

**SAMPLE COSTS TO ESTABLISH AN AVOCADO GROVE IN
SAN LUIS OBISPO COUNTY - 1973**

by

John H. Foott, Farm Advisor
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	COSTS PER ACRE			
	1st Year	2nd Year	3rd Year	4th Year
YIELD: POUNDS PER ACRE	0	0	1240	2480
PRE-HARVEST CASH COSTS				
Land clearing, brush and tree removal: range \$30 to \$500	\$ 250.00			
Trees: 125 @ \$3.40	425.00			
Layout, plant, irrigate, wrap trees	60.00			
Replant second year		\$ 12.00		
Irrigation labor (sprinkler)	24.00	29.50	\$ 29.50	\$ 29.50
Water: \$20/ac ft.	6.50	20.00	33.00	48.00
Weed Control by chemicals with hand labor supplement	41.00	41.00	41.00	45.00
Fertilizer (injected in water)	5.00	14.00	24.00	33.00
Pest control materials & application including rodent control	5.00	10.00	25.00	31.00
Pruning	7.00	7.00	7.00	9.00
Frost Protection: wind machine	30.00	30.00	30.00	30.00
oil, labor for heaters	95.00	95.00	95.00	95.00
Taxes (estimate)	17.00	17.00	17.00	17.00
Repairs, except tractor	14.00	14.00	14.00	14.00
Misc. labor and materials	10.00	10.00	15.00	20.00
Office, business expenses	61.35	19.95	24.14	28.92
Management	33.00	33.00	33.00	33.00
Total Pre-Harvest Costs	\$1,083.85	\$ 352.45	\$ 387.64	\$ 433.42
HARVESTING COST				
Pick: \$1.00 per 40 lb. field box			31.00	62.00
Haul: 25¢ field box			7.75	15.50
Total Harvesting Costs			38.75	77.50
Total Cash Costs	\$1,083.85	\$ 352.45	\$ 426.39	\$ 510.92
DEPRECIATION				
Pump, panel, wall \$220-10 years	22.00	22.00	22.00	22.00
Irrigation system: drag line \$360-12 years	30.00	30.00	30.00	30.00
Wind machine \$585-15 years	39.00	39.00	39.00	39.00
Heaters: other equip. \$300-10 years	30.00	30.00	30.00	30.00
Tractors	6.00	4.90	4.90	6.00
Total Depreciation	\$ 127.00	\$ 125.90	\$ 125.90	\$ 127.00
INTEREST ON INVESTMENT @ 7%				
Pump, panel, wall: 1/2 cost \$110	7.70	7.70	7.70	7.70
Irrigation system: 1/2 cost \$180	12.60	12.60	12.60	12.60
Wind machine: 1/2 cost \$292.50	20.48	20.48	20.48	20.48
Heaters, other equip: 1/2 cost \$150	10.50	10.50	10.50	10.50
Tractors	3.10	2.50	2.50	3.10
Land: \$1500	105.00	105.00	105.00	105.00
Interest on accumulated costs		95.92	147.23	172.59
Total Interest on Investment	\$ 159.38	\$ 254.70	\$ 306.01	\$ 331.97
Total Cost for the Year	\$1,370.23	\$ 733.05	\$ 858.30	\$ 969.89
Credit for fruit 40¢/lb.			\$ 496.00	\$ 992.00
NET COST FOR THE YEAR (gain)	\$1,370.23	\$ 733.05	\$ 362.30	\$ (22.11)
ACCUMULATED NET COST	\$1,370.23	\$2,103.28	\$2,465.58	\$2,443.47

SAMPLE COSTS TO PRODUCE AVOCADOS IN
SAN LUIS OBISPO COUNTY - 1973

by
John H. Foott, Farm Advisor
E.A. Yeary, Farm Advisor-Statewide

Based on a yield of 95 field boxes - 40 lb box	Sample Costs		My Costs	
	Per Acre	Per Box	Per Acre	Per Box
PRE-HARVEST CASH COST				
Pruning: 10 hrs. labor	\$ 29.80			
Weed control by chemical: material & application	45.00			
Irrigation: labor 12 hrs	35.76			
Water: 2 1/2 ft. at \$20/ac ft	50.00			
Fertilizer: Materials	16.00			
Application: 1/4 hr. man & tractor	1.35			
Pest control: materials & application	31.00			
Frost protection: wind machine	30.00			
Oil, labor for heaters	95.00			
County taxes	25.00			
Repairs: except tractor	16.00			
Misc. labor, material and tractor	20.00			
Office, business expenses, interest, etc.	31.66			
Management	33.00			
Total Pre-Harvest Costs	\$ 459.57	\$ 4.84		
HARVESTING COSTS:				
Pick: \$1 per field box	\$ 95.00			
Haul: 5¢ per field box	4.75			
Total Harvesting Costs	\$ 99.75	\$ 1.05		
Total Cash Costs	\$ 559.32	\$ 5.89		
DEPRECIATION				
Trees: cost \$2,440-30 years	\$ 81.33			
Pump, panel, wall: \$220-10 years	22.00			
Irrigation system: drag line \$360-12 years	30.00			
Wind machine: \$585-15 years	39.00			
Heaters, other equip: \$300-10 years	30.00			
Tractors: 3 hrs @ \$11.05	3.15			
Total Depreciation	\$ 205.48	\$ 2.16		
INTEREST ON INVESTMENT @ 7%				
Trees: 1/2 cost \$1,220	\$ 85.40			
Pump, panel, wall: 1/2 cost \$110	7.70			
Irrigation system: 1/2 cost \$180	12.60			
Wind machine: 1/2 cost \$292.50	20.48			
Heaters, other equip: 1/2 cost \$150	10.50			
Tractors: 3 hrs @ 53¢	1.59			
Land: \$1,500	105.00			
Total Interest on Investment	\$ 243.27	\$ 2.56		
TOTAL COST OF PRODUCTION	\$1,008.07	\$10.61		

SAMPLE COSTS PER FIELD BOX AT VARYING YIELDS				
Yield: 40 lb. field boxes per acre	65	80	95	110
Total Costs per field box	\$15.02	\$12.40	\$10.61	\$ 9.31

Costs are based on a yield of 95 field boxes per acre; man labor at \$2.98 per hour total (including Social Security, workmen's compensation insurance); and equipment operator at \$3.79. Medium wheel tractor per hour cash costs \$1.60, depreciation \$1.05, interest 53¢.