Livestock Enterprise Budgets: Running Your Farm’s Numbers

by Diane Schivera, Organic Livestock Specialist

We all know how important it is to “know your numbers”. We need to farm in a sustainable fashion, not just environmentally but also economically. Enterprise budgets are one way to reveal the economics of your farm. These budgets allow you to isolate required input costs to operate one portion of your farm and the income being generated from that enterprise. For example, if you have a broiler and egg operation, you might use some of the same facilities and equipment for each operation. But maybe one is paying you a living wage while the other is not. Running an enterprise budget will help you sort this information out. These budgets are available on the internet as downloadable Excel spreadsheets and are constructed to do all the calculations. Plug in the values collected from your operation and voila - the answers are revealed!

As you use these files you can begin to change numbers around that would reflect changes you make in your management. For example, how much do you need to charge for eggs if you were to change your labor value (which you should charge for) from $8 to $10/hour?

I have a spreadsheet that will calculate the number of hens you need for the amount (dozens) of eggs you want to sell. It takes into account the laying percentage of the flock. When you add the inputs, it calculates the break-even cost for your eggs. Contact me and I will forward it along.

A Break Even Poultry Calculator
Adam A. Hady from the University of Wisconsin Cooperative Extension has created a break-even poultry calculator with tabs for both layers and meat birds. It is available at http://richland.uwex.edu/agriculture/poultry-and-rabbits/.

On the University of Kentucky web site, there are 14 livestock budgets available for producers to use. They are: Cow/Calf Spring, Cow/Calf Fall, Replacement Heifer, Steer Backgrounding, Summer grazing, Hog Farrow-Finish, Hog Finishing, Meat Goat-Low Intensity, Meat Goat-Medium Intensity, Meat Goat-High Intensity, Sheep-Fall Lambing, Sheep-Early Winter Lambing, Sheep-Late Winter Lambing and Lamb Finishing. http://www.uky.edu/Ag/AgEcon/pubs/software/budgets_livestock.html.

Many other universities also have spreadsheets on their websites. Just be aware that these files make assumptions about feed and energy use that can vary by climate.

Holistic Management International (HMI) is an organization whose mission is educating folks to use a personal Holistic goal as the basis for decision-making. See the Mofga calendar for information on Beginning Women Farmer classes offered by WagN (Womens’ Agricultural Network) based on HMI, which start in January. HMI also has spreadsheets for sorting out the economics of pasture management: http://holisticmanagement.org/free-downloads/.

Have fun marveling at the abilities of these files as you begin to see what is paying on your farm!

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