

TABLE 6. Alfalfa establishment, sprinkler-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Dell City area, Otero County, Actual 2018
Planting dates: August 1 - September 1

ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
<u>PURCHASED INPUTS</u>								
SEED	\$2.95	30 LBS						\$88.50
PUMP WATER*		6 AC. IN.						\$88.50
SUBTOTAL								\$88.50
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	155 HP	0.14 HR		\$1.20	\$3.54	\$1.27	\$3.15	\$9.16
CHISEL	155 HP	0.20 HR		\$1.71	\$5.06	\$1.37	\$5.15	\$13.29
PLOW	155 HP	0.48 HR		\$4.10	\$12.14	\$4.95	\$13.30	\$34.49
DISC (2X)	155 HP	0.28 HR		\$2.39	\$7.08	\$2.54	\$6.31	\$18.32
DRAG (2X)	155 HP	0.30 HR		\$2.57	\$7.59	\$1.61	\$5.96	\$17.72
DRILL	93 HP	0.12 HR		\$1.03	\$2.06	\$0.32	\$3.47	\$6.87
IRRIGATE (3X)		0.75 HR		\$5.63	\$15.20	\$0.00	\$1.15	\$21.97
SUBTOTAL		2.27 HR		\$18.62	\$52.66	\$12.05	\$38.50	\$121.82
<u>OVERHEAD EXPENSES</u>								
DOWNTIME		0.12 HR		\$0.98				\$0.98
EMPLOYEE BENEFITS				\$3.35				\$3.35
INSURANCE			\$0.37					\$0.37
SUPERVISION AND MANAGEMENT				\$15.70				\$15.70
SUBTOTAL		0.12	\$0.37	\$20.04				\$20.41
TOTAL OPERATING EXPENSES		2.39 HR	\$88.87	\$38.66	\$52.66	\$12.05	\$38.50	\$230.73

TABLE 7. Alfalfa hay, sideroll sprinkler-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Dell City area, Otero County, Actual 2018
Harvesting dates: June 1 - October 10

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
ALFALFA HAY	\$230.00	6.50 TONS (STACKED)	\$1,495.00
GRAZING	\$15.00	1.00 ACRE	\$15.00
TOTAL			\$1,510.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
NITROGEN (N)	\$0.42	75 LBS	\$31.50		\$31.50
PHOSPHATE (P2O5)	\$0.49	200 LBS	\$98.00		\$98.00
INSECTICIDE	\$16.03	2 X/ACRE	\$32.05		\$32.05
ESTABLISHMENT: Principal		5 YEARS		\$46.15	\$46.15
: Interest				\$6.88	\$6.88
BALING TWINE	\$1.32	56 LBS	\$0.74		\$0.74
PUMP WATER*		40 AC. IN.			
SUBTOTAL			\$162.29	\$53.03	\$215.31

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DRAG	93 HP	0.15 HR		\$1.28	\$2.58	\$0.14	\$0.26	\$4.26
IRRIGATE (11X)		2.75 HR		\$20.63	\$101.31	\$0.00	\$7.65	\$129.59
SUBTOTAL		2.90 HR		\$21.91	\$103.89	\$0.14	\$7.91	\$133.84

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWATHER (5X)	16 FT	0.55 HR		\$4.70	\$5.81	\$0.76	\$13.39	\$24.66
BALER (5X)	93 HP	0.85 HR		\$7.27	\$14.60	\$0.95	\$3.12	\$25.94
LOAD (5X)	93 HP	1.00 HR		\$8.55	\$17.17	\$25.89	\$9.43	\$61.04
SUBTOTAL		2.40 HR		\$20.52	\$37.58	\$27.60	\$25.94	\$111.64

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	0.60 HR		\$5.13				\$5.13
EMPLOYEE BENEFITS			\$7.64				\$7.64
INSURANCE			\$0.85				\$0.85
LAND TAXES						\$2.70	\$2.70
SUPERVISION AND MANAGEMENT			\$109.65				\$109.65
OTHER EXPENSES			\$95.98				\$95.98
SUBTOTAL	0.60 HR		\$96.83	\$122.42		\$2.70	\$221.95

TOTAL OPERATING EXPENSES	5.90 HR		\$259.11	\$164.84	\$141.46	\$27.73	\$89.58	\$682.74
NET OPERATING PROFIT								\$827.26
INTEREST ON OPERATING CAPITAL	(\$112.58	@	5.75%)			\$6.47
INTEREST ON EQUIPMENT INVESTMENT								\$16.17
RETURN TO LAND AND RISK								\$804.62

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

BUDGET SUMMARY

GROSS RETURN		\$1,510.00	
VARIABLE OPERATING EXPENSES	\$428.31		
RETURN OVER VARIABLE EXPENSES	\$1,081.69		(GROSS MARGIN)
FIXED EXPENSES	\$89.58		
NET FARM INCOME	\$992.11		(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$164.84		
NET OPERATING PROFIT	\$827.26		(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$22.64		
RETURN TO LAND AND RISK	\$804.62		

TABLE 8. Wheat, flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Dell City area, Otero County, Actual 2018
 Planting dates: August 15 - September 15
 Harvesting dates: July 15 - July 15

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
WHEAT	\$7.92	50.00 CWT		\$395.83
DIRECT PAYMENT	\$0.00	50.00 CWT	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00			\$0.00
GRAZING	\$25.00	1.00 ACRE		\$25.00
TOTAL				\$420.83

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.37	150 LBS	\$55.50		\$55.50
ANHYDROUS (NH3)	\$0.37	125 LBS	\$46.56		\$46.56
LIVESTOCK FAC & EQUIP PUMP WATER*		25 AC. IN.		\$5.00	\$5.00
CROP INSURANCE	\$0.29				\$0.29
SUBTOTAL			\$102.06	\$5.00	\$107.36

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	155 HP	0.14 HR		\$1.20	\$3.54	\$1.27	\$3.15	\$9.16
ANHYDROUS APPL	155 HP	0.20 HR	\$7.00	\$1.71	\$5.06	\$1.07	\$3.86	\$18.69
DISC	155 HP	0.14 HR		\$1.20	\$3.54	\$1.27	\$3.15	\$9.16
DRILL	93 HP	0.12 HR		\$1.03	\$2.06	\$0.32	\$3.47	\$6.87
IRRIGATE (5X)		2.50 HR		\$18.75	\$63.32	\$0.00	\$4.01	\$86.08
SUBTOTAL		3.10 HR	\$7.00	\$23.88	\$77.52	\$3.92	\$17.64	\$129.96

HARVEST OPERATIONS								
COMBINE (CUSTOM)			\$26.00					\$26.00
SUBTOTAL			\$26.00	\$0.00	\$0.00	\$0.00	\$0.00	\$26.00

OVERHEAD EXPENSES								
DOWNTIME		0.15 HR		\$1.28				\$1.28
EMPLOYEE BENEFITS				\$4.30				\$4.30
INSURANCE			\$0.48					\$0.48
LAND TAXES							\$2.70	\$2.70
SUPERVISION AND MANAGEMENT				\$32.26				\$32.26
OTHER EXPENSES			\$95.98					\$95.98
SUBTOTAL		0.15 HR	\$96.46	\$37.84			\$2.70	\$137.00

TOTAL OPERATING EXPENSES		3.25 HR	\$231.52	\$61.72	\$77.52	\$3.92	\$25.34	\$400.31
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NET OPERATING PROFIT								\$20.52
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INTEREST ON OPERATING CAPITAL	(\$71.54	@	5.75%)			\$4.11
INTEREST ON EQUIPMENT INVESTMENT								\$6.38

RETURN TO LAND AND RISK								\$10.03
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*Pump water costs are shown under irrigation in the preharvest operations section.

BUDGET SUMMARY

GROSS RETURN		\$420.83	
VARIABLE OPERATING EXPENSES	\$312.96		
RETURN OVER VARIABLE EXPENSES		\$107.87	(GROSS MARGIN)
FIXED EXPENSES	\$25.34		
NET FARM INCOME		\$82.53	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$61.72		
NET OPERATING PROFIT		\$20.81	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$10.49		
RETURN TO LAND AND RISK		\$10.32	

TABLE 9. White corn, flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Dell City area, Otero County,
 Actual 2018
 Planting dates: April 15 - May 15
 Harvesting dates: October 1 - November 15

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
CORN	\$7.50	70.00 CWT	\$525.00
GRAZING	\$20.00	1.00 ACRE	\$20.00
TOTAL			\$545.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$2.05	25 000	\$51.25		\$51.25
NITROGEN (N)	\$0.42	30 LBS	\$12.60		\$12.60
PHOSPHATE (P2O5)	\$0.49	70 LBS	\$34.30		\$34.30
TRACE ELEMENTS	\$0.15	65 LBS	\$9.75		\$9.75
ANHYDROUS (NH3)	\$0.37	175 LBS	\$65.19		\$65.19
INSECTICIDE (CUSTOM)	\$16.03	3 ACRE	\$48.08		\$48.08
HERBICIDE	\$9.45	1 ACRE	\$9.45		\$9.45
LIVESTOCK FAC & EQUIP				\$5.00	\$5.00
PUMP WATER*		48 AC. IN.			\$0.00
SUBTOTAL			\$230.61	\$5.00	\$235.61

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	155 HP	0.14 HR		\$1.20	\$3.54	\$1.27	\$3.15	\$9.16
CHISEL	155 HP	0.20 HR		\$1.71	\$5.06	\$1.37	\$5.15	\$13.29
ANHYDROUS APPL	155 HP	0.20 HR	\$7.00	\$1.71	\$5.06	\$1.07	\$3.86	\$18.69
DISC & SPRAY	155 HP	0.19 HR		\$1.62	\$4.80	\$1.86	\$7.11	\$15.40
LISTER	155 HP	0.12 HR		\$1.03	\$3.03	\$0.88	\$3.74	\$8.68
PLANTER	93 HP	0.17 HR		\$1.45	\$2.92	\$0.50	\$5.75	\$10.62
ROLLING CULT (3X)	93 HP	0.39 HR		\$3.33	\$6.70	\$1.80	\$2.72	\$14.55
IRRIGATE (8X)		4.00 HR		\$30.00	\$121.57	\$0.00	\$7.70	\$159.27
SUBTOTAL		5.41 HR	\$7.00	\$42.06	\$152.68	\$8.75	\$39.17	\$249.66

HARVEST OPERATIONS								
COMBINE (CUSTOM)			\$23.25					\$23.25
HAUL (CUSTOM)			\$14.00					\$14.00
SUBTOTAL			\$37.25	\$0.00	\$0.00	\$0.00	\$0.00	\$37.25

OVERHEAD EXPENSES								
DOWNTIME		0.27 HR		\$2.33				\$2.33
EMPLOYEE BENEFITS				\$7.57				\$7.57
INSURANCE			\$0.84					\$0.84
LAND TAXES						\$2.70		\$2.70
SUPERVISION AND MANAGEMENT				\$44.27				\$44.27
OTHER EXPENSES			\$95.98					\$95.98
SUBTOTAL		0.27 HR	\$96.82	\$54.16		\$2.70		\$153.69

TOTAL OPERATING EXPENSES	5.68 HR	\$371.68	\$96.22	\$152.68	\$8.75	\$46.88	\$676.21
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NET OPERATING PROFIT							(\$131.21)
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INTEREST ON OPERATING CAPITAL	(\$155.66	@	5.75%)		\$8.95
INTEREST ON EQUIPMENT INVESTMENT							\$14.51

RETURN TO LAND AND RISK							(\$154.66)
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* Pump water costs are shown under irrigation in the preharvest operations section.

BUDGET SUMMARY

GROSS RETURN		\$545.00		
VARIABLE OPERATING EXPENSES	\$533.11			
RETURN OVER VARIABLE EXPENSES		\$11.89	(GROSS MARGIN)	
FIXED EXPENSES	\$46.88			
NET FARM INCOME		(\$34.99)	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$96.22			
NET OPERATING PROFIT		(\$131.21)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$23.46			
RETURN TO LAND AND RISK		(\$154.66)		

TABLE 10. Upland cotton (stripper), flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Dell City area, Otero County, Actual 2018
 Planting dates: April 15 - May 15
 Harvesting dates: November 1 - January 15

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
COTTON LINT	\$0.67	1,028.00 LBS		\$688.76
COTTON SEED	\$0.08	1,644.80 LBS		\$138.16
DIRECT PAYMENT	\$0.0000	1,028.00 LBS	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.1373	720.00 LBS	0.85	\$84.03
TOTAL				\$910.95

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$8.45	25 LBS	\$211.25		\$211.25
NITROGEN (N)	\$0.42	72 LBS	\$30.24		\$30.24
PHOSPHATE (P2O5)	\$0.49	184 LBS	\$90.16		\$90.16
HERBICIDE (CUSTOM)	\$19.93	1 X/ACRE	\$19.93		\$19.93
INSECTICIDE (CUSTOM)	\$18.91	1 X/ACRE	\$18.91		\$18.91
CROP INSURANCE		FCIC	\$0.59		\$0.59
PUMP WATER*		30 AC. IN.			
SUBTOTAL			\$371.08		\$371.08

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	155 HP	0.14 HR		\$1.20	\$3.54	\$1.27	\$3.15	\$9.16
PLOW	155 HP	0.48 HR		\$4.10	\$12.14	\$4.95	\$13.30	\$34.49
DISC (2X)	155 HP	0.28 HR		\$2.39	\$7.08	\$2.54	\$6.31	\$18.32
FLOAT (2X)	93 HP	0.32 HR		\$2.74	\$5.50	\$0.29	\$1.13	\$9.65
LISTER	155 HP	0.12 HR		\$1.03	\$3.03	\$0.88	\$3.74	\$8.68
PLANTER	155 HP	0.17 HR		\$1.45	\$4.30	\$1.26	\$8.83	\$15.84
ROLLING CULT. (4X)	93 HP	0.52 HR		\$4.45	\$8.93	\$2.40	\$3.63	\$19.40
HAND HOE (CUSTOM)			\$25.00					\$25.00
IRRIGATE (6X)		3.00 HR		\$22.50	\$75.98	\$0.00	\$4.81	\$103.29
SUBTOTAL		5.03 HR	\$25.00	\$39.86	\$120.50	\$13.59	\$44.90	\$243.84

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
COTTON STRIPPER	93 HP	0.62 HR		\$5.30	\$10.65	\$1.13	\$10.40	\$27.48
HAUL	93 HP	1.00 HR		\$8.55	\$17.17	\$0.95	\$7.35	\$34.02
GIN COTTON (CUSTOM)			\$210.12					\$210.12
SUBTOTAL		1.62 HR	\$210.12	\$13.85	\$27.82	\$2.07	\$17.75	\$271.62

POST HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SHREDDER	93 HP	0.29 HR		\$2.48	\$4.98	\$0.32	\$2.44	\$10.22

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	0.91 HR		\$7.74				\$7.74
EMPLOYEE BENEFITS			\$9.67				\$9.67
INSURANCE		\$1.07					\$1.07
LAND TAXES						\$2.70	\$2.70
SUPERVISION AND MANAGEMENT			\$69.85				\$69.85
OTHER EXPENSES		\$95.98					\$95.98
SUBTOTAL	0.91 HR	\$97.05	\$87.26			\$2.70	\$187.01

TOTAL OPERATING EXPENSES	7.85 HR	\$703.25	\$143.44	\$153.30	\$15.98	\$67.79	\$1,083.76
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NET OPERATING PROFIT							(\$172.81)
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INTEREST ON OPERATING CAPITAL	(\$221.55	@	5.75%)		\$12.74
INTEREST ON EQUIPMENT INVESTMENT							\$23.60

RETURN TO LAND AND RISK							(\$209.15)
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* Pump water costs are shown under irrigation in the preharvest operations section.

BUDGET SUMMARY

GROSS RETURN		\$910.95		
VARIABLE OPERATING EXPENSES	\$872.53			
RETURN OVER VARIABLE EXPENSES		\$38.42	(GROSS MARGIN)	
FIXED EXPENSES	\$67.79			
NET FARM INCOME		(\$29.37)	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$143.44			
NET OPERATING PROFIT		(\$172.81)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$36.34			
RETURN TO LAND AND RISK		(\$209.15)		

TABLE 11. Grain sorghum, flood-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Dell City area, Otero County, Actual 2018
 Planting dates: May 1 - June 15
 Harvesting dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
GRAIN SORGHUM	\$6.65	50.00 CWT		\$332.50
DIRECT PAYMENT	\$0.00	50.00 CWT	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 CWT		\$0.00
GRAZING	\$13.00	1.00 ACRE		\$13.00
TOTAL				\$345.50

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$1.04	12 LBS	\$12.48		\$12.48
ANHYDROUS (NH3)	\$0.37	150 LBS	\$55.88		\$55.88
NITROGEN (N)	\$0.42	18 LBS	\$7.56		\$7.56
PHOSPHATE (P2O5)	\$0.49	46 LBS	\$22.54		\$22.54
INSECTICIDE	\$15.07	1 ACRE	\$15.07		\$15.07
HERBICIDE	\$12.26	1 ACRE	\$12.26		\$12.26
LIVESTOCK FAC & EQUIP				\$5.00	\$5.00
PUMP WATER		36 AC. IN.	\$0.00		\$0.00
CROP INSURANCE	\$1.96				\$1.96
SUBTOTAL			\$125.78	\$5.00	\$132.74

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	155 HP	0.14 HR		\$1.20	\$3.54	\$1.27	\$3.15	\$9.16
CHISEL	155 HP	0.20 HR		\$1.71	\$5.06	\$1.37	\$5.15	\$13.29
ANHYDROUS APPL	155 HP	0.20 HR	\$7.00	\$1.71	\$5.06	\$1.07	\$3.86	\$18.69
DISC & SPRAY	155 HP	0.19 HR		\$1.62	\$4.80	\$1.86	\$7.11	\$15.40
LISTER	155 HP	0.12 HR		\$1.03	\$3.03	\$0.88	\$3.74	\$8.68
PLANTER	155 HP	0.17 HR		\$1.45	\$4.30	\$1.26	\$8.83	\$15.84
ROLLING CULT (3X)	93 HP	0.39 HR		\$3.33	\$6.70	\$1.80	\$2.72	\$14.55
IRRIGATE (6X)		3.00 HR		\$25.65	\$91.18	\$0.00	\$5.78	\$122.60
SUBTOTAL		4.41 HR	\$7.00	\$37.71	\$123.67	\$9.50	\$40.33	\$218.21

HARVEST OPERATIONS								
COMBINE (CUSTOM)	14 FT SP		\$15.00					\$15.00
SUBTOTAL		0.00 HR	\$15.00	\$0.00	\$0.00	\$0.00	\$0.00	\$15.00

OVERHEAD EXPENSES								
DOWNTIME		1.10 HR		\$9.43				\$9.43
EMPLOYEE BENEFITS				\$6.79				\$6.79
INSURANCE			\$0.75					\$0.75
LAND TAXES						\$2.70		\$2.70
SUPERVISION AND MANAGEMENT				\$26.39				\$26.39
OTHER EXPENSES			\$95.98					\$95.98
SUBTOTAL		1.10 HR	\$96.73	\$42.60		\$2.70		\$142.04

TOTAL OPERATING EXPENSES		5.51 HR	\$244.52	\$80.31	\$123.67	\$9.50	\$48.03	\$507.99
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NET OPERATING PROFIT								(\$162.49)
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INTEREST ON OPERATING CAPITAL	(\$99.66	@	5.75%)			\$5.73
INTEREST ON EQUIPMENT INVESTMENT								\$15.12

RETURN TO LAND AND RISK								(\$183.34)
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BUDGET SUMMARY

GROSS RETURN		\$345.50		
VARIABLE OPERATING EXPENSES	\$377.69			
RETURN OVER VARIABLE EXPENSES		(\$32.19)	(GROSS MARGIN)	
FIXED EXPENSES	\$48.03			
NET FARM INCOME		(\$80.22)	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$80.31			
NET OPERATING PROFIT		(\$160.53)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$20.85			
RETURN TO LAND AND RISK		(\$181.38)		

TABLE 12. Summary of per acre costs and returns for a 640 acre farm with above average management, Dell City area, Otero County, Actual 2018

	ALFALFA ESTABLISHMENT	ALFALFA HAY	WHEAT	WHITE CORN	STRIPPER COTTON	GRAIN SORGHUM
		TONS	CWT	CWT	LBS	CWT
PRIMARY YIELD		6.50	50.00	70.00	1,028.00	50.00
PRIMARY PRICE		\$230.00	\$7.92	\$7.50	\$0.67	\$6.65
GOVERNMENT PAYMENTS		\$0.00	\$0.00	\$0.00	\$84.03	\$0.00
SECOND INCOME		\$15.00	\$25.00	\$20.00	\$138.16	\$13.00
GROSS RETURN		\$1,510.00	\$420.83	\$545.00	\$910.95	\$345.50
CASH OPERATING EXPENSES						
SEED	\$88.50		\$55.50	\$51.25	\$211.25	\$12.48
FERTILIZER		\$161.55	\$46.56	\$121.84	\$30.24	\$85.98
CHEMICALS				\$57.52	\$38.84	\$27.33
CROP INSURANCE			\$0.29		\$0.59	\$1.96
OTHER PURCHASED INPUTS		\$0.74			\$90.16	
CANAL WATER						
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$37.46	\$40.15	\$14.20	\$31.11	\$77.31	\$32.49
FUEL-IRRIGATION	\$15.20	\$101.31	\$63.32	\$121.57	\$75.98	\$91.18
REPAIRS	\$12.05	\$27.73	\$3.92	\$8.75	\$15.98	\$9.50
CUSTOM CHARGES			\$33.00	\$44.25	\$235.12	\$22.00
LAND TAXES		\$2.70	\$2.70	\$2.70	\$2.70	\$2.70
OTHER EXPENSES	\$0.37	\$96.83	\$96.46	\$96.82	\$97.05	\$96.73
TOTAL CASH EXPENSES	\$153.57	\$431.01	\$315.96	\$535.81	\$875.23	\$382.35
RETURN OVER CASH EXPENSES	(\$153.57)	\$1,078.99	\$104.88	\$9.19	\$35.72	(\$36.85)
FIXED EXPENSES	\$38.50	\$86.88	\$22.64	\$44.17	\$65.09	\$45.33
TOTAL EXPENSES	\$192.07	\$517.89	\$338.60	\$579.99	\$940.32	\$427.68
NET FARM INCOME	(\$192.07)	\$992.11	\$82.24	(\$34.99)	(\$29.37)	(\$82.18)
LABOR AND MANAGEMENT COSTS	\$38.66	\$164.84	\$61.72	\$96.22	\$143.44	\$80.31
NET OPERATING PROFIT	(\$230.73)	\$827.26	\$20.52	(\$131.21)	(\$172.81)	(\$162.49)
CAPITAL COSTS						
INTEREST ON OPERATING CAPITAL		\$6.47	\$4.11	\$8.95	\$12.74	\$5.73
INTEREST ON EQUIPMENT INVESTMENT		\$16.17	\$6.38	\$14.51	\$23.60	\$15.12
TOTAL CAPITAL COSTS	\$0.00	\$22.64	\$10.49	\$23.46	\$36.34	\$20.85
RETURN TO LAND AND RISK	(\$230.73)	\$804.62	\$10.03	(\$154.66)	(\$209.15)	(\$183.34)

TABLE 13. Whole farm summary, Dell City area, Otero County,
Actual 2018

GROSS RETURNS		
ALFALFA HAY	280.00 ACRES	
CROP		\$422,800
WHEAT	170.00 ACRES	
CROP		\$67,292
GRAZING		\$4,250
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
WHITE CORN	50.00 ACRES	
CROP		\$26,250
GRAZING		\$1,000
COTTON	84.50 ACRES	
LINT		\$58,200
SEED		\$11,675
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$7,100
GRAIN SORGHUM	25.50 ACRES	
CROP		\$8,479
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GRAZING		\$332
GROSS RETURN		<u>\$607,377</u>
CASH OPERATING EXPENSES		
SEED		\$35,122
FERTILIZER		\$63,989
CHEMICALS		\$6,855
CROP INSURANCE		\$150
OTHER PURCHASED INPUTS		\$7,824
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$24,671
FUEL-IRRIGATION		\$54,806
REPAIRS		\$11,137
CUSTOM CHARGES		\$28,251
LAND TAXES		\$1,648
OTHER EXPENSES		\$59,039
TOTAL CASH EXPENSES		<u>\$293,494</u>
RETURN OVER CASH EXPENSES		\$313,883
FIXED EXPENSES		\$26,275
TOTAL EXPENSES		\$319,769
NET FARM INCOME		\$287,608
LABOR AND MANAGEMENT COSTS		\$77,793
NET OPERATING PROFIT		\$209,815
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$4,182
INTEREST ON EQUIPMENT INVESTMENT		\$8,716
TOTAL CAPITAL COSTS		<u>\$12,898</u>
RETURN TO LAND AND RISK		<u>\$196,916</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	\$187,316	41.62%
\$750 /ACRE	\$182,516	31.59%
\$1,000 /ACRE	\$177,716	25.46%
\$1,250 /ACRE	\$172,916	21.32%
\$1,500 /ACRE	\$168,116	18.34%

* 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)