



Northeastern Colorado - Dryland Winter Wheat Reduced-Till in 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
Hard Red Winter Wheat	bu	\$3.90	87	\$339.30	\$3.90	
Other						
Total Receipts				\$339.30		\$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	0.27	
Herbicide	dollars	33.80	1	33.80	0.39	
Custom Application	dollars	7.00	1	7.00	0.08	
Crop Insurance	dollars	32.00	1	32.00	0.37	
Fuel	dollars	6.97	1	6.97	0.08	
Repair & Maintenance	dollars	6.93	1	6.93	0.08	
Labor	dollars	2.37	1	2.37	0.03	
Interest (6 months @ 6.0%) ²	dollars	4.35	1	4.35	0.05	
Total Pre-Harvest Expenses				\$126.15	\$1.45	\$0.00
HARVEST COSTS						
Fuel	dollars	4.30	1	4.30	0.05	
Repair & Maintenance	dollars	3.25	1	3.25	0.04	
Labor	dollars	1.70	1	1.70	0.02	
Hauling ¹	dollars	17.20	1	17.20	0.20	
Total Harvest Costs				\$26.45	\$0.30	\$0.00
Total Operating Costs				\$152.60	\$1.75	\$0.00
PROPERTY & OWNERSHIP COSTS						
General Farm Overhead	dollars	10.00	1	10.00	0.11	
Machinery Ownership Costs	dollars	35.91	1	35.91	0.41	
Real Estate Taxes	dollars	2.39	1	2.39	0.03	
Total Property & Ownership Costs				\$48.30	\$0.56	\$0.00
TOTAL DIRECT COSTS				\$200.90	\$2.31	\$0.00
NET RECEIPTS BEFORE FACTOR PAYMENTS				\$138.40	\$1.59	\$0.00
FACTOR PAYMENTS						
Land (\$5,000 @ 4%) ³				40.00	0.46	
RETURN TO MANAGEMENT & RISK				\$98.40	\$1.13	\$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%	65.25	(\$10.04)	\$28.13	\$53.58	\$79.02	\$117.19
-10%	78.30	\$28.13	\$73.93	\$104.47	\$135.01	\$180.81
BUSHEL PER ACRE	87.00	\$53.58	\$104.47	\$138.40	\$172.33	\$223.23
	10%	\$79.02	\$135.01	\$172.33	\$209.65	\$265.64
	25%	\$117.19	\$180.81	\$223.23	\$265.64	\$329.26