

*Ad Reed*

COW-CALF OPERATION  
Cost Analysis Work Sheet

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Sample costs for a cow-calf operation in Fresno County. Costs are based on a 200 cow herd weaning a 90% calf crop. The investment in rangeland is a compromise between the current market price and its agricultural value. The owner also has a Forest Service lease for 600 head months per year.

<u>CASH COSTS:</u>	<u>Sample Costs</u>	<u>My Costs</u>
Feed:		
Forest Service Summer range: includes lease, hauling, extra labor	\$ 2,500.00	12.50
Hay: 18 tons @ \$26.00	468.00	2.34
Range concentrate mix: 20 tons @ \$70.00	1,400.00	7.00
Salts and minerals	120.00	.60
Labor:		
Operator: \$400.00/month	4,800.00	24.00
Hired labor \$400.00 total cost	400.00	2.00
Gasoline, oil and repairs for truck, pickup, etc.	1,200.00	6.00
Maintenance and repairs	800.00	4.00
Veterinary and medicine	250.00	1.25
Range Improvement: 200 acres @ \$10.00	2,000.00	10.00
Replacement bulls: 3 @ \$400.00	1,200.00	6.00
County taxes: total	3,500.00	17.50
Misc., including dues, office, interest on operating capital	1,000.00	5.00
<b>Total Cash Costs</b>	<b>19,638.00</b>	<b>98.19</b>
<u>DEPRECIATION:</u>		
Buildings	500.00	2.50
Fencing	750.00	3.75
Watering and feeding facilities	400.00	2.00
Trucks, pickup, etc.	1,050.00	5.25
<b>Total Depreciation</b>	<b>2,700.00</b>	<b>13.50</b>
<u>INTEREST ON INVESTMENT @ 6%:</u>		
Land	13,500.00	67.50
Buildings and equipment: 1/2 cost \$20,750.00	1,245.00	6.22
Livestock: \$46,600.00 value	2,796.00	13.98
<b>Total Interest on Investment</b>	<b>17,541.00</b>	<b>87.71</b>
<b>TOTAL COST OF OPERATION</b>	<b>39,879.00</b>	<b>199.40</b>
<u>PRODUCTION DATA:</u>		
Rangeland carrying capacity: 15 acres per cow unit		
Cows: 1% mortality; 19% culled		
Bulls: 1 per 20 cows; replaced every three years		

			Sample Costs	My Costs
<u>ESTIMATED INCOME:</u>				
90 weaner steers:	500 lbs.	@ \$.26	\$ 11,700.00	58.50
50 weaner heifers:	450 lbs.	@ \$.23	5,175.00	25.77
38 cull cows:	1,100 lbs.	@ \$.15	6,270.00	31.35
3 bulls:	1,600 lbs.	@ \$.17	816.00	4.09
Firewood:	100 cords	@ \$10.00	1,000.00	5.00
<u>Total Income</u>			<u>24,961.00</u>	<u>124.90</u>

			Total Value	Tax	Notes
<u>INVESTMENT ITEMS:</u>					
Land:	3,000 acres	@ \$75.00	225,000.00	2,694	
Buildings and corrals:	excluding owner's house		10,000.00	60	190
Fencing:	20 miles	@ \$750.00	15,000.00	90	290
Stock watering and feeding facilities			6,000.00	36	115
Truck, pickup, trailer, tractor and miscellaneous small equipment			10,500.00	63	205
<u>Sub total</u>			<u>266,500.00</u>		
Livestock inventory:					
200 cows	@ \$180.00		36,000.00		
40 replacement heifers	@ \$140.00		5,600.00		
10 bulls	@ \$400.00		4,000.00		
4 horses	@ \$250.00		1,000.00		
<u>Sub total</u>			<u>46,600.00</u>	<u>557</u>	
<u>TOTAL INVESTMENT</u>			<u>313,100.00</u>	<u>3500</u>	<u>806</u>

NET FARM INCOME

Since varying degrees of indebtedness may exist, the above data can be summarized to show net farm income; or the amount available to pay for operator's labor, management, and interest on investment.

Cast Costs (except operator's labor)	\$ 14,838.00
Depreciation	<u>2,700.00</u>
	17,538.00
 Total Income	 24,961.00
Less cash and depreciation costs	<u>17,538.00</u>
<u>NET FARM INCOME</u>	<u>7,423.00</u>

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March 8, 1966