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# AGRICULTURAL ALTERNATIVES

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## 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.

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**[extension.psu.edu/ag-alternatives](http://extension.psu.edu/ag-alternatives)**

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## Sample Cheesemaking Budget

Based on 250,000 pounds of milk from an on-farm dairy and 10 pounds of milk per pound of cheese. Income will vary due to the cost of supplies and types of cheeses produced and sold.

Item	Quantity	Your Quantity	Units	Value	Your Cost	Total	Calculated Estimate
<b>Income</b>							
Cheese Sales							
Wholesale Sales 85%	21,250	_____	pounds	\$8.00	_____	\$170,000.00	_____
Retail Sales 15%	3,750	_____	pounds	\$12.00	_____	\$45,000.00	_____
<b>Total Sales</b>						<b>\$215,000.00</b>	_____
<b>Variable expenses</b>							
Milk	2,500	_____	cwt	\$18.00	_____	\$45,000.00	_____
Payroll expense	5,525	_____	hours	\$10.50	_____	\$58,012.50	_____
Utilities	25,000	_____	pounds	\$0.21	_____	\$5,250.00	_____
Outside smoking	640	_____	pounds	\$7.68	_____	\$4,915.20	_____
Sanitation supplies	25,000	_____	pounds	\$0.16	_____	\$4,000.00	_____
Employee healthcare	25,000	_____	pounds	\$0.09	_____	\$2,250.00	_____
Office supplies	25,000	_____	pounds	\$0.04	_____	\$1,000.00	_____
Bank charges	25,000	_____	pounds	\$0.02	_____	\$500.00	_____
Training & education	25,000	_____	pounds	\$0.01	_____	\$250.00	_____
Outside testing	25,000	_____	pounds	\$0.004	_____	\$100.00	_____
Operating interest expense						\$4,576.66	_____
Additional expenses		_____					_____
Additional expenses		_____					_____
Marketing expense			% sales	16%	_____	\$34,400.00	_____
<b>Total production expenses</b>						<b>\$160,254.36</b>	_____
<b>Fixed expenses</b>							
Creamery non-food processing equip.	1	_____	year	\$1,646.75	_____	\$1,646.75	_____
Creamery processing equipment	1	_____	year	\$10,535.70	_____	\$10,535.70	_____
Insurance	1	_____	year	\$12,736.75	_____	\$12,736.75	_____
Legal and professional fees	1	_____	year	\$3,963.75	_____	\$3,963.75	_____
PA Corporate tax	1	_____	year	\$31.00	_____	\$31.00	_____

Repairs and maintenance	1	_____	year	\$3,065.90	_____	\$3,065.90	_____
Telephone	1	_____	year	\$2,561.50	_____	\$2,561.50	_____
Interest	1	_____	year	\$533.69	_____	\$533.69	_____
Additional expenses		_____			_____		_____
<b>Total Fixed Expenses</b>						<b>\$35,075.04</b>	_____
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<b>Total Expenses</b>						<b>\$195,329.40</b>	_____
<b>Returns to Management</b>						<b>\$19,670.60</b>	_____
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You should monitor local markets and contact suppliers to determine current values for all items contained in this sample budget.