

COST ANALYSIS WORK SHEETSAMPLE COSTS TO PRODUCE COTTON IN TULARE COUNTY - 1971BASED ON A YIELD OF 800 POUNDS LINT PER ACRE (31% Turnout, Solid Planted)

Man labor @ \$2.00 &amp; \$2.20 per hour, including Social Security and Compensation Insurance;

Large wheel tractor per hour cash cost \$2.20; depreciation \$1.40; interest 60¢.

Alan G. George, Farm Advisor

Burt B. Burlingame, Extension Economist

	Sample Costs		My Costs	
	Per Acre	Per Cwt.L.	Per Acre	Per Cwt. L.
<b>Pre-Harvest Cash Costs:</b>				
Land preparation - man & tractor 3 hours	\$	13.20		
Pre-plant herbicide, custom		9.00		
Plant (4 -row planter) 2 men & tractor ¼ hr.		1.60		
Seed: 14 pounds @ 17½¢		2.45		
Irrigate: 1 pre and 5 crop, 8 man hours		16.00		
Water: 3½ A. ft.; power \$14, District tax \$6		20.00		
Cultivate: 4 times, man and tractor 1½ hours		6.60		
Fertilizer: 90# of Nitrogen @ 7¢		6.30		
Fertilizer application: contract		2.50		
Weed control: spot spray \$8		8.00		
Insecticides: Mites \$7; Lygus \$4		11.00		
Application: 1 ground @ \$1.50, 1 air @ \$3.00		4.50		
Miscellaneous labor, equipment, & materials		7.00		
County taxes:		18.00		
Office, car, operating capital, etc.		12.00		
Repairs (except tractor): irrig. system, equip.		6.00		
<b>TOTAL PRE-HARVEST CASH COSTS</b>	\$	144.15	\$	18.02
<b>Harvesting Costs:</b>				
Pick & haul: 2580 lbs. seed cotton (contract) @ \$1.50/cwt.	\$	38.70		
Ginning, bagging, ties, insurance, storage & sampling @ \$1.45/cwt. seed cotton		37.41		
<b>TOTAL HARVESTING COSTS</b>	\$	76.11	\$	9.51
<b>TOTAL CASH COSTS</b>	\$	220.26	\$	27.53
<b>Depreciation:</b>				
Irrigation system: (original cost \$160)	\$	12.00		
Tractor: 5½ hours @ \$1.40		7.70		
Equipment, except tractor: (original cost \$40 10 yr. life)		4.00		
<b>TOTAL DEPRECIATION</b>	\$	23.70	\$	2.97
<b>TOTAL CASH &amp; DEPRECIATION COSTS</b>	\$	243.96	\$	30.50
<b>Interest on Investment @ 7%:</b>				
Land at \$700	\$	49.00		
Irrigation system on ½ cost (\$80)		5.60		
Tractor: 5½ hours @ 60¢		3.30		
Equipment on ½ cost (\$20)		1.40		
<b>TOTAL INTEREST</b>	\$	59.30	\$	7.41
<b>TOTAL COST OF PRODUCTION</b>	\$	303.26	\$	37.91
Less Seed Credit for 1420 Lbs. Seed @ \$70/T	\$	49.70	\$	6.21
<b>NET COST OF PRODUCTION</b>	\$	253.56	\$	31.70

For nematode control add about \$17, for phosphorus \$6 and for defoliation \$5 per acre.

(over)

COST PER CWT. LINT COTTON AT VARYING YIELDS

Yield - lbs. per acre	600	700	900	1000	1100	1200
Net cost per cwt. lint	\$41.16	\$35.75	\$28.54	\$26.02	\$23.95	\$22.23

Costs on rented or leased land for cotton:

	<u>Sample Costs</u>		<u>Your Costs</u>	
	Per Acre	Per Cwt.	Per Acre	Per Cwt.
Cash costs for 800 lb. lint yield, except rent - approx.	\$195.00	\$24.38		
Depreciation and interest on equipment	16.40	2.05		
<b>TOTAL COST, EXCEPT RENT</b>	<b>\$211.40</b>	<b>\$26.43</b>		
Rent				
<b>TOTAL COST PER ACRE</b>				
Less seed credit	\$-49.70	\$-6.21		
<b>NET COST OF PRODUCTION</b>				

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