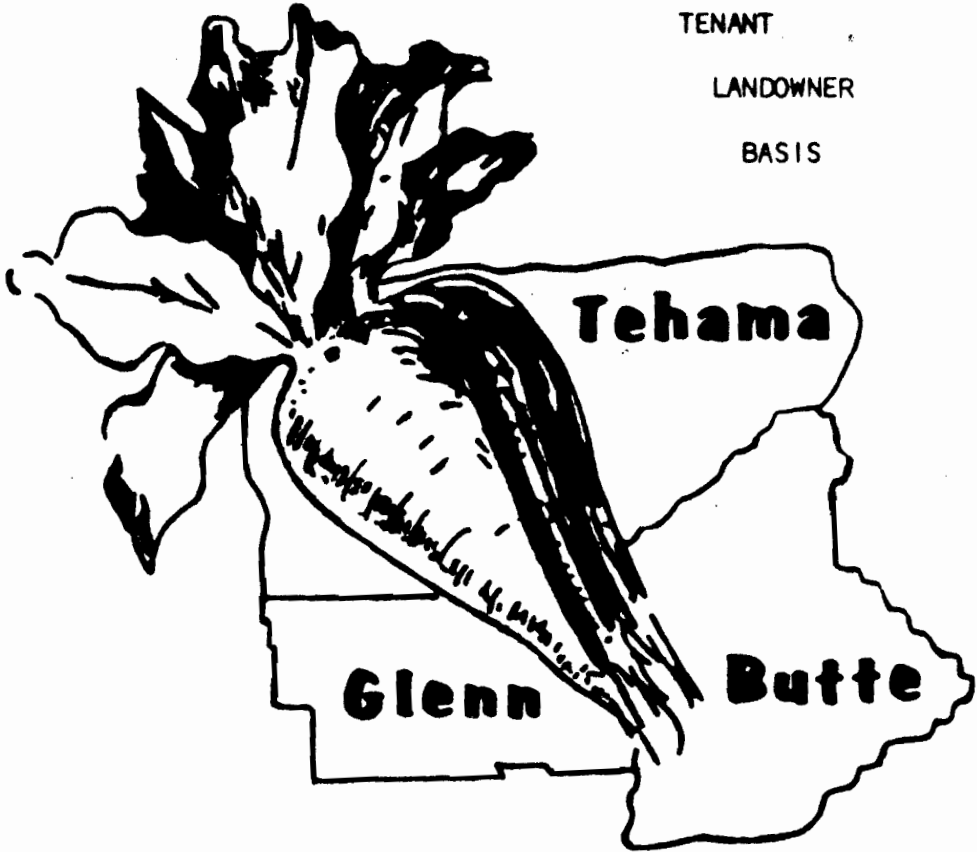


SG-SV-72-3

SUGAR BEET

PRODUCTION COSTS

TENANT
LANDOWNER
BASIS



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EQUIPMENT AND BUILDING LIST

Item	Original Cost	Annual Use (Acres)	Cost Per Acre	Life (Years)	Non-Cash Overhead	
					Depreciation	Interest at 7%
Tractor, 60 HP Tr. Diesel (1/2 share)	\$ 15,000	640	\$ 23.44	15	\$ 1.56	\$.82
2 Tractors, 70 HP Wh. Diesel (1/2 share)	12,000	640	18.75	10	1.88	.66
Tractor, 30 HP Wh. Diesel (1/2 share)	3,250	640	5.08	10	.51	.18
Plow, 4-16, 2-way mounted	2,000	320	6.25	10	.63	.22
Disc, Offset - 16 ft.	3,000	640	4.69	10	.47	.16
Chisel - 12 ft. Cook	1,600	640	2.50	10	.25	.09
Harrow - 30 ft.	1,000	640	1.56	10	.16	.05
Roller - 15 ft.	1,500	320	4.69	10	.47	.16
Float - 15 ft.	750	320	2.34	10	.23	.08
Tool Bar, Bedding equip., etc.	2,500	320	7.81	10	.78	.27
Ditcher - 4 ft.	1,000	320	3.13	15	.21	.11
Sled - 6 row, Fully equipped with planter, incorporator, cultivator	6,000	150	40.00	7	5.71	1.40
Rolling Cultivator, 6 row	2,500	420	5.95	10	.60	.21
Truck, 2 ton (1/2 share)	3,000	640	4.69	10	.47	.16
2 Pickups (1 1/2 shares)	4,500	640	7.03	5	1.41	.25
Wood & Insect Sprayer Equipment	1,500	640	2.34	5	.47	.08
Tool Carrier (1/2 share)	800	640	1.25	15	.08	.04
Shop Tools	3,000	640	4.69	15	.31	.16
Shop Building	3,000	640	4.69	20	.23	.16
Total	\$ 67,900		\$150.88		\$ 16.43	\$ 5.26

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SAMPLE COSTS TO PRODUCE SUGAR BEETS
Butte, Glenn & Tehama Counties - Jan. 1971

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	.50	\$ 1.30	\$ 2.05		\$ 3.35	
Disc and/or Chisel (2x)	.50	1.30	2.05		3.35	
Landplane (every other year 2x)	.30	.78	1.25	Rent of plane \$ 0.50	2.53	
List beds & Preplant Starter fertilizer	.25	.65	1.01	Starter N-P, Material 6.00	7.66	
Fertilizer-Nitrogen	.17	.44	.46	120 lbs.N/A @7¢ = \$8.40; Rental/A.50, 8.90	9.80	
Float	.25	.65	.54		1.19	
Roll Beds	.20	.52	.24		.76	
Plant & Incorporate Herbicide	.40	1.04	2.02	Seed \$4.00 Herbicide \$5.75 9.75	12.81	
Ditch preparation (season)	.20	.52	.74		1.26	
Insecticide (cutworm or other)	.20	.52	.39	Bait 6.00	6.91	
Cultivate (2x) for season	.50	1.30	1.16		2.46	
Layby herbicide & Incorporate	.30	.78	.77	Herbicide 5.25	6.80	
Irrigate (9x) for season	7.2	15.84		Approx. 4 ac.-ft. 10.00	25.84	
Thin & Hoe				Contract or otherwise 30.00	30.00	
Disc. Labor (Down time, move service equipment, etc.)	1.50	3.90	.15		4.05	
TOTAL CULTURAL COSTS	12.47	\$29.54	\$12.83	\$76.40	\$118.77	
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.					\$ 9.89	
Taxes & Insurance (equipment)					2.10	
Rent 20% x 20 tons x \$15.00 per ton					60.00	
TOTAL CASH OVERHEAD					\$ 71.99	
TOTAL CASH COSTS					\$236.76	
Management 5% x 20 tons x \$15.00					\$ 15.00	
Annual Costs						
INVESTMENT	Per Acre	Depreciation		Interest		
Equip. & Shop Bldg.	\$151.00	\$16.43	\$5.26		\$ 21.69	
TOTAL COST PER ACRE					\$273.45	
Cost per ton @ 20 tons yield					\$ 13.67	

Sample Cost Per Ton at Varying Yields*

Yield - Tons/Acre	16	18	20	22	24	26	28	30
Total Costs/Ton	\$16.33	\$14.85	\$13.67	\$12.71	\$11.94	\$11.22	\$10.64	\$10.13

*Harvesting costs and management costs have been adjusted to reflect changes at various yields. The price for one ton of beets remains constant at \$15.00.

BASIS OF SUGAR BEET COST STUDY

1. The cost study is based on a 640 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 and includes 5% sales tax. (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 7%.
3. Taxes on equipment valued at \$150.88 per acre $\times 65\% \times 25\% =$ assessed value of \$24.52 \times rate of \$8 = \$1.96 per acre. Insurance on major equipment items and shop = \$43,750 $\times 50\% \times 80\% =$ \$17,500 insurance value \times \$0.50 per \$100 = \$87.50 \div 640 acres = \$0.14 per acre.
4. Miscellaneous expenses have been found to be about 6% of the total cultural and harvest costs. They include such costs as preparing roadways, general weed control, office, bookkeeping, interest on operating money, etc.
5. Labor costs are based on a \$2.60 hourly rate for skilled labor and \$2.20 hourly rate for unskilled (irrigator). Included are cash wages, compensation insurance, Social Security and other benefits that the employer might pay.
6. 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, \$2.70; 70 HP wheel diesel, \$2.05; 30 HP wheel diesel, \$0.95. (Horsepower is based on 75% of maximum.)
7. Management (what the grower's decision making is worth) is figured at 5% of the market value of the crop.
8. Every operation in Butte, Glenn and Tehama 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 three counties are sufficiently similar to warrant this sugar beet study being presented as a three-county study.
9. Practices such as an insecticide and a layby herbicide may not always be necessary every year or on the entire acreage every year.
10. 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 \$15.00 per ton is used.
11. These sample costs to produce sugar beets in the three county area designated may not represent the cost of any one individual grower. However, this cost study should serve as a useful guide in reviewing the typical costs and practices in sugar beet production. Growers are encouraged to make use of the column "Your Costs Per/A." provided to permit a comparison of the sample costs in this study with individual grower costs.
12. Three Glenn County, four Butte County and two Tehama County growers cooperated in compiling the basic information for this study. Appreciation is expressed to these growers.

The sample costs to produce sugar beets in Glenn, Butte and Tehama 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.

Rerun
March 1972
200 copies

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Cooperative Extension work in Agriculture and Home Economics, College of Agriculture, University of California and United States Department of Agriculture cooperating.
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