

Table 32. 2011 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	6.20	38.20	236.84		
TOTAL RECEIPTS				236.84	6.20	
DIRECT COSTS						
Operating Preharvest						
SEED	DOLS	26.70	1.00	26.70	0.70	
FERTILIZER	DOLS	29.03	1.00	29.03	0.76	
HERBICIDE	DOLS	35.71	1.00	35.71	0.93	
CUSTOM APPLICATION	DOLS	7.00	1.00	7.00	0.18	
CROP INSURANCE	DOLS	25.29	1.00	25.29	0.66	
FUEL	DOLS			5.69	0.15	
REPAIR & MAINTENANCE	DOLS			2.73	0.07	
LABOR	DOLS			1.88	0.05	
INTEREST EXPENSE ²	DOLS			4.69	0.12	
Total Preharvest	DOLS			138.72	3.63	
Operating Harvest						
FUEL	DOLS			7.23	0.19	
REPAIR & MAINTENANCE	DOLS			5.09	0.13	
LABOR	DOLS			1.39	0.04	
HAULING ¹	DOLS			7.64	0.20	
Total Harvest				21.35	0.56	
Total Operating Costs				160.07	4.19	
Property and Ownership Costs						
MACHINERY OWNERSHIP COSTS	DOLS			24.46	0.64	
GENERAL FARM OVERHEAD	DOLS			10.00	0.26	
REAL ESTATE TAXES	DOLS			2.35	0.06	
Total Property and Ownership Costs	DOLS			36.81	0.96	
TOTAL DIRECT COSTS				196.88	5.15	
NET RECEIPTS BEFORE FACTOR PAYMENTS				39.96	1.05	
FACTOR PAYMENTS						
LAND @ 4.00% ³	DOLS			32.00	0.84	
RETURN TO MANAGEMENT AND RISK	DOLS			7.96	0.21	

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%		+10%	+25%
				\$ 4.65	\$ 5.58	\$ 6.20	\$ 6.82	\$ 7.75
ALTERNATIVE YIELDS	-25%	28.7	\$ (63.66)	\$ (37.01)	\$ (19.25)	\$ (1.49)	\$ 25.16	
	-10%	34.4	\$ (37.01)	\$ (5.04)	\$ 16.27	\$ 37.59	\$ 69.56	
BUSHEL		38.2	\$ (19.25)	\$ 16.27	\$ 39.96	\$ 63.64	\$ 99.17	
	+10%	42.0	\$ (1.49)	\$ 37.59	\$ 63.64	\$ 89.70	\$ 128.77	
	+25%	47.8	\$ 25.16	\$ 69.56	\$ 99.17	\$ 128.77	\$ 173.18	