

**NORTHEAST REGION
EX-LARGE COW/CALF BUDGET 2024**

BREED HERD SIZE 523 COW to BULL 20 CALF CROP PERCENT¹ 87%
CULL RATE 15% REPLACEMENT HEIFER'S KEPT 78

VALUE OF PRODUCTION

	QUANTITY	WEIGHT	PRICE ^{2,3}	VALUE	VALUE PER COW	NEW VALUE
STEER CALVES	227	550	\$2.65	\$331,272	\$634.01	_____
HEIFER CALVES	149	515	\$2.44	\$187,123	\$358.13	_____
CULL COWS	98	1000	\$1.32	\$129,855	\$248.53	_____
CULL BULLS	1	1200	\$1.53	\$1,836	\$3.51	_____
FEE HUNTING	1			<u>\$12,000</u>	\$22.97	_____
TOTAL	476			\$662,086	\$1,267.15	_____

VARIABLE COSTS

		UNITS	QUANTITY/PERCENT	PRICE	COST	VALUE PER COW	NEW VALUE
1. FEED COSTS							
	HAY	TON	104.50	\$203	\$21,214	\$40.60	_____
	STATE	AUY	30.0%	\$29.10	\$4,561	\$8.73	_____
	FEDERAL LEASE	AUY	7.0%	\$16.20	\$8,465	\$16.20	_____
	PRIVATE(Owned)	AUY	55.0%	\$0.00	\$0	\$0.00	_____
	PRIVATE(Leased Grazing)	AUY	0.0%	\$0.00	\$0	\$0.00	_____
	SALT & MINERAL	TON	19	\$710	\$13,541	\$25.92	_____
	PROTEIN SUPP	TON	98	\$515	\$50,454	\$96.56	_____
	OTHER		0.00	\$0	<u>\$0</u>	<u>\$0.00</u>	_____
	TOTAL				\$98,234	\$188.01	_____
2. OTHER VARIABLE COSTS							
	VET AND MEDICINE				\$7,576	\$14.50	_____
	LIVESTOCK HAULING				\$2,259	\$4.32	_____
	HIRED LABOR				\$32,000	\$61.24	_____
	OPERATING COSTS-EQUIP & MACH				\$5,500	\$10.53	_____
	OPERATING COSTS-VEHICLE				\$14,000	\$26.79	_____
	RANCH MAINTENANCE				\$15,000	\$28.71	_____
	MARKETING COSTS ⁷				\$13,002	\$24.88	_____
	LIVESTOCK PURCHASES				\$16,000	<u>\$30.62</u>	_____
	TOTAL				\$105,337	\$201.60	_____
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	
					\$7,278	\$13.93	_____
	TOTAL				\$210,849	\$403.54	_____
					\$451,237	\$863.61	_____

OWNERSHIP COSTS

		Annual Capital Recovery ⁴ (At Replacement Valve):	Represents 65% Asset Ownership ⁵	VALUE PER COW	NEW VALUE
CASH COSTS					
	Taxes & Insurance			\$15,803	\$30.25
	Overhead			\$5,000	\$9.57
	Total			\$20,803	\$39.82
NON CASH COSTS					
	Purchased Livestock			\$24,810	\$47.48
	Machinery & Equipment			\$15,803	\$30.25
	Housing & Improvements			\$128,868	\$246.64
	Interest on Retained Livestock ⁶			\$32,471	\$62.15
	Management & Operation Labor (6% of gross returns)			<u>\$27,074</u>	<u>\$51.82</u>
	Total			\$229,027	\$438.33
TOTAL FIXED COSTS				\$249,831	\$478.14
TOTAL CASH AND VARIABLE COSTS				\$231,652	\$443.35
TOTAL COSTS				\$460,679	\$881.68
RETURN ABOVE TOTAL CASH COSTS				\$430,434	\$823.80
RETURN ABOVE TOTAL COSTS				\$201,407	\$385.47

BREAKEVEN CALCULATIONS

	VARIABLE COSTS	TOTAL COSTS
REQUIRED AVG. CALF PRICES CASH COST (cwt)	\$87.11	\$95.70
REQUIRED AVG. CALF PRICES TOTAL COSTS(cwt)	\$87.11	\$190.32

**NORTHEAST REGION
EXTRA-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
15,000	Acres of private land	\$600	5.8%	\$9,000,000	\$9,000,000			
500	AU Values ¹	\$2,500	5.8%	\$1,250,000	\$1,250,000			
Sub Totals				\$10,250,000				
Number	Buildings, Improvements	Price Per Unit						
16	Miles of pipeline	\$4,000	5.8%	\$64,000	\$6,400	25	100	\$4,767
10	Wells	\$20,000	5.8%	\$200,000	\$20,000	25	100	\$14,898
95	Miles of Fence	\$15,000	5.8%	\$1,425,000	\$142,500	25	100	\$106,149
2	Corrals/Working Facilities	\$12,000	5.8%	\$24,000	\$2,400	30	100	\$1,665
1	Barns & Shop	\$20,000	5.8%	\$20,000	\$2,000	30	100	\$1,388
Sub Totals				\$1,733,000				\$128,868
Number	Machinery & Vehicles	Price Per Unit	Interest Rate³	Price	Salvage/Cull			
2	3/4 ton pickup 4WD	\$45,000	4.5%	\$90,000	\$18,000	7	50	\$6,514
1	1 ton pickup 4WD	\$45,000	4.5%	\$45,000	\$9,000	7	50	\$3,257
1	Tractor	\$7,000	4.5%	\$7,000	\$1,400	7	100	\$1,013
3	Gooseneck trailer	\$7,500	4.5%	\$22,500	\$4,500	7	100	\$3,257
1	Horse tack	\$6,000	4.5%	\$6,000	\$1,200	10	100	\$661
1	Misc. equipment	\$10,000	4.5%	\$10,000	\$2,000	10	100	\$1,101
Sub Total				\$180,500				\$15,803
Head	Purchased Livestock	Price Per Unit	Interest Rate³	Price	Salvage/Cull			
13	Horses	\$4,000	4.5%	\$52,000	\$19,760	10	100	\$4,964
26	Bulls	\$4,000	4.5%	\$104,500	\$39,710	4	100	\$19,847
Sub Total				\$156,500				\$24,810
Head	Retained Livestock	Price Per Unit	Interest Rate	Price	Salvage/Cull			Interest on Investment
522.5	Cows	\$1,559	4.5%	\$814,578	\$309,539			\$28,906
78	Replacements Heifers	\$1,282	4.5%	\$100,477	\$38,181			\$3,565
581	Total AUUs							
Sub Total				\$915,054	\$347,721			\$32,471
Total				<u>\$13,235,054</u>				<u>\$177,142</u>

1) The interest rate of 3.9% used to calculate the capital recovery cost is the USDA-ERS's ten year average long-run rate of return to production assets for New Mexico.