

Canning Peach Production

Sample Costs to Produce Canning Peaches on the East Side (Cortez to Escalon) of Merced, Stanislaus & San Joaquin Counties

Based on an 80 acre orchard yielding 16 ton yield (No. 1 fruit) per acre

Labor at \$1.90 and \$2.40 per hour, which includes Social Security, Workman's Compensation Insurance and all benefits furnished by the grower.

Operation	Hours per Acre	Cash and Depreciation Costs per Acre						Total Cost
		Labor	Fuel and Repairs	Depreci- ation	Kind	Materials Amount	Cost	
Pre-harvest								
Prune 108 trees @ \$1.00 labor cost		108.00	5.90	.85				114.75
Limb removal	1.0	2.40	1.70	1.39				5.49
Disc. or shred brush	1.0	2.40	1.85	2.24				6.49
Fertilize 2X Custom					Material & application	27.00		27.00
Spray 5X 350 gal	2.0	6.70	8.30	6.08				21.08
Ridge and knock down 6X	1.0	2.40	1.90	1.49	Materials		75.00	75.00
Cultivate 4X	2.0	4.80	5.30	4.24				5.79
Irrigate 6X	2.5	6.00	1.00	5.00	Water-variable; est.	8.00		14.34
Thin \$1.40 tree; labor cost		151.20	1.25	.60				20.00
Prop and wire	3.0	6.20	4.70	4.52			2.00	153.05
Spray or hoe weeds 5¢ tree		5.40						17.42
Misc. labor and tree care	4.0	8.10	1.50	3.87				5.40
Re-plant	.2	.40					.85	13.47
Other								1.25
Total Cultural Costs		304.00	33.40	30.28			112.85	480.53
Harvest Costs								
Pick 17-2/3 tons @ \$14		247.33		2.08				249.41
Total Harvest Costs		247.33		2.08				249.41
Overhead Costs								
Misc., office, etc.				13.15	Variable	36.24		49.39
Taxes						35.00		35.00
Tree Depreciation				69.60				69.60
Marketing order					16 tons at \$2.25	36.00		36.00
Total Overhead				82.75			107.24	189.99
Total Cash & Depreciation		551.33	33.40	115.11			220.09	919.93
Interest								164.36
Management 5% of 16 tons @ \$75.00								60.00
Total Cost Per Acre								1144.29

Cost Per Ton @ 16 Ton Yield = \$71.52

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AGRICULTURAL EXTENSION SERVICE

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INVESTMENT FOR PEACH PRODUCTION

Item	Cost		Life	Depreciation Per Year	Operating Cost Per Hour	Hours Used	Depreciation Per Hour	Hours Per Acre
	Per Acre	Total						
Land 80 acres	1350	108000						
Trees 80 acres	1392	111360	20	5568			\$69.60/acre	
Irrigation System	150	1200	30	400			5.00/acre	
Buildings	120	9600	30	320			4.00/acre	
Equipment								
Tractor W.D. 55		6500	10	650	1.50	880	.74	11.0
Pruning equipment		250	5	50	.10		.63/acre	
Trailers (2)		2800	15	187	.20	288	.65	
Shredder PTO 7½'		1200	10	120	.35	80	1.50	1.0
Sprayer 500 gal.		5500	15	367	2.65	160	2.30	2.0
Disc. 9'		2200	10	220	1.15	160	1.38	2.0
Ridger		600	10	60	.40	80	.75	1.0
Ladders 30 @\$12		360	10	36	1.00/A		.45/acre	
Props 5000 @\$50¢		2500	10	250			3.13/acre	
Misc.		1660	10	166			2.08/acre	
Total Equipment	294	23570						
Pickup	40	3200	5	640			8.00/acre	
Total Investment		267730		9034				
Per acre on 80 acres		3347						
Depreciation per acre				113				
Interest per acre		164						

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MONTHLY CASH FLOW FOR CANNING PEACHES
Merced, Stanislaus & San Joaquin Counties

Operation	Total	Month											
		Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept	Oct.
<u>Cultural Costs</u>													
Prune	113.90		113.90										
Limb removal	4.10			4.10									
Disc or shred brush	4.25						4.25						
Fertilize 2X	27.00	16.00				11.00							
Spray 5X	15.00			3.00			3.00	3.00		3.00	3.00		
Materials	75.00			20.00			10.00	15.00		15.00	15.00		
Ridge & knock down 6X	4.30						.72	.72	.72	.72	.72	.70	
Cultivate 4X	10.10					2.52		2.52		2.52		2.54	
Irrigate 6X	15.00						2.50	2.50	2.50	2.50	2.50	2.50	
Thin	152.45							152.45					
Prop & Wire	12.90			2.90						10.00			
Spray or hoe weeds	5.40		5.40										
Misc. labor & tree care	9.60	.80	.80	.80	.80	.80	.80	.80	.80	.80	.80	.80	.80
Replant	1.25			1.25									
Total Cultural Costs	450.25	16.80	120.10	32.05	.80	14.32	21.27	176.99	4.02	34.54	22.02	6.54	.80
<u>Harvest Costs</u>													
Pick	247.33										247.33		
<u>Cash Overhead</u>													
Misc., office, etc.	36.24	3.02	3.02	3.02	3.02	3.02	3.02	3.02	3.02	3.02	3.02	3.02	3.02
Taxes-varies by county	35.00		17.50				17.50						
TOTAL CASH COSTS	768.82	19.82	140.62	35.07	3.82	17.34	41.79	180.01	7.04	37.56	272.37	9.56	3.82
ACCUMULATED CASH COSTS		19.82	160.44	195.51	199.33	216.67	258.46	438.47	445.51	483.07	755.44	765.00	768.82

The listing of an item under a particular month does not mean that it must be performed then. Pruning, for example, may begin in November and extend into March. When cultivations and irrigations begin is variable with the seasonal rainfall. Other items could be cited.