

WISCONSIN DAIRY DATA

Fact sheet series from the Center for Dairy Profitability

2007-02

July 2007

Preliminary Benchmarks – Dairy Cost of Production, 2006

Below are the final benchmarks for the 2006 financial year. There is a total of 411 farm financial records. We will have a final report in September 2007.

The 2006 Cost of Production report is on a per farm, per head and per CWT EQ basis. Feed costs were \$768 per head and Vet & Medicine was \$133. Total Basic Cost was \$2509 per head or \$8.36 per CWT EQ.

Item	Per Farm	Per Head	Per CWT EQ
Total Income	\$545,456	\$3870	\$12.90
Feed Purchased	\$108,173	\$768	\$2.56
Repair Cost	\$23,461	\$166	\$0.56
Vet & Medicine	\$18,691	\$133	\$0.44
TOTAL Basic Cost	\$353,646	\$2,509	\$8.36

Interest paid was \$223 and Total labor costs were \$756 per cow. Total Costs were \$4,060 per cow or \$15.53 per CWT EQ.

Item	Per Farm	Per Head	Per CWT EQ
Interest Paid	\$31,485	\$223	\$0.74
Total Labor Cost	\$106,595	\$756	\$2.52
Total Depreciation	\$60,779	\$431	\$1.43
TOTAL Cost	\$572,230	\$4,060	\$13.53

The difference between “Total Income-Total Expense” and “Net Farm Income” is Interest on Equity Capital, the Value of Unpaid Labor and Management plus gain or loss on the sale of farm Assets.

Item	Per Farm	Per Head	Per CWT EQ
Total Income-Total Expense	-\$26,775	-\$190	-\$0.63
Net Farm Income	\$47,684	\$338	\$1.13

Cost of Production

Report Basis: Whole Farm, per Head, per Hundredweight Equivalent

Income	<u>2006</u>	<u>2006</u>	<u>2006</u>
	Economic	per Head	per CWT EQ
Total Income	545,455.58	3,870.33	12.90
Expenses	<u>2006</u>	<u>2006</u>	<u>2006</u>
	Economic	per Head	per CWT EQ
Basic Cost			
Cost of Items for Resale	486.25	3.45	0.01
Breeding Fees	7,359.09	52.22	0.17
Car and Truck Expenses	2,384.26	16.92	0.06
Chemicals	5,726.52	40.63	0.14
Conservation Expenses	5.26	0.04	0.00
Custom Heifer Raising Expenses	1,891.00	13.42	0.04
Custom Hire (Machine Work)	18,262.80	129.59	0.43
Feed Purchase	108,172.54	767.55	2.56
Fertilizer and Lime	10,079.93	71.52	0.24
Freight and Trucking	5,953.60	42.24	0.14
Gasoline, Fuel, and Oil	17,257.23	122.45	0.41
Farm Insurance	7,027.63	49.87	0.17
Rent/Lease Equipment	2,394.48	16.99	0.06
Rent/Lease Other	17,039.17	120.90	0.40
Repairs and Maintenance	2,384.46	16.92	0.06
Building and Fence Repairs	5,381.85	38.19	0.13
Machinery Repairs	15,694.46	111.36	0.37
Seeds and Plants Purchased	9,651.60	68.48	0.23
Storage and Warehousing	13.02	0.09	0.00
Supplies Purchased	15,942.26	113.12	0.38
Taxes - Other	4,324.07	30.68	0.10
Taxes - Payroll	36.35	0.26	0.00
Utilities	12,660.68	89.84	0.30
Veterinary Fees and Medicine	18,691.06	132.62	0.44
Other Farm Expenses	5,183.07	36.78	0.12
Marketing & Hedging	5,460.54	38.75	0.13
Other Crop Expenses	3,777.90	26.81	0.09
Other Livestock Expenses	31,562.07	223.95	0.75
- Change in Prepaid Expenses	3,414.41	24.23	0.08
Change in Accounts Payable	854.07	6.06	0.02
Depreciation on Purchased Breeding Livestock	14,574.76	103.42	0.34
Total Basic Cost	353,646.38	2,509.33	8.36

Interest Cost

Mortgage Interest	15,364.09	109.02	0.36
Other Interest	16,120.83	114.39	0.38
Total Interest Cost	31,484.92	223.40	0.74

Labor Cost

Employee Benefits - Dependents	5,370.50	38.11	0.13
Employee Benefits - Non-Dependents	8,436.10	59.86	0.20
Labor Hired - Dependents	8,232.98	58.42	0.19
Labor Hired - Non-Dependents	45,397.93	322.13	1.07
Pension and Profit-Sharing Plans - Non-Dependents	41.00	0.29	0.00
Value of Unpaid Labor & Management	39,116.07	277.55	0.93
Total Labor Cost	106,594.58	756.35	2.52

Depreciation & Equity Cost

Machinery, Equipment, Building Depreciation	46,204.43	327.85	1.09
Interest on Equity Capital	34,299.97	243.38	0.81
Total Depreciation & Equity Cost	80,504.40	571.23	1.90

Total Expenses **572,230.29** **4,060.32** **13.53**

Total Income - Total Expenses **(26,774.71)** **(189.98)** **(0.63)**

Net Farm Income from Operations (NFIFO) Summary

Total Allocated Costs	498,814.25	3,539.39	11.80
Net Farm Income From Operations (NFIFO)	46,641.33	330.95	1.10
Gain (Loss) on Sale of All Farm Capital Assets	1,042.41	7.40	0.02
Net Farm Income (NFI)	47,683.74	338.34	1.13

Benchmark Criteria	2006	2006	2006
Number of Cows	140.93	140.93	140.93
Pounds of Milk Sold per Cow	22,409	22,409	22,409
Hundredweight Equivalent (CWT EQ) per Cow	300	300	300
Gross Milk Price	\$13.41	\$13.41	\$13.41
Total Crop Acres per Cow	2.59	2.59	2.59
Pasture Acres per Cow	0.06	0.06	0.06
Owner/Operator/Families	1.21	1.21	1.21
Primary Enterprise:	Dairy		
Report On:	All Data Sets		
2006 Data Sets:	411		
Confidence Level Range:	80 to 100		
States:	Wisconsin		