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1973

# FRENCH PRUNE

# Orchard Development Costs in the Southern San Joaquin Valley

**Cost Analysis Worksheet Showing Sample Costs**

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**COST ANALYSIS WORKSHEET:** French Prune Orchard Establishment Costs, 1973.

| | COSTS PER ACRE | | | | | |
|---|---|---|---|---|---|---|
| | 1st Year | 2nd Year | 3rd Year | 4th Year | 5th Year | 6th Year |
| Yield in dry tons (3 tons fresh to 1 ton dry) | – | – | – | 0.15 | 0.75 | 1.5 |
| **PRE-HARVEST CASH COSTS** | | | | | | |
| Land preparation: subsoil, contract | $ 30.00 | $ | $ | $ | $ | $ |
| Disc and float: 4 hours labor + 4 tractor-hours | 16.20 | | | | | |
| Trees: 108 @ $1.10 (+2, 2nd year; 1, 3rd year) | 118.80 | 2.20 | 1.10 | | | |
| Survey, dig holes, and plant trees: 108 @ 35¢ (+2, 2nd year; 1, 3rd year @ 90¢ each) | 37.80 | 1.80 | .90 | | | |
| Training, tying, and pruning | 5.20 | 11.50 | 13.80 | 17.25 | 23.00 | 30.00 |
| Whitewash trees 1st year | 6.90 | | | | | |
| Tillage and irrigation preparation: 6 hours labor + 6 tractor-hours | 24.30 | 24.30 | 24.30 | 24.30 | 24.30 | 24.30 |
| Irrigation labor: 4 hours labor, 1st and 2nd years; then 6 hours labor per year | 9.20 | 9.20 | 13.80 | 13.80 | 13.80 | 13.80 |
| Water: @ $5.50/acre-foot + district tax @ $6.00 | 11.50 | 11.50 | 14.25 | 17.00 | 22.50 | 22.50 |
| Fertilizer: nitrogen @ 11¢/pound applied | 1.32 | 1.32 | 2.64 | 2.64 | 2.64 | 2.64 |
| Pest control materials | | | 2.00 | 4.00 | 6.00 | 12.00 |
| Spray: application, contract | | | 2.50 | 5.00 | 7.50 | 10.00 |
| Misc. labor and materials, including 1 tractor-hour | 16.00 | 16.00 | 16.00 | 16.00 | 16.00 | 16.00 |
| County taxes | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 | 32.00 |
| Repairs, except tractor | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| Office and business costs | 18.43 | 6.47 | 7.28 | 8.74 | 13.47 | 19.84 |
| **Total Pre-Harvest Cash Costs** | $ 325.65 | $ 114.29 | $ 128.57 | $ 138.73 | $ 159.21 | $ 193.08 |
| **HARVEST COSTS** | | | | | | |
| Harvest and dehydrate: @ $35/ton fresh basis | | | | $ 15.75 | $ 78.75 | $ 157.50 |
| **Total Harvest Costs** | | | | $ 15.75 | $ 78.75 | $ 157.50 |
| **Total Cash Costs** | $ 325.65 | $ 114.29 | $ 128.57 | $ 154.48 | $ 237.96 | $ 350.58 |
| **DEPRECIATION** | | | | | | |
| Irrigation system: $250 cost, 15-year life | $ 16.67 | $ 16.67 | $ 16.67 | $ 16.67 | $ 16.67 | $ 16.67 |
| Buildings and equipment: $120 cost, 12-year life | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| Tractor: @ $1.20/hour | 12.00 | 7.20 | 7.20 | 7.20 | 7.20 | 7.20 |
| **Total Depreciation** | $ 38.67 | $ 33.87 | $ 33.87 | $ 33.87 | $ 33.87 | $ 33.87 |
| **INTEREST ON INVESTMENT @ 7%** | | | | | | |
| Irrigation system: ½ cost, $125 | $ 8.75 | $ 8.75 | $ 8.75 | $ 8.75 | $ 8.75 | $ 8.75 |
| Buildings and equipment: ½ cost, $60 | 4.20 | 4.20 | 4.20 | 4.20 | 4.20 | 4.20 |
| Tractor: @ 70¢/hour | 7.00 | 4.20 | 4.20 | 4.20 | 4.20 | 4.20 |
| Land: @ $1,000/acre | 70.00 | 70.00 | 70.00 | 70.00 | 70.00 | 70.00 |
| Interest on accumulated costs | | 31.80 | 50.50 | 71.50 | 92.64 | 108.51 |
| **Total Interest on Investment** | $ 89.95 | $ 118.95 | $ 137.65 | $ 158.65 | $ 179.79 | $ 195.66 |
| **TOTAL COST FOR THE YEAR** | $ 454.27 | $ 267.11 | $ 300.09 | $ 347.00 | $ 451.62 | $ 580.11 |
| Credit for crop: @ 15¢/pound dry | | | | $ 45.00 | $ 225.00 | $ 450.00 |
| **Net Cost for the Year** | $ 454.27 | $ 267.11 | $ 300.09 | $ 302.00 | $ 226.62 | $ 130.11 |
| **ACCUMULATED NET COST** | $ 454.27 | $ 721.38 | $1,021.47 | $1,323.47 | $1,550.09 | $1,680.20 |

Costs are for a 20- by 20-foot planting with 108 trees per acre. Based on labor @ $2.30 and $2.65 per hour; medium-wheel tractor per hour cash costs @ $1.40; depreciation @ $1.20; and interest @ $ .70.

## ABOUT THIS SHEET

This cost data sheet is designed for use as a guide to determine the production costs for a specific prune orchard. The figures are based on good management practices; they are not intended to represent industry averages. However, each planting varies according to soil type, availability of water, tree variety, and planting distances.

**Soils.** In the southern San Joaquin Valley, prunes are usually grown on alluvial soils. The areas of most concentrated production include Visalia, Woodville, Porterville, and the region north of Bakersfield. Although prune trees tolerate a wide variety of soil conditions, heavy, shallow, or excessively saline or alkaline soils rarely produce optimum crops.

**Water Availability.** Irrigation must be used to supply sufficient water to produce maximum crops and to provide for adequate tree growth.

During dry years, there may be areas where ditch water is not available. For this reason, it is best to select locations where there is good quality well water available.

**Variety.** The prune industry is geared to processing and marketing French-type prunes. At the present time, varieties other than French or French-types are not being solicited by the trade.

**Planting Distance.** Space prunes planted on deep, well-drained soils at a minimum of 18 by 18 feet. It is desirable to allow enough area for mechanical harvesting operations and maximum tree growth.