

WISCONSIN DAIRY DATA

Fact sheet series from the Center for Dairy Profitability

2006-01

August 2006

Benchmarks – Dairy Farm Earnings Statement, 2005

Below are the final benchmarks for the 2005 financial year. There are currently 617 farm financial records complete.

The Farm Earnings report is on a per farm, per head, per CWT EQ basis. It shows a Net Farm Income (NFI) of \$95,783, approximately \$6000 less than in 2004 at \$101,890. NFI is the return to the farm manager's (and their family's) unpaid labor and management and equity capital. The average herd size for these records is 133 cows selling slightly more than 21,000 lbs of milk per cow at an average milk price of \$15.98 which generated a milk income of \$3,482 per cow.

Total income on a per cow basis was \$4,139 with feed purchases at \$8,842, interest payments \$187 and with repairs costing \$147. Vet and Medicine fees were \$123 as compared to \$117 in 2004. Gas, Fuel and Oil expenses were \$121 in 2005 as compared to \$89 in 2004. Depreciation taken in 2005 on machinery, equipment, building and livestock was \$435. The Net Farm Income (NFI) per cow was \$721 which is \$118 less than in 2004 at \$839.

On a per CWT EQ basis feed purchased was \$2.93, interest \$0.66, repairs \$0.69, vet and medicine \$0.43 with depreciation at \$1.53. Total NFI per CWT EQ was \$2.53 in 2005 versus \$2.97 in 2004.

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

Income	<u>2005</u> Economic	<u>2005</u> per Head	<u>2005</u> per CWT EQ
Cash Income - Basis Adjustments			
Sales of Livestock and Other Items Bought for Resale	2,379.73	17.91	0.06
Basis in Resale Livestock Sold	(268.46)	(2.02)	(0.01)
Animal Product Sales	460,582.05	3,466.92	12.17
Raised Non-Breeding Livestock Sales	15,694.40	118.14	0.41
Crop Sales	11,102.63	83.57	0.29
Distributions Received from Cooperatives	3,900.36	29.36	0.10
Agricultural Program Payments	22,496.58	169.34	0.59
MILC Program Payments	1.70	0.01	0.00
Crop Insurance Proceeds and Certain Disaster Payments	3,166.57	23.84	0.08
Custom Hire (Machine Work) Income	3,509.65	26.42	0.09
Other Income, Incl. Tax Credits, Refunds	6,039.45	45.46	0.16
Sale of Purchased Breeding Livestock	2,294.35	17.27	0.06
Basis in Breeding Livestock Sold	(3,248.97)	(24.46)	(0.09)
Sale of Raised Breeding Livestock	22,319.57	168.00	0.59
Total Cash Income - Basis Adjustments	549,969.62	4,139.76	14.53
Non-Cash Income			
Change in Raised Crop Inventories	7,363.84	55.43	0.19
Change in Remaining Current Assets	382.89	2.88	0.01
Change in Raised Breeding Livestock	15,339.03	115.46	0.41
Total Non-Cash Income	23,085.75	173.77	0.61
Total Income	573,055.38	4,313.53	15.14

Expenses**Cash Expense**

	<u>2005</u> Economic	<u>2005</u> per Head	<u>2005</u> per CWT EQ
Cost of Items for Resale	237.36	1.79	0.01
Breeding Fees	6,474.35	48.73	0.17
Car and Truck Expenses	2,204.30	16.59	0.06
Chemicals	7,354.04	55.36	0.19
Conservation Expenses	6.44	0.05	0.00
Custom Heifer Raising Expenses	1,932.02	14.54	0.05
Custom Hire (Machine Work)	16,447.73	123.81	0.43
Employee Benefits - Dependents	5,286.90	39.80	0.14
Employee Benefits - Non-Dependents	8,425.20	63.42	0.22
Feed Purchase	111,786.93	841.45	2.95
Fertilizer and Lime	12,635.39	95.11	0.33
Freight and Trucking	5,540.05	41.70	0.15
Gasoline, Fuel, and Oil	16,099.70	121.19	0.43
Farm Insurance	6,747.13	50.79	0.18
Mortgage Interest	11,771.75	88.61	0.31
Other Interest	13,076.63	98.43	0.35
Labor Hired - Dependents	8,928.98	67.21	0.24
Labor Hired - Non-Dependents	41,658.14	313.57	1.10
Pension and Profit-Sharing Plans - Non-Dependents	24.42	0.18	0.00
Pension and Profit-Sharing Plans - Dependents	0.00	0.00	0.00
Rent/Lease Equipment	2,697.01	20.30	0.07
Rent/Lease Other	18,601.12	140.02	0.49
Repairs and Maintenance	2,789.14	20.99	0.07
Building and Fence Repairs	6,926.85	52.14	0.18
Machinery Repairs	16,676.18	125.53	0.44
Seeds and Plants Purchased	12,915.18	97.22	0.34
Storage and Warehousing	19.37	0.15	0.00
Supplies Purchased	15,351.22	115.55	0.41
Taxes - Other	5,192.32	39.08	0.14
Taxes - Payroll	121.94	0.92	0.00
Utilities	11,214.25	84.41	0.30
Veterinary Fees and Medicine	16,399.36	123.44	0.43
Other Farm Expenses	5,109.89	38.46	0.13
Marketing & Hedging	5,291.94	39.83	0.14
Other Crop Expenses	3,523.95	26.53	0.09
Other Livestock Expenses	23,685.83	178.29	0.63
Selling Expense of Capital Items	0.05	0.00	0.00
Total Cash Expense	423,153.07	3,185.18	11.17
Non-Cash Expenses			
- Change in Prepaid Expenses	(2,811.27)	(21.16)	(0.07)
Change in Accounts Payable	(344.45)	(2.59)	(0.01)
Machinery, Equipment and Building Depreciation	43,998.07	331.18	1.16
Livestock Depreciation	13,889.39	104.55	0.37
Total Non-Cash Expenses	54,731.73	411.98	1.45
Total Expenses	477,884.81	3,597.16	12.62
Net Farm Income From Operations (NFIFO)	95,170.57	716.37	2.51
Gain (Loss) on Sale of All Farm Capital Assets	612.26	4.61	0.02
Net Farm Income (NFI)	95,782.83	720.98	2.53