



Western Beef Development Centre

2011 Cost of Production – Data Collection – Pre-On-farm Visit Form

Cost of production is nicely reported in an Income Statement format – Revenues (calf sales) less Direct Expenses (feed, pasture, vet/medicine) and Yardage (fuel, repairs, depreciation, labour, interest, etc) equals Profit/Loss.

Completing the questions on this handout to the best of your abilities prior to an on-farm visit from the WBDC beef economist is very important. The questions contained in this form are necessary for completing your cow-calf cost of production.

Should you have any questions about the form, do not hesitate to contact Kathy Larson (klarson.wbdc@pami.ca or Phone 306-764-3929 (home office) or 306-930-9354 (cell)).

Determining your cost of production for your cow-calf operation requires separating the different parts of your farm into enterprises. Your farm is a whole business comprised of different parts or enterprises. For example, if you have a mixed farm your different enterprises may or may not include:

1. **Cow calf** – all cows (including unweaned calves)
2. **Backgrounders** – 2010 weaned calves, which are not sold at time of weaning but fed until sold, transferred into the **yearling heifer (replacement)** enterprise or transferred into the **feeder** enterprise.
3. **Yearling Heifers** – the period from when the heifer is set out to pasture with the intention of her being bred, until the time she is brought from the pasture or preg checked (at that time they are then considered transferred into the **cow calf** entity)
4. **Feeders** – any cattle that have the intention of being sold for slaughter.
5. **Forage** – includes the hay, green feed or silage you produced in 2011.
6. **Pasture** – all pasture which was owned where your cattle grazed during the year.
7. **Straw** – any baled straw.
8. **Other** – this enterprise is used for all other personal, grain or other livestock (sheep, elk, bison) into.

Now for each of these different enterprises we need to know what happened within them during the past fiscal year. The information will involve beginning and ending inventories of all of these enterprises. Typically the beginning of the fiscal year is January 1st, and the end of the year is December 31st. If your year end is different, then follow those dates.



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COW-CALF ENTERPRISE

1. Inventory

- a. How many did you have of each animal grouping listed in the table below at the beginning of the year? What would be an average (per head) value at the beginning and end of year?

Description	Repl Hfrs	Bulls	Cows /Bred Heifers
Beg. Inventory (# of head)			
Value (\$/hd)			

- b. How many cows, bulls and calves (on cows) or replacements did you buy, sell or lose to death throughout the fiscal year? *For sales, be sure to have sales receipts handy – sale date, # of head sold and amount received is required. For purchases, be able to provide purchase date, # of head bought and price paid.*

Description	Bull/Steer Calves	Heifer Calves	Repl Hfrs	Bulls	Cows/Bred Heifers
Purchases					
Sales					
Deaths					

- c. At the end of the production year what the number of cows and bulls in inventory? What is avg \$/head for each?

Description	Bulls	Cows /Bred Heifers
End Inventory		
Value (\$/hd)		

- d. How many calves were born in 2011? When do you start calving? Include the split between how many bulls/steers and heifers (if possible).

Calving Start Date: _____

Description	Bull/Steer Calves	Heifer Calves
Live Births		



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- e. When do you wean? What were the average weights of your calves at weaning? How many of these calves were held back to background (ie. feed)? How many were sold? What price did you receive for the sold calves (please provide sale date, # of head, avg wt and price for all sales)? What is a fair price for your retained calves?

Weaning Date: _____

Description	Bull/Steer Calves	Bull/Steer Calf Avg. Weight	Heifer Calves	Heifer Calf Avg. Weight
# Weaned – Sold				
Price (\$/hd)				
# Weaned - Retained				
Approx Value(\$/hd)				

Note: Details of the individual sales (date, # of head, weight, price) receipts are often best.

BACKGROUNDER ENTERPRISE (if you kept 2010 calves and backgrounded them I can calculate your cost of gain/break-even.)

- a. How many backgrounders did you start with (these will be 2010 calves)? What were the beginning weights of these and values?

Weaning date: _____

Starting weight: _____

Approx value (\$/hd or \$/lb): _____

- b. Sales details of your backgrounders. *Use your sales receipts!*

Sale date # hd Str/Hfr Avg Wt Avg Price

- c. Were any grassed and then sold?

Date out on grass # hd Str/Hfr Avg Wt Value (\$/lb)

Sale date #hd Str/Hfr Avg Wt Price (\$/lb)



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d. Were any kept as replacement heifers?

<i>Date out on grass</i>	<i># hd</i>	<i>Avg Wt</i>	<i>Avg Value</i>
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e. Were any finished? # head, str/hfrs, in wt/out wt, sales details

f. At the end of the year, the calves you still had as ending inventory, what were their weights? What dollar value would you place on them?

g. What was the feed ration for the backgrounders? Feedstuffs (amounts fed, value of feedstuffs).

<i>Feedstuff</i>	<i>Amount fed</i>	<i>Cost/Value</i>
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YEARLING HEIFERS (only complete if you have replacement heifers and want to calculate your cost of production on them)

- What date was bull put out? Pulled? _____
- When were they taken off the pasture? _____
- What did they weight when they came off the pasture? _____
- What would their value have been? _____

FEEDER ENTERPRISE (complete if you finish cattle and want to calculate your cost of production on them)

<i>Date in</i>	<i># Hd</i>	<i>Str/Hfr</i>	<i>Weight</i>	<i>Value (\$/hd or lb)</i>
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<i>Sale date(s)</i>	<i># Hd</i>	<i>Str/Hfr</i>	<i>Weight</i>	<i>Price (\$/hd or lb)</i>
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a. Feed ration.

<i>Feedstuff</i>	<i>Amount fed</i>	<i>Cost/Value</i>
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FORAGE & STRAW ENTERPRISE

- a. How many bales of hay, greenfeed and straw and tones of silage did you produce in 2011? What is an approximate value? How much do your bales weigh?

Forage	Hay	Greenfeed	Silage	Straw
# bales or tonnes				
Value \$/ba or \$/t				
Bale weight				

PASTURE ENTERPRISE (information also required for cow-calf COP)

- a. Start of grazing season: _____
- b. How many days did your cows graze on your own pasture? _____
- c. How many days did your yearling heifers graze on your own pasture? _____
- d. How many bulls were run with the cows and yearling heifers? _____
- e. If you rent or lease pasture, what is the **rental rate, dates & # of head** that grazed on the rented/leased pasture?

<i>Pasture Name</i>	<i>Dates</i>	<i># of hd</i>	<i>Type</i>	<i>Fee paid</i>
<i>Charlie West's</i>	<i>Jun 15-Aug15</i>	<i>80</i>	<i>Cows</i>	<i>\$0.80/pr/d</i>

- f. If cows are sent to a Community Pasture:

<i>Name</i>	<i>Dates</i>	<i># of hd</i>	<i>Type</i>	<i>Fee paid</i>
<i>Comm Pasture</i>	<i>Jun 15-Sep 20</i>	<i>30</i>	<i>c/c pairs</i>	<i>\$2,795</i>

AFTERMATH/SWATHGRAZING

- a. If you aftermath or straw/chaff grazed in 2011, start/end dates _____
- b. How many head? _____
- c. What is an approximate \$/hd charge for the grazing? _____



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FINANCIAL DATA

REVENUE

- What was the total revenue for your:
 - Cows
 - Calves
 - Bulls
 - Replacement Females
 - Backgrounding calves
 - Finished cattle
 - Forage
 - Straw
 - Government programs

Note: Sometimes it is easiest to just record the specific details of each cattle sale (date, # of head, wts, prices)

EXPENSES

- The expenses will need to be allocated to each of your enterprises. Allocating involves assigning a percentage (or \$ amount) of each expense total to the enterprises responsible for that expense. You want to divvy the expense across the enterprises responsible for its existence. For example, if your farm has cow calf, backgrounding, forage, pasture and crop production you have FIVE enterprises to allocate your expenses across:

Expense	Total Amount	Cow/ Calf	Bkgrdr	Forage/ Hay	Pasture	Crop
Diesel	\$5000	10	5	20	15	50
Gas	\$2500	15	5	10	15	55
Vet	\$2700	90	10			

- These allocations can be made on a percentage basis or actual dollar amount (the program converts them into ratios).
- The expenses should include:
 - Cattle purchases
 - All winter feed bought (include any supplement or mineral bought)
 - All pasture fees, if your cattle went on to community or other pasture not owned by you.
 - Veterinary and medicine
 - Breeding fees (A.I. and bull rental)
 - Seed, Fertilizer & Chemical (only for forage and pasture)
 - Hay & pasture insurance
 - Trucking, marketing & deductions
 - Fuel



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- Utilities (Power, gas, heating fuel)
- Repairs on equipment
- Repairs on buildings (including fences)
- Natural gas, phone and other misc. expenses
- Accounting & legal
- Any custom work (including corral cleaning)
- Wages paid to any employees
- Cattle share and lease
- Hay share and lease
- Machinery lease
- Equipment Rental
- Taxes
- Insurance
- Capital Interest
- Operating interest
- Communications (Phone, Cell, internet)
- Office Expense
- Subscriptions
- Work Clothes
- Twine
- Bank Charges
- Etc.

ASSETS

Machinery

- Create a list of all your machinery with an approximate market value of what it is worth at the beginning of the fiscal year.
- Allocate the usage of each piece of machinery/equipment to each enterprise (use the same format as used above when allocating expenses as a percentage across enterprises). If you feel that the machine will not depreciate please indicate so.

Buildings

- Create a list of all your buildings with an approximate market value of what it is worth at the beginning of the fiscal year. Your house should be included in the list.
- Allocate the use of the buildings across your enterprises based on what each enterprise uses the building. For example, a machine shed that has a current value of \$10,000.

Building	Total Amount	Cow/ Calf	Bkgrdr	Forage/ Hay	Pasture	Other
Machine	\$10000	10	5	15	10	60



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Shed						
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In this case something which was used for the cows and calves (like a loader tractor) was stored in the shed, while majority of the equipment was for the grain farm or personal.

*Please note that we have to use approximations. There would be no way to exactly get 100% accurate numbers on these allocations unless you kept track of how many hours each machine or building was used for each entity.

Unpaid labour

- How many hours did you spend in the year 2011 in each of the enterprises (cow-calf, backgrounders, replacements, hay, pasture, etc)? What was your labour worth per hour? (most producers value farm labour at \$15/hr)
- Another way you can think of this is, what would a reasonable salary for your work on your operation? If you value your time at \$48,000/year then divvy that salary across your enterprises based on where you spend your time. Full-time hours would be 40 hr/week x 52 wk/yr = 2,080 hours x \$15/hr = \$31,200.
- Remember that each time you go to check your cattle in the pasture that is a charge to your pasture not your cows or yearling heifers.

I know this seems like lots of information, but if you have any questions just give me a call. Thanks for taking the time to do this, it makes the analysis that much easier when we get together to crunch these numbers.

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