

STOCKER STEER OPERATION ON RANGELAND

Sample Costs and Income - 1980
Fresno County

Aaron O. Nelson, Farm Advisor

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 producing 200 lbs. net gain per steer for the season. Provisions of the long-term lease make operator management practices the same as recommended for operator-owned land. Size, 1000 steers.

	Total	Per Cwt. Gain	My Costs
<u>INVESTMENT</u>			
Pickup and trailers	\$13,000		
Horses, saddles, etc.: 3 @ \$1750	5,250		
TOTAL INVESTMENT	\$18,250		
<u>NON-CASH COSTS</u>			
Interest on investment 11% of half cost	1,004	.54	
Depreciation - 10 yrs.	1,825	.98	
TOTAL NON-CASH COSTS	\$2,829	\$1.52	
<u>CASH COSTS</u>			
Feed			
Range rent: 6000 hd. mo. @ \$7	42,000	22.58	
Range supplement: 65 tons @ \$140	9,100	4.89	
Hay: 11½ tons @ \$90	1,035	.56	
Block salt: 5 tons @ \$80	400	.22	
Horse feed: @ .75 tons @ \$200	150	.08	
Vet and medicine	1,500	.81	
Hired labor: 30 days @ \$30	900	.48	
Fence and structure repair, materials	500	.27	
Vehicle operation and maintenance: 15,000 mi. @ 25¢	3,750	2.02	
Taxes on personal property	200	.11	
Misc. office, insurance, accounting, etc.	600	.32	
Interest on operating capital @ 13%	30,902	16.61	
TOTAL CASH COSTS	\$91,037	\$48.94	
<u>INCOME</u>			
Sell: 980 steers, 700 lbs. @ 80¢	548,800		
Buy: 1000 steers, 500 lbs. @ 88¢	440,000		
TOTAL CASH INCOME	\$108,800		
<u>SUMMARY</u>			
Total cash income	108,800	58.49	
Total cash costs	91,037	48.94	
Depreciation and interest on investment	2,829	1.52	
RESIDUAL FOR OPERATORS LABOR AND MANAGEMENT	\$14,934	\$ 8.03	

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