

CARDINAL PEACHES FOR FRESH SHIPMENT

(matures in early June)

Cost Analysis Work Sheet

Sample costs to produce Cardinal peaches in Fresno County for fresh shipment. Costs are for a mature orchard containing 108 trees per planted acre, producing 11-3/4 tons of fruit, with approximately 30% discarded as culls. Man labor \$2.00 per hour total, and equipment operator \$2.20. Medium wheel tractor per hour cash costs \$1.40, depreciation 60¢ and interest 30¢.

	Sample Costs		My Costs	
	Per Acre	Per Ton	Per Acre	Per Ton
PRE-HARVEST CASH COSTS:				
Pruning: 108 trees at \$1.15	124.20			
Brush disposal: contract \$6.00 per acre	6.00			
3 man hrs. raking brush	6.00			
Fertilize: 100 lbs. N at 12¢	12.00			
½ hr. man & tractor	1.80			
Spray 2 times: materials	39.30			
application: .175¢ gallon	16.60			
Furrow 3 times: 1½ hrs. man & tractor	5.40			
Irrigate 7 times: labor 13 hrs.	26.00			
3½ ft. water: power & tax \$4 ac. ft.	14.00			
Disc 5 times: 7½ hrs. man & tractor	27.00			
Thin: 108 trees at \$2.00	216.00			
Prop & tie: labor 5 hrs.	10.00			
materials	3.75			
Plant covercrop: 60 lbs. barley	2.40			
½ hr. man & tractor	1.80			
Taxes	28.00			
Misc. labor, materials, field power: includes 4 man hrs. & 1 tractor hr.	11.60			
Repairs to equipment except tractor	8.00			
Office, car, operating capital, insurance, etc.	55.98			
Total Pre-harvest Cash Costs	615.83	52.41		
HARVESTING COSTS:				
Pick: 750 lugs (22 lbs.) at 45¢	337.50			
Roadside: 11 man hrs. & 5 tractor hrs.	30.00			
Misc. 2 man hrs. & 1 tractor hr.	5.60			
Total Harvesting Costs	373.10	31.75		
TOTAL CASH COSTS	988.93	84.16		
DEPRECIATION:				
Irrigation system & well: \$240 cost 25 yr. life	9.60			
Bldgs. & equip. except tractor: \$120 cost 15 yr. life	8.00			
Tractor: 17 hrs. at 60¢	10.20			
Trees: cost \$1160, 15 yr. life	77.33			
Total Depreciation	105.13	8.95		
INTEREST ON INVESTMENT AT 7%:				
Irrigation system & well: ½ cost \$120	8.40			
Bldgs. & equip. except tractor: ½ cost \$60	4.20			
Tractor: 17 hrs. at 30¢	5.10			
Trees: ½ cost \$580	40.60			
Land: \$900	63.00			
Total Interest on Investment	121.30	10.32		
TOTAL COST OF PRODUCTION	1215.36	103.43		
600 lbs. culls per ton (30%)	no value			
Net cost of 1400 lbs. merchantable fruit	103.43			
Net cash cost of 22 lbs. merchantable fruit (1 lug)	1.32			
Total cost of one 22 lb. lug	1.63			

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This work sheet was developed to show sample costs for a rather high yield, mature orchard under Fresno County conditions. These costs will be useful as a guide when a specific orchard planting is under consideration.

When using this work sheet, it is important to consider the following:

1. Seasonal variations in climate influence fruit set and quality. Consequently, differences in thinning, pest control and cullage will occur.
2. These sample costs are based on 10 acre tree fruit operations and larger.
3. No account is taken for partial or complete crop loss due to frost, wind, labor problems, etc.
4. No allowance is made for cost of management.
5. Interest and depreciation costs are based on the present costs of establishing an orchard. Present bearing orchards may have been established at a lower cost.
6. Costs per two-layer lug are based on an average net weight of 22 lbs. Net weights may vary depending on count and maturity.

Yield: Tons per acre	<u>Sample Costs at Varying Yields</u>				
	8	10	Average 12	14	Exceptional 16
Total cost of production per ton	138.36	116.41	101.81	91.34	83.50
Cash costs only: for one 22 lb. lug	1.73	1.47	1.30	1.18	1.09
Total costs per 22 lb. lug	2.17	1.83	1.60	1.44	1.31
Packed lugs per acre	509	636	764	891	1018

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