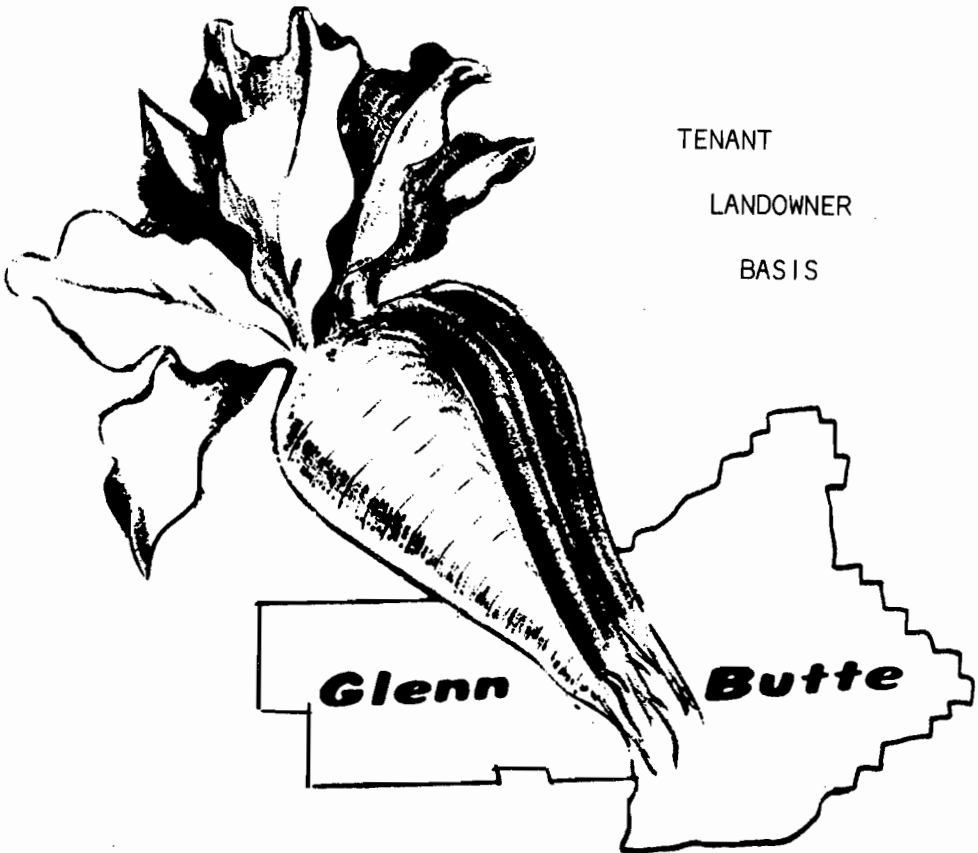


SG-SV-68-1

SUGAR BEET

PRODUCTION COSTS



TENANT

LANDOWNER

BASIS

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ad Reed

SAMPLE COSTS TO PRODUCE SUGAR BEETS
Butte - Glenn Counties - 1968

Production data: 20 tons per acre

Operation	Hours Per Acre	Cash and Labor cost per acre			Total	Your Cost Per/A
		Labor	Fuel and Repairs	Materials Kind and Quantity Cost		
Cultural Costs						
Plow	.5	\$ 1.08	\$ 1.28		\$ 2.36	
Disc and/or chisel (2x)	.5	1.08	2.06		3.14	
Landplane (every other year 2x)	.3	.65	.71	Rent of plane \$.50	1.86	
Fertilize (Preplant Phos.)				Contract Apply \$1.00/A, 26 lbs. P(60 P ₂ O ₅) @ \$.11/lb. = \$6.60	7.60	7.60
Fertilize (Preplant Nitrogen)	.33	.71		Rig Rental \$.50/A, 160 lbs. N @ \$.095/lb. = \$15.20	15.70	16.41
Float	.25	.54	.62		1.16	
List Beds	.2	.43	.57		1.00	
Roll Beds	.2	.43	.22		.65	
Plant & Incorporate	.5	1.08	2.18	Coated seed 8 lbs. \$3.20		
Herbicide				Herbicide \$6.00	9.20	12.46
Ditch preparation (season)	.2	.43	.57		1.00	
Insecticide	.2	.43	.26	Insecticide	4.00	4.69
Herbicide at layby	.6	1.29	1.71	Herbicide 0.75 lb.	6.00	9.00
Cultivate (4x)	1.2	2.58	2.28		4.86	
Irrigate (9x)	7.2	12.96		Approx. 4 ac.-ft. Contract	10.00	22.96
Thin & Hoe					20.00	20.00
Misc. Labor (Down time, move service equipment, etc.)	1.5	3.23	.15			3.38
TOTAL CULTURAL COSTS		\$ 26.92	\$12.61		\$ 73.00	\$112.53
Harvest Costs						
Dig				Contract @ \$1.25 per ton	\$ 25.00	\$ 25.00
Haul				Contract @ 1.05 per ton	21.00	21.00
TOTAL HARVEST COSTS					\$ 46.00	\$ 46.00
Cash Overhead						
Misc., office, etc.						7.93
Taxes						1.27
Rent	20 tons x \$14.00 = \$280.00/A			20% of \$280.00		56.00
TOTAL CASH OVERHEAD						\$ 65.20
TOTAL CASH COST						\$223.73
Management	5% of 20 tons @ \$14.00					\$ 14.00
INVESTMENT						
	<u>Per Acre</u>	<u>Annual Cost</u>				
Equip. & Shop Bldg.	\$145.00	<u>Depreciation</u>	<u>Interest</u>			
Total		13.47	4.36			\$ 17.83
TOTAL COST PER ACRE						\$255.56
Cost per ton @ 20 tons yield						\$12.78

Sample Cost Per Ton at Varying Yields*

Yield - Tons/Acre	16	18	20	22	24	26
Total Costs/Ton	\$15.25	\$13.89	\$12.78	\$11.91	\$11.17	\$10.54

*Harvesting costs and management costs have been adjusted to reflect changes at various yields. The price for one ton of beets remains constant at \$14.00.

BASIS OF SUGAR BEET COST STUDY

1. The cost study is based on a 600 acre field crop operation with 150 acres of sugar beets. Other crops grown on the ranch may include one or more of the following crops: grain crops, alfalfa hay and/or seed, grain sorghum, field corn, beans, safflower, etc. Much of the equipment listed will be used on the entire acreage sometime during the year.
2. In allocating the equipment cost per acre in the equipment list the following calculations were made: (a) "Original cost" of equipment is the estimated new cost. (b) "Cost per acre" is the new cost divided by the number of acres the equipment will be used on. (c) "Depreciation" is based on the "per acre cost" divided by the expected life of the equipment. (d) "Interest" on investment is figured on one-half of the new cost per acre multiplied by 6%.
3. Miscellaneous expenses have been found to be about 5% of the total cultural and harvest costs. They include such costs as preparing roadways, general weed control, office, bookkeeping, interest on operating money, etc.
4. Labor costs are based on a \$2.15 hourly rate for skilled labor and \$1.80 hourly rate for unskilled (irrigator). Included are cash wages, compensation insurance, Social Security and other benefits that the employer might pay.
5. Equipment operating costs are listed under fuel and repair. Included is the cost of fuel, maintenance, replacement parts, tires, etc. Tractor charges per hour are: 60 HP crawler diesel, \$2.35; 70 HP crawler diesel, \$1.85; 30 HP wheel diesel, \$0.90. (Horsepower is based on 75% of maximum.)
6. Management (what the grower's decision making is worth) is figured at 5% of the market value of the crop.
7. Every operation in Butte and Glenn Counties is not necessarily identical. Therefore, in some cases a specific operation may more nearly reflect a typical situation in one county than in another. However, it is believed that overall operations in the two counties are sufficiently similar to warrant this sugar beet study being presented as a joint two-county study.
8. Practices such as an insecticide and a layby herbicide may not always be necessary every year or on the entire acreage every year.
9. Percent sucrose, net selling price of sugar and government payment determine the per ton return on sugar beets. As these factors vary, changes in returns per ton for sugar beets will change accordingly. For this study a value of \$14.00 per ton is used.
10. Four Glenn County and three Butte County growers furnished the basic information or were consulted on this study. Appreciation is expressed to these growers.

EQUIPMENT AND BUILDING LIST

Item	Original Cost	Annual Use (Acres)	Cost Per Acre	Life (Years)	Non-Cash Overhead	
					Depreciation	Interest at 6%
Tractor, 60 HP Tr. Diesel	\$ 24,000	600	\$ 40.00	15	\$ 2.67	\$ 1.20
Tractor, 70 HP Wh. Diesel	10,000	600	16.67	15	1.11	.50
Tractor, 30 HP Wh. Diesel	6,000	600	10.00	15	.67	.30
Plow, 4-16, 2-way mounted	2,000	300	6.67	10	.67	.20
Disk, Offset - 16 ft.	2,500	600	4.17	10	.42	.13
Chisel - 12 ft. Cook	1,600	600	2.67	10	.27	.08
Harrow - 30 ft.	1,000	600	1.67	10	.17	.05
Roller - 12 ft.	800	300	2.67	10	.27	.08
Float - 12 ft.	500	300	1.67	10	.17	.05
Tool Bar, Bedding equip., etc.	1,500	300	5.00	10	.50	.15
Ditcher - 4 ft.	600	600	1.00	10	.10	.03
Sled - 4-row, Fully equipped with planter, incorporator, cultivator	4,500	300	15.00	10	1.50	.45
Rolling Cultivator, 4-row	1,400	300	4.67	5	.93	.14
Truck, 2 ton	6,000	600	10.00	8	1.25	.30
2 Pickups (1½ shares)	4,500	600	7.50	5	1.50	.23
Weed & Insect Sprayer	1,500	600	2.50	5	.50	.08
Tool Carrier	1,750	600	2.92	15	.19	.09
Shop Tools	3,000	600	5.00	15	.33	.15
Shop Building	3,000	600	5.00	20	.25	.15
Total	\$ 76,150		\$144.78		\$ 13.47	\$ 4.36

The sample costs to produce sugar beets in Butte and Glenn Counties as outlined in this pamphlet are basically sample costs as adapted from information furnished by growers. Specific operation and sequence of operations vary from grower to grower and year to year. A column is provided on the cost sheet for growers to calculate their costs and insert them for comparison. We encourage individual growers to figure and insert their individual costs.

Consult your farm advisor if you have questions regarding sugar beet production.

Farm Advisors' Office
Glenn County

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