



**Northeastern Colorado-Dryland Winter Wheat Reduced-Till in a Two-Crop in Three Year Rotation**  
**Estimated Production Costs & Returns** **2015**

**GROSS RECEIPTS FROM PRODUCTION**

GROSS RECEIPTS	Unit	Price	Yield	Per Acre	Per BU	YOUR FARM
HARD RED WINTER WHEAT	BU	\$4.89	70.0	\$342.30	\$4.89	
<b>Total Receipts</b>				<b>\$342.30</b>	<b>\$4.89</b>	<b>\$0</b>

**DIRECT COSTS**

	Unit	Cost/ Unit	Quantity	Cost Per Acre	Cost Per BU	YOUR FARM
<i>OPERATING PREHARVEST</i>						
SEED	DOLS	9.08	1.00	9.08	0.13	
FERTILIZER	DOLS	27.18	1.00	27.18	0.39	
HERBICIDE	DOLS	32.82	1.00	32.82	0.47	
CUSTOM APPLICATION	DOLS	7.00	1.00	7.00	0.10	
CROP INSURANCE	DOLS	32.00	1.00	32.00	0.46	
FUEL & OIL	DOLS	7.66	1.00	7.66	0.11	
REPAIR & MAINTENANCE	DOLS	6.93	1.00	6.93	0.10	
LABOR	DOLS	2.30	1.00	2.30	0.03	
INTEREST EXPENSE <sup>2</sup>	DOLS	4.37	1.00	4.37	0.06	
<b>Total Pre-Harvest Expenses</b>				<b>129.34</b>	<b>1.85</b>	<b>\$0</b>

<i>HARVEST COSTS</i>						
FUEL	DOLS	4.72	1.00	4.72	0.07	
REPAIR & MAINTENANCE	DOLS	3.25	1.00	3.25	0.05	
LABOR	DOLS	1.65	1.00	1.65	0.02	
HAULING <sup>1</sup>	DOLS	14.00	1.00	14.00	0.20	
Total Harvest Costs				23.62	0.34	
<b>Total Operating Costs</b>				<b>152.96</b>	<b>2.19</b>	<b>\$0</b>

<i>PROPERTY &amp; OWNERSHIP COSTS</i>						
MACHINERY OWNERSHIP COSTS	DOLS	35.91	1.00	35.91	0.51	
GENERAL FARM OVERHEAD	DOLS	10.00	1.00	10.00	0.14	
REAL ESTATE TAXES	DOLS	2.39	1.00	2.39	0.03	
Total Property & Ownership Costs				48.30	0.69	\$0

<b>Total Direct Costs</b>				<b>201.26</b>	<b>2.88</b>	<b>\$0</b>
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<b>NET RECEIPTS BEFORE FACTOR PAYMENTS</b>				<b>141.04</b>	<b>2.01</b>	<b>\$0</b>
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<i>FACTOR PAYMENTS</i>						
Land @ 4% <sup>3</sup>				40.00	0.57	

<b>RETURN TO MANAGEMENT &amp; RISK</b>				<b>101.04</b>	<b>1.44</b>	<b>\$0</b>
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<sup>1</sup> Hauling Machinery & Labor Charges =\$0.20/Brushel

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

<sup>3</sup> Includes allocation of fallow acres in the rotation

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

		ALTERNATIVE PRICES				
		\$/BU				
		-25%	-10%	\$4.89	+10%	+25%
ALTERNATIVE YIELDS		\$ 3.67	\$ 4.40	\$ 4.89	\$ 5.38	\$ 6.11
-25%	52.50	(\$8.72)	\$29.79	\$55.47	\$81.14	\$119.65
-10%	63.00	\$29.79	\$76.00	\$106.81	\$137.62	\$183.83
BUSHEL	70.00	\$55.47	\$106.81	\$141.04	\$175.27	\$226.62
+10%	77.00	\$81.14	\$137.62	\$175.27	\$212.92	\$269.40
+25%	87.50	\$119.65	\$183.83	\$226.62	\$269.40	\$333.58