

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).

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

CHANCES FOR PROFIT **94%** **BASE BUDGETED NET REVENUE** **3,158**