

**CENTRAL REGION
MEDIUM COW/CALF BUDGET 2025**

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

VALUE OF PRODUCTION						
	QUANTITY	WEIGHT	PRICE ^{2,3}	VALUE	VALUE PER COW	
						NEW VALUE
STEER CALVES	71	515	\$123.53	\$123,533	\$726.67	_____
HEIFER CALVES	45	495	\$3.11	\$69,352	\$407.95	_____
CULL COWS	26	900	\$1.23	\$28,229	\$166.05	_____
CULL BULLS	1	1200	\$1.38	\$1,656	\$9.74	_____
TOTAL	142			\$222,770	\$1,310.41	_____

VARIABLE COSTS							
		UNITS	QUANTITY/PERCENT	PRICE	COST	VALUE PER COW	
							NEW VALUE
1. FEED COSTS							
	HAY	TON	28.00	\$180	\$5,040	\$29.65	_____
	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				\$15,464	\$90.96	_____
2. OTHER VARIABLE COSTS							
	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				\$6,683	\$39.31	_____
	PURCHASED LIVESTOCK				\$14,000	\$82.35	_____
	TOTAL				\$29,619	\$174.23	_____
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	
					\$1,972	\$11.60	_____
					\$47,056	\$276.80	_____
	TOTAL				\$175,714	\$1,033.61	_____

OWNERSHIP COSTS							
		Annual Capital Recovery ⁴ (At Replacement Valve):			Represents 65% Asset Ownership ⁵	VALUE PER COW NEW VALUE	
CASH COSTS							
	Taxes & Insurance				\$4,679	\$27.52	_____
	Overhead				\$2,100	\$12.35	_____
	Total				\$6,779	\$39.88	_____
NON CASH COSTS							
	Purchased Livestock				\$15,215	\$89.50	_____
	Machinery & Equipment				\$4,471	\$26.30	_____
	Housing & Improvements				\$24,278	\$142.81	_____
	Interest on Retained Livestock ⁶				\$11,908	\$70.04	_____
	Management & Operation Labor (6% of gross returns)				\$13,366	\$78.62	_____
	Total				\$69,237	\$407.28	_____
TOTAL FIXED COSTS					\$76,016	\$447.16	_____
TOTAL CASH AND VARIABLE COSTS					\$53,835	\$316.68	_____
TOTAL COSTS					\$123,072	\$723.95	_____
RETURN ABOVE TOTAL CASH COSTS					\$168,935	\$993.73	_____
RETURN ABOVE TOTAL COSTS					\$99,697	\$586.46	_____

BREAKEVEN CALCULATIONS		
	VARIABLE COSTS	TOTAL COSTS
REQUIRED AVG. CALF PRICES CASH COST (cwt)	\$66.04	\$75.55
REQUIRED AVG. CALF PRICES TOTAL COSTS(cwt)	\$66.04	\$172.72

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 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, brand 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 Return¹	Purchase Price	Salvage/Cull Value	Useful Life	Livestock Share	Annual Capital Recovery
750	Acres of private land	\$800	5.5%	\$600,000	\$600,000			\$116.25
230	AU Values ¹	\$3,000	5.5%	\$688,500	\$688,500			
Sub Totals				\$1,288,500				
Number	Buildings, Improvements	Price Per Unit	10 Yr Avg Rate of Return¹	Purchase Price	Salvage/Cull Value	Useful Life	Livestock Share	Annual Capital Recovery
2	Miles of pipeline	\$4,000	5.5%	\$8,000	\$800	25	100	\$578
1	Wells	\$20,000	5.5%	\$20,000	\$2,000	25	100	\$1,444
18	Miles of Fence	\$16,000	5.5%	\$288,000	\$28,800	25	100	\$20,799
1	Corrals/Working Facilities	\$5,000	5.5%	\$5,000	\$500	30	100	\$335
1	Barns & Shop	\$15,000	5.5%	\$15,000	\$1,500	30	100	\$1,005
Sub Totals				\$336,000				\$24,278
Number	Machinery & Vehicles	Price Per Unit	Interest Rate^{2,3}	Price	Salvage/Cull	Useful Life	Livestock Share	Annual Capital Recovery
1	3/4 ton pickup 4WD	\$35,000	4.8%	\$35,000	\$7,000	7	50	\$2,564
0	3/4 ton pickup 4WD	\$35,000	4.8%	\$0	\$0	7	50	\$0
0	Tractor	\$5,000	4.8%	\$0	\$0	7	100	\$0
1	Gooseneck trailer	\$6,500	4.8%	\$6,500	\$1,300	7	100	\$952
1	Horse tack	\$5,000	4.8%	\$5,000	\$1,000	10	100	\$559
1	Misc. equipment	\$2,500	4.8%	\$2,500	\$500	10	100	\$280
Sub Total				\$49,000				\$4,471
Head	Purchased Livestock	Price Per Unit	Interest Rate^{2,3}	Price	Salvage/Cull	Useful Life	Livestock Share	Annual Capital Recovery
6	Horses	\$6,500	4.8%	\$39,000	\$14,820	10	100	\$3,797
9	Bulls	\$7,000	4.8%	\$59,500	\$22,610	4	100	\$11,417
15	Total AUYS							
Sub Total				\$98,500				\$15,215
Head	Retained Livestock	Price Per Unit	Interest Rate^{2,3}	Price	Salvage/Cull	Useful Life	Livestock Share	Annual Capital Recovery
170	Cows	\$1,600	4.8%	\$272,000	\$103,360			\$10,188
26	Replacement Heifers	\$1,800	4.8%	\$45,900	\$17,442			\$1,719
189	Total AUYS							
Sub Total				\$317,900	\$120,802			\$11,908
Total				<u>\$2,089,900</u>				<u>\$40,657</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.