**COST ANALYSIS WORK SHEET**

**SAMPLE COSTS TO PRODUCE COTTON IN TULARE COUNTY - 1974**

**BASED ON A YIELD OF 800 POUNDS LINT PER ACRE FROM A SOLID PLANTED FIELD WITH A GIN**

**TURNOUT OF 31%**

Field Labor @ $2.90 and equipment operator @ $3.50 per hour including Social Security and Compensation Insurance; large wheel tractor per hour cash costs $3.00; depreciation $2.00; and interest $1.20.

<table>
<thead>
<tr>
<th>Alan G. George, Farm Advisor</th>
<th>Ed Yearly, Farm Advisor, Statewide</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sample Costs</td>
</tr>
<tr>
<td></td>
<td>My Costs</td>
</tr>
<tr>
<td></td>
<td>Per Acre</td>
</tr>
</tbody>
</table>

**Preharvest Cash Costs:**

- **Land preparation - 3 hours labor and tractor**
  - $19.50

- **Preplant herbicide, custom**
  - 9.50

- **Plant: One-fourth hour, 2 men and tractor**
  - 2.35

- **Seed: 14 pounds @ 26¢**
  - 3.64

- **Irrigate: 1 pre and 5 crop, 8 hours labor**
  - 23.20

- **Water: 3 1/4 A. ft.; $4.50/A.Ft. Dist.Tax $6**
  - 21.75

- **Cultivate: 4 times, 1 1/2 hours labor and tractor**
  - 9.75

- **Fertilizer: 80 Lbs. N (NH₃) @ 13¢**
  - 10.40

- **Application - custom**
  - 4.00

- **Weed control: spot spray or hand hoe**
  - 12.00

- **Insecticides: Systemic at planting $2.25 Mites $3.38; Lygus $2 Application: 1 ground @ $4 & 1 Air @ $3**
  - 14.63

- **Defoliation: material and air application**
  - 6.00

- **Miscellaneous labor, equipment, and materials**
  - 10.00

- **County Taxes**
  - 20.00

- **Repairs (except tractor): irrigation system, equipment**
  - 10.00

- **Office and business costs, 6% cash costs**
  - 17.62

**TOTAL PREHARVEST CASH COSTS**

- $194.34
- $24.29

**Harvesting Costs:**

- **Pick and haul 2580 pounds seed cotton**
  - 54.83

- **85% first pick (2193 Lbs.) @ $2.50 CWT**
  - 15.00

- **15% second pick at $15/Acre**
  - *Ginning, bagging, ties, insurance and storage $1.75/CWT seed cotton**
  - 45.15

**TOTAL HARVESTING COSTS**

- $114.98
- $14.37

**Miscellaneous Cash Costs:**

- **Research and promotion $1/Bale**
  - 1.60

- **Pink bollworm eradication 25¢/Bale**
  - .40

**TOTAL MISCELLANEOUS CASH COSTS**

- 2.00
- .25

**TOTAL CASH COSTS**

- $311.32
- $38.91

**Depreciation:**

- **Irrigation system, cost $220 (15 years)**
  - 14.67

- **Tractor - 5 1/2 hours @ $2**
  - 11.00

- **Equipment except tractor - cost $50 (10 yrs)**
  - 5.00

**TOTAL DEPRECIATION**

- 30.67
- 3.83

(over)
### Interest on Investment @ 8%:

<table>
<thead>
<tr>
<th>Item</th>
<th>Sample Costs Per Acre</th>
<th>My Costs Per Acre</th>
</tr>
</thead>
<tbody>
<tr>
<td>Irrigation System on one-half cost ($110)</td>
<td>8.80</td>
<td></td>
</tr>
<tr>
<td>Tractor - 5 1/2 hours @ $1.20</td>
<td>6.60</td>
<td></td>
</tr>
<tr>
<td>Equipment on one-half cost $25</td>
<td>2.00</td>
<td></td>
</tr>
<tr>
<td>Land at $900/Acre</td>
<td>72.00</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL INTEREST ON INVESTMENT</strong></td>
<td><strong>$ 89.40</strong></td>
<td><strong>$11.18</strong></td>
</tr>
<tr>
<td><strong>TOTAL COST OF PRODUCTION</strong></td>
<td><strong>$431.39</strong></td>
<td><strong>$53.92</strong></td>
</tr>
<tr>
<td>*Less Seed Credit-1420 Lbs. @ $120</td>
<td>85.20</td>
<td>10.65</td>
</tr>
<tr>
<td><strong>NET COST OF PRODUCTION</strong></td>
<td><strong>$346.19</strong></td>
<td><strong>43.27</strong></td>
</tr>
</tbody>
</table>

* Estimates: These costs and prices are not established for 1974 at this writing (May 1, 1974).

Nematode control, if needed, would add about $18 cost per acre. Phosphorous fertilizer, if required, would add about $16.50 cost per acre.

### SAMPLE COSTS PER CWT. LINT COTTON AT VARYING YIELDS

<table>
<thead>
<tr>
<th>Yield - Lbs./Acre</th>
<th>600</th>
<th>700</th>
<th>900</th>
<th>1000</th>
<th>1100</th>
<th>1200</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Cost/CWT Lint</td>
<td>$57.10</td>
<td>$49.20</td>
<td>$38.67</td>
<td>$35.00</td>
<td>$31.88</td>
<td>$29.45</td>
</tr>
</tbody>
</table>

### COSTS ON RENTED OR LEASED LAND FOR COTTON

<table>
<thead>
<tr>
<th>Item</th>
<th>Sample Costs Per Acre</th>
<th>My Costs Per Acre</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash costs for 800 pounds lint yield, except rent - approximate</td>
<td>$281.00</td>
<td>$35.13</td>
</tr>
<tr>
<td>Depreciation and interest on equipment</td>
<td>24.00</td>
<td>3.07</td>
</tr>
<tr>
<td><strong>TOTAL COST, Except Rent</strong></td>
<td><strong>$305.60</strong></td>
<td><strong>38.20</strong></td>
</tr>
<tr>
<td>Rent</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL COST PER ACRE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less seed credit</td>
<td>85.20</td>
<td>10.65</td>
</tr>
<tr>
<td><strong>NET COST OF PRODUCTION</strong></td>
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