

MICROCOMPUTER CROP COST AND RETURN GENERATOR

BUDGET AREA..... VIRDEN AREA, HIDALGO COUNT Projected 2013.
FARM SIZE..... 200.00 ACRES
IRRIGATION TYPE..... FLOOD
NUMBER OF CROPS..... 4

VERSION 1.0

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

BUDGET AREA.....	VIRDEN AREA, HIDALGO COUNTY
FARM SIZE.....	200 ACRES
IRRIGATION TYPE.....	FLOOD
NUMBER OF CROPS...	4

ACREAGE SUMMARY:	WATER USE		
	LAND USE (ACRES)	AC. IN. PER ACRE	TOTAL AC. IN.
ALFALFA ESTABLISHMENT *	15.00	20	300
ALFALFA	45.00	54	2,430
CORN SILAGE	25.00	50	1,250
COTTON	68.00	36	2,448
ARP	0.00		
FLEX IN CORN SILAGE	12.00	36	432
GRAIN SORGHUM	34.00	40	1,360
ARP	0.00		
FLEX IN CORN SILAGE	6.00	36	216
ROADS, DITCHES	10.00		
TOTAL	200.00		8,436
ACRE FEET PER ACRE OF WATER RIGHTS			3.52

* DOUBLE-CROPPED

TABLE 2. Basic cost information for the Virden area, Hidalgo County, Projected 2013.

Item			
Labor Wage Rate:			
Equipment operators	\$/hour		\$8.55
General & Irrigators	\$/hour		\$7.50
Purchased Inputs:			
Fertilizer:			
Nitrogen (N)	\$/pound		\$0.61
Phosphate (P205)	\$/pound		\$0.60
Seed:			
Alfalfa	\$/pound		\$6.50
Upland Cotton (picker)	\$/pound		\$8.00
Corn for Silage	\$/bag		\$242.80
Grain Sorghum	\$/pound		\$2.04
Canal Water	\$/acre		\$45.00
Wire:	\$/lb.		\$0.91
Energy:			
Diesel fuel	\$/gallon		\$3.00
Gasoline	\$/gallon		\$3.80
Electricity	cents/KwHr		8.45
LP Gas	\$/gallon		\$2.85
Employee Liability Insurance	\$/ \$1000 wages		\$20.00
Employee Benefits	percent/wages		18.00%
Labor Downtime	percent		25.00%
Financial Rates:			
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	\$348.00 /acre (full value)		\$2.31
Personal Property Tax Rate	- NR - R	\$/ \$1,000 (Assessed Value)	\$19.93 \$22.21
Supervision Factors			
Field Crop-Irrigation	\$/labor hour		\$1.00
Field Crop-Equipment	\$/labor hour		\$0.50
Management Rate	percent		7.00%

TABLE 3. Overhead cost information for Virden area, Hidalgo County, Projected 2013.

Item			
Electricity (Domestic & Shop)	\$159.00	per month	\$1,908
Telephone	\$84.80	per month	\$1,018
Accounting & Legal			\$1,049
Misc. Supplies & Hand Tools			\$1,505
Pickup and Auto			
miles	15,900	@	\$0.415 per mile
Insurance			
- general liability (non-employee)			\$1,272
- fire/theft			\$975
Property Taxes			
- non-planted land			\$0
- other than land & machinery			\$6,010
Building repairs and maintenance			\$859
Dues, fees, publications			\$307
Farmstead Equipment			\$159
		Total	\$21,661
		Total per planted acre	\$114.00

TABLE 4. Pumping costs and data for irrigation wells, Vidon area, Hidalgo County, Projected 2013

INPUT DATA	
DEPTH CHARACTERISTICS	
STATIC _____	50
DRAW DOWN _____	25
TOTAL HEAD _____	75
CAPING _____	100
GALLONS PER MINUTE (GPM)	1,500
WORK HORSEPOWER	28
EFFICIENCY FACTOR:	
ELECTRICITY	0.540
LP GAS	1.154
DIESEL	0.160
FUEL COST PER UNIT:	
ELECTRICITY	0.45 CENTS/KWH
LP GAS	\$2.45 \$GAL
DIESEL	\$3.00 \$GAL
FUEL PUMPING COSTS	
ELECTRIC WELL:	
COST PER HOUR	\$3.35
COST PER ACRE H2O	\$1.01
LP GAS WELL:	
COST PER HOUR	\$14.59
COST PER ACRE H2O	\$4.40
DIESEL WELL:	
COST PER HOUR	\$8.59
COST PER ACRE H2O	\$2.59

TABLE 5. Equipment summary for a 200-acre food irrigated farm with above average management, Vidon area, Hidalgo County, Projected 2013

EQUIPMENT	ITEM & SIZE	ANNUAL HOURS OF USE	NUMBER	VARIABLE COSTS				FIXED COSTS			
				TOTAL VALUE	FUEL, OIL, LUBRICANT	REPAIR	FUEL, OIL, REPAIR PER HR	DEPRECIATION	TAXES	TOTAL PER HR	
TRACTOR	65 HP	187.83	1	5,144.00	3,055.03	255.97	16.48	1.29	539.13	71.63	3.99
TRACTOR	125 HP	283.32	1	24,324.00	7,016.38	1,125.89	24.75	3.87	2,627.40	219.84	10.11
PICKUP HALF	12 TON	170.00	1	15,000.00	4,008.00	102.00	23.94	0.60	3,000.00	99.66	4.83
COTTON PICKER	2 ROW	84.32	1	9,400.00	1,529.00	603.06	18.14	2.15	5,000.00	298.96	14.29
SWATHER	14 FT SFP	36.00	1	3,600.00	404.35	20.98	11.23	0.56	1,400.00	95.33	4.26
RAILER PTO	2 ROW	47.25	1	1,600.00		7.28			300.00	25.56	0.99
PLANTER	4 ROW	37.36	1	3,400.00		60.37		1.83	680.00	22.59	1.81
CHEEL	7 FT	22.20	1	1,200.00		33.03		1.49	160.00	7.97	0.72
DISC	12 FT	55.08	1	2,250.00		153.67		2.79	300.00	14.89	1.25
CULTIVATOR	4 ROW	95.08	1	1,500.00		177.78		1.86	200.00	18.97	2.20
FLAT	10 FT	38.74	1	450.00		0.54		0.01	46.67	2.33	1.26
ROTARY	7 FT	14.41	1	1,000.00		0.58		0.04	133.33	6.64	0.71
MALCHER	13 FT	27.27	1	3,750.00		126.81		4.85	500.00	24.91	19.25
LESTER	4 ROW	42.38	1	1,800.00		84.08		1.85	213.33	13.63	5.28
PLYN	3-14 N	55.61	1	3,350.00		231.00		4.15	446.67	22.26	8.43
SHREDDER	2 ROW	19.27	1	1,350.00		3.84		1.30	166.67	8.30	0.87
COTTON TRAILER	8 BALE	170.00	3	3,600.00		8.18		0.05	360.00	23.92	2.26
FERTILIZER SEEDER	12 IN	12.15	1	2,300.00		11.18		0.02	306.67	15.38	20.50
SPRAYER	12 FT	23.40	1	1,275.00		15.71		0.66	183.33	8.13	0.99
ELECTRIC WELL	817.94	1	12,000.00	2,338.41		3.35			900.00	10.72	1.27
				96,421	15,414	3,023			18,638	1,569	

* SHOWN AT ONE HALF COST TO REFLECT JOINT OWNERSHIP BY TWO INDIVIDUALS

ITEM	NEW VALUE	USED VALUE	YEARS LIFE	EQUIP CODE	MAX HOURS	FUEL LIME COEF	ACCLM HOURS	INTEREST AGE	EXPENSE		
										EXPENSE	
TRACTOR	65 HP	2155	5144	40	1	800	4.42	0.10	4747.92	24	539.13
TRACTOR	125 HP	6016	24324	25	1	800	7.00	0.10	1206.88	19	1,054.63
PICKUP HALF	12 TON	3000	15000	10	2	800	6.00	0.05	2210.00	13	750.00
COTTON PICKER	2 ROW	9400	9400	15	1	800	5.04	0.30	1011.84	12	2,225.00
SWATHER	14 FT SFP	2900	3900	20	2	800	3.12	0.20	504.00	14	720.00
RAILER PTO	2 ROW	770	1600	20	2	800			185.50	18	152.50
PLANTER	4 ROW	6800	3400	10	8	100			465.68	13	170.00
CHEEL	7 FT	240	1200	15	3	300			355.20	16	65.00
DISC	12 FT	4200	2250	15	3	300			881.28	16	112.50
CULTIVATOR	4 ROW	700	1400	15	4	300			159.28	16	75.00
FLAT	10 FT	700	450	15	4	300			581.10	15	17.50
ROTARY	7 FT	200	1000	15	4	300			25.38	16	50.00
MALCHER	13 FT	7500	3750	15	3	300			409.25	15	187.50
LESTER	4 ROW	2500	1800	15	3	300			671.08	16	60.00
PLYN	3-14 N	6700	3350	15	3	300			889.78	16	107.50
SHREDDER	2 ROW	2500	1350	15	3	300			296.80	16	62.50
COTTON TRAILER	8 BALE	2400	1200	20	8	100			1020.00	18	60.00
FERTILIZER SEEDER	12 IN	4600	2300	15	8	100			162.25	15	110.00
SPRAYER	12 FT	2700	1375	15	8	100			267.00	15	68.75
ELECTRIC WELL	12 FT	2400	12000	25	0	8742			12269.08	15	600.00

* SHOWN AT ONE HALF COST TO REFLECT JOINT OWNERSHIP BY TWO INDIVIDUALS

USAGE LIST									
ALFALFA EST.	ALFALFA HWY	CORN SLAGE	UPLAND COTTON	GRAN SORGHAM	TOTAL	ALFALFA HWY	CORN SLAGE	UPLAND COTTON	GRAN SORGHAM
0.46	0.00	0.89	1.42	1.65	4.42				
1.55	1.05	1.04	1.60	1.75	6.99	1.25	2.43	3.87	4.50
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	1.24	0.00	1.24	0.00	0.00	0.00	10.21
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	1.05	0.00	0.00	0.00	1.05	0.00	0.00	0.00	0.00
0.00	0.00	0.26	0.26	0.25	0.77	0.00	0.00	0.00	0.00
0.00	0.00	0.20	0.20	0.40	0.80	0.00	0.00	0.00	0.00
0.34	0.00	0.34	0.30	0.40	1.40	0.00	0.18	1.14	0.00
0.00	0.00	0.42	0.84	0.60	1.86	0.00	0.54	0.00	1.88
0.34	0.00	0.24	0.24	0.25	0.87	0.68	0.69	0.62	0.62
0.00	0.00	0.09	0.03	0.25	0.37	0.00	0.33	0.66	0.47
0.30	0.00	0.15	0.14	0.20	0.79	0.11	0.11	0.11	0.11
0.36	0.00	0.18	0.18	0.50	1.22	0.00	0.21	0.10	0.87
0.67	0.00	0.00	0.00	0.00	0.00	2.46	1.03	0.86	1.38
0.00	0.00	0.00	0.29	0.00	0.29	0.68	0.34	0.34	0.94
0.00	0.00	0.00	2.50	0.00	2.50	2.02	0.00	2.02	0.00
0.10	0.00	0.05	0.05	0.15	0.35	0.00	0.00	0.82	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.88	0.00
1.51	5.43	4.22	3.62	3.62	18.40	0.95	0.47	0.47	1.42
						1.11	3.10	2.66	2.66
						17.50	16.81	68.50	26.79

ALFALFA ESTABLISHMENT ACRES: 15 PUMP WATER: 5.00

MACHINE	POWER UNIT	TIMES OVER	ACCOMPLISHMENT		
			RATE	TOTAL	CUSTOM
DISC	145 HP	1.00	0.17	0.17	
FLAT	145 HP	1.00	0.67	0.67	
DISC	145 HP	1.00	0.17	0.17	
FERTILIZER	145 HP	1.00	0.24	0.24	
LESTER	65 HP	1.00	0.18	0.18	
MALCHER	145 HP	1.00	0.15	0.15	
SEEDER	65 HP	1.00	0.05	0.05	
MALCHER	145 HP	1.00	0.15	0.15	
LESTER	65 HP	1.00	0.18	0.18	
IRRIGATE (4x)	4.00	0.30	1.51		

ANNUAL ALFALFA ACRES: 45 PUMP WATER: 18.00

MACHINE	POWER UNIT	TIMES OVER	ACCOMPLISHMENT		
			RATE	TOTAL	CUSTOM
IRRIGATE (6x)	9.00	0.30	5.43		

SWATH ER (5x) 14FT 5.00 0.16 0.80

RAILER PTO (5x) 145HP 5.00 0.21 1.06

CORN SLAGE ACRES: 43 PUMP WATER: 14.00

MACHINE	POWER UNIT	TIMES OVER	ACCOMPLISHMENT		
			RATE	TOTAL	CUSTOM
FERTILIZER	65 HP	1.00	0.05	0.05	
DISC	145 HP	1.00	0.17	0.17	
CHEEL	145 HP	1.00	0.20	0.20	
DISC	145 HP	1.00	0.17	0.17	
FLAT	65 HP	1.00	0.24	0.24	
LESTER	65 HP	1.00	0.18	0.18	
PRE-IRRIGATE	145 HP	1.00	0.04	0.04	
MALCHER	145 HP	1.00	0.15	0.15	
PLANTER	145 HP	1.00	0.26	0.26	
CULTIVATOR (2x)	65 HP	2.00	0.21	0.42	
ROTARY (2x)	145 HP	3.00	0.20	0.60	
IRRIGATE (7x)	7.00	0.26	3.70		

UPLAND COTTON ACRES: 68 PUMP WATER: 12.00

MACHINE	POWER UNIT	TIMES OVER	ACCOMPLISHMENT		
			RATE	TOTAL	CUSTOM
FERTILIZER	65 HP	1.00	0.05	0.05	
DISC	145 HP	1.00	0.17	0.17	
DISC & SPRAY	145 HP	1.00	0.15	0.15	
FLAT	65 HP	1.00	0.24	0.24	
LESTER	145 HP	1.00	0.18	0.18	
PRE-IRRIGATE	145 HP	1.00	0.03	0.03	
MALCHER	145 HP	1.00	0.14	0.14	
PLANTER	145 HP	1.00	0.26	0.26	
CULTIVATOR (4x)	65 HP	4.00	0.21	0.84	
HOLDING CUSTOM					24.00
ROTARY (2x)	145 HP	1.00	0.20	0.40	
IRRIGATE (8x)	8.00	0.27	3.22		

COTTON PICKER (2x) 2 ROW 2.00 0.62 1.24

COTTON TRAILER (2x) HALF TON 2.00 1.25 2.50

GRN COTTON (CUSTOM PER LINT A) 0.11

SHREDDER 65 HP 1.00 0.29 0.29

GRAN SORGHAM ACRES: 34 PUMP WATER: 12.00

MACHINE	POWER UNIT	TIMES OVER	ACCOMPLISHMENT		
			RATE	TOTAL	CUSTOM
FERTILIZER	65 HP	1.00	0.18	0.18	
DISC	145 HP	1.00	0.20	0.20	
CHEEL	145 HP	1.00	0.40	0.40	
DISC	145 HP	1.00	0.20	0.20	

TABLE 6. Alfalfa establishment, flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Virden area, Hidalgo County, Projected 2013.
Planting dates: August 15 - October 15

ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
PURCHASED INPUTS								
SEED	\$6.50	25 LBS	\$162.50					\$162.50
NITROGEN (N)	\$0.61	20 LBS	\$12.20					\$12.20
PHOSPHATE (P2O5)	\$0.60	50 LBS	\$30.00					\$30.00
PUMP WATER*		5 AC. IN.						
CANAL WATER		15 AC. IN.						\$0.00
SUBTOTAL			\$204.70					\$204.70
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	145 HP	0.17 HR		\$1.45	\$4.21	\$1.15	\$2.69	\$9.50
PLOW	145 HP	0.67 HR		\$5.73	\$16.58	\$5.44	\$12.43	\$40.18
DISC	145 HP	0.17 HR		\$1.45	\$4.21	\$1.15	\$2.69	\$9.50
FLOAT	145 HP	0.24 HR		\$2.05	\$5.94	\$0.96	\$2.73	\$11.68
FERTILIZE	65 HP	0.05 HR		\$0.43	\$0.92	\$0.11	\$1.48	\$2.94
LISTER	65 HP	0.18 HR		\$1.54	\$3.33	\$0.59	\$1.51	\$6.96
MULCHER	145 HP	0.15 HR		\$1.28	\$3.71	\$1.29	\$4.40	\$10.69
SEEDER	65 HP	0.05 HR		\$0.43	\$0.92	\$0.11	\$1.48	\$2.94
MULCHER	145 HP	0.15 HR		\$1.28	\$3.71	\$1.29	\$4.40	\$10.69
LISTER	65 HP	0.18 HR		\$1.54	\$3.33	\$0.59	\$1.51	\$6.96
IRRIGATE (4X)		2.00 HR		\$15.00	\$5.05	\$0.00	\$1.92	\$21.97
SUBTOTAL		4.01 HR		\$32.19	\$51.91	\$12.69	\$37.24	\$134.02
OVERHEAD EXPENSES								
DOWNTIME		0.50 HR		\$4.30				\$4.30
EMPLOYEE BENEFITS				\$5.79				\$5.79
INSURANCE			\$0.64					\$0.64
SUPERVISION AND MANAGEMENT				\$26.43				\$26.43
SUBTOTAL		0.50 HR	\$0.64	\$36.51				\$37.16
TOTAL OPERATING EXPENSES		4.51 HR	\$205.34	\$68.70	\$51.91	\$12.69	\$37.24	\$375.88

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

TABLE 7. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Virden area, Hidalgo County, Projected 2013.
Harvest dates: June 1 - October 10

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
ALFALFA HAY	\$235.00	6.50 TONS (IN FIELD)						\$1,527.50
GRAZING	\$15.00	1.00 ACRE						\$15.00
TOTAL								\$1,542.50
PURCHASED INPUTS								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
WIRE	0.91	56 LBS	\$50.69					\$50.69
ESTABLISHMENT: Principal		3 YEARS					\$125.29	\$125.29
: Interest							\$11.47	\$11.47
CANAL WATER		36 AC. IN.					\$45.00	\$45.00
PUMP WATER*		18 AC. IN.						
SUBTOTAL			\$50.69				\$181.76	\$232.45
PREHARVEST OPERATIONS								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
IRRIGATE (9X)		4.50 HR		\$33.75	\$18.18	\$0.00	\$6.90	\$58.84
SUBTOTAL		4.50 HR		\$33.75	\$18.18	\$0.00	\$6.90	\$58.84
HARVEST OPERATIONS								
SWATHER (5X)	14 FT	0.80 HR		\$6.84	\$8.99	\$0.46	\$34.36	\$50.65
BALER, PTO (5X)	145 HP	1.05 HR		\$8.98	\$25.98	\$4.33	\$19.74	\$59.04
SUBTOTAL		1.85 HR		\$15.82	\$34.97	\$4.80	\$54.11	\$109.69
OVERHEAD EXPENSES								
DOWNTIME		0.46 HR		\$3.95				\$3.95
EMPLOYEE BENEFITS				\$8.92				\$8.92
INSURANCE			\$0.99					\$0.99
LAND TAXES							\$2.31	\$2.31
SUPERVISION AND MANAGEMENT				\$113.40				\$113.40
OTHER EXPENSES			\$114.00					\$114.00
SUBTOTAL		0.46 HR		\$115.00	\$126.28		\$2.31	\$243.58
TOTAL OPERATING EXPENSES		6.81 HR		\$165.69	\$175.84	\$4.80	\$245.08	\$644.56
NET OPERATING PROFIT								\$897.94
INTEREST ON OPERATING CAPITAL		(\$33.21	@	5.00%)		\$1.66
INTEREST ON EQUIPMENT INVESTMENT								\$17.92
RETURN TO LAND AND RISK								\$878.36

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

BUDGET SUMMARY

GROSS RETURN		\$1,542.50	
VARIABLE OPERATING EXPENSES	\$223.64		
RETURN OVER VARIABLE EXPENSES		\$1,318.86	(GROSS MARGIN)
FIXED EXPENSES	\$245.08		
NET FARM INCOME		\$1,073.78	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$175.84		
NET OPERATING PROFIT		\$897.94	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$19.58		
RETURN TO LAND AND RISK		\$878.36	

TABLE 8. Corn silage, flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Virden area, Hidalgo County, Projected 2013.
 Planting dates: April 15 - May 31
 Harvest dates: August 15 - October 15

ITEM	PRICE	YIELD						TOTAL	
GROSS RETURNS									
CORN SILAGE	\$55.00	25.00 TONS (STANDING)						\$1,375.00	
TOTAL							\$1,375.00		
PURCHASED INPUTS		PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
SEED	\$3.04	30 000	\$91.05					\$91.05	
NITROGEN (N)	\$0.61	32 LBS	\$19.52					\$19.52	
PHOSPHATE (P205)	\$0.60	40 LBS	\$24.00					\$24.00	
CANAL WATER		36 AC. IN.				\$45.00	\$45.00		
PUMP WATER*		14 AC. IN.							
SUBTOTAL			\$134.57				\$45.00	\$179.57	
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
FERTILIZE	65 HP	0.05 HR		\$0.43	\$0.92	\$0.11	\$1.48	\$2.94	
DISC	145 HP	0.17 HR		\$1.45	\$4.21	\$1.15	\$2.69	\$9.50	
CHISEL	145 HP	0.20 HR		\$1.71	\$4.95	\$1.09	\$3.54	\$11.29	
DISC	145 HP	0.17 HR		\$1.45	\$4.21	\$1.15	\$2.69	\$9.50	
FLOAT	65 HP	0.24 HR		\$2.05	\$4.43	\$0.31	\$1.04	\$7.84	
LISTER	65 HP	0.18 HR		\$1.54	\$3.33	\$0.59	\$1.51	\$6.96	
PRE-IRRIGATE		0.75 HR		\$5.63	\$1.77	\$0.00	\$0.67	\$8.06	
MULCHER	145 HP	0.15 HR		\$1.28	\$3.71	\$1.29	\$4.40	\$10.69	
PLANTER	145 HP	0.26 HR		\$2.22	\$6.43	\$1.46	\$7.52	\$17.63	
CULTIVATOR (2X)	65 HP	0.42 HR		\$3.59	\$7.76	\$1.32	\$2.22	\$14.89	
ROTOBUCK (3X)	145 HP	0.09 HR		\$0.77	\$2.23	\$0.36	\$1.78	\$5.14	
IRRIGATE (7X)		3.50 HR		\$26.25	\$12.37	\$0.00	\$4.70	\$43.32	
SUBTOTAL		6.18 HR		\$48.38	\$56.32	\$8.84	\$34.25	\$147.78	
OVERHEAD EXPENSES									
DOWNTIME		0.46 HR		\$3.93				\$3.93	
EMPLOYEE BENEFITS				\$8.71				\$8.71	
INSURANCE			\$0.97					\$0.97	
LAND TAXES							\$2.31	\$2.31	
SUPERVISION AND MANAGEMENT				\$101.42				\$101.42	
OTHER EXPENSES			\$114.00					\$114.00	
SUBTOTAL		0.46 HR		\$114.97	\$114.06		\$2.31	\$231.34	
TOTAL OPERATING EXPENSES		6.64 HR		\$249.54	\$162.44	\$56.32	\$8.84	\$81.56	
NET OPERATING PROFIT								\$816.30	
INTEREST ON OPERATING CAPITAL		(\$83.58	@	5.00%)		\$4.18	
INTEREST ON EQUIPMENT INVESTMENT								\$16.61	
RETURN TO LAND AND RISK								\$795.52	

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

BUDGET SUMMARY

GROSS RETURN		\$1,375.00	
VARIABLE OPERATING EXPENSES	\$314.71		
RETURN OVER VARIABLE EXPENSES	\$1,060.29		(GROSS MARGIN)
FIXED EXPENSES	\$81.56		
NET FARM INCOME	\$978.74		(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$162.44		
NET OPERATING PROFIT	\$816.30		(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$20.78		
RETURN TO LAND AND RISK		\$795.52	

TABLE 9. Upland cotton (picker), flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with average management, Virden area, Hidalgo County, Projected 2013.
 Planting dates: April 10 - April 30
 Harvest dates: October 15 - December 15

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
LINT	\$0.72	600.00 LBS		\$432.00
SEED	\$0.07	960.00 LBS		\$62.40
DIRECT PAYMENT	\$0.0000	600.00 LBS	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.0667	1,060.00 LBS	0.85	\$60.10
TOTAL				\$554.50

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$8.00	17 LBS	\$136.00		\$136.00
NITROGEN (N)	\$0.61	80 LBS	\$48.80		\$48.80
PHOSPHATE (P205)	\$0.60	60 LBS	\$36.00		\$36.00
HERBICIDE	\$14.08	1 ACRE	\$14.08		\$14.08
CANAL WATER		24 AC. IN.	\$0.00	\$45.00	\$45.00
PUMP WATER*		12 AC. IN.			
CROP INSURANCE	\$0.74		\$0.74		\$0.74
SUBTOTAL			\$235.62	\$45.00	\$280.62

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
FERTILIZE	65 HP	0.05 HR		\$0.43	\$0.92	\$0.11	\$1.48	\$2.94
DISC	145 HP	0.17 HR		\$1.45	\$4.21	\$1.15	\$2.69	\$9.50
PLOW	145 HP	0.67 HR		\$5.73	\$16.58	\$5.44	\$12.43	\$40.18
DISC & SPRAY	145 HP	0.15 HR		\$1.28	\$3.71	\$1.11	\$3.59	\$9.70
FLOAT	65 HP	0.24 HR		\$2.05	\$4.43	\$0.31	\$1.04	\$7.84
LISTER	145 HP	0.18 HR		\$1.54	\$4.45	\$1.07	\$2.77	\$9.84
PRE-IRRIGATE		0.75 HR		\$5.63	\$1.35	\$0.00	\$0.51	\$7.48
MULCHER	145 HP	0.14 HR		\$1.20	\$3.46	\$1.21	\$4.11	\$9.98
PLANTER	145 HP	0.26 HR		\$2.22	\$6.43	\$1.46	\$7.52	\$17.63
CULTIVATOR (4X)	65 HP	0.84 HR		\$7.18	\$15.52	\$2.65	\$4.44	\$29.79
HOEING (CUSTOM)			\$24.00					\$24.00
ROTOBUCK (3X)	145 HP	0.03 HR		\$0.26	\$0.74	\$0.12	\$0.59	\$1.71
IRRIGATE (8X)		4.00 HR		\$30.00	\$10.77	\$0.00	\$4.09	\$44.87
SUBTOTAL		7.48 HR	\$24.00	\$58.97	\$72.59	\$14.64	\$45.26	\$215.46

HARVEST OPERATIONS								
COTTON PICKER (2X)	2 ROW	1.24 HR		\$10.60	\$22.50	\$8.87	\$92.01	\$133.98
COTTON TRAILER (2X)	HALF TON	2.50 HR		\$21.38	\$59.85	\$1.62	\$17.21	\$100.06
GIN COTTON (CUSTOM)			\$68.52					\$68.52
SUBTOTAL		3.74 HR	\$68.52	\$31.98	\$82.35	\$10.49	\$109.23	\$302.56

POSTHARVEST OPERATIONS								
SHREDDER	65 HP	0.29 HR		\$2.48	\$5.36	\$0.43	\$3.47	\$11.74
SUBTOTAL		0.29 HR		\$2.48	\$5.36	\$0.43	\$3.47	\$11.74

OVERHEAD EXPENSES								
DOWNTIME		1.56 HR		\$13.32				\$13.32
EMPLOYEE BENEFITS				\$16.82				\$16.82
INSURANCE			\$1.87					\$1.87
LAND TAXES						\$2.31		\$2.31
SUPERVISION AND MANAGEMENT				\$45.93				\$45.93
OTHER EXPENSES			\$114.00					\$114.00
SUBTOTAL		1.56 HR	\$115.87	\$76.06		\$2.31		\$194.25

TOTAL OPERATING EXPENSES 13.07 HR \$444.01 \$169.49 \$160.30 \$25.56 \$205.27 \$1,004.62

NET OPERATING PROFIT (\$450.13)

INTEREST ON OPERATING CAPITAL (\$154.51 @ 5.00%) \$7.73
 INTEREST ON EQUIPMENT INVESTMENT \$68.50

RETURN TO LAND AND RISK (\$526.35)

* Pump water costs are shown under irrigation in the preharvest operation section.
BUDGET SUMMARY

GROSS RETURN		\$554.50	
VARIABLE OPERATING EXPENSES	\$629.87		
RETURN OVER VARIABLE EXPENSES		(\$75.37)	(GROSS MARGIN)
FIXED EXPENSES	\$205.27		
NET FARM INCOME		(\$280.64)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$169.49		
NET OPERATING PROFIT		(\$450.13)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$76.22		
RETURN TO LAND AND RISK		(\$526.35)	

TABLE 10. Grain sorghum, flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Virden area, Hidalgo County, Projected 2013.

Planting dates: May 1 - June 15

Harvesting dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
GRAIN SORGHUM	\$10.43	60.00 CWT		\$625.93
DIRECT PAYMENT	\$0.00	60.00 CWT	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.63	0.00 CWT		\$0.00
GRAZING	\$10.00	1.00 ACRE		\$10.00
TOTAL				\$635.93

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$2.04	8 LBS	\$16.32		\$16.32
NITROGEN (N)	\$0.61	32 LBS	\$19.52		\$19.52
PHOSPHATE (P205)	\$0.60	40 LBS	\$24.00		\$24.00
HERBICIDE	\$14.08	1 ACRE	\$14.08		\$14.08
INSECTICIDE	\$11.30	1 ACRE	\$11.30		\$11.30
CANAL WATER		28 AC. IN.		\$45.00	\$45.00
PUMP WATER*		12 AC. IN.			
CROP INSURANCE	\$1.47		\$1.47		\$1.47
SUBTOTAL			\$86.69	\$45.00	\$131.69

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
FERTILIZER	65 HP	0.15 HR		\$1.28	\$2.77	\$0.33	\$4.44	\$8.82
DISC	145 HP	0.20 HR		\$1.71	\$4.95	\$1.35	\$3.17	\$11.18
CHISEL	145 HP	0.40 HR		\$3.42	\$9.90	\$2.18	\$7.07	\$22.57
DISC	145 HP	0.20 HR		\$1.71	\$4.95	\$1.35	\$3.17	\$11.18
FLOAT	145 HP	0.25 HR		\$2.14	\$6.19	\$1.00	\$2.84	\$12.17
SPRAYER	65 HP	0.20 HR		\$1.71	\$3.70	\$0.39	\$2.23	\$8.03
LISTER	65 HP	0.50 HR		\$4.28	\$9.24	\$1.64	\$4.19	\$19.34
PRE-IRRIGATE		0.75 HR		\$5.63	\$2.02	\$0.00	\$0.77	\$8.41
MULCHER	145 HP	0.20 HR		\$1.71	\$4.95	\$1.72	\$5.87	\$14.26
PLANTER	145 HP	0.25 HR		\$2.14	\$6.19	\$1.40	\$7.23	\$16.95
SPRAYER	65 HP	0.20 HR		\$1.71	\$3.70	\$0.39	\$2.23	\$8.03
CULTIVATOR (2X)	65 HP	0.60 HR		\$5.13	\$11.09	\$1.89	\$3.17	\$21.28
ROTOBUCK (3X)	145 HP	0.25 HR		\$2.14	\$6.19	\$1.00	\$4.96	\$14.28
IRRIGATE (5X)		2.50 HR		\$18.75	\$10.10	\$0.00	\$3.84	\$32.69
SUBTOTAL		6.65 HR		\$53.45	\$85.91	\$14.66	\$55.17	\$209.19

HARVEST OPERATIONS								
COMBINE (CUSTOM)				\$25.20				\$25.20
HAUL (CUSTOM)				\$11.40				\$11.40
SUBTOTAL		0.00 HR		\$36.60				\$36.60

OVERHEAD EXPENSES								
DOWNTIME		0.61 HR		\$5.24				\$5.24
EMPLOYEE BENEFITS				\$9.62				\$9.62
INSURANCE				\$1.07				\$1.07
LAND TAXES						\$2.31		\$2.31
SUPERVISION AND MANAGEMENT				\$46.54				\$46.54
OTHER EXPENSES				\$114.00				\$114.00
SUBTOTAL		0.61 HR		\$115.07	\$61.40		\$2.31	\$178.78

TOTAL OPERATING EXPENSES		7.26 HR		\$238.37	\$114.84	\$85.91	\$14.66	\$102.49	\$556.26
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NET OPERATING PROFIT									\$79.66
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INTEREST ON OPERATING CAPITAL	(\$71.54	@	5.00%)				\$3.58
INTEREST ON EQUIPMENT INVESTMENT									\$26.75

RETURN TO LAND AND RISK									\$49.34
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* Pump water costs are shown under irrigation in the preharvest operation section.

BUDGET SUMMARY

GROSS RETURN		\$635.93		
VARIABLE OPERATING EXPENSES	\$338.94			
RETURN OVER VARIABLE EXPENSES		\$296.99	(GROSS MARGIN)	
FIXED EXPENSES	\$102.49			
NET FARM INCOME		\$194.51	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$114.84			
NET OPERATING PROFIT		\$79.66	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$30.32			
RETURN TO LAND AND RISK		\$49.34		

TABLE 11. Summary of per acre costs and returns for a 200 acre farm with above average management, Virden area, Hidalgo County, Projected 2013.

	ALFALFA ESTABLISHMENT	ALFALFA HAY	CORN SILAGE	PICKER COTTON	GRAIN SORGHUM
		TONS	TONS	LBS	CWT
PRIMARY YIELD		6.50	25.00	600.00	60.00
PRIMARY PRICE		\$235.00	\$55.00	\$0.72	\$10.43
GOVERNMENT PAYMENTS		\$0.00	\$0.00	\$60.10	\$0.00
SECOND INCOME		\$15.00	\$0.00	\$62.40	\$10.00
GROSS RETURN		\$1,542.50	\$1,375.00	\$554.50	\$635.93
CASH OPERATING EXPENSES					
SEED	\$162.50		\$91.05	\$136.00	\$16.32
FERTILIZER	\$42.20		\$43.52	\$84.80	\$43.52
CHEMICALS				\$14.08	\$25.38
CROP INSURANCE				\$0.74	\$1.47
OTHER PURCHASED INPUTS		\$50.69			
CANAL WATER	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$46.86	\$34.97	\$42.18	\$148.18	\$73.79
FUEL-IRRIGATION	\$5.05	\$18.18	\$14.14	\$12.12	\$12.12
REPAIRS	\$12.69	\$4.80	\$8.84	\$25.56	\$14.66
CUSTOM CHARGES				\$92.52	\$36.60
LAND TAXES		\$2.31	\$2.31	\$2.31	\$2.31
OTHER EXPENSES	\$0.64	\$115.00	\$114.97	\$115.87	\$115.07
TOTAL CASH EXPENSES	\$269.94	\$225.95	\$317.02	\$632.18	\$341.25
RETURN OVER CASH EXPENSES	(\$269.94)	\$1,316.55	\$1,057.98	(\$77.68)	\$294.68
FIXED EXPENSES	\$37.24	\$242.77	\$79.25	\$202.96	\$100.17
TOTAL EXPENSES	\$307.18	\$468.72	\$396.26	\$835.14	\$441.42
NET FARM INCOME	(\$307.18)	\$1,073.78	\$978.74	(\$280.64)	\$194.51
LABOR AND MANAGEMENT COSTS	\$68.70	\$175.84	\$162.44	\$169.49	\$114.84
NET OPERATING PROFIT	(\$375.88)	\$897.94	\$816.30	(\$450.13)	\$79.66
CAPITAL COSTS					
INTEREST ON OPERATING CAPITAL		\$1.66	\$4.18	\$7.73	\$3.58
INTEREST ON EQUIPMENT INVESTMENT		\$17.92	\$16.61	\$68.50	\$26.75
TOTAL CAPITAL COSTS	\$0.00	\$19.58	\$20.78	\$76.22	\$30.32
RETURN TO LAND AND RISK	(\$375.88)	\$878.36	\$795.52	(\$526.35)	\$49.34

TABLE 12. Whole farm summary, Virden area, Hidalgo County,
Projected 2013.

GROSS RETURNS		
ALFALFA HAY	45.00 ACRES	
CROP		\$68,738
GRAZING		\$675
CORN SILAGE	43.00 ACRES	
CROP		\$59,125
UPLAND COTTON	68.00 ACRES	
LINT		\$29,376
SEED		\$4,243
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$4,087
GRAIN SORGHUM	34.00 ACRES	
CROP		\$21,282
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GRAZING		\$340
GROSS RETURN		<u>\$187,525</u>
CASH OPERATING EXPENSES		
SEED		\$16,156
FERTILIZER		\$9,750
CHEMICALS		\$1,820
CROP INSURANCE		\$100
OTHER PURCHASED INPUTS		\$2,281
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$16,675
FUEL-IRRIGATION		\$2,738
REPAIRS		\$3,023
CUSTOM CHARGES		\$7,536
LAND TAXES		\$439
OTHER EXPENSES		\$21,920
TOTAL CASH EXPENSES		<u>\$82,439</u>
RETURN OVER CASH EXPENSES		\$105,086
FIXED EXPENSES		\$26,460
TOTAL EXPENSES		\$108,899
NET FARM INCOME		\$78,626
LABOR AND MANAGEMENT COSTS		\$31,358
NET OPERATING PROFIT		\$47,268
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$901
INTEREST ON EQUIPMENT INVESTMENT		\$7,087
TOTAL CAPITAL COSTS		<u>\$7,989</u>
RETURN TO LAND AND RISK		<u>\$39,279</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$700 /ACRE	\$35,079	19.83%
\$900 /ACRE	\$33,879	16.98%
\$1,100 /ACRE	\$32,679	14.84%
\$1,300 /ACRE	\$31,479	13.19%
\$1,500 /ACRE	\$30,279	11.86%
\$1,700 /ACRE	\$29,079	10.78%
\$1,900 /ACRE	\$27,879	9.88%

* 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)