

BUDGET AREA..... COTTON CITY-ANIMAS AREA, HIDALGO COUNTY, 2019.  
 FARM SIZ..... 700 ACRES  
 IRRIGATION TYPE. FLOOD/SPRINKLER  
 NUMBER OF CROP 4

TABLE 1. Basic cost information for the Cotton City-Animas area, Projected 2019

ACREAGE SUMMARY:				WATER USE			
	LAND US (ACRES)	AC. IN. PER ACRE	TOTAL AC. IN.				
GRAIN SORGHUM	136	30	4080				
ARP	0						
FLEX IN COTTON	0	28	0				
COTTON	153	28	4284				
ARP	0						
FLEX IN COTTON	0	28	0				
GREEN CHILE	20	54	1080				
RED CHILE	20	48	960				
ROADS, HOMESTEAD	20						
<b>TOTAL</b>	<b>349</b>		<b>10404</b>				
ACRE FEET PER ACRE OF WATER RIG 2.484241							

  

Item	Unit	Rate	Value
<b>Labor Wage Rate:</b>			
Equipment operators	\$/hour		\$8.55
General & Irrigators	\$/hour		\$7.50
<b>Purchased Inputs:</b>			
<b>Fertilizer:</b>			
Nitrogen (N)	\$/pound		\$0.42
Phosphate (P205)	\$/pound		\$0.49
Anhydrous Ammonia (NH3)	\$/ton		\$745.00
<b>Seed:</b>			
Grain Sorghum	\$/pound		\$2.05
Cotton (picker)	\$/pound		\$8.10
Chile			
green	\$/pound		\$18.00
red	\$/pound		\$18.00
wheat	\$/pound		\$0.40
<b>Energy:</b>			
Natural gas (Gas Co NM)	\$/MCF		\$3.98
(service charge)	\$/month		\$10.00
Diesel fuel	\$/gallon		\$2.70
Gasoline	\$/gallon		\$2.35
Electricity (Columbus)	cents/KwHr		\$9.27
LP Gas	\$/gallon		\$2.55
Employee Liability Insurance	\$/ \$1,000 wages		\$20.00
Employee Benefits	percent/w ages		0.18
Labor Downtime	percent		0.25
<b>Financial Rates:</b>			
Operating Capital Interest Rate	percent		5.50%
Land Interest Rate	percent		5.00%
Equipment Interest Rate	percent		5.50%
Real Interest Rate	percent		4.00%
Land Taxes	348 /acre (full value)		\$2.57
Personal Property Tax Rate - NR	\$/ \$1,000 (Assessed Value)		\$22.12
- R			\$19.03
<b>Supervision Factors</b>			
Field Crop-Irrigation	\$/labor hour		\$1.00
Field Crop-Equipment & General	\$/labor hour		\$0.50
Vegetable Crop-Irrigation	\$/labor hour		\$2.90
Vegetable Crop-Equipment & General	\$/labor hour		\$1.00
<b>Management Rate</b>			
Field Crops	percent/GR		7.00%
Vegetable Crops	percent/TOE		10.00%

TABLE 1a. Overhead cost information for Cotton City-Animas area, 2007.

ITEM	Value	Frequency	Total
Electricity (Domestic & Shop)	\$256.00	per month	3072
Telephone	\$121.60	per month	1459.2
Accounting & Legal			\$1,817.60
Misc. Supplies & Hand Tools			\$2,822.40
Pickup and Auto			
miles	20000	@	0.5 per mile
10000			
<b>Insurance</b>			
- general liability (non-employee)			\$1,907.20
- fire/theft			\$1,536.00
<b>Property Taxes</b>			
- non-planted land			9.515
- other than land & machinery			560
Building repairs and maintenance			\$1,446.40
Dues, fees, publications			\$435.20
Farmstead Equipment			\$179.20
<b>Total</b>			<b>\$25,244.72</b>
<b>Total Per Planted Acre</b>			<b>\$76.73</b>

TABLE 4. WHEAT, SPRINKLER IRRIGATED, BUDGETED PER ACRE COSTS AND RETURNS FOR A 640 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
<b>GROSS RETURNS</b>									
WHEAT	\$5.10	50 CWT							\$255.00
<b>TOTAL</b>								\$255.00	
PURCHASED INPUTS		PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$0.40	100 LBS	40						\$40.00
ANHYDROUS AMMONIA (NH3)	\$0.37	250 LBS	93.125						\$93.13
NITROGEN (N)	\$0.42	30 LBS	12.6						\$12.60
PHOSPHATE (P2O5)	\$0.49	80 LBS	39.2						\$39.20
PUMP WATER*		24 ACRE IN.							
CROP INSURANCE									
<b>SUBTOTAL</b>								\$184.93	
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
DISC	185 HP	0.14 HR		\$1.20	\$3.92	\$1.13	\$3.85	\$10.10	
FERTILIZE	185 HP	0.05 HR		\$0.43	\$1.40	\$0.40	\$1.37	\$3.61	
DRAG (2X)	96 HP	0.2 HR		\$1.71	\$2.53	\$2.38	\$1.08	\$7.70	
ANHYDROUS KNIVES	185 HP	0.1 HR		\$0.86	\$2.80	\$0.81	\$0.00	\$4.47	
DRILL	96 HP	0.18 HR		\$1.54	\$2.28	\$2.13	\$0.00	\$5.94	
IRRIGATE (4X)		0.6 HR		\$4.50	\$4.50	\$0.00	\$33.75	\$42.75	
DISC	96 HP	0.25 HR		\$2.14	\$3.16	\$2.95	\$0.00	\$8.25	
<b>SUBTOTAL</b>		1.52 HR		\$12.37	\$20.60	\$9.80	\$40.05	\$82.82	
<b>HARVEST OPERATIONS</b>									
COMBINE (CUSTOM)			32.22					\$32.22	
HAUL TO STORAGE (CUSTOM)			9.5					\$9.50	
HAUL TO MARKET (CUSTOM)			22.5					\$22.50	
<b>SUBTOTAL</b>			64.22	\$0.00	\$0.00	\$0.00	\$0.00	\$64.22	
<b>OVERHEAD EXPENSES</b>									
DOWNTIME		0.155 HR		\$1.33				\$1.33	
EMPLOYEE BENEFITS				\$2.23				\$2.23	
INSURANCE			0.24732					\$0.25	
LAND TAXES							\$2.57	\$2.57	
SUPERVISION AND MANAGEMENT				\$18.86				\$18.86	
OTHER EXPENSES			76.73166					\$76.73	
<b>SUBTOTAL</b>		0.155 HR	76.97898	\$22.41			\$2.57	\$101.96	
<b>TOTAL OPERATING EXPENSES</b>		1.675 HR	326.124	\$34.78	\$20.60	\$9.80	\$42.62	\$433.92	
<b>NET OPERATING PROFIT</b>								-\$178.92	
INTEREST ON OPERATING CAPITAL		( 105.4153 @	0.055 )					\$5.80	
INTEREST ON EQUIPMENT INVESTMENT									\$6.48
<b>RETURN TO LAND AND RISK</b>								-\$191.21	

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

BUDGET SUMMARY

GROSS RETURN		\$255.00	
VARIABLE OPERATING EXPENSES	356.5287		
RETURN OVER VARIABLE EXPENSES		-\$101.53	(GROSS MARGIN)
FIXED EXPENSES	42.61868		
NET FARM INCOME		-\$144.15	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	34.77713		
NET OPERATING PROFIT		-\$178.92	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	12.28271		
RETURN TO LAND AND RISK		-\$191.21	

TABLE 5. CORN FOR GRAIN, SPRINKLER IRRIGATED, BUDGETED PER ACRE COSTS AND RETURNS FOR A 640 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	
<b>GROSS RETURNS</b>									
CORN FOR GRAIN	\$3.85	85 CWT						\$327.25	
<b>TOTAL</b>							\$327.25		
<hr/>									
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									
<b>SUBTOTAL</b>			212.5574					\$212.56	
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PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
RIPPER	185 HP	0.2 HR		\$1.71	\$5.60	\$1.78	\$6.29	\$15.39	
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	\$1.40	\$0.40	\$1.37	\$3.61	
ANHYDROUS KNIVES	185 HP	0.1 HR		\$0.86	\$2.80	\$0.81	\$2.75	\$7.21	
PLANTER	185 HP	0.26 HR		\$2.22	\$7.29	\$2.10	\$3.45	\$15.06	
CULTIVATOR (2X)	96 HP	0.42 HR		\$3.59	\$5.32	\$4.96	\$2.63	\$16.50	
IRRIGATE (12X)		1.8 HR		\$13.50	\$22.78	\$24.34	\$16.70	\$77.32	
<b>SUBTOTAL</b>		2.98 HR		\$23.59	\$46.47	\$34.40	\$44.16	\$148.62	
<hr/>									
<b>HARVEST OPERATIONS</b>									
COMBINE (CUSTOM)			30.6					\$30.60	
HAUL TO STORAGE (CUSTOM)			17					\$17.00	
HAUL TO MARKET (CUSTOM)			38.25					\$38.25	
<b>SUBTOTAL</b>			85.85	\$0.00	\$0.00	\$0.00	\$0.00	\$85.85	
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<b>POSTHARVEST OPERATIONS</b>									
SHREDDER	80 HP	0.14 HR		\$1.20	\$1.77	\$1.91	\$1.62	\$6.50	
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<b>OVERHEAD EXPENSES</b>									
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				\$25.37				\$25.37	
OTHER EXPENSES				76.73166				\$76.73	
<b>SUBTOTAL</b>		0.33 HR		77.22738	\$32.65		\$2.57	\$112.44	
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<b>TOTAL OPERATING EXPENSES</b>		3.45 HR		375.6348	\$57.44	\$48.24	\$36.31	\$48.35	\$565.97
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<b>NET OPERATING PROFIT</b>								-\$238.72	
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INTEREST ON OPERATING CAPITAL	(	134.5708	@	0.055	)			\$7.40	
INTEREST ON EQUIPMENT INVESTMENT								\$11.71	
<hr/>									
<b>RETURN TO LAND AND RISK</b>								-\$257.84	

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

BUDGET SUMMARY

GROSS RETURN		\$327.25	
VARIABLE OPERATING EXPENSES	460.1866		
RETURN OVER VARIABLE EXPENSES	-\$132.94		(GROSS MARGIN)
FIXED EXPENSES	48.3509		
NET FARM INCOME	-\$181.29		(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	57.43648		
NET OPERATING PROFIT	-\$238.72		(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	19.11433		
RETURN TO LAND AND RISK	-\$257.84		

TABLE 6. Grain sorghum, 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: May 1 - May 20  
 Harvesting dates: November 1 - November 25

ITEM	PRICE	YIELD						TOTAL
<b>GROSS RETURNS</b>								
GRAIN SORGHUM	\$6.33	62 CWT						\$392.15
ASCS DIVERSION	0	0 CWT						\$0.00
ASCS DEFICIENCY	0	0 CWT						\$0.00
<b>TOTAL</b>							<b>\$392.15</b>	
<b>PURCHASED INPUTS</b>								
	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	2.05	8 LBS	\$16.40					\$16.40
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
<b>SUBTOTAL</b>			<b>\$103.34</b>					<b>\$103.34</b>
<b>PREHARVEST OPERATIONS</b>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
RIPPER	185 HP	0.2 HR		\$1.71	\$5.60	\$1.78	\$6.29	\$15.39
DISC	185 HP	0.14 HR		\$1.20	\$3.92	\$1.37	\$4.47	\$10.96
FERTILIZE	185 HP	0.05 HR		\$0.43	\$1.40	\$0.40	\$1.37	\$3.61
DRAG (2X)	96 HP	0.2 HR		\$1.71	\$2.53	\$2.38	\$1.08	\$7.70
DISC & SPRAY	185 HP	0.15 HR		\$1.28	\$4.20	\$1.87	\$5.42	\$12.78
LISTER	185 HP	0.18 HR		\$1.54	\$5.04	\$1.64	\$5.66	\$13.88
PRE-IRRIGATE		0.75 HR		\$5.63	\$8.34	\$0.29	\$2.87	\$17.12
ROLLING CULT	96 HP	0.21 HR		\$1.80	\$2.66	\$2.74	\$1.91	\$9.11
PLANTER	96 HP	0.26 HR		\$2.22	\$3.29	\$5.08	\$3.70	\$14.29
CULTIVATOR (2X)	96 HP	0.42 HR		\$3.59	\$5.32	\$4.96	\$2.63	\$16.50
ROTO BUCK (7X)	96 HP	0.105 HR		\$0.90	\$1.33	\$1.27	\$0.94	\$4.43
IRRIGATE (5X)		2.5 HR		\$18.75	\$41.69	\$1.46	\$14.35	\$76.25
<b>SUBTOTAL</b>		<b>5.165 HR</b>		<b>\$40.75</b>	<b>\$85.33</b>	<b>\$25.25</b>	<b>\$50.69</b>	<b>\$202.01</b>
<b>HARVEST OPERATIONS</b>								
COMBINE (CUSTOM)			\$22.94					\$22.94
HAUL TO STORAGE (CUSTOM)			\$11.78					\$11.78
<b>SUBTOTAL</b>			<b>\$34.72</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$34.72</b>
<b>POST HARVEST OPERATIONS</b>								
SHREDDER	80 HP	0.14 HR		\$1.20	\$1.77	\$1.91	\$1.62	\$6.50
<b>OVERHEAD EXPENSES</b>								
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				\$31.73				\$31.73
OTHER EXPENSES			\$76.73					\$76.73
<b>SUBTOTAL</b>		<b>0.51375 HR</b>	<b>\$77.57</b>	<b>\$43.67</b>			<b>\$2.57</b>	<b>\$123.81</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>5.81875 HR</b>	<b>\$215.63</b>	<b>\$85.62</b>	<b>\$87.10</b>	<b>\$27.16</b>	<b>\$54.88</b>	<b>\$470.38</b>
<b>NET OPERATING PROFIT</b>								<b>-\$78.23</b>
INTEREST ON OPERATING CAPITAL	(	83.12619	@	\$0.06				\$4.57
INTEREST ON EQUIPMENT INVESTMENT								\$18.59
<b>RETURN TO LAND AND RISK</b>								<b>-\$101.39</b>

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

**BUDGET SUMMARY**

GROSS RETURN		392.15	
VARIABLE OPERATING EXPENSES	329.8844		
RETURN OVER VARIABLE EXPENSES	62.26564		(GROSS MARGIN)
FIXED EXPENSES	54.87922		
NET FARM INCOME	7.38642		(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	85.61596		
NET OPERATING PROFIT	-78.22954		(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	23.16058		
RETURN TO LAND AND RISK	-101.3901		

TABLE 7. Upland cotton (picker), 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: April 15 - May 15  
 Harvesting dates: October 15 - January 1

ITEM	PRICE	YIELD							TOTAL
<b>GROSS RETURNS</b>									
COTTON LINT	\$0.73	1060 LBS							\$773.80
COTTON SEED	\$0.05	1696 LBS							\$82.68
<b>TOTAL</b>								<b>\$856.48</b>	
<b>PURCHASED INPUTS</b>									
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS						TOTAL
SEED	\$8.10	25 LBS	\$202.50						\$202.50
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.							
<b>SUBTOTAL</b>			<b>\$245.00</b>						<b>\$245.00</b>
<b>PREHARVEST OPERATIONS</b>									
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
RIPPER	185 HP	0.1 HR		\$0.86	\$2.80	\$0.89	\$3.15	\$7.69	
DISC	185 HP	0.14 HR		\$1.20	\$3.92	\$1.37	\$4.47	\$10.96	
FERTILIZE	185 HP	0.05 HR		\$0.43	\$1.40	\$0.40	\$1.37	\$3.61	
DRAG (2X)	96 HP	0.2 HR		\$1.71	\$2.53	\$2.38	\$1.08	\$7.70	
DISC & SPRAY	185 HP	0.15 HR		\$1.28	\$4.20	\$1.87	\$5.42	\$12.78	
LISTER	185 HP	0.18 HR		\$1.54	\$5.04	\$1.64	\$5.66	\$13.88	
PRE-IRRIGATE		1 HR		\$7.50	\$9.34	\$0.33	\$3.21	\$20.38	
ROLLING CULT.	96 HP	0.21 HR		\$1.80	\$2.66	\$2.74	\$1.91	\$9.11	
PLANTER	96 HP	0.26 HR		\$2.22	\$3.29	\$5.08	\$3.70	\$14.29	
CULTIVATOR (2X)	96 HP	0.42 HR		\$3.59	\$5.32	\$4.96	\$2.63	\$16.50	
HAND HOE (CUSTOM)			\$15.00					\$15.00	
ROTO BUCK (5X)	96 HP	0.075 HR		\$0.64	\$0.95	\$0.90	\$0.67	\$3.17	
IRRIGATE (4X)		4 HR		\$30.00	\$37.35	\$1.31	\$12.85	\$81.52	
<b>SUBTOTAL</b>		<b>6.785 HR</b>	<b>\$15.00</b>	<b>\$52.76</b>	<b>\$78.81</b>	<b>\$23.88</b>	<b>\$46.13</b>	<b>\$216.58</b>	
<b>HARVEST OPERATIONS</b>									
COTTON PICKER (2X)	2 ROW	1.24 HR		\$10.60	\$20.25	\$57.35	\$41.11	\$129.31	
COTTON TRAILER (2X)	HALF TON	1 HR		\$8.55	\$14.81	\$2.79	\$8.41	\$34.55	
GIN COTTON (CUSTOM)			\$115.75					\$115.75	
<b>SUBTOTAL</b>		<b>2.24 HR</b>	<b>\$115.75</b>	<b>\$19.15</b>	<b>\$35.05</b>	<b>\$60.14</b>	<b>\$49.52</b>	<b>\$279.61</b>	
<b>POSTHARVEST OPERATIONS</b>									
SHREDDER	80 HP	0.14 HR		\$1.20	\$1.77	\$1.91	\$1.62	\$6.50	
<b>OVERHEAD EXPENSES</b>									
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				\$67.04				\$67.04	
OTHER EXPENSES			\$76.73					\$76.73	
<b>SUBTOTAL</b>		<b>1.04125 HR</b>	<b>\$78.19</b>	<b>\$89.10</b>			<b>\$2.57</b>	<b>\$169.86</b>	
<b>TOTAL OPERATING EXPENSES</b>		<b>10.20625 HR</b>	<b>\$453.94</b>	<b>\$162.21</b>	<b>\$115.63</b>	<b>\$85.93</b>	<b>\$99.83</b>	<b>\$917.55</b>	
<b>NET OPERATING PROFIT</b>								<b>-\$61.07</b>	
INTEREST ON OPERATING CAPITAL	(	166.6688	@	\$0.06				\$9.17	
INTEREST ON EQUIPMENT INVESTMENT								\$35.66	
<b>RETURN TO LAND AND RISK</b>								<b>-\$105.89</b>	
* Pump water costs are shown under irrigation in the preharvest operations section.									
<b>BUDGET SUMMARY</b>									
GROSS RETURN		\$856.48							
VARIABLE OPERATING EXPENSES	655.5044								
RETURN OVER VARIABLE EXPENSES	\$200.98	(GROSS MARGIN)							
FIXED EXPENSES	99.83307								
NET FARM INCOME	\$101.14	(RETURN TO CAPITAL, LABOR, LAND & RISK)							
LABOR AND MANAGEMENT COST	162.2095								
NET OPERATING PROFIT	-\$61.07	(RETURN TO CAPITAL, LAND & RISK)							
CAPITAL COSTS	44.82334								
RETURN TO LAND AND RISK		-\$105.89							

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
<b>GROSS RETURNS</b>									
GREEN CHILE	\$475.00	10 TONS							\$4,750.00
RED CHILE	0	0 LBS							\$0.00
TOTAL									\$4,750.00
<b>PURCHASED INPUTS</b>									
	PRICE	QUANTITY	PURCHASED INPUTS						TOTAL
SEED	\$18.00	4 LBS	\$72.00						\$72.00
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			\$307.58						\$307.58
<b>PREHARVEST OPERATIONS</b>									
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
DISC	185 HP	0.14 HR		\$1.20	\$3.92	\$1.37	\$4.47	\$10.96	
PLOW	185 HP	0.48 HR		\$4.10	\$13.45	\$5.38	\$27.26	\$50.20	
DISC	185 HP	0.14 HR		\$1.20	\$3.92	\$1.37	\$4.47	\$10.96	
LASER (CUSTOM)			\$73.33					\$73.33	
LISTER & SPRAY	185 HP	0.13 HR		\$1.11	\$3.64	\$1.53	\$4.63	\$10.92	
FERTILIZE	185 HP	0.05 HR		\$0.43	\$1.40	\$0.40	\$1.37	\$3.61	
PRE-IRRIGATE		0.75 HR		\$6.41	\$45.02	\$0.07	\$0.67	\$52.17	
ROLLING CULT	96 HP	0.13 HR		\$1.11	\$1.65	\$1.70	\$4.13	\$8.58	
VEGETABLE PLANTER	96 HP	0.17 HR		\$1.45	\$2.15	\$2.20	\$8.60	\$14.40	
CULTIVATOR (5X)	96 HP	0.65 HR		\$5.56	\$8.23	\$7.68	\$5.92	\$27.38	
THIN & HOE (CUSTOM)			\$90.00					\$90.00	
ROTO BUCK (7X)	96 HP	0.21 HR		\$1.80	\$2.66	\$2.53	\$1.88	\$8.86	
IRRIGATE (8X)		4 HR		\$34.20	\$80.04	\$3.28	\$3.55	\$121.07	
SUBTOTAL		6.85 HR	\$163.33	\$58.57	\$166.09	\$27.51	\$66.95	\$482.45	
<b>HARVEST OPERATIONS</b>									
HARVEST GREEN (CUSTOM)			\$900.00						\$900.00
HARVEST RED (CUSTOM)			\$0.00						\$0.00
HAUL	3/4 TON	6 HR		\$51.30	\$88.83	\$13.26	\$17.34	\$170.73	
SUBTOTAL		6 HR	\$900.00	\$51.30	\$88.83	\$13.26	\$17.34	\$1,070.73	
<b>POST HARVEST OPERATIONS</b>									
SHREDDER	80 HP	0.29 HR		\$2.48	\$3.67	\$3.96	\$3.36	\$13.47	
SUBTOTAL		0.29 HR	\$0.00	\$2.48	\$3.67	\$3.96	\$3.36	\$13.47	
<b>OVERHEAD EXPENSES</b>									
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		0.5975 HR	\$78.98	\$223.67				\$2.57 \$305.21	
TOTAL OPERATING EXPENSES		13.7375 HR	\$1,449.89	\$336.02	\$258.59	\$44.73	\$90.22	\$2,179.44	
NET OPERATING PROFIT								\$2,570.56	
INTEREST ON OPERATING CAPITAL	(	285.6977	@	\$0.06)				\$15.71	
INTEREST ON EQUIPMENT INVESTMENT								\$46.75	
RETURN TO LAND AND RISK								\$2,508.09	

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

BUDGET SUMMARY

GROSS RETURN	\$4,750.00	
VARIABLE OPERATING EXPENSES	1753.209	
RETURN OVER VARIABLE EXPENSES	\$2,996.79	(GROSS MARGIN)
FIXED EXPENSES	90.21612	
NET FARM INCOME	\$2,906.57	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	336.016	
NET OPERATING PROFIT	\$2,570.56	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	62.46548	
RETURN TO LAND AND RISK	\$2,508.09	

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
<b>GROSS RETURNS</b>									
RED CHILE	\$0.60	3500 LBS							\$2,100.00
TOTAL								\$2,100.00	
<b>PURCHASED INPUTS</b>									
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			
<b>PREHARVEST OPERATIONS</b>									
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
DISC	185 HP	0.14 HR		\$1.20	\$3.92	\$1.37	\$4.47	\$10.96	
PLOW	185 HP	0.48 HR		\$4.10	\$13.45	\$5.38	\$27.26	\$50.20	
DISC	185 HP	0.14 HR		\$1.20	\$3.92	\$1.37	\$4.47	\$10.96	
DRAG (2X)	96 HP	0.2 HR		\$1.71	\$2.53	\$2.38	\$1.08	\$7.70	
LISTER	185 HP	0.12 HR		\$1.03	\$3.36	\$1.09	\$3.77	\$9.25	
FERTILIZE	185 HP	0.05 HR		\$0.43	\$1.40	\$0.40	\$1.37	\$3.61	
PRE-IRRIGATE		0.75 HR		\$6.41	\$40.02	\$0.07	\$0.67	\$47.17	
ROLLING CULT	96 HP	0.13 HR		\$1.11	\$1.65	\$1.70	\$1.18	\$5.64	
VEGETABLE PLANTER	96 HP	0.17 HR		\$1.45	\$2.15	\$2.20	\$8.60	\$14.40	
CULTIVATOR (5X)	96 HP	0.65 HR		\$5.56	\$8.23	\$7.68	\$4.07	\$25.53	
THIN & HOE (CUSTOM)			\$90.00					\$90.00	
ROTO BUCK (7X)	96 HP	0.21 HR		\$1.80	\$3.11	\$2.53	\$1.88	\$9.32	
IRRIGATE (11X)		5.5 HR		\$47.03	\$73.37	\$0.50	\$4.88	\$125.77	
SUBTOTAL	8.54 HR		\$90.00	\$73.02	\$157.11	\$26.67	\$63.71	\$410.52	
<b>HARVEST OPERATIONS</b>									
HARVEST (CUSTOM)			\$700.00					\$700.00	
HAUL	3/4 TON	3 HR		\$25.65	\$44.42	\$6.63	\$8.67	\$85.36	
SUBTOTAL	3 HR		\$700.00	\$25.65	\$44.42	\$6.63	\$8.67	\$785.36	
<b>POST HARVEST OPERATIONS</b>									
SHREDDER	80 HP	0.29 HR		\$2.48	\$3.67	\$3.96	\$3.36	\$13.47	
SUBTOTAL	0.29 HR		\$0.00	\$2.48	\$3.67	\$3.96	\$3.36	\$13.47	
<b>OVERHEAD EXPENSES</b>									
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				\$96.83				\$96.83	
OTHER EXPENSES			\$76.73					\$76.73	
SUBTOTAL	1.395 HR		\$78.75	\$126.96	\$0.00	\$0.00	\$2.57	\$208.28	
<b>TOTAL OPERATING EXPENSES</b>		13.225 HR	\$1,125.85	\$228.11	\$205.20	\$37.26	\$78.31	\$1,674.73	
<b>NET OPERATING PROFIT</b>								\$425.27	
INTEREST ON OPERATING CAPITAL		( 237.7179 @	\$0.06 )					\$13.07	
INTEREST ON EQUIPMENT INVESTMENT								\$37.74	
<b>RETURN TO LAND AND RISK</b>								\$374.45	
* Pump water costs are shown under irrigation in the preharvest operations section.									
<b>BUDGET SUMMARY</b>									
GROSS RETURN		\$2,100.00							
VARIABLE OPERATING EXPENSES	\$1,368.31								
RETURN OVER VARIABLE EXPENSES	\$731.69	(GROSS MARGIN)							
FIXED EXPENSES	\$78.31								
NET FARM INCOME	\$653.38	(RETURN TO CAPITAL, LABOR, LAND & RISK)							
LABOR AND MANAGEMENT COST	\$228.11								
NET OPERATING PROFIT	\$425.27	(RETURN TO CAPITAL, LAND & RISK)							
CAPITAL COSTS	\$50.82								
RETURN TO LAND AND RISK	\$374.45								

TABLE 10. Summary of per acre costs and returns for a 400 acre farm with above average management, Cotton City-Animas area, Hidalgo County, 2019.

	GRAIN SORGHUM	PICKER COTTON	GREEN CHILE	RED CHILE
	-----FLOOD-----			
	CWT	LBS	TONS	LBS
PRIMARY YIELD	62	1060	10	3500
PRIMARY PRICE	\$6.33	\$0.73	\$475.00	\$0.60
GOVERNMENT PAYMENTS	\$0.00	\$0.00	\$0.00	\$0.00
SECOND INCOME	\$0.00	\$82.68	\$0.00	\$0.00
GROSS RETURN	\$392.15	\$856.48	\$4,750.00	\$2,100.00
CASH OPERATING EXPENSES				
SEED	\$16.40	\$202.50	\$72.00	\$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	\$37.07	\$68.94	\$133.52	\$91.81
FUEL-IRRIGATION	\$50.03	\$46.69	\$125.06	\$113.39
REPAIRS	\$27.16	\$85.93	\$44.73	\$37.26
CUSTOM CHARGES	\$34.72	\$130.75	\$1,063.33	\$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	\$332.45	\$658.07	\$1,755.77	\$1,370.88
RETURN OVER CASH EXPENSES	\$59.70	\$198.41	\$2,994.23	\$729.12
FIXED EXPENSES	\$52.31	\$97.27	\$87.65	\$75.74
TOTAL EXPENSES	\$384.76	\$755.34	\$1,843.43	\$1,446.62
NET FARM INCOME	\$7.39	\$101.14	\$2,906.57	\$653.38
LABOR AND MANAGEMENT COSTS	\$85.62	\$162.21	\$332.50	\$228.11
NET OPERATING PROFIT	-\$78.23	-\$61.07	\$2,574.07	\$425.27
CAPITAL COSTS				
INTEREST ON OPERATING CAPITAL	\$4.57	\$9.17	\$15.71	\$13.07
INTEREST ON EQUIPMENT INVESTMENT	\$18.59	\$35.66	\$46.75	\$37.74
TOTAL CAPITAL COSTS	\$23.16	\$44.82	\$62.47	\$50.82
RETURN TO LAND AND RISK	-\$101.39	-\$105.89	\$2,511.61	\$374.45



TABLE 11. Whole farm summary, Cotton City-Animas Area, Hidalgo County,  
Projected 2019

GROSS RETURNS		
GRAIN SORGHUM	136 ACRES	
CROP		\$53,332
ASCS DEFICIENCY		\$0
ASCS DIVERSION		\$0
UPLAND COTTON	153 ACRES	
LINT		\$118,391
SEED		\$12,650
ASCS DEFICIENCY		\$0
ASCS DIVERSION		\$0
GREEN CHILE	20 ACRES	
GREEN		\$95,000
RED		\$0
RED CHILE	20 ACRES	
CROP		\$42,000
GROSS RETURN		\$321,374
CASH OPERATING EXPENSES		
SEED		\$36,093
FERTILIZER		\$21,518
CHEMICALS		\$5,170
CROP INSURANCE		\$2,210
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$20,097
FUEL-IRRIGATION		\$18,716
REPAIRS		\$18,481
CUSTOM CHARGES		\$61,794
LAND TAXES		\$844
OTHER EXPENSES		\$25,668
TOTAL CASH EXPENSES		\$210,591
RETURN OVER CASH EXPENSES		\$110,783
FIXED EXPENSES		\$25,264
TOTAL EXPENSES		\$235,855
NET FARM INCOME		\$85,518
LABOR AND MANAGEMENT COSTS		\$47,674
NET OPERATING PROFIT		\$37,844
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$2,600
INTEREST ON EQUIPMENT INVESTMENT		\$9,673
TOTAL CAPITAL COSTS		\$12,273
RETURN TO LAND AND RISK		\$25,571

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
500 /ACRE	17,570.91	10.07%
700 /ACRE	14,370.91	8.30%
900 /ACRE	11,170.91	7.06%
1100 /ACRE	7,970.91	6.14%
1300 /ACRE	4,770.91	5.44%
1500 /ACRE	1,570.91	4.88%

\* 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)

Flex Computation -30.48818 27.03339