

EBB-ST3-02

**Stocker^{3/4}200 Head
No Wintering
Bought in Spring; Sold in Fall**

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Background and Assumptions

This budget presents the average costs and returns per head and the total costs and returns for a typical 200-head cattle stocker operation. The forage sources are deeded spring range and summer pasture, primarily high-mountain pasture.

Yearling steers are purchased at 600 pounds for \$78 per cwt in mid-March and fed alfalfa hay for about 2 weeks. Monthly feed quantities are listed in Table 3. The price of all feed includes the purchase price and delivery costs. On March 30, the cattle are trucked to spring range where they stay through May 15. On May 15, the cattle are trucked

to summer pasture where they will remain until the end of September. They are usually marketed direct in late September. Average daily weight gain for the period March 15 through September 30 is about 1.4 pounds.

Hauling costs cover the expenses of trucking cattle to spring range and summer pasture. A miscellaneous cost of \$6.00 per head covers any additional handling or vaccinations. Marketing cost is set at 3 percent of gross value to cover "pencil shrink." Veterinary expenses include implants and parasite control.

**Table1: Stocker Budget - 200 Head
No Wintering
Bought in Spring and Sold in Fall**

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	Weight Each	Unit	Total Number of Head or Units	Price or Cost/Unit	Total Value	Value or Cost/Head	Your Value
1. Gross Receipts							
Steers	8.73	cwt	198	70.00	<u>120,997.80</u>	<u>604.99</u>	_____
Total Receipts					\$120,997.80	\$604.99	_____
2. Operating Costs							
Alfalfa hay		ton	22.00	85.00	1870.00	9.35	_____
Deeded spring range		head	300.00	10.00	3000.00	15.00	_____
Pasture		head	900.00	12.00	10,800.00	54.00	_____
Salt		lb	1200.00	0.06	72.00	0.36	_____
Steers		head	200.00	468.00	93,600.00	468.00	_____
Miscellaneous		head	200.00	6.00	1200.00	6.00	_____
Marketing		head	200.00	18.15	3630.00	18.15	_____
Hauling		head	200.00	6.65	1330.00	6.65	_____
Veterinary Medicine		\$	838.00	1.00	838.00	4.19	_____
Machinery (fuel, lubrication, repair)		\$	0.00	1.00	0.00	0.00	_____
Vehicles (fuel, repair)		\$	0.00	1.00	0.00	0.00	_____
Equipment (repair)		\$	0.00	1.00	0.00	0.00	_____
Housing and Improvements (repair)		\$	0.00	1.00	0.00	0.00	_____
Hired Labor		hour	0.00	0.00	0.00	0.00	_____
Owner Labor		hour	0.00	0.00	0.00	0.00	_____
Interest on Operating Capital		\$	52,496.52	0.06	<u>3281.03</u>	<u>16.41</u>	_____
Total Operating Costs					\$119,621.03	\$598.11	_____
3. Income Above Operating Costs					\$1376.77	\$6.88	_____
4. Ownership Costs							
Capital Recovery:							
Purchased Livestock		\$	0.00	1.00	0.00	0.00	_____
Housing and Improvements		\$	0.00	1.00	0.00	0.00	_____
Machinery		\$	0.00	1.00	0.00	0.00	_____
Equipment		\$	0.00	1.00	0.00	0.00	_____
Vehicles		\$	0.00	1.00	0.00	0.00	_____
Interest on Retained Livestock		\$	0.00	0.07	0.00	0.00	_____
Taxes and Insurance		\$	0.00	1.00	0.00	0.00	_____
Overhead		\$	0.00	1.00	<u>0.00</u>	<u>0.00</u>	_____
Total Ownership Costs					\$0.00	\$0.00	_____
5. Total Costs					\$119,621.03	\$598.11	_____
6. Returns to Risk and Management					\$1376.77	\$6.88	_____

Table 2: Monthly Summary of Returns and Expenses.

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	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Value
Production:													
Steers							120998						120998
Total Receipts	0	0	0	0	0	0	120998	0	0	0	0	0	120998
Operating Inputs:													
Alfalfa hay	1870												1870
Deeded spring range		2000	1000										3000
Pasture			1200	2400	2400	2400	2400						10800
Salt				18	18	18	18						72
Steers	93600												93600
Miscellaneous	240	480	480										1200
Marketing							3630						3630
Hauling		665		665									1330
Veterinary Medicine	660	178											838
Machinery (Fuel,Lube,Repair)													0
Vehicles (Fuel and Repair)													0
Equipment (Repair)													0
Housing, Improvements (Repair)													0
Taxes and Insurance													0
Hired Labor													0
Total Costs	96370	3323	2680	3083	2418	2418	6048	0	0	0	0	0	116340
Net Returns	-96370	-3323	-2680	-3083	-2418	-2418	114950	0	0	0	0	0	4658

Table 3: Monthly Feed Requirements.

Feed	Units	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Alfalfa hay													
Steers	ton	22	0	0	0	0	0	0	0	0	0	0	0
Deeded spring range													
Steers	head	0	200	100	0	0	0	0	0	0	0	0	0
Pasture													
Steers	head	0	0	100	200	200	200	200	0	0	0	0	0
Salt	lb	0	0	0	300	300	300	300	0	0	0	0	0

Table 4: Investment Summary.**EBB-ST3-02**

	Purchase Price	Salvage/Cull Value	Livestock Share	Useful Life	Annual Taxes and Insurance	Annual Capital Recovery ¹
Buildings, Improvements and Equipment						
Total	\$0.00				\$0.00	\$0.00
Purchased Livestock						
Total	\$0.00					\$0.00
Retained Livestock						
Total	\$0.00					\$0.00 ²
Machinery and Vehicles						
Total	\$0.00				\$0.00	\$0.00

¹ Annual capital recovery is the method of calculating depreciation and interest recommended by the National Task Force on Commodity Costs and Returns Measurement Methods.

² Interest on average investment.

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