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EARLY MATURING NECTARINES

Orchard Production Costs in the Southern San Joaquin Valley

Cost Analysis Worksheet
Showing Sample Costs

Prepared by: Marvin Gerdts, Extension Pomologist, Parlier; Kenneth W. Hench, Farm Advisor, Kern County; Lynn A. Horel, Staff Research Associate, Davis; James H. LaRue, Farm Advisor, Tulare County; Gary Obenauf, Farm Advisor, Fresno County; and Edward A. Yeary, Farm Advisor-Statewide, Parlier.

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Cooperative Extension work in Agriculture and Home Economics, Division of Agricultural Sciences, University of California, and United States Department of Agriculture cooperating. Distributed in furtherance of the Acts of Congress of May 8, and June 30, 1914. George P. Alcorn, Director, California Agricultural Extension Service.
Sample costs to produce early season nectarines in the southern San Joaquin Valley for fresh shipment. Costs are for a mature orchard containing 108 trees per planted acre, producing 800 lugs of fruit, with approximately 30% discarded as culls. Man labor $2.70 per hour total and equipment operator $2.95. Wages include Social Security, Workman’s Compensation and insurance. Medium wheel tractor per hour cash costs $1.80, depreciation $2.00 and interest $1.00.

Prepared by Edward A. Yeary, Farm Advisor-Statewide

<table>
<thead>
<tr>
<th>Pre-Harvest Cash Costs:</th>
<th>SAMPLE COSTS</th>
<th>MY COSTS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Per Acre</td>
<td>Per Lug</td>
</tr>
<tr>
<td>Pruning: 108 trees at $1.50</td>
<td>162.00</td>
<td></td>
</tr>
<tr>
<td>Brush shredding: contract $6.50 per acre</td>
<td>6.50</td>
<td></td>
</tr>
<tr>
<td>3 man hrs. raking brush</td>
<td>8.10</td>
<td></td>
</tr>
<tr>
<td>Fertilize: 100 lbs. N at 15¢</td>
<td>15.00</td>
<td></td>
</tr>
<tr>
<td>½ hr. man &amp; tractor</td>
<td>2.38</td>
<td></td>
</tr>
<tr>
<td>Spray 5 times: materials</td>
<td>69.50</td>
<td></td>
</tr>
<tr>
<td>application: 2¢/gallon - 1700 gallons</td>
<td>34.00</td>
<td></td>
</tr>
<tr>
<td>Furrow 3 times: ½ hrs. man &amp; tractor</td>
<td>7.13</td>
<td></td>
</tr>
<tr>
<td>Irrigate 7 times: labor 8 hrs.</td>
<td>21.60</td>
<td></td>
</tr>
<tr>
<td>3½ ft. water: power + tax, $8/ac. ft.</td>
<td>26.00</td>
<td></td>
</tr>
<tr>
<td>Disc 5 times: 7½ hrs. man &amp; tractor</td>
<td>35.63</td>
<td></td>
</tr>
<tr>
<td>Thin: 108 trees at $2.50</td>
<td>270.00</td>
<td></td>
</tr>
<tr>
<td>Tie: labor 5 hrs. materials</td>
<td>13.50</td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td>10.00</td>
<td></td>
</tr>
<tr>
<td>Misc. labor, materials, field power: includes</td>
<td>32.00</td>
<td></td>
</tr>
<tr>
<td>4 hr. hrs. &amp; 1 tractor hr.</td>
<td>15.85</td>
<td></td>
</tr>
<tr>
<td>Repairs to equipment except tractor</td>
<td>12.00</td>
<td></td>
</tr>
<tr>
<td>Office, car, operating capital, insurance, etc.</td>
<td>75.28</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL PRE-HARVEST CASH COSTS</strong></td>
<td><strong>$816.47</strong></td>
<td><strong>$1.02</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Harvesting Costs:</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Per Acre</td>
<td>Per Lug</td>
<td>Per Acre</td>
</tr>
<tr>
<td>Pick: 800 lugs (22 lbs.) at 55¢</td>
<td>640.00</td>
<td></td>
</tr>
<tr>
<td>Haul: 800 lugs (22 lbs.) at 8¢</td>
<td>64.00</td>
<td></td>
</tr>
<tr>
<td>Misc. 4 man hrs. &amp; 1 tractor hr.</td>
<td>7.45</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL HARVESTING COSTS</strong></td>
<td><strong>$711.45</strong></td>
<td><strong>$1.66</strong></td>
</tr>
<tr>
<td><strong>TOTAL CASH COSTS</strong></td>
<td><strong>$1329.92</strong></td>
<td><strong>$1.66</strong></td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Depreciation:</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Irrigation system &amp; well: $300, 20 yr. life</td>
<td>15.00</td>
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</tr>
<tr>
<td>Bldgs. &amp; equip. except tractor: $120, 12 yr. life</td>
<td>10.00</td>
<td></td>
</tr>
<tr>
<td>Tractor: $2,200, at $2.00</td>
<td>21.00</td>
<td></td>
</tr>
<tr>
<td>Trees: cost $1918, 20 yr. life</td>
<td>95.90</td>
<td></td>
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<tr>
<td><strong>TOTAL DEPRECIATION</strong></td>
<td><strong>$141.90</strong></td>
<td><strong>$1.18</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Interest on Investment at 8%:</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Irrigation system &amp; well: ½ cost $150</td>
<td>12.00</td>
<td></td>
</tr>
<tr>
<td>Bldgs. &amp; equip. except tractor: ½ cost $60</td>
<td>4.80</td>
<td></td>
</tr>
<tr>
<td>Tractor: 10½ hrs. at $1.00</td>
<td>10.50</td>
<td></td>
</tr>
<tr>
<td>Trees: ½ cost $959</td>
<td>76.72</td>
<td></td>
</tr>
<tr>
<td>Land: $1200</td>
<td>95.00</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL INTEREST ON INVESTMENT</strong></td>
<td><strong>$200.02</strong></td>
<td><strong>$2.25</strong></td>
</tr>
<tr>
<td><strong>TOTAL COST OF PRODUCTION</strong></td>
<td><strong>$1671.94</strong></td>
<td><strong>$2.09</strong></td>
</tr>
</tbody>
</table>

**SAMPLE COSTS AT VARYING YIELDS**

<table>
<thead>
<tr>
<th>Yield: Tons per acre</th>
<th>Average</th>
<th>Exceptional</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>10</td>
<td>12</td>
</tr>
<tr>
<td>Total Cost of Production/Ton</td>
<td>$156.86</td>
<td>$137.43</td>
</tr>
<tr>
<td>Cost/Lb. Fresh Fruit 22 lb. lug</td>
<td>1.93</td>
<td>1.71</td>
</tr>
<tr>
<td>Total Cost per 22 lb. lug</td>
<td>2.47</td>
<td>2.16</td>
</tr>
<tr>
<td>Picked Lugs per Acre</td>
<td>636</td>
<td>764</td>
</tr>
</tbody>
</table>

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