

Projections for Planning Purposes Only -- Not to be Used without Updating
2014 Estimated Costs and Returns per Acre
Non-Irrigated Safflower, Follow Cotton - 50 Acres
West Central Extension District - 7

Crop Acres		50				Enterprise
		Quantity	Units	\$/Unit	Total	Total
REVENUE						
Safflower		900.00	Pound	\$0.18	\$162.00	\$8,100.00
Total Revenue					\$162.00	\$8,100.00
VARIABLE COSTS						
		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Seed						
Safflower Seed		25	Pounds	\$0.75	\$18.75	\$937.50
Fertilizer						
Nitrogen Dry		20.5	Pounds	\$0.53	\$10.92	\$545.92
Phosphate		5	Pounds	\$0.55	\$2.76	\$138.23
Potassium		10.8	Pounds	\$0.48	\$5.22	\$261.04
Nitrogen N32		20	Pounds	\$0.58	\$11.56	\$578.20
Herbicide						
Prowl H20		2	Pint	\$5.33	\$10.65	\$532.63
Quadris		6	Ounce	\$2.97	\$17.81	\$890.64
Miscellaneous						
NAP Insurance		1	Acre	\$2.00	\$2.00	\$100.00
Custom						
Custom Harvest Safflower		1	Acre	\$25.00	\$25.00	\$1,250.00
Custom Haul Safflower		25	Bushels	\$0.20	\$5.00	\$250.00
Machinery Labor						
Tractors/Self-Propelled		0.69	Hour	\$12.00	\$8.28	\$414.00
Diesel Fuel						
Tractors/Self-Propelled		3.51	Gallon	\$3.20	\$11.23	\$561.60
Gasoline						
Pickup/General Use Equipment		1	Acre	\$3.40	\$3.40	\$170.00
Repairs & Maintenance						
Pickup/General Use Equipment		1	Acre	\$0.75	\$0.75	\$37.63
Tractors/Self-Propelled		1	Acre	\$2.63	\$2.63	\$131.52
Implements		1	Acre	\$8.28	\$8.28	\$413.93
Interest on Credit Line				3.75%	\$1.11	\$55.75
Total Variable Costs					\$145.37	\$7,268.57
Planned Returns Above Variable Costs:					\$16.63	\$831.43
Breakeven Price to Cover Variable Costs					\$0.16	Pound
FIXED COSTS						
		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
Pickup/General Use Equipment		1	Acre	\$1.58	\$1.58	\$78.75
Tractors/Self-Propelled		1	Acre	\$11.19	\$11.19	\$559.28
Implements		1	Acre	\$10.70	\$10.70	\$535.03
Equipment Investment						
Pickup/General Use Equipment	\$17.50		Dollars	3.75%	\$0.66	\$32.81
Tractors/Self-Propelled	\$137.87		Dollars	3.75%	\$5.17	\$258.51
Implements	\$150.93		Dollars	3.75%	\$5.66	\$282.99
Rent-Dryland Crop		1	Acre	\$35.00	\$35.00	\$1,750.00
Total Fixed Costs					\$69.95	\$3,497.38
Total Specified Costs					\$215.32	\$10,765.94
Returns Above Specified Costs					(\$53.32)	(\$2,665.94)
Breakeven Price to Cover Total Costs					\$0.24	Pound

Example Breakeven Prices						
Example Yield Percent	Example Yield Pound	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	675.00	\$0.22	\$0.22	\$0.32	\$0.32	\$0.00
90%	810.00	\$0.18	\$0.18	\$0.27	\$0.27	\$0.00
100%	900.00	\$0.16	\$0.16	\$0.24	\$0.24	\$0.00
110%	990.00	\$0.15	\$0.15	\$0.22	\$0.22	\$0.00
125%	1125.00	\$0.13	\$0.13	\$0.19	\$0.19	\$0.00

Developed by Bill Thompson, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension Service.

Information presented is prepared solely as a general guide and not intended to recognize or predict the costs and returns from any one operation. Brand names are mentioned only as examples and imply no endorsement.