

**NORTHWEST REGION  
EX-LARGE COW/CALF BUDGET 2025**

BREED HERD SIZE 475 COW TO BULL 20 CALF CROP PERCENT<sup>1</sup> 83%  
CULL RATE 15% REPLACEMENT HEIFER'S KEPT 71

VALUE OF PRODUCTION						VALUE PER COW	
	QUANTITY	WEIGHT	PRICE <sup>2</sup>	VALUE		NEW VALUE	
STEER CALVES	197	525	\$4.18	\$432,591	\$910.72	_____	
HEIFER CALVES	126	500	\$3.92	\$246,715	\$519.40	_____	
CULL COWS	71	950	\$1.60	\$108,300	\$228.00	_____	
CULL BULLS	1	1200	\$1.90	\$2,280	\$4.80	_____	
FEE HUNTING	1			\$12,500	\$26.32	_____	
<b>TOTAL</b>	<b>395</b>			<b>\$802,386</b>	<b>\$1,689.23</b>	_____	

VARIABLE COSTS						VALUE PER COW	
	UNITS	QUANTITY/PERCENT	PRICE	COST		NEW VALUE	
<b>1. FEED COSTS</b>							
HAY	TON	20.00	\$184	\$3,680	\$7.75	_____	
STATE	AUY	45.0%	\$33.48	\$7,156	\$15.07	_____	
FEDERAL LEASE	AUY	35.0%	\$17.52	\$2,913	\$6.13	_____	
PRIVATE(Owned)	AUY	20.0%	\$0.00	\$0	\$0.00	_____	
PRIVATE(Leased Grazing)	AUY	0.0%	\$0.00	\$0	\$0.00	_____	
SALT & MINERAL	TON	17	\$710	\$12,310	\$25.92	_____	
PROTEIN SUPP	TON	67	\$515	\$34,248	\$72.10	_____	
<b>TOTAL</b>				<b>\$60,306</b>	<b>\$126.96</b>	_____	
<b>2. OTHER VARIABLE COSTS</b>							
VET AND MEDICINE				\$7,481	\$15.75	_____	
LIVESTOCK HAULING				\$1,877	\$3.95	_____	
HIRED LABOR				\$27,000	\$56.84	_____	
OPERATING COSTS-EQUIP & MACH				\$5,500	\$11.58	_____	
OPERATING COSTS-VEHICLE				\$7,500	\$15.79	_____	
RANCH MAINTENANCE				\$9,000	\$18.95	_____	
MARKETING COST <sup>7</sup>				\$16,048	\$33.78	_____	
PURCHASED LIVESTOCK				\$28,000	\$58.95	_____	
<b>TOTAL</b>				<b>\$102,406</b>	<b>\$215.59</b>	_____	
<b>3. INTEREST ON VARIABLE COSTS</b>							
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		
				\$7,119	\$14.99	_____	
<b>TOTAL</b>				<b>\$169,831</b>	<b>\$357.54</b>	_____	
<b>TOTAL</b>				<b>\$632,555</b>	<b>\$1,331.69</b>	_____	

OWNERSHIP COSTS						VALUE PER COW	
	Annual Capital Recovery <sup>4</sup> (At Replacement Valve):	Represents 65% Asset Ownership <sup>5</sup>		NEW VALUE			
<b>CASH COSTS</b>							
Taxes & Insurance			\$15,833	\$33.33	_____		
Overhead			\$3,500	\$7.37	_____		
<b>Total</b>			<b>\$19,333</b>	<b>\$40.70</b>	_____		
<b>NON CASH COSTS</b>							
Purchased Livestock			\$40,128	\$84.48	_____		
Machinery & Equipment			\$15,833	\$33.33	_____		
Housing & Improvements			\$133,539	\$281.14	_____		
Interest on Retained Livestock <sup>6</sup>			\$56,045	\$117.99	_____		
Management & Operation Labor ( 6% of gross returns)			\$48,143	\$101.35	_____		
<b>Total</b>			<b>\$293,689</b>	<b>\$618.29</b>	_____		
<b>TOTAL FIXED COSTS</b>			<b>\$313,022</b>	<b>\$658.99</b>	_____		
<b>TOTAL CASH AND VARIABLE COSTS</b>			<b>\$189,164</b>	<b>\$398.24</b>	_____		
<b>TOTAL COSTS</b>			<b>\$482,853</b>	<b>\$1,016.53</b>	_____		
<b>RETURN ABOVE TOTAL CASH COSTS</b>			<b>\$613,222</b>	<b>\$1,290.99</b>	_____		
<b>RETURN ABOVE TOTAL COSTS</b>			<b>\$319,533</b>	<b>\$672.70</b>	_____		

BREAKEVEN CALCULATIONS		
	VARIABLE COSTS	TOTAL COSTS
REQUIRED AVG. CALF PRICES CASH COST (cwt)	\$84.05	\$93.62
REQUIRED AVG. CALF PRICES TOTAL COSTS(cwt)	\$84.05	\$238.97

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, Roswell, and Belen Livestock Auction New Mexico feeder cattle cash prices.  
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.

**NORTHWEST MOUNTAIN REGION  
EXTRA-LARGE RANCH INVESTMENTS**

<b>Number</b>	<b>Land Values</b>	<b>Price Per Unit</b>	<b>10 Yr Avg Rate of Return</b>	<b>Purchase Price</b>	<b>Salvage/Cull Value</b>	<b>Useful Life</b>	<b>Livestock Share</b>	<b>Annual Capital Recovery</b>
8,000	Acres of private land	\$600	5.5%	\$4,800,000	\$4,800,000			
500	AU Values <sup>1</sup>	\$2,400	5.5%	\$1,200,000	\$1,200,000			
<b>Sub Totals</b>				\$6,000,000				
<b>Number</b>	<b>Buildings, Improvements</b>	<b>Price Per Unit</b>						
18	Miles of pipeline	\$4,000	5.5%	\$72,000	\$7,200	25	100	\$5,200
7	Wells	\$20,000	5.5%	\$140,000	\$14,000	25	100	\$10,110
100	Miles of Fence	\$16,000	5.5%	\$1,600,000	\$160,000	25	100	\$115,548
2	Corrals/Working Facilities	\$10,000	5.5%	\$20,000	\$2,000	30	100	\$1,341
1	Barns & Shop	\$20,000	5.5%	\$20,000	\$2,000	30	100	\$1,341
<b>Sub Totals</b>				\$1,852,000				\$133,539
<b>Number</b>	<b>Machinery &amp; Vehicles</b>	<b>Price Per Unit</b>	<b>Interest Rate<sup>2,3</sup></b>	<b>Price</b>	<b>Salvage/Cull</b>			
2	3/4 ton pickup 4WD	\$45,000	4.8%	\$90,000	\$18,000	7	50	\$6,593
1	1 ton pickup 4WD	\$45,000	4.8%	\$45,000	\$9,000	7	50	\$3,296
1	Tractor	\$7,000	4.8%	\$7,000	\$1,400	7	100	\$1,026
3	Gooseneck trailer	\$7,500	4.8%	\$22,500	\$4,500	7	100	\$3,296
1	Horse tack	\$6,500	4.8%	\$6,500	\$1,300	10	100	\$727
1	Misc. equipment	\$8,000	4.8%	\$8,000	\$1,600	10	100	\$895
<b>Sub Total</b>				\$179,000				\$15,833
<b>Head</b>	<b>Purchased Livestock</b>	<b>Price Per Unit</b>	<b>Interest Rate<sup>2,3</sup></b>	<b>Price</b>	<b>Salvage/Cull</b>			
13	Horses	\$6,500	4.8%	\$84,500	\$32,110	10	100	\$8,228
24	Bulls	\$7,000	4.8%	\$166,250	\$63,175	4	100	\$31,901
100	Cows	\$2,700	4.8%	\$270,000	\$102,600	8	100	\$30,513
<b>171</b>	<b>Total AUys</b>							
<b>Sub Total</b>				\$250,750				\$40,128
<b>Head</b>	<b>Retained Livestock</b>	<b>Price Per Unit</b>	<b>Interest Rate<sup>2,3</sup></b>	<b>Price</b>	<b>Salvage/Cull</b>			<b>Interest on Investment</b>
475	Cows	\$2,700	4.8%	\$1,282,500	\$487,350			\$48,039
71	Replacement Heifers	\$3,000	4.8%	\$213,750	\$81,225			\$8,006
<b>528</b>	<b>Total AUys</b>							
<b>Sub Total</b>				\$1,496,250	\$568,575			\$56,045
<b>Total</b>				<u>\$9,778,000</u>				<u>\$205,417</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.