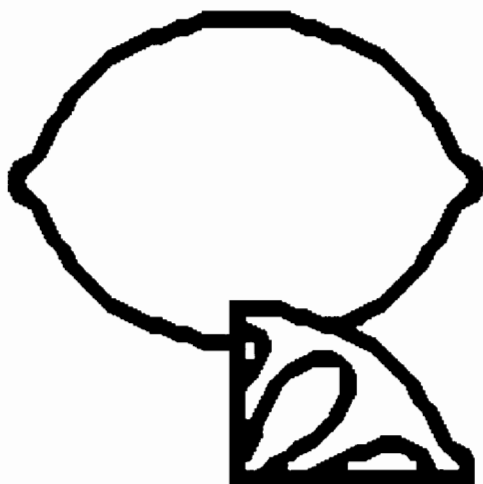


LEMONS

SAMPLE COSTS TO ESTABLISH A EUREKA LEMON GROVE

SAN LUIS OBISPO COUNTY - 1986



**COOPERATIVE EXTENSION
UNIVERSITY OF CALIFORNIA**

COOPERATIVE EXTENSION, UNIVERSITY OF CALIFORNIA
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SAMPLE COSTS TO ESTABLISH A EUREKA LEMON GROVE

San Luis Obispo County - 1986

John H. Foott, Farm Advisor and E. A. Yeary, Area Farm Management Specialist

YIELD: Bins per acre (1000 lbs. gross)

PRE-HARVEST CASH COSTS

Land clearing, brush & tree removal range \$100 to \$300	\$ 200				
Trees, 115 at \$7.00	805				
Lay out, plant, irrigate, wrap trees \$3.00 each	345				
Replant, second year 3 trees at \$10		30			
Irrigation labor	45	55	55	55	55
Water, \$75 per acre foot	19	38	56	75	112
Weed control by chemicals, with hand labor supplement	75	75	75	75	65
Fertilizer	6	17	34	48	64
Pest and rodent control materials and application	35	45	65	102	120
Pruning and brush disposal	20	26	112	200	250
Frost protection: wind machines	200	200	200	200	200
Taxes - estimate	63	63	63	63	63
Repairs, except tractor	83	87	93	103	103
Misc. labor, materials, field power	82	82	82	82	82
Management	75	75	75	75	75
Interest on operating capital	133	52	76	119	146
Office and business exp. 3% cash costs	66	25	38	58	72
TOTAL PRE-HARVEST CASH COSTS	\$2252	\$870	\$1024	\$1254	\$1407

HARVEST-COSTS (bin=16 boxes at 55 lbs.)

Picking and supervision \$27/bin			216	594	864
Hauling: \$6.25 per bin			50	138	200
TOTAL HARVESTING COSTS			\$ 266	\$ 732	\$1064
TOTAL CASH COSTS			\$1290	\$1986	\$2471

DEPRECIATION

Pump, panel, well \$750, 10 years	75	75	75	75	75
Irrigation system, \$700 10 years	70	70	70	70	70
Wind machine, \$1600 15 years	107	107	107	107	107
Other equipment, \$400 10 years	40	40	40	40	40
Tractor, \$3.00 per hour	21	15	15	15	18
TOTAL DEPRECIATION	\$ 313	\$307	\$ 307	\$ 307	\$ 310

INTEREST ON INVESTMENT AT 11%

Pump, panel, well 1/2 cost \$375	41	41	41	41	41
Irrigation system 1/2 cost \$350	39	39	39	39	39
Wind machine 1/2 cost \$800	88	88	88	88	88
Other equipment 1/2 cost \$200	22	22	22	22	22
Tractor \$1.80 per hour	13	9	9	9	11
Land \$5000	550	550	550	550	550
Interest on accumulated costs	0	431	738	1048	1330
TOTAL INTEREST ON INVESTMENT	\$ 753	\$1180	\$1487	\$1797	\$2081

TOTAL COST FOR THE YEAR \$3318 \$2357 \$3084 \$4090 \$4862

CREDIT FOR FRUIT \$87.25 \$ 698 \$1920 \$2792

NET COST FOR THE YEAR \$3318 \$2357 \$2386 \$2170 \$ 2070

ACCUMULATED NET COST \$3318 \$5675 \$8061 \$10231 \$12301

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SAMPLE COSTS TO PRODUCE EUREKA LEMONS
 San Luis Obispo County - 1986

John H. Foott, Farm Advisor and E. A. Yearly, Area Farm Management Specialist

Based on 40 acre grove; a yield of 50 bins per acre (1000 lbs. ea.); labor at \$8.50/hr. for equipment & operator, paid labor @ \$8.00 per hour costs to the grower.

PRE-HARVEST COSTS

	Sample Costs	My Costs
	Per Acre	Per Acre
Pruning & brush disposal	300	
Weed control by chemicals; contract appl.	65	
Irrigation: labor 9 hrs.	72	
Water: 2 acre ft. @ \$75	150	
Foliar nutrient spray: materials & appl.	42	
Fertilizer: materials & appl. in water	80	
Pest control: materials & application, including rodent control	200	
Frost protection: wind machine	200	
Taxes	121	
Repairs, except tractor	103	
Miscellaneous labor, power, materials	82	
Management	75	
Interest on operating capital 13%	205	
Office, business expense, interest, etc.	101	
<u>TOTAL PRE-HARVEST COSTS</u>	\$1796	\$ 35.92

HARVESTING COSTS

Pick: \$27 per bin	1350	
Haul: \$6.25 per bin	313	
<u>TOTAL HARVESTING COSTS</u>	\$1663	\$ 33.26

TOTAL CASH COSTS

\$3459 \$ 69.18

DEPRECIATION

Trees: \$12,300, 30 years	410	
Pump, panel, well: \$750, 10 years	75	
Irrigation system: \$700, 10 years	70	
Wind machine: \$1600, 15 years	107	
Other equipment: \$400, 10 years	40	
Tractor: 6 hours @ \$3.00	18	
<u>TOTAL DEPRECIATION</u>	\$ 720	\$ 14.40

INTEREST ON INVESTMENTS @11%

Trees: 1/2 cost \$6,150	677	
Pump, panel, well: 1/2 cost \$375	41	
Irrigation system: 1/2 cost \$350	39	
Wind machines: 1/2 cost \$800	88	
Other equipment: 1/2 cost \$200	22	
Tractor: 6 hours at \$1.00	11	
Land: \$5000	550	
<u>TOTAL INTEREST ON INVESTMENT</u>	\$1428	\$ 28.56

TOTAL COST OF PRODUCTION

\$5607 \$112.14

SAMPLE COST PER BIN AT VARYING YIELDS

Yield: Bins per acre (1000 lbs.)	45	50	55	60
Total costs of production per field box	\$120.88	\$112.14	\$104.96	\$98.98

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