

ORANGES
SAMPLE COSTS
OF
PRODUCTION
LOS ANGELES COUNTY

by
Richard E. Puffer

University of California ,
Agricultural Extension Service,
[Los Angeles County]

ORANGES - LOS ANGELES COUNTY
1964

Sample costs in this report are based on a typical orange orchard in Los Angeles County. Costs will vary widely from orchard to orchard and from district to district. The purpose of these sample costs is to serve as a guide for cost estimation. They are not an average cost of growing oranges.

The typical orange orchard on which these sample costs are based consists of: 20 acres, 100 trees per acre, 60 years old, owner operation, labor \$1.70 per hour or by contract.

Each sample cost is listed with the items that were used to make up that cost. All costs are per acre. The practices in this report, amount of fertilizer, water, etc., are not recommendations. The amount of fertilizer, water, and the various practices will vary from orchard to orchard.

SAMPLE COSTS TO PRODUCE ORANGES

LOS ANGELES COUNTY 1964

<u>CULTURAL OPERATION</u>	<u>Cost per Acre</u>
Fertilization	\$ 30.00
Irrigation - labor	21.00
- water	103.00
Pest Control	76.00
Other Pest Control	4.00
Weed Control and Cultivation	19.00
Pruning and Disposal	10.00
Frost Protection	39.00
Miscellaneous	<u>7.00</u>
Subtotal	\$ 309.00

CASH OVERHEAD

Taxes	\$ 200.00
Maintenance and Repair	5.00
Management Charge	20.00
General Expense	<u>20.00</u>
Subtotal	\$ 245.00

TOTAL ON-TREE CASH COSTS	\$ 554.00
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INVESTMENT OVERHEAD

Depreciation	\$ 115.50
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TOTAL ON-TREE CASH COST	
Plus Depreciation	\$ 669.50

Interest on Investment*	\$ 52.65
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TOTAL ON-TREE COSTS*	\$ 722.15
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* Interest on land not included

CULTURAL OPERATIONS

Fertilization - Chicken manure 3 to 4 cu. ft. per tree per year. Foliar urea spray with zinc and manganese applied once during the year. No application cost for the urea spray because it is usually applied with a pest control spray.

Irrigation - Portable overhead sprinklers. A total of 45 acre-inches applied in 14 applications during the year. Soil is fairly deep. Water charges vary considerably but are generally high in cost.

Pest and Disease Control - One oil, one aphid control, and one spider mite control treatment applied during the year for insects and spider mites. Some gopher control during the year. No disease control.

Weed Control and Cultivation - The orchard is noncultivated. Weeds are controlled with chemicals and weed oil. Pre-emergence materials such as diuron or simazine applied once a year. Spot spraying twice a year with weed oil.

Pruning and Disposal - One mechanical hedging during the year.

Frost Protection - Two 25-h.p. electric and one 35-h.p. electric windmachine for 20 acres plus 20 return stack heaters per acre. Estimated the windmachines were run for a total of 48 hours during the winter. Standby charges included in costs. Heaters were used one night.

CASH OVERHEAD

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Taxes may be higher if the orchard is located within a city limit. Taxes used were in the county. Maintenance and repair costs were generally low. Management cost may be a cash cost to absentee owners or a non-cash cost to owner-operators. General expense covers cost of office, telephone, travel, etc.

INVESTMENT OVERHEAD

Depreciation and interest on investment charged on trees, sprinkler system, windmachines, and heaters. Interest based on one-half the value at 6 percent. No allowance made for interest on land because of the variations and present very high value of citrus land for subdivision purposes.

	P E R A C R E		
	Invest- ments	Depreci- ation	Interest
Trees			
20 years	\$1,000.00	\$ 50.00	\$ 30.00
Sprinkler system			
20 years	200.00	10.00	6.00
Windmachines			
10 years	400.00	40.00	12.00
Heaters			
10 years	155.00	<u>15.50</u>	<u>4.65</u>
	TOTAL	\$115.50	\$ 52.65

YIELD AND RETURNS

	Average Yields field boxes per acre*		Average On-Tree Returns per field box**		Average Income per Acre	
	Navels	Valencias	Navels	Valencias	Navels	Valencias
1964	292	264	\$2.02	\$1.96	\$590	\$517
1953	284	244	\$2.68	\$2.20	\$761	\$537

The total on-tree cash cost in this report was \$554 per acre in 1964 and including depreciation was \$670 per acre.

* Source: Agricultural Commissioner's Office Crop Report

** Source: United States Department of Agriculture for all uses of oranges