



**2000 APPLE PRODUCTION BUDGET**  
**Non-Bearing (Years 2-3) <sup>1</sup>**  
**1 Acre**

ITEM	EXPLANATION	PRICE PER UNIT	YOUR BUDGET
<b>VARIABLE COSTS</b>			
Fertilizer <sup>2</sup>			
N	20 lb	\$0.23 /lb	\$5 _____
P <sub>2</sub> O <sub>5</sub>	30 lb	0.28 /lb	8 _____
K <sub>2</sub> O	30 lb	0.13 /lb	4 _____
Herbicides <sup>3</sup>			90 _____
Insecticides <sup>3</sup>			40 _____
Fungicides <sup>3</sup>			48 _____
Fuel, Oil, Grease			5 _____
Repairs			5 _____
Miscellaneous <sup>4</sup>			12 _____
Hired Labor <sup>5</sup>			
Pruning	200 trees	1.00 /tree	200 _____
Mowing and other	10 hours	7.50 /hr	75 _____
Int. on Oper. Cap. <sup>6</sup>	12 mo.	9.0%	44 _____
<b>TOTAL VARIABLE COSTS</b>	<b>-Per Acre</b>		<b>536 _____</b>
<b>FIXED COSTS</b>			
Operator Labor Charge <sup>5</sup>	8 hours	7.50 /hr	60 _____
Mach. And Equip. Charge			38 _____
Land Charge	Rent		85 _____
Facilities and Equipment <sup>7</sup>	\$ 30,000	15%	225 _____
Management Charge			130 _____
<b>TOTAL FIXED COSTS</b>			<b>538 _____</b>
<b>TOTAL COSTS</b>	<b>-Per Acre</b>		<b>1074 _____</b>

<sup>1</sup> Annual budget for years 2-3 of apple enterprise. After establishment and before fruit bearing. Apple trees typically do not produce fruit until the 4th year or later.

<sup>2</sup> Consult OSU Bulletin 458 "Fertilizing Fruit Crops" for specific recommendations

<sup>3</sup> Consult OSU Bulletin 506A2 "Commercial Tree Fruit Spray Guide" for specific recommendations

<sup>4</sup> Includes soil tests, small tools, utilities, etc...

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

<sup>6</sup> Interest on all variable costs for 12 months at 9% interest rate

<sup>7</sup> 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.