

SAMPLE COST STUDY OF COMMERCIAL BEEF PRODUCTION
SAN BENITO COUNTY
MARCH 1976

173 Cow Herd Selling Yearlings
312 Animal Units (1.8 a.u./cow)

This example is an owner operated 6000 acre ranch with a carrying capacity of 1.6 acres per animal unit month. Land value of \$140 per acre is based on recent sales of same type land. All costs, including taxes, are actual. Production is based on 85% calf crop weaned and 2% death loss.

INVESTMENT	TOTAL VALUE	YOUR EST.
LAND: 6000 acres @ \$140 (incl. bldgs., & corrals)	\$840,000	\$
EQUIP: Pickup, tractor, scales, misc. tools (½ new cost)	22,000	
STOCK: 173 Cows @ \$300; 34 heifers @ \$250	60,400	
7 Bulls @ \$750; 3 horses @ \$300	6,150	
TOTAL INVESTMENT	\$928,550	

DEPRECIATION	COST	YOUR EST.
IMPROVEMENTS: Fences, water sys., bldgs.	\$ 3,000	
EQUIPMENT: Pickup, tractor, scales, etc.	2,200	
TOTAL DEPRECIATION COSTS	\$ 5,200	

CASH COSTS	COST	YOUR EST.
TAXES: Land & improvements (80¢ per acre)*	\$ 4,800	\$
TAXES: Livestock & equipment	500	
HIRED LABOR: 500 hours @ \$3.00	1,500	
BULL REPLACEMENTS: One @ \$750	750	
FEED PURCHASED:		
50 tons hay @ \$85; 10 tons conc. @ \$120; salt	5,450	
MISC: Gas, vet., insurance, repairs, interest, etc.	5,000	
TOTAL CASH COSTS	\$ 18,000	

*Add 30¢ per acre if ranch not under a Land Conservation Act Agreement with the County.

INCOME	LBS. SOLD	PRICE	NET SALES	YOUR EST.
73 yr1. steers @ 750 lbs.	54,750	\$40.00	\$ 21,900	\$
40 yr1. heifers @ 700 lbs.	28,000	33.00	9,240	
31 cull cows @ 1100 lbs.	34,100	25.00	8,525	
1 cull bull @ 1700 lbs.	1,700	28.00	476	
TOTAL INCOME	118,550	xxxxxxx	\$ 40,141	

TOTAL CASH & DEPRECIATION COSTS	\$ 23,200	
--	------------------	--

NET RANCH INCOME	\$ 16,941	
-------------------------	------------------	--

RESIDUE AFTER OWNER DRAWS \$10,000 FOR LABOR & MGMT.	\$ 6,941	
---	-----------------	--

UNIVERSITY OF CALIFORNIA AGRICULTURAL EXTENSION

Rocky Lydon, Farm Advisor

Lee Benson, Extension Economist

SUMMARY

COST	PER CWT SOLD	PER ANIMAL UNIT
CASH ONLY	\$15.18	\$ 56.78
CASH & DEPRECIATION	19.56	73.19
CASH, DEPRECIATION & OWNER'S SALARY	28.00	104.73
ALL COSTS PLUS 8% INTEREST ON INVESTMENT	90.66	339.07

PERCENT OF TOTAL CASH COSTS	
PURCHASED FEED - - - - -	30%
TAXES - - - - -	29%
MISC. (gas, vet., ins., repairs, etc.) - - - - -	28%
BULL REPLACEMENTS - - - - -	4%
HIRED LABOR - - - - -	9%
TOTAL	100%

POUNDS STEER CALF SOLD PER COW - - - - -	316 lbs.
POUNDS HEIFER CALF SOLD PER COW - - - - -	162 lbs.
POUNDS CULL COW SOLD PER COW - - - - -	197 lbs.
POUNDS CULL BULL SOLD PER COW - - - - -	10 lbs.
TOTAL MEAT SALES PER COW	685 lbs.

POUNDS MEAT SOLD PER ANIMAL UNIT - - - - -	374 lbs.
POUNDS MEAT SOLD PER ACRE - - - - -	19.76 lbs.
DOLLARS OF MEAT SOLD PER ACRE - - - - -	\$6.69
TOTAL INVESTMENT PER ANIMAL UNIT - - - - -	\$2,971
ACTUAL INTEREST EARNED ON INVESTMENT - - - - -	.0074%