

**Table 1. Costs per Acre for Establishment and Production of Wine Grapes
by Production Practices
Temecula, Riverside County, 2002**

	Year 1	Year 2	Year 3	Production Year
I. OPERATING (CASH) COSTS (Materials, Labor, Fuel, Lube, & Repair)				
A. Cultural Costs (preharvest)				
Grade & Rip	1,300			
Survey & Mark	266			
Trellis System Installation	2,618	410		
Plant Vine	4,410	389		
Pest & Disease Control	255	255	303	303
Train & Tie & Sucker	398	398	143	143
Shoot Thin			510	510
Prune			319	447
Fertilize	30	30	228	228
Weed Control	19	19	19	14
Cover Crop	105	105	105	105
Irrigate	212	392	572	752
B. Machinery Costs (Fuel, Lube, & Repair)	176	133	294	294
C. Harvest Costs			283	783
TOTAL OPERATING COSTS	9,789	2,130	2,776	3,579
II. CASH OVERHEAD COSTS				
Office Expenses	120	120	120	120
Taxes & Insurance	198	284	330	528
Liability Insurance	20	20	20	20
Investment Repair	62	62	62	62
Interest on Establishment	0	1,102	1,570	0
TOTAL CASH OVERHEAD COSTS	400	1,589	2,102	730
Interest on Operating Capital and Cash Overhead	682	128	128	167
TOTAL CASH COSTS	10,871	3,847	5,007	4,476
LESS INCOME FROM PRODUCTION	0	0	-2,563	-6,150
NET CASH COSTS FOR THE YEAR	10,871	3,847	2,444	-1,674
ACCUMULATED NET CASH COSTS	10,871	14,717	17,162	
III. NON-CASH OVERHEAD COSTS (Depreciation & Interest)				
Land Rent	1,027	1,027	1,027	1,027
Building	23	23	23	23
Tools	6	6	6	6
Fuel Tanks & Pumps	7	7	7	7
Sanitation Costs	6	6	6	6
Drip Irrigation	169	169	169	169
Depr. & Interest	140	112	232	232
Amortized Tree Establishment Cost	0	0	0	1,700
TOTAL NON-CASH OVERHEAD COSTS	1,377	1,349	1,468	3,168
TOTAL COSTS FOR THE YEAR	12,248	5,195	6,475	7,645
TOTAL NET COSTS FOR THE YEAR	12,248	5,195	3,912	1,495
ACCUMULATED NET COSTS	12,248	17,443	21,356	