

The University of Georgia  
 College of Agricultural and Environmental Sciences  
 Cooperative Extension Service

2005 GEORGIA FLUE-CURED TOBACCO  
 MACHINE HARVEST  
 ESTIMATED COSTS AND RETURNS ANALYSIS

Expected Yield Per Acre

2200 Lbs.

YIELD: YOUR FARM \_\_\_\_\_

VARIABLE COSTS - Preharvest	Unit	Number of Units	\$/Unit	Cost/Acre	\$/Lbs.	Your Farm
Plants	Thous.	7.00	\$ 26.00	\$ 182.00	\$ 0.08	_____
Fertilizer, Lime, and Disease Control	Acre	1.00	\$ 524.14	\$ 524.14	\$ 0.24	_____
Weed Control	Acre	1.00	\$ 28.00	\$ 28.00	\$ 0.01	_____
Insect Control	Acre	1.00	\$ 244.35	\$ 244.35	\$ 0.11	_____
<i>Machinery: Preharvest</i>						
Fuel	Gallon	17.13	\$ 1.75	\$ 29.98	\$ 0.01	_____
Repairs & Maintenance	Acre	1.00	\$ 19.23	\$ 19.23	\$ 0.01	_____
Irrigation	Appl	4.00	\$ 10.50	\$ 42.00	\$ 0.02	_____
Electric Meter Charge	Month	12.00	\$ 2.00	\$ 24.00	\$ 0.01	_____
Insurance - 75% Coverage	Dol	2200.00	\$ 0.025	\$ 55.00	\$ 0.03	_____
Labor - Machinery	Hrs	15.26	\$ 10.00	\$ 152.63	\$ 0.07	_____
Labor - Topping	Hrs	14.00	\$ 10.00	\$ 140.00	\$ 0.06	_____
Land Rental	Acre	1.00	\$ -	\$ -	\$ -	_____
Interest on Operating capital	Percent	\$ 720.66	7%	\$ 50.45	\$ 0.02	_____
<b>Total Preharvest Variable Costs</b>				<b>\$ 1,491.77</b>	<b>\$ 0.68</b>	_____
<b>VARIABLE COSTS - Harvest</b>						
<i>Machinery: Harvest</i>						
Fuel	Gallon	21.27	\$ 1.75	\$ 37.22	\$ 0.02	_____
Repairs & Maintenance	Acre	1.00	\$ 90.24	\$ 90.24	\$ 0.04	_____
Curing Fuel - LP Gas	Gallon	350.00	\$ 1.20	\$ 420.00	\$ 0.19	_____
Electricity	Kwh	950.00	\$ 0.13	\$ 118.75	\$ 0.05	_____
Labor - Harvest, Barn & Unload	Hrs	37.00	\$ 10.00	\$ 370.00	\$ 0.17	_____
Baling Supplies	Bale	3.00	\$ 4.75	\$ 14.25	\$ 0.01	_____
Baling	Lbs.	2200.00	\$ 0.05	\$ 110.00	\$ 0.05	_____
Haul to Buying Station	Bale	3.00	\$ 8.00	\$ 24.00	\$ 0.01	_____
Other		0.00	\$ -	\$ -	\$ -	_____
<b>Total Harvest Variable Costs</b>				<b>\$ 1,184.46</b>	<b>\$ 0.54</b>	_____
<b>Total Variable Costs</b>				<b>\$ 2,676.23</b>	<b>\$ 1.22</b>	_____
<b>Fixed Costs:</b>						
<i>Machinery: Depreciation, Taxes, Insurance, and Housing</i>						
Preharvest	Acre	1.00	\$ 49.65	\$ 49.65	\$ 0.02	_____
Harvest	Acre	1.00	\$ 173.47	\$ 173.47	\$ 0.08	_____
Irrigation	Acre	1.00	\$ 60.00	\$ 60.00	\$ 0.03	_____
Cutting Barn	Acre	1.00	\$ 450.00	\$ 450.00	\$ 0.20	_____
Heat Exchange Replacement	Acre	1.00	\$ 80.00	\$ 80.00	\$ 0.04	_____
General Overhead	% of VC	2676.23	5.00%	\$ 133.81	\$ 0.06	_____
Management	% of VC	2676.23	6.00%	\$ 160.57	\$ 0.07	_____
Owned Land Costs; Taxes, Cash Payment, Etc.	Acre	1.00	\$ -	\$ -	\$ -	_____
Other _____						_____
<b>Total Fixed Costs</b>				<b>\$ 1,107.51</b>	<b>\$ 0.50</b>	_____
<b>TOTAL COSTS AND PROFIT GOAL</b>						
<b>Total Costs Excluding Land</b>				<b>\$ 3,783.74</b>	<b>\$ 1.72</b>	_____
**** YOUR PROFIT GOAL ****				\$ _____/Bu.		_____
\$\$-PRICE NEEDED FOR PROFIT-\$\$				\$ _____/Bu.		_____

\* If diesel is used for curing, substitute fuel costs for 275 gallons of diesel @ \$1.75/gallon instead of LP cost estimate.  
 \*\* Annual cost of heat of exchanger is based on an intial investment of \$3,000 and a 10-year, five cures per year.  
 \*\*\* Implies a return to the managerial ability of the farm operator. This return should be costed in the budget because if the operator were not working on a farm they could be earning a return in some other occupation.

