

Ag Management Guide

2014

Northern CO - Irrigated Onions - Organic

Estimated Production Costs & Returns

GROSS RECEIPTS FROM PRODUCTION

GROSS RECEIPTS	Unit	Price	Yield	Per Acre	Per Bag	YOUR FARM
ONIONS - ORGANIC	BAG	\$25.00	600.0	\$15,000	\$25.00	
NET GOVT PAYMENTS	ACRE			\$0	\$0.00	
Total Receipts				\$15,000	\$25.00	\$0

DIRECT COSTS

	Unit	Cost Per Unit	Quantity	Cost Per Acre	Cost Per Bag	YOUR FARM
<i>OPERATING PREHARVEST</i>						
SEED	DOLS	1,000.00	1.00	1,000.00	1.67	
FERTILIZER	DOLS	150.00	1.00	150.00	0.25	
ORGANIC CHEMICAL	DOLS	500.00	1.00	500.00	0.83	
IRRIGATION ENERGY	DOLS	85.00	1.00	85.00	0.14	
SPRINKLER LEASE	DOLS	100.00	1.00	100.00	0.17	
RENT	DOLS	250.00	1.00	250.00	0.42	
GROUND PREPARATION	DOLS	275.00	1.00	275.00	0.46	
LABOR	DOLS	500.00	1.00	500.00	0.83	
UNDER CUTTING	DOLS	100.00	1.00	100.00	0.17	
HAND CLIPPING	DOLS	1,000.00	1.00	1,000.00	1.67	
INTEREST EXPENSE (6 mths @ 7.5%)	DOLS	148.50	1.00	148.50	0.25	
Total Pre-Harvest Expenses				4,108.50	6.85	\$0
<i>HARVEST COSTS</i>						
HAULING	BAG	0.25	1.00	0.25	0.00	
SORTING	BAG	2.25	1.00	2.25	0.00	
BAG COST	BAG	0.45	1.00	0.45	0.00	
FOOD SAFETY	BAG	0.50	1.00	0.50	0.00	
SALES COMMISSION	BAG	2.00	1.00	2.00	0.00	
Total Harvest Costs				5.45	0.01	
Total Operating Costs				4,113.95	6.86	\$0
<i>PROPERTY & OWNERSHIP COSTS</i>						
GENERAL FARM OVERHEAD	DOLS	20.00	1.00	20.00	0.03	
OWNERSHIP COSTS	DOLS	70.00	1.00	70.00	0.12	
REAL ESTATE TAXES	DOLS	10.00	1.00	10.00	0.02	
Total Property & Ownership Costs				100.00	0.17	\$0
Total Direct Costs				4,213.95	7.02	\$0
NET RECEIPTS BEFORE FACTOR PAYMENTS				10,786.05	17.98	\$0
<i>FACTOR PAYMENTS</i>						
Land @ 4%				100.00	0.17	
RETURN TO MANAGEMENT & RISK				10,686.05	17.81	\$0

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

		ALTERNATIVE PRICES			
		\$/BAG			
ALTERNATIVE YIELDS		-25%	-10%	+10%	+25%
		\$ 18.75	\$ 22.50	\$ 25.00	\$ 31.25
-25%	450.00	\$4,223.55	\$5,911.05	\$7,036.05	\$8,161.05
-10%	540.00	\$5,911.05	\$7,936.05	\$9,286.05	\$10,636.05
BAGS	600.00	\$7,036.05	\$9,286.05	\$10,786.05	\$12,286.05
+10%	660.00	\$8,161.05	\$10,636.05	\$12,286.05	\$13,936.05
+25%	750.00	\$9,848.55	\$12,661.05	\$14,536.05	\$16,411.05