NORTHWEST REGION
MEDIUM COW/CALF BUDGET 2025

BREED HERD SIZE	180	COW to BULL	20	CALF CROP PERCENT[1]	83%
CULL RATE	15%			REPLACEMENT HEIFER'S KEPT	27

VALUE OF PRODUCTION

	QUANTITY	WEIGHT	PRICE[2,3]	VALUE	VALUE PER COW	NEW VALUE
STEER CALVES	75	510	$3.98	$151,626	$842.37	
HEIFER CALVES	48	485	$3.72	$86,060	$478.11	
CULL COWS	27	900	$1.40	$34,020	$189.00	
CULL BULLS	1	1200	$1.70	$2,040	$11.33	
FEE HUNTING	1			$3,500	$19.44	
	150					
TOTAL				$277,246	$1,540.26	

VARIABLE COSTS

1. FEED COSTS

	UNITS	QUANTITY/PERCENT	PRICE	COST	VALUE PER COW	NEW VALUE
HAY	TON	36.00	$184.00	$6,624	$36.80	
STATE	AUY	45.0%	$33.48	$2,712	$15.07	
FEDERAL LEASE	AUY	35.0%	$17.52	$3,154	$17.52	
PRIVATE(Owned)	AUY	20.0%	$0.00	$0	$0.00	
PRIVATE(Leased Grazing)	AUY	0.0%	$0.00	$0	$0.00	
SALT & MINERAL	TON	5	$710.00	$3,550	$19.72	
PROTEIN SUPP	TON	20	$515.00	$10,300	$57.22	
TOTAL				$26,339	$146.33	

2. OTHER VARIABLE COSTS

	COST	VALUE PER COW	NEW VALUE
VET AND MEDICINE	$2,835	$15.75	
LIVESTOCK HAULING	$714	$3.97	
HIRED LABOR	$5,000	$27.78	
OPERATING COSTS-EQUIP & MACH	$4,500	$25.00	
OPERATING COSTS-VEHICLE	$4,500	$25.00	
RANCH MAINTENANCE	$3,500	$19.44	
MARKETING COST[7]	$6,931	$38.51	
PURCHASED LIVESTOCK	$14,000	$77.78	
TOTAL	$41,981	$233.23	

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 HIGH
	$2,989	$16.61
TOTAL	$71,309	$396.16
	$205,937	$1,144.10

OWNERSHIP COSTS

Annual Capital Recovery[4] (At Replacement Valve):	Represents 65% Asset Ownership[5]	VALUE PER COW	NEW VALUE
CASH COSTS			
Taxes & Insurance	$6,483	$36.02	
Overhead	$2,163	$12.02	
Total	$8,646	$48.03	
NON CASH COSTS			
Purchased Livestock	$17,152	$95.29	
Machinery & Equipment	$6,483	$36.02	
Housing & Improvements	$55,452	$308.07	
Interest on Retained Livestock[6]	$21,238	$117.99	
Management & Operation Labor (6% of gross returns)	$16,635	$92.42	
Total	$116,960	$649.78	
TOTAL FIXED COSTS	$125,606	$697.81	
TOTAL CASH AND VARIABLE COSTS	$79,955	$444.20	
TOTAL COSTS	$196,915	$1,093.97	
RETURN ABOVE TOTAL CASH COSTS	$197,291	$1,096.06	
RETURN ABOVE TOTAL COSTS	$80,331	$446.28	

BREAKEVEN CALCULATIONS

	VARIABLE COSTS	TOTAL COSTS
REQUIRED AVG. CALF PRICES CASH COST (cwt)	$95.94	$107.57
REQUIRED AVG. CALF PRICES TOTAL COSTS(cwt)	$95.94	$264.93

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 for New Mexico Clovis, Roswell, and Belen livestock auction prices, from Oct. to Dec.
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 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]	$2,400	5.5%	$480,000	$480,000			
			Sub Totals	$2,880,000				
Number	**Buildings, Improvements**	**Price Per Unit**						
10	Miles of pipeline	$4,000	5.5%	$40,000	$4,000	25	100	$2,889
3	Wells	$20,000	5.5%	$60,000	$6,000	25	100	$4,333
40	Miles of Fence	$16,000	5.5%	$640,000	$64,000	25	100	$46,219
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	$770,000				$55,452
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	3/4 ton pickup 4WD	$45,000	4.8%	$0	$0	7	50	$0
1	Tractor	$7,000	4.8%	$7,000	$1,400	7	100	$1,026
1	Gooseneck trailer	$7,500	4.8%	$7,500	$1,500	7	100	$1,099
1	Horse tack	$4,000	4.8%	$4,000	$800	10	100	$447
1	Misc. equipment	$5,500	4.8%	$5,500	$1,100	10	100	$615
			Sub Total	$69,000				$6,483
Head	**Purchased Livestock**	**Price Per Unit**	Interest Rate[2,3]	Price	Salvage/Cull			
8	Horses	$6,500	4.8%	$52,000	$19,760	10	100	$5,063
9	Bulls	$7,000	4.8%	$63,000	$23,940	4	100	$12,089
40	Cows	$2,700	4.8%	$108,000	$41,040	8	100	$12,205
71	**Total AUYs**							
			Sub Total	$115,000				$17,152
Head	**Retained Livestock**	**Price Per Unit**	Interest Rate[2,3]	Price	Salvage/Cull			Interest on Investment
180	Cows	$2,700	4.8%	$486,000	$184,680			$18,204
27	Replacement Heifers	$3,000	4.8%	$81,000	$30,780			$3,034
200	**Total AUYs**							
			Sub Total	$567,000	$215,460			$21,238
			Total	$4,401,000				$83,173

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.