

Estimated annual revenue, operating expenses, ownership expenses and returns to land, overhead and management for rearing large breed dairy heifers to calve at 22 mo.at 1350 lb, using pasture and hay.

ITEM	UNITS	PRICE	QUANTITY	TOTAL VALUE	VALUE/HEAD*	YOUR VALUE
		\$		\$	\$	\$
GROSS REVENUE:						
1. Springing heifers		1,600	49.7	79,493	1,600	_____
2. Cull heifers			2.6	1,111	22	_____
3. Total revenue				80,605	1,622	=====
OPERATING EXPENSES:						
4. Day old calves	Head	200	58.0	11,600	233	_____
5. Milk replacer	lb.	0.95	2,801.4	2,661	54	_____
6. Concentrates	Tons	147.30	67.1	9,878	199	_____
7. Byproducts fed	Tons	0.00	0.0	0	0	_____
8. Hay	Tons, as fed	70.00	127.2	8,904	179	_____
9. Corn silage	Tons, as fed	0.00	0.0	0	0	_____
10. Pasture	Tons, as fed	12.50	612.6	7,658	154	_____
11. Bedding		5.00	92.8	464	9	_____
12. Vet and medication	Head	0.00	0.0	1,094	22	_____
13. Breeding	Head	35.00	49.7	1,739	35	_____
14. Utilities, fuel and oil	Head			3,468	70	_____
15. Supplies and Misc.				893	18	_____
16. Repairs				2,125	43	_____
17. Death loss and culling				3,313	67	_____
18. Interest on operating capital				3,864	78	_____
19. Total operating expense				57,660	1,161	_____
20. Returns over operating expenses				22,945	462	_____
OWNERSHIP EXPENSES:						
21. Specialized cattle facilities machinery and equipment				9,160	184	_____
22. Returns to land, overhead, labor and management				13,785	277	_____
23. Labor for livestock	Hours	9.50	1,091.9	10,373	209	_____
24. TOTAL COST				77,193	1,554	_____
25. Returns to land, overhead and management				\$3,412	\$69	=====
SUMMARY						
26. Total cost per head, including initial calf value and net of cull sales					\$1,531	_____
27. Cost per head excluding initial value of calf					\$1,275	_____
28. Cost per pound of gain					\$1.04	_____
29. Cost per head per day					\$1.97	=====

* Calculated as the total value divided by the number of heifers available at the end of the raising period.

NOTE. This budget assumes that heifers are transferred to a transition feeding group 3 weeks before calving. These costs are not included in the budget.

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TABLE 5A: Initial investment in specialized buildings and equipment, and annual ownership costs for rearing dairy heifers

ITEM	HEIFER SHARE	LIFE YEARS	INITIAL COST	SALVAGE VALUE	DEPRECIATION	INTEREST	INSURANCE	PROP. TAXES	TOTAL
	%	YEARS	\$	\$	\$	\$	\$	\$	\$
Rate Charged, percent						7.50%	1.00%	0.60%	
1. Calf housing	100%	10	4,125	0	413	155	21	12	600
2. Cattle housing & feed bunk	100%	15	16,500	0	1,100	619	83	50	1,851
3. Fence-line feed bunk with concrete pad	100%	15	4,400	0	293	165	22	13	494
4. Fencing	100%	15	1,650	0	110	62	8	5	185
5. Water supply	100%	15	825	0	55	31	4	2	93
6. Horizontal silo	40%	15	19,250	0	513	289	39	23	864
7. Hay storage	100%	20	18,750	0	938	703	94	56	1,791
8. Corral	100%	15	2,475	0	165	93	12	7	278
9. Pickup truck	30%	8	22,000	4,034	674	293	39	23	1,029
10. Tractor	60%	20	19,700	6,151	406	582	78	47	1,112
11. Large round bale handler	50%	10	500	0	25	9	1	1	36
12. Silage/feeder wagon	35%	12	10,400	825	279	147	20	12	458
13. Nutrient management	100%	15	3,300	0	220	124	17	10	370
14. Other	0%	1	0	0	0	0	0	0	0
Total			\$123,875	\$11,010	\$5,191	\$3,271	\$436	\$262	\$9,160

SENSITIVITY ANALYSIS

The tables show A) Returns to land, overhead and management, a profit measure, and B) Cost per head, under various assumptions about costs and returns. Specifically, the cost and returns shown in the enterprise budget are believed to be fairly representative of North Carolina conditions but there is a wide variation in heifer raising systems and in farm performance among farms. Also, costs and the value of heifers change from year to year. Table a shows the effects of revenue and costs that are higher and lower than for the basic budget. Similarly, Table B shows the effects of total raising costs that are higher and lower.

A. RETURNS TO LAND, OVERHEAD AND MANAGEMENT:

		REVENUE		
		-10%	Base Budget	+10%
	-10%	\$3,070	\$11,131	\$19,191
EXPENSE	Base	-\$4,649	\$3,412	\$11,472
	+ 10%	-\$12,368	-\$4,308	\$3,753

B. TOTAL COST PER SPRINGING HEIFER RAISED, EXCLUDING THE VALUE OF THE HEIFER CALF:

TOTAL COST		
	Base Budget	+10%
	\$1,148	\$1,275
		\$1,403

DAIRY HEIFERS

Budget 10-9
November-05

Stage 1. Estimated annual revenue, operating expenses, ownership expenses and returns to land, overhead and management for rearing large breed dairy heifers to calve at 22 mo. at 1350 lb, using pasture and hay.
Birth to weaning

ITEM	UNITS	PRICE	QUANTITY	VALUE	YOUR VALUE
		\$		\$	\$
GROSS REVENUE:					
1. Weaned heifer calves	Head	300	53.4	16,008	_____
2. Cull heifers	Head	0	0.0	0	_____
3. Total revenue				16,008	_____
OPERATING EXPENSES:					
4. Day old calves	Head	200	58.0	11,600	_____
5. Milk replacer	lb.	0.95	2,801.4	2,661	_____
6. Calf starter feed	lb.	0.18	2,334.5	420	_____
7. Concentrate feed	lb.	0.00	0.0	0	_____
8. Hay	Tons, as fed	0.00	0.0	0	_____
9. Pasture	Tons, as fed	0.00	0.0	0	_____
10. Other feed		0.00	0.0	0	_____
11. Bedding	Cwt.	5.00	40.0	200	_____
12. Vet and medication	Head	6.00	53.4	320	_____
13. Misc.	Head	2.00	53.4	107	_____
14. Utilities, fuel and oil	Head	7.50	53.4	400	_____
15. Supplies	Head	5.00	53.4	267	_____
16. Repairs				83	_____
17. Death loss and culling				928	_____
18. Interest on operating capital				111	_____
19. Total operating expense				17,097	_____
20. Returns over operating expenses				-1,089	_____
OWNERSHIP EXPENSES:					
21. Specialized cattle facilities machinery and equipment				600	_____
22. Returns to land, overhead, labor and management				-1,690	_____
				0	_____
23. Labor for livestock	Hours	9.50	186.8	1,774	_____ 0
24. TOTAL COST				19,472	_____
25. Returns to land, overhead and management				-\$3,464	_____
SUMMARY					
26. Total cost per head, this stage, including initial calf value, net of sales				\$365	_____
27. Cost per head excluding initial value of heifer				\$148	_____
28. Cost per pound of gain for this stage				\$2.46	_____
29. Cost per head per day for this stage				\$3.51	_____
30. Average daily gain, lb/head/day				1.43	_____

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Stage 2. Estimated annual revenue, operating expenses, ownership expenses and returns to land, overhead and management for rearing large breed dairy heifers to calve at 22 mo. at 1350 lb, using pasture and hay. Weaning to 6 months

ITEM	UNITS	PRICE	QUANTITY	VALUE	YOUR VALUE
		\$		\$	\$
GROSS REVENUE:					
1. Heifer calves	Head	500	52.8	26,413	_____
2. Cull heifers	Head	0	0.0	0	_____
3. Total revenue				26,413	_____
OPERATING EXPENSES:					
4. Weaned calves	Head	300	53.4	16,008	_____
5. Calf starter feed	lb.	0.18	3081.5	555	_____
6. Grower concentrate	Tons	144.46	5.9	851	_____
7. Other concentrate feed	Tons	137.10	11.3	1,553	_____
8. Hay	Tons, as fed	70.00	6.8	477	_____
9. Other Hay	Tons, as fed	0.00	0.0	0	_____
10. Corn silage	Tons, as fed	0.00	0.0	0	_____
11. Pasture	Tons, as fed	12.50	58.0	725	_____
11. Bedding	cwt.	5.00	52.8	264	_____
13. Vet and medication	Head	5.00	52.8	264	_____
14. Misc	Head	2.00	52.8	106	_____
15. Utilities, fuel and oil	Head	7.50	52.8	396	_____
16. Supplies	Head	2.00	52.8	106	_____
17. Repairs				539	_____
18. Death loss and culling				160	_____
19. Interest on operating capital				508	_____
20. Total operating expense				22,511	_____
21. Returns over operating expenses				3,902	_____
OWNERSHIP EXPENSES:					
22. Specialized cattle facilities machinery and equipment				2,595	_____
23. Returns to land, overhead, labor and management				1,307	_____
24. Labor for livestock	Hours	9.50	308	2,927	_____
25. TOTAL COST				28,033	_____
26. Returns to land, overhead and management				-\$1,620	_____
SUMMARY					
27. Total cost per head, this stage, including initial heifer value, net of cull sales				\$531	_____
28. Cost per head excluding initial value of heifer				\$228	_____
29. Cost per pound of gain for this stage				\$0.91	_____
30. Cost per head per day for this stage				\$1.63	_____
31. Average daily gain, lb/head/day				1.79	_____

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DAIRY HEIFERS

Budget 10-9
November-05

Stage 3. Estimated annual revenue, operating expenses, ownership expenses and returns to land, overhead and management for rearing large breed dairy heifers to calve at 22 mo.at 1350 lb, using pasture and hay. Six months to pre-breeding age

ITEM	UNITS	PRICE \$	QUANTITY	VALUE \$	YOUR VALUE \$
GROSS REVENUE:					
1. Open heifers	Head	750	52.3	39,224	_____
2. Cull heifers	Head	0	0.0	0	_____
3. Total revenue				<u>39,224</u>	<u>_____</u>
OPERATING EXPENSES:					
4. Growing heifers	Head	500	52.8	26,413	_____
5. Concentrate mix	Tons	126.30	14.3	1,806	_____
6. Other concentrates	Tons	143.59	14.8	2,128	_____
7. Byproducts fed	Tons	0.00	0.0	0	_____
8. Hay	Tons, as fed	70.00	32.1	2,245	_____
9. Other Hay	Tons, as fed	0.00	0.0	0	_____
10. Corn silage	Tons, as fed	0.00	0.0	0	_____
11. Pasture	Tons, as fed	12.50	172.3	2,153	_____
11. Bedding	cwt.	0.00	0.0	0	_____
13. Vet and medication	Head	5.00	52.3	261	_____
14. Misc	Head	2.00	52.3	105	_____
15. Utilities, fuel and oil	Head	24.00	52.3	1,255	_____
16. Supplies	Head	2.00	52.3	105	_____
17. Repairs				572	_____
18. Death loss and culling				264	_____
19. Interest on operating capital				1,278	_____
20. Total operating expense				<u>38,585</u>	_____
21. Returns over operating expenses				638	_____
				0	_____
OWNERSHIP EXPENSES:					
22. Specialized cattle facilities machinery and equipment				0	_____
				2,393	_____
23. Returns to land, overhead, labor and management				<u>-1,755</u>	_____
24. Labor for livestock	Hours	9.50	275	2,608	_____
25. TOTAL COST				<u>43,587</u>	_____
26. Returns to land, overhead and management				<u>-\$4,363</u>	<u>_____</u>
SUMMARY					
27. Total cost per head, this stage, including initial heifer value, net of cull sales				\$833	_____
28. Cost per head excluding initial value of heifer				\$328	_____
29. Cost per pound of gain for this stage				\$0.73	_____
30. Cost per head per day for this stage				\$1.56	_____
31. Average daily gain, lb/head/day				2.14	_____

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DAIRY HEIFERS

Budget 10-9
November-05

Stage 4. Estimated annual revenue, operating expenses, ownership expenses and returns to land, overhead and management for rearing large breed dairy heifers to calve at 22 mo. at 1350 lb, using pasture and hay. Breeding to pre-calving

ITEM	UNITS	PRICE	QUANTITY	VALUE	YOUR VALUE
		\$		\$	\$
GROSS REVENUE:					
1. Springing heifers	Head	1600	49.7	79,493	_____
2. Cull heifers	Head	425	2.6	1,111	_____
3. Total revenue				80,605	_____
OPERATING EXPENSES:					
4. Open heifers	Head	750	52.3	39,224	_____
5. Concentrate mix	Tons	124.98	8.4	1,053	_____
6. Other concentrates	Tons	157.65	9.6	1,512	_____
7. Byproducts fed	Tons	0.00	0.0	0	_____
8. Hay	Tons, as fed	70.00	88.3	6,182	_____
9. Other Hay	Tons, as fed	0.00	0.0	0	_____
10. Corn silage	Tons, as fed	0.00	0.0	0	_____
11. Pasture	Tons, as fed	12.50	382.4	4,780	_____
11. Bedding	cwt.	0.00	0.0	0	_____
13. Vet and medication	Head	5.00	49.7	248	_____
14. Breeding	Head	35.00	49.7	1,739	_____
15. Utilities, fuel and oil	Head	28.50	49.7	1,416	_____
16. Supplies & misc.	Head	2.00	49.7	99	_____
17. Repairs				766	_____
18. Death loss and culling				1,961	_____
19. Interest on operating capital				2,372	_____
20. Total operating expense				61,351	_____
21. Returns over operating expenses				19,253	_____
OWNERSHIP EXPENSES:					
22. Specialized cattle facilities machinery and equipment				3,294	_____
23. Returns to land, overhead, labor and management				15,959	_____
24. Labor for livestock	Hours	9.50	322	3,063	_____
25. TOTAL COST				67,709	_____
26. Returns to land, overhead and management				\$12,896	_____
SUMMARY					
27. Total cost per head, this stage, including initial heifer value, net of cull sales				\$1,340	_____
28. Cost per head excluding initial value of heifer				\$529	_____
29. Cost per pound of gain for this stage				\$1.14	_____
30. Cost per head per day for this stage				\$2.06	_____
31. Average daily gain, lb/head/day				1.80	_____

0

This budget assumes that heifers are transferred to a transition feeding group 3 weeks before calving. These costs are not included in the budget.

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