

## **District 11-Projected Cow-Calf Enterprise Budget-2011 100 Breeding Cow Herd on Improved Pasture**

This budget is based on a breeding cow unit, which is defined as the breeding cow, her calf and her share of any costs associated with the bulls. The size of operation in this budget is a 100-cow breeding herd, with a cow to bull ratio of 25:1. Replacement heifers are not retained, with the cost of cow replacement represented by the estimated capital recovery cost for cows that is found in the fixed expense section.

The calf crop budgeted in this enterprise is 86% based on 100 cows exposed, with all steer and heifer calves sold. The budgeted income from the calf crop is based on 43 head of heifers sold that are priced at \$110/cwt with a pay weight of 4.5 cwt/head, along with 43 head of steer calves sold that are priced \$118/cwt with a pay weight of 4.75 cwt/head. The budgeted income from culled breeding livestock includes the sale of one cull bull per year priced at \$65/cwt with a pay weight of 16 cwt/head along with the sale of 15 cull cows priced at \$50/cwt with a pay weight of 9 cwt/head.

The budgeted stocking rate for this enterprise is four acres of improved pasture per breeding cow unit. The budgeted pasture maintenance program includes soil testing, fertilization, chemical weed control and mechanical weed control. Detailed information on pasture maintenance practices and costs related to pasture maintenance are shown in the permanent summer pasture maintenance table. Diesel for fuel is budgeted at \$2.45 per gallon.

The supplemental nutrition, salt and mineral program includes hay, protein supplement along with salt and mineral. Supplemental feeding is budgeted for a 120-day period beginning December 1 and ending March 31. Feeding and herd maintenance labor is budgeted at two hours per day during the feeding period and one hour per day during the balance of the year. The owner labor budgeted for feeding and herd maintenance is charged at \$6.25 per hour. Detailed information on supplemental nutrition, salt and mineral program practices and costs related to supplemental nutrition, salt and mineral program are shown in the supplemental nutrition table. In addition, pickup truck costs are included in the budget for feeding and herd maintenance. These costs are based on a truck valued at \$21,500, with 25% of the annual total budgeted truck usage of 18,000 miles charged to herd over a six-year useful life Gasoline for fuel is budgeted at \$2.65 per gallon.

**The budgeted herd health maintenance program is presented only as general guide, and should not be used as a replacement for recommendations from local veterinarians.** The budgeted herd health program includes two cattle workings, with two-day labors hired for each working and charged at \$120 per day.

Fixed costs specified in the budget include annual capitalized recovery values for machinery and breeding livestock along with overhead, insurance and taxes. The annual capitalized recovery charge for the bulls is based on a purchase price of \$1,500 per head and a useful life of four years. The annual capitalized recovery charge for the cows is based on a purchase price or initial value of \$650 per head and useful life of seven years. The intermediate term interest rate used in calculating the capital recovery factor for machinery and breeding livestock is budgeted at 8%. General overhead costs are budgeted at \$1311 for the total herd per year.

An enterprise budget is a statement of what is expected if particular production practices are used to produce a specified amount of product, and is based on the economic and technological relationships between inputs and outputs. The budgeted scenario shown in this document represents a general guide and is not intended to predict the costs and returns from any particular ranch's operation. For more details related to these budgets, contact your local county Extension office or go to the Extension budget web site maintained by the Texas A&M University Department of Agricultural Economics at <http://agecoext.tamu.edu/resources/crop-livestock-budgets.html> .

Table 1.E Summary of estimated costs and returns per herd  
 Cow-Calf Enterprise 100-cow herd-D11  
 Projected Costs and Returns - Texas Agrilife Ext, 2011

ITEM	UNIT	PRICE	QUANTITY	AMOUNT	YOUR FARM
		dollars		dollars	
<b>INCOME</b>					
Steer Calves	head	560.00	43.0000	24080.00	_____
Heifer Calves	head	495.00	43.0000	21285.00	_____
Cull Cows	head	450.00	15.0000	6750.00	_____
Cull Bulls	head	1040.00	1.0000	1040.00	_____
				-----	
<b>TOTAL INCOME</b>				53155.00	_____
<b>DIRECT EXPENSES</b>					
CUSTOM	herd	2280.00	1.0000	2280.00	_____
FEED	herd	15842.40	1.0000	15842.40	_____
FERTILIZER	herd	13600.00	1.0000	1360.00	_____
HERBICIDE	herd	1840.60	1.0000	1840.00	_____
MARKET/GRADE	herd	2228.00	1.0000	2228.00	_____
SALT AND MINERALS	herd	2598.06	1.0000	2598.06	_____
VETERINARY MEDICINE	herd	2356.77	1.0000	2356.77	_____
HEALTH MANAGEMENT	herd	920.50	1.0000	920.50	_____
DAY LABOR	hour	120.00	4.0000	480.00	_____
OPERATOR LABOR	hour	13.75	62.8000	864.00	_____
OWNER LABOR	hour	6.25	486.0000	3037.50	_____
DIESEL FUEL	gal	2.45	242.4331	592.00	_____
GASOLINE	gal	2.65	214.7003	568.96	_____
REPAIR & MAINTENANCE	herd	614.65	1.0000	614.65	_____
INTEREST ON OP. CAP.	herd	1503.78	1.0000	1503.78	_____
				-----	
<b>TOTAL DIRECT EXPENSES</b>				49326.62	_____
<b>RETURNS ABOVE DIRECT EXPENSES</b>				3828.38	_____
<b>TOTAL FIXED EXPENSES</b>				17564.20	_____
				-----	
<b>TOTAL SPECIFIED EXPENSES</b>				66890.82	_____
<b>RETURNS ABOVE TOTAL SPECIFIED EXPENSES</b>				-13735.82	_____

Projections for Planning Purposes Only-Update After 10/09/2010.

Table 1.A Estimated resource use and costs for field operations, per herd  
 Cow-Calf Enterprise 100-cow herd-D11  
 Projected Costs and Returns - Texas Agrilife Ext, 2011

OPERATION/ OPERATING INPUT	SIZE/ UNIT	POWER UNIT SIZE	PERF TIMES			POWER UNIT COST		EQUIPMENT COST		ALLOC LABOR		OPERATING/DURABLE INPUT			TOTAL COST
			RATE	OVER	MTH	DIRECT	FIXED	DIRECT	FIXED	HOURS	COST	AMOUNT	PRICE	COST	
						-----dollars-----				dollars		-----dollars-----			
DAY LABOR	Day		1.00	May						2.00	240.00				240.00
DAY LABOR	Day		1.00	Oct						2.00	240.00				240.00
Check-off	head											102.0000	1.00	102.00	102.00
Sales Commission	herd											1.0000	2126.00	2126.00	2126.00
Truck 1/2 ton	each		1.00	Jan				977.37				0.2500			977.37
Application 1	mile							859.61				3650.0000			859.61
Insurance & Taxes	each		1.00	Jan				802.50				1.0000			802.50
General Overhead	each		1.00	Jan				1284.00				1.0000			1284.00
Bulls	each		1.00	Dec				1771.37				4.0000			1771.37
Cows	each		1.00	Dec				12060.96				100.0000			12060.96
Supplemental Feed	herd			Jan						486.00	3037.50	1.0000	18440.46		21477.96
Veterinary Medicine	herd			Jan								1.0000	2356.77		2356.77
Health Management	herd			Jan								1.0000	920.50		920.50
Pasture Maintenance	acre			Jan			760.00	412.00	156.00	256.00	62.80	864.00	400.0000	17720.00	20168.00
TOTALS							760.00	412.00	1015.61	17152.20	552.80	4381.50		41665.73	65387.04
INTEREST ON OPERATING CAPITAL															1503.78
UNALLOCATED LABOR															0.00
TOTAL SPECIFIED COST															66890.82

Projections for Planning Purposes Only-Update After 10/09/2010.

Table 2.A Estimated resource use and costs for field operations, per herd  
 Veterinary Medicine - 100-cow herd  
 Projected Costs - Texas Agrilife Ext, 2011

OPERATION/ OPERATING INPUT	SIZE/ UNIT	POWER UNIT SIZE	PERF TIMES			POWER UNIT COST		EQUIPMENT COST		ALLOC LABOR		OPERATING/DURABLE INPUT			TOTAL COST
			RATE	OVER	MTH	DIRECT	FIXED	DIRECT	FIXED	HOURS	COST	AMOUNT	PRICE	COST	
						-----dollars-----				dollars		-----dollars-----			
Cows			1.00	May											
IBR/PI-3/BVD/BRSV	dose											100.0000	2.62	262.00	262.00
8-Way Clostridials	dose											100.0000	0.77	77.00	77.00
Dewormer-Avermectin	dose											100.0000	4.85	485.00	485.00
Vibrio	dose											100.0000	0.77	77.00	77.00
Calves			1.00	May											
8-Way Clostridials	dose											86.0000	0.77	66.22	66.22
IBR/PI-3/BVD/BRSV	dose											86.0000	2.62	225.32	225.32
Bulls			1.00	May											
IBR/PI-3/BVD/BRSV	dose											4.0000	2.62	10.48	10.48
Vibrio	dose											4.0000	0.77	3.08	3.08
Dewormer-Avermectin	dose											6.0000	4.85	29.10	29.10
8-Way Clostridials	dose											4.0000	0.77	3.08	3.08
Calves			1.00	Oct											
Pasturella+8way clos	dose											86.0000	3.02	259.72	259.72
IBR/PI-3/BVD/BRSV	dose											86.0000	2.62	225.32	225.32
Dewormer-Avermectin	dose											43.0000	4.85	208.55	208.55
Cows			1.00	Oct											
8-Way Clostridials	dose											100.0000	0.77	77.00	77.00
Lepto-5	dose											100.0000	0.37	37.00	37.00
Dewormer-Albendazole	dose											100.0000	2.89	289.00	289.00
Bulls			1.00	Oct											
8-Way Clostridials	dose											4.0000	0.77	3.08	3.08
Lepto-5	dose											4.0000	0.37	1.48	1.48
Dewormer-Albendazole	dose											6.0000	2.89	17.34	17.34
						-----		-----		-----		-----			
TOTALS						0.00	0.00	0.00	0.00	0.00	0.00			2356.77	2356.77
INTEREST ON OPERATING CAPITAL															39.18
UNALLOCATED LABOR															0.00
TOTAL SPECIFIED COST															2395.95

Projections for Planning Purposes Only-Update After 10/09/2010.

Table 3.A Estimated resource use and costs for field operations, per herd  
 Health Management 100 cow-herd  
 Projected Costs - Texas Agrilife Ext, 2011

OPERATION/ OPERATING INPUT	SIZE/ UNIT	POWER UNIT SIZE	PERF TIMES			POWER UNIT COST		EQUIPMENT COST		ALLOC LABOR		OPERATING/DURABLE INPUT			TOTAL COST
			RATE	OVER	MTH	DIRECT	FIXED	DIRECT	FIXED	HOURS	COST	AMOUNT	PRICE	COST	
						-----dollars-----				dollars		-----dollars-----			
Health Management			1.00	May											
Implants	head											86.0000	1.75	150.50	150.50
Fly Control	head											100.0000	3.60	360.00	360.00
Pregnancy Check	head											100.0000	2.50	250.00	250.00
Bull Exam.	head											4.0000	40.00	160.00	160.00
						-----		-----		-----		-----			
TOTALS						0.00	0.00	0.00	0.00	0.00	0.00			920.50	920.50
INTEREST ON OPERATING CAPITAL															25.32
UNALLOCATED LABOR															0.00
TOTAL SPECIFIED COST															945.82

Projections for Planning Purposes Only-Update After 10/09/2010.

Table 4.A Estimated resource use and costs for field operations, per herd  
 Supplemental Nutrition, Salt & Mineral 100-cow herd  
 Projected Costs - Texas Agrilife Ext, 2011

OPERATION/ OPERATING INPUT	SIZE/ UNIT	POWER UNIT SIZE	PERF TIMES			POWER UNIT COST		EQUIPMENT COST		ALLOC LABOR		OPERATING/DURABLE INPUT			TOTAL COST
			RATE	OVER	MTH	DIRECT	FIXED	DIRECT	FIXED	HOURS	COST	AMOUNT	PRICE	COST	
						-----dollars-----				dollars		-----dollars-----			
OWNER LABOR	hour		1.00		Jan					62.00	387.50				387.50
Hay	Roll											54.0000	60.00	3240.00	3240.00
40% CtSeed Meal Cube	cwt											32.2400	17.00	548.08	548.08
Salt and Mineral	lb											580.0000	0.38	220.40	220.40
OWNER LABOR	hour		1.00		Feb					56.00	350.00				350.00
Hay	Roll											49.0000	60.00	2940.00	2940.00
40% CtSeed Meal Cube	cwt											58.2400	17.00	990.08	990.08
Salt and Mineral	lb											525.0000	0.38	199.50	199.50
OWNER LABOR	hour		1.00		Mar					62.00	387.50				387.50
Hay	Roll											54.0000	60.00	3240.00	3240.00
40% CtSeed Meal Cube	cwt											64.4800	17.00	1096.16	1096.16
Salt and Mineral	lb											580.0000	0.38	220.40	220.40
OWNER LABOR	hour		1.00		Apr					30.00	187.50				187.50
Salt and Mineral	lb											563.0000	0.38	213.94	213.94
OWNER LABOR	hour		1.00		May					31.00	193.75				193.75
Salt and Mineral	lb											580.0000	0.38	220.40	220.40
OWNER LABOR	hour		1.00		Jun					30.00	187.50				187.50
Salt and Mineral	lb											563.0000	0.38	213.94	213.94
OWNER LABOR	hour		1.00		Jul					31.00	193.75				193.75
Salt and Mineral	lb											580.0000	0.38	220.40	220.40
OWNER LABOR	hour		1.00		Aug					31.00	193.75				193.75
Salt and Mineral	lb											580.0000	0.38	220.40	220.40
OWNER LABOR	hour		1.00		Sep					30.00	187.50				187.50
Salt and Mineral	lb											563.0000	0.38	213.94	213.94
OWNER LABOR	hour		1.00		Oct					31.00	193.75				193.75
Salt and Mineral	lb											580.0000	0.38	220.40	220.40
OWNER LABOR	hour		1.00		Nov					30.00	187.50				187.50
Salt and Mineral	lb											563.0000	0.38	213.94	213.94
OWNER LABOR	hour		1.00		Dec					62.00	387.50				387.50
Hay	Roll											54.0000	60.00	3240.00	3240.00
40% CtSeed Meal Cube	cwt											32.2400	17.00	548.08	548.08
Salt and Mineral	lb											580.0000	0.38	220.40	220.40
TOTALS						0.00	0.00	0.00	0.00	486.00	3037.50			18440.46	21477.96
INTEREST ON OPERATING CAPITAL															796.61
UNALLOCATED LABOR															0.00
TOTAL SPECIFIED COST															22274.57

Projections for Planning Purposes Only-Update After 10/09/2010.

Table 5.A Estimated resource use and costs for field operations, per acre  
 Permanent summer pasture maintenance  
 Projected Costs per Acre - Texas Agrilife Ext, 2011

OPERATION/ OPERATING INPUT	SIZE/ UNIT	POWER UNIT SIZE	PERF TIMES			POWER UNIT COST		EQUIPMENT COST		ALLOC LABOR		OPERATING/DURABLE INPUT			TOTAL COST
			RATE	OVER	MTH	DIRECT	FIXED	DIRECT	FIXED	HOURS	COST	AMOUNT	PRICE	COST	
						-----dollars-----				dollars		-----dollars-----			
Soil Testing	acre		1.00	Apr								1.0000	0.20	0.20	0.20
Custom Spread(Truck)	appl		1.00	Apr								1.0000	5.50	5.50	5.50
Fertiliz(50N-11P-9K)	acre											1.0000	34.00	34.00	34.00
BroadLeaf Herbicide	pt											1.0000	4.60	4.60	4.60
Rotary Mower	10.5'	2WD 75	0.157	1.00	Aug	1.90	1.03	0.39	0.64	0.15	2.16				6.12
TOTALS						1.90	1.03	0.39	0.64	0.15	2.16			44.30	50.42
INTEREST ON OPERATING CAPITAL															1.49
UNALLOCATED LABOR															0.00
TOTAL SPECIFIED COST															51.91

Projections for Planning Purposes Only-Update After 10/09/2010.