	60.5	68.75
\$	5.00	\$ (2.59)	\$ 38.66	\$ 66.16	\$ 93.66	\$ 134.91
\$	5.50	\$ 18.04	\$ 63.41	\$ 93.66	\$ 123.91	\$ 169.29
\$	6.00	\$ 38.66	\$ 88.16	\$ 121.16	\$ 154.16	\$ 203.66
\$	6.50	\$ 59.29	\$ 112.91	\$ 148.66	\$ 184.41	\$ 238.04
\$	7.00	\$ 79.91	\$ 137.66	\$ 176.16	\$ 214.66	\$ 272.41

**ESTIMATED LABOR AND MACHINERY COSTS PER ACRE**

PREHARVEST OPERATIONS						
Operation	Acres/Hour	Number	Labor Use (Hr.)	Fuel Use (Gal./Ac)	Machinery	Fixed
		Times Over			Repairs (\$/Ac)	Costs (\$/Ac)
Disk Harrow 32' with Tractor (180-199 hp)-MFWD 190	16.291	1.00	0.06	0.60	1.39	4.05
Chisel Plow(Rigid) 24' with Tractor (180-199 hp)-MFWD 190	12.982	1.00	0.08	0.75	1.11	3.14
Grain Drill 15' with Tractor (180-199 hp)-MFWD 190	7.955	1.00	0.13	1.23	2.50	7.07
Spray (Broadcast) 60' with Tractor (120-139 hp)-2WD 130	35.455	1.00	0.03	0.19	0.27	0.66
<b>Total Preharvest Fuel, Repairs, Fixed Costs, &amp; Labor</b>			<b>0.292 \$</b>	<b>2.77 \$</b>	<b>5.28 \$</b>	<b>14.92 \$</b>

HARVEST OPERATIONS						
Operation	Acres/Hour	Number	Labor Use (Hr.)	Fuel Use (Gal./Ac)	Machinery	Fixed
		Times Over			Repairs (\$/Ac)	Costs (\$/Ac)
Header Wheat/Sorghum 22' Rigid with Combine (300-349 hp)-325hp	9.015	1.000	0.111	1.86	2.91	15.23
Corn Grain Cart 8R36500 bu with Tractor (180-199 hp)-MFWD 190	10.642	1.000	0.094	0.92	1.16	4.27
<b>Total Harvest Fuel, Repairs, Fixed Costs, and Labor</b>			<b>0.205 \$</b>	<b>2.77 \$</b>	<b>4.07 \$</b>	<b>19.50 \$</b>

Prepared and Reviewed By: Nathan B Smith and Amanda R Smith, UGA Extension Economists, Department of Agricultural & Applied Economics, Dewey Lee, UGA Extension Agronomist, Department of Crop and Soil Sciences.