

## SAMPLE COSTS TO ESTABLISH A STONE FRUIT ORCHARD IN FRESNO COUNTY - 1970

Based on a planting of 108 trees per acre of a non-patented variety. Man labor \$2.00 per hour and equipment operator \$2.20, including Social Security and Workman's Compensation insurance.

	COSTS PER ACRE			
	1st year	2nd year	3rd year	4th year
<b>YIELD:</b>				
<b>PRE-HARVEST CASH COSTS:</b>				
Subsoil: Contract \$40 per acre	\$ 40.00			
*Fumigate: \$80 per acre applied				
Disc: 1 hr. man & tractor	3.60			
Trees: 108 @ 95¢	102.60			
Mark, stake, dig holes, plant, prune contract 30¢ per tree	32.40			
Replant 2nd yr.: 2 trees @ \$1.90		3.80		
Prune & train: starting 2nd yr.		14.40	27.00	43.20
Brush removal: contract			4.50	4.50
Furrow out 3 times each yr.	2.70	2.70	5.40	5.40
Fertilize: labor & materials; spreader 4th yr.	5.11	8.35	11.60	14.84
Irrigate 7 times per yr.	8.00	12.00	20.00	26.00
Spray: total	7.00	14.00	26.00	44.00
Thin: 15¢ tree 3rd yr., 35¢ 4th yr.			16.20	37.80
Disc: 3 times	10.80	10.80	10.80	10.80
Weed control: 1st & 2nd yr.	4.00	4.00		
Taxes: estimate	17.50	17.50	17.50	25.00
Misc. labor, material, field power, etc.	7.00	7.00	7.00	9.00
Repairs to equipment except tractor	7.50	7.50	7.50	8.50
Office, car, insurance, business costs, etc.	17.37	7.14	10.74	16.03
<b>Total Pre-harvest Cash Costs</b>	<b>\$265.58</b>	<b>109.19</b>	<b>164.24</b>	<b>245.07</b>
<b>HARVESTING COSTS:</b>				
Pick				
Roadside				
Haul				
Misc. labor & tractor work				
<b>Total Harvesting Costs</b>				
<b>TOTAL CASH COSTS</b>	<b>\$265.58</b>	<b>109.19</b>	<b>164.24</b>	<b>245.07</b>
<b>DEPRECIATION:</b>				
Irrigation system & well: \$240, 25 yrs.	9.60	9.60	9.60	9.60
Bldgs. & equipment except tractor: \$120, 15 yrs.	8.00	8.00	8.00	8.00
Tractor: 60¢ per hour	3.60	3.00	3.45	3.45
<b>Total Depreciation</b>	<b>21.20</b>	<b>20.60</b>	<b>21.05</b>	<b>21.05</b>
<b>INTEREST ON INVESTMENT AT 7%:</b>				
Irrigation system: ½ cost, \$120	8.40	8.40	8.40	8.40
Bldgs. & Equipment except tractor: ½ cost, \$60	4.20	4.20	4.20	4.20
Tractor: 30¢ per hr.	1.80	1.50	1.72	1.72
Land: \$900	63.00	63.00	63.00	63.00
Interest on accumulated costs	0.00	25.49	41.76	63.06
<b>Total Interest on Investment</b>	<b>77.40</b>	<b>102.59</b>	<b>119.08</b>	<b>140.38</b>
<b>TOTAL COST FOR THE YEAR</b>	<b>\$364.18</b>	<b>232.38</b>	<b>304.37</b>	<b>406.50</b>
<b>CREDIT FOR FRUIT</b>				
<b>NET COST FOR THE YEAR</b>	<b>\$364.18</b>	<b>232.38</b>	<b>304.37</b>	<b>406.50</b>
<b>TOTAL ACCUMULATED COST</b>	<b>\$364.18</b>	<b>596.56</b>	<b>900.93</b>	<b>1307.43</b>

\*Fumigation may not be needed, due to use of resistant rootstocks.

COST ANALYSIS WORK SHEET

ESTABLISHING A STONE FRUIT ORCHARD IN FRESNO COUNTY

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This work sheet was developed to show sample costs for establishing a stone fruit orchard under Fresno County conditions with 108 trees per acre. These costs will be useful as a guide when a specific orchard planting is under consideration. When using this work sheet, it is important to consider the following:

1. The sample costs were based upon a 20' x 20' tree spacing. This is common for peaches, nectarines, and plums, but not for apricots.
2. Patent fees were not included. In many cases these will apply.
3. Tree loss was calculated at two per acre the first year. Under adverse soil, water or disease conditions, this loss could be much greater.
4. Fumigation costs are not included in total costs. Pre-plant fumigation may be necessary in some cases.
5. Harvest costs and crop income will apply to some varieties before the fourth year. In these cases, the projected harvest costs, yield and crop income can be entered in the spaces provided.
6. The present cost of a new irrigation system is used. Under some re-plant situations, the old system is adequate and its value should be used. Similar considerations may apply to buildings, equipment, etc.

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