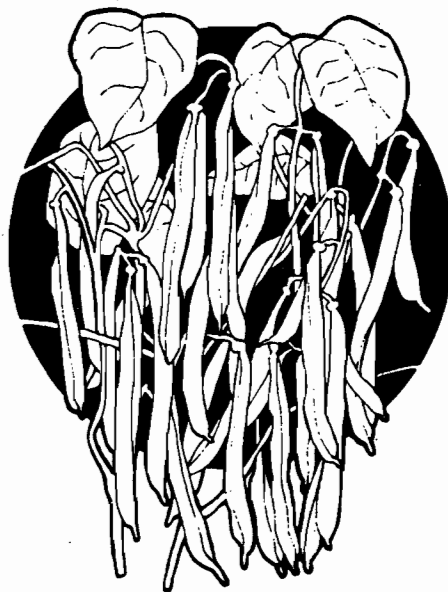
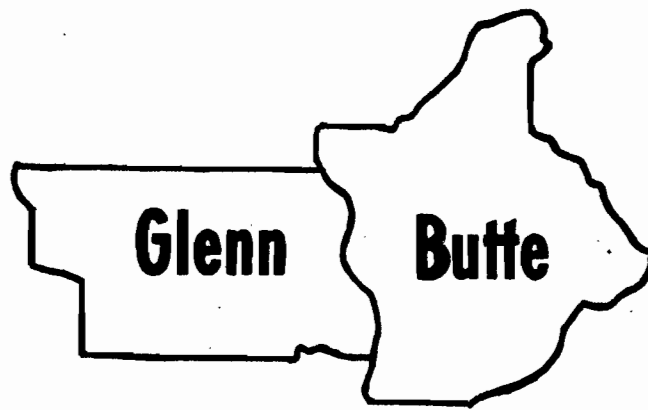


SAMPLE PRODUCTION COSTS

COMMON DRY BEANS



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BASIS OF DRY BEAN COST STUDY

1. This study is based on a hypothetical 1,500 acre field crop operation with 250 acres of dry beans. Other crops grown on the ranch may include one or more of the following: grain, alfalfa hay, corn, sunflower seed, sugar beets, safflower. Much of the equipment is used on the entire acreage some time during the year.

These sample costs may not represent the cost of any one individual grower but should serve as a useful guide in reviewing the typical costs in dry bean production. Production operations will vary from year to year and some costs will not be the same for all growers. Insecticide, herbicide and fertilizer rates and costs may also be different.

2. Labor costs are based on an hourly rate of \$7.50 for skilled labor, \$5.50 for semi-skilled and \$5.00 for field labor. Cash wages, compensation insurance, social security and other benefits that the employer might pay are included.
3. 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: 120 HP track diesel \$14.80, 120 HP wheel diesel \$11.97 and 100 HP wheel diesel \$9.19.
4. Rental costs - For reasons of simplicity, we used a landowner-tenant operation with an 80-20 division of the crop. In this study the tenant delivers the crop to the warehouse, but the landowner pays their own warehouse costs.
5. Growers from Glenn and Butte counties participated in furnishing information for compiling the basic information in this study. Some information was obtained from agricultural supply sources. Appreciation is expressed to them for their time and help.

DRY BEAN PRODUCTION

Beans are an important row crop in Butte and Glenn counties. Over the years, costs of production have increased for beans as they have for other crops. Some of the reasons beans have continued to be a good, viable row crop are as follows:

1. Prices received for kidney beans, though they fluctuate, have performed relatively well over the years.
2. Most common bean varieties mature in a relatively short period of time and lend themselves to double-cropping after wheat.
3. When grown as a single crop, bean residue management is inexpensive and simple. This allows adequate time for fall land preparation with fewer tillage operations. In other words, reduced costs.
4. Kidney beans intercrop well with new almond, prune, and walnut plantings. Three and sometimes four years of beans can be grown, thus producing income for the orchardist at a time the orchard is non-productive. A separate cost study for this type production is planned.
5. A great deal of experience is in place on the part of growers, consultants, field reps, etc. This helps growers cope with production problems.
6. Excellent weed control materials are available for bean production.
7. Equipment and processing is available in the area.

**SAMPLE COSTS TO PRODUCE DRY BEANS
Butte/Glenn Counties - 1988**

Labor Rate: \$7.50/hr. skilled labor Interest Rate: 11%
 \$5.50/hr. semi-skilled labor
 \$5.00/hr. field labor Yield clean (cwt/acre): 20.0

Operation	Tractor/ Implement No.	Implement No.	Hours	-----Cash and Labor Costs per Acre-----				Total Cost	Your Cost
				Labor Cost/A	Fuel & Repairs	Material Cost	Custom /Rent		
Cultural costs:									
Stubble disc	1	4	.3	\$2.06	\$5.86			\$8	
Offset disc	1	5	.2	1.32	3.75			5	
Laser, touch-up, 1 of 8 yrs							\$5.00	5	
Chisel	1	6	.2	1.65	3.73			5	
Fertilize, 100# N @ \$.188/#	2		.3	2.06	2.99	\$18.80	2.75	27	
Triplane 2X	1	12	.3	2.64	5.97			9	
Incorporate herb., Disc 2X	1	5	.4	3.30	9.38	15.35		28	
List beds	2	13	.2	1.32	2.15			3	
Ditch prep 3X	1	14	.2	1.98	4.01			6	
Irrigate, 3.5 AF @ \$15/AF	22	23				52.50		53	
Labor (pre + 6X)			4.0	22.00				22	
Cultivate 2X	3	9	.5	4.13	6.04			10	
Plant +	2	10	.5	4.13	13.48	28.00		46	
starter fertilizer		15	.5		.64	20.88		22	
Pest control 2X (aerial app.)							7.37	7	
Materials 2 of 3 yrs.						35.40		35	
Misc. down time			1.0	8.25				8	
Costs for pick up truck					3.50			4	
Interest on operating capital @ 11%								19	
TOTAL CULTURAL COSTS			8	\$55	\$61	\$171	\$15	\$321	
Harvest Costs:									
Cut beans	3	17	.2	1.65	2.44			4	
Windrow	18		.2	1.65	1.07			3	
Hand turn ends			.1	.50				1	
Thresh, custom	2		.3	2.72	3.95		36.00	43	
Haul, custom		22.7 cwt @ \$.265						6	
Warehousing - (tenants share = 80%)									
Cleaning		18.2 cwt @ \$1.65						30	
Sacks (clean weight)		16.0 cwt @ \$.55						9	
Storage (clean weight)		16.0 cwt @ \$.85						14	
TOTAL HARVEST COSTS			4.1		\$7		\$36	\$108	
Cash overhead:									
Office and business costs								\$10	
County Taxes								2	
Equipment Insurance								2	
Land rent (20% of clean yield 20 cwt) @ \$30.00/cwt								120	
TOTAL CASH OVERHEAD COSTS								\$134	
TOTAL CASH COSTS								\$564	
TOTAL CASH COST/CWT:		20 cwt/acre						\$28	
Investment									
Equipment & Buildings		Per Production Acres		Depreciation	Interest: 11%			\$3	
		\$230		\$18.58	\$12.64				
TOTAL INVESTMENT COSTS		\$230		\$18.58	\$12.64			\$31	
TOTAL COSTS PER ACRE								\$595	
TOTAL COST/CWT:		20 cwt/acre						\$30	

COST TO PRODUCE DRY BEANS AT VARYING PRICES AND YIELDS

	YIELD (Cwt/acre)						
	14	16	18	20	22	24	26
Cultural Costs	321	321	321	321	321	321	321
Harvest Costs	91	97	103	108	114	120	126
Cash Overhead	98	110	122	134	146	158	170
Cash cost/acre	510	528	546	564	582	600	618
Cash cost/cwt	36.5	33.0	30.3	28.2	26.4	25.0	23.8
Investment cost	31	31	31	31	31	31	31
TOTAL COST/ACRE	542	560	577	595	613	631	649
TOTAL COST/CWT	38.7	35.0	32.1	29.8	27.9	26.3	25.0

INCOME ABOVE CASH COSTS AT VARYING PRICES AND YIELDS

\$ per cwt	YIELD (Cwt/acre)						
	14	16	18	20	22	24	26
22	-202	-176	-150	-124	-98	-72	-46
24	-174	-144	-114	-84	-54	-24	6
26	-146	-112	-78	-44	-10	24	58
28	-118	-80	-42	-4	34	72	110
30	-90	-48	-6	36	78	120	162
32	-62	-16	30	76	122	168	214
34	-34	16	66	116	166	216	266

INCOME ABOVE ALL COSTS AT VARYING PRICES AND YIELDS

\$ per cwt	YIELD (Cwt/acre)						
	14	16	18	20	22	24	26
22	-234	-208	-181	-155	-129	-103	-77
24	-206	-176	-145	-115	-85	-55	-25
26	-178	-144	-109	-75	-41	-7	27
28	-150	-112	-73	-35	3	41	79
30	-122	-80	-37	5	47	89	131
32	-94	-48	-1	45	91	137	183
34	-66	-16	35	85	135	185	235

