

COOPERATIVE EXTENSION  
UNIVERSITY OF CALIFORNIA  
SAN JOAQUIN COUNTY  
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STOCKTON, CALIFORNIA 95205

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Agricultural Extension Service

SAMPLE COSTS TO DEVELOP AN ALMOND ORCHARD - 1980

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Costs given here are derived as follows:

- Interest on operating capital = 12% of total cash costs.
- Miscellaneous overhead: Office, accounting, etc. = 8% of total cash costs.
- Interest on investment, land at full value, equipment (buildings, irrigation, cultural) figured at 12% on half life.
- Interest on accumulated costs = total current cost per acre plus previous accumulated cost per acre figured at 12%.
- Net cost per acre = total cost minus crop value.
- Taxes based on 1% of land value years 1 to 3; years 4 and 5 based on 1% of \$5,500 + \$3,500.
- Actual dollar cost per acre by year:

1st year	\$1,148.00
2nd year	294.00
3rd year	335.00
4th year	<u>123.00</u>
	\$1,900.00
5th year, profit of	<u>-133.00</u>
	\$1,767.00

**SAMPLE COSTS TO DEVELOP AN ALMOND ORCHARD - 1980**

Costs are for a 24'x 24' planting with 75 trees per acre, flood irrigated.

	Year				
	1	2	3	4	5
Yield--Meats, pounds				300	600
Income--\$1.40/lb.				\$ 420.00	\$ 840.00
<b>PLANTING COSTS</b>					
Land preparation--ripping	\$ 150.00				
Fumigation	380.00				
Disc and float	50.00				
Trees--75 @ \$2.25	168.75				
Layout--field & plant including pruning: 75@75¢	56.25				
<b>TOTAL PLANTING COST</b>	<b>\$ 805.00</b>				
<b>CULTURAL COSTS</b>					
Replant		\$ 6.50			
Prune and train		14.40	\$ 28.80	\$ 28.80	\$ 28.80
Ridge and knock ridges	\$ 10.00	10.00	10.00	10.00	10.00
Fertilize (labor & material)	20.48	28.42	29.50	37.00	37.00
Water	15.82	15.82	15.82	15.82	15.82
Irrigation	12.60	12.60	12.60	12.60	12.60
Spray materials	3.50	10.80	24.00	48.00	100.00
Spray application	6.80	6.80	20.00	30.00	40.00
Cultivate	25.60	25.60	25.60	25.60	25.60
Weed control		14.40	14.40	22.80	22.80
Bee rental				18.00	18.00
Miscellaneous cultural	26.00	36.00	36.00	39.00	39.00
Interest on operating capital 12%	57.35	10.88	13.00	17.26	20.98
<b>TOTAL CULTURAL COSTS</b>	<b>\$ 178.15</b>	<b>\$ 192.22</b>	<b>\$ 229.72</b>	<b>\$ 304.88</b>	<b>\$ 370.60</b>
<b>HARVEST COSTS</b>					
Knock, sweep, pick up, haul, hull nuts				\$ 85.30	\$ 171.22
<b>OVERHEAD COSTS</b>					
Miscellaneous overhead	\$ 85.00	\$ 22.00	\$ 25.00	\$ 38.00	\$ 50.00
Taxes	55.00	55.00	55.00	90.00	90.00
Management	25.00	25.00	25.00	25.00	25.00
Depreciation	77.00	77.00	77.00	77.00	77.00
Interest on investment	712.00	712.00	712.00	712.00	712.00
Interest on accumulated cost		232.00	390.00	572.00	750.00
<b>TOTAL OVERHEAD COSTS</b>	<b>\$ 954.00</b>	<b>\$1,123.00</b>	<b>\$1,284.00</b>	<b>\$1,514.00</b>	<b>\$1,704.00</b>
<b>TOTAL COST PER ACRE</b>	<b>\$1,937.15</b>	<b>\$1,315.22</b>	<b>\$1,513.72</b>	<b>\$1,904.18</b>	<b>\$2,245.82</b>
<b>NET COST PER ACRE</b>				<b>\$1,484.18</b>	<b>\$1,405.82</b>
<b>ACCUMULATED NET COST</b>	<b>\$1,937.15</b>	<b>\$3,252.37</b>	<b>\$4,766.09</b>	<b>\$6,250.27</b>	<b>\$7,656.09</b>
<b>INVESTMENT</b>					
Land	\$5,500.00				
Irrigation system	300.00				
Buildings and equipment	560.00				
<b>TOTAL INVESTMENT</b>	<b>\$6,360.00</b>				

SAMPLE COSTS TO PRODUCE ALMONDS  
South San Joaquin Irrigation District  
November 1980

Yield: 2000 pounds of in-shell nuts. Labor rates, including fringe benefits, \$4.20 and \$4.80 per hour. Diesel wheel tractor 55HP, per hour cash costs \$5.20.

Operation	Hours per Acre	Cash and labor cost per acre			Total Cost
		Labor	Fuel & Repairs	Materials	
				Kind and quantity	Cost
<b>CULTURAL COSTS</b>					
Pruning	10.0	\$ 42.00			\$ 42.00
Brush disposal--2 men	1.0	9.00	\$ 5.20		14.20
Fertilizer--2X				Material	49.00
				Application	7.00
Pest control	2.5	12.00	43.00	Material	161.56
Ridging & knock ridges	1.0	4.80	5.20		10.00
Irrigation	3.0	12.60		Water	15.82
Weed Control (contract)				Application	3.50
				Material	13.05
Bees--rental				2 hives	@ 18.00
Disc 2X and springtooth	2.0	9.60	10.40		20.00
Remove and replant 1 tree per acre					12.00
Miscellaneous cultural	2.0	9.00	10.40		10.00
Frost protection	.5	2.40			19.10
Interest on operating capital @ 12% <sup>1/</sup>					60.34
<b>TOTAL CULTURAL COSTS</b>					<b>\$563.17</b>
<b>HARVEST COSTS</b>					
Harvest preparation	1.0	\$ 4.80	\$ 5.20	Weed killer	\$ 10.92
Knock & pole--\$1.50/tree		112.50			112.50
Rake, hand	1.0	4.20			4.20
Sweep	.4	1.92	1.16		3.08
Pick up--contract					40.00
Hull & haul				2000 lbs.	@ .03
<b>TOTAL HARVEST COSTS</b>					<b>\$240.70</b>
<b>CASH OVERHEAD</b>					
Miscellaneous, office, etc. <sup>2/</sup>					\$ 64.30
Taxes <sup>3/</sup>					60.00
<b>TOTAL CASH OVERHEAD</b>					<b>\$124.30</b>
<b>TOTAL CASH COSTS</b>					<b>\$928.17</b>
Management--5% of 1500 lbs. meats @1.40/lb					\$105.00

<sup>1/</sup> Interest on operating capital = Preharvest costs @ 12%

<sup>2/</sup> Miscellaneous, office, etc. = 8% of total cash costs

<sup>3/</sup> Taxes based on mature orchard under the Williamson Act

SAMPLE COSTS TO PRODUCE ALMONDS (continued)  
 South San Joaquin Irrigation District  
 November 1980

	Per Acre	Depreciation	Interest @ 12%	
<u>INVESTMENT</u>				
Land	\$ 5,500	--	\$ 660.00	
Trees	7,656	\$382.80	459.36	
Irrigation System	300	12.00	18.00	
Buildings	125	5.00	7.50	
Equipment	521	66.64	31.30	
Wind Machine	600	30.00	36.00	
Tractor	188	18.80	11.28	
TOTAL INVESTMENT	\$14,890	\$515.24	\$1,223.44	\$1,738.68
TOTAL PRODUCTION COSTS				1,033.17
TOTAL COST PER ACRE				2,771.85
COST PER POUND--1500 lbs. of kernels				1.85