

**WHEAT FOR GRAIN, CONVENTIONAL  
GEORGIA, 2010**

**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	\$ 13.50	\$ 20.25	\$ 0.37	_____
Lime	Tons	0.25	\$ 33.00	\$ 8.25	\$ 0.15	_____
<b>Fertilizer</b>						
Nitrogen	Lbs	80.00	\$ 0.50	\$ 40.00	\$ 0.73	_____
Phosphate (P2O5)	Lbs	40.00	\$ 0.28	\$ 11.20	\$ 0.20	_____
Potash (K2O)	Lbs	40.00	\$ 0.60	\$ 24.00	\$ 0.44	_____
Weed Control	Acre	1.00	\$ 7.05	\$ 15.00	\$ 0.27	_____
Insect Control	Acre	1.00	\$ -	\$ -	\$ -	_____
Disease Control	Acre	1.00	\$ -	\$ -	\$ -	_____
<b>Machinery: Preharvest</b>						
Fuel	Gallon	2.77	\$ 2.50	\$ 6.93	\$ 0.13	_____
Repairs & Maintenance	Acre	1.00	\$ 4.95	\$ 4.95	\$ 0.09	_____
<b>Machinery: Harvest</b>						
Fuel	Gallon	2.20	\$ 2.50	\$ 5.50	\$ 0.10	_____
Repairs & Maintenance	Acre	1.00	\$ 3.03	\$ 3.03	\$ 0.06	_____
Labor	Hrs	0.62	\$ 11.00	\$ 6.84	\$ 0.12	_____
Crop Insurance	Acre	1.00	\$ 7.25	\$ 7.25	\$ 0.13	_____
Land Rental	Acre	1.00	\$ -	\$ -	\$ -	_____
Interest on Operating capital	Percent	\$ 76.60	7.50%	\$ 5.74	\$ 0.10	_____
Drying - 2 points	Bushel	56.65	\$ 0.08	\$ 4.53	\$ 0.08	_____
<b>Total Variable Costs</b>				<b>\$ 163.47</b>	<b>\$ 2.97</b>	
<b>Fixed Costs:</b>						
<b>Machinery: Depreciation, Taxes, Insurance, and Housing</b>						
Preharvest	Acre	1.00	\$ 13.99	\$ 13.99	\$ 0.25	_____
Harvest	Acre	1.00	\$ 17.96	\$ 17.96	\$ 0.33	_____
General Overhead	% of VC	\$ 163.47	5.00%	\$ 8.17	\$ 0.15	_____
Management	% of VC	\$ 163.47	5.00%	\$ 8.17	\$ 0.15	_____
Owned Land Costs; Taxes, Cash Payment, Etc.	Acre	1.00	\$ -	\$ -	\$ -	_____
Other						_____
<b>Total Fixed Costs</b>				<b>\$ 48.30</b>	<b>\$ 0.88</b>	
<b>TOTAL COSTS AND PROFIT GOAL</b>						
<b>Total Costs Excluding Land</b>				<b>\$ 211.77</b>	<b>\$ 3.85</b>	
**** YOUR PROFIT GOAL ****				\$ _____	/Bu.	
<b>\$\$-PRICE NEEDED FOR PROFIT-\$\$</b>				\$ _____	/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
\$	3.50	\$ (19.10)	\$ 9.78	\$ 29.03	\$ 48.28	\$ 77.15
\$	3.75	\$ (8.78)	\$ 22.15	\$ 42.78	\$ 63.40	\$ 94.34
\$	4.00	\$ 1.53	\$ 34.53	\$ 58.53	\$ 78.53	\$ 111.53
\$	4.25	\$ 11.84	\$ 46.90	\$ 70.28	\$ 93.65	\$ 128.72
\$	4.50	\$ 22.15	\$ 59.28	\$ 84.03	\$ 108.78	\$ 145.90

**ESTIMATED LABOR AND MACHINERY COSTS PER ACRE**

PREHARVEST OPERATIONS							
Operation	Acres/Hour	Number Times Over	Labor Use (Hr.)	Fuel Use (Gal./Ac)	Machinery Repairs (\$/Ac)	Fixed Costs (\$/Ac)	
Disk Harrow 32' with Tractor (180-199 hp)-MFWD 190	16.291	1.00	0.06	0.60	1.30	3.78	
Chisel Plow (Rigid) 24' with Tractor (180-199 hp)-MFWD 190	12.982	1.00	0.08	0.75	1.04	2.93	
Grain Drill 15' with Tractor (180-199 hp)-MFWD 190	7.955	1.00	0.13	1.23	2.36	6.67	
Spray (Broadcast) 60' with Tractor (120-139 hp)-2WD 130	35.455	1.00	0.03	0.19	0.25	0.61	
<b>Total Preharvest Fuel, Repairs, Fixed Costs, &amp; Labor</b>				<b>0.292 \$</b>	<b>2.77 \$</b>	<b>4.99 \$</b>	<b>13.99</b>

HARVEST OPERATIONS							
Operation	Acres/Hour	Number Times Over	Labor Use (Hr.)	Fuel Use (Gal./Ac)	Machinery Repairs (\$/Ac)	Fixed Costs (\$/Ac)	
Header Wheat/Sorghum 22' Rigid with Combine (250-299 hp) 275hp	9.015	1.000	0.111	1.57	2.43	15.41	
Corn Grain Cart 8R36500 bu with Tractor (120-139 hp)-2WD 130	10.642	1.000	0.094	0.63	0.60	2.55	
<b>Total Harvest Fuel, Repairs, Fixed Costs, and Labor</b>				<b>0.205 \$</b>	<b>2.20 \$</b>	<b>3.03 \$</b>	<b>17.96</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.