

Projections for Planning Purposes Only -- Not to be Used without Updating
2022 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			\$/Unit	Total	Enterprise
		Per Head	Units	Total			Total
Lambs	2.330	0.80	CWT	\$197.13	\$367.45	\$36,745.03	
Lambs	1.230	0.80	CWT	\$197.13	\$193.98	\$19,397.59	
Cull Ewes	1.100	1.25	CWT	\$86.80	\$119.35	\$11,935.00	
Cull Ram	0.040	1.70	CWT	\$91.80	\$6.24	\$624.24	
Total Revenue					\$687.02	\$68,701.86	

VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise
					Total
Production Costs					
Miscellaneous					
Predator Control	1.00	AU	\$16.25	\$16.25	\$1,625.00
Parasite Monitoring	1.00	AU	\$2.75	\$2.75	\$275.00
Marketing Expense	1.00	AU	\$24.42	\$24.42	\$2,441.84
Feed					
Cottonseed - S&G	150	Pound	\$0.17	\$25.50	\$2,550.00
10-10 Loose Mineral	10.92	Pound	\$0.57	\$6.22	\$622.44
Vet. Medicine					
Clostridials S&G	5	Dose	\$0.51	\$2.55	\$255.00
Deworm S&G-Ivomec	15.06	Dose	\$0.71	\$10.69	\$1,069.26
Lice control - S&G	15.06	Dose	\$0.06	\$0.90	\$90.36
Fuel					
Lube (As a % of fuel)	10.0%	Percent	\$23.88	\$2.39	\$238.80
Repairs	1	AU	\$36.05	\$36.05	\$3,604.77
Labor	3.20	Hours	\$15.00	\$48.00	\$4,800.00
Utilities	1.00	AU	\$48.00	\$48.00	\$4,800.00
Interest on Credit Line			6.30%	\$15.67	\$1,566.84
Total Variable Costs				\$263.27	\$26,327.31

Planned Returns Above Variable Costs: \$423.75 Enterprise
Average Lamb Breakeven Price to Cover Variable Costs \$48.34 CWT

FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise
					Total
Depreciation - Equipment	1	AU	\$92.05	\$92.05	\$9,205.04
Depreciation - Livestock	1	AU	\$98.42	\$98.42	\$9,842.16
Equipment Investment	\$1,477.46	dollars	6.30%	\$93.08	\$9,307.97
Pasture Cost	1	Acres	\$186.00	\$186.00	\$18,600.00
Total Fixed Costs				\$469.55	\$46,955.18
Total Costs				\$732.82	\$73,282.49
Planned Returns to Management, Risk, and Profit:				(\$45.81)	(\$4,580.62)
Average Lamb Breakeven Price to Cover Total Costs			\$213.21	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%	\$807.63	490	68	\$175.51
103%	\$747.32	460	76	\$192.53
93%	\$687.02	429	87	\$213.21
83%	\$626.72	399	101	\$238.87
73%	\$566.41	368	121	\$271.55

Example Male Lamb Price \$197.13
Example Female Lamb Price \$197.13
Example Weighted Average Lamb Price (\$/cwt) \$197.13

Developed by Bill Thompson, Assistant 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.