UNIVERSITY OF CALIFORNIA COOPERATIVE EXTENSION

AGRICULTURE AND NATURAL RESOURCES

AGRICULTURAL ISSUES CENTER

**2016**

**SAMPLE COSTS FOR BEEF CATTLE**



**COW – CALF PRODUCTION**

# 300 Head

**SACRAMENTO VALLEY**

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**Table 1. CASH COSTS AND RETURNS FOR BEEF COW - CALF PRODUCTION**

300 Head, Cow-Calf Operation Sacramento Valley-2016

**Table 1**. General ranch operating costs and returns estimates are listed in this table. This table does not include any depreciation costs, nor does it account for payments, outside of the annual interest on an operating loan.

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Cow/Calf**  | **Head** |  | **Units/ Head** | **Unit** | **Price or Cost/Unit** |  **Total Value**  | **Value/Head** | **Your Costs** |
| Steer Calves | 130 |  | 7.00 | cwt |  $ 146.97  |  $ 133,743  |  $ 445.81  |  |
| Heifer Calves | 70 |  | 6.40 | cwt |  $ 148.81  |  $ 66,667  |  $ 222.22  |  |
| Yearling Heifers | 20 |  | 8.60 | cwt |  $ 127.45  |  $ 21,921  |  $ 73.07  |  |
| Cull Cows | 33 |  | 12.50 | cwt |  $ 69.36  |  $ 28,611  |  $ 95.37  |  |
| Cull Bulls | 4 |  | 18.00 | cwt |  $ 80.16  |  $ 5,772  |  $ 19.24  |   |
| **Total RECEIPTS** |   |   |   |   |   |  **$ 256,714**  |  **$ 855.71**  |   |
|  |  |  |  |  |  |  |  |   |
| **OPERATING COSTS** | **UNITS** |  |  |  |  **Total Costs**  |   |   |
| Supplements  |  15,000  | Lbs. |  |  |  0.45  |  $ 6,750  |  $ 22.50  |  |
| Alfalfa Hay |  120,000  | Lbs. |  |  |  0.08  |  $ 9,600  |  $ 32.00  |  |
| Salt Supplement |  12,000  | Lbs. |  |  |  0.12  |  $ 1,440  |  $ 4.80  |  |
| Pasture-Winter (cows) |  300  | cows |  6  | month |  25.00  |  $ 45,000  |  $ 150.00  |  |
| Pasture-Sumer (cows) |  300  | cows |  6  | month |  25.00  |  $ 45,000  |  $ 150.00  |  |
| Pasture-Winter (heifers) |  60  | heifers |  6  | month |  25.00  |  $ 9,000  |  $ 30.00  |  |
| Pasture-Summer (heifers) |  60  | heifers |  6  | month |  25.00  |  $ 9,000  |  $ 30.00  |  |
| Brand Inspection |  300  | cows |  1  | inspection |  1.25  |  $ 375  |  $ 1.25  |  |
| Marketing Order Promo (checkoff) |  300  | cows |  1  | checkoff |  1.00  |  $ 300  |  $ 1.00  |  |
| Freight/trucking |  300  | cows |  300  | head |  40.00  |  $ 12,000  |  $ 40.00  |  |
| Marketing  |  300  | cows |  1  | each |  38.00  |  $ 11,400  |  $ 38.00  |  |
| Horse (Shoes, Vet, Feed) |  3  | horses |  1  | each |  400.00  |  $ 1,200  |  $ 4.00  |  |
| Dogs (Food, Training, Vet) |  2  | dogs |  1  | each |  500.00  |  $ 1,000  |  $ 3.33  |  |
| Yearling Bulls Purchased |  4  | bulls |  1  | each |  6,000.00  |  $ 24,000  |  $ 80.00  |  |
| Vaccine/Wormer/Etc-cows |  300  | cows |  1  | each |  35.00  |  $ 10,500  |  $ 35.00  |  |
| Vaccine/Wormer/Etc-Heifers |  60  | heifers |  1  | each |  35.00  |  $ 2,100  |  $ 7.00  |  |
| Veterinary Service-cows |  300  | cows |  1  | each |  10.00  |  $ 3,000  |  $ 10.00  |  |
| Veterinary Service -heifers |  60  | heifers |  1  | each |  10.00  |  $ 600  |  $ 2.00  |  |
| Pickup Truck 4X4 5th Wheel |  |  |  25,000  | miles |  0.58  |  $ 14,375  |  $ 47.92  |  |
| Horse trailer |  |   |  10,000  | miles |  0.20  |  $ 2,000  |  $ 6.67  |   |
| ATV |   |   |  1  | year |  2,000.00  |  $ 2,000  |  $ 6.67  |  |
| Fencing Materials-Maint/Repair |   |  |  1  | each |  5,000.00  |  $ 5,000  |  $ 16.67  |  |
| Equipment (repair) |  |  |  1  | year |  2,000.00  |  $ 2,000  |  $ 6.67  |   |
| OPERATING COSTS |   |   |   |   |   |  **$ 217,640**  |  **$ 725.47**  |   |
| † Interest on Operating Capital @ 4.25% |  |  | 89,232 |   | 4.25 |  $ 3,792  |  $ 12.64  |  |
| **Total OPERATING COSTS** |   |   |   |   |   |  $ 221,432  |  $ 738.11  |   |
| **CASH OVERHEAD COSTS** |  |  |  |  |  |  |  |  |
| Liability Insurance | 4000 |  |  |  |  |  $ 4,000  |  $ 13.33  |  |
| Office Expenses | 4000 |  |  |  |  |  $ 4,000  |  $ 13.33  |   |
| **Total CASH OVERHEAD** | 8000 |   |   |   |   |  **$ 8,000**  |  **$ 26.67**  |   |
| **Total CASH COSTS** |   |   |   |   |   |  **$ 229,432**  |  **$ 764.77**  |   |
| **INCOME ABOVE CASH COSTS** |   |   |   |   |   |  **$ 27,281**  |  **$ 90.94**  |   |
| ANNUAL CAPITAL RECOVERY |   |   |   |   |   |  $ 43,910  |  $ 146.37  |   |
| **TOTAL COSTS** |   |   |   |   |   |  **$ 273,342**  |  **$ 911.14**  |   |
| **INCOME ABOVE TOTAL COSTS** |   |   |   |   |   | **$ (16,629)** |  **$ (55.43)** |   |
| † Rancher is borrowing 41% of the Operating Costs @ 4.25% interest. |  |  |  |  |   |
| ‡ The cost of labor and health insurance is not included. |  |  |  |  |  |  |

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**Table 3. RANGING ANALYSIS**

300 Head Cow-Calf Operation

Sacramento Valley-2016

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|  |  |  |  |
| --- | --- | --- | --- |
|  | **Total** | **Weight** | **Market Prices** |
|   | **Head** | **cwt** |  **($ per cwt)** |
| Steer Calves | 130 | 7.00 | 120.00 | 130.00 | 140.00 | 150.00 | 160.00 | 170.00 | 180.00 |
| ˟Heifer Calves | 70 | 6.40 | 121.20 | 131.30 | 141.40 | 151.50 | 161.60 | 171.70 | 181.80 |
| ˟Yearling Heifers | 20 | 8.60 | 104.40 | 113.10 | 121.80 | 130.50 | 139.20 | 147.90 | 156.60 |
| ˟Cull Cows | 33 | 12.50 | 56.40 | 61.10 | 65.80 | 70.50 | 75.20 | 79.90 | 84.60 |
| ˟Cull Bulls | 4 | 18.00 | 66.00 | 71.50 | 77.00 | 82.50 | 88.00 | 93.50 | 99.00 |
|  |  |  |  |  |  |  |  |  |  |
| Gross Income |  |  | 209,471 | 226,927 | 244,383 | 261,839 | 279,295 | 296,751 | 314,207 |
| †Total Operating Costs |  | 221,432 | 221,432 | 221,432 | 221,432 | 221,432 | 221,432 | 221,432 |
| Net Income |   |   | -11,961 | 5,495 | 22,951 | 40,407 | 57,863 | 75,319 | 92,775 |
| **Net Income per Head** | **300** |  | **-39.87** | **18.32** | **76.50** | **134.69** | **192.88** | **251.06** | **309.25** |
| ˟ Estimate based upon average price differential between classes of livestock from Shasta Livestock-five sales each year 2010-2014. |
| † Total operating costs based on 2016 data. |   |  |  |  |  |  |

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