

Table 6. 2012 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	11.40	362.00	4126.80		
POTATOES - GRADE B	CWT	2.54	24.46	62.13		
TOTAL RECEIPTS				4188.93	10.84	
DIRECT COSTS						
Operating Harvest						
SEED	DOLS	368.26	1.00	368.26	1.02	
FERTILIZER	DOLS	438.16	1.00	438.16	1.21	
HERBICIDE	DOLS	73.07	1.00	73.07	0.20	
CUSTOM APPLICATION	DOLS	7.00	1.00	7.00	0.02	
INSECTICIDE	DOLS	80.53	1.00	80.53	0.22	
FUNGICIDE	DOLS	113.59	1.00	113.59	0.31	
IRRIGATION ENERGY	DOLS	79.36	1.00	79.36	0.22	
IRRIGATION REPAIR	DOLS	10.24	1.00	10.24	0.03	
CROP INSURANCE	DOLS	78.00	1.00	78.00	0.22	
SPRINKLER LEASE	DOLS	70.00	1.00	70.00	0.19	
CUSTOM AERIAL SPRAY	DOLS	8.00	2.00	16.00	0.04	
CROP CONSULTANT	DOLS	8.00	1.00	8.00	0.02	
STORAGE	DOLS	210.00	1.00	210.00	0.58	
FUEL	DOLS			19.86	0.05	
REPAIR & MAINTENANCE	DOLS			5.22	0.01	
LABOR	DOLS			5.98	0.02	
INTEREST EXPENSE ²	DOLS			55.41	0.15	
Total Preharvest	DOLS			1638.68	4.53	
Operating Harvest						
FUEL	DOLS			47.79	0.13	
REPAIR & MAINTENANCE	DOLS			73.91	0.20	
LABOR	DOLS			10.98	0.03	
HAULING ¹	DOLS			115.94	0.32	
Total Harvest				248.62	0.69	
Total Operating Costs				1887.30	5.21	
Property and Ownership Costs						
MACHINERY OWNERSHIP COSTS	DOLS			117.39	0.32	
GENERAL FARM OVERHEAD	DOLS			18.00	0.05	
REAL ESTATE TAXES	DOLS			15.42	0.04	
Total Property and Ownership Costs	DOLS			150.81	0.42	
TOTAL DIRECT COSTS:				2038.11	5.63	
NET RECEIPTS BEFORE FACTOR PAYMENTS				2150.82	5.21	
FACTOR PAYMENTS						
LAND @ 4.00%	DOLS			162.50	0.45	
RETURN TO MANAGEMENT AND RISK	DOLS			1988.32	4.76	

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%

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%
			\$ 8.55	\$ 10.26	\$ 11.40	\$ 12.54	\$ 14.25
ALTERNATIVE YIELDS	-25%	271.5	\$ 283.21	\$ 747.48	\$ 1,056.99	\$ 1,366.50	\$ 1,830.76
	-10%	325.8	\$ 747.48	\$ 1,304.60	\$ 1,676.01	\$ 2,047.42	\$ 2,604.54
	CWT	362.0	\$ 1,056.99	\$ 1,676.01	\$ 2,088.69	\$ 2,501.37	\$ 3,120.39
	+10%	398.2	\$ 1,366.50	\$ 2,047.42	\$ 2,501.37	\$ 2,955.32	\$ 3,636.24
	+25%	452.5	\$ 1,830.76	\$ 2,604.54	\$ 3,120.39	\$ 3,636.24	\$ 4,410.01