

Projections for Planning Purposes Only -- Not to be Used without Updating
2016 Estimated Costs and Returns per Acre
Dryland Sesame - 160 Acres
South Plains Extension District - 2

Crop Acres		160			
				Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total
Sesame - Non-irrigated	700.00	Pound	\$0.25	\$175.00	\$28,000.00
Total Revenue				\$175.00	\$28,000.00
				Enterprise	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total
Production Costs					
Herbicide					
Herbicide - Sesame	1	Acre	\$21.75	\$21.75	\$3,480.00
Seed					
Seed - Sesame	2.5	Pound	\$4.00	\$10.00	\$1,600.00
Fertilizer					
Fertilizer (N) - Liquid	30	Pound	\$0.58	\$17.34	\$2,774.40
Custom					
Fertilizer Application - Liquid High	1	Acre	\$4.75	\$4.75	\$760.00
Custom Harvest - Sesame	1	Acre	\$25.00	\$25.00	\$4,000.00
Custom Haul - Sesame	7	CWT	\$0.12	\$0.84	\$134.40
Miscellaneous					
Crop Insurance Sesame - Dryland	1	Acre	\$10.00	\$10.00	\$1,600.00
Machinery Labor					
Tractors/Self-Propelled	1	Hour	\$12.00	\$12.00	\$1,920.00
Diesel Fuel					
Tractors/Self-Propelled	2.2	Gallon	\$3.00	\$6.60	\$1,056.00
Gasoline					
Pickup/General Use Equipment	1	Acre	\$4.50	\$4.50	\$720.00
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$0.50	\$0.50	\$80.00
Tractors/Self-Propelled	1	Acre	\$6.00	\$6.00	\$960.00
Implements	1	Acre	\$3.00	\$3.00	\$480.00
Interest on Credit Line			6.00%	\$3.34	\$534.30
Total Variable Costs				\$125.62	\$20,099.10
Planned Returns Above Variable Costs:				\$49.38	\$7,900.90
Breakeven Price to Cover Variable Costs			\$0.18	Pound	
				Enterprise	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total
Equipment Fixed Costs					
Pickup/General Use Equipment	1	Acre	\$1.25	\$1.25	\$200.00
Tractors/Self-Propelled	1	Acre	\$12.00	\$12.00	\$1,920.00
Implements	1	Acre	\$10.00	\$10.00	\$1,600.00
Management Fee, Owner/Operator Labor	1	Acre	\$15.00	\$15.00	\$2,400.00
Cash Rent - Dryland	1	Acre	\$30.00	\$30.00	\$4,800.00
Whole Farm Insurance	1	Acre	\$2.00	\$2.00	\$320.00
Total Fixed Costs				\$70.25	\$11,240.00
Total Specified Costs				\$195.87	\$31,339.10
Returns Above Specified Costs				(\$20.87)	(\$3,339.10)
Breakeven Price to Cover Total Costs			\$0.28	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	Price Needed to Cover Your Variable Costs	Price Needed to Cover Your Total Costs
75%	525.00	\$0.24	\$0.37
90%	630.00	\$0.20	\$0.31
100%	700.00	\$0.18	\$0.28
110%	770.00	\$0.16	\$0.25
125%	875.00	\$0.14	\$0.22

Developed by Jackie Smith, Professor and Extension Economist, Texas A&M AgriLife Extension.

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.