

AUOCADOS

SAMPLE COSTS TO PRODUCE

IN

VENTURA COUNTY

1970

Agricultural Extension
University of California
Ventura County
684 Buena Vista Street
Ventura, California

UC Cooperative Extension

SAMPLE COSTS TO PRODUCE AVOCADOS
Ventura County - 1970

CULTURAL OPERATIONS

	<u>COSTS PER ACRE</u>		
	<u>Labor</u>	<u>Materials and Equipment</u>	<u>Total</u>
Fertilizer			
Nitrogen, broadcast - 2 times	\$ 5	Actual N - 165 lbs./acre \$ 16	\$ 21
Micronutrient and Leaf analysis	9	Zinc nutritional spray 4	13
Irrigation - 12 times	30	Water - 2½ ac.ft/acre @ \$18 45	75
Pest control - snails and rodents	5	Bait, traps, or poison 11	16
Weed control			
Herbicides	3	Herbicides 3	6
Spot oil treatment - 2 times	5	Weed oil 14	19
Pruning - skirt, dead wood, disposal	8	Chain saw 2	10
Orchard Thinning - prorated over 10 years	32	Chain saw, brush disposal 20	52
Miscellaneous - repairs, erosion, propping, etc.	<u>30</u>	Supplies and tools 6	<u>36</u>
	\$ 127	\$ 121	\$ 248

INVESTMENT SCHEDULE

<u>Item</u>	<u>Expected Life</u>	<u>Investment per Acre</u>	<u>Depreciation per Acre</u>
Trees	20 years	\$ 4,038	\$ 202
Irrigation system	10 years	650	65
Pickup	8 years	120	15
Buildings	20 years	60	3
Weed sprayer, hand tools	10 years	<u>130</u>	<u>13</u>
TOTAL		\$ 4,998	\$ 298

Interest on Investment charged at the rate of 7% on an assessed land value of \$3,000 per acre plus the half life value on trees, equipment, and buildings.

OVERHEAD COSTS

Taxes	\$ 95
Maintenance and Repairs	30
General Expenses	36
Management charge	<u>36</u>
Total Cash Overhead Costs	\$ 197
TOTAL PREHARVEST CASH COSTS	\$ 445
Depreciation	<u>\$ 298</u>
TOTAL CASH AND DEPRECIATION	\$ 743
Interest on Investment	<u>385</u>
TOTAL PREHARVEST COSTS	\$ 1,128

BASIS

Sample Costs in this report are based on a typical mature ten-acre commercial owner-operated orchard of Hass avocados planted 18x22 feet or 110 trees per acre. Permanent plastic irrigation system, no frost protection, and nontilled.

Wage Rate: \$2.25 per hour plus 15% fringe benefits = \$2.58 per hour (rounded to \$2.50).

Pruning consists of removing skirt limbs to allow for distribution of water from sprinklers and removal of broken branches, dead wood, suckers, and wild growth.

Orchard Thinning of temporary trees is required as trees become crowded. The first thinning at 8 to 12 years of age--usually removes half the trees. Additional thinning may be required 4 to 6 years later. Cost of tree removal (\$520/acre) is prorated over 10 years for an annual charge of \$52/acre.

Harvest Costs vary from 1½ to 3¢ per pound depending on tree size, yield per tree, terrain, etc.

Marketing is through cooperatives or independent packing-houses. An assessment of 4.5 to 5 percent of the value of the crop at roadside is made for industry advertising and sales promotions.

Yields and Returns - Ventura County

Year	Acreage		Ave. Yield Lbs./Acre	Gross* ¢/Lb.	Total Value
	Total	Bearing			
1970	3,638	3,070	5,000	NA	\$ 5,056,000
1969	3,867	2,947	7,150	15.0	2,159,000
1968	3,372	2,785	8,350	23.0	3,883,000
1967	3,201	2,613	8,130	10.1	1,707,000
1966	3,248	2,661	9,420	13.1	2,430,000
1965	2,707	2,359	3,832	26.0	1,931,300

*California Industry Averages

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April 1971 - 500c

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