

RICE PRODUCTION COSTS FOR SUTTER, YUBA, PLACER AND SACRAMENTO COUNTIES

This sample budget for rice production intends to depict an average to good rice operation using typical practices and inputs. Because great variety exists in nearly all aspects of the business, similar variety will exist in costs and profits. Users will probably find that the Growing and Harvesting sections more closely represent actual costs on their farms. The remaining sections deal with overhead items which are by nature highly variable, and, therefore, may not closely approximate actual farming operations. However, these costs are included here because they are actual costs and must in some manner be accounted for.

Additionally, this study reflects a "minimum" budget in the growing and harvesting sections. This means that the inputs listed are adequate, and that no reseeded or extra herbicides are needed. Nor are any additional expenses incurred for inputs, such as water weevil control, zinc fertilizer, more expensive fertilizers and herbicides, army worm control, etc. One or more of these may be used or substituted in a typical operation, and could raise costs \$10-\$35 per acre or more.

ASSUMPTIONS

Farm Size: 750 acres, rice and grain

Rice Acreage: 500 acre base

Equipment Costs: Depreciation and interest calculations are based on 60% ("percent good") of the 1983 cost of the equipment, to account for variety in age of the inventory. Depreciation is straight line; interest is at 12%, based on one half the "percent good" value.

Labor: Includes all benefits, \$/hour

Tractor driver	\$6.00
*Harvester driver	\$10.63
*Bankout driver	\$8.75

*Harvester and bankout drivers are often paid on a daily rather than hourly basis, and work a 10-12 hour day. The hourly rate here is shown for ease of calculations, and was developed from the daily rate, but based on an eight hour day, the average time during which harvest equipment is actually running.

Rent: Landlord pays taxes and assessments on the land, but no share of the production and harvesting costs in exchange for 25% of the crop.

Management: No costs are included for management.

Water: Based on use of 8 ac. ft/ac. Owner/operator manages his own water.

RICE PRODUCTION COSTS FOR SUTTER, YUBA, SACRAMENTO AND PLACER COUNTIES, 1984

Yield: 70 cwt./ac at 13.5% (wet basis 81.47 cwt./ac, harvested at 22%).
 Price: \$7.00/cwt., 500 acre base, 750 acre farm size.

GROWING COSTS	TIME	LABOR	FUEL, OIL & REPAIRS	MATERIALS & CONTRACTS	TOTAL COST/ACRE
	hrs./ac	\$/ac	\$/ac	\$/ac	\$/ac
Doze levees, C-80	.10	.60	1.21		1.81
Chisel, 4WD	.25	1.50	8.49		9.99
Disc twice, C-80	.30	1.80	6.07		7.87
Triplane, C-80	.25	1.50	3.97		5.47
Fertilize-Phosphorus 150 lbs/ac 18-46-0				19.50	19.50
Apply by air				5.25	5.25
Fertilize-Nitrogen 120 N/ac as aqua				21.30	21.30
Groundrig, 4WD	.15	.90	3.86	2.50	7.26
Survey, pull levees, 4WD	.12	.72	4.17	2.00	6.89
Disc (final seedbed), C-80	.14	.84	2.83		3.67
Install boxes, C-80	.25	1.50	3.03		4.53
Irrigation	1.25		5.71	40.00	45.71
Planting					
Seed, 150 lbs/ac				19.50	19.50
Haul to airstrip				.59	.59
Apply by air				5.63	5.63
Insecticide				.58	.58
Apply by air				2.50	2.50
Grass herbicide				22.00	22.00
Apply by air				3.50	3.50
Broadleaf herbicide				3.26	3.26
Apply by air				5.00	5.00
Topdress, 2/3 acreage 143 lbs/ac Am.Sulf.				5.03	5.03
Apply by air				2.63	2.63
Move tractors 4 times				.50	.50
SUBTOTAL	2.81	9.36	39.35	161.26	209.97
HARVESTING COSTS					
Combine	.65	6.91	26.07		32.98
Bankout	.65	5.69	8.39		14.08
Haul to drier				23.29	23.29
Dry				57.03	57.03
Move combines 4 times				.50	.50
Post harvest-burning, etc	.50	3.00			3.00
SUBTOTAL	1.80	15.60	34.46	80.82	130.88

CASH OVERHEAD

Misc. expenses	17.00
Personal property tax @ 1% of value	4.16
Land rent @ 25% of gross sales: 70 cwt. x \$7.00	122.50
Interest on borrowed money	34.00

SUBTOTAL	177.66

OWNERSHIP COSTS

	Cost/ac	Depreciation	Interest	
	-----	-----	-----	
Buildings	59.47	2.38	3.57	5.95
Equipment	415.91	71.64	27.45	99.09

SUBTOTAL				105.04

TOTAL COST TO PRODUCE RICE	623.54
Cost per cwt. to produce rice	8.91
RETURNS TO OWNERS LABOR, EQUITY, MANAGEMENT.	-133.54

PROFITABILITY AT VARIOUS PRICES AND YIELDS

PRICE-\$/CWT.	YIELD-CWT./ACRE						
	55	60	65	70	75	80	85
6.00	-236.33	-219.56	-202.80	-186.04	-169.28	-152.51	-135.75
6.50	-215.70	-198.05	-179.50	-160.94	-142.39	-123.83	-105.27
7.00	-195.08	-175.55	-155.12	-134.69	-114.26	-93.83	-73.40
7.50	-174.45	-153.05	-130.75	-108.44	-86.14	-63.83	-41.52
8.00	-153.83	-130.55	-106.37	-82.19	-58.01	-33.83	-9.65
8.50	-133.20	-108.03	-81.98	-55.92	-29.87	-3.81	22.25
9.00	-112.58	-85.53	-57.60	-29.67	-1.74	26.19	54.12
10.00	-71.33	-39.56	-7.80	23.96	55.72	87.49	119.25
10.50	-50.70	-17.06	16.57	50.21	83.85	117.49	151.12
11.00	-30.08	5.44	40.95	76.46	111.97	147.49	183.00

