

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

BREED HERD SIZE 170 COW to BULL 20 CALF CROP PERCENT¹ 83%
CULL RATE 15% REPLACEMENT HEIFER'S KEPT 25.5

VALUE OF PRODUCTION						VALUE PER COW	
	QUANTITY	WEIGHT	PRICE ^{2,3}	VALUE		NEW VALUE	
STEER CALVES	71	515	\$2.40	\$87,200	\$512.94		
HEIFER CALVES	45	495	\$2.17	\$48,390	\$284.65		
CULL COWS	26	900	\$1.21	\$27,770	\$163.35		
CULL BULLS	1	1200	\$1.34	\$1,608	\$9.46		
TOTAL	142			\$164,968	\$970.40		

VARIABLE COSTS						VALUE PER COW	
1. FEED COSTS	UNITS	QUANTITY/PERCENT	PRICE	COST		NEW VALUE	
HAY	TON	28.00	\$203	\$5,684	\$33.44		
STATE	AUY	30.0%	\$29.10	\$0	\$0.00		
FEDERAL LEASE	AUY	40.0%	\$16.20	\$2,754	\$16.20		
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	\$710	\$3,550	\$20.88		
PROTEIN SUPP	TON	8.00	\$515	\$4,120	\$24.24		
OTHER		0.00	\$0	\$0	\$0.00		
TOTAL				\$16,108	\$94.75		

2. OTHER VARIABLE COSTS						VALUE PER COW	
				COST		NEW VALUE	
VET AND MEDICINE				\$2,687	\$15.81		
LIVESTOCK HAULING				\$661	\$3.89		
HIRED LABOR				\$0	\$0.00		
OPERATING COSTS-EQUIP & MACH				\$1,315	\$7.74		
OPERATING COSTS-VEHICLE				\$1,973	\$11.61		
RANCH MAINTENANCE				\$2,300	\$13.53		
MARKETING COST ⁷				\$4,949	\$29.11		
PURCHASED LIVESTOCK				\$8,000	\$47.06		
TOTAL				\$21,885	\$128.74		

3. INTEREST ON VARIABLE COSTS						VALUE PER COW	
SUM OF VARIABLE COSTS X MONTHS BORROWED							
X INTEREST RATE PER MONTH							
ANNUAL INTEREST RATE				9.25%			
NUMBER OF MONTHS BORROWED				6			
				\$1,757	\$10.34		
TOTAL				\$39,751	\$233.83		
TOTAL				\$125,217	\$736.57		

OWNERSHIP COSTS						VALUE PER COW NEW VALUE	
Annual Capital Recovery ⁴ (At Replacement Valve):				Represents 65% Asset Ownership ⁵			
CASH COSTS							
Taxes & Insurance				\$4,624	\$27.20		
Overhead				\$2,100	\$12.35		
Total				\$6,724	\$39.55		
NON CASH COSTS							
Purchased Livestock				\$8,748	\$51.46		
Machinery & Equipment				\$4,416	\$25.98		
Housing & Improvements				\$23,702	\$139.43		
Interest on Retained Livestock ⁶				\$9,563	\$56.26		
Management & Operation Labor (6% of gross returns)				\$9,898	\$58.22		
Total				\$56,328	\$331.34		
TOTAL FIXED COSTS				\$63,053	\$370.90		
TOTAL CASH AND VARIABLE COSTS				\$46,475	\$273.38		
TOTAL COSTS				\$102,803	\$604.72		
RETURN ABOVE TOTAL CASH COSTS				\$118,493	\$697.02		
RETURN ABOVE TOTAL COSTS				\$62,165	\$365.67		

BREAKEYEN CALCULATIONS		
	VARIABLE COSTS	TOTAL COSTS
REQUIRED AVG. CALF PRICES CASH COST (cwt)	\$55.79	\$65.22
REQUIRED AVG. CALF PRICES TOTAL COSTS(cwt)	\$55.79	\$144.27

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 price Belen 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.

**CENTRAL MOUNTAIN 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
750	Acres of private land	\$800	5.8%	\$600,000	\$600,000			\$116.25
230	AU Values ¹	\$3,000	5.8%	\$688,500	\$688,500			
Sub Totals				\$1,288,500				
Number	Buildings, Improvements	Price Per Unit						
2	Miles of pipeline	\$4,000	5.8%	\$8,000	\$800	25	100	\$596
1	Wells	\$20,000	5.8%	\$20,000	\$2,000	25	100	\$1,490
18	Miles of Fence	\$15,000	5.8%	\$270,000	\$27,000	25	100	\$20,112
1	Corrals/Working Facilities	\$5,000	5.8%	\$5,000	\$500	30	100	\$347
1	Barns & Shop	\$15,000	5.8%	\$15,000	\$1,500	30	100	\$1,041
Sub Totals				\$318,000				\$23,702
Number	Machinery & Vehicles	Price Per Unit	Interest Rate³	Price	Salvage/Cull			
1	3/4 ton pickup 4WD	\$35,000	4.5%	\$35,000	\$7,000	7	50	\$2,533
0	3/4 ton pickup 4WD	\$35,000	4.5%	\$0	\$0	7	50	\$0
0	Tractor	\$5,000	4.5%	\$0	\$0	7	100	\$0
1	Gooseneck trailer	\$6,500	4.5%	\$6,500	\$1,300	7	100	\$941
1	Horse tack	\$5,000	4.5%	\$5,000	\$1,000	10	100	\$551
1	Misc. equipment	\$2,500	4.5%	\$2,500	\$500	10	100	\$275
Sub Total				\$49,000				\$4,416
Head	Purchased Livestock	Price Per Unit	Interest Rate³	Price	Salvage/Cull			
6	Horses	\$4,000	4.5%	\$24,000	\$9,120	10	100	\$2,291
9	Bulls	\$4,000	4.5%	\$34,000	\$12,920	4	100	\$6,457
15	Total AUUs							
Sub Total				\$58,000				\$8,748
Head	Retained Livestock	Price Per Unit	Interest Rate	Price	Salvage/Cull		Interest on Investment	
170	Cows	\$1,393	4.5%	\$236,810	\$89,988			\$8,403
26	Replacement Heifers	\$1,282	4.5%	\$32,691	\$12,423			\$1,160
189	Total AUUs							
Sub Total				\$269,501	\$102,410			\$9,563
Total				\$1,983,001				\$37,682

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 the United States.

2) For intermediate assets an interest rate of 4.50% was used.

3) A rate of 4.50 percent reflects a typical return on a low -risk investment (20 YR Treasury Bond)