

**Table 6. 2008 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
<b>GROSS RECEIPTS FROM PRODUCTION</b>						
POTATOES - GRADE A	CWT	14.40	311.50	4485.60		
POTATOES - GRADE B	CWT	2.50	24.58	61.45		
<b>TOTAL RECEIPTS</b>				<b>4547.05</b>	<b>13.53</b>	
<b>DIRECT COSTS</b>						
<b>Operating Harvest</b>						
SEED	DOLS	236.48	1.00	236.48	0.76	
FERTILIZER	DOLS	514.28	1.00	514.28	1.65	
HERBICIDE	DOLS	67.93	1.00	67.93	0.22	
CUSTOM APPLICATION	DOLS	6.00	1.00	6.00	0.02	
INSECTICIDE	DOLS	74.23	1.00	74.23	0.24	
FUNGICIDE	DOLS	90.46	1.00	90.46	0.29	
IRRIGATION ENERGY	DOLS	64.23	1.00	64.23	0.21	
IRRIGATION REPAIR	DOLS	10.00	1.00	10.00	0.03	
CROP INSURANCE	DOLS	96.09	1.00	96.09	0.31	
SPRINKLER LEASE	DOLS	147.50	1.00	147.50	0.47	
CUSTOM AERIAL SPRAY	DOLS	8.00	2.00	16.00	0.05	
CROP CONSULTANT	DOLS	8.00	1.00	8.00	0.03	
STORAGE	DOLS	210.00	1.00	210.00	0.67	
FUEL	DOLS			13.56	0.04	
REPAIR & MAINTENANCE	DOLS			4.70	0.02	
LABOR	DOLS			5.46	0.02	
INTEREST EXPENSE <sup>2</sup>	DOLS			54.77	0.18	
<b>Total Preharvest</b>	DOLS			<b>1619.69</b>	<b>5.20</b>	
<b>Operating Harvest</b>						
FUEL	DOLS			37.60	0.12	
REPAIR & MAINTENANCE	DOLS			67.59	0.22	
LABOR	DOLS			10.20	0.03	
HAULING <sup>1</sup>	DOLS			81.59	0.26	
<b>Total Harvest</b>				<b>196.98</b>	<b>0.63</b>	
<b>Total Operating Costs</b>				<b>1816.67</b>	<b>5.83</b>	
<b>Property and Ownership Costs</b>						
MACHINERY OWNERSHIP COSTS	DOLS			107.97	0.35	
GENERAL FARM OVERHEAD	DOLS			18.00	0.06	
REAL ESTATE TAXES	DOLS			11.64	0.04	
<b>Total Property and Ownership Costs</b>	DOLS			<b>137.61</b>	<b>0.44</b>	
<b>TOTAL DIRECT COSTS:</b>				<b>1954.28</b>	<b>6.27</b>	
<b>NET RECEIPTS BEFORE FACTOR PAYMENTS</b>				<b>2592.77</b>	<b>7.26</b>	
<b>FACTOR PAYMENTS</b>						
LAND @ 4.00%	DOLS			52.00	0.17	
<b>RETURN TO MANAGEMENT AND RISK</b>	DOLS			<b>2540.77</b>	<b>7.09</b>	

1 Hauling Machinery & Labor Charges = \$0.26/CWT

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

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

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

				<b>ALTERNATIVE PRICES</b>				
				\$/CWT				
				-25%	-10%		+10%	+25%
				\$ 10.80	\$ 12.96	\$ 14.40	\$ 15.84	\$ 18.00
ALTERNATIVE YIELDS	-25%	233.6	\$ 568.87	\$ 1,073.50	\$ 1,409.92	\$ 1,746.34	\$ 2,250.97	
	-10%	280.4	\$ 1,073.50	\$ 1,679.05	\$ 2,082.76	\$ 2,486.46	\$ 3,092.02	
	CWT	311.5	\$ 1,409.92	\$ 2,082.76	\$ 2,531.32	\$ 2,979.88	\$ 3,652.72	
	+10%	342.7	\$ 1,746.34	\$ 2,486.46	\$ 2,979.88	\$ 3,473.29	\$ 4,213.42	
	+25%	389.4	\$ 2,250.97	\$ 3,092.02	\$ 3,652.72	\$ 4,213.42	\$ 5,054.47	