

Table 1
English Walnut Orchard Establishment Costs
Southern San Joaquin Valley - 1982
Cost Analysis Work Sheet

Costs are for an orchard planted 28' x 28', with 55 trees per acre. Labor costs to the grower are \$6.50 for skilled labor and \$5.75 per hour for field labor. Medium wheel tractor per hour cash costs \$8.10, depreciation \$2.25 and interest \$1.80. Numbers have been rounded to the nearest dollar.

	Costs Per Acre					
	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year
YIELD: lbs./acre in-shell	-	-	-	-	500	1000
Pre-Harvest Cash Costs:						
Land preparation: subsoil contract	\$ 160.					
Disc and float: 4 hours labor and tractor	58.					
Trees: 55 @ \$7. (+2, 2nd yr. and 1, 3rd yr.)	385.	\$ 14.	\$ 7.			
Survey and plant: 55 @ 50¢ 2nd and 3rd yrs. \$3.	28.	6.	3.			
Prune and train (skilled labor)	3.	7.	13.	\$ 20.	\$ 20.	\$ 75.
Tillage and irrigation preparation: 7 hrs. labor and tractor	102.	102.	102.	102.	102.	102.
Irrigation: 4 hrs. labor at 2 yrs., 6 hrs. labor starting 3rd yr.	23.	23.	35.	35.	35.	35.
Water: \$14 ac. ft. plus \$6 acre district tax	20.	20.	27.	34.	48.	48.
Fertilizer: Nitrogen 33¢ application, ½ hr. labor & tractor	2.	4.	9.	18.	18.	36.
Spray materials	7.	7.	7.	7.	7.	7.
Spray application			14.	27.	27.	50.
Misc. labor and power, 6 hrs. labor, 1 hr. tractor			14.	14.	14.	28.
Misc. labor and power, 6 hrs. labor, 1 hr. tractor	43.	43.	43.	43.	43.	43.
Misc. materials	20.	20.	20.	20.	20.	20.
Supervision	35.	35.	35.	35.	35.	35.
County taxes	50.	50.	50.	50.	50.	110.
Repairs, except tractor	20.	20.	20.	20.	20.	20.
Office and business costs	76.	28.	32.	34.	48.	60.
TOTAL PRE-HARVEST COSTS	\$1032.	\$ 379.	\$ 431.	\$ 459.	\$ 517.	\$ 669.
Harvesting Costs:						
Shake, pick, haul \$110 per ton minimum					\$ 110.	\$ 110.
Hull and dry \$70 per ton					18.	35.
TOTAL HARVESTING COSTS					\$ 128.	\$ 145.
TOTAL CASH COSTS	\$1032.	\$ 379.	\$ 431.	\$ 459.	\$ 645.	\$ 814.

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Cooperative Extension Work in Agriculture and Home Economics, U.S. Department of Agriculture, University of California, Tulare County Cooperating

Depreciation:

Irrigation system \$400, 12 yrs.	\$ 33.	\$ 33.	\$ 33.	\$ 33.	\$ 33.	\$ 33.
Buildings and equipment \$200, 12 yrs.	17.	17.	17.	17.	17.	17.
Tractor \$2.25 per hr.	28.	19.	19.	19.	19.	19.
TOTAL DEPRECIATION	\$ 78.	\$ 69.	\$ 69.	\$ 69.	\$ 69.	\$ 69.

Interest on Investment @ 15%:

Irrigation system, $\frac{1}{2}$ cost \$200	\$ 30.	\$ 30.	\$ 30.	\$ 30.	\$ 30.	\$ 30.
Buildings and equipment, $\frac{1}{2}$ cost \$100	15.	15.	15.	15.	15.	15.
Tractor \$1.80 per hr.	23.	15.	15.	15.	15.	15.
Land \$5000	750.	750.	750.	750.	750.	750.
Interest on accumulated costs		289.	521.	796.	1116.	1478.
TOTAL INTEREST ON INVESTMENT	\$ 818.	\$1099.	\$1331.	\$1606.	\$1926.	\$2288.
TOTAL COST FOR THE YEAR	\$1928.	\$1547.	\$1831.	\$2134.	\$2640.	\$3171.

CREDIT FOR PRODUCTION

45¢/lb. IN-SHELL					\$ 225.	\$ 450.
NET COST FOR THE YEAR	\$1928.	\$1547.	\$1831.	\$2134.	\$2415.	\$2721.
ACCUMULATED NET COST	\$1928.	\$3475.	\$5306.	\$7440.	\$9855.	\$12576.

Prepared by: Bob Beede, Kings County Farm Advisor, Hanford; Mark Freeman, Fresno County Farm Advisor, Fresno; Joe Maranto, Kern County Farm Advisor, Bakersfield; Steve Sibbett, Tulare County Farm Advisor, Visalia; Rocky Teranishi, Madera County Director, Madera; Kathleen Kelley, Intern, Tulare Co.; Edward Yeary, Area Farm Management Specialist, Parlier.

Table 2
English Walnut Production Costs for a Mature Orchard
Southern San Joaquin Valley - 1982
Cost Analysis Work Sheet

Costs are for a mature orchard with 55 trees per acre and a yield of 3500 lbs. of dry nuts per acre. Labor costs to the grower are \$6.50 for skilled labor and \$5.75 per hour for field labor. Medium wheel tractor per hour cash costs \$8.10, depreciation \$2.25 and interest \$1.80. Numbers have been rounded to the nearest dollar.

	<u>Sample Costs</u>		<u>My Costs</u>	
	Per Acre	Per Cwt.	Per Acre	Per Cwt.
Pre-Harvest Cash Costs:				
Pruning: 4 hrs. labor and machine at \$25/hr.	\$ 100.			
Brush disposal: 4 hrs. labor, 1 hr. tractor	32.			
Fertilizer: 150 lbs. N at 33¢/lb.	50.			
application - custom	6.			
Spray: application contract, 4 times				
1600 gallons at 3½¢/gal.	56.			
Materials	84.			
Tillage and harvest preparation				
7 hrs. labor and tractor	102.			
Irrigate 7 times: labor 6 hrs.	35.			
Water: 3½ ac. ft. at \$14 plus \$6/acre district tax	55.			
Misc. labor and field power				
6 hrs. labor, 1 hr. tractor	43.			
sc. materials	22.			
Supervision	35.			
County taxes	110.			
Repairs, except tractor	20.			
Operating loan	86.			
Office and business costs	86.			
TOTAL PRE-HARVEST CASH COSTS	\$ 922.	\$26.3		
Harvesting Costs:				
Shake, pick, haul, hull and dehydrate				
custom - \$180 per dry ton, \$110 minimum				
+ \$70/ton hull and dry	\$ 315.	\$ 9.0		
TOTAL HARVESTING COSTS	\$ 315.	\$ 9.0		
TOTAL CASH COSTS	\$1237.	\$35.3		
Depreciation:				
Irrigation system, \$400 cost, 12 yrs.	\$ 33.			
Buildings and equipment, \$200 cost, 12 yrs.	17.			
Tractor: 9 hrs. at \$2.25	20.			
Trees: \$12576 cost, 40 yrs.	314.			
TOTAL DEPRECIATION	\$ 384.	\$11.0		
Interest on Investment at 15%:				
Irrigation system, ½ cost \$200	\$ 30.			
Buildings and equipment, ½ cost \$100	15.			
Tractor: 9 hrs. at \$1.88	16.			
Trees: ½ cost \$6288	943.			
Land: \$5000	750.			
TOTAL INTEREST ON INVESTMENT	\$1754.	\$50.1		
TOTAL COST OF PRODUCTION	\$3375.	\$96.4		

Sample Costs at Varying Yields

Yield: lbs. per acre	1000	1500	2000	2500	3000	3500	4000
Cash costs per cwt.	\$107.	\$ 70.	\$ 55.	\$ 46.	\$ 40.	\$ 35.	\$ 32.
Total costs per cwt.	\$321.	\$213.	\$162.	\$131.	\$111.	\$ 96.	\$ 8

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