

Assumptions in Budget Examples

Micro Farming Track 2023 Urban and Small Farms Conference

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Budget Examples: These budget examples are micro-scale budgets based on production experience at the Urban Farming Demonstration Gardens in Kaysville, Utah (<https://extension.usu.edu/botanicalcenter/gardens-venues/urban-farm-demo>). The full garden is an 1/8 of an acre or 5,400 ft² and the vegetable portion is 1,860 ft². Within the vegetable part of the garden, the actual growing space is 1,500 ft² or 25 60-ft rows which are 1 ft wide. A wide variety of vegetables have been grown, but illustrative budgets were created for garlic, sweet peppers, onions, and tomatoes. Each budget for an individual crop is for 1 row or 60 ft². Information on the costs and returns are below.

Yields: Yields are the actual yields harvested from the garden during the 2022 growing season. They are presented in pounds in the budgets.

Prices: The prices of the vegetables were determined in two ways; the first is from USDA-published national wholesale price and the second is from farmers market price study in 2016-2017 (average from the following cities in Utah; Logan, Ogden, Kaysville, and Salt Lake City) (https://extension.usu.edu/apec/files/uploads/Produce_Pricing_Fact_Sheets.pdf) which has been adjusted for inflation using the consumer price index. Information on garlic and tomatoes was also obtained from a grower using farmers markets.

Expenses: Expenses were based on the actual costs from the demonstration garden.

Starts/seed. Tomatoes and sweet peppers are planted 12" apart and each row requires 2 flats (36 plants per flat) @ \$13.90. Garlic seed can be reused if there is no disease present, the initial cost of the seed is \$40. To account for the potential risk of disease the initial cost is spread over 10 years making it \$4 each year. Approximately 150 onions are planted in each row, which takes one and a half bundles of onions at \$29.95 each.

Misc. Expenses: Irrigation water (\$250), cover crop seeds (\$35), pesticide (\$35), and weed spray (\$65) were costs for the whole garden, and a portion of the cost was allocated to each crop.

Fertilizer: 16-16-16 50lb bag of fertilizer cost \$45 dollars which is divided between 3 gardens and purchased every 3 years making it \$5 each year.

Boxes/packaging: Many may be able to use repurposed boxes and bags and not incur a cost for this. Assuming that bags are purchased for \$0.10 each. \$5 per crop would cover 50 bags. Boxes may be more if purchased.

Labor: The labor cost per crop was found by labor hours tracked by the Display Garden in Kaysville, Utah for the garden. 340 hours for maintenance/harvest, 40 hours for planting, and 30 hours for tear down which is accounting for the whole garden. The hours were broken down into labor per crop and then multiplied by \$18/hour to get a total labor price per crop.

Marketing: The marketing cost is associated with 50 miles round trip to the farmers market at \$0.50 a mile plus a \$10 booth rental for 10 weeks plus a \$150 credit card fees. The marketing labor is figured as 10 hours a week for 10 weeks multiplied by \$18 an hour. Each of these were for the whole farm which is then allocated for a single crop.

Land: The cost of the land for these micro budgets could vary greatly. For some, this may be a portion of their housing lot that would not otherwise be used. If the land cost \$200,000 per acre, this would be \$25,000 for the 1/8 of an acre the demonstration garden is on or \$8,611 for the portion in vegetables. This would be \$344 for each individual vegetable crop. If we assume a 10% holding cost per year that is \$35 for each vegetable crop.

Annual Startup Expenses: The startup costs for compost, cold frame, irrigation, small tools, shed, soil preparation, and tomato trellis were all tracked by the Display Garden in Kaysville, Utah. The total cost was divided by the years it could be used to get an annual allocation.