

COST ANALYSIS WORK SHEET

SAMPLE COSTS TO PRODUCE COTTON IN TULARE COUNTY - 1961

BASED ON A YIELD OF 1000 POUNDS LINT PER ACRE

Man labor @ \$1.35 and \$1.05 per hour, including Social Security and Compensation Insurance; 40 H. P. tractor per hour cash cost \$1.25; depreciation 70¢; interest 25¢.

Alan G. George, Farm Advisor

Burt B. Burlingame, Extension Economist

	Sample Costs		My Costs	
	Per Acre	Per CWT.L.	Per Acre	Per CWT.L.
Pre-Harvest Cash Costs:				
Land preparation - man & tractor 4 hours	\$ 10.40			
Plant (4-row planter) 2 men & tractor 1/3 hr.	1.32			
Seed: 30 pounds @ 10¢	3.00			
Irrigate: 1 pre and 6 crop, 10 man hours	13.50			
Water: power to pump 3½ acre feet @ \$3.50	12.25			
Cultivate: 6 times, man & tractor 3 hours	7.80			
Fertilizer: 120# of Nitrogen @ 10¢	12.00			
Fertilizer application: contract	2.25			
Hoe & Weed: 3 times, 12 man hours @ \$1.05	12.60			
Pest Control & Insecticides: Mites @ \$10, Lygus @ \$4, Bollworms @ \$2.50	16.50			
Application: 1 ground @ \$1.50, 2 air @ \$2	5.50			
Miscellaneous labor, equipment, & materials	4.00			
County taxes	7.50			
Office, car, operating capital, etc.	7.50			
Repairs (except tractor): irrig. system, equip.	3.00			
TOTAL PRE-HARVEST CASH COSTS	\$119.12	\$11.91		
Harvesting Costs:				
Defoliate: 2 gals. material @ 85¢; air application @ \$3	\$ 4.70	\$.47		
Picking: Machine (contract) 2400 lbs. seed cotton @ \$1.50 /CWT & 400 lbs. @ \$2.00/CWT (includes hauling)	44.00	4.40		
Ginning, bagging, ties, insurance, storage & sampling @ \$1.10/CWT, seed cotton	30.80	3.08		
TOTAL HARVESTING COSTS	\$ 79.50	\$ 7.95		
TOTAL CASH COSTS	\$198.62	\$19.86		
Depreciation:				
Irrigation system: (original cost \$120) 16 yr. life	\$ 7.50			
Tractor: 8 hours @ 70¢	5.60			
Equipment, except tractor: (original cost \$25) 10 yr. life	2.50			
TOTAL DEPRECIATION	\$ 15.60	\$ 1.56		
TOTAL CASH & DEPRECIATION COSTS	\$214.22	\$21.42		
Interest On Investment @ 6%:				
Land at \$700	\$ 42.00			
Irrigation system on ½ cost (\$60)	3.60			
Tractor: 8 hours @ 25¢	2.00			
Equipment on ½ cost (\$12.50)	.75			
TOTAL INTEREST	\$ 48.35	\$ 4.84		
TOTAL COST OF PRODUCTION	\$262.57	\$26.26		
Less Seed Credit for 1600 Lbs. Seed @ \$53/T.	\$-42.40	\$-4.24		
NET COST OF PRODUCTION	\$220.17	\$22.02		

Treatment for nematodes would add approximately \$15 per acre.

(Over)

Cost Per CWT. Lint Cotton At Varying Yields

Yield - lbs. per acre	500	750	1000	1250	1500
Net cost per cwt. lint	\$40.79	\$28.28	\$22.02	\$18.26	\$15.76

3/28/61

blp