

SAMPLE INCOME AND COSTS -- RANGE COW OPERATION

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The sample costs and income shown below are based on current prices, assuming good management of both cattle and range. The land is owned by the operator in an area with an 8% tax rate, and is under open space contract with the county. Further assumptions pertinent to the calculations are:

1% death loss from the cow herd
 90% calf crop weaned
 15% of the cows replaced each year
 One bull per ~~20~~ cows, useful life is 5 years
 15 acres of unfertilized range per animal unit

	<u>Total</u>	<u>Per Cow</u>
INVESTMENT:		
Land: 4480 acres @ \$100, including fences, feeding and watering facilities	\$448,000	\$1,493.33
Barns, corrals, scales, squeezes, etc.	12,000	40.00
Pickup, cattle truck, tractor and equipment	12,000	40.00
Livestock:		
Cows: 300 @ \$250	75,000	250.00
Bulls: 15 @ \$800	12,000	40.00
Heifers: 50 @ \$170	8,500	28.33
Horses and saddles: 5 @ \$500	2,500	8.33
TOTAL INVESTMENT	570,000	1,900.00
DEPRECIATION:		
Barns, corrals, etc.	600	2.00
Pickup, truck, etc.	1,200	4.00
Horses and saddles	250	.83
TOTAL DEPRECIATION	2,050	6.83
CASH COSTS:		
Feed:		
20 tons range supplement for cows @ \$70	1,400	4.67
6 tons range supplement for heifers @ \$65	390	1.30
150 tons alfalfa hay @ \$30	4,500	15.00
4 tons block salt @ \$40	160	.53
Hay and grain for horses	375	1.25
Replacement bulls: 3 @ \$800	2,400	8.00
Veterinarian fees	450	1.50
Medicine	150	.50
Hired labor to work cattle	600	2.00
Fence repair: labor and material	750	2.50
Brush clearing and reseeding: 200 acres @ \$10	2,000	6.67
Range fertilization: 640 acres @ \$7	4,480	14.93
Vehicle operation and maintenance: 10,000 mi. @ 7½¢	750	2.50
Taxes:		
Land: 4480 ac. @ 82¢ (\$2 if not under open space contract with county)	3,674	12.25
Barns, corrals, tractor and equipment	330	1.10
Cows: 109,500 hd. days @ ½¢	548	1.83
Calves: 16,470 hd. days @ ½¢	82	.27
Heifers: 18,250 hd. days @ ½¢	91	.30
Bulls: 15 @ \$10	150	.50
Horses: 5 @ \$4	20	.07

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Misc: office, insurance, accounting, etc.	700	2.33
Interest on operating capital \$24,000 @ 8% for 140 days average	736	2.45
TOTAL CASH COSTS	24,736	82.45
CASH INCOME:		
135 steer calves, 485 lbs. shrunk wt. @ 35¢	22,916	76.39
85 heifer calves, 461 lbs. shrunk wt. @ 31¢	12,147	40.49
5 yearling heifers, 582 lbs. shrunk wt. @ 29¢	844	2.81
42 cows, 1164 lbs. shrunk wt. @ 23¢	11,244	37.48
3 bulls, 1746 lbs. shrunk wt. @ 28¢	1,467	4.89
TOTAL CASH INCOME	48,618	162.06
SUMMARY:		
Total Cash Income	48,618	162.06
Total Cash Costs	-24,736	-82.45
Depreciation	- 2,050	- 6.83
NET FARM INCOME (residual for interest on investment, owners labor and management)	\$ 21,832	\$ 72.78