

Cost Analysis Work Sheet

SAMPLE COSTS TO PRODUCE/CHERRIES IN SAN JOAQUIN COUNTY - 1960

Based on a yield of 4.0 tons per acre marketed with 40% shipped and 60% brined. Man labor per hour at \$1.35, \$1.40 and \$1.50; diesel wheel tractor per hour cash cost \$1.25, depreciation \$1.40, interest \$.50.

<u>PRE-HARVEST CASH AND LABOR COSTS:</u>	Sample Cost	Your Cost
	Per Acre	Per Acre
Pruning and brush disposal: 22 man & 1 tr. hr.	\$ 32.10	:
Fertilizer application: 2 man & tr. ½ hr.	2.15	:
Fertilizer material	18.00	:
Apply 4 sprays @ 2¢/gal. & 1 dust @ 5¢/lb.	42.50	:
Spray material - \$47.25; dust - \$3.00	50.25	:
Cultivate and irrig. prep.: 6 hrs. man & tr.	16.50	:
Irrigating: 18 man hrs.	24.30	:
Water: pumping power - 3 ac. ft. @ \$ 3.50	10.50	:
Other labor and field power: 6 man & 2 tr. hrs.	10.90	:
Other pre-harvest material including bees	14.00	:
County taxes	22.00	:
Office, car, operating capital, etc.	15.20	:
Repairs, except tractor	10.00	:
Total Pre-Harvest Cash and Labor Cost	\$268.40	:

<u>DEPRECIATION:</u>		
Trees: \$1200 cost - 30 yrs. bearing life	40.00	:
Buildings: (original cost \$100) 40 yrs. life	2.50	:
Irrigation facilities: (original cost - \$200)	12.00	:
Equipment, except tractor: cost - \$200	36.00	:
Tractor: 10 hrs. @ \$1.40	14.00	:
Total Depreciation	\$104.50	:

<u>INTEREST ON INVESTMENT AT 6%:</u>		
(on ½ original cost, except land)		
Trees	36.00	:
Buildings	3.00	:
Irrigation facilities	6.00	:
Equipment, except tractor	6.00	:
Tractor: 10 hrs. @ \$.50	5.00	:
Land without improvements @ \$1200	72.00	:
Total Interest on Investment	\$128.00	:

TOTAL COST OF PRODUCTION EXCEPT HARVESTING	\$500.90	:
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<u>HARVESTING AND TOTAL COSTS</u>	Shipping Fruit		Brining Fruit		
<u>PER CWT. AND PER LUG OF</u>	Per Cwt.	Per 16# Lug	Per Cwt.	Per Cwt.	
<u>NET FRUIT MARKETED</u>	Sample	Yours	Sample	Yours	
On tree cost	\$ 6.26	:	\$ 1.00	:	\$ 6.26
Picking @ \$1.00/bucket + cont. 17¢	7.31	:	1.17	:	6.50
Hauling @ \$7.00 & \$7.50 per ton	.38	:	.06	:	.35
Misc. harvest @ 12¢ per cwt.	.12	:	.02	:	.12
Packing shed costs	10.00	:	1.60	:	--
TOTAL COSTS: (F.O.B. for shipped)	\$24.07	:	\$ 3.85	:	\$ 13.23

<u>COSTS AT VARYING YIELDS</u>					
Yield, tons per acre (40% shipped)	3.0	3.5	4.0	4.5	5.0
Total cost brining fruit per cwt.	\$15.32	\$14.13	\$13.23	\$12.54	\$11.98
Total cost shipping fruit per lug	4.19	4.00	3.85	3.74	3.65
Cost per lug of shipped fruit					
if brined brings 5-yr.					
av. price of 12¢ per lb.	4.99	4.51	4.15	3.87	3.65

Prepared by Fred M. Charles, Farm Advisor and Burt B. Burlingame, Extension Econ. May, 1960