



**Western - Winter Wheat (Dryland)**

**2015**

**Estimated Production Costs & Returns**

**GROSS RECEIPTS FROM PRODUCTION**

| GROSS RECEIPTS        | UNIT | PRICE  | YIELD | PER ACRE     | PER BU | YOUR FARM  |
|-----------------------|------|--------|-------|--------------|--------|------------|
| Wheat                 | bu   | \$4.30 | 37    | \$159        | \$4.30 |            |
| <b>Total Receipts</b> |      |        |       | <b>\$159</b> |        | <b>\$0</b> |

**DIRECT COSTS**

|   | UNIT    | COST PER UNIT | QUANTITY | PER ACRE        | PER BU        | YOUR FARM     |
|---|---------|---------------|----------|-----------------|---------------|---------------|
| <b>OPERATING PREHARVEST</b>                 |         |               |          |                 |               |               |
| Seed  | lbs     | 0.19          | 40       | 7.60            | 0.21          |               |
| Fertilizer                                  |         |               |          |                 |               |               |
| Nitrogen                                    | lbs     | 0.21          | 40       | 8.40            | 0.23          |               |
| Custom Application                          | acre    | 16.00         | 1        | 16.00           | 0.43          |               |
| Herbicide                                   |         |               |          |                 |               |               |
| Chemical                                    | dollars | 3.50          | 1        | 3.50            | 0.09          |               |
| Custom Application                          | acre    | 7.00          | 1        | 7.00            | 0.19          |               |
| Insecticide                                 |         |               |          |                 |               |               |
| Chemical                                    | dollars | 2.00          | 1        | 2.00            | 0.05          |               |
| Custom Application                          | acre    | 7.00          | 1        | 7.00            | 0.19          |               |
| Crop Insurance (NAP)                        | dollars | 5.00          | 1        | 5.00            | 0.14          |               |
| Fuel  | dollars | 0.00          | 1        | 0.00            | 0.00          |               |
| Repairs & Maintenance                       | dollars | 0.00          | 1        | 0.00            | 0.00          |               |
| Interest (6 months @ 7.5%)                  | dollars | 2.12          | 1        | 2.12            | 0.06          |               |
| <b>Total Pre-Harvest Expenses</b>           |         |               |          | <b>\$58.62</b>  | <b>\$1.58</b> | <b>\$0.00</b> |
| <b>HARVEST COSTS</b>                        |         |               |          |                 |               |               |
| Custom Harvest                              | dollars | #####         | 1        | 20.00           | 0.54          |               |
| Custom Harvest over 20 bu                   | dollars | 0.20          | 17       | 3.40            | 0.09          |               |
| Hauling                                     | dollars | 0.25          | 37       | 9.25            | 0.25          |               |
| <b>Total Harvest Costs</b>                  |         |               |          | <b>\$32.65</b>  | <b>\$0.88</b> | <b>\$0.00</b> |
| <b>Total Operating Costs</b>                |         |               |          | <b>\$91.27</b>  | <b>\$2.47</b> | <b>\$0.00</b> |
| <b>PROPERTY &amp; OWNERSHIP COSTS</b>       |         |               |          |                 |               |               |
| General Farm Overhead                       | dollars | 15.00         | 1        | 15.00           | 0.41          |               |
| Depreciation                                | dollars | 10.00         | 1        | 10.00           | 0.27          |               |
| Real Estate Taxes                           | dollars | 15.34         | 1        | 15.34           | 0.41          |               |
| <b>Total Property &amp; Ownership Costs</b> |         |               |          | <b>\$40.34</b>  | <b>\$1.09</b> | <b>\$0.00</b> |
| <b>TOTAL DIRECT COSTS</b>                   |         |               |          | <b>\$131.61</b> | <b>\$3.56</b> | <b>\$0.00</b> |
| <b>NET RECEIPTS BEFORE FACTOR PAYMENTS</b>  |         |               |          | <b>\$27.49</b>  | <b>\$0.74</b> | <b>\$0.00</b> |
| <b>FACTOR PAYMENTS</b>                      |         |               |          |                 |               |               |
| Land (\$625 @ 4%)                           |         |               |          | 25.00           | 0.68          |               |
| <b>RETURN TO MANAGEMENT &amp; RISK</b>      |         |               |          | <b>\$2.49</b>   | <b>\$0.07</b> | <b>\$0.00</b> |

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

| ALTERNATIVE YIELDS |      | ALTERNATIVE PRICES (\$/ton) |           |           |          |          |
|--------------------|------|-----------------------------|-----------|-----------|----------|----------|
|                    |      | -25%                        | -10%      | 10%       | 25%      |          |
|                    |      | \$3.23                      | \$3.87    | \$4.30    | \$4.73   | \$5.38   |
| -25%               | 27.8 | (\$42.12)                   | (\$24.22) | (\$12.28) | (\$0.35) | \$17.55  |
| -10%               | 33.3 | (\$24.22)                   | (\$2.74)  | \$11.58   | \$25.90  | \$47.38  |
| TONS PER ACRE      | 37.0 | (\$12.28)                   | \$11.58   | \$27.49   | \$43.40  | \$67.27  |
|                    | 40.7 | (\$0.35)                    | \$25.90   | \$43.40   | \$60.90  | \$87.15  |
|                    | 25%  | \$17.55                     | \$47.38   | \$67.27   | \$87.15  | \$116.99 |