

*Ad Reed*

SAMPLE INPUTS AND COSTS FOR PRUNES IN SAN BENITO COUNTY  
With a Yield of 2 Dried Tons per Acre

	Hours per acre			Cost per acre	Cost per ton
	Man labor	30 hp. tractor	1½ ton truck		
Pruning	25			\$ 25.00	\$
Brush disposal	2		1	4.25	
Spraying 3 times, 750 gal. @ 2¢ contract				15.00	
Cultivate and check or furrow	5	5		12.75	
Irrigate twice	12			12.00	
Miscellaneous other - cover crop etc.	3	1	1	6.80	
<b>Total cultural labor and field power</b>	<b>47</b>	<b>6</b>	<b>2</b>	<b>75.80</b>	<b>37.90</b>
Propping, bracing, etc.	2		1	4.25	
Picking and shaking @ \$10 a fresh ton	50			50.00	
Supervision, hauling and miscel. harvest	8		3	15.00	
Dehydrating, contract at \$12 a fresh ton				60.00	
Hauling to market	2		1	4.50	
<b>Total harvesting and fruit handling</b>	<b>62</b>		<b>5</b>	<b>133.75</b>	<b>66.88</b>
<b>Total labor and field power</b>	<b>109</b>	<b>6</b>	<b>7</b>	<b>209.55</b>	<b>104.78</b>
Irrigation water, power to pump 1 acre foot, 100 ft. lift				6.93	
Spray materials				11.88	
Miscel. materials, cover crop seed, etc.				4.50	
<b>Total material cost</b>				<b>23.31</b>	<b>11.65</b>
<b>Total labor and material cost</b>				<b>232.86</b>	<b>116.43</b>
General expense, office, car, etc. estimated at 5% of above				11.64	
County taxes, land, trees, eqt. \$350 value at 4%				14.00	
Repairs other than truck and tractor				3.00	
Insurance, compensation \$3.00 liability .50, Soc. Sec. 2.00				5.50	
<b>Total cash overhead costs</b>				<b>34.14</b>	<b>17.07</b>
<b>Total cash costs</b>				<b>267.00</b>	<b>133.50</b>
Investment based on a 30-acre orchard unit	Original cost 30 acres	Dollars per acre			
		Av. value	5% int.	Depreciation	
Trees - cost \$360 A.	\$10,800	\$ 180.00	\$ 9.00	\$12.00	
Building for equipment	600	10.00	.50	.75	
Irrigation system	6150	102.50	5.12	11.92	
Tillage equipment	600	10.00	.50	1.80	
Tractor and truck	9000	150.00	7.50	20.00	
Miscel. ladders, lug boxes etc.	900	15.00	.75	2.50	
Land	24,000	800.00	40.00	--	
<b>Total invest. &amp; deprec.</b>	<b>52,050</b>	<b>1267.50</b>		<b>48.97</b>	
<b>Total cash costs and depreciation</b>				<b>315.97</b>	<b>157.99</b>
<b>Total interest on investment</b>			<b>63.37</b>	<b>63.37</b>	<b>31.68</b>
<b>Total all costs</b>				<b>379.34</b>	<b>189.67</b>

The above labor costs are figured at the following hourly rates: Tractor driver \$1.25, other labor \$1.00, 30 drawbar horsepower tracklayer tractor \$1.30, cash costs including repairs, 1½ ton truck \$2.00 cash costs including repairs, license and insurance.

Average value of investment items is estimated at half the original cost for items that depreciate. Trees are assumed to cost about \$360 an acre by the time they pay their way. With a 30 year bearing life depreciation would be \$12 an acre. An orchard developed now under current costs would probably cost considerably more.

Yields in such an orchard vary considerably from year to year. Costs at above rates per acre and per ton would vary as follows: With a 1 ton yield \$309.13 per acre and per ton, with a 3 ton yield \$449.34 per A, \$149.77 per ton.

PRUNES

Sample Division of Costs Between Landlord and Tenant  
With a 2-ton Yield, 1959 Conditions

Investment and Depreciation per Acre

	Tenant		Landlord	
	Investment	Depreciation	Investment	Depreciation
Land	\$	\$	\$800.00	\$
Trees *			180.00	12.00
Building for equipment *			10.00	.75
Irrigation system *			102.50	11.92
Tillage equipment *	10.00	1.80		
Miscel. ladders, ldg. boxes, etc. *	5.00	.50	10.00	2.00
Tractor and truck *	150.00	20.00		
<b>Total investment and depreciation</b>	<b>165.00</b>	<b>22.30</b>	<b>1102.50</b>	<b>26.67</b>

\* Investment in facilities having depreciation is shown at half cost.

Cash Costs per Acre

	Tenant	Landlord	Total
All man labor except picking	62.75		62.75
Picking at \$10 per fresh ton, shake and pick	50.00		50.00
Contract spraying 3 times, 750 gal. @ 2¢ contract	15.00		15.00
Dehydrating	60.00		60.00
Tractor expense 6 hours and truck 7	21.80		21.80
Power to pump irrigation water	6.93		6.93
Spraying and miscellaneous materials	16.38		16.38
Repairs to facilities and equipment	1.50	1.50	3.00
County taxes	.50	13.50	14.00
Insurance, liability, comp., soc. sec., & fire	4.50	1.00	5.50
General expense, office exp., operating capital	10.00	1.64	11.64
<b>Total cash costs</b>	<b>249.36</b>	<b>17.64</b>	<b>267.00</b>

Summary of all Costs and Percentages

	Tenant		Landlord		Total
	Value	%	Value	%	
Allowance for management	25.00	83	5.00	17	30.00
Depreciation	22.30	46	26.67	54	48.97
Interest on investment @ 5%	8.25	13	55.13	87	63.38
Cash costs	249.36	93	17.64	7	267.00
<b>Total all costs</b>	<b>304.91</b>	<b>74</b>	<b>104.44</b>	<b>26</b>	<b>409.35</b>

With cost distribution as shown above the landlord meets only 26% of the total costs of production. A fair share rent would be somewhere around this figure if the tenant furnishes the tractor and truck and tillage and spraying equipment and pays the bills as shown. If it were desirable, however, to maintain a third rent, the landlord could increase his share of cost by paying more of the expenses. Paying one-third of the harvesting and dehydrating cost would raise his share of total costs to \$140.94 or about one-third of the \$409.35 total.