

Stocker Budget: 200-head

Wintered to go to Feedlot

Bought in Fall & Sold in Spring

Ben Eborn



Background and Assumptions

University of Idaho costs and returns estimates use economic costs—all resources are valued based on market price or opportunity cost. This budget presents typical costs and returns per head for a 200-head stocker operation.

Livestock Investment

Steers are purchased at about 425 pounds in early November. Average daily gain for the period November 1 through March 30 is 2.0 pounds. The steers are marketed at the end of March.

Winter Feeding

Steers are held in a feedlot for winter feeding from November 1 through March 30. They are fed approximately 5 pounds of barley and 15 pounds of alfalfa hay per day. Feed prices include the purchase price and delivery costs. Monthly feed quantities are listed in Table 3. A yardage fee is included to cover the costs associated with owning and operating a feedlot.

Other Costs

A miscellaneous cost covers any additional handling, vaccinations, etc. Marketing costs are set at 2.5 percent of gross value to cover “pencil shrink.” Veterinary expenses include vaccinations, implants and parasite control.

Budget Format

In addition to the Background and Assumptions pages, this publication has three tables presenting a variety of costs and returns information.

Table 1 shows both expected revenue and expenses. Operating expenses are those that typically vary with the level of production and involve inputs that are used in a single production cycle. There are no ownership expenses associated with this budget.

Table 2 is a monthly summary of the cash flow of revenues and expenses based on when the operation occurs and when inputs are purchased.

Table 3 is a monthly summary of feed requirements.

**University of Idaho
Extension**

Table 1: Stocker Budget, 200 Head - 2020

EBB-ST2-20

Wintered to Go to Feedlot, Bought in Fall & Sold in Spring

No. of Head: 200

	Weight Each	Unit	Total Number of Head or Units	Price or Cost/Unit	Total Value	Value or Cost/Head	Your Value
GROSS RETURNS							
Steers	725	lbs	198	1.55	222,503	1,112.51	
TOTAL GROSS RETURNS					\$222,503	\$1,112.51	
OPERATING COSTS							
Purchased Steers	425	lbs	200	1.70	144,500	722.50	
Alfalfa Hay		ton	176	150.00	26,400	132.00	
Feed Barley		cwt	1,890	13.00	24,570	122.85	
Yardage		day	30,000	0.35	10,500	52.50	
Veterinary		head	200	5.94	1,188	5.94	
Hired Labor		hour	20	17.50	350	1.75	
Marketing		head	198	27.81	5,507	27.53	
Miscellaneous		head	200	10.00	2,000	10.00	
Interest on Operating Capital		\$	107,507	7.00%	7,526	37.63	
TOTAL OPERATING COSTS					\$222,540	\$1,112.70	
NET RETURNS ABOVE OPERATING COSTS					(\$37)	-\$0.19	

Table 2: Monthly Summary of Returns and Expenses. EBB-ST2-20

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Value
Production:													
Steers			222,503										222,503
Total Receipts	0	0	222,503	0	0	0	0	0	0	0	0	0	222,503
Operating Inputs:													
Purchased Steers											144,500		144,500
Alfalfa Hay	6,600	6,600									6,600	6,600	26,400
Feed Barley	6,143	6,143									6,143	6,143	24,570
Yardage	2,625	2,625									2,625	2,625	10,500
Veterinary													1,188
Hired Labor											350		350
Marketing			5,507										5,507
Miscellaneous	400	400	400								400	400	2,000
Interest on Operating Capital			7,526										7,526
Total Costs	15,768	15,768	5,907	0	0	0	0	0	0	0	160,618	15,768	222,540
Net Returns	-15,768	-15,768	216,596	0	0	0	0	0	0	0	-160,618	-15,768	-37

Table 3: Monthly Feed Requirements.

Feed	Units	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Alfalfa Hay	ton	35	35	35								35	35
Feed Barley	cwt	378	378	378								378	378

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