



UNIVERSITY OF ARKANSAS
DIVISION OF AGRICULTURE
Cooperative Extension Service

Estimating 2006 Income and Costs of Production Cow-Calf Budget—100 Cow Herd Purchase Replacement Heifers AG-969-4-06

ITEM	UNIT	PRICE	QUANTITY	AMOUNT	YOUR FARM
		dollars		dollars	
INCOME					
Cull Cows	head	470.00	18.0000	8460.00	_____
Cull Bulls	head	1080.00	1.0000	1080.00	_____
Steer Calves	head	636.00	43.0000	27348.00	_____
Heifer Calves	head	575.00	43.0000	24725.00	_____

TOTAL INCOME				61613.00	_____
DIRECT EXPENSES					
CUSTOM					
Soil Testing	acre	0.20	150.1501	30.03	_____
Custom Spread(Truck)	appl	3.50	600.6006	2102.10	_____
FEED					
Hay	cwt	2.50	4530.0000	11325.00	_____
Corn	cwt	8.10	373.2500	3023.33	_____
FERTILIZER					
Amm Nitrate (34%N)	cwt	15.50	1057.0570	16384.38	_____
Phosphate (46% P2O5)	cwt	14.14	75.0750	1063.06	_____
Potash (60% K2O)	cwt	12.50	45.0450	564.56	_____
HERBICIDE					
Weed Control	acre	5.50	300.3003	1651.65	_____
MARKET/GRADE					
Check-off	head	2.00	102.0000	204.00	_____
SALT AND MINERALS					
12-6-10 Mineral Salt	cwt	27.76	22.5000	624.60	_____
12-8 Mineral Salt	cwt	27.90	68.7500	1918.13	_____
VETERINARY MEDICINE					
IBR,PI3,BVD/BRSV KV	dose	1.20	186.0000	223.20	_____
Lepto-5	dose	0.16	104.0000	16.64	_____
Dewormer-Avermectin	ml	0.04	6870.0000	329.76	_____
8-Way Clostridials	dose	0.50	190.0000	95.00	_____
IBR/PI-3/BVD/BRSV MLV	dose	0.98	90.0000	88.20	_____
Pasturella+8way clos	dose	5.84	86.0000	502.24	_____
Dewormer-Albendazole	dose	3.36	104.0000	349.44	_____
Implants	head	0.76	43.0000	32.68	_____
HEALTH MANAGEMENT					
Fly Control	head	3.25	100.0000	325.00	_____
Pregnancy Check	head	2.50	100.0000	250.00	_____
Bull Exam.	head	40.00	4.0000	160.00	_____
OPERATOR LABOR					
Tractors	hour	8.12	65.4654	531.53	_____
OWNER LABOR					
Special Labor	hour	8.12	486.0000	3946.32	_____
DAY LABOR					
Special Labor	day	120.00	4.0000	480.00	_____
DIESEL FUEL					
Tractors	gal	2.20	281.0100	618.62	_____
GASOLINE					
Truck 1/2 ton	gal	2.35	214.7003	504.55	_____
REPAIR & MAINTENANCE					
Implements	herd	168.17	1.0000	168.17	_____
Tractors	herd	162.16	1.0000	162.16	_____
Truck 1/2 ton	mile	0.07	3650.0000	290.65	_____
INTEREST ON OP. CAP.	herd	1919.84	1.0000	1919.84	_____

TOTAL DIRECT EXPENSES				49884.87	_____
RETURNS ABOVE DIRECT EXPENSES				11728.13	_____

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ITEM	UNIT	PRICE	QUANTITY	AMOUNT	YOUR FARM
FIXED EXPENSES					
Implements	herd	267.27	1.0000	267.27	_____
Tractors	herd	432.43	1.0000	432.43	_____
Truck 1/2 ton	each	4049.04	0.2500	1012.26	_____
Bulls	each	527.18	4.0000	2108.74	_____
Insurance & Taxes	each	809.25	1.0000	809.25	_____
General Overhead	each	1294.80	1.0000	1294.80	_____
Cows	each	183.31	100.0000	18331.06	_____

TOTAL FIXED EXPENSES				24255.81	_____

TOTAL SPECIFIED EXPENSES				74140.68	_____
RETURNS ABOVE TOTAL SPECIFIED EXPENSES				-12527.68	_____
RESIDUAL ITEMS					
Marketing Cost	%	61613.00	0.0256	1577.29	_____
RESIDUAL RETURNS				-14104.97	_____

ADDENDUM

1. This budget assumes a 300 acre permanent warm-season grass pasture. This implies a year round stocking rate of 1 cow-calf unit per three (3) acres, bulls are not considered in this stocking rate. Using this assumption it is imperative to follow the University of Arkansas Division of Agriculture hay, supplementation, and fertilizer recommendations; else the herd productivity of the cow herd may suffer.
2. All replacement heifers for the cow herd are purchased and added into the herd. Thus the cow herd is considered a capital (fixed) asset and depreciation is charged off each year as a fixed cost.
3. Hay fed to the herd is measured in hundredweight (cwt) to alleviate any misunderstanding regarding the size and weight of hay bales.
4. Fertilizer for warm-season grass pasture used in the budget is measured in hundredweight (cwt). This is done for consistency with the Extension row crop budgets which are also calculated in hundredweights.
5. It is assumed there will be four (4) bulls in this herd. An average of 18% of the cows will be replaced each production year. Heifers will have a 65% mature body weight when bred.
6. Feeding:
 - a. Supplementation – Corn will be fed in the months December and January at a rate of 1.5 lb per cow per day. Corn in February and March will be fed at a rate of 4.75 lb per cow per day.
 - b. Hay – Hay will be fed in the months January, February, March, November, and December at a rate of 30 lbs per cow per day.
 - c. Minerals and Salt – a product with an analysis of 12-6-10 will be fed in January through March at a rate of 0.25 lbs per cow per day. A 12-8 product will be fed April through December at the same rate as above.
7. Weights and prices used in budget calculations are as follows:
 - a. Steer calves – 530 lbs sale weight, \$120.00/cwt, \$636.00 per head.
 - b. Heifer calves – 500 lbs sale weight, \$115.00/cwt, \$575.00 per head.
 - c. Culled cows – 1,000 lbs sale weight, \$47.00/cwt, \$470.00 per head.
 - d. Culled bulls – 1,800 lbs sale weight \$60.00/cwt, \$1,080.00 per head.

The authors gratefully acknowledge the contributions of Farmer's Coop of Benton/Little Rock and other suppliers of goods and services in the construction of the 2006 cow-calf budgets. For additional information on beef cattle economics contact Rob Hogan at the Northeast Research and Extension Center 870-526-2199.

View and print all of the Arkansas crop budgets at <http://www.aragriculture.org/farmplanning/Budgets/default.asp>

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