

BUDGET AREA: COTTON CITY-ANADAS AREA, HIDALGO COUNTY, 2007.
 FARM'S: 400 ACRES
 IRRIGATION TYP: FLOOD/PRESSURIZER
 NUMBER OF CRO: 4

WATER USE			
LAND U:	AC. IN.	TOTAL	
ACREAGE SUMMARY:	(ACRES)	PER AC.	AC. IN.
GRAIN SORGHUM	156	30	4680
ARP	0		0
FLEX IN COTTO	0	28	0
COTTON	153	28	4284
ARP	0		0
FLEX IN COTTO	0	28	0
GREEN CHLE.	20	54	1080
RED CHLE.	20	48	960
ROADS, HOUSES	20		
TOTAL	549		10404
ACRE FEET PER ACRE OF WATER			2.0424

TABLE 1 Basic cost information for the Cotton City-Anadas area, Actual 2014

Item	Unit	Cost
Labor Wage Rate		
Equipment operators	\$/hour	\$8.55
General & Irrigator	\$/hour	\$7.50
Purchased Inputs:		
Fertilizer:		
Nitrogen (N)	\$/pound	\$0.50
Phosphorus (P2O5)	\$/pound	\$0.40
Adapted Ammonia (NH3)	\$/ton	\$303.00
Seed:		
Grain Sorghum	\$/pound	\$1.31
Cotton (picker)	\$/pound	\$7.55
Chile:		
green	\$/pound	\$22.00
red	\$/pound	\$22.00
white	\$/pound	\$0.45
Energy:		
Natural gas (Gas. Co. NM)	\$/MCF	\$3.98
(Diesel charge)	\$/gallon	\$3.00
Diesel fuel	\$/gallon	\$3.88
Gasoline	\$/gallon	\$2.55
Electricity (Cibola)	cents/kWh	\$0.27
LP Gas	\$/gallon	\$2.75
Employee Liability Insurance	\$/51,000 wages	\$20.00
Employee Benefits	percent's ages	0.18
Labor Discount	percent	0.25
Financial Rates:		
Operating Capital Interest Rate	percent	5.50%
Land Interest Rate	percent	3.00%
Equipment Interest Rate	percent	5.50%
Real Interest Rate	percent	4.00%
Land Taxes	\$/40 acres (half value)	\$2.57
Personal Property Tax Rate - NR	\$/51,000 (Assesse Value)	\$22.19
-R		\$19.00
Supervision Factors		
Field Crop-Irrigation	\$/labor hour	\$1.00
Field Crop-Equipment & General	\$/labor hour	\$0.50
Vegetable Crop-Irrigation	\$/labor hour	\$2.00
Vegetable Crop-Equipment & General	\$/labor hour	\$1.00
Management Rate		
Field Crops	percent/CR	7.00%
Vegetable Crops	percent/TCE	10.00%

TABLE 2a. Overhead cost information for Cotton City-Anadas area, 2007.

ITEM	Unit	Cost
Electricity (Domestic & Shop)	net month	2000
Telephone	\$/100	1374.4
Accounting & Legal	net month	61,704.96
Misc. Supplies & Hand Tools		\$2,688.05
Plum and App.	\$/2000 @ 0.5 net mile	10000
Insurance:		
- annual liability (non-ambrose)		\$1,862.90
- fire/land		\$1,425.00
Property Taxes:		
- non-irrigated land		9.8
- other farm land & machinery		568
Buildings, roads and maintenance		\$1,267.20
Deer, bear, antelope		\$111.40
Personal Income		\$109.40
Total		\$26,812.45
Total Per Planned Acre		\$74.29

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	\$7.00	50 CWT						\$350.00
TOTAL								
\$350.00								
PURCHASED INPUTS								
	PRICE	QUANTITY	PURCHASED INPUTS			TOTAL		
SEED	\$0.45	100 LBS	45			\$45.00		
ANHYDROUS AMMONIA (N)	\$0.35	250 LBS	87.875			\$87.88		
NITROGEN (N)	\$0.50	30 LBS	15			\$15.00		
PHOSPHATE (P2O5)	\$0.40	80 LBS	32			\$32.00		
PUMP WATER*		24 ACRE IN.						
CROP INSURANCE								
SUBTOTAL			179.875			\$179.88		
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIR	FIXED COST	TOTAL
DISC	185 HP	0.14 HR		\$1.20	\$5.64	\$1.13	\$3.85	\$11.82
FERTILIZE	185 HP	0.05 HR		\$0.43	\$2.01	\$0.40	\$1.37	\$4.22
DRAG (2X)	96 HP	0.2 HR		\$1.71	\$2.75	\$2.38	\$1.08	\$7.92
ANHYDROUS KNIVES	185 HP	0.1 HR		\$0.86	\$4.03	\$0.81	\$0.00	\$5.69
DRILL	96 HP	0.18 HR		\$1.54	\$2.47	\$2.13	\$0.00	\$6.14
IRRIGATE (4X)		0.6 HR		\$4.50	\$4.50	\$0.00	\$33.75	\$42.75
DISC	96 HP	0.25 HR		\$2.14	\$3.43	\$2.95	\$0.00	\$8.52
SUBTOTAL								
1.52 HR \$12.37 \$24.83 \$9.80 \$40.05 \$87.05								
HARVEST OPERATIONS								
COMBINE (CUSTOM)			32.22					\$32.22
HAIL TO STORAGE (CUSTOM)			9.5					\$9.50
HAIL 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				\$2.57	\$2.57
LAND TAXES								\$2.51
SUPERVISION AND MANAGEMENT				\$25.51				\$25.51
OTHER EXPENSES			74.2932					\$74.29
SUBTOTAL								
0.155 HR 74.5405 \$29.06 \$2.57 \$106.18								
TOTAL OPERATING EXPENSES								
1.675 HR 318.635 \$41.43 \$24.83 \$9.80 \$42.63 \$437.33								
NET OPERATING PROFIT								
-\$87.33								
INTEREST ON OPERATING CAPITAL	(103.948 @	0.055)					\$5.72
INTEREST ON EQUIPMENT INVESTMENT								\$6.48
RETURN TO LAND AND RISK								
-\$99.53								

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

BUDGET SUMMARY

GROSS RETURN		\$350.00		
VARIABLE OPERATING EXPENSES	353.27			
RETURN OVER VARIABLE EXPENSES		-\$3.27	(GROSS MARGIN)	
FIXED EXPENSES	42.628			
NET FARM INCOME		-\$45.90	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	41.4271			
NET OPERATING PROFIT		-\$87.33	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	12.202			
RETURN TO LAND AND RISK		-\$99.53		

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	\$4.30	85 CWT					\$365.50
TOTAL							\$365.50
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS			TOTAL	
SEED	\$0.91	32 000		29		\$29.00	
ANHYDROUS AMMONIA (N)	\$0.35	250 LBS	87.875			\$87.88	
NITROGEN (N)	\$0.50	80 LBS	40			\$40.00	
PHOSPHATE (P2O5)	\$0.40	100 LBS	40			\$40.00	
HERBICIDE	\$7.83	1 ACRE	7.8324			\$7.83	
PUMP WATER*		40 AC. IN.					
CROP INSURANCE							
SUBTOTAL			204.707			\$204.71	
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	FUEL & LUBE	REPAIR	FIXED COST	TOTAL
RIPPER	185 HP	0.2 HR	\$1.71	\$8.05	\$1.78	\$6.29	\$17.84
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	\$2.01	\$0.40	\$1.37	\$4.22
ANHYDROUS KNIVES	185 HP	0.1 HR	\$0.86	\$4.03	\$0.81	\$2.75	\$8.44
PLANTER	185 HP	0.26 HR	\$2.22	\$10.47	\$2.10	\$3.45	\$18.25
CULTIVATOR (2X)	96 HP	0.42 HR	\$3.59	\$5.77	\$4.96	\$2.63	\$16.96
IRRIGATE (12X)		1.8 HR	\$13.50	\$24.72	\$24.34	\$16.70	\$79.26
SUBTOTAL		2.98 HR	\$23.59	\$56.33	\$34.40	\$44.17	\$158.49
HARVEST OPERATIONS							
COMBINE (CUSTOM)			30.6				\$30.60
HAIL TO STORAGE (CUSTOM)			17				\$17.00
HAIL TO MARKET (CUSTOM)			38.25				\$38.25
SUBTOTAL			85.85	\$0.00	\$0.00	\$0.00	\$85.85
POSTHARVEST OPERATIONS							
SHREDDER	80 HP	0.14 HR	\$1.20	\$1.92	\$1.91	\$1.62	\$6.66
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				\$28.05			\$28.05
OTHER EXPENSES			74.2932				\$74.29
SUBTOTAL		0.33 HR	74.7889	\$35.33		\$2.57	\$112.69
TOTAL OPERATING EXPENSES		3.45 HR	365.346	\$60.11	\$58.26	\$36.31	\$48.37
NET OPERATING PROFIT							-\$202.89
INTEREST ON OPERATING CAPITAL	(133.149 @	0.055)				\$7.32
INTEREST ON EQUIPMENT INVESTMENT							\$11.71
RETURN TO LAND AND RISK							-\$221.93
* Pump water costs are shown under irrigation in the preharvest operations section.							
BUDGET SUMMARY							
GROSS RETURN		\$365.50					
VARIABLE OPERATING EXPENSES	459.911						
RETURN OVER VARIABLE EXPENSES		-\$94.41	(GROSS MARGIN)				
FIXED EXPENSES	48.3659						
NET FARM INCOME		-\$142.78	(RETURN TO CAPITAL, LABOR, LAND & RISK)				
LABOR AND MANAGEMENT COST	60.114						
NET OPERATING PROFIT		-\$202.89	(RETURN TO CAPITAL, LAND & RISK)				
CAPITAL COSTS	19.0361						
RETURN TO LAND AND RISK		-\$221.93					

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

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
COTTON LINT	\$9.90	1060 LBS						\$954.00
COTTON SEED	\$0.05	1696 LBS						\$82.68
TOTAL								
#####								
PURCHASED INPUTS								
	PRICE	QUANTITY	PURCHASED				TOTAL	
			INPUTS					
SEED	\$7.55	25 LBS	\$198.75				\$198.75	
NITROGEN (N)	\$0.50	32 LBS	\$16.00				\$16.00	
PHOSPHATE (P2O5)	\$0.40	40 LBS	\$16.00				\$16.00	
HERBICIDE	\$9.46	1 ACRE	\$9.46				\$9.46	
CROP INSURANCE	\$0.00	1 DOLLAR	\$0.00				\$0.00	
PUMP WATER*		28 AC. IN.						
SUBTOTAL			\$230.21				\$230.21	
PREHARVEST OPERATIONS								
	POWER	ACCOMPLISHMENT	PURCHASED	FUEL	FIXED	TOTAL		
	UNIT	RATE	INPUTS	& LUBE	REPAIR	COST		
RIPPER	185 HP	0.1 HR	\$0.86	\$4.03	\$0.89	\$3.15	\$8.92	
DISC	185 HP	0.14 HR	\$1.20	\$5.64	\$1.37	\$4.47	\$12.68	
FERTILIZE	185 HP	0.05 HR	\$0.43	\$2.01	\$0.40	\$1.37	\$4.22	
DRAG (ZX)	96 HP	0.2 HR	\$1.71	\$2.75	\$2.38	\$1.08	\$7.92	
DISC & SPRAY	185 HP	0.15 HR	\$1.28	\$6.04	\$1.87	\$5.42	\$14.62	
LISTER	165 HP	0.18 HR	\$1.54	\$7.25	\$1.64	\$5.66	\$16.08	
PRE-IRRIGATE		1 HR	\$7.50	\$9.34	\$0.33	\$3.21	\$20.38	
ROLLING CULT.	96 HP	0.21 HR	\$1.80	\$2.88	\$2.74	\$1.91	\$9.33	
PLANTER	96 HP	0.26 HR	\$2.22	\$3.57	\$5.08	\$3.70	\$14.57	
CULTIVATOR (ZX)	96 HP	0.42 HR	\$3.59	\$5.77	\$4.96	\$2.63	\$16.95	
HAND HOE (CUSTOM)			\$15.00				\$15.00	
ROTO BUCK (SX)	96 HP	0.075 HR	\$0.64	\$1.03	\$0.90	\$0.67	\$3.25	
IRRIGATE (SX)		4 HR	\$30.00	\$37.35	\$1.31	\$12.86	\$81.52	
SUBTOTAL			6.785 HR	\$15.00	\$52.76	\$87.66	\$23.88	\$46.14
HARVEST OPERATIONS								
COTTON PICKER (ZX)	2 ROW	1.24 HR	\$10.60	\$29.10	\$57.35	\$41.12	\$138.17	
COTTON TRAILER (ZX)	HALF TON	1 HR	\$8.55	\$16.07	\$2.79	\$8.41	\$35.81	
GIN COTTON (CUSTOM)			\$115.75				\$115.75	
SUBTOTAL			2.24 HR	\$115.75	\$19.15	\$45.16	\$60.14	\$49.52
POSTHARVEST OPERATIONS								
SHREDDER	80 HP	0.14 HR	\$1.20	\$1.92	\$1.91	\$1.62	\$6.66	
OVERHEAD EXPENSES								
DOWNTIME		1.04125 HR	\$8.90				\$8.90	
EMPLOYEE BENEFITS			\$13.16				\$13.16	
INSURANCE			\$1.46				\$1.46	
LAND TAXES				\$79.65		\$2.57	\$2.57	
SUPERVISION AND MANAGEMENT							\$79.65	
OTHER EXPENSES			\$74.29				\$74.29	
SUBTOTAL			1.04125 HR	\$75.76	\$101.71	\$2.57	\$180.04	
TOTAL OPERATING EXPENSES			10.2063 HR	\$436.71	\$174.82	\$134.74	\$85.93	\$99.86
NET OPERATING PROFIT								
INTEREST ON OPERATING CAPITAL	(162.366 @	\$0.06)					\$8.93
INTEREST ON EQUIPMENT INVESTMENT								\$35.66
RETURN TO LAND AND RISK								
#####								
* Pump water costs are shown under irrigation in the preharvest operations section.								
BUDGET SUMMARY								
GROSS RETURN	#####							
VARIABLE OPERATING EXPENSES	657.384							
RETURN OVER VARIABLE EXPENSES	\$379.30	(GROSS MARGIN)						
FIXED EXPENSES	99.8588							
NET FARM INCOME	\$279.44	(RETURN TO CAPITAL, LABOR, LAND & RISK)						
LABOR AND MANAGEMENT COST	174.823							
NET OPERATING PROFIT	\$104.61	(RETURN TO CAPITAL, LAND & RISK)						
CAPITAL COSTS	44.5867							
RETURN TO LAND AND RISK	\$60.03							

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

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
GREEN CHILE	\$475.00	10 TONS						\$4,750.00
RED CHILE	0	0 LBS						\$0.00
TOTAL								\$4,750.00
PURCHASED INPUTS								
	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$22.00	4 LBS	\$88.00					\$88.00
ANHYDROUS AMMONIA (N)	\$0.36	300 LBS	\$108.45					\$108.45
NITROGEN (N)	\$0.50	60 LBS	\$30.00					\$30.00
PHOSPHATE (P2O5)	\$0.40	150 LBS	\$60.00					\$60.00
HERBICIDE	\$12.57	1 ACRE	\$12.57					\$12.57
INSECTICIDE	\$12.57	1 ACRE	\$12.57					\$12.57
CROP INSURANCE	\$0.00	1 DOLLAR	\$0.00					\$0.00
PUMP WATER*		54 AC. IN.						
SUBTOTAL			\$308.58					\$308.58
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.14 HR		\$1.20	\$6.64	\$1.37	\$4.47	\$12.68
FLOW	185 HP	0.48 HR		\$4.10	\$19.33	\$6.38	\$27.27	\$66.08
DISC	185 HP	0.14 HR		\$1.20	\$6.64	\$1.37	\$4.47	\$12.68
LASER (CUSTOM)			\$73.33					\$73.33
LISTER & SPRAY	185 HP	0.13 HR		\$1.11	\$5.23	\$1.53	\$4.63	\$12.51
FERTILIZE	185 HP	0.05 HR		\$0.43	\$2.01	\$0.40	\$1.37	\$4.22
PRE-IRRIGATE		0.75 HR		\$6.41	\$45.02	\$0.07	\$0.67	\$52.17
ROLLING CULT	96 HP	0.13 HR		\$1.11	\$1.79	\$1.70	\$4.13	\$8.72
VEGETABLE PLANTER	96 HP	0.17 HR		\$1.45	\$2.33	\$2.20	\$6.60	\$14.00
CULTIVATOR (5X)	96 HP	0.65 HR		\$5.56	\$8.93	\$7.68	\$5.92	\$28.08
THIN & HOE (CUSTOM)			\$90.00					\$90.00
ROTO BUCK (7X)	96 HP	0.21 HR		\$1.80	\$2.88	\$2.53	\$1.88	\$9.09
IRRIGATE (5X)		4 HR		\$34.20	\$80.04	\$3.28	\$3.55	\$121.07
SUBTOTAL		6.85 HR	\$163.33	\$58.57	\$179.85	\$27.51	\$86.96	\$485.22
HARVEST OPERATIONS								
HARVEST GREEN (CUSTOM)			\$900.00					\$900.00
HARVEST RED (CUSTOM)			\$0.00					\$0.00
HAUL	3/4 TON	6 HR		\$51.30	\$96.30	\$13.26	\$17.34	\$179.20
SUBTOTAL		6 HR	\$900.00	\$51.30	\$96.30	\$13.26	\$17.34	\$1,078.20
POST HARVEST OPERATIONS								
SHREDDER	80 HP	0.29 HR		\$2.48	\$3.98	\$3.96	\$3.36	\$13.79
SUBTOTAL		0.29 HR	\$0.00	\$2.48	\$3.98	\$3.96	\$3.36	\$13.79
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			\$74.29					\$74.29
SUBTOTAL		0.5975 HR	\$76.54	\$223.67			\$2.57	\$302.78
TOTAL OPERATING EXPENSES		13.7375 HR	\$1,448.45	\$338.02	\$279.22	\$44.73	\$90.24	\$2,198.66
NET OPERATING PROFIT								\$2,551.34
INTEREST ON OPERATING CAPITAL	(290.018 @	\$0.06					\$15.95
INTEREST ON EQUIPMENT INVESTMENT								\$46.75
RETURN TO LAND AND RISK								\$2,488.64
* Pump water costs are shown under irrigation in the preharvest operations section.								
BUDGET SUMMARY								
GROSS RETURN								\$4,750.00
VARIABLE OPERATING EXPENSES	1772.4							
RETURN OVER VARIABLE EXPENSES		\$2,977.60	(GROSS MARGIN)					
FIXED EXPENSES	90.2386							
NET FARM INCOME		\$2,887.36	(RETURN TO CAPITAL, LABOR, LAND & RISK)					
LABOR AND MANAGEMENT COST	336.016							
NET OPERATING PROFIT		\$2,551.34	(RETURN TO CAPITAL, LAND & RISK)					
CAPITAL COSTS	62.7031							
RETURN TO LAND AND RISK		\$2,488.64						

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

ITEM	PRICE	YIELD					TOTAL		
GROSS RETURNS									
RED CHILE	\$1.00	3500 LBS					\$3,500.00		
TOTAL							\$3,500.00		
PURCHASED INPUTS									
	PRICE	QUANTITY	PURCHASED INPUTS		TOTAL				
SEED	18.00	4 LBS	\$72.00		\$72.00				
ANHYDROUS AMMONIA IN-	0.35	230 LBS	\$80.85		\$80.85				
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			\$252.27		\$252.27				
PREHARVEST OPERATIONS									
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
DISC	185 HP	0.14 HR		\$1.20	\$5.64	\$1.37	\$4.47	\$12.68	
PLOW	185 HP	0.48 HR		\$4.10	\$19.33	\$5.38	\$27.27	\$56.08	
DISC	185 HP	0.14 HR		\$1.20	\$5.64	\$1.37	\$4.47	\$12.68	
DRAG (2X)	96 HP	0.2 HR		\$1.71	\$2.75	\$2.38	\$1.08	\$7.92	
LISTER	185 HP	0.12 HR		\$1.03	\$4.83	\$1.09	\$3.77	\$10.72	
FERTILIZE	185 HP	0.05 HR		\$0.43	\$2.01	\$0.40	\$1.37	\$4.22	
PRE-IRRIGATE	96 HP	0.75 HR		\$6.41	\$40.02	\$0.07	\$3.67	\$47.17	
ROLLING CULT	96 HP	0.13 HR		\$1.11	\$1.79	\$1.70	\$1.18	\$5.78	
VEGETABLE PLANTER	96 HP	0.17 HR		\$1.45	\$2.33	\$2.20	\$0.60	\$14.59	
CULTIVATOR (2X)	96 HP	0.85 HR		\$5.58	\$8.93	\$7.68	\$4.07	\$26.24	
THIN & HOE (CUSTOM)			\$90.00					\$90.00	
ROTO BLOCK (7X)	96 HP	0.21 HR		\$1.80	\$3.37	\$2.53	\$1.88	\$9.58	
IRRIGATE (11X)		5.5 HR		\$47.03	\$73.37	\$0.50	\$4.88	\$125.78	
SUBTOTAL			\$90.00	\$73.02	\$170.01	\$26.67	\$63.72	\$429.42	
HARVEST OPERATIONS									
HARVEST (CUSTOM)							\$700.00		
HULL	3/4 TON	3 HR	\$700.00	\$25.65	\$48.20	\$6.63	\$8.67	\$89.14	
SUBTOTAL			\$700.00	\$25.65	\$48.20	\$6.63	\$8.67	\$798.14	
POST HARVEST OPERATIONS									
SHREDDER	80 HP	0.29 HR		\$2.48	\$3.98	\$3.96	\$3.38	\$13.79	
SUBTOTAL			\$0.00	\$2.48	\$3.98	\$3.96	\$3.38	\$13.79	
OVERHEAD EXPENSES									
DOWNTIME		1.395 HR		\$11.93				\$11.93	
EMPLOYEE BENEFITS				\$18.21				\$18.21	
INSURANCE			\$2.02					\$2.02	
LAND TAXES				\$97.80		\$2.57		\$2.57	
SUPERVISION AND MANAGEMENT				\$74.29				\$74.29	
OTHER EXPENSES									
SUBTOTAL			1.395 HR	\$76.32	\$127.94	\$0.00	\$0.00	\$2.57	\$206.83
TOTAL OPERATING EXPENSES			13.225 HR	\$1,118.58	\$229.08	\$222.19	\$37.26	\$78.33	\$1,685.44
NET OPERATING PROFIT							\$1,814.56		
INTEREST ON OPERATING CAPITAL	(238.8671	@	\$0.06				\$13.14	
INTEREST ON EQUIPMENT INVESTMENT								\$37.74	
RETURN TO LAND AND RISK							\$1,763.68		

* Pump water costs are shown under irrigation in the preharvest operations section.									
BUDGET SUMMARY									
GROSS RETURN	\$3,500.00								
VARIABLE OPERATING EXPENSES	\$1,378.03								
RETURN OVER VARIABLE EXPENSES	\$2,121.97	(GROSS MARGIN)							
FIXED EXPENSES	\$78.33								
NET FARM INCOME	\$223.68	\$2,043.64 (RETURN TO CAPITAL, LABOR, LAND & RISK)							
LABOR AND MANAGEMENT COST	\$229.08								
NET OPERATING PROFIT	\$50.88	\$1,814.56 (RETURN TO CAPITAL, LAND & RISK)							
CAPITAL COSTS	\$50.88								
RETURN TO LAND AND RISK	\$1,763.68								

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	GREEN CHILE	RED CHILE
	-----FLOOD-----			
	CWT	LBS	TONS	LBS
PRIMARY YIELD	62	1060	10	3500
PRIMARY PRICE	\$7.06	\$0.90	\$475.00	\$1.00
GOVERNMENT PAYMENTS	\$0.00	\$0.00	\$0.00	\$0.00
SECOND INCOME	\$0.00	\$82.68	\$0.00	\$0.00
GROSS RETURN	\$437.99	\$1,036.68	\$4,750.00	\$3,500.00
CASH OPERATING EXPENSES				
SEED	\$10.48	\$188.75	\$88.00	\$72.00
FERTILIZER	\$63.27	\$32.00	\$195.45	\$151.95
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	\$47.33	\$88.05	\$154.16	\$108.79
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	\$75.13	\$75.76	\$76.54	\$76.32
TOTAL CASH EXPENSES	\$330.58	\$659.96	\$1,774.98	\$1,380.60
RETURN OVER CASH EXPENSES	\$107.41	\$376.72	\$2,975.02	\$2,119.40
FIXED EXPENSES	\$52.32	\$97.28	\$87.66	\$75.76
TOTAL EXPENSES	\$382.90	\$757.24	\$1,862.64	\$1,456.36
NET FARM INCOME	\$55.09	\$279.44	\$2,887.36	\$2,043.64
LABOR AND MANAGEMENT COSTS	\$88.82	\$174.82	\$332.50	\$229.08
NET OPERATING PROFIT	-\$33.74	\$104.61	\$2,554.86	\$1,814.56
CAPITAL COSTS				
INTEREST ON OPERATING CAPITAL	\$4.45	\$8.93	\$15.95	\$13.14
INTEREST ON EQUIPMENT INVESTMENT	\$18.59	\$35.66	\$46.75	\$37.74
TOTAL CAPITAL COSTS	\$23.03	\$44.59	\$62.70	\$50.88
RETURN TO LAND AND RISK	-\$56.77	\$60.03	\$2,492.15	\$1,763.68

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TABLE 11. Whole farm summary, Cotton City-Animas Area, Hidalgo County,
Actual 2014

GROSS RETURNS		
GRAIN SORGHUM	136 ACRES	
CROP		\$59,566
ASCS DEFICIENCY		\$0
ASCS DIVERSION		\$0
UPLAND COTTON	153 ACRES	
LINT		\$145,962
SEED		\$12,650
ASCS DEFICIENCY		\$0
ASCS DIVERSION		\$0
GREEN CHILE	20 ACRES	
GREEN		\$95,000
RED		\$0
RED CHILE	20 ACRES	
CROP		\$70,000
GROSS RETURN		\$383,178
CASH OPERATING EXPENSES		
SEED		\$33,504
FERTILIZER		\$20,449
CHEMICALS		\$5,170
CROP INSURANCE		\$2,210
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$25,167
FUEL-IRRIGATION		\$18,716
REPAIRS		\$18,481
CUSTOM CHARGES		\$61,794
LAND TAXES		\$847
OTHER EXPENSES		\$24,866
TOTAL CASH EXPENSES		\$211,203
RETURN OVER CASH EXPENSES		\$171,975
FIXED EXPENSES		\$25,269
TOTAL EXPENSES		\$236,472
NET FARM INCOME		\$146,706
LABOR AND MANAGEMENT COSTS		\$50,060
NET OPERATING PROFIT		\$96,646
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$2,553
INTEREST ON EQUIPMENT INVESTMENT		\$9,673
TOTAL CAPITAL COSTS		\$12,226
RETURN TO LAND AND RISK		\$84,420
LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
500 /ACRE	76,419.66	25.71%
700 /ACRE	73,219.66	21.20%
900 /ACRE	70,019.66	18.03%
1100 /ACRE	66,819.66	15.89%
1300 /ACRE	63,619.66	13.89%
1500 /ACRE	60,419.66	12.46%

* 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)