

Pecan Orchard Establishment Costs  
Cost Analysis Work Sheet - 1982

Costs are for a 30' x 30' planting with 48 trees per acre. Labor costs to the grower are \$.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
<b>YIELD (lbs./Acre in-shell)</b>	-	-	-	300	500	750
<b>Pre-Harvest Cash Costs:</b>						
Land preparation: subsoil, contract	\$ 160.					
Disc and float: 4 hrs. labor and tractor	58.					
Trees: 48 @ \$7. (plus 2, 2nd yr., 1, 3rd yr.)	336.	\$ 14.	\$ 7.			
Survey and plant: 48 @ 50¢ (2nd & 3rd yrs. \$3.00)	24.	6.	3.			
Prune and train (skilled labor)	3.	7	13.	\$ 20.	\$ 50.	\$ 75.
Tillage and irrigation preparation: 7 hrs. labor and tractor	102.	102.	102.	102.	102.	102.
Irrigation: 4 hrs. labor 1st 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¢/lb.			4.	8.	16.	16.
Application: ½ hr. labor and tractor			7.	7.	7.	7.
Spray materials	10.	10.	25.	72.	98.	98.
Spray application: contract	18.	18.	45.	54.	84.	84.
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 costs	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	74.	29.	35.	49.	58.	65.
<b>TOTAL PRE-HARVEST CASH COSTS</b>	<b>\$ 996.</b>	<b>\$ 397.</b>	<b>\$ 471.</b>	<b>\$ 549.</b>	<b>\$ 666.</b>	<b>\$ 758.</b>
<b>Harvesting Costs:</b>						
Shake, pick, haul: \$110/ton (1 ton minimum)				\$ 110.	\$ 110.	\$ 110.
Hull and dry \$35/ton				5.	9.	13.
<b>TOTAL HARVESTING COSTS</b>				<b>\$ 115.</b>	<b>\$ 119.</b>	<b>\$ 123.</b>
<b>TOTAL CASH COSTS</b>	<b>\$ 996.</b>	<b>\$ 397.</b>	<b>\$ 471.</b>	<b>\$ 664.</b>	<b>\$ 785.</b>	<b>\$ 881.</b>
<b>Depreciation:</b>						
Irrigation system: \$400, 12 yrs.	\$ 33.	\$ 33.	\$ 33.	\$ 33.	\$ 33.	\$ 33.
Bldgs. & equip: \$200, 12 yrs.	17.	17.	17.	17.	17.	17.
Tractor: \$2.25 per hour	27.	18.	19.	19.	19.	19.
<b>TOTAL DEPRECIATION</b>	<b>\$ 77.</b>	<b>\$ 68.</b>	<b>\$ 69.</b>	<b>\$ 69.</b>	<b>\$ 69.</b>	<b>\$ 69.</b>

# Pecan Establishment Costs

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<u>Interest on Investment @ 15%:</u>						
Irrigation system:						
½ cost \$200	\$ 30.	\$ 30.	\$ 30.	\$ 30.	\$ 30.	\$ 30.
Bldgs. & equip:						
½ cost \$100	15.	15.	15.	15.	15.	15.
Tractor: \$1.80 per hour	22.	14.	15.	15.	15.	15.
Land: \$5000	750.	750.	750.	750.	750.	750.
Interests on accumulated costs		284.	517.	797.	1112.	1469.
<b>TOTAL INTEREST ON INVESTMENT</b>	<b>\$ 817.</b>	<b>\$1093.</b>	<b>\$1327.</b>	<b>\$1607.</b>	<b>\$1922.</b>	<b>\$2279.</b>
<b>TOTAL COST FOR THE YEAR</b>	<b>\$1890.</b>	<b>\$1558.</b>	<b>\$1867.</b>	<b>\$2340.</b>	<b>\$2776.</b>	<b>\$3229.</b>
CREDIT FOR PRODUCTION						
@ 80¢/lb (in-shell)				\$ 240.	\$ 400.	\$ 600.
<b>NET COST FOR THE YEAR</b>	<b>\$1890.</b>	<b>\$1558.</b>	<b>\$1867.</b>	<b>\$2100.</b>	<b>\$2376.</b>	<b>\$2629.</b>
<b>ACCUMULATED NET COST</b>	<b>\$1890.</b>	<b>\$3448.</b>	<b>\$5315.</b>	<b>\$7415.</b>	<b>\$9791.</b>	<b>\$12420.</b>

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