

Table 16. 2012 Estimated Production Costs and Returns - Dryland Corn 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						
CORN	BU	6.80	19.50	132.60		
CROP INSURANCE INDEMNITY PAYMENT	DOLS			65.85		
TOTAL RECEIPTS				198.45	6.80	
DIRECT COSTS						
Operating Preharvest						
SEED	DOLS	58.94	1.00	58.94	3.02	
FERTILIZER	DOLS	62.35	1.00	62.35	3.20	
HERBICIDE	DOLS	37.36	1.00	37.36	1.92	
CUSTOM APPLICATION	DOLS	7.00	1.00	7.00	0.36	
CROP INSURANCE	DOLS	25.00	1.00	25.00	1.28	
FUEL	DOLS			5.94	0.30	
REPAIR & MAINTENANCE	DOLS			2.80	0.14	
LABOR	DOLS			1.96	0.10	
INTEREST EXPENSE ²	DOLS			7.05	0.36	
Total Preharvest	DOLS			208.40	10.69	
Operating Harvest						
FUEL	DOLS			7.55	0.39	
REPAIR & MAINTENANCE	DOLS			5.21	0.27	
LABOR	DOLS			1.45	0.07	
HAULING ¹	DOLS			3.90	0.20	
Total Harvest				18.11	0.93	
Total Operating Costs				226.51	11.62	
Property and Ownership Costs						
MACHINERY OWNERSHIP COSTS	DOLS			32.12	1.65	
GENERAL FARM OVERHEAD	DOLS			10.00	0.51	
REAL ESTATE TAXES	DOLS			2.46	0.13	
Total Property and Ownership Costs	DOLS			44.58	2.29	
TOTAL DIRECT COSTS				271.09	13.90	
NET RECEIPTS BEFORE FACTOR PAYMENTS				-72.64	-7.10	
FACTOR PAYMENTS						
LAND @ 4.00% ³	DOLS			32.50	1.67	
RETURN TO MANAGEMENT AND RISK	DOLS			-105.14	-8.77	

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%

3 Includes allocation of fallow acres in the rotation

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

				ALTERNATIVE PRICES				
				\$/BU				
				-25%	-10%	\$ 6.80	+10%	+25%
				\$ 5.10	\$ 6.12	\$ 6.80	\$ 7.48	\$ 8.50
ALTERNATIVE YIELDS	-25%	14.6	\$	(130.65)	#####	(105.79)	(95.84)	(80.92)
	-10%	17.6	\$	(115.73)	(97.83)	(85.90)	(73.96)	(56.06)
BUSHEL		19.5	\$	(105.79)	(85.90)	(72.64)	(59.38)	(39.49)
	+10%	21.5	\$	(95.84)	(73.96)	(59.38)	(44.79)	(22.91)
	+25%	24.4	\$	(80.92)	(56.06)	(39.49)	(22.91)	1.95