



Northeastern Colorado - Dryland Winter Wheat Conventional Till- Fallow Rotation

Estimated Production Costs & Returns

2016

GROSS RECEIPTS FROM PRODUCTION

GROSS RECEIPTS	UNIT	PRICE	YIELD	PER ACRE	PER BU	YOUR FARM
Hard Red Winter Wheat	bu	\$3.90	84	\$327.60	\$3.90	
Other						
Total Receipts				\$327.60		\$0

DIRECT COSTS

	UNIT	COST PER UNIT	QUANTITY	PER ACRE	PER BU	YOUR FARM
OPERATING PREHARVEST						
Seed						
Seed	dollars	8.81	1.00	8.81	0.10	
Crop Protection						
Fertilizer	dollars	23.92	1	23.92	0.28	
Fungicide	dollars	16.99	1	16.99	0.20	
Herbicide	dollars	10.01	1	10.01	0.12	
Custom Application	dollars	7.00	1	7.00	0.08	
Crop Insurance	dollars	32.00	1	32.00	0.38	
Fuel	dollars	7.58	1	7.58	0.09	
Repair & Maintenance	dollars	9.22	1	9.22	0.11	
Labor	dollars	2.52	1	2.52	0.03	
Interest (6 months @ 6.0%) ²	dollars	4.20	1	4.20	0.05	
Total Pre-Harvest Expenses				\$122.25	\$1.46	\$0.00
HARVEST COSTS						
Fuel	dollars	4.7	1	4.70	0.06	
Repair & Maintenance	dollars	3.25	1	3.25	0.04	
Labor	dollars	1.70	1	1.70	0.02	
Hauling ¹	dollars	17.10	1	17.10	0.20	
Total Harvest Costs				\$26.75	\$0.32	\$0.00
Total Operating Costs				\$149.00	\$1.77	\$0.00
PROPERTY & OWNERSHIP COSTS						
General Farm Overhead	dollars	10.00	1	10.00	0.12	
Machinery Ownership Costs	dollars	46.51	1	46.51	0.55	
Real Estate Taxes	dollars	2.39	1	2.39	0.03	
Total Property & Ownership Costs				\$58.90	\$0.70	\$0.00
TOTAL DIRECT COSTS				\$207.90	\$2.48	\$0.00
NET RECEIPTS BEFORE FACTOR PAYMENTS				\$119.70	\$1.43	\$0.00
FACTOR PAYMENTS						
Land (\$5,000 @ 4%) ³				40.00	0.48	
RETURN TO MANAGEMENT & RISK				\$79.70	\$0.95	\$0.00

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%	
		\$2.93	\$3.51	\$3.90	\$4.29	\$4.88
-25%	63.00	(\$23.63)	\$13.23	\$37.80	\$62.37	\$99.23
-10%	75.60	\$13.23	\$57.46	\$86.94	\$116.42	\$160.65
BUSHEL PER ACRE	84.00	\$37.80	\$86.94	\$119.70	\$152.46	\$201.60
10%	92.40	\$62.37	\$116.42	\$152.46	\$188.50	\$242.55
25%	105.00	\$99.23	\$160.65	\$201.60	\$242.55	\$303.98