



## Cost of Production

Report Basis: per Hundredweight Equivalent

Income	<u>2004</u>	<u>2003</u>	<u>2002</u>
	Economic	Economic	Economic
<b>Total Income</b>	<b>16.10</b>	<b>12.50</b>	<b>12.15</b>
<b>Expenses</b>	<u>2004</u>	<u>2003</u>	<u>2002</u>
	Economic	Economic	Economic
<b>Basic Cost</b>			
Cost of Items for Resale	0.00	0.00	0.00
Breeding Fees	0.22	0.19	0.18
Car and Truck Expenses	0.12	0.11	0.12
Chemicals	0.24	0.19	0.20
Conservation Expenses	0.00	0.00	0.00
Custom Heifer Raising Expenses	0.00	0.00	0.00
Custom Hire (Machine Work)	0.20	0.22	0.27
Feed Purchase	3.14	2.11	1.79
Fertilizer and Lime	0.33	0.37	0.28
Freight and Trucking	0.10	0.07	0.10
Gasoline, Fuel, and Oil	0.32	0.27	0.23
Farm Insurance	0.23	0.20	0.18
Rent/Lease Equipment	0.06	0.05	0.07
Rent/Lease Other	0.37	0.40	0.45
Building and Fence Repairs	0.20	0.16	0.17
Machinery Repairs	0.54	0.49	0.47
Seeds and Plants Purchased	0.40	0.32	0.30
Supplies Purchased	0.45	0.43	0.51
Taxes - Other	0.17	0.16	0.19
Utilities	0.39	0.34	0.34
Veterinary Fees and Medicine	0.45	0.33	0.39
Other Farm Expenses	0.16	0.10	0.12
Marketing & Hedging	0.14	0.13	0.12
Other Crop Expenses	0.10	0.08	0.09
Other Livestock Expenses	0.34	0.30	0.21
- Change in Prepaid Expenses	(0.10)	(0.04)	0.04
Change in Accounts Payable	0.01	(0.07)	0.02
Depreciation on Purchased Breeding Livestock	0.14	0.21	0.25
<b>Total Basic Cost</b>	<b>8.71</b>	<b>7.15</b>	<b>7.10</b>

## Interest Cost

Mortgage Interest	0.24	0.14	0.23
Other Interest	0.33	0.49	0.44
<b>Total Interest Cost</b>	<b>0.57</b>	<b>0.63</b>	<b>0.67</b>

## Labor Cost

Employee Benefits - Dependents	0.31	0.25	0.31
Employee Benefits - Non-Dependents	0.13	0.10	0.08
Labor Hired - Dependents	0.51	0.38	0.50
Labor Hired - Non-Dependents	0.69	0.66	0.49
Value of Unpaid Labor & Management	0.98	1.01	1.08
<b>Total Labor Cost</b>	<b>2.63</b>	<b>2.39</b>	<b>2.46</b>

## Depreciation & Equity Cost

Machinery, Equipment, Building Depreciation	1.47	1.37	1.66
Interest on Equity Capital	1.68	1.54	1.63
<b>Total Depreciation &amp; Equity Cost</b>	<b>3.15</b>	<b>2.91</b>	<b>3.30</b>

**Total Expenses** **15.06** **13.08** **13.52**

**Total Income - Total Expenses** **1.04** **(0.58)** **(1.37)**

## Net Farm Income from Operations (NFIFO) Summary

Total Allocated Costs	12.40	10.53	10.81
<b>Net Farm Income From Operations (NFIFO)</b>	<b>3.70</b>	<b>1.97</b>	<b>1.34</b>
Gain (Loss) on Sale of All Farm Capital Assets	0.05	0.13	0.21
<b>Net Farm Income (NFI)</b>	<b>3.75</b>	<b>2.10</b>	<b>1.55</b>

---

**Benchmark Criteria**

Primary Enterprise: **Dairy**  
Report On: **All Data Sets**  
2004 Data Sets: **33**  
2003 Data Sets: **33**  
2002 Data Sets: **33**  
Confidence Level Range: **90 to 100**  
States: **Wisconsin**  
2004 Avg. # of Eq. Prod. Units: **278.9**  
2003 Avg. # of Eq. Prod. Units: **294**  
2002 Avg. # of Eq. Prod. Units: **279.3**

---