LOWCOUNTRY LOCAL FIRST

Recordkeeping in Real-life

Best practices for incubator projects and their farmers

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Recordkeeping for Farmers

- Background
- Required Records- for projects and their farmers
- Production & Crop Planning Records
- Financial Records
- Human Resource Records
- Resources

LOWCOUNTRY LOCAL FIRST

Lowcountry Local First, founded in 2007, advocates the benefits of a local living economy by strengthening community support of our local independent businesses & farmers. Buy Local and Eat Local initiatives provide training, networking, education and outreach.

Buy Local
LOWCOUNTRY LOCAL FIRST®

- Over 500 Business Members
- Launched Local Works Co-working
- Hosts annual GOODBusiness Summit
- Provides monthly networking events and ongoing advocacy
- Advocated for municipal local preference option

Eat Local
LOWCOUNTRY LOCAL FIRST®

- Over 180 farmers served
- Launched first farming apprenticeship & incubator farm (Dirt Works) in SC
- Graduated over 107 farming apprentices since 2010
- Provides monthly farmer training, field trips, and networking
- Consumer Education and Outreach

EAT LOCAL

- Growing New Farmers
  - Sustainable Ag Certificate & Apprenticeship
  - Dirt Works Incubator Farm
  - Land Match
- Farm Services
  - Growers Groups, Workshops, Listserv
- Consumer Education and Outreach
  - Eat Local Month, Farm Fresh Food Guides, Ripe Charts

Dirt Works Incubator Farm

Dirt Works Incubator Farm, a program of Lowcountry Local First, provides business incubation for innovative & sustainable agricultural entrepreneurs in South Carolina.

The program, launched in fall of 2012, provides 6 participants land, infrastructure, equipment, mentorship, marketing, and networking for $2,000 annually for up to three years.

Project is a 10 acre parcel located on a private 70 acre vegetable farm owned by a local produce company.

As the first agricultural business incubator in South Carolina and one of less than 110 in the United States, the program is also a model for the Southeast.

Project Records

- Keeping good records provides a touchstone for both managers and participants.
- Capturing quantitative (the numbers) and qualitative (why and how).
- Utilizing records to guide farmers and determine where participants need help.
- Providing support, training, and expert assistance in keeping good records.

Project Records

- Quarterly check-ins.
- Annual survey with in-depth reviews.
- Pairing with business and financial mentorship.
- Annual documents required include Schedule F and Balance Sheet as well as # and narrative on cost of goods, revenue, and expenses.
- Production numbers by crop type.

Farm Records

- Farming as a business.
- Records are a window into a business and provide control in an otherwise high risk field.
- Keeping good records allow for farmers to comply with business requirements, file their taxes, apply for loans, and make sound business decisions.
- There is a lot of overlap in records and they can be multi-use.

Production Records

- Tools for crop planning, projecting financials, and determining markets.
- Tools vary based on intended market outlet, climate, and local pricing.
- Linked with enterprise budgets.
- Paired with field notes, harvest numbers, final sales from each market outlet, and other detailed notes about what sold, what grew well, what held up well in post harvest, disease and pest.

Production

Summary of crop timing information

The #s below are generalizations for early-medium maturity varieties.
The earliest varieties available may mature sooner. Late maturity varieties are likely to take 2+ weeks longer.
As the season progresses, rate of crop maturation tends to accelerate. This should be considered when timing sucessional plantings.
* = only one planting
NR = not recommended

TABLE 1: Crops grown from transplants

	Swiss chard	Parsley	Green onions	Kohlrabi	Head Lettuce	Broccoli	Cauliflower	Pac choi	Collards	Cabbage	Summer squash	Cucumbers	Storage onions	Eggplant	Bell peppers	Tomatoes	Watermelons	Cantaloupes
successional interval (weeks)	7	7	2-3	2	2	2	2	2	*	3	3-4	4-5	*	8	*	*	2	2
seed to transplant (weeks)	5	10	10	6	4	6	6	5	6	6	4	3	10	6	8	6	4	4
transplant to harvest (weeks)	8	8	6	5	6	8	10	7	10	10	8	7	12	9	9	10	12	11
seed->transplant->harvest (weeks)	13	18	16	11	10	14	16	12	16	16	12	10	22	15	17	16	16	15
direct seed as an alternative (weeks)	10	14	12	9	9	12	14	NR	12	12	10	8	NR	NR	NR	NR	14	13

TABLE 2: Crops grown from direct seeding

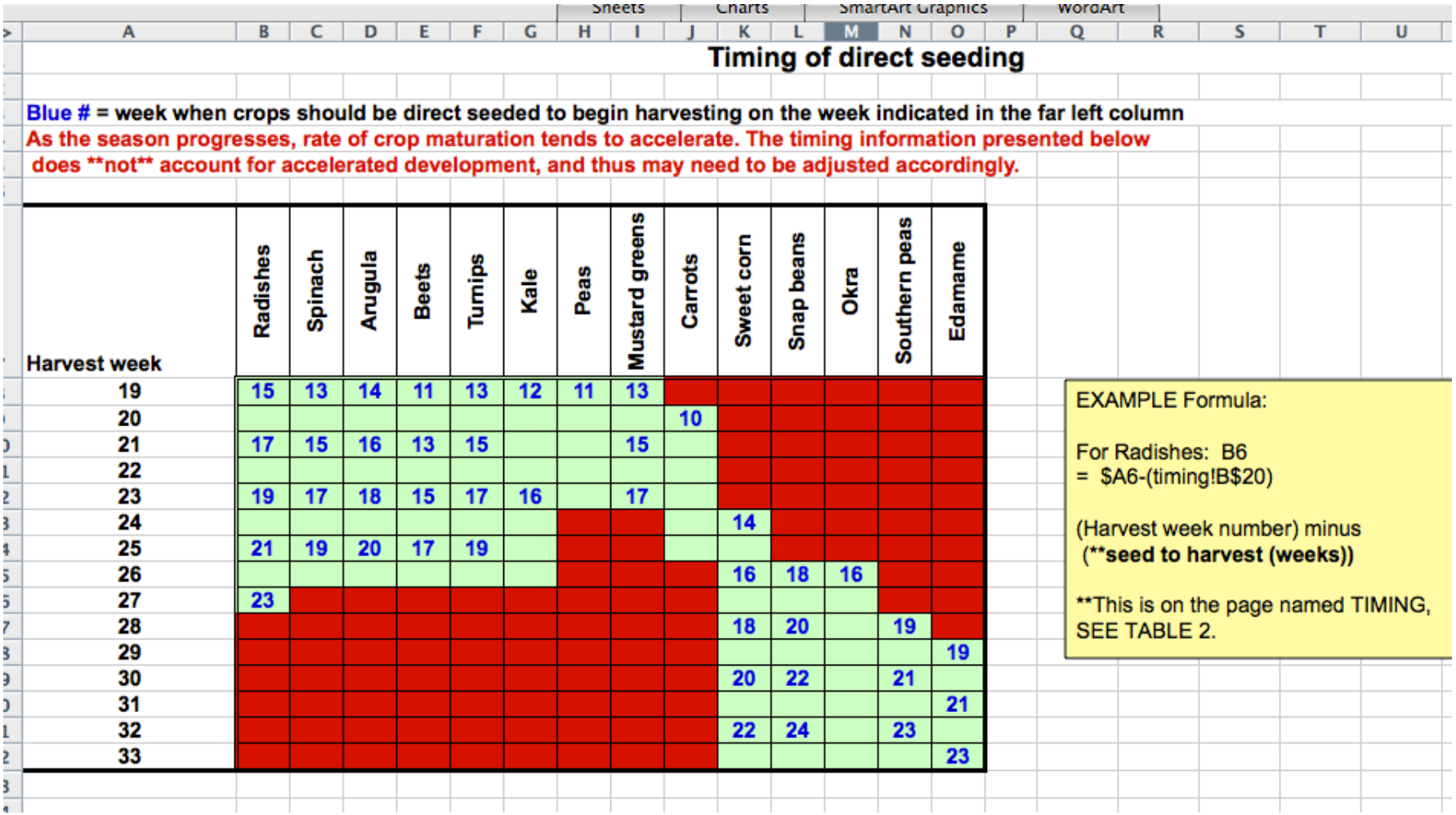
	Radishes	Spinach	Arugula	Beets	Turnips	Kale	Peas	Mustard greens	Carrots	Sweet corn	Snap beans	Okra	Southern peas	Edamame
successional interval (weeks)	2	2	2	2	2	2	*	2	*	2	2	*	*	*
seed to harvest (weeks)	4	6	5	8	6	7	8	6	10	10	8	10	9	10

Formula (from TABLE 1.):

For Swiss Chard: B13
= +B11+B12
This means:
(seed to transplant (weeks)) PLUS
(transplant to harvest (weeks))

http://growingsmallfarms.ces.ncsu.edu/growingsmallfarms-farmrecords/

Production



Timing of direct seeding

Blue # = week when crops should be direct seeded to begin harvesting on the week indicated in the far left column
As the season progresses, rate of crop maturation tends to accelerate. The timing information presented below does **not** account for accelerated development, and thus may need to be adjusted accordingly.

Harvest week	Radishes	Spinach	Arugula	Beets	Turnips	Kale	Peas	Mustard greens	Carrots	Sweet corn	Snap beans	Okra	Southern peas	Edamame
19	15	13	14	11	13	12	11	13						
20									10					
21	17	15	16	13	15			15						
22														
23	19	17	18	15	17	16		17						
24										14				
25	21	19	20	17	19									
26										16	18	16		
27	23													
28										18	20		19	
29														19
30										20	22		21	
31														21
32										22	24		23	
33														23

EXAMPLE Formula:

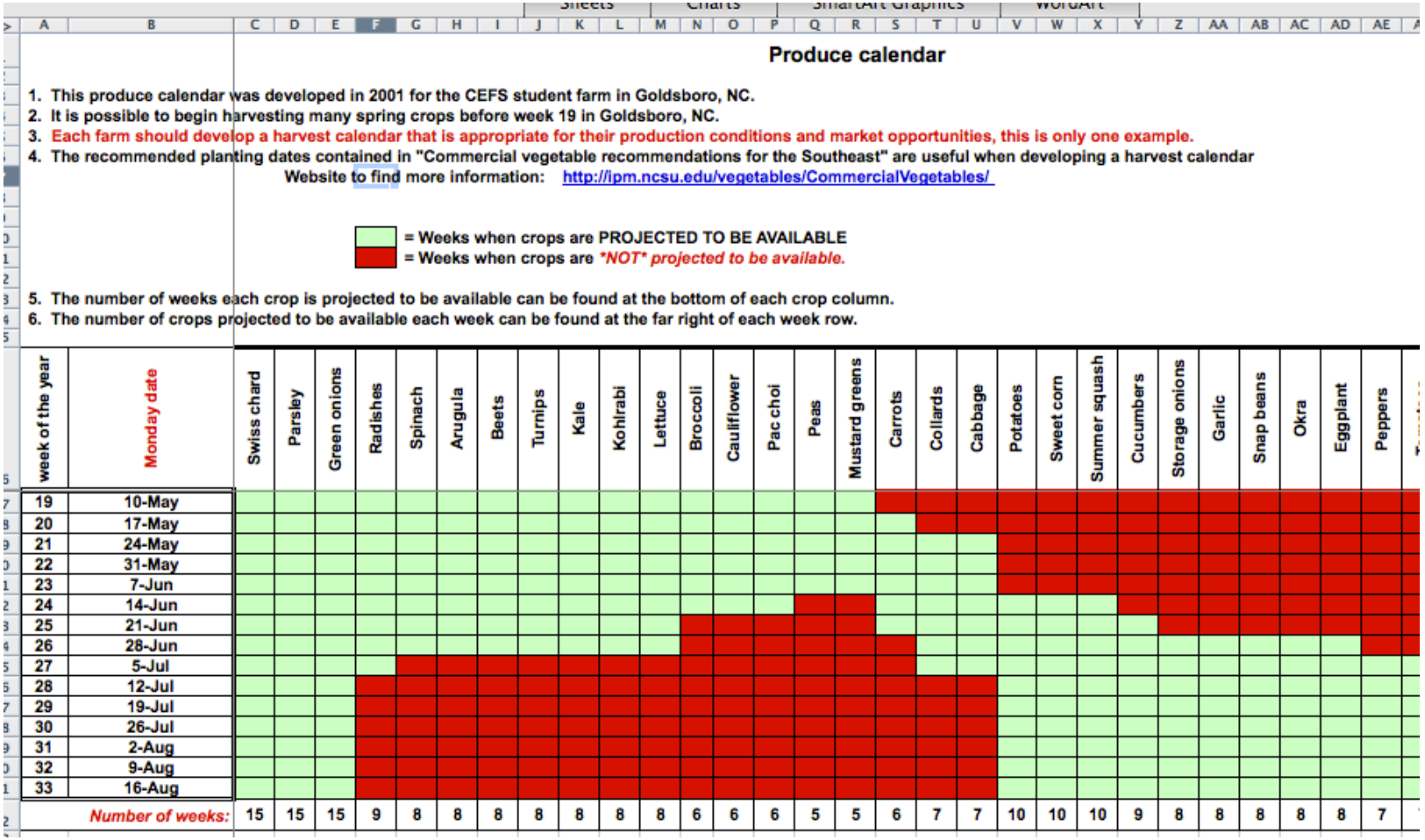
For Radishes: B6
= $A6-(timing!B$20)

(Harvest week number) minus
(**seed to harvest (weeks))

**This is on the page named TIMING, SEE TABLE 2.

http://growingsmallfarms.ces.ncsu.edu/growingsmallfarms-farmrecords/

Production



Produce calendar

1. This produce calendar was developed in 2001 for the CEFS student farm in Goldsboro, NC.
2. It is possible to begin harvesting many spring crops before week 19 in Goldsboro, NC.
3. Each farm should develop a harvest calendar that is appropriate for their production conditions and market opportunities, this is only one example.
4. The recommended planting dates contained in "Commercial vegetable recommendations for the Southeast" are useful when developing a harvest calendar

Website to find more information: http://ipm.ncsu.edu/vegetables/CommercialVegetables/

= Weeks when crops are PROJECTED TO BE AVAILABLE
= Weeks when crops are *NOT* projected to be available.

5. The number of weeks each crop is projected to be available can be found at the bottom of each crop column.
6. The number of crops projected to be available each week can be found at the far right of each week row.

week of the year	Monday date	Swiss chard	Parsley	Green onions	Radishes	Spinach	Arugula	Beets	Turnips	Kale	Kohlrabi	Lettuce	Broccoli	Cauliflower	Pac choi	Peas	Mustard greens	Carrots	Collards	Cabbage	Potatoes	Sweet corn	Summer squash	Cucumbers	Storage onions	Garlic	Snap beans	Okra	Eggplant	Peppers
19	10-May																													
20	17-May																													
21	24-May																													
22	31-May																													
23	7-Jun																													
24	14-Jun																													
25	21-Jun																													
26	28-Jun																													
27	5-Jul																													
28	12-Jul																													
29	19-Jul																													
30	26-Jul																													
31	2-Aug																													
32	9-Aug																													
33	16-Aug																													
	Number of weeks:	15	15	15	9	8	8	8	8	8	8	8	6	6	6	5	5	6	7	7	10	10	10	9	8	8	8	8	8	7

http://growingsmallfarms.ces.ncsu.edu/growingsmallfarms-farmrecords/

Production

Carolina Farm Stewardship Association, 2014

Organic Broccoli – Irrigated – Wholesale Market – 20 lb Case

Budget Based on 1 acre of broccoli on a 10 acre mixed organic vegetable farm.

Estimated Costs and Returns per Acre.

	UNIT	QUANTITY	$/UNIT	TOTAL $/AC	YOUR FARM $/Ac.
RECEIPTS					
1. Broccoli	Case	300	31	9,300	_____
2. VARIABLE COSTS					
3. Organic certification	Acre	1	80	80	_____
4. Seedlings	Thous.	18	45	810	_____
5. Compost	Ton	1	40	40	_____
6. Cover Crop	Acre	1	80	80	_____
7. Lime (prorated)	Ton	0.33	40	13	_____
8. Organic Pest. Sprays	Oz.	296	0.70	207	_____
9. Fuel	Gal.	20	4.00	80	_____
10. Box and Cool	Each	300	2.00	600	

http://www.carolinafarmstewards.org/enterprise-budgets/

Total Variable Costs				4,880	
15. FIXED COSTS					
16. Machine & Equip.	Acre	1	240	240	
17. Irrigation	Acre	1	80	80	
18. Land Charge	Acre	1	50	50	
Total Fixed Costs				370	
TOTAL COSTS				5,250	
RETURN ABOVE VARIABLE COSTS				**4,420**	
RETURN ABOVE TOTAL COSTS				**4,050**	

service 2018 published cropland rents.

Machinery and Equipment Costs*

Item	Purchase Price $	Salvage Value $	Useful Life Yrs.	Acres Used/Yr.	Repair & Maint. $/Ac.	Total** $/Ac.
Tractor	17,000	4,000	20	10	3.00	68
Chisel Plow	2,500	600	15	10	0.30	13
Transplanter	2,600	600	20	4	0.20	25
Pest. Sprayer	9,400	1,900	20	10	9.50	47
Trailer	1,100	200	20	10	0.10	5
Disk	4,450	900	15	10	0.20	24
Manure Spreader	3,000	1,500	20	10	0.20	8
Bed Shaper	2,500	600	20	5	1.50	21
200 Buckets	1,000	0	5	7	0	29
					Total $/ Acre = 240	

Financial Records

- Projected Budget
- Recording Expenses and Income
- Balance Sheet- financial record for a certain point in time. Two columns, assets and liabilities- totals at bottom should balance.
- Profit and Loss or Income Statement- reflects all revenues, expenses, adjustments, and taxes.
- Schedule F- Tax reporting form for farmers (P&L)

Refer to document on /www.cinram.umn.edu

Financial Records

- Receipts, invoices, credit card statements, and copies of checks.
- Personal versus business (making sure these are separate). If there is overlap- making sure there is a clear process for determining which is which.
- Understanding that your business records also must capture more than tangible dollars but also account for assets and depreciation.

Refer to document on /www.cinram.umn.edu

Financial Records

Labor Hired
(farm labor, piecework, contract labor)
Equipment Repair
(tractor repair, sprayer repair)
Farm Building & Fence Repair
(barn roof, new fence post)
Interest
(from bank loans, car loans)
Rent
(land, animals, machinery)
Feed Purchased
(for livestock not for personal consumption)
Seed & Plants Purchased
(for production, not personal use)
Fertilizer
(fertilizer and lime)
Chemicals
(pesticides, herbicides)
Conservation Expenses (only 25% farm income)
(soil and water, like diversion channels)
Employee Benefit Plans
(health insurance for workers)
Pension and Profit-Sharing Plans
(retirement)
Other Cost
(marketing)

Livestock Expenses
(veterinary, breeding, medicine)
Custom Hire (Machine Work)
(baling hay, plowing field)
Gasoline, Fuel, Oil
(for farm equipment)
Taxes
(state, local, real estate tax)
Water Charges
(irrigation charges)
Insurance (other than personal)
(on farm buildings, equipment, crops)
Utilities
(water, electricity, telephone for farm)
Supplies Purchased
(livestock supplies such as bedding)
Car and Truck Expenses
(if used 50% or more for farm)
Depreciation (form 4562)
(on vehicles and machinery)
Freight and Trucking
(shipping, trucking)
Storage and Warehousing
(grain storage)

Refer to document on /www.cinram.umn.edu

Human Resource Records

- Accounting for labor from owner operator- this is an essential piece in creating a realistic business plan, budget, crop planning, and market selection.
- Without properly accounting for labor costs owners will not be able to properly price or evaluate if certain crops/markets are financially viable.
- Employees: full-time or part-time
- Contract workers

National Incubator Farm Tr ×

nesfp.org/food-systems/national-incubator-farm-training-initiative

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NEW ENTRY SUSTAINABLE FARMING PROJECT

ABOUT // UPDATES // EVENTS // OUR FARMERS

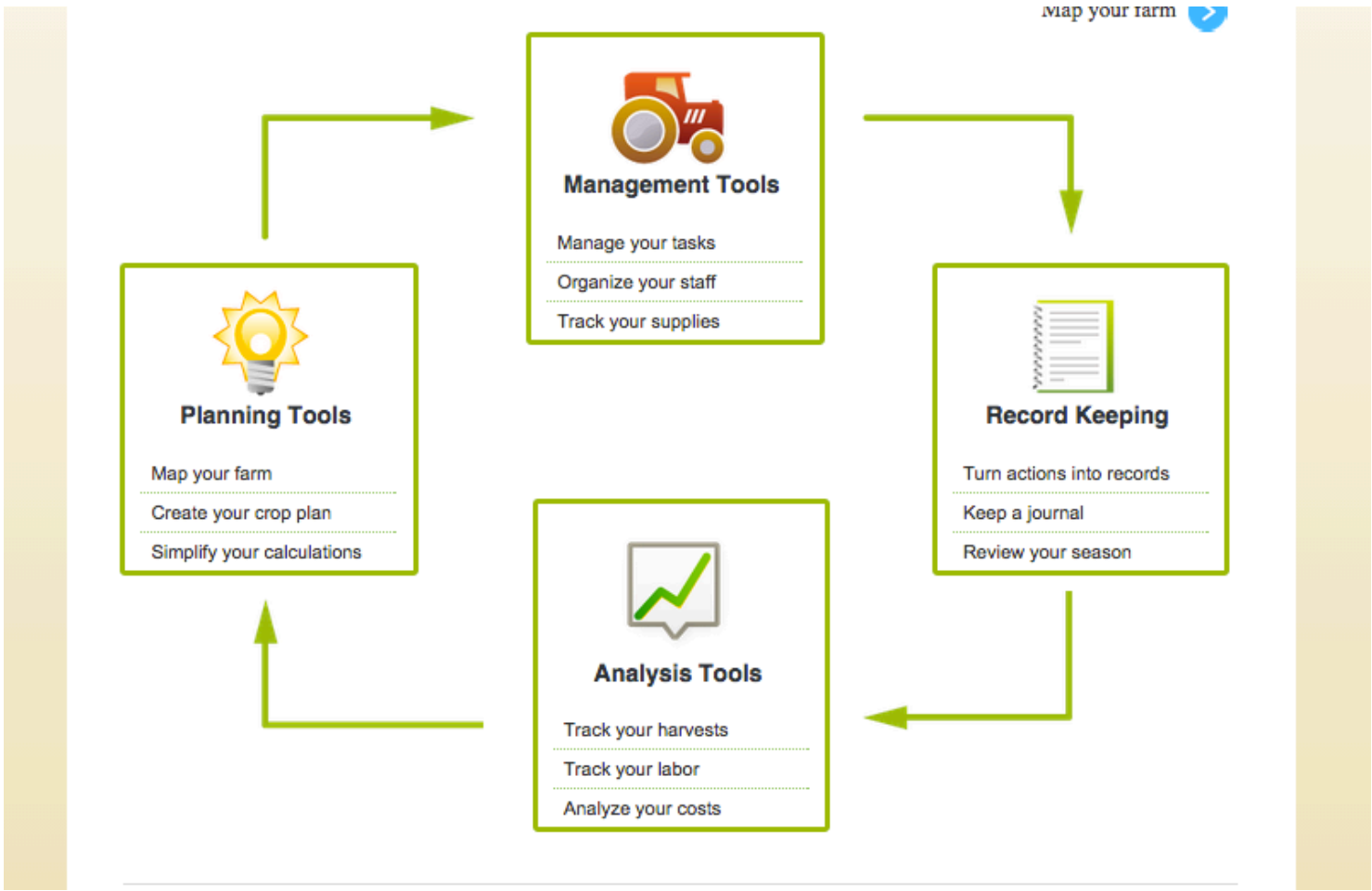
Farmer Training | Farmland | World PEAS Food

HOME // FOOD SYSTEMS //

National Incubator Farm Training Initiative

The New Entry Sustainable Farming Project has been providing training and support to the next generation of farmers for over 15

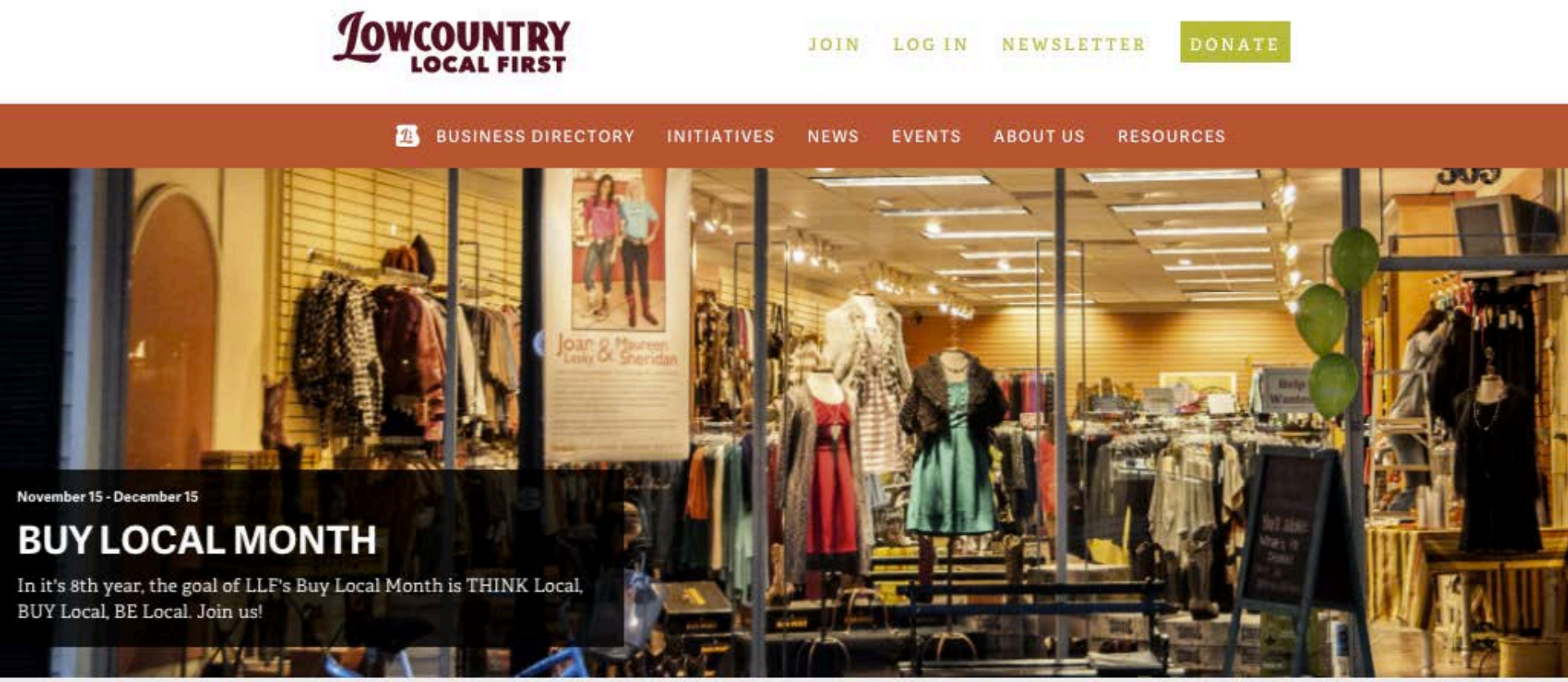
Resources



http://www.agsquared.com/

Resources

- http://nesfp.nutrition.tufts.edu/sites/default/files/resources/nifti_toolkit_v2.pdf
- http://www.cinram.umn.edu/research/Natural%20Resource%20Enterprise%20Development%20and%20Business%20Planning/4%20%20Taxation/4.5%20Guide%20for%20Record%20Keeping%20for%20Farmers_Taxation.pdf
- http://nebeginningfarmers.org/farmers/achieving-profitability/profitability-tutorial/managing-your-finances/
- http://www.agsquared.com/
- http://growingsmallfarms.ces.ncsu.edu/growingsmallfarms-farmrecords/
- http://www.carolinafarmstewards.org/enterprise-budgets/



Lowcountry Local First is a non-profit advocate for local, independent businesses and a resource for the community members they serve.

www.lowcountrylocalfirst.org

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