NORTHEAST REGION
MEDIUM COW/CALF BUDGET 2024

BREED HERD SIZE	190	COW to BULL	20	CALF CROP PERCENT[1]	85%
CULL RATE	15%			REPLACEMENT HEIFER'S KEPT	29

VALUE OF PRODUCTION

	QUANTITY	WEIGHT	PRICE[2]	VALUE	VALUE PER COW
STEER CALVES	81	550	$2.55	$113,252	$596.06
HEIFER CALVES	52	515	$2.34	$62,966	$331.40
CULL COWS	29	900	$1.22	$31,293	$164.70
CULL BULLS	1	1200	$1.43	$1,716	$9.03
FEE HUNTING	1			$6,000	$31.58
TOTAL	163			$215,227	$1,132.78

VARIABLE COSTS

1. FEED COSTS

	UNITS	QUANTITY/PERCENT	PRICE	COST	VALUE PER COW
HAY	TON	12.00	$203	$2,436	$12.82
BLM	AUY	0.0%		$0	$0.00
STATE	AUY	17.0%	$29.10	$940	$4.95
FEDERAL LEASE	AUY	30.0%	$16.20	$3,078	$16.20
PRIVATE(Owned)	AUY	53.0%	$0.00	$0	$0.00
PRIVATE(Leased Grazing)	AUY	0.0%	$0.00	$0	$0.00
SALT & MINERAL	TON	7	$710	$4,924	$25.92
PROTEIN SUPP	TON	31	$515	$15,901	$83.69
OTHER					
TOTAL				$27,278	$143.57

2. OTHER VARIABLE COSTS

	COST	VALUE PER COW
VET AND MEDICINE	$2,755	$14.50
LIVESTOCK HAULING	$772	$4.06
HIRED LABOR	$6,500	$34.21
OPERATING COSTS-EQUIP & MACH	$3,090	$16.26
OPERATING COSTS-VEHICLE	$5,000	$26.32
RANCH MAINTENANCE	$6,000	$31.58
MARKETING COST[7]	$6,277	$33.04
PURCHASED LIVESTOCK	$8,000	$42.11
TOTAL	$38,394	$202.07

3. INTEREST ON VARIABLE COSTS

		VALUE PER COW
SUM OF VARIABLE COSTS X MONTHS BORROWED		
X INTEREST RATE PER MONTH		
ANNUAL INTEREST RATE	7.15%	
NUMBER OF MONTHS BORROWED	6	
		HIGH
	$2,348	$12.36
Total	$68,020	$358.00
Return over above Variable Costs	$147,207	$774.78

OWNERSHIP COSTS

Annual Capital Recovery[4] (At Replacement Valve): Represents 65% Asset Ownership

	TOTAL	VALUE PER COW
CASH COSTS		
Taxes & Insurance	$5,444	$28.65
Overhead	$2,000	$10.53
Total	$7,444	$39.18
NON CASH COSTS		
Purchased Livestock	$9,508	$50.04
Machinery & Equipment	$5,444	$28.65
Housing & Improvements	$70,007	$368.46
Interest on Retained Livestock	$11,808	$62.15
Management & Operation Labor (6% of gross returns)	$12,914	$67.97
Total	$109,680	$577.26
TOTAL FIXED COSTS	$117,124	$616.44
TOTAL CASH AND VARIABLE COSTS	$75,464	$397.18
TOTAL COSTS	$185,144	$974.44
RETURN ABOVE TOTAL CASH COSTS	$139,763	$735.60
RETURN ABOVE TOTAL COSTS	$30,083	$158.33

BREAKEVEN CALCULATIONS

	VARIABLE COSTS	TOTAL COSTS
REQUIRED AVG. CALF PRICES CASH COST (cwt)	$79.09	$87.75
REQUIRED AVG. CALF PRICES TOTAL COSTS(cwt)	$79.09	$215.29

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 3% on all animals sold.

NORTHEAST REGION
MEDIUM 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
7,000	Acres of private land	$600	5.8%	$4,200,000	$4,200,000			
200	AU Values[1]	$2,500	5.8%	$500,000	$500,000			
			Sub Totals	$4,700,000				
Number	**Buildings, Improvements**	**Price Per Unit**						
10	Miles of pipeline	$4,000	5.8%	$40,000	$4,000	25	100	$2,980
6	Wells	$20,000	5.8%	$120,000	$12,000	25	100	$8,939
50	Miles of Fence	$15,000	5.8%	$750,000	$75,000	25	100	$55,868
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	$942,000				$70,007
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
0	1 ton pickup 4WD	$45,000	4.5%	$0	$0	7	50	$0
0	Tractor	$7,000	4.5%	$0	$0	7	100	$0
1	Gooseneck trailer	$7,500	4.5%	$7,500	$1,500	7	100	$1,086
1	Horse tack	$3,500	4.5%	$3,500	$700	10	100	$385
1	Misc. equipment	$6,500	4.5%	$6,500	$1,300	10	100	$716
			Sub Total	$62,500				$5,444
Head	**Purchased Livestock**	**Price Per Unit**	Interest Rate[3]	Price	Salvage/Cull			
6	Horses	$4,000	4.5%	$24,000	$9,120	10	100	$2,291
10	Bulls	$4,000	4.5%	$38,000	$14,440	4	100	$7,217
			Sub Total	$62,000				$9,508
Head	**Retained Livestock**	**Price Per Unit**	Interest Rate	Price	Salvage/Cull			Interest on Investment
190	Cows	$1,559	4.5%	$296,210	$112,560			$10,511
29	Replacement Heifers	$1,282	4.5%	$36,537	$13,884			$1,297
211	**Total AUYs**							
			Sub Total	$332,747	$126,444			$11,808
			Total	$6,099,247				$87,258

1) The interest rate of 5.8% used to calculate the capital recovery cost is the USDA-ERS's ten year average long-run rate of return production assets for United States