

1973

CLINGSTONE PEACHES

Orchard Production Costs in the Southern San Joaquin Valley

Cost Analysis Worksheet Showing Sample Costs

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COST ANALYSIS WORK SHEET - 1973

Sample costs to produce clingstone peaches in the southern San Joaquin Valley. Costs are for a mature orchard containing 108 trees per planted acre, producing 15 tons of fruit for cannery use, with approximately 10% of the total crop discarded as culls. Common labor \$2.70 per hour total and equipment operator \$2.95. Wages include Social Security, Workman's Compensation and insurance. Medium wheel tractor per hour cash costs \$1.80, depreciation \$2.00 and interest \$1.00.

Prepared by Edward A. Yeary, Farm Advisor-Statewide

	SAMPLE COSTS		MY COSTS	
	Per Acre	Per Ton	Per Acre	Per Ton
Pre-Harvest Cash Costs:				
Tree topping - contract \$20.00/ac.	\$ 20.00			
Pruning: 108 trees at \$1.35	145.80			
Brush shredding, contract \$6.50/ac.	6.50			
4½ hrs. raking brush	12.15			
Fertilize: 150 lbs. N at 15¢	22.50			
½ hr. labor and tractor	2.38			
Spray 3 times: material	51.72			
Application: 2¢/gallon - 1500 gallons	30.00			
Tillage and irrigation preparation				
9 hrs. labor and tractor	42.75			
Irrigate 9 times: labor 10 hrs.	27.00			
4 ac. ft. water: power + tax \$8/ac. ft.	32.00			
Thin: 108 trees at \$2.10	226.80			
Prop and tie: 9 hrs. labor, 2 tractor hrs.	28.40			
materials	6.00			
Taxes	32.00			
Marketing order \$1.00 per ton of #1 fruit	15.00			
Misc. labor, material, field power includes				
6 hrs. labor and 2 tractor hrs.	24.30			
Repairs to equipment except tractor	12.00			
Office, insurance, capital, business expenses	55.94			
TOTAL PRE-HARVEST CASH COSTS	\$ 801.99	\$53.47		
Harvesting Costs:				
Pick and Haul: 16 2/3 tons at \$20.00	\$ 333.34			
Misc. 2 hrs. labor and 1 tractor hr.	7.45			
TOTAL HARVESTING COSTS	\$ 340.79	\$22.72		
TOTAL CASH COSTS	\$1142.78	\$76.19		
Depreciation:				
Irrigation system and well: \$300, 20 yr. life	\$ 15.00			
Bldgs. and equip. except tractor:				
\$120 cost, 12 yr. life	10.00			
Tractor: 14½ hrs. at \$2.00	29.00			
Trees: cost \$1918, 20 yr. life	95.90			
TOTAL DEPRECIATION	\$ 149.90	\$ 9.99		
Interest on Investment at 8%:				
Irrigation system and well: ½ cost \$150	\$ 12.00			
Bldgs. and equip. except tractor: ½ cost \$60	4.80			
Tractor: 14½ hrs. at \$1.00	14.50			
Trees: ½ cost \$959.00	76.72			
Land: \$1200	96.00			
TOTAL INTEREST ON INVESTMENT	\$ 204.02	\$13.60		
TOTAL COST OF PRODUCTION	\$1496.70	\$99.78		

SAMPLE COSTS OF PRODUCTION PER TON OF #1 FRUIT

Yield: Tons per acre	Average				Exceptional			
	13	15	17	19	21	23	25	
Cash Costs Per Ton	\$ 84.26	\$76.19	\$69.61	\$64.60	\$60.54	\$57.20	\$54.38	
Total Costs Per Ton	\$111.41	\$99.78	\$90.43	\$83.23	\$77.40	\$72.58	\$68.53	

ABOUT THIS SHEET

This work sheet was developed to show sample costs for a good yielding, mature orchard under southern San Joaquin Valley conditions. Specific years, areas and orchards may have different costs because of the following considerations:

1. Seasonal variations influence fruit set and quality. Consequently, differences in thinning, pest control and cullage will occur.
2. No account is made for partial or complete crop loss.
3. Interest and depreciation costs are based on present costs of establishing an orchard. Present bearing orchards were probably established at lower costs.
4. No allowance is made for cost of management.
5. Water costs vary in the southern San Joaquin Valley and an average cost is used in this study.

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