

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

	BREED HERD SIZE CULL RATE	160 15%	COW to BULL	20	CALF CROP PERCENT <sup>1</sup> REPLACEMENT HEIFER'S KEPT	83% 24
<b>VALUE OF PRODUCTION</b>						
	<u>QUANTITY</u>	<u>WEIGHT</u>	<u>PRICE<sup>2</sup></u>	<u>VALUE</u>	<u>VALUE PER COW</u>	
STEER CALVES	66	515	\$2.40	\$82,070	\$512.94	_____
HEIFER CALVES	42	495	\$2.32	\$48,692	\$304.33	_____
CULL COWS	24	900	\$0.81	\$17,496	\$109.35	_____
CULL BULLS	1	1200	\$0.92	\$1,104	\$6.90	_____
<b>TOTAL</b>	<b>134</b>			<b>\$149,363</b>	<b>\$933.52</b>	_____
<b>VARIABLE COSTS</b>						
	<u>UNITS</u>	<u>QUANTITY/PERCENT</u>	<u>PRICE</u>	<u>COST</u>	<u>VALUE PER COW</u>	
1. FEED COSTS	HAY	TON	28.00	\$175	\$4,900	\$30.63
	STATE	AUY	30.0%	\$34.20	\$0	\$0.00
	FEDERAL LEASE	AUY	40.0%	\$20.88	\$3,341	\$20.88
	PRIVATE(Owned)	AUY	30.0%	\$0.00	\$0	\$0.00
	PRIVATE(Leased Grazing)	AUY	0.0%	\$0.00	\$0	\$0.00
	SALT & MINERAL	TON	5.00	\$700	\$3,500	\$21.88
	PROTEIN SUPP	TON	8.00	\$300	\$2,400	\$15.00
	OTHER		0.00	\$0	\$0	\$0.00
<b>TOTAL</b>					<b>\$14,141</b>	<b>\$88.38</b>
2. OTHER VARIABLE COSTS	VET AND MEDICINE			\$2,307	\$14.42	_____
	LIVESTOCK HAULING			\$602	\$3.76	_____
	HIRED LABOR			\$0	\$0.00	_____
	OPERATING COSTS-EQUIP & MACH			\$1,215	\$7.60	_____
	OPERATING COSTS-VEHICLE			\$1,823	\$11.39	_____
	RANCH MAINTENANCE			\$2,124	\$13.28	_____
	BEEF CHECKOFF			\$109	\$0.68	_____
	PURCHASED LIVESTOCK			\$18,000	\$112.50	_____
<b>TOTAL</b>					<b>\$26,181</b>	<b>\$163.63</b>
3. INTEREST ON VARIABLE COSTS	SUM OF VARIABLE COSTS X MONTHS BORROWED					
	X INTEREST RATE PER MONTH					
	ANNUAL INTEREST RATE			7.00%		
	NUMBER OF MONTHS BORROWED			6		<u>VALUE PER COW</u>
				\$1,411	\$8.82	_____
<b>TOTAL</b>				<b>\$41,733</b>	<b>\$260.83</b>	_____
<b>TOTAL</b>				<b>\$107,630</b>	<b>\$672.69</b>	_____
<b>OWNERSHIP COSTS</b>						
	Annual Capital Recovery <sup>4</sup> (At Replacement Value):				Represents 65% Asset Ownership <sup>5</sup>	<u>VALUE PER COW</u>
CASH COSTS	Taxes & Insurance			\$4,151	\$25.94	_____
	Overhead			\$2,100	\$13.13	_____
<b>Total</b>				<b>\$6,251</b>	<b>\$39.07</b>	_____
NON CASH COSTS	Purchased Livestock			\$6,918	\$43.24	_____
	Machinery & Equipment			\$3,954	\$24.71	_____
	Housing & Improvements			\$6,366	\$39.79	_____
	Interest on Retained Livestock <sup>6</sup>			\$17,948	\$112.17	_____
	Management & Operation Labor ( 6% of gross returns)			\$8,962	\$56.01	_____
<b>Total</b>				<b>\$44,148</b>	<b>\$275.92</b>	_____
<b>TOTAL FIXED COSTS</b>				<b>\$50,399</b>	<b>\$314.99</b>	_____
<b>TOTAL CASH AND VARIABLE COSTS</b>				<b>\$47,984</b>	<b>\$299.90</b>	_____
<b>TOTAL COSTS</b>				<b>\$92,131</b>	<b>\$575.82</b>	_____
<b>RETURN ABOVE TOTAL CASH COSTS</b>				<b>\$101,379</b>	<b>\$633.62</b>	_____
<b>RETURN ABOVE TOTAL COSTS</b>				<b>\$57,231</b>	<b>\$357.69</b>	_____
<b>BREAKEVEN CALCULATIONS</b>						
	<b>VARIABLE COSTS</b>	<b>TOTAL COSTS</b>				
REQUIRED AVG. CALF PRICES CASH COST (cwt)	\$62.23	\$71.55				
REQUIRED AVG. CALF PRICES TOTAL COSTS(cwt)	\$62.23	\$137.38				

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 2010 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.