

Typical Costs and Returns
 SUPPLEMENTAL / SHEEP OPERATION
 Santa Barbara County - 1965

INITIAL INVESTMENT:

		<u>Total</u>	<u>Per Ewe</u>
Stock:	ewes, 50 @ \$ 25	1,250.00	25.00
	rams, 2 @ 100	200.00	4.00
Buildings and equipment		<u>500.00</u>	<u>10.00</u>
	<u>TOTAL INVESTMENT</u>	<u>\$1,950.00</u>	<u>\$39.00</u>

EXPENSES:

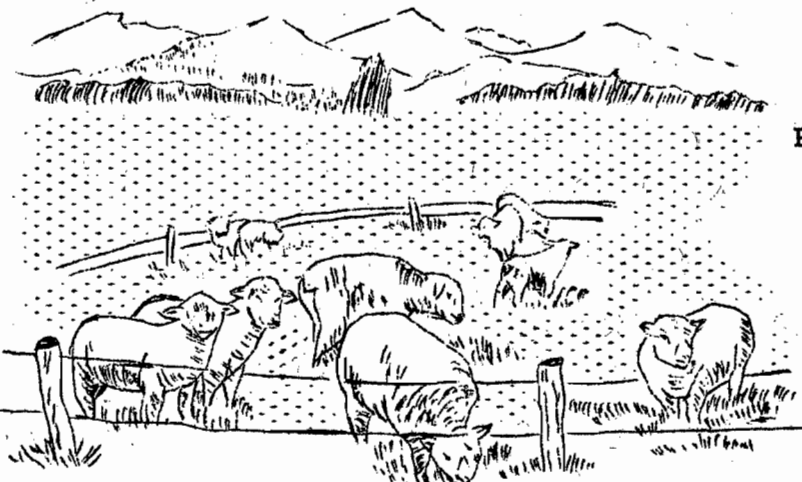
Replacement:	ewes, 10 @ \$ 25	250.00	5.00
	rams, ½ @ 100	50.00	1.00
Pasture and farmstead grazing		350.00	7.00
Supplemental feed:	alfalfa hay, 3T @ \$25	75.00	1.50
	grain, 400# @ \$2/100#	8.00	.16
Shearing		30.00	.60
Tagging and bags		14.50	.29
Salt		5.00	.10
Taxes:	stock, \$24.50		
	building and equipment, <u>7.50</u>	32.00	.64
Transportation		45.00	.90
Veterinary and medicine		17.50	.35
Miscellaneous (dues, telephone, etc.)		20.00	.40
<u>Total Cash Costs</u>		<u>897.00</u>	<u>17.94</u>
Depreciation (\$500 for 20 years)		25.00	.50
Interest on investment (at 6%/\$1,700)*		102.00	2.04
Operator's labor		<u>187.50</u>	<u>3.75</u>
	<u>TOTAL COSTS</u>	<u>\$1,211.50</u>	<u>\$24.23</u>

SALES AND INCOME:

Fat lambs, 50 @ 100# = 5,000# @ .22	1,100.00	22.00
Ewes, 7 @ \$5.00	35.00	.70
Wool, 52 hd. @ 10# = 520# @ .60	<u>312.00</u>	<u>6.24</u>
<u>Total Income</u>	<u>1,447.00</u>	<u>28.94</u>
Less cash costs	<u>897.00</u>	<u>17.94</u>
<u>Net Cash Income</u>	<u>550.00</u>	<u>11.00</u>
Less depreciation	25.00	.50
<u>Net Farm Income</u>	<u>525.00</u>	<u>10.50</u>
Less operator's labor and interest on investment	<u>289.50</u>	<u>5.79</u>
<u>MANAGEMENT INCOME</u>	<u>\$235.50</u>	<u>\$4.71</u>

AGRICULTURAL EXTENSION SERVICE
UNIVERSITY OF CALIFORNIA,
SANTA BARBARA COUNTY

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The farm sheep flock in Santa Barbara County is small and few in number, and is used principally for cleaning-up weeds in small areas which cannot be grazed by other livestock. Also, a few ranch families enjoy leg-of-lamb and lamb chops, therefore, they keep a few ewes for personal use. The sheep are most always run in connection with other livestock or other ranch operations and are a very minor enterprise within the overall operation.

Many of the costs have been arbitrarily assigned although it is conceivable that land and buildings would exist in the absence of even a small, 50-head flock.

Pasture and farmstead grazing have been given a charge of \$7 per ewe, per year. No hired labor is envisioned except for shearing, tagging, and veterinarian services which are charged directly. The operator's labor is calculated on the basis of 2½-hours-per-head per year, at a rate of \$1.50 per hour, or \$3.75 per head. Any excess income will show as management income.