

60 HEAD: STOCKER-STEER BUDGET

ESTIMATED COSTS AND RETURNS; USING RECOMMENDED MANAGEMENT PRACTICES;

500 LBS. BEG. WT.;	200 TOTAL DAYS STOCKER PROGRAM;	
2.30 LBS. ADG.;	14 DAYS OF STARTER FEED REQUIRED; 5LB./DAY	MAY FUTURES CONTRACT PRICE
675 LBS.STOCKED/A	45 DAYS OF BACKGROUNDING FEED REQUIRED;	\$257.73 PER CWT.
1.50 HD. STOCKED/A	30 DAYS OF SUPPLEMENTAL FEED REQUIRED;	MAY FEEDER CATTLE BASIS
1.50 % DEATH LOSS;	941 LBS. ENDING WEIGHT W/ 2 % SHRINK	-\$25.00 PER CWT.

ALABAMA, 2023-2024

ITEM	HEAD	UNIT	QUANTITY	PRICE OR COST/UNIT	TOTAL VALUE/COST	\$/HEAD SOLD	% OF TOTAL
1. GROSS RECEIPTS							
FEEDER CATTLE	59.00	CWT.	9.41	232.73	129,206.59	2189.94	100.00%
2. VARIABLE COST							
STOCKER CALVES	60.00	CWT.	5.00	255.00	76,500.00	1296.61	69.37%
WINTER GRAZING		ACRE	40.00	247.34	9,893.60	167.69	8.97%
SALT & MIN.		CWT.	22.50	50.00	1,125.00	19.07	1.02%
HAY		TON	9.00	150.00	1,350.00	22.88	1.22%
VET & MED		HD.	60.00	24.05	1,443.00	24.46	1.31%
STARTER/RECEIVING FEED		TON	2.10	370.00	777.00	13.17	0.70%
BACKGROUNDING FEED		TON	6.75	370.00	2,497.50	42.33	2.26%
SUPPLEMENTAL FEED		TON	4.50	370.00	1,665.00	28.22	1.51%
LABOR		HOUR	240.00	14.00	3,360.00	56.95	3.05%
LAND RENTAL		ACRE	40.00	24.00	960.00	16.27	0.87%
MARKETING EXPENSES		HD.	59.00	43.80	2,584.13	43.80	2.34%
BEEF CHECKOFF FEE		HD.	59.00	2.00	118.00	2.00	0.11%
EQUIPMENT (REPAIR)		DOL.			333.00	5.64	0.30%
INTEREST ON OP. CAP.		DOL.	52,917.51	0.0800	4,233.40	71.75	3.84%
TOTAL VARIABLE COSTS					106,839.63	1810.84	96.89%
3. INCOME ABOVE VARIABLE COST					22,366.96	379.10	
4. FIXED COST							
GENERAL OVERHEAD		HD.	60.00	2.50	150.00	2.54	0.14%
WINTER GRAZING		ACRE	40.00	18.67	746.80	12.66	0.68%
INT. ON BLDG. AND EQUIPMENT		DOL.	10,260.12	0.0850	872.11	14.78	0.79%
DEPR. ON BLDG. AND EQUIP.		DOL.			1,522.14	25.80	1.38%
OTHER F.C. ON BLDG. & EQUIP.		DOL.			142.63	2.42	0.13%
TOTAL FIXED COSTS					3,433.68	58.20	3.11%
5. TOTAL COST OF ALL SPECIFIED EXPENSES					110,273.31	1869.04	100.00%
6. NET RETURN ABOVE TOTAL COSTS					18,933.28	320.90	
VALUE OF FEEDER CATTLE PER HEAD (\$/HD SOLD)					2,189.94		
COST OF PURCHASED STOCKER CALVES PER HEAD (\$/HD SOLD)					1,296.61		
4.33 CWT. OF GAIN/HD. SOLD; GROSS MARGIN (\$/HD SOLD)					893.33		
TOTAL PRODUCTION COST PER HEAD (\$/HD SOLD)					572.43		
VALUE OF GAIN PER CWT. (\$/CWT)					206.54		
COST OF GAIN PER CWT.:							
		TO COVER VARIABLE COSTS (\$/CWT)			118.89		
		TO COVER TOTAL COSTS (\$/CWT)			132.35		
NET RETURNS PER HEAD SOLD:							
		ABOVE VARIABLE COSTS (\$/HD)			379.10		
		ABOVE TOTAL COSTS (\$/HD)			320.90		
BREAKEVEN FEEDER PRICE:							
		TO COVER VARIABLE COSTS (\$/CWT)			192.44		
		TO COVER TOTAL COSTS (\$/CWT)			198.62		
MAXIMUM STOCKER PURCH. PRICE: TO COVER VARIABLE COSTS (\$/CWT)					326.19		
		TO COVER TOTAL COSTS (\$/CWT)			314.75		

THESE ESTIMATES SHOULD BE USED AS GUIDES FOR PLANNING PURPOSES ONLY.

60 HEAD: STOCKER-STEER BUDGET

FACILITIES AND EQUIPMENT

ITEM	ESTIMATED	PROPORTION	TOTAL	SALVAGE	YEARS
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	COST	NUMBER	CHARGED	CHARGED	VALUE(%)	OF LIFE
FENCING	12,197	1.00	0.67	8,171.99	0.00	15.00
CORRAL	8,000	1.00	0.67	5,360.00	0.00	15.00
FEED BUNK	450	1.00	0.67	301.50	0.00	10.00
WATER TANK, ETC.	750	1.00	0.67	502.50	0.00	10.00
MINERAL FEEDER	275	1.00	0.67	184.25	0.00	10.00
PICKUP	50,000	1.00	0.10	5,000.00	20.00	7.00

TOTAL 19,520.24

SENSITIVITY OF NET RETURN PER HEAD ABOVE TOTAL COSTS
AT VARIOUS WEIGHT GAINS AND PURCHASE/SELLING PRICES(1)

Price Paid For 500 # Stocker Calves, Steers, (\$/Cwt.)	Total Weight Gain Per Head (Lbs.)	Price Received For Feeder Cattle, Steers, (\$/Cwt.)				
		222.73	227.73	232.73	237.73	242.73
		----- dollars / head -----				
	391	168.52	213.07	257.62	302.17	346.72
245.00	441	279.88	326.93	373.98	421.03	468.08
	491	391.24	440.79	490.34	539.89	589.44
	391	141.98	186.53	231.08	275.63	320.18
250.00	441	253.34	300.39	347.44	394.49	441.54
	491	364.70	414.25	463.80	513.35	562.90
	391	115.44	159.99	204.54	249.09	293.64
255.00	441	226.80	273.85	320.90	367.95	415.00
	491	338.17	387.72	437.27	486.82	536.37
	391	88.90	133.45	178.00	222.55	267.10
260.00	441	200.26	247.31	294.36	341.41	388.46
	491	311.63	361.18	410.73	460.28	509.83
	391	62.36	106.91	151.46	196.01	240.56
265.00	441	173.73	220.78	267.83	314.88	361.93
	491	285.09	334.64	384.19	433.74	483.29

(1) PRODUCTION COSTS ARE HELD CONSTANT.

REFERENCES: KEN KELLEY, REGIONAL EXTENSION AGENT
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Notes and Assumptions

- 1 Stocking rate is 750#/Acre
- 2 Mineral is consumed at 3 oz/day/animal
- 3 Hay is consumed at 10lb/head/day for cattle over 450 lbs.
- 4 Hay is consumed at 8lb/head/day for cattle under 450 lbs.
- 5 Starter/Reiever feed is consumed at 5lb/head/day
- 6 Backgrounding feed is consumed at 5lb/head/day
- 7 Supplemental feed for cattle over 450 lbs is consumed at 5lb/head/day
- 8 Supplemental feed for cattle under 450 lbs is consumed at 4lb/head/day
- 9 Labor is allocated at 4 hours per head purchased
- 10 Labor price is derived from USDA Regional Gross Wage rates for livestock workers
- 11 Average Alabama Pasture Rental Rates are derived from USDA Land Rent Estimates for Alabama
- 12 Marketing expenses are estimated to be 2% feeder cattle sales price
- 13 Grazing costs are taken from the ACES Winter Annuals for Grazing Budget