

# Representative Economic Budget for Northeast /North Central Nebraska – 200 Head Cow Herd

Dec. 2021

## Background

In North Central Nebraska, the cattle industry is vibrant. In this area of the state, a representative size cow herd would be 200 cows with ten bulls. This size herd would make up 40 percent of a typical farm/ranch operation in this area. With this size of operation, farm or ranch operators can handle most of the labor themselves. In addition to the 200-cow herd, producers typically raise hay, some feed grain for feed and sale while many are involved in custom haying or other machine-hire operations.

This budget was compiled from discussions and information provided by a roundtable group of producers from the area and updated late 2021. This budget should be used as a guide as it represents a typical cow calf production system for producers in northeast /north central Nebraska.

It is important to note that feed and hay costs along with pasture and stalk rent expenses are included in this representative budget as cash expenses, even if a producer owns their own hay, pasture, and crop ground with residue or stalks for grazing. Individual producers can indicate an opportunity cost for their land use for the cow-calf enterprise in lieu of cash rental expenses in their budgets.

## Livestock Management Practices

Typical calving time for farms in this area is March and April with some calving going into May. Weaning rate per exposed cow is figured at 93 percent or 186 head split evenly between steers and heifers. The annual cull rate for cows is 10 percent. In this area and with this herd size, replacement heifers are generally purchased. *Chart 1: 200 cow herd production flow chart – page 3.*

Weaning time for the calves is in early October each year with weaning weights averaging 550 pounds per calf. The calves are backgrounded for 60 days in a dry lot and generally sold late November in the 625 to 675-pound weight class. Backgrounded calves, fed after weaning until sale sixty days later, typically gain just under two pounds per day or 100 pounds total for approximately \$1 per day, feeding alfalfa and/or distiller's grain and rolled corn.

Pasture is utilized for the herd from May through September with a stocking rate of fifteen acres per pair for the season. Yearling heifers are kept separate from cows while on pasture. Crop residue (cornstalks) are utilized from November through February. Hay and supplement is provided during February to April as the cows are preparing to calve. Hay is provided during the winter as needed. Bulls are generally on pasture for five months, fed hay four months and the other three months of the year, they are provided feed supplement.

## Machinery, Equipment and Facilities

Basic equipment utilized for the cow-calf enterprise in this part of the state might include an ATV, pickup, a couple of tractors that would be also utilized for the crop enterprise, stock trailer, feed wagon, hay processor, portable chute, and panels. Facilities often include a barn for calving and corrals. The value of machinery and equipment allocated to the cow-calf enterprise is shown in the budget. Annual repair expenses for these assets are shown in the budget as fixed cash costs. Depreciation and opportunity costs of ownership are noted in the budget as non-cash costs.

## **Non-Feed Input Costs**

Non-feed input costs can be entered into the budget on a “per animal” or a whole herd basis. In this representative budget, these costs were entered on a per animal basis and include labor, fuel, veterinary and medical cost, and marketing costs. Labor, fuel, and veterinary and medical costs are allocated to each animal category based on net increase in value during the production year. Marketing costs are broken down by each animal category of the herd and allocated accordingly. For example, cull bull marketing of \$25 per animal is included on the bull budget page and the system budget which is a summary of all projected revenue and expenses at the end of the budget report. The cost of direct marketing and the costs per head to sell thru a nearby sale barn can vary tremendously. Marketing expense includes the sales commission, transportation and other costs to market. In this budget, both a commission and charge for hauling the cattle to sale are figured into marketing expense. Included in this budget is the value and expense for two horses. Feed for the horses is noted separately from the cow calf enterprise feed.

## **Other Depreciation, Interest and Overhead Costs**

Depreciation for purchased replacement heifers and bulls is figured in the difference of their cost of purchase to their sale value when culled. These figures are included in the breeding and bull budget pages and are carried over into the total system budget page as income when sold and expense when purchased. Depreciation expense for tax purposes would be handled differently, in consultation with a tax accountant.

Opportunity interest of 3 percent is figured on the value of investment total in the livestock herd. This is an economic cost reflecting what rate of return could be earned if the herd was sold and the money invested in its most profitable alternative use.

Overhead expenses include the farm’s annual insurance premium and professional fees. Real estate value and taxes are not included in this example because, as stated previously, rental costs are paid for all hay, stalks and pasture. Therefore, this budget is making the assumption that no ground utilized for the cow calf operation is owned by the cow calf enterprise. Real estate tax on the facilities is included in the budget and property tax is included in other expenses for the vehicles and equipment. An annual management charge and other expenses that pertain to the cow calf herd may be entered but are left blank in this representative budget.

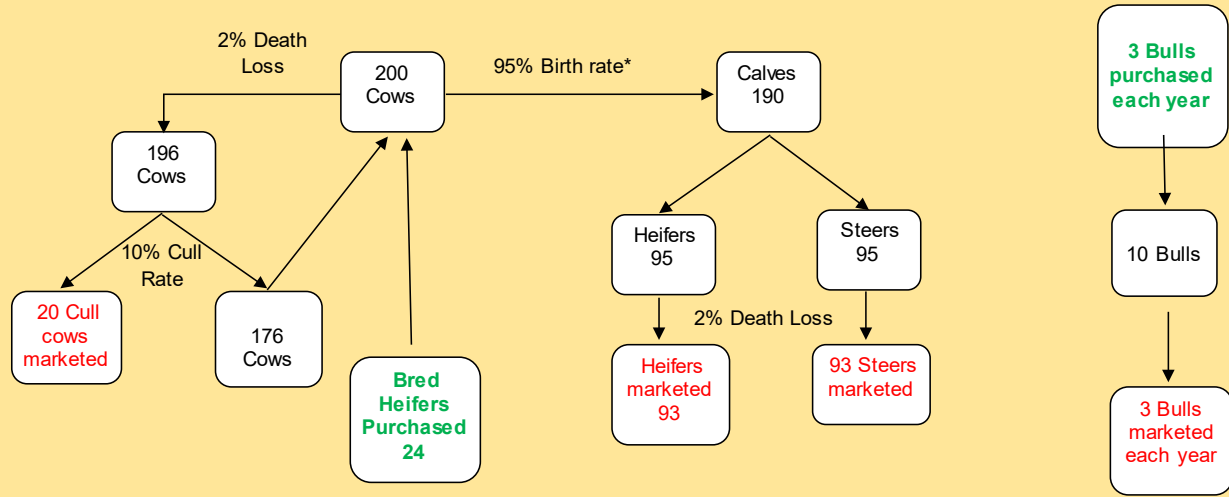
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Chart 1: Cow-calf production flowchart, 200 cow herd - Northeast /North Central Nebraska



\*93% weaning rate per exposed cow 100% purchased heifers as replacements.

200 Head Cow Herd Livestock Budget Worksheet pages attached include:

- Budget Input Sheets
- Bull Budget
- Breeding Herd Cash Budget
- Backgrounded Calf Budget
- Cow-calf System Budget Report (summarizes all budget information)



# Cow Herd System Budget

**Glennis McClure, Extension Educator -Farm & Ranch Management Analyst**

**This budgeting workbook is designed to provide analysis of the components of a beef production system. This template provides an example of a 200 head cow herd based in Northeast Nebraska. It may be modified for current values, various herd sizes, management practices, and locations.**

**Budget template designed by Roger Wilson, retired Farm & Ranch Management Analyst.**



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# Budget Inputs

Northeast NE Dec. 2021

Breeding Herd				
Breeding Females	Herd size	It is assumed that herd size remains stationary so replacements will equal cow culls and cow deaths. If too few replacements are purchased, the worksheet automatically retains heifers.	200	Cows
	Average Cow Value		1,400	\$ / head
	Cows Culled per Year		20	Cows
	Cow Deaths per year		4	head
	Number of Replacements Needed		24	
	Estimated Weaning Rate		93	percent
	Extra Heifers Retained for Breeding that Will Not Be Used as Replacements			head
	Culled Replacement Heifer Weight When Sold			pounds
	Culled Replacement Heifer Selling Price			\$ / cwt
	Cost of Marketing Culled Replacement Heifers			\$ / head
	Replacement Females Purchased		(≤24) 24	head
	Replacement Female Cost (if applicable)		1,800	\$ / head
	Cow Cull Weight		1,400	pounds
	Non-Fed Cull Cow Price		60	\$ / cwt
Bulls	Bulls Needed		10	Bull(s)
	Bull Purchase Price		3,000	\$ / head
	Bull use (years)	(<10) 4		years
	Bull Death Loss Rate		0%	
	Cull Bull Price		85	\$ / cwt
	Cull Bull Weight		1,800	pounds
Calves	Calves Weaned	(≤186) 186		head/year
	Steer Weaning Weight		575	
	Heifer Weaning Weight		525	pounds
	Weaned Steer Price	(≥10) 183		\$ / cwt
	Weaned Heifer Price	(≥10) 170		\$ / cwt

Background Calves				
	Days Fed		60	days
	Death Loss	(0-100) 1		percent
Steers	Retained after Weaning	(≤93) 92		head
	End Weight		675	pounds
	Market Price	(≥10) 170		\$ per cwt
Heifers	Retained after Weaning	(≤93) 92		head
	End Weight		625	pounds
	Market Price	(≥10) 160		\$ per cwt

Stocker				
	Days Fed			days
	Death Loss	(0-100)		percent
Steers	Retained for Grazing	(≤91)		head
	End Weight			pounds
	Market Price	(≥10)		\$ per cwt
Heifers	Retained for Grazing	(≤91)		head
	End Weight			pounds
	Market Price	(≥10)		\$ per cwt

Feedlot				
	Days Fed			days
	Death Loss	(0-100)		percent

<b>Steers</b>	Placed on Feed	(≤0)		head
	End Weight			pounds
	Market Price	(≥10)		\$ per cwt
<b>Heifers</b>	Placed on Feed	(≤0)		head
	End Weight			pounds
	Market Price	(≥10)		\$ per cwt

### Fed Cull Cow

	Days Fed			days
	Death Loss	(0-100)		percent
	Placed on Feed	(≤20)		head
	End Weight			pounds
	Market Price	(≥10)		\$ per cwt

### Feed

Name	Price per Unit Purchased	Priced Unit (tons, lbs. etc)	Fed Unit (tons, lbs. etc)	Fed Unit per Priced Unit	As Fed Price
Pasture	80.00	month	day	30	2.63
Grain mix (distillers & corn)	195.00	ton	lbs	2000	0.10
Prairie Hay	130.00	ton	lbs	2000	0.07
Alfalfa	150.00	ton	lbs	2000	0.08
Distiller's Grain - modified wet	100.00	ton	lbs	2000	0.05
Salt and Mineral	1200.00	ton	ounce	32000	0.04
Dried Distiller's Cubes - bulk	300.00	ton	lbs	2000	0.15
Corn	5.25	bu	lbs	56	0.09
Dried Rolled Corn	5.40	bu	lbs	56	0.10
Corn Stalks	0.75	day	day	1	0.75

### Non-Feed Input Costs

Name	Cost per Year	Is This Cost Per Animal or for All Animals?	Allocation Percentage			
			Breeding Herd (Optional)	Background Calf (Optional)	Stocker (Optional)	Feedlot (Optional)
Labor	30.00	per animal				
Fuel	20.00	per animal				
Veterinary and Medical	25.00	per animal				
Cull Cow Marketing	25.00	per animal	0%	0%	0%	0%
Cull Bull Marketing	25.00	per animal	0%	0%	0%	0%
Cull Replacement Marketing	25.00	per animal	0%	0%	0%	0%
Weaned Calf Marketing	25.00	per animal	0%	0%	0%	0%
Backgrounded Calf Marketing	25.00	per animal	0%	0%	0%	0%
Stocker Marketing	-	per animal	0%	0%	0%	0%
Feedlot Marketing	-	per animal	0%	0%	0%	0%
Horse maintenance /feed	2,000.00	all animals				

### Depreciable Input Costs

Allocati

Name	Current Value	Future Value	Time Horizon	Annual Repairs	Breeding Herd (Optional)	Weaned Calf Background (Optional)
Buildings /Barn /Fencing	100,000	30,000	25	1,000		
General machinery & equipment	100,000	25,000	10	1,000		
Vehicles	35,000	10,000	7	1,200		
2 Horses (\$5,000 value each)	10,000	-	10			

### Interest

Operations Interest Rate	6%
Opportunity Rate	3%

### Overhead Costs

	Amount		Allocation Percentage		
			Breeding Herd (Optional)	Background Calf Wintering (Optional)	Stocker (Optional)
Real Estate Value*					
Real Estate Tax	540	per year			
Annual Insurance Premium	2,500	per year			
Professional Fees	1,000	per year			
Annual Management Charge		per year			
Other	750	per year			

**Bull Budget (10 Bulls)**

<b>Income</b>				<b>Herd Total</b>
	<u>Amount</u>	<u>Weight</u>	<u>Price</u>	<u>Total</u>
Cull Bull Sales	2.50 head @	\$ 1,800.00	\$ 85.00	3,825
<b>Gross Income</b>				<b>3,825</b>

<b>Variable Costs</b>				<b>Herd Total</b>
<b>Breeding Costs</b>				<b>Total</b>
Bulls	2.50		\$ 3,000 per head	7,500
<b>Bull Feed</b>				<b>Total</b>
	<u>Amount per Year</u>		<u>Per Animal or Total</u>	<u>Price</u>
Prairie Hay	4000 lbs		per animal	@ 0.07 per lbs
Pasture	150 day		per animal	@ 2.63 per day
Salt and Mineral	1100 ounce		per animal	@ 0.04 per ounce
Grain mix (distillers & corn)	200 lbs		per animal	@ 0.10 per lbs
<b>Total Feed</b>				<b>7,153</b>
<b>Other Variables</b>				<b>Total</b>
Cull Bull Marketing		25.00 per animal		63
Operations Interest	Operations interest rate times feed and other variable expenses except marketing divided by two.			215
<b>Total Non-feed</b>				<b>277</b>
<b>Total Variable Costs</b>				<b>14,930</b>

<b>Net Expense</b>				<b>11,105</b>
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Breeding Herd Cash Budget (200 Cows)

Revenue				Herd Total	Per Cow	Per Calf
	<u>Number</u>	<u>Weight</u>	<u>Price</u>	<u>Total</u>		
Weaned Steer Value	93	575	183.00 per cwt	97,859		
Weaned Heifer Value	93	525	170.00 per cwt	83,003		
Cull Cow Sales	20	1,400	60.00 per cwt	16,800		
Replacements Culled	-	-	per cwt			
<b>Gross Income</b>				<b>197,662</b>	<b>988.31</b>	<b>1062.70</b>

Variable Cash Costs				Herd Total	Per Cow	Per Calf
<b>Breeding Costs</b>	<u>Number</u>	<u>Price</u>		<u>Total</u>	<u>Total</u>	<u>Total</u>
Bulls	(This amount is the "Net Expenses" from the "Bulls" tab)			11,105	55.52	59.70
Replacements Purchased	24	1,800 \$ per head		43,200	216.00	232.26
<b>Animal Purchases</b>				<b>54,305</b>	<b>271.52</b>	<b>291.96</b>
<b>Cow Feed</b>	<u>Amount per Year</u>	<u>Per Animal or Total</u>	<u>Price</u>	<u>Total</u>	<u>Total</u>	<u>Total</u>
Pasture	150 day	per animal	@ 2.63 per day	78,904	394.52	424.22
Salt and Mineral	1100 ounce	per animal	@ 0.04 per ounce	8,250	41.25	44.35
Prairie Hay	3150 lbs	per animal	@ 0.07 per lbs	40,950	204.75	220.16
Corn Stalks	90 day	per animal	@ 0.75 per day	13,500	67.50	72.58
Dried Distiller's Cubes - bulk	200 lbs	per animal	@ 0.15 per lbs	6,000	30.00	32.26
Alfalfa	200 lbs	per animal	@ 0.08 per lbs	3,000	15.00	16.13
Replacement Heifer Feed	(From Replacement Spreadsheet)					
<b>Total Feed</b>				<b>150,604</b>	<b>753.02</b>	<b>809.70</b>
<b>Other Variable</b>	<u>Amount</u>	<u>Unit</u>	<u>Allocation</u>	<u>Total</u>	<u>Total</u>	<u>Total</u>
Labor	30	per animal	97%	5,817	29.09	31.28
Fuel	20	per animal	97%	3,878	19.39	20.85
Veterinary and Medical	25	per animal	97%	4,848	24.24	26.06
Cull Cow Marketing	25	per animal		500	2.50	2.69
Cull Replacement Marketing	25	per animal				
Weaned Calf Marketing	25	per animal		50	0.25	0.27
Operations Interest	Calculations: Operations interest rate times feed and other variable expenses except marketing divided by two.			5,178	25.89	31.97
<b>Total Non-feed</b>				<b>22,211</b>	<b>111.05</b>	<b>123.54</b>
<b>Total Variable Cash Costs</b>				<b>227,120</b>	<b>1,135.60</b>	<b>1,225.20</b>

Fixed Cash Costs				Herd Total	Per Cow	Per Calf
<b>Depreciables Input Costs</b>	<u>Repairs</u>	<u>Allocation</u>		<u>Total</u>	<u>Total</u>	<u>Total</u>
Buildings /Barn /Fencing	1,000	97%		970	4.85	5.21
General machinery & equipment	1,000	97%		970	4.85	5.21
Vehicles	1,200	97%		1,163	5.82	6.26
2 Horses (\$5,000 value each)						
<b>Cash Ownership</b>				<b>3,103</b>	<b>15.51</b>	<b>16.68</b>
<b>Overhead and Management</b>	<u>Amount</u>	<u>Allocation</u>		<u>Total</u>	<u>Total</u>	<u>Total</u>
Real Estate Tax	540	97%		524	2.62	2.81
Annual Insurance Premium	2,500	97%		2,424	12.12	13.03
Professional Fees	1,000	97%		970	4.85	5.21
Annual Management Charge	-					
Other	750	97%		727	3.64	3.91
<b>Total Overhead</b>				<b>4,644</b>	<b>23.22</b>	<b>24.97</b>
<b>Total Fixed Cash Costs</b>				<b>7,747</b>	<b>38.73</b>	<b>41.65</b>

<b>Total Cash Costs</b>	<b>234,867</b>	<b>1,174.33</b>	<b>1,266.85</b>
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<b>Net Cash Income</b>	<b>(37,205)</b>	<b>(186.02)</b>	<b>(204.15)</b>
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Non-Cash Costs				Herd Total	Per Cow	Per Calf
<b>Depreciables Input Costs</b>	<u>Depreciation</u>	<u>Opportunity</u>	<u>Allocation</u>	<u>Total</u>	<u>Total</u>	<u>Total</u>
Buildings /Barn /Fencing	2,800	3,000	97%	5,623	28.12	30.23
General machinery & equipment	7,500	3,000	97%	10,180	50.90	54.73
Vehicles	3,571	1,050	97%	4,481	22.40	24.09
2 Horses (\$5,000 value each)	1,000	300	97%	1,260	6.30	6.78
<b>Opportunity</b>	<u>Amount</u>	<u>Allocation</u>				
Real Estate		97%				
Livestock	9,080	100%		9,080	45.40	48.81

	<b>Total Non-Cash Costs</b>	<b>30,625</b>	<b>153.12</b>	<b>164.65</b>
<b>Total Cash and Non-Cash</b>		<b>Herd Total</b>	<b>Per Cow</b>	<b>Per Calf</b>
	<b>Total Costs</b>	<b>265,491</b>	<b>1,327.46</b>	<b>1,431.50</b>
	<b>Total Net Income</b>	<b>(67,830)</b>	<b>(339.15)</b>	<b>(368.80)</b>

Backgrounding Calf Budget

60 Days

Revenue				Herd Total	Per Calf Sold
	Number	Weight	Price	Total	Total
Steers	91	675	170 \$ / cwt	104,423	1,147.50
Heifers	91	625	160 \$ / cwt	91,000	1,000.00
<b>Gross Revenue</b>				<b>195,423</b>	<b>1,073.75</b>

Variable Cash Costs				Herd Total	Per Calf Sold	
	Number	Weight	Price	Total	Total	
Steer Calves Retained	92	575	183.00 \$ / cwt	96,807		
Heifer Calves Retained	92	525	170.00 \$ / cwt	82,110		
<b>Animals Purchased</b>				<b>178,917</b>	<b>983.06</b>	
<b>Feed</b>	<b>Amount Fed per Year</b>		<b>Per Animal or Total</b>	<b>Price</b>	<b>Total</b>	<b>Total</b>
Alfalfa	600 lbs		per animal	0.08 \$ lbs	8,235	45.25
Distiller's Grain - modified wet	350 lbs		per animal	0.05 \$ lbs	3,203	17.60
Salt and Mineral	200 ounce		per animal	0.04 \$ ounce	1,373	7.54
Dried Rolled Corn	300 lbs		per animal	0.10 \$ lbs	5,294	29.09
<b>Total Feed</b>				<b>18,104</b>	<b>99.47</b>	
<b>NonFeed</b>		<b>Amount</b>	<b>Basis</b>	<b>Allocation</b>	<b>Total</b>	<b>Total</b>
Labor		30	per animal	3%	168	0.92
Fuel		20	per animal	3%	112	0.62
Veterinary and Medical		25	per animal	3%	140	0.77
Backgrounded Calf Marketing		25	per animal		4,550	25.00
Operations Interest					1,857	10.20
<b>Total Non-feed</b>				<b>6,888</b>	<b>37.84</b>	
<b>Total Variable Cash Costs</b>				<b>203,908</b>	<b>1,120.38</b>	

Calculations: Operations interest rate times feed and other variable expenses except marketing divided by two.

Fixed Cash Costs				Herd Total	Per Calf Sold
<b>Depreciables Input Costs</b>				<b>Total</b>	<b>Total</b>
General machinery & equipment		Repairs 1,000	Allocation 3%	30	0.17
Vehicles		1,200	3%	37	0.20
2 Horses (\$5,000 value each)					
<b>Total Cash Costs on Depreciables</b>				<b>67</b>	<b>0.37</b>
<b>Overhead and Management</b>		<b>Amount</b>	<b>Allocation</b>	<b>Total</b>	<b>Total</b>
Real Estate Tax		540	3%	16	0.09
Annual Insurance Premium		2,500	3%	76	0.42
Professional Fees		1,000	3%	30	0.17
Annual Management Charge					
Other		750	3%	23	0.13
<b>Total Overhead and Ownership</b>				<b>146</b>	<b>0.80</b>
<b>Total Fixed Cash Costs</b>				<b>213</b>	<b>1.17</b>

<b>Total Cash Costs</b>	<b>204,121</b>	<b>1,121.55</b>
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<b>Net Cash Income</b>	<b>-8,699</b>	<b>(47.80)</b>
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Non-Cash Costs				Herd Total	Per Calf Sold	
<b>Depreciable Assets</b>				<b>Total</b>	<b>Total</b>	
General machinery & equipment		Depreciation 7,500	Oppor-tunity 3,000	Allocation 3%	320	1.76
Vehicles		3,571	1,050	3%	141	0.77
2 Horses (\$5,000 value each)		1,000	300	3%	40	0.22
Real Estate						
<b>Total Non-Cash Costs</b>				<b>500</b>	<b>2.75</b>	

Total Cash and Non-Cash				Herd Total	Per Calf Sold
<b>Total Costs</b>				<b>204,621</b>	<b>1,124.29</b>

<b>Net Total Income</b>	<b>-9,199</b>	<b>(50.54)</b>
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# System Budget

<b>Revenue</b>				<b>Herd Total</b>
	<b>Number</b>	<b>Weight</b>	<b>Price</b>	<b>Total</b>
Weaned Steers	1	575	183 \$ / cwt	1,052
Weaned Heifers	1	525	170 \$ / cwt	893
Backgrounded Steers	91	675	170 \$ / cwt	104,423
Backgrounded Heifers	91	625	160 \$ / cwt	91,000
Stocker Steers				
Stocker Heifers				
Fed Steers				
Fed Heifers				
Cull Cow Sales	20	1,400	60 \$ / cwt	16,800
Fed Cull Cow Sales				
Cull Bull Sales	3	1,800	85 \$ / cwt	3,825
Cull Replacement Sales				
<b>Gross Income</b>				<b>217,992</b>

<b>Variable Costs</b>				<b>Herd Total</b>
<b>Animal Purchases</b>	<b>Number</b>	<b>Price</b>		<b>Total</b>
Replacement Females	24	1,800	\$ per head	43,200
Bulls	2.5	3,000	\$ per head	7,500
<b>Total Animals Purchased</b>				<b>50,700</b>

<b>Feed</b>	<b>Amount</b>		<b>Price</b>	<b>Total</b>
Pasture	1,035.62	month @	80.00 per month	82,849
Grain mix (distillers & corn)	1.00	ton @	195.00 per ton	195
Prairie Hay	335.00	ton @	130.00 per ton	43,550
Alfalfa	74.90	ton @	150.00 per ton	11,235
Distiller's Grain - modified wet	32.03	ton @	100.00 per ton	3,203
Salt and Mineral	8.36	ton @	1200.00 per ton	10,035
Dried Distiller's Cubes - bulk	20.00	ton @	300.00 per ton	6,000
Corn		bu @	5.25 per bu	
Dried Rolled Corn	980.36	bu @	5.40 per bu	5,294
Corn Stalks	18,000.00	days @	0.75 per day	13,500
<b>Total Feed</b>				<b>175,861</b>

<b>Other Variable</b>	<b>Total</b>
Labor	5,985
Fuel	3,990
Veterinary and Medical	4,988
Cull Cow Marketing	500
Cull Bull Marketing	63
Cull Replacement Marketing	
Weaned Calf Marketing	50
Backgrounded Calf Marketing	4,550
Stocker Marketing	
Feedlot Marketing	
Horse maintenance /feed	2,000

Operations Interest	Calculations: Operations interest rate times feed and other variable expenses except marketing divided by two.	7,250
	<b>Total Other</b>	<b>29,376</b>
	<b>Total Variable Costs</b>	<b>255,936</b>
<b>Fixed Cash Costs</b>		
		<b>Herd Total</b>
<b>Depreciables Input Costs</b>	<b>Repairs</b>	<b>Total</b>
Buildings /Barn /Fencing	1000	1,000
General machinery & equipment	1000	1,000
Vehicles	1200	1,200
2 Horses (\$5,000 value each)		
	<b>Total Ownership</b>	<b>3,200</b>
<b>Overhead and Management</b>		<b>Total</b>
Real Estate Tax		540
Insurance		2,500
Professional Fees		1,000
Management		
Other		750
	<b>Total Overhead</b>	<b>4,790</b>
	<b>Total Fixed Cash Costs</b>	<b>7,990</b>
	<b>Total Cash Costs</b>	<b>263,926</b>
	<b>Net Cash Income</b>	<b>(45,934)</b>

<b>Non-Cash Costs</b>		<b>Herd Total</b>
<b>Depreciables Costs</b>	<b>Depre-ciation</b> <b>Opportunity</b>	<b>Total</b>
Buildings /Barn /Fencing	2,800   3,000	5,800
General machinery & equipment	7,500   3,000	10,500
Vehicles	3,571   1,050	4,621
2 Horses (\$5,000 value each)	1,000   300	1,300
<b>Opportunity</b>		
Real Estate Opportunity	Investment rate times real estate value	
Livestock	Investment rate times livestock value	9,080
	<b>Total Non-Cash Costs</b>	<b>31,301</b>

<b>Total Cash and Non-Cash</b>	<b>Herd Total</b>
<b>Total Costs</b>	<b>295,227</b>
<b>Net Total Income</b>	<b>(77,235)</b>