

Calif. Univ. Agric. Ext. Serv. Butte Co.



SUGGESTED COSTS  
IN  
RAISING APPLES  
IN  
BUTTE COUNTY

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## INTRODUCTION

Many people coming into any agricultural business are unacquainted with the true facts of the costs of production for the particular commodity that they are planning on raising. Many commercial growers, in fact, are not fully aware of just what their costs of production are. They are quite informed on what their bills come to and what they may pay in the way of income tax but they may not know what their exact costs for any given operation or group of operations may be.

Farm Advisors are constantly being besieged by people who are interested in buying land or in buying orchards in any given area. These folks, many times, wish to know what the cost of production on a given commodity is and for this reason, we have prepared the following cost study and will attempt to present figures to potential growers on what the production costs are for apples in Butte County (Paradise area).

With ever rising labor figures and increasing land values the enclosed figures in this study will become inaccurate in a short period of time. For this reason growers and potential growers must compare present costs to those shown in this study, to obtain final accurate figures.

I would like to make it very clear that the costs shown in this study are not average costs. They are the average figures of studies made with better than average apple growers. They are based on the very best apple growing land in this district. Costs are based on a 50 tree per acre planting and on 15 acres of total producing land, all of which are in bearing apples.

### Acknowledgment

We wish to thank the growers for their cooperation in making the figures available for the preparation of this cost study.

INVESTMENT FOR APPLE PRODUCTION IN PARADISE

(Equipment required -- based on a 15-acre apple orchard, except tractor & sprayer)

Item	Year Bought	Original Cost		Annual Use		Non-Cash Overhead	
		Total	Per acre	Acres	Hrs.	Deprec.	Int.
Wheel tractor		\$ 3500	\$116.67	30		\$ 7.78	\$ 3.50
Sprayer - 400 gal.		5000	125.00	40		8.33	3.75
Trailer		200	13.33	15		.89	.40
Pickup - 1/2 share		1250	83.33	15		5.56	2.50
Mower		<u>750</u>	<u>50.00</u>	15		<u>5.00</u>	<u>1.50</u>
Total		<u>\$10,700</u>	<u>\$388.33</u>			<u>\$27.56</u>	<u>\$11.65</u>
Ladders 15 x 12'		250	16.67	15		1.11	.50
Picking bags - 8 @ \$4.50		36	2.40	15		.24	.07
Boxes 6000 @ .25		1500	100.00	15		10.00	3.00
Props 10,500		<u>1125</u>	<u>75.00</u>	15		<u>7.50</u>	<u>2.25</u>
		<u>\$ 2,911</u>	<u>\$194.07</u>			<u>\$18.85</u>	<u>\$ 5.82</u>
Sprinkler pipe 2250 ft. 1 1/2"; underground pipe 1050 ft.)		\$2,967	\$197.80	15		9.89	5.93
Buildings		1,500	100.00	15		4.00	3.00
Land		18,000	1,200.00	15		- -	72.00
Trees		<u>31,500</u>	<u>2,100.00</u>	15		<u>42.00</u>	<u>63.00</u>
Totals		<u>\$53,967</u>	<u>3,597.80</u>			<u>55.89</u>	<u>143.93</u>
GRAND TOTALS		\$67,578	\$4,180.20			\$102.30	\$161.40

SAMPLE COSTS TO PRODUCE APPLES  
BUTTE COUNTY

Labor: Common \$1.25  
Tractor driver: \$1.50  
(30 h.p. wheel tractor \$1.00/hr.)

Red Delicious  
Yield - 14 tons  
15 Acres

Cash and Labor Cost Per Acre

Operation	Date	Hrs. per acre	Labor	Fuel & Repairs	Materials	Total
<u>Cultural</u>						
Pruning	-	60.0	75.00			75.00
Brush removal		2.4	3.00		Brush raking hired 5.00	8.00
Fertilizing		.5	.75	.60	(1.00 + .20) 55# N @ 27¢	14.85
Spraying 8 X		4.0	6.00	16.00	(1.00 + 3.00) Materials	90.00
Spray thin		.5	.75	2.00	" " " "	17.00
Stop drop spray		.5	.75	2.00	" " " "	2.00
Irrigate 10 X		24.0	30.00	1.00	\$9.00 - water assm't + \$50 H <sub>2</sub> O	59.00
Mow 3 X		1.5	2.25	2.25	( 1.00 + .50)	4.50
Hand thinning		80.0	100.00			100.00
Prop		24.0	30.00			30.00
Taxes						22.50
Misc.						34.50
<b>Total Cultural</b>						<b>517.20</b>
<u>Harvest</u>						
Pick & Haul 840 boxes @ 25¢			210.00			210.00
Supervision @ 2.00/hr.		10.0	20.00			20.00
<b>Total Harvest</b>						<b>230.00</b>
<b>Total Cash &amp; Labor Cost</b>						<b>747.20</b>

<u>INVESTMENT</u>	<u>Per Acre</u>		<u>Annual Cost</u>	
			<u>Depreciation</u>	<u>Interest</u>
Land	\$1200		---	\$72.00
Trees	2100	(40 yrs.)	52.50	63.00
Equipment	388		27.56	11.65
Misc. "	194		18.85	5.82
Irrigation	198		9.89	5.93
Buildings	100		4.00	3.00
<b>Total</b>	<b>\$4180</b>		<b>\$112.80</b>	<b>\$161.40</b>

**TOTAL COST PER ACRE** \$ 1021.40  
**Cost per ton @ 14 tons yield** \$ 72.95

Co-operative Extension work in Agriculture and Home Economics, College of Agriculture,  
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George B. Alcorn, Director, California Agricultural Extension Service.