

Table 13. 2012 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	7.10	85.30	605.63		
TOTAL RECEIPTS				605.63	7.10	
DIRECT COSTS:						
Operating Preharvest						
SEED	DOLS	22.80	1.00	22.80	0.27	
FERTILIZER	DOLS	98.31	1.00	98.31	1.15	
HERBICIDE (APPLIED)	DOLS	50.59	1.00	50.59	0.59	
IRRIGATION ENERGY	DOLS	38.44	1.00	38.44	0.45	
IRRIGATION REPAIR	DOLS	10.24	1.00	10.24	0.12	
CROP INSURANCE	DOLS	53.00	1.00	53.00	0.62	
SPRINKLER LEASE	DOLS	70.00	1.00	70.00	0.82	
FUEL	DOLS			10.87	0.13	
REPAIR & MAINTENANCE	DOLS			5.11	0.06	
LABOR	DOLS			2.40	0.03	
INTEREST EXPENSE ²	DOLS			12.66	0.15	
Total Preharvest	DOLS			374.42	4.39	
OPERATING HARVEST:						
FUEL	DOLS			6.12	0.07	
REPAIR & MAINTENANCE	DOLS			3.19	0.04	
LABOR	DOLS			1.62	0.02	
HAULING ¹	DOLS			17.06	0.20	
Total Harvest				27.99	0.33	
Total Operating Costs				402.41	4.72	
Property and Ownership Costs						
MACHINERY OWNERSHIP COSTS	DOLS			33.52	0.39	
GENERAL FARM OVERHEAD	DOLS			10.00	0.12	
REAL ESTATE TAXES	DOLS			11.77	0.14	
Total Property and Ownership Costs	DOLS			55.29	0.65	
TOTAL DIRECT COSTS:				457.70	5.37	
NET RECEIPTS BEFORE FACTOR PAYMENTS				147.93	1.73	
FACTOR PAYMENTS						
LAND @ 4.00%	DOLS			162.50	1.91	
RETURN TO MANAGEMENT AND RISK	DOLS			-14.57	-0.17	

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%	-10%	+10%	+10%	+25%	+25%
		\$ 5.33	\$ 6.39	\$ 7.10	\$ 7.81	\$ 8.88			
ALTERNATIVE YIELDS	-25%	64.0	\$ (117.03)	\$ (48.90)	\$ (3.48)	\$ 41.94	\$ 110.08		
	-10%	76.8	\$ (48.90)	\$ 32.86	\$ 87.37	\$ 141.87	\$ 223.63		
	BUSHEL	85.3	\$ (3.48)	\$ 87.37	\$ 147.93	\$ 208.49	\$ 299.34		
	+10%	93.8	\$ 41.94	\$ 141.87	\$ 208.49	\$ 275.11	\$ 375.04		
	+25%	106.6	\$ 110.08	\$ 223.63	\$ 299.34	\$ 375.04	\$ 488.60		