

RIO OSO GEM PEACHES FOR FRESH SHIPMENT
(matures in early August)

Cost Analysis Work Sheet
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This work sheet was developed to show sample costs for a good yield, mature orchard under Fresno County conditions. 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. Seasonal variations influence fruit set and quality. Consequently differences in thinning, pest control and cullage will occur.
2. These sample costs are based on a 10 acre fruit operation and larger.
3. No account is taken for partial or complete crop loss due to frost, rain, labor problems, etc.
4. No allowance is made for cost of management.
5. Interest and depreciation costs are based on present costs of establishing an orchard. Present bearing orchards may have been established at a lower cost.
6. Costs per two-layer lug are based on an average net weight of 22 pounds. Net weights may vary depending on count and maturity.
7. Rio Oso Gem peach orchards are short-lived. Poor soils, insect infestations, and improper cultural care will accentuate this condition.
8. When Rios are produced for the freezer industry, the production costs will be slightly lower per ton.

Sample Costs at Varying Yields

Yield: tons per acre	<u>Average</u>					Exceptional 20
	10	12	14	16	18	
Total cost of production per ton	98.02	84.72	75.20	68.09	62.54	58.11
Cash costs only: for one 22 lb. lug	1.01	.88	.78	.71	.66	.61
Total cost per 22 lb. lug	1.32	1.17	1.01	.91	.83	.77
Packed lugs per acre	727	873	1018	1164	1309	1455

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Sample costs to produce Rio Oso Gem peaches in Fresno County for fresh shipment. Costs are for a mature orchard containing 108 trees per planted acre, producing 16½ tons of fruit, with 20% graded as culls. Man labor \$2.00 per hour total and equipment operator \$2.20. Medium wheel tractor per hour cash costs \$1.40, depreciation 60¢ and interest 30¢.

	<u>Sample Costs</u>		<u>My Costs</u>	
	<u>Per Acre</u>	<u>Per Ton</u>	<u>Per Acre</u>	<u>Per Ton</u>
PRE-HARVEST CASH COSTS:				
Pruning: 108 trees at 85¢	91.80			
Brush disposal: contract \$6.00	6.00			
2 man hrs. raking brush	4.00			
Fertilize: 125 lbs. N at 12¢	15.00			
½ hr. man & tractor	1.80			
Spray 3 times: materials	54.46			
application .175¢ gallon	31.50			
Furrow 3 times: 1½ hrs. man & tractor	5.40			
Irrigate 7 times: labor 13 hrs.	26.00			
3½ ft. water: power & tax \$4 ac. ft.	14.00			
Disc 5 times: 7½ hrs. man & tractor	27.00			
Thin: 108 trees at \$1.20	129.60			
Prop & tie: labor 5 man hrs.	10.00			
materials	3.75			
Plant covercrop: 60 lbs. barley	2.40			
½ hr. man & tractor	1.80			
Taxes	28.00			
Misc. labor, materials, field power: includes				
4 man hrs. & 1 tractor hr.	11.60			
Repairs to equipment except tractor	8.00			
Office, car, operating capital, insurance, etc.	49.25			
Total Pre-harvest Cash Costs	521.36	31.60		
HARVESTING COSTS:				
Pick: 1200 lugs (22 lbs.) at 25¢	300.00			
Roadside: 14 man hrs. & 7 tractor hrs.	39.20			
Misc. 4 man hrs. & 1 tractor hr.	9.60			
Total Harvesting Costs	348.80	21.14		
TOTAL CASH COSTS	870.16	52.74		
DEPRECIATION:				
Irrigation system & well: \$240 cost 25 yr. life	9.60			
Bldgs. & equipment except tractor: \$120 cost				
15 yr. life.	8.00			
Tractor: 19 hrs. at 60¢	11.40			
Trees: cost \$1160 15 yr. life	77.33			
Total Depreciation	106.33	6.44		
INTEREST ON INVESTMENT AT 7%:				
Irrigation system & well: ½ cost \$120	8.40			
Bldgs. & equipment except tractor: ½ cost \$60	4.20			
Tractor: 19 hrs. at 30¢	5.70			
Trees: ½ cost \$580	40.60			
Land: \$900	63.00			
Total Interest on Investment	121.90	7.39		
TOTAL COST OF PRODUCTION	1098.39	66.57		
Credit for 400 lbs. culls (20%) per ton	2.00			
Net cost of 1600 lbs. merchantable fruit	64.57			
Net cash cost of 22 lbs. (1 lug) merchantable fruit	.70			
Total cost of one 22 lb. lug	.89			