

Table 15. 2009 Estimated Production Costs and Returns - Dryland Winter Wheat in Northeastern Colorado. 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						
HARD RED WINTER WHEAT	BU	4.50	63.70	286.65		
TOTAL RECEIPTS				286.65	4.50	
DIRECT COSTS						
Operating Preharvest						
SEED	DOLS	7.67	1.00	7.67	0.12	
FERTILIZER	DOLS	37.27	1.00	37.27	0.59	
HERBICIDE	DOLS	34.62	1.00	34.62	0.54	
CUSTOM APPLICATION	DOLS	6.00	1.00	6.00	0.09	
CROP INSURANCE	DOLS	25.07	1.00	25.07	0.39	
FUEL	DOLS			4.89	0.08	
REPAIR & MAINTENANCE	DOLS			6.34	0.10	
LABOR	DOLS			2.14	0.03	
INTEREST EXPENSE ²	DOLS			4.65	0.07	
Total Preharvest	DOLS			128.65	2.02	
Operating Harvest						
FUEL	DOLS			4.31	0.07	
REPAIR & MAINTENANCE	DOLS			2.97	0.05	
LABOR	DOLS			1.53	0.02	
HAULING ¹	DOLS			12.74	0.20	
Total Harvest				21.55	0.34	
Total Operating Costs				150.20	2.36	
Property and Ownership Costs						
MACHINERY OWNERSHIP COSTS	DOLS			33.03	0.52	
GENERAL FARM OVERHEAD	DOLS			10.00	0.16	
REAL ESTATE TAXES	DOLS			1.80	0.03	
Total Property and Ownership Costs	DOLS			44.83	0.70	
TOTAL DIRECT COSTS:				195.03	3.06	
NET RECEIPTS BEFORE FACTOR PAYMENTS				91.62	1.44	
FACTOR PAYMENTS						
LAND @ 4.00% ³	DOLS			28.80	0.45	
RETURN TO MANAGEMENT AND RISK	DOLS			62.82	0.99	

1 Hauling Machinery & Labor Charges = \$0.20/Bushel

2 Interest on Operating Capital is calculated on 1/2 of pre-harvest operating costs at 7.5%

3 Includes allocation of fallow acres in the rotation

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

			ALTERNATIVE PRICES				
			\$/BU				
			-25%	-10%	4.50	+10%	+25%
			\$ 3.38	\$ 4.05	\$ 4.50	\$ 4.95	\$ 5.63
ALTERNATIVE YIELDS	-25%	47.8	\$ (33.79)	\$ (1.54)	\$ 19.96	\$ 41.46	\$ 73.70
	-10%	57.3	\$ (1.54)	\$ 37.16	\$ 62.96	\$ 88.75	\$ 127.45
BUSHEL		63.7	\$ 19.96	\$ 62.96	\$ 91.62	\$ 120.29	\$ 163.28
	+10%	70.1	\$ 41.46	\$ 88.75	\$ 120.29	\$ 151.82	\$ 199.11
	+25%	79.6	\$ 73.70	\$ 127.45	\$ 163.28	\$ 199.11	\$ 252.86