



Northeastern Colorado - Irrigated Winter Wheat

2016

Estimated Production Costs & Returns

GROSS RECEIPTS FROM PRODUCTION

GROSS RECEIPTS	UNIT	PRICE	YIELD	PER ACRE	PER BU	YOUR FARM
Hard Red Winter Wheat	bu	\$3.90	97	\$378.30	\$3.90	
Other						
Total Receipts				\$378.30		\$0

DIRECT COSTS

	UNIT	COST PER		PER ACRE	PER BU	YOUR FARM
		UNIT	QUANTITY			
OPERATING PREHARVEST						
Seed						
Seed	dollars	28.01	1.00	28.01	0.29	
Crop Protection						
Fertilizer	dollars	42.46	1	42.46	0.44	
Irrigation						
Irrigation Energy	dollars	43.28	1	43.28	0.45	
Irrigation Repairs	dollars	11.26	1	11.26	0.12	
Sprinkler Lease	dollars	70.00	1	70.00	0.72	
Crop Insurance	dollars	55.00	1	55.00	0.57	
Fuel	dollars	6.15	1	6.15	0.06	
Repair & Maintenance	dollars	4.92	1	4.92	0.05	
Labor	dollars	2.06	1	2.06	0.02	
Interest (6 months @ 6.0%) ²	dollars	9.58	1	9.58	0.10	
Total Pre-Harvest Expenses				\$272.72	\$2.81	\$0.00
HARVEST COSTS						
Fuel	dollars	5.02	1	5.02	0.05	
Repair & Maintenance	dollars	3.25	1	3.25	0.03	
Labor	dollars	1.71	1	1.71	0.02	
Hauling ¹	dollars	19.40	1	19.40	0.20	
Total Harvest Costs				\$29.38	\$0.30	\$0.00
Total Operating Costs				\$302.10	\$3.11	\$0.00
PROPERTY & OWNERSHIP COSTS						
General Farm Overhead	dollars	10.00	1	10.00	0.10	
Machinery Ownership Costs	dollars	32.29	1	32.29	0.33	
Real Estate Taxes	dollars	15.42	1	15.42	0.16	
Total Property & Ownership Costs				\$57.71	\$0.59	\$0.00
TOTAL DIRECT COSTS				\$359.81	\$3.71	\$0.00
NET RECEIPTS BEFORE FACTOR PAYMENTS				\$18.49	\$0.19	\$0.00
FACTOR PAYMENTS						
Land (\$5,000 @ 4%)				200.00	2.06	
RETURN TO MANAGEMENT & RISK				(\$181.51)	(\$1.87)	\$0.00

1 Hauling Machinery & Labor Charges= \$0.20/Bushel

2 Interest on Operating Capital is calculated on 1/2 of pre-harvest operating costs at 7%

3 Capital and Labor Payments are included in Machinery Operating and Ownership Costs

BREAKEVEN ANALYSIS - PER ACRE RETURNS OVER TOTAL DIRECT COSTS (\$/ACRE)

ALTERNATIVE YIELDS		ALTERNATIVE PRICES (\$/bushel)				
		-25%	-10%	10%	25%	
		\$2.93	\$3.51	\$3.90	\$4.29	\$4.88
-25%	72.75	(\$147.02)	(\$104.46)	(\$76.09)	(\$47.71)	(\$5.15)
-10%	87.30	(\$104.46)	(\$53.39)	(\$19.34)	\$14.71	\$65.78
BUSHEL PER ACRE	97.00	(\$76.09)	(\$19.34)	\$18.49	\$56.32	\$113.07
	106.70	(\$47.71)	\$14.71	\$56.32	\$97.93	\$160.35
	121.25	(\$5.15)	\$65.78	\$113.07	\$160.35	\$231.28