

SAMPLE PRODUCTION COSTS - ALFALFA - STANISLAUS COUNTY - 1964

Based on an Average Yield of 6½ Tons per Acre Per Year for 3 Years Including the First

an labor @ \$1.35 and \$1.50 per hour, including Social Security, Compensation Insurance and perquisites; light tractor per hour cash cost \$1.00; depreciation 50¢; interest 20¢.

E. E. Stevenson, Farm Advisor

Burt B. Burlingame, Extension Economist

|  | EASTSIDE        |                | WESTSIDE        |                |
|--|-----------------|----------------|-----------------|----------------|
|  | per acre        | per ton        | per acre        | per ton        |
| <b>PRE-HARVEST CASH COSTS:</b>                         |                 |                |                 |                |
| Irrigate: Eastside 3½ hours; Westside 6 man hours      | \$ 4.73         |                | \$ 8.10         |                |
| Irrigation water: 4A ft. @ \$5.00 Westside             | 1.25            |                | 20.00           |                |
| Fertilizer: 300 lbs. Superphosphate (spread)           | 8.20            |                | -----           |                |
| * Pest control: materials plus application             | -----           |                | 4.50            |                |
| Misc. labor 1 hr., tractor ¾ hrs.; material \$1        | 3.10            |                | 3.10            |                |
| County Taxes   | 12.00           |                | 12.00           |                |
| Office, car, operating capital, etc.                   | 3.00            |                | 2.20            |                |
| Repairs; irrig. fac., & equip. except tractor          | 3.00            |                | 2.00            |                |
| <b>TOTAL PRE-HARVEST CASH AND LABOR COSTS</b>          | <b>\$ 35.28</b> | <b>\$ 5.43</b> | <b>\$ 51.90</b> | <b>\$ 7.98</b> |
| <b>HARVESTING COSTS:</b>                               |                 |                |                 |                |
| ** Mowing - man and tractor - Eastside 6x, 2.4 hrs.    |                 |                |                 |                |
| Westside 5x, 2.0 hrs.                                  | 5.64            |                | 4.70            |                |
| ** Rake and turn; man and tractor -- Eastside 3.0 hrs. |                 |                |                 |                |
| Westside 2.2 hrs.                                      | 7.05            |                | 5.17            |                |
| Baling: contract @ \$3.50 per ton Eastside, \$3.25     |                 |                |                 |                |
| per ton Westside                                       | 22.75           |                | 21.13           |                |
| *** Roadside: contract @\$1.60 per ton                 | -----           |                | 10.40           |                |
| Repairs and misc.                                      | 2.50            |                | 2.50            |                |
| <b>TOTAL HARVESTING COSTS</b>                          | <b>\$37.94</b>  | <b>\$ 5.83</b> | <b>\$ 43.90</b> | <b>\$ 6.76</b> |
| <b>TOTAL CASH AND LABOR COSTS</b>                      | <b>\$73.22</b>  | <b>\$11.26</b> | <b>\$ 95.80</b> | <b>\$14.74</b> |
| <b>DEPRECIATION:</b>                                   |                 |                |                 |                |
| Irrigation system: (orig. cost \$80) 20 yr. life       | 4.00            |                | 4.00            |                |
| Buildings: (cost \$5.00 - 20 yrs.)                     | .25             |                | .25             |                |
| Tractor 5.75 hrs. Eastside, 5.0 hrs. Westside          | 2.88            |                | 2.50            |                |
| Equipment: cost \$20 Eastside, \$30 Westside           |                 |                |                 |                |
| 10 yrs. life   | 2.00            |                | 3.00            |                |
| Stand - Eastside, Cost \$32.00 3 yr. life              |                 |                |                 |                |
| Westside, Cost \$39.00 3 yr. life                      | 10.67           |                | 13.00           |                |
| <b>TOTAL DEPRECIATION</b>                              | <b>\$19.80</b>  | <b>\$3.05</b>  | <b>\$ 22.75</b> | <b>\$ 3.50</b> |
| <b>TOTAL CASH AND DEPRECIATION COSTS</b>               | <b>\$93.02</b>  | <b>\$14.31</b> | <b>\$118.55</b> | <b>\$18.24</b> |
| <b>INTEREST ON INVESTMENT @ 6%</b>                     |                 |                |                 |                |
| Land @ \$800 per acre                                  | 48.00           |                | 48.00           |                |
| Irrigation system: on ½ cost (\$40)                    | 2.40            |                | 2.40            |                |
| Buildings: (on ½ cost - \$2.50)                        | .15             |                | .15             |                |
| Tractor: 5.75 Eastside, 5.0 hrs. Westside              | 1.15            |                | 1.00            |                |
| Equipment: on ½ cost (\$10 Eastside), (\$15 Westside)  | .60             |                | .90             |                |
| Stand: on ½ cost (\$16 Eastside), (\$18.50 Westside)   | .96             |                | 1.11            |                |
| <b>TOTAL INTEREST</b>                                  | <b>\$53.26</b>  | <b>\$ 8.19</b> | <b>\$53.26</b>  | <b>\$ 8.24</b> |
| <b>TOTAL COST OF PRODUCTION</b>                        | <b>\$146.28</b> | <b>\$22.50</b> | <b>\$172.11</b> | <b>\$26.48</b> |

\* Pest control - One application assumed for Westside and none for Eastside. Cost may be greater some years if additional treatments are needed.

\*\*Self-propelled swathers may reduce costs on large acreages. On a 300 acre planting, the swather should result in a total saving of about 50¢ an acre over mowing and raking.

\*\*\*Eastside crop normally sold behind the baler, so Eastside costs are \$1.60/ton lower.

UNIVERSITY OF CALIFORNIA  
 AGRICULTURAL EXTENSION SERVICE  
 Stanislaus County - 1964

SAMPLE PRODUCTION COSTS - ALFALFA HAY

The table on the opposite page shows sample costs of growing alfalfa hay on both the Eastside and Westside of Stanislaus County. These costs are based on good management practices on plantings of about 40 acres on the Eastside and 100 acres on the Westside. This study is based on 5 cuttings a year. Some fields are cut 6 times.

Alfalfa is normally grown in rotation with other field or vegetable crops. Most stands will last only three years because of weeds and soil diseases. The cost of stand establishment is figured at about \$32.00 for the Eastside and \$39.00 for the Westside, the major differences being the amount of seed (40 lbs. Westside compared to 25 lbs. Eastside) and the higher tillage costs on the heavy Westside soils.

These costs are considered on an "ownership basis" and include the owner-operator's labor, a charge for depreciation on equipment, irrigation facilities and buildings, and 6% interest on his investment. If you are fortunate enough to have prices that will pay for these costs, a one-third share rent amounts to about \$49.00 on the Eastside (behind the baler) and \$57.00 on the Westside (in the bale pile).

COST PER TON AT VARYING YIELDS

| Yield: Tons per Acre |                          | 5       | 6       | 7       | 8       | 9       | 10      |
|----------------------|--------------------------|---------|---------|---------|---------|---------|---------|
| EASTSIDE             | Cash Costs Only, Per Ton | \$13.59 | \$11.91 | \$10.71 | \$9.81  | \$9.11  | \$8.55  |
|                      | Total Costs per ton      | 28.21   | 24.09   | 21.15   | 18.94   | 17.23   | 15.85   |
| Yield: Tons per Acre |                          | 5       | 6       | 7       | 8       | 9       | 10      |
| WESTSIDE             | Cash Costs Only, per Ton | \$17.70 | \$15.56 | \$14.03 | \$12.88 | \$11.99 | \$11.28 |
|                      | Total Costs per ton      | 32.97   | 28.28   | 24.93   | 22.42   | 20.47   | 18.91   |

The comparison between Eastside and Westside costs is somewhat confusing because hay is normally sold behind the baler on the Eastside and in the bale pile on the Westside. The cost of roadsiding is about \$1.60 per ton. Price differences are usually greater than \$1.60 per ton, however, because of the higher moisture content in hay behind the baler.

You will note that it usually takes better than average yields to make a profit unless hay prices are high. Costs continue to rise and only good growers on good land will come out ahead. In spite of this outlook, most of our irrigated open land will continue to be farmed to alfalfa in rotation with other field and vegetable crops. A legume crop is essential to this rotation system and alfalfa has proven to be the most suitable legume. Economically, it has usually done as well or better than the crops which are planted during the 3 to 5 year period between alfalfa rotations.

Cash costs do not vary much from grower to grower. For this reason the best possibility to increase income is by improving yields and hay quality through better than average management. Good farmers on good land should be able to produce higher than average yields of superior quality hay which never has been in surplus.