**Carolina Farm Stewardship Association, 2015**

**Organic Irish Potato – Irrigated – Wholesale Market – 40-Pound Case**

**Budget based on 1 acre of Irish potatoes on a 10 acre mixed organic vegetable farm.**

**Estimated Costs and Returns Per Acre.**

 UNIT QUANTITY $/UNIT TOTAL $/AC YOUR FARM $/AC

**RECEIPTS**

1. Irish Potato Case 375 34 12,750 \_\_\_\_\_\_\_\_\_\_

**2. VARIABLE COSTS**

1. Organic Certification Acre 1 80 80 \_\_\_\_\_\_\_\_\_\_
2. Potato Seed Cwt. 22 85 1870 \_\_\_\_\_\_\_\_\_\_
3. Compost/Manure Ton 2 40 80 \_\_\_\_\_\_\_\_\_\_
4. Cover Crop Acre 1 80 80 \_\_\_\_\_\_\_\_\_\_
5. Organic Pest. Sprays Oz. 514 0.59 301 \_\_\_\_\_\_\_\_\_\_
6. Fuel Gal. 40 2.50 100 \_\_\_\_\_\_\_\_\_\_
7. 40-Lb. Case Each 300 1.50 450 \_\_\_\_\_\_\_\_\_\_
8. Labor Hrs. 60 10 600 \_\_\_\_\_\_\_\_\_\_
9. Irrigation Supplies Acre 1 1000 1000 \_\_\_\_\_\_\_\_\_\_
10. Plastic Mulch Acre 1 200 200 \_\_\_\_\_\_\_\_\_\_
11. Other \_\_\_\_\_\_\_\_\_\_

 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Total Variable Costs 4,761

**14. FIXED COSTS**

1. Machine & Equip. Acre 1 1,025 1,025 \_\_\_\_\_\_\_\_\_\_
2. Irrigation Acre 1 80 80 \_\_\_\_\_\_\_\_\_\_
3. Land Charge Acre 1 50 50

 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Total Fixed Costs 1,155 \_\_\_\_\_\_\_\_\_\_

**TOTAL COSTS** **5,916** \_\_\_\_\_\_\_\_\_\_

**RETURN ABOVE VARIABLE COSTS 7,989** \_\_\_\_\_\_\_\_\_\_\_

**RETURN ABOVE TOTAL COSTS 6,834** \_\_\_\_\_\_\_\_\_\_\_

**Notes – Budget estimates for planning only.**

1. Yield extrapolated from Louisiana State University 2011, Penn State University 2013 enterprise budgets. Price taken from Carolina Farm Stewardship Assoc. (CFSA) Organic Produce Marketing Survey, 2013.
2. Variable costs are those costs that a farmer incurs because he/she decided to grow this specific crop.
3. Average organic certification cost from USDA Farm Services Administration.
4. Extrapolated from Penn State University 2013 and University of Massachusetts 2000, enterprise budgets.
5. Average price of 1 ton of compost, chicken litter, or manure found in Internet search.
6. Average of various cover crop seed and planting cost. Estimated from farmer interviews, and Mississippi State University enterprise budgets, 2013.
7. Used only when mechanical and Physical control methods are ineffective. Application rates and weighted average price for Entrust, Cueve, Serenade & Sporatec taken from 2013 CFSA pest control worksheet.
8. Extrapolated from Louisiana State University 2011 enterprise budget, and farmer reviews.
9. Cost estimate from Internet search of various suppliers.
10. Labor estimates vary widely. This estimate is extrapolated from enterprise budgets developed by Louisiana State University 2011 and University of Massachusetts 2000.
11. Irrigation supplies include 1.5 rolls of drip tape and 6 acre inches of rural water cost. Derived from the Mississippi State University 2013 enterprise budgets.
12. Price from Internet search.
13. Purposely left blank for other unspecified farm costs.
14. Fixed costs are costs that a farmer incurs whether or not a crop is grown.
15. See table below.
16. Annual fixed cost for irrigation setup.
17. Average of farm rental values for North and South Carolina. Estimated from USDA National Agricultural Statistics Service 2010 published cropland rents.

Machinery and Equipment Costs\*

 Useful

 Purchase Salvage Life Acres Repair & Maint. Total\*\*

Item Price $ Value $ Yrs. Used/Yr. $/Ac. $/Ac.

Tractor 17,000 4,000 20 10 3.00 68

Chisel Plow 2,500 600 15 10 0.30 13

Transplanter 2,600 600 20 4 0.20 25

Pest. Sprayer 9,400 1,900 20 10 9.50 47

Trailer 1,100 200 20 10 0.10 5

Disk 4,450 900 15 10 0.20 24

Manure Spreader 3,000 1,500 20 10 0.20 8

Harvester 30,000 6,000 15 2 6.00 806

200 Buckets 1,000 0 5 7 0 29 Total $/ Acre = 1,025

\*Estimates derived from Mississippi State University, Traditional Vegetable 2013 Planning Budgets; Why Cows Need Names, and More Secrets of Amish Farms, Randy James, Kent State University Press, 2013 and Internet search of various machinery suppliers.

\*\*Total $/Ac. = Purchase Price – Salvage Value/Useful Life/ Acres Used + Repair & Maintenance.

Prepared and updated by: Randy James, PhD, Professor Emeritus, The Ohio State University; Karen RM McSwain, MS, Farm Services Director, Carolina Farm Stewardship Association; and farmers who attended the *Developing Enterprise Budget* workshop at CFSA’s Organic Commodities and Livestock Conference, 2015.