

# Sample Production Costs

## PRUNES

### in Glenn County

This cost study is based upon information gathered from several Glenn County operations. The data should be used only as a guide for planning or evaluating your own operation.

All labor is shown as hired at either \$1.75 skilled or \$1.50 common per hour (including Social Security, Workmens Compensation Insurance, and other minor costs). Operators performing their own labor may wish to reduce the labor costs shown by an appropriate amount. It should be remembered that all contract labor in a cost study represents actual costs plus a profit to the contractor.

The equipment investment is based upon new cost. It should be realized that many operators own and maintain equipment which has been partially or

SAMPLE COSTS TO PRODUCE PRUNES IN GLENN COUNTY - 1964

(On 80 acres)

40 h.p. C. Tractor - \$1.40/hour  
 30 h.p. W. Tractor - .95/hour

Labor: 1.50/hr. Common  
 1.75/hr. Tractor

Yield: 2.5 dry tons

Operation	Hours Per Acre	Cash and Labor Costs per Acre			Total Cost/Ac	<del>My Cost</del>
		Labor	Tractor & Equipment	Materials		
<b>Cultural</b>						
Prune (75 trees)	25.0	\$37.50	\$ 2.00		\$39.50	
Remove brush	1.5	2.25	1.20		3.45	
Plant cover crop	.2	.30	.30	Seed	2.85	
Spray 2x				Mat. \$18, Appl. \$16	34.00	
Fertilize	.4	.60	.50	Nitrogen 100#@ 12¢	12.00	
Disc 4x	2.0	3.50	3.40		6.70	
Ridge 2x	.8	1.40	1.28		2.68	
Irrigate 4x	4.0	6.00	1.50	3 A/ft. @ \$2.50	7.50	
Prop or wire	4.0	6.00	2.00		8.00	
<b>TOTAL CULTURAL COSTS</b>	<b>37.9</b>	<b>\$57.55</b>	<b>\$12.18</b>		<b>\$55.75</b>	<b>\$125.48</b>
<b>Harvest</b>						
Float 2x	1.0	1.75	1.00		2.75	
Shake 14 bins				Contract	18.00	18.00
Pick up				14 bins @ \$7.50	105.00	105.00
Haul to dehydrator				6.7 T @ \$4.50	30.15	30.15
Dehydrate				6.7 T @ \$18	120.60	120.60
Haul to market				2.5 T(dry) @ \$2	5.00	5.00
<b>TOTAL HARVEST COSTS</b>	<b>1.0</b>	<b>\$ 1.75</b>	<b>\$ 1.00</b>		<b>\$278.75</b>	<b>\$281.50</b>
<b>TOTAL CULTURAL &amp; HARVEST COSTS</b>		<b>\$59.30</b>	<b>\$13.18</b>		<b>\$334.50</b>	<b>\$406.98</b>
MANAGEMENT 5% of (2½ tons x \$285)						\$ 35.63
MISCELLANEOUS						20.35
<b>TOTAL MANAGEMENT AND MISCELLANEOUS</b>						<b>\$ 55.98</b>
<b>TOTAL CASH &amp; LABOR COSTS</b>						<b>\$462.96</b>
<b>TOTAL CASH &amp; LABOR COSTS PER TON</b>						<b>\$185.18</b>

ANNUAL COSTS

Investment	Per Acre	Depreciation	Int. @ 6%	Taxes & Ins.	
Land	\$ 800.00	\$	\$48.00	\$10.00	
Trees(35 yrs.)	845.00	24.14	25.35	12.68	
Irrig. system	150.00	7.50	4.50	2.25	
Buildings	125.00	6.25	3.75	1.88	
Tractors & equip.	342.00	23.00	10.26	5.13	
<b>Total Investment</b>	<b>\$2262.00</b>	<b>\$60.89</b>	<b>\$91.76</b>	<b>\$31.94</b>	<b>152.65</b>
<b>TOTAL COST PER ACRE</b>					<b>\$647.55</b>
<b>TOTAL COST PER TON</b>					<b>\$259.02</b>

NET INCOME AFTER PAYING ALL EXPENSE

Yield Tons/Acre (dry tons)	Price per Ton						
	\$255.00	\$270.00	\$285.00	\$300.00	\$315.00	\$330.00	\$345.00
1.5	-135.96	-114.58	- 93.20	- 71.82	- 50.44	- 29.06	- 7.68
2.0	- 70.82	- 42.32	- 13.82	+ 14.68	+ 43.18	+ 71.68	+100.18
2.5	- 6.31	+ 29.32	+ 64.95	+100.58	+136.21	+171.84	+207.47
3.0	+ 58.53	+101.28	+144.03	+186.78	+229.53	+272.28	+315.03
3.5	+123.34	+173.22	+223.10	+272.98	+322.86	+372.74	+422.62
4.0	+188.18	+245.18	+302.18	+359.18	+416.18	+473.18	+530.18

completely depreciated. In such cases, proper adjustments should be made in depreciation and interest costs. Owning equipment jointly, which is on the increase in Glenn County, allows savings to be made in overhead costs. Such savings are not reflected in this study.

Cultural costs as shown are based upon maximum recommended requirements. It is recognized that in a given year it may not be necessary for all practices (pest control, etc.) to be performed.

The investment shown for trees reflects input costs covering those years up to self-sustaining production.

Interest on investment costs represents 6 per cent on the average value of all depreciable items. Land does not depreciate; therefore, interest is computed on the full value.

Taxes are figured by applying a rate of 1.25% to the land value and 1.50% to depreciable property to cover both taxes and fire insurance.

Note the blank column on the right margin. This is for your use in comparing your costs with the sample costs.

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