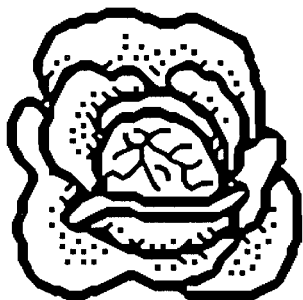


LT-CC-92



MONTEREY COUNTY

**LETTUCE
PRODUCTION
COSTS**

1992

SAMPLE COSTS TO PRODUCE LETTUCE IN MONTEREY COUNTY - 1992

By Kurt Schulbach

YIELD: Based on 750 50 lb. cartons per acre
HARVEST: April through October
PLANT: December 15 through August 7

| TOTAL LABOR COSTS/HR* | HOURLY TRACTOR COSTS | | | | | |
|-----------------------|----------------------|----------|----------------------|-------------------|---------------------|-----------------|
| | | | | <u>Cash Costs</u> | <u>Depreciation</u> | <u>Interest</u> |
| C1. 1 Tractor Driver | 12.50 | 250 h.p. | Rubber Track Crawler | 32.21 | 7.95 | 6.20 |
| Irrigator | 10.50 | 80 h.p. | Wheel Diesel | 8.91 | 1.81 | 1.60 |
| Other Labor | 7.50 | 200 h.p. | Wheel Diesel | 23.51 | 4.81 | 3.72 |

| <u>Operation</u> | <u>Tractor Used</u> | <u>Hour/Acre</u> | <u>Labor</u> | <u>Fuel & Repairs</u> | <u>Contract & Materials</u> | <u>Total/Acre</u> |
|--|---------------------|------------------|--------------|---------------------------|--|-------------------|
| CULTURAL: | | | | | | |
| Manure 5 tons, one-half to lettuce | | | | | Contract @ \$20.00/ton | 50.00 |
| Subsoil 2X (1/2 to lettuce) | RTC-250 | 0.95 | 11.88 | 32.00 | | 21.94 |
| Disc & Roll 3X | RTC-250 | 0.52 | 6.50 | 19.22 | | 25.72 |
| Chisel 2X | RTC-250 | 0.50 | 6.25 | 17.28 | | 23.53 |
| Laser Level 2X (1/2 to Lettuce) | WD-200 | 0.52 | 6.50 | 14.15 | | 10.32 |
| List & Preplant fertilizer | | | | | Contract @ \$10.00/Ac. 300# 5-17-17 @\$44.55 | 54.55 |
| Fertilizer - Seed Banding | | | | | Contract \$9.00 + \$18.20 | 27.20 |
| Shape Beds & Roll | WD-80 | 0.25 | 3.13 | 2.85 | | 5.98 |
| Plant-4 bed planter | WD-80 | 0.42 | 5.25 | 7.06 | Seed - \$55.00 | 67.31 |
| Herbicide** | | | | | Contract @ \$14.00/Acre Materials \$18.00 | 32.00 |
| Irrigate 6X (1 pre, 2 sprinkler, 3 furrow) | | 10.00 | 105.00 | 19.00 | 1.5 ac. ft. @68.96 for power | 192.96 |
| Thin | | 14.00 | 105.00 | | | 105.00 |
| Fertilizer 2X | | | | | Contract @ \$9.00/Ac 300# 15-8-4 \$13.95 150# 20%N 32.85 | 64.80 |
| Fertilizer Water Run | | | | | Contract \$4.00+18.60 (200 lbs. 20% N) | 22.60 |
| Pest Control 3X | | | | | Contract @ \$13.00/Ac Materials @ \$176.00 | 215.00 |
| Cultivate 5X | WD-80 | 1.2 | 15.00 | 14.95 | | 29.95 |
| Weed | | 4.0 | 30.00 | | | 30.00 |
| Misc. (Incl. Set Up & Moving) | | 6.0 | 69.00 | 26.73 | | 95.73 |
| CULTURAL COSTS | | | | | | 1,074.51 |
| CULTURAL OVERHEAD and ANNUAL COSTS | | | | | | 1,590.09 |
| HARVEST: Contract @ \$3.50 per carton (Includes selling cost) | | | | | | 2,625.00 |
| TOTAL CULTURAL, OVERHEAD AND HARVEST COSTS | | | | | | 4,215.09 |
| TOTAL COST PER CARTON | | | | | | 5.62 |

Overhead Costs:

Overhead: 50% of preharvest costs @ 11%

| | | |
|-----------------|----------------------------------|---------------|
| Business Costs: | Office & Business Expense, etc. | 82.43 |
| Taxes: | Equipment, except tractors | 8.00 |
| Rent: | \$650.00/Ac, 6 months to lettuce | <u>325.00</u> |
| | Total Overhead Costs | 415.43 |

Annual Costs:

| | <u>Investment</u> | <u>Per Acre</u> | <u>Depreciation</u> | <u>Interest - 11%</u> |
|---------------------------------|-------------------|-----------------|---------------------|-----------------------|
| 50% Charged To Lettuce | Buildings | \$100.00 | 5.00 | 5.50 |
| Tractors are on an hourly basis | Irrig. Syst. | 400.00 | 40.00 | 22.00 |
| | Tractors | 176.00 | 25.36 | 19.29 |
| | Equipment | <u>250.00</u> | <u>12.19</u> | <u>7.06</u> |
| TOTAL | | 926.00 | 82.55 | 53.85 |

6 months (except tractors and equipment) to lettuce 100.15

Management has not been included as a cost of production in this study.
 * Labor costs per hour include fringe benefits paid by the farmer. Social security, SDI, workmen's compensation, unemployment, health plan, vacation, pension plan, and paid holidays.
 **For herbicide materials, rates and application, contact a Pest Control Advisor or your local Agricultural Extension Office.

SAMPLE COSTS OF PRODUCTION AT VARYING YIELDS

| <u>YIELD: CARTONS PER ACRE</u> | <u>650</u> | <u>700</u> | <u>750</u> | <u>800</u> | <u>850</u> |
|--------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Cost To Grow | 1,590.09 | 1,590.09 | 1,590.09 | 1,590.09 | 1,590.09 |
| Harvest Cost @\$3.50/Ctn. | <u>2,275.00</u> | <u>2,450.00</u> | <u>2,625.00</u> | <u>2,800.00</u> | <u>2,975.00</u> |
| Total Cost Per Acre | 3,865.09 | 4,040.09 | 4,215.09 | 4,390.09 | 4,565.09 |
| Total Cost Per Carton | 5.95 | 5.77 | 5.62 | 5.49 | 5.37 |