

ESTABLISHING A STAND OF ALFALFA FOR HAY PRODUCTION

Cost Analysis Work Sheet - 1974

Sample costs to establish a stand of alfalfa for hay production in Merced County. Man labor at \$2.90 per hour total and equipment operator \$3.60, which includes employer's social security and workmen's compensation insurance payments. Tractors available are 80 H.P. - crawler; 75 H.P. - wheel diesel; and 50 H.P. wheel tractor. Cash costs, depreciation and interest costs per hour for each tractor are: 80 H.P. crawler, \$6.21, \$2.88 and \$2.16; 75 H.P. wheel tractor, \$3.21, \$1.76 and 77¢; 50 H.P. wheel tractor, \$2.28, \$1.34 and 67¢.

Annual investment costs and real estate taxes are charged to the hay production schedule, so are omitted from development costs.

	Sample Costs Per Acre	My Costs Per Acre
Subsoil 1X: 2 hrs. man and crawler tractor	\$ 19.62	
Disc 2X: total 1/2 hr. man and crawler tractor	4.90	
Landplane 2X: 2/3 hr. man and crawler tractor	7.36	
Border preparation: 1/4 hr. man & 75 H.P. wheel trac.	1.70	
Float checks: 1/10 hr. man and 50 H.P. wheel tractor	.59	
Re-shape borders: 1/10 hr. man and 50 H.P. wheel trac.	.59	
Fertilize: materials and application	15.00	
Disc or springtooth for seed bed preparation: 1/4 hr. man and 50 H.P. wheel tractor	1.47	
Weed control: custom applied	10.00	
Plant: 20 lbs. seed at \$1.50 lb. plant by airplane	30.00 1.50	
Cover seed: 1/8 hr. man and 50 H.P. wheel tractor	.74	
Ditches and boxes: 1/4 hr. man and 50 H.P. wheel trac.	1.47	
Repairs to equipment, except tractors	6.00	
Office and business expense: 6% of cash costs	6.42	
TOTAL CASH COSTS	\$107.36	
DEPRECIATION:		
Tractors: 80 H.P. crawler 3 1/6 hr. @ \$2.88	\$ 9.12	
75 H.P. wheel 1/4 hr. @ \$1.76	.44	
50 H.P. wheel 33/40 hr. @ \$1.34	1.11	
Equipment, except tractors	3.50	
TOTAL DEPRECIATION	\$ 14.17	
INTEREST ON INVESTMENT AT 8%:		
Tractors: 80 H.P. crawler 3 1/6 hr. @ \$2.16	\$ 6.84	
75 H.P. wheel 1/4 hr. @ \$.77¢	.19	
50 H.P. wheel 33/40 hr. @ \$.67¢	.55	
Equipment, except tractors	1.95	
TOTAL INTEREST ON INVESTMENT	\$ 9.53	
TOTAL COST TO ESTABLISH ALFALFA	\$131.06	

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