

COTTON COST ANALYSIS WORK SHEET - 1976

Sample costs to produce cotton in Kern County in 1976. Costs are based on a solid planting with a yield of 1100 lbs. lint per acre. Man labor at \$3.90 per hour, total cost to grower, and equipment operator \$4.30. Heavy four wheel drive wheel diesel tractor per hour cash costs \$4.40, depreciation \$2.60, and interest \$1.30. Medium wheel tractor costs \$2.80, \$1.50 and \$.75. Gin turnout is assumed to be 32%.

DAVID L. WEST, KERN COUNTY FARM ADVISOR & EDWARD A. YEARY, FARM ADVISOR-STATEWIDE

	SAMPLE COSTS		MY COST	
	Per Acre	¢/Lb. Lint	Per Acre	¢/Lb. Lint
<u>Pre-harvest Cash Costs</u>				
Land preparation: 3 hrs. heavy tractor	\$ 26.10			
Plant: Seed 15 lbs. at 32¢	4.80			
1/3 hrs. 2 men and medium tractor	3.67			
*Irrigate: 1 pre and 7 crop: 8 hours labor	31.20			
Water: power for 3 1/2 ac/ft. @ \$25.00	87.50			
Pre-emergence herbicide: total	9.00			
Thin and weed: contract	19.50			
Cultivate 3 times, Fertilize once				
Labor 2 hours	7.80			
1 1/2 hours, medium tractor	4.20			
Fertilizer	24.00			
**Pest Control: total	30.00			
Defoliation	8.50			
County taxes	18.00			
Miscellaneous labor, materials, 1 hr. medium tractor	10.00			
Repairs to equipment except tractors	15.00			
Supervision	14.00			
Office and business costs 6% of above costs	18.80			
TOTAL PRE-HARVEST CASH COSTS	\$332.07	30.2		
<u>Harvesting Costs</u>				
Picking and hauling				
85% first pick at \$2.50	\$ 73.05			
15% second pick at \$2.50 (\$18.00 minimum)	18.00			
Ginning, cleaning, drying, ties, bags				
insurance, 20 days storage \$2.25/cwt.	77.36			
TOTAL HARVESTING COSTS	\$168.41	15.3		
<u>Miscellaneous Cash Costs</u>				
Pink bollworm eradication @ 65¢/bale	\$ 1.43			
**Research and promotion @ \$1.30/bale	2.86	.4		
TOTAL CASH COSTS	\$504.77	45.9		
<u>Depreciation</u>				
Irrigation system and well \$280 cost 20 years	\$ 14.00			
Heavy tractor: 3 hrs. at \$2.60	7.80			
Medium tractor: 3 hrs. at \$1.50	4.50			
Other equipment \$60 cost 10 year life	6.00			
TOTAL DEPRECIATION	\$ 32.30	2.9		

	<u>SAMPLE COSTS</u>		<u>MY COST</u>	
	<u>Per</u> <u>Acre</u>	<u>¢/Lb.</u> <u>Lint</u>	<u>Per</u> <u>Acre</u>	<u>¢/Lb.</u> <u>Lint</u>
<u>Interest on Investment @ 8%</u>				
Irrigation system and well: 1/2 cost \$140	\$	11.20		
Heavy tractor: 3 hrs. at \$1.30		3.90		
Medium tractor: 3 hrs. at \$.75		2.25		
Other equipment: 1/2 cost \$30.00		2.40		
Land: \$1,300 @ 8%		104.00		
TOTAL INTEREST ON INVESTMENT	\$123.75	11.3		
TOTAL COST OF PRODUCTION	\$660.82	60.1		
Seed credit: 2100 lbs. @ \$100/ton	\$105.00	9.6		
NET COST OF PRODUCTION	\$555.82	50.5 cents		

* Water Costs may vary between \$8 and \$50 per acre-foot

** This cost may vary widely - nematode control could add \$15 to \$30 per acre

*** Cotton Incorporated, \$1.00 per bale
National Cotton Council, 30 cents per bale