

Table 25. 2006 Estimated Production Costs and Returns - Irrigated Sugarbeets in Northeastern Colorado

	Unit	Price or Cost/Unit	Quantity	Value or Cost Per Acre	Value or Cost/Unit Production	Your Farm
GROSS RECEIPTS FROM PRODUCTION:						
SUGARBEETS	CWT	36.00	28.36	1020.96		
TOTAL RECEIPTS				1020.96	4.63	
DIRECT COSTS:						
Operating Preharvest						
SEED	DOLS	43.00	1.00	43.00	1.52	
FERTILIZER	DOLS	88.22	1.00	88.22	3.11	
HERBICIDE	DOLS	97.13	1.00	97.13	3.42	
CUSTOM APPLICATION	DOLS	4.00	1.00	4.00	0.14	
INSECTICIDE	DOLS	10.00	1.00	10.00	0.35	
FUNGICIDE	DOLS	17.50	1.00	17.50	0.62	
IRRIGATION ENERGY	DOLS	87.35	1.00	87.35	3.08	
IRRIGATION REPAIR	DOLS	10.00	1.00	10.00	0.35	
CROP INSURANCE	DOLS	9.00	1.00	9.00	0.32	
SPRINKLER LEASE	DOLS	60.00	1.00	60.00	2.12	
CUSTOM AERIAL SPRAY	DOLS	4.50	1.00	4.50	0.16	
CROP CONSULTANT	DOLS	8.00	1.00	8.00	0.28	
HAND LABOR	DOLS	55.00	1.00	55.00	1.94	
FUEL	DOLS			17.83	0.63	
REPAIR & MAINTENANCE	DOLS			11.12	0.39	
LABOR	DOLS			8.80	0.31	
INTEREST EXPENSE ²	DOLS			18.60	0.66	
Total Preharvest	DOLS			550.05	19.40	
Operating Harvest						
FUEL	DOLS			21.38	0.75	
REPAIR & MAINTENANCE	DOLS			82.13	2.90	
LABOR	DOLS			8.08	0.28	
HAULING ¹	DOLS			120.53	4.25	
Total Harvest				232.12	8.18	
Total Operating Costs				782.17	27.58	
Property and Ownership Costs						
MACHINERY OWNERSHIP COSTS	DOLS			121.62	4.29	
GENERAL FARM OVERHEAD	DOLS			30.00	1.06	
REAL ESTATE TAXES	DOLS			11.64	0.41	
PAYMENT ON COOP SHARE ³	DOLS			43.92	1.55	
Total Property and Ownership Costs	DOLS			207.18	5.76	
TOTAL DIRECT COSTS:				989.35	33.34	
NET RECEIPTS BEFORE FACTOR PAYMENTS				31.61	-28.71	
FACTOR PAYMENTS						
LAND @ 4.00%	DOLS			52.00	1.83	
RETURN TO MANAGEMENT AND RISK	DOLS			-20.39	-30.54	

¹ Hauling Machinery & Labor Charges = \$2/CWT and \$0.15 per ton per loaded mile (15 Miles)

² Interest on Operating Capital is calculated on 1/2 of pre-harvest operating costs at 7%

³ \$185 Annualized over 5 years at 6% interest

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

		ALTERNATIVE PRICES				
		\$/CWT				
		-25%	-10%		+10%	+25%
		\$ 27.00	\$ 32.40	\$ 36.00	\$ 39.60	\$ 45.00
ALTERNATIVE YIELDS	-25%	21.3	25.5	28.4	31.2	35.5
	-10%	21.3	25.5	28.4	31.2	35.5
	CWT	21.3	25.5	28.4	31.2	35.5
	+10%	21.3	25.5	28.4	31.2	35.5
	+25%	21.3	25.5	28.4	31.2	35.5
		\$(415.06)	\$(300.20)	\$(223.63)	\$(147.06)	\$(32.20)
		\$(300.20)	\$(162.37)	\$(70.49)	\$ 21.40	\$ 159.23
		\$(223.63)	\$(70.49)	\$ 31.61	\$ 133.70	\$ 286.85
		\$(147.06)	\$ 21.40	\$ 133.70	\$ 246.01	\$ 414.47
		\$(32.20)	\$ 159.23	\$ 286.85	\$ 414.47	\$ 605.90