

Table 31. 2006 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	4.60	66.50	305.90		
TOTAL RECEIPTS				305.90	4.60	
DIRECT COSTS:						
Operating Preharvest						
SEED	DOLS	15.00	1.00	15.00	0.23	
FERTILIZER	DOLS	43.64	1.00	43.64	0.66	
HERBICIDE (APPLIED)	DOLS	28.46	1.00	28.46	0.43	
IRRIGATION ENERGY	DOLS	27.21	1.00	27.21	0.41	
IRRIGATION REPAIR	DOLS	10.00	1.00	10.00	0.15	
CROP INSURANCE	DOLS	4.90	1.00	4.90	0.07	
SPRINKLER LEASE	DOLS	60.00	1.00	60.00	0.90	
FUEL	DOLS			6.97	0.10	
REPAIR & MAINTENANCE	DOLS			4.64	0.07	
LABOR	DOLS			2.22	0.03	
INTEREST EXPENSE ²	DOLS			7.11	0.11	
Total Preharvest	DOLS			210.15	3.16	
OPERATING HARVEST:						
FUEL	DOLS			4.83	0.07	
REPAIR & MAINTENANCE	DOLS			2.90	0.04	
LABOR	DOLS			1.49	0.02	
HAULING ¹	DOLS			9.31	0.14	
Total Harvest				18.53	0.28	
Total Operating Costs				228.68	3.44	
Property and Ownership Costs						
MACHINERY OWNERSHIP COSTS	DOLS			31.14	0.47	
GENERAL FARM OVERHEAD	DOLS			10.00	0.15	
REAL ESTATE TAXES	DOLS			10.00	0.15	
Total Property and Ownership Costs	DOLS			51.14	0.77	
TOTAL DIRECT COSTS:				279.82	4.21	
NET RECEIPTS BEFORE FACTOR PAYMENTS				26.08	0.39	
FACTOR PAYMENTS						
LAND @ 4.00%	DOLS			52.00	0.78	
RETURN TO MANAGEMENT AND RISK	DOLS			-25.92	-0.39	

¹ Hauling Machinery & Labor Charges = \$0.14/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%	+25%
				\$	\$	\$	\$	\$
ALTERNATIVE YIELDS	-25%	49.9	\$	(107.75)	(73.34)	(50.40)	(27.45)	6.96
	-10%	59.9	\$	(73.34)	(32.04)	(4.51)	23.02	64.32
BUSHEL		66.5	\$	(50.40)	(4.51)	26.08	56.67	102.55
	+10%	73.2	\$	(27.45)	23.02	56.67	90.32	140.79
	+25%	83.1	\$	6.96	64.32	102.55	140.79	198.15