

Dairy (Confinement) Planning Budget

Using this planning budget, dairy farmers may estimate their costs and returns for 2026. Table 1 presents estimates for a 150-cow confinement dairy (replacements raised on farm) in Missouri. Assumptions were based on price forecasts as of October 2025. Detailed inputs, feed requirements and investments are summarized in Tables 2, 3 and 4. The production practices used to develop these cost estimates are common for Missouri confinement dairies. Use the “Your estimate” column to plan your operation’s costs and returns for 2026.

Table 1. Missouri dairy (confinement) planning budget for 2026.

	20,000 pounds milk sold		25,000 pounds milk sold		Your estimate
	Dollars per cow	Dollars per cwt	Dollars per cow	Dollars per cwt	
Income					
Milk sales	3,999.96	20.00	5,000.00	20.00	
Government payments	0.00	0.00	0.00	0.00	
Calf sales	627.21	3.14	627.21	2.51	
Cull cow sales	548.10	2.74	548.10	2.19	
Total income	5,175.27	25.88	6,175.31	24.70	
Operating costs					
Feed	2,236.20	11.18	2,493.87	9.98	
Labor	660.00	3.30	660.00	2.64	
Veterinary and supplies	265.00	1.36	285.00	1.14	
Utilities	85.00	0.43	95.00	0.38	
Fuel and oil	100.00	0.50	100.00	0.40	
Milk hauling and promotion	270.00	1.35	337.50	1.35	
Bedding	100.00	0.50	100.00	0.40	
Building and equipment repair	256.47	1.28	256.47	1.03	
Breeding/genetic charges	60.00	0.30	60.00	0.24	
Professional fees (legal, accounting, etc.)	22.00	0.11	22.00	0.09	
Government program and miscellaneous	55.00	0.28	62.50	0.25	
Operating interest	137.38	0.69	147.62	0.59	
Total operating costs	4,327.03	21.64	4,694.96	18.78	
Ownership costs					
Depreciation on buildings and equipment	451.59	2.26	451.59	1.81	
Interest on land, buildings and equipment	286.29	1.43	286.29	1.15	
Interest on breeding stock	239.25	1.20	239.25	0.96	
Insurance/tax on capital items	149.63	0.75	149.63	0.60	
Total ownership costs	1,126.76	5.63	1,126.76	4.51	
Total costs	5,453.79	27.27	5,821.72	23.29	
Income over operating costs	848.23	4.24	1,480.35	5.92	
Income over total costs	-278.53	-1.39	353.59	1.41	

Note: Totals may not sum due to rounding. Abbreviations: cwt = hundredweight.

Developed by

Ryan Milhollin, Assistant Extension Professor, Agricultural Business and Policy; **Scott Poock**, Extension Professor, Veterinary Medicine and Surgery; **Stacey Hamilton**, Extension Specialist, Animal Sciences; **Reagan Bluel**, Field Specialist in Dairy; and **Chloe Collins**, Field Specialist in Dairy

Table 2. Input assumptions used in dairy (confinement) planning budget for 2026.

Selected input quantities	Quantity	Selected input prices	Dollars per unit
Cull cow sale weight, pounds	1,450	Cull cow sale price, per hundredweight	140.00
Labor, hours per cow	30	Labor wage, per hour	22.00
Calf crop, percent	95	Average bull calf sale price, per head	1,042.50
Heifer replacement, percent	33	Average heifer calf sale price, per head	910.50
Operating interest, annual percentage	7.25	Milk price, per hundredweight	20.00

Table 3. Feed requirements used in dairy (confinement) planning budget for 2026, on a per cow basis.

Feed description	Dollars per unit	20,000 pounds milk sold		25,000 pounds milk sold	
		Pounds	Dollars	Pounds	Dollars
Corn silage, per ton	42.00	12,223	256.69	14,416	302.74
Alfalfa baleage, per ton	102.35	3,741	191.44	5,296	271.01
Corn, ground, per bushel	4.82	3,470	298.68	3,658	314.81
Alfalfa hay, per ton	250.00	1,708	213.48	1,934	241.76
Whole cotton seed, per ton	291.50	1,675	244.18	1,897	276.53
Soybean hulls, per ton	125.00	1,125	70.29	752	46.99
Soybean meal, per ton	340.00	1,095	186.11	1,354	230.26
Distillers grain, dry, per ton	175.00	1,005	87.95	949	83.01
Grass hay, per ton	100.00	914	41.11	914	41.11
Minerals/vitamins, per ton	1,000.00	577	288.53	656	327.93
Total lactating and dry cow feed cost			1,878.46		2,136.14
Replacement heifer feed and forage cost ¹			357.73		357.73
Total feed cost per cow			2,236.20		2,493.87

Note: Totals may not sum due to rounding.

1. Total replacement heifer (0 to 24 months) feed cost is \$1,084.03 and was adjusted to a 33% heifer replacement rate.

Table 4. Investment assumptions in dairy (confinement) planning budget for 2026.

Description	Total dollars	Dollars per cow ¹
Land	20,000	133
Buildings	375,000	2,487
Feed storage	60,000	398
Milking parlor	450,000	2,984
Manure storage system	100,000	663
Breeding herd (cows)	497,640	3,300
Equipment	100,000	663
Total	1,602,640	10,628

Totals may not sum due to rounding.

1. Represents total cows in herd.

Farmers can customize this budget using the [Missouri Dairy Budgets workbook \(XLSX\)](https://extension.missouri.edu/media/wysiwyg/Extensiondata/Pro/AgBusinessPolicyExtension/Docs/dairy-budgets.xlsx) (extension.missouri.edu/media/wysiwyg/Extensiondata/Pro/AgBusinessPolicyExtension/Docs/dairy-budgets.xlsx).



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