

Table 29. 2011 Estimated Production Costs and Returns - Irrigated Winter Wheat in South Platte Valley.

	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	6.65	87.30	580.55		
TOTAL RECEIPTS				580.55	6.65	
DIRECT COSTS:						
Operating Preharvest						
SEED	DOLS	21.30	1.00	21.30	0.24	
FERTILIZER	DOLS	73.14	1.00	73.14	0.84	
HERBICIDE (APPLIED)	DOLS	48.36	1.00	48.36	0.55	
IRRIGATION ENERGY	DOLS	31.05	1.00	31.05	0.36	
IRRIGATION REPAIR	DOLS	10.00	1.00	10.00	0.11	
CROP INSURANCE	DOLS	27.54	1.00	27.54	0.32	
SPRINKLER LEASE	DOLS	60.00	1.00	60.00	0.69	
FUEL	DOLS			10.41	0.12	
REPAIR & MAINTENANCE	DOLS			4.99	0.06	
LABOR	DOLS			2.30	0.03	
INTEREST EXPENSE ²	DOLS			10.12	0.12	
Total Preharvest	DOLS			299.21	3.43	
OPERATING HARVEST:						
FUEL	DOLS			5.86	0.07	
REPAIR & MAINTENANCE	DOLS			3.12	0.04	
LABOR	DOLS			1.55	0.02	
HAULING ¹	DOLS			17.46	0.20	
Total Harvest				27.99	0.32	
Total Operating Costs				327.20	3.75	
Property and Ownership Costs						
MACHINERY OWNERSHIP COSTS	DOLS			31.45	0.36	
GENERAL FARM OVERHEAD	DOLS			10.00	0.11	
REAL ESTATE TAXES	DOLS			11.26	0.13	
Total Property and Ownership Costs	DOLS			52.71	0.60	
TOTAL DIRECT COSTS:				379.91	4.35	
NET RECEIPTS BEFORE FACTOR PAYMENTS				200.64	2.30	
FACTOR PAYMENTS						
LAND @ 4.00%	DOLS			120.00	1.37	
RETURN TO MANAGEMENT AND RISK	DOLS			80.64	0.92	

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%

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

			ALTERNATIVE PRICES				
			\$/BU				
			-25%	-10%	+10%	+25%	
			\$ 4.99	\$ 5.99	\$ 6.65	\$ 7.32	\$ 8.31
ALTERNATIVE YIELDS	-25%	65.5	\$ (53.35)	\$ 11.96	\$ 55.50	\$ 99.04	\$ 164.35
	-10%	78.6	\$ 11.96	\$ 90.33	\$ 142.58	\$ 194.83	\$ 273.20
	BUSHEL	87.3	\$ 55.50	\$ 142.58	\$ 200.64	\$ 258.69	\$ 345.77
	+10%	96.0	\$ 99.04	\$ 194.83	\$ 258.69	\$ 322.55	\$ 418.34
	+25%	109.1	\$ 164.35	\$ 273.20	\$ 345.77	\$ 418.34	\$ 527.19