

COST ANALYSIS WORK SHEET

SAMPLE COSTS TO PRODUCE ALFALFA HAY IN TULARE COUNTY - 1965

Based on an average yield of 8 tons per acre per year for 3 years including the first. Man labor @ \$1.65 per hour, including Social Security and Compensation Insurance; light tractor per hour cash cost \$1.10; depreciation 50¢; interest 20¢. (Larger tractors used for land preparation.)

William R. Sallee, Farm Advisor

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	Sample Costs		My Costs	
	Per acre	Per ton	Per acre	Per ton
<u>Pre-Harvest Cash Costs:</u>				
1/3 Land prep. seed and planting (\$21.00)	\$ 7.00			
Irrigate: 14 times - 7 man hours		11.55		
Water: pumping power only - 4½ A. ft. @ \$4.00		18.00		
Fertilizer: 120 lbs. P ₂ O ₅ applied annually (average)		12.60		
Misc. labor 1 hr.; tractor ¾ hr.; material 50¢		2.98		
Taxes: county \$10.00; Irrig. Dist. \$6.00		16.00		
Office, car, operating capital, etc.		4.50		
Repairs; irrig. facil. & equip. except tractor		3.00		
TOTAL PRE-HARVEST CASH COSTS	\$ 75.63	\$ 9.45		
<u>Harvesting Costs:</u>				
Swathing 7 times - contract @ \$2.00 per time	\$ 14.00	\$ 1.75		
Turning; man and tractor 1½ hrs.	4.13	.52		
Baling: contract @ \$3.50 per ton	28.00	3.50		
Roadside: contract @ \$1.75 per ton	14.00	1.75		
TOTAL HARVESTING COST	\$ 60.13	\$ 7.52		
TOTAL CASH COSTS	\$135.76	\$16.97		
<u>Depreciation:</u>				
Irrigation system: (original cost \$160) 16 yrs. life	\$ 10.00			
Tractor: 2.25 hrs. - \$1.13 + 1/3 land prep. & plant \$1.25		2.38		
Equipment: cost \$30 - 10 yrs. life		3.00		
TOTAL DEPRECIATION	\$ 15.38	\$ 1.92		
TOTAL CASH AND DEPRECIATION COST	\$151.14	\$18.89		
<u>Interest on Investment @ 6%</u>				
Land @ \$800 per acre	\$ 48.00			
Irrigation system: on ½ cost (\$80)		4.80		
Tractor: 2.25 hrs. - 45¢ + 1/3 land prep. & plant 53¢		.98		
Equipment: on ½ cost (\$15.00)		.90		
TOTAL INTEREST	\$ 54.68	\$ 6.84		
TOTAL COST OF PRODUCTION	205.82	25.73		

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

Added insect control cost, if necessary, would range from approx. \$3 to \$5 per acre per application.

Cost Per Ton at Varying Yields

Yield - tons per acre	5	6	7	8	9	10
Cash and depreciation cost	\$27.08	\$23.44	\$20.84	\$18.89	\$17.38	\$16.16
Total cost per ton	\$38.02	\$32.55	\$28.65	\$25.73	\$23.46	\$21.63

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revised

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Tulare County
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