

COST ANALYSIS WORK SHEET

SAMPLE COSTS TO PRODUCE/COTTON IN TULARE COUNTY - 1967

BASED ON A YIELD OF 900 POUNDS LINT PER ACRE (33% Turnout, Solid Planted)

Man labor @ \$1.65 per hour, including Social Security and Compensation Insurance;  
40 H. P. tractor per hour cash cost \$1.30; depreciation 75¢; interest 25¢.

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	<u>Sample Costs</u>		<u>My Costs</u>	
	<u>Per</u>	<u>Per</u>	<u>Per</u>	<u>Per</u>
	<u>Acre</u>	<u>Cwt.L.</u>	<u>Acre</u>	<u>Cwt.L.</u>
<u>Pre-Harvest Cash Costs:</u>				
Land preparation - man & tractor 4 hours		\$ 11.80		
Plant (4-row planter) 2 men & tractor 1/3 hr.		1.53		
Seed: 20 pounds @ 12¢		2.40		
Irrigate: 1 pre and 5 crop, 8 man hours		13.20		
Water: 3½ A. ft.; power \$14, District tax \$6		20.00		
Cultivate: 5 times, man & tractor 2½ hours		7.38		
Fertilizer: 100# of Nitrogen @ 7¢		7.00		
Fertilizer application: contract		2.50		
Weed control: chemical \$6; application \$2; hand hoe or spot spray \$6		14.00		
Insecticides: Mites \$9; Lygus \$3; Bollworms @ \$2.50		14.50		
Application: 1 ground @ \$1.50, 2 air @ \$2.75		7.00		
Miscellaneous labor, equipment, & materials		5.00		
County taxes: land \$18; equipment \$2		20.00		
Office, car, operating capital, etc.		9.00		
Repairs (except tractor): irrig. system, equip.		4.00		
<b>TOTAL PRE-HARVEST CASH COSTS</b>		<b>\$139.31</b>	<b>\$15.48</b>	
<u>Harvesting Costs:</u>				
Pick & haul: 2730 lbs. seed cotton (contract); 1st pick, 90% (2460 lbs.) @ \$1.35/cwt; 2nd pick, 10% (270 lbs.) @ \$1.50/cwt, or \$10/A minimum		43.21	4.80	
Ginning, bagging, ties, insurance, storage & sampling @ \$1.35/cwt. seed cotton		36.86	4.10	
<b>TOTAL HARVESTING COSTS</b>		<b>\$ 80.07</b>	<b>\$ 8.90</b>	
<b>TOTAL CASH COSTS</b>		<b>\$219.38</b>	<b>\$24.38</b>	
<u>Depreciation:</u>				
Irrigation system: (original cost \$160) 16 yr. life		\$ 10.00		
Tractor: 7½ hours @ 75¢		5.63		
Equipment, except tractor: (original cost \$30) 10 yr. life		3.00		
<b>TOTAL DEPRECIATION</b>		<b>\$ 18.63</b>	<b>\$ 2.07</b>	
<b>TOTAL CASH &amp; DEPRECIATION COSTS</b>		<b>\$238.01</b>	<b>\$26.45</b>	
<u>Interest On Investment @ 6%:</u>				
Land at \$900		\$ 54.00		
Irrigation system on ½ cost (\$80)		4.80		
Tractor: 7½ hours @ 25¢		1.88		
Equipment on ½ cost (\$15)		.90		
<b>TOTAL INTEREST</b>		<b>\$ 61.58</b>	<b>\$ 6.84</b>	
<b>TOTAL COST OF PRODUCTION</b>		<b>\$299.59</b>	<b>\$33.29</b>	
Less Seed Credit for 1460 Lbs. Seed @ \$60/T.		\$-43.80	\$-4.87	
<b>NET COST OF PRODUCTION</b>		<b>\$255.79</b>	<b>\$28.42</b>	

For nematode control add about \$15, for phosphorus \$6 and for defoliation \$4 per acre.

(over)

Cost Per Cwt. Lint Cotton at Varying Yields

Yield - lbs. per acre	500	750	1000	1250
Net cost per cwt. lint	\$48.82	\$33.52	\$25.87	\$21.28

Costs on rented or leased land for cotton:

	<u>Sample Costs</u>		<u>Your Costs</u>	
	Per Acre	Per Cwt.	Per Acre	Per Cwt.
Cash costs for 900 lb. lint yield, except rent - approx.	\$194.00	\$21.55		
Depreciation and interest on equipment	11.41	1.27		
<b>TOTAL COST, EXCEPT RENT</b>	<b>\$205.41</b>	<b>\$22.82</b>		
Rent				
<b>TOTAL COST PER ACRE</b>				
Less seed credit	\$-43.80	\$-4.87		
<b>NET COST OF PRODUCTION</b>				

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3-23-67  
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