

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, Actual 2018
Planting dates: August 15 - October 15

ITEM	PRICE	QUANTITY	PURCHASED INPUTS	TOTAL
PURCHASED INPUTS				
SEED	\$2.95	25 LBS	\$73.75	\$73.75
NITROGEN (N)	\$0.42	20 LBS	\$8.40	\$8.40
PHOSPHATE (P2O5)	\$0.49	50 LBS	\$24.50	\$24.50
PUMP WATER*		5 AC. IN.		
CANAL WATER		15 AC. IN.		\$0.00
SUBTOTAL			\$106.65	\$106.65

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	145 HP	0.17 HR		\$1.45	\$4.28	\$1.15	\$2.71	\$9.58
PLOW	145 HP	0.67 HR		\$5.73	\$16.86	\$5.44	\$12.49	\$40.51
DISC	145 HP	0.17 HR		\$1.45	\$4.28	\$1.15	\$2.71	\$9.58
FLOAT	145 HP	0.24 HR		\$2.05	\$6.04	\$0.95	\$2.75	\$11.79
FERTILIZE	65 HP	0.05 HR		\$0.43	\$0.69	\$0.11	\$1.48	\$2.70
LISTER	65 HP	0.18 HR		\$1.54	\$2.47	\$0.58	\$1.50	\$6.09
MULCHER	145 HP	0.15 HR		\$1.28	\$3.77	\$1.29	\$4.43	\$10.78
SEEDER	65 HP	0.05 HR		\$0.43	\$0.69	\$0.11	\$1.48	\$2.70
MULCHER	145 HP	0.15 HR		\$1.28	\$3.77	\$1.29	\$4.43	\$10.78
LISTER	65 HP	0.18 HR		\$1.54	\$2.47	\$0.58	\$1.50	\$6.09
IRRIGATE (4X)		2.00 HR		\$15.00	\$5.05	\$0.00	\$1.93	\$21.98
SUBTOTAL		4.01 HR		\$32.19	\$50.36	\$12.65	\$37.40	\$132.59
OVERHEAD EXPENSES								
DOWNTIME		0.50 HR		\$4.30				\$4.30
EMPLOYEE BENEFITS				\$5.79				\$5.79
INSURANCE			\$0.64					\$0.64
SUPERVISION AND MANAGEMENT				\$19.46				\$19.46
SUBTOTAL		0.50 HR	\$0.64	\$29.55				\$30.20
TOTAL OPERATING EXPENSES		4.51 HR	\$107.29	\$61.74	\$50.36	\$12.65	\$37.40	\$269.44

* 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, Actual 2018

Harvest dates: June 1 - October 10

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
ALFALFA HAY	\$220.00	5.75 TONS (IN FIELD)	\$1,265.00
GRAZING	\$15.00	1.00 ACRE	\$15.00
TOTAL			\$1,280.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
WIRE ESTABLISHMENT: Principal	1.32	49 LBS	\$65.05		\$65.05
: Interest		3 YEARS		\$89.81	\$89.81
CANAL WATER		36 AC. IN.		\$9.06	\$9.06
PUMP WATER*		18 AC. IN.		\$45.00	\$45.00
SUBTOTAL			\$65.05	\$143.87	\$208.92

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	\$6.96	\$58.89
SUBTOTAL		4.50 HR		\$33.75	\$18.18	\$0.00	\$6.96	\$58.89

HARVEST OPERATIONS

SWATHER (5X)	14 FT	0.80 HR		\$6.84	\$9.14	\$0.44	\$32.81	\$49.22
BALER, PTO (5X)	145 HP	1.05 HR		\$8.98	\$26.42	\$4.32	\$19.86	\$59.58
SUBTOTAL		1.85 HR		\$15.82	\$35.55	\$4.76	\$52.67	\$108.80

OVERHEAD EXPENSES

DOWNTIME		0.46 HR		\$3.95				\$3.95
EMPLOYEE BENEFITS				\$8.92				\$8.92
INSURANCE			\$0.99					\$0.99
LAND TAXES							\$2.57	\$2.57
SUPERVISION AND MANAGEMENT				\$95.03				\$95.03
OTHER EXPENSES			\$139.69					\$139.69
SUBTOTAL		0.46 HR	\$140.68	\$107.90			\$2.57	\$251.15

TOTAL OPERATING EXPENSES		6.81 HR	\$205.73	\$157.47	\$53.74	\$4.76	\$206.07	\$627.76
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NET OPERATING PROFIT								\$652.24
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INTEREST ON OPERATING CAPITAL	(\$40.43	@	5.75%)			\$2.32
INTEREST ON EQUIPMENT INVESTMENT								\$20.52

RETURN TO LAND AND RISK								\$629.39
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* Pump water costs are shown under irrigation in the preharvest operation section.

BUDGET SUMMARY

GROSS RETURN		\$1,280.00	
VARIABLE OPERATING EXPENSES	\$264.22		
RETURN OVER VARIABLE EXPENSES	\$1,015.78	(GROSS MARGIN)	
FIXED EXPENSES	\$206.07		
NET FARM INCOME	\$809.71	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$157.47		
NET OPERATING PROFIT	\$652.24	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$22.85		
RETURN TO LAND AND RISK	\$629.39		

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, Actual 2018
 Planting dates: April 15 - May 31
 Harvest dates: August 15 - October 15

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
CORN SILAGE	\$35.00	24.00 TONS (STANDING)						\$840.00
TOTAL								\$840.00
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
SEED	\$3.11	30 000	\$93.38					\$93.38
NITROGEN (N)	\$0.42	32 LBS	\$13.44					\$13.44
PHOSPHATE (P205)	\$0.49	40 LBS	\$19.60					\$19.60
CANAL WATER PUMP WATER*		36 AC. IN. 14 AC. IN.					\$45.00	\$45.00
SUBTOTAL			\$126.42				\$45.00	\$171.42
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
FERTILIZE	65 HP	0.05 HR		\$0.43	\$0.69	\$0.11	\$1.48	\$2.70
DISC	145 HP	0.17 HR		\$1.45	\$4.28	\$1.15	\$2.71	\$9.58
CHISEL	145 HP	0.20 HR		\$1.71	\$5.03	\$1.09	\$3.55	\$11.39
DISC	145 HP	0.17 HR		\$1.45	\$4.28	\$1.15	\$2.71	\$9.58
FLOAT	65 HP	0.24 HR		\$2.05	\$3.29	\$0.30	\$1.03	\$6.68
LISTER	65 HP	0.18 HR		\$1.54	\$2.47	\$0.58	\$1.50	\$6.09
PRE-IRRIGATE		0.75 HR		\$5.63	\$1.77	\$0.00	\$0.68	\$8.07
MULCHER	145 HP	0.15 HR		\$1.28	\$3.77	\$1.29	\$4.43	\$10.78
PLANTER	145 HP	0.26 HR		\$2.22	\$6.54	\$1.45	\$7.55	\$17.77
CULTIVATOR (2X)	65 HP	0.42 HR		\$3.59	\$5.76	\$1.31	\$2.20	\$12.85
ROTOBUCK (3X)	145 HP	0.09 HR		\$0.77	\$2.26	\$0.36	\$1.79	\$5.19
IRRIGATE (7X)		3.50 HR		\$26.25	\$12.37	\$0.00	\$4.74	\$43.36
SUBTOTAL		6.18 HR		\$48.38	\$52.51	\$8.79	\$34.36	\$144.04
OVERHEAD EXPENSES								
DOWNTIME		0.46 HR		\$3.93				\$3.93
EMPLOYEE BENEFITS				\$8.71				\$8.71
INSURANCE			\$0.97					\$0.97
LAND TAXES							\$2.57	\$2.57
SUPERVISION AND MANAGEMENT				\$63.97				\$63.97
OTHER EXPENSES			\$139.69					\$139.69
SUBTOTAL		0.46 HR	\$140.66	\$76.61			\$2.57	\$219.83
TOTAL OPERATING EXPENSES		6.64 HR	\$267.07	\$124.99	\$52.51	\$8.79	\$81.93	\$535.29
NET OPERATING PROFIT								\$304.71
INTEREST ON OPERATING CAPITAL		(\$78.53 @	5.75%)				\$4.52
INTEREST ON EQUIPMENT INVESTMENT								\$18.98
RETURN TO LAND AND RISK								\$281.21

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

BUDGET SUMMARY

GROSS RETURN		\$840.00	
VARIABLE OPERATING EXPENSES	\$328.37		
RETURN OVER VARIABLE EXPENSES		\$511.63	(GROSS MARGIN)
FIXED EXPENSES	\$81.93		
NET FARM INCOME		\$429.70	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$124.99		
NET OPERATING PROFIT		\$304.71	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$23.50		
RETURN TO LAND AND RISK		\$281.21	

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, Actual 2018
 Planting dates: April 10 - April 30
 Harvest dates: October 15 - December 15

ITEM	PRICE	YIELD	BASE						TOTAL
GROSS RETURNS									
LINT	\$0.72	1,120.00 LBS							\$803.04
SEED	\$0.08	1,792.00 LBS							\$150.53
DIRECT PAYMENT	\$0.0000	1,120.00 LBS	0.85						\$0.00
COUNTER CYCLICAL PAYMENT	\$0.0000	1,060.00 LBS	0.85						\$0.00
TOTAL									\$953.57
PURCHASED INPUTS									
	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST		TOTAL
SEED	\$8.45	17 LBS	\$143.65						\$143.65
NITROGEN (N)	\$0.42	80 LBS	\$33.60						\$33.60
PHOSPHATE (P205)	\$0.49	60 LBS	\$29.40						\$29.40
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			\$221.47				\$45.00		\$266.47
PREHARVEST OPERATIONS									
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST		TOTAL
FERTILIZE	65 HP	0.05 HR		\$0.43	\$0.69	\$0.11	\$1.48		\$2.70
DISC	145 HP	0.17 HR		\$1.45	\$4.28	\$1.15	\$2.71		\$9.58
PLOW	145 HP	0.67 HR		\$5.73	\$16.86	\$5.44	\$12.49		\$40.51
DISC & SPRAY	145 HP	0.15 HR		\$1.28	\$3.77	\$1.11	\$3.61		\$9.77
FLOAT	65 HP	0.24 HR		\$2.05	\$3.29	\$0.30	\$1.03		\$6.68
LISTER	145 HP	0.18 HR		\$1.54	\$4.53	\$1.07	\$2.79		\$9.92
PRE-IRRIGATE		0.75 HR		\$5.63	\$1.35	\$0.00	\$0.52		\$7.49
MULCHER	145 HP	0.14 HR		\$1.20	\$3.52	\$1.21	\$4.13		\$10.06
PLANTER	145 HP	0.26 HR		\$2.22	\$6.54	\$1.45	\$7.55		\$17.77
CULTIVATOR (4X)	65 HP	0.84 HR		\$7.18	\$11.52	\$2.61	\$4.39		\$25.71
HOEING (CUSTOM)			\$24.00						\$24.00
ROTOBUCK (3X)	145 HP	0.03 HR		\$0.26	\$0.75	\$0.12	\$0.60		\$1.73
IRRIGATE (8X)		4.00 HR		\$30.00	\$10.77	\$0.00	\$4.13		\$44.90
SUBTOTAL		7.48 HR	\$24.00	\$58.97	\$67.87	\$14.57	\$45.42		\$210.83
HARVEST OPERATIONS									
COTTON PICKER (2X)	2 ROW	1.24 HR		\$10.60	\$22.87	\$7.49	\$78.09		\$119.06
COTTON TRAILER (2X)	HALF TON	2.50 HR		\$21.38	\$44.42	\$2.22	\$21.93		\$89.94
GIN COTTON (CUSTOM)			\$127.90						\$127.90
SUBTOTAL		3.74 HR	\$127.90	\$31.98	\$67.29	\$9.71	\$100.03		\$336.90
POSTHARVEST OPERATIONS									
SHREDDER	65 HP	0.29 HR		\$2.48	\$3.98	\$0.42	\$3.46		\$10.34
SUBTOTAL		0.29 HR		\$2.48	\$3.98	\$0.42	\$3.46		\$10.34
OVERHEAD EXPENSES									
DOWNTIME		1.56 HR		\$13.32					\$13.32
EMPLOYEE BENEFITS				\$16.82					\$16.82
INSURANCE			\$1.87						\$1.87
LAND TAXES							\$2.57		\$2.57
SUPERVISION AND MANAGEMENT				\$73.86					\$73.86
OTHER EXPENSES			\$139.69						\$139.69
SUBTOTAL		1.56 HR	\$141.56	\$104.00			\$2.57		\$248.12
TOTAL OPERATING EXPENSES		13.07 HR	\$514.93	\$197.42	\$139.13	\$24.70	\$196.47		\$1,072.66
NET OPERATING PROFIT									(\$119.09)
INTEREST ON OPERATING CAPITAL		(\$149.52 @ 5.75%)							\$8.60
INTEREST ON EQUIPMENT INVESTMENT									\$77.78
RETURN TO LAND AND RISK									(\$205.46)

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

BUDGET SUMMARY

GROSS RETURN		\$953.57	
VARIABLE OPERATING EXPENSES	\$678.76		
RETURN OVER VARIABLE EXPENSES	\$274.81		(GROSS MARGIN)
FIXED EXPENSES	\$196.47		
NET FARM INCOME		\$78.33	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$197.42		
NET OPERATING PROFIT		(\$119.09)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$86.38		
RETURN TO LAND AND RISK		(\$205.46)	

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, 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	60.00 CWT		\$399.00
DIRECT PAYMENT	\$0.00	60.00 CWT	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 CWT		\$0.00
GRAZING	\$10.00	1.00 ACRE		\$10.00
TOTAL				\$409.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$2.25	8 LBS	\$18.00		\$18.00
NITROGEN (N)	\$0.42	32 LBS	\$13.44		\$13.44
PHOSPHATE (P205)	\$0.49	40 LBS	\$19.60		\$19.60
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			\$77.89	\$45.00	\$122.89

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
FERTILIZER	65 HP	0.15 HR		\$1.28	\$2.06	\$0.33	\$4.45	\$8.11
DISC	145 HP	0.20 HR		\$1.71	\$5.03	\$1.35	\$3.18	\$11.27
CHISEL	145 HP	0.40 HR		\$3.42	\$10.06	\$2.18	\$7.11	\$22.77
DISC	145 HP	0.20 HR		\$1.71	\$5.03	\$1.35	\$3.18	\$11.27
FLOAT	145 HP	0.25 HR		\$2.14	\$6.29	\$0.99	\$2.86	\$12.28
SPRAYER	65 HP	0.20 HR		\$1.71	\$2.74	\$0.38	\$2.23	\$7.06
LISTER	65 HP	0.50 HR		\$4.28	\$6.86	\$1.62	\$4.17	\$16.92
PRE-IRRIGATE		0.75 HR		\$5.63	\$2.02	\$0.00	\$0.77	\$8.42
MULCHER	145 HP	0.20 HR		\$1.71	\$5.03	\$1.72	\$5.90	\$14.37
PLANTER	145 HP	0.25 HR		\$2.14	\$6.29	\$1.40	\$7.26	\$17.09
SPRAYER	65 HP	0.20 HR		\$1.71	\$2.74	\$0.38	\$2.23	\$7.06
CULTIVATOR (2X)	65 HP	0.60 HR		\$5.13	\$8.23	\$1.87	\$3.14	\$18.36
ROTOBUCK (3X)	145 HP	0.25 HR		\$2.14	\$6.29	\$1.00	\$4.98	\$14.41
IRRIGATE (5X)		2.50 HR		\$18.75	\$10.10	\$0.00	\$3.87	\$32.72
SUBTOTAL		6.65 HR		\$53.45	\$78.77	\$14.57	\$55.34	\$202.12

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					\$2.57
SUPERVISION AND MANAGEMENT				\$30.66	\$30.66
OTHER EXPENSES			\$139.69		\$139.69
SUBTOTAL		0.61 HR	\$140.76	\$45.51	\$2.57

TOTAL OPERATING EXPENSES 7.26 HR \$255.25 \$98.96 \$78.77 \$14.57 \$102.90 \$550.45

NET OPERATING PROFIT (\$141.45)

INTEREST ON OPERATING CAPITAL (\$65.33 @ 5.75%) \$3.76
 INTEREST ON EQUIPMENT INVESTMENT \$30.55

RETURN TO LAND AND RISK (\$175.76)

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

GROSS RETURN		\$409.00	
VARIABLE OPERATING EXPENSES	\$348.59		
RETURN OVER VARIABLE EXPENSES		\$60.41	(GROSS MARGIN)
FIXED EXPENSES	\$102.90		
NET FARM INCOME		(\$42.50)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$98.96		
NET OPERATING PROFIT		(\$141.45)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$34.31		
RETURN TO LAND AND RISK		(\$175.76)	

TABLE 11. Summary of per acre costs and returns for a 200 acre farm with above average management, Virden area, Hidalgo County, Actual 2018

	ALFALFA ESTABLISHMENT	ALFALFA HAY	CORN SILAGE	PICKER COTTON	GRAIN SORGHUM
		TONS	TONS	LBS	CWT
PRIMARY YIELD		5.75	24.00	1,120.00	60.00
PRIMARY PRICE	\$220.00		\$35.00	\$0.72	\$6.65
GOVERNMENT PAYMENTS	\$0.00		\$0.00	\$0.00	\$0.00
SECOND INCOME	\$15.00		\$0.00	\$150.53	\$10.00
GROSS RETURN		\$1,280.00	\$840.00	\$953.57	\$409.00
CASH OPERATING EXPENSES					
SEED	\$73.75		\$93.38	\$143.65	\$18.00
FERTILIZER	\$32.90		\$33.04	\$63.00	\$33.04
CHEMICALS				\$14.08	\$25.38
CROP INSURANCE				\$0.74	\$1.47
OTHER PURCHASED INPUTS		\$65.05			
CANAL WATER	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$45.30	\$35.55	\$38.37	\$127.01	\$66.65
FUEL-IRRIGATION	\$5.05	\$18.18	\$14.14	\$12.12	\$12.12
REPAIRS	\$12.65	\$4.76	\$8.79	\$24.70	\$14.57
CUSTOM CHARGES				\$151.90	\$36.60
LAND TAXES		\$2.57	\$2.57	\$2.57	\$2.57
OTHER EXPENSES	\$0.64	\$140.68	\$140.66	\$141.56	\$140.76
TOTAL CASH EXPENSES	\$170.30	\$266.79	\$330.94	\$681.33	\$351.16
RETURN OVER CASH EXPENSES	(\$170.30)	\$1,013.21	\$509.06	\$272.24	\$57.84
FIXED EXPENSES	\$37.40	\$203.51	\$79.36	\$193.91	\$100.34
TOTAL EXPENSES	\$207.70	\$470.29	\$410.30	\$875.24	\$451.50
NET FARM INCOME	(\$207.70)	\$809.71	\$429.70	\$78.33	(\$42.50)
LABOR AND MANAGEMENT COSTS	\$61.74	\$157.47	\$124.99	\$197.42	\$98.96
NET OPERATING PROFIT	(\$269.44)	\$652.24	\$304.71	(\$119.09)	(\$141.45)
CAPITAL COSTS					
INTEREST ON OPERATING CAPITAL		\$2.32	\$4.52	\$8.60	\$3.76
INTEREST ON EQUIPMENT INVESTMENT		\$20.52	\$18.98	\$77.78	\$30.55
TOTAL CAPITAL COSTS	\$0.00	\$22.85	\$23.50	\$86.38	\$34.31
RETURN TO LAND AND RISK	(\$269.44)	\$629.39	\$281.21	(\$205.46)	(\$175.76)

TABLE 12. Whole farm summary, Virden area, Hidalgo County,
Actual 2018

GROSS RETURNS		
ALFALFA HAY	45.00 ACRES	
CROP		\$56,925
GRAZING		\$675
CORN SILAGE	43.00 ACRES	
CROP		\$36,120
UPLAND COTTON	68.00 ACRES	
LINT		\$54,607
SEED		\$10,236
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GRAIN SORGHUM	34.00 ACRES	
CROP		\$13,566
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GRAZING		\$340
GROSS RETURN		<u>\$172,129</u>
CASH OPERATING EXPENSES		
SEED		\$15,502
FERTILIZER		\$7,322
CHEMICALS		\$1,820
CROP INSURANCE		\$100
OTHER PURCHASED INPUTS		\$2,927
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$14,832
FUEL-IRRIGATION		\$2,738
REPAIRS		\$2,956
CUSTOM CHARGES		\$11,574
LAND TAXES		\$488
OTHER EXPENSES		\$26,800
TOTAL CASH EXPENSES		<u>\$87,060</u>
RETURN OVER CASH EXPENSES		\$85,069
FIXED EXPENSES		\$25,687
TOTAL EXPENSES		\$112,747
NET FARM INCOME		\$59,382
LABOR AND MANAGEMENT COSTS		\$30,176
NET OPERATING PROFIT		\$29,206
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$1,011
INTEREST ON EQUIPMENT INVESTMENT		\$8,068
TOTAL CAPITAL COSTS		<u>\$9,079</u>
RETURN TO LAND AND RISK		<u>\$20,127</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$700 /ACRE	\$15,927	11.51%
\$900 /ACRE	\$14,727	9.94%
\$1,100 /ACRE	\$13,527	8.75%
\$1,300 /ACRE	\$12,327	7.81%
\$1,500 /ACRE	\$11,127	7.06%
\$1,700 /ACRE	\$9,927	6.44%
\$1,900 /ACRE	\$8,727	5.91%

* 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)