

MICROCOMPUTER CROP COST AND RETURN GENERATOR

BUDGET AREA..... CAUSEY-LINGO AREA, ROOSEVELT COUN Projected 2013.  
FARM SIZE..... 1,280.00 ACRES  
IRRIGATION TYPE..... DRYLAND  
NUMBER OF CROPS..... 3

VERSION 1.0

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TABLE 1. Acreage Summary, Roosevelt County, Projected 2013.

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
<b>TOTAL</b>	<b>1,280.00</b>

TABLE 2. Basic cost information for the Causey-Lingo area, Roosevelt County, Projected 2013.

Item			
<b>Labor Wage Rate:</b>			
Equipment operators		\$/hour	\$8.55
General & Irrigators		\$/hour	\$7.50
<b>Purchased Inputs:</b>			
Seed:			
Wheat		\$/pound	\$0.65
Grain Sorghum		\$/pound	\$2.04
Cotton		\$/pound	\$8.00
<b>Fuel:</b>			
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%
<b>Financial Rates:</b>			
Operating Capital Interest Rate		percent	5.00%
Land Interest Rate		percent	5.00%
Equipment Interest Rate		percent	5.00%
Real Interest Rate		percent	3.00%
Land Taxes	\$89.00 /acre (full value)		\$0.72
Personal Property Tax Rate	- NR	\$/ \$1,000 (Assessed Value)	\$24.22
	- R		\$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 2013.

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	\$15,579
<b>Insurance</b>			
- general liability (non-employee)			\$1,936
- fire/theft			\$1,500
<b>Property Taxes</b>			
- non-planted land			\$0
- other than land & machinery			\$6,010
Building repairs and maintenance			\$1,458
Dues, fees, publications			\$436
Farmstead Equipment			\$194
		<b>Total</b>	<b>\$35,703</b>
		<b>Total Per Planted Acre</b>	<b>\$28.34</b>

TABLE 4. Equipment summary for a 1,280 acre, dryland farm with above average management, Causey-Lingo area, Roosevelt County, Projected 2013.

EQUIPMENT			VARIABLE COSTS						FIXED COSTS		
ITEM & SIZE	ANNUAL HOURS OF USE	NUMBER	TOTAL VALUE	FUEL, OIL, LUBRICANT	REPAIR	FUEL, OIL PER HR	REPAIR PER HR	DEPRECIATION	TAXES	TOTAL PER HR	
TRACTOR	93 HP	680	\$17,335	\$15,740	\$642	\$23.14	\$0.94	\$450	\$64	\$0.75	
TRACTOR	165 HP	502	\$40,865	\$13,495	\$2,702	\$26.90	\$5.39	\$5,985	\$362	\$12.85	
TRUCK	2 TON	373	\$23,000	\$7,108	\$2,402	\$19.06	\$6.44	\$4,600	\$195	\$12.83	
COTTON STRIPPER (M)	2 ROW	317	\$5,900		\$291		\$0.92	\$1,533	\$93	\$5.14	
PLANTER	8 ROW	108	\$11,000		\$286		\$2.64	\$2,200	\$89	\$21.12	
CULTIVATOR	8 ROW	145	\$4,000		\$719		\$4.96	\$533	\$32	\$3.90	
DISC	18 FT OFFSET	158	\$7,500		\$1,289		\$8.30	\$1,000	\$61	\$7.65	
DRILL	40 FT	18	\$7,750		\$66		\$3.72	\$1,550	\$63	\$90.34	
LISTER	8 ROW	81	\$3,200		\$322		\$3.97	\$427	\$26	\$5.67	
STUBBLE MULCHER	20 FT	71	\$6,500		\$575		\$8.08	\$867	\$52	\$12.87	
SHREDDER	4 ROW	137	\$2,500		\$55		\$0.40	\$333	\$20	\$2.59	
SPRAYER (MTD)		21	\$1,500		\$15		\$0.72	\$200	\$12	\$9.90	
COMBINE	145 HP	100	\$51,677	\$2,505	\$266	\$25.06	\$2.66	\$8,864	\$337	\$94.04	
GRAIN HEAD	22 FT	100	\$3,600		\$15		\$0.15	\$501	\$30	\$5.32	
ROD WEEDER	37 FT	63	\$1,150		\$90		\$1.43	\$153	\$9	\$2.88	
CHISEL	9 FT	82	\$1,350		\$137		\$1.67	\$180	\$11	\$2.33	
			\$188,826	\$38,847	\$9,874			\$29,376	\$1,646		

EQUIPMENT LIST

ITEM	NEW VALUE	USED VALUE	YEARS LIFE	EQUIP CODE	MAX HOURS	FUEL UNTHR	LUBE COEF	ACCUM HOURS	AGE	INTEREST EXPENSE
TRACTOR	93 HP	15735.00	17334.50	35.00	1.00	800.00	5.54	0.10	15644.37	23.00
TRACTOR	165 HP	89775.00	49884.50	15.00	1.00	800.00	8.15	0.10	5518.59	11.00
TRUCK	2 TON	46000.00	23000.00	10.00	6.00	800.00	6.05	0.05	4848.48	13.00
COTTON STRIPPER (M)	2 ROW	11500.00	2950.00	15.00	5.00	300.00			2058.42	13.00
PLANTER	8 ROW	11000.00	5500.00	10.00	8.00	100.00			704.34	13.00
CULTIVATOR	8 ROW	8000.00	4000.00	15.00	3.00	300.00			2318.40	18.00
DISC	18 FT OFFSET	15000.00	7500.00	15.00	3.00	300.00			2217.50	16.00
DRILL	40 FT	15500.00	7750.00	10.00	8.00	100.00			232.05	13.00
LISTER	8 ROW	6400.00	3200.00	15.00	3.00	300.00			1300.32	18.00
STUBBLE MULCHER	20 FT	13000.00	6500.00	15.00	3.00	300.00			1071.00	15.00
SHREDDER	4 ROW	5000.00	2500.00	15.00	5.00	150.00			2047.50	15.00
SPRAYER (MTD)		3000.00	1500.00	15.00	8.00	150.00			321.30	15.00
COMBINE	145 HP	132955.00	51676.50	15.00	2.00	300.00	6.96	0.20	1299.48	13.00
GRAIN HEAD	22 FT	7520.00	3600.00	15.00	2.00	300.00			1299.48	13.00
ROD WEEDER	37 FT	2300.00	1150.00	15.00	3.00	300.00			945.00	15.00
CHISEL	9 FT	2700.00	1350.00	15.00	3.00	300.00			1310.40	16.00

USAGE LIST

GRAIN SORGHUM	COTTON	WHEAT	PER ACRE TOTALS
0.28	1.03	0.05	1.36
0.35	0.52	0.26	1.13
0.14	0.50	0.14	0.78
0.00	0.58	0.00	0.58
0.12	0.12	0.00	0.24
0.10	0.20	0.00	0.30
0.11	0.11	0.11	0.33
0.00	0.00	0.05	0.05
0.09	0.09	0.00	0.18
0.10	0.10	0.20	0.30
0.00	0.25	0.00	0.25
0.06	0.00	0.00	0.06
0.14	0.00	0.14	0.28
0.14	0.00	0.14	0.28
0.05	0.05	0.05	0.15
0.00	0.15	0.00	0.15

INTEREST PRORATION

GRAIN SORGHUM	COTTON	WHEAT
1.57	2.33	1.16
0.43	1.54	0.43
0.00	0.53	0.00
0.30	0.30	0.00
0.14	0.29	0.00
0.30	0.30	0.00
0.00	0.00	1.09
0.18	0.18	0.00
0.46	0.00	0.46
0.00	0.23	0.00
0.21	0.00	0.00
4.66	0.00	4.66
0.26	0.00	0.26
0.05	0.05	0.05
0.00	0.12	0.00
8.54	5.65	8.40

GRAIN SORGHUM ACRES: 357 PUMP WATER:

MACHINE	POWER UNIT	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	
ROD WEED	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	0.06	0.06	
COMBINE	22 FT	1.00	0.14	0.14	
HAIL	2 TON	1.00	0.14	0.14	

COTTON ACRES: 546 PUMP WATER:

MACHINE	POWER UNIT	TIMES OVER	ACCOMPLISHMENT RATE	TOTAL	CUSTOM
CHISEL	165 HP	1.00	0.15	0.15	
DISC	165 HP	1.00	0.11	0.11	
LISTER	165 HP	1.00	0.09	0.09	
ROD WEED	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
HAND HOE (CUSTOM)					
COTTON STRIPPER (MTD)	93 HP	1.00	0.58	0.58	
HAIL	2 TON	1.00	0.50	0.50	0.15
GIN/COTTON (CUSTOM) PER LINT #					
SHREDDER	93 HP	1.00	0.25	0.25	

WHEAT ACRES: 357 PUMP WATER:

MACHINE	POWER UNIT	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	
ROD WEED	165 HP	1.00	0.05	0.05	
DRILL	93 HP	1.00	0.05	0.05	
COMBINE	2 TON	1.00	0.14	0.14	
HAIL	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	0.000060	0.000020	0.000020	0.000020	0.000080	0.000140	0.000040	0.000240	0.000200
50	0.000060	0.000020	0.000020	0.000020	0.000080	0.000140	0.000040	0.000240	0.000200
100	0.000060	0.000020	0.000020	0.000020	0.000080	0.000140	0.000040	0.000240	0.000200
200	0.000030	0.000010	0.000010	0.000010	0.000040	0.000080	0.000020	0.000120	0.000060
300	0.000030	0.000010	0.000010	0.000010	0.000040	0.000080	0.000020	0.000120	0.000060
400	0.000030	0.000010	0.000010	0.000010	0.000040	0.000080	0.000020	0.000120	0.000060
500	0.000030	0.000010	0.000010	0.000010	0.000040	0.000080	0.000020	0.000120	0.000060
600	0.000030	0.000010	0.000010	0.000010	0.000040	0.000080	0.000020	0.000120	0.000060
700	0.000030	0.000010	0.000010	0.000010	0.000040	0.000080	0.000020	0.000120	0.000060
800	0.000030	0.000010	0.000010	0.000010	0.000040	0.000080	0.000020	0.000120	0.000060
900	0.000030	0.000010	0.000010	0.000010	0.000040	0.000080	0.000020	0.000120	0.000060
1000	0.000030	0.000010	0.000010	0.000010	0.000040	0.000080	0.000020	0.000120	0.000060
1200	0.000045	0.000015	0.000015	0.000015	0.000060	0.000120	0.000030	0.000180	0.000090
1400	0.000045	0.000015	0.000015	0.000015	0.000060	0.000120	0.000030	0.000180	0.000090
1500	0.000150	0.000050	0.000050	0.000050	0.000200	0.000400	0.000100	0.000600	0.000300
1600	0.000150	0.000050	0.000050	0.000050	0.000200	0.000400	0.000100	0.000600	0.000300
1800	0.000075	0.000025	0.000025	0.000025	0.000100	0.000200	0.000050	0.000300	0.000150
2000	0.000110	0.000035	0.000035	0.000035	0.000140	0.000280	0.000070	0.000420	0.000210
2500	0.000056								
3000	0.000070								
3500	0.000082								
4000	0.000096								
4500	0.000108								
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 Engineering, University of Illinois.

\*\* Based on "Agricultural Machinery Data" in Agricultural Engineers Yearbook, 1983.

Codes

- 1 tractors
- 2 balers, combines, forage harvesters, windrowers, pickups
- 3 rotary hoe, disks, moldboard plows, chisels, field cultivators
- row cultivators, laser plane
- 4 harrows, wagons, flails, roto buck, drag, roller, water furrow, bed shaper
- 5 balerwagons, cotton pickers, cotton strippers, corn pickers
- corn heads, forage equipment, rotary mowers, stalk choppers, feed wagons, farm trucks
- 6 rakes, cutterbar mower
- 7 baler w/ engine, manure spreader
- 8 planters, drills, seeding equipment, mounted sprayers
- 9 fertilizer distributing equipment

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 2013.

Planting Dates: May 15 - May 30

Harvest Dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE					TOTAL
<b>GROSS RETURNS</b>								
GRAIN SORGHUM	\$10.43	15.00 CWT						\$156.48
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
<b>TOTAL</b>								<b>\$161.48</b>
<b>PURCHASED INPUTS</b>								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$2.04	3 LBS	\$6.12					\$6.12
INSECTICIDE	\$15.88	1 X/ACRE	\$15.88					\$15.88
CROP INSURANCE	\$0.14		\$0.14					\$0.14
<b>SUBTOTAL</b>			<b>\$22.14</b>					<b>\$22.14</b>
<b>PREHARVEST OPERATIONS</b>								
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	\$0.43	\$2.63	\$6.86
CULTIVATOR	93 HP	0.10 HR		\$0.86	\$2.31	\$0.59	\$0.47	\$4.23
SPRAYER	93 HP	0.06 HR		\$0.51	\$1.39	\$0.10	\$0.64	\$2.64
<b>SUBTOTAL</b>		<b>0.63 HR</b>		<b>\$5.39</b>	<b>\$15.89</b>	<b>\$5.26</b>	<b>\$10.92</b>	<b>\$37.46</b>
<b>HARVEST OPERATIONS</b>								
COMBINE		0.14 HR		\$1.20	\$3.51	\$0.39	\$13.91	\$19.01
HAUL	2 TON	0.14 HR		\$1.20	\$2.67	\$0.90	\$1.80	\$6.56
<b>SUBTOTAL</b>		<b>0.28 HR</b>		<b>\$2.39</b>	<b>\$6.18</b>	<b>\$1.29</b>	<b>\$15.71</b>	<b>\$25.57</b>
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.12 HR		\$1.00				\$1.00
EMPLOYEE BENEFITS				\$1.40				\$1.40
INSURANCE			\$0.16					\$0.16
LAND TAXES							\$0.72	\$0.72
SUPERVISION AND MANAGEMENT				\$11.68				\$11.68
OTHER EXPENSES			\$28.34					\$28.34
<b>SUBTOTAL</b>		<b>0.12 HR</b>		<b>\$28.49</b>	<b>\$14.08</b>		<b>\$0.72</b>	<b>\$43.29</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>1.03 HR</b>		<b>\$50.64</b>	<b>\$21.86</b>	<b>\$22.07</b>	<b>\$6.56</b>	<b>\$128.47</b>
<b>NET OPERATING PROFIT</b>								<b>\$33.01</b>
INTEREST ON OPERATING CAPITAL		( \$16.98 @ 5.00% )						\$0.85
INTEREST ON EQUIPMENT INVESTMENT								\$8.54
<b>RETURN TO LAND AND RISK</b>								<b>\$23.62</b>

**BUDGET SUMMARY**

GROSS RETURN		\$161.48	
VARIABLE OPERATING EXPENSES	\$79.26		
RETURN OVER VARIABLE EXPENSES		\$82.22	(GROSS MARGIN)
FIXED EXPENSES	\$27.34		
NET FARM INCOME		\$54.87	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$21.86		
NET OPERATING PROFIT		\$33.01	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$9.39		
RETURN TO LAND AND RISK		\$23.62	

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 2013.

Planting Dates: May 1 - June 10

Harvest Dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE					TOTAL
<b>GROSS RETURNS</b>								
LINT	\$0.68	250.00 LBS						\$170.00
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								\$227.18
<b>PURCHASED INPUTS</b>								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS					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
<b>PREHARVEST OPERATIONS</b>								
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	\$1.18	\$0.93	\$8.45
HAND HOE (CUSTOM)			\$6.00					\$6.00
SUBTOTAL		0.72 HR	\$6.00	\$6.16	\$18.62	\$6.00	\$11.87	\$48.64
<b>HARVEST OPERATIONS</b>								
COTTON STRIPPER (MTD)	93 HP	0.58 HR		\$4.96	\$13.42	\$1.08	\$3.42	\$22.88
HAUL	2 TON	0.50 HR		\$4.28	\$9.53	\$3.22	\$6.42	\$23.44
GIN COTTON (CUSTOM)			\$38.40					\$38.40
SUBTOTAL		1.08 HR	\$38.40	\$9.23	\$22.95	\$4.30	\$9.83	\$84.72
<b>POST HARVEST OPERATIONS</b>								
SHREDDER	93 HP	0.25 HR		\$2.14	\$5.79	\$0.34	\$0.84	\$9.09
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.47 HR		\$4.04				\$4.04
EMPLOYEE BENEFITS				\$3.15				\$3.15
INSURANCE			\$0.35					\$0.35
LAND TAXES							\$0.72	\$0.72
SUPERVISION AND MANAGEMENT				\$16.85				\$16.85
OTHER EXPENSES			\$28.34					\$28.34
SUBTOTAL		0.47 HR	\$28.69	\$24.04			\$0.72	\$53.45
TOTAL OPERATING EXPENSES		2.52 HR	\$213.18	\$41.57	\$47.35	\$10.64	\$23.25	\$336.00
NET OPERATING PROFIT								(\$108.82)
INTEREST ON OPERATING CAPITAL		( \$80.00 @	5.00%	)				\$4.00
INTEREST ON EQUIPMENT INVESTMENT								\$5.85
RETURN TO LAND AND RISK								(\$118.67)

BUDGET SUMMARY

GROSS RETURN	\$227.18		
VARIABLE OPERATING EXPENSES	\$271.17		
RETURN OVER VARIABLE EXPENSES	(\$44.00)	(GROSS MARGIN)	
FIXED EXPENSES	\$23.25		
NET FARM INCOME	(\$67.25)	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$41.57		
NET OPERATING PROFIT	(\$108.82)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$9.85		
RETURN TO LAND AND RISK	(\$118.67)		

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 2013.  
 Planting dates: August 15 - September 15  
 Harvesting dates: June 1 - June 25

ITEM	PRICE	YIELD	BASE					TOTAL	
<b>GROSS RETURNS</b>									
WHEAT	\$7.75	18.00 BUSHELS						\$139.50	
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	
<b>TOTAL</b>								<b>\$149.50</b>	
<b>PURCHASED INPUTS</b>									
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS					FIXED COST	TOTAL
SEED	\$0.65	30 LB	\$19.50						\$19.50
CROP INSURANCE	\$0.14		\$0.14						\$0.14
			\$19.64						\$19.64
<b>PREHARVEST OPERATIONS</b>									
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	\$0.23	\$4.55	\$6.37	
<b>SUBTOTAL</b>		0.31 HR		\$2.65	\$8.15	\$3.53	\$10.10	\$24.44	
<b>HARVEST OPERATIONS</b>									
COMBINE		0.14 HR		\$1.20	\$3.51	\$0.39	\$13.91	\$19.01	
HAUL	2 TON	0.14 HR		\$1.20	\$2.67	\$0.90	\$1.80	\$6.56	
<b>SUBTOTAL</b>		0.28 HR		\$2.39	\$6.18	\$1.29	\$15.71	\$25.57	
<b>OVERHEAD EXPENSES</b>									
DOWNTIME		0.10 HR		\$0.86				\$0.86	
EMPLOYEE BENEFITS				\$0.91				\$0.91	
INSURANCE			\$0.10					\$0.10	
LAND TAXES							\$0.72	\$0.72	
SUPERVISION AND MANAGEMENT				\$10.62				\$10.62	
OTHER EXPENSES			\$28.34					\$28.34	
<b>SUBTOTAL</b>		0.10 HR	\$28.44	\$12.38			\$0.72	\$41.54	
<b>TOTAL OPERATING EXPENSES</b>		0.41 HR	\$47.94	\$17.43	\$14.33	\$4.83	\$26.53	\$111.05	
<b>NET OPERATING PROFIT</b>								\$38.45	
INTEREST ON OPERATING CAPITAL		( \$13.29 @ 5.00% )						\$0.66	
INTEREST ON EQUIPMENT INVESTMENT								\$8.40	
<b>RETURN TO LAND AND RISK</b>								<b>\$29.39</b>	

<b>BUDGET SUMMARY</b>			
GROSS RETURN		\$149.50	
VARIABLE OPERATING EXPENSES	\$67.09		
RETURN OVER VARIABLE EXPENSES		\$82.41	(GROSS MARGIN)
FIXED EXPENSES	\$26.53		
NET FARM INCOME		\$55.88	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$17.43		
NET OPERATING PROFIT		\$38.45	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$9.06		
RETURN TO LAND AND RISK		\$29.39	

TABLE 8. Summary of per acre costs and returns for a 1,280 acre farm with above average management, Roosevelt Coun  
Projected 2013.

	GRAIN SORGHUM	STRIPPER COTTON	WHEAT
	CWT	LBS	BU
PRIMARY YIELD	15.00	250.00	18.00
PRIMARY PRICE	\$10.43	\$0.68	\$7.75
GOVERNMENT PAYMENTS	\$0.00	\$0.00	\$0.00
SECOND INCOME	\$5.00	\$28.00	\$10.00
GROSS RETURN	\$161.48	\$227.18	\$149.50
CASH OPERATING EXPENSES			
SEED	\$6.12	\$120.00	\$19.50
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	\$6.56	\$10.64	\$4.83
CUSTOM CHARGES	\$0.00	\$44.40	\$0.00
LAND TAXES	\$0.72	\$0.72	\$0.72
OTHER EXPENSES	\$28.49	\$28.69	\$28.44
TOTAL CASH EXPENSES	\$79.98	\$271.89	\$67.95
RETURN OVER CASH EXPENSES	\$81.50	(\$44.72)	\$81.55
FIXED EXPENSES	\$26.62	\$22.53	\$25.81
TOTAL EXPENSES	\$106.61	\$294.43	\$93.76
NET FARM INCOME	\$54.87	(\$67.25)	\$55.74
LABOR AND MANAGEMENT COSTS	\$21.86	\$41.57	\$17.43
NET OPERATING PROFIT	\$33.01	(\$108.82)	\$38.31
CAPITAL COSTS			
INTEREST ON OPERATING CAPITAL	\$0.85	\$4.00	\$0.66
INTEREST ON EQUIPMENT INVESTMENT	\$8.54	\$5.85	\$8.40
TOTAL CAPITAL COSTS	\$9.39	\$9.85	\$9.06
RETURN TO LAND AND RISK	\$23.62	(\$118.67)	\$29.25

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TABLE 9. Whole farm summary, Causey-Lingo area, Roosevelt County,  
Projected 2013.

GROSS RETURNS		
GRAIN SORGHUM	357.00 ACRES	
CROP		\$55,864
GRAZING		\$1,785
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
COTTON	546.00 ACRES	
LINT		\$92,820
SEED		\$15,288
DIRECT PAYMENT		\$0
WHEAT	357.00 ACRES	
CROP		\$49,802
GRAZING		\$3,570
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GROSS RETURN		<u>\$219,129</u>
CASH OPERATING EXPENSES		
SEED		\$74,666
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		\$9,874
CUSTOM CHARGES		\$24,242
LAND TAXES		\$905
OTHER EXPENSES		\$35,986
TOTAL CASH EXPENSES		<u>\$201,266</u>
RETURN OVER CASH EXPENSES		\$17,863
FIXED EXPENSES		\$31,022
TOTAL EXPENSES		<u>\$232,288</u>
NET FARM INCOME		(\$13,159)
LABOR AND MANAGEMENT COSTS		\$36,724
NET OPERATING PROFIT		(\$49,884)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$2,725
INTEREST ON EQUIPMENT INVESTMENT		\$9,241
TOTAL CAPITAL COSTS		<u>\$11,966</u>
RETURN TO LAND AND RISK		<u>(\$61,850)</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$150 /ACRE	(\$67,610)	-13.10%
\$200 /ACRE	(\$69,530)	-11.21%
\$250 /ACRE	(\$71,450)	-9.80%
\$300 /ACRE	(\$73,370)	-8.71%
\$350 /ACRE	(\$75,290)	-7.83%
\$400 /ACRE	(\$77,210)	-7.12%

\* 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)