

Sample Production Costs



TOMATOES

on Class I & II

Mineral Soil

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SAMPLE COSTS TO PRODUCE TOMATOES ON CLASS I & II MINERAL SOIL IN SACRAMENTO COUNTY

Rented Land - 1962

Yield 20 tons per acre (5% defect)

Price \$27.50 per ton

Gross Income \$550.00

Operation	Materials	Cost Per Acre	Cost Per Ton
Cultural:			
Fall:	Disk 2 times-----	\$ 4.60	
	Plow-----	3.35	
	Landplane 2 times-----	6.70	
Spring:	Disk 2 times-----	4.60	
	Float-----	2.20	
	Plant and Fertilize-----Seed $\frac{1}{2}$ lb. @ \$10.00 lb.; 8-24-0 10 gal. @ 42¢ gal.-----	11.70	
	Sidedress Fertilizer-----Aqua or NH ₃ gas, 90 lb. N per A-----	11.00	
	Pest Control-----1 qt. DDT early; Sevin 5-75, 40 lbs./A, 2 times-----	18.00	
	Thin and Hoe 2 times-----	22.00	
	Cultivate 6 times-----	8.15	
	Irrigate 8 times-----Water 4 acre ft. @ \$3.50-----	21.10	
	Prepare field for harvest-----	1.60	
TOTAL CULTURAL COSTS		\$115.00	\$ 5.75
Harvest:			
	Box rent - 800 boxes @ 1¢-----	\$ 8.00	
	Pick - 800 boxes @ 17¢-----	136.00	
	Load - 800 boxes @ 2¢-----	16.00	
	Inspection - 20 tons @ 17½¢-----	3.50	
	Rejected loads - 1.75% @ \$10.00 per ton - production cost only-----	3.50	
	Dockage - 8% tomatoes, 5% Contract - \$1.00 per ton for over tolerance fruit-----	9.70	
	Tomato Grower Assn. dues 20 tons at 6¢ per ton-----	1.20	
	Additional labor costs: supervision, recruitment, transportation, housing, labor assn., compensation insurance, etc., 7½¢/box-----	60.00	
TOTAL HARVEST COSTS		\$237.90	\$11.89
	Rent - 20% of gross income-----	\$110.00	
	Management 10% of gross income-----	55.00	
TOTAL ALL COSTS		\$517.90	\$25.89

Net Returns per Acre at different yields and prices

Yield	Price per Ton				
	\$22.50	\$25.00	\$27.50	\$30.00	\$32.50
12	-68.75	-47.75	-26.75	- 5.75	+15.25
16	-53.30	-25.30	+ 2.70	+30.70	+58.70
20	-37.90	- 2.90	+32.10	+67.10	+102.10
24	-22.50	+19.50	+61.50	+103.50	+145.50
28	- 7.05	+41.95	+90.95	+139.95	+188.95

BASIS OF COST STUDY:

These costs of production are based on a typical 700 acre operation with corn, sugar beets, grain sorghum, safflower, alfalfa and barley in rotation with the tomatoes. The costs of the individual operations include:

1. Labor at \$1.35 per hour which includes compensation insurance and social security.
2. 6% interest on an original investment of \$120 per acre in tractors, trucks and equipment.
3. Fuel and Repairs.
4. Depreciation of the \$120 investment based on a 10 year life.

The charge for management of 10% of gross income is based on 5% for cash costs such as office, travel, accounting, etc., and 5% for the management function itself.