

Guidelines For Estimating  
**Cow-Calf Production Costs**  
Based on a 150 Head Cow Herd

**Date: September, 2011**

This guide is designed to provide you with planning information and a format for calculating costs of production of a cow calf enterprise. Adjustments will be necessary when applying these figures to your own enterprise.

The budget estimates are based on a number of assumptions which are clearly defined in the supporting pages. Input costs, productivity and performance assumptions are based on data supplied by specialists and the use of recommended practices. Good management is assumed in that a balanced ration is being fed, livestock are on a herd health program and handling facilities are included.

**Disclaimer:** This budget is only a guide and is not intended as an in depth study of the cost of production of the Manitoba cattle industry. Interpretation and utilization of this information is the responsibility of the user. If you require assistance with developing your individual budget, please contact your local MAFRI Business Development Specialist or Livestock Farm Production Extension Specialist.

### Cow-Calf Production Costs September, 2011 Based on a 150 Cow Herd

	<u>Cost/Cow</u>	<u>Total Cost</u>	<u>Your Cost</u>
<b>A. Operating Costs</b>			
<b>1. Feed Costs</b>			
1.01 Grain	\$10.63	\$1,595	_____
1.02 Hay	\$198.00	\$29,700	_____
1.03 Salt & Minerals	<u>\$25.20</u>	<u>\$3,780</u>	_____
<b>Total Feed Cost</b>	<b><u>\$233.83</u></b>	<b><u>\$35,075</u></b>	_____
<b>2. Other Operating Costs</b>			
2.01 Straw	\$30.00	\$4,500	_____
2.02 Veterinary Medicine & Supplies	\$14.67	\$2,201	_____
2.03 Breeding Costs	\$31.16	\$4,674	_____
2.04 Fuel, Maintenance & Repairs	\$30.00	\$4,500	_____
2.05 Utilities	\$10.67	\$1,601	_____
2.06 Marketing & Transportation	\$34.39	\$5,159	_____
2.07 Death Loss	\$12.50	\$1,875	_____
2.08 Manure Removal	\$16.67	\$2,501	_____
2.09 Insurance	\$8.49	\$1,274	_____
2.10 Herd Replacement	\$46.80	\$7,020	_____
2.11 Miscellaneous	<u>\$6.67</u>	<u>\$1,001</u>	_____
Subtotal Operating Costs	\$475.85	\$71,381	_____
2.12 Operating Interest	<u>\$13.68</u>	<u>\$2,052</u>	_____
<b>Total Operating Costs</b>	<b><u>\$489.53</u></b>	<b><u>\$73,433</u></b>	_____
<b>B. Fixed Costs</b>			
<b>3. Depreciation</b>			
3.01 Buildings	\$16.78	\$2,517	_____
3.02 Machinery & Equipment	\$42.67	\$6,401	_____
<b>4. Investment</b>			
4.01 Buildings	\$4.61	\$692	_____
4.02 Machinery & Equipment	\$8.80	\$1,320	_____
4.03 Livestock	\$27.50	\$4,125	_____
4.04 Pasture Land & Fencing	<u>\$74.77</u>	<u>\$11,216</u>	_____
<b>Total Fixed Costs</b>	<b><u>\$175.13</u></b>	<b><u>\$26,271</u></b>	_____
<b>Total Operating and Fixed Costs</b>	<b><u>\$664.67</u></b>	<b><u>\$99,704</u></b>	_____
<b>C. Labour</b>			
	<u>\$112.50</u>	<u>\$16,875</u>	_____
<b>Total Cost of Production</b>	<b><u>\$777.17</u></b>	<b><u>\$116,579</u></b>	_____

<b>Breakeven price</b>	<b><u>\$/cwt</u></b>	
A. Operating Costs	\$89.62	_____
B. Operating & labour Costs	\$110.21	_____
C. Operating & Fixed Costs	\$121.68	_____
D. Operating, Fixed & Labour Costs	\$142.27	_____

Breakeven Price \$/cwt = Cost ÷ 95% calf crop ÷ calf weight (5.75cwt)

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## Cow-Calf Production Costs - Input

### Assumptions

1. This budget outlines the cost of production for a cow-calf operation.
2. Buildings and equipment are valued at new cost.
3. All feed is purchased.
4. Manure removal is contracted out.
5. Replacement heifers are valued at fair market value

### Herd Profile

	<u>Total</u>
Number of Cows	<b>150</b> head
Number of Bulls	<b>5</b> bulls
Calf Crop	<b>95.00</b> %
Average Calf Weight	<b>575</b> lbs
Cow Mortality Rate	<b>1.25</b> %
Calf Market Price	<b>\$135.00</b> /cwt
Cow Replacement Rate	<b>12.00</b> %
Bull Replacement Rate	<b>25.00</b> %

### Feed Costs & Requirements

	<u>Feed Cost</u>	<u>Feed Requirement</u>		
	<u>\$/unit</u>	<u>/Cow</u>	<u>/Bull</u>	
Barley	<b>\$4.25</b> /bu	<b>2.00</b>	<b>7.00</b>	lbs/day
Days/Year on Barley		<b>60</b>	<b>120</b>	days
Hay (Good Quality)	<b>\$60.00</b> /ton	<b>2.5</b>	<b>4.00</b>	tons/yr
Hay (Low Quality)	<b>\$40.00</b> /ton	<b>1.2</b>	<b>0.00</b>	tons/yr
Salt	<b>\$0.12</b> /lb	<b>35.00</b>		n/a lbs/year
Minerals	<b>\$0.60</b> /lb	<b>35.00</b>		n/a lbs/year

FOOTNOTE: 1 bushel (bu) barley = 48 lbs = 21.8 kg

### Other Operating Costs

#### Straw

Number of Tons/Cow/Year	<b>1.0</b>
Number of Tons/Bull/Year	<b>1.0</b>
Cost/Ton	<b>\$30.00</b>

### Veterinary Medicine & Supplies

#### Calf Medication

Blackleg ( 8 way vaccine )	<b>\$0.60</b> /head
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Tags	\$3.00 /head
<b>Cow Medication</b>	
4-Way/Hemophilus	\$2.85 /head
Scourguard	\$2.95 /head
Internal external parasite control antibiotics, etc.	\$2.00 /head
Vitamin A & D	\$0.50 /head
<b>Herd Health Program</b>	
<b>Professional Services</b>	
Total Yearly Hours	5 hours
Rate	\$150.00 /hour
<b>Transportation</b>	
Total Kilometers (round trip)	80 km
Rate	\$0.75 /km
Number of yearly visits	2
<b>Breeding Costs</b>	
Health Management Costs	\$10.00 /bull
Semen Test	\$55.00 /bull
<b>Replacement of Bulls</b>	
Original Cost	\$3,500.00 /bull
Salvage Value	\$2,000.00 /bull
Pasture Cost	\$74.77 /bull
<b>Other Breeding Alternatives</b>	
a) Artificial Insemination	
Cost/Cow or Heifer	\$0.00
Number Inseminated	0
b) P.F.R.A. Community Pasture	
Cost/Cow or Heifer	\$0.00
Number of Cows placed in Pasture	0
<b>Fuel, Oil, Repairs &amp; Maintenance</b>	
Machinery - fuel costs	\$1,900.00
- repairs	\$1,400.00
Buildings, fences etc.	\$1,200.00
<b>Other Operating Costs</b>	
<b>Utilities</b>	
Hydro	\$800.00
Telephone	\$800.00

**Marketing & Transportation (Culls)**

a) Trucking:	
Number of Cull Cows	18 cows
Average Weight/Cow	1,350 lbs
Trucking Cost	\$1.60 /cwt
b) Selling Commission:	
MCEC Fee \$/Head	\$2.00 /head
MBP Levy \$/Head	\$3.00 /head
Insurance per Head	\$1.00 /head
Commission on Cows	\$16.00 /cow
Commission on Calves	\$14.00 /calf

**Manure Removal**

Annual cost for Removal **\$2,500.00**

Operating Interest Rate **5.75 %**  
 Investment Rate **2.75 %**

**Insurance**

Cost per \$100 Capital Invested in	
a) Livestock	\$0.45
b) Building & Equipment	\$0.40
Additional coverage for liability	\$49.00 /year

**Miscellaneous**

Total yearly expense **\$1,000.00**

**Herd Replacement (Cows Only)**

Replacement Cost/Heifer **\$1,200.00**  
 Average Value/Cow **\$1,000.00**  
 Price Received/Cull Cow **\$810.00**

**Capital Costs**

<b>Buildings &amp; Water System</b>	<b><u>Original Value</u></b>	<b><u>Salvage Value</u></b>	<b><u>Useful Life</u></b>
Windbreak Fence	\$4,000	0 %	20 years
Feedlot Fence	\$4,000	0 %	20 years
Calf Shelters	\$8,000	0 %	20 years
Handling Facilities	\$5,500	0 %	20 years
Calving Facility	\$9,600	0 %	20 years
Waterers (3 @ \$ 1000)	\$5,000	0 %	20 years
Pasture Watering System	\$4,000	0 %	20 years
Pasture Water Source	\$3,000	0 %	20 years
Gates	\$840	0 %	20 years
Round Bale Feeders	\$1,500	0 %	20 years
Well & Pressure System	\$6,000	0 %	20 years
Hydro (6 poles @ \$400)	\$2,400	0 %	20 years
Storage Bins	\$3,500	0 %	20 years
<b>Total</b>	<b>\$57,340</b>	<b>0 %</b>	<b>20 years</b>

**Machinery & Equipment**

Miscellaneous Machinery	\$5,000	20 %	10 years
Tractor & Loader	\$30,000	20 %	10 years
Bale Shredder	\$13,000	20 %	10 years
Stock Trailer	\$12,000	20 %	10 years
Truck ( \$40,000@ 50%)	\$20,000	10 %	10 years
<b>Total</b>	<b>\$80,000</b>		
Total Building, Machinery & Equipment	137,340		
Total Breeding Herd Value	<u>150,000</u>		

**Total Capital Investment**

**287,340**

**Pasture Costs**

	<u>Marginal Pasture</u>	<u>Improved Pasture</u>	<u>Crown Land</u>
Cows on pasture	150 cows	150 cows	150 cows
Length of fence	7.000 miles	4.500 miles	9.375 miles
Fence price	\$3,400 /mile	\$1,000 /mile	\$3,400 /mile
Fence useful life	20 years	20 years	20 years
Fence salvage value	\$0.00	\$0.00	10 %
Number of acres/cow	7 acre/cow	3 acre/cow	
Value	\$400.00 /acre	\$625.00 /acre	
Taxes	\$2.00 /acre	\$5.30 /acre	
Total fertilizer, chemical, seed & miscellaneous	\$0.00 /acre	\$0.00 /acre	\$0.00 /acre
Number of cows/quarter			12 cows
Rental rate			\$246.00 /quarter

FOOTNOTE: 1 hectare = 2.471 acres

**P.F.R.A. Community Pasture Grazing**

**Cows**

Cows on P.F.R.A. Pasture	150 cows
Cost	\$0.45 /cow/day
P.F.R.A Grazing Days	140 days/year

**Calves**

Calves on P.F.R.A. Pasture	143 calves
Cost	\$25.00 /calf/season

**Labour Costs**

Hours/Cow/Year	9.00 hours
Labour Rate	\$12.50 /hour

## Assumptions

1. This budget outlines the cost of production for a cow calf operation with 150 cows, 5 bulls and 95% calf crop weaned.
2. Building and equipment are valued at new cost.
3. All feed is valued at market value.
4. Manure removal is contracted out.
5. Replacement heifers are valued at fair market value.
6. This budget assumes an average weaning weight of 575 lbs. (steer calves 600 lbs and heifer calves 550 lbs.)

## Cow-Calf Production Worksheet

### A. Operating Costs

#### 1. Feed Costs

##### 1.01 Barley (processed)

		2.00	lbs barley/cow/day		
	x	60.00	days/year		
	÷	48.00	lbs/bu		
	<u>x</u>	<u>\$4.25</u>	<u>/bushel</u>		
	=	<b>\$10.63</b>	<b>/cow</b>		

##### 1.02 Hay (for cows)

		2.50	tons good quality		
	<u>x</u>	<u>\$60.00</u>	<u>/ton</u>		
	=	\$150.00	/cow		

		1.20	tons low quality		
	<u>x</u>	<u>\$40.00</u>	<u>/ton</u>		
	=	\$48.00	/cow		

	<b>Total</b>	<b>=</b>	<b>\$198.00</b>	<b>/cow</b>	

##### 1.03 Salt and Minerals

		35.00	lbs salt/cow/year		
	<u>x</u>	<u>\$0.12</u>	<u>/lb</u>		
	=	\$4.20	/cow		

		35.00	lbs mineral/cow/year		
	<u>x</u>	<u>\$0.60</u>	<u>/lb</u>		
	=	\$21.00	/cow		

	<b>Total</b>	<b>=</b>	<b>\$25.20</b>	<b>/cow</b>	

**2. Other Operating Costs**

**2.01 Straw**

		1.00	tons/cow/year	_____
x		<u>\$30.00</u>	/ton	_____
=		<b>\$30.00</b>	<b>/cow</b>	_____

**2.02 Veterinary Medicine & Supplies**

Calf Medication

		\$0.60	/calf blackleg	_____
x		<u>95.00</u>	% calf crop	_____
=		\$0.57	/cow	_____

Cow Medication

		\$2.85	/cow IBR	_____
+		\$2.95	/cow scourguard	_____
+		\$2.00	/cow parasite control	_____
±		<u>\$0.50</u>	/cow AD	_____
=		\$8.30	/cow	_____

Herd Health Program

		\$150.00	/hour charge	_____
x		5.00	hours	_____
÷		<u>150.00</u>	cows	_____
=		\$5.00	/cow	_____

Mileage

		\$0.75	/km charge	_____
x		80.00	kilometres	_____
x		2.00	visits	_____
÷		<u>150.00</u>	cows	_____
=		\$0.80	/cow	_____

**Total = \$14.67 /cow**

**2.03 Breeding Costs**

Feed for Bulls

Hay

		4.00	tons good quality	_____
x		\$60.00	/ton	_____
x		5.00	bulls	_____
÷		<u>150.00</u>	cows	_____
=		\$8.00	/cow	_____

Barley		7.00	lbs barley/bull/day	_____
x		120.00	days	_____
÷		48.00	lbs/bu	_____
x		\$4.25	/bushel	_____
x		5.00	bulls	_____
÷		<u>150.00</u>	<u>cows</u>	_____
=		\$2.48	/cow	_____
Total	=	\$10.48	/cow	_____
Straw for Bulls				
		1.00	tons/bull/year	_____
x		\$30.00	/ton	_____
x		5.00	bulls	_____
÷		<u>150.00</u>	<u>cows</u>	_____
=		\$1.00	/cow	_____
Vet & Medicine for Bulls				
		\$55.00	semen test	_____
+		\$10.00	total vet cost/bull	_____
x		5.00	bulls	_____
÷		<u>150.00</u>	<u>cows</u>	_____
=		\$2.17	/cow	_____
Replacement of Bulls				
		\$3,500	bull cost	_____
-		\$2,000	bull salvage value	_____
x		25.00	% replacement rate	_____
x		5.00	bulls	_____
÷		<u>150.00</u>	<u>cows</u>	_____
=		\$12.50	/cow	_____
Investment in Bulls				
		\$3,500	bull cost	_____
+		\$2,000	bull salvage value	_____
÷		2.00	average	_____
x		2.75	% investment rate	_____
x		5.00	bulls	_____
÷		<u>150.00</u>	<u>cows</u>	_____
=		\$2.52	/cow	_____

Pasture Costs for Bulls

		\$74.77	/bull pasture cost	_____
x		5.00	bulls	_____
÷		<u>150.00</u>	<u>cows</u>	_____
=		\$2.49	/cow	_____
<b>Total</b>	<b>=</b>	<b>\$31.16</b>	<b>/cow</b>	_____

**2.04 Fuel, Oil, Repairs & Maintenance**

Machinery

		\$1,900	annual fuel cost	_____
+		\$1,400	oil, repairs & maintenance	_____
÷		<u>150.00</u>	<u>cows</u>	_____
=		\$22.00	/cow	_____

Buildings, Fences etc.

		\$1,200	repairs & maintenance	_____
÷		<u>150.00</u>	<u>cows</u>	_____
=		\$8.00	/cow	_____

<b>Total</b>	<b>=</b>	<b>\$30.00</b>	<b>/cow</b>	_____
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**2.05 Utilities**

		\$1,600	annual cost	_____
÷		<u>150.00</u>	<u>cows</u>	_____
=		<b>\$10.67</b>	<b>/cow</b>	_____

**2.06 Marketing & Transportation**

Trucking

Calves		143	calves	_____
x		575.00	lbs/calf	_____
x		\$1.60	/cwt (trucking cost)	_____
÷		100.00	lbs/cwt	_____
÷		<u>150.00</u>	<u>cows</u>	_____
=		\$8.77	/cow	_____

Cull Cows		18.00	cull cows	_____
-		2.00	cows died	_____
x		1,350.00	lbs/cow	_____
x		\$1.60	/cwt (trucking cost)	_____
÷		100.00	lbs/cwt	_____
÷		<u>150.00</u>	<u>cows</u>	_____
=		\$2.30	/cow	_____

MCEC Levy, MCPA Levy, selling commission & insurance

Calves		\$2.00	MCEC Fee	_____
	+	\$3.00	MCPA Levy	_____
	+	\$17.00	Commission, Insurance	_____
	x	143	calves	_____
	÷	<u>150.00</u>	<u>cows</u>	_____
	=	\$20.97	/cow	_____

Cull Cows		\$2.00	MCEC Fee	_____
		\$3.00	MCPA Levy	_____
	+	\$17.00	Commission, MCPA	_____
	x	16	cull cows	_____
	÷	<u>150.00</u>	<u>cows</u>	_____
	=	\$2.35	/cow	_____

<b>Total</b>	<b>=</b>	<b>\$34.39</b>	<b>/cow</b>	_____
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**2.07 Death Loss**

	x	\$1,000	/cow investment	_____
	x	<u>1.25</u>	<u>% mortality rate</u>	_____
	=	<b>\$12.50</b>	<b>/cow</b>	_____

**2.08 Manure Removal**

		\$2,500	annual removal cost	_____
	÷	<u>150.00</u>	<u>cows</u>	_____
	=	<b>\$16.67</b>	<b>/cow</b>	_____

**2.09 Insurance**

		\$1,000	\$/cow investment	_____
	x	\$0.45	/\$100 capital	_____
	÷	<u>100.00</u>	<u>/100</u>	_____
	=	\$4.50	/cow	_____

		\$137,340	building and equipment investment	_____
	x	\$0.40	/\$100 capital	_____
	÷	100.00	/100	_____
	÷	<u>150.00</u>	<u>cows</u>	_____
	=	\$3.66	/cow	_____

		\$49.00	liability	_____
	÷	<u>150.00</u>	<u>cows</u>	_____
	=	\$0.33	/cow	_____

<b>Total</b>	<b>=</b>	<b>\$8.49</b>	<b>/cow</b>	_____
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**2.10 Herd Replacement**

	\$1,200	/replacement heifer	_____
-	\$810	/cull cow	_____
<u>x</u>	<u>12.00</u>	<u>% replacement rate</u>	_____
=	<b>\$46.80</b>	<b>/cow</b>	_____

**2.11 Miscellaneous**

	\$1,000	total office expenses	_____
<u>÷</u>	<u>150.00</u>	<u>cows</u>	_____
=	<b>\$6.67</b>	<b>/cow</b>	_____

**2.12 Operating Interest**

(Operating interest is charged on one half of the subtotal operating costs)

	\$475.85	subtotal operating costs	_____
<u>÷</u>	<u>2.00</u>	<u>average</u>	_____
<u>x</u>	<u>5.75</u>	<u>% operating interest</u>	_____
=	<b>\$13.68</b>	<b>/cow</b>	_____

### Capital Costs

**Buildings & Water System**

Windbreak Fence	\$4,000	
Feedlot Fence	\$4,000	
Calf Shelters	\$8,000	
Handling Facilities	\$5,500	
Calving Facilities	\$9,600	
Waterers (3 @ \$ 1000)	\$5,000	
Pasture watering system	\$4,000	
Pasture water source	\$3,000	
Gates	\$840	
Round Bale Feeders	\$1,500	
Well & Pressure System	\$6,000	
Hydro (6 poles @ \$400)	\$2,400	
Storage Bins	<u>\$3,500</u>	
<b>Total Building Cost</b>	<b>\$57,340</b>	

**Machinery & Equipment**

Miscellaneous Machinery	\$5,000	
Tractor & Loader (\$100,000 @30%)	\$30,000	
Bale Shredder	\$13,000	
Stock Trailer	\$12,000	
Truck (\$30,000 @ 50%)	<u>\$20,000</u>	
<b>Total Machinery &amp; Equipment Cost</b>	<b>\$80,000</b>	

**Total Bldg., Mach. & Equip.** **\$137,340**

**Total Breeding Herd Value** **\$150,000**

**Total Capital Investment** **\$287,340**

**B. Fixed Costs**

**3. Depreciation**

Original Cost - Salvage Value  
Useful Life

**3.01 Buildings & Water System (not including pasture water system)**

	\$50,340	original cost	
-	0.00	salvage value	
÷	20.00	years useful life	
÷	<u>150.00</u>	<u>cows</u>	
=	<b>\$16.78</b>	<b>/cow</b>	

**3.02 Machinery & Equipment**

		\$80,000	original cost	_____
-		\$16,000	salvage value	_____
÷		10.00	years useful life	_____
÷		<u>150.00</u>	<u>cows</u>	_____
=		<b>\$42.67</b>	<b>/cow</b>	_____

**4. Investment**

**Original Cost + Salvage Value x Investment Rate**  
**2**

**4.01 Buildings**

		\$50,340	original cost	_____
+		\$0.00	salvage value	_____
÷		2.00	average	_____
x		2.75	% investment rate	_____
÷		<u>150.00</u>	<u>cows</u>	_____
=		<b>\$4.61</b>	<b>/cow</b>	_____

**4.02 Machinery & Equipment**

		\$80,000	original cost	_____
+		\$16,000	salvage value	_____
÷		2.00	average	_____
x		2.75	% investment rate	_____
÷		<u>150.00</u>	<u>cows</u>	_____
=		<b>\$8.80</b>	<b>/cow</b>	_____

**4.03 Livestock**

		\$1,000	/cow	_____
x		<u>2.75</u>	<u>% investment rate</u>	_____
=		<b>\$27.50</b>	<b>/cow</b>	_____

**4.04 Pasture**

**A. Marginal Pasture Investment**

Land		7.00	acres/cow	_____
x		\$400.00	/acre	_____
x		<u>2.75</u>	<u>% investment rate</u>	_____
=		<b>\$77.00</b>	<b>/cow</b>	_____

<b>Fence</b>				
		\$23,800	total fence investment	_____
	+	\$0	salvage value	_____
	÷	2.00	average	_____
	x	2.75	% investment rate	_____
	÷	<u>150.00</u>	<u>cows</u>	_____
	=	\$2.18	/cow	_____
 <b>Pasture Water System</b>				
		\$7,000	system & source	_____
	+	\$0	salvage value	_____
	÷	2.00	average	_____
	x	2.75	% investment rate	_____
	÷	<u>150.00</u>	<u>cows</u>	_____
	=	\$0.64	/cow	_____
 <b>Total Investment =</b>				
		\$79.82	/cow	_____
 <b>Depreciation</b>				
<b>Fence</b>				
		\$23,800	total fence investment	_____
	-	\$0	salvage value	_____
	÷	20.00	years useful life	_____
	÷	<u>150.00</u>	<u>cows</u>	_____
	=	\$7.93	/cow	_____
 <b>Pasture Water system</b>				
		\$7,000	system & dugout	_____
	-	\$0	salvage value	_____
	÷	20.00	years useful life	_____
	÷	<u>150.00</u>	<u>cows</u>	_____
	=	\$2.33	/cow	_____
 <b>Total</b>				
	=	\$10.27	/cow	_____
 <b>Taxes</b>				
		7.00	acres/cow	_____
	x	<u>\$2.00</u>	<u>/acre</u>	_____
	=	\$14.00	/cow	_____
 <b>Total</b>				
	=	<b>\$104.09</b>	<b>/cow</b>	_____
 <b>B. Improved Pasture Investment</b>				
<b>Land</b>				
		3.00	acres/cow	_____
	x	\$625	/acre	_____
	x	<u>2.75</u>	<u>% investment rate</u>	_____
	=	\$51.56	/cow	_____

Fence				
		\$4,500	total fence investment	_____
	+	\$0	salvage value	_____
	÷	2.00	average	_____
	x	2.75	% investment rate	_____
	÷	<u>150.00</u>	<u>cows</u>	_____
	=	\$0.41	/cow	_____
Pasture Water System				
		\$7,000	system & source	_____
	+	\$0	salvage value	_____
	÷	2.00	average	_____
	x	2.75	% investment rate	_____
	÷	<u>150.00</u>	<u>cows</u>	_____
	=	\$0.64	/cow	_____
Total Investment =		\$52.62	/cow	_____
<b>Depreciation</b>				
Fence				
		\$4,500	total fence investment	_____
	-	\$0	salvage value	_____
	÷	20.00	years useful life	_____
	÷	<u>150.00</u>	<u>cows</u>	_____
	=	\$1.50	/cow	_____
Pasture Water system				
		\$7,000	system & source	_____
	-	\$0	salvage value	_____
	÷	20.00	years useful life	_____
	÷	<u>150.00</u>	<u>cows</u>	_____
	=	\$2.33	/cow	_____
Total	=	\$3.83	/cow	_____
Taxes				
		3.00	acres/cow	_____
	x	<u>\$5.30</u>	<u>/acre</u>	_____
	=	\$15.90	/cow	_____
<b>Total</b>	<b>=</b>	<b>\$72.00</b>	<b>/cow</b>	_____

**C. Crown Land:  
Depreciation**

Fence		9.38	miles of fence	_____
	x	\$3,400	/mile	_____
	=	\$31,875	fence cost	_____
	-	\$3,188	salvage value	_____
	÷	20.00	years useful life	_____
	÷	<u>150.00</u>	<u>cows</u>	_____
	=	\$9.56	/cow	_____
Pasture Water system				
		\$7,000	system & source	_____
	-	\$0	salvage value	_____
	÷	20.00	years useful life	_____
	÷	<u>150.00</u>	<u>cows</u>	_____
	=	\$2.33	/cow	_____
Total Depreciation =		\$11.89	/cow	_____

**Investment**

Fence		\$31,875	fence cost	_____
	+	\$3,188	salvage value	_____
	=	\$35,063	total invested	_____
	÷	2.00	average	_____
	x	2.75	% investment rate	_____
	÷	<u>150.00</u>	<u>cows</u>	_____
	=	\$3.21	/cow	_____
Pasture Water System				
		\$7,000	system & source	_____
	+	\$0	salvage value	_____
	÷	2.00	average	_____
	x	2.75	% investment rate	_____
	÷	<u>150.00</u>	<u>cows</u>	_____
	=	\$0.64	/cow	_____
Total Investment =		\$3.85	/cow	_____

**Land Rental (includes taxes)**

		\$246	/quarter, rental rate	_____
	÷	<u>12.00</u>	<u>cows/quarter</u>	_____
	=	\$20.50	/cow	_____
<b>Total</b>	<b>=</b>	<b>\$36.24</b>	<b>/cow</b>	_____

**D. Community Pasture Grazing: PFRA**

Cows

		\$0.45	cost/cow/day	_____
	x	<u>140.00</u>	<u>days</u>	_____
	=	\$63.00	/cow	_____

Calves

	x	\$25.00	/calf/season	_____
	x	142.50	calves on pasture	_____
	÷	<u>150.00</u>	<u>cows on pasture</u>	_____
	=	\$23.75	/cow	_____

**Total** = **\$86.75** /cow \_\_\_\_\_

**Average ( A,B,C,D)** = **\$74.77** /cow \_\_\_\_\_

**C. Labour**

		9.00	hours/cow/year	_____
	x	<u>\$12.50</u>	<u>/hour</u>	_____
	=	<b>\$112.50</b>	<b>/cow</b>	_____

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**For further information contact your local MAFRI office.**

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### Cow-Calf Operating Facilities

