

Table 9. 2012 Estimated Production Costs and Returns - Irrigated Winter Wheat in Northeastern Colorado.

	Unit	Price or Cost/Unit	Quantity	Value or Cost Per Acre	Value or Cost/Unit Production	Your Farm
GROSS RECEIPTS FROM PRODUCTION:						
HARD RED WINTER WHEAT	BU	7.10	91.40	648.94		
TOTAL RECEIPTS				648.94	7.10	
DIRECT COSTS:						
Operating Preharvest						
SEED	DOLS	28.88	1.00	28.88	0.32	
FERTILIZER	DOLS	74.80	1.00	74.80	0.82	
IRRIGATION ENERGY	DOLS	55.02	1.00	55.02	0.60	
IRRIGATION REPAIR	DOLS	10.24	1.00	10.24	0.11	
CROP INSURANCE	DOLS	55.00	1.00	55.00	0.60	
SPRINKLER LEASE	DOLS	70.00	1.00	70.00	0.77	
FUEL	DOLS			11.14	0.12	
REPAIR & MAINTENANCE	DOLS			4.92	0.05	
LABOR	DOLS			2.00	0.02	
INTEREST EXPENSE ²	DOLS			10.92	0.12	
Total Preharvest	DOLS			322.92	3.53	
Operating Harvest						
FUEL	DOLS			9.10	0.10	
REPAIR & MAINTENANCE	DOLS			3.25	0.04	
LABOR	DOLS			1.66	0.02	
HAULING ¹	DOLS			18.28	0.20	
Total Harvest				32.29	0.35	
Total Operating Costs				355.21	3.89	
Property and Ownership Costs						
MACHINERY OWNERSHIP COSTS	DOLS			32.29	0.35	
GENERAL FARM OVERHEAD	DOLS			10.00	0.11	
REAL ESTATE TAXES	DOLS			15.42	0.17	
Total Property and Ownership Costs	DOLS			57.71	0.63	
TOTAL DIRECT COSTS:				412.92	4.52	
NET RECEIPTS BEFORE FACTOR PAYMENTS				236.02	2.58	
FACTOR PAYMENTS						
LAND @ 4.00%	DOLS			162.50	1.78	
RETURN TO MANAGEMENT AND RISK	DOLS			73.52	0.80	

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 PRICES								
		\$/BU								
		-25%	-10%		+10%	+25%				
		\$ 5.33	\$ 6.39	\$ 7.10	\$ 7.81	\$ 8.88				
ALTERNATIVE YIELDS	-25%	68.6	\$ (47.89)	\$ 25.11	\$ 73.79	\$ 122.46	\$ 195.46			
	-10%	82.3	\$ 25.11	\$ 112.72	\$ 171.13	\$ 229.53	\$ 317.14			
	BUSHEL	91.4	\$ 73.79	\$ 171.13	\$ 236.02	\$ 300.91	\$ 398.26			
	+10%	100.5	\$ 122.46	\$ 229.53	\$ 300.91	\$ 372.30	\$ 479.37			
	+25%	114.3	\$ 195.46	\$ 317.14	\$ 398.26	\$ 479.37	\$ 601.05			