

# WISCONSIN DAIRY DATA

Fact sheet series from the Center for Dairy Profitability

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2008-01

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## **Preliminary Benchmarks – Dairy Farm Earnings Statement, 2007**

Below are preliminary benchmarks for the 2007 financial year. There are currently 189 farm financial records complete. We will provide a final report in August/September 2008.

The Farm Earnings report is on a per farm, per head, per CWT EQ basis. It shows a Net Farm Income (NFI) of \$112,284. 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 131 cows selling slightly more than 21,000 lbs of milk per cow at an average milk price of \$18.53 which generated a milk income of \$4,044 per cow.

Total income on a per cow basis was \$4801 with feed purchases at \$923, interest payments \$254 and with repairs costing \$203. Vet and Medicine fees were \$131 and Gas, Fuel and Oil expenses were \$141. Depreciation taken in 2007 on machinery, equipment, building and livestock was \$548. The Net Farm Income (NFI) per cow was \$857.

On a per CWT EQ basis feed purchased was \$3.68, interest \$1.01, repairs \$0.81, vet and medicine \$0.52 with depreciation at \$2.19. Total NFI per CWT EQ was \$3.42.



## Farm Earnings

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

Income	<u>2007</u>	<u>2007</u>	<u>2007</u>
	Economic	per Head	per CWT EQ
<b>Cash Income - Basis Adjustments</b>			
Sales of Livestock and Other Items Bought for Resale	7.28	0.06	0.00
Basis in Resale Livestock Sold	(4.75)	(0.04)	0.00
Animal Product Sales	529,731.64	4,044.42	16.13
Raised Non-Breeding Livestock Sales	8,543.87	65.23	0.26
Crop Sales	29,419.87	224.62	0.90
Distributions Received from Cooperatives	3,617.15	27.62	0.11
Agricultural Program Payments	6,442.50	49.19	0.20
MILC Program Payments	0.00	0.00	0.00
Crop Insurance Proceeds and Certain Disaster Payments	1,009.82	7.71	0.03
Custom Hire (Machine Work) Income	4,277.72	32.66	0.13
Other Income, Incl. Tax Credits, Refunds	5,648.91	43.13	0.17
Sale of Purchased Breeding Livestock	3,784.98	28.90	0.12
Basis in Breeding Livestock Sold	(3,845.11)	(29.36)	-0.12
Sale of Raised Breeding Livestock	19,496.39	148.85	0.59
<b>Total Cash Income - Basis Adjustments</b>	<b>608,130.28</b>	<b>4,642.98</b>	<b>18.52</b>
<b>Non-Cash Income</b>			
Change in Raised Crop Inventories	5,137.76	39.23	0.16
Change in Remaining Current Assets	(44.92)	(0.34)	0.00
Change in Raised Breeding Livestock	15,627.91	119.32	0.48
<b>Total Non-Cash Income</b>	<b>20,720.75</b>	<b>158.20</b>	<b>0.63</b>
<b>Total Income</b>	<b>628,851.03</b>	<b>4,801.18</b>	<b>19.15</b>

## Expenses

	<u>2007</u>	<u>2007</u>	<u>2007</u>
	Economic	per Head	per CWT EQ
<b>Cash Expense</b>			
Cost of Items for Resale	11.40	0.09	0.00
Breeding Fees	7,622.11	58.19	0.23
Car and Truck Expenses	2,745.57	20.96	0.08
Crop Chemicals	7,998.43	61.07	0.24
Conservation Expenses	0.00	0.00	0.00
Custom Heifer Raising Expenses	5,381.86	41.09	0.16
Custom Hire (Machine Work)	17,570.16	134.15	0.54
Employee Benefits - Dependents	4,972.01	37.96	0.15
Employee Benefits - Non-Dependents	6,606.07	50.44	0.20
Feed Purchase	120,937.81	923.34	3.68
Fertilizer and Lime	18,236.42	139.23	0.56
Freight and Trucking	5,560.95	42.46	0.17
Gasoline, Fuel, and Oil	18,457.49	140.92	0.56
Farm Insurance	7,011.19	53.53	0.21
Mortgage Interest	9,825.69	75.02	0.30
Other Interest	23,436.51	178.93	0.71
Labor Hired - Dependents	7,543.34	57.59	0.23
Labor Hired - Non-Dependents	42,814.77	326.88	1.30
Rent/Lease Equipment	2,668.13	20.37	0.08
Rent/Lease Other	16,705.80	127.55	0.51
Repairs and Maintenance	2,236.87	17.08	0.07
Building and Fence Repairs	6,608.21	50.45	0.20
Machinery Repairs	17,784.83	135.78	0.54
Seeds and Plants Purchased	14,172.44	108.20	0.43
Storage and Warehousing	31.52	0.24	0.00
Supplies Purchased	17,011.36	129.88	0.52
Taxes - Other	5,112.44	39.03	0.16
Taxes - Payroll	26.78	0.20	0.00
Utilities	12,744.14	97.30	0.39
Veterinary Fees and Medicine	17,158.89	131.01	0.52
Other Farm Expenses	4,501.89	34.37	0.14
Marketing & Hedging	8,249.23	62.98	0.25
Other Crop Expenses	4,772.54	36.44	0.15
Other Livestock Expenses	25,250.32	192.78	0.77
<b>Total Cash Expense</b>	<b>461,767.17</b>	<b>3,525.52</b>	<b>14.06</b>
<b>Non-Cash Expenses</b>			
- Change in Prepaid Expenses	(12,813.42)	(97.83)	-0.39
Change in Accounts Payable	(1,797.96)	(13.73)	-0.05
Machinery, Equipment and Building Depreciation	50,240.87	383.58	1.53
Livestock Depreciation	21,571.88	164.70	0.66
<b>Total Non-Cash Expenses</b>	<b>57,201.37</b>	<b>436.72</b>	<b>1.74</b>
<b>Total Expenses</b>	<b>518,968.53</b>	<b>3,962.24</b>	<b>15.80</b>
Net Farm Income From Operations (NFIFO)	109,882.50	838.94	3.35
Gain (Loss) on Sale of All Farm Capital Assets	2,401.71	18.34	0.07
<b>Net Farm Income (NFI)</b>	<b>112,284.21</b>	<b>857.27</b>	<b>3.42</b>