SOUTHEAST REGION
MEDIUM COW/CALF BUDGET 2025

BREED HERD SIZE	180	COW to BULL	20	CALF CROP PERCENT[1]	85%
CULL RATE	15%			REPLACEMENT HEIFER'S KEPT	27

VALUE OF PRODUCTION

	QUANTITY	WEIGHT	PRICE[2,3]	VALUE	VALUE PER COW	NEW VALUE
STEER CALVES	77	510	$4.43	$172,836	$960.20	
HEIFER CALVES	50	485	$3.97	$95,310	$529.50	
CULL COWS	27	900	$1.37	$33,291	$184.95	
CULL BULLS	1	1200	$1.73	$2,076	$11.53	
FEE HUNTING	1			$1,500	$8.33	
TOTAL	154			$303,513	$1,686.18	

VARIABLE COSTS

1. FEED COSTS

	UNITS	QUANTITY/PERCENT	PRICE	COST	VALUE PER COW	NEW VALUE
HAY	TON	14.00	$184	$2,576	$14.31	
STATE	AUY	45.0%	$29.10	$2,357	$13.10	
FEDERAL LEASE	AUY	25.0%	$16.20	$2,916	$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	7	$710	$4,665	$25.92	
PROTEIN SUPP	TON	23	$515	$11,588	$64.38	
TOTAL				$24,101	$133.90	

2. OTHER VARIABLE COSTS

	COST	VALUE PER COW
VET AND MEDICINE	$2,387	$13.26
LIVESTOCK HAULING	$7,315	$40.64
HIRED LABOR	$7,000	$38.89
OPERATING COSTS-EQUIP & MACH	$2,500	$13.89
OPERATING COSTS-VEHICLE	$5,000	$27.78
RANCH MAINTENANCE	$7,000	$38.89
MARKETING COST[7]	$7,550	$41.95
PURCHASED LIVESTOCK	$14,000	$77.78
TOTAL	$52,752	$293.07

3. INTEREST ON VARIABLE COSTS

SUM OF VARIABLE COSTS X MONTHS BORROWED	$80,216	$445.64
X INTEREST RATE PER MONTH		
ANNUAL INTEREST RATE	8.75%	
NUMBER OF MONTHS BORROWED	6	VALUE PER COW
	$3,362	$18.68
TOTAL	$223,297	$1,240.54

OWNERSHIP COSTS

Annual Capital Recovery[4] (At Replacement Valve):	Represents 65% Asset Ownership[5]	VALUE PER COW	NEW VALUE
CASH COSTS			
Taxes & Insurance	$5,290	$29.39	
Overhead	$3,500	$19.44	
Total	$8,790	$48.83	
NON CASH COSTS			
Purchased Livestock	$14,620	$81.22	
Machinery & Equipment	$5,290	$29.39	
Housing & Improvements	$34,653	$192.52	
Interest on Retained Livestock[6]	$23,669	$131.49	
Management & Operation Labor (6% of gross returns)	$18,211	$101.17	
Total	$96,443	$535.79	
TOTAL FIXED COSTS	$105,233	$584.63	
TOTAL CASH AND VARIABLE COSTS	$89,006	$494.48	
TOTAL COSTS	$185,449	$1,030.27	
RETURN ABOVE TOTAL CASH COSTS	$214,507	$1,191.71	
RETURN ABOVE TOTAL COSTS	$118,064	$655.91	

BREAKEVEN CALCULATIONS

	VARIABLE COSTS	TOTAL COSTS
REQUIRED AVG. CALF PRICES CASH COST (cwt)	$105.38	$116.93
REQUIRED AVG. CALF PRICES TOTAL COSTS(cwt)	$105.38	$243.64

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 average prices of Clovis and Rosewell 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.

SOUTHEAST REGION
MEDIUM RANCH INVESTMENTS

Number	Land Values	Price Per Unit	10 Yr Avg Rate of Return[1]	Purchase Price	Salvage/Cull Value	Useful Life	Livestock Share	Annual Capital Recovery
4,000	Acres of private land	$600	5.5%	$2,400,000	$2,400,000			
200	AU Values[1]	$2,450	5.5%	$490,000	$490,000			
			Sub Totals	$2,890,000				
Number	**Buildings, Improvements**	**Price Per Unit**						
5	Miles of pipeline	$4,000	5.5%	$20,000	$2,000	25	100	$1,444
4	Wells	$20,000	5.5%	$80,000	$8,000	25	100	$5,777
22	Miles of Fence	$16,000	5.5%	$352,000	$35,200	25	100	$25,421
1	Corrals/Working Facilities	$10,000	5.5%	$10,000	$1,000	30	100	$670
1	Barns & Shop	$20,000	5.5%	$20,000	$2,000	30	100	$1,341
			Sub Totals	$482,000				$34,653
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	$3,000	4.8%	$3,000	$600	10	100	$336
1	Misc. equipment	$5,000	4.8%	$5,000	$1,000	10	100	$559
			Sub Total	$60,500				$5,290
Head	**Purchased Livestock**	**Price Per Unit**	Interest Rate[2,3]	Price	Salvage/Cull			
4	Horses	$6,500	4.8%	$26,000	$9,880	10	100	$2,532
9	Bulls	$7,000	4.8%	$63,000	$23,940	4	100	$12,089
13	**Total AUYs**							
			Sub Total	$89,000				$14,620
Head	**Retained Livestock**	**Price Per Unit**	Interest Rate	Price	Salvage/Cull			Interest on Investment
180	Cows	$3,050	4.8%	$549,000	$208,620			$20,564
27	Replacement Heifers	$3,070	4.8%	$82,890	$31,498			$3,105
200	**Total AUYs**							
			Sub Total	$631,890	$240,118			$23,669
			Total	$4,153,390				$63,612

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.