

TABLE 1. Basic cost information for the Cotton City-Animas area, 2004.

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Item			
Labor Wage Rate:			
Equipment operators	\$/hour		7.55
General & Irrigators	\$/hour		6.75
Purchased Inputs:			
Fertilizer:			
Nitrogen (N)	\$/pound		0.29
Phosphate (P205)	\$/pound		0.2
Anhydrous Ammonia (NH3)	\$/ton		450
Seed:			
Grain Sorghum	\$/pound		1.04
Cotton (picker)	\$/pound		0.56
Chile			
green	\$/pound		21
red	\$/pound		21
wheat	\$/pound		0.11
Energy:			
Natural gas (Gas Co NM)	\$/MCF		3.71
(service charge)	\$/month		10
Diesel fuel	\$/gallon		1.4
Gasoline	\$/gallon		1.35
Electricity (Columbus)	cents/KwHr		9.2
LP Gas	\$/gallon		0.92
Employee Liability Insurance	\$/ \$1,000 wages		20
Employee Benefits	percent/w ages		0.18
Labor Downtime	percent		0.25
Financial Rates:			
Operating Capital Interest Rate	percent		0.09
Land Interest Rate	percent		0.075
Equipment Interest Rate	percent		0.09
Real Interest Rate	percent		0.04
Land Taxes	348 /acre (full value)		2.96032
Personal Property Tax Rate - NR	\$/ \$1,000 (Assessed Value)		25.52
- R			23.85
Supervision Factors			
Field Crop-Irrigation	\$/labor hour		1
Field Crop-Equipment & General	\$/labor hour		0.5
Vegetable Crop-Irrigation	\$/labor hour		2.9
Vegetable Crop-Equipment & General	\$/labor hour		1
Management Rate			
Field Crops	percent/GR		0.07
Vegetable Crops	percent/TOE		0.1

TABLE 1a. Overhead cost information for Cotton City-Animas area, 2004.

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ITEM			
Electricity (Domestic & Shop)		205 per month	2460
Telephone		100 per month	1200
Accounting & Legal			1465
Misc. Supplies & Hand Tools			2270
Pickup and Auto			
miles	20000 @	0.325 per mile	6500
Insurance			
- general liability (non-employee)			1535
- fire/theft			1235
Property Taxes			
- non-planted land			11.925
- other than land & machinery			560
Building repairs and maintenance			1165
Dues, fees, publications			350
Farmstead Equipment			145
		Total	18896.925
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		Total Per Planted Acre	49.72875

TABLE 2. Pumping costs and data for irrigation wells, Cotton City-Animas area, Hidalgo County, 2004.

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INPUT DATA
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DEPTH CHARACTERISTICS:
    STATIC...           150
    DRAW DOV...        50
    TOTAL HEAD.....   200
    CASING...          300

GALLONS PER MINUTE (GPM)... 700
WORK HORSEPOWER..... 35.353535

EFFICIENCY FACTOR:
    ELECTRICITY.... 0.54
    NATURAL GAS.... 0.154
    LP GAS..... 0.154
    DIESEL..... 0.16

FUEL COST PER UNIT:
    ELECTRICITY.... 9.2 CENTS/K wHr
    NATURAL GAS.... 3.71 $/MCF
    LP GAS..... 0.92 $/GAL
    DIESEL..... 1.4 $/GAL

FUEL PUMPING COSTS:
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ELECTRIC WELL:
    COST PER HOUR.....$ 4.5253652
    COST PER ACRE INCH.....$ 2.9257564

NATURAL GAS WELL:
    COST PER HOUR.....$ 2.4062578
    COST PER ACRE INCH.....$ 1.555703

LP GAS WELL:
    COST PER HOUR.....$ 5.8809322
    COST PER ACRE INCH.....$ 3.8021627

DIESEL WELL:
    COST PER HOUR.....$ 5.5863551
    COST PER ACRE INCH.....$ 3.6117116
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TABLE 3. Equipment summary for a 400 acre, flood/sprinkler-irrigated farm with above average management, Cotton City-Animas area, Hidalgo County, 2004.

EQUIPMENT ITEM & SIZE	ANNUAL HOURS OF USE	NUMBER	VARIABLE COSTS					FIXED COSTS		
			TOTAL VALUE	FUEL AND UBRICANT	REPAIR	FUEL,OIL PER HR	REPAIR PER HR	DEPRE- CIATION	TAXES	TOTAL PER HOU
TRACTOR 80 HP	509.78	2	53710	3706.3861	6020.2775	7.27056	11.80956	3859.3333	492.45093	8.5365928
TRACTOR 155 HP	261.8	1	38035	3803.9278	1059.3475	14.5299	4.0464	5994.6667	382.45973	24.358772
PICKUP 1/2 TON	384	1	13000	3265.92	834	8.505	2.171875	2600	110.58667	2.7546612
COTTON PICKER 2 ROW	252.96	1	9430	2141.8629	9653	8.4672	38.160183	5960	380.248	25.064231
SHREDDER 4 ROW	59.2	1	2500	112.48	1.9			333.33333	21.266667	5.9898649
ROLLING CULT 4 ROW	76.6	1	2000		93.452		1.22	266.66667	17.013333	3.7033943
CULTIVATOR 4 ROW	168.8	1	1500		0		0	200	12.76	1.2604265
DISC 14 FT.	109.8	1	3000		187.758		1.71	400	25.52	3.8754098
ROTO BUCK	37.98	1	1000		9.1152		0.24	133.33333	8.5066667	3.7345972
RIPPER 4 ROW (7-SHANK)	47.6	1	1200		36.5568		0.768	160	10.208	3.5757983
LISTER 4 ROW	66.2	1	1600		65.6704		0.92	213.33333	13.610667	3.4281571
PLANTER 4 ROW	88.4	1	3400		757.4112		8.568	680	28.922667	8.0194872
VEG PLANTER 4 ROW	6.8	1	1500		7.752		1.14	300	12.76	45.994118
SPRAYER 12 FT	53.6	1	1375		150.348		2.805	183.33333	11.696667	3.6386194
DRAG 8-24 FT.	72	1	250		7.38		0.1025	33.333333	2.1266667	0.4925
PLOW 4-14	19.2	1	4000		59.904		3.12	533.33333	34.026667	29.55
COTTON TRAILER 8 BALE	204	5	6000		73.44		0.36	800	51.04	4.1717647
FERT SPREADER DLR FURN	19									
NATURAL GAS WELL	8178.9745	3	59250	19680.722	740.19719	2.4062578	0.0905	5642.8571	504.02	0.7955615
			202750	32598.818	19868.09			28293.524	2119.2233	

TABLE 4. WHEAT, SPRINKLER IRRIGATED, BUDGETED PER ACRE COSTS AND RETURNS FOR A 700 ACRE FARM WITH ABOVE AVERAGE MANAGEMENT, COTTON CITY-ANIMAS AREA, HIDALGO COUNTY, 2004.
 PLANTING DATES: DECEMBER 10 - DECEMBER 20
 HARVEST DATES: JUNE 15 - JULY 1

ITEM	PRICE	YIELD						TOTAL				
GROSS RETURNS												
WHEAT	5	50 CWT						250				
ASCS DEFICIENCY	0.77	50 CWT						38.5				
TOTAL							288.5					
PURCHASED INPUTS												
	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL				
SEED	0.11	100 LBS	11					11				
ANHYDROUS AMMONIA (NH3)	0.225	250 LBS	56.25					56.25				
NITROGEN (N)	0.29	30 LBS	8.7					8.7				
PHOSPHATE (P2O5)	0.2	80 LBS	16					16				
PUMP WATER*		24 ACRE IN.										
CROP INSURANCE												
SUBTOTAL							91.95					
PREHARVEST OPERATIONS												
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL				
DISC	185 HP	0.14 HR		1.057	2.034186	0.566496	3.410228	7.06791002				
FERTILIZE	185 HP	0.05 HR		0.3775	0.726495	0.20232	1.2179386	2.52425358				
DRAG (2X)	96 HP	0.2 HR		1.51	1.454112	2.382412	1.8058186	7.15234256				
ANHYDROUS KNIVES	185 HP	0.1 HR		0.755	1.45299	0.40464	0	2.61263				
DRILL	96 HP	0.18 HR		1.359	1.3087008	2.1257208	0	4.7934216				
IRRIGATE (4X)		0.6 HR		4.05	4.05	0	27.3375	35.4375				
DISC	96 HP	0.25 HR		1.8875	1.81764	2.95239	0	6.65753				
SUBTOTAL							1.52 HR	10.996	12.8441238	8.6339788	33.771485	33.7714852
HARVEST OPERATIONS												
COMBINE (CUSTOM)				32.22				32.22				
HAUL TO STORAGE (CUSTOM)				9.5				9.5				
HAUL TO MARKET (CUSTOM)				22.5				22.5				
SUBTOTAL							64.22	0	0	0	0	64.22
OVERHEAD EXPENSES												
DOWNTIME		0.155 HR		1.17025				1.17025				
EMPLOYEE BENEFITS				1.97928				1.97928				
INSURANCE			0.21992					0.21992				
LAND TAXES							2.96032	2.96032				
SUPERVISION AND MANAGEMENT				21.205				21.205				
OTHER EXPENSES			49.72875					49.72875				
SUBTOTAL							0.155 HR	49.94867	24.35453	2.96032	77.26352	
TOTAL OPERATING EXPENSES		1.675 HR	206.11867	35.35053	#VALUE!	8.6339788	36.731805	#VALUE!				
NET OPERATING PROFIT								#VALUE!				
INTEREST ON OPERATING CAPITAL	(	#VALUE!	@	0.09)				#VALUE!			
INTEREST ON EQUIPMENT INVESTMENT								9.31671217				
RETURN TO LAND AND RISK								#VALUE!				

* Pump water costs are shown under irrigation in the preharvest operations section.

BUDGET SUMMARY

GROSS RETURN		288.5	
VARIABLE OPERATING EXPENSES	#VALUE!		
RETURN OVER VARIABLE EXPENSES	#VALUE!	(GROSS MARGIN)	
FIXED EXPENSES	36.7318052		
NET FARM INCOME	#VALUE!	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	35.35053		
NET OPERATING PROFIT	#VALUE!	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	#VALUE!		
RETURN TO LAND AND RISK	#VALUE!		

TABLE 5. CORN FOR GRAIN, SPRINKLER IRRIGATED, BUDGETED PER ACRE COSTS AND RETURNS FOR A 700 ACRE FARM WITH AVERAGE MANAGEMENT, COTTON CITY-ANIMAS AREA, HIDALGO COUNTY, 2004.
 PLANTING DATES: APRIL 1 - MAY 15
 HARVEST DATES: SEPTEMBER 15 - NOVEMBER 1

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
CORN FOR GRAIN	3.57	85 CWT						303.45
ASCS DEFICIENCY	0.46	85 CWT						39.1
TOTAL							342.55	
PURCHASED INPUTS								
	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	0.90625	32 000	29					29
ANHYDROUS AMMONIA (NH3)	0.225	250 LBS	56.25					56.25
NITROGEN (N)	0.29	80 LBS	23.2					23.2
PHOSPHATE (P2O5)	0.2	100 LBS	20					20
HERBICIDE	7.8324	1 ACRE	7.8324					7.8324
PUMP WATER*		40 AC. IN.						
CROP INSURANCE								
SUBTOTAL			136.2824					136.2824
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
RIPPER	185 HP	0.2 HR		1.51	2.90598	0.96288	5.586914	10.965774
DISC & SPRAY	185 HP	0.15 HR		1.1325	1.1325	0	8.550375	10.815375
FERTILIZE	185 HP	0.05 HR		0.3775	0.726495	0.20232	1.2179386	2.52425358
ANHYDROUS KNIVES	185 HP	0.1 HR		0.755	1.45299	0.40464	2.4358772	5.04850716
PLANTER	185 HP	0.26 HR		1.963	3.777774	1.052064	3.45	10.242838
CULTIVATOR (2X)	96 HP	0.42 HR		3.171	3.0536352	4.9600152	4.1147481	15.2993985
IRRIGATE (12X)		1.8 HR		12.15	13.087008	24.335208	22.341605	71.9138207
SUBTOTAL		2.98 HR		21.059	26.1363822	31.917127	47.697458	47.6974575
HARVEST OPERATIONS								
COMBINE (CUSTOM)				30.6				30.6
HAUL TO STORAGE (CUSTOM)				17				17
HAUL TO MARKET (CUSTOM)				38.25				38.25
SUBTOTAL				85.85	0	0	0	85.85
POSTHARVEST OPERATIONS								
SHREDDER	80 HP	0.14 HR		1.057	1.0178784	1.9193384	2.0337041	6.02792087
OVERHEAD EXPENSES								
DOWNTIME		0.33 HR		2.4915				2.4915
EMPLOYEE BENEFITS				3.98088				3.98088
INSURANCE				0.44232				0.44232
LAND TAXES							2.96032	2.96032
SUPERVISION AND MANAGEMENT				26.4385				26.4385
OTHER EXPENSES				49.72875				49.72875
SUBTOTAL		0.33 HR		50.17107	32.91088		2.96032	86.04227
TOTAL OPERATING EXPENSES		3.45 HR		272.30347	55.02688	#VALUE!	33.836466	52.691482
NET OPERATING PROFIT								
INTEREST ON OPERATING CAPITAL	(	#VALUE!	@	0.09	)			#VALUE!
INTEREST ON EQUIPMENT INVESTMENT								16.8284968
RETURN TO LAND AND RISK								
#VALUE!								

* Pump water costs are shown under irrigation in the preharvest operations section.

BUDGET SUMMARY

GROSS RETURN		342.55	
VARIABLE OPERATING EXPENSES	#VALUE!		
RETURN OVER VARIABLE EXPENSES	#VALUE!		(GROSS MARGIN)
FIXED EXPENSES	52.6914816		
NET FARM INCOME	#VALUE!		(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	55.02688		
NET OPERATING PROFIT	#VALUE!		(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	#VALUE!		
RETURN TO LAND AND RISK	#VALUE!		

TABLE 6. Grain sorghum, flood-irrigated, budgeted per acre costs and returns for a 400 acre farm with above average management, Cotton City-Animas area, Hidalgo County, 2004.
Planting dates: May 1 - May 20
Harvesting dates: November 1 - November 25

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
GRAIN SORGHUM	3	62 CWT						186
ASCS DIVERSION	0	0 CWT						0
ASCS DEFICIENCY	0.55	60 CWT						33
TOTAL								219
PURCHASED INPUTS								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	1.04	8 LBS	8.32					8.32
ANHYDROUS AMMONIA (NH3)	0.225	180 LBS	40.5					40.5
HERBICIDE	9.455	1 ACRE	9.455					9.455
INSECTICIDE (CUSTOM)	10.065	1 ACRE	10.065					10.065
PUMP WATER*		30 AC. IN.						
CROP INSURANCE	0.3676471		0.36764706					0.36764706
SUBTOTAL			68.7076471					68.7076471
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
RIPPER	185 HP	0.2 HR		1.51	2.90598	0.96288	5.586914	10.965774
DISC	185 HP	0.14 HR		1.057	2.034186	0.805896	3.9527854	7.8498674
FERTILIZE	185 HP	0.05 HR		0.3775	0.726495	0.20232	1.2179386	2.52425358
DRAG (2X)	96 HP	0.2 HR		1.51	1.454112	2.382412	1.8058186	7.15234256
DISC & SPRAY	185 HP	0.15 HR		1.1325	2.179485	1.28421	4.7809201	9.37711512
LISTER	185 HP	0.18 HR		1.359	2.615382	0.906912	5.0016472	9.88294116
PRE-IRRIGATE		0.75 HR		5.0625	7.77851495	0.292552	2.5717472	15.7053142
ROLLING CULT	96 HP	0.21 HR		1.5855	1.5268176	2.7362076	2.5703973	8.41892248
PLANTER	96 HP	0.26 HR		1.963	1.8903456	5.2981656	4.3045808	13.456092
CULTIVATOR (2X)	96 HP	0.42 HR		3.171	3.0536352	4.9600152	4.1147481	15.2993985
ROTO BUCK (7X)	96 HP	0.105 HR		0.79275	0.7634088	1.2652038	1.2884749	4.10983754
IRRIGATE (5X)		2.5 HR		16.875	38.8925748	1.4627601	12.858736	70.0890711
SUBTOTAL		5.165 HR		36.39575	65.8209369	22.559534	50.054708	174.83093
HARVEST OPERATIONS								
COMBINE (CUSTOM)			22.94					22.94
HAUL TO STORAGE (CUSTOM)			11.78					11.78
SUBTOTAL			34.72	0	0	0	0	34.72
POST HARVEST OPERATIONS								
SHREDDER	80 HP	0.14 HR		1.057	1.0178784	1.9193384	2.0337041	6.02792087
OVERHEAD EXPENSES								
DOWNTIME		0.51375 HR		3.8788125				3.8788125
EMPLOYEE BENEFITS				6.741495				6.741495
INSURANCE			0.749055				0.749055	
LAND TAXES						2.96032	2.96032	
SUPERVISION AND MANAGEMENT				19.6075				19.6075
OTHER EXPENSES			49.72875				49.72875	
SUBTOTAL		0.51375 HR	50.477805	30.2278075		2.96032	83.6659325	
TOTAL OPERATING EXPENSES		5.81875 HR	153.905452	67.6805575	66.8388153	24.478873	55.048732	367.95243
NET OPERATING PROFIT								
INTEREST ON OPERATING CAPITAL	(	60.0765789	@	0.09)				5.4068921
INTEREST ON EQUIPMENT INVESTMENT								26.6431363
RETURN TO LAND AND RISK								-181.00246

* Pump water costs are shown under irrigation in the preharvest operations section.

BUDGET SUMMARY

GROSS RETURN		219	
VARIABLE OPERATING EXPENSES	245.22314		
RETURN OVER VARIABLE EXPENSES	-26.22314	(GROSS MARGIN)	
FIXED EXPENSES	55.0487324		
NET FARM INCOME	-81.271873	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	67.6805575		
NET OPERATING PROFIT	-148.95243	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	32.0500284		
RETURN TO LAND AND RISK	-181.00246		

TABLE 7. Upland cotton (picker), flood-irrigated, budgeted per acre costs and returns for a 400 acre farm with above average management, Cotton City-Animas area, Hidalgo County, 2004.
 Planting dates: April 15 - May 15
 Harvesting dates: October 15 - January 1

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
COTTON LINT	0.69	1060 LBS						731.4
COTTON SEED	0.04875	1696 LBS						82.68
ASCS DEFICIENCY	0.056	1060 LBS						59.36
FARM LOAN DEFICIENCY	0.04	600 LBS						24
TOTAL							897.44	
PURCHASED INPUTS								
SEED	0.56	25 LBS	14					14
NITROGEN (N)	0.29	32 LBS	9.28					9.28
PHOSPHATE (P2O5)	0.2	40 LBS	8					8
HERBICIDE	9.455	1 ACRE	9.455					9.455
CROP INSURANCE	0	1 DOLLARS	0					0
PUMP WATER*		28 AC. IN.						
SUBTOTAL			40.735					40.735
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
RIPPER	185 HP	0.1 HR		0.755	1.45299	0.48144	2.793457	5.48288699
DISC	185 HP	0.14 HR		1.057	2.034186	0.805896	3.9527854	7.8498674
FERTILIZE	185 HP	0.05 HR		0.3775	0.726495	0.20232	1.2179386	2.52425358
DRAG (2X)	96 HP	0.2 HR		1.51	1.454112	2.382412	1.8058186	7.15234256
DISC & SPRAY	185 HP	0.15 HR		1.1325	2.179485	1.28421	4.7809201	9.37711512
LISTER	185 HP	0.18 HR		1.359	2.615382	0.906912	5.0016472	9.88294116
PRE-IRRIGATE		1 HR		6.75	8.71193675	0.3276583	2.8803569	18.6699519
ROLLING CULT.	96 HP	0.21 HR		1.5855	1.5268176	2.7362076	2.5703973	8.41892248
PLANTER	96 HP	0.26 HR		1.963	1.8903456	5.2981656	4.3045808	13.456092
CULTIVATOR (2X)	96 HP	0.42 HR		3.171	3.0536352	4.9600152	4.1147481	15.2993985
HAND HOE (CUSTOM)			15					15
ROTO BUCK (5X)	96 HP	0.075 HR		0.56625	0.545292	0.903717	0.9203392	2.93559825
IRRIGATE (4X)		4 HR		27	34.847747	1.3106331	11.521428	74.6798077
SUBTOTAL			15	47.22675	61.0384241	21.599587	45.864417	190.729178
HARVEST OPERATIONS								
COTTON PICKER (2X)	2 ROW	1.24 HR		9.362	10.499328	57.35	31.079647	108.290975
COTTON TRAILER (2X)	HALF TON	1 HR		7.55	8.505	2.79	6.926426	25.771426
GIN COTTON (CUSTOM)			115.752					115.752
SUBTOTAL			115.752	16.912	19.004328	60.14	38.006073	249.814401
POSTHARVEST OPERATIONS								
SHREDDER	80 HP	0.14 HR		1.057	1.0178784	1.9193384	2.0337041	6.02792087
OVERHEAD EXPENSES								
DOWNTIME		1.04125 HR		7.8614375				7.8614375
EMPLOYEE BENEFITS				11.735235				11.735235
INSURANCE			1.303915					1.303915
LAND TAXES						2.96032		2.96032
SUPERVISION AND MANAGEMENT				69.9033				69.9033
OTHER EXPENSES			49.72875					49.72875
SUBTOTAL			1.04125 HR	51.032665	89.4999725		2.96032	143.492958
TOTAL OPERATING EXPENSES		10.20625 HR	222.519665	154.695723	81.0606305	83.658925	88.864514	630.799457
NET OPERATING PROFIT							266.640543	
INTEREST ON OPERATING CAPITAL	(	58.0026676	@	0.09	)			5.22024008
INTEREST ON EQUIPMENT INVESTMENT								47.6621065
RETURN TO LAND AND RISK							213.758196	

* Pump water costs are shown under irrigation in the preharvest operations section.

BUDGET SUMMARY

GROSS RETURN		897.44	
VARIABLE OPERATING EXPENSES	387.239221		
RETURN OVER VARIABLE EXPENSES	510.200779	(GROSS MARGIN)	
FIXED EXPENSES	88.8645138		
NET FARM INCOME	421.336265	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	154.695723		
NET OPERATING PROFIT	266.640543	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	52.8823466		
RETURN TO LAND AND RISK	213.758196		

TABLE 8. Green chile, flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Cotton City-Animas Area, Hidalgo County, 2004.
 Planting dates: March 15 - May 1
 Harvesting dates: August 15 - September 15

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
GREEN CHILE	285	12 TONS	3420
RED CHILE	0	0 LBS	0
TOTAL			3420

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	TOTAL
SEED	21	4 LBS	84	84
ANHYDROUS AMMONIA (NH3)	0.225	300 LBS	67.5	67.5
NITROGEN (N)	0.29	60 LBS	17.4	17.4
PHOSPHATE (P2O5)	0.2	150 LBS	30	30
HERBICIDE	12.566	1 ACRE	12.566	12.566
INSECTICIDE	12.566	1 ACRE	12.566	12.566
CROP INSURANCE	0	1 DOLLARS	0	0
PUMP WATER*		54 AC. IN.		
SUBTOTAL			224.032	224.032

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.14 HR		1.057	2.034186	0.805896	3.9527854	7.8498674
PLOW	185 HP	0.48 HR		3.624	6.974352	3.439872	25.87621	39.9144344
DISC	185 HP	0.14 HR		1.057	2.034186	0.805896	3.9527854	7.8498674
LASER (CUSTOM)			73.33					73.33
LISTER & SPRAY	185 HP	0.13 HR		0.9815	1.888887	1.019642	4.0853213	7.97535025
FERTILIZE	185 HP	0.05 HR		0.3775	0.726495	0.20232	1.2179386	2.52425358
PRE-IRRIGATE		0.75 HR		5.6625	42.0039808	0.067875	0.5966711	48.3310269
ROLLING CULT	96 HP	0.13 HR		0.9815	0.9451728	1.6938428	3.6480816	7.26859716
VEGETABLE PLANTER	96 HP	0.17 HR		1.2835	1.2359952	2.2014252	9.2702208	13.9911412
CULTIVATOR (5X)	96 HP	0.65 HR		4.9075	4.725864	7.676214	7.9559916	25.2655696
THIN & HOE (CUSTOM)			90					90
ROTO BUCK (7X)	96 HP	0.21 HR		1.5855	1.5268176	2.5304076	2.5769499	8.21967509
IRRIGATE (8X)		4 HR		30.2	74.6737436	3.2765827	3.182246	111.332572
SUBTOTAL		6.85 HR	163.33	51.7175	138.76968	23.719973	66.315202	443.852355

HARVEST OPERATIONS								
HARVEST GREEN (CUSTOM)			1080					1080
HARVEST RED (CUSTOM)			0					0
HAUL	3/4 TON	6 HR		45.3	51.03	13.26	16.527967	126.117967
SUBTOTAL		6 HR	1080	45.3	51.03	13.26	16.527967	1206.11797

POST HARVEST OPERATIONS								
SHREDDER	80 HP	0.29 HR		2.1895	2.1084624	3.9757724	4.2126727	12.4864075
SUBTOTAL		0.29 HR	0	2.1895	2.1084624	3.9757724	4.2126727	12.4864075

OVERHEAD EXPENSES								
DOWNTIME		0.5975 HR		3.4465				3.4465
EMPLOYEE BENEFITS				17.85726				17.85726
INSURANCE			1.98414					1.98414
LAND TAXES							2.96032	2.96032
SUPERVISION AND MANAGEMENT				#VALUE!				#VALUE!
OTHER EXPENSES			49.72875					49.72875
SUBTOTAL		0.5975 HR	51.71289	#VALUE!			2.96032	#VALUE!

TOTAL OPERATING EXPENSES		13.7375 HR	1519.07489	#VALUE!	191.908142	40.955746	90.016162	#VALUE!
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NET OPERATING PROFIT								#VALUE!
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INTEREST ON OPERATING CAPITAL	(247.995913	@	0.09)				22.3196322
INTEREST ON EQUIPMENT INVESTMENT								68.5061234

RETURN TO LAND AND RISK								#VALUE!
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* Pump water costs are shown under irrigation in the preharvest operations section.

BUDGET SUMMARY

GROSS RETURN		3420		
VARIABLE OPERATING EXPENSES	1751.93878			
RETURN OVER VARIABLE EXPENSES	1668.06122	(GROSS MARGIN)		
FIXED EXPENSES	90.0161621			
NET FARM INCOME	1578.04506	(RETURN TO CAPITAL, LABOR, LAND & RISK)		
LABOR AND MANAGEMENT COST	#VALUE!			
NET OPERATING PROFIT	#VALUE!	(RETURN TO CAPITAL, LAND & RISK)		
CAPITAL COSTS	90.8257555			
RETURN TO LAND AND RISK	#VALUE!			

TABLE 9. Red chile, flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Cotton City-Animas Area, Hidalgo County, 2004.
 Planting dates: March 15 - May 1
 Harvesting dates: September 15 - January 31

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
RED CHILE	0.68	3500 LBS						2380
TOTAL							2380	
PURCHASED INPUTS								
SEED	18	4 LBS	72					72
ANHYDROUS AMMONIA (NH3)	0.225	230 LBS	51.75					51.75
NITROGEN (N)	0.36	60 LBS	21.6					21.6
PHOSPHATE (P2O5)	0.33	150 LBS	49.5					49.5
HERBICIDE	14.1056	1 ACRE	14.1056					14.1056
INSECTICIDE	14.2158	1 ACRE	14.2158					14.2158
CROP INSURANCE	0	1 DOLLARS	0					0
PUMP WATER*		48 AC. IN.						
SUBTOTAL			223.1714					223.1714
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.14 HR		1.057	2.034186	0.805896	3.9527854	7.8498674
PLOW	185 HP	0.48 HR		3.624	6.974352	3.439872	25.87621	39.9144344
DISC	185 HP	0.14 HR		1.057	2.034186	0.805896	3.9527854	7.8498674
DRAG (2X)	96 HP	0.2 HR		1.51	1.454112	2.382412	1.8058186	7.15234256
LISTER	185 HP	0.12 HR		0.906	1.743588	0.604608	3.3344314	6.58862744
FERTILIZE	185 HP	0.05 HR		0.3775	0.726495	0.20232	1.2179386	2.52425358
PRE-IRRIGATE		0.75 HR		5.6625	37.3368718	0.067875	0.5966711	43.6639179
ROLLING CULT	96 HP	0.13 HR		0.9815	0.9451728	1.6938428	1.5911983	5.21171391
VEGETABLE PLANTER	96 HP	0.17 HR		1.2835	1.2359952	2.2014252	9.2702208	13.9911412
CULTIVATOR (5X)	96 HP	0.65 HR		4.9075	4.725864	7.676214	6.3680626	23.6776406
THIN & HOE (CUSTOM)			90					90
ROTO BUCK (7X)	96 HP	0.21 HR		1.5855	1.78605	2.5304076	2.5769499	8.47890749
IRRIGATE (11X)		5.5 HR		41.525	68.4509316	0.49775	4.3755882	114.84927
SUBTOTAL	8.54 HR		90	64.477	129.447804	22.908519	64.918661	371.751984
HARVEST OPERATIONS								
HARVEST (CUSTOM)			700					700
HAUL	3/4 TON	3 HR		22.65	25.515	6.63	8.2639837	63.0589837
SUBTOTAL	3 HR		700	22.65	25.515	6.63	8.2639837	763.058984
POST HARVEST OPERATIONS								
SHREDDER	80 HP	0.29 HR		2.1895	2.1084624	3.9757724	4.2126727	12.4864075
SUBTOTAL	0.29 HR		0	2.1895	2.1084624	3.9757724	4.2126727	12.4864075
OVERHEAD EXPENSES								
DOWNTIME		1.395 HR		10.53225				10.53225
EMPLOYEE BENEFITS				16.07697				16.07697
INSURANCE			1.78633				1.78633	
LAND TAXES							2.96032	
SUPERVISION AND MANAGEMENT			84.1953395				84.1953395	
OTHER EXPENSES			49.72875				49.72875	
SUBTOTAL	1.395 HR		51.51508	110.804559	0	0	2.96032	165.279959
TOTAL OPERATING EXPENSES	13.225 HR		1064.68648	200.121059	157.071267	33.514291	80.355637	1535.74873
NET OPERATING PROFIT								
INTEREST ON OPERATING CAPITAL	(	211.193884	@	0.09				19.0074495
INTEREST ON EQUIPMENT INVESTMENT							55.6270638	
RETURN TO LAND AND RISK							769.616752	

* Pump water costs are shown under irrigation in the preharvest operations section.

BUDGET SUMMARY

GROSS RETURN		2380	
VARIABLE OPERATING EXPENSES	1255.27204		
RETURN OVER VARIABLE EXPENSES		1124.72796	(GROSS MARGIN)
FIXED EXPENSES	80.355637		
NET FARM INCOME		1044.37233	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	200.121059		
NET OPERATING PROFIT		844.251266	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	74.6345134		
RETURN TO LAND AND RISK		769.616752	

TABLE 10. Summary of per acre costs and returns for a 400 acre farm with above average management, Cotton City-Animas area, Hidalgo County, 2004.

	GRAIN SORGHUM -----FLOOD-----	PICKER COTTON	GREEN CHILE	RED CHILE
	CWT	LBS	TONS	LBS
PRIMARY YIELD	62	1060	12	3500
PRIMARY PRICE	3	0.69	285	0.68
GOVERNMENT PAYMENTS	33	83.36	0	0
SECOND INCOME	0	82.68	0	0
GROSS RETURN	219	897.44	3420	2380
CASH OPERATING EXPENSES				
SEED	8.32	14	84	72
FERTILIZER	40.5	17.28	114.9	122.85
CHEMICALS	19.52	9.455	25.132	28.3214
CROP INSURANCE	0.36764706	0	0	0
OTHER PURCHASED INPUTS				
CANAL WATER				
FUEL, OIL & LUBRICANTS-EQUIPMENT	20.1677256	37.5009468	75.230418	51.2834634
FUEL-IRRIGATION	46.6710897	43.5596837	116.677724	105.787803
REPAIRS	24.4788727	83.6589251	40.9557457	33.514291
CUSTOM CHARGES	34.72	130.752	1243.33	790
LAND TAXES	2.96032	2.96032	2.96032	2.96032
OTHER EXPENSES	50.477805	51.032665	51.71289	51.51508
TOTAL CASH EXPENSES	248.18346	390.199541	1754.8991	1258.23236
RETURN OVER CASH EXPENSES	-29.18346	507.240459	1665.1009	1121.76764
FIXED EXPENSES	52.0884124	85.9041938	87.0558421	77.395317
TOTAL EXPENSES	300.271873	476.103735	1841.95494	1335.62767
NET FARM INCOME	-81.271873	421.336265	1578.04506	1044.37233
LABOR AND MANAGEMENT COSTS	67.6805575	154.695723	#VALUE!	200.121059
NET OPERATING PROFIT	-148.95243	266.640543	#VALUE!	844.251266
CAPITAL COSTS				
INTEREST ON OPERATING CAPITAL	5.4068921	5.22024008	22.3196322	19.0074495
INTEREST ON EQUIPMENT INVESTMENT	26.6431363	47.6621065	68.5061234	55.6270638
TOTAL CAPITAL COSTS	32.0500284	52.8823466	90.8257555	74.6345134
RETURN TO LAND AND RISK	-181.00246	213.758196	#VALUE!	769.616752
=====	=====	=====	=====	=====
=====	=====	=====	=====	=====
Flex Computation	-102.27091	347.324497		

TABLE 11. Whole farm summary, Cotton City-Animas Area, Hidalgo County, 2004

GROSS RETURNS		
GRAIN SORGHUM	136 ACRES	
CROP		25296
ASCS DEFICIENCY		4488
ASCS DIVERSION		0
UPLAND COTTON	204 ACRES	
LINT		149205.6
SEED		16866.72
ASCS DEFICIENCY		9082.08
ASCS DIVERSION		4896
GREEN CHILE	20 ACRES	
GREEN		68400
RED		0
RED CHILE	20 ACRES	
CROP		47600
GROSS RETURN		<u>325834.4</u>
CASH OPERATING EXPENSES		
SEED		7107.52
FERTILIZER		13788.12
CHEMICALS		5652.608
CROP INSURANCE		2210
OTHER PURCHASED INPUTS		0
CANAL WATER		0
FUEL, OIL & LUBRICANTS-EQUIPMENT		12923.281
FUEL-IRRIGATION		19682.754
REPAIRS		21884.948
CUSTOM CHARGES		72061.928
LAND TAXES		1124.9216
OTHER EXPENSES		19340.205
TOTAL CASH EXPENSES		<u>175776.29</u>
RETURN OVER CASH EXPENSES		150058.11
FIXED EXPENSES		27897.503
TOTAL EXPENSES		203673.79
NET FARM INCOME		122160.61
LABOR AND MANAGEMENT COSTS		#VALUE!
NET OPERATING PROFIT		#VALUE!
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		2626.8079
INTEREST ON EQUIPMENT INVESTMENT		15829.2
TOTAL CAPITAL COSTS		<u>18456.008</u>
RETURN TO LAND AND RISK		#VALUE!
=====		

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
500 /ACRE	#VALUE!	#VALUE!
700 /ACRE	#VALUE!	#VALUE!
900 /ACRE	#VALUE!	#VALUE!
1100 /ACRE	#VALUE!	#VALUE!
1300 /ACRE	#VALUE!	#VALUE!
1500 /ACRE	#VALUE!	#VALUE!

* 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)