



**South Platte Valley - Irrigated Winter Wheat**

**2016**

**Estimated Production Costs & Returns**

<b>GROSS RECEIPTS FROM PRODUCTION</b>						
GROSS RECEIPTS	UNIT	PRICE	YIELD	PER ACRE	PER BU	YOUR FARM
Hard Red Winter Wheat	bu	\$3.90	95	\$370.50	\$3.90	
Other						
<b>Total Receipts</b>				<b>\$370.50</b>		<b>\$0</b>

<b>DIRECT COSTS</b>						
	UNIT	COST PER		PER ACRE	PER BU	YOUR FARM
		UNIT	QUANTITY			
<b>OPERATING PREHARVEST</b>						
Seed						
Seed	dollars	22.11	1.00	22.11	0.23	
<b>Crop Protection</b>						
Fertilizer	dollars	42.46	1	42.46	0.45	
Herbicide (Applied)	dollars	25.10	1	25.10	0.26	
<b>Irrigation</b>						
Irrigation Energy	dollars	30.24	1	30.24	0.32	
Irrigation Repairs	dollars	11.26	1	11.26	0.12	
Sprinkler Lease	dollars	70.00	1	70.00	0.74	
Crop Insurance	dollars	53.00	1	53.00	0.56	
Fuel	dollars	6.01	1	6.01	0.06	
Repair & Maintenance	dollars	5.11	1	5.11	0.05	
Labor	dollars	2.47	1	2.47	0.03	
Interest (6 months @ 6.0%) <sup>2</sup>	dollars	11.11	1	11.11	0.12	
<b>Total Pre-Harvest Expenses</b>				<b>\$278.87</b>	<b>\$2.94</b>	<b>\$0.00</b>
<b>HARVEST COSTS</b>						
Fuel	dollars	3.39	1	3.39	0.04	
Repair & Maintenance	dollars	3.19	1	3.19	0.03	
Labor	dollars	1.67	1	1.67	0.02	
Hauling <sup>1</sup>	dollars	21.00	1	21.00	0.22	
<b>Total Harvest Costs</b>				<b>\$29.25</b>	<b>\$0.31</b>	<b>\$0.00</b>
<b>Total Operating Costs</b>				<b>\$308.12</b>	<b>\$3.24</b>	<b>\$0.00</b>
<b>PROPERTY &amp; OWNERSHIP COSTS</b>						
General Farm Overhead	dollars	10.00	1	10.00	0.11	
Machinery Ownership Costs	dollars	33.52	1	33.52	0.35	
Real Estate Taxes	dollars	11.77	1	11.77	0.12	
<b>Total Property &amp; Ownership Costs</b>				<b>\$55.29</b>	<b>\$0.58</b>	<b>\$0.00</b>
<b>TOTAL DIRECT COSTS</b>				<b>\$363.41</b>	<b>\$3.83</b>	<b>\$0.00</b>
<b>NET RECEIPTS BEFORE FACTOR PAYMENTS</b>				<b>\$7.09</b>	<b>\$0.07</b>	<b>\$0.00</b>
<b>FACTOR PAYMENTS</b>						
Land (\$5,000 @ 4%)				200.00	2.11	
<b>RETURN TO MANAGEMENT &amp; RISK</b>				<b>(\$192.91)</b>	<b>(\$2.03)</b>	<b>\$0.00</b>

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%

<b>BREAKEVEN ANALYSIS - PER ACRE RETURNS OVER TOTAL DIRECT COSTS (\$/ACRE)</b>						
ALTERNATIVE YIELDS		ALTERNATIVE PRICES (\$/bushel)				
		-25%	-10%	10%	25%	
		\$2.93	\$3.51	\$3.90	\$4.29	\$4.88
-25%	71.25	(\$155.00)	(\$113.32)	(\$85.54)	(\$57.75)	(\$16.07)
-10%	85.50	(\$113.32)	(\$63.31)	(\$29.96)	\$3.38	\$53.40
	95.00	(\$85.54)	(\$29.96)	\$7.09	\$44.14	\$99.71
	104.50	(\$57.75)	\$3.38	\$44.14	\$84.90	\$146.03
	118.75	(\$16.07)	\$53.40	\$99.71	\$146.03	\$215.50