

**NORTHEAST REGION  
MEDIUM COW/CALF BUDGET 2015**

BREED HERD SIZE CULL RATE	180 15%	COW to BULL	20	CALF CROP PERCENT <sup>1</sup> REPLACEMENT HEIFER'S KEPT	83% 27
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VALUE OF PRODUCTION					VALUE PER COW
	QUANTITY	WEIGHT	PRICE <sup>2</sup>	VALUE	
STEER CALVES	75	550	\$2.45	\$100,658	\$559.21
HEIFER CALVES	48	515	\$2.37	\$58,220	\$323.45
CULL COWS	27	900	\$0.91	\$22,113	\$122.85
CULL BULLS	1	1200	\$1.01	\$1,212	\$6.73
FEE HUNTING	1			\$6,000	\$33.33
<b>TOTAL</b>	<b>150</b>			<b>\$188,203</b>	<b>\$1,045.57</b>

VARIABLE COSTS					VALUE PER COW
	UNITS	QUANTITY/PERCENT	PRICE	COST	
<b>1. FEED COSTS</b>					
HAY	TON	12.00	\$175	\$2,100	\$11.67
BLM	AUY	0.0%	\$1.74	\$0	\$0.00
STATE	AUY	17.0%	\$34.20	\$1,047	\$5.81
FEDERAL LEASE	AUY	30.0%	\$20.88	\$3,758	\$20.88
PRIVATE(Owned)	AUY	53.0%	\$0.00	\$0	\$0.00
PRIVATE(Leased Grazing)	AUY	0.0%	\$0.00	\$0	\$0.00
SALT & MINERAL	TON	7	\$700	\$4,599	\$25.55
PROTEIN SUPP	TON	34	\$300	\$10,125	\$56.25
OTHER					
<b>TOTAL</b>				<b>\$21,629</b>	<b>\$120.16</b>
<b>2. OTHER VARIABLE COSTS</b>					
VET AND MEDICINE				\$2,921	\$16.23
LIVESTOCK HAULING				\$813	\$4.52
HIRE LABOR				\$5,500	\$30.56
OPERATING COSTS-EQUIP & MACH				\$3,000	\$16.67
OPERATING COSTS-VEHICLE				\$4,500	\$25.00
RANCH MAINTENANCE				\$4,000	\$22.22
BEEF CHECKOFF				\$122	\$0.68
PURCHASED LIVESTOCK				\$14,000	\$77.78
<b>TOTAL</b>				<b>\$34,856</b>	<b>\$193.64</b>
<b>3. INTEREST ON VARIABLE COSTS</b>					
SUM OF VARIABLE COSTS X MONTHS BORROWED					
X INTEREST RATE PER MONTH					
ANNUAL INTEREST RATE				6.00%	
NUMBER OF MONTHS BORROWED				6	VALUE PER COW
				\$1,695	\$9.41
<b>TOTAL</b>				<b>\$58,179</b>	<b>\$323.22</b>
<b>TOTAL</b>				<b>\$130,024</b>	<b>\$722.36</b>

OWNERSHIP COSTS					VALUE PER COW
	Annual Capital Recovery <sup>4</sup> (At Replacement Value):	Represents 65% Asset Ownership	TOTAL	VALUE PER COW	
<b>CASH COSTS</b>					
Taxes & Insurance			\$5,093	\$28.29	
Overhead			\$2,000	\$11.11	
<b>Total</b>			<b>\$7,093</b>	<b>\$39.41</b>	
<b>NON CASH COSTS</b>					
Purchased Livestock			\$7,356	\$40.87	
Machinery & Equipment			\$5,093	\$28.29	
Housing & Improvements			\$19,443	\$108.02	
Interest on Retained Livestock			\$16,153	\$89.74	
Management & Operation Labor ( 6% of gross returns)			\$11,292	\$62.73	
<b>Total</b>			<b>\$59,338</b>	<b>\$329.65</b>	
<b>TOTAL FIXED COSTS</b>			<b>\$66,431</b>	<b>\$369.06</b>	
<b>TOTAL CASH AND VARIABLE COSTS</b>			<b>\$65,272</b>	<b>\$362.62</b>	
<b>TOTAL COSTS</b>			<b>\$124,610</b>	<b>\$692.28</b>	
<b>RETURN ABOVE TOTAL CASH COSTS</b>			<b>\$122,931</b>	<b>\$682.95</b>	
<b>RETURN ABOVE TOTAL COSTS</b>			<b>\$63,593</b>	<b>\$353.30</b>	

BREAKEVEN CALCULATIONS			
	VARIABLE COSTS	TOTAL COSTS	
REQUIRED AVG. CALF PRICES CASH COST (cwt)	\$73.13	\$82.05	
REQUIRED AVG. CALF PRICES TOTAL COSTS(cwt)	\$73.13	\$156.63	

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 2015 price projections from Cattle Fax, Doanes reports for 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.