

STOCKER BEEF OPERATION
Cost Analysis Work Sheet

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Sample costs for a stocker beef operation in Fresno County on foothill range normally capable of supporting one cow unit on fifteen acres. The investment in rangeland is a compromise between the current market price and its agricultural value.

	Sample Costs	Beet	My Costs Range	Range	Hours
CASH COSTS:					
Weaner steers: 540 averaging 425 lbs. costing 26¢ laid in	\$ 59,670.00	59,670			
Weaner heifers: 100 averaging 400 lbs. costing 23¢ laid in	9,200.00	9,200			
	<u>68,870</u>	68,870			
Feed:					
Range concentrate mix: 45 tons @ \$75.00	3,375.00	3,375			
Hay and grain for horses	200.00				200
Labor:					
Operator @ \$400.00/month	4,800.00	1,600	3200		
Extra: 20 man days @ \$15.00	300.00	300			
Veterinary and medicine	150.00	150			
Gasoline, oil and repairs for truck, pickup, etc.	1,200.00				1200
Range Improvement: 200 acres @ \$10.00	2,000.00		2,000		
Range Fertilization: 200 acres @ \$ 9.00	1,800.00		1,800		
County taxes: total	3,800.00	380	2,901		63 6
Misc., including dues, office, interest on operating capital	3,400.00	3400			
Total Cash Costs	89,895.00				
DEPRECIATION:					
Buildings	500.00				
Fencing	750.00		1,650		
Watering and feeding facilities	400.00				
Trucks, pickups, etc.	1,050.00				1050
Total Depreciation	2,700.00				
INTEREST ON INVESTMENT @ 6%:					
Land	13,500.00		13,500		
Buildings and equipment: 1/2 cost \$20,750.00	1,245.00		930		315
Total Interest on Investment	14,745.00		14,430		
		2352			
TOTAL COST OF OPERATION	107,340.00				
	<u>68,870</u>				
	<u>38,470</u>				
		6135			
		-1,600			
		<u>59.75</u>			
PRODUCTION DATA:					
Death loss: 2%					
Fertilization improves carrying capacity 100%					
Cattle sold on the range					
Sale weight includes actual weight minus 3% shrink					

		<u>Sample Costs</u>	<u>My Costs</u>
<u>ESTIMATED INCOME:</u>			
529 steers:	650 lbs. @ 24½¢	\$ 84,243.25	
98 heifers:	600 lbs. @ 21½¢	12,642.00	
Firewood	100 cords @ \$10.00	1,000.00	
<u>Total Income</u>		<u>97,885.25</u>	

		<u>Total Value</u>	
<u>INVESTMENT ITEMS:</u>			
Land:	3,000 acres @ \$75.00	\$225,000.00	2716
Buildings and corrals:	excluding owner's house	500 10,000.00	60
Fencing:	20 miles @ \$750.00	7500 15,000.00	90
Stock watering and feeding facilities		3000 6,000.00	35
Truck, pickup, trailer, tractor and misc.		5250 10,500.00	63
small equipment	<i>Stock</i> 62,870		330
Sub total		266,500.00	
4 horses @ \$250.00		500 1,000.00	6
<u>TOTAL INVESTMENT</u>		<u>315,120 267,500.00</u>	<u>3800</u> 6.06

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)	\$ 85,095.00
Depreciation	2,700.00
	<u>\$ 87,795.00</u>
Total Income	\$ 97,885.25
less cash and depreciation costs	87,795.00
<u>NET FARM INCOME</u>	<u>\$ 10,090.25</u>

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