

IRRIGATED OAT HAY - DOUBLE CROPPED - TULARE COUNTY

Cost Analysis Worksheet - 1983

Sample costs to produce oat hay in Tulare County, based on a yield of 4 tons per acre. Field labor at \$4.50 per hour and equipment operator at \$5.00 per hour; these include benefits. Medium wheel, 80 hp tractor cash costs \$10.69, depreciation \$2.58, and interest \$1.94. Heavy tractor - 130 hp. Cash costs \$15.79, \$4.75, and interest \$3.56.

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	SAMPLE COSTS		MY COSTS	
	PER ACRE	PER TON	PER ACRE	PER TON
<u>Pre-harvest Cash Costs</u>				
Land preparation: 2 hrs. labor - 1 hr. heavy tractor		\$36.68		
1 hr. med. tractor				
Plant: 1/3 hr. med. tractor		5.25		
Seed: 100 lbs. @ 20¢		20.00		
Fertilizer: 80 lbs. N @ 16¢/lb., source NH ₃		12.80		
40 lbs. P ₂ O ₅ @ 40¢/lb. if needed		16.00		
Application: custom		7.00		
Broadleaf weed control: air application @ \$5.00, material \$2.75		7.75		
* aphid control if needed: air application \$5.00 material \$5.60		00.00		
Irrigate: 2 X's - labor 2 hrs.		9.00		
Water: (combined canal, pumping district assessment), 1 acre ft. @ \$20/ft.		20.00		
Miscellaneous: Labor, material, 1 hr. man + med. tractor		20.00		
Repairs, except tractors (1/2 cost)		10.00		
Office, car, business costs (1/2 cost)		10.00		
County taxes (1/2 cost)		5.00		
Land cost (1/2 cost)		62.50		
Interest on operating cost = (total pre-harvest cash cost) ÷ 2 X 13%		15.73		
TOTAL PRE-HARVEST CASH COSTS		\$257.71	\$64.43	
<u>Harvesting Costs</u>				
Swath		12.00		
Bale and stack roadside @ 95¢/bale (100 lb. bales)		49.00		
TOTAL HARVESTING COSTS		\$61.00	\$ 5.25	
TOTAL CASH COSTS		\$318.71	\$79.68	
<u>Depreciation</u>				
Irrigation system (1/2 cost) original cost \$350 16 yr. life		10.94		
Tractor 80 hp diesel wheel: 2.3 hr.		5.93		
130 hp, 1 hr.		4.75		
Other equipment (1/2 cost) of \$100 over 10 yrs.		5.00		
TOTAL DEPRECIATION		\$26.62	\$.66	
TOTAL CASH AND DEPRECIATION COSTS		\$345.33	\$86.33	

(over)

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SAMPLE COSTS		MY COSTS	
PER	PER	PER	PER
ACRE	TON	ACRE	TON

Interest on Investment - (@ 13% interest)

Irrigation system: 1/4 of \$350	\$11.38	
Tractor: 80 hp diesel wheel, 2.3 hr.	4.46	
130 hp - 1 hr.	3.56	
Other equipment: 1/4 of \$100	3.25	
TOTAL INTEREST	\$22.65	\$.56
TOTAL COST OF PRODUCTION	\$367.98	\$92.00

COST PER TON AT VARYING YIELDS

Yield: tons per acre	2	3	4	5
Cash costs per ton	\$159.36	\$106.24	\$79.68	\$63.75
Total costs per ton	\$183.99	\$122.66	\$92.00	\$73.60

This cost analysis worksheet should be used only as a guide to assist producers in determining their production costs and 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.

There is a great deal of variation in production costs between areas within a county. For example, tractor size, tillage operations, water costs and materials may be different for neighboring farmers. Eliminate fertilizer costs if manure or lagoon water is used.

The land cost is a value related to rental costs rather than the interest on the market value. For the person renting land, the rental price should be substituted for land cost; also, interest and depreciation on the irrigation system and county taxes should be eliminated.