Budget

Income

Expenses
Why Budget?

The better you understand what you’ve done in the past... the better you can plan for the future
Important terminologies in BUDGETING

Income — Expenses — Savings

= Profit OR Loss
✓ Good Habits

✓ Separate farm and home budgets
✓ Pay your farm for vegetables you take home as if you are paying at market
✓ Write down expenses as soon as you make purchases
✓ Write down income as soon as you are paid
✓ Pay yourself for your time working
✓ Keep receipts
✓ SAVE for next year
What are some possible ways to earn income farming?

- Market
- Wholesale
- CSA
- Home Food
- Sales to Friends
Practice...

You sold five bunches of greens to a restaurant for $10.

The date is May 22$^{nd}$
Practice...

You bring home vegetables for your family. You would have paid $32 in the store for them.

The date is May 18th
Farm Expenses

- Car and Truck
- Rent/Lease
- Seeds & Plants
- Supplies

Labor
Taxes (Savings)
Transportation

Miles Driven (for your farm) \( \times \) $0.56 = Total Mileage Expense
Rent/Lease:
Practice...

You paid your land lease for the year. The total was $350.00

The date is February 2\textsuperscript{nd}
Seeds & Seedlings

Seeds

Seedlings
Practice...

You bought tomato and daikon seeds for your farm. Your total was $6.00.

The date is April 3rd
You bought some seedling starts for your farm. Your total was $55.50

The date is May 12th
Supplies

Compost

Fertilizer

Pesticides

Mulch

Stakes

Row Cover

Other
Practice...

You bought row cover for your bok choy. The total was $100.50

The date is April 16th
Practice…

You bought compost for $120.25.

The date is April 22\textsuperscript{nd}
Labor (not for taxes!)

What is your time worth?

How much (if anything) do you need to pay yourself for working at the farm?
What is your time worth to you?

1 Hour = ?

1 Hour = ?

Labor (not for taxes!)

But also remember....
“The time you enjoy wasting is NOT WASTED.”
Practice...

You spent 5 hours on your farm the April 22nd.

You spent 3 hours on your farm April 27th.
Savings (not for taxes!)

Savings for Home

Savings for Farm
Practice...

You know you will have farm expenses next spring, before you can sell anything. You decide to save $90 out of your first check to help cover them.

The date is September 10th
Questions?