

SAN BENITO COUNTY
SAMPLE INPUTS AND COSTS OF COMMERCIAL BEEF PRODUCTION

by
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Basic Assumptions

Rented ranch	Rent
4600 A. range	\$ 8000
400 A. cultivated	2000
5000 A. total	\$10,000

Assumed Stock Count by Months

Mo.	Bulls	Cows	Calves	Yrlg. steers	Yrlg. heif.	2 yr. heif.	Total An. U.
Jan.	10	198		75	75	40	333
Feb.	10	196	(4 mo)	75	75	40	335
Mar.	10	196	170	75	75	40	375
Apr.	10	196	170	75	75	40	391
May	10	180	170	75	75	40	388
June	10	170	170	75	75	40	333
July	10	160	170	sell	41	40	307
Aug.	10	160	170		41	40	317
Sept.	10	200	150		41	to	317
Oct.	10	200	150		41	cows	321
Nov.	10	200	150		41		327
Dec.	10	200	150		41		330
Total	120	2256	1620	450	696	320	4074*

200 cow herd: selling yearlings

85% calf crop
20% replacement of cows
(18% sold, 2% died)
Calve - Nov.-Dec.

*Total animal unit months figured as follows: calves .2 to .57, yearlings .6 to .85, 2 yr. .88 to 1.0

Estimated Inputs, Costs Production Income and Profit

	Total An. Unit Mo. Feed	Total quantity	Price or cost	Total herd	Per animal unit	Per cwt. prod.	
Range (.77 AUM per acre)	3542	4600 A	\$ 1.74	\$ 8000	\$23.52		
Stubble	106	133 A	2.00	266	.78		
Hay	333	133 T	20.00	2660	7.82		
Concentrates	93	25 T	80.00	2000	5.88		
Salt and minerals				60	.19		
Total feed and feed cost	4074		3.19	12986	38.19	\$10.71	
Hired labor		1000 hr.	\$ 1.00	1000	2.94	.82	
Saddle horse and auto and truck costs				1050	3.09	.86	
Taxes, ins., repairs, vet. and miscel.				1500	4.42	1.24	
Depreciation operators equipment				150	.44	.12	
Subtotal - cash costs and depreciation				16686	49.08	13.76	
Operators labor		1600 hr.	1.00	1600	4.71	1.32	
Interest on investment, eqt. \$100 cattle \$2100				2200	6.46	1.81	
Total costs of production				20486	60.25	16.89	
Stock sales	No. hd.	Av. wt.	Total pounds	Price lb.	Total dollars	Per A.U.	Per cwt.
Yearling feeder steers	75	750	56250	20.5¢	11531		
Yearling heifers	34	700	23800	18.5	4403		
Weaner calves	20	300	6000	20.0	1200		
Cows	36	1000	36000	12.0	4320		
Bulls	2	1400	2800	14.0	392		
Total sales	167		124850		21846	64.25	
Less replacement bulls	3	1200	3600	400 hd.	1200	3.53	
Net stock production and inc.	164		121250		20646	60.72	17.03
Net prod. per An. Unit year			357				
Net farm income					3960	11.64	3.27
Less value of operator labor					1600	4.71	1.32
Renting operator's capital and management income					2360	6.93	1.95
Operator's investment - beef enterprise only					44000	129.41	
Rate earned on investment					5.3%		

Our "Work Sheet for Estimating Cattle Production and Costs" is available to help you estimate your costs and income, using the above as a guide.

BEEF PRODUCTION IN SAN BENITO COUNTY

NATURE OF BEEF CATTLE RANCHES

Typical cattle ranches in San Benito County contain varying amounts of tillable land which is dry farmed to barley in rotation with volunteer grain or hay and summer fallow. A few ranches have small acreages of irrigated pasture or alfalfa, depending upon available water and soil. Some are owner operated, and some are rented on a cash basis for the entire farm. The sample costs on the other side of this sheet are based on a typical ranch of 5000 acres, which contains 400 acres of dry farming land, with the entire ranch being rented for \$10,000 per year.

SEASONAL NATURE OF FEED

San Benito County rangeland produces good grazing from late winter to early summer. This is followed by a long dry period during which some supplementary feeding is necessary. This sample cost shows the annual supply of feed to be a total of 4074 AUM, which includes range, stubble, hay and concentrates.

BEEF ENTERPRISE

To analyze and compare beef production it is necessary to consider the beef enterprise as separate from grain or hay production. Therefore, the \$10,000 rent paid for the ranch in this "sample cost" has been considered as \$2000 for the 400 acres of farm land (\$5.00 per acre) and \$8000 for the range land, which comes out to \$1.74 per acre or \$2.26 per animal unit month, based on a presumed yield of .77 AUM per acre, or 15.6 acres required for an animal unit year. You will notice in the sample costs we show the range charged to the beef enterprise, and the stubble and hay produced on the crop land are charged as such at farm value. Labor and miscellaneous costs shown are for the beef cattle only, and do not include labor and other costs for the barley or hay production. These feed growing costs should be covered by the values at which the stubble and hay are charged to the beef on a quantity basis.

SAMPLE COSTS

Costs of beef production vary widely from ranch to ranch and year to year. We have prepared a sample set of costs based on a typical ranch on a rental basis. Consider these costs as "sample," and not as an average or as those of any one particular ranch. They are presented as a guide to help you estimate your own costs and possible profit. They are not represented as average. Work sheets to calculate your own costs may be obtained from your farm advisors' office. Making budgets for the year ahead can be a big help in planning your own operation. The Extension Circular, "Choosing Profitable Beef Production," also contains background information and sample budgets comparing cow and calf operations where weaner calves are sold, also where yearlings are sold and also ranches operated on a steer basis.

IF YOU OWN YOUR RANCH

The sample costs shown here are on a rental basis. An owner can compare his costs for all items. In place of range rent insert the rental value of your range and the taxes paid. If out of debt, the difference between the value of the range and the taxes is an additional return on investment and can be considered in figuring the return on your investment in both range and cattle enterprise at the bottom of the sheet. Depreciation and investment on buildings, corrals, etc., will also have to be considered.

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AVERAGE DAILY RATION FOR STEERS ON SELF-FEEDING SILAGE TRIAL

	Total weight	Dry matter	Digestible Protein	T.D.N.
Silage	26#	9.4	.68	5.9
Hay	8#	7.0	.88	4.3
Barley	7	6.3	.48	5.5
Cottonseed meal	1#	.9	.33	.7
Molasses	1#	.7	.00	.5
Total	<u>43#</u>	<u>24.3</u>	<u>2.37</u>	<u>16.9</u>
Roughage		67.8%	65.8%	60.4%
Concentrates		32.2%	34.2%	39.6%

COST OF DAILY RATION FOR STEERS ON SELF-FEEDING SILAGE TRIAL

Silage - 26# at \$5.05/T	=	.065
\$1.50/T green forage		
2.20/T harvesting charge		
.50/T depreciation of silo		
.85/T molasses		
Hay - 8# at \$20/T	=	.08
Barley - 7# at \$40/T	=	.14
Molasses - 1# at \$21.20/T	=	.011
Cottonseed meal - 1# at \$78/T	=	.039
Grinding and mixing at \$4/T	=	.018
		<u>.353</u>
Average gain - 2.69#		
Feed cost/pound gain - 13.1¢		

COST OF T.D.N. AND D.P. FOR DAILY RATION FOR STEERS ON SELF-FEEDING SILAGE TRIAL

	Cost per lb. of T.D.N.	Cost per lb. of D.P.
Silage	1.1¢ per lb.	9.6¢ per lb.
Hay	1.9¢ " "	9.1¢ " "
Barley	2.5¢ " "	29.1¢ " "
Molasses	2.2¢ " "	--
Cottonseed meal	5.6¢ " "	11.8¢ " "

Silo filled April 21 to April 27 with ladino clover and ryegrass. Forage was mowed and allowed to wilt for 2 to 4 hours before windrowing and chopping. 80# of molasses was added to each ton of this chopped material. Forage was well packed with wheel-type tractor. 85 steers were put into lot on May 20 and fed hay. Trial began on May 21.

Steers averaged 843# each and were in fair condition. Most of the steers would grade commercial. Steers were fed for 84 days and then the best 28 were topped off and sold; these steers had gained 2.69#/day - 26 graded good and 2 choice. The average dressing percentage was 58.2%. The balance of the steers were fed for 25 more days and averaged 2.49#/day for the entire period.

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