

SAMPLE COSTS TO ESTABLISH ALFALFA HAY IN TULARE COUNTY - 1984

Cost Analysis Worksheet

Based on field labor at \$4.50/hr. and equipment operator at \$5.00/hr., including benefits;
 120 hp diesel crawler hr. cash costs \$18.75, depreciation \$7.71 and interest \$5.78; 80
 hp diesel tractor hour cash costs \$10.69, depreciation \$2.58 and interest \$1.94;
 130 hp diesel tractor hour cash costs of \$15.79, depreciation \$4.75, and interest \$3.56.

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	SAMPLE COSTS		MY COSTS	
	PER ACRE	PER CWT	PER ACRE	PER CWT
<u>Cash Costs</u>				
Land Preparation: 3 1/2 hr., 1/2 hr. crawler tractor + labor		\$14.38		
130 hp tractor 1 hr. + labor		20.79		
80 hp tractor 2 hrs. + labor		31.38		
Fertilize: 300 lb. P ₂ O ₅		93.00		
Custom application		4.50		
Pre-irrigate: 1 Acre ft. @ \$20/A ft., 1 hr. labor		24.50		
Pre-plant weed control - material		22.50		
application		5.50		
Planting: 20 lb./A @ 2.10/lb. air application		42.00		5.00
Cover seed: 1 hr. labor and wheel tractor		1.57		
Repairs		5.00		
Office and business costs		5.00		
Interest on operating costs (total cash costs) ÷ 2 X 13%		17.52		
TOTAL CASH COSTS		\$287.14		
<u>Depreciation</u>				
Tractors: 80 hp wheel diesel tractor - 2.1 hr.		5.42		
120 hp crawler - .5 hr.		3.85		
130 hp wheel diesel tractor - 1 hr.		4.75		
Other equipment - \$100 - 10 yr. life		10.00		
DEPRECIATION CHARGED TO STAND ESTABLISHMENT		\$24.02		
<u>Interest on Investment - 13%</u>				
Tractors: 80 hp wheel diesel - 2 hr.		3.88		
120 hp crawler - .5 hr.		2.89		
130 hp wheel diesel - 1 hr.		3.56		
Other equipment - (1/2 cost) \$50		6.50		
TOTAL INTEREST ON INVESTMENT CHARGED TO STAND ESTABLISHMENT		16.83		
TOTAL COST TO ESTABLISH ALFALFA STAND		\$327.99		

This cost analysis worksheet should be used only as a guide to assist producers in determining their production costs as an aid in helping analyze costs and procedures. The figures shown are based on what are considered good management practices and do not represent industry averages.

