

# AVOCADO PRODUCTION COSTS

SANTA BARBARA COUNTY - 1984

By George E. Goodall, County Director and Farm Advisor

The costs presented here are based on records from successful growers who use practices typical of the South Coastal area of Santa Barbara County; we appreciate their cooperation. Practices and costs vary widely between growers. The figures presented here are about median. Individual groves may require from 50% less to 50% more costs. The costs shown here are most useful for budgeting purposes, or for comparisons, but actual figures are better when substituted into this framework.

Assumptions: Hass variety, 120 trees per acre, planted 18' x 20', 10-12 years old, permanent drip or under-tree sprinkler system, water supply from district, weed control by herbicides, no frost protection, 40 acre orchard size for equipment needs, hired labor at \$8.00 including fringe benefits or if owner operated, same rate allowed to add to income, management charge \$5.00 per acre per month or if owner operated, same rate allowed to add to income, in Agricultural Preserve so that taxes are based on income produced, not real estate market value and average yield of 10,000 pounds per acre.

Cultural Operations: Nitrogen fertilization ranges from 100 to 400 pounds of elemental nitrogen per acre per year, depending on variety, soil, and productivity. Leaf analysis is recommended as the means of deciding on amounts. Nitrogen injected monthly in irrigation water. Zinc foliage sprays are applied in June mostly by helicopter.

Irrigation practices vary widely depending on soil, tree size, water source, location, and method of application. The total water applied ranges from 1 to 2½ acre feet per acre depending on the year, with annual average use of 1.3 - 1.6 acre feet per acre in addition to rainfall. Methods of application include drip, mini-sprinklers, and regular under tree sprinklers.

Pest control is becoming increasingly necessary for greenhouse thrips, worms, and mites. Biological control is encouraged. Control of rats, ground squirrels, snails, gophers, and deer is necessary.

Weed control is by herbicides: simazine for annual seedling weeds; glyphosate, paraquat, and/or weed oil for spot spraying and perennial weeds.

Maintenance pruning is to remove low limbs, cut out dead and broken limbs, and to eliminate those interfering with irrigation, hauling, or other operations. Crowded orchards need to be progressively thinned. The expensive removal of half the trees (\$1,400) is prorated over a 7 year period that is typical of the frequency.

COOPERATIVE EXTENSION  
University of California, Santa Barbara County  
377 Storke Road  
Goleta, CA 93117  
(805) 968-2149

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Cultural Operations Costs	Man Hours	Dollars per Acre			Total
		Labor	Material	Equipment	
Fertilizer - 200 lbs. N. Injected	3	\$ 72	\$ 72	\$ 144	\$ 100
Zinc Spray & Leaf Analysis	8	10	12	22	30
Irrigation - 1.5 AF/A	12	96	285	381	410
Pest Control - rats, gophers, thrips	9	72	42	26	140
Weed Control - spray herbicides	9	72	31	22	125
Pruning - skirts, dead wood, & dispose	8	64	9	7	80
Orchard Thinning - prorated over 7 years	22	176	5	19	200
Miscellaneous	3	24	36	25	85
<b>Cultural Subtotal</b>	<b>67</b>	<b>\$ 536</b>	<b>\$ 490</b>	<b>\$ 144</b>	<b>\$ 1,170</b>

Overhead Costs		
General Expenses - office, telephone, insurance, accounting		\$ 110
Taxes, Property - in Agricultural Preserve, income valuation		135
Maintenance and Repair - equipment, irrigation system		85
Management Charge or Allowance - \$5.00 per acre per month		60
<b>Overhead subtotal</b>		<b>\$ 390</b>
<b>Total Preharvest Cash Costs</b>		<b>\$ 1,560</b>

Harvesting Costs		
Picking - 10,000 lbs. per acre, 100 man hours, 7 3/4 lb.		775
Hauling - labor 5 man hours & truck or allowance		105
<b>Harvesting subtotal</b>		<b>\$ 880</b>
<b>Total All Cash Costs</b>		<b>\$ 2,440</b>

Investment Costs		
Depreciation - see schedule below		\$ 980
Interest on Investment - 12% - see schedule below		1,400
<b>Investment subtotal</b>		<b>\$ 2,380</b>
<b>Total All Costs</b>		<b>\$ 4,820</b>

## INVESTMENT SCHEDULE

	Useful Life	Dollars per Acre		
		Investment	Depreciation	Interest
Land, assumed value	-	\$ 5,000	\$ 00	\$ 600
Trees, 120 per acre	15 yrs.	10,000	667	600
Irrigation System	15 "	2,000	133	120
Erosion Structures	15 "	500	33	30
Pick-up Truck	5 "	240	48	15
Weed Sprayers	10 "	200	20	12
Building, and Storage	15 "	180	12	11
Other Equipment & Tools	3 "	200	67	12
<b>Totals</b>		<b>\$18,320</b>	<b>\$ 980</b>	<b>\$1,400</b>