

ENGLISH WALNUT PRODUCTION COSTS  
 Cost Analysis Work Sheet  
Orchard Floor Cultivated - Lateral Bearing Varieties  
 Northern San Joaquin Valley - 1985

Costs are for a mature orchard with 55 trees per acre, yielding 3500 lbs. of dry nuts per acre. Labor costs per hour to the grower are \$7.50 for equipment operator and \$5.75 for field labor. 80 h.p. wheel tractor per hour cash costs \$12.00, depreciation \$3.12, and interest \$2.02. The orchard floor is cultivated in two directions.

	Sample Costs		My Costs	
	Per Acre	Per Cwt.	Per Acre	Per Cwt.
<b>PRE HARVEST CASH COSTS:</b>				
Pruning: 4 hrs./acre labor & machine	\$ 120.			
Brush disposal: 3½ hrs. labor, ½ hr. machine	24.			
Fertilizer: 200 lbs. N at 33¢	66.			
Application: custom	10.			
Spray: materials	150.			
Application: 6X @ \$14 per time	84.			
Tillage & irrigation preparation: 3 ¾ hrs. labor and tractor	73.			
Irrigate: 7X, labor 6 hrs.	35.			
Water: 4 ac. ft. at \$7	28.			
Misc. labor and field power: 6 hrs. labor, 3 hrs. tractor	76.			
Misc. materials	22.			
County taxes	110.			
Repair, except tractor	20.			
Operating loan at 12%	72.			
Office & business costs	46.			
<b>TOTAL PRE-HARVEST CASH COSTS</b>	<b>\$ 936.</b>	<b>\$26.74</b>		
<b>HARVEST COSTS:</b>				
Harvest preparation: 1½ hrs. labor & tractor	\$ 29.			
Shake, pick, haul: \$150 per acre, one shake harvest	150.			
Hull and dry: \$85/ton	149.			
<b>TOTAL HARVEST COSTS</b>	<b>\$ 328.</b>	<b>\$ 9.37</b>		
<b>TOTAL CASH COSTS</b>	<b>\$1264.</b>	<b>\$36.11</b>		
<b>DEPRECIATION:</b>				
Irrigation system, \$280, 20 yrs.	\$ 14.			
Buildings & equipment, \$1800, 10 yrs.	180.			
Tractor: 8 ¾ hrs. at \$3.12	27.			
Trees: \$12235 cost, 40 yrs.	306.			
<b>TOTAL DEPRECIATION</b>	<b>\$ 527.</b>	<b>\$15.06</b>		
<b>INTEREST ON INVESTMENT AT 11%:</b>				
Irrigation system: ½ cost \$140	\$ 15.			
Buildings & equipment: ½ cost \$900	99.			
Tractor: 8 ¾ hrs. at \$2.02	18.			
Trees: ½ cost \$6118	673.			
Land: \$5,000	550.			
<b>TOTAL INTEREST ON INVESTMENT</b>	<b>\$1355.</b>	<b>\$38.71</b>		
<b>TOTAL COST OF PRODUCTION</b>	<b>\$3146.</b>	<b>\$89.88</b>		

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	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year
<b>INTEREST ON INVESTMENT @ 11%:</b>						
Irrig. system, $\frac{1}{2}$ cost \$140	\$ 15.	\$ 15.	\$ 15.	\$ 15.	\$ 15.	\$ 15.
Bldgs. & equip., $\frac{1}{2}$ cost \$900	99.	99.	99.	99.	99.	99.
Tractor \$2.02 per hr.	24.	20.	20.	20.	20.	20.
Land \$5000	550.	550.	550.	550.	550.	550.
Interest on accumulated costs		252.	420.	612.	831.	1074.
<b>TOTAL INTEREST ON INVESTMENT</b>	\$ 688.	\$ 936.	\$1104.	\$1296.	\$1515.	\$1758.
<b>TOTAL COST FOR THE YEAR</b>	\$2292.	\$1526.	\$1748.	\$1986.	\$2441.	\$2917.
<b>CREDIT FOR PRODUCTION 45¢/lb. in-shell</b>					\$ 225.	\$ 450.
<b>NET COST FOR THE YEAR</b>	\$2292.	\$1526.	\$1748.	\$1986.	\$2216.	\$2467.
<b>ACCUMULATED NET COST</b>	\$2292.	\$3818.	\$5566.	\$7552.	\$9768.	\$12235.

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