

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
 PLANTING DATES: DECEMBER 10 - DECEMBER 20
 HARVEST DATES: JUNE 15 - JULY 1

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
WHEAT	\$4.75	50 CWT						\$237.50
TOTAL							\$237.50	
PURCHASED INPUTS								
	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$0.37	100 LBS	37					\$37.00
ANHYDROUS AMMONIA (NH ₃)	\$0.37	250 LBS	93.125					\$93.13
NITROGEN (N)	\$0.42	30 LBS	12.6					\$12.60
PHOSPHATE (P ₂ O ₅)	\$0.49	80 LBS	39.2					\$39.20
PUMP WATER*		24 ACRE IN.						
CROP INSURANCE								
SUBTOTAL			181.925				\$181.93	
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.14 HR		\$1.20	\$4.50	\$1.13	\$3.85	\$10.68
FERTILIZE	185 HP	0.05 HR		\$0.43	\$1.61	\$0.40	\$1.37	\$3.81
DRAG (2X)	96 HP	0.2 HR		\$1.71	\$3.04	\$2.38	\$1.08	\$8.21
ANHYDROUS KNIVES	185 HP	0.1 HR		\$0.86	\$3.22	\$0.81	\$0.00	\$4.88
DRILL	96 HP	0.18 HR		\$1.54	\$2.73	\$2.13	\$0.00	\$6.40
IRRIGATE (4X)		0.6 HR		\$4.50	\$4.50	\$0.00	\$33.75	\$42.75
DISC	96 HP	0.25 HR		\$2.14	\$3.80	\$2.95	\$0.00	\$8.89
SUBTOTAL		1.52 HR		\$12.37	\$23.40	\$9.80	\$40.05	\$85.62
HARVEST OPERATIONS								
COMBINE (CUSTOM)			32.22					\$32.22
HAUL TO STORAGE (CUSTOM)			9.5					\$9.50
HAUL TO MARKET (CUSTOM)			22.5					\$22.50
SUBTOTAL			64.22	\$0.00	\$0.00	\$0.00	\$0.00	\$64.22
OVERHEAD EXPENSES								
DOWNTIME		0.155 HR		\$1.33				\$1.33
EMPLOYEE BENEFITS				\$2.23				\$2.23
INSURANCE			0.24732				\$0.25	
LAND TAXES							\$2.57	
SUPERVISION AND MANAGEMENT				\$17.64				\$17.64
OTHER EXPENSES			76.73166				\$76.73	
SUBTOTAL		0.155 HR	76.97898	\$21.19			\$2.57	\$100.73
TOTAL OPERATING EXPENSES		1.675 HR	323.124	\$33.55	\$23.40	\$9.80	\$42.62	\$432.50
NET OPERATING PROFIT							-\$195.00	
INTEREST ON OPERATING CAPITAL	(	104.615	@	0.0575			\$6.02	
INTEREST ON EQUIPMENT INVESTMENT							\$6.78	
RETURN TO LAND AND RISK							-\$207.79	

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

BUDGET SUMMARY

GROSS RETURN		\$237.50	
VARIABLE OPERATING EXPENSES	356.3272		
RETURN OVER VARIABLE EXPENSES		-\$118.83	(GROSS MARGIN)
FIXED EXPENSES	42.61868		
NET FARM INCOME		-\$161.45	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	33.55213		
NET OPERATING PROFIT		-\$195.00	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	12.795		
RETURN TO LAND AND RISK		-\$207.79	

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
 PLANTING DATES: APRIL 1 - MAY 15
 HARVEST DATES: SEPTEMBER 15 - NOVEMBER 1

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
CORN FOR GRAIN	\$4.45	85 CWT						\$378.25
TOTAL							\$378.25	
PURCHASED INPUTS								
	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$0.91	32 000	29					\$29.00
ANHYDROUS AMMONIA (NH3)	\$0.37	250 LBS	93.125					\$93.13
NITROGEN (N)	\$0.42	80 LBS	33.6					\$33.60
PHOSPHATE (P2O5)	\$0.49	100 LBS	49					\$49.00
HERBICIDE	\$7.83	1 ACRE	7.8324					\$7.83
PUMP WATER*		40 AC. IN.						
CROP INSURANCE								
SUBTOTAL			212.5574				\$212.56	
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
RIPPER	185 HP	0.2 HR		\$1.71	\$6.43	\$1.78	\$6.29	\$16.22
DISC & SPRAY	185 HP	0.15 HR		\$1.28	\$1.28	\$0.00	\$10.97	\$13.53
FERTILIZE	185 HP	0.05 HR		\$0.43	\$1.61	\$0.40	\$1.37	\$3.81
ANHYDROUS KNIVES	185 HP	0.1 HR		\$0.86	\$3.22	\$0.81	\$2.75	\$7.63
PLANTER	185 HP	0.26 HR		\$2.22	\$8.37	\$2.10	\$3.45	\$16.14
CULTIVATOR (2X)	96 HP	0.42 HR		\$3.59	\$6.38	\$4.96	\$2.63	\$17.56
IRRIGATE (12X)		1.8 HR		\$13.50	\$27.34	\$24.34	\$16.70	\$81.87
SUBTOTAL		2.98 HR		\$23.59	\$54.62	\$34.40	\$44.16	\$156.77
HARVEST OPERATIONS								
COMBINE (CUSTOM)			30.6					\$30.60
HAUL TO STORAGE (CUSTOM)			17					\$17.00
HAUL TO MARKET (CUSTOM)			38.25					\$38.25
SUBTOTAL			85.85	\$0.00	\$0.00	\$0.00	\$0.00	\$85.85
POSTHARVEST OPERATIONS								
SHREDDER	80 HP	0.14 HR		\$1.20	\$2.13	\$1.91	\$1.62	\$6.86
OVERHEAD EXPENSES								
DOWNTIME		0.33 HR		\$2.82				\$2.82
EMPLOYEE BENEFITS				\$4.46				\$4.46
INSURANCE			0.49572					\$0.50
LAND TAXES							\$2.57	\$2.57
SUPERVISION AND MANAGEMENT				\$28.94				\$28.94
OTHER EXPENSES			76.73166					\$76.73
SUBTOTAL		0.33 HR	77.22738	\$36.22			\$2.57	\$116.01
TOTAL OPERATING EXPENSES		3.45 HR	375.6348	\$61.01	\$56.75	\$36.31	\$48.35	\$578.05
NET OPERATING PROFIT							-\$199.80	
INTEREST ON OPERATING CAPITAL	(	136.6973	@	0.0575	)		\$7.86	
INTEREST ON EQUIPMENT INVESTMENT							\$12.25	
RETURN TO LAND AND RISK							-\$219.91	

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

GROSS RETURN		\$378.25	
VARIABLE OPERATING EXPENSES	468.6926		
RETURN OVER VARIABLE EXPENSES	-\$90.44	(GROSS MARGIN)	
FIXED EXPENSES	48.3509		
NET FARM INCOME	-\$138.79	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	61.00648		
NET OPERATING PROFIT	-\$199.80	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	20.10543		
RETURN TO LAND AND RISK	-\$219.91		

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
 Planting dates: May 1 - May 20
 Harvesting dates: November 1 - November 25

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
GRAIN SORGHUM	\$6.65	62 CWT						\$412.30
ASCS DIVERSION	0	0 CWT						\$0.00
ASCS DEFICIENCY	0	0 CWT						\$0.00
TOTAL								\$412.30
PURCHASED INPUTS								
PRICE	QUANTITY	PURCHASED INPUTS						TOTAL
SEED	2.25	8 LBS	\$18.00					\$18.00
ANHYDROUS AMMONIA (NH3)	0.3725	180 LBS	\$67.05					\$67.05
HERBICIDE	9.455	1 ACRE	\$9.46					\$9.46
INSECTICIDE (CUSTOM)	10.065	1 ACRE	\$10.07					\$10.07
PUMP WATER*		30 AC. IN.						
CROP INSURANCE	0.367647		\$0.37					\$0.37
SUBTOTAL			\$104.94					\$104.94
PREHARVEST OPERATIONS								
POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
RIPPER	185 HP	0.2 HR	\$1.71	\$6.43	\$1.78	\$6.29	\$16.22	
DISC	185 HP	0.14 HR	\$1.20	\$4.50	\$1.37	\$4.47	\$11.54	
FERTILIZE	185 HP	0.05 HR	\$0.43	\$1.61	\$0.40	\$1.37	\$3.81	
DRAG (2X)	96 HP	0.2 HR	\$1.71	\$3.04	\$2.38	\$1.08	\$8.21	
DISC & SPRAY	185 HP	0.15 HR	\$1.28	\$4.83	\$1.87	\$5.42	\$13.40	
LISTER	185 HP	0.18 HR	\$1.54	\$5.79	\$1.64	\$5.66	\$14.62	
PRE-IRRIGATE		0.75 HR	\$5.63	\$8.34	\$0.29	\$2.87	\$17.12	
ROLLING CULT	96 HP	0.21 HR	\$1.80	\$3.19	\$2.74	\$1.91	\$9.64	
PLANTER	96 HP	0.26 HR	\$2.22	\$3.95	\$5.08	\$3.70	\$14.95	
CULTIVATOR (2X)	96 HP	0.42 HR	\$3.59	\$6.38	\$4.96	\$2.63	\$17.56	
ROTO BUCK (7X)	96 HP	0.105 HR	\$0.90	\$1.59	\$1.27	\$0.94	\$4.70	
IRRIGATE (5X)		2.5 HR	\$18.75	\$41.69	\$1.46	\$14.35	\$76.25	
SUBTOTAL		5.165 HR	\$40.75	\$91.34	\$25.25	\$50.69	\$208.02	
HARVEST OPERATIONS								
COMBINE (CUSTOM)			\$22.94				\$22.94	
HAUL TO STORAGE (CUSTOM)			\$11.78				\$11.78	
SUBTOTAL			\$34.72	\$0.00	\$0.00	\$0.00	\$34.72	
POST HARVEST OPERATIONS								
SHREDDER	80 HP	0.14 HR	\$1.20	\$2.13	\$1.91	\$1.62	\$6.86	
OVERHEAD EXPENSES								
DOWNTIME		0.51375 HR	\$4.39				\$4.39	
EMPLOYEE BENEFITS			\$7.55				\$7.55	
INSURANCE			\$0.84				\$0.84	
LAND TAXES						\$2.57	\$2.57	
SUPERVISION AND MANAGEMENT			\$33.14				\$33.14	
OTHER EXPENSES			\$76.73				\$76.73	
SUBTOTAL		0.51375 HR	\$77.57	\$45.08		\$2.57	\$125.22	
TOTAL OPERATING EXPENSES		5.81875 HR	\$217.23	\$87.03	\$93.47	\$27.16	\$54.88	
NET OPERATING PROFIT								-\$67.46
INTEREST ON OPERATING CAPITAL	(	85.51825	@	\$0.06	)		\$4.92	
INTEREST ON EQUIPMENT INVESTMENT								\$19.43
RETURN TO LAND AND RISK								-\$91.81

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

BUDGET SUMMARY

GROSS RETURN		412.3	
VARIABLE OPERATING EXPENSES	337.8526		
RETURN OVER VARIABLE EXPENSES	74.44744	(GROSS MARGIN)	
FIXED EXPENSES	54.87922		
NET FARM INCOME	19.56822	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	87.02646		
NET OPERATING PROFIT	-67.45824	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	24.35087		
RETURN TO LAND AND RISK	-91.80911		

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
 Planting dates: April 15 - May 15
 Harvesting dates: October 15 - January 1

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
COTTON LINT	\$0.72	1328 LBS						\$952.18
COTTON SEED	\$0.05	2124.8 LBS						\$103.58
TOTAL							\$1,055.76	
PURCHASED INPUTS								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS			TOTAL		
SEED	\$8.45	25 LBS	\$211.25			\$211.25		
NITROGEN (N)	\$0.42	32 LBS	\$13.44			\$13.44		
PHOSPHATE (P2O5)	\$0.49	40 LBS	\$19.60			\$19.60		
HERBICIDE	\$9.46	1 ACRE	\$9.46			\$9.46		
CROP INSURANCE	\$0.00	1 DOLLARS	\$0.00			\$0.00		
PUMP WATER*		28 AC. IN.						
SUBTOTAL							\$253.75	
PREHARVEST OPERATIONS								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
RIPPER	185 HP	0.1 HR		\$0.86	\$3.22	\$0.89	\$3.15	\$8.11
DISC	185 HP	0.14 HR		\$1.20	\$4.50	\$1.37	\$4.47	\$11.54
FERTILIZE	185 HP	0.05 HR		\$0.43	\$1.61	\$0.40	\$1.37	\$3.81
DRAG (2X)	96 HP	0.2 HR		\$1.71	\$3.04	\$2.38	\$1.08	\$8.21
DISC & SPRAY	185 HP	0.15 HR		\$1.28	\$4.83	\$1.87	\$5.42	\$13.40
LISTER	185 HP	0.18 HR		\$1.54	\$5.79	\$1.64	\$5.66	\$14.62
PRE-IRRIGATE		1 HR		\$7.50	\$9.34	\$0.33	\$3.21	\$20.38
ROLLING CULT.	96 HP	0.21 HR		\$1.80	\$3.19	\$2.74	\$1.91	\$9.64
PLANTER	96 HP	0.26 HR		\$2.22	\$3.95	\$5.08	\$3.70	\$14.95
CULTIVATOR (2X)	96 HP	0.42 HR		\$3.59	\$6.38	\$4.96	\$2.63	\$17.56
HAND HOE (CUSTOM)			\$15.00					\$15.00
ROTO BUCK (5X)	96 HP	0.075 HR		\$0.64	\$1.14	\$0.90	\$0.67	\$3.36
IRRIGATE (4X)		4 HR		\$30.00	\$37.35	\$1.31	\$12.85	\$81.52
SUBTOTAL		6.785 HR	\$15.00	\$52.76	\$84.33	\$23.88	\$46.13	\$222.10
HARVEST OPERATIONS								
COTTON PICKER (2X)	2 ROW	1.24 HR		\$10.60	\$23.25	\$57.35	\$41.11	\$132.31
COTTON TRAILER (2X)	HALF TON	1 HR		\$8.55	\$17.77	\$2.79	\$8.41	\$37.51
GIN COTTON (CUSTOM)			\$145.02					\$145.02
SUBTOTAL		2.24 HR	\$145.02	\$19.15	\$41.01	\$60.14	\$49.52	\$314.84
POSTHARVEST OPERATIONS								
SHREDDER	80 HP	0.14 HR		\$1.20	\$2.13	\$1.91	\$1.62	\$6.86
OVERHEAD EXPENSES								
DOWNTIME		1.04125 HR		\$8.90				\$8.90
EMPLOYEE BENEFITS				\$13.16				\$13.16
INSURANCE			\$1.46					\$1.46
LAND TAXES						\$2.57		\$2.57
SUPERVISION AND MANAGEMENT				\$80.99				\$80.99
OTHER EXPENSES			\$76.73					\$76.73
SUBTOTAL		1.04125 HR	\$78.19	\$103.05			\$2.57	\$183.81
TOTAL OPERATING EXPENSES		10.20625 HR	\$491.96	\$176.16	\$127.47	\$85.93	\$99.83	\$981.35
NET OPERATING PROFIT							\$74.41	
INTEREST ON OPERATING CAPITAL	(	175.4486 @	\$0.06)					\$10.09
INTEREST ON EQUIPMENT INVESTMENT							\$37.28	
RETURN TO LAND AND RISK							\$27.04	

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

BUDGET SUMMARY

GROSS RETURN		\$1,055.76	
VARIABLE OPERATING EXPENSES	705.358		
RETURN OVER VARIABLE EXPENSES	\$350.40	(GROSS MARGIN)	
FIXED EXPENSES	99.83307		
NET FARM INCOME	\$250.57	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	176.1591		
NET OPERATING PROFIT	\$74.41	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	47.3656		
RETURN TO LAND AND RISK	\$27.04		

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
 Planting dates: March 15 - May 1
 Harvesting dates: August 15 - September 15

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
GREEN CHILE	\$490.00	14 TONS						\$6,860.00
RED CHILE	0	0 LBS						\$0.00
TOTAL							\$6,860.00	
PURCHASED INPUTS								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$21.00	4 LBS	\$84.00					\$84.00
ANHYDROUS AMMONIA (NH3)	\$0.37	300 LBS	\$111.75					\$111.75
NITROGEN (N)	\$0.42	60 LBS	\$25.20					\$25.20
PHOSPHATE (P2O5)	\$0.49	150 LBS	\$73.50					\$73.50
HERBICIDE	\$12.57	1 ACRE	\$12.57					\$12.57
INSECTICIDE	\$12.57	1 ACRE	\$12.57					\$12.57
CROP INSURANCE	\$0.00	1 DOLLARS	\$0.00					\$0.00
PUMP WATER*		54 AC. IN.						
SUBTOTAL			\$319.58					\$319.58
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.14 HR		\$1.20	\$4.50	\$1.37	\$4.47	\$11.54
PLOW	185 HP	0.48 HR		\$4.10	\$15.44	\$5.38	\$27.26	\$52.19
DISC	185 HP	0.14 HR		\$1.20	\$4.50	\$1.37	\$4.47	\$11.54
LASER (CUSTOM)			\$73.33					\$73.33
LISTER & SPRAY	185 HP	0.13 HR		\$1.11	\$4.18	\$1.53	\$4.63	\$11.46
FERTILIZE	185 HP	0.05 HR		\$0.43	\$1.61	\$0.40	\$1.37	\$3.81
PRE-IRRIGATE		0.75 HR		\$6.41	\$45.02	\$0.07	\$0.67	\$52.17
ROLLING CULT	96 HP	0.13 HR		\$1.11	\$1.97	\$1.70	\$4.13	\$8.91
VEGETABLE PLANTER	96 HP	0.17 HR		\$1.45	\$2.58	\$2.20	\$8.60	\$14.84
CULTIVATOR (5X)	96 HP	0.65 HR		\$5.56	\$9.87	\$7.68	\$5.92	\$29.02
THIN & HOE (CUSTOM)			\$90.00					\$90.00
ROTO BUCK (7X)	96 HP	0.21 HR		\$1.80	\$3.19	\$2.53	\$1.88	\$9.40
IRRIGATE (8X)		4 HR		\$34.20	\$80.04	\$3.28	\$3.55	\$121.07
SUBTOTAL			\$163.33	\$58.57	\$172.92	\$27.51	\$66.95	\$489.28
HARVEST OPERATIONS								
HARVEST GREEN (CUSTOM)			\$1,260.00					\$1,260.00
HARVEST RED (CUSTOM)			\$0.00					\$0.00
HAUL	3/4 TON	6 HR		\$51.30	\$106.60	\$13.26	\$17.34	\$188.49
SUBTOTAL			\$1,260.00	\$51.30	\$106.60	\$13.26	\$17.34	\$1,448.49
POST HARVEST OPERATIONS								
SHREDDER	80 HP	0.29 HR		\$2.48	\$4.40	\$3.96	\$3.36	\$14.21
SUBTOTAL			\$0.00	\$2.48	\$4.40	\$3.96	\$3.36	\$14.21
OVERHEAD EXPENSES								
DOWNTIME		0.5975 HR		\$3.45				\$3.45
EMPLOYEE BENEFITS				\$20.22				\$20.22
INSURANCE			\$2.25					\$2.25
LAND TAXES						\$2.57	\$2.57	
SUPERVISION AND MANAGEMENT				\$200.00				\$200.00
OTHER EXPENSES			\$76.73					\$76.73
SUBTOTAL			\$78.98	\$223.67			\$2.57	\$305.21
TOTAL OPERATING EXPENSES		13.7375 HR	\$1,821.89	\$336.02	\$283.92	\$44.73	\$90.22	\$2,576.78
NET OPERATING PROFIT							\$4,283.22	
INTEREST ON OPERATING CAPITAL	(	324.8879	@	\$0.06			\$18.68	
INTEREST ON EQUIPMENT INVESTMENT							\$48.88	
RETURN TO LAND AND RISK							\$4,215.66	

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

BUDGET SUMMARY

GROSS RETURN		\$6,860.00	
VARIABLE OPERATING EXPENSES	2150.548		
RETURN OVER VARIABLE EXPENSES	\$4,709.45	(GROSS MARGIN)	
FIXED EXPENSES	90.21612		
NET FARM INCOME	\$4,619.24	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	336.016		
NET OPERATING PROFIT	\$4,283.22	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	67.55825		
RETURN TO LAND AND RISK	\$4,215.66		

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
 Planting dates: March 15 - May 1
 Harvesting dates: September 15 - January 31

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
RED CHILE	\$0.60	3500 LBS						\$2,100.00
TOTAL								\$2,100.00
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				TOTAL	
SEED	18.00	4 LBS	\$72.00				\$72.00	
ANHYDROUS AMMONIA (NH3)	0.37	230 LBS	\$85.68				\$85.68	
NITROGEN (N)	0.36	60 LBS	\$21.60				\$21.60	
PHOSPHATE (P2O5)	0.33	150 LBS	\$49.50				\$49.50	
HERBICIDE	14.11	1 ACRE	\$14.11				\$14.11	
INSECTICIDE	14.22	1 ACRE	\$14.22				\$14.22	
CROP INSURANCE	0.00	1 DOLLARS	\$0.00				\$0.00	
PUMP WATER*		48 AC. IN.						
SUBTOTAL			\$257.10				\$257.10	
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.14 HR		\$1.20	\$4.50	\$1.37	\$4.47	\$11.54
PLOW	185 HP	0.48 HR		\$4.10	\$15.44	\$5.38	\$27.26	\$52.19
DISC	185 HP	0.14 HR		\$1.20	\$4.50	\$1.37	\$4.47	\$11.54
DRAG (2X)	96 HP	0.2 HR		\$1.71	\$3.04	\$2.38	\$1.08	\$8.21
LISTER	185 HP	0.12 HR		\$1.03	\$3.86	\$1.09	\$3.77	\$9.75
FERTILIZE	185 HP	0.05 HR		\$0.43	\$1.61	\$0.40	\$1.37	\$3.81
PRE-IRRIGATE		0.75 HR		\$6.41	\$40.02	\$0.07	\$0.67	\$47.17
ROLLING CULT	96 HP	0.13 HR		\$1.11	\$1.97	\$1.70	\$1.18	\$5.97
VEGETABLE PLANTER	96 HP	0.17 HR		\$1.45	\$2.58	\$2.20	\$8.60	\$14.84
CULTIVATOR (5X)	96 HP	0.65 HR		\$5.56	\$9.87	\$7.68	\$4.07	\$27.18
THIN & HOE (CUSTOM)			\$90.00					\$90.00
ROTO BUCK (7X)	96 HP	0.21 HR		\$1.80	\$3.73	\$2.53	\$1.88	\$9.94
IRRIGATE (11X)		5.5 HR		\$47.03	\$73.37	\$0.50	\$4.88	\$125.77
SUBTOTAL		8.54 HR	\$90.00	\$73.02	\$164.51	\$26.67	\$63.71	\$417.91
HARVEST OPERATIONS								
HARVEST (CUSTOM)			\$700.00					\$700.00
HAUL	3/4 TON	3 HR		\$25.65	\$53.30	\$6.63	\$8.67	\$94.25
SUBTOTAL		3 HR	\$700.00	\$25.65	\$53.30	\$6.63	\$8.67	\$794.25
POST HARVEST OPERATIONS								
SHREDDER	80 HP	0.29 HR		\$2.48	\$4.40	\$3.96	\$3.36	\$14.21
SUBTOTAL		0.29 HR	\$0.00	\$2.48	\$4.40	\$3.96	\$3.36	\$14.21
OVERHEAD EXPENSES								
DOWNTIME		1.395 HR		\$11.93				\$11.93
EMPLOYEE BENEFITS				\$18.21				\$18.21
INSURANCE			\$2.02					\$2.02
LAND TAXES						\$2.57		\$2.57
SUPERVISION AND MANAGEMENT				\$98.53				\$98.53
OTHER EXPENSES			\$76.73					\$76.73
SUBTOTAL		1.395 HR	\$78.75	\$128.66	\$0.00	\$0.00	\$2.57	\$209.99
TOTAL OPERATING EXPENSES		13.225 HR	\$1,125.85	\$229.81	\$222.21	\$37.26	\$78.31	\$1,693.44
NET OPERATING PROFIT								\$406.56
INTEREST ON OPERATING CAPITAL	(240.3677 @		\$0.06)					\$13.82
INTEREST ON EQUIPMENT INVESTMENT								\$39.46
RETURN TO LAND AND RISK								\$353.28

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

BUDGET SUMMARY

GROSS RETURN		\$2,100.00	
VARIABLE OPERATING EXPENSES	\$1,385.32		
RETURN OVER VARIABLE EXPENSES	\$714.68	(GROSS MARGIN)	
FIXED EXPENSES	\$78.31		
NET FARM INCOME	\$636.37	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$229.81		
NET OPERATING PROFIT	\$406.56	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$53.28		
RETURN TO LAND AND RISK	\$353.28		

TABLE 10. Summary of per acre costs and returns for a 400 acre farm with above average management, Cotton City-Animas area, Hidalgo County, 2007.

	GRAIN SORGHUM	PICKER COTTON -----FLOOD-----	GREEN CHILE	RED CHILE
	CWT	LBS	TONS	LBS
PRIMARY YIELD	62	1328	14	3500
PRIMARY PRICE	\$6.65	\$0.72	\$490.00	\$0.60
GOVERNMENT PAYMENTS	\$0.00	\$0.00	\$0.00	\$0.00
SECOND INCOME	\$0.00	\$103.58	\$0.00	\$0.00
GROSS RETURN	\$412.30	\$1,055.76	\$6,860.00	\$2,100.00
CASH OPERATING EXPENSES				
SEED	\$18.00	\$211.25	\$84.00	\$72.00
FERTILIZER	\$67.05	\$33.04	\$210.45	\$156.78
CHEMICALS	\$19.52	\$9.46	\$25.13	\$28.32
CROP INSURANCE	\$0.37	\$0.00	\$0.00	\$0.00
OTHER PURCHASED INPUTS				
CANAL WATER				
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$43.44	\$80.78	\$158.86	\$108.82
FUEL-IRRIGATION	\$50.03	\$46.69	\$125.06	\$113.39
REPAIRS	\$27.16	\$85.93	\$44.73	\$37.26
CUSTOM CHARGES	\$34.72	\$160.02	\$1,423.33	\$790.00
LAND TAXES	\$2.57	\$2.57	\$2.57	\$2.57
OTHER EXPENSES	\$77.57	\$78.19	\$78.98	\$78.75
TOTAL CASH EXPENSES	\$340.42	\$707.92	\$2,153.11	\$1,387.89
RETURN OVER CASH EXPENSES	\$71.88	\$347.84	\$4,706.89	\$712.11
FIXED EXPENSES	\$52.31	\$97.27	\$87.65	\$75.74
TOTAL EXPENSES	\$392.73	\$805.19	\$2,240.76	\$1,463.63
NET FARM INCOME	\$19.57	\$250.57	\$4,619.24	\$636.37
LABOR AND MANAGEMENT COSTS	\$87.03	\$176.16	\$480.20	\$229.81
NET OPERATING PROFIT	-\$67.46	\$74.41	\$4,139.04	\$406.56
CAPITAL COSTS				
INTEREST ON OPERATING CAPITAL	\$4.92	\$10.09	\$18.68	\$13.82
INTEREST ON EQUIPMENT INVESTMENT	\$19.43	\$37.28	\$48.88	\$39.46
TOTAL CAPITAL COSTS	\$24.35	\$47.37	\$67.56	\$53.28
RETURN TO LAND AND RISK	-\$91.81	\$27.04	\$4,071.48	\$353.28

TABLE 11. Whole farm summary, Cotton City-Animas Area, Hidalgo County,
Actual 2018

GROSS RETURNS		
GRAIN SORGHUM	136 ACRES	
CROP		\$56,073
ASCS DEFICIENCY		\$0
ASCS DIVERSION		\$0
UPLAND COTTON	153 ACRES	
LINT		\$145,683
SEED		\$15,848
ASCS DEFICIENCY		\$0
ASCS DIVERSION		\$0
GREEN CHILE	20 ACRES	
GREEN		\$137,200
RED		\$0
RED CHILE	20 ACRES	
CROP		\$42,000
GROSS RETURN		<u>\$396,804</u>
CASH OPERATING EXPENSES		
SEED		\$37,889
FERTILIZER		\$21,518
CHEMICALS		\$5,170
CROP INSURANCE		\$2,210
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$23,621
FUEL-IRRIGATION		\$18,716
REPAIRS		\$18,481
CUSTOM CHARGES		\$73,471
LAND TAXES		\$844
OTHER EXPENSES		\$25,668
TOTAL CASH EXPENSES		<u>\$227,589</u>
RETURN OVER CASH EXPENSES		\$169,215
FIXED EXPENSES		\$25,264
TOTAL EXPENSES		<u>\$252,854</u>
NET FARM INCOME		\$143,950
LABOR AND MANAGEMENT COSTS		\$52,988
NET OPERATING PROFIT		\$90,962
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$2,862
INTEREST ON EQUIPMENT INVESTMENT		\$10,113
TOTAL CAPITAL COSTS		<u>\$12,975</u>
RETURN TO LAND AND RISK		<u>\$77,987</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
500 /ACRE	69,986.81	24.20%
700 /ACRE	66,786.81	19.95%
900 /ACRE	63,586.81	16.97%
1100 /ACRE	60,386.81	14.77%
1300 /ACRE	57,186.81	13.07%
1500 /ACRE	53,986.81	11.72%

* 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)