

# 2010 Budgets for Horticultural Crops Grown on a Half Acre

by

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# Budgeting Assumptions

Everyone's situation is different so no budget is accurate for more than one operation. The budgets in this workbook were developed from a grower near Lincoln, Nebraska. The following description of the growing operation is provided to enable people using these budgets the opportunity to evaluate their appropriateness. Select inputs on the spreadsheets can be changed so the budgets can be modified as needed.

Labor - \$20.00 per hour	<b>Production (Beds Grown)</b>
Fuel - \$3.00 per gallon	Shallots 1
Operations Interest Rate - 8%	Garlic 2
Investment Interest Rate - 3%	Turnips 2
Bed Size - 6 feet by 100feet	Rutabagas 2
Real Estate Value per Acre - \$3,000	
Real Estate Tax per Acre - \$20.00	

**Crop Name** Garlic **Year** 2009  
**Area Unit** Bed **Beds per Acre** 72.6  
**Labor Rate / Hr** \$ 20.00 **Fuel Rate** \$ 3.00

**Income** 400 lbs./Bed **yield @** \$ 3.00 **per lb**

	Gross	Economic			Cash		
		less Costs	= Net	Breakeven	Cost	= Net	Breakeven
Income per Bed	1,200.00	502.62	697.38	1.26	498.67	701.33	1.25

Operation	Unit	Times or Qty	Labor	Fuel and Lube	Repairs	Ownership	Total per Bed
Bed Preparation	Bed	1	5.00				5.00
Planting Hand	Bed	1	5.00				5.00
Weeding	Bed	2	20.00				20.00
Harvest Garlic Shallots	Bed	1	26.67				26.67
Soaker Hose	Bed	5	4.00	0.04		3.12	7.16
<b>Total for Field Operations</b>			60.67	0.04	0.00	3.12	63.82

Material Cost	Category	Application		Price	
		% Units	Rate/Unit @	Per	Total per
Garlic sets	seed	100%	5 pound	11.00	55.00
Mulch	0	100%	40 pound	0.04	1.60
<b>Total Material Costs and Custom Hire</b>					56.60

**Costs for Field Operations and Materials and Services**

Interest on Operations Cash Expense Interest Rate months  
 117.30 5.00% 8

**Total Operating Expendable and Allocated Expenses per Unit Area**

**Management & Overhead (Allocated by)**

Marketing Gross \$ 0.63 per lb

**Real Estate Costs**

Taxes  
 Opportunity  
 Other  
 Rent

	Economic	Cash
	120.42	117.30
	3.91	3.91
<b>Total Operating Expendable and Allocated Expenses per Unit Area</b>	124.33	121.21
	20.78	20.78
Marketing	251.41	251.41
Real Estate Costs	106.10	105.28
Taxes	0.28	0.28
Opportunity	0.83	
Other	5.00	5.00
Rent	100.00	100.00
<b>Total Cost per Unit Area</b>	502.62	498.67

**Crop Name** Rutabagas **Year** 2009  
**Area Unit** Bed **Beds per Acre** 72.6  
**Labor Rate / Hr** \$ 20.00 **Fuel Rate** \$ 3.00

**Income** 400 lbs./Bed **yield @** \$ 1.50 **per lb**

	Gross	Economic			Cash		
		less Costs	= Net	Breakeven	Cost	= Net	Breakeven
Income per Bed	600.00	220.79	379.21	0.55	216.84	383.16	0.54

Operation	Unit	Times or Qty	Labor	Fuel and Lube	Repairs	Ownership	Total per Bed
Bed Preparation	Bed	1	5.00				5.00
Planting Hand	Bed	1	5.00				5.00
Weeding	Bed	3	30.00				30.00
Soaker Hose	Bed	5	4.00	0.04		3.12	7.16
Harvest Turnips and Retabagas	Bed	1	20.00				20.00
<b>Total for Field Operations</b>			64.00	0.04	0.00	3.12	67.16

Material Cost	Category	Application		Price	
		% Units	Rate/Unit @	Per	Total per
Rutubaga	seed	100%	2 oz	4.00	9.00
<b>Total Material Costs and Custom Hire</b>					9.00

				Economic	Cash
<b>Costs for Field Operations and Materials and Services</b>				76.16	73.04
Interest on Operations	Cash Expense	Interest Rate	months		
	73.04	5.00%	8	2.43	2.43
<b>Total Operating Expendable and Allocated Expenses per Unit Area</b>				78.59	75.47
<b>Management &amp; Overhead (Allocated by)</b>				10.39	10.39
Marketing		Gross \$ 0.31 per lb		125.70	125.70
<b>Real Estate Costs</b>				6.10	5.28
	Taxes			0.28	0.28
	Opportunity			0.83	
	Other			5.00	5.00
	Rent			0.00	0.00
<b>Total Cost per Unit Area</b>				220.79	216.84

**Crop Name** Shallots **Year** 2009  
**Area Unit** Bed **Beds per Acre** 72.6  
**Labor Rate / Hr** \$ 20.00 **Fuel Rate** \$ 3.00

**Income** 300 lbs./Bed **yield @** \$ 4.00 **per lb**

	Gross	Economic			Cash		
		less Costs	= Net	Breakeven	Cost	= Net	Breakeven
Income per Bed	1,200.00	512.95	687.05	1.71	509.01	690.99	1.70

Operation	Unit	Times or Qty	Labor	Fuel and Lube	Repairs	Ownership	Total per Bed
Soaker Hose	Bed	5	4.00	0.04		3.12	7.16
Bed Preparation	Bed	1	5.00				5.00
Planting Hand	Bed	1	5.00				5.00
Weeding	Bed	3	30.00				30.00
Harvest Garlic Shallots	Bed	1	26.67				26.67
<b>Total for Field Operations</b>			70.67	0.04	0.00	3.12	73.82

Material Cost	Category	Application			Price	
		% Units	Rate/Unit @	Per	Total per	
Shallot bulbs	Seed	100%	5 pound	11.00	55.00	
Mulch	0	100%	40 pound	0.04	1.60	
<b>Total Material Costs and Custom Hire</b>					56.60	

				Economic	Cash
<b>Costs for Field Operations and Materials and Services</b>				130.42	127.30
Interest on Operations	Cash Expense	Interest Rate	months		
	127.30	5.00%	8	4.24	4.24
<b>Total Operating Expendable and Allocated Expenses per Unit Area</b>				134.67	131.55
<b>Management &amp; Overhead (Allocated by)</b>				20.78	20.78
Marketing		Gross \$ 0.84 per lb		251.41	251.41
<b>Real Estate Costs</b>				106.10	105.28
	Taxes			0.28	0.28
	Opportunity			0.83	
	Other			5.00	5.00
	Rent			100.00	100.00
<b>Total Cost per Unit Area</b>				512.95	509.01

**Crop Name** Turnips **Year** 2009  
**Area Unit** Bed **Beds per Acre** 72.6  
**Labor Rate / Hr** \$ 20.00 **Fuel Rate** \$ 3.00

**Income** 350 lbs./Bed **yield @** \$ 1.50 **per lb**

	Gross	Economic			Cash		
		less Costs	= Net	Breakeven	Cost	= Net	Breakeven
Income per Bed	525.00	211.54	313.46	0.60	207.59	317.41	0.59

Operation	Unit	Times or Qty	Labor	Fuel and Lube	Repairs	Ownership	Total per Bed
Bed Preparation	Bed	1	5.00				5.00
Planting Hand	Bed	1	5.00				5.00
Weeding	Bed	3	30.00				30.00
Soaker Hose	Bed	5	4.00	0.04		3.12	7.16
Harvest Turnips and Retabagas	Bed	1	20.00				20.00
<b>Total for Field Operations</b>			64.00	0.04	0.00	3.12	67.16

Material Cost	Category	Application		Price	
		% Units	Rate/Unit @	Per	Total per
Turnip	seed	100%	1 oz	4.00	2.00
<b>Total Material Costs and Custom Hire</b>					2.00

				Economic	Cash
<b>Costs for Field Operations and Materials and Services</b>				69.16	66.04
Interest on Operations	Cash Expense	Interest Rate	months		
	66.04	5.00%	8	2.20	2.20
<b>Total Operating Expendable and Allocated Expenses per Unit Area</b>				71.36	68.24
<b>Management &amp; Overhead (Allocated by)</b>		Gross		9.09	9.09
<b>Marketing</b>		\$ 0.31 per lb		109.99	109.99
<b>Real Estate Costs</b>				21.10	20.28
	Taxes			0.28	0.28
	Opportunity			0.83	
	Other			5.00	5.00
	Rent			15.00	15.00
<b>Total Cost per Unit Area</b>				211.54	207.59