

Alabama Meat Goat Budgets

This information in this publication is intended to be used with the Alabama Meat Goat Budget spreadsheet. This interactive spreadsheet for these budgets that can be found at: <http://www.ag.auburn.edu/agec/pubs/budgets/Meatgoats.html> or the Alabama Cooperative Extension System's Small Ruminant Publications and Links' Web Site: <http://www.ag.auburn.edu/ansc/goat-sheep/>

There are two printed budgets included. High Input and Low Input.

The Auburn Interactive Meat Goat budget is based on an interactive budget developed by Dr. Jay Lillywhite, New Mexico State University, for the Agriculture Utilization Research Institute (AURI) in Crookston Minnesota.

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Numerous Alabama goat producers

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This Alabama Meat Goat budget is designed to assist in estimating the potential costs and returns for Alabama meat goat operations. This budget is not a production or how to guide, but a planning and estimation tool.

Prices and costs are based on the best estimates available at the time the budget was prepared. Because of the wide variety of alternative inputs, locations, and production systems, it is important that producers develop their own budgets using the appropriate values.

Meat Goat Budget Overview

The Meat Goat budget is divided into 7 sections.

1. Herd Information – This includes the number and average weight of does and bucks in the operation. It also has the number of kids that are marketed (sold) and average weight if kids sold.

NOTE: The number of kids marketed is based on several factors. Conception rate, kidding rate, mortality rates and cull rates all affect the number of kids that are available to be sold.

The producer enters all this information on the Input Sheet except number of kids marketed. This number is calculated based on cull rates, fertility rates and mortality rates. It is assumed that doe replacements are produced from within the herd.

2. Gross Receipts - This is the amount that the producer receives from the sale of the market/breeding kids and any cull animals that are sold.
3. Variable Cost –These are out-of-pocket costs associated with producing the animals. Some of the costs include hay, feed, pasture costs (fertilizer, lime, seed, etc.) medicine, marketing costs, transportation, etc. Land rent and labor are also included. It is assumed that labor will be provided by the producer
4. Income Above Variable Costs - This is Gross Receipts minus Total Variable Cost. This measurement allows the producer to determine if the out-of-pockets costs covered.
5. Fixed Costs - These costs are incurred whether you produce or not. These include depreciation, interest, insurance, property taxes etc. These costs may be difficult to allocate to a specific enterprise. Some of the fixed costs do not require a payment, such as depreciation but the assets that are depreciated must be replaced. Fixed cost includes a charge for land and general farm overhead. Even if the land is owned, there is a cost involved. This cost may be the opportunity to rent the land or just the property taxes.

6. Net Returns to Risks and Management - This figure is sometimes referred to as profit; however, it is more correct to call it a return to all resource costs except management. If the figure is positive, the producer will be rewarded for his management efforts and the entrepreneurial risk he has taken. This is the figure that management should use to make decisions and compare alternatives.

7. Capital Investments - This reflects the investments that are made in the enterprise that are capitalized over a number of years. Breeding Livestock and Buildings and Equipment are included in these budgets.

Alabama Interactive Goat Budget Terms and Assumptions

The Alabama Interactive Goat Budget requires input from the producer. Keep in mind that for most of these inputs, there isn't a right or wrong number.

Herd/Animal Characteristics

Enter the number of does in your operation.

Doe Size – average weight of your doe.

Number of Bucks

Buck Size – average weight of your buck

Market Prices

Enter price you expect to receive.

Enter price per head. The price on a hundred weight (CWT.) basis is calculated from price per head and weight.

Prices for Breeding Buck and Breeding Does are prices that you paid for your breeding stock AND the price you would receive if you sold Kids for breeding purposes.

Marketing Assumptions

Enter the number of trips and mileage to the market.

It is assumed that most operations will have a pick up available but that it is not used exclusively for the meat goat operation. Mileage cost is assumed to be \$1.00 per mile.

This should cover expenses for fuel, repair and maintenance for the truck and the livestock trailer costs

Cull Rates

Enter the appropriate number for your operation.

Buck cull rate is shown at 50%.

Doe cull rate is shown as 14%. Does would be culled at 7 years of age.

Fertility Rates

Enter the appropriate number for operation. These numbers will depend on a number of factors, including but not limited to feeding and nutrition, health program, breed and breeding management.

Mortality Rates

Enter the appropriate number for your operation.

Feeding

Individual feeding program will vary greatly. Enter the appropriate number and/or price for each item as it fits your operation.

Feed Prices

Enter the appropriate/expected price for each feed and pasture cost.
50 pound square bales assumed.

The pasture cost includes the cost to maintain and fertilize a pasture.

Budgets for Major Forage Crops in Alabama may be used as a guide if this amount is not known. The amount shown is comes from the 2006 Hybrid Bermuda Grass Pasture budget with land rent taken out. Fertilizer and lime make up the majority of the variable cost and the proration for establishing the permanent pasture cost makes up most of the fixed cost.

Note: Actual pasture cost could be much less if the pasture has been established for many years or shared with cattle.

The cost may be higher if over seeding is used.

Salt and Mineral inputs are assumed to be \$22.50 per hundred pounds.

Housing

Some operations may not have any housing while others may have elaborate facilities. It is recommended that enough housing be provided to provide a warm dry area for does and kids.

Health Cost/Procedures

Health programs for meat goat herds are very important. Buck and does should be dewormed 6 times a year. Enterotoxemia C&D/T vaccination should be given once year to mature animals and kids twice.

Equipment/Supplies

This includes may include feed bunks, water troughs, buckets, syringes etc.

Fencing and Corral

This may vary widely. If you are using fences that have been previously established, the cost will not be as great. Repairs need to be considered also.

Land and Labor

Enter the appropriate number/price for each.

General Overhead

This will help cover miscellaneous cost such as utilities, telephone, postage, etc.

Financial

Enter the appropriate number/price for each.

Note: There is no charge in this budget for a truck, livestock trailer, tractor and equipment, feed and hay storage building, or expensive water/feed troughs. It is assumed that hauling and tractor work is custom hire. Feed and hay are bought in quantities that require minimal facilities and the water/feed troughs are built on the farm.