

ESTABLISHING AN ORANGE GROVE
Cost analysis work sheet 1968

Sample costs to establish an orange grove in Kern County. Costs are based on a planting of 180 trees, planted 11' x 22'. Man labor \$1.70 per hour total and equipment operator \$1.90.

	Costs Per Acre				
	1st Year	2nd Year	3rd Year	4th Year	5th Year
Yield: Field boxes per acre			180	250	540
PRE-HARVEST CASH COSTS					
Land Preparation - custom	10.00				
Layout & plant, 30¢ per tree	54.00				
Trees: 180 at \$2.75	495.00				
Re-plant 2nd year: 2 trees at \$3.50		7.00			
Wrapping: labor & materials	23.40	.60			
Irrigation: water, \$20 acre foot	20.00	40.00	50.00	60.00	70.00
labor	25.50	25.50	20.40	20.40	20.40
Tillage	3.20	1.60			
Weed control	14.50	18.40	18.40	18.40	18.40
Fertilization: total	5.00	7.00	12.00	17.00	21.00
Pest control	7.00	9.00	15.00	20.00	26.00
Frost protection	39.00	39.00	35.00	35.00	35.00
Misc. tree care, rodent control, etc.	12.00	12.00	10.00	10.00	8.00
Taxes:	28.00	28.00	28.00	28.00	46.00
Repairs to equipment except tractor	10.00	10.00	10.00	10.00	10.00
Supervision by foreman	14.00	14.00	14.00	14.00	14.00
Office & business expense 6% of cash costs	45.64	14.85	12.77	13.97	16.13
TOTAL PRE-HARVEST CASH COSTS	806.24	226.95	225.57	246.77	284.93
HARVESTING COSTS: not included on-tree values are used					
TOTAL CASH COSTS	806.24	226.95	225.57	246.77	284.93
DEPRECIATION					
Irrigation system, pump, well \$390 - 12 year life	32.50	32.50	32.50	32.50	32.50
Tractor	3.50	2.80	2.80	2.80	2.80
Bldgs. & equipment except tractor: \$210 - 12 year life	17.50	17.50	17.50	17.50	17.50
Wind machines & heaters \$620 10 years			62.00	62.00	62.00
TOTAL DEPRECIATION	53.50	52.80	114.80	114.80	114.80
INTEREST ON INVESTMENT AT 7%					
Irrigation system, pump, well ½ cost \$195	13.65	13.65	13.65	13.65	13.65
Tractor	1.50	1.20	1.20	1.20	1.20
Bldgs. & equipment except tractor, ½ cost \$105	7.35	7.35	7.35	7.35	7.35
Wind machines & heaters, ½ cost \$310, start 3rd year			21.70	21.70	21.70
Land: \$1200	84.00	84.00	84.00	84.00	84.00
Interest on accumulated costs		67.64	99.39	122.74	135.85
TOTAL INTEREST ON INVESTMENT	106.50	173.84	227.29	250.64	263.75
TOTAL COST FOR THE YEAR	966.24	453.59	567.66	612.21	663.48
CREDIT FOR FRUIT AT \$1.30 FIELD BOX			234.00	425.00	702.00
NET COST FOR THE YEAR (GAIN)	966.24	453.59	333.66	187.21	(38.52)
TOTAL ACCUMULATED COST	966.24	1419.83	1753.49	1940.70	1902.18

A B O U T T H E S E C O S T D A T A - - -

The cost of production in any agricultural enterprise will vary considerably from ranch to ranch. The input and cost data in this booklet are sample costs. They are intended to be used only as educational guides in assisting you to appraise and plan your own crop and livestock program.

These cost data do not represent industry averages.

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