

## U.C. COOPERATIVE EXTENSION

### SAMPLE COSTS TO ESTABLISH AND PRODUCE *PEACHES/NECTARINES* *July/August Harvested Varieties* IN THE SOUTHERN SAN JOAQUIN VALLEY - 1992

Kevin Day, Farm Advisor, Tulare County  
Harry Andris, Farm Advisor, Fresno County  
Bob Beede, Farm Advisor, Kings County  
R. Scott Johnson, Extension Pomologist, Kearney Agricultural Center  
Karen Klonsky, Extension Economist, U.C. Davis  
and  
Pete Livingston, Staff Research Associate, U.C. Davis

The detailed costs for establishment and production of July harvested peach and nectarine varieties in the Southern San Joaquin Valley are presented in this study. The hypothetical farm used in this report consists of 100 acres of which 5 acres are in peach and nectarine production.

Practices described in this study are based on those production procedures considered typical for this crop and area. Additional practices that are not listed may be required. Sample costs given for labor, materials, equipment and contract services are based on current figures. Some costs and practices detailed in this study may not be applicable to your situation. This study is only intended as a guide and can be used in making production decisions, determining potential returns, preparing budgets and evaluating production loans. A blank *Your Cost* column is provided to enter your actual costs on **Table 2, Sample Costs To Produce Peaches/Nectarines** and **Table 3, Details of Costs Per Acre to Produce Mature Peaches/Nectarines**.

This study consists of General Assumptions for Producing Peaches/Nectarines and seven tables.

<b>Table 1.</b>	<b>Costs Per Acre to Establish A Peach/Nectarine Orchard</b>
<b>Table 2.</b>	<b>Costs Per Acre to Produce Mature Peaches/Nectarines</b>
<b>Table 3.</b>	<b>Details of Costs Per Acre to Produce Mature Peaches/Nectarines</b>
<b>Table 4.</b>	<b>Monthly Cash Costs Per Acre to Produce Mature Peaches/Nectarines</b>
<b>Table 5.</b>	<b>Annual Equipment, Investment and Business Overhead</b>
<b>Table 6.</b>	<b>Hourly Equipment Costs</b>
<b>Table 7.</b>	<b>Ranging Analysis</b>

For an explanation of calculations used for the study refer to the attached General Assumptions or call the Department of Agricultural Economics, Cooperative Extension, University of California, Davis, California, (916) 752-3589 or call the farm advisor in the county of interest.

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**GENERAL ASSUMPTIONS FOR ESTABLISHING AND PRODUCING  
PEACH/NECTARINES**

*July/August Harvested Varieties*  
**Southern San Joaquin Valley - 1992**  
**U.C. Cooperative Extension**

The following is a description of some general assumptions pertaining to sample costs of July/August harvested peach or nectarine establishment and production in the Southern San Joaquin Valley. The costs are based on typical cultural practices used by growers in this region, some of which may not be used during every production year. These costs are represented on an annual, per acre basis. *The use of trade names in this report does not constitute an endorsement or recommendation by the University of California nor is any criticism implied by omission of other similar products.*

**1. LAND:**

The farm consists of 100 acres of land. There are 5 acres being established in the actual late season peach and nectarine orchard with another 90 acres on which other orchard and vine crops are grown and 5 acres of roads and farmstead. No other crops are grown. Land is valued at \$5,500 per acre and is not depreciated.

**2. TREES:**

No specific variety of peach or nectarine trees are assumed in this study, except those that are harvested in July/August. Peach varieties that might be planted include, but are not limited to; Summer Lady, O'Henry or Elegant Lady. For nectarines, a partial list of varieties include; Flamekist, Flaming Red, August Red, Summer Grand or Fantasia. The trees are planted at 16' X 18' spacings, with 151 trees per acre. The life of the orchard at the time of planting is estimated to be 20 years. The \$5.75 tree cost includes the royalty.

**3. IRRIGATION:**

Water for irrigation is pumped from a well. Price per acre foot for pumped water will vary from grower to grower in this region depending on various well characteristics and irrigation factors. In this study, water is pumped from a depth of 85 feet in a 150 foot well and is calculated to cost \$32.52 per acre foot. The amount of water used by the orchard during its establishment varies each year and is shown in **Table A** below.

Water is delivered to the orchard from the well through an underground pipe and flood valve system. The orchard is irrigated down furrows that are put up at the beginning of each growing season. No assumption is made about effective rainfall. The life of the system is estimated at 30 years. This irrigation system is installed before the orchard is planted.

**Table A. Water Use For Establishment And Production Years**

<b>Year</b>	<b>Acre Inches/Year</b>	<b>Annual \$/Acre</b>
1	20	54
2	24	65
3	30	81
4	36	98
5+	44	119

#### **4. ESTABLISHMENT PRACTICES:**

This orchard is established on ground that was previously planted to deciduous trees or vines. Land preparation, preplant fumigation and tree planting are done by custom operators in the first year. The young trees are not headed back or pruned after planting. In the second year, 2 trees per acre are replanted, but there is no cost for the trees since many nurseries will provide replants free.

Berms are put up during the first year and sprayed to control weeds. The row middles are cultivated and furrowed for weed control and irrigation purposes throughout the life of the orchard.

Weed control for the orchard begins with a strip spray on the berms the first season and switches to a pre-emergent and spot sprays in the second. The spot spray is only used on 5% of the acreage. The middles are sprayed beginning with the first harvest in the third year.

Pest control does not start until the second year with a dormant season application. Both a bloom and worm spray are added in the third year to round out the pest control program.

Thinning also begins in the third year and the amount of time required for this operation increases as the yields increase. Tree are roped and limbs are supported to prevent the branches from breaking under a heavy fruit load. Roping and propping the limbs begin in the third year.

Nitrogen fertilizer is applied at increasing rates during the orchard establishment and is shown in **Table B** below. Neutral zinc is also applied with the dormant spray at a rate of 5 pounds per acre in the first year and 10 pounds in each year thereafter.

**Table B. Applied Nitrogen During Establishment Years**

Year	Pounds/Acre
1	38
2	57
3	64
4+	151

Establishment cost is used to determine the non-cash overhead expenses, depreciation and interest on investment, during the production years. It is the sum of the costs for land preparation, planting, trees, cash overhead and production expenses for growing the trees through the first year that fruit is harvested. The Total Accumulated Net Cash Cost shown on **Table 1**, in the third year represents the establishment cost. For this study, this cost is \$1,950 per acre or \$9,750 for the 5 acre orchard. The establishment cost is spread over the remaining 17 years of the 20 years the orchard is in production.

#### **5. PRODUCTION CULTURAL PRACTICES:**

Pruning is done by hand in the winter months. Prunings are shredded by machine. Fruit thinning is performed in May. Trees are roped in February, and propping the limbs occurs in July.

Nitrogen fertilizer is applied in summer/fall following harvest. In some instances nitrogen fertilizer may need to be applied in both spring and late summer. It is applied at a rate of 151 pounds of N per acre. Neutral zinc is applied in the autumn at leaf fall at a rate of 10 pounds per acre.

Mature trees are cultivated by discing in the spring and fall. Furrows are drawn in the spring after discing to contain irrigation water. Weeds are controlled in row centers during the spring and summer by chemical mowing using low volume sprays. Weeds on the berms are controlled by pre-emergent herbicides.

A dormant spray is applied annually to control pests and diseases. In-season preharvest sprays are applied to protect the crop from such pests as oriental fruit moth, peach twig borer, leaf rollers, mites and fruit rot. Additional sprays to control thrips are only performed in nectarines.

The pesticides and rates mentioned in this cost study are a few of those that are listed in the [UC IPM Peach/Nectarine Pest Management Guidelines](#). Cultural practices for the production of peaches and nectarines vary from grower to grower and region to region. The practices and inputs used in this cost study serve only as a sample or guide. Variations can be significant. For additional information contact the farm advisor in the county of interest.

## 6. HARVEST:

Harvesting starts in the third year after the orchard is planted. As the yields increase the cost to harvest also increases, until orchard maturity is reached in the sixth year. In this cost study the crop is harvested by the grower's picking crew using ladders and buckets supplied by the packing shed. The fruit is then hauled to the shed by a contract hauler. The shed packs, palletizes, cools and sells the fruit under a contract with the grower. For growers that own their packing and cooling equipment and sell their crop, the needed equipment for packing and cooling operations should be inventoried in Investment costs on **Table 5**, and operation costs would be calculated and placed in Harvest costs in **Table 1** and **2**. All custom charges would be subtracted from Harvest costs in **Table 1** and **2**.

Assessment fees collected by the California Tree Fruit Agreement (CTFA) are based on boxes of peaches and nectarines sold. The CTFA assessment fee is \$0.18 per box and is shown as a harvest cost.

## 7. YIELDS & RETURNS:

As noted above peaches and nectarines most often begin bearing an economic crop in the third year after planting. Typical annual yields for July harvested varieties are measured in boxes per acre and are shown in **Table C**. These yields are from the third year of orchard establishment to maturity. The weight of a box of peaches or nectarines in this study is 23.5 pounds.

**Table C. Annual Establishment Yield Per Acre**

Year	Yield (Boxes/Acre)
3	250
4	500
5	800
6	1100
7+	1400

An estimated price of a \$6.85 per box of July/August harvested peaches or nectarines based on typical average fruit size and price distribution, is used in this study. Returns, shown in **Table 7**, will vary and the yields and prices used in this cost study are an estimate taking into consideration current situations.

#### 8. **LABOR:**

Hourly wages for workers are \$6.55 and \$4.69 per hour for skilled and field workers respectively. Adding 34% for SDI, FICA, insurance and other benefits gives the labor rates shown of \$8.78 per hour for skilled labor and \$6.28 per hour for field labor. The labor for operations involving machinery are 20% higher than the operation time to account for the extra labor involved in equipment set up, moving, maintenance and repair.

#### 9. **OVERHEAD:**

County taxes are calculated as 1% of the land value plus 1% of the average value of the trees, equipment, buildings and improvements. Insurance is charged at 0.5% of the average value of the equipment over its useful life. Liability insurance covers accidents on the farm and costs \$330 for the entire farm or \$3.30 per acre. Office expenses are estimated at \$30 per acre and include, but are not limited to office supplies, phone, bookkeeping, accounting, legal fees, etc. Sanitation services provide portable toilets for the orchard and cost the farm \$224 annually.

#### 10. **INTEREST:**

Interest on operating capital is based on cash costs and is calculated monthly for harvest at a nominal rate of 9.00% per year. Interest is also charged on investment at 4% per year to account for income foregone that could be received from an alternative investment (opportunity cost) and is based on the average value of the land, orchard, buildings and equipment. Real interest rates are used on investments, so no adjustment for inflation have been included. Nominal interest rates would contain a factor for inflation which might run 1% to 4% higher than real interest rates, to account for inflation.

#### 11. **EQUIPMENT COSTS:**

In allocating the equipment costs per acre, the following calculations were made and shown in **Table 5**: (a) **Original Cost** of equipment is the cost of the new equipment plus sales tax. (b) **Depreciation** is straight line with a 10% salvage value. (c) **Interest** on investment is calculated as the average value per acre of the equipment during its useful life, multiplied by an interest rate of 4%. Average value equals new cost plus salvage value divided by 2 on a per acre basis. (d) The total investment costs are calculated as 60% of the depreciation and the interest reflect a mix of new and used equipment. These values are also used in **Table 2**. Hourly equipment costs are shown in **Table 6**.

#### 12. **FUEL & REPAIR:**

The fuel and repair cost per acre for each operation in **Table 2**, is determined by multiplying the total hourly operating cost for each piece of equipment in **Table 6**, by the number of hours per acre for that operation. Prices for on farm delivery of diesel and gasoline are \$0.71 and \$0.98 per gallon respectively.



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Table 1. continued

YEAR	Costs per Acre					
	1st	2nd	3rd	4th	5th	6th
<b>Depreciation:</b>						
Bu ildings	\$13	\$13	\$13	\$13	\$13	\$13
Furrow Irrigation System	9	9	9	9	9	9
Fuel Tanks & Pumps	4	4	4	4	4	4
Shop Tools	7	7	7	7	7	7
ATV - 4WD	12	12	12	12	12	12
Equi pment	46	46	46	46	46	46
<b>TOTAL DEPRECIATION</b>	<b>\$91</b>	<b>\$91</b>	<b>\$91</b>	<b>\$91</b>	<b>\$91</b>	<b>\$91</b>
<b>Interest on Investment @ 4%:</b>						
Bu ildings	\$8	\$8	\$8	\$8	\$8	\$8
Furrow Irrigation System	7	7	7	7	7	7
Fuel Tanks & Pumps	2	2	2	2	2	2
Shop Tools	2	2	2	2	2	2
ATV - 4WD	1	1	1	1	1	1
Land @ \$5500/ acre	220	220	220	220	220	220
Equi pment	12	12	12	12	12	12
<b>TOTAL INTEREST ON INVESTMENT</b>	<b>\$252</b>	<b>\$252</b>	<b>\$252</b>	<b>\$252</b>	<b>\$252</b>	<b>\$252</b>
<b>TOTAL COST FOR THE YEAR</b>	<b>\$2,687</b>	<b>\$901</b>	<b>\$2,254</b>	<b>\$3,661</b>	<b>\$5,269</b>	<b>\$6,902</b>
<b>INCOME FROM PRODUCTION</b>			<b>\$2,863</b>	<b>\$5,725</b>	<b>\$9,160</b>	<b>\$12,595</b>
<b>TOTAL NET COST FOR THE YEAR</b>	<b>\$2,687</b>	<b>\$901</b>				
<b>NET PROFIT ABOVE TOTAL COST</b>			<b>\$609</b>	<b>\$2,064</b>	<b>\$3,891</b>	<b>\$5,693</b>
<b>TOTAL ACCUMULATED NET COST</b>	<b>\$2,687</b>	<b>\$3,588</b>	<b>\$2,979</b>	<b>\$915</b>		
<b>TOTAL ACCUMULATED PROFITS ABOVE NET COSTS</b>					<b>\$2,977</b>	<b>\$8,670</b>

Table 2.

U. C. COOPERATIVE EXTENSION  
 COSTS PER ACRE TO PRODUCE MATURE PEACHES/NECTARINES  
 SOUTHERN SAN JOAQUIN VALLEY - 1992  
 July/August Harvested Varieties

Labor Rate: \$8.78/hr. machine labor      Interest Rate: 9.00%  
 \$6.28/hr. non-machine labor      Yield per Acre: 1400 boxes

Operation	Operation Time (Hrs/A)	Labor Cost	Fuel, Lube & Repairs	Cash and Labor Material Cost	Costs per Acre Custom/Rent	Total Cost	Your Cost
<b>Cultural:</b>							
Prune And Train	75.50	474	0	0	0	474	
Weed Control - Pre-emergent	0.13	1	1	38	0	40	
Shred Brush	0.37	4	3	0	0	7	
Pest Control - Dormant & Zinc	0.20	2	3	45	0	50	
Rope Trees	7.96	50	0	0	0	50	
Pest Control - Bloom	0.20	2	3	33	0	38	
Pest Control - Thrips (Nectarine Only)	0.21	2	3	33	0	38	
Cultivate	0.37	4	3	0	0	7	
Furrow Middles	0.26	3	1	0	0	4	
Fertilize - Nitrogen	0.11	1	0	47	0	48	
Irrigate	9.00	57	0	119	0	176	
Pest Control - Worms	0.31	3	4	40	0	47	
Weed Control - Middles	0.64	7	3	8	0	18	
Weed Control - Spot Spray	0.43	4	2	3	0	9	
Thinning	52.40	329	0	0	0	329	
Pest Control - Mites	0.10	1	1	26	0	29	
Prop Li mbs	9.00	57	0	0	0	57	
Pest Control - Preharvest	0.10	1	1	8	0	10	
Pickup Truck Use	5.60	59	26	0	0	85	
<b>TOTAL CULTURAL COSTS</b>	<b>162.89</b>	<b>1061</b>	<b>54</b>	<b>400</b>	<b>0</b>	<b>1516</b>	
<b>Harvest:</b>							
Pick Fruit - 1400 Boxes/Acre	28.36	954	162	0	0	1116	
Haul To Shed	0.00	0	0	0	148	148	
Pack Fruit	0.00	0	0	0	3710	3710	
Palletize And Cool Fruit	0.00	0	0	0	350	350	
Sell	0.00	0	0	0	966	966	
CTFA Assessment	0.00	0	0	252	0	252	
<b>TOTAL HARVEST COSTS</b>	<b>28.36</b>	<b>954</b>	<b>162</b>	<b>252</b>	<b>5174</b>	<b>6542</b>	
<b>Post harvest:</b>							
Fall Chisel ing	0.19	2	1	0	0	3	
<b>TOTAL POSTHARVEST COSTS</b>	<b>0.19</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>3</b>	
Interest on operating capital @ 9.00%							75
<b>TOTAL OPERATING COSTS/ ACRE</b>		<b>2017</b>	<b>217</b>	<b>652</b>	<b>5174</b>	<b>8135</b>	
<b>TOTAL OPERATING COSTS/ BOX</b>							<b>5.81</b>
<b>CASH OVERHEAD:</b>							
Office Expense							100
Liability Insurance							3
Sanitation Fees							2
Property Taxes							78
Property Insurance							39
Investment Repairs							5
<b>TOTAL CASH OVERHEAD COSTS</b>							<b>228</b>
<b>TOTAL CASH COSTS/ ACRE</b>							<b>8363</b>
<b>TOTAL CASH COSTS/ BOX</b>							<b>5.97</b>
<b>NON-CASH OVERHEAD:</b>							
Investment	Per producing Acre	Annual Cost	Depreciation	Interest @ 4.00%			
Bui l dings	370	13		8			21
Fuel Tanks & Pumps	81	4		2			5
Shop Tools	110	7		2			9
Irrigation System	310	9		7			16
ATV - 4WD	65	12		1			13
Land	5500			220			220
Establi shment Cost	1950	115		39			154
Equi pment	1518	110		33			143
<b>TOTAL NON-CASH OVERHEAD COSTS</b>	<b>9905</b>	<b>269</b>		<b>313</b>			<b>582</b>
<b>TOTAL COSTS/ ACRE</b>							<b>8945</b>
<b>TOTAL COSTS/ BOX</b>							<b>6.39</b>





Table 4.

U. C. COOPERATIVE EXTENSION  
MONTHLY CASH COSTS PER ACRE TO PRODUCE MATURE PEACHES/NECTARINES  
SOUTHERN SAN JOAQUIN VALLEY - 1992  
July/August Harvested Varieties

Beginning Ending	DEC 92 NOV 93	DEC 92 JAN 93	JAN 93 FEB 93	FEB 93 MAR 93	MAR 93 APR 93	APR 93 MAY 93	MAY 93 JUN 93	JUN 93 JUL 93	JUL 93 AUG 93	AUG 93 SEP 93	SEP 93 OCT 93	OCT 93 NOV 93	TOTAL
<b>Cultural:</b>													
Prune And Train	237	237											474
Weed Control - Pre-emergent	40												40
Shred Brush		7											7
Pest Control - Dormant & Zinc		50											50
Rope Trees			50										50
Pest Control - Bloom				38									38
Pest Control - Thrips				19				19					38
Cultivate				3				3					7
Furrow Middles				4									4
Fertilize - Nitrogen					24					24			48
Irrigate					20	20	39	39	39	20			176
Pest Control - Worms						23	24						47
Weed Control - Middles						4	4	4	4	4			18
Weed Control - Spot Spray						2	2	2	2	2			9
Thinning						329							329
Pest Control - Mites							29						29
Prop Li rbs								57					57
Pest Control - Preharvest								10					10
Pickup Truck Use	8	8	8	8	8	8	8	8	8	8	8	8	85
<b>TOTAL CULTURAL COSTS</b>	<b>285</b>	<b>302</b>	<b>58</b>	<b>72</b>	<b>51</b>	<b>385</b>	<b>105</b>	<b>141</b>	<b>52</b>	<b>57</b>	<b>8</b>		<b>1516</b>
<b>Harvest:</b>													
Pick Fruit - 1400 Boxes/Acre								558	558				1116
Haul To Shed								74	74				148
Pack Fruit								1855	1855				3710
Palletize And Cool Fruit								175	175				350
Sell								483	483				966
CTFA Assessment									252				252
<b>TOTAL HARVEST COSTS</b>								<b>3145</b>	<b>3397</b>				<b>6542</b>
<b>Post harvest:</b>													
Fall Chiseling											3		3
<b>TOTAL POSTHARVEST COSTS</b>											<b>3</b>		<b>3</b>
Interest on oper. capital	2	4	5	5	6	9	9	34					75
<b>TOTAL OPERATING COSTS/ ACRE</b>	<b>287</b>	<b>306</b>	<b>63</b>	<b>77</b>	<b>57</b>	<b>393</b>	<b>115</b>	<b>3320</b>	<b>3449</b>	<b>57</b>	<b>11</b>		<b>8135</b>
<b>TOTAL OPERATING COSTS/ BOX</b>	<b>0.20</b>	<b>0.22</b>	<b>0.04</b>	<b>0.06</b>	<b>0.04</b>	<b>0.28</b>	<b>0.08</b>	<b>2.37</b>	<b>2.46</b>	<b>0.04</b>	<b>0.01</b>		<b>5.81</b>
<b>OVERHEAD:</b>													
Office Expense	9	9	9	9	9	9	9	9	9	9	9	9	100
Liability Insurance	0	0	0	0	0	0	0	0	0	0	0	0	3
Sanitation Fees	2												2
Property Taxes		39						39					78
Property Insurance		20						20					39
Investment Repairs	0	0	0	0	0	0	0	0	0	0	0	0	5
<b>TOTAL CASH OVERHEAD COSTS</b>	<b>12</b>	<b>69</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>69</b>	<b>10</b>	<b>10</b>	<b>10</b>		<b>228</b>
<b>TOTAL CASH COSTS/ ACRE</b>	<b>299</b>	<b>375</b>	<b>72</b>	<b>87</b>	<b>67</b>	<b>403</b>	<b>125</b>	<b>3389</b>	<b>3459</b>	<b>67</b>	<b>21</b>		<b>8363</b>
<b>TOTAL CASH COSTS/ BOX</b>	<b>0.21</b>	<b>0.27</b>	<b>0.05</b>	<b>0.06</b>	<b>0.05</b>	<b>0.29</b>	<b>0.09</b>	<b>2.42</b>	<b>2.47</b>	<b>0.05</b>	<b>0.01</b>		<b>5.97</b>

Table 5.

U. C. COOPERATIVE EXTENSION  
WHOLE FARM ANNUAL EQUIPMENT, INVESTMENT, AND BUSINESS OVERHEAD COSTS  
SOUTHERN SAN JOAQUIN VALLEY - 1992

ANNUAL EQUIPMENT COSTS

Yr	Description	Price	Yrs Life	Non-Cash Over- Depre- ciation	Interest	Cash Overhead - Insur- ance	Taxes	Total
92	30 HP 2WD Tractor	18100	15	1086	398	50	100	1634
92	30 HP 2WD Tractor	18100	15	1086	398	50	100	1634
92	75 HP 4WD Tractor	37450	15	2247	824	103	206	3380
92	Bin Trailer	950	15	57	21	3	5	86
92	Bin Trailer	950	15	57	21	3	5	86
92	Bin Trailer	950	15	57	21	3	5	86
92	Disc - Tandem 14'	7490	10	674	165	21	41	901
92	Furrowing Bar	750	15	45	16	2	4	68
92	Mower/Chopper - 8'	5500	10	495	121	15	30	661
92	Orchard Sprayer 500 Gal	16050	10	1444	353	44	88	1930
92	Pickup Truck - 3/4 Ton	19260	7	2476	424	53	106	3059
90	Pickup Truck - Used	8000	7	1029	176	22	44	1271
92	Ripper - 3 Shank	1953	15	117	43	5	11	176
92	Spinner Spreader - 3PT	800	20	36	18	2	4	60
92	Weed Sprayer 100 Gal	3424	10	308	75	9	19	412
TOTAL		139727		11215	3074	384	769	15442
60% of New Cost *		83836		6729	1844	231	461	9265

\* Used to reflect a mix of new and used equipment.

ANNUAL INVESTMENT COSTS

Yr	Description	Price	Yrs Life	Non-Cash Over- Depre- ciation	Interest	Cash Overhead - Insur- ance	Taxes	Repairs	Total
INVESTMENT									
	ATV - 4WD	6500	5	1170	143	18	36	50	1417
	Buildings	37000	25	1332	814	102	203	100	2551
	Establishment Cost	9750	17	574	195	24	49	0	842
	Fuel Tanks & Pumps	8100	20	365	178	22	45	125	735
	Irrigation System	31030	30	931	683	85	171	100	1970
	Land	27500			1100	138	275	0	1513
	Shop Tools	11000	15	660	242	30	61	100	1093
TOTAL INVESTMENT		130880		5031	3355	419	839	475	10119

ANNUAL BUSINESS OVERHEAD COSTS

Description	Units/ Farm	Unit	Price/ Unit	Total Cost
Liability Insurance	100.00	acre	3.30	330
Office Expense	100.00	acre	100.00	10000
Sanitation Fees	100.00	acre	2.24	224

Table 6.

U. C. COOPERATIVE EXTENSION  
HOURLY EQUIPMENT COSTS  
SOUTHERN SAN JOAQUIN VALLEY - 1992

Yr	Description	COSTS PER HOUR								Total Costs/ Hr.
		Actual Hours Used	-Non-Cash Depre- ciation	Over- Interest	- Cash Insur- ance	Overhead Taxes	Repai rs	Operat ing Fuel & Lube	Total Oper .	
92	30 HP 2WD Tractor	789.2	0.83	0.30	0.04	0.08	1.09	1.20	2.29	3.53
92	30 HP 2WD Tractor	800.0	0.81	0.30	0.04	0.07	1.09	1.20	2.29	3.51
92	75 HP 4WD Tractor	799.8	1.69	0.62	0.08	0.15	1.87	3.01	4.88	7.42
92	Bin Trailer	159.8	0.21	0.08	0.01	0.02	0.23	0.00	0.23	0.55
92	Bin Trailer	159.8	0.21	0.08	0.01	0.02	0.23	0.00	0.23	0.55
92	Bin Trailer	159.8	0.21	0.08	0.01	0.02	0.23	0.00	0.23	0.55
92	Disc - Tandem 14'	249.8	1.62	0.40	0.05	0.10	2.15	0.00	2.15	4.32
92	Furrowing Bar	165.3	0.16	0.06	0.01	0.01	0.22	0.00	0.22	0.46
92	Mower/Chopper - 8'	199.9	1.49	0.36	0.05	0.09	1.98	0.00	1.98	3.97
92	Orchard Sprayer 500 Gal	120.7	7.18	1.76	0.22	0.44	8.05	0.00	8.05	17.65
92	Pickup Truck - 3/4 Ton	284.0	5.23	0.90	0.11	0.22	3.50	2.25	5.75	12.21
90	Pickup Truck - Used	132.0	4.68	0.80	0.10	0.20	1.45	2.25	3.70	9.48
92	Ripper - 3 Shank	166.0	0.42	0.16	0.02	0.04	0.56	0.00	0.56	1.20
92	Spinner Spreader - 3PT	59.6	0.36	0.18	0.02	0.04	0.48	0.00	0.48	1.09
92	Weed Sprayer 100 Gal	124.0	1.49	0.36	0.05	0.09	1.72	0.00	1.72	3.71

Table 7.

U. C. COOPERATIVE EXTENSION  
RANGING ANALYSIS  
SOUTHERN SAN JOAQUIN VALLEY - 1992  
July/August Harvested Varieties

*COSTS PER ACRE AT VARYING YIELDS TO PRODUCE PEACHES/NECTARINES*

	YIELD (BOX/ ACRE)						
	1250	1300	1350	1400	1450	1500	1550
<i>OPERATING COSTS/ ACRE:</i>							
Cultural Cost	1457	1457	1457	1457	1457	1457	1457
Harvest Cost	5922	6129	6335	6542	6748	6955	7161
Post harvest Cost	3	3	3	3	3	3	3
Interest on operating capital	71	72	72	73	74	75	75
TOTAL OPERATING COSTS/ ACRE	7453	7660	7867	8075	8282	8489	8696
TOTAL OPERATING COSTS/ BOX	5.96	5.89	5.83	5.77	5.71	5.66	5.61
CASH OVERHEAD COSTS/ ACRE	228	228	228	228	228	228	228
TOTAL CASH COSTS/ ACRE	7681	7888	8095	8302	8510	8717	8924
TOTAL CASH COSTS/ BOX	6.14	6.07	6.00	5.93	5.87	5.81	5.76
NON-CASH OVERHEAD COSTS/ ACRE	582	582	582	582	582	582	582
TOTAL COSTS/ ACRE	8262	8470	8677	8884	9091	9299	9506
TOTAL COSTS/ BOX	6.61	6.52	6.43	6.35	6.27	6.20	6.13

*NET RETURNS PER ACRE ABOVE OPERATING COSTS FOR PEACHES/NECTARINES*

PRICE (DOLLARS PER BOX)	YIELD (BOX/ ACRE)						
	1250	1300	1350	1400	1450	1500	1550
5.50	-578	-510	-442	-375	-307	-239	-171
6.00	47	140	233	325	418	511	604
6.50	672	790	908	1025	1143	1261	1379
7.00	1297	1440	1583	1725	1868	2011	2154
7.50	1922	2090	2258	2425	2593	2761	2929
8.00	2547	2740	2933	3125	3318	3511	3704
8.50	3172	3390	3608	3825	4043	4261	4479

*NET RETURNS PER ACRE ABOVE CASH COSTS FOR PEACHES/NECTARINES*

PRICE (DOLLARS PER BOX)	YIELD (BOX/ ACRE)						
	1250	1300	1350	1400	1450	1500	1550
5.50	-806	-738	-670	-602	-535	-467	-399
6.00	-181	-88	5	98	190	283	376
6.50	444	562	680	798	915	1033	1151
7.00	1069	1212	1355	1498	1640	1783	1926
7.50	1694	1862	2030	2198	2365	2533	2701
8.00	2319	2512	2705	2898	3090	3283	3476
8.50	2944	3162	3380	3598	3815	4033	4251

*NET RETURNS PER ACRE ABOVE TOTAL COSTS FOR PEACHES/NECTARINES*

PRICE (DOLLARS PER BOX)	YIELD (BOX/ ACRE)						
	1250	1300	1350	1400	1450	1500	1550
5.50	-1387	-1320	-1252	-1184	-1116	-1049	-981
6.00	-762	-670	-577	-484	-391	-299	-206
6.50	-137	-20	98	216	334	451	569
7.00	488	630	773	916	1059	1201	1344
7.50	1113	1280	1448	1616	1784	1951	2119
8.00	1738	1930	2123	2316	2509	2701	2894
8.50	2363	2580	2798	3016	3234	3451	3669