

BF-VS-80-3  
 COW-CALF OPERATION ON RANGELAND  
 Sample Costs and Income - 1980  
 Fresno County

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Sample costs and income shown below are based on current prices and assume good management of both cattle and range. Land is rented by the operator. Further assumptions are: 500 cows in the herd; 2% death loss from the cow herd; 90% calf crop weaned; 20% of the cows replaced each year; one bull per 20 cows, useful life 5 years.

	<u>Sample Costs</u>		<u>My</u> <u>Costs</u>
	<u>Ranch</u> <u>Total</u>	<u>Per</u> <u>Cow</u>	
<b>INVESTMENT</b>			
Livestock			
Cows: 500 @ \$525	\$262,500	\$525.00	
Bulls: 25 @ \$1000	25,000	50.00	
Heifers: 100 @ \$425	42,500	85.00	
Horses, saddles, etc: 3 @ \$1750	5,250	10.50	
Pickups, trailers, and equipment	18,000	36.00	
<b>TOTAL INVESTMENT</b>	<b>\$353,250</b>	<b>706.50</b>	
<b>INTEREST ON INVESTMENT @ 11%</b>			
Pickups, trailers, and equipment - ½ cost \$9000	990	1.98	
Horses, saddles, etc - ½ cost \$2625	289	.58	
Cows, bulls, heifers - average value \$316,250	34,787	69.57	
<b>TOTAL INTEREST ON AVERAGE VALUE OF INVESTMENT</b>	<b>\$36,066</b>	<b>\$72.13</b>	
<b>DEPRECIATION</b>			
Pickups, trailers, and equipment - 10 yrs.	1,800	3.60	
Horses, saddles, etc. - 10 yrs.	525	1.05	
<b>TOTAL DEPRECIATION</b>	<b>\$2,325</b>	<b>\$4.65</b>	
<b>CASH COSTS</b>			
Feed			
Range rent: 8000 AUM @ \$7	56,000	112.00	
Hay (or equivalent): 300 tons @ \$80	24,000	48.00	
Range supplement: 50 tons @ \$140	7,000	14.00	
Block salt: 7½ tons @ \$80	600	1.20	
Horse feed: 1½ tons @ \$200	300	.60	
Replacement bulls: 5 @ \$1000	5,000	10.00	
Vet and medicine	2,000	4.00	
Hired labor: 1½ men @ \$10,000	12,500	25.00	
Fence and structure repair, materials	700	1.40	
Vehicle operation and maintenance: 20,000 mi. @ 25¢	5,000	10.00	
Taxes on personal property	200	.40	
Misc. office, insurance, accounting, etc.	1,200	26.40	
Interest on operating capital @ 13%	7,443	14.89	
<b>TOTAL CASH COSTS</b>	<b>\$121,943</b>	<b>\$243.89</b>	
<b>TOTAL COST OF PRODUCTION</b>	<b>\$160,334</b>	<b>\$320.67</b>	

	Sample Costs		My Costs
	Ranch	Per	
<b>CASH INCOME</b>			
225 steer calves, 485 lbs. @ 90¢		\$98,213	
125 Heifer calves, 461 lbs. @ 80¢		46,100	
90 Cows, 960 lbs. @ 50¢		43,200	
5 Bulls, 1500 lbs. @ 60¢		4,500	
<b>TOTAL CASH INCOME</b>		<b>\$192,013</b>	<b>\$384.03</b>
<b>SUMMARY</b>			
Total cash income		\$192,013	\$384.03
Total cash costs		121,943	243.89
Depreciation & interest on investment		38,391	76.78
<b>RESIDUAL FOR OPERATORS LABOR &amp; MANAGEMENT</b>		<b>\$31,679</b>	<b>\$63.36</b>

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