

add

Agricultural Extension Service, University of California

SAMPLE COSTS . . RANGE SHEEP PRODUCTION* 1966

FRESNO

PRODUCTION DATA

- Ewes: 5% death loss and 14% culled annually
- Rams: 1 ram to 40 ewes: 8% mortality and 20% culled annually
- Lambs: 100% lamb crop raised (mortality equals twin lambing)
- Wool production: 10 lbs. per ewe from band and replacements minus death loss.

	Sample Costs	My Costs
<u>CASH COSTS</u>		
Range rent - 3 months @ 60¢/head/month	3,600.00	1.80
Barley stubble - 4 months @ 60¢/head/month	4,800.00	2.40
Alfalfa pasture - 5 months @ 3 1/2¢/head/day	10,500.00	5.25
Alfalfa hay - 40 tons @ \$26 <small>40 = @ 13¢</small>	1,040.00	.50
Grain - 25 tons @ \$46 <small>25 = @ 23¢</small>	1,150.00	.60
Salt - 5 tons @ \$30 <small>5 = @ 1.5¢</small>	150.00	.10
Veterinary and medicine	500.00	10.25
Spray - custom - 2,050 head @ 10¢	205.00	.25
Shearing - custom 2,300 @ 56¢	1,288.00	1.10
Two herders @ \$362.50/month - total costs	8,700.00	.65
Operator - labor and management - \$400/month total	4,800.00	4.35
Gasoline, oil, repairs for truck & pickup	1,650.00	2.40
Auto mileage - 10,000 miles @ 10¢	1,000.00	.80
Purchased replacements:		.50
400 yearling ewes @ \$20	8,000.00	4.00
14 rams @ \$110.00	1,540.00	.75
County taxes: total	715.00	.35
Misc., including dues, office, interest on operating capital	3,000.00	1.50
Total Cash Costs	\$52,638.00	
<u>DEPRECIATION</u>		
Buildings and equipment	1,066.25	.55
Total Depreciation	\$ 1,066.25	
<u>INTEREST ON INVESTMENT @ 6%</u>		
Buildings and equipment - 1/2 cost \$5,933.75	359.63	.20
Land for corrals - \$1,000	60.00	.05
Livestock - \$45,700 investment	2,742.00	1.35
Total Interest on Investment	3,161.63	1.60
TOTAL COST OF OPERATION	\$56,865.88	28.45
<u>ESTIMATED INCOME</u>		
Lambs: 2,000 @ 90 lbs @ 24¢ in wool	43,200.00	21.60
Ewes: 300 @ \$6	1,800.00	.90
Rams: 10 @ \$6	60.00	.05
Wool: 23,000 lbs @ 60¢ (includes government incentive payment)	13,800.00	6.90
Total Income	\$58,860.00	29.45

Sample costs for a 2,000 ewe band. Costs based on feed supply from natural range, barley stubble and grazed alfalfa, with supplements of harvested feeds.

	Combined Annual Deprec.	Total Value
<u>MENT ITEMS</u>		
Buildings and Equipment		
Camp trailers (3)	100.00	3,000.00
Fencing material	41.25	337.50
Feeding and watering facilities	45.00	250.00
Truck, pickup, etc.	800.00	8,000.00
Misc. small equipment	80.00	400.00
Sub Total	1,066.25	11,987.50
<u>Livestock Inventory</u>		
Ewes: 2,000 @ \$20		40,000.00
Rams: 50 @ \$110		5,500.00
Dogs: 8 @ \$25		200.00
Sub Total		45,700.00
<u>L INVESTMENT</u>	\$1,066.25	\$ 57,687.50

NET FARM INCOME

Since varying degrees of indebtedness may exist, the above data can be summarized to show net farm income; or the amount available to pay for operator's labor, management, and interest on investment.

Cash Costs (except operator's labor)	\$47,838.00
Depreciation	<u>1,066.25</u>
	\$48,904.25
Total income	58,860.00
Less cash and depreciation costs	<u>48,904.25</u>
NET FARM INCOME	\$ 9,955.75