

**NORTHWEST REGION  
MEDIUM COW/CALF BUDGET 2015**

	BREED HERD SIZE CULL RATE	170 15%	COW to BULL	20	CALF CROP PERCENT <sup>1</sup> REPLACEMENT HEIFER'S KEPT	83% 25.5	
<b>VALUE OF PRODUCTION</b>							
	<b>QUANTITY</b>	<b>WEIGHT</b>		<b>PRICE<sup>2</sup></b>	<b>VALUE</b>	<b>VALUE PER COW</b>	<b>NEW VALUE</b>
STEER CALVES	71	510		\$2.40	\$86,353	\$507.96	_____
HEIFER CALVES	45	485		\$2.32	\$50,690	\$298.18	_____
CULL COWS	26	900		\$0.86	\$19,737	\$116.10	_____
CULL BULLS	1	1200		\$0.96	\$1,152	\$6.78	_____
FEE HUNTING	1				\$3,500	\$20.59	_____
<b>TOTAL</b>	<b>142</b>				<b>\$161,432</b>	<b>\$949.60</b>	<b>_____</b>
<b>VARIABLE COSTS</b>							
		<b>UNITS</b>	<b>QUANTITY/PERCENT</b>	<b>PRICE</b>	<b>COST</b>	<b>VALUE PER COW</b>	<b>NEW VALUE</b>
<b>1. FEED COSTS</b>							
	HAY	TON	34.00	\$175.00	\$5,950	\$35.00	_____
	STATE	AUY	45.0%	\$38.04	\$2,910	\$17.12	_____
	FEDERAL LEASE	AUY	35.0%	\$20.88	\$3,550	\$20.88	_____
	PRIVATE(Owned)	AUY	20.0%	\$0.00	\$0	\$0.00	_____
	PRIVATE(Leased Grazing)	AUY	0.0%	\$0.00	\$0	\$0.00	_____
	SALT & MINERAL	TON	6	\$700.00	\$4,344	\$25.55	_____
	PROTEIN SUPP	TON	24	\$300.00	\$7,140	\$42.00	_____
	<b>TOTAL</b>				<b>\$23,893</b>	<b>\$140.55</b>	<b>_____</b>
<b>2. OTHER VARIABLE COSTS</b>					<b>COST</b>		
	VET AND MEDICINE				\$2,758	\$16.23	_____
	LIVESTOCK HAULING				\$755	\$4.44	_____
	HIRED LABOR				\$11,000	\$64.71	_____
	OPERATING COSTS-EQUIP & MACH				\$4,000	\$23.53	_____
	OPERATING COSTS-VEHICLE				\$5,000	\$29.41	_____
	RANCH MAINTENANCE				\$6,000	\$35.29	_____
	BEEF CHECKOFF				\$116	\$0.68	_____
	OTHER				\$16,000	\$94.12	_____
	<b>TOTAL</b>				<b>\$45,628</b>	<b>\$268.40</b>	<b>_____</b>
<b>3. INTEREST ON VARIABLE COSTS</b>							
	SUM OF VARIABLE COSTS X MONTHS BORROWED						
	X INTEREST RATE PER MONTH						
	ANNUAL INTEREST RATE				4.00%		
	NUMBER OF MONTHS BORROWED				6	<b>VALUE PER COW</b>	
						<b>HIGH</b>	
					\$1,390	\$8.18	_____
<b>TOTAL</b>					<b>\$70,912</b>	<b>\$417.13</b>	<b>_____</b>
					<b>\$90,520</b>	<b>\$532.47</b>	<b>_____</b>
<b>OWNERSHIP COSTS</b>							
	Annual Capital Recovery <sup>4</sup> (At Replacement Value):				Represents 65% Asset Ownership <sup>5</sup>	<b>VALUE PER COW</b>	<b>NEW VALUE</b>
<b>CASH COSTS</b>							
	Taxes & Insurance				\$6,029	\$35.46	_____
	Overhead				\$2,163	\$12.72	_____
	<b>Total</b>				<b>\$8,192</b>	<b>\$48.19</b>	<b>_____</b>
<b>NON CASH COSTS</b>							
	Purchased Livestock				\$7,204	\$42.38	_____
	Machinery & Equipment				\$6,029	\$35.46	_____
	Housing & Improvements				\$14,355	\$84.44	_____
	Interest on Retained Livestock <sup>4</sup>				\$15,256	\$89.74	_____
	Management & Operation Labor ( 6% of gross returns)				\$9,686	\$56.98	_____
	<b>Total</b>				<b>\$52,530</b>	<b>\$309.00</b>	<b>_____</b>
<b>TOTAL FIXED COSTS</b>					<b>\$60,721</b>	<b>\$357.18</b>	<b>_____</b>
<b>TOTAL CASH AND VARIABLE COSTS</b>					<b>\$79,104</b>	<b>\$465.32</b>	<b>_____</b>
<b>TOTAL COSTS</b>					<b>\$131,633</b>	<b>\$774.31</b>	<b>_____</b>
<b>RETURN ABOVE TOTAL CASH COSTS</b>					<b>\$82,329</b>	<b>\$484.29</b>	<b>_____</b>
<b>RETURN ABOVE TOTAL COSTS</b>					<b>\$29,799</b>	<b>\$175.29</b>	<b>_____</b>
<b>BREAKEYEN CALCULATIONS</b>							
		<b>VARIABLE COSTS</b>	<b>TOTAL COSTS</b>				
	REQUIRED AVG. CALF PRICES CASH COST (cwt)	\$101.02	\$112.69				
	REQUIRED AVG. CALF PRICES TOTAL COSTS(cwt)	\$101.02	\$187.52				

1) Calf crop is defined as the actual number of calves sold divided by the total number of cows (assuming all cows were exposed).

2) Prices represent 2015 price projections from Cattle Fax, Doanes reports for New Mexico feeder cattle cash prices.

3) Market prices include commissions, brand inspections, beef council, yardage, feed, and insurance

4) Annual capital recovery is the method of calculating depreciation and interest recommended by the National Task Force on Commodity Costs and Returns Measurement Methods.

5) The 35% reduction in asset values which represent a mix of new and used machinery.

6) Interest on average investment.