

COST ANALYSIS WORK SHEET

SAMPLE COSTS TO PRODUCE COTTON IN TULARE COUNTY - 1974

BASED ON A YIELD OF 800 POUNDS LINT PER ACRE FROM A SOLID PLANTED FIELD WITH A GIN
TURNOUT OF 31%

Field Labor @ \$2.90 and equipment operator @ \$3.50 per hour including Social Security and Compensation Insurance; large wheel tractor per hour cash costs \$3.00; depreciation \$2.00; and interest \$1.20.

Alan G. George, Farm Advisor

Ed Yeary, Farm Advisor, Statewide

	Sample Costs		My Costs	
	Per Acre	Per CWT.L.	Per Acre	Per CWT.L.

Preharvest Cash Costs:

Land preparation - 3 hours labor and tractor		\$ 19.50		
Preplant herbicide, custom		9.50		
Plant: One-fourth hour, 2 men and tractor		2.35		
Seed: 14 pounds @ 26¢		3.64		
Irrigate: 1 pre and 5 crop, 8 hours labor		23.20		
Water: 3½ A. ft.; \$4.50/A.Ft. Dist.Tax \$6		21.75		
Cultivate: 4 times, 1½ hours labor and tractor		9.75		
Fertilizer: 80 Lbs. N (NH ₃) @ 13¢		10.40		
Application--custom		4.00		
Weed control: spot spray or hand hoe		12.00		
Insecticides: Systemic at planting \$2.25				
Mites \$3.38; Lygus \$2				
Application: 1 ground @ \$4 & 1 Air @ \$3		14.63		
Defoliation: material and air application		6.00		
Miscellaneous labor, equipment, and materials		10.00		
County Taxes:		20.00		
Repairs (except tractor): irrigation system, equipment		10.00		
Office and business costs, 6% cash costs		17.62		
TOTAL PREHARVEST CASH COSTS		\$194.34	\$24.29	

Harvesting Costs:

Pick and haul 2580 pounds seed cotton				
85% first pick (2193 Lbs.) @ \$2.50 CWT		54.83		
15% second pick at \$15/Acre		15.00		
*Ginning, bagging, ties, insurance and storage \$1.75/CWT seed cotton		45.15		
TOTAL HARVESTING COSTS		\$114.98	\$14.37	

Miscellaneous Cash Costs:

Research and promotion \$1/Bale		1.60		
Pink bollworm eradication 25¢/Bale		.40		
TOTAL MISCELLANEOUS CASH COSTS		2.00	.25	
TOTAL CASH COSTS		\$311.32	\$38.91	

Depreciation:

Irrigation system, cost \$220 (15 years)		14.67		
Tractor - 5½ hours @ \$2		11.00		
Equipment except tractor - cost \$50 (10 yrs)		5.00		
TOTAL DEPRECIATION		30.67	3.83	

(over)

	Sample Costs		My Costs	
	Per Acre	Per CWT.L.	Per Acre	Per CWT.L.
<u>Interest on Investment @ 8%:</u>				
Irrigation System on one-half cost (\$110)		8.80		
Tractor - 5½ hours @ \$1.20		6.60		
Equipment on one-half cost \$25		2.00		
Land at \$900/Acre		72.00		
TOTAL INTEREST ON INVESTMENT	\$ 89.40	\$11.18		
TOTAL COST OF PRODUCTION	\$431.39	\$53.92		
*Less Seed Credit-1420 Lbs. @ \$120	85.20	10.65		
NET COST OF PRODUCTION	\$346.19	43.27		

* Estimates: These costs and prices are not established for 1974 at this writing (May 1, 1974).

Nematode control, if needed, would add about \$18 cost per acre.

Phosphorous fertilizer, if required, would add about \$16.50 cost per acre.

SAMPLE COSTS PER CWT. LINT COTTON AT VARYING YIELDS

Yield - Lbs./Acre	600	700	900	1000	1100	1200
Net Cost/CWT Lint	\$57.10	\$49.20	\$38.67	\$35.00	\$31.88	\$29.45

COSTS ON RENTED OR LEASED LAND FOR COTTON

	Sample Costs		My Costs	
	Per Acre	Per CWT.L.	Per Acre	Per CWT.L.
Cash costs for 800 pounds lint yield, except rent - approximate	\$281.00	\$ 35.13		
Depreciation and interest on equipment	24.60	3.07		
TOTAL COST, Except Rent	\$305.60	38.20		
Rent				
TOTAL COST PER ACRE				
Less seed credit	85.20	10.65		
NET COST OF PRODUCTION				