

SAMPLE INPUTS AND COSTS FOR SUGAR BEETS IN SALINAS VALLEY

With A Yield of 90 Tons Per Acre

By Harry Agamalian, Farm Advisor, and Art Shultis, Farm Management Specialist

	Man Labor	60 hp Tractor	30 hp Tractor	Pickup	Cost per Acre	Cost per Ton	
	Hours	per Acre					
Land preparation	1.8	1.6			6.86		
Pre-plant, fertilize and list beds	Custom applied				2.25		
Shape and roll beds	.5		.5		1.30		
Plant, 2 men	.7		.3	.1	1.36		
Thinning, hand					30.00		
Cultivation, 5 times	1.8		1.8		4.68		
Hoe - 1 to 2 times	8.0				8.00		
Irrigation 6 to 9 times	12.0			.2	15.30		
Side dress with fertilizer	Custom applied				2.00		
Miscellaneous other work	3.0	.3	.3	1.0	6.61		
Sub-total, cultural labor					78.36	2.61	
Dig, top and load, 32 tons incl. dirt @ 1.35 contract					43.20	1.44	
Haul, contract 32 tons at \$.90/ton includes company allowance					28.80	.96	
Total harvesting cost					72.00	2.40	
Total labor and field power cost					150.36	5.01	
Irrigation water, power to pump 3 acre feet @ \$4.00					12.00		
Seed, hybrid, 6½ lbs. at 70¢					4.55		
Fertilizers - total 160 lb. nitrogen, 60 lbs. phosphorus					27.00		
Pre-emergence herbicide \$9/acre 1/3 of value per crop year					3.00		
Total material cost					46.55	1.55	
Total labor and material cost					196.91	6.56	
General and office expense, 5% of above				9.85	9.85		
County taxes, land and improvement \$10 Equipment \$1.50				1.50	11.50		
Repairs other than tractors and pickup				2.50	2.50		
Compensation, social security and other insurance				3.50	3.50		
Rent				60.00			
Total cash overhead				77.35	27.35	.91	
Total cash costs				274.26	224.26	7.48	
Investment overhead	Original	Average	6%	Depreci-	Tenant	Owner	Costs
300 acres of land 400	Cost	Value	Int.	ation	costs	Operator	per
crop acres					per	costs	ton
					acre	owner	
Building for equipment	4,200	5.25	.32	.35			
Irrigation system	54,000	67.50	4.05	5.75			
Land - 300 A.	210,000	700.00	42.00	--			
Sub total, real estate	268,200	772.75	46.37	6.10			
Tillage equip. & planter	9,800	12.25	.74	2.35			
Tractors, truck, pickup	34,800	43.50	2.61	8.70			
Misc., shop, irrig. pipe	3,600	10.75	.65	2.20			
Total operating equipment	48,200	66.50	4.00	13.25			
Total invest. & deprec.	316,400	839.25	50.37	19.35	13.25	19.35	.64
Total cash and depreciation costs					287.51	243.61	8.12
Interest on investment					4.00	50.37	1.68
Total cost of production					291.51	293.98	9.80

The above labor costs are figured at the following hourly rates: Tractor driver \$1.50, irrigator \$1.25, hand labor \$1.00, 60 hp crawler tractor \$2.60, 30 hp wheel tractor \$1.10, pickup \$1.50. These last three rates are cash costs for fuel, repairs, etc., and do not include the investment overhead shown in the lower part of the table. Average value per acre is half of the original cost as spread over 400 crop acres. Notice that the last two columns show costs for an owner operator and the third from the last for a tenant.

SUGAR BEET PRODUCTION IN MONTEREY COUNTY

Sugar beets are grown on approximately 26,000 acres in Monterey County. The crop is grown as a single cash crop. In an area of highly speculative crops, growers generally consider sugar beets as a stable item in their cropping sequence.

Sugar beets, grown as an irrigated crop, represent a 10 million dollar agriculture commodity. On an acreage basis, beets are the second largest irrigated field crop.

This report was prepared to present information on sample costs of growing sugar beets in Monterey County. The completed cost study represents a composite study of seven sugar beet growers in the Salinas Valley.

The extreme variation in farming operations within the Salinas Valley does not lend itself to a uniform procedure in crop production. Consequently, this study should be used as a comparative guide to the individual grower's operation.

SUMMARY OF COSTS AND PROFIT WITH VARYING YIELDS AND PRICES RENTER BASIS

Yield, Tons per Acre	20	25	30	35	40
Growing and overhead costs per acre	215.91	215.91	215.91	215.91	215.91
Harvesting @ 2.52/T incl. general exp.	50.40	63.00	75.60	88.20	100.80
Total cost per acre	266.31	278.91	291.51	304.11	316.71
Total cost per ton	13.32	11.16	9.72	8.69	7.92
Net income or profit per acre					
With beets at \$12 a ton	-26.31	21.09	68.49	115.89	163.29
\$13 a ton	- 6.31	46.09	98.49	150.89	203.29
\$14 a ton	13.69	71.09	128.49	185.89	243.29