

**NORTHEAST REGION
MEDIUM COW/CALF BUDGET 2024**

BREED HERD SIZE 190 COW to BULL 20 CALF CROP PERCENT¹ 85%
 CULL RATE 15% REPLACEMENT HEIFER'S KEPT 29

VALUE OF PRODUCTION

	QUANTITY	WEIGHT	PRICE ²	VALUE	VALUE PER COW
STEER CALVES	81	550	\$4.20	\$186,533	\$981.75
HEIFER CALVES	52	515	\$3.80	\$102,253	\$538.18
CULL COWS	29	900	\$1.35	\$34,628	\$182.25
CULL BULLS	1	1200	\$1.70	\$2,040	\$10.74
FEE HUNTING	1			<u>\$6,000</u>	\$31.58
TOTAL	163			\$331,453	\$1,744.49

VARIABLE COSTS

		UNITS	QUANTITY/PERCENT	PRICE	COST	VALUE PER COW
1. FEED COSTS						
	HAY	TON	12.00	\$184	\$2,208	\$11.62
	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				\$27,050	\$142.37
2. OTHER VARIABLE COSTS						
	VET AND MEDICINE				<u>\$2,755</u>	\$14.50
	LIVESTOCK HAULING				<u>\$772</u>	\$4.06
	HIRED LABOR				<u>\$6,500</u>	\$34.21
	OPERATING COSTS-EQUIP & MACH				<u>\$3,090</u>	\$16.26
	OPERATING COSTS-VEHICLE				<u>\$5,000</u>	\$26.32
	RANCH MAINTENANCE				<u>\$6,000</u>	\$31.58
	MARKETING COST ⁷				<u>\$6,277</u>	\$33.04
	PURCHASED LIVESTOCK				<u>\$12,000</u>	<u>\$63.16</u>
	TOTAL				\$42,394	\$223.13
3. INTEREST ON VARIABLE COSTS						
	SUM OF VARIABLE COSTS X MONTHS BORROWED					
	X INTEREST RATE PER MONTH					
	ANNUAL INTEREST RATE				8.75%	
	NUMBER OF MONTHS BORROWED				6	VALUE PER COW
					\$3,038	HIGH
					\$3,038	\$15.99
	Total				\$72,482	\$381.49
	Return over above Variable Costs				\$258,971	\$1,363.00

OWNERSHIP COSTS

		TOTAL	VALUE PER COW
Annual Capital Recovery ⁴ (At Replacement Value):			Represents 65% Asset Ownership
CASH COSTS		TOTAL	VALUE PER COW
	Taxes & Insurance	\$5,514	\$29.02
	Overhead	\$2,000	\$10.53
	Total	\$7,514	\$39.55
NON CASH COSTS			
	Purchased Livestock	\$14,735	\$77.55
	Machinery & Equipment	\$5,514	\$29.02
	Housing & Improvements	\$71,474	\$376.18
	Interest on Retained Livestock	\$22,418	\$117.99
	Management & Operation Labor (6% of gross returns)	<u>\$19,887</u>	<u>\$104.67</u>
	Total	\$134,028	\$705.41
TOTAL FIXED COSTS		\$141,541	\$744.95
TOTAL CASH AND VARIABLE COSTS		\$79,996	\$421.03
TOTAL COSTS		\$214,024	\$1,126.44
RETURN ABOVE TOTAL CASH COSTS		\$251,457	\$1,323.46
RETURN ABOVE TOTAL COSTS		\$117,430	\$618.05

BREAKEVEN CALCULATIONS

	VARIABLE COSTS	TOTAL COSTS
REQUIRED AVG. CALF PRICES CASH COST (cwt)	\$84.28	\$93.02
REQUIRED AVG. CALF PRICES TOTAL COSTS(cwt)	\$84.28	\$248.87

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 2025 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	5.5%	\$4,200,000	\$4,200,000			
200	AU Values ¹	\$2,500	5.5%	\$500,000	\$500,000			
Sub Totals				\$4,700,000				
Number	Buildings, Improvements	Price Per Unit						
10	Miles of pipeline	\$4,000	5.5%	\$40,000	\$4,000	25	100	\$2,889
6	Wells	\$20,000	5.5%	\$120,000	\$12,000	25	100	\$8,666
50	Miles of Fence	\$16,000	5.5%	\$800,000	\$80,000	25	100	\$57,774
1	Corrals/Working Facilities	\$12,000	5.5%	\$12,000	\$1,200	30	100	\$804
1	Barns & Shop	\$20,000	5.5%	\$20,000	\$2,000	30	100	\$1,341
Sub Totals				\$992,000				\$71,474
Number	Machinery & Vehicles	Price Per Unit	Interest Rate^{2,3}	Price	Salvage/Cull			
1	3/4 ton pickup 4WD	\$45,000	4.8%	\$45,000	\$9,000	7	50	\$3,296
0	1 ton pickup 4WD	\$45,000	4.8%	\$0	\$0	7	50	\$0
0	Tractor	\$7,000	4.8%	\$0	\$0	7	100	\$0
1	Gooseneck trailer	\$7,500	4.8%	\$7,500	\$1,500	7	100	\$1,099
1	Horse tack	\$3,500	4.8%	\$3,500	\$700	10	100	\$391
1	Misc. equipment	\$6,500	4.8%	\$6,500	\$1,300	10	100	\$727
Sub Total				\$62,500				\$5,514
Head	Purchased Livestock	Price Per Unit	Interest Rate^{2,3}	Price	Salvage/Cull			
6	Horses	\$6,500	4.8%	\$39,000	\$14,820	10	100	\$3,797
10	Bulls	\$6,000	4.8%	\$57,000	\$21,660	4	100	\$10,937
Sub Total				\$96,000				\$14,735
Head	Retained Livestock	Price Per Unit	Interest Rate^{2,3}	Price	Salvage/Cull		Interest on Investment	
190	Cows	\$2,700	4.8%	\$513,000	\$194,940			\$19,216
29	Replacement Heifers	\$3,000	4.8%	\$85,500	\$32,490			\$3,203
211	Total AUYS							
Sub Total				\$598,500	\$227,430			\$22,418
Total				<u>\$6,449,000</u>				<u>\$99,406</u>

1) The interest rate of 5.45% used to calculate the capital recovery cost is the USDA-ERS's ten year average long-run rate of return to production assets for the United States.

2) An interest rate of 4.75% was used based on long-term U.S. Treasury rate for intermediate assets.

3) A rate of 4.75 percent reflects a typical return on a low -risk investment.