

Northeast Iowa Dairy Cow Annual Budget - Tiestall - April 2006
Large Breed Dairy Cow Including Replacements Producing
20,000 lbs. & 24,000 lbs. of Grade A Milk

August 2005 Compo
 BF 3.65
 Protein 3.04
 Other solid 5.72
 scc 267

I. RECEIPTS		\$\$ Value		\$\$ Value	
1. Components:	200 cwts.			240 cwts.	
a. Butterfat	730 lbs.	1.2343 \$/lb.	\$901.04	869 lbs.	1.2343 \$/lb.
b. Protein	608 lbs.	1.9238 \$/lb.	\$1,169.67	727 lbs.	1.9238 \$/lb.
c. Other Solids	1144 lbs.	0.1508 \$/lb.	\$172.52	1377 lbs.	0.1508 \$/lb.
d. Producer Price Differential		0.56 \$/cwt.	\$112.00		0.56 \$/cwt.
e. Quality	267,000 SCC	0.00058 \$/thousand	\$0.154860	267,000 SCC	0.00058 \$/thousand
f. Protein Premium		0 \$/lb.	\$0.00		0 \$/lb.
g. Volume		0.185 \$/cwt.	\$37.00		0.185 \$/cwt.
2. Capital Payout		0 \$/cwt.	\$0.00		0 \$/cwt.
3. Cull/cow (a)	0.36 head	\$450.00 per hd.	\$162.00	0.39 head	\$450.00 per hd.
4. Dairy calf	0.51 head	\$200.00 per hd.	\$102.00	0.52 head	\$200.00 per hd.
5. Replacement heifer calf	0.18 head	\$450.00 per hd.	\$81.00	0.21 head	\$450.00 per hd.
6. MILC payment		\$0.8398 \$/cwt.	\$167.96		\$0.8398
GROSS RECEIPTS			\$2,905.34		\$3,433.37
II. VARIABLE COSTS					
A. FEED COSTS (b)		Price/Unit	Amount	Amount	\$\$ Value
1. Corn equivalents	\$2.00 per bu.	104.38 bu.	\$208.76	112.91 bu.	\$225.82
2. Corn Silage	\$20.00 per ton	8.04 tons	\$160.80	7.99 tons	\$159.80
3. Hay equivalents	\$125.00 per ton	6.09 tons	\$761.25	6.03 tons	\$753.75
4. Salts and minerals	\$0.14 per lb.	241.97 lbs.	\$33.88	323.23 lbs.	\$45.25
5. Protein supplement	\$0.11 per lb.	1284.83 lbs.	\$138.12	1855.1 lbs.	\$199.42
6. Whole (linted) cottonseed	\$0.09 per lb.	724.5 lbs.	\$65.21	1361.3 lbs.	\$122.51
7. Fat	\$0.35 per lb.	26 lbs.	\$9.10	111 lbs.	\$38.85
8. Milk replacer, calf starter			\$44.00		\$44.00
9. Total Feed Costs			\$1,421.11		\$1,589.41
B. LIVESTOCK COSTS			\$\$Value		\$\$Value
1. Milk marketing per cwt.	\$0.30	200 cwts.	\$60.00	\$0.28	240 cwts.
2. Veterinary and Health			\$98.00		\$118.00
3. Fuel, utilities and repairs			\$100.00		\$110.00
4. DHIA & accounting			\$28.00		\$30.00
5. Breeding fees			\$35.00		\$43.00
6. Bedding, supplies and misc.			\$160.00		\$170.00
7. Total Livestock Cost			\$481.00		\$537.00
8. Operating Capital Interest	8%	3 months	\$38.04	3 months	\$42.53
9. Total Variable Costs			\$1,940.15		\$2,168.93
III. FIXED COSTS (c)					
1. Machinery, equipment, facilities			\$310.00		\$340.00
2. Interest & Ins. on Herd	7.50% annually		\$126.82		\$152.25
3. Death Loss	3.52% x \$1400.00		\$42.24	3.47% x \$1540.00	\$46.50
4. Total Fixed Cost			\$479.06		\$538.75
IV. TOTAL COST (except for labor and management)		per cwt. (d)	per cow	per cwt. (d)	per cow
		\$10.11	\$2,419.21	\$9.52	\$2,707.68
V. RETURNS		per cwt. (d)	per cow	per cwt. (d)	per cow
1. Gross receipts	\$12.99	\$2,905.34	\$12.92	\$3,433.37	
2. Less variable costs	\$8.11	\$1,940.15	\$7.63	\$2,168.93	
3. Returns above variable costs	\$4.03	\$965.19	\$4.45	\$1,264.43	
4. Less fixed costs	\$2.00	\$479.06	\$1.89	\$538.75	
5. Returns to labor & management	\$2.03	\$486.13	\$2.55	\$725.68	
6. Less labor cost 70 hrs. @ \$8/hr.	\$2.34	\$560.00	\$1.97	\$560.00	
7. Returns to management	(\$0.31)	(\$73.87)	\$0.58	\$165.68	
VI. BREAK EVEN MILK PRICE (e)					
1. Budget break even per cwt.		\$13.1711	\$12.0570		
2. Actual milk price received this month		\$11.9619	\$11.9076		
3. Actual price received this month+MILC payment		\$12.8017	\$12.7474		

- (a) Cull cow income represents sales of dairy stock, a capital asset. This income is included to calculate production in terms of milk equivalents.
 (b) A detailed explanation of the feed rations utilized is available upon request from the authors.
 (c) Facilities budgeted here represent those needed for a 60 cow herd housed and milked in a two-story stanchion barn with pipe-line milker, gutter cleaner, and a year-round stored feeding program.
 (d) Milk equivalents are calculated by computing the adjusted gross receipts (gross receipts - death loss) then dividing by the total price per cwt. of milk.
 (e) The break even milk price is the gross Grade A price per cwt. required in the receipts section, so the budget will cover total costs and labor.

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