

Projections for Planning Purposes Only -- Not to be Used without Updating
2015 Estimated Costs and Returns per Acre
Non-Irrigated Safflower, Follow Cotton - 50 Acres
West Central Extension District - 7

Crop Acres		50				Enterprise
REVENUE		Quantity	Units	\$/Unit	Total	Total
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	\$0.55	\$11.36	\$568.16
Phosphate		5	Pounds	\$0.42	\$2.08	\$104.18
Potassium		10.8	Pounds	\$0.61	\$6.54	\$327.13
Nitrogen N32		20	Pounds	\$0.55	\$10.94	\$546.90
Custom						
Custom Harvest Safflower		1	Acre	\$25.00	\$25.00	\$1,250.00
Custom Haul Safflower		25	Bushels	\$0.20	\$5.00	\$250.00
Soil Test-Dryland		1	Each	\$0.25	\$0.25	\$12.50
Miscellaneous						
NAP Insurance		1	Acre	\$2.00	\$2.00	\$100.00
Herbicide						
Prowl H20		2	Pint	\$5.65	\$11.30	\$565.00
Quadris		6	Ounce	\$2.50	\$15.00	\$750.00
Machinery Labor						
Tractors/Self-Propelled		0.88	Hour	\$12.00	\$10.56	\$528.00
Diesel Fuel						
Tractors/Self-Propelled		5.17	Gallon	\$2.75	\$14.22	\$710.88
Gasoline						
Pickup/General Use Equipment		1	Acre	\$2.70	\$2.70	\$135.00
Repairs & Maintenance						
Pickup/General Use Equipment		1	Acre	\$0.90	\$0.90	\$45.15
Tractors/Self-Propelled		1	Acre	\$10.70	\$10.70	\$535.22
Implements		1	Acre	\$11.53	\$11.53	\$576.72
Interest on Credit Line				3.75%	\$1.35	\$67.42
Total Variable Costs					\$160.19	\$8,009.75
Planned Returns Above Variable Costs:					\$1.81	\$90.25
Breakeven Price to Cover Variable Costs				\$0.18	Pound	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
Pickup/General Use Equipment		1	Acre	\$1.89	\$1.89	\$94.50
Tractors/Self-Propelled		1	Acre	\$12.56	\$12.56	\$628.01
Implements		1	Acre	\$14.66	\$14.66	\$732.85
Equipment Investment						
Pickup/General Use Equipment	\$21.00		Dollars	3.75%	\$0.79	\$39.38
Tractors/Self-Propelled	\$142.09		Dollars	3.75%	\$5.33	\$266.41
Implements	\$118.05		Dollars	3.75%	\$4.43	\$221.34
Rent-Dryland Crop		1	Acre	\$35.00	\$35.00	\$1,750.00
Total Fixed Costs					\$74.65	\$3,732.49
Total Specified Costs					\$234.84	\$11,742.24
Returns Above Specified Costs					(\$72.84)	(\$3,642.24)
Breakeven Price to Cover Total Costs				\$0.26	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	\$0.24	\$0.24	\$0.35	\$0.35	\$0.00
90%	810.00	\$0.20	\$0.20	\$0.29	\$0.29	\$0.00
100%	900.00	\$0.18	\$0.18	\$0.26	\$0.26	\$0.00
110%	990.00	\$0.16	\$0.16	\$0.24	\$0.24	\$0.00
125%	1125.00	\$0.14	\$0.14	\$0.21	\$0.21	\$0.00

Developed by Bill Thompson, Associate 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.