

# Dairy (Grazing) Planning Budget

Using this planning budget, dairy farmers may estimate their costs and returns for 2025. Table 1 presents estimates for a 150-cow rotational grazing dairy (replacements raised on farm) in Missouri. Assumptions were based on price forecasts as of October 2024. 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 grazing dairies. Use the “Your estimate” column to plan your operation’s costs and returns for 2025.

**Table 1. Missouri dairy (grazing) planning budget for 2025.**

	11,000 pounds milk sold		14,000 pounds milk sold		Your estimate
	Dollars per cow <sup>1</sup>	Dollars per cwt <sup>1</sup>	Dollars per cow <sup>1</sup>	Dollars per cwt <sup>1</sup>	
<b>Income</b>					
Milk sales	2,475.05	22.50	3,150.07	22.50	
Government payments	0.00	0.00	0.00	0.00	
Bull and surplus heifer sales	310.00	2.82	310.00	2.21	
Cull cow sales	253.44	2.30	253.44	1.81	
Total income	3,038.49	27.62	3,713.51	26.52	
<b>Operating costs</b>					
Feed	1,066.05	9.69	1,146.51	8.19	
Labor	437.50	3.98	437.50	3.12	
Veterinary, drugs and supplies	110.00	1.00	120.00	0.86	
Utilities and water	60.00	0.55	60.00	0.43	
Fuel, oil and vehicle	70.00	0.64	70.00	0.50	
Milk hauling and promotion	203.50	1.85	259.01	1.85	
Building and equipment repair	194.17	1.77	194.17	1.39	
Breeding/genetic charges	60.00	0.55	60.00	0.43	
Professional fees (legal, accounting, etc.)	12.00	0.11	12.00	0.09	
Miscellaneous and DMC premiums	16.50	0.15	21.00	0.15	
Operating interest	78.52	0.71	82.20	0.59	
Total operating costs	2,308.24	20.98	2,462.38	17.59	
<b>Ownership costs</b>					
Depreciation on buildings and equipment	136.97	1.25	136.97	0.98	
Interest on land, buildings and equipment	486.96	4.43	486.96	3.48	
Interest on breeding stock	174.38	1.59	174.38	1.25	
Insurance/taxes on capital items	75.23	0.68	75.23	0.54	
Total ownership costs	873.53	7.94	873.53	6.24	
Total costs	3,181.77	28.92	3,335.91	23.83	
<b>Income over operating costs</b>	<b>730.25</b>	<b>6.64</b>	<b>1,251.13</b>	<b>8.94</b>	
<b>Income over total costs</b>	<b>-143.28</b>	<b>-1.30</b>	<b>377.60</b>	<b>2.70</b>	

1. Totals may not sum due to rounding.

Abbreviations: cwt = hundredweight

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**Table 2. Input assumptions used in dairy (grazing) planning budget for 2025.**

Selected input quantities	Quantity	Selected input prices	Dollars per unit
Cull cow sale weight, pounds	1,100	Cull cow sale price, per hundredweight	128.00
Labor, cows per worker	100	Annual labor salary and benefits, per worker	52,500.00
Calf crop, percent	95	Average bull calf sale price, per head	450.00
Heifer replacement, percent	20	Average surplus heifer calf sale price, per head	350.00
Operating interest, annual percentage	7.75	Milk price, per hundredweight	22.50

**Table 3. Feed requirements in dairy (grazing) planning budget for 2025, on a per cow basis.**

Feed description	Cost per unit	11,000 pounds milk sold		14,000 pounds milk sold	
		Pounds	Dollars <sup>2</sup>	Pounds	Dollars <sup>2</sup>
Pasture (intensive dairy), dry matter per ton	100.00	7,335	366.77	7,658	382.88
Alfalfa hay, per ton	250.00	1,289	161.18	1,289	161.18
Corn, cracked, per bushel	4.50	910	73.13	1,384	111.24
Soybean hulls, per ton	180.00	910	81.90	1,068	96.13
Distillers grain, dry, per ton	171.00	791	67.59	949	81.11
Grass hay, per ton	100.00	670	33.50	639	31.97
Minerals/vitamins, per ton	840.00	186	78.18	186	78.18
Total lactating and dry cow feed cost			862.23		942.69
Replacement heifer feed and forage cost <sup>1</sup>			203.82		203.82
<b>Total feed cost per cow</b>			<b>1,066.05</b>		<b>1,146.51</b>

1. Total replacement heifer (0 to 24 months) feed cost is \$1,019.10 and was adjusted to a 20% heifer replacement rate.

2. Totals may not sum due to rounding.

**Table 4. Investment assumptions in dairy (grazing) planning budget for 2025.**

Description	Quantity	Dollars per unit	Total dollars	Dollars per cow <sup>2</sup>
Land, acres	200	4,800	960,000	5,333
Milking parlor, stalls	24	8,000	192,000	1,067
Breeding herd, cows	180	2,250	405,000	2,250
Working facility			17,060	95
Feed storage			14,350	80
Manure storage system			37,500	208
Equipment			50,000	278
<b>Total<sup>1</sup></b>			<b>1,675,910</b>	<b>9,311</b>

1. Totals may not sum due to rounding.

2. Represents total cows in herd.

Farmers can customize this budget using the Missouri Dairy Budget spreadsheet, which can be downloaded from the dairy section of the [Missouri Crop and Livestock Enterprise Budgets webpage](https://extension.missouri.edu/programs/agricultural-business-and-policy-extension/missouri-crop-and-livestock-enterprise-budgets) (extension.missouri.edu/programs/agricultural-business-and-policy-extension/missouri-crop-and-livestock-enterprise-budgets).