

SAMPLE COSTS TO PRODUCE ALFALFA HAY IN TULARE COUNTY

Cost Analysis Work Sheet - 1975

Based on an average yield of 8 tons per acre over a 3-year stand life. Man labor at \$3.50 per hour, which includes employer's Social Security and Workman's Compensation Insurance payments. Sixty h.p. wheel diesel tractor per hour cash costs \$2.70, depreciation \$1.60 and interest 80¢.

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	Sample Costs		My Costs	
	Per Acre	Per Ton	Per Acre	Per Ton
Pre-Harvest Cash Costs:				
Irrigate 13 times: labor 8 hours		\$ 28.00		
power for 4½ ac.ft. water @ \$6.50		20.25		
Fertilize: P ₂ O ₅ from 11-48-0		21.75		
Bulk spreading of fertilizer		2.75		
Weed control: including application		12.50		
Insect control:		13.00		
Taxes		20.00		
Repairs to irrigation system and equipment except tractor		12.00		
Misc. labor, materials, 1 hr. man & tractor		8.50		
Business expense, office, car, etc.: 6% of preharvest and harvest costs		16.40		
TOTAL PRE-HARVEST CASH COSTS		\$155.15	\$19.39	
Harvesting Costs:				
Swath 7X: contract \$4 per ton		\$ 32.00		
Turn: 7X at \$1.50		10.50		
Bale: contract \$9 per ton		72.00		
Roadside: contract \$2.50 per ton		20.00		
TOTAL HARVESTING COSTS		\$134.50	\$16.80	
TOTAL CASH COSTS		\$289.65	\$36.20	
Depreciation:				
Irrigation system and equipment \$250 - 15 year life		16.67		
Tractor: 1 hour		1.60		
Stand: Cost \$149.58 - 3 years		49.86		
TOTAL DEPRECIATION		\$ 68.13	\$ 8.52	
TOTAL CASH AND DEPRECIATION COSTS		\$357.78	\$44.72	
Interest on investment at 8%:				
Irrigation system and equipment: 1/2 cost \$125		10.00		
Tractor 1 hour		.80		
Stand: 1/2 cost \$74.79		5.98		
Land: \$1,000 per acre		80.00		
TOTAL INTEREST ON INVESTMENT		\$ 96.78	\$12.10	
TOTAL COST OF PRODUCTION		\$454.56	\$56.82	

No allowance has been included for the cost of management.

No income from winter sheep grazing or green chopping has been indicated, although this is often earned by hay growers.

ALFALFA HAY PRODUCTION - 1975

Sample Costs Per Ton at Varying Yields

YIELD: Tons Per Acre	6	7	9	11
Cash Costs Per Ton	43.11	39.16	33.91	30.56
Cash and Depreciation Costs Per Ton	54.46	48.90	41.48	36.75
Total Costs Per Ton	70.59	62.72	52.22	45.55

Sample Costs Per Ton at Indicated Yields Per Acre With Varying Water Costs

YIELD: Tons Per Acre	Total Cost* of Alfalfa Hay Per Ton at Indicated Water Cost Per Acre Foot			
	\$4.00	\$6.00	\$8.00	\$10.00
6	68.72	70.22	71.72	73.22
7	61.12	62.40	63.69	64.97
9	50.97	51.97	52.97	53.97
11	44.53	45.37	46.16	46.98

* Investment per acre in the irrigation system was assumed to be constant in this table.