

TABLE 1. Acreage Summary, Roosevelt County, Projected 2012.

BUDGET AREA.....	CAUSEY-LINGO AREA, ROOSEVELT COUNTY
FARM SIZE.....	1,280 ACRES
IRRIGATION TYPE.....	DRYLAND
NUMBER OF CROPS....	3

ACREAGE SUMMARY:	LAND USE (ACRES)
GRAIN SORGHUM	357.00
ARP	0.00
FLEX IN COTTON	63.00
COTTON	357.00
ARP	0.00
FLEX IN COTTON	63.00
WHEAT	357.00
ARP	0.00
FLEX IN COTTON	63.00
ROADS, HOMESTEAD	20.00
TOTAL	1,280.00

TABLE 2. Basic cost information for the Causey-Lingo area, Roosevelt County, Projected 2012.

Item		
Labor Wage Rate:		
Equipment operators	\$/hour	\$8.55
General & Irrigators	\$/hour	\$7.50
Purchased Inputs:		
Seed:		
Wheat	\$/pound	\$0.50
Grain Sorghum	\$/pound	\$1.97
Cotton	\$/pound	\$8.00
Fuel:		
Diesel fuel	\$/gallon	\$3.00
Gasoline	\$/gallon	\$3.80
Employee Liability Insurance	\$/ \$1,000 wages	\$20.00
Employee Benefits	percent/wages	18.00%
Labor Downtime	percent	25.00%
Financial Rates:		
Operating Capital Interest Rate	percent	7.00%
Land Interest Rate	percent	6.00%
Equipment Interest Rate	percent	7.00%
Real Interest Rate	percent	3.00%
Land Taxes	\$89.00 /acre (full value)	\$0.71
Personal Property Tax Rate	- NR - R	\$/ \$1,000 (Assessed Value) \$24.08 \$13.80
Supervision Factor	\$/labor hour	\$0.50
Management Rate	percent	7.00%

TABLE 3. Overhead cost information for the Causey-Lingo area, Roosevelt County, Projected 2012.

Item			
Electricity (Domestic & Shop)	\$235.95	per month	\$2,831
Telephone	\$108.90	per month	\$1,307
Accounting & Legal			\$1,785
Misc. Supplies & Hand Tools			\$2,668
Pickup and Auto			
miles	31,158	@	\$0.500 per mile
Insurance			
- general liability (non-employee)			\$1,936
- fire/theft			\$1,500
Property Taxes			
- non-planted land			\$0
- other than land & machinery			\$6,010
Building repairs and maintenance			\$1,458
Dues, fees, publications			\$436
Farmstead Equipment			\$194
		Total	\$35,703
		Total Per Planted Acre	\$28.34

TABLE 4. Equipment summary for a 1,200-acre, dividend farm with above average management. Cassin-Lingo area, Roosevelt County, February 2012

EQUIPMENT ITEM & SIZE	ANNUAL HOURS OF USE	NUMBER	TOTAL VALUE	VARIABLE COSTS				FIXED COSTS			TOTAL PER HR.
				FUEL OIL LUBRICANT	REPAIR PER HR.	FUEL OIL PER HR.	REPAIR PER HR.	DEPRECIATION	TAXES	HE	
TRACTOR 95 HP	680	1	\$17,335	\$16,740	\$1,410	\$23.14	\$2.07	\$987	\$139	\$1.66	
TRACTOR 165 HP	562	1	\$40,865	\$13,495	\$2,702	\$26.90	\$5.59	\$5,985	\$360	\$12.65	
TRACTOR 3 TON	373	1	\$23,500	\$7,108	\$2,402	\$19.06	\$6.44	\$4,600	\$185	\$12.83	
COTTON STRIPPER (M)	2 ROW	317	2	\$5,500	\$201	\$0.62	\$0.22	\$1,533	\$92	\$6.13	
PLANTER 16 ROW	158	2	\$17,500	\$286	\$264	\$2.54	\$2.64	\$2,500	\$80	\$21.12	
CULTIVATOR 8 ROW	145	1	\$4,000	\$719	\$199	\$4.96	\$1.38	\$533	\$32	\$3.00	
DISC 15 FT OFFSET	139	1	\$7,500	\$1,269	\$930	\$9.13	\$6.73	\$1,500	\$80	\$11.65	
DRILL 48 FT	18	1	\$7,750	\$86	\$372	\$4.78	\$2.07	\$1,550	\$62	\$9.02	
LISTER 4 ROW	81	1	\$2,500	\$322	\$197	\$3.97	\$1.23	\$427	\$20	\$5.87	
STUBBLE MULCHER 29 FT	71	1	\$6,500	\$675	\$805	\$9.50	\$3.25	\$867	\$52	\$12.87	
SPREADER 4 ROW	137	1	\$2,500	\$95	\$0.45	\$0.36	\$0.45	\$333	\$20	\$2.50	
SPRAYER (MTD)	21	1	\$1,500	\$15	\$0.72	\$0.20	\$0.20	\$200	\$12	\$9.00	
COMBINE 145 HP	100	1	\$102,500	\$2,505	\$25.08	\$2.66	\$5.84	\$5,844	\$204	\$54.01	
GRAIN HEAD 22 FT	100	1	\$3,600	\$15	\$0.15	\$0.15	\$0.15	\$91	\$30	\$5.32	
RID WEEDEE 37 FT	83	1	\$1,150	\$90	\$143	\$1.69	\$1.73	\$153	\$9	\$2.58	
CHELL 9 FT	82	1	\$1,350	\$137	\$1.67	\$0.15	\$0.15	\$180	\$11	\$2.33	
				\$236,149	\$38,847	\$10,642		\$29,914	\$1,712		

EQUIPMENT LIST

ITEM	NEW VALUE	USED VALUE	YEARS LIFE	EQUIP CODE	MAX HOURS	FUEL LBS/HR	LUBE COEF	ACCLM HOURS	INTEREST PERCENT
TRACTOR 95 HP	\$4550.00	\$17334.00	35.00	1.00	800.00	5.54	0.10	\$564.37	23.00
TRACTOR 165 HP	\$8775.00	\$40864.00	15.00	1.00	800.00	8.15	0.10	\$518.59	11.00
TRACTOR 3 TON	\$4950.00	\$23500.00	15.00	6.00	800.00	6.05	0.05	\$468.48	13.00
COTTON STRIPPER (M)	\$1500.00	\$5500.00	15.00	5.00	300.00			\$258.42	13.00
PLANTER	\$1000.00	\$5500.00	15.00	6.00	100.00			\$76.54	13.00
CULTIVATOR	\$800.00	\$4000.00	15.00	3.00	300.00			\$218.40	16.00
DISC	\$1500.00	\$7500.00	15.00	3.00	300.00			\$211.60	16.00
DRILL	\$4800.00	\$7750.00	15.00	8.00	100.00			\$232.05	13.00
LISTER	\$600.00	\$2000.00	15.00	3.00	300.00			\$300.32	16.00
STUBBLE MULCHER	\$1300.00	\$6500.00	15.00	3.00	300.00			\$107.00	15.00
SPREADER	\$300.00	\$1500.00	15.00	5.00	150.00			\$204.50	17.00
SPRAYER (MTD)	\$300.00	\$1500.00	15.00	8.00	100.00			\$21.30	15.00
COMBINE	\$102500.00	\$102500.00	15.00	2.00	300.00	6.98	0.20	\$299.48	13.00
GRAIN HEAD	\$750.00	\$3600.00	15.00	2.00	300.00			\$29.48	13.00
RID WEEDEE	\$230.00	\$1150.00	15.00	3.00	300.00			\$45.00	15.00
CHELL	\$750.00	\$1350.00	15.00	3.00	300.00			\$170.40	16.00

USAGE LIST

ITEM	GRAN SORGHAM			COTTON			WHEAT			PER ACRE TOTALS
	BOGHEAT	COTTON	WHEAT	BOGHEAT	COTTON	WHEAT	BOGHEAT	COTTON	WHEAT	
---hours per acre---										
TRACTOR 95 HP	0.29	1.00	0.05	1.38						
TRACTOR 165 HP	0.55	0.52	0.25	1.13						
TRACTOR 3 TON	0.14	0.50	0.14	0.78						
COTTON STRIPPER (M)	0.00	0.58	0.00	0.58						
PLANTER	0.12	0.12	0.00	0.24						
CULTIVATOR	0.10	0.20	0.00	0.30						
DISC	0.11	0.11	0.11	0.33						
DRILL	0.00	0.00	0.05	0.05						
LISTER	0.00	0.09	0.00	0.09						
STUBBLE MULCHER	0.10	0.00	0.10	0.20						
SPREADER	0.00	0.00	0.00	0.00						
SPRAYER (MTD)	0.00	0.00	0.00	0.00						
COMBINE	0.00	0.00	0.00	0.00						
GRAIN HEAD	0.14	0.00	0.14	0.28						
RID WEEDEE	0.00	0.15	0.00	0.15						
CHELL	0.00	0.15	0.00	0.15						

INTEREST PRORATION

GRAN SORGHAM	COTTON	WHEAT
2.19	3.26	1.63
0.60	2.16	0.60
0.50	0.74	0.00
0.43	0.43	0.00
0.19	0.39	0.00
0.42	0.42	0.00
0.00	0.00	1.52
0.25	0.25	0.00
0.64	0.00	0.84
0.00	0.32	0.00
0.29	0.00	0.00
6.52	0.00	6.52
0.37	0.00	0.37
0.06	0.06	0.06
0.00	0.17	0.00
11.90	5.19	11.70

GRAN SORGHAM

MACHINE	POWER LMT	TIMES OVER	ACCOMPLISHMENT		
			RATE	TOTAL	CUSTOM
DISC	165 HP	1.00	0.11	0.11	
STUBBLE MULCH	165 HP	1.00	0.10	0.10	
LISTER	165 HP	1.00	0.09	0.09	
RID WEEDEE	165 HP	1.00	0.05	0.05	
PLANTER	93 HP	1.00	0.12	0.12	
CULTIVATOR	93 HP	1.00	0.10	0.10	
SPRAYER	93 HP	1.00	0.08	0.08	
COMBINE HALL 22 FT 1.00 0.14 0.14					
HALL 2 TON 1.00 0.14 0.14					

COTTON

MACHINE	POWER LMT	TIMES OVER	ACCOMPLISHMENT		
			RATE	TOTAL	CUSTOM
CHELL	165 HP	1.00	0.15	0.15	
DISC	165 HP	1.00	0.11	0.11	
LISTER	165 HP	1.00	0.05	0.05	
RID WEEDEE	165 HP	1.00	0.05	0.05	
PLANTER	165 HP	1.00	0.12	0.12	
CULTIVATOR (2X)	93 HP	2.00	0.10	0.20	6.00
HMD HCE (CUSTOM) 6.00					
COTTON STRIPPER (MTD) 93 HP 1.00 0.59 0.58					
HALL 2 TON 1.00 0.50 0.50					
GRN COTTON (CUSTOM) PER LINT # 0.15					
SPREADER 93 HP 1.00 0.25 0.25					

WHEAT

MACHINE	POWER LMT	TIMES OVER	ACCOMPLISHMENT		
			RATE	TOTAL	CUSTOM
STUBBLE MULCH	165 HP	1.00	0.10	0.10	
DISC	165 HP	1.00	0.11	0.11	
RID WEEDEE	165 HP	1.00	0.05	0.05	
DRILL	93 HP	1.00	0.05	0.05	
COMBINE HALL 2 TON 1.00 0.14 0.14					
HALL 2 TON 1.00 0.14 0.14					

ANNUAL REPAIR COSTS AS A PERCENT OF NEW VALUE

Hours of Use	1	2	3	4	5	6	7	8	9
0	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
50	0.000060	0.000220	0.000620	0.000920	0.000980	0.001140	0.000840	0.000360	0.000200
100	0.000080	0.000280	0.000800	0.000920	0.001040	0.000920	0.000520	0.000280	0.000160
200	0.000030	0.000030	0.000430	0.000440	0.000180	0.000280	0.000110	0.000510	0.000280
300	0.000030	0.000020	0.000300	0.000360	0.000230	0.000170	0.000140	0.000680	0.000400
400	0.000030	0.000080	0.000370	0.000360	0.000260	0.000340	0.000150	0.000710	0.000440
500	0.000030	0.000100	0.000380	0.000180	0.000280	0.000370	0.000170	0.000680	0.000630
600	0.000030	0.000090	0.000450	0.000120	0.000310	0.000360	0.000190	0.000660	0.000530
700	0.000030	0.000100	0.000400	0.000130	0.000330	0.000410	0.000200	0.000590	0.000560
800	0.000030	0.000110	0.000320	0.000150	0.000350	0.000430	0.000210	0.000680	0.000560
900	0.000030	0.000120	0.000300	0.000180	0.000370	0.000450	0.000220	0.000720	0.000630
1000	0.000060	0.000130	0.000310	0.000180	0.000380	0.000460	0.000230	0.000700	0.000630
1200	0.000040	0.000140	0.000320	0.000200	0.000450	0.000480	0.000240	0.001180	0.000710
1400	0.000040	0.000170	0.000300	0.000230	0.000430	0.000510	0.000240	0.001260	0.000760
1600	0.000150	0.000170	0.000300	0.000250	0.000430	0.000510	0.000240	0.001260	0.000760
1800	0.000150	0.000190	0.000280	0.000250	0.000460	0.000520	0.000250	0.001350	0.000860
2000	0.000170	0.000170	0.000280	0.000260	0.000460	0.000520	0.000250	0.001350	0.000860
2500	0.000110	0.000280	0.000280	0.000300	0.000500	0.000560	0.000250	0.000310	
3000	0.000070								
3500	0.000060								
4000	0.000058								
4500	0.000056								
5000	0.000122								
5500	0.000136								
6000	0.000148								
6500	0.000162								
7000	0.000176								
7500	0.000188								
8000	0.000204								

* Based on unpublished data of D. R. Hart, Department of Agricultural Engineers, University of Idaho.

** Based on "Agricultural Machinery Costs" in Agricultural Engineers Yearbook, 1963.

Codes

- 1 baler
- 2 bales, combines, forage harvesters, windrowers, sickles
- 3 rotary hoe, disks, moldboard plows, chisels, field cultivators
- 4 row cultivators, laser, drape
- 5 harrows, weathers, flails, rice, back, disc, roller, water, furrow, bed, disc
- 6 tillage, cotton pickers, cotton allocators, corn chokers
- 7 corn heads, forage equipment, rotary mowers, stalk choosers
- 8 seed, weathers, farm trucks

TABLE 5. Grain sorghum, dryland, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Causey-Lingo area, Roosevelt County, Projected 2012.

Planting Dates: May 15 - May 30

Harvest Dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
GRAIN SORGHUM	\$8.63	15.00 CWT		\$129.38
DIRECT PAYMENT	\$0.00	15.00 CWT	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 CWT		\$0.00
GRAZING	\$5.00	1 ACRE		\$5.00
TOTAL				\$134.38

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$1.97	3 LBS	\$5.91		\$5.91
INSECTICIDE	\$15.88	1 X/ACRE	\$15.88		\$15.88
CROP INSURANCE	\$0.14		\$0.14		\$0.14
SUBTOTAL			\$21.93		\$21.93

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	165 HP	0.11 HR		\$0.94	\$2.96	\$1.62	\$2.23	\$7.75
STUBBLE MULCH	165 HP	0.10 HR		\$0.86	\$2.69	\$1.34	\$2.55	\$7.44
LISTER	165 HP	0.09 HR		\$0.77	\$2.42	\$0.84	\$1.64	\$5.67
ROD WEED	165 HP	0.05 HR		\$0.43	\$1.34	\$0.34	\$0.76	\$2.87
PLANTER	93 HP	0.12 HR		\$1.03	\$2.78	\$0.57	\$2.73	\$7.10
CULTIVATOR	93 HP	0.10 HR		\$0.86	\$2.31	\$0.70	\$0.56	\$4.43
SPRAYER	93 HP	0.06 HR		\$0.51	\$1.39	\$0.17	\$0.69	\$2.76
SUBTOTAL		0.63 HR		\$5.39	\$15.89	\$5.58	\$11.17	\$38.03

HARVEST OPERATIONS								
COMBINE		0.14 HR		\$1.20	\$3.51	\$0.39	\$13.91	\$19.00
HAUL	2 TON	0.14 HR		\$1.20	\$2.67	\$0.90	\$1.80	\$6.56
SUBTOTAL		0.28 HR		\$2.39	\$6.18	\$1.29	\$15.70	\$25.57

OVERHEAD EXPENSES								
DOWNTIME		0.12 HR		\$1.00				\$1.00
EMPLOYEE BENEFITS				\$1.40				\$1.40
INSURANCE				\$0.16				\$0.16
LAND TAXES							\$0.71	\$0.71
SUPERVISION AND MANAGEMENT				\$9.78				\$9.78
OTHER EXPENSES				\$28.34				\$28.34
SUBTOTAL		0.12 HR		\$28.49	\$12.19		\$0.71	\$41.39

TOTAL OPERATING EXPENSES 1.03 HR \$50.43 \$19.97 \$22.07 \$6.87 \$27.58 \$126.92

NET OPERATING PROFIT \$7.45

INTEREST ON OPERATING CAPITAL (\$16.96 @ 7.00%) \$1.19
 INTEREST ON EQUIPMENT INVESTMENT \$11.96

RETURN TO LAND AND RISK (\$5.69)

BUDGET SUMMARY

GROSS RETURN		\$134.38	
VARIABLE OPERATING EXPENSES	\$79.37		
RETURN OVER VARIABLE EXPENSES		\$55.00	(GROSS MARGIN)
FIXED EXPENSES	\$27.58		
NET FARM INCOME		\$27.42	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$19.97		
NET OPERATING PROFIT		\$7.45	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$13.15		
RETURN TO LAND AND RISK		(\$5.69)	

TABLE 6. Upland cotton (stripper), dryland, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Causey-Lingo area, Roosevelt County, Projected 2012.

Planting Dates: May 1 - June 10

Harvest Dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE					TOTAL
GROSS RETURNS								
LINT	\$0.81	250.00 LBS						\$202.50
SEED	\$0.07	400 LBS						\$28.00
DIRECT PAYMENT	\$0.0000	250.00 LBS	0.85					\$0.00
COUNTER CYCLICAL PAYMENT	\$0.1373	250.00 LBS	0.85					\$29.18
TOTAL								\$259.68
PURCHASED INPUTS								
	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
SEED	\$8.00	15 LBS	\$120.00					\$120.00
INSECTICIDE (CUSTOM)	\$20.01	1 X/ACRE	\$20.01					\$20.01
CROP INSURANCE	\$0.09		\$0.09					\$0.09
SUBTOTAL			\$140.10					\$140.10
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
CHISEL	165 HP	0.15 HR		\$1.28	\$4.03	\$1.06	\$2.25	\$8.62
DISC	165 HP	0.11 HR		\$0.94	\$2.96	\$1.62	\$2.23	\$7.75
LISTER	165 HP	0.09 HR		\$0.77	\$2.42	\$0.84	\$1.64	\$5.67
ROD WEED	165 HP	0.05 HR		\$0.43	\$1.34	\$0.34	\$0.76	\$2.87
PLANTER	165 HP	0.12 HR		\$1.03	\$3.23	\$0.96	\$4.05	\$9.27
CULTIVATOR (2X)	93 HP	0.20 HR		\$1.71	\$4.63	\$1.41	\$1.11	\$8.86
HAND HOE (CUSTOM)			\$6.00					\$6.00
SUBTOTAL		0.72 HR	\$6.00	\$6.16	\$18.62	\$6.23	\$12.04	\$49.04
HARVEST OPERATIONS								
COTTON STRIPPER (MTD)	93 HP	0.58 HR		\$4.96	\$13.42	\$1.74	\$3.94	\$24.05
HAUL	2 TON	0.50 HR		\$4.28	\$9.53	\$3.22	\$6.41	\$23.44
GIN COTTON (CUSTOM)			\$38.40					\$38.40
SUBTOTAL		1.08 HR	\$38.40	\$9.23	\$22.95	\$4.96	\$10.35	\$85.89
POST HARVEST OPERATIONS								
SHREDDER	93 HP	0.25 HR		\$2.14	\$5.79	\$0.62	\$1.06	\$9.60
OVERHEAD EXPENSES								
DOWNTIME		0.47 HR		\$4.04				\$4.04
EMPLOYEE BENEFITS				\$3.15				\$3.15
INSURANCE			\$0.35					\$0.35
LAND TAXES							\$0.71	\$0.71
SUPERVISION AND MANAGEMENT				\$19.12				\$19.12
OTHER EXPENSES			\$28.34					\$28.34
SUBTOTAL		0.47 HR	\$28.69	\$26.32			\$0.71	\$55.72
TOTAL OPERATING EXPENSES		2.52 HR	\$213.18	\$43.84	\$47.35	\$11.80	\$24.17	\$340.35
NET OPERATING PROFIT								(\$80.68)
INTEREST ON OPERATING CAPITAL		(\$80.19 @	7.00%)				\$5.61
INTEREST ON EQUIPMENT INVESTMENT								\$8.19
RETURN TO LAND AND RISK								(\$94.48)

BUDGET SUMMARY

GROSS RETURN		\$259.68	
VARIABLE OPERATING EXPENSES	\$272.34		
RETURN OVER VARIABLE EXPENSES		(\$12.66)	(GROSS MARGIN)
FIXED EXPENSES	\$24.17		
NET FARM INCOME		(\$36.83)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$43.84		
NET OPERATING PROFIT		(\$80.68)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$13.80		
RETURN TO LAND AND RISK		(\$94.48)	

TABLE 7. Wheat, dryland, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Causey-Lingo area, Roosevelt County, Projected 2012.

Planting dates: August 15 - September 15

Harvesting dates: June 1 - June 25

ITEM	PRICE	YIELD	BASE						TOTAL
GROSS RETURNS									
WHEAT	\$6.50	18.00 BUSHEL							\$117.00
DIRECT PAYMENT	\$0.00	18.00 BUSHEL	0.85						\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00								\$0.00
GRAZING	\$10.00	1.00 ACRE							\$10.00
TOTAL									\$127.00
PURCHASED INPUTS									
	PRICE	QUANTITY	PURCHASED INPUTS					FIXED COST	TOTAL
SEED	\$0.50	30 LB	\$15.00						\$15.00
CROP INSURANCE	\$0.14		\$0.14						\$0.14
			\$15.14						\$15.14
PREHARVEST OPERATIONS									
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
STUBBLE MULCH	165 HP	0.10 HR		\$0.86	\$2.69	\$1.34	\$2.55	\$7.44	
DISC	165 HP	0.11 HR		\$0.94	\$2.96	\$1.62	\$2.23	\$7.75	
RODWEED	165 HP	0.05 HR		\$0.43	\$1.34	\$0.34	\$0.76	\$2.87	
DRILL	93 HP	0.05 HR		\$0.43	\$1.16	\$0.29	\$4.60	\$6.47	
SUBTOTAL		0.31 HR		\$2.65	\$8.15	\$3.59	\$10.14	\$24.54	
HARVEST OPERATIONS									
COMBINE		0.14 HR		\$1.20	\$3.51	\$0.39	\$13.91	\$19.00	
HAUL	2 TON	0.14 HR		\$1.20	\$2.67	\$0.90	\$1.80	\$6.56	
SUBTOTAL		0.28 HR		\$2.39	\$6.18	\$1.29	\$15.70	\$25.57	
OVERHEAD EXPENSES									
DOWNTIME		0.10 HR		\$0.86				\$0.86	
EMPLOYEE BENEFITS				\$0.91				\$0.91	
INSURANCE			\$0.10					\$0.10	
LAND TAXES							\$0.71	\$0.71	
SUPERVISION AND MANAGEMENT				\$9.05				\$9.05	
OTHER EXPENSES			\$28.34					\$28.34	
SUBTOTAL		0.10 HR	\$28.44	\$10.81			\$0.71	\$39.96	
TOTAL OPERATING EXPENSES		0.41 HR	\$43.44	\$15.85	\$14.33	\$4.89	\$26.56	\$105.06	
NET OPERATING PROFIT								\$21.94	
INTEREST ON OPERATING CAPITAL		(\$11.06 @ 7.00%)						\$0.77	
INTEREST ON EQUIPMENT INVESTMENT								\$11.76	
RETURN TO LAND AND RISK								\$9.41	

BUDGET SUMMARY

GROSS RETURN		\$127.00	
VARIABLE OPERATING EXPENSES	\$62.65		
RETURN OVER VARIABLE EXPENSES		\$64.35	(GROSS MARGIN)
FIXED EXPENSES	\$26.56		
NET FARM INCOME		\$37.79	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$15.85		
NET OPERATING PROFIT		\$21.94	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$12.53		
RETURN TO LAND AND RISK		\$9.41	

TABLE 8. Summary of per acre costs and returns for a 1,280 acre farm with above average management, Roosevelt County, Projected 2012.

	GRAIN SORGHUM	STRIPPER COTTON	WHEAT
	CWT	LBS	BU
PRIMARY YIELD	15.00	250.00	18.00
PRIMARY PRICE	\$8.63	\$0.81	\$6.50
GOVERNMENT PAYMENTS	\$0.00	\$0.00	\$0.00
SECOND INCOME	\$5.00	\$28.00	\$10.00
GROSS RETURN	\$134.38	\$259.68	\$127.00
CASH OPERATING EXPENSES			
SEED	\$5.91	\$120.00	\$15.00
FERTILIZER			
CHEMICALS	\$15.88	\$20.01	
CROP INSURANCE	\$0.14	\$0.09	\$0.14
OTHER PURCHASED INPUTS			
CANAL WATER			
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$22.07	\$47.35	\$14.33
FUEL-IRRIGATION			
REPAIRS	\$6.87	\$11.80	\$4.89
CUSTOM CHARGES	\$0.00	\$44.40	\$0.00
LAND TAXES	\$0.71	\$0.71	\$0.71
OTHER EXPENSES	\$28.49	\$28.69	\$28.44
TOTAL CASH EXPENSES	\$80.08	\$273.05	\$63.50
RETURN OVER CASH EXPENSES	\$54.29	(\$13.37)	\$63.50
FIXED EXPENSES	\$26.87	\$23.46	\$25.85
TOTAL EXPENSES	\$106.95	\$296.51	\$89.35
NET FARM INCOME	\$27.42	(\$36.83)	\$37.65
LABOR AND MANAGEMENT COSTS	\$19.97	\$43.84	\$15.85
NET OPERATING PROFIT	\$7.45	(\$80.68)	\$21.80
CAPITAL COSTS			
INTEREST ON OPERATING CAPITAL	\$1.19	\$5.61	\$0.77
INTEREST ON EQUIPMENT INVESTMENT	\$11.96	\$8.19	\$11.76
TOTAL CAPITAL COSTS	\$13.15	\$13.80	\$12.53
RETURN TO LAND AND RISK	(\$5.69)	(\$94.48)	\$9.27

TABLE 9. Whole farm summary, Causey-Lingo area, Roosevelt County,
Projected 2012.

GROSS RETURNS		
GRAIN SORGHUM	357.00 ACRES	
CROP		\$46,187
GRAZING		\$1,785
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
COTTON	546.00 ACRES	
LINT		\$110,565
SEED		\$15,288
DIRECT PAYMENT		\$0
WHEAT	357.00 ACRES	
CROP		\$41,769
GRAZING		\$3,570
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GROSS RETURN		<u>\$219,164</u>
CASH OPERATING EXPENSES		
SEED		\$72,985
FERTILIZER		\$0
CHEMICALS		\$16,594
CROP INSURANCE		\$150
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$38,847
FUEL-IRRIGATION		\$0
REPAIRS		\$10,642
CUSTOM CHARGES		\$24,242
LAND TAXES		\$900
OTHER EXPENSES		\$35,986
TOTAL CASH EXPENSES		<u>\$200,347</u>
RETURN OVER CASH EXPENSES		\$18,817
FIXED EXPENSES		\$31,626
TOTAL EXPENSES		<u>\$231,973</u>
NET FARM INCOME		(\$12,809)
LABOR AND MANAGEMENT COSTS		\$36,727
NET OPERATING PROFIT		(\$49,536)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$3,765
INTEREST ON EQUIPMENT INVESTMENT		\$12,938
TOTAL CAPITAL COSTS		<u>\$16,703</u>
RETURN TO LAND AND RISK		<u>(\$66,239)</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$150 /ACRE	(\$71,999)	-11.49%
\$200 /ACRE	(\$73,919)	-10.00%
\$250 /ACRE	(\$75,839)	-8.86%
\$300 /ACRE	(\$77,759)	-7.95%
\$350 /ACRE	(\$79,679)	-7.21%
\$400 /ACRE	(\$81,599)	-6.59%

* RETURN TO LAND AND RISK MINUS (INTEREST RATE TIMES LAND VALUE TIMES ACREAGE)

** NET OPERATING PROFIT DIVIDED BY (MACHINERY AND EQUIPMENT VALUE PLUS LAND VALUE)