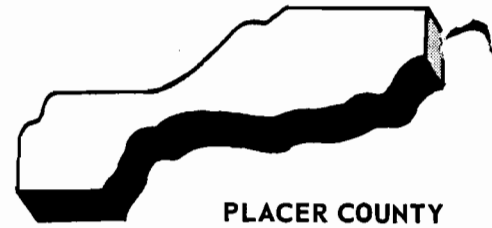


SAMPLE PRODUCTION COSTS

From Your Farm and Home Advisors' Office

358 Elm Avenue, Auburn, California 95603

Telephone 885-4551



PLACER COUNTY

WHEAT, OATS AND BARLEY - OWNER-OPERATED

Placer County cereal grain acreage in 1966 totaled: Barley - 1,500; Oats - 8,200; and Wheat - 7,330. Cereal grains are grown in the Valley area of the County. Dry-farmed grain is grown under the summer fallow system, i.e. a crop is grown every other year.

Soils: Most of the dry-farmed cereals are grown on the San Joaquin, Rocklin, and Whitney soils.

Varieties: Popular varieties include: Atlas, Arivat and Grande barley; Sierra Curt and California Red Oats; Pitic 62, Onas 53 and Nainari wheat.

Planting: September, October and November are the usual planting months. Some winter sowing is done during January and February. 70 to 85 pounds seed is planted per acre.

Fertilization: 16 to 30 pounds nitrogen and 9 to 17 pounds phosphorus (20-40 lbs. P₂O₅) applied per acre at planting time is the common practice.

Harvesting: Most grain is harvested in June and July. Grain is combined when the grain is below 15% moisture.

Weed Control: Most broad-leaved weeds can be controlled with 2,4-D and other chemical sprays. Time and rate of application is critical.

The Sample Cost of Production is based on a 2,000 acre owner-operated farm. Half of the acreage is summer fallowed each year and half is used to produce dryland grain.

The interest and depreciation are based on a \$59,000 investment for equipment including a 90 hp. track layer, two plows, an offset disk, two grain drills, a harrow, a self-propelled combine, two trucks, an auger and a pick-up. Investment for buildings is \$9,000 for a machine shed, shop and grain storage. Investment for land is \$300,000 for 2,000 acres.

PRODUCTION COSTS FOR VARYING YIELDS

	Yield in pounds per acre					
	1,000	1,200	1,400	1,600	1,800	2,000
Total Cash and Depreciation Cost	3.06	2.55	2.18	1.91	1.70	1.53
Total Cost Including Interest & Management fee	5.18	4.33	3.73	3.28	2.93	2.64

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SAMPLE COST TO PRODUCE WHEAT, OATS & BARLEY - OWNER-OPERATED

Production Data: 2,000 acre farm Labor rate: \$1.90/hr. incl. SS. & W.C.
 1,000 acres cropped each year

Yield 1600 lbs.

Operation	Hours Per Acre	Cash and labor cost per acre			
		Labor	Fuel & Repairs	Materials Kind and Quantity	Cost Total
Cultural Costs					
<u>Fallow Year</u>					
Plow	0.20	0.38	0.82		1.20
Disk	0.30	0.57	1.58		2.15
<u>Crop Year</u>					
Planting	0.15	0.28	0.67		0.95
Fertilizer				25N @ 0.10	2.50
				13P @ 0.25	3.25
Seed				80 lbs seed @ 4.00	3.20
Weed Control				Contract plane	1.50
				3/4 lb 2,4-D	0.60
Equipment Repair	0.50	0.90			0.90
TOTAL CULTURAL COSTS:	1.15	2.13	3.07		11.05
					16.25

Harvest Costs

Combine	0.25	0.48	1.11		1.59
Haul	0.20	0.38	0.52		0.90
TOTAL HARVEST COSTS:	0.45	0.86	1.63		2.49

Cash Overhead

Misc., office, etc.	@5% of above costs				0.94
Taxes	\$150 ÷ 4 = 37.50 X tax rate (2 yrs)			2.63	5.26
TOTAL CASH OVERHEAD:					6.20

TOTAL CASH & LABOR COSTS:

Management 5% of 16 cwt @ 2.30 **1.84**

INVESTMENT	Per Acre	Annual Cost	
		Depreciation	Interest 6%
Land	\$150.00	-	\$18.00 (2 yrs)
Buildings	9.00 per crop acre	0.65	0.27
Equipment	59.00 per crop acre	4.96	1.76
Total:	\$218.00	5.61	20.03

TOTAL COST PER ACRE: **52.42**
 Cost per cwt 16 cwt yield **3.28**

Prepared by:

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