

High Tunnel Budget for Tomato Production

(dimensions: 30'x96'; 2880 square feet)*

	Investment costs (Year 1)		Year 1		Years 2-4	
	Total \$	\$/sq ft	Total \$	\$/sq ft	Total \$	\$/sq ft
Variable costs of production						
Seeds			\$ 107.10	\$ 0.04	\$ 107.10	\$ 0.04
Flats, growing medium			\$ 72.85	\$ 0.03	\$ 72.85	\$ 0.03
Trellis, twine			\$ 233.87	\$ 0.08	\$ 233.87	\$ 0.08
Compost			\$ 41.60	\$ 0.01	\$ 41.60	\$ 0.01
Row cover			\$ 229.95	\$ 0.08		
Fertilizer			\$ 34.99	\$ 0.01	\$ 34.99	\$ 0.01
Beneficial insects			\$ 363.55	\$ 0.13	\$ 363.55	\$ 0.13
Other pest control			\$ 94.95	\$ 0.03	\$ 94.95	\$ 0.03
Weed control			\$ 433.85	\$ 0.15	\$ 433.85	\$ 0.15
Small tools (harvest knives, pruners)			\$ 228.65	\$ 0.08		
Coolers, boxes for harvesting			\$ 168.75	\$ 0.06		
Irrigation water			\$ 44.10	\$ 0.02	\$ 44.10	\$ 0.02
Labor (bed prep, crop care, harvesting)			\$6,229.74	\$ 2.16	\$ 6,229.74	\$ 2.16
Repair parts			\$ 225.00	\$ 0.08	\$ 225.00	\$ 0.08
Total variable costs			\$8,508.95	\$ 2.95	\$ 7,881.60	\$ 2.74
Fixed costs						
High tunnel structure (frame, covering)	\$ 7,778.30	\$2.70				
Extra support features (cable, tie downs), wood frame, hardware, baseboard, endwalls	\$ 1,092.34	\$0.38				
Scaffolding to erect structure			\$ 100.00	\$ 0.03		
Labor: site prep & high tunnel construction			\$ 1,178.03	\$ 0.41		
Irrigation system	\$ 618.79	\$0.21				
Soil testing			\$ 15.00	\$ 0.01		
Equipment			\$ 76.00	\$ 0.03		
Loan repayment			\$1,244.84	\$0.43	\$1,428.90	\$0.50
Insurance (vehicle, farm structure, product)			\$ 300.00	\$ 0.10	\$ 300.00	\$ 0.10
Taxes			\$ 100.00	\$ 0.03	\$ 100.00	\$ 0.03
Land lease or payment			\$ 66.12	\$ 0.02	\$ 66.12	\$ 0.02

	Investment costs (Year 1)		Year 1		Years 2-4	
	Total \$	\$/sq ft	Total \$	\$/sq ft	Total \$	\$/sq ft
Depreciation, HT & irrigation system (10 year, straight-line)			\$ 606.38	\$ 0.21	\$ 661.50	\$ 0.23
Total fixed costs	\$ 9,489.43	\$3.29	\$3,686.35	\$1.28	\$2,556.51	\$0.89
Total revenues			\$11,145.60	\$ 3.87	\$11,145.60	\$ 3.87
Gross margin: return over variable costs			\$ 2,636.65	\$ 0.92	\$ 3,264.00	\$ 1.13
Break-even price/lb over variable costs			\$ 2.29		\$ 2.12	
Total costs (fixed plus variable)			\$12,195.30	\$4.23	\$10,438.11	\$3.62
Net return over total costs			(\$1,049.70)	(\$0.36)	\$707.49	\$0.25
Break-even yield (pounds per season per tunnel)			4,065	1.41	3,479	1.21
Break-even price (costs of production)			\$3.28		\$2.81	

*Costs of production are based on purchasing and installing a FarmTek Premium Round Style High Tunnel (http://www.farmtek.com/farm/supplies/prod1;ft1_coldframes_hightunnels;pgpb01670r4c_PB01735R4C.html).

Budget estimates are allocated to this production unit (2880 square feet) and assume the grower must purchase all inputs. In Year 5, the greenhouse-grade, UV-resistant polyethylene tunnel film may need to be replaced.

Sensitivity analysis, high tunnel tomato production:

Price per pound	Year 1		Years 2-4	
	Break-even yield	Break-even yield (per sf)	Break-even yield	Break-even yield (per sf)
\$ 2.50	4,878	1.69	4,175	1.45
\$ 2.75	4,435	1.54	3,796	1.32
\$ 3.00	4,065	1.41	3,479	1.21
\$ 3.25	3,752	1.30	3,212	1.12
\$ 3.50	3,484	1.21	2,982	1.04
\$ 3.75	3,252	1.13	2,783	0.97
\$ 4.00	3,049	1.06	2,610	0.91

Cash flow budget for tomatoes-Year 1 High Tunnel												
	Feb	March	April	May	June	July	August	Sept	Oct	Nov	Dec	Total costs for year 1 (11 months)
Fixed costs												
Scaffolding	100.00											100.00
Loan payment	113.17	113.17	113.17	113.17	113.17	113.17	113.17	113.17	113.17	113.17	113.17	1,244.84
Labor for site preparation and to erect structure		1,178.44										1,178.44
Soil testing		15.00										15.00
Insurance	300.00											300.00
Equipment (rake)		76.00										76.00
Taxes	100.00											100.00
Land lease or payment	66.12											66.12
Depreciation of HT & irrigation system (10 year, straight-line)	55.13	55.13	55.13	55.13	55.13	55.13	55.13	55.13	55.13	55.13	55.13	606.38
Total fixed costs	734.41	1,327.74	168.29	168.29	168.29	168.29	168.29	168.29	168.29	168.29	168.29	3,686.35
Total costs	914.36	2,483.60	498.37	1,121.02	1,157.90	1,274.44	1,756.72	1,242.79	1,110.56	467.25	168.29	12,195.30