

## COTTON

## Cost Analysis Work Sheet - 1982

Sample costs to produce cotton in Fresno County. Costs are based on a field producing 1000 lbs. lint per acre. Field labor at \$4.50 per hour total, and equipment operator at \$5.50. Wheel diesel tractor per hour cash costs \$4.60, depreciation \$2.00 and interest \$1.40. Gin turnout assumed to be 31%.

	Sample Costs		My Costs	
	Per Acre	Per Lb. Lint	Per Acre	Per Lb. Lint
<b>PRE-HARVEST CASH COST:</b>				
Land Preparation: 3 hrs. man & tractor	\$ 30.30	\$		
Nematode Control, if needed - \$66.00				
Plant: Acid delinted seed - 14 lbs. @ 41¢/lb.	5.74			
1/4 hr. man & tractor	2.53			
Irrigate: 1 pre & 5 crop, 8 hrs. labor	36.00			
3 ac. ft. water @ \$20.00/ac. ft.	60.00			
Pre-emergence herbicide, custom & 1/2 hr. man & tractor for discing	14.50			
Hand weeding	25.00			
Cultivate 4 X: 2 hr. man & tractor	20.20			
Fertilize: 125 lbs. N @ 18¢ NH <sub>3</sub>	22.50			
Application: custom	7.00			
Pest Control: materials	36.00			
Application 3X	12.00			
Defoliation	12.00			
Land Rent	125.00			
Misc. labor, materials, 1 hr. man & tractor	14.40			
Repairs to equipment except tractor	20.00			
Office and business costs - 9% at Cash Costs	66.60			
<b>TOTAL PRE-HARVEST COSTS</b>	<b>509.77</b>	<b>50.98</b>		
<b>HARVEST COSTS:</b>				
Picking and hauling				
90% 1st pick @ \$3.00/cwt.	87.10			
10% 2nd pick @ \$3.23/cwt.	25.00			
Ginning, bags, ties, insurance, storage @ \$3.17	102.26			
<b>TOTAL HARVEST COSTS</b>	<b>214.36</b>	<b>21.44</b>		
<b>MISCELLANEOUS COSTS:</b>				
Research and promotion @ \$1.00/bale + .4% of value	4.39			
Pink bollworm eradication @ \$1.25/bale	2.08			
Classing costs @ 60¢/bale	1.25			
National Cotton Council & WCGA @ 30¢ + 6¢/bale	.75			
<b>TOTAL MISCELLANEOUS COSTS</b>	<b>8.47</b>	<b>.84</b>		
<b>TOTAL CASH COSTS</b>	<b>732.60</b>	<b>73.26</b>		
<b>DEPRECIATION:</b>				
Irrigation system - \$260 - 16 yrs.	16.25			
Tractor: 6 3/4 hrs. @ \$2.25	15.19			
Other Equipment \$90 - 10 yrs.	9.00			
<b>TOTAL DEPRECIATION</b>	<b>40.44</b>	<b>4.04</b>		
<b>INTEREST ON INVESTMENT @ 12%:</b>				
Irrigation system 1/2 cost \$130 (renter owned)	15.60			
Tractor: 6 3/4 hrs. @ \$1.40	9.45			
Other equipment 1/2 cost \$45	5.40			
<b>TOTAL INTEREST ON INVESTMENT</b>	<b>30.45</b>			
<b>TOTAL COST OF PRODUCTION</b>	<b>803.49</b>	<b>69.24</b>		
Credit for seed - 1700 lbs. @ \$110 ton	93.50	11.05		
<b>NET COST OF PRODUCTION</b>	<b>709.99</b>	<b>71.00</b>		

COTTON - FRESNO COUNTY - 1982

Sample Costs at Various Yields and Water Costs

		Water at \$20.00/per acre foot				
Yield:	Lbs. lint per acre	600	800	1000	1200	1400
Cash cost per pound lint with seed credit applied		65.6¢	48.6¢	40.5¢	34.6¢	30.7¢
Total cost with seed credit applied		95.1¢	70.7¢	58.2¢	49.4¢	43.3¢

		Water at \$46.00/per acre foot				
Yield:	Lbs. lint per acre	600	800	1000	1200	1400
Cash cost per pound with seed credit applied		75.6¢	56.1¢	46.5¢	39.6¢	35.0¢
Total cost per pound with seed credit applied		\$1.05	78.2¢	64.2¢	54.4¢	47.6¢

		Water at \$122.00/per acre foot				
Yield:	Lbs. lint per acre	600	800	1000	1200	1400
Cash cost per pound with seed credit applied		\$1.03	76.7¢	63.0¢	53.4¢	46.8¢
Total cost per pound with seed credit applied		\$1.33	98.8¢	80.7¢	68.2¢	59.4¢

Individual items listed in the sample costs may vary widely from field to field.

Pest control costs are highly variable depending upon the kinds of pests and the necessity of control.

If sprinkler irrigation is used, repair costs, depreciation and interest on the irrigation system may be increased.

On larger farms where part or full-time supervisors are employed, the cash costs may increase by \$12 to \$18 per acre.

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