SAMPLE PRODUCTION COSTS - FIELD CORN - STANISLAUS COUNTY - 1961

Based On Yield Of 4000 Lbs. Per Acre Single-crop And 3000 Lbs. Double-crop

...n labor @ $1.35 and $1.50 per hour, including Social Security, Compensation Insurance, etc. Medium tractor per hour cash cost $1.25, depreciation 70¢, interest 25¢. Details given below are for single-crop; only estimated costs, and no details, are given for double crop.

E. E. Stevenson, Farm Advisor — Burt B. Burlingame, Extension Economist

	SINGLE CROP Sample Costs per acre	per cwt.	DOUBLE CROP Sample Costs per acre	per cwt.
PRE-HARVEST CASH COSTS:				
Land preparation: Man & tractor, 2½ hrs.	$ 6.88		$ 3.00	
Plant: 2 men & tractor, 0.5 hr.	2.19		2.19	
Seed: 13 lbs. @ 25¢	3.25		3.25	
Fertilizer: 100 lbs. Nitrogen @ 10¢	10.00		10.00	
Fertilize: Contract @ $2.00	2.00		2.00	
* Irrigate: 1 pre & 4 crop, 2½ man-hours	3.38		3.38	
* Water: 3.0 acre ft.	1.25		.75	
Cultivate: 2 X, man & tractor, 1.0 hrs.	2.75		2.75	
Misc: Labor, tractor & equipment	2.00		2.00	
County taxes:	12.00		7.20	
Office, car, operating capital, etc.	2.00		2.00	
Repairs: Irrig. system, equip. except tractor	3.00		3.00	
Total Pre-Harvest Cash Costs	$50.70	$1.27	$41.52	$1.39
HARVESTING COSTS:				
Combine: @ $6.50 per ton	$16.25		$13.00	
Drying: @ $4.00 per ton	** -----		8.00	
*.. Hauling: @ $2.00	** -----		4.00	
Total Harvesting Costs	$16.25	$ .40	$25.00	$ .83
TOTAL CASH COSTS	$66.95	$1.67	$66.52	$2.22
DEPRECIATION:				
Irrigation system (orig. cost $80, life 20 years.)	$ 4.00		$ 2.40	
Buildings: (orig. cost $10, life 20 years.)	.50		.30	
Tractor: 4.5 hrs. @ 70¢	3.15		1.89	
Equipment: (orig. cost $15, life 10 years.)	1.50		.90	
Total Depreciation	$ 9.15	$ .23	$ 5.49	$ .18
TOTAL CASH PLUS TOTAL DEPRECIATION COSTS	$76.10	$1.90	$72.01	$2.40
INTEREST ON INVESTMENT @ 6%				
Land: @ $700	$42.00		$25.20	
Irrigation system: ½ cost ($40)	2.40		1.44	
Buildings: on ½ cost ($5)	.30		.18	
Tractor: 4.5 hrs. @ 25¢	1.13		1.13	
Equipment: on ½ cost ($7.50)	.45		.27	
Total Interest	$46.28	$1.16	$28.22	$ .94
TOTAL COST OF PRODUCTION	$122.38	$3.06	$100.23	$3.34

Costs based on Eastside with correspondingly low costs for water, irrigation and labor. Other areas will show higher costs.

The crop is normally sold in the field, if dry enough, with no drying or hauling costs.

COST PER CWT. AT VARYING YIELDS

Yield - Lbs./A		3000	4000	5000	6000
SINGLE-CROP -	Cash and Depreciation Costs	$2.43	$1.90	$1.59	$1.38
	Total Cost	3.97	3.06	2.51	2.15
DOUBLE-CROP -	Cash and Depreciation Costs	2.40	1.88	1.57	----
	Total Cost	3.34	2.59	2.13	----

Field Crops

UNIVERSITY OF CALIFORNIA
AGRICULTURAL EXTENSION SERVICE
Stanislaus County - 1961

SAMPLE PRODUCTION COSTS - FIELD CORN - SINGLE CROPPED

BY
E. E. STEVENSON, FARM ADVISOR

Field corn has been grown in Stanislaus County to a limited extent for many years. In spite of our using large quantities of corn, primarily in poultry feeds, most of this is shipped in from the midwest at prices which are usually lower than our average cost of production.

Acreage Trend

The USDA Feed Grains Program caused some reduction in the 1961 acreage and will undoubtedly do the same in 1962. The acreage trend will undoubtedly continue downward, along with other cereal grains, with the land going into trees, vines and other higher return crops. The reason for this is obvious. In some cases grain sorghums are replacing corn because of lower costs. Production costs on cereals have been steadily increasing while grain prices have been dropping.

A few find that corn occasionally fills a hole in their cropping programs. Since some growers are going to grow corn for one reason or another, we want to look at the management factors that will allow them to do the best job possible.

Analysis Of Costs

The costs listed on the other side include a charge for the owner-operator's labor, his pickup and office. Depreciation charges and interest are included on the equipment, buildings and irrigation facilities. The amount for interest on land investment and for county taxes provides a "rental allowance" of about $54 an acre single-crop and $32 double-crop.

These costs are based on an owner-operator management. Where crops are grown on a cash or crop share rental basis, rent should be substituted for interest on land, interest and depreciation on buildings and irrigation systems, land taxes and any other items paid for by the land owner.

What Are The Possibilities?

It is obvious that, at present prices, average yields will not return enough money to pay for all of these charges. The yields used on the "sample costs" on the reverse side are actually about 500 lbs. per acre higher than average. Costs on small acreages will be somewhat higher. In order to make the crop profitable, the farmer must reduce his expenses by careful management and he must have above average yields. Double-crop yields are lower than single-crop and the corn must be dried, which almost rules the crop out. On the Westside, higher costs for tillage and for water usually eliminates the chance for profit.

The cost data sheet on the reverse side will provide a more detailed picture of production costs. The cash costs will not differ much from grower to grower. Depreciation and interest on investment will be considered differently. For the man who owns his land, payment for his labor and a "realistic depreciation charge" may be sufficient income. For the man who is trying to pay for a ranch and provide a living for his family, it does not appear that corn offers much promise.