NORTHEAST REGION
LARGE COW/CALF BUDGET 2019

BREED HERD SIZE	333	COW to BULL	20	CALF CROP PERCENT[1]	87%
CULL RATE	20%			REPLACEMENT HEIFER'S KEPT	67

VALUE OF PRODUCTION

	QUANTITY	WEIGHT	PRICE[2]	VALUE	VALUE PER COW	NEW VALUE
STEER CALVES	145	550	$2.60	$206,832	$622.05	
HEIFER CALVES	78	515	$2.39	$96,176	$289.25	
CULL COWS	67	1000	$1.27	$84,455	$254.00	
CULL BULLS	1	1400	$1.48	$2,072	$6.23	
FEE HUNTING	1			$7,500	$22.56	
TOTAL	290			$397,034	$1,194.09	

VARIABLE COSTS

1. FEED COSTS

	UNITS	QUANTITY/PERCENT	PRICE	COST	VALUE PER COW	NEW VALUE
HAY	TON	16.00	$206	$3,296	$9.91	
STATE	AUY	20.0%	$29.10	$1,935	$5.82	
FEDERAL LEASE	AUY	40.0%	$16.20	$5,387	$16.20	
PRIVATE(Owned)	AUY	40.0%	$0.00	$0	$0.00	
PRIVATE(Leased Grazing)	AUY	0.0%	$0.00	$0	$0.00	
SALT & MINERAL	TON	12	$710	$8,617	$25.92	
PROTEIN SUPP	TON	60	$515	$31,037	$93.34	
TOTAL				$50,271	$151.19	

2. OTHER VARIABLE COSTS

	COST	VALUE PER COW
VET AND MEDICINE	$4,821	$14.50
LIVESTOCK HAULING	$1,379	$4.15
HIRED LABOR	$25,000	$75.19
OPERATING COSTS-EQUIP & MACH	$5,150	$15.49
OPERATING COSTS-VEHICLE	$9,000	$27.07
RANCH MAINTENANCE	$10,000	$30.08
MARKETING COST[7]	$9,738	$29.29
PURCHASED LIVESTOCK	$12,000	$36.09
TOTAL	$77,088	$231.84

3. INTEREST ON VARIABLE COSTS

SUM OF VARIABLE COSTS X MONTHS BORROWED		
X INTEREST RATE PER MONTH		
ANNUAL INTEREST RATE	7.15%	
NUMBER OF MONTHS BORROWED	6	VALUE PER COW
INTEREST COSTS	$4,553	$13.69
TOTAL VARIABLE COSTS	$131,913	$396.73
RETURN ABOVE VARIABLE COSTS	$265,121	$797.36

OWNERSHIP COSTS

Annual Capital Recovery[4] (At Replacement Valve):	Represents 65% Asset Ownership TOTAL	VALUE PER COW	NEW VALUE
CASH COSTS			
Taxes & Insurance	$10,062	$30.26	
Overhead	$2,163	$6.51	
Total	$12,225	$36.77	
NON CASH COSTS			
Purchased Livestock	$16,066	$48.32	
Machinery & Equipment	$10,062	$30.26	
Housing & Improvements	$95,929	$288.51	
Interest on Retained Livestock[6]	$21,420	$64.42	
Management & Operation Labor (6% of gross returns)	$23,822	$71.65	
TOTAL NON CASH COSTS	$167,300	$503.16	
TOTAL FIXED COSTS	$179,524	$539.92	
TOTAL CASH AND VARIABLE COSTS	$144,138	$433.50	
TOTAL COSTS	$311,437	$936.65	
RETURN ABOVE TOTAL CASH COSTS	$252,897	$760.59	
RETURN ABOVE TOTAL COSTS	$85,597	$257.43	

BREAKEVEN CALCULATIONS

	VARIABLE COSTS	TOTAL COSTS
REQUIRED AVG. CALF PRICES CASH COST (cwt)	$85.64	$93.57
REQUIRED AVG. CALF PRICES TOTAL COSTS(cwt)	$85.64	$202.18

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 2024 Clovis Livestock Auction.
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.
7) Marketing cost includes commissions, band inspections, beef council, yardage, feed and insurance at 2.5% on all animals sold.

NORTHEAST REGION
LARGE RANCH INVESTMENTS

Number	Land Values	Price Per Unit	10 Yr Avg Rate of Return	Purchase Price	Salvage/Cull Value	Useful Life	Livestock Share	Annual Capital Recovery
12000	Acres of private land	$600	5.8%	$7,200,000	$7,200,000			
350	AU Values[1]	$2,500	5.8%	$875,000	$875,000			
			Sub Totals	$8,075,000				
Number	**Buildings, Improvements**	**Price Per Unit**						
12	Miles of pipeline	$4,000	5.8%	$48,000	$4,800	25	100	$3,576
8	Wells	$20,000	5.8%	$160,000	$16,000	25	100	$11,918
70	Miles of Fence	$15,000	5.8%	$1,050,000	$105,000	25	100	$78,215
1	Corrals/Working Facilities	$12,000	5.8%	$12,000	$1,200	30	100	$833
1	Barns & Shop	$20,000	5.8%	$20,000	$2,000	30	100	$1,388
			Sub Totals	$1,290,000				$95,929
Number	**Machinery & Vehicles**	**Price Per Unit**	Interest Rate[3]	Price	Salvage/Cull			
1	3/4 ton pickup 4WD	$45,000	4.5%	$45,000	$9,000	7	50	$3,257
1	1ton pickup 4WD	$45,000	4.5%	$45,000	$9,000	7	50	$3,257
0	Tractor	$7,000	4.5%	$0	$0	7	100	$0
2	Gooseneck trailer	$7,500	4.5%	$15,000	$3,000	7	100	$2,171
1	Horse tack	$5,000	4.5%	$5,000	$1,000	10	100	$551
1	Misc. equipment	$7,500	4.5%	$7,500	$1,500	10	100	$826
			Sub Total	$117,500				$10,062
Head	**Purchased Livestock**	**Price Per Unit**	Interest Rate[3]	Price	Salvage/Cull			
9	Horses	$4,000	4.5%	$36,000	$13,680	10	100	$3,436
17	Bulls	$4,000	4.5%	$66,500	$25,270	4	100	$12,630
			Sub Total	$102,500				$16,066
Head	**Retained Livestock**	**Price Per Unit**	Interest Rate	Price	Salvage/Cull			Interest on Investment
332.5	Cows	$1,559	4.5%	$518,368	$196,980			$18,395
67	Replacement Heifers	$1,282	4.5%	$85,253	$32,396			$3,025
382	**Total AUYs**							
			Sub Total	$603,621	$229,376			$21,420
			Total	$10,188,621				$127,411

1) The interest rate of 5.75% used to calculate the capital recovery cost is the USDA-ERS's ten year average long-run rate of return to production assets for United States.