

1971

SAMPLE INCOME AND COSTS STOCKER STEER OPERATION
(Long-term lease, with fertilization)
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The sample costs and income shown below are based on current prices, assuming a 2% death loss and operating on lower foothill land capable of supporting one stocker on three acres of unimproved range. Provisions of the long-term lease make operator management practices the same as recommended for operator-owned land; including fertilization, supplemental feeding and repair of permanent facilities.

	<u>Total</u>	<u>Per Head Sold</u>
INVESTMENT:		
Vehicles: pickup, cattle truck	\$ 7,500	\$ 7.50
Horses and saddles: 3 @ \$500	1,500	1.50
TOTAL INVESTMENT	9,000	9.00
DEPRECIATION:		
Vehicles	750	.75
Horses and saddles	150	.15
TOTAL DEPRECIATION	900	.90
CASH COSTS:		
Feed:		
Range rent: 1920 ac. with facilities @ \$6	11,520	11.52
60 tons range supplement @ \$70	4,200	4.20
5 tons hay on arrival @ \$30	150	.15
5 tons block salt @ \$40	200	.20
Hay and grain for horses	225	.225
Veterinarian fees	500	.50
Medicine	250	.25
Hired labor to work cattle	400	.40
Fence repair: labor and material	375	.375
Range fertilization: 600 ac. @ \$7	4,200	4.20
Vehicle operation and maint: 10,000 mi. @ 7½¢	750	.75
Taxes:		
Steers: 212,000 hd. days @ ½¢	1,060	1.06
Horses	30	.03
Misc: office, insurance, accounting, etc.	715	.72
Interest on operating capital \$175,535 @ 8% for 212 days	8,503	8.50
TOTAL CASH COSTS	33,078	33.08
INCOME:		
Sell: 1,000 steers, 607, lbs. shrunk wt., @ 33¢	200,310	200.31
Buy: 1020 steers, 400 lbs. delivered @ 37¢	-150,960	-150.96
TOTAL CASH INCOME	49,350	49.35
SUMMARY:		
Total Cash Income	49,350	49.35
Total Cash Costs	-33,078	-33.08
Depreciation	- 900	- .90
NET FARM INCOME (residual for interest on investment, operators labor and management)	\$ 15,372	\$ 15.37