

Beef Steer Backgrounding, Projected Budget for 2017

	Winter Backgrounding	Pasture Backgrounding
ESTIMATED INCOME/STEER		
Market steer sales: 815 lbs. @ \$122/cwt.	\$994.30	
775 lbs. @ \$122/cwt.		\$945.50
Less death loss	9.94	9.46
Other income	0.00	0.00
Total Income	\$984.36	\$936.05
ESTIMATED OPERATING COSTS/STEER		
Fall purchased steer: 580 pounds @ \$135/cwt	\$783.00	
Spring purchased steer: 580 pounds @ \$135/cwt		\$783.00
Pasture (rental rate)	0.00	29.64
Mixed hay	42.74	0.00
Grain	45.11	0.00
Protein supplement	7.76	22.84
Salt, mineral, limestone	10.80	10.80
Labor	30.00	18.00
Veterinary, drugs, and supplies	18.00	15.00
Marketing	19.89	18.91
Hauling	0.00	0.00
Utilities and all machinery costs	49.47	22.61
Livestock facility repairs	3.75	0.75
Professional fees (legal, accounting, etc.)	1.00	1.00
Miscellaneous	3.50	3.50
Operating interest	12.81	12.17
Total Operating Costs	\$1,027.81	\$938.22
ESTIMATED OWNERSHIP COSTS/STEER		
Depreciation on livestock facilities	3.87	0.62
Interest on livestock facilities	2.98	0.47
Insurance and taxes on capital items	3.38	2.34
Total Ownership Costs	\$10.22	\$3.43
Total Costs	\$1,038.04	\$941.66
INCOME OVER OPERATING COSTS	\$ (43.46)	\$ (2.18)
INCOME OVER TOTAL COSTS	\$ (53.68)	\$ (5.61)
Hundredweight of gain per steer purchased	2.27	1.87
Feed cost per cwt gain	\$46.90	\$33.79
Breakeven steer price per cwt	\$128.65	\$122.73

Prepared by Wesley Tucker and Eldon Cole, MU Regional Extension Specialists,
and Joe Horner, Extension Economist