

Table 6. 2009 Estimated Production Costs and Returns - Irrigated Potatoes 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						
POTATOES - GRADE A	CWT	6.70	336.75	2256.23		
POTATOES - GRADE B	CWT	2.20	26.57	58.45		
TOTAL RECEIPTS				2314.68	6.37	
DIRECT COSTS						
Operating Harvest						
SEED	DOLS	311.33	1.00	311.33	0.92	
FERTILIZER	DOLS	355.44	1.00	355.44	1.06	
HERBICIDE	DOLS	75.13	1.00	75.13	0.22	
CUSTOM APPLICATION	DOLS	6.00	1.00	6.00	0.02	
INSECTICIDE	DOLS	75.64	1.00	75.64	0.22	
FUNGICIDE	DOLS	99.33	1.00	99.33	0.29	
IRRIGATION ENERGY	DOLS	61.34	1.00	61.34	0.18	
IRRIGATION REPAIR	DOLS	10.00	1.00	10.00	0.03	
CROP INSURANCE	DOLS	65.15	1.00	65.15	0.19	
SPRINKLER LEASE	DOLS	147.50	1.00	147.50	0.44	
CUSTOM AERIAL SPRAY	DOLS	8.00	2.00	16.00	0.05	
CROP CONSULTANT	DOLS	8.00	1.00	8.00	0.02	
STORAGE	DOLS	210.00	1.00	210.00	0.62	
FUEL	DOLS			8.63	0.03	
REPAIR & MAINTENANCE	DOLS			4.70	0.01	
LABOR	DOLS			5.46	0.02	
INTEREST EXPENSE ²	DOLS			54.74	0.16	
Total Preharvest	DOLS			1514.39	4.50	
Operating Harvest						
FUEL	DOLS			26.45	0.08	
REPAIR & MAINTENANCE	DOLS			67.59	0.20	
LABOR	DOLS			10.20	0.03	
HAULING ¹	DOLS			109.00	0.32	
Total Harvest				213.24	0.63	
Total Operating Costs				1727.62	5.13	
Property and Ownership Costs						
MACHINERY OWNERSHIP COSTS	DOLS			107.97	0.32	
GENERAL FARM OVERHEAD	DOLS			18.00	0.05	
REAL ESTATE TAXES	DOLS			11.64	0.03	
Total Property and Ownership Costs	DOLS			137.61	0.41	
TOTAL DIRECT COSTS:				1865.23	5.54	
NET RECEIPTS BEFORE FACTOR PAYMENTS				449.45	0.83	
FACTOR PAYMENTS						
LAND @ 4.00%	DOLS			52.00	0.15	
RETURN TO MANAGEMENT AND RISK	DOLS			397.45	0.68	

1 Hauling Machinery & Labor Charges = \$0.30/CWT

2 Interest on Operating Capital is calculated on 1/2 of pre-harvest operating costs at 7.5%

3 Capital and Labor Payments are included in Machinery Operating and Ownership Costs.

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

		ALTERNATIVE PRICES					
		\$/CWT					
		-25%	-10%	+10%	+25%		
		\$ 5.03	\$ 6.03	\$ 6.70	\$ 7.37	\$ 8.38	
ALTERNATIVE YIELDS	-25%	252.6	\$ (596.11)	\$ (342.28)	\$ (173.06)	\$ (3.85)	\$ 249.98
	-10%	303.1	\$ (342.28)	\$ (37.69)	\$ 165.37	\$ 368.43	\$ 673.02
	CWT	336.8	\$ (173.06)	\$ 165.37	\$ 390.99	\$ 616.61	\$ 955.05
	+10%	370.4	\$ (3.85)	\$ 368.43	\$ 616.61	\$ 864.80	\$ 1,237.08
	+25%	420.9	\$ 249.98	\$ 673.02	\$ 955.05	\$ 1,237.08	\$ 1,660.12