

COST ANALYSIS WORK SHEET
SAMPLE COSTS TO PRODUCE ALFALFA HAY IN MERCED COUNTY - 1961

Glenn Voskuil, Farm Advisor, Merced County

Based on an average yield of 8 tons per acre per year for 3 years including the first. Man labor @ \$1.35 per hr., including Social Security and Compensation Insurance. Light tractor per hr. cash cost \$1.00; depreciation 50¢; interest 20¢. Medium tractor per hr. cash cost \$1.25; depreciation 70¢; interest 25¢.

	Sample Costs		My Costs	
	Per Acre	Per Ton	Per Acre	Per Ton
Pre-Harvest Cash Costs:				
Land prep. seed & planting (\$19 for 3 yrs).	\$ 6.33			
Irrigate: 8 times - 5 man hours	6.75			
Water	6.00			
Fertilizer: 60 lbs. P2O5 applied annually (average)	6.00			
Misc. labor 1 hr.; tractor 3/4 hr.; material 50¢	2.79			
County taxes	7.50			
Office, car, operating capital, etc.	2.00			
Repairs; irrig. facil. \$1.00; equip. except tractor 50¢	1.50			
TOTAL PRE-HARVEST CASH COSTS	\$38.87	\$ 4.85		
Harvesting Costs:				
Mowing 6 times - man & tractor - 2.4 hrs.	5.64	\$.70		
Rake and turn; man & tractor - 2.4 hrs.	5.64	.70		
Baling; contract @ \$3.75 per ton	30.00	3.75		
Roadside: contract @ \$2.00 per ton	16.00	2.00		
Repairs and Misc.	2.50	.32		
TOTAL HARVESTING COST	\$59.78	\$7.47		
TOTAL CASH COSTS (approx. \$20 is labor)	\$98.65	\$12.33		
Depreciation:				
Irrig. system; (original cost \$60) 16 yrs. life	\$ 3.75			
Tractor: 5.55 hrs. @ \$.50 + 1/3 land prep. & plant 78¢	3.55			
Equipment: cost \$20 - 10 yrs. life	2.00			
TOTAL DEPRECIATION	\$ 9.30	\$ 1.16		
TOTAL CASH AND DEPRECIATION COST	\$107.95	\$13.49		
Interest on Investment @ 6%:				
Land @ \$700 per acre	\$ 42.00			
Irrigation system: on 1/2 cost (\$30)	1.80			
Tractor: 5.55 hrs. @ \$1.11 + 1/3 land prep. & plant 28¢	1.39			
Equipment: on 1/2 cost (\$10)	.60			
TOTAL INTEREST	\$ 45.79	\$ 5.72		
TOTAL COST OF PRODUCTION	\$153.74	\$19.21		

Any income from winter green chopping or pasturing would be deducted from total cost to obtain a net cost for the hay.

Yield - Tons Per Acre	Cost Per Ton At Varying Yields					
	5	6	7	8	9	10
Cash Costs - Including Labor	16.28	14.52	13.27	12.33	11.60	11.00
Total Cost Per Ton	27.29	23.70	21.14	19.22	17.72	16.52

Baling and roadsiding costs are adjusted to yield.