

# SAMPLE PRODUCTION COSTS

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## 450 STOCKER STEERS

Beef Production in Placer and Nevada Counties is the leading agricultural enterprise in terms of gross income and numbered approximately 42,000 head as of January 1, 1973. Beef cattle utilize thousands of acres of irrigated pasture and rangeland in the Western half of the 2-county area.

Stocker cattle are generally bought during the fall, winter and spring months to utilize pasture and range forage from March to October when cattle are either sold to go in the feedlot or contract fed.

The Sample Cost is based on a 150 acre sprinkler irrigated pasture operation yielding 12 A.U.M. per acre including one hay cutting and forage grazed. Steers averaging 600 lbs. each and purchased May 15th receive pasture and some pasture hay during the five months pasture season. Steers are sold or go into the feedlot about October 15th.

Steers are figured at .7 animal units. Daily gain per steer is figured at 1.5 lbs. Mortality is anticipated at 1%.

Water cost is figured at \$31.50 per miner's inch with one miner's inch irrigating two acres.

Taxes on land are based on the Placer County rate under the Land Conservation Program.

No labor costs are included. It is assumed that all labor for fertilizing, seeding, mowing, raking, and hauling hay, sprinkling, repairs, and care of cattle is done by operator and his family. No interest on the investment in land, fences, buildings, and equipment are included as a cost.

Production costs and yields listed in this leaflet are approximate and not intended to represent any specific ranch, nor the average for Placer-Nevada Counties.

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STOCKER STEER OPERATION  
(450 Beef Stockers)

	Total	Per Steer
<b>INCOME</b>		
446 Steers - 825 lbs. - 367,950 lbs. @ 42¢	\$154,543.20	\$343.43
<b>OPERATING COSTS</b>		
1. Stocker Steers - 450 @ 600 lbs.	121,500.00	270.00
270,000 lbs. @ 45¢		
2. Fertilizer \$12/A	1,800.00	4.00
3. Seeding for 20 A pasture @ \$30/A	600.00	1.33
4. Hay-baling 225 T (150 A x 1.5 T @ \$4.50)	1,012.50	2.25
5. Water (\$15.75/A and power to boost \$11.40/A (4 Ac. ft. x \$2.85 x 150 A)	4,072.50	9.05
6. Taxes (150 A @ \$5.25/A)	787.50	1.75
Taxes (450 stocker steers 150 days @ .005)	337.50	.75
7. Interest Paid		
Cattle (\$121,500.00 @ 8.5% for 5 months)	4,303.10	9.56
8. Misc., Vet., repairs, insurance, office, gas, salt, stilbestrol, etc.	1,733.00	3.85
<b>TOTAL CASH OPERATING COSTS</b>	<b>\$136,146.10</b>	<b>\$302.54</b>
<b>DEPRECIATION</b>		
1. Fences \$3,600 - 25 yr.	144.00	.32
2. Equipment \$6,000 - 15 yr.	400.00	.89
3. Buildings & Corrals \$2,500 - 25 yr.	100.00	.22
4. Irrigation System \$39,000	1,950.00	4.33
<b>TOTAL DEPRECIATION</b>	<b>\$2,594.00</b>	<b>\$5.76</b>
<b>TOTAL COST OF PRODUCTION</b>	<b>\$138,740.10</b>	<b>\$308.30</b>
<b>FARM INCOME</b>	<b>\$15,803.10</b>	<b>\$35.13</b>

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