

TITLE:

Farm Enterprise Records AG -CARES, Lamesa, TX 2003

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SUMMARY:

Farm Enterprise records were maintained on four center pivot irrigated areas or pies, on the Ag-Cares farm in 2003. Also, records were compiled on dryland corners and on adjacent dryland farms on cotton and grain sorghum. The four irrigated pies composed different cropping systems as well as different varieties and irrigation methods and total water applied within each pie. Cropping systems established were Conventional Tillage Cotton, Solid Row, LEPA Irrigated, Terminated Rye-Cotton Rotation, Solid Row, LEPA Irrigated, Conventional Tillage Peanuts, Solid Row, LEPA Irrigated, Terminated Rye-Cotton-Peanut Rotation, Solid Row, LEPA Irrigated, Conventional Tillage Cotton, Solid Row, Dryland, and Conventional Tillage Grain Sorghum, Solid Row, Dryland. Enterprise records were maintained on all production systems, with net returns per ground acre ranging from a high of \$282.78 to a low of (\$23.45). Enterprise records help to show the disparities between cropping enterprise rather than one overall farm net return of \$157.89.

The availability of enterprise records showed a positive advantage between cropping areas. The irrigated cropping areas averaged \$233.90 and the dryland cropping areas averaged \$84.73 per ground acre in 2003. Table 2 shows AG-CARES Farm Enterprise Records Analysis for 2003.

The maintaining of enterprise farming records may be one of the best tools available to producers to increase profits and sustain their farming operations. But even good records can not compensate for lack of moisture and low commodity prices.

OBJECTIVE:

Cotton producers face increasing economic decisions each year. An accurate set of farm enterprise records is needed to make meaningful decisions.

To maintain farm enterprise records on all cropping system at AG-CARES in a practical manner available to all producers, thereby showing the need to distinguish between cropping systems, farms, etc.

MATERIALS AND METHODS:

Actual cost per acre was maintained on Quicken 2003 Deluxe and Microsoft Excel[®] for all the different farm enterprise areas at AG-CARES during 2003.

Cost for fuel, labor and farming equipment were charged out at 75% of the most common custom rate as established by the Texas Agricultural Statistics Service. Cash land lease was charged at \$21.40 per acre for dryland and \$55.20 per acre for irrigated.

All farming operations were conducted by Texas Cooperative Extension or Texas Agricultural Experiment Station personnel. Some spraying and harvesting operations were performed by custom operators and charged out at their normal rates per acre.

Irrigated cropping system were planted to Fiber Max 989RR on May 8, 2003, some areas in field 1 and 2A were replanted on May 19, 2003. The dryland was planted to Paymaster 2326RR on May 29, 2003 (corners) and June 10, 2003 (Fields D1 & E1).

Irrigation rates was 75% of ET on all irrigated fields.

All chemicals or other inputs donated to AG-CARES Farm were charged out at the rate producers would have to pay for that product in Lamesa, Texas.

Cotton lint was sold for \$68.00 per cwt and seed for \$190 per ton.

Table 1 shows the AG-CARES Farm Enterprise Records By Expense Inputs Per Land Acre For 2003.

RESULTS AND DISCUSSION:

Four irrigated cropping areas and conventional tillage dryland cotton and grain sorghum were established in 2003. Circular rows were established for LEPA irrigation, with a 40" solid row pattern. All areas will be evaluated for yield, fiber quality, and net returns per acre.

The cropping areas being evaluated include:

- 1) Conventional Tillage Cotton, Solid Row, LEPA Irrigated, Field 1& 3, 26.57A
- 2) Terminated Rye-Cotton Rotation, Solid Row, LEPA Irrigated, Field 2, 54.88A
- 3) Conventional Tillage Peanuts, Solid Row, LEPA Irrigated, Field 1A, 13.62A
- 4) Terminated Rye-Cotton-Peanut Rotation, Solid Row, LEPA Irrigated, Field 2A, 12.95A
- 5) Conventional Tillage Cotton, Solid Row, Dryland Corners, Field C1,2,3,4, 30.22A
- 6) Conventional Tillage Cotton, Solid Row, Dryland, Field D1 & E1, 64.29A
- 7) Conventional Tillage Grain Sorghum, Solid Row, Dryland, Field D2, 13A

These cropping areas attempt to limit tillage operations to reduce input costs while conserving soil moisture and maintaining crop residue on the soil surface as a means to protect young cotton plants.

Farm enterprise records of actual cost were maintained on all the different cropping areas during 2003.

Expense and income for each of the cropping areas varied greatly between enterprise records. Inputs were charged to each enterprise monthly as bills were paid using Quicken 2003 Deluxe . Microsoft Excel[®] was used to analyze records on a per acre and yield basis.

TABLE 1 AG-CARES FARM ENTERPRISE RECORDS BY EXPENSE AND INCOME INPUTS PER LAND ACRE 2003

	CONVENTIONAL TILLAGE COTTON SOLID ROW LEPA IRRIGATED FIELD 1 & 3	CONVENTIONAL TILLAGE PEANUTS SOLID ROW LEPA IRRIGATED FIELD 1A	TERMINATED RYE-COTTON ROTATION SOLID ROW LEPA IRRIGATED FIELD 2	TERMINATED RYE-COTTON- PEANUT-ROTATION SOLID ROW LEPA IRRIGATED FIELD 2A	CONVENTIONAL TILLAGE COTTON SOLID ROW DRYLAND CORNERS FIELD C1,2,3,4	CONVENTIONAL TILLAGE COTTON SOLID ROW DRYLAND FIELD E1 & D1	CONVENTIONAL TILLAGE GRAIN SORGHUM SOLID ROW DRYLAND FIELD D2	AVERAGE OVERALL TOTAL OF ALL CROPPING SYSTEMS 215.53A
ACRES	26.57	13.62	54.88	12.95	30.22	64.29	13	215.53
INCOME								
COTTON SOLD	\$566.49	\$0.00	\$505.24	\$629.60	\$212.78	\$192.12	\$0.00	\$412.57
PEANUTS SOLD	\$0.00	\$523.61	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$33.09
AG. PROG. PAYT.	\$23.33	\$62.26	\$23.31	\$23.31	\$23.72	\$13.92	\$6.70	\$28.49
COTTON SEED	\$39.69	\$0.00	\$34.17	\$42.23	\$16.94	\$13.01	\$0.00	\$28.42
CROP INS. INCOME	\$6.21	\$0.00	\$6.21	\$6.21	\$0.00	\$0.00	\$0.00	\$2.72
MILO SOLD	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$43.00	\$2.59
TOTAL INCOME	\$635.73	\$585.88	\$568.93	\$701.35	\$253.44	\$219.05	\$49.70	\$406.27
EXPENSES								
LAND RENT	\$55.20	\$55.20	\$55.20	\$55.20	\$21.40	\$21.40	\$21.40	\$48.27
SEED	\$70.20	\$52.50	\$35.10	\$35.10	\$18.48	\$18.48	\$3.00	\$39.88
STRIPPER HARVEST	\$58.31	\$0.00	\$52.01	\$64.82	\$21.90	\$19.78	\$0.00	\$42.47
ELECTRICITY-IRR	\$49.47	\$72.00	\$50.33	\$42.85	\$0.00	\$0.00	\$0.00	\$26.04
FERTILIZER	\$38.05	\$14.92	\$34.41	\$34.41	\$2.53	\$0.00	\$0.00	\$16.82
ROUND-UP	\$18.48	\$0.00	\$36.56	\$18.31	\$4.36	\$7.41	\$0.00	\$18.94
SPRAYING	\$11.89	\$2.50	\$19.00	\$14.00	\$6.27	\$5.07	\$0.00	\$12.04
TEMIK	\$16.35	\$0.00	\$16.35	\$16.35	\$0.00	\$0.00	\$0.00	\$7.16
COMBINING	\$0.00	\$63.32	\$0.00	\$0.00	\$0.00	\$0.00	\$12.50	\$4.76
GRAMOXONE MAX	\$5.86	\$0.00	\$17.46	\$5.86	\$7.54	\$7.54	\$0.00	\$12.32
HIRED LABOR	\$3.52	\$42.80	\$4.31	\$1.70	\$0.00	\$0.00	\$0.00	\$4.34
SANDFIGHTER	\$4.96	\$10.00	\$0.00	\$7.50	\$6.23	\$5.34	\$5.00	\$6.94
CULTIVATION	\$4.10	\$0.00	\$0.00	\$4.00	\$12.00	\$8.14	\$12.00	\$9.35
PLANTING	\$8.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$6.35
RODWEEDING	\$4.23	\$8.00	\$0.00	\$4.25	\$5.97	\$7.45	\$8.00	\$8.28
DIKING	\$4.92	\$7.25	\$3.25	\$6.50	\$3.25	\$3.25	\$3.25	\$5.41
SPRINGTOOTH	\$10.25	\$0.00	\$0.00	\$16.00	\$0.00	\$0.00	\$0.00	\$2.23
GINSTAR	\$8.82	\$0.00	\$8.82	\$8.82	\$0.00	\$0.00	\$0.00	\$3.86
BOLL'D	\$7.98	\$0.00	\$7.98	\$7.98	\$0.00	\$0.00	\$0.00	\$3.50
MOLDBOARD	\$7.69	\$0.00	\$0.00	\$15.00	\$0.00	\$0.00	\$0.00	\$1.85
LISTING	\$2.05	\$4.00	\$0.00	\$7.00	\$4.00	\$4.00	\$4.00	\$4.78
RYE SEED	\$5.85	\$0.00	\$8.80	\$0.00	\$0.00	\$0.00	\$0.00	\$2.96
SHREDDING	\$4.75	\$4.75	\$4.75	\$0.00	\$0.00	\$0.00	\$0.00	\$2.10
CHISEL-FERT	\$3.27	\$0.00	\$2.00	\$8.00	\$1.04	\$0.00	\$0.00	\$1.54
DIGGING	\$0.00	\$17.50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.11
PROWL	\$3.66	\$0.00	\$7.50	\$0.00	\$0.00	\$0.00	\$0.00	\$2.36
ROLL CULTIVATOR	\$0.00	\$4.00	\$0.00	\$0.00	\$4.00	\$0.55	\$0.00	\$1.23
TREFLAN	\$0.93	\$0.00	\$0.00	\$1.81	\$1.81	\$2.60	\$0.00	\$2.46
DRILLING	\$1.95	\$0.00	\$4.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.26
SONALAN	\$0.00	\$7.96	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.50
SCRATCHING	\$0.00	\$0.00	\$0.00	\$0.00	\$1.27	\$0.68	\$0.00	\$0.70
2-4-DB	\$0.00	\$3.03	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.19
TOTAL EXPENSES	\$410.73	\$373.73	\$371.83	\$379.47	\$126.06	\$115.68	\$73.15	\$248.38
AVERAGE TOTAL EXPENSES PER ACRE	\$357.99	\$489.30	\$389.22	\$365.45	\$135.13	\$123.28	\$64.76	\$278.28
	TWELVE YEAR AVERAGE	SEVEN YEAR AVERAGE	TWELVE YEAR AVERAGE	FOUR YEAR AVERAGE	SIX YEAR AVERAGE	SIX YEAR AVERAGE	SIX YEAR AVERAGE	TWELVE YEAR AVERAGE
NET PER ACRE 2003	\$225.00	\$212.15	\$197.10	\$321.88	\$127.38	\$103.37	(\$23.45)	\$157.89

TABLE 2 AG-CARES FARM ENTERPRISE RECORDS ANALYSIS 2003

	CONVENTIONAL TILLAGE COTTON SOLID ROW LEPA IRRIGATED FIELD 1 & 3	CONVENTIONAL TILLAGE PEANUTS SOLID ROW LEPA IRRIGATED FIELD 1A/1502	TERMINATED RYE-COTTON ROTATION SOLID ROW LEPA IRRIGATED FIELD 2/1503	TERMINATED RYE-COTTON- PEANUT-ROTATION SOLID ROW LEPA IRRIGATED FIELD 2A/1504	CONVENTIONAL TILLAGE COTTON SOLID ROW DRYLAND CORNERS FIELD C1,2,3,4	CONVENTIONAL TILLAGE COTTON SOLID ROW DRYLAND FIELD E1 & D1	CONVENTIONAL TILLAGE GRAIN SORGHUM SOLID ROW DRYLAND FIELD D2	AVERAGE OVERALL TOTAL OF ALL CROPPING SYSTEMS 215.53A
TOTAL INCOME*	\$16,891.22	\$7,979.63	\$31,223.01	\$9,082.52	\$7,658.89	\$14,082.73	\$646.10	\$87,564.10
TOTAL EXPENSES	\$10,419.68	\$5,090.21	\$20,406.05	\$5,420.50	\$3,809.42	\$7,437.08	\$950.95	\$53,533.89
NET INCOME	\$6,471.54	\$2,889.42	\$10,816.96	\$3,662.02	\$3,849.47	\$6,645.65	-\$304.85	\$34,030.21
NUMBER OF LAND ACRES	26.57	13.62	54.88	12.95	30.22	64.29	13	215.53
YIELD PER ACRE IN POUNDS	833	3166	743	926	313	283	1075	740.7284369
INCOME PER LAND ACRE	\$635.73	\$585.88	\$568.93	\$701.35	\$253.44	\$219.05	\$49.70	\$406.27
INCOME PER POUND	\$0.76	\$0.19	\$0.77	\$0.76	\$0.00	\$0.77	\$0.05	\$0.55
EXPENSES PER LAND ACRE	\$392.16	\$373.73	\$371.83	\$418.57	\$126.06	\$115.68	\$73.15	\$248.38
EXPENSES PER POUND	\$0.47	\$0.12	\$0.50	\$0.45	\$0.00	\$0.41	\$0.07	\$0.34
NET INCOME PER LAND ACRE	\$243.57	\$212.15	\$197.10	\$282.78	\$127.38	\$103.37	-\$23.45	\$157.89
NET INCOME PER POUND	\$0.29	\$0.07	\$0.27	\$0.31	\$0.00	\$0.37	-\$0.02	\$0.21
AVERAGE NET INCOME PER LAND ACRE	\$177.09	\$187.50	\$179.02	\$171.18	\$81.36	\$36.33	(\$10.97)	\$114.03
	TWELVE YEAR AVERAGE	EIGHT YEAR AVERAGE	TWELVE YEAR AVERAGE	FOUR YEAR AVERAGE	SIX YEAR AVERAGE	SIX YEAR AVERAGE	SIX YEAR AVERAGE	TWELVE YEAR AVERAGE

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* Total income includes market price,crop insurance,and all farm program payment of all types.

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