

Sample Costs to Establish an Apple Orchard - Tehachapi Area 1967

Based on a planting of 201 trees per acre, planted 18' x 12' using semi-dwarfing rootstock, with sprinkler irrigation. Labor, total costs per hour average \$1.75. Value of fruit delivered to the Los Angeles Market estimated to be 10¢ per pound.

	Costs Per Acre						
	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year	7th Year
Yield: Tons Per Acre				1	2	5	8
<u>Pre-harvest Cash Costs</u>							
Land preparation on level land	9.50						
Layout and peg tree locations	7.50						
Dig holes	6.50						
Trees: 201 at \$1.50	301.50						
Plant trees	24.12						
Form basins for tank watering	5.00						
Prune and train: thin after 5th yr.	5.00	31.50	36.75	42.00	68.25	80.00	88.75
Replant 2nd year		4.75					
Prop and tie - remove props					12.00	14.00	15.00
Tank water 3X 1st year	9.00						
White coat trees	3.50						
Tillage	11.80	8.85	14.75	14.75	17.60	17.60	17.60
Hand weeding	6.50	8.50	12.00	12.00	12.00	12.00	12.00
Fertilize: materials	2.50	6.00	7.50	12.00	12.00	12.00	12.00
application	2.75	3.50	4.00	4.00	4.00	4.00	4.00
Irrigate: power cost	17.50	26.25	26.25	35.00	35.00	35.00	35.00
labor	15.75	24.50	24.50	31.50	31.50	31.50	31.50
Spray: materials	5.00	5.00	44.70	63.00	68.00	68.00	68.00
application	3.50	3.50	10.50	21.00	24.50	28.00	28.00
Cover Crop	2.75	2.75	2.75	2.75	2.75	2.75	2.75
Taxes: incl. 47¢/\$100 valuation irrigation district	21.30	21.30	21.30	21.30	21.30	21.30	21.30
Repairs except tractor	28.00	28.00	28.00	28.00	28.00	28.00	28.00
Bees, starting 5th year					6.00	6.00	6.00
Misc. labor, materials	12.00	15.00	15.00	15.00	15.00	15.00	15.00
Office, car, business costs 6%	30.06	11.36	14.88	18.14	21.47	22.51	23.09
Management	30.00	30.00	30.00	30.00	30.00	30.00	30.00
<b>Total Pre-harvest Cash Costs</b>	<b>561.03</b>	<b>230.76</b>	<b>292.88</b>	<b>350.44</b>	<b>409.37</b>	<b>427.66</b>	<b>437.99</b>
<u>Total Harvest Costs; Pick, Pack, Haul, Sell</u>				115.00	230.00	575.00	920.00
<b>Total Cash Costs</b>	<b>561.03</b>	<b>230.76</b>	<b>292.88</b>	<b>465.44</b>	<b>639.37</b>	<b>1002.66</b>	<b>1357.99</b>
<u>Depreciation</u>							
Irrig. system: well \$340 - 20 yrs.	17.00	17.00	17.00	17.00	17.00	17.00	17.00
Pump and panel \$150 - 8 yrs.	18.75	18.75	18.75	18.75	18.75	18.75	18.75
Tractor	4.80	4.00	4.00	4.80	5.60	5.60	5.60
Bldgs., other equip. \$160, 10 yrs.	16.00	16.00	16.00	16.00	16.00	16.00	16.00
<b>Total Depreciation</b>	<b>56.55</b>	<b>55.75</b>	<b>55.75</b>	<b>56.55</b>	<b>57.35</b>	<b>57.35</b>	<b>57.35</b>
<u>Interest on Investment at 7%</u>							
Irrigation system: ½ cost \$170	11.90	11.90	11.90	11.90	11.90	11.90	11.90
Pump and panel: ½ cost \$75	5.25	5.25	5.25	5.25	5.25	5.25	5.25
Tractor	2.40	2.00	2.00	2.40	2.80	2.80	2.80
Bldgs., other equip. ½ cost \$80	5.60	5.60	5.60	5.60	5.60	5.60	5.60
Land: \$700	49.00	49.00	49.00	49.00	49.00	49.00	49.00
Interest on accumulated costs		48.42	77.03	111.99	147.56	183.87	206.16
<b>Total Interest on Investment</b>	<b>74.15</b>	<b>122.17</b>	<b>150.78</b>	<b>186.14</b>	<b>222.11</b>	<b>258.42</b>	<b>280.71</b>
<b>Total cost for the Year</b>	<b>691.73</b>	<b>408.68</b>	<b>499.41</b>	<b>708.13</b>	<b>918.83</b>	<b>1318.43</b>	<b>1696.05</b>
Credit for Fruit 10¢ lb.				200.00	400.00	1000.00	1600.00
<b>Net cost for the Year</b>	<b>691.73</b>	<b>408.68</b>	<b>499.41</b>	<b>508.13</b>	<b>518.83</b>	<b>318.43</b>	<b>96.05</b>
<b>Accumulated Net Cost</b>	<b>691.73</b>	<b>1100.41</b>	<b>1599.82</b>	<b>2107.95</b>	<b>2626.78</b>	<b>2945.21</b>	<b>3041.26</b>

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## *about these cost data*

The costs of production in any agricultural enterprise will vary considerably from ranch to ranch. The input and cost data in this booklet are sample costs. They are intended to be used only as educational guides in assisting you to appraise and plan your own crop and livestock program.

These cost data do not represent industry averages.

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