

Sample Capital Budget

Sample Capital Budget for a Farm Business Development Center

The sample capital budget below assumes that the land needed is already secured. We have made further assumptions than adequate electric service exists to the site. The following table provides an over view of the minimum investments that have been made at the Farm Business Development Center at the Prairie Crossing Farm. Each new FBDC would obviously adapt their infrastructure plan to the circumstances of the individual opportunity and goals.

Item	FEBC Example	Cost	Notes
Farm Equipment			
Tractor	JD 2040	\$4,000	Used
Tiller	BushHog RTS	\$2,600	New 48 "
Manure spreader		\$1,800	Used at auction
Skid steer loader	Bobcat 743B	\$6,000	Used
Walk Behind Tractor	BCS 948	\$5,350	New, includes rear tines
Brush mower	DR Brush Mower	\$3,000	New 17 HP
Transplanter	Rainflo 1600	\$3,000	New, includes planter wheels
Packing facility	Shade structure	\$2,900	Stainless steel & water
Walk-in Cooler		\$4,500	
Transplant Greenhouse		\$20,000	\$6-7 / sq ft
Equipment Storage Shed			Existing
Well and Irrigation		\$45,000	
Access roads			Existing
Office space			Existing in adjacent office

The equipment and capital improvements listed are focused on the needs of a small-scale vegetable farmer. Other operations may need different infrastructure. While the list is not exhaustive, it is representative of some of the major items required. The named resources and resources are neither warranted nor necessarily endorsed by the FBDC.

Tractors – The John Deere 2040 we use is worth about \$4,000 on the second hand market. A close evaluation of condition is important. For example, if you were to overlook a clutch replacement, you could be in for a \$2,600 repair bill. A starting point for evaluation of used equipment is a used farm machinery price guide like “What’s It Worth?” (www.rustbook.com)

Skid Steer Loaders – The Bobcat (Melroe) 743B we use is worth about \$6,000 on the second hand market. The same references and cautions sited for the tractor also apply to this type of equipment.

Walk Behind Tractor – The BCS 948 we use is \$4,399 new and the rear tine 33” tiller attachment is \$950. Used equipment can also be found.

Walk-In-Cooler – A 10’x13’ (9’-4” height) cooler can be purchased used for \$4,800 or new for \$9,000. Delivery charge for a 3 hour trip might run about \$400. This type of cooler is without a floor and would have to be sited on an appropriate concrete floor or pad. This cooler is also designed for use indoors and if located outdoors would need both a concrete pad with ramp and a roof covering. The roof covering can be as simple as a glued on rubber roofing membrane. After site preparation and delivery electrical connections and Freon charge would have to be accomplished by local contractors.

Sometimes used refrigeration trailer-bodies can be used. These also require leveling, ramps, plastic hanging flex-doors (to help prevent loss of cold air while loading/unloading, addition of electric powered cooling units, and contractor services. These however do not require addition of a roof membrane.