

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2018 Estimated Costs and Returns per Animal
Wool Breed Fat Lamb Budget - Commercial Feedlot
West Central Extension District - 7

Number of Head	700					
		Pay Weight				Enterprise
REVENUE	Head	or Amount	Units	\$/Unit	Total	Total
Feeder	0.950	1.44	CWT	\$135.00	\$184.10	\$128,872.01
Wool, Feeders-short	0.950	3.04	Pound	\$1.25	\$3.61	\$2,527.00
Total Revenue					\$187.71	\$131,399.01
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Feeder Purchase		0.75	CWT	\$178.06	\$133.55	\$93,481.50
Feeder Delivery		1.00	Head	\$1.00	\$1.00	\$700.00
Health						
Overeat/Tetnus		1	Dose	\$0.27	\$0.27	\$189.00
Fenbendazole drench		1.875	ml	\$0.10	\$0.19	\$131.25
Feed						
HayGrazer		0.00285714	Ton	\$117.00	\$0.33	\$234.00
Lamb Feedlot Ration		0.20298571	Ton	\$200.00	\$40.60	\$28,418.00
Miscellaneous						
Shear Feeder Lambs		0.99857143	Head	\$2.00	\$2.00	\$1,398.00
Fuel		1	Head	\$0.34	\$0.34	\$240.80
Lube (As a % of fuel)		10.0%	Percent	\$0.34	\$0.03	\$24.08
Utilities		1	Head	\$0.25	\$0.25	\$175.00
Repairs		1	Head	\$0.20	\$0.20	\$139.95
Marketing		0.950	Head	\$8.42	\$8.00	\$5,599.30
Interest on Credit Line				5.25%	\$2.53	\$1,774.35
Total Variable Costs					\$189.29	\$132,505.24
Planned Returns Above Variable Costs:					(\$1.58)	(\$1,106.22)
Breakeven Price to Cover Variable Costs				\$136.16	CWT	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Depreciation		1	Head	\$0.67	\$0.67	\$469.91
Equipment Investment		\$8.80	dollars	6.00%	\$0.53	\$369.77
Management Fee, Owner/Operator Labor		1	Head	\$3.50	\$3.50	\$2,450.00
Total Fixed Costs					\$4.70	\$3,289.68
Total Costs					\$193.99	\$135,794.92
Planned Returns to Management, Risk, and Profit:					(\$6.28)	(\$4,395.91)
Breakeven Price to Cover Total Costs				\$139.60	CWT	

Example Break Even Sensitivity Analysis			
	Net Pay Weight	Purchase Weight (Lbs/Hd): 75	
		Sales Price/Cwt 135.00	Purchase Price/Cwt 178.06
ADG (Lbs/day)	with Shrink	B/E Purchase Price (\$/CWT)	B/E Sales Price (\$/CWT)
0.77	157	\$188.70	\$128.04
0.70	150	\$176.98	\$133.91
0.64	144	\$166.54	\$139.60
0.58	136	\$153.54	\$147.41
0.51	129	\$141.81	\$155.24

Developed by Bill Thompson, Associate Professor and Extension Economist, Texas A&M AgriLife Extension Service, 325-653-4576.

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.