

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

	BREED HERD SIZE CULL RATE	333 15%	COW to BULL	20	CALF CROP PERCENT ¹ REPLACEMENT HEIFER'S KEPT	85% 50
VALUE OF PRODUCTION						
	<u>QUANTITY</u>	<u>WEIGHT</u>	<u>PRICE^{2,3}</u>	<u>VALUE</u>	<u>VALUE PER COW</u>	
STEER CALVES	141	515	\$3.45	\$251,077	\$755.12	_____
HEIFER CALVES	91	495	\$3.16	\$143,027	\$430.16	_____
CULL COWS	50	900	\$1.28	\$57,456	\$172.80	_____
CULL BULLS	1	1200	\$1.43	\$1,716	\$5.16	_____
TOTAL	284			\$453,276	\$1,363.23	_____
VARIABLE COSTS						
	<u>UNITS</u>	<u>QUANTITY/PERCENT</u>	<u>PRICE</u>	<u>COST</u>	<u>VALUE PER COW</u>	
1. FEED COSTS						<u>NEW VALUE</u>
HAY	TON	66.50	\$180	\$11,970	\$36.00	_____
STATE	AUY	20.0%	\$29.10	\$0	\$0.00	_____
FEDERAL LEASE	AUY	40.0%	\$16.20	\$5,387	\$16.20	_____
PRIVATE(Owned)	AUY	40.0%	\$0.00	\$0	\$0.00	_____
PRIVATE(Leased Grazing)	AUY	0.0%	\$0.00	\$0	\$0.00	_____
SALT & MINERAL	TON	6.00	\$710	\$4,260	\$12.81	_____
PROTEIN SUPP	TON	11.00	\$515	\$5,665	\$17.04	_____
OTHER		0.00	\$0	\$0	\$0.00	_____
TOTAL				\$27,282	\$82.05	_____
2. OTHER VARIABLE COSTS				<u>COST</u>		<u>NEW VALUE</u>
VET AND MEDICINE				\$4,821	\$14.50	_____
LIVESTOCK HAULING				\$1,347	\$4.05	_____
HIRED LABOR				\$12,000	\$36.09	_____
OPERATING COSTS-EQUIP & MACH				\$2,044	\$6.15	_____
OPERATING COSTS-VEHICLE				\$2,650	\$7.97	_____
RANCH MAINTENANCE				\$3,448	\$10.37	_____
MARKETING COST ⁷				\$9,066	\$27.26	_____
PURCHASED LIVESTOCK				\$21,000	\$63.16	_____
TOTAL				\$56,376	\$169.55	_____
3. INTEREST ON VARIABLE COSTS						<u>VALUE PER COW</u>
SUM OF VARIABLE COSTS X MONTHS BORROWED						
X INTEREST RATE PER MONTH						
ANNUAL INTEREST RATE				8.75%		
NUMBER OF MONTHS BORROWED				6		
				\$3,660	\$11.01	_____
TOTAL				\$87,318	\$262.61	_____
TOTAL				\$365,958	\$1,100.63	_____
OWNERSHIP COSTS						
	Annual Capital Recovery ⁴ (At Replacement Valve):			Represents 65% Asset Ownership ⁵ VALUE PER COW NEW VALUE		
CASH COSTS						<u>NEW VALUE</u>
Taxes & Insurance				\$10,848	\$32.62	_____
Overhead				\$4,500	\$13.53	_____
Total				\$15,348	\$46.16	_____
NON CASH COSTS						<u>NEW VALUE</u>
Purchased Livestock				\$28,660	\$86.19	_____
Machinery & Equipment				\$10,433	\$31.38	_____
Housing & Improvements				\$53,154	\$159.86	_____
Interest on Retained Livestock ⁶				\$23,290	\$70.04	_____
Management & Operation Labor (6% of gross returns)				\$27,197	\$81.79	_____
Total				\$142,733	\$429.27	_____
TOTAL FIXED COSTS				\$158,081	\$475.43	_____
TOTAL CASH AND VARIABLE COSTS				\$102,665	\$308.77	_____
TOTAL COSTS				\$245,399	\$738.04	_____
RETURN ABOVE TOTAL CASH COSTS				\$350,610	\$1,054.47	_____
RETURN ABOVE TOTAL COSTS				\$207,877	\$625.19	_____
BREAKEVEN CALCULATIONS						
	VARIABLE COSTS	TOTAL COSTS				
REQUIRED AVG. CALF PRICES CASH COST (cwt)	\$61.18	\$71.93				
REQUIRED AVG. CALF PRICES TOTAL COSTS(cwt)	\$61.18	\$171.94				

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, band inspections, beef council, yardage, feed and insurance at 3% on all animals sold.

**CENTRAL MOUNTAIN REGION
LARGE 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
10,000	Acres of private land	\$800	5.5%	\$8,000,000	\$8,000,000			\$1,550.00
449	AU Values ¹	\$3,000	5.5%	\$1,346,625	\$1,346,625			
Sub Totals				\$9,346,625				
Number	Buildings, Improvements	Price Per Unit	10 Yr Avg Rate of Return¹	Purchase Price	Salvage/Cull Value	Useful Life	Livestock Share	Annual Capital Recovery
4	Miles of pipeline	\$4,000	5.5%	\$16,000	\$1,600	25	100	\$1,155
2	Wells	\$20,000	5.5%	\$40,000	\$4,000	25	100	\$2,889
40	Miles of Fence	\$16,000	5.5%	\$640,000	\$64,000	25	100	\$46,219
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				\$716,000				\$53,154
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
1	1 ton pickup 4WD	\$35,000	4.8%	\$35,000	\$7,000	7	50	\$2,564
1	Tractor	\$5,000	4.8%	\$5,000	\$1,000	7	100	\$733
2	Gooseneck trailer	\$6,500	4.8%	\$13,000	\$2,600	7	100	\$1,905
1	Horse tack	\$6,500	4.8%	\$6,500	\$1,300	10	100	\$727
1	Misc. equipment	\$3,500	4.8%	\$3,500	\$700	10	100	\$391
Sub Total				\$98,000				\$10,433
Head	Purchased Livestock	Price Per Unit	Interest Rate^{2,3}	Price	Salvage/Cull	Useful Life	Livestock Share	Annual Capital Recovery
10	Horses	\$6,500	4.8%	\$65,000	\$24,700	10	100	\$6,329
17	Bulls	\$7,000	4.8%	\$116,375	\$44,223	4	100	\$22,330
27	Total AUUs							
Sub Total				\$181,375				\$28,660
Head	Retained Livestock	Price Per Unit	Interest Rate^{2,3}	Price	Salvage/Cull	Useful Life	Livestock Share	Annual Capital Recovery
333	Cows	\$1,600	4.8%	\$532,000	\$202,160			\$19,927
50	Replacement Heifers	\$1,800	4.8%	\$89,775	\$34,115			\$3,363
370	Total AUUs							
Sub Total				\$621,775	\$236,275			\$23,290
Total				\$10,963,775				\$86,877

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.