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AF-VS-75

ALFALFA SEED PRODUCTION

Cost Analysis Worksheet - October, 1975

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Sample costs to produce Certified Alfalfa Seed on the West Side of Fresno County. Based on a yield of 700 pounds of cleaned seed per acre. Man labor \$3.20 per hour total and equipment operator \$4.00. Eighty horsepower-tracklayer per hour cash costs \$6.55, depreciation \$2.60 and interest \$1.98. 80 h.p. wheel tractor \$3.20, \$2.04 and \$1.02.

	Sample Costs		My Costs	
	Per Acre	Per Pound	Per Acre	Per Pound
<u>Pre-harvest Cash Costs:</u>				
Field clean up and straw disposal. Combine wind rows 1/8 hour per acre man and wheel tractor - total	\$	5.70		
Chisel 1x: 1/3 hour per acre man and tracklayer		3.52		
Irrigate: Fall and winter irrigations 1 1/4 ac. ft.		15.00		
Spring irrigation 3/4 ac. ft.		9.00		
2 summer irrigations 1 ac. ft. (water cost \$12.00 ac. ft)		12.00		
labor: 11 hours total		35.20		
Disc or harrow: Fall 2x; spring 1x, 1/2 hr. man & track layer		5.28		
Furrow out and cultivate 1/2 hour man and wheel tractor		3.60		
Cultivate 2x: 1/2 hour man and wheel tractor		3.60		
Chemical wheel control; custom (including dodder)		18.00		
Clip back: flail chopper 1/2 hour per acre man and wheel tractor		3.60		
Miscellaneous tractor work: 1/2 hour man and tracklayer		5.28		
Insect control: materials		70.00		
applications 5x2.75		13.75		
Bee rental: 3 strong colonies at \$12.00		36.00		
Desiccate: 2x (material & application)		16.70		
Taxes: estimate		17.50		
Repairs to equipment except tractors		13.00		
Office and business expense		21.15		
TOTAL PRE-HARVEST CASH COSTS	\$	307.88	44.0¢	
<u>Harvesting and Processing Costs:</u>				
Harvest and haul: 700 lbs. clean seed at 3¢ with \$25.00 ac. minimum	\$	25.00		
Cleaning and bagging: \$3.00 cwt. field run; 875 lbs. at \$3.00		26.25		
Rerun or "Magnetics": (ave. 40% of clean crop seed total) 280 lbs. at \$2.00 cwt.		5.60		
Bags: 75¢ cwt. clean seed		5.25		
Fees: Certification Fee and Certified Seed Council, 30¢ cwt. clean seed, Research 20¢ cwt.		3.50		
Field inspection: 25¢ per acre		.25		
TOTAL HARVESTING AND PROCESSING COSTS	\$	65.85	9.4¢	
TOTAL CASH COSTS	\$	373.73	53.4¢	

ALFALFA SEED PRODUCTION - FIXED COSTS	Sample Costs		My Costs	
	Per Acre	Per Pound	Per Acre	Per Pound
<u>Depreciation:</u>				
Establish Stand				
Deep plow or chisel	\$ 5.28			
Disc 3x	10.55			
Land plane 2x	5.28			
Float 1x	2.64			
List beds	3.60			
Cultipak	1.80			
Plant	3.47			
Seed: 3/4 lb. @ \$2.50	1.88			
Irrigate: Water	12.00			
Labor	6.40			
Weeding; and herbicide	22.00			
Miscellaneous overhead	5.00			
Business costs	5.12			
Repairs	5.50			
Total	\$90.52			
Stand Depreciation; 3 year life		\$ 30.17		
Irrigation Equipment				
\$250 cost, 10 years		25.00		
Tractors: Crawler: 2.05 hours at \$2.60		5.33		
Wheel: 4 hours at \$2.04		8.16		
Other equipment: \$90 cost, 10 years, 50% for seed alfalfa		4.50		
TOTAL DEPRECIATION		\$ 73.16	10.5¢	
<u>Interest on Investment at 8%:</u>				
Irrigation system: 1/2 cost \$125		10.00		
Tractors: Crawler: 2.05 hours at \$1.98		4.06		
Wheel: 4 hours at \$1.02		4.08		
Other equipment: 1/2 cost \$45		1.80		
Stand: 1/2 cost, \$45.26		3.62		
Land: \$750		60.00		
TOTAL INTEREST ON INVESTMENT		\$ 83.56	11.9¢	
TOTAL COST OF PRODUCTION		\$530.45	75.8¢	

SAMPLE COSTS AT VARYING YIELDS

Yield: lbs. Per Acre	Average					Exceptional			
	400	500	600	700	800	900	1000	1200	1400
Cash Costs									
Per Acre \$	341.33	362.13	367.93	373.73	379.53	387.33	396.13	413.73	431.33
Per Pound ¢	85.3	72.4	61.3	53.4	47.4	43.1	39.6	34.5	30.8
Total All Costs									
Per Acre \$	513.05	518.85	524.65	530.45	536.25	544.05	552.85	570.45	588.05
Per Pound ¢	128.2	103.8	87.4	75.8	67.1	60.4	55.3	47.5	42.0

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