

SAMPLE COSTS TO PRODUCE CHILI PEPPERS IN MONTEREY COUNTY - 1973

By J. W. Huffman and E. A. Yeary

YIELD: 4300 pounds per acre

PLANT: February-March

HARVEST: November-December

TOTAL LABOR COST/HOUR*	HOURLY TRACTOR COSTS			Contract & Materials	Total/Acre	
	Cash Costs	Depreciation	Interest			
Cl. I Tractor Driver 3.82	80 H.P. Crawler Diesel 3.65	2.55	0.87			
Cl. II Tractor Driver 3.70	80 H.P. Wheel Diesel 1.90	0.92	0.47			
Other Labor 2.91	55 H.P. Wheel Diesel 1.30	0.66	0.34			
Operation	Tractor Used	Hours/Acre	Labor	Fuel & Repairs	Contract & Materials	Total/Acre
<b>CULTURAL</b>						
Cover crop—every 3-years, 1/3 to peppers						15.00
Disc and roll 3x	C-80	0.69	2.55	3.49		6.04
Chisel 2x	C-80	1.0	3.70	4.45		8.15
Land plane 2x	C-80	0.52	1.92	1.26		4.44
List and preplant fertilizer					Contract @ \$4.00/Ac, 500 lbs. 12-12-12 @ \$26.00	30.00
Shape beds	WD-80	0.25	0.93	0.52		1.45
Weed control					Preplant contract @ \$3.75/Ac per application & \$13.00 for materials; Post emergence contract @ \$4.00/Ac per application & \$12.00 for materials.	32.75
Fumigation; nematode control (every 3 years)					Contract @ \$4.75/Ac and materials @ \$27.75 proportion to peppers	10.66
Plant: 4-bed planter (2 men)	WD-55	0.50	3.37	0.80	6 lbs. seed @ \$3.00/lb.	22.17
Soil anti-crustant (phos. acid)					Applied at planting, 250 lbs. 0-20-0 @ .0375/lb.	9.38
Irrigate 15 x		18.0	52.38		3 Ac Ft @ \$5.00 Ac Ft for power	67.38
Fertilizer, sidedress 2x					Contract @ \$3.25/Ac, 150 lbs. N @ 0.15/lb.	29.00
Thin		18.0	52.38			52.38
Insecticide 2x					Contract @ \$3.50/Ac, materials @ \$9.00	16.00
Cultivation 6x	WD-55	2.5	9.25	4.75		14.00
Weed		20.0	58.20			58.20
Defoliation					Contract @ \$4.50/Ac, materials @ \$5.00	9.50
Miscellaneous		4.0	12.43	3.50		15.93
<b>TOTAL CULTURAL COSTS</b>						<b>402.43</b>
<b>OVERHEAD</b>						
Business costs: office and business expense, etc. @ 7% cultural costs						28.17
Taxes: equipment, except tractors						3.00
Repairs: except tractors and trucks						9.00
Rent: \$150.00/Acre						150.00
<b>TOTAL OVERHEAD COSTS</b>						<b>190.17</b>
<b>TOTAL CULTURAL AND OVERHEAD COSTS</b>						<b>592.60</b>
<b>HARVEST</b>						
4300 pounds @ .075/lb. roadside						322.50
<b>TOTAL HARVEST COSTS</b>						<b>322.50</b>
<b>TOTAL CULTURAL, OVERHEAD AND HARVEST COSTS</b>						<b>915.10</b>
<b>ANNUAL COSTS</b>						
	<u>Investment</u>	<u>Per Acre</u>	<u>Depreciation</u>	<u>Interest - 7%</u>		
	Buildings	50.00	2.50	1.75		
	Irrig. System	75.00	7.50	2.73		
	Tractors	150.00	8.83	3.56		
	Equipment	100.00	4.42	2.77		
		375.00	23.25	10.81		34.06
<b>TOTAL COST PER ACRE</b>						<b>949.16</b>
<b>COST PER POUND</b>						<b>.221</b>

\*Labor costs per hour include Social Security, Workman's Compensation, unemployment, health plan, vacation plan and pension plan.

## COST PER POUND AT VARYING YIELDS

<u>Yield - Pounds</u>	<u>Cost/Acre</u>	<u>Cost/Pound</u>
4000	926.66	.231
4300	949.16	.221
4600	971.66	.211
4900	994.16	.203