

BEEF CATTLE COW-CALF OPERATION SELLING WEANERS - 1981

San Luis Obispo County

BF-CC-81

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This is a sample cost analysis for the production of weaner calves on an owner-operated ranch. The owner provides the management and all except \$2,500 worth of labor per year by trading work with other ranchers at peak times. Costs are based on a herd of 250 cows on range land with a carrying capacity of 15 acres per cow. The forage from rangeland and barley stubble is charged to the cattle operation at current rental rates. A 90% calf crop is weaned, 20% of the cows are replaced each year and there is a 2.4% annual cow mortality. Calving time is October and November with weaner calves sold in June on the ranch.

	Total	Per Cow	Your Cost
<b>INVESTMENT</b>			
Livestock - 250 cows @ \$600	\$150,000	\$600.00	
10 bulls @ \$1,800	18,000	72.00	
50 replacement heifers @ \$500	25,000	100.00	
2 horses @ \$1,400	2,800	11.20	
Equipment - pickup, trailer, scale, saddles, chute, misc. equipment and tools	25,000	100.00	
<b>TOTAL INVESTMENT (not including land)</b>	<b>\$220,800</b>	<b>\$883.20</b>	
<b>INTEREST ON INVESTMENT @ 15%</b>			
(Equipment and horses at 1/2 original cost)	\$ 31,035	\$124.14	
<b>DEPRECIATION</b>			
Horses - 10 years	\$ 280	\$ 1.12	
Equipment - 10 years	2,500	10.00	
<b>TOTAL DEPRECIATION</b>	<b>\$ 2,780</b>	<b>\$ 11.12</b>	
<b>CASH COSTS</b>			
Range - 3,750 acres @ \$7.00	\$ 26,250	\$105.00	
Barley stubble - 60 days, 250 head	2,000	8.00	
Protein supplement - 20 tons	3,300	13.20	
Hay - 250 head, 1/2 ton/head, \$115/ton	14,375	57.50	
Salt and minerals	300	1.20	
<b>Total feed</b>	<b>\$ 46,225</b>	<b>\$184.90</b>	
Hired labor	2,500	10.00	
Bull replacements - 2 @ \$1,800	3,600	14.40	
County taxes on equipment	100	.40	
Gas, oil, repairs, maintenance of fence and equipment	4,000	16.00	
Veterinarian, medicine, calf implants, horseshoeing, pregnancy and semen testing	2,200	8.80	
Office, business, licenses, and miscellaneous expenses	1,000	4.00	
<b>TOTAL CASH COSTS</b>	<b>\$ 59,625</b>	<b>\$238.50</b>	
<b>INCOME</b>			
	<u>Total lbs</u>	<u>Price/cwt.</u>	
112 weaner steers @ 500 lbs	56,000	.75	\$ 42,000
63 weaner heifers @ 470 lbs.	29,610	.65	19,246
44 cull cows @ 1,000 lbs.	44,000	.47	20,680
2 bulls @ 1,500 lbs.	3,000	.57	1,710
<b>TOTAL GROSS INCOME</b>	<b>132,610 lbs.</b>		<b>\$ 83,636</b>
			<b>\$334.55</b>

SUMMARY	Total	Per Cow	Your Figures
Gross Income	\$83,636	\$334.55	
Less Cash Costs	59,625	238.50	
Net Cash Income	\$24,011	\$ 96.05	
Less Depreciation	2,780	11.12	
Farm Income	\$21,231	\$ 84.93	
Less Interest	31,035	124.14	
Return For Operator's Labor and Management	\$-9,804	\$-39.21	