

IRRIGATED OAT HAY - DOUBLE CROPPED - TULARE COUNTY

Cost Analysis Worksheet - 1984

Sample costs to produce oat hay in Tulare County, based on a yield of 4 tons per acre. Field labor at \$4.50 per hour and equipment operator at \$5.00 per hour; these include benefits. Medium wheel, 80 hp tractor cash costs \$10.69, depreciation \$2.58, and interest \$1.94. Heavy tractor - 130 hp. Cash costs \$15.79, \$4.75, and interest \$3.56.

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| | SAMPLE COSTS | | MY COSTS | |
|---|-----------------|----------------|-------------|------------|
| | PER ACRE | PER TON | PER ACRE | PER TON |
| <u>Pre-harvest Cash Costs</u> | | | | |
| Land preparation: 2 hrs. labor - 1 hr. heavy tractor | \$36.68 | | | |
| 1 hr. med. tractor | | | | |
| Plant: 1/3 hr. med. tractor | 5.25 | | | |
| Seed: 100 lbs. @ 20¢ | 20.00 | | | |
| Fertilizer: 80 lbs. N @ 16¢/lb., source NH ₃ | 12.80 | | | |
| 40 lbs. P ₂ O ₅ @ 40¢/lb. if needed | 16.00 | | | |
| Application: custom | 7.00 | | | |
| Broadleaf weed control: air application @ \$5.00, | 7.75 | | | |
| material \$2.75 | | | | |
| * aphid control if needed: air application \$5.00 | | | | |
| material \$5.60 | 00.00 | | | |
| Irrigate: 2 X's - labor 2 hrs. | 9.00 | | | |
| Water: (combined canal, pumping district assessment), | | | | |
| 1 acre ft. @ \$20/ft. | 20.00 | | | |
| Miscellaneous: Labor, material, 1 hr. man + med. | 20.00 | | | |
| tractor | | | | |
| Repairs, except tractors (1/2 cost) | 10.00 | | | |
| Office, car, business costs (1/2 cost) | 10.00 | | | |
| County taxes (1/2 cost) | 5.00 | | | |
| Land cost (1/2 cost) | 62.50 | | | |
| Interest on operating cost = (total pre-harvest cash | 15.73 | | | |
| cost) ÷ 2 X 13% | | | | |
| TOTAL PRE-HARVEST CASH COSTS | \$257.71 | \$64.43 | | |
| <u>Harvesting Costs</u> | | | | |
| Swath | 12.00 | | | |
| Bale and stack roadside @ 95¢/bale (100 lb. bales) | 49.00 | | | |
| TOTAL HARVESTING COSTS | \$61.00 | \$ 5.25 | | |
| TOTAL CASH COSTS | \$318.71 | \$79.68 | | |
| <u>Depreciation</u> | | | | |
| Irrigation system (1/2 cost) original cost \$350 | 10.94 | | | |
| 16 yr. life | | | | |
| Tractor 80 hp diesel wheel: 2.3 hr. | 5.93 | | | |
| 130 hp, 1 hr. | 4.75 | | | |
| Other equipment (1/2 cost) of \$100 over 10 yrs. | 5.00 | | | |
| TOTAL DEPRECIATION | \$26.62 | \$.66 | | |
| TOTAL CASH AND DEPRECIATION COSTS | \$345.33 | \$86.33 | | |

(over)

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| SAMPLE COSTS | | MY COSTS | |
|--------------|---------|----------|---------|
| PER ACRE | PER TON | PER ACRE | PER TON |

Interest on Investment - (@ 13% interest)

| | | |
|--------------------------------------|-----------------|----------------|
| Irrigation system: 1/4 of \$350 | \$11.38 | |
| Tractor: 80 hp diesel wheel, 2.3 hr. | 4.46 | |
| 130 hp - 1 hr. | 3.56 | |
| Other equipment: 1/4 of \$100 | 3.25 | |
| TOTAL INTEREST | \$22.65 | \$.56 |
| TOTAL COST OF PRODUCTION | \$367.98 | \$92.00 |

| Yield: tons per acre | COST PER TON AT VARYING YIELDS | | | |
|----------------------|--------------------------------|----------|---------|---------|
| | 2 | 3 | 4 | 5 |
| Cash costs per ton | \$159.36 | \$106.24 | \$79.68 | \$63.75 |
| Total costs per ton | \$183.99 | \$122.66 | \$92.00 | \$73.60 |

This cost analysis worksheet should be used only as a guide to assist producers in determining their production costs and as an aid in helping analyze costs and procedures. The figures shown are based on what are considered good management practices and do not represent industry averages.

There is a great deal of variation in production costs between areas within a county. For example, tractor size, tillage operations, water costs and materials may be different for neighboring farmers. Eliminate fertilizer costs if manure or lagoon water is used.

The land cost is a value related to rental costs rather than the interest on the market value. For the person renting land, the rental price should be substituted for land cost; also, interest and depreciation on the irrigation system and county taxes should be eliminated.