

**COSTS *and* RETURNS**  
*for TREE CROPS in the*  
**SACRAMENTO VALLEY**

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**TREE CROPS**

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- Almonds
- Walnuts
- Olives
- Prunes
- Peaches

## SPECIALTY TREE CROPS

- Organic almonds
- Olives for oil

## COSTS *of* PRODUCTION

- Cultural costs
- Harvest costs
- Cash overhead costs
- Noncash overhead costs

## COSTS *of* PRODUCTION

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- Cultural costs
  - Pruning and brush removal
  - Pest control
  - Fertilization
  - Irrigation
  - Floor management
  - Pollination
  - Thinning/ winter sanitation
  - PCA, leaf analysis

## COSTS *of* PRODUCTION

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- Harvest costs
  - Shake, rake, sweep (almonds/walnuts)
  - Hull and shell (almonds, walnuts)
  - Shake, catch and field size (prunes)
  - Dry (prunes)
  - Hand pick (peaches and olives)
  - Sort and pack (Peaches)
  - Haul

## CASH OVERHEAD

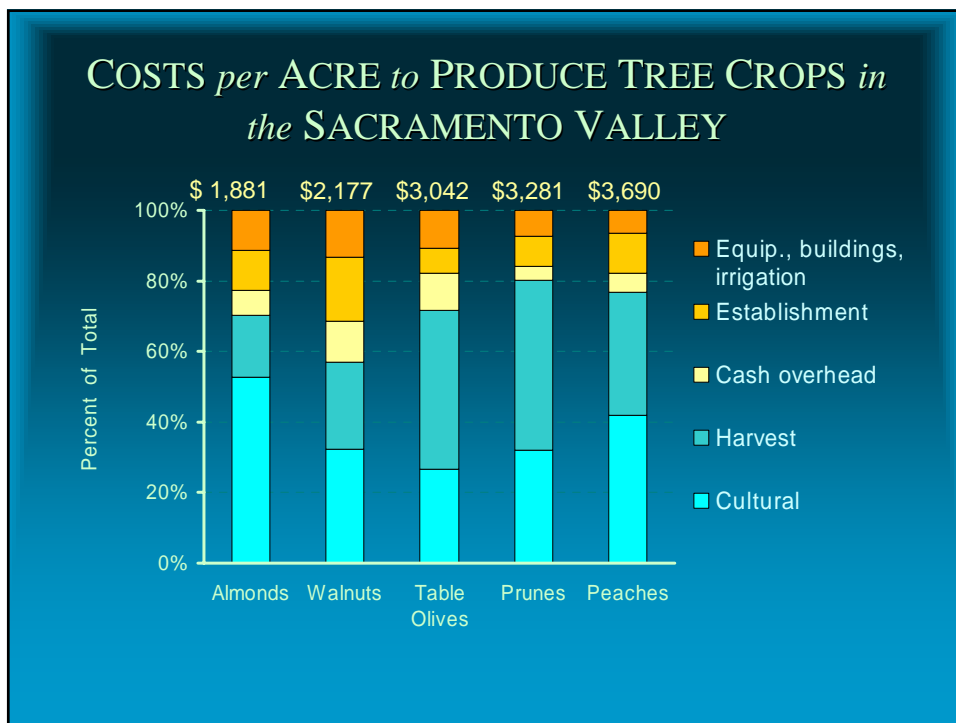
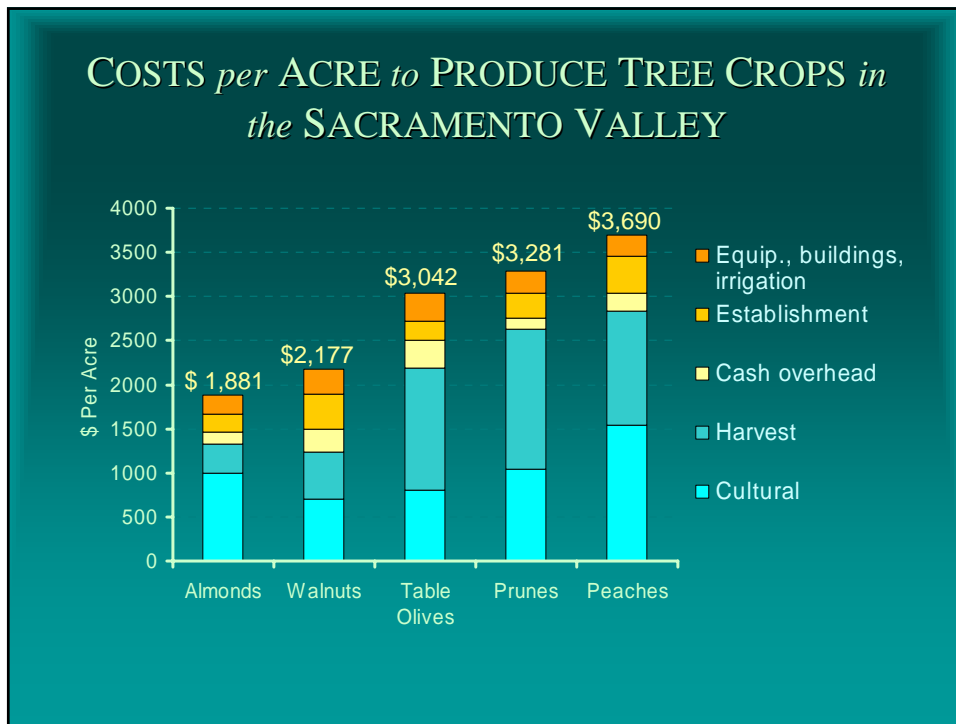
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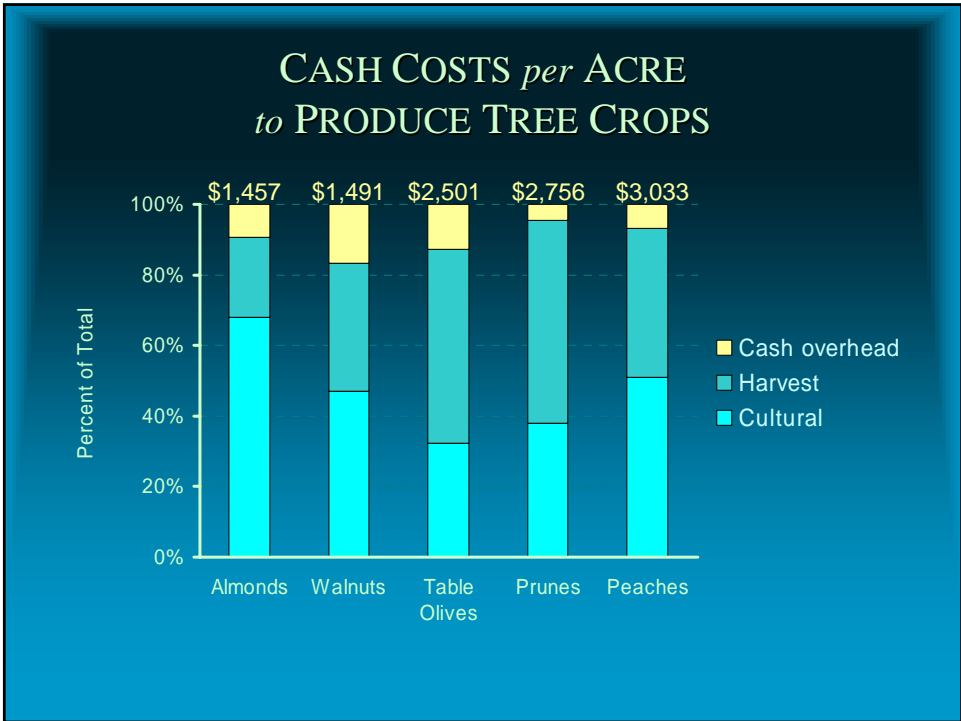
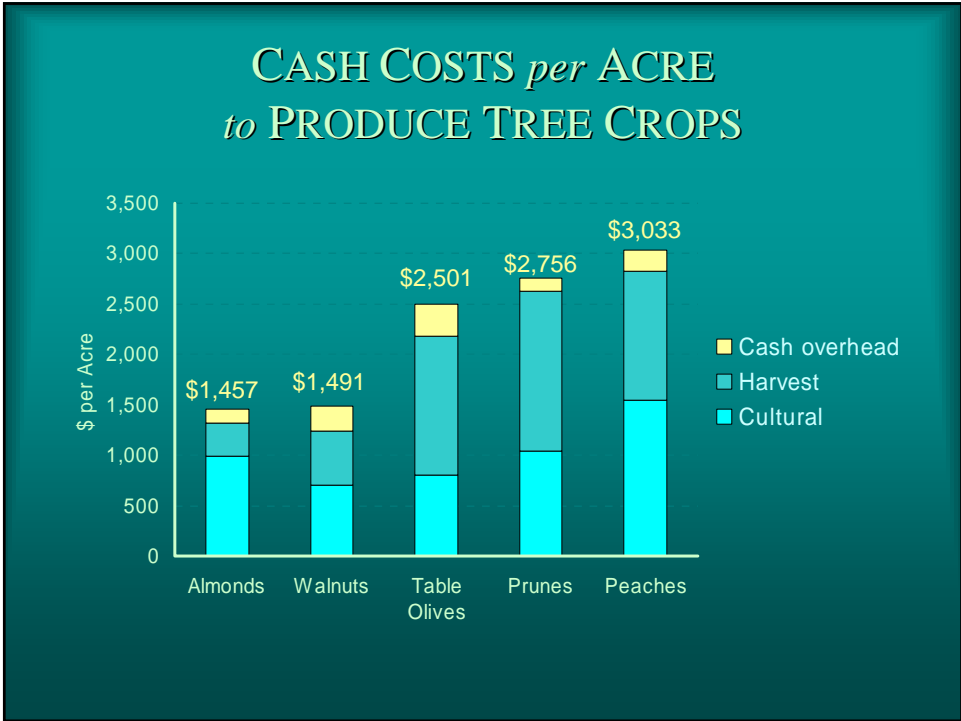
- Cash overhead
  - Office expense
  - Sanitation fees
  - Liability and property insurance
  - Property taxes
  - Repairs on buildings and irrigation system

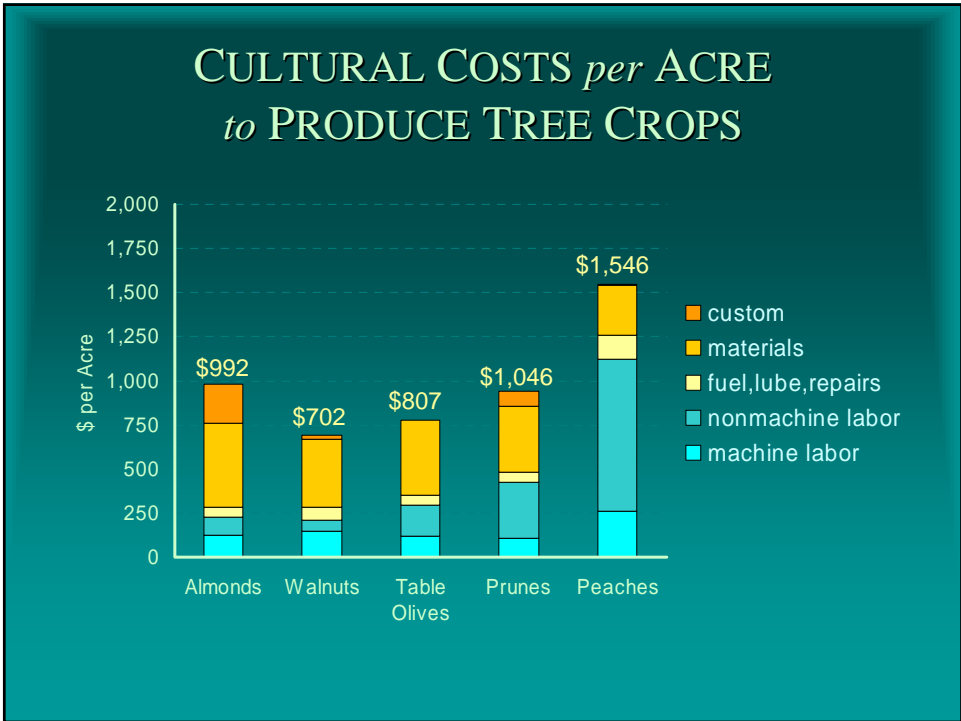
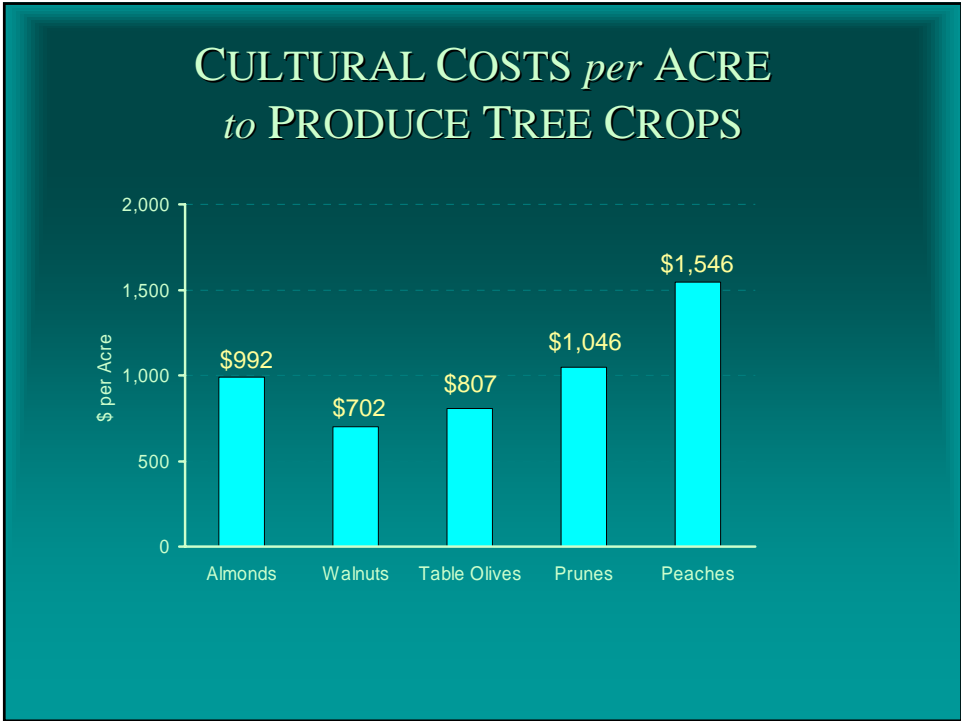
## NONCASH OVERHEAD

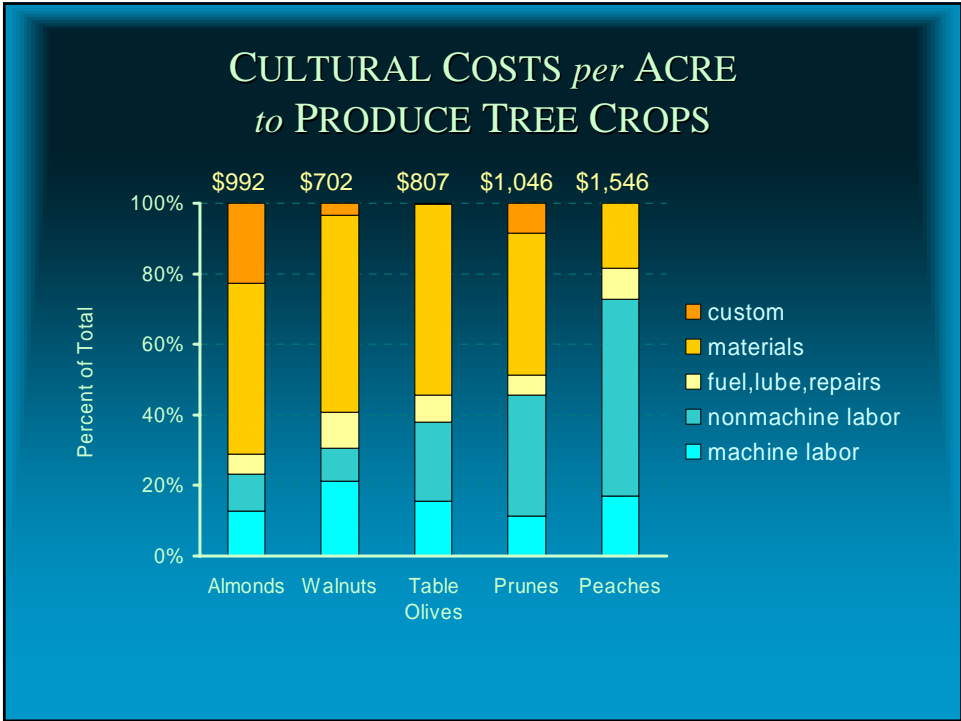
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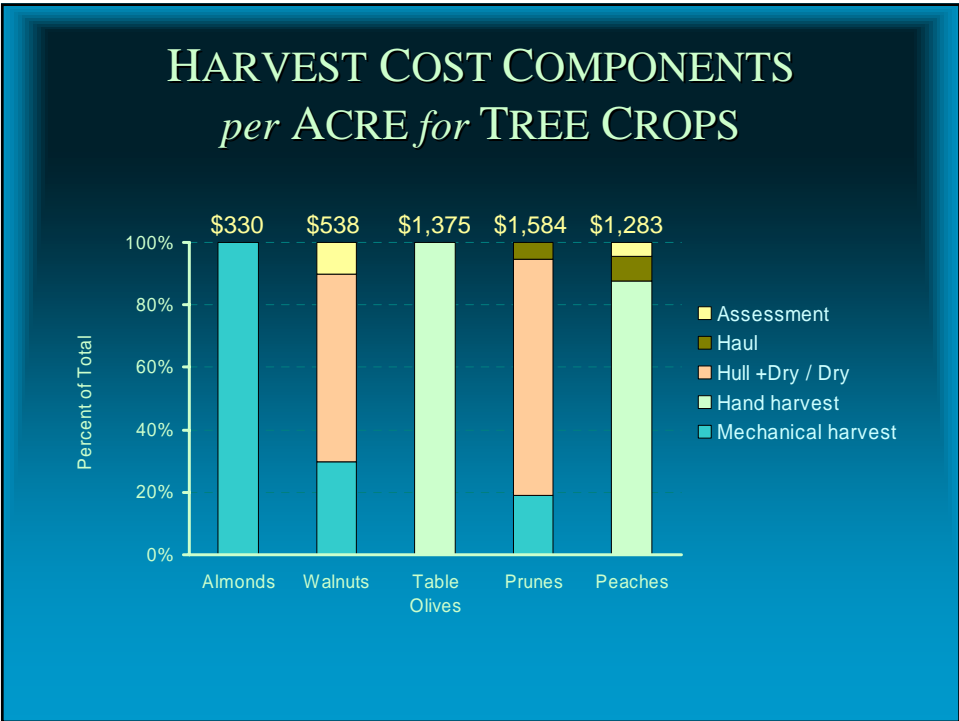
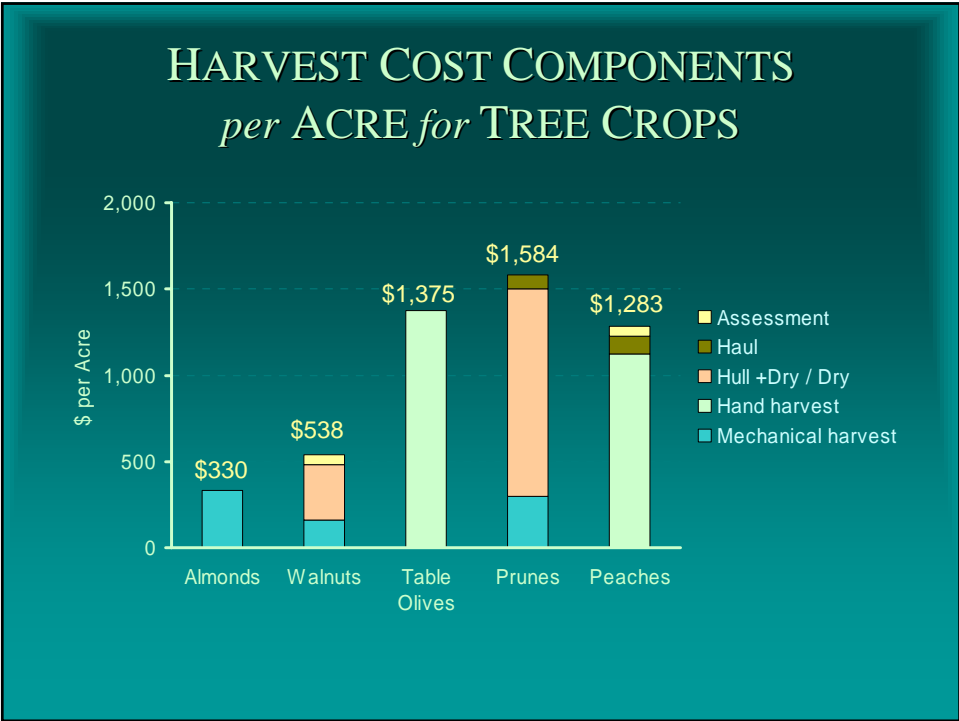
- Noncash overhead
  - Buildings
  - Shop and pruning tools
  - Irrigation system (including pump, well, filtration system, pipes, and sprinklers)
  - Fuel tank
  - Equipment
  - Tree establishment
  - Land











## REVENUE

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- Best management practices, UCCE
- California average
- Ag commissioners' reports

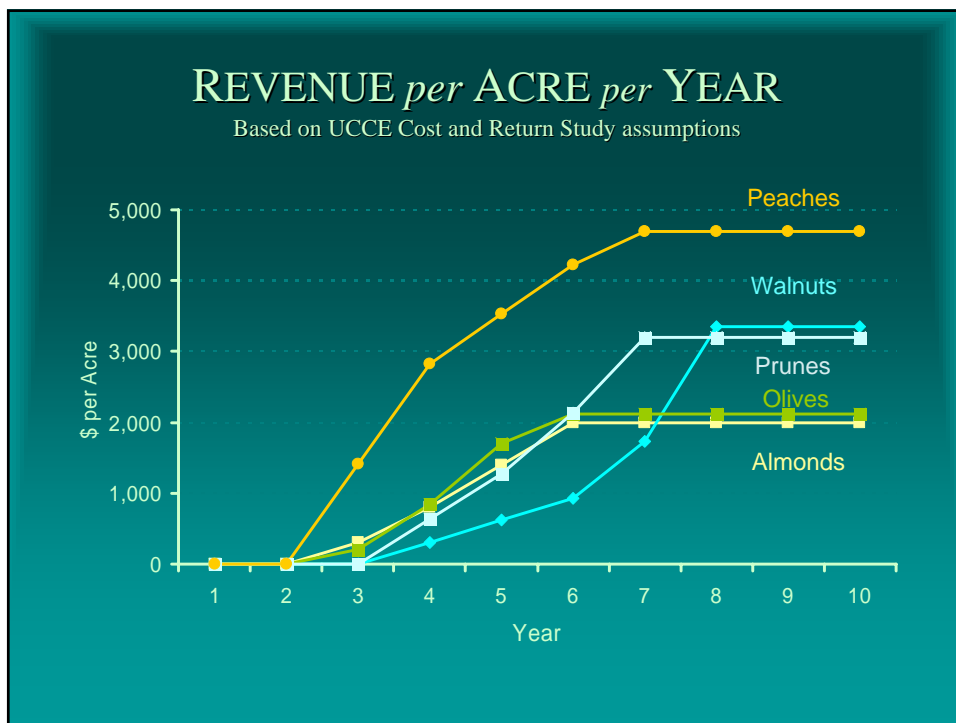
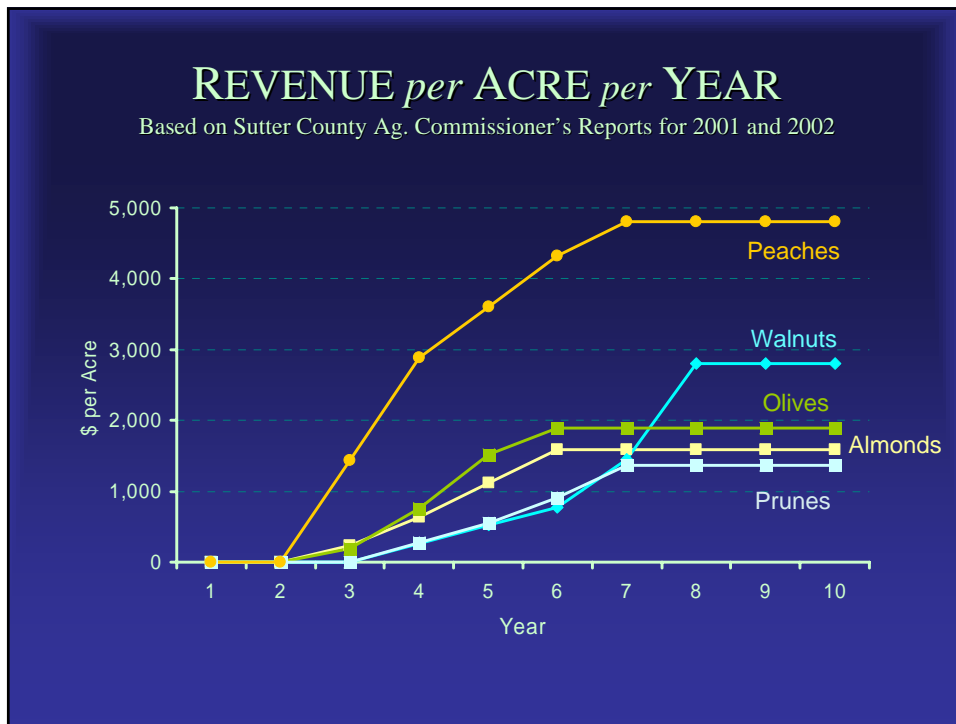
### EXPECTED REVENUE *per* ACRE

	Best management practices	California Average 2001	Sutter Co. Average 2001, 2002
Almonds	\$2,000	\$1,422	\$1,061
Walnuts	\$3,348	\$1,747	\$1,867
Olives	\$2,123	\$2,500	\$1,263*
Prunes	\$3,200	\$1,305	\$910
Peaches	\$4,700	\$4,026	\$3,831

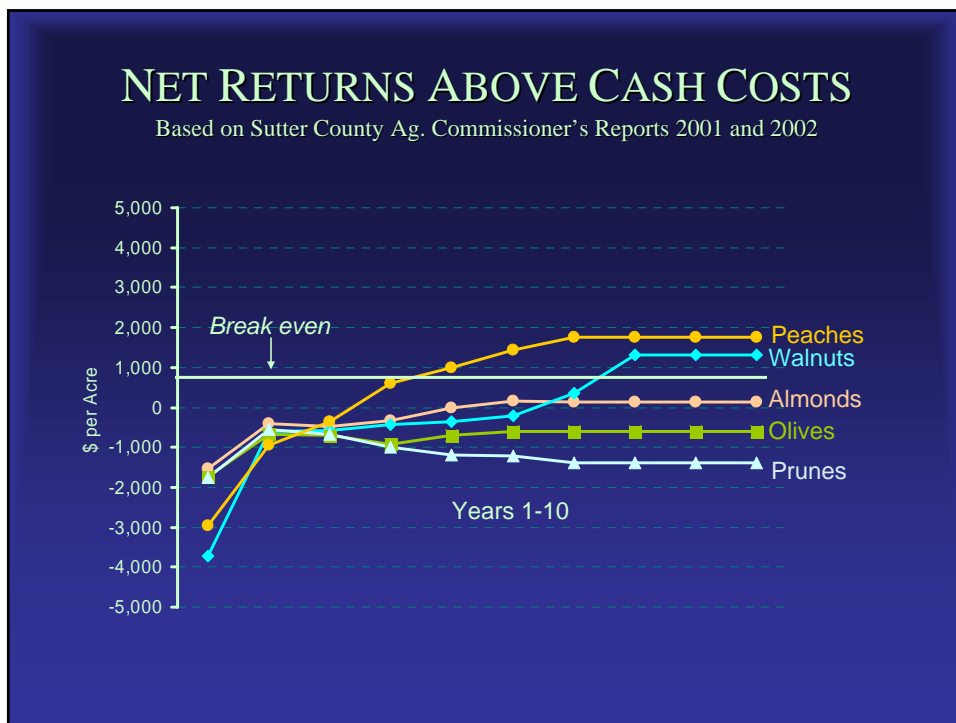
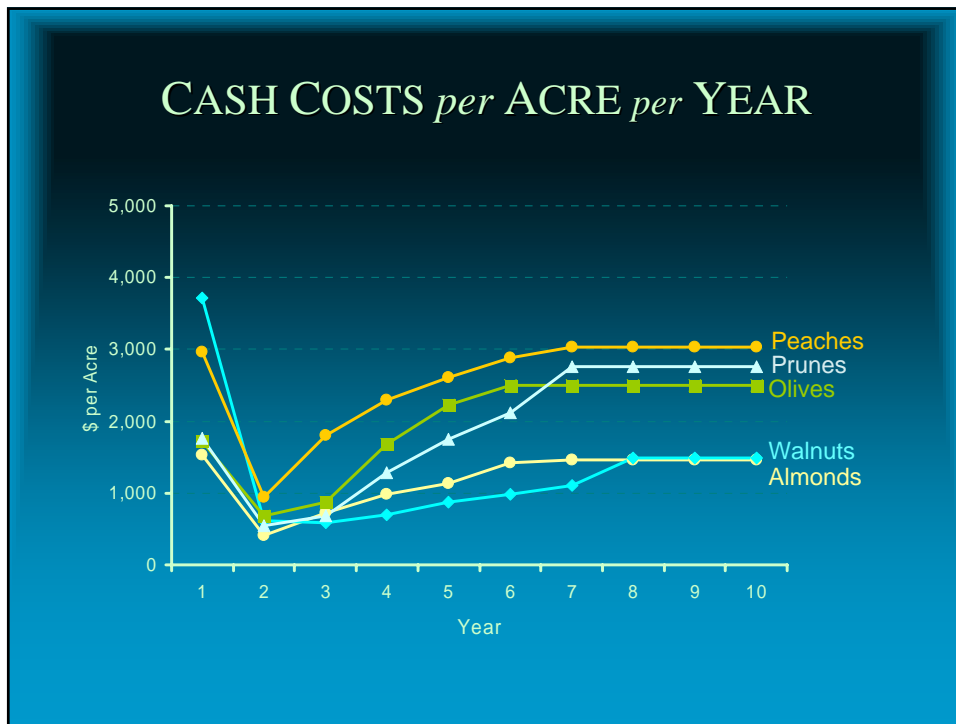
\*Butte County 2001

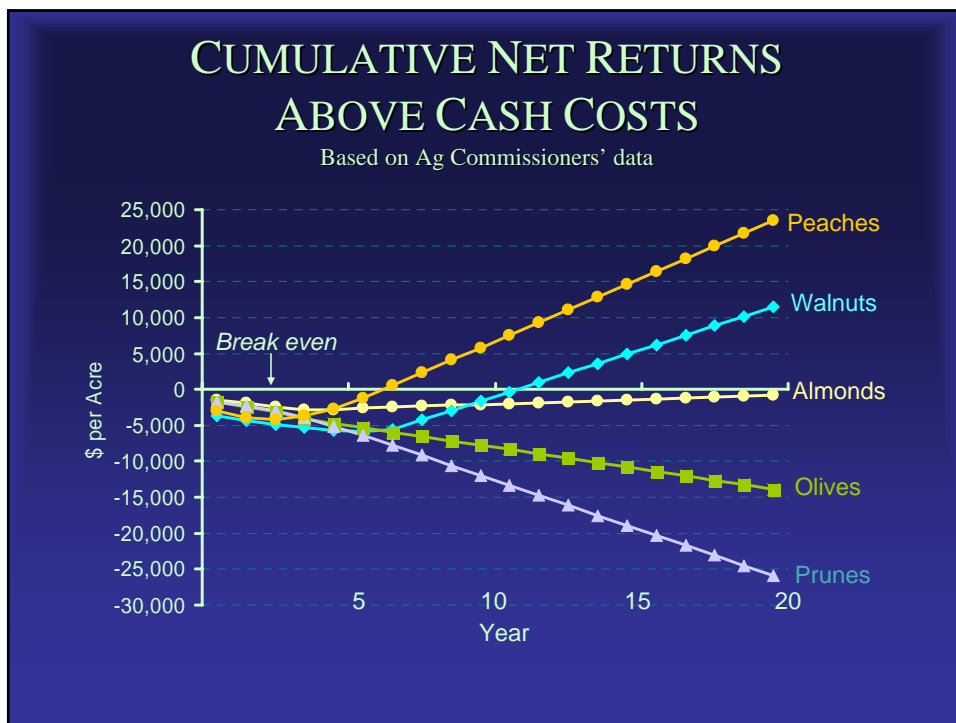
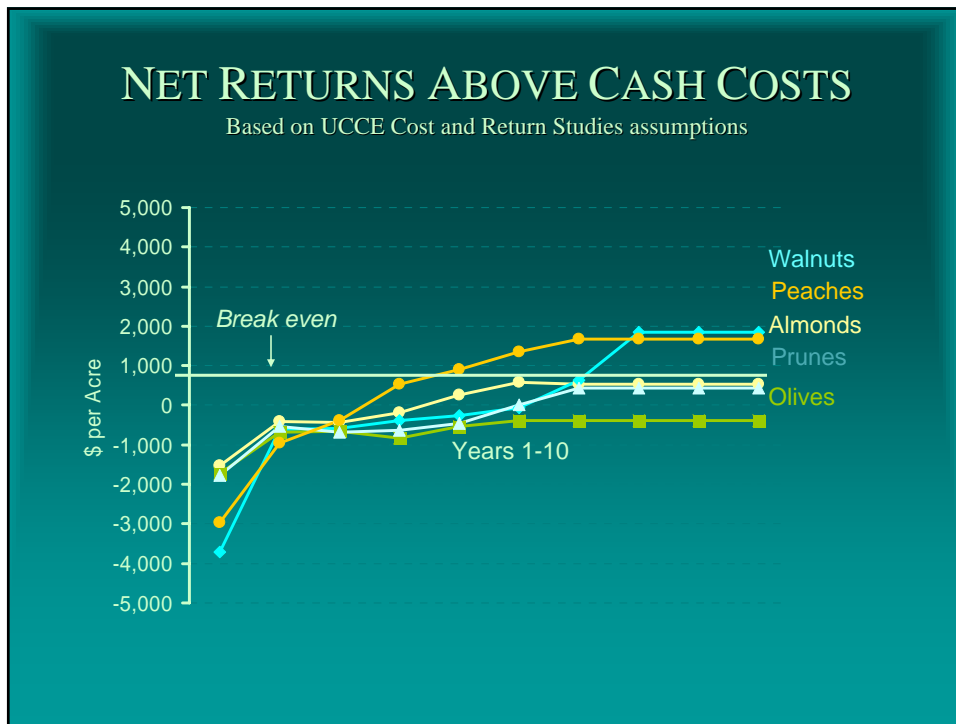
# Costs *and* Returns for Tree Crops in the Sacramento Valley

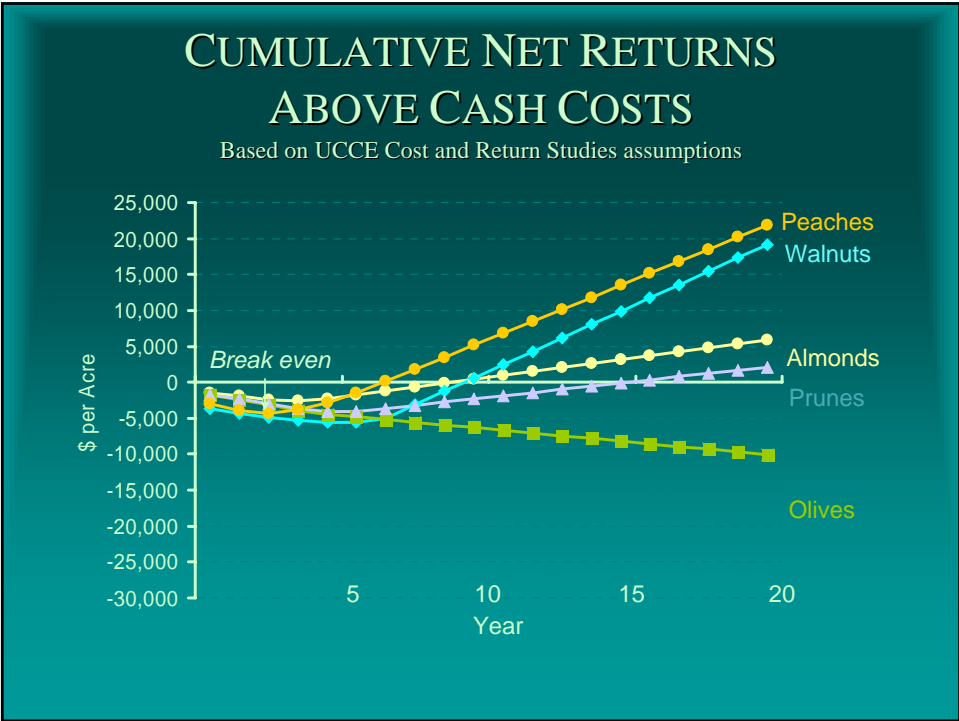
May 6,  
2004



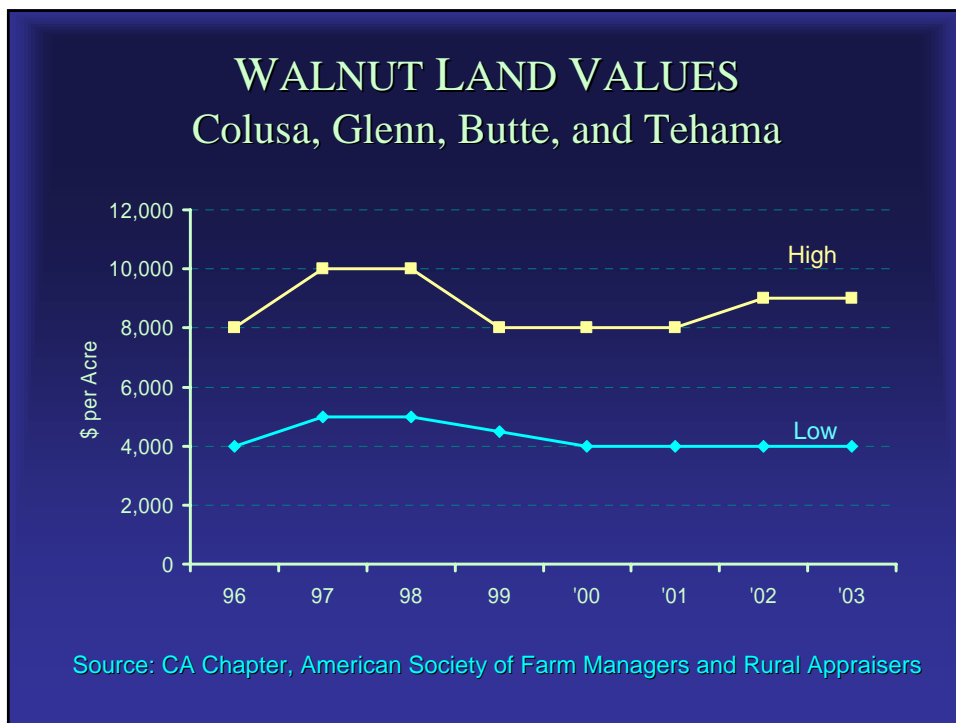
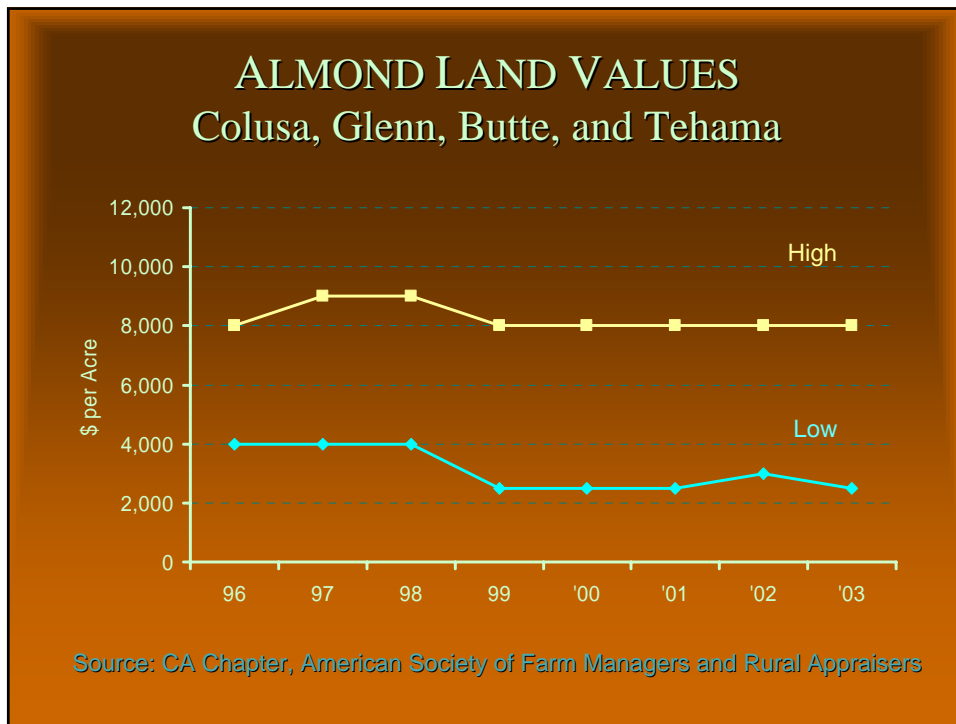
Karen Klonsky, Farm Management CE Specialist, Dept. of Agricultural and Resource Economics, UC Davis

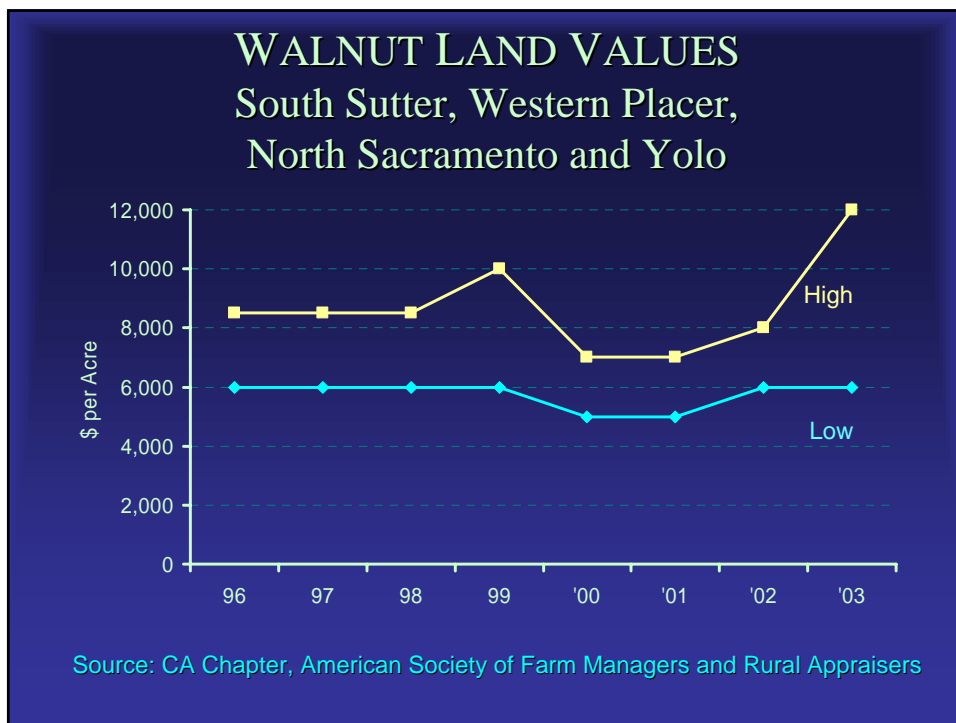
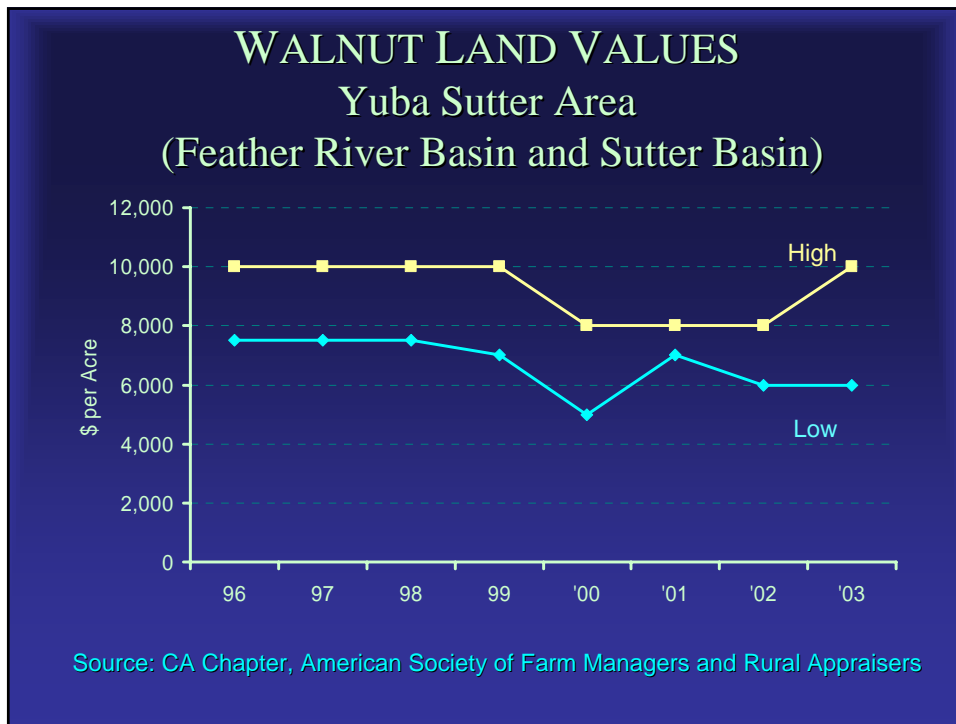


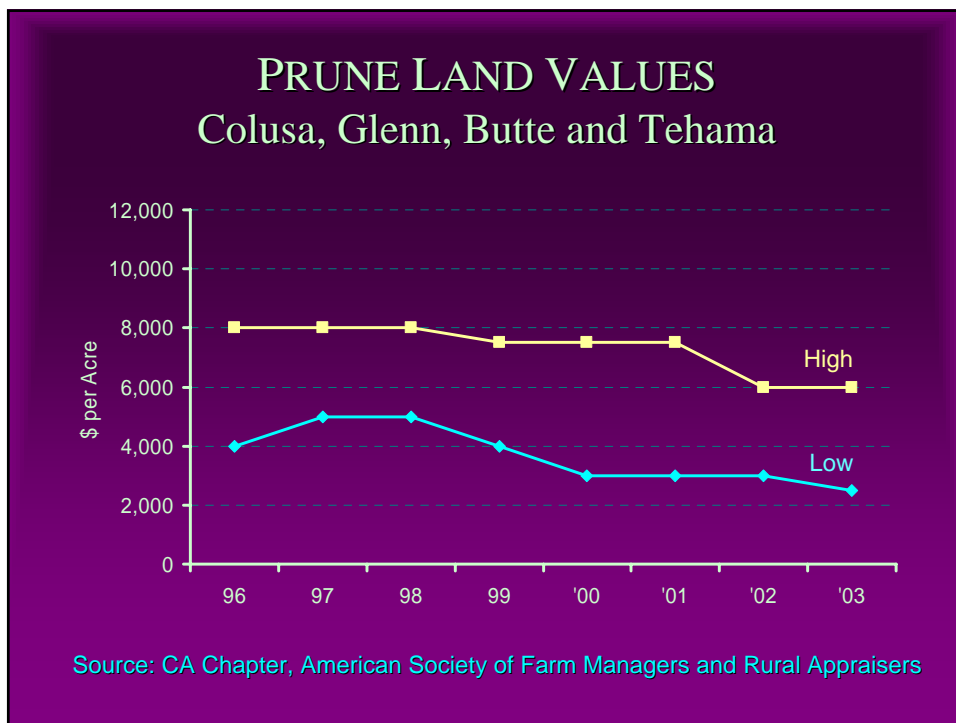
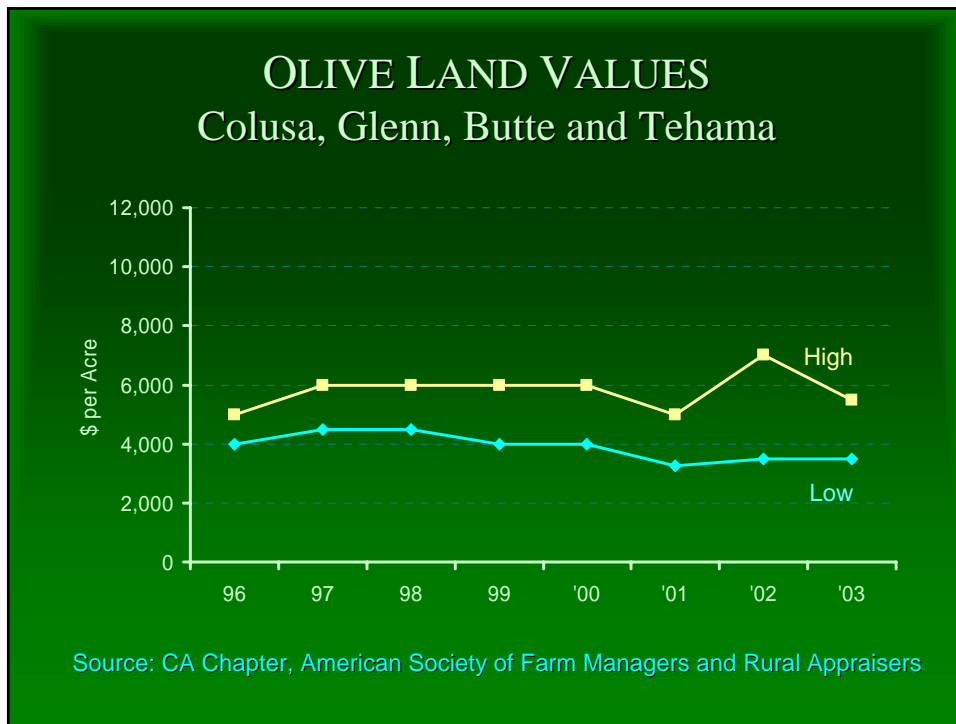


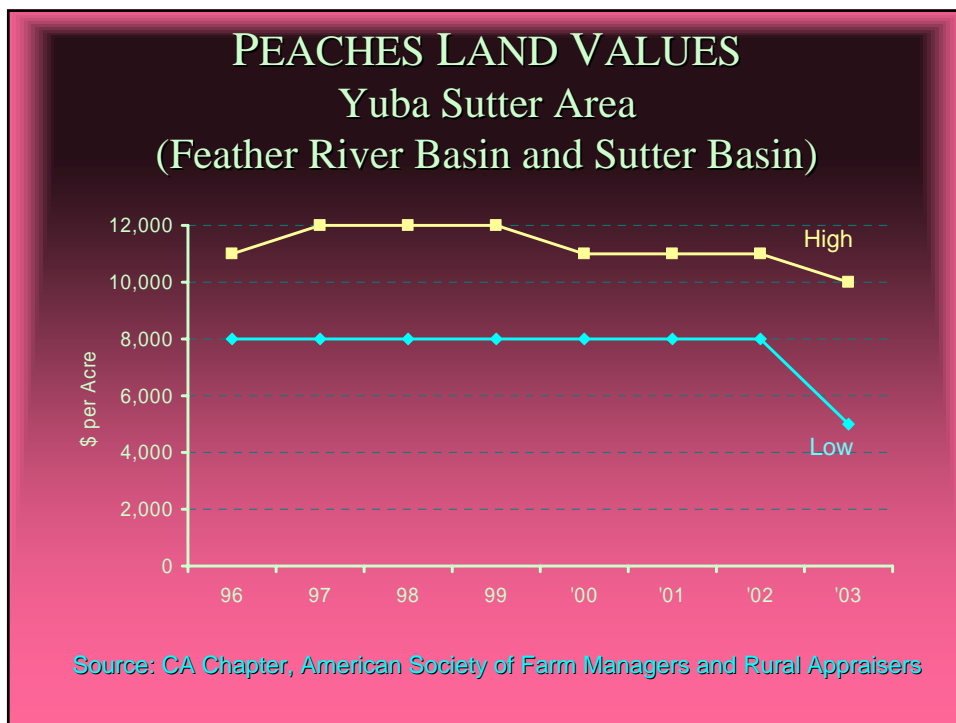
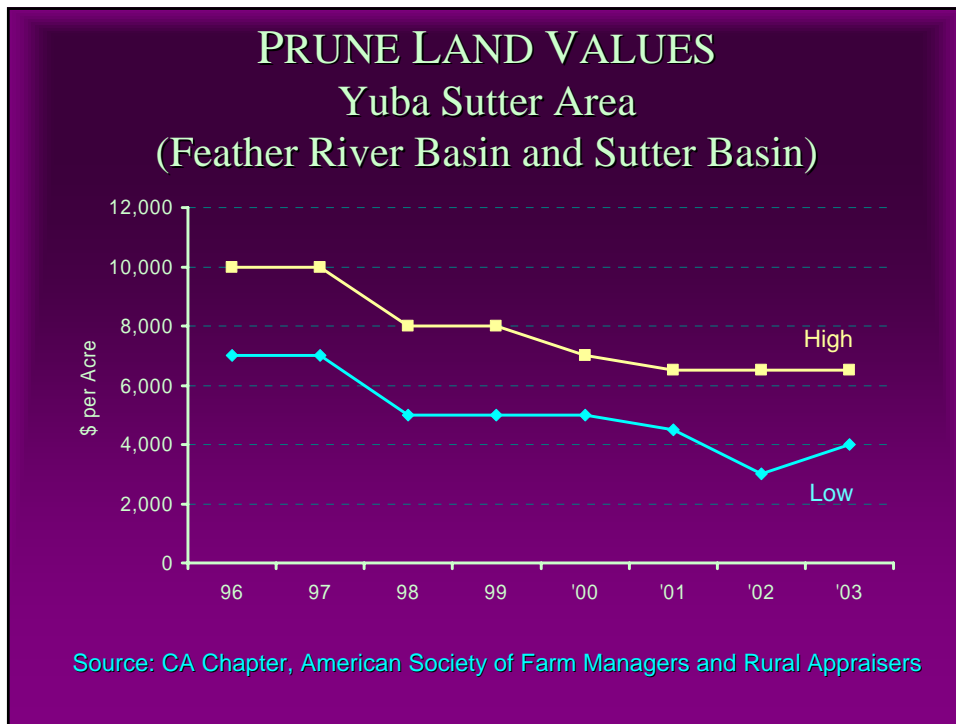


- ### SACRAMENTO VALLEY LAND VALUES
- Almonds
  - Walnuts
  - Olives
  - Prunes
  - Peaches



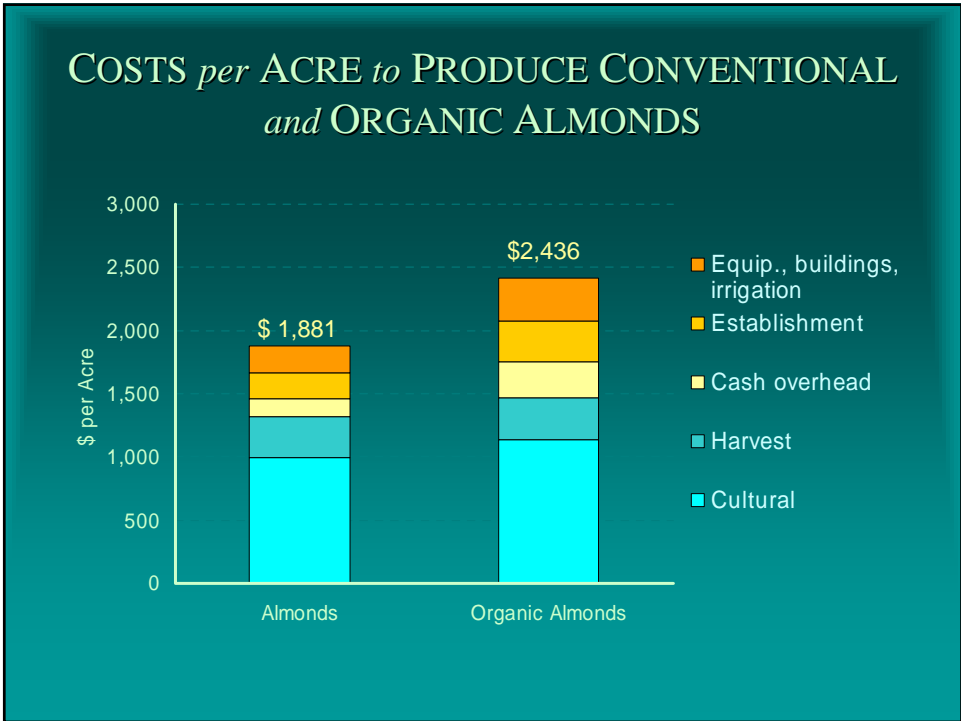


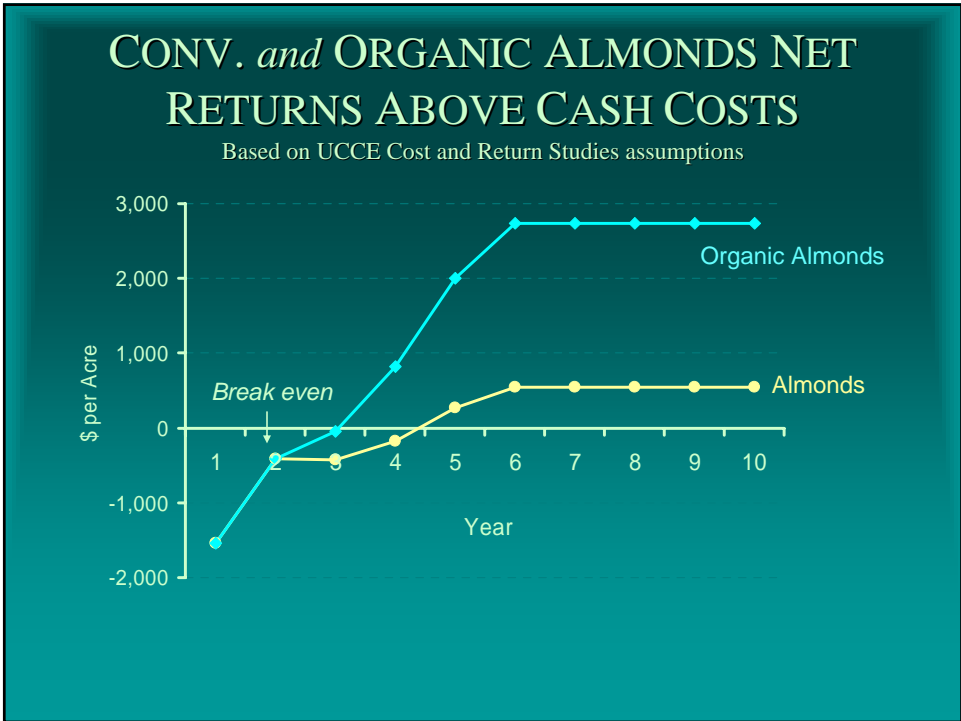
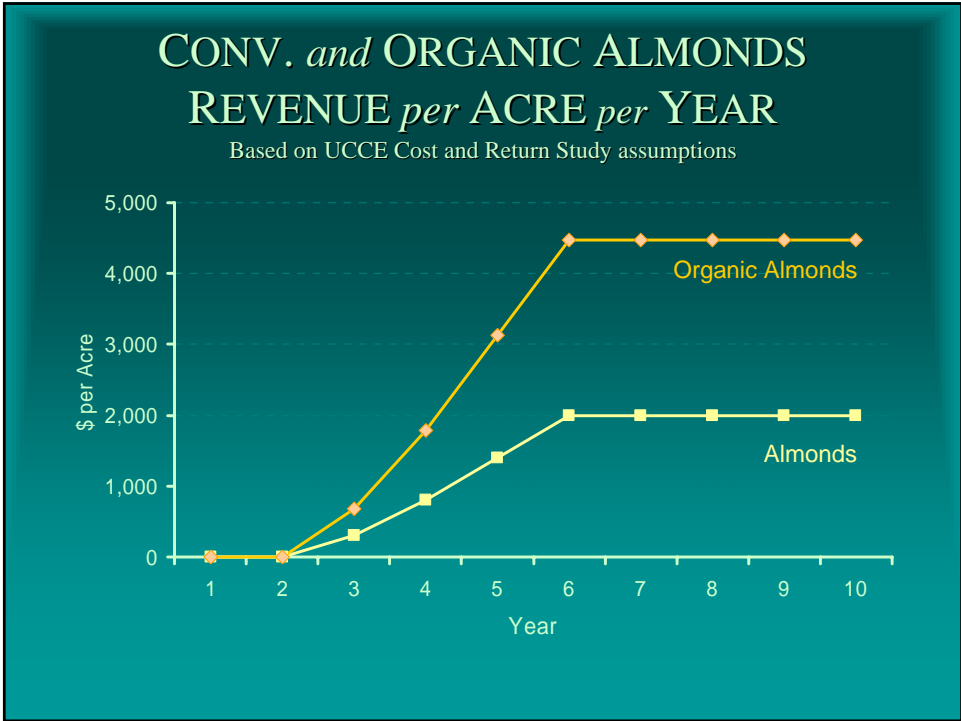


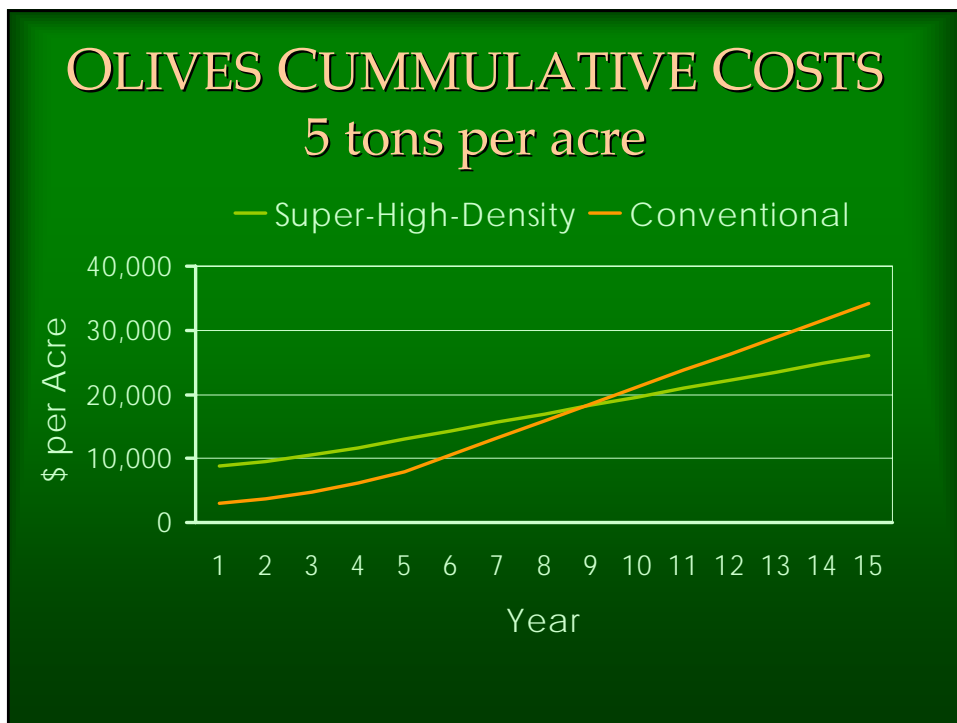


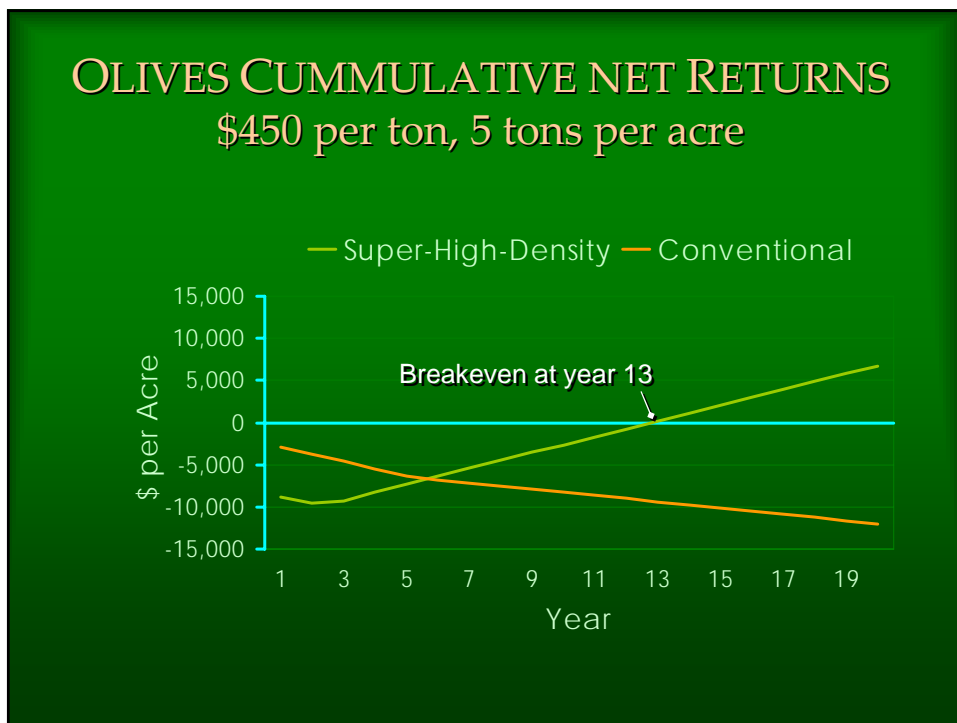
## SPECIALTY TREE CROPS

- Organic almonds
- Olives for oil





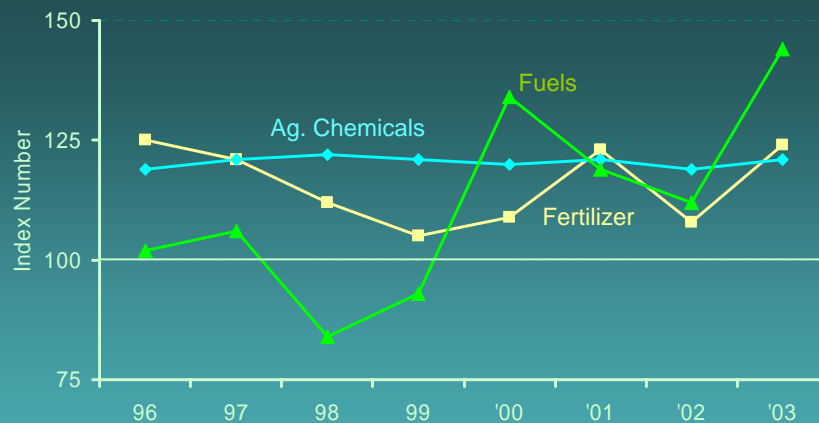




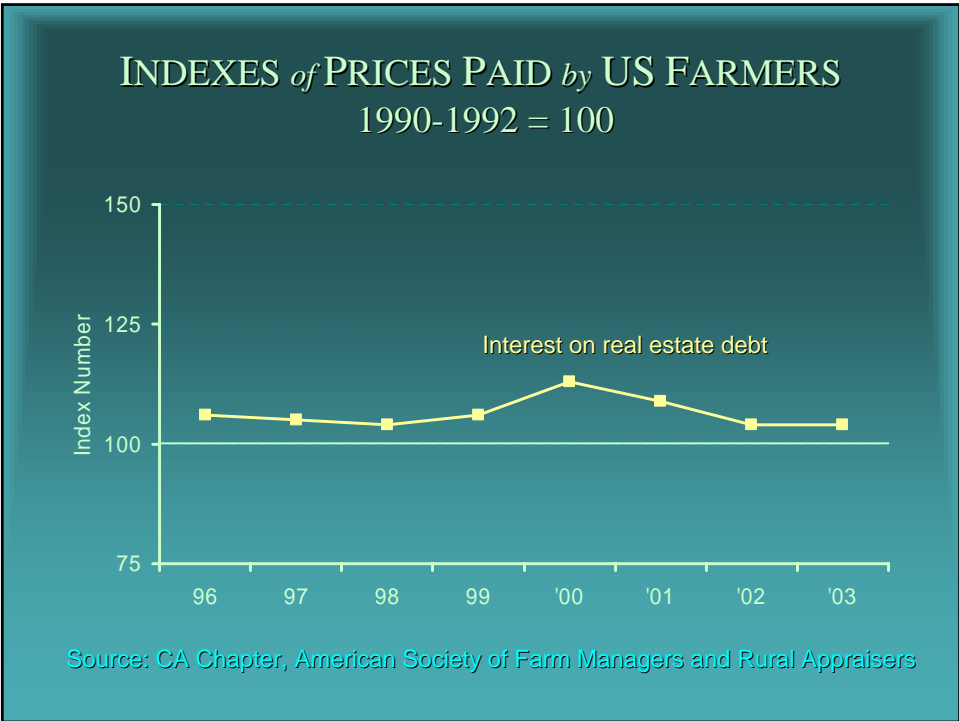
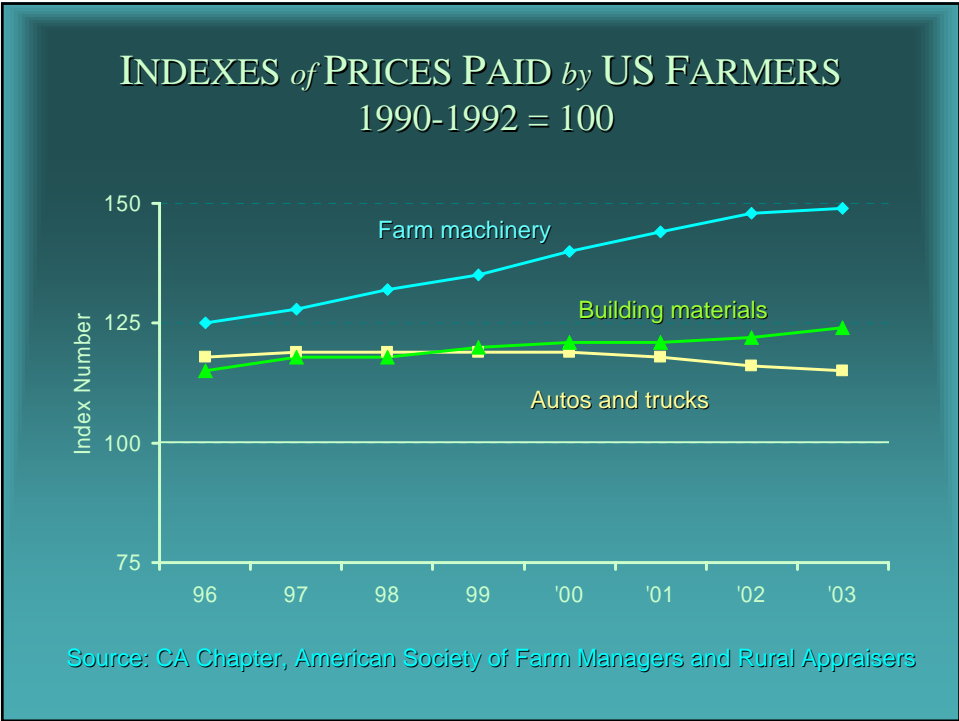
## INDEX NUMBERS of PRICES PAID by FARMERS for INPUTS

- Index numbers are a way to put prices of different inputs on the same scale to look at relative changes over time.
- Base 1990 – 1992 = 100
- Example: an index number of 110 means prices paid are 10% higher than the average of prices from 1990 – 1992.

### INDEXES of PRICES PAID by US FARMERS 1990-1992 = 100



Source: CA Chapter, American Society of Farm Managers and Rural Appraisers



## ADVERTISEMENT

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