

## Chapter 9 — Budget Creation—Walk The Talk in Prep

### You Can Fill A Dumpster With Books About Budgeting

You can easily fill a dumpster with books written about budgeting for various aspects of business and film production. Unless you want to become a Production Manager, you really don't need that much information.

The purpose of this chapter is to give you a general understanding of budgeting. It sticks just to the budget 'talk' that you really need to know.

*The Budget is the STANDARD. It is the point of reference for any analysis of film production costs. It is a major factor in considering your PASS/FAIL RATIO.*

**A budget is simply an amount of money needed, or made available, for the purpose of producing a film/TV show/documentary/commercial/etc.**

On the opposite page is a Summary Budget (often called a 'Budget Topsheet'). Have a look at the four major categories. Review the categories and get a 'feel' for the types of account descriptions that are listed. Don't spend too much time on it right now, we'll be spending more time on it later.

The full process of budgets and costs travels the following simple course of events:

1. Budget Preparation During Pre-Production
2. Final Approved Budget (Just Before the Shoot)
3. The 'Cost Report' Process Starts (The Cost Report compares the projected known costs with the budgeted costs on a line-by-line basis).

**Budget Preparation** — With the help of the Producer, Production Manager and Department Heads, the accountant puts together a detailed budget that will accommodate the shooting schedule. There are 4 major sections of the budget (see the 'Budget Topsheet' on the opposite page).

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Figure 9.1

"NO BIG DEAL BUDGET"

DIRECTOR: John Gaskin  
 EXEC PRODUCER:  
 PRODUCERS:  
 LINE PRODUCER:

IATSE BUDGET - June 20, 2006

SCRIPT DATED: Unofficial Rev. of 4/22/06  
 Shoot: New York 48 days/Tulsa 2 days  
 Tulsa Travel 2 Days/Prep 1 day  
 HOLIDAYS: 2 Holidays during shoot  
 Labor Day (9/1) off between NY & Tulsa

POST: 24 Weeks

Acct#	Category Title	Page	Total
1100	STORY RIGHTS	1	\$ 387,500
1200	WRITER	1	\$ 2,136,875
1300	SCENARIO MISCELLANEOUS	1	\$ 17,759
1400	PRODUCER	1	\$ 951,888
1500	DIRECTOR	1	\$ 2,201,671
1600	CAST	1	\$23,387,377
1700	BITS, DANCERS, STUNTS	1	\$ 479,001
1800	ATL TRAVEL & LIVING	1	\$ 948,063
<b>TOTAL ABOVE-THE-LINE</b>			<b>\$30,510,133</b>
2200	EXTRAS & STAND INS	30	\$ 371,571
2300	PRODUCTION STAFF	33	\$ 1,008,239
2400	WARDROBE	39	\$ 908,758
2500	MAKEUP & HAIRDRESSING	43	\$ 232,052
2700	CAMERA	45	\$ 905,768
2800	PICTURE FILM/DAILIES	48	\$ 403,852
2900	SET DRESSING	48	\$ 778,833
3000	ACTION PROPS	53	\$ 168,942
3100	PICTURE VEHICLES	54	\$ 5,100
3300	SET DESIGNING	54	\$ 379,580
3400	SET CONSTRUCTION	56	\$ 993,202
3500	SET STRIKE	61	\$ 48,014
3600	VIDEO PLAYBACK	61	\$ 92,120
3700	PRODUCTION SOUND	61	\$ 191,193
3800	SET LIGHTING	61	\$ 638,460
3900	SET OPERATION	61	\$ 733,090
4000	FACILITIES	61	\$ 337,463
4100	MECHANICAL SPECIAL EFFECTS	61	\$ 113,165
4200	TESTS & REHEARSALS	61	\$ 8,840
4300	LOCATIONS	71	\$ 721,436
4400	TRANSPORTATION	77	\$ 1,150,118
4500	SECOND UNIT	83	\$ 555,694
4700	PLATE UNIT	94	\$ 0
4900	BTL TRAVEL & LIVING	94	\$ 902,304
<b>TOTAL SHOOTING PERIOD</b>			<b>\$11,647,795</b>
5000	SPECIAL PHOTO/VISUAL EFFECTS	113	\$ 20,000
5100	PROJECTION	113	\$ 31,539
5200	EDITING	113	\$ 949,597
5300	TITLES	113	\$ 75,500
5400	MUSIC	113	\$ 1,069,682
5600	POST-PRODUCTION SOUND	113	\$ 793,504
5800	PREVIEW EXPENSE	115	\$ 50,000
5900	FILM LAB EXPENSE	115	\$ 222,132
<b>TOTAL POST PRODUCTION PERIOD</b>			<b>\$ 3,211,953</b>
7500	INSURANCE & MEDICAL	117	\$ 798,213
7700	PUBLICITY	117	\$ 45,316
7800	MISC UNCLASSIFIED EXPENSES	117	\$ 57,905
7900	CERTIFICATES & ROYALTIES	117	\$ 20,250
<b>TOTAL OTHER</b>			<b>\$ 921,684</b>
<b>TOTAL ABOVE-THE-LINE</b>			<b>\$30,510,133</b>
<b>TOTAL BELOW-THE-LINE</b>			<b>\$15,781,432</b>
<b>TOTAL ABOVE &amp; BELOW-THE-LINE</b>			<b>\$46,291,566</b>
<b>GRAND TOTAL</b>			<b>\$46,291,566</b>
No Big Deal			

**Above-the-Line:**  
 Writer, Producers, Directors  
 Cast & Stunts and their  
 Travel/Living.

**Shooting Period:**  
 Crew & Extras labor and all  
 shooting related costs.

**Post Production:**  
 All Editing, Music, Titles, Visual  
 Effects, etc. mostly completed AF-  
 TER the shooting period is over.

**Other:**  
 Insurance, Publicity, Medical, etc.