

SAMPLE BEEF  
INCOME AND COSTS  
SAN JOAQUIN COUNTY

AGRICULTURAL EXTENSION  
UNIVERSITY OF CALIFORNIA  
SAN JOAQUIN COUNTY  
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## INTRODUCTION

The sample beef production and income costs for San Joaquin County are broken down into three operations for comparison purposes. Assuming the same ranch and facilities for each operation, we compare a 300-cow operation selling weaners, a 234-cow operation selling yearlings, and a 1,350 total head stocker operation.

The figures do not represent one specific ranch operation but are realistic for comparable operations under good management. The income and expenses are shown for the entire ranch operation and then divided into appropriate enterprises--cattle, range and irrigated pasture. Service accounts are set up for equipment and horses. The total expenses accumulated in the service accounts are then charged to the enterprise on the basis of use. Feed produced by the range and pasture enterprises is charged to the beef at market prices, thus giving a profit or loss for these feed-producing enterprises. Labor costs include family labor at going wage rates. The cattle prices shown were obtained from Federal-State Market News Service, Livestock and Meat Prices and Receipts, 1975, Stockton.

These studies illustrate that if interest on investment for range and pasture is charged against the beef enterprise, there is a large loss for all three operations with the smallest loss occurring in the stocker operation.

### Calendars of Operation

#### Beef Breeding Herd Selling Weaners

Based on owned range and pasture - 300-cow herd, 90% calf crop, 2% mortality, 20% replacement.

Calendar will vary according to season:

October 1	- April 30	Range
May 1	- July 31	Irrigated pasture pairs
August 1		Calves sold
September 1	- January 1	Calving

#### Beef Breeding Herd Selling Yearlings

Based on owned range and pasture - 234-cow herd, 90% calf crop, 2% mortality, 20% replacement.

Calendar will vary according to season:

October 1	- April 30	Range
May 1	- September 30	Irrigated pasture pairs
October 1	- April 30	Range
May		Yearlings sold
September 1	- January 1	Calving

#### Stocker Operation

Based on owned range and pasture - 600 head bought in fall, 750 head bought in spring, 2% mortality.

Calendar will vary according to season:

March	- 750 head bought, fed on irrigated pasture
September	- 735 head sold
October	- 600 head bought, fed on range
June	- 588 head sold

BEEF BREEDING HERD INCOME AND COSTS - SAN JOAQUIN COUNTY - EASTSIDE - 1976

Based on 300-cow herd, 90% calf crop, 2% mortality, 20% replacement, selling weaners

	Value per 300 cows					
	Total Ranch	Range	Pasture	Equip-ment	Horses	Cattle
<b>Investment</b>						
Range land 2,400 acres @ \$300	720,000	720,000				
Pasture land 300 acres @ \$370	111,000		111,000			
Fences	30,000	19,500	10,500			
Buildings, corrals, etc.	27,000	27,000				
Water and feeding facilities	9,000	6,900	2,100			
Irrigation system	45,000		45,000			
Pasture stand	15,000		15,000			
Equipment	40,000			40,000		
Horses and saddles 4 @ \$600	2,400				2,400	
Cows 300 @ \$300	90,000					90,000
Bulls 15 @ \$700	10,500					10,500
Heifers 60 @ \$225	13,500					13,500
<b>TOTAL INVESTMENT</b>	<b>1,113,400</b>	<b>773,400</b>	<b>183,600</b>	<b>40,000</b>	<b>2,400</b>	<b>114,000</b>
<b>Income</b>						
Steers 135 @ 550 lb. 74,250 lb. @ 30¢	22,275					22,275
Heifers 75 @ 510 lb. 38,250 lb. @ 26¢	9,945					9,945
Cows 54 @ 1050 lb. 56,700 lb. @ 24¢	13,608					13,608
Bulls 4 @ 1500 lb. 6,000 lb. @ 27¢	1,620					1,620
<b>Transfers</b>		24,000	21,000	11,865	1,420	
<b>TOTAL INCOME</b>	<b>47,448</b>					<b>47,448</b>
<b>Expense</b>						
Range 2,400 acres @ \$ 10						24,000
Pasture 300 acres @ \$ 70						21,000
Hay 40 ton @ \$ 65	2,600				900	1,700
Concentrate 25 ton @ \$142	3,550					3,550
Salt	300					300
<b>Total feed</b>	<b>6,450</b>				<b>900</b>	<b>50,550</b>
Labor - hired and family	20,000	2,000	8,000			10,000
Bull replacement 4 @ \$700	2,800					2,800
Veterinary and medicine @ \$10/cow	3,000					3,000
Taxes	9,000	5,100	3,000	370	80	450
Horse						1,420
Equipment			6,170			5,695
Miscellaneous overhead	6,196	426	1,596		58	4,116
Transportation @ \$6/cow	1,800					1,800
Water and fertilizer	15,600		15,600			
Gas, oil, repairs, maintenance	7,500	1,250	625	5,625		
Interest on operating capital @ 9% for 6 mos.	5,280	395	1,297	270	46	3,272
<b>Cash Cost</b>	<b>77,626</b>	<b>9,171</b>	<b>36,288</b>	<b>6,265</b>	<b>1,084</b>	<b>83,103</b>
Depreciation	11,540	2,670	4,630	4,000	240	
Interest on investment @ 8%	82,336	59,736	11,784	1,600	96	9,120
Management 5% of \$47,443	2,372					2,372
<b>TOTAL EXPENSE*</b>	<b>173,874</b>	<b>71,577</b>	<b>52,702</b>	<b>11,865</b>	<b>1,420</b>	<b>94,595</b>
<b>NET INCOME</b>	<b>-126,426</b>	<b>-47,577</b>	<b>-31,702</b>	<b>-0-</b>	<b>-0-</b>	<b>-47,147</b>

\*On a per cow basis the TOTAL EXPENSE is \$580 and the NET INCOME is -\$422.

BEEF BREEDING HERD INCOME AND COSTS - SAN JOAQUIN COUNTY - EASTSIDE - 1976

Based on 234-cow herd, 90% calf crop, 2% mortality, 20% replacement, selling yearlings

	Value per 234 cows					
	Total Ranch	Range	Pasture	Equip-ment	Horses	Cattle
<u>Investment</u>						
Range land 2,400 acres @ \$300	720,000	720,000				
Pasture land 300 acres @ \$370	111,000		111,000			
Fences	30,000	19,500	10,500			
Buildings, corrals, etc.	27,000	27,000				
Water and feeding facilities	9,000	6,900	2,100			
Irrigation system	45,000		45,000			
Pasture stand	15,000		15,000			
Equipment	40,000			40,000		
Horses and saddles 4 @ \$600	2,400				2,400	
Cows 234 @ \$300	70,200					70,200
Bulls 12 @ \$700	8,400					8,400
Heifers 46 @ \$225	10,350					10,350
<b>TOTAL INVESTMENT</b>	<b>1,088,350</b>	<b>773,400</b>	<b>183,600</b>	<b>40,000</b>	<b>2,400</b>	<b>88,950</b>
<u>Income</u>						
Steers 105 @ 750 lb. 78,750 lb. @ 34¢	26,775					26,775
Heifers 58 @ 700 lb. 40,600 lb. @ 26¢	10,556					10,556
Cows 42 @ 1050 lb. 44,100 lb. @ 24¢	10,584					10,584
Bulls 3 @ 1500 lb. 4,500 lb. @ 27¢	1,215					1,215
Transfers		24,000	21,000	11,865	1,420	
<b>TOTAL INCOME</b>	<b>49,130</b>					<b>49,130</b>
<u>Expense</u>						
Range 2,400 acres @ \$ 10						24,000
Pasture 300 acres @ \$ 70						21,000
Hay 40 ton @ \$ 65	2,600				900	1,700
Concentrate 25 ton @ \$142	3,550					3,550
Salt	234					234
Total feed	6,384				900	50,484
Labor - hired and family	20,000	2,000	8,000			10,000
Bull replacement 3 @ \$700	2,100					2,100
Veterinary and medicine @ \$10/cow	2,340					2,340
Taxes	9,220	5,100	3,000	370	80	670
Horse						1,420
Equipment			6,170			5,695
Miscellaneous overhead	6,384	426	1,596		58	4,304
Transportation @ \$6/cow	1,404					1,404
Water and fertilizer	15,600		15,600			
Gas, oil, repairs, maintenance	7,500	1,250	625	5,625		
Interest on operating capital @ 9% for 6 mos.	5,430	395	1,297	270	46	3,422
<b>Cash Cost</b>	<b>76,362</b>	<b>9,171</b>	<b>36,288</b>	<b>6,265</b>	<b>1,084</b>	<b>81,839</b>
Depreciation	11,540	2,670	4,630	4,000	240	
Interest on investment @ 8%	80,332	59,736	11,784	1,600	96	7,116
Management 5% of \$49,130	2,456					2,456
<b>TOTAL EXPENSE*</b>	<b>170,690</b>	<b>71,577</b>	<b>52,702</b>	<b>11,865</b>	<b>1,420</b>	<b>91,411</b>
<b>NET INCOME</b>	<b>-121,560</b>	<b>-47,577</b>	<b>-31,702</b>	<b>-0-</b>	<b>-0-</b>	<b>-42,281</b>

\*On a per cow basis the TOTAL EXPENSE is \$730 and the NET INCOME is -\$520.

STOCKER CATTLE INCOME AND COSTS - SAN JOAQUIN COUNTY - EASTSIDE - 1976

Based on 1,350 head...stocking rate one steer to 4 acres on range in fall with 600 head bought @ 500 lbs., and rate of 2½ head per acre on pasture in spring with 750 head bought @ 500 lbs. Animals are grazed 7-8 months, mortality 2%.

	Value per 1,350 head bought					
	Total Ranch	Range	Pasture	Equip-ment	Horses	Cattle
<b>Investment</b>						
Range land 2,400 acres @ \$300	720,000	720,000				
Pasture land 300 acres @ \$370	111,000		111,000			
Fences	30,000	19,500	10,500			
Buildings, corrals, etc.	27,000	27,000				
Water and feeding facilities	9,000	6,900	2,100			
Irrigation system	45,000		45,000			
Pasture stand	15,000		15,000			
Equipment	40,000			40,000		
Horses and saddles 4 @ \$600	2,400				2,400	
<b>TOTAL INVESTMENT</b>	<b>999,400</b>	<b>773,400</b>	<b>183,600</b>	<b>40,000</b>	<b>2,400</b>	
<b>Income</b>						
<b>Sales:</b>						
June 588 @ 750¢ = 441,000 @ 36¢	158,760					
Sept 735 @ 750¢ = 551,250 @ 35¢	192,938					
Total 1323	992,250					351,698
<b>Purchases:</b>						
Oct. 600 @ 500¢ = 300,000 @ 35¢	105,000					
Mar. 750 @ 500¢ = 375,000 @ 35¢	131,250					
Total 1350	675,000					236,250
<b>Transfers</b>						
<b>TOTAL INCOME</b>	<b>317,250¢</b>	<b>115,448</b>	<b>24,000</b>	<b>21,000</b>	<b>11,865</b>	<b>1,420</b>
<b>Expenses</b>						
Range 2,400 acres @ \$ 10						24,000
Pasture 300 acres @ \$ 70						21,000
Hay 40 tons @ \$ 65	2,600				900	1,700
Concentrate 25 tons @ \$142	3,550					3,550
Salt	675					675
Total feed	6,825				900	50,925
Labor - hired and family	12,500	2,000	8,000			2,500
Veterinary and medicine @ \$2/head	2,700					2,700
Taxes	11,588	5,100	3,000	370	80	3,038
Horse						1,420
Equipment			6,170			5,695
Miscellaneous overhead	6,380	426	1,596		58	4,300
Transportation @ \$4/head	5,400					5,400
Water and fertilizer	15,600		15,600			
Gas, oil, repairs, maintenance	7,500	1,250	625	5,625		
Interest on operating capital @ 9%	5,427	395	1,297	270	46	3,419
Cash Cost	73,920	9,171	36,288	6,265	1,084	79,397
Depreciation	11,540	2,670	4,630	4,000	240	
Interest on investment @ 8%	73,216	59,736	11,784	1,600	96	
Interest on cattle - 9%	21,263					21,263
Management - 5% of \$115,448	5,772					5,772
<b>TOTAL EXPENSE*</b>	<b>185,711</b>	<b>71,577</b>	<b>52,702</b>	<b>11,865</b>	<b>1,420</b>	<b>106,432</b>
<b>NET INCOME</b>	<b>-70,263</b>	<b>-47,577</b>	<b>-31,702</b>	<b>-0-</b>	<b>-0-</b>	<b>9,016</b>

\*On a per head basis the TOTAL EXPENSE is \$138 and the NET INCOME is -\$52.

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