

CHILI PEPPER PRODUCTION FOR FRESH MARKET

Cost Analysis Work Sheet - 1983

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Sample costs to produce chili peppers in Fresno County are based on a yield of 600 30-lb. boxes per acre. Field labor is \$4.00 per hour cost to the grower. Older 30 hp wheel gasoline tractor per hour cash costs \$4.40. Tillage equipment is assumed to be owned by the farmer, and all equipment is already depreciated to a lower value. This is considered to be one crop on a 10-acre farm where several vegetable crops are produced.

PRE-HARVEST COSTS	Sample Costs		My Costs	
	Per Acre	Per Box	Per Acre	Per Box
	\$	\$		
Land preparation: 2.5 hrs. labor & tractor	21.00			
Fumigation - custom	80.00			
Disc, form beds - 1 hr. labor & tractor	8.40			
Herbicide and application	11.00			
Preplant fertilizer	37.60			
application - 1 hr. labor & tractor	8.40			
Transplants - 7,260/acre at \$65/1,000	471.50			
Machine planting - labor 69-men hrs.	276.00			
tractor 23 hrs.	101.20			
Irrigation 13 times 3 acre ft. water	45.00			
13 times labor	52.00			
Cultivation - 3 times, 1 hr./acre	8.40			
Fertilization - 140 lb. of N at 40¢ lb.	56.00			
Repairs	50.00			
Rent	125.50			
Pest Control - material	41.00			
application	10.00			
Misc. labor - tractor	16.00			
Office, car, business expense - 6%	101.67			
TOTAL PREHARVEST COSTS	\$1520.67	\$3.00		
Harvest Costs				
Pick, haul and pack - total \$2.00/carton	1200.00			
TOTAL HARVEST COST	1200.00	2.00		
TOTAL CASH COSTS	2720.67	5.00		
Depreciation				
Tractor equipment - irrigation equipment for 10 years \$3500	35.00			
TOTAL DEPRECIATION	35.00	0.05		
Interest on Investment at 12%				
Tractor equipment - irrigation equipment 1/2 cost \$1750 for 10 acres	21.00			
TOTAL INTEREST ON INVESTMENT	21.00	0.03		
TOTAL COST OF PRODUCTION	\$2776.67	5.08		

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SAMPLE COSTS PER BOX AT VARYING YIELDS*

Yield: 30 lb. boxes per acre	200	400	600	800	1000
Cash Costs Per Box	\$10.98	\$6.49	\$4.99	\$4.24	\$3.79
Total Costs Per Box	\$11.25	6.93	5.08	4.30	3.86

*In calculating the sample costs at varying yields, times to pick, haul, dump, sort and pack are held constant.

Fertilizer: 11-53-0 - Preplant incorporated - three 80 lb. bags/acre

Transplant: 7,260 - spacing in the field - 3X2 single row

NOTE: Cost of chili pepper plants vary according to suppliers; therefore, your cost may vary substantially depending where you buy your transplants.