

BEEF CATTLE COW-CALF OPERATION IN KERN COUNTY

Cost Analysis Work Sheet - October 1976

by

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Sample costs to produce weaner calves on owned range. Costs are based on a 300 cow herd, with 20% of the cows culled and replaced each year, plus the replacement for a 1% death loss. A 90% calf crop is produced, and weaner calves are sold on the ranch.

Investment Costs

<u>Item</u>	<u>Item</u>	<u>Interest on Investment</u>	<u>Depreciation</u>
Range land 7500 acres @ \$75	\$562,500	45,000	
Stock:			
300 cows at \$300	90,000	8,100	
60 heifers @ \$250	15,000	1,350	
15 bulls @ \$800	12,000	1,080	
3 horses @ \$600	1,800	81	200
Fences: 20 miles new construction @ \$2000 mile. Present depreciated value assumed to be \$500 mile.	10,000	450	625
Buildings and corrals	10,000	450	625
Stock watering facilities:	3,000	135	150
Equipment:			
Older 1½ ton truck	3,000	135	500
Pickup (¾ ton)	6,000	270	600
Goose neck trailer	4,000	180	400
Saddles and tack	600	27	60
Misc. tools & equipment	1,500	68	150
TOTALS	\$719,400	57,326	3,310

Estimated Income

	<u>No. head</u>	<u>Av. weight</u>	<u>Total pounds</u>	<u>Pounds per cow</u>	<u>price</u>	<u>Total value</u>	<u>Per cow</u>	<u>Your total value</u>
Weaner steer calves	135	500	67,500	225	40¢	\$27,000	\$90	
Weaner heifer calves	72	450	32,400	108	32¢	10,368	35	
Cows	57	1000	57,000	190	26¢	14,820	49	
Bulls	3	1450	4,350	15	33¢	1,436	5	
TOTAL SALES	267		161,250			\$53,624	\$179	

BEEF CATTLE COW-CALF OPERATION
ANNUAL OPERATING COSTS

October 1976

Item	<u>Sample costs</u>		<u>Your costs</u>	
	300 cow herd	per cow	300 cow herd	per cow
Hired labor 1/2 time man	\$ 3,600			
Hay: 500 lbs. per cow at \$75/ton	5,625			
Heifers and bulls 15 tons @ \$75	1,125			
Range supplement mix (dry)				
cows: 300 lbs. ea. @ \$150/T (45 T)	6,750			
other stock 65 head equivalent 240 lbs.	1,170			
Salt and minerals				
4.6 tons @ \$60/T	276			
Horses - additional feed 10 tons hay	750			
Veterinary and medicine	900			
Bull replacements - 3 @ \$800	2,400			
Gas, oil, repairs 2000 miles @ 20¢	4,000			
Ranch repairs and maintenance	2,400			
Taxes: beef cattle 1/2¢ per day over 6 months age	748			
Bulls, other stock & personal property	600			
Land and improvements	2,720			
Interest on short term loan \$20,000 for 12 mos. @ 9%	1,800			
Office and business costs, dues, fees, insurance, etc.	1,500			
TOTAL CASH COSTS	\$36,364	\$121		
Non Cash Costs:				
Depreciation	\$ 3,310	\$ 11		
Interest on investment	57,326	191		
TOTAL NON CASH COSTS	\$60,636	\$202		
TOTAL CASH AND NON CASH COSTS	\$97,000	\$323		
Gross income	\$53,624	\$179		
Cash costs & depreciation	39,674	132		
	\$13,950	\$ 47		
Gross income	\$53,624	\$179		
Cash costs	36,364	121		
INCOME LESS CASH COSTS	\$17,260	\$ 58		

Residual that is available to pay the depreciation, operators labor and management, principle payments on short term loan and debt service on real estate loan, if any, and for interest on the ranchers owned equity = \$17,260.