

Projections for Planning Purposes Only -- Not to be Used without Updating
2016 Estimated Costs and Returns per Acre
Irrigated Sesame - 122 Acres
South Plains Extension District - 2

Crop Acres		122				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Sesame - Irrigated	1,500.00	Pound	\$0.43	\$645.00	\$645.00	\$78,690.00
Total Revenue				\$645.00	\$645.00	\$78,690.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Custom						
Fertilizer Application - Liquid High	1	Acre	\$4.75	\$4.75		\$579.50
Custom Harvest - Sesame	1	Acre	\$25.00	\$25.00		\$3,050.00
Custom Haul - Sesame	15	CWT	\$0.12	\$1.80		\$219.60
Fertilizer						
Fertilizer (N) - Liquid	75	Pound	\$0.58	\$43.35		\$5,288.70
Fertilizer (P) - Liquid	30	Pound	\$0.74	\$22.05		\$2,690.10
Herbicide						
Herbicide - Sesame	1	Acre	\$21.75	\$21.75		\$2,653.50
Miscellaneous						
Crop Insurance Sesame - Irrigated	1	Acre	\$12.50	\$12.50		\$1,525.00
Seed						
Seed - Sesame	2.5	Pound	\$4.00	\$10.00		\$1,220.00
Other Labor						
Hoeing	1	Acre	\$15.00	\$15.00		\$1,830.00
Irrigation						
Energy Cost	11.00	AcreInch	\$9.00	\$99.00		\$12,078.00
Irrigation Labor	0.90	Hour	\$12.00	\$10.80		\$1,317.60
Machinery Labor						
Tractors/Self-Propelled	1	Hour	\$12.00	\$12.00		\$1,464.00
Diesel Fuel						
Tractors/Self-Propelled	2.4	Gallon	\$3.00	\$7.20		\$878.40
Gasoline						
Pickup/General Use Equipment	1	Acre	\$4.50	\$4.50		\$548.44
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$0.50	\$0.50		\$61.00
Irrigation Equipment	1	Acre	\$19.25	\$19.25		\$2,348.50
Tractors/Self-Propelled	1	Acre	\$6.00	\$6.00		\$732.00
Implements	1	Acre	\$3.00	\$3.00		\$366.00
Interest on Credit Line			6.00%	\$8.21		\$1,001.63
Total Variable Costs				\$326.66	\$326.66	\$39,851.96
Planned Returns Above Variable Costs:					\$318.34	\$38,838.04
Breakeven Price to Cover Variable Costs			\$0.22	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Equipment Fixed Costs						
Pickup/General Use Equipment	1	Acre	\$1.25	\$1.25		\$152.50
Irrigation Equipment	1	Acre	\$55.00	\$55.00		\$6,710.00
Tractors/Self-Propelled	1	Acre	\$12.00	\$12.00		\$1,464.00
Implements	1	Acre	\$10.00	\$10.00		\$1,220.00
Management Fee, Owner/Operator Labor	1	Acre	\$30.00	\$30.00		\$3,660.00
Cash Rent - Sesame	1	Acre	\$100.00	\$100.00		\$12,200.00
Whole Farm Insurance	1	Acre	\$2.00	\$2.00		\$244.00
Total Fixed Costs				\$210.25	\$210.25	\$25,650.50
Total Specified Costs				\$536.91	\$536.91	\$65,502.46
Returns Above Specified Costs					\$108.09	\$13,187.54
Breakeven Price to Cover Total Costs			\$0.36	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%	1125.00	\$0.29	\$0.48
90%	1350.00	\$0.24	\$0.40
100%	1500.00	\$0.22	\$0.36
110%	1650.00	\$0.20	\$0.33
125%	1875.00	\$0.17	\$0.29

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.