

SAMPLE INCOME AND COSTS - STOCKER STEER OPERATION
(Operator-owned Land)
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The sample costs and income shown below are based on current prices, assuming a 2% death loss and operating on lower foothill land capable of supporting one stocker on three acres of unimproved range. Good management is assumed, which includes supplemental feeding, adequate health care and fertilization on a 3-year rotation. The land is owned by the operator and under open space contract.

	<u>Total</u>	<u>Per Head Sold</u>
INVESTMENT:		
Land: 1920 acres @ \$150 including fences, watering and feeding facilities	\$288,000	\$288.00
Barns, corrals, scales, squeezes, etc.	12,000	12.00
Vehicles: pickup, cattle truck	7,500	7.50
Horses and Saddles: 3 @ \$500	1,500	1.50
TOTAL INVESTMENT	309,000	309.00
DEPRECIATION:		
Barns, corrals, etc.	600	.60
Vehicles	750	.75
Horses and Saddles	150	.15
TOTAL DEPRECIATION	1,500	1.50
CASH COSTS:		
Feed:		
60 tons range supplement @ \$70	4,200	4.20
5 tons hay on arrival @ \$30	150	.15
5 tons block salt @ \$40	200	.20
Hay and grain for horses	225	.225
Veterinarian fees	500	.50
Medicine	250	.25
Hired Labor to work cattle	400	.40
Fence repair: labor and material	375	.375
Range fertilization: 600 ac. @ \$7	4,200	4.20
Vehicle operation and maint: 10,000 mi. @ 7½¢	750	.75
Taxes:		
Steers: 212,000 hd. days @ ½¢	1,060	1.06
Horses	30	.03
Barns, corrals, etc.	240	.24
Land: 1920 ac. @ \$1.23(\$3 if not under open space contract with County)	2,362	2.36
Misc: office, insurance, accounting, etc.	450	.45
Interest on operating capital(\$166,352 @ 8% for 212 days)	8,058	8.06
TOTAL CASH COSTS	23,450	23.45
INCOME:		
Sell: 1,000 steers, 607 lbs. shrunk wt., @ 33¢	200,310	200.31
Buy: 1,020 steers, 400 lbs, delivered @ 37¢	-150,960	-150.96
TOTAL CASH INCOME	49,350	49.35
SUMMARY:		
Total Cash Income	49,350	49.35
Total Cash Costs	-23,450	-23.45
Depreciation	- 1,500	- 1.50
NET FARM INCOME (residual for interest on investment, owners labor and management)	\$ 24,400	\$24,40