



## 1999 PROCESSING TOMATO PRODUCTION BUDGET Machine Harvest

ITEM	EXPLANATION	PRICE PER UNIT	YIELD (ton/A)			YOUR BUDGET		
			21	28	35			
<b>RECEIPTS</b>								
Tomatoes		\$80.00 /ton <sup>1</sup>	\$1,680	\$2,240	\$2,800	_____		
<b>VARIABLE COSTS</b>								
Plants	13,000 /A.	22.00 /lb.	286	286	286	_____		
Fertilizer <sup>2</sup>								
Starter (10-34-0)	5 gal.	1.1 /gal	6	6	6	_____		
N (lb.)	60 lb.	0.23 /lb.	14	14	14	_____		
P2O5 (lb.)	175 lb.	0.28 /lb.	49	49	49	_____		
K2O (lb.)	275 lb.	0.13 /lb.	36	36	36	_____		
Lime (lb.)	1000 lb.	14 /ton	7	7	7	_____		
Pesticides <sup>3</sup>			200	200	200	_____		
Custom Spraying	8 sprays	6 /A	48	48	48	_____		
Hired Labor <sup>4</sup>								
Setting	7 hr.	6 /hr.	42	42	42	_____		
Hoeing	7 hr.	6 /hr.	42	42	42	_____		
Sorting	15 hr.	6 /hr.	90	90	90	_____		
Hail Insurance <sup>5</sup>		20 /A	20	20	20	_____		
Inspection		0.5 /ton	11	14	18	_____		
Fuel, Oil, Grease <sup>6</sup>			33	33	33	_____		
Repairs			51	51	51	_____		
Custom Haul		7 /ton	147	196	245	_____		
Unemploy. Insurance <sup>7</sup>	174 /A.	4.5 %	8	8	8	_____		
Transportation for Labor <sup>8</sup>			6	6	6	_____		
Miscellaneous <sup>9</sup>			8	8	8	_____		
Int. on Oper. Cap. <sup>10</sup>	6 mo.	9.0 %	26	26	26	_____		
<b>TOTAL VARIABLE COSTS</b>	<b>-Per Acre</b>		1128	1180	1233	_____		
	<b>-Per Ton</b>		53.71	42.16	35.23	_____		
<b>FIXED COSTS</b>								
Housing Charge <sup>11</sup>			111	111	111	_____		
Labor Charge	14	16	18	7.50 /hr.	105	120	135	_____
Mach. And Equip. Charge			325	325	325	_____		
Land Charge	Rent		100	150	200	_____		
Management Charge	5% of gross revenue		84	112	140	_____		
<b>TOTAL FIXED COSTS</b>			725	818	911	_____		
<b>TOTAL COSTS</b>	<b>-Per Acre</b>		1853	1998	2144	_____		
	<b>-Per Ton</b>		88.24	71.37	61.26	_____		
<b>RETURN ABOVE VARIABLE COSTS</b>			552	1060	1567	_____		
<b>RETURN ABOVE TOTAL COSTS</b>			(173)	242	656	_____		

- <sup>1</sup> Estimated price/ton is for canning (peeler) tomatoes. Price for paste tomatoes would be about 15% less.
- <sup>2</sup> Assumes only maintenance fertilizer is needed.
- <sup>3</sup> Various combinations and kinds of chemicals can be used. See current OSUE Bulletins 648, 701, and 672 for recommendations. Intervals will vary depending on product usage.
- <sup>4</sup> Labor rate includes Social Security and Workers compensation.
- <sup>5</sup> Hail insurance is estimated at \$1,200 coverage per acre with a 15% deductible.
- <sup>6</sup> Machine costs reflect the expenses of a bedder, harvester, dump cart, tractor, and transplanter. Irrigation equipment is not included.
- <sup>7</sup> Federal and state unemployment insurance is required for some operations. The rating is paid on first \$9000 paid per worker.
- <sup>8</sup> Producers may reimburse out-of-state workers for transportation costs. One estimate is 1600 miles/ 4 acres out-of-state worker x 50% usage on tomatoes at \$0.032/mile = \$6 per acre.
- <sup>9</sup> Includes supplies, utilities, soil tests, small tools, etc...
- <sup>10</sup> Does not include interest on harvesting costs, inspection costs, plant or seed costs, or hauling cost. Interest charges are for 6 months at 9% interest.
- <sup>11</sup> Housing cost can be estimated at  $\$45/\text{ft}^2 \times 105 \text{ ft}^2 \text{ per person} \times 15 \text{ workers per unit} = \$70,875 \times 20.75 \text{ overhead} \times 50\% \text{ usage on tomatoes} = \$7,353$ . Trash collection, utilities, land charges, water @  $\$2,000 \times 50\% \text{ usage on tomatoes} = \$1000$   
 $\$7,353 + \$1,000 = \$8,353/15 \text{ workers per unit} \times 18 \text{ workers per machine/ 90 acres per machine} = \$111$  per harvested acre. Some cost sharing on housing investment is available through Agr. Labor Camp Improvement Funds (Ohio 614-466-2285).