Pecan Orchard Establishment Costs
Cost Analysis Work Sheet - 1982

Costs are for a 30' x 30' planting with 48 trees per acre. Labor costs to the grower are $.50 for skilled labor and $5.75 per hour for field labor. Medium wheel tractor per hour cash costs $8.10, depreciation $2.25 and interest $1.80. Numbers have been rounded to the nearest dollar.

<table>
<thead>
<tr>
<th>YIELD (lbs./Acre in-shell)</th>
<th>1st Year</th>
<th>2nd Year</th>
<th>3rd Year</th>
<th>4th Year</th>
<th>5th Year</th>
<th>6th Year</th>
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<tbody>
<tr>
<td></td>
<td>300</td>
<td>500</td>
<td>750</td>
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**Pre-Harvest Cash Costs:**

- **Land preparation:** subsoil, contract $160.
- **Disc and float:** 4 hrs.
  - Labor and tractor 58.
- **Trees:** 48 @ $7. (plus 2, 2nd yr., 1, 3rd yr.) 336.
  - $14. 7.
- **Survey and plant:** 48 @ 50¢
  - (2nd & 3rd yrs. $3.00) 24.
  - 6. 3.
- **Prune and train (skilled labor)** 3.
  - 7. 13. $20. $50. $75.

- **Tillage and irrigation preparation:** 7 hrs. labor and tractor 102.
- **Irrigation:** 4 hrs. labor
  - 1st 2 yrs., 6 hrs. labor starting 3rd yr. 23.
- **Water:** $14/ac. ft. plus $6/ac. district tax 20.
- **Fertilizer:** nitrogen @ 33¢/lb.
  - Application: ½ hr. labor and tractor 4.
  - 8. 16. 16.

- **Spray materials** 10.
- **Spray application:** contract 18.
- **Misc. labor and power:**
  - 6 hrs. labor, 1 hr. tractor 43.
  - Misc. materials 20.
  - Supervision costs 35.
  - County taxes 50.
  - Repairs, except tractor 20.
  - Office and business costs 74.

**TOTAL PRE-HARVEST CASH COSTS** $996. $397. $471. $549. $666. $758.

**Harvesting Costs:**

- **Shake, pick, haul:** $110/ton
  - (1 ton minimum) $110. $110. $110.
- **Hull and dry $35/ton** 5.

**TOTAL HARVESTING COSTS** $115. $119. $123.

**TOTAL CASH COSTS** $996. $397. $471. $549. $666. $785. $881.

**Depreciation:**

- **Irrigation system:** $400, 12 yrs. $33. $33. $33. $33. $33. $33.
- **Buildings & equipment:** $200, 12 yrs. 17. 17. 17. 17. 17. 17.
- **Tractor:** $2.25 per hour 27. 18. 19. 19. 19. 19.

**TOTAL DEPRECIATION** $77. $69. $69. $69. $69. $69.
## Pecan Establishment Costs

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**Interest on Investment @ 15%:**

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<tr>
<td>Irrigation system:</td>
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<td>½ cost $200</td>
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<td>Bldgs. &amp; equip:</td>
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<td>½ cost $100</td>
<td>15.</td>
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<tr>
<td>Tractor: $1.80 per hour</td>
<td>22.</td>
<td>14.</td>
<td>15.</td>
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<td>Land: $5000</td>
<td>750.</td>
<td>750.</td>
<td>750.</td>
<td>750.</td>
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<td>Interests on accumulated costs</td>
<td>284.</td>
<td>517.</td>
<td>797.</td>
<td>1112.</td>
<td>1469.</td>
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<td>TOTAL INTEREST ON INVESTMENT</td>
<td>$817.</td>
<td>$1093.</td>
<td>$1327.</td>
<td>$1607.</td>
<td>$1922.</td>
<td>$2279.</td>
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<tr>
<td>TOTAL COST FOR THE YEAR</td>
<td>$1890.</td>
<td>$1558.</td>
<td>$1867.</td>
<td>$2340.</td>
<td>$2776.</td>
<td>$3229.</td>
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<tr>
<td>CREDIT FOR PRODUCTION @ 80¢/lb (in-shell)</td>
<td>$240.</td>
<td>$400.</td>
<td>$600.</td>
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<tr>
<td>NET COST FOR THE YEAR</td>
<td>$1890.</td>
<td>$1558.</td>
<td>$1867.</td>
<td>$2100.</td>
<td>$2376.</td>
<td>$2629.</td>
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<tr>
<td>ACCUMULATED NET COST</td>
<td>$1890.</td>
<td>$3448.</td>
<td>$5315.</td>
<td>$7415.</td>
<td>$9791.</td>
<td>$12420.</td>
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</table>

Prepared by: Bob Beede, Kings County Farm Advisor, Hanford; Mark Freeman, Fresno County Farm Advisor, Fresno; Joe Maranto, Kern County Farm Advisor, Bakersfield, Steve Sibbett, Tulare County Farm Advisor, Visalia; Rocky Teranishi, Madera County Director, Madera; Kathleen Kelley, Intern, Tulare Co., Edward Yeary, Area Farm Management Specialist, Parlier.

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