

Production Costs in 2003 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.

Forty-three Wisconsin grazing dairy farms provided useable data in 2003 are summarized by AgFA in the following cost of production report.^{2,3} These farms ranged in size from 23 to 146 cows with an average herd size of 61 cows averaging 15,796 lbs of milk sold at an average price of \$14.01/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>2003</u>	<u>2003</u>	<u>2003</u>
		Cost (tax)	per Head	per CWT EQ
Total Income		160,861.41	2,642.11	12.50
Expenses		<u>2003</u>	<u>2003</u>	<u>2003</u>
		Cost (tax)	per Head	per CWT EQ
Basic Cost				
Cost of Items for Resale		219.00	2.12	0.01
Breeding Fees		1,717.78	28.21	0.13
Car and Truck Expenses		1,011.22	16.61	0.08
Chemicals		712.42	11.70	0.06
Conservation Expenses		198.26	3.26	0.02
Custom Heifer Raising Expenses		69.77	1.15	0.01
Custom Hire (Machine Work)		3,831.74	62.94	0.30
Feed Purchase		34,093.65	559.98	2.65
Fertilizer and Lime		3,914.20	64.29	0.30
Freight and Trucking		1,190.18	19.55	0.09
Gasoline, Fuel, and Oil		3,349.28	55.01	0.26
Farm Insurance		2,815.58	46.25	0.22
Rent/Lease Equipment		1,281.09	21.04	0.10
Rent/Lease Other		3,401.95	55.88	0.26
Repairs and Maintenance		5,618.01	92.27	0.44
Building and Fence Repairs		2,160.12	35.48	0.17
Machinery Repairs		1,931.37	31.72	0.15
Seeds and Plants Purchased		2,343.66	38.49	0.18
Storage and Warehousing		12.42	0.20	0.00
Supplies Purchased		6,801.13	111.71	0.53
Taxes - Other		3,163.50	51.96	0.25
Taxes - Payroll		96.09	1.58	0.01
Utilities		4,027.83	66.16	0.31
Veterinary Fees and Medicine		3,633.95	59.69	0.28
Other Farm Expenses		2,504.21	41.13	0.19
Marketing & Hedging		2,288.75	37.59	0.18
Other Crop Expenses		478.95	7.87	0.04
Other Livestock Expenses		1,533.26	25.18	0.12
- Change in Prepaid Expenses		(292.23)	(4.80)	(0.02)
Change in Accounts Payable		308.30	5.06	0.02
Selling Expense of Capital Items		19.42	0.32	0.00
Depreciation on Purchased Breeding Livestock		2,169.99	35.64	0.17
Total Basic Cost		96,514.83	1,585.23	7.50

Interest Cost

Mortgage Interest	4,136.47	67.94	0.32
Other Interest	2,693.13	44.23	0.21
Total Interest Cost	6,829.60	112.17	0.53

Labor Cost

Employee Benefits - Dependents	235.79	3.87	0.02
Employee Benefits - Non-Dependents	1,157.47	19.01	0.09
Labor Hired - Dependents	239.67	3.94	0.02
Labor Hired - Non-Dependents	0.83	54.68	0.26
Pension and Profit-Sharing Plans - Non-Dependents	0.00	0.00	0.00
Pension and Profit-Sharing Plans - Dependents	139.53	2.29	0.01
Value of Unpaid Labor & Management	31,820.16	522.64	2.47
Total Labor Cost	36,921.46	606.43	2.87

Depreciation & Equity Cost

Machinery, Equipment, Building Depreciation	21,760.30	357.41	1.69
Interest on Equity Capital	19,451.18	319.48	1.58
Total Depreciation & Equity Cost	41,211.48	676.89	3.20
Total Expenses	181,477.37	2,980.72	14.10
Total Income - Total Expenses	(20,615.96)	(338.61)	(1.60)

Net Farm Income from Operations (NFIFO) Summary

Total Allocated Costs	130,206.03	2138.6	10.12
Net Farm Income From Operations (NFIFO)	30,655.38	503.51	2.38
Gain (Loss) on Sale of All Farm Capital Assets	272.90	4.48	0.02
Net Farm Income (NFI)	30,928.28	507.99	2.40