

Walnut Production Costs
in
Western Merced County



Fall 1968

UC Cooperative Extension

SAMPLE COSTS TO PRODUCE WALNUTS IN WESTERN MERCED COUNTY - 1968

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BASIS OF ESTIMATED COSTS:

Yield - 3000 lbs. per acre; 60 acres of Payne variety on 30' x 30', spacing 48 trees per acre. All labor \$2.00 per hour; tractors: 40 H.P. wheel diesel (WD40) cash cost \$1.20; depreciation \$.70, interest \$.28; older 40 H.P. crawler diesel (CD 40) cash cost \$1.50; depreciation \$.80, interest \$.30.

<u>PRE -HARVEST CASH COSTS</u>	<u>PER ACRE</u>	<u>PER POUND</u>
Pruning: 12 man hours	\$ 24.00	
Brush disposal: 2 man hours	4.00	
1 tractor (CD 40) hr.	1.50	
Herbicide strip spray	6.50	
Fertilizer: 200# N @ 13¢ applied	26.00	
Spray application: 3 @ 350 gpa - 2¢/gal.	21.00	
Spray chemicals	55.00	
Disking and chiseling: 6 man hours	12.00	
6 tractor hours (CD 40)	9.00	
Furrow 4 times: 2 man hours	4.00	
tractor (WD 40) hours	2.40	
Irrigate 5 times, 10 man hours	20.00	
Prepare for harvest: harrow, plane, roll, 2 man hr.	4.00	
2 tractor (WD 40) hours	2.40	
Water: CCID canal, 4 acre feet	8.00	
CCID tax @ \$2.15/acre	2.15	
Misc. labor: 4 man hours	8.00	
Misc. tractor work: WD 40 - 1 hour	1.20	
CD 40 - 1 hour	1.50	
Repairs except tractor	15.00	
Misc. material	15.00	
County taxes @ \$7.49/\$100	33.51	
Gustine Drainage District tax	1.49	
Office, pickup, int. on operating cap. (6% cash cost)	16.66	
TOTAL PRE-HARVEST CASH COSTS	\$294.31	9.81¢
HARVEST COSTS:		
Shaking: Contract @ #30.00/ton	45.00	
Picking: Contract @ \$30.00/ton	45.00	
Hulling & dehydrating: Contract @ \$35.00/ton	52.50	
Haul: Contract @5.00/ton	7.50	
TOTAL HARVEST COSTS	\$150.00	5.00¢
TOTAL CASH COSTS	\$444.31	14.81¢

DEPRECIATIONPER ACREPER POUND

Trees: Cost \$1,837.00 - 40 year life	\$ 45.92	
Irrig. system: \$100.00 cost, 20 year life	5.00	
Bldgs. & equipment except tractors \$90.00 cost - 15 year life	6.00	
Tractors: WD 40 @ \$.70 (5 hours)	3.50	
CD 40 @ \$.80 (8 hours)	6.40	
TOTAL DEPRECIATION	\$66.82	2.23¢
<u>INTEREST ON INVESTMENT @ 7%</u>		
Irrigation system ($\frac{1}{2}$ cost) \$50.00	\$ 3.50	
Bldgs & equip except tractors ($\frac{1}{2}$ cost) \$45.00	3.15	
Trees: ($\frac{1}{2}$ cost) = \$918.00	64.26	
Land @ \$1,000.00 per acre	70.00	
Tractors: WD 40 @ \$.28 (5 hours)	1.40	
CD 40 @ \$.30 (8 hours)	2.40	
TOTAL INTEREST ON INVESTMENT	\$144.71	4.82¢
TOTAL COST OF PRODUCTION	\$655.84	21.86¢

This cost study was designed to give an idea of the costs involved in a well managed walnut orchard operation in Western Merced County. These costs of walnut production should not be thought of as county averages; they are not. These costs represent those that a good grower, on land well suited to orchard production, will incur.

The yield of 3000 pounds per acre is well above the county average, but this yield is a practical average yield for profitable walnut production.

It is not expected that your costs will be the same as those presented in this publication. You will find this study most useful if you evaluate your costs by entering them opposite the listed costs.

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