



BUDGETING

Budgeting any sort of film or video project is a complicated and time-consuming process that goes hand in hand with scheduling - you can't figure out how much your shoot will cost if you don't know how long it's going to take. Unfortunately, you don't know how much time you can afford if you don't know what your budget is. To get started, you'll need to create a preliminary budget to give you a ballpark figure of the kind of financing you need and then a revised budget once you have an idea of the real amount of cash you'll have on hand. You'll need to prepare both your budget and schedule with the idea that unforeseen circumstances—both good and bad—will require you to make a lot of changes. Unfortunately, budgeting is a complicated process and we can't cover it in-depth in this book. However, there are a lot of good books on the subject and several of our favorite budgeting resources are listed at www.dvhandbook.com/budgeting. Fortunately, there's plenty of good software available to help ease your budgeting headaches.

Acct #	Category Title	Page	Total
02-00	WRITING	1	250
03-00	PRODUCER & STAFF	1	500
05-00	TALENT	1	123
	TOTAL ABOVE-THE-LINE		873
07-00	PRODUCTION STAFF	1	0
08-00	PRODUCTION DESIGN	1	1,000
10-00	SET OPERATIONS	2	6,088
11-00	CAMERA DEPARTMENT	2	5,100
12-00	SPECIAL EFFECTS	2	100
13-00	WARDROBE	3	250
14-00	MAKE-UP & HAIR	3	240
15-00	ELECTRICAL	3	4,420
16-00	TRANSPORTATION	3	540
17-00	LOCATION EXPENSES	4	700
18-00	PRODUCTION SOUND	4	1,370
19-00	VIDEOTAPE STOCK	4	200
	TOTAL PRODUCTION		20,008
20-00	EDITORIAL	4	15,460
21-00	MUSIC	5	100
22-00	POST-PRODUCTION SOUND	5	2,500
23-00	TITLES & GRAPHICS	5	0
24-00	SPECIAL EFFECTS	5	0
25-00	PICK-UPS	6	1,000
26-00	RELEASE PRINT	6	54,000
	TOTAL POST PRODUCTION		73,060
28-00	DISTRIBUTION COSTS	6	5,000
	TOTAL OTHER		5,000
	Total Below-The-Line		98,068
	Total Above and Below-The-Line		98,941
	Contingency		9,894
	Grand Total		108,835

A budget summary or "top sheet" for a \$100,000 dv feature film.

BUDGETING SOFTWARE

Typically, budgeting programs are integrated with scheduling programs and many can work in conjunction with screenwriting programs. Movie Magic Budgeting works in tandem with Movie Magic Scheduling which can take a screenplay from Final Draft to create a set of breakdown sheets. You can then

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take these breakdown sheets and import them into Movie Magic Budgeting to create your categories and budget line items. The final budget for any feature film can run a pretty long page count, to give you an idea, we've included several sample budgets created on the CD-ROM accompanying this book.

Acct #	Category Title	Page	Total
07-00	PRODUCTION STAFF	1	0
08-00	PRODUCTION DESIGN	2	1,000
10-00	SET OPERATIONS	2	6,288
11-00	CAMERA DEPARTMENT	2	26,800
12-00	SPECIAL EFFECTS	2	100
13-00	WARDROBE	3	250
14-00	MAKE-UP & HAIR	3	240
15-00	ELECTRICAL	3	4,220
16-00	TRANSPORTATION	3	540
17-00	LOCATION EXPENSES	4	700
18-00	PRODUCTION SOUND	4	1,370
19-00	VIDEOTAPE STOCK	4	562
TOTAL PRODUCTION			42,070

Acct #	Account Title	Total
11-01	Director of Photography	12,500
11-03	First Assistant Camera	7,200
11-05	Camera dept Production Asst.	2,000
11-06	Camera dept. expendables	100
11-07	Camera package purchase	5,000
Total		26,800

Description	Amount	Units	X	Rate	Subtotal
\$2500/week - principal		4 weeks	1	2,500	10,000
1 week pick-ups		1 week	1	2,500	2,500
Total					12,500

Three layers from a dv feature film budget created in Movie Magic Budgeting. The top figure shows the budget topsheet with subtotals for the production section of the budget, the middle figure shows the next level down with details for the camera department budget and the bottom figure goes down one more level, with details about the director of photography's schedule and salary.

Another advantage of Movie Magic Budgeting is a feature called subgroups. For example, you can create three subgroups based on different shooting media: "16mm film," "BetacamSP" and "DV." After entering budget figures for all three subgroups, you can choose one to be active. Movie Magic will then calculate the budget for that subgroup. The other sub-groups will still be visible as grey text but they won't factor into the budget totals. With this feature, you



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can have three potential budgets in one file until you determine what format you'll use to shoot your project.

Description	Amount	Units	X	Rate	Subtotal
DVCAM 60 min. tape stock	10	tapes	1	31.77	318
10% bulk discount	10		-.10	31.77	-32
miniDV tape stock	20	tapes	1	24.99	500
10% bulk discount	20		-.10	24.99	-50
Betacam 60 min. tape stock	10	tapes	1	25	suppressed
10% bulk discount	10		.10	25	suppressed
Betacam 30 min. (for shoot)	20	tapes	1	20	suppressed
10% bulk discount	20		.10	20	suppressed
Betacam 60 min. tape stock	10	tapes	1	25	suppressed
10% bulk discount	10		.10	25	suppressed
400' rolls 16mm film	400	feet	20	0.50	suppressed
Negative processing	400	feet	20	0.50	suppressed
Telecine transfers	10	hours	1	300	suppressed
Telecine tape stock	10	tapes	1	31.77	suppressed
Total					736

Subgroups

Deferred Purchase Rentals 16mm 6
 Betacam SP 4 35mm DVCAM/min 4

APPLY CLEAR CANCEL

Screenplay Systems' Movie Magic Budgeting uses subgroups to help you try out different scenarios in a single budget file. In this figure, the tape stock portion of the budget is detailed with the "DV" subgroup active and the "Betacam SP" and "16mm" subgroups greyed out.

Movie Magic Budgeting also helps you easily create a budget topsheet – a simple, easy to read summary of your budget that you can give to investors and include in proposals and pitches. On the other hand, if you're shooting a very low-budget production or one with less complicated budgeting concerns, then a simple spreadsheet program like Excel or even personal finance software like Quicken might be all you need

PAYING AS YOU GO

Most filmmakers want to do just that: make a film. Unfortunately, shooting film is expensive. Shooting digital video with the idea of ultimately transferring to film is not necessarily any cheaper, but with DV you can "back-end" your costs. This means that the cost of your shoot is going to be much cheaper than a film shoot, since you won't be paying for film stock and processing. Your post-production will also be significantly cheaper than film because you won't have to pay for costly telecine sessions, lab fees and negative cutting (all of which will be explained later).

The cost of your final delivery will vary, depending on the format of your



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end product. If your final output will simply be copies from your editing system, your cost will be little more than the price of the tapes. If you want higher-quality video output, then you'll have to use a professional facility whose services cost around \$20,000. If you want to release on film, a feature film release print could run upwards of \$45,000.

In other words, if your end product is video, your budget will be significantly lower than shooting on film, if your end product is film, your overall budget might be about the same as if you'd shot on film but your production budget will be much lower and you will need less money at the outset. You'll be able to shoot all or most of your project and possibly even do a rough cut or trailer which you can then use to raise more money to finance a final transfer to film.

The low cost of DV effectively removes a lot of the financial risk in an independently-funded project. If you don't succeed in finding a theatrical distributor for your film, you won't have to make a release print, thereby saving yourself about \$45,000. You can still distribute your film on video for broadcast television, home video or as a pitch reel for yourself as a director or your next project. If that sounds depressing, just think how much more depressing it would be if it had cost \$80,000 instead of \$15,000.

Even if you are planning on financing as you go, you still need to create a budget so that you know how much money you need/want. Then, as your project progresses, revise your budgets for each phase of production as you learn what your financial assets will be. No matter how "no budget" your project, you should know the minimum dollar amount you need to get your project shot, whether it's \$500 or \$500,000.

BIG, BIGGER OR BIGGEST

In Hollywood, "low-budget," means a total budget of \$500,000 to \$1,000,000. In other words, their idea of low isn't very low. But this is partly because these figures include the costs of paying union actors and crewmembers, and doing everything by the book. Budgets go even higher when you factor in publicity. Independent producers can get away with much less. Their budgets tend to fall into three categories: no budget, ultra-low budget and the bottom end of low budget. You should determine where you want your project to fall before you start creating a budget.

- **No-budget budgets** The history of independent productions is rife with examples of "creative" financing. From directors selling their bodies to science (Robert Rodriguez for "El Mariachi"), to directors charging productions on their credit cards (Robert Townsend for "Hollywood Shuffle). Fortunately, with digital video technology, you don't necessarily have to resort to such extreme measures because your budget can be fairly small. Typically, low-budget DV productions will start at around



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\$10,000 to \$20,000, and will shoot on digital videotape with the goal of a tape finish. If you fall into this range, you'll most likely be using a small cast and crew, many of whom might be working for free or for deferred payment. You'll be back-ending your expenses in hopes of finding a distributor to pay for the tape-to-film transfer.

- **Ultra-low budgets.** Typically, ultra-low budget projects range from \$50,000 to \$200,000. Producers can afford to pay key crewmembers and actors. As a mid-range producer, you'll want to consider higher-quality formats such as DigiBeta or BetacamSP, or you might even be shooting 16 or 35mm film. If you're shooting film, your post-production will be more expensive because of lab costs and film-to-tape transfers. If you can afford it, you may want to hire more people and equipment to make your production take less time. As with no-budget productions, DV technology can help your ultra-low budget go farther, especially during post-production.
- **Low budgets.** If you're lucky enough to have access to half a million dollars or more, then you're in the realm of the "low" budget producers. For this kind of money, you've probably got an all-union crew complete with drivers and caterers and you're most likely shooting on film, either 16mm or 35. However, DV can still play a big role in your production and can still help you keep your budget down in post-production. If you can afford a high-quality film scan, you can bring in high-res scans of your film footage, perform sophisticated effects and composites in your computer and then output your altered scenes back to film. Though high-quality film scanning and output can be expensive, but for some effects the cost of scanning and printing will still be less than achieving effects through traditional methods. Many of the big-budget special effects you see at the movies are created on desktop computers and equipment easily affordable to the low-budget producer with the right talent at hand.

Tip: Ask and ye shall receive

For his independent feature π , Darren Aronofsky raised part of his budget by simply asking everyone he knew for fifty bucks. Then he asked some of his principal cast members to do the same. Though a simple idea, it wasn't long before he'd raised several thousand dollars. The lesson here is that there's no set way to raise money for your feature, and as we've seen in the past couple years, a Hollywood-scale budget isn't always necessary for success.



BUDGETING CAN BE FUN

Budgeting and scheduling are more than just the process of determining costs, and organizing your shoot. They are the blueprints for the creative part of making a film. Creating a budget is the first instance where you will take your script apart into all of its separate pieces and components. The scheduling breakdown process is where you will begin to make your first creative decisions about your script. From choosing locations and design elements (choices that usually require a balance of desire against cost) to types of equipment and number of crew members, the decisions you make during pre-production will determine everything from the look of your sets to the types of shots and effects you can achieve. The rest of this book should give you a good idea as to what will be different about using DV technology vs. film or analog video in terms of equipment and workflow. With a little technical knowledge, you'll be able to make good budgetary and scheduling decisions throughout the filmmaking process.

This document is a companion to the Digital Filmmaking Handbook, 2nd edition, by Ben Long and Sonja Schenk, published by Charles River Media (www.charlesriver.com).

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