

**Table 35. 2006 Estimated Production Costs and Returns - Dryland Proso Millet.
Reduced-Till in a Two-Crop in Three-Year Rotation.**

	Unit	Price or Cost/Unit	Quantity	Value or Cost Per Acre	Value or Cost/Unit Production	Your Farm
GROSS RECEIPTS FROM PRODUCTION						
PROSO MILLET	CWT	7.95	10.00	79.50		
CROP INSURANCE INDEMNITY				48.63		
TOTAL RECEIPTS				128.13	7.95	
DIRECT COSTS						
Operating Preharvest						
SEED	DOLS	2.15	1.00	2.15	0.22	
FERTILIZER	DOLS	21.83	1.00	21.83	2.18	
HERBICIDE	DOLS	10.23	1.00	10.23	1.02	
CUSTOM APPLICATION	DOLS	4.00	1.00	4.00	0.40	
CROP INSURANCE	DOLS	2.75	1.00	2.75	0.28	
FUEL	DOLS			5.97	0.60	
REPAIR & MAINTENANCE	DOLS			4.36	0.44	
LABOR	DOLS			2.23	0.22	
INTEREST EXPENSE ²	DOLS			1.87	0.19	
Total Preharvest	DOLS			55.39	5.54	
Operating Harvest						
FUEL	DOLS			8.98	0.90	
REPAIR & MAINTENANCE	DOLS			7.00	0.70	
LABOR	DOLS			3.69	0.37	
HAULING ¹	DOLS			2.80	0.28	
Total Harvest				22.47	2.25	
Total Operating Costs				77.86	7.79	
Property and Ownership Costs						
MACHINERY OWNERSHIP COSTS	DOLS			39.96	4.00	
GENERAL FARM OVERHEAD	DOLS			10.00	1.00	
REAL ESTATE TAXES	DOLS			1.80	0.18	
Total Property and Ownership Costs	DOLS			51.76	5.18	
TOTAL DIRECT COSTS				129.62	12.96	
NET RECEIPTS BEFORE FACTOR PAYMENTS				-1.49	-5.01	
FACTOR PAYMENTS						
LAND @ 4.00% ³	DOLS			28.80	2.88	
RETURN TO MANAGEMENT AND RISK	DOLS			-30.29	-7.89	

1 Hauling Machinery & Labor Charges = \$0.28/CWT

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

3 Includes allocation of fallow acres in the rotation

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

				ALTERNATIVE PRICES				
				\$/CWT				
				-25%	-10%		+10%	+25%
				\$	\$	\$	\$	\$
				5.96	7.16	7.95	8.75	9.94
ALTERNATIVE YIELDS	-25%	7.5		\$(84.91)	\$(75.96)	\$(70.00)	\$(64.04)	\$(55.09)
	-10%	9.0		\$(75.96)	\$(65.23)	\$(58.07)	\$(50.92)	\$(40.19)
	CWT	10.0		\$(70.00)	\$(58.07)	\$(50.12)	\$(42.17)	\$(30.25)
	+10%	11.0		\$(64.04)	\$(50.92)	\$(42.17)	\$(33.43)	\$(20.31)
	+25%	12.5		\$(55.09)	\$(40.19)	\$(30.25)	\$(20.31)	\$(5.41)