

COST ANALYSIS WORK SHEET

SAMPLE COSTS TO PRODUCE ALFALFA HAY IN TULARE COUNTY - 1967

Based on an average yield of $8\frac{1}{2}$ tons per acre per year for 3 years including the first. Man labor @ \$1.65 per hour, including Social Security and Compensation Insurance; light tractor per hour cash cost \$1.10; depreciation 50¢; interest 20¢. (Larger tractors used for land preparation.)

William R. Sallee, Farm Advisor

Burt B. Burlingame, Extension Economist

	Sample Costs		My Costs	
	Per acre	Per ton	Per acre	Per ton

Pre-Harvest Cash Costs:

1/3 Land prep. seed and planting (\$22.50)	\$ 7.50			
Irrigate: $1\frac{1}{4}$ times - 7 man hours		11.55		
Water: pumping power - $4\frac{1}{2}$ A. ft. @ \$4.00 - Dist. tax			\$6.00	24.00
Fertilizer: 120 lbs. P ₂ O ₅ (53 lbs. P) annual average	13.25			
Misc. labor 1 hr; tractor $\frac{3}{4}$ hr; material 50¢	2.98			
County taxes - land \$18.00; equipment \$2.00	20.00			
Office, car, operating capital, etc.	5.00			
Repairs; irrig. facil. & equip. except tractor	3.00			
TOTAL PRE-HARVEST CASH COSTS	\$ 87.28	\$10.27		

Harvesting Costs:

Swathing 7 times - contract @ \$2.00 per time	\$ 14.00	\$ 1.65		
Turning; man and tractor $1\frac{1}{2}$ hrs.	4.13	.48		
Baling: contract @ \$3.25 per ton	27.63	3.25		
Roadside: contract @ \$1.50 per ton	12.75	1.50		
TOTAL HARVESTING COST	\$ 58.51	\$ 6.88		
TOTAL CASH COSTS	\$145.79	\$17.15		

Depreciation:

Irrigation system: (original cost \$160) 16 yrs. life	\$ 10.00			
Tractor: 2.25 hrs. - \$1.13 + 1/3 land prep. & plant \$1.25		2.38		
Equipment: cost \$30 - 10 yrs. life	3.00			
TOTAL DEPRECIATION	\$ 15.38	\$ 1.81		
TOTAL CASH AND DEPRECIATION COST	\$161.17	\$18.96		

Interest on Investment @ 6%:

Land @ \$900 per acre	\$ 54.00			
Irrigation system: on $\frac{1}{2}$ cost (\$80)	4.80			
Tractor: 2.25 hrs. - 45¢ + 1/3 land prep. & plant 53¢		.98		
Equipment: on $\frac{1}{2}$ cost (\$15.00)		.90		
TOTAL INTEREST	\$ 60.68	\$ 7.14		
TOTAL COST OF PRODUCTION	\$221.85	\$26.10		

Any income from winter green chopping or pasturing would be deducted from total cost to obtain a net cost for the hay.

Added insect control cost, if necessary, would range from approx. \$3 to \$5 per acre per application. Weed control, if necessary, would range from about \$5 to \$10 per acre.

Cost Per Ton at Varying Yields

Yield - tons per acre	5	6	7	8	9	10
Cash and depreciation cost	\$28.91	\$24.88	\$22.01	\$19.85	\$18.17	\$16.83
Total cost per ton	\$41.05	\$34.99	\$30.68	\$27.14	\$24.91	\$22.90

Renter costs on other side.

Costs on rented or leased land for alfalfa:

	<u>Sample Costs</u>		<u>Your Costs</u>	
	<u>Per</u>	<u>Per</u>	<u>Per</u>	<u>Per</u>
	<u>Acre</u>	<u>Ton</u>	<u>Acre</u>	<u>Ton</u>
Cash costs for 8½ ton yield, except rent -- approx.	\$120.00	\$14.12		
Depreciation and interest on equipment	7.26	.85		
Total cost except rent	<u>\$127.26</u>	<u>\$14.97</u>		
Rent				
Total cost per acre				

William R. Sallee
 Farm Advisor
 Tulare County

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