

MICROCOMPUTER CROP COST AND RETURN GENERATOR

BUDGET AREA..... CAUSEY-LINGO AREA, ROOSEVELT COUN Projected 2018
FARM SIZE..... 1,280.00 ACRES
IRRIGATION TYPE..... DRYLAND
NUMBER OF CROPS..... 3

VERSION 1.0

COPYRIGHT (C) 1984 by NEW MEXICO STATE UNIVERSITY BOARD OF REGENTS

New Mexico State University is an equal opportunity employer. All programs are available to everyone regardless of race, color, religion, sex, age, handicap, or national origin. New Mexico State University and the U.S. Department of Agriculture Cooperating.

* YOU MAY ENTER DATA IN ANY INPUT TABLE WITH HIGHLIGHTED CELLS OR YOU MAY STRIKE [ENTER] AND RETURN TO THE MENU

** BE SURE PRINTER IS ON AND PAPER IS ALIGNED BEFORE YOU PRINT

TABLE 1. Acreage Summary, Roosevelt County,
Projected 2018

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 2018

Item			
Labor Wage Rate:			
Equipment operators		\$/hour	\$8.55
General & Irrigators		\$/hour	\$7.50
Purchased Inputs:			
Seed:			
Wheat		\$/pound	\$0.44
Grain Sorghum		\$/pound	\$1.32
Cotton		\$/pound	\$7.55
Fuel:			
Diesel fuel		\$/gallon	\$2.70
Gasoline		\$/gallon	\$2.40
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	5.50%
Land Interest Rate		percent	5.00%
Equipment Interest Rate		percent	5.50%
Real Interest Rate		percent	3.00%
Land Taxes	\$89.00	/acre (full value)	\$0.68
Personal Property Tax Rate	- NR	\$/ \$1,000 (Assessed Value)	\$23.08
	- 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 2018

Item			
Electricity (Domestic & Shop)		\$247.65 per month	\$2,972
Telephone		\$114.30 per month	\$1,372
Accounting & Legal			\$1,873
Misc. Supplies & Hand Tools			\$2,800
Pickup and Auto			
miles	32,703	@ \$0.500 per mile	\$16,351
Insurance			
- general liability (non-employee)			\$2,032
- fire/theft			\$1,575
Property Taxes			
- non-planted land			\$0
- other than land & machinery			\$6,010
Building repairs and maintenance			\$1,530
Dues, fees, publications			\$457
Farmstead Equipment			\$203
		Total	\$37,176
		Total Per Planted Acre	\$29.50

TABLE 4. Equipment summary for a 1,200-acre, dryland farm with above average management, Cadey-Lingo area, Rosevelt County, projected 2018.

EQUIPMENT ITEM & SIZE	ANNUAL HOURS OF USE	NUMBER	TOTAL VALUE	VARIABLE COSTS				FIXED COSTS		TOTAL PER ACRE
				FUEL OIL LUBRICANT	REPAIR FEE/HR	FUEL OIL FEE/HR	REPAIR FEE/HR	DEPRECIATION	TAXES	
TRACTOR 93 HP	480	1	\$37,300	\$9,941	\$642	\$482	\$234	\$460	\$81	\$0.70
TRACTOR 165 HP	502	1	\$40,865	\$12,148	\$2,702	\$242.1	\$539	\$6,985	\$345	\$1.02
TRUCK 2 TON	353	1	\$23,050	\$6,267	\$2,452	\$215	\$544	\$4,000	\$177	\$1.28
COTTON STRIPPER (MT)	2 ROW	2	\$5,900	\$201	\$201	\$0.92	\$0.92	\$1,533	\$88	\$6.12
PLANTER 8 ROW	18	1	\$21,000	\$288	\$288	\$2.24	\$2.24	\$2,200	\$86	\$11.08
CULTIVATOR 8 ROW	145	1	\$4,000	\$719	\$498	\$4.98	\$4.98	\$533	\$31	\$3.89
DISC 18 FT OFFSET	139	1	\$7,200	\$1,269	\$836	\$6.36	\$6.36	\$1,000	\$36	\$7.83
DRILL 45 FT	18	1	\$7,750	\$86	\$86	\$3.72	\$3.72	\$1,550	\$60	\$8.15
LISTER 8 ROW	107	1	\$5,200	\$321	\$217	\$2.07	\$2.07	\$427	\$25	\$5.35
STUBBLE MULCHER 20 FT	71	1	\$6,500	\$575	\$806	\$8.06	\$8.06	\$867	\$50	\$12.84
SPREADER 145 HP	107	1	\$8,200	\$501	\$501	\$4.60	\$4.60	\$553	\$19	\$2.88
SPRAYER (MTD)	21	1	\$1,500	\$15	\$15	\$0.72	\$0.72	\$300	\$12	\$9.88
COMBINE 145 HP	107	1	\$31,077	\$2,866	\$2,866	\$2.66	\$2.66	\$8,964	\$512	\$81.79
GRAIN HEAD 22 FT	100	1	\$3,800	\$15	\$15	\$0.15	\$0.15	\$501	\$29	\$5.30
HOD REEDED 37 FT	63	1	\$1,100	\$80	\$80	\$1.43	\$1.43	\$153	\$9	\$2.27
CHISEL 9 PT	62	1	\$1,350	\$137	\$137	\$1.67	\$1.67	\$180	\$10	\$2.32
			\$188,620	\$30,738	\$9,874			\$20,370	\$1,569	

EQUIPMENT LIST

ITEM	NEW VALUE	USED VALUE	YEARS LIFE	EQUIP CODE	MAX HOURS	FUEL LUBR LITERS	ACCUM HOURS	INTEREST AGE	EXPENSE	
TRACTOR 93 HP	15735.00	17334.50	35.00	1.00	800.00	5.54	0.10	15844.37	23.00	432.71
TRACTOR 165 HP	89775.00	40864.50	15.00	1.00	800.00	8.15	0.10	5518.59	11.00	2488.81
TRUCK 2 TON	80000.00	23000.00	10.00	8.00	800.00	6.05	0.06	4884.48	13.00	1282.00
COTTON STRIPPER (MT)	11800.00	2950.00	15.00	5.00	300.00			2058.42	13.00	316.25
PLANTER 8 ROW	11000.00	5500.00	10.00	8.00	100.00			204.24	13.00	302.50
CULTIVATOR 8 ROW	8000.00	4000.00	15.00	3.00	300.00			2318.40	16.00	220.00
DISC 18 FT OFFSET	10000.00	7500.00	15.00	3.00	300.00			2277.60	16.00	412.50
DRILL 45 FT	15800.00	7750.00	10.00	8.00	100.00			232.05	13.00	426.25
LISTER 8 ROW	14800.00	3200.00	15.00	3.00	300.00			1300.32	16.00	170.00
STUBBLE MULCHER 20 FT	13000.00	6500.00	15.00	3.00	300.00			1071.00	15.00	357.50
SPREADER 145 HP	10000.00	2500.00	15.00	8.00	150.00			2047.50	15.00	137.00
SPRAYER (MTD)	3000.00	1500.00	15.00	8.00	100.00			323.30	15.00	82.50
COMBINE 145 HP	130965.00	51878.50	15.00	2.00	300.00	6.98	0.20	1208.48	13.00	3668.26
GRAIN HEAD 22 FT	7500.00	3600.00	15.00	2.00	300.00			1299.48	13.00	206.80
HOD REEDED 37 FT	2300.00	1150.00	15.00	3.00	300.00			840.00	15.00	63.25
CHISEL 9 PT	2700.00	1350.00	15.00	3.00	300.00			1310.40	16.00	74.25

USAGE LIST

GRAIN	PER ACRE		
	SORGHUM	COTTON	WHEAT
	hours per acre		
0.28	1.03	0.55	1.38
0.14	0.52	0.28	1.13
0.00	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	0.20
0.11	0.11	0.11	0.33
0.00	0.00	0.05	0.05
0.09	0.00	0.00	0.18
0.10	0.00	0.10	0.20
0.00	0.25	0.00	0.25
0.08	0.00	0.00	0.08
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 PROPORTION

GRAIN	PER ACRE		
	SORGHUM	COTTON	WHEAT
	dollars per acre		
1.72	2.56	1.28	
0.47	1.70	0.47	
0.00	0.58	0.00	
0.33	0.33	0.00	
0.15	0.33	0.00	
0.33	0.33	0.33	
0.00	0.00	1.19	
0.19	0.19	0.00	
0.50	0.00	0.50	
0.00	0.00	0.00	
0.23	0.00	0.00	
5.12	0.00	5.12	
0.29	0.00	0.29	
0.05	0.05	0.05	
0.00	0.14	0.00	
5.40	6.43	9.24	

GRAIN SORGHUM

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	
HOD W/EE	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

MACHINE	POWER LMT	TIMES OVER	ACCOMPLISHMENT		
			RATE	TOTAL	CUSTOM
COMBINE	22 FT	1.00	0.14	0.14	
HILL	2 TON	1.00	0.14	0.14	

COTTON

MACHINE	POWER LMT	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	
HOD W/EE	165 HP	1.00	0.05	0.05	
PLANTER	165 HP	1.00	0.12	0.12	
CULTIVATOR (X)	93 HP	2.00	0.10	0.20	6.00
HAND HOE (CUSTOM)					
COTTON STRIPPER (MTD)	93 HP	1.00	0.58	0.58	
HILL	2 TON	1.00	0.50	0.50	0.15
GIN COTTON (CUSTOM) PER LINT #					
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	
HOD W/EE	165 HP	1.00	0.05	0.05	
DRILL	93 HP	1.00	0.05	0.05	
COMBINE	1.00	1.00	0.14	0.14	
HILL	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	0.00000	0.00020	0.00040	0.00060	0.00080	0.00100	0.00120	0.00140	0.00160
50	0.00060	0.00080	0.00100	0.00120	0.00140	0.00160	0.00180	0.00200	0.00220
100	0.00120	0.00140	0.00160	0.00180	0.00200	0.00220	0.00240	0.00260	0.00280
150	0.00180	0.00200	0.00220	0.00240	0.00260	0.00280	0.00300	0.00320	0.00340
200	0.00240	0.00260	0.00280	0.00300	0.00320	0.00340	0.00360	0.00380	0.00400
250	0.00300	0.00320	0.00340	0.00360	0.00380	0.00400	0.00420	0.00440	0.00460
300	0.00360	0.00380	0.00400	0.00420	0.00440	0.00460	0.00480	0.00500	0.00520
350	0.00420	0.00440	0.00460	0.00480	0.00500	0.00520	0.00540	0.00560	0.00580
400	0.00480	0.00500	0.00520	0.00540	0.00560	0.00580	0.00600	0.00620	0.00640
450	0.00540	0.00560	0.00580	0.00600	0.00620	0.00640	0.00660	0.00680	0.00700
500	0.00600	0.00620	0.00640	0.00660	0.00680	0.00700	0.00720	0.00740	0.00760
550	0.00660	0.00680	0.00700	0.00720	0.00740	0.00760	0.00780	0.00800	0.00820
600	0.00720	0.00740	0.00760	0.00780	0.00800	0.00820	0.00840	0.00860	0.00880
650	0.00780	0.00800	0.00820	0.00840	0.00860	0.00880	0.00900	0.00920	0.00940
700	0.00840	0.00860	0.00880	0.00900	0.00920	0.00940	0.00960	0.00980	0.01000
750	0.00900	0.00920	0.00940	0.00960	0.00980	0.01000	0.01020	0.01040	0.01060
800	0.00960	0.00980	0.01000	0.01020	0.01040	0.01060	0.01080	0.01100	0.01120
850	0.01020	0.01040	0.01060	0.01080	0.01100	0.01120	0.01140	0.01160	0.01180
900	0.01080	0.01100	0.01120	0.01140	0.01160	0.01180	0.01200	0.01220	0.01240
950	0.01140	0.01160	0.01180	0.01200	0.01220	0.01240	0.01260	0.01280	0.01300
1000	0.01200	0.01220	0.01240	0.01260	0.01280	0.01300	0.01320	0.01340	0.01360
1050	0.01260	0.01280	0.01300	0.01320	0.01340	0.01360	0.01380	0.01400	0.01420
1100	0.01320	0.01340	0.01360	0.01380	0.01400	0.01420	0.01440	0.01460	0.01480
1150	0.01380	0.01400	0.01420	0.01440	0.01460	0.01480	0.01500	0.01520	0.01540
1200	0.01440	0.01460	0.01480	0.01500	0.01520	0.01540	0.01560	0.01580	0.01600
1250	0.01500	0.01520	0.01540	0.01560	0.01580	0.01600	0.01620	0.01640	0.01660
1300	0.01560	0.01580	0.01600	0.01620	0.01640	0.01660	0.01680	0.01700	0.01720
1350	0.01620	0.01640	0.01660	0.01680	0.01700	0.017			

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 2018
 Planting Dates: May 15 - May 30
 Harvest Dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
GRAIN SORGHUM	\$6.08	15.00 CWT		\$91.18
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				\$96.18

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$1.32	3 LBS	\$3.96		\$3.96
INSECTICIDE	\$15.88	1 X/ACRE	\$15.88		\$15.88
CROP INSURANCE	\$0.14		\$0.14		\$0.14
SUBTOTAL			\$19.98		\$19.98

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	165 HP	0.11 HR		\$0.94	\$2.66	\$1.62	\$2.23	\$7.45
STUBBLE MULCH	165 HP	0.10 HR		\$0.86	\$2.42	\$1.34	\$2.55	\$7.17
LISTER	165 HP	0.09 HR		\$0.77	\$2.18	\$0.84	\$1.64	\$5.43
ROD WEED	165 HP	0.05 HR		\$0.43	\$1.21	\$0.34	\$0.76	\$2.74
PLANTER	93 HP	0.12 HR		\$1.03	\$1.75	\$0.43	\$2.62	\$5.83
CULTIVATOR	93 HP	0.10 HR		\$0.86	\$1.46	\$0.59	\$0.46	\$3.37
SPRAYER	93 HP	0.06 HR		\$0.51	\$0.88	\$0.10	\$0.64	\$2.13
SUBTOTAL		0.63 HR		\$5.39	\$12.57	\$5.26	\$10.89	\$34.11

HARVEST OPERATIONS								
COMBINE		0.14 HR		\$1.20	\$3.16	\$0.39	\$13.87	\$18.62
HAUL	2 TON	0.14 HR		\$1.20	\$2.40	\$0.90	\$1.79	\$6.29
SUBTOTAL		0.28 HR		\$2.39	\$5.56	\$1.29	\$15.67	\$24.91

OVERHEAD EXPENSES								
DOWNTIME		0.12 HR		\$1.00				\$1.00
EMPLOYEE BENEFITS				\$1.40				\$1.40
INSURANCE				\$0.16				\$0.16
LAND TAXES							\$0.68	\$0.68
SUPERVISION AND MANAGEMENT				\$7.11				\$7.11
OTHER EXPENSES				\$29.50				\$29.50
SUBTOTAL		0.12 HR		\$29.66	\$9.51		\$0.68	\$39.86

TOTAL OPERATING EXPENSES 1.03 HR \$49.65 \$17.29 \$18.12 \$6.56 \$27.24 \$118.86

NET OPERATING PROFIT (\$22.68)

INTEREST ON OPERATING CAPITAL (\$15.02 @ 5.50%) \$0.83
 INTEREST ON EQUIPMENT INVESTMENT \$9.40

RETURN TO LAND AND RISK (\$32.91)

BUDGET SUMMARY			
GROSS RETURN		\$96.18	
VARIABLE OPERATING EXPENSES	\$74.33		
RETURN OVER VARIABLE EXPENSES		\$21.85	(GROSS MARGIN)
FIXED EXPENSES	\$27.24		
NET FARM INCOME		(\$5.39)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$17.29		
NET OPERATING PROFIT		(\$22.68)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$10.22		
RETURN TO LAND AND RISK		(\$32.91)	

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 2018
 Planting Dates: May 1 - June 10
 Harvest Dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE					TOTAL	
GROSS RETURNS									
LINT	\$0.73	250.00 LBS						\$182.50	
SEED	\$0.10	400 LBS						\$39.00	
DIRECT PAYMENT	\$0.0000	250.00 LBS	0.85					\$0.00	
COUNTER CYCLICAL PAYMENT	\$0.1373	250.00 LBS	0.85					\$29.18	
TOTAL								\$250.68	
PURCHASED INPUTS									
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS					FIXED COST	TOTAL
SEED	\$7.55	15 LBS	\$113.25					\$113.25	
INSECTICIDE (CUSTOM)	\$20.01	1 X/ACRE	\$20.01					\$20.01	
CROP INSURANCE	\$0.09		\$0.09					\$0.09	
SUBTOTAL			\$133.35						\$133.35
PREHARVEST OPERATIONS									
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
CHISEL	165 HP	0.15 HR		\$1.28	\$3.63	\$1.06	\$2.24	\$8.21	
DISC	165 HP	0.11 HR		\$0.94	\$2.66	\$1.62	\$2.23	\$7.45	
LISTER	165 HP	0.09 HR		\$0.77	\$2.18	\$0.84	\$1.64	\$5.43	
ROD WEED	165 HP	0.05 HR		\$0.43	\$1.21	\$0.34	\$0.76	\$2.74	
PLANTER	165 HP	0.12 HR		\$1.03	\$2.91	\$0.96	\$4.04	\$8.94	
CULTIVATOR (2X)	93 HP	0.20 HR		\$1.71	\$2.92	\$1.18	\$0.93	\$6.74	
HAND HOE (CUSTOM)			\$6.00					\$6.00	
SUBTOTAL		0.72 HR	\$6.00	\$6.16	\$15.51	\$6.00	\$11.84	\$45.51	
HARVEST OPERATIONS									
COTTON STRIPPER (MTD)	93 HP	0.58 HR		\$4.96	\$8.48	\$1.08	\$3.41	\$17.92	
HAUL	2 TON	0.50 HR		\$4.28	\$8.58	\$3.22	\$6.40	\$22.48	
GIN COTTON (CUSTOM)			\$38.40					\$38.40	
SUBTOTAL		1.08 HR	\$38.40	\$9.23	\$17.05	\$4.30	\$9.81	\$78.80	
POST HARVEST OPERATIONS									
SHREDDER	93 HP	0.25 HR		\$2.14	\$3.65	\$0.34	\$0.83	\$6.96	
OVERHEAD EXPENSES									
DOWNTIME		0.47 HR		\$4.04				\$4.04	
EMPLOYEE BENEFITS				\$3.15				\$3.15	
INSURANCE			\$0.35					\$0.35	
LAND TAXES							\$0.68	\$0.68	
SUPERVISION AND MANAGEMENT				\$18.49				\$18.49	
OTHER EXPENSES			\$29.50					\$29.50	
SUBTOTAL		0.47 HR	\$29.86	\$25.69			\$0.68	\$56.23	
TOTAL OPERATING EXPENSES		2.52 HR	\$207.60	\$43.21	\$36.22	\$10.64	\$23.16	\$320.84	
NET OPERATING PROFIT								(\$70.16)	
INTEREST ON OPERATING CAPITAL		(\$74.83 @	5.50%)				\$4.12	
INTEREST ON EQUIPMENT INVESTMENT								\$6.43	
RETURN TO LAND AND RISK								(\$80.71)	

BUDGET SUMMARY

GROSS RETURN		\$250.68	
VARIABLE OPERATING EXPENSES	\$254.46		
RETURN OVER VARIABLE EXPENSES		(\$3.78)	(GROSS MARGIN)
FIXED EXPENSES	\$23.16		
NET FARM INCOME		(\$26.95)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$43.21		
NET OPERATING PROFIT		(\$70.16)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$10.55		
RETURN TO LAND AND RISK		(\$80.71)	

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 2018
 Planting dates: August 15 - September 15
 Harvesting dates: June 1 - June 25

ITEM	PRICE	YIELD	BASE						TOTAL
GROSS RETURNS									
WHEAT	\$4.40	18.00 BUSHEL							\$79.20
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									\$89.20
PURCHASED INPUTS									
	PRICE	QUANTITY	PURCHASED INPUTS					FIXED COST	TOTAL
SEED	\$0.44	30 LB	\$13.20						\$13.20
CROP INSURANCE	\$0.14		\$0.14						\$0.14
			\$13.34						\$13.34
PREHARVEST OPERATIONS									
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
STUBBLE MULCH	165 HP	0.10 HR		\$0.86	\$2.42	\$1.34	\$2.55	\$7.17	
DISC	165 HP	0.11 HR		\$0.94	\$2.66	\$1.62	\$2.23	\$7.45	
RODWEED	165 HP	0.05 HR		\$0.43	\$1.21	\$0.34	\$0.76	\$2.74	
DRILL	93 HP	0.05 HR		\$0.43	\$0.73	\$0.23	\$4.55	\$5.94	
SUBTOTAL		0.31 HR		\$2.65	\$7.03	\$3.53	\$10.08	\$23.29	
HARVEST OPERATIONS									
COMBINE		0.14 HR		\$1.20	\$3.16	\$0.39	\$13.87	\$18.62	
HAUL	2 TON	0.14 HR		\$1.20	\$2.40	\$0.90	\$1.79	\$6.29	
SUBTOTAL		0.28 HR		\$2.39	\$5.56	\$1.29	\$15.67	\$24.91	
OVERHEAD EXPENSES									
DOWNTIME		0.10 HR		\$0.86				\$0.86	
EMPLOYEE BENEFITS				\$0.91				\$0.91	
INSURANCE			\$0.10					\$0.10	
LAND TAXES							\$0.68	\$0.68	
SUPERVISION AND MANAGEMENT				\$6.40				\$6.40	
OTHER EXPENSES			\$29.50					\$29.50	
SUBTOTAL		0.10 HR	\$29.61	\$8.16			\$0.68	\$38.45	
TOTAL OPERATING EXPENSES		0.41 HR	\$42.81	\$13.21	\$12.58	\$4.83	\$26.43	\$99.85	
NET OPERATING PROFIT									(\$10.65)
INTEREST ON OPERATING CAPITAL		(\$9.81 @ 5.50%)						\$0.54	
INTEREST ON EQUIPMENT INVESTMENT								\$9.24	
RETURN TO LAND AND RISK									(\$20.43)

BUDGET SUMMARY			
GROSS RETURN		\$89.20	
VARIABLE OPERATING EXPENSES	\$60.22		
RETURN OVER VARIABLE EXPENSES	\$28.98		(GROSS MARGIN)
FIXED EXPENSES	\$26.43		
NET FARM INCOME	\$2.55		(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$13.21		
NET OPERATING PROFIT		(\$10.65)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$9.78		
RETURN TO LAND AND RISK		(\$20.43)	

TABLE 8. Summary of per acre costs and returns for a 1,280 acre farm with above average management, Roosevelt County
Projected 2018

	GRAIN SORGHUM	STRIPPER COTTON	WHEAT
	CWT	LBS	BU
PRIMARY YIELD	15.00	250.00	18.00
PRIMARY PRICE	\$6.08	\$0.73	\$4.40
GOVERNMENT PAYMENTS	\$0.00	\$0.00	\$0.00
SECOND INCOME	\$5.00	\$39.00	\$10.00
GROSS RETURN	\$96.18	\$250.68	\$89.20
CASH OPERATING EXPENSES			
SEED	\$3.96	\$113.25	\$13.20
FERTILIZER			
CHEMICALS	\$15.88	\$20.01	
CROP INSURANCE	\$0.14	\$0.09	\$0.14
OTHER PURCHASED INPUTS			
CANAL WATER			
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$18.12	\$36.22	\$12.58
FUEL-IRRIGATION			
REPAIRS	\$6.56	\$10.64	\$4.83
CUSTOM CHARGES	\$0.00	\$44.40	\$0.00
LAND TAXES	\$0.68	\$0.68	\$0.68
OTHER EXPENSES	\$29.66	\$29.86	\$29.61
TOTAL CASH EXPENSES	\$75.01	\$255.14	\$61.04
RETURN OVER CASH EXPENSES	\$21.17	(\$4.47)	\$28.16
FIXED EXPENSES	\$26.56	\$22.48	\$25.75
TOTAL EXPENSES	\$101.57	\$277.62	\$86.79
NET FARM INCOME	(\$5.39)	(\$26.95)	\$2.41
LABOR AND MANAGEMENT COSTS	\$17.29	\$43.21	\$13.21
NET OPERATING PROFIT	(\$22.68)	(\$70.16)	(\$10.79)
CAPITAL COSTS			
INTEREST ON OPERATING CAPITAL	\$0.83	\$4.12	\$0.54
INTEREST ON EQUIPMENT INVESTMENT	\$9.40	\$6.43	\$9.24
TOTAL CAPITAL COSTS	\$10.22	\$10.55	\$9.78
RETURN TO LAND AND RISK	(\$32.91)	(\$80.71)	(\$20.57)

TABLE 9. Whole farm summary, Causey-Lingo area, Roosevelt County,
Projected 2018

GROSS RETURNS		
GRAIN SORGHUM	357.00 ACRES	
CROP		\$32,551
GRAZING		\$1,785
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
COTTON	546.00 ACRES	
LINT		\$99,645
SEED		\$21,294
DIRECT PAYMENT		\$0
WHEAT	357.00 ACRES	
CROP		\$28,274
GRAZING		\$3,570
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GROSS RETURN		<u>\$187,119</u>
CASH OPERATING EXPENSES		
SEED		\$67,961
FERTILIZER		\$0
CHEMICALS		\$16,594
CROP INSURANCE		\$150
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$30,738
FUEL-IRRIGATION		\$0
REPAIRS		\$9,874
CUSTOM CHARGES		\$24,242
LAND TAXES		\$863
OTHER EXPENSES		\$37,459
TOTAL CASH EXPENSES		<u>\$187,880</u>
RETURN OVER CASH EXPENSES		(\$761)
FIXED EXPENSES		\$30,946
TOTAL EXPENSES		\$218,826
NET FARM INCOME		(\$31,707)
LABOR AND MANAGEMENT COSTS		\$34,484
NET OPERATING PROFIT		(\$66,190)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$2,735
INTEREST ON EQUIPMENT INVESTMENT		\$10,165
TOTAL CAPITAL COSTS		<u>\$12,900</u>
RETURN TO LAND AND RISK		<u>(\$79,090)</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$150 /ACRE	(\$84,850)	-17.38%
\$200 /ACRE	(\$86,770)	-14.88%
\$250 /ACRE	(\$88,690)	-13.01%
\$300 /ACRE	(\$90,610)	-11.56%
\$350 /ACRE	(\$92,530)	-10.39%
\$400 /ACRE	(\$94,450)	-9.44%

* 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)