



Northeastern Colorado - Dryland Corn Reduced-Till in a Two-Crop in Three-Year Rotation

**Estimated Production Costs & Returns**

**2016**

**GROSS RECEIPTS FROM PRODUCTION**

GROSS RECEIPTS	UNIT	PRICE	YIELD	PER ACRE	PER BU	YOUR FARM
Corn	bu	\$3.66	86	\$314.76	\$3.66	
Crop Insurance Indemnity Payment						
<b>Total Receipts</b>				<b>\$314.76</b>		<b>\$0</b>

**DIRECT COSTS**

	UNIT	COST PER UNIT	QUANTITY	PER ACRE	PER BU	YOUR FARM
<b>OPERATING PREHARVEST</b>						
Seed						
Seed	dollars	57.17	1.00	57.17	0.66	
Crop Protection						
Fertilizer	dollars	35.38	1	35.38	0.41	
Herbicide	dollars	38.48	1	38.48	0.45	
Custom Application	dollars	7.00	1	7.00	0.08	
Crop Insurance	dollars	25.00	1	25.00	0.29	
Fuel	dollars	3.23	1	3.23	0.04	
Repairs & Maintenance	dollars	2.80	1	2.80	0.03	
Labor	dollars	2.02	1	2.02	0.02	
Interest (6 months @ 6.0%) <sup>2</sup>	dollars	6.17	1	6.17	0.07	
<b>Total Pre-Harvest Expenses</b>				<b>\$177.25</b>	<b>\$2.06</b>	<b>\$0.00</b>
<b>HARVEST COSTS</b>						
Fuel	dollars	4.17	1	4.17	0.05	
Repair & Maintenance	dollars	5.21	1	5.21	0.06	
Labor	dollars	1.49	1	1.49	0.02	
Hauling <sup>1</sup>	bu	17.20	1	17.20	0.20	
<b>Total Harvest Costs</b>				<b>\$28.07</b>	<b>\$0.33</b>	<b>\$0.00</b>
<b>Total Operating Costs</b>				<b>\$205.32</b>	<b>\$2.39</b>	<b>\$0.00</b>
<b>PROPERTY &amp; OWNERSHIP COSTS</b>						
General Farm Overhead	dollars	10.00	1	10.00	0.12	
Machinery Ownership Costs	dollars	32.12	1	32.12	0.37	
Real Estate Taxes	dollars	2.46	1	2.46	0.03	
<b>Total Property &amp; Ownership Costs</b>				<b>\$44.58</b>	<b>\$0.52</b>	<b>\$0.00</b>
<b>TOTAL DIRECT COSTS</b>				<b>\$249.90</b>	<b>\$2.91</b>	<b>\$0.00</b>
<b>NET RECEIPTS BEFORE FACTOR PAYMENTS</b>				<b>\$64.86</b>	<b>\$0.75</b>	<b>\$0.00</b>
<b>FACTOR PAYMENTS</b>						
Land (\$5,000 @ 4%)				40.00	0.47	
<b>RETURN TO MANAGEMENT &amp; RISK</b>				<b>\$24.86</b>	<b>\$0.29</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%

3 Includes allocation of fallow acres in the rotation

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

ALTERNATIVE YIELDS		ALTERNATIVE PRICES (\$/bushel)				
		-25%	-10%	10%	25%	
		\$2.75	\$3.29	\$3.66	\$4.03	\$4.58
-25%	64.50	(\$72.85)	(\$37.44)	(\$13.83)	\$9.78	\$45.19
-10%	77.40	(\$37.44)	\$5.06	\$33.38	\$61.71	\$104.21
BUSHEL PER ACRE	86.00	(\$13.83)	\$33.38	\$64.86	\$96.34	\$143.55
	10%	\$9.78	\$61.71	\$96.34	\$130.96	\$182.90
	25%	\$45.19	\$104.21	\$143.55	\$182.90	\$241.91