Cooperative Extension Service

User’s Guide for Interactive Background/Stocker Budget in Excel

For questions and comments related to the University of Arkansas Enterprise Budget Program contact Archie Flanders at 870-526-2199 ext. 108 or aflanders@uaex.edu.

General Information

Interactive budgets enable users to change data related to specific operations and obtain revenue and costs results that are calculated within a single program. The worksheet Print_Budget is for printing the completed background/stocker budget with a white background.

Background/Stocker Budget

The Background/Stocker Budget calculates expenses and revenue on the basis of per purchased calf and expands the result to total farm expenses and revenue based on the number of calves purchased and sold. Throughout the interactive program, cells with white color are available for users to enter revised data for a particular operation. Cells with a color other than white contain formulas that determine calculations of costs and returns and should not be changed by users.

The Budget worksheet contains basic information for the operation. Cells B2 through B7 are for data entries that depict basic characteristics of the operation. Other worksheets to the right of the Budget worksheet contain data for production items. Entries in these five worksheets are transferred to the relevant orange colored cell in the Budget worksheet.

Cell D9 in the Budget worksheet is selling price of calves. The selling weight is determined by entries made in cells B3, B6, and B7.

Cell C12, C13, and C14 are for acres of pasture, cover crop, and produced hay per calf. Entries in these cells can be determined by dividing the total pasture, cover crop, or produced hay acreages by the total number of calves in the herd. Costs per acre in Cells D12, D13, D14 are determined by itemized entries in the Grass worksheet. The Grass worksheet contains separate sections for pasture, hay produced, and seasonal cover crop.

Cells C15 and D15 are for tonnage per calf and price of purchased. Tonnage per calf can be determined by dividing the total annual tonnage of hay purchased by the number of calves in the herd.

Other expenses per calf in cell D20 can be calculated by dividing the total annual value of other expenses by the number of calves in the herd.
Labor per calf in cell C21 can be calculated by dividing the total annual hours for paid labor by the number of calves. Cell D21 is for the hourly wage rate.

Cell D23 is the annual interest rate for operating expenses and cell B23 is the number of months the loan is outstanding. Cell D28 is the annual interest rate for purchased calves and cell B28 is the number of months the loan is outstanding. For expenses paid with cash reserves, entries in these cells represent opportunity costs incurred by production.

Cell C25 is for rented acreage per calf and is the total number of rented acres divided by the number of calves. Cell D25 is the per acre rental rate.

**Itemized Expenses**

Data entered as itemized expenses in the Feed, Vet, Grass, Hauling_Auction, and Buildings_Equipment worksheets are transferred as calculations in the Budget worksheet.

Worksheets for supplemental feed (Feed) and veterinary expenses (Vet) are for itemized expenses. Separate categories are available in the Vet worksheet for preventative disease management and for disease treatment and therapy.

Itemized expenses for pasture and hay are entered in the Grass worksheet on a per acre basis.

Detailed auction and hauling costs are entered in the Hauling_Auction worksheet. Entries in this worksheet are for all head sold, and data are transferred to a per calf basis in cell D24 of the Budget worksheet.

Capital expenses are entered on a per unit basis in the Buildings_Equipment worksheet. Entries are transferred to the Budget worksheet as costs per calf for separate categories of 1) machinery and equipment and 2) livestock facilities.

**Hay Practice**

The example represented in the posted budget is for purchasing hay. Application of the budget calculator program for producing hay is similar to purchasing hay. Change 0.60 tons to 0 in cell C15. Change cell C14 to the value of total hay acreage in production divided by purchased calves. The budget calculator can be applied to represent situations of purchasing hay and producing hay simultaneously in the production year.

For situations in which no hay is purchased, the budget calculator should be revised to include machinery and equipment for hay production. Go to Buildings_Equipment Worksheet. Hay production equipment is needed. If applicable, the hay barn in cell C7 is for storing purchased and produced hay. The tractor unit in cell C25 to move purchased hay bales may be applied for producing hay. Change the disk mower unit in cell C27 to 1, the hay baler unit in cell C28 to 1, and the hay rake unit in cell C29 to 1. The brush mower in cell C31 is an option for situations representing both purchased hay and produced hay.
University of Arkansas, United States Department of Agriculture and County Governments Cooperating.

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