



## Instructions for using the interactive budgets

You will need Adobe Acrobat Reader to use these forms. If you do not have this program installed on your computer, you can download a free version [here](#).

You can make changes to the interactive PDF budget files for this publication by inputting your own prices and quantities in the green-outlined cells for any item. You will need to click on and add your own estimated price and quantity information to all of the green-outlined cells to complete your customized budget.

The cells outlined in red automatically calculate your revised totals based on the changes you made to the cells outlined in green.

When you are finished, you can print the budget using the green **Print Form** button at the bottom of the form.

You can use the red **Clear Form** button to clear all the information from your budget when you are finished.

---

**extension.psu.edu**

**This publication is available in alternative media on request.**

Penn State is an equal opportunity, affirmative action employer, and is committed to providing employment opportunities to all qualified applicants without regard to race, color, religion, age, sex, sexual orientation, gender identity, national origin, disability or protected veteran status.

© The Pennsylvania State University 2016

### Start Farming Model Plot Budget for 1 Acre of Winter Squash Production with Cover Crop Rotation, Grower A.

The primary goals of the Model Plot Vegetable and Cover Crop Rotations are to improve soil health and reduce overall disease pressure. This budget provides an example of 2 of 6 recommended rotations alternated between cash and cover crops on a half-year basis. The goal is to build up the soil to help ensure the profitability of the next cash crop rotation.

No crop family is planted in the same area during the course of the rotations in order to reduce both disease and pest pressure. Best management practices highlighted in this case study example have the potential to reduce fertilizer and pesticide inputs and increase profits, so consider this as you create a budget for your enterprise.

#### Start Farming model plot budget, cover crop establishment.<sup>1</sup>

	Quantity	Your Quantity	Unit	Price	Your Price	Cost	Calculated Estimate
Variable expenses							
Fertilizer	1	_____	acre	\$31.20	_____	\$31.20	_____
Seed							
Sudan grass seed	40	_____	lb.	\$2.60	_____	\$104.00	_____
Rye seed	20	_____	lb.	\$0.06	_____	\$1.20	_____
Operator Labor							
Tractors	2.8	_____	hr.	\$16.00	_____	\$44.80	_____
Diesel Fuel							
Tractors	14.6	_____	gal.	\$2.73	_____	\$39.86	_____
Repair & Maintenance							
Tractors	1	_____	acre	\$13.40	_____	\$13.40	_____
Implements	1	_____	acre	\$10.37	_____	\$10.37	_____
Additional expenses							
Additional expenses							
Interest on Operating Capital	1	_____	acre	\$4.12	_____	\$4.12	_____
<b>Total Variable Expenses</b>						<b>\$248.95</b>	_____
Fixed Expenses							
Implements	1	_____	acre	\$27.43	_____	\$27.43	_____
Tractors	1	_____	acre	\$17.74	_____	\$17.74	_____
Additional expenses							
<b>Total Fixed Expenses</b>						<b>\$45.17</b>	_____
<b>Total Expenses</b>						<b>\$294.12</b>	_____

1. The establishment and incorporation of a cover crop may increase organic matter and reduce the requirement for

fertilizers. Please account for this possible reduction in the appropriate items below in the winter squash production budget. This reduction should be based on a soil test that includes an analysis for organic matter. A soil health test will provide information on additional benefits, such as soil tilth and drainage.

**Start Farming model plot budget, winter squash production.<sup>2</sup>**

<b>Receipts</b>	<b>Quantity</b>	<b>Your Quantity</b>	<b>Unit</b>	<b>Price</b>	<b>Your Price</b>	<b>Income</b>	<b>Your Estimate</b>
Squash	10,000		pounds	\$0.75		\$7,500.00	
	<b>Quantity</b>	<b>Your Quantity</b>	<b>Unit</b>	<b>Price</b>	<b>Your Price</b>	<b>Cost</b>	<b>Calculated Estimate</b>
Variable expenses							
Fertilizer	1		acre	\$149.25		\$149.25	
Fungicides	1		acre	439.21		\$439.21	
Insecticide	1		acre	\$128.08		\$128.08	
Spray Additive	1		acre	\$24.04		\$24.04	
Plants							
Squash	1		acre	\$267.00		\$267.00	
Other							
Soil test	1		ea.	\$14.00		\$14.00	
Soil health test	1		ea.	\$30.00		\$30.00	
Biodegradable mulch	8,712		ft.	\$0.03		\$261.36	
Drip tape	8,712		ft.	\$0.02		\$174.24	
Irrigation	1		ea.	\$15.00		\$15.00	
Tissue analysis	1		ea.	\$24.00		\$24.00	
Labor							
Seasonal labor	3		hr.	\$12.00		\$36.00	
Harvest labor	88		hr.	\$12.00		\$1,056.00	
Operator Labor							
Tractors	6.1		hr.	\$16.00		\$97.60	
Seasonal Labor							
Implements	1.6		hr.	\$12.00		\$19.20	
Diesel Fuel							
Tractors	24.6		gal.	\$2.73		\$67.16	
Repair & Maintenance							
Implements	1		acre	\$21.52		\$21.52	
Tractors	1		acre	\$20.63		\$20.63	

Additional expenses		_____		_____		_____
Additional expenses		_____		_____		_____
Interest on Operating Capital	1		acre	\$55.66		\$55.66
<b>Total Variable Expenses</b>						<b>\$2,899.95</b>
<hr/>						
Fixed Expenses						
Implements	1	_____	acre	\$46.17	_____	\$46.17
Tractors	1	_____	acre	\$35.21	_____	\$35.21
Land charge	1	_____	acre	\$200.00	_____	\$200.00
Additional expenses		_____		_____		_____
<b>Total Fixed Expenses</b>						<b>\$281.38</b>
<hr/>						
<b>Total Expenses</b>						<b>\$3,181.33</b>
<hr/>						
<b>Returns above variable costs</b>						<b>\$4,600.05</b>
<b>Returns to management</b>						<b>\$4,318.67</b>
<hr/>						

<sup>2</sup> Budgets are calculated on a per acre basis with actual plots being 1/3 acre.

Considerations when developing your own budget:

~ Fertilizer expenses may be reduced with the use of cover cropping. A 20 lb. nitrogen credit is earned for each 1% increase in organic matter over 2%. For example, if the recommended rate of actual nitrogen is 50 lbs. per acre, and the organic matter level is 3%, the rate of nitrogen can be reduced to 30 lbs. per acre.

~ Fertilizer (N, P, K, Ca, Mg, micronutrients) use can be further reduced by timely soil and tissue analysis and should be taken into account when planning a budget and production.