

AF-VS-73-2
 SAMPLE COSTS TO ESTABLISH A STAND OF ALFALFA FOR HAY
 IN TULARE COUNTY

Cost Analysis Work Sheet - 1973

Conditions of this example are as follows: Man labor at \$2.90 per hour, which includes employer's Social Security and Workman's Compensation payments. Tractors are 80 h.p. crawler, 75 h.p. wheel diesel and 50 h.p. wheel diesel. Cash costs, depreciation and interest costs per hour for each tractor are: 80 h.p. crawler \$4.70, \$2.00 and \$1.50. 75 h.p. wheel tractor \$2.20, \$1.00 and 50¢. 50 h.p. wheel tractor \$1.60, \$1.30 and 66¢.

Annual investment costs and real estate taxes are charged to the hay production schedule, so are omitted from the development costs.

NOTE: Alkali soils will require the addition of sulfur or gypsum to improve water penetration. These costs are not included in this example.

Prepared by William D. McClellan, Farm Advisor and Edward A. Yeary, Farm Advisor-Statewide

	Sample Costs per Acre	My Costs Per Acre
Cash Costs:		
Shred previous crop residue		
½ hr. man and 75 h.p. wheel tractor	\$ 2.55	
Disc 2 X: total ½ hr. man and crawler tractor	3.80	
Chisel: 1 hr. man and crawler tractor	7.60	
Landplane 1 X: 1/6 hr. man and crawler tractor	1.26	
Border preparation: ½ hr. man and 75 h.p. wheel tractor	2.55	
Landplane between borders: 1/6 hr. man and crawler tractor	1.26	
Fertilize: 100 lbs. of P ₂ O ₅ from 11-48-0 @ \$125/ton	13.00	
Application: custom bulk spreading	1.25	
Pre-irrigate: power for 1 ft. of water	6.50	
Labor: 1 hr. per acre	2.90	
Disc or springtooth for seedbed preparation		
¼ hr. per acre man and 50 h.p. wheel tractor	1.12	
Re-shape borders: 1/12 hr. man and 75 h.p. wheel tractor	.42	
Weed control: custom applied	10.00	
Plant: seed, 20 lbs. at 95¢	19.00	
Plant by airplane	1.00	
Cover seed: 1/8 hr. man and 75 h.p. wheel tractor	.63	
Repairs to equipment except tractors	5.00	
Office and business expenses	4.79	
TOTAL CASH COSTS	\$84.63	
Depreciation:		
Tractor: crawler 1 5/6 hrs.	\$ 3.66	
75 h.p. wheel tractor 1 5/24 hrs.	1.20	
50 h.p. wheel tractor ¼ hr.	.32	
Equipment except tractors	3.50	
TOTAL DEPRECIATION	\$ 8.68	
Interest on Investment at 8%:		
Tractors: crawler 1 5/6 hrs.	\$ 2.74	
75 h.p. wheel tractor 1 5/24 hrs.	.60	
50 h.p. wheel tractor ¼ hr.	.16	
Equipment except tractors	1.90	
TOTAL INTEREST ON INVESTMENT	\$ 5.40	
TOTAL COST TO ESTABLISH ALFALFA	\$98.71	

SAMPLE COSTS TO PRODUCE-ALFALFA HAY IN TULARE COUNTY

Cost Analysis Work Sheet - 1973

Based on an average yield of 8 tons per acre over a 3-year stand life. Man labor at \$2.90 per hour, which includes employer's Social Security and Workman's Compensation insurance payments. 50 h.p. wheel diesel tractor per hour cash costs \$1.60, depreciation \$1.30 and interest 66¢.

Prepared by W. D. McClellan, Farm Advisor and E. A. Yeary, Farm Advisor-Statewide.

	Sample Costs		My Costs	
	Per Acre	Per Ton	Per Acre	Per Ton
Pre-Harvest Cash Costs:				
Irrigate 13 times: labor 8 hrs.	\$ 23.20			
power for 4½ ac. ft. water @ \$6.50	29.25			
Fertilize: 100 lbs. of P ₂ O ₅ from 11-48-0 @ \$125/ton	13.00			
Bulk spreading of fertilizer	1.25			
Weed control: including application	10.00			
Insect control:	5.00			
Taxes	20.00			
Repairs to irrigation system and equipment except tractor	10.00			
Misc. labor, materials, 1 hr. man & tractor	6.50			
Business expense, office, car, etc.: 6% of pre- harvest and harvest costs	7.09			
TOTAL PRE-HARVEST CASH COSTS	\$125.29	\$15.66		
Harvesting Costs:				
Swath 7 X: contract \$2.25 per time	\$ 15.75			
Turn: contract, 7 X at \$1.00	7.00			
Bale: contract, \$3.50 per ton	28.00			
Roadside: contract \$1.50 per ton	12.00			
TOTAL HARVESTING COSTS	\$ 62.75	\$ 7.84		
TOTAL CASH COSTS	\$188.04	\$23.50		
Depreciation:				
Irrigation system and equipment \$200.00 - 12 yr. life	\$ 16.65			
Tractor: 1 hr.	1.30			
Stand: Cost \$98.71 - 3 yrs.	32.90			
TOTAL DEPRECIATION	\$ 50.85	\$ 6.35		
TOTAL CASH AND DEPRECIATION COSTS	\$238.89	\$29.85		
Interest on investment at 8%:				
Irrigation system and equipment: ½ cost \$100	\$ 8.00			
Tractor 1 hr.	.66			
Stand: ½ cost \$40.60	3.94			
Land: \$700.00 per acre	56.00			
TOTAL INTEREST ON INVESTMENT	\$ 68.60	\$ 8.57		
TOTAL COST OF PRODUCTION	\$307.49	\$38.42		

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 - 1973

Sample Costs Per Ton at Varying Yields

YIELD: Tons Per Acre	6	7	9	11
Cash Costs Per Ton	29.09	25.64	21.06	18.14
Cash and Depreciation Costs Per Ton	37.56	32.91	26.71	22.76
Total Costs Per Ton	48.99	42.71	34.33	28.99

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 the Indicated Water Cost Per Acre Foot			
	\$4.00	\$6.00	\$8.00	\$10.00
6	47.12	48.62	50.12	51.64
7	41.10	42.39	43.67	44.96
9	33.08	34.08	35.08	36.08
11	27.97	28.79	29.61	30.43

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