

Dry Bulb Onion Production Budget
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2008

INPUT DATA: Your values in the unprotected or highlighted cells

Dry Bulb Onion Production Budget
(Variable Cost Budget)
 Number of acres 1

	BEST	OPT	MEDIAN	PESS	WORST
Yield (40 lb boxes)	1000	800.00	600.00	400.00	200.00
Price per box	18.00	16.00	14.00	12.00	10.00

Item	Unit	Quantity	Price	Amt/acre	Total	Yours
Variable Costs						
Plant	Thou	70.00	5.00	350.00	350	_____
Lime, applied	Ton	1.00	35.00	35.00	35	_____
Fertilizer	Cwt	15.00	16.00	240.00	240	_____
Insecticide/1	Acre	1.00	30.00	30.00	30	_____
Fungicide	Acre	1.00	200.00	200.00	200	_____
Herbicide	Acre	1.00	30.00	30.00	30	_____
Sidedressing	Cwt	0.00	0.00	0.00	0	_____
Machinery (+ labor)	Acre	1.00	21.60	21.60	22	_____
Set Plants (+ labor)	Acre	1.00	333.00	333.00	333	_____
Land rent	Acre	1.00	0.00	0.00	0	_____
Irrigation	Appl	8.00	24.00	192.00	192	_____
Interest on Oper. Cap.	\$	1431.60	0.09	64.42	64	_____
PreHarvest Variable Costs				1496.02	1,496	_____
<u>Harvest and Marketing Costs</u>						
Hand Harvest labor	Bag	600.00	1.39	834.00	834	_____
Burlap bags (prorated)	Ea	600.00	0.36	216.00	216	_____
Grading (+ labor)	Bag	600.00	1.50	900.00	900	_____
Labeled mesh bags	Ea	100.00	0.48	48.00	48	_____
Drying	Bag	600.00	0.18	108.00	108	_____
Boxes	Ea	600.00	1.40	840.00	840	_____
Labor	Hr	50.00	7.62	381.00	381	_____
Vidalia Onion Committee Assessmer	Bag	600.00	0.12	72.00	72	_____
Total Harvest and Marketing				3399.00	3,399	_____
Total Variable Costs				4895.02	4,895	_____

Fixed Cost

Machinery	Acre	1.00	44.20	44.20	44	_____
Irrigation	Acre	1.00	78.78	78.78	79	_____
Land	Acre	1.00	0.00	0.00	0	_____
Overhead and Management (15%)	\$	1496.02	0.15	224.40	224	_____
Total Fixed Costs				347.38	347	_____
Total budgeted cost per acre				5242.40	5,242	_____

Table 13: Break-Even (B/E) Cost Analysis Per (40 lbs) Box of Onion

Break-Even Preharvest variable cost per (40 lbs) box (\$)	2.49
Break-Even Harvesting and Marketing cost per (40 lbs) box (\$)	5.67
Break-Even Fixed Costs per (40 lbs) box (\$)	0.58
Break-Even Total budgeted cost per (40 lbs) box (\$)	8.74
Break-Even Yield per Acre (40 lb boxes)	374.46

EXPECTED RETURNS FROM TOTAL ACREAGE

ACRES	EXPECTED YIELD/AC	VOLUME MARKETED	EXPECTED PRICE	TOTAL RETURNS
1	600.00	600.00	14.00	8,400

RISK RATED RETURNS OVER VARIABLE COSTS

Net return levels (TOP ROW);

The chances of obtaining this level or more (MIDDLE ROW); and

The chances of obtaining this level or less (BOTTOM ROW).

	Optimistic		Expected		Pessimistic		
Returns(\$)	6,239	5,212	4,185	3,158	2,131	1,104	77
Chances	7%	16%	31%	50%	50%	31%	16%
Chances				50%	31%	16%	7%

CHANCES FOR PROFIT

94%

BASE BUDGETED NET REVENUE

3,158