

**CENTRAL REGION  
SMALL COW/CALF BUDGET 2018**

BREED HERD SIZE 43 COW to BULL 20 CALF CROP PERCENT<sup>1</sup> 83%  
CULL RATE 15% REPLACEMENT HEIFER'S KEPT 6.375

VALUE OF PRODUCTION						VALUE PER COW	NEW VALUE
	QUANTITY	WEIGHT	PRICE <sup>2</sup>	VALUE			
STEER CALVES	18	515	\$1.50	\$13,625	\$320.59	_____	
HEIFER CALVES	11	495	\$1.45	\$8,084	\$190.20	_____	
CULL COWS	6	900	\$0.50	\$2,869	\$67.50	_____	
CULL BULLS	1	1200	\$0.62	\$744	\$17.51	_____	
<b>TOTAL</b>	<b>36</b>			<b>\$25,321</b>	<b>\$595.80</b>	_____	

VARIABLE COSTS						VALUE PER COW	NEW VALUE
	UNITS	QUANTITY/PERCENT	PRICE	COST			
<b>1. FEED COSTS</b>							
HAY	TON	5.00	\$160	\$800	\$18.82	_____	
STATE	AUY	0.0%	\$38.04	\$0	\$0.00	_____	
FEDERAL LEASE	AUY	50.0%	\$20.88	\$887	\$20.88	_____	
PRIVATE(Owned)	AUY	50.0%	\$0.00	\$0	\$0.00	_____	
PRIVATE(Leased Grazing)	AUY	0.0%	\$0.00	\$0	\$0.00	_____	
SALT & MINERAL	TON	3.00	\$690	\$2,070	\$48.71	_____	
PROTEIN SUPP	TON	6.38	\$340	\$2,168	\$51.00	_____	
OTHER		0.00	\$0	\$0	\$0.00	_____	
<b>TOTAL</b>				<b>\$5,925</b>	<b>\$139.41</b>	_____	
<b>2. OTHER VARIABLE COSTS</b>							
VET AND MEDICINE				\$747	\$17.57	_____	
LIVESTOCK HAULING				\$202	\$4.76	_____	
HIRED LABOR				\$2,000	\$47.06	_____	
OPERATING COSTS-EQUIP & MACH				\$809	\$19.02	_____	
OPERATING COSTS-VEHICLE				\$1,545	\$36.35	_____	
RANCH MAINTENANCE				\$2,000	\$47.06	_____	
BEEF CHECKOFF				\$29	\$0.68	_____	
PURCHASED LIVESTOCK				\$3,000	\$70.59	_____	
<b>TOTAL</b>				<b>\$10,332</b>	<b>\$243.10</b>	_____	
<b>3. INTEREST ON VARIABLE COSTS</b>							
SUM OF VARIABLE COSTS X MONTHS BORROWED							
X INTEREST RATE PER MONTH							
ANNUAL INTEREST RATE				6.50%			
NUMBER OF MONTHS BORROWED				6	VALUE PER COW		
				\$528	\$12.43	_____	
<b>TOTAL</b>				<b>\$16,785</b>	<b>\$394.94</b>	_____	
<b>TOTAL</b>				<b>\$8,537</b>	<b>\$200.86</b>	_____	

OWNERSHIP COSTS						VALUE PER COW	NEW VALUE
Annual Capital Recovery <sup>4</sup> (At Replacement Value):						Represents 65% Asset Ownership <sup>5</sup>	
<b>CASH COSTS</b>							
Taxes & Insurance				\$4,189	\$98.57	_____	
Overhead				\$2,500	\$58.82	_____	
				<b>\$6,689</b>	<b>\$157.40</b>	_____	
<b>NON CASH COSTS</b>							
Purchased Livestock				\$1,419	\$33.40	_____	
Machinery & Equipment				\$4,189	\$98.57	_____	
Housing & Improvements				\$3,205	\$75.41	_____	
Interest on Retained Livestock <sup>6</sup>				\$1,656	\$38.96	_____	
Management & Operation Labor ( 6% of gross returns)				\$8,537	\$200.86	_____	
				<b>\$19,006</b>	<b>\$447.21</b>	_____	
<b>TOTAL FIXED COSTS</b>				<b>\$25,696</b>	<b>\$604.60</b>	_____	
<b>TOTAL CASH AND VARIABLE COSTS</b>				<b>\$23,474</b>	<b>\$552.33</b>	_____	
<b>TOTAL COSTS</b>				<b>\$42,480</b>	<b>\$999.54</b>	_____	
<b>RETURN ABOVE TOTAL CASH COSTS</b>				<b>\$1,847</b>	<b>\$43.46</b>	_____	

BREAKEVEN CALCULATIONS			
	VARIABLE COSTS	TOTAL COSTS	
REQUIRED AVG. CALF PRICES CASH COST (cwt)	\$94.22	\$131.77	
REQUIRED AVG. CALF PRICES TOTAL COSTS(cwt)	\$94.22	\$238.47	

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 2017 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.