1973

CLINGSTONE PEACHES

Orchard Production Costs in the Southern San Joaquin Valley

Cost Analysis Worksheet Showing Sample Costs

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Agricultural Extension University of California

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CLINGSTONE PEACHES
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 canny 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

Pre-Harvest Cash Costs:

<table>
<thead>
<tr>
<th>Item</th>
<th>Sample Costs</th>
<th>My Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Per Acre</td>
<td>Per Ton</td>
</tr>
<tr>
<td>Tree topping - contract $20.00/ac.</td>
<td>$ 20.00</td>
<td></td>
</tr>
<tr>
<td>Pruning: 108 trees at $1.35</td>
<td>$145.00</td>
<td></td>
</tr>
<tr>
<td>Brush shredding, contract $6.50/ac.</td>
<td>$ 6.50</td>
<td></td>
</tr>
<tr>
<td>¾ hrs. raking brush</td>
<td>$ 12.15</td>
<td></td>
</tr>
<tr>
<td>Fertilize: 150 lbs. N at 15¢</td>
<td>$ 22.50</td>
<td></td>
</tr>
<tr>
<td>½ hr. labor and tractor</td>
<td>$ 2.30</td>
<td></td>
</tr>
<tr>
<td>Spray 3 times: material</td>
<td>$ 51.72</td>
<td></td>
</tr>
<tr>
<td>Application: 2½ gallon - 1500 gallons</td>
<td>$ 30.00</td>
<td></td>
</tr>
<tr>
<td>Tillage and irrigation preparation</td>
<td>$ 10.75</td>
<td></td>
</tr>
<tr>
<td>9 hrs. labor and tractor</td>
<td>$ 27.00</td>
<td></td>
</tr>
<tr>
<td>Irrigate 9 times: labor 10 hrs.</td>
<td>$ 32.00</td>
<td></td>
</tr>
<tr>
<td>½ ac. ft. water: power + tax $8/ac. ft.</td>
<td>$226.80</td>
<td></td>
</tr>
<tr>
<td>Thin: 10 trees at $2.10</td>
<td>$ 28.40</td>
<td></td>
</tr>
<tr>
<td>Prop and tie: 9 hrs. labor, 2 tractor hrs.</td>
<td>$ 6.00</td>
<td></td>
</tr>
<tr>
<td>materials</td>
<td>$ 32.00</td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td>$ 24.30</td>
<td></td>
</tr>
<tr>
<td>Marketing order $1.00 per ton of #1 fruit</td>
<td>$15.00</td>
<td></td>
</tr>
<tr>
<td>Misc. labor, material, field power includes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6 hrs. labor and 2 tractor hrs.</td>
<td>$ 28.40</td>
<td></td>
</tr>
<tr>
<td>Repairs to equipment-except tractor</td>
<td>$ 12.00</td>
<td></td>
</tr>
<tr>
<td>Office, insurance, capital, business expenses</td>
<td>$ 55.94</td>
<td></td>
</tr>
<tr>
<td>TOTAL PRE-HARVEST CASH COSTS</td>
<td>$ 801.59</td>
<td>$ 53.47</td>
</tr>
</tbody>
</table>

Harvesting Costs:

<table>
<thead>
<tr>
<th>Item</th>
<th>Sample Costs</th>
<th>My Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Per Acre</td>
<td>Per Ton</td>
</tr>
<tr>
<td>Pick and haul: 16 2/3 tons at $20.00</td>
<td>$ 333.34</td>
<td></td>
</tr>
<tr>
<td>Misc. 2 hrs. labor and 1 tractor hr.</td>
<td>$ 7.45</td>
<td></td>
</tr>
<tr>
<td>TOTAL HARVESTING COSTS</td>
<td>$ 340.79</td>
<td>$ 22.72</td>
</tr>
<tr>
<td>TOTAL CASH COSTS</td>
<td>$1142.78</td>
<td>$76.19</td>
</tr>
</tbody>
</table>

Depreciation:

<table>
<thead>
<tr>
<th>Item</th>
<th>Sample Costs</th>
<th>My Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Irrigation system and well: $300, 20 yr. life</td>
<td>$ 15.00</td>
<td></td>
</tr>
<tr>
<td>Blaigs. and equip. except tractor:</td>
<td>$ 10.00</td>
<td></td>
</tr>
<tr>
<td>$120 cost, 12 yr. life</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tractor: 14½ hrs. at $2.00</td>
<td>$ 29.00</td>
<td></td>
</tr>
<tr>
<td>Trees: cost $1918, 20 yr. life</td>
<td>$ 95.90</td>
<td></td>
</tr>
<tr>
<td>TOTAL DEPRECIATION</td>
<td>$149.90</td>
<td>$ 9.99</td>
</tr>
</tbody>
</table>

Interest on Investment at %:

<table>
<thead>
<tr>
<th>Item</th>
<th>Sample Costs</th>
<th>My Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Irrigation system and well: ½ cost $150</td>
<td>$ 12.00</td>
<td></td>
</tr>
<tr>
<td>Blaigs. and equip. except tractor:</td>
<td>$ 4.80</td>
<td></td>
</tr>
<tr>
<td>½ cost $60</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tractor: 14½ hrs. at $1.00</td>
<td>$ 14.50</td>
<td></td>
</tr>
<tr>
<td>Trees: ½ cost $959.00</td>
<td>$ 76.72</td>
<td></td>
</tr>
<tr>
<td>Land: $1200</td>
<td>$ 96.00</td>
<td></td>
</tr>
<tr>
<td>TOTAL INTEREST ON INVESTMENT</td>
<td>$ 204.02</td>
<td>$13.60</td>
</tr>
<tr>
<td>TOTAL COST OF PRODUCTION</td>
<td>$1496.70</td>
<td>$99.78</td>
</tr>
</tbody>
</table>

SAMPLE COSTS OF PRODUCTION PER TON OF #1 FRUIT

<table>
<thead>
<tr>
<th></th>
<th>Average</th>
<th>Exceptional</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yield: Tons per acre</td>
<td>13</td>
<td>15</td>
</tr>
<tr>
<td>Cash Costs Per Ton</td>
<td>$ 84.26</td>
<td>$76.19</td>
</tr>
<tr>
<td>Total Costs Per Ton</td>
<td>$111.41</td>
<td>$99.78</td>
</tr>
</tbody>
</table>

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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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