

## Cost Analysis Work Sheet - 1974

Sample costs to produce safflower on the west side of Fresno County. Costs are based on the production of 2500 lbs. per acre. Man labor at \$2.00 per hour total, and equipment operator \$3.50, including Social Security and compensation insurance. Heavy crawler tractor per hr. cash costs \$4.70, depreciation \$2.00 and interest \$1.54. Medium wheel tractor \$2.40, \$1.50 and 90¢. Heavy wheel tractor \$3.50, \$1.65 and \$1.00.

|  | Sample Costs |                 | My Costs        |         |
|--|--------------|-----------------|-----------------|---------|
|  | Per Acre     | Per Ton         | Per Acre        | Per Ton |
| <b>PRE-HARVEST CASH COSTS:</b>                               |              |                 |                 |         |
| Land preparation: 1 1/2 hrs. man and crawler tractor         |              | \$12.30         |                 |         |
| List beds and fertilize: 1/2 hr. man and heavy wheel tractor |              | 3.50            |                 |         |
| Fertilizer: 100 lbs. N @ 10.5¢                               |              | 10.50           |                 |         |
| Plant: 2 man and medium wheel tractor 1/4 hr./acre           |              | 2.20            |                 |         |
| Seed: 30 lbs. @ 45¢ lb.                                      |              | 13.50           |                 |         |
| Irrigations: 3 times - labor                                 |              | 8.70            |                 |         |
| Water: 2 1/2 ac. ft. @ \$9/ac. ft.                           |              | 22.50           |                 |         |
| Cultivate & furrow 2X: 3/4 hr. man & med. wheel trac.        |              | 4.43            |                 |         |
| Insecticide: Materials                                       |              | 5.00            |                 |         |
| Application  |              | 2.50            |                 |         |
| County taxes   |              | 8.50            |                 |         |
| Repairs, except tractors                                     |              | 10.00           |                 |         |
| Misc. office auto, business costs                            |              | 7.72            |                 |         |
| <b>TOTAL PRE-HARVEST CASH COSTS</b>                          |              | <b>\$111.35</b> | <b>\$89.08</b>  |         |
| <b>HARVESTING COSTS:</b>                                     |              |                 |                 |         |
| Contract: Harvest and haul out \$25. per acre                |              | 25.00           |                 |         |
| <b>TOTAL HARVESTING COSTS</b>                                |              | <b>25.00</b>    |                 |         |
| <b>TOTAL CASH COSTS</b>                                      |              | <b>136.35</b>   | <b>109.08</b>   |         |
| <b>DEPRECIATION:</b>   |              |                 |                 |         |
| Irrigation system & well: \$180 cost - 12 yrs life           |              | 15.00           |                 |         |
| Tractors   |              | 5.33            |                 |         |
| Equipment, except tractors: \$50 - 10 yrs.                   |              | 5.00            |                 |         |
| <b>TOTAL DEPRECIATION</b>                                    |              | <b>\$25.33</b>  | <b>\$20.26</b>  |         |
| <b>INTEREST ON INVESTMENT AT 9%:</b>                         |              |                 |                 |         |
| Irrigation system & well: 1/2 cost - \$90                    |              | 8.10            |                 |         |
| Tractors   |              | 3.71            |                 |         |
| Equipment, except tractors: 1/2 cost - \$25                  |              | 2.25            |                 |         |
| Land: \$700  |              | 63.00           |                 |         |
| <b>TOTAL INTEREST ON INVESTMENT</b>                          |              | <b>77.06</b>    | <b>61.65</b>    |         |
| <b>TOTAL COST OF PRODUCTION</b>                              |              | <b>\$238.74</b> | <b>\$190.99</b> |         |

## Sample Costs at Varying Yields

| Yield: Lbs. per acre | AVERAGE |        |        |        |        | Exceptional |        |
|----------------------|---------|--------|--------|--------|--------|-------------|--------|
|                      | 2000    | 2250   | 2500   | 2750   | 3000   | 3250        | 3500   |
| Cash costs per ton   | 136.25  | 121.20 | 109.08 | 99.16  | 90.90  | 83.91       | 77.91  |
| Total costs per ton  | 238.74  | 212.21 | 190.99 | 173.63 | 159.16 | 146.92      | 136.42 |

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