

**WHEAT FOR GRAIN, CONVENTIONAL
GEORGIA, 2013**

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 | \$ 21.00 | \$ 31.50 | \$ 0.57 | _____ |
| Lime | Tons | 0.25 | \$ 40.00 | \$ 8.25 | \$ 0.15 | _____ |
| Fertilizer | | | | | | |
| Nitrogen | Lbs | 80.00 | \$ 0.72 | \$ 48.00 | \$ 0.87 | _____ |
| Phosphate (P2O5) | Lbs | 40.00 | \$ 0.50 | \$ 18.00 | \$ 0.33 | _____ |
| Potash (K2O) | Lbs | 40.00 | \$ 0.50 | \$ 22.00 | \$ 0.40 | _____ |
| Weed Control | Acre | 1.00 | \$ 15.11 | \$ 15.11 | \$ 0.27 | _____ |
| Insect Control | Acre | 1.00 | \$ - | \$ - | \$ - | _____ |
| Disease Control | Acre | 1.00 | \$ - | \$ - | \$ - | _____ |
| <i>Machinery: Preharvest</i> | | | | | | |
| Fuel | Gallon | 2.77 | \$ 4.00 | \$ 11.09 | \$ 0.20 | _____ |
| Repairs & Maintenance | Acre | 1.00 | \$ 5.59 | \$ 5.59 | \$ 0.10 | _____ |
| <i>Machinery: Harvest</i> | | | | | | |
| Fuel | Gallon | 2.77 | \$ 4.00 | \$ 11.10 | \$ 0.20 | _____ |
| Repairs & Maintenance | Acre | 1.00 | \$ 4.30 | \$ 4.30 | \$ 0.08 | _____ |
| Labor | Hrs | 0.62 | \$ 12.00 | \$ 7.46 | \$ 0.14 | _____ |
| Crop Insurance | Acre | 1.00 | \$ 15.00 | \$ 15.00 | \$ 0.27 | _____ |
| Land Rental | Acre | 1.00 | \$ - | \$ - | \$ - | _____ |
| Interest on Operating capital | Percent | \$ 98.70 | 6.50% | \$ 6.42 | \$ 0.12 | _____ |
| Drying - 2 points | Bushel | 56.65 | \$ 0.09 | \$ 5.10 | \$ 0.09 | _____ |
| Total Variable Costs | | | | \$ 208.91 | \$ 3.80 | _____ |
| Fixed Costs: | | | | | | |
| Machinery: Depreciation, Taxes, Insurance, and Housing | | | | | | |
| Preharvest | Acre | 1.00 | \$ 15.81 | \$ 15.81 | \$ 0.29 | _____ |
| Harvest | Acre | 1.00 | \$ 20.53 | \$ 20.53 | \$ 0.37 | _____ |
| General Overhead | % of VC | \$ 208.91 | 5.00% | \$ 10.45 | \$ 0.19 | _____ |
| Management | % of VC | \$ 208.91 | 5.00% | \$ 10.45 | \$ 0.19 | _____ |
| Owned Land Costs; Taxes, Cash Payment, Etc. | Acre | 1.00 | \$ - | \$ - | \$ - | _____ |
| Other _____ | | | | | | _____ |
| Total Fixed Costs | | | | \$ 57.24 | \$ 1.04 | _____ |
| TOTAL COSTS AND PROFIT GOAL | | | | | | |
| Total Costs Excluding Land | | | | \$ 266.15 | \$ 4.84 | _____ |
| **** 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 |
| \$ | 6.00 | \$ 38.59 | \$ 88.09 | \$ 121.09 | \$ 154.09 | \$ 203.59 |
| \$ | 6.50 | \$ 59.21 | \$ 112.84 | \$ 148.59 | \$ 184.34 | \$ 237.96 |
| \$ | 7.00 | \$ 79.84 | \$ 137.59 | \$ 176.09 | \$ 214.59 | \$ 272.34 |
| \$ | 7.50 | \$ 100.46 | \$ 162.34 | \$ 203.59 | \$ 244.84 | \$ 306.71 |
| \$ | 8.00 | \$ 121.09 | \$ 187.09 | \$ 231.09 | \$ 275.09 | \$ 341.09 |

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 | 1.48 | 4.29 |
| Chisel Plow(Rigid)24' with Tractor (180-199 hp)-MFWD 190 | 12.982 | 1.00 | 0.08 | 0.75 | 1.18 | 3.33 |
| Grain Drill 15' with Tractor (180-199 hp)-MFWD 190 | 7.955 | 1.00 | 0.13 | 1.23 | 2.65 | 7.50 |
| Spray (Broadcast)60' with Tractor (120-139 hp)-2WD 130 | 35.455 | 1.00 | 0.03 | 0.19 | 0.29 | 0.70 |
| Total Preharvest Fuel, Repairs, Fixed Costs, & Labor | | | 0.292 | 2.77 | \$ 5.59 | \$ 15.81 |

| 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 | \$ 3.07 | \$ 16.08 |
| Corn Grain Cart 8R36500 bu with Tractor (180-199 hp)-MFWD 190 | 10.642 | 1.000 | 0.094 | 0.92 | \$ 1.23 | \$ 4.46 |
| Total Harvest Fuel, Repairs, Fixed Costs, and Labor | | | 0.205 | 2.77 | \$ 4.30 | \$ 20.53 |

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