

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2019 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					
<b>REVENUE</b>	<b>Head</b>	<b>Quantity Per Head</b>	<b>Units</b>	<b>\$/Unit</b>	<b>Total</b>	<b>Enterprise Total</b>
Lambs	2.330	0.80	CWT	\$174.88	\$325.97	\$32,596.70
Lambs	1.230	0.80	CWT	\$174.88	\$172.08	\$17,207.70
Cull Ewes	1.100	1.25	CWT	\$42.48	\$58.41	\$5,841.00
Cull Ram	0.040	1.70	CWT	\$100.00	\$6.80	\$680.00
<b>Total Revenue</b>					<b>\$563.25</b>	<b>\$56,325.40</b>
<b>VARIABLE COSTS</b>		<b>Quantity</b>	<b>Units</b>	<b>\$/Unit</b>	<b>Total</b>	<b>Enterprise Total</b>
<b>Production Costs</b>						
<b>Miscellaneous</b>						
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
<b>Feed</b>						
10-10 Loose Mineral		10.5	Pound	\$0.57	\$5.99	\$598.50
Cottonseed - S&G		150	Pound	\$0.11	\$16.50	\$1,650.00
<b>Vet. Medicine</b>						
Clostridials S&G		5	Dose	\$0.51	\$2.55	\$255.00
Deworm S&G-Ivomec		10	Dose	\$0.71	\$7.10	\$710.00
Lice control - S&G		10	Dose	\$0.06	\$0.60	\$60.00
<b>Fuel</b>						
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%	\$12.72	\$1,272.23
<b>Total Variable Costs</b>					<b>\$161.25</b>	<b>\$16,124.94</b>
<b>Planned Returns Above Variable Costs:</b>					<b>\$402.00</b>	<b>\$40,200.46</b>
Average Lamb Breakeven Price to Cover Variable Costs				\$33.72	CWT	
<b>FIXED COSTS</b>		<b>Quantity</b>	<b>Units</b>	<b>\$/Unit</b>	<b>Total</b>	<b>Enterprise Total</b>
Depreciation - Equipment		1	AU	\$58.34	\$58.34	\$5,833.99
Depreciation - Livestock		1	AU	\$98.42	\$98.42	\$9,842.16
Equipment Investment		\$1,207.55	dollars	6.50%	\$78.49	\$7,849.05
Pasture Cost		1	Acres	\$186.00	\$186.00	\$18,600.00
<b>Total Fixed Costs</b>					<b>\$421.25</b>	<b>\$42,125.20</b>
<b>Total Costs</b>					<b>\$582.50</b>	<b>\$58,250.14</b>
<b>Planned Returns to Management, Risk, and Profit:</b>					<b>(\$19.25)</b>	<b>(\$1,924.74)</b>
Average Lamb Breakeven Price to Cover Total Costs				\$181.63	CWT	

**Sensitivity Analysis for Example**

Example Weaning Percent	Example Gross Sales per Animal Unit	Pounds Produced per Animal Unit	Example Breakeven Lamb Pay Weight to Cover Total Cost	Example Average Breakeven Price to Cover Total Cost
113%	\$670.25	490	65	\$149.51
103%	\$616.75	460	73	\$164.02
93%	\$563.25	429	83	\$181.63
83%	\$509.76	399	97	\$203.49
73%	\$456.26	368	116	\$231.33

Example Male Lamb Price	\$174.88
Example Female Lamb Price	\$174.88
Example Weighted Average Lamb Price (\$/cwt)	\$174.88

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.**