

WHEAT PRODUCTION IN SAN LUIS OBISPO COUNTY
 COST ANALYSIS WORKSHEET
 1983

Prepared by
 M.J. Smith, Farm Advisor, San Luis Obispo County
 E.A. Yeary, Area Farm Management Specialist

| | Sample Costs | | My Costs | |
|--|---------------|-------------|----------|----------|
| | Per acre | Per Cwt. | Per acre | Per Cwt. |
| <u>PRE-HARVEST CASH COSTS</u> | | | | |
| Fallow year tillage: | | | | |
| Chisel Plow 1x .14 hrs./Acre | 6.20 | | | |
| Disc 1x .10 hrs./Acre | 6.50 | | | |
| Cultivate 2x .12 hrs./Acre | 7.20 | | | |
| Pre-work: | | | | |
| Cultivate .5x .03 hrs./Acre | 1.80 | | | |
| Fertilizer: | | | | |
| Pre-plant 60# N/Ac. @\$.14/# | 8.40 | | | |
| Applicator @\$1.00/Ac. + .10 hrs. Trac. & labor | 4.30 | | | |
| At planting 20# N + 10# P ₂ O ₅ drilled with the seed | 8.70 | | | |
| Planting: | | | | |
| Seeding .09 hrs./Acre | 7.00 | | | |
| Seed 85#/Ac. @\$18.00/Cwt. | 15.30 | | | |
| Weed Control: | | | | |
| Broadleaf weeds- | | | | |
| Material | 8.50 | | | |
| Application | 4.50 | | | |
| Wild oats- | | | | |
| Material 13#/Ac. Triallate @\$.66 applied at seeding | 8.60 | | | |
| Truck and Pickup @\$.66/mile total cost | .70 | | | |
| Misc. labor, mtrls, & machine time | 3.20 | | | |
| Personal property taxes | .30 | | | |
| TOTAL PRE-HARVEST CASH COSTS | 91.20 | 5.07 | | |
| <u>HARVEST COSTS</u> | | | | |
| Combining | 14.00 | | | |
| Haul to storage @\$3.00/Ton | 2.70 | | | |
| TOTAL HARVEST COSTS | 16.70 | .93 | | |
| <u>OVERHEAD COSTS</u> | | | | |
| Office and business costs, interest on operating capitol | 10.00 | .55 | | |
| TOTAL CASH AND OVERHEAD COSTS | 117.90 | 6.55 | | |

Costs are based on dryland farming, with a grain-fallow-grain rotation. Sample costs per acre are based on 2400 lbs./Acre production. A share rental agreement provides that the landlord pays all costs associated with owning the land and receives .25 of the gross as rent. [Cost/Cwt. are based on 1800 lbs./Acre(.75 of 2400 lbs./Ac)]. Labor cost to the grower is \$6.00/hour. A 250 horsepower tractor is operated 1240 hours per year, on and off the farm.

| | Sample Costs | | My Costs | |
|-------------------------------------|---------------|-------------|----------|----------|
| | Per Acre | Per Cwt. | Per Acre | Per Cwt. |
| <u>DEPRECIATION</u> | | | | |
| Tractor | 4.30 | | | |
| Other equipment | 2.20 | | | |
| Storage and buildings | .60 | | | |
| TOTAL DEPRECIATION | 7.10 | .39 | | |
| <u>INTEREST ON INVESTMENT</u> | | | | |
| Tractor | 2.20 | | | |
| Other equipment | 4.40 | | | |
| Storage and buildings | 2.60 | | | |
| TOTAL INTEREST ON INVESTMENT | 9.20 | .51 | | |
| TOTAL COST OF PRODUCTION | 134.20 | 7.45 | | |

SAMPLE COSTS AT VARYING YIELDS

| Yield: Pounds/Acre | 1600 | 2000 | 2400 | 2800 | 3200 |
|--|---------------|---------------|---------------|---------------|---------------|
| Tenant Share (75% of gross) | 1200 | 1500 | 1800 | 2100 | 2400 |
| Pre-harvest costs | \$91.20 | \$91.20 | \$91.20 | \$91.20 | \$91.20 |
| Harvest + haul cash costs | 13.70 | 15.20 | 16.70 | 18.20 | 19.70 |
| TOTAL CASH COSTS | 104.90 | 106.40 | 107.90 | 109.40 | 110.90 |
| Depreciation + Interest + Overhead Costs | 26.30 | 26.30 | 26.30 | 26.30 | 26.30 |
| TOTAL COST/ACRE | 131.20 | 132.70 | 134.20 | 135.70 | 137.20 |
| TENANT COST/CWT. | 10.93 | 8.85 | 7.46 | 6.46 | 5.72 |

SAMPLE GROSS RETURNS/ACRE AT VARYING YIELDS AND PRICES/CWT.

| Price/Cwt. | 1600 | 2000 | 2400 | 2800 | 3200 |
|------------|--------|--------|--------|--------|--------|
| 5.50 | 88.00 | 110.00 | 132.00 | 154.00 | 176.00 |
| 5.75 | 92.00 | 115.00 | 138.00 | 161.00 | 184.00 |
| 6.00 | 96.00 | 120.00 | 144.00 | 168.00 | 192.00 |
| 6.25 | 100.00 | 125.00 | 150.00 | 175.00 | 200.00 |
| 6.50 | 104.00 | 130.00 | 156.00 | 182.00 | 208.00 |
| 6.75 | 108.00 | 135.00 | 162.00 | 189.00 | 216.00 |
| 7.00 | 112.00 | 140.00 | 168.00 | 196.00 | 224.00 |
| 7.25 | 116.00 | 145.00 | 174.00 | 203.00 | 232.00 |
| 7.50 | 120.00 | 150.00 | 180.00 | 210.00 | 240.00 |
| 7.75 | 124.00 | 155.00 | 186.00 | 217.00 | 248.00 |
| 8.00 | 128.00 | 160.00 | 192.00 | 224.00 | 256.00 |