

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2017 Estimated Costs and Returns per Animal Unit**  
**Commercial Sheep, Wool/Lamb Production, 5 Head per AU - 500 Ewes**  
**West Central Extension District - 7**

Animal Units (AU)	100					
Breeding Females	500					
		Quantity				Enterprise
<b>REVENUE</b>	Head	Per Head	Units	\$/Unit	Total	Total
Lambs - Wether	2.250	0.75	CWT	\$172.00	\$290.25	\$29,025.00
Lambs - Ewe	1.250	0.75	CWT	\$172.00	\$161.25	\$16,125.00
Cull Ewes	1.000	1.35	CWT	\$74.00	\$99.90	\$9,990.00
Cull Rams	0.050	2.00	CWT	\$84.00	\$8.40	\$840.00
Wool, 20.6-22.0 Mic	5.000	8.00	Pound	\$3.82	\$152.80	\$15,280.00
<b>Total Revenue</b>					<b>\$712.60</b>	<b>\$71,260.00</b>
		Quantity				Enterprise
<b>VARIABLE COSTS</b>			Units	\$/Unit	Total	Total
<b>Production Costs</b>						
Miscellaneous						
Supplies		5	Head	\$3.00	\$15.00	\$1,500.00
Predator Control - Sheep		5	Head	\$2.10	\$10.50	\$1,050.00
Brush Control		30	Acre	\$1.00	\$30.00	\$3,000.00
PRF Rainfall Ins		30	Acre	\$0.85	\$25.50	\$2,550.00
Tag Sheep		5	AU	\$1.90	\$9.50	\$950.00
Shear Sheep		5	Head	\$3.25	\$16.25	\$1,625.00
Marketing Expense		1.00	AU	\$20.83	\$20.83	\$2,082.50
<b>Feed</b>						
Corn - Sheep and Goat		110	Pound	\$0.07	\$7.85	\$785.40
Salt - Sheep		15	Pound	\$0.11	\$1.65	\$165.00
Mineral - Sheep		6	Pound	\$0.59	\$3.54	\$354.00
Range Cubes 20%		2.25	CWT	\$16.10	\$36.23	\$3,622.50
<b>Vet. Medicine</b>						
Overeat/Tetnus		4.5	Dose	\$0.27	\$1.22	\$121.50
Soremouth		4.5	Dose	\$0.32	\$1.44	\$144.00
Guard/Working Dog Health		0.02	Head	\$250.00	\$5.00	\$500.00
S&G Deworm 1st		25.725	ml	\$0.12	\$3.21	\$321.43
S&G Deworm 2nd		2.86	Grams	\$0.44	\$1.27	\$126.50
<b>Fuel</b>						
Lube (As a % of fuel)		1.0	AU	\$42.00	\$42.00	\$4,200.00
Repairs		10.0%	Percent	\$42.00	\$4.20	\$420.00
Labor		1	AU	\$52.32	\$52.32	\$5,232.49
Utilities		0.60	Hours	\$15.00	\$9.00	\$900.00
Interest on Credit Line		1.00	AU	\$24.00	\$24.00	\$2,400.00
				5.25%	\$20.31	\$2,031.25
<b>Total Variable Costs</b>					<b>\$340.82</b>	<b>\$34,081.58</b>
Planned Returns Above Variable Costs:					\$371.78	\$37,178.42
Average Lamb Breakeven Price to Cover Variable Costs				\$30.37	CWT	
		Quantity				Enterprise
<b>FIXED COSTS</b>			Units	\$/Unit	Total	Total
Depreciation - Equipment		1	AU	\$57.50	\$57.50	\$5,750.18
Depreciation - Livestock		1	AU	\$20.50	\$20.50	\$2,050.00
Equipment Investment		\$1,546.32	dollars	5.25%	\$81.18	\$8,118.20
Pasture Cost		30	Acres	\$8.00	\$240.00	\$24,000.00
<b>Total Fixed Costs</b>					<b>\$399.18</b>	<b>\$39,918.38</b>
<b>Total Costs</b>					<b>\$740.00</b>	<b>\$73,999.96</b>
Planned Returns to Management, Risk, and Profit:					(\$27.40)	(\$2,739.96)
Average Lamb Breakeven Price to Cover Total Costs				\$182.44	CWT	

**Sensitivity Analysis for Example**

Example Weaning Percent	Example Gross Sales per Animal Unit	Pounds Produced per AU	Example Breakeven Lamb Pay Weight to Cover Total Cost	Example Average Breakeven Price to Cover Total Cost
110%	\$812.93	466	62	\$149.27
100%	\$762.77	437	70	\$164.19
90%	\$712.60	408	80	\$182.44
80%	\$662.43	378	93	\$205.24
70%	\$612.27	349	111	\$234.56

Example Male Lamb Price	\$172.00
Example Female Lamb Price	\$172.00
Example Weighted Average Lamb Price (\$/cwt)	\$172.00

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**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.**