



2000 PEACH PRODUCTION BUDGET
Non-Bearing (Years 2-3) ¹
1 Acre

ITEM	EXPLANATION	PRICE PER UNIT	YOUR BUDGET
VARIABLE COSTS			
Fertilizer ²			
N	25 lb	0.23 /lb	6 _____
P ₂ O ₅	50 lb	0.28 /lb	14 _____
K ₂ O	50 lb	0.13 /lb	7 _____
Pesticides ³			125 _____
Fuel, Oil, Grease			12 _____
Repairs			10 _____
Miscellaneous ⁴			12 _____
Hired Labor ⁵			
Mowing and other	10 hours	7.50 /hr	75 _____
Pruning		1.00 /tree	120 _____
Int. on Oper. Cap. ⁶	12 mo.	9.0%	23 _____
TOTAL VARIABLE COSTS	- Per Acre		404 _____
FIXED COSTS			
Operator Labor Charge ⁵	4 hours	7.50 /hr	30 _____
Mach. And Equip. Charge			38 _____
Land Charge	Rent		85 _____
Facilities and Equipment ⁷	\$ 30,000	15%	225 _____
Management Charge			137 _____
TOTAL FIXED COSTS			515 _____
TOTAL COSTS	-Per Acre		919 _____

¹ Annual budget for years 2-3 of enterprise. After establishment and before fruit bearing.

Peach trees typically do not produce fruit until the 4th year or later.

² Consult OSU Bulletin 458 "Fertilizing Fruit Crops" for specific recommendations

³ Consult OSU Bulletin 506A2 "Commercial Tree Fruit Spray Guide" for specific recommendations

⁴ Includes soil tests, small tools, utilities, etc...

⁵ Hired and seasonal labor is considered a variable costs, salaried and operator/unpaid family labor is considered a fixed cost.

⁶ Interest on all variable costs for 12 months at 9% interest rate

⁷ Facilities and equipment valued at \$30,000 expensed at 15% annually for 20 acres.

Example: \$30,000 x 15 / 20 acres = \$225

Includes depreciation, interest, insurance, and repairs.