

SAMPLE COSTS
TO DEVELOP
AN ORANGE ORCHARD
IN
KERN COUNTY
1966

E Kern Co
University of California.
Farm & Home Advisors Office
2610 'M' Street
Bakersfield, California
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SAMPLE ORANGE ORCHARD DEVELOPMENT COSTS
IN KERN COUNTY^{a/} - 1966

	DOLLARS PER ACRE				
	1st Year	2nd Year	3rd Year	4th Year	5th Year
Cultural Costs					
Land Preparation	\$ 8	\$ --	\$ --	\$ --	\$ --
Layout and Plant 11' x 22' @ 30¢/tree	54	--	--	--	--
Trees - 180 at \$2.75	495	-	--	--	--
Irrigation Labor	45	40	30	30	30
Water at \$10/a. ft.	10	20	25	30	35
Wrapping - labor and material	20	3	--	--	--
Weed Control	23	23	23	23	23
Fertilization	5	7	12	17	21
Pest Control (contract)	7	10	14	20	25
Frost Protection	39	39	35	35	35
Miscellaneous - tree care, rodents	12	12	10	10	8
(1) TOTAL CULTURAL COSTS	\$ 718	\$ 154	\$ 149	\$ 165	\$ 177
Overhead Costs					
Taxes	\$ 10	\$ 10	\$ 10	\$ 14	\$ 18
General - insurance, office, car	30	15	16	18	25
Depreciation ^{b/}	97	97	97	97	97
Interest ^{c/}	200	206	229	253	272
(2) TOTAL OVERHEAD COSTS	\$ 337	\$ 328	\$ 352	\$ 382	\$ 412
(3) TOTAL COST PER ACRE - Preharvest	\$1055	\$ 482	\$ 501	\$ 547	\$ 589
Less On-Tree Fruit Returns ^{d/}	--	--	--	135	345
(4) NET COST PER ACRE	\$1055	\$ 482	\$ 501	\$ 412	\$ 244
(5) ACCUMULATED NET COSTS PER ACRE	\$1055	\$1537	\$2038	\$2450	\$2694
INVESTMENT VALUE - at end of year					
Land - assumed value \$1200/a.	\$1200	\$1200	\$1200	\$1200	\$1200
Trees ^{e/}	1055	1537	2038	2450	2694
Irrigation System (\$180)					
Wind Machine & Heaters (\$620)					
Building & Equipment (\$220)					
Pump & Well (\$250)	1173	1076	979	882	785
(6) TOTAL INVESTMENT VALUE - End of Year	\$3428	\$3813	\$4217	\$4532	\$4679

Footnotes - See reverse side

FOOTNOTES

- a/ Sample costs in this data sheet have been estimated on the basis of the following new 60-acre planting in Kern County: Navel variety, planted 22' x 11' or 180 trees per acre. Irrigation system low volume sprinkler using well water, frost protection by wind machines and heaters. No charge was made for management.
- b/ Depreciation of irrigation system (15 yrs), wind machine and heaters (15 yrs.), building and equipment (varying yrs), and pump and well (10 yrs).
- c/ Interest on investment for first year equals 6% of first year Total Cost Per Acre (3) excluding depreciation and interest plus 6% of land value and undepreciated balance of irrigation system, pump, well, wind machine and heaters, and equipment and buildings. Interest for remaining years equals 6% of prior year Total Investment (6).
- d/ Based on an on-tree return of \$1.50 per field box and a fourth-year yield of 230 field boxes.
- e/ Investment in trees at end of year equals accumulated net costs of prior years.
- f/ Investment value for items is original cost less accumulated depreciation.

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