

COST ANALYSIS WORK SHEET

SAMPLE COSTS TO PRODUCE COTTON IN TULARE COUNTY - 1975

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

Field Labor @ \$3.00 and equipment operator @ \$3.50 per hour including Social Security and Compensation Insurance; large wheel tractor per hour cash costs \$3.20; depreciation \$1.48; and interest \$.74.

Alan G. George, Farm Advisor

Ed Yeary, Farm Advisor, Statewide

	Sample Costs		My Costs	
	Per Acre	Per CWT.L.	Per Acre	Per CWT.L.
<u>Preharvest Cash Costs:</u>				
Land preparation - 3 hours labor and tractor		\$ 20.10		
Preplant herbicide, custom		9.50		
Plant: One-fourth hour, 2 men and tractor		2.43		
Seed: 14 pounds @ 26¢		3.64		
Irrigate: 1 pre and 5 crop, 8 hours labor		24.00		
Water: 3½ acre feet; \$4.50/A.Ft.				
District Tax \$6		21.75		
Cultivate: 4 times, 1½ hours labor and tractor		10.05		
* Fertilizer: 80 Lbs. N (NH ₃) @ 18¢		14.40		
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		
Misc. 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		18.12		
Misc. cash costs; research and promotion @ \$1/Bale; pink bollworm eradication @ .25/Bale		2.00		
TOTAL PREHARVEST CASH COSTS		\$202.62	\$25.33	
<u>Harvesting Costs:</u>				
Pick and haul 2580 pounds seed cotton:				
85% first pick (2193 lbs.) @ \$2.50/CWT		54.83		
15% second pick @ \$15/Acre		15.00		
Ginning, bagging ties, insurance and storage \$1.85/CWT seed cotton		47.73		
TOTAL HARVESTING COSTS		\$117.56	\$14.70	
TOTAL CASH COSTS		\$320.18	\$40.03	

	Sample Costs		My Costs	
	Per Acre	Per CWT.L.	Per Acre	Per CWT.L.
TOTAL CASH COSTS	\$320.18	\$40.03		
Depreciation:				
Irrigation system, cost \$220 (15 years)	14.67			
Tractor - 5½ hours @ \$1.48	8.69			
Equipment except tractor - cost \$50 (10 years)	5.00			
TOTAL DEPRECIATION	\$ 28.36	\$3.55		
Interest on Investment @ 8%:				
Irrigation system on one-half cost (\$110)	8.80			
Tractor - 5½ hours @ \$.74	4.07			
Equipment on one-half cost \$25	2.00			
Land @ \$900/Acre	72.00			
TOTAL INTEREST ON INVESTMENT	\$ 86.87	\$10.86		
TOTAL COST OF PRODUCTION	\$435.41	\$54.44		
Less seed credit - 1420 lbs. @ \$160/Ton	113.60	14.20		
NET COST OF PRODUCTION	\$321.81	40.24		

* Dry source of nitrogen ranges considerably more (25-30¢) depending on form.

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

Phosphorous fertilizer, if required, would add \$15-\$20 cost per acre

SAMPLE COSTS PER CWT. LINT COTTON AT VARYING YIELDS

Yield - Pounds per acre	600	700	900	1000	1100	1200
Net Cost per CWT Lint	54.11	46.18	35.61	31.92	28.89	26.37

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	\$290.00	\$36.25		
Depreciation and interest on equipment	19.76	2.47		
TOTAL COST, Except Rent	\$309.76	\$38.72		
Rent				
TOTAL COST PER ACRE				
Less seed credit	113.60	14.20		
NET COST OF PRODUCTION				