

LEMONS

SAMPLE COSTS OF PRODUCTION

LOS ANGELES COUNTY

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LEMONS - LOS ANGELES COUNTY
1964

Sample costs in this report are based on a typical lemon 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 lemons.

The typical lemon orchard on which these sample costs are based consists of: 20 acres, 100 trees per acre, 45 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 LEMONS

LOS ANGELES COUNTY 1964

<u>CULTURAL OPERATION</u>	<u>Cost per Acre</u>
Fertilization	\$ 38.00
Irrigation - labor	11.00
- water	112.00
Pest Control	50.00
Disease Control	6.00
Other Pest Control	1.00
Weed Control and Cultivation	10.00
Pruning and Disposal	25.00
Frost Protection	54.00
Miscellaneous	5.00
Subtotal	\$ 312.00

CASH OVERHEAD

Taxes	\$ 150.00
Maintenance and Repair	5.00
Management Charge	20.00
General Expense	20.00
Subtotal	\$ 195.00

TOTAL ON-TREE CASH COSTS	\$ 507.00
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INVESTMENT OVERHEAD

Depreciation	\$ 128.50
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TOTAL ON-TREE CASH COST	
Plus Depreciation	\$ 635.50

Interest on Investment*	\$ 62.55
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TOTAL ON-TREE COSTS*	\$ 698.05
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* Interest on land not included

CULTURAL OPERATIONS

Fertilization - Two pounds of actual nitrogen per tree per year applied with ammonium nitrate in two applications. A zinc-manganese spray applied once during the year. No application cost for zinc and manganese because it is usually applied with a pest control spray.

Irrigation - Overhead sprinklers, permanent system. A total of 42 acre-inches applied in 21 applications during the year. Soil is very shallow. Water charges vary considerably, but are generally high in cost.

Pest and Disease Control - One oil plus one thrip control treatment applied during the year for insects and spider mites. One brown rot treatment in the fall, and some gopher control during the year.

Weed Control and Cultivation - The orchard is noncultivated. Weeds have been under control for a number of years. Only spot spraying with weed oil is necessary

Pruning and Disposal - One mechanical topping and one hand thinning during the year.

Frost Protection - Two 25-h.p. electric wind-machines for 20 acres plus 20 return stack and 20 lazy flame heaters per acre. Estimated the windmachines were run for a total of 68 hours during the winter. Standby charges included in costs. Heaters were used during six nights.

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CASH OVERHEAD

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 noncash 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.

	<u>P E R A C R E</u>		
	<u>Invest-</u> <u>ments</u>	<u>Depreci-</u> <u>ation</u>	<u>Interest</u>
Trees			
20 years	\$1,000.00	\$ 50.00	\$ 30.00
Sprinkler system			
20 years	600.00	30.00	18.00
Windmachines			
10 years	235.00	23.50	7.05
Heaters			
10 years	250.00	<u>25.00</u>	<u>7.50</u>
	TOTAL	\$128.50	\$ 62.55

YIELDS AND RETURNS

Los Angeles County average yields from the Agricultural Commissioner's Office Crop Report were 428 field boxes per acre in 1964, and 324 in 1963.

Average on-tree grower returns per field box for all uses as reported by the United States Department of Agriculture were 82 cents per field box in 1964 and \$2.06 in 1963.

Average income in 1964 was \$351 per acre and for 1963 was \$667 per acre. Total on-tree cash cost in this report was \$507 per acre in 1964, and including depreciation was \$636 per acre.