

Projections for Planning Purposes Only -- Not to be Used without Updating
2018 Estimated Costs and Returns per Animal Unit
Trans Pecos Hair Sheep, 5 Head per AU
Far West Extension District - 6

Animal Units (AU)	100					
Breeding Females	500					
REVENUE	Head	Quantity Per Head	Units	\$/Unit	Total	Enterprise Total
Lambs	2.330	0.80	CWT	\$202.10	\$376.71	\$37,671.44
Lambs	1.230	0.80	CWT	\$202.10	\$198.87	\$19,886.64
Cull Ewes	1.100	1.25	CWT	\$77.00	\$105.88	\$10,587.50
Cull Ram	0.000	1.70	CWT	\$100.00	\$0.00	\$0.00
Total Revenue					\$681.46	\$68,145.58
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Miscellaneous						
Predator Control		65	Acre	\$0.25	\$16.25	\$1,625.00
Parasite Monitoring		1.375	Head	\$2.00	\$2.75	\$275.00
Horse Health/Shoe/Feed		0.1	AU	\$4.12	\$0.41	\$41.23
Marketing Expense		1.00	AU	\$24.42	\$24.42	\$2,441.84
Feed						
10-10 Loose Mineral		10.5	Pound	\$0.57	\$5.99	\$598.50
Cottonseed - S&G		150	Pound	\$0.10	\$15.00	\$1,500.00
Vet. Medicine						
Clostridials S&G		5	Dose	\$0.56	\$2.80	\$280.00
Deworm S&G-Ivomec		10	Dose	\$0.71	\$7.10	\$710.00
Lice control - S&G		10	Dose	\$0.46	\$4.60	\$460.00
Fuel		1.0	AU	\$23.88	\$23.88	\$2,388.00
Lube (As a % of fuel)		10.0%	Percent	\$23.88	\$2.39	\$238.80
Repairs		1	AU	\$13.69	\$13.69	\$1,369.34
Labor		3.20	Hours	\$10.00	\$32.00	\$3,200.00
Interest on Credit Line				6.50%	\$11.76	\$1,176.08
Total Variable Costs					\$163.04	\$16,303.78
Planned Returns Above Variable Costs:					\$518.42	\$51,841.80
Average Lamb Breakeven Price to Cover Variable Costs				\$20.07	CWT	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Depreciation - Equipment		1	AU	\$58.34	\$58.34	\$5,833.99
Depreciation - Livestock		1	AU	\$94.37	\$94.37	\$9,437.16
Equipment Investment		\$1,207.55	dollars	6.50%	\$78.49	\$7,849.05
Pasture Cost		1	Acres	\$158.00	\$158.00	\$15,800.00
Total Fixed Costs					\$389.20	\$38,920.20
Total Costs					\$552.24	\$55,223.99
Planned Returns to Management, Risk, and Profit:					\$129.22	\$12,921.59
Average Lamb Breakeven Price to Cover Total Costs				\$156.73	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
113%	\$805.10	483	48	\$129.01
103%	\$743.28	453	54	\$141.53
93%	\$681.46	422	62	\$156.73
83%	\$619.63	392	72	\$175.59
73%	\$557.81	361	86	\$199.61

Example Male Lamb Price	\$202.10
Example Female Lamb Price	\$202.10
Example Weighted Average Lamb Price (\$/cwt)	\$202.10

Developed by Rob Hogan, Associate Professor and Extension Economist, Texas A&M AgriLife Extension, 830-278-9151.

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.