



## 1999 STRAWBERRY PRODUCTION BUDGET <sup>1</sup> Irrigated - Per Acre Harvested

ITEM	EXPLANATION	PRICE PER UNIT	PICKING HIRED YOUR OWN	YOUR BUDGET
<b>RECEIPTS</b>				
Strawberries <sup>2</sup>	7000 lb.	\$1.00 \$ 0.75 /lb.	\$7,000 \$5,250	_____
<b>VARIABLE COSTS</b>				
Preplant Fumigation <sup>3</sup>	Custom Hired	1700	425	425 _____
Plants (prorated over 4 years)	5500	85.00 /1000	117	117 _____
Fertilizer				
N	40 lb.	0.31 /lb.	12	12 _____
P <sub>2</sub> O <sub>5</sub>	50 lb.	0.28 /lb.	14	14 _____
K <sub>2</sub> O	50 lb.	0.13 /lb.	7	7 _____
Lime <sup>4</sup>	1500 lb.	14 /ton	3	3 _____
Pesticides <sup>5</sup>			411	411 _____
Straw Mulch	3 tons	60 /ton	180	180 _____
Fuel, Oil, Grease			42	42 _____
Repairs			83	83 _____
Marketing Costs			150	100 _____
Containers and Miscellaneous			500	500 _____
Hired Labor (hours)	450 50	6.50 7.50 /hr.	2925	375 _____
Int. on Oper. Cap. <sup>6</sup>	6 mo.	9.0%	68	66 _____
<b>TOTAL VARIABLE COSTS</b>	<b>-Per Acre</b>		4937	2334 _____
	<b>-Per Pound</b>		0.71	0.33 _____
<b>FIXED COSTS</b>				
Operator Labor Charge	75 hours	7.50 /hr.	563	563 _____
Mach. And Equip. Charge			47	47 _____
Irrigation System <sup>7</sup>			750	750 _____
Land Charge	Rent		85	85 _____
Management Charge	5% of gross revenue		350	263 _____
<b>TOTAL FIXED COSTS</b>			1795	1707 _____
<b>TOTAL COSTS</b>	<b>-Per Acre</b>		6731	4041 _____
	<b>-Per Pound</b>		0.96	0.58 _____
<b>RETURN ABOVE VARIABLE COSTS</b>			2063	2916 _____
<b>RETURN ABOVE TOTAL COSTS</b>			269	1209 _____
<b>ADDITIONAL PRE-PRODUCTION COSTS <sup>8</sup></b>			550	550 _____
(Prorated over 4 years)				
<b>TOTAL COSTS FOR 4 YEAR ROTATION</b>			22394	14325 _____

<sup>1</sup> Based on years 2-4 of a four year rotation. Year 1 is used for establishment of crop with no return.

<sup>2</sup> Strawberries sold at or near place of production.

<sup>3</sup> Fumigation in establishment year, prorated over four years.

<sup>4</sup> Lime applied only in establishment year and prorated over 4 years.

<sup>5</sup> Refer to Bulletin 506 "Commercial Small Fruit & Grape Spray Guide" for pesticide recommendations

<sup>6</sup> Interest on operating capital calculated at 9.0% interest for 6 months.

<sup>7</sup> Irrigation costs= \$15,000 irrigation system x 20% ownership costs /4 year crop cycle  
(\$15,000 x 20%) / 4 = \$750

<sup>8</sup> Expenses that are incurred in establishment year and are not included in above expenses. These items are:  
fumigation (prorated)- \$275; plants (prorated)- \$96; fertilizer- \$30; herbicides- \$311; fuel, oil, and grease- \$60;  
straw- \$200; machinery and equipment charges- \$47; 100 hours labor- \$750, land charge- \$85; interest- \$62;  
repairs and maintenance- \$30. Interest on costs charged at 9% for 1.5 years.