

Table 9. 2008 Estimated Production Costs and Returns - Irrigated Winter Wheat in Northeastern Colorado.

	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	6.45	64.73	417.51		
TOTAL RECEIPTS				417.51	6.45	
DIRECT COSTS:						
Operating Preharvest						
SEED	DOLS	18.48	1.00	18.48	0.29	
FERTILIZER	DOLS	78.94	1.00	78.94	1.22	
IRRIGATION ENERGY	DOLS	44.53	1.00	44.53	0.69	
IRRIGATION REPAIR	DOLS	10.00	1.00	10.00	0.15	
CROP INSURANCE	DOLS	15.94	1.00	15.94	0.25	
SPRINKLER LEASE	DOLS	60.00	1.00	60.00	0.93	
FUEL	DOLS			8.88	0.14	
REPAIR & MAINTENANCE	DOLS			4.49	0.07	
LABOR	DOLS			1.86	0.03	
INTEREST EXPENSE ²	DOLS			8.51	0.13	
Total Preharvest	DOLS			251.63	3.89	
Operating Harvest						
FUEL	DOLS			6.56	0.10	
REPAIR & MAINTENANCE	DOLS			2.97	0.05	
LABOR	DOLS			1.54	0.02	
HAULING ¹	DOLS			11.31	0.17	
Total Harvest				22.38	0.35	
Total Operating Costs				274.01	4.23	
Property and Ownership Costs						
MACHINERY OWNERSHIP COSTS	DOLS			29.70	0.46	
GENERAL FARM OVERHEAD	DOLS			10.00	0.15	
REAL ESTATE TAXES	DOLS			11.64	0.18	
Total Property and Ownership Costs	DOLS			51.34	0.79	
TOTAL DIRECT COSTS:				325.35	5.03	
NET RECEIPTS BEFORE FACTOR PAYMENTS				92.16	1.42	
FACTOR PAYMENTS						
LAND @ 4.00%	DOLS			52.00	0.80	
RETURN TO MANAGEMENT AND RISK	DOLS			40.16	0.62	

1 Hauling Machinery & Labor Charges = \$0.17/Bushel

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

3 Capital and Labor Payments are included in Machinery Operating and Ownership Costs.

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

		ALTERNATIVE PRICES								
		\$/BU								
		-25%	-10%		+10%	+25%				
		\$ 4.84	\$ 5.81	\$ 6.45	\$ 7.10	\$ 8.06				
ALTERNATIVE YIELDS	-25%	48.5	\$ (90.50)	\$ (43.53)	\$ (12.22)	\$ 19.10	\$ 66.07			
	-10%	58.3	\$ (43.53)	\$ 12.83	\$ 50.41	\$ 87.98	\$ 144.35			
	BUSHEL	64.7	\$ (12.22)	\$ 50.41	\$ 92.16	\$ 133.91	\$ 196.54			
	+10%	71.2	\$ 19.10	\$ 87.98	\$ 133.91	\$ 179.84	\$ 248.72			
	+25%	80.9	\$ 66.07	\$ 144.35	\$ 196.54	\$ 248.72	\$ 327.01			