

Overview and Baseline Income Projections for Five Arkansas Representative Farms

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Topics Discussed

- Explanation of the panel farm process
- Brief description of five Arkansas representative farms in the Texas A&M data base
- Overview of each of the five Arkansas rep farms. Two items will be discussed briefly:
 - Summary (snapshot) of each of the five rep farms for Arkansas
 - Preliminary projected net farm returns for each representative farm for the period 2016 – 2023.

Panel Farm Process

- Texas A&M uses a farm panel of producers in a consensus-building interview process
- Each farm panel consists of approximately 4 to 6 participants
- Farms are updated every two to three years to account for changes in farm size and crop mix.
- The panel is asked to provide all relevant data necessary to construct a representative farm for their region or location.
- Types of data collected: Size of farm, owned versus rented acres, crop share versus cash rent acres, crop mix, production costs by crop, the farm's machinery complement, labor cost, etc.

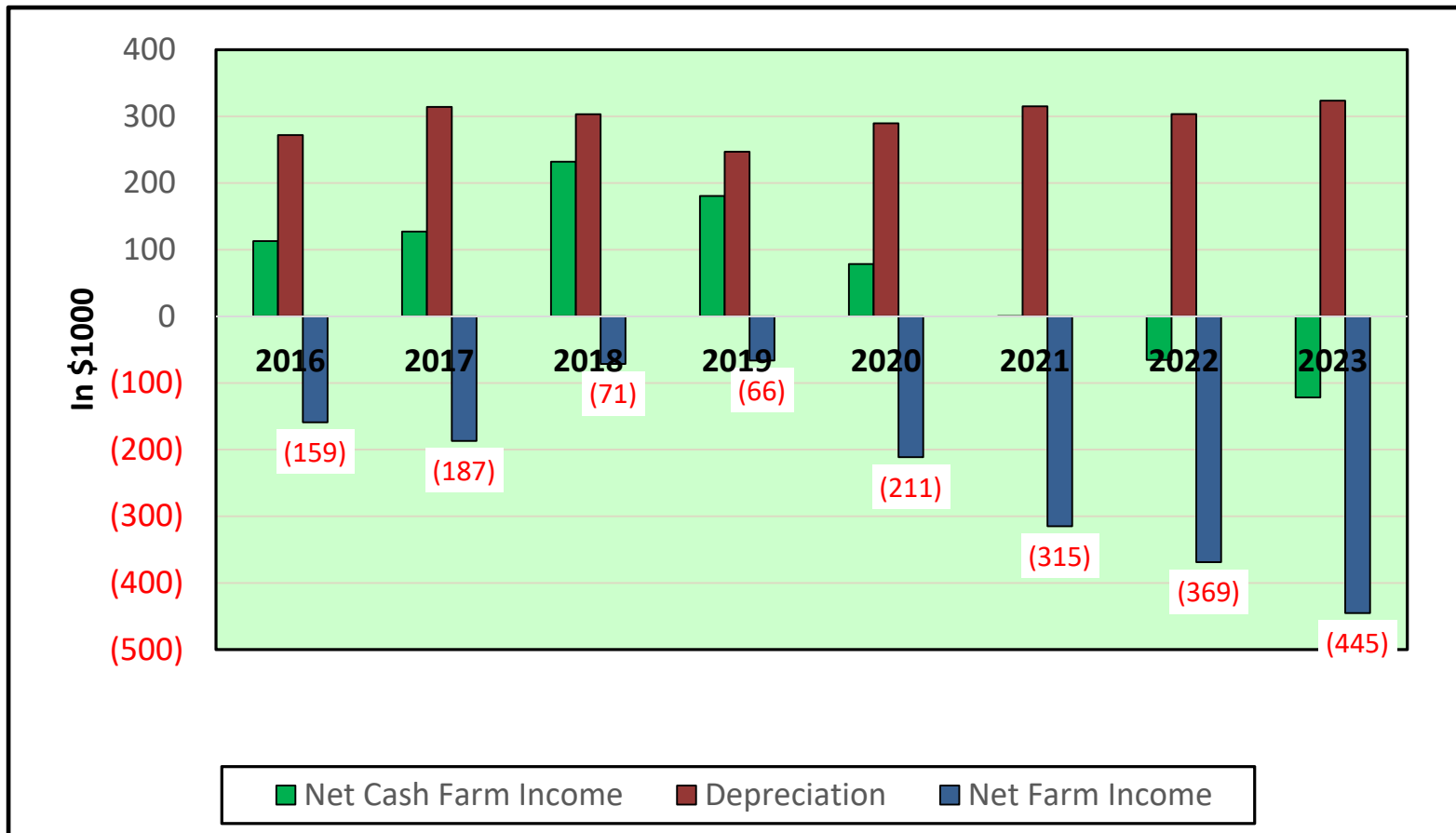
Five Arkansas Rep Farms in the Texas A&M Data Base

- Stuttgart (Arkansas County) 3,240 Acre Rice-Soybean-Corn Farm
- McGehee (Desha County) 6,500 Acre Soybean-Corn-Rice Farm
- Hoxie (Lawrence County) 4,000 Acre Rice-Soybean-Corn Farm
- Wynne (Cross County) 2,500 Acre Rice-Soybean Farm
- Manila (Mississippi County) 5,000 Acre Cotton-Soybean-Peanut-Corn Farm

Stuttgart (Arkansas County) 3,240 Acre Rice-Soybean-Corn Farm

Cropland	Acres	Percent
Owned Cropland	648	20%
Rented Cropland	2,592	80%
<i>Total Cropland</i>	<i>3,240</i>	<i>100%</i>
Rented Cropland	Acres	Percent
Cash Rent	1,040	40%
Crop Share	1,552	60%
<i>Total Rented Cropland</i>	<i>2,592</i>	<i>100%</i>
2016 Cropland Value (\$/acre)	4,800	
Cash Rent (\$/acre)	140	
Crop Share (T% - L%)	80 - 20	
Number of Full Time Employees	4	
2016 Salary Per Employee	40,000	
2016 Part Time Labor Costs	13,611	
2016 Total Labor Costs	173,611	
Crop Mix	Acres	Percent
Rice	1,458	45%
Soybeans	1,458	45%
Corn	324	10%
<i>Total</i>	<i>3,240</i>	<i>100%</i>

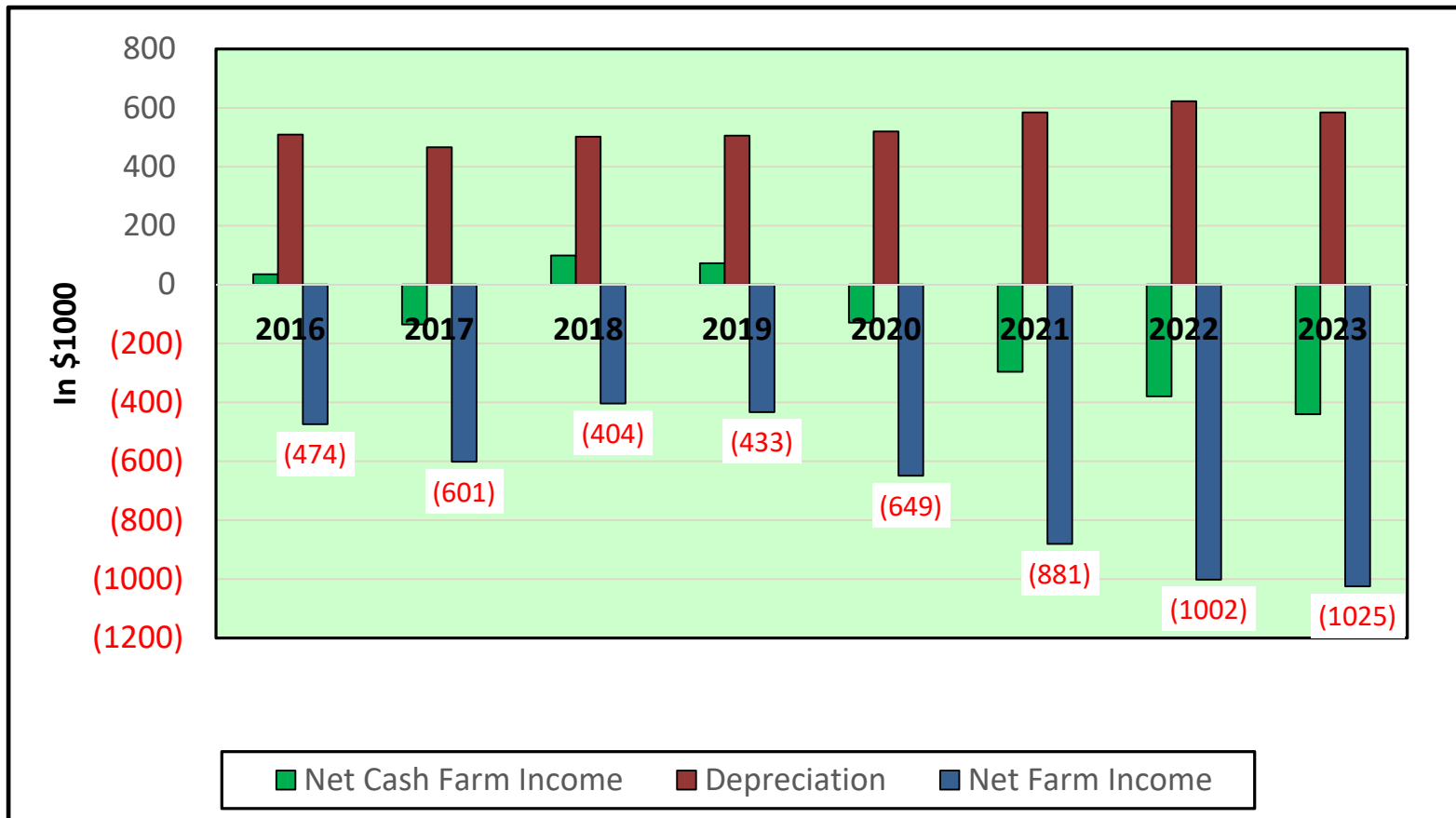
Stuttgart (Arkansas County) Projected Baseline Net Farm Income, 2016 - 2023



McGehee (Desha County) 6,500 Acre Soybean-Corn-Rice Farm

Cropland	Acres	Percent
Owned Cropland	1,200	18%
Rented Cropland	5,300	82%
<i>Total Cropland</i>	<i>6,500</i>	<i>100%</i>
Rented Cropland	Acres	Percent
Cash Rent	1,325	25%
Crop Share	3,975	75%
<i>Total Rented Cropland</i>	<i>5,300</i>	<i>100%</i>
2016 Cropland Value (\$/acre)	4,065	
Cash Rent (\$/acre)	180	
Crop Share (T% - L%)	75 - 25	
Number of Full Time Employees	9	
2016 Salary Per Employee	50,535	
2016 Part Time Labor Costs	0	
2016 Total Labor Costs	454,815	
Crop Mix	Acres	Percent
Soybeans	3,900	60%
Corn	1,950	30%
Rice	650	10%
<i>Total</i>	<i>6,500</i>	<i>100%</i>

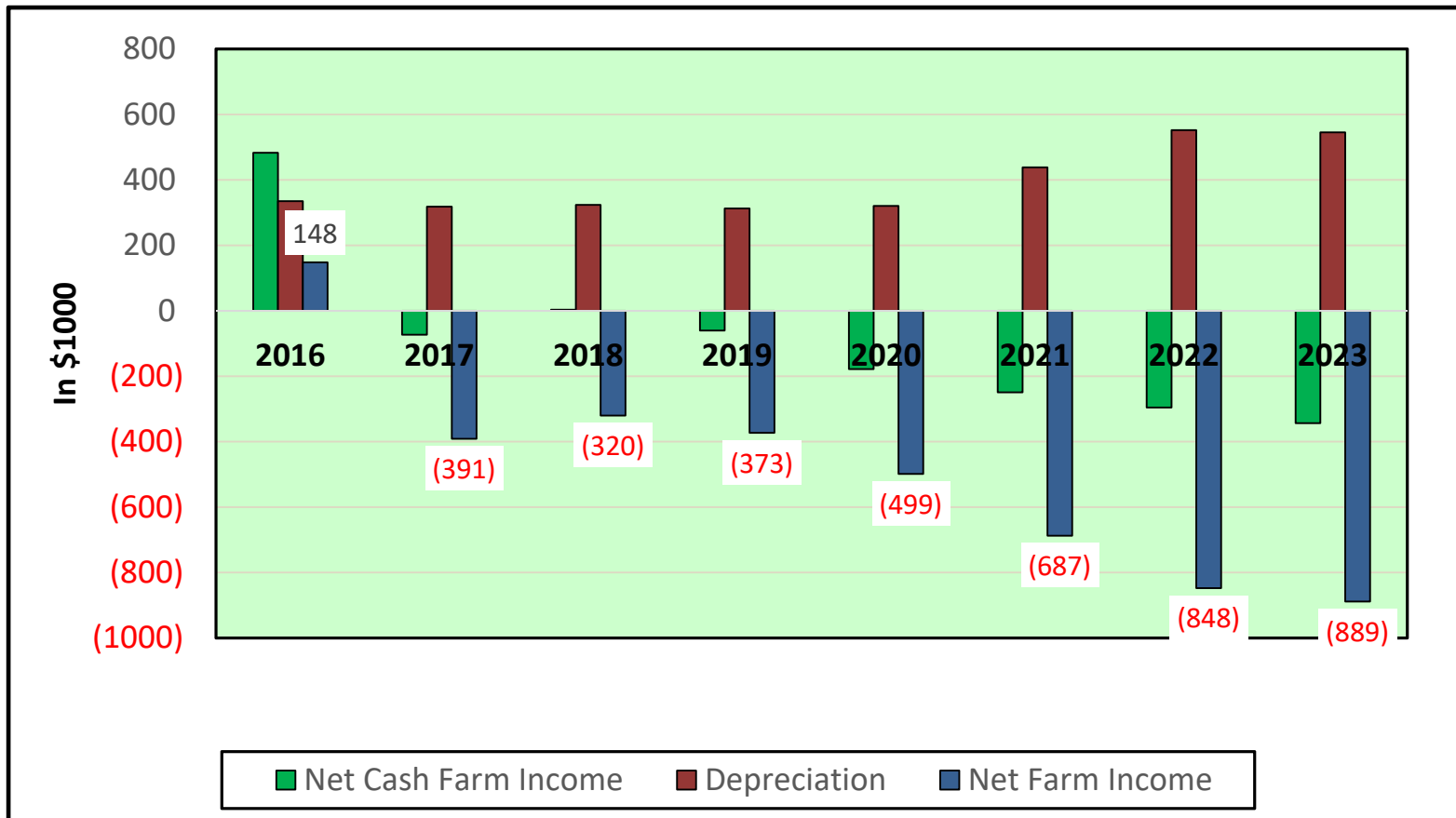
McGehee (Desha County) Projected Baseline Net Farm Income, 2016 - 2023



Hoxie (Lawrence County) 4,000 Acre Rice-Soybean-Corn Farm

Cropland	Acres	Percent
Owned Cropland	1,000	25%
Rented Cropland	3,000	75%
Total Cropland	4,000	100%
Rented Cropland	Acres	Percent
Cash Rent	1,000	33%
Crop Share	2,000	67%
Total Rented Cropland	3,000	100%
2016 Cropland Value (\$/acre)	5,428	
Cash Rent (\$/acre)	125	
Crop Share (T% - L%)	75 - 25	
Number of Full Time Employees	5	
2016 Salary Per Employee	35,721	
2016 Part Time Labor Costs	0	
2016 Total Labor Costs	178,604	
Crop Mix	Acres	Percent
Long Grain Rice	2,040	51%
Medium Grain Rice	360	9%
Irrigated Soybeans	1,225	31%
Non-Irrigated Soybeans	125	3%
Corn	250	6%
Total	4,000	100%

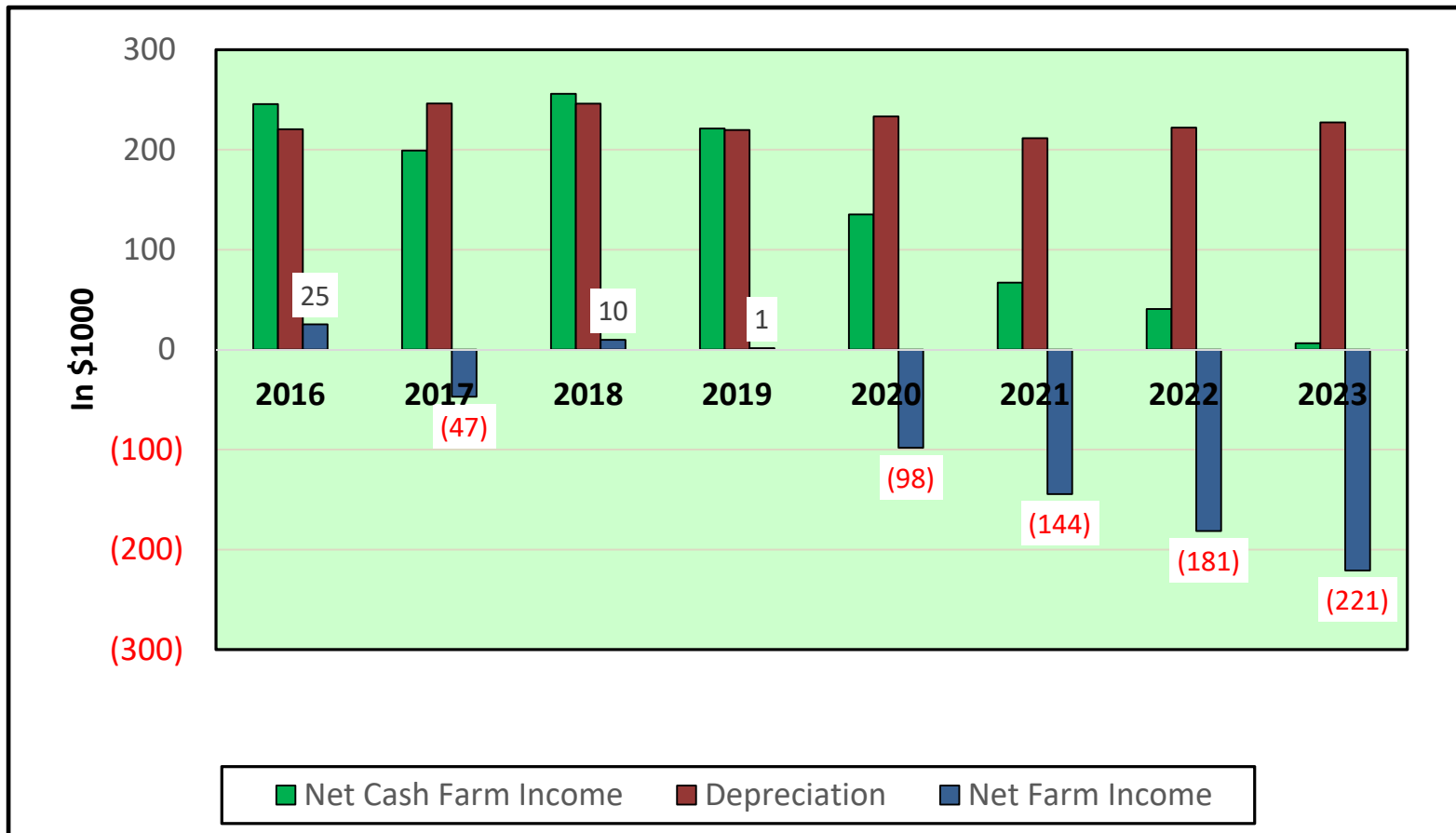
Hoxie (Lawrence County) Projected Baseline Net Farm Income, 2016 - 2023



Wynne (Cross County) 2,500 Acre Rice-Soybean Farm

Cropland	Acres	Percent
Owned Cropland	1,250	50%
Rented Cropland	1,250	50%
<i>Total Cropland</i>	<i>2,500</i>	<i>100%</i>
Rented Cropland	Acres	Percent
Cash Rent	625	50%
Crop Share	625	50%
<i>Total Rented Cropland</i>	<i>1,250</i>	<i>100%</i>
2016 Cropland Value (\$/acre)	4,501	
Cash Rent (\$/acre)	125	
Crop Share (T% - L%)	75 - 25	
Number of Full Time Employees	3	
2016 Salary Per Employee	36,741	
2016 Part Time Labor Costs	7,004	
2016 Total Labor Costs	117,227	
Crop Mix	Acres	Percent
Rice	1,250	50%
Soybean	1,250	50%
<i>Total</i>	<i>2,500</i>	<i>100%</i>

Wynne (Cross County) Projected Baseline Net Farm Income, 2016 - 2023



Manila (Mississippi County) 5,000 Acre Cotton-Soybean-Peanut-Corn Farm

Cropland	Acres	Percent
Owned Cropland	1,000	20%
Rented Cropland	4,000	80%
<i>Total Cropland</i>	<i>5,000</i>	<i>100%</i>

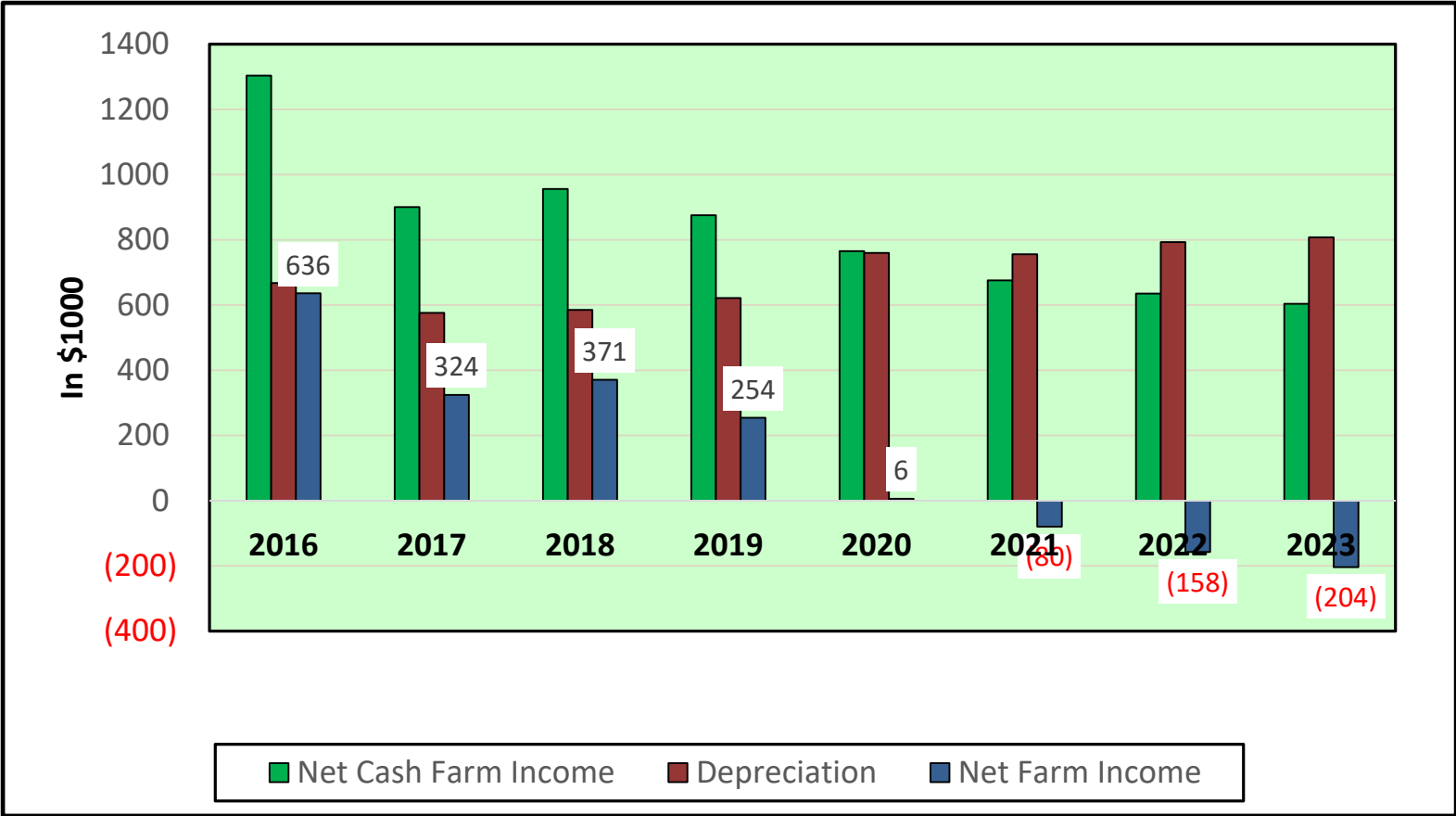
Rented Cropland	Acres	Percent
Cash Rent	800	20%
Crop Share	3,200	80%
<i>Total Rented Cropland</i>	<i>4,000</i>	<i>100%</i>

2016 Cropland Value (\$/acre)	5,500
Cash Rent (\$/acre)	160
Crop Share (T% - L%)	75 - 25

Number of Full Time Employees	6
2016 Salary Per Employee	35,833
2016 Part Time Labor Costs	56,250
2016 Total Labor Costs	271,248

Crop Mix	Acres	Percent
Irrigated Cotton	2,500	50%
Soybeans	1,000	20%
Peanuts	1,000	20%
Corn	500	10%
<i>Total</i>	<i>5,000</i>	<i>100%</i>

Manila (Mississippi County) Projected Baseline Net Farm Income, 2016 - 2023



Questions?