

Cost Analysis
Beef Cattle Cow-Calf Operation Selling Weaners -- 1993
San Luis Obispo County

By Bill Weitkamp, Farm Advisor
 Cooperative Extension, University of California

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. Costs are based on a herd of 250 cows on rangeland with a carrying capacity of 15 acres per cow. Replacement heifers are born and raised on the ranch. The forage from rangeland and grain stubble is charged to the cattle operation at current rental rates. Ninety percent of the cows exposed to bulls wean calves, 20% of the cows are replaced annually and there is a 2.0% annual cow mortality.

	<u>Total</u>	<u>Per cow</u>	<u>Your cost</u>
Investment			
Livestock: 250 cows @ \$850	\$212,500	\$ 850.00	
10 bulls @ \$2,500	25,000	100.00	
50 rep. heifers @ \$550	27,500	110.00	
2 horses @ \$3,000	6,000	24.00	
Equipment: pickup, trailer, squeeze chute, scale, saddles, tools, etc.	<u>36,500</u>	<u>146.00</u>	
Total investment (not inc. land)	\$307,500	\$1230.00	
Interest on investment @ 8.5 % (Equip. & horses at 1/2 original cost)	\$ 24,586	\$ 98.34	
Depreciation			
Horses -- 10 years	\$ 600	\$ 2.40	
Equipment -- 10 years	<u>3,650</u>	<u>14.60</u>	
Total depreciation	\$ 4,250	\$ 17.00	
Cash operating costs			
Range -- 3,750 acres @ \$8.00	\$ 30,000	\$ 120.00	
Grain stubble -- 60 days, 250 head	3,750	15.00	
Protein supplement -- 20 t. @ \$210	4,200	16.80	
Hay -- 70 heifers, .5 t./hd, \$100/t.	3,500	14.00	
Minerals	<u>300</u>	<u>1.20</u>	
Total feed	\$ 41,750	\$ 167.00	
Hired labor	2,500	10.00	
Bull replacements -- 2 @ \$2,500	5,000	20.00	
Gas, oil, repairs, fence & equipment maintenance	4,000	16.00	
Vet, medicine, implants, horseshoeing, preg. & semen testing, etc.	4,000	16.00	
Business -- office, insurance, dues, licenses, etc.	3,000	12.00	
Interest on operating capital (\$59,250 @ 8.5%)	<u>5,036</u>	<u>20.14</u>	
Total cash operating costs	\$ 65,286	\$ 261.14	

