

Production Costs in 2002 on Selected Wisconsin Grazing Dairy Farms

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This data is unlikely to change but more explanation will be added to this page eventually.

Thirty-one Wisconsin grazing dairy farms provided useable data in 2002 are summarized by AgFA in the following cost of production report.^{2,3} These farms ranged in size from 25 to 147 cows with an average herd size of 61 cows averaging 15,644 lbs of milk sold at an average price of \$12.55/CWT sold.

Many other financial measures appear on the cost of production report on pages 2 and 3.

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² AgFA @(Agriculture Financial Advisor) – <http://cdp.wisc.edu>

³ The Center for Dairy Profitability uses an active/real time database AgFA@) for collecting and analyzing data. The number of records may increase throughout the year.

Income	<u>2002</u>	<u>2002</u>	<u>2002</u>
	Cost (tax)	per Head	per CWT EQ
Total Income	<u>153,194.44</u>	<u>2,511.92</u>	<u>12.15</u>
Expenses	<u>2002</u>	<u>2002</u>	<u>2002</u>
	Cost (tax)	per Head	per CWT EQ
Basic Cost			
Cost of Items for Resale	75.87	1.24	0.01
Breeding Fees	1,806.13	29.61	0.14
Car and Truck Expenses	761.32	12.48	0.06
Chemicals	586.16	9.61	0.05
Conservation Expenses	0.00	0.00	0.00
Custom Heifer Raising Expenses	0.00	0.00	0.00
Custom Hire (Machine Work)	4,566.87	74.88	0.36
Feed Purchase	32,652.56	535.40	2.59
Fertilizer and Lime	2,572.75	42.19	0.20
Freight and Trucking	805.16	13.20	0.06
Gasoline, Fuel, and Oil	2,488.83	40.81	0.20
Farm Insurance	2,370.74	38.87	0.19
Rent/Lease Equipment	1,793.22	29.40	0.14
Rent/Lease Other	2,639.68	43.28	0.21
Repairs and Maintenance	5,259.25	86.24	0.42
Building and Fence Repairs	1,103.26	18.09	0.09
Machinery Repairs	792.81	13.00	0.06
Seeds and Plants Purchased	1,948.95	31.96	0.15
Storage and Warehousing	74.04	1.21	0.01
Supplies Purchased	7,000.81	114.79	0.56
Taxes - Other	2,243.81	36.79	0.18
Taxes - Payroll	68.81	1.13	0.01
Utilities	3,734.84	61.24	0.30
Veterinary Fees and Medicine	4,451.10	72.98	0.35
Other Farm Expenses	2,791.60	45.77	0.22
Marketing & Hedging	2,255.23	36.98	0.18
Other Crop Expenses	414.13	6.79	0.03
Other Livestock Expenses	1,309.87	21.48	0.10
- Change in Prepaid Expenses	2,622.77	43.01	0.21
Change in Accounts Payable	502.97	8.25	0.04
Depreciation on Purchased Breeding Livestock	1,422.31	23.32	0.11
Total Basic Cost	<u>91,115.84</u>	<u>1,494.02</u>	<u>7.23</u>

Interest Cost

Mortgage Interest	3,230.39	52.97	0.26
Other Interest	4,413.03	72.36	0.35
Total Interest Cost	7,643.42	125.33	0.61

Labor Cost

Employee Benefits - Dependents	832.69	13.65	0.07
Employee Benefits - Non-Dependents	878.71	14.41	0.07
Labor Hired - Dependents	318.87	5.23	0.03
Labor Hired - Non-Dependents	5,606.30	91.93	0.44
Pension and Profit-Sharing Plans - Non-Dependents	0.00	0.00	0.00
Pension and Profit-Sharing Plans - Dependents	0.00	0.00	0.00
Value of Unpaid Labor & Management	33,557.65	550.24	2.66
Total Labor Cost	41,194.22	675.46	3.27

Depreciation & Equity Cost

Machinery, Equipment, Building Depreciation	14,870.20	243.83	1.18
Interest on Equity Capital	19,043.36	312.25	1.51
Total Depreciation & Equity Cost	33,913.56	556.08	2.69
Total Expenses	173,867.03	2,850.88	13.79
Total Income - Total Expenses	(20,672.59)	(338.97)	(1.64)

Net Farm Income from Operations (NFIFO) Summary

Total Allocated Costs	121,266.03	1988.39	9.62
Net Farm Income From Operations (NFIFO)	31,928.41	523.53	2.53
Gain (Loss) on Sale of All Farm Capital Assets	877.52	14.39	0.07
Net Farm Income (NFI)	32,805.92	537.92	2.60