

<b>MODEL Grazier Case</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>Average</b>	<b>Per Cow</b>	<b>PAGE 1</b>
Productive Crop Acres	355	224	229	245	240	215	215	215	215	215	237		
Average Number of Cows	115	130	136	125	126	135	152	165	170	164	142		
Total Assets on Farm	\$689,041	\$680,225	\$730,950	\$831,850	\$916,312	\$1,098,350	\$1,323,200	\$1,313,910	\$1,334,018	\$1,479,059	\$1,039,692	\$7,330	
Capital Purchases	\$0	\$35,600	\$15,450	\$61,000	\$61,113	\$15,000	\$26,500	\$12,000	\$0	\$8,115	\$23,478	\$165.53	
Milk Price	\$11.67	\$13.02	\$14.08	\$16.19	\$15.38	\$13.58	\$19.57	\$19.22	\$12.65	\$16.12	\$15.15		
Milk Hundred weight Equiv.	24,858	24,057	24,551	27,640	27,560	27,440	33,231	28,512	33,763	29,560	28,117	198.24	
<b>Milk Hundredweights</b>	<b>19,395</b>	<b>22,354</b>	<b>22,515</b>	<b>24,377</b>	<b>23,814</b>	<b>23,802</b>	<b>27,645</b>	<b>25,696</b>	<b>29,442</b>	<b>28,143</b>	<b>24,718</b>	<b>174.28</b>	
Milk Sales	\$226,364	\$291,050	\$316,931	\$394,743	\$366,281	\$323,198	\$541,013	\$494,003	\$372,433	\$453,593	\$377,961	\$2,665	
Cull Cow Sales	\$11,494	\$7,601	\$14,725	\$13,117	\$15,134	\$7,307	\$7,650	\$10,566	\$11,889	\$9,205	\$10,869	\$76.63	
Culling Rate (% leaving annually)	17.39%	16.15%	16.91%	18.35%	19.05%	11.11%	9.21%	11.52%	18.82%	9.15%	<b>14.77%</b>		
Calf Sales	\$7,300	\$6,534	\$4,200	\$7,017	\$11,279	\$12,700	\$5,672	\$3,759	\$4,040	\$7,251	\$6,975	\$49.18	
Crop Sales	\$6,337	\$0	\$0	\$0	\$1,050	\$0	\$0	\$0	\$0	\$0	\$739	\$5.21	
Other Income	\$18,405	\$5,136	\$11,057	\$32,713	\$23,401	\$14,249	\$52,085	\$6,650	\$48,683	\$5,373	\$21,775	\$153.53	
<b>Total Cash Income</b>	<b>\$269,900</b>	<b>\$310,321</b>	<b>\$346,913</b>	<b>\$447,590</b>	<b>\$417,145</b>	<b>\$357,454</b>	<b>\$606,420</b>	<b>\$514,978</b>	<b>\$437,046</b>	<b>\$475,422</b>	<b>\$418,319</b>	<b>\$2,949</b>	<b>per cwt eq.</b>
Veterinary, Medicine	\$3,433	\$14,002	\$5,265	\$5,954	\$4,204	\$4,142	\$8,472	\$6,932	\$5,284	\$5,230	\$6,292	\$44.36	\$0.22
Dairy Supplies	\$12,900	\$14,970	\$11,129	\$14,603	\$24,309	\$21,986	\$21,100	\$20,974	\$14,239	\$23,782	\$17,999	\$126.90	\$0.64
Breeding Fees	\$2,373	\$2,373	\$2,500	\$3,033	\$4,204	\$4,142	\$650	\$382	\$385	\$0	\$2,004	\$14.13	\$0.07
Feed Purchased	\$30,647	\$37,816	\$67,895	\$98,837	\$68,755	\$77,513	\$189,715	\$203,474	\$143,851	\$187,395	\$110,590	\$779.72	\$3.93
Repairs	\$5,010	\$14,582	\$15,207	\$20,206	\$18,254	\$11,476	\$28,598	\$29,784	\$15,417	\$12,514	\$17,105	\$120.60	\$0.61
Seed, Chem, Fert	\$21,223	\$17,760	\$16,008	\$19,513	\$15,747	\$12,338	\$14,473	\$12,735	\$12,944	\$19,898	\$16,264	\$114.67	\$0.58
Fuel, Gas, and Oil	\$5,775	\$4,239	\$5,507	\$8,159	\$7,142	\$8,052	\$12,637	\$11,832	\$8,109	\$8,014	\$7,947	\$56.03	\$0.28
Utilities	\$3,118	\$4,466	\$4,600	\$5,104	\$5,231	\$5,594	\$8,290	\$6,394	\$9,303	\$8,134	\$6,023	\$42.47	\$0.21
Interest Paid	* note -- In order to equalize farm to farm comparison and not display debt loads, all interest costs are in the equity charge below.												
Labor Hired	\$20,317	\$26,068	\$28,412	\$27,520	\$34,185	\$44,794	\$44,867	\$45,751	\$53,648	\$60,321	\$38,588	\$272.07	\$1.37
Rent, Lease and Hire	\$21,830	\$21,546	\$18,746	\$12,927	\$9,850	\$6,425	\$8,750	\$8,750	\$8,750	\$8,750	\$12,632	\$89.07	\$0.45
Property Taxes	\$6,000	\$5,433	\$5,610	\$5,310	\$4,281	\$6,177	\$5,912	\$8,104	\$6,940	\$6,242	\$6,001	\$42.31	\$0.21
Farm Insurance	\$7,057	\$8,320	\$6,967	\$3,150	\$7,569	\$7,222	\$5,843	\$6,787	\$6,700	\$9,084	\$6,870	\$48.44	\$0.24
Other Cash Expense	\$6,805	\$10,751	\$10,675	\$7,386	\$10,608	\$13,586	\$11,358	\$12,565	\$18,006	\$16,738	\$11,848	\$83.53	\$0.42
Total Cash Expense	\$146,488	\$195,800	\$198,521	\$231,703	\$214,339	\$223,447	\$360,665	\$374,464	\$303,576	\$366,101	\$261,510	\$1,844	\$9.30
<b>Net Cash Income</b>	<b>\$123,412</b>	<b>\$114,521</b>	<b>\$148,392</b>	<b>\$215,888</b>	<b>\$202,806</b>	<b>\$134,007</b>	<b>\$245,755</b>	<b>\$140,514</b>	<b>\$133,470</b>	<b>\$109,321</b>	<b>\$156,809</b>	<b>\$1,106</b>	<b>\$5.58</b>
Inventory Change	\$17,368	-\$37,600	\$3,135	(\$10,900)	(\$10,651)	\$2,338	\$33,850	\$5,160	(\$18,455)	\$54,427	\$3,867	\$27.27	\$0.14
<b>Net Farm Income from Operations</b>	<b>\$140,780</b>	<b>\$76,921</b>	<b>\$151,527</b>	<b>\$204,988</b>	<b>\$192,155</b>	<b>\$136,345</b>	<b>\$279,605</b>	<b>\$145,674</b>	<b>\$115,015</b>	<b>\$163,748</b>	<b>\$160,676</b>	<b>\$1,133</b>	<b>\$5.71</b>
<u>Equity @ 5% or 6%</u>	\$38,986	\$24,221	\$36,083	\$48,408	\$44,554	\$54,484	\$77,581	\$65,266	\$67,162	\$66,691	\$52,344	\$369	\$1.86
Return to Labor	\$101,794	\$52,700	\$115,444	\$156,580	\$147,601	\$81,861	\$202,024	\$80,408	\$47,852	\$97,057	<b>\$108,332</b>	<b>\$764</b>	<b>\$3.85</b>
<b>Inventory Adjustments--Feed</b>	<b>-\$575</b>	<b>-\$10,500</b>	<b>-\$5,525</b>	<b>\$4,800</b>	<b>-\$8,840</b>	<b>-\$13,960</b>	<b>\$25,300</b>	<b>\$4,710</b>	<b>-\$43,305</b>	<b>\$17,310</b>	<b>-\$3,059</b>	<b>-\$21.56</b>	<b>-\$0.11</b>
Breeding Livestock	\$20,800	\$13,400	\$4,200	-\$5,200	\$15,600	\$29,100	\$18,600	\$28,450	\$33,350	-\$16,300	<b>\$14,200</b>	<b>\$100.12</b>	<b>\$0.51</b>
<b>Income Change</b>	<b>\$20,225</b>	<b>\$2,900</b>	<b>-\$1,325</b>	<b>-\$400</b>	<b>\$6,760</b>	<b>\$15,140</b>	<b>\$43,900</b>	<b>-\$33,160</b>	<b>-\$9,955</b>	<b>\$1,010</b>	<b>\$11,142</b>	<b>\$78.55</b>	<b>\$0.40</b>
Prepaid Expenses	\$2,143	-\$18,000	\$0	\$0	-\$2,411	\$411	\$2,000	-\$15,000	-\$5,000	\$0	-\$3,586	-\$25.28	-\$0.13
Accounts Payable	\$0	\$0	-\$5,460	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$546	-\$3.85	-\$0.02
Machinery & Equipment	-\$5,000	\$13,100	-\$1,000	\$50,500	\$46,113	\$1,787	\$14,450	-\$1,000	-\$2,500	-\$6,500	\$10,995	\$77.52	\$0.39
Land and Buildings	\$0	\$0	\$15,450	\$0	\$0	\$0	\$0	\$0	-\$1,000	-\$423	\$1,403	\$9.89	\$0.05
<b>Expense Change</b>	<b>\$2,857</b>	<b>\$4,900</b>	<b>-\$19,910</b>	<b>-\$50,500</b>	<b>-\$43,702</b>	<b>-\$2,198</b>	<b>(\$16,450)</b>	<b>\$16,000</b>	<b>\$8,500</b>	<b>\$6,923</b>	<b>-\$9,358</b>	<b>-\$65.98</b>	<b>-\$0.33</b>
Capital Purchases Minus Sales Adj.	\$0	\$35,600	\$15,450	\$61,000	\$61,113	\$15,000	\$26,500	\$12,000	\$0	-\$60,340	\$16,632	\$117.27	\$0.59
Depreciation COST	\$20,645	\$42,171	\$35,666	\$35,666	\$30,000	\$41,822	\$50,000	\$35,100	\$35,000	\$30,000	\$35,607	\$251.05	\$1.27
Depreciation FM Value	\$5,000	\$23,500	\$4,000	\$10,000	\$15,000	\$13,000	\$12,000	\$13,000	\$7,000	\$10,888	\$11,339	\$79.94	\$0.40

<b>MODEL</b> <i>Grazier Case</i>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>Average</b>	<b>Per Cow</b>	<b>PAGE 2</b>
Unpaid Labor Cost	\$50,000	\$50,000	\$35,000	\$35,000	\$35,000	\$40,000	\$45,000	\$45,000	\$45,000	\$45,000	\$42,500	\$299.65	\$1.51
Unpaid Labor Hours	5,000	5,000	3,000	3,000	3,000	3,000	3,000	4,500	3,000	3,000	3,550	25	hrs/cow
Labor Full Time Equivalents	2.50	2.25	2.00	2.00	2.00	2.00	2.00	2.50	2.80	2.80	2.29	48	hrs/cow
<b>Labor Earnings Per Hour</b>	<b>\$20.36</b>	<b>\$10.54</b>	<b>\$38.48</b>	<b>\$52.19</b>	<b>\$49.20</b>	<b>\$27.29</b>	<b>\$67.34</b>	<b>\$17.87</b>	<b>\$15.95</b>	<b>\$32.35</b>	<b>\$33.16</b>		
Gross Income per Cwt. Eq.	\$11.67	\$13.02	\$14.08	\$16.19	\$15.38	\$13.58	\$19.57	\$19.22	\$12.65	\$16.12	\$15.15		
Gross Expense per Cwt. Eq.	\$9.59	\$12.91	\$10.80	\$11.79	\$11.30	\$12.05	\$14.84	\$17.98	\$12.57	\$14.36	\$12.82		
Net Income per cwt.	\$2.08	\$0.11	\$3.28	\$4.40	\$4.09	\$1.53	\$4.73	\$1.24	\$0.08	\$1.76	\$2.33		
<b>Cash Income--</b>	<b>\$269,900</b>	<b>\$310,321</b>	<b>\$346,913</b>	<b>\$447,590</b>	<b>\$417,145</b>	<b>\$357,454</b>	<b>\$606,420</b>	<b>\$514,978</b>	<b>\$437,046</b>	<b>\$475,422</b>	<b>\$418,319</b>	<b>\$2,949</b>	
Adjusted Income	\$20,225	\$2,900	-\$1,325	(\$400)	\$6,760	\$15,140	\$43,900	\$33,160	(\$9,955)	\$1,010	\$11,142	\$79	
Total Income	\$290,125	\$313,221	\$345,588	\$447,190	\$423,905	\$372,594	\$650,320	\$548,138	\$427,091	\$476,432	\$429,460	\$3,028	
<b>Cash Costs</b>	<b>\$146,488</b>	<b>\$195,800</b>	<b>\$198,521</b>	<b>\$231,703</b>	<b>\$214,339</b>	<b>\$223,447</b>	<b>\$360,665</b>	<b>\$374,464</b>	<b>\$303,576</b>	<b>\$366,101</b>	<b>\$261,510</b>	<b>\$1,844</b>	
Adjusted Costs	\$2,857	\$40,500	-\$4,460	\$10,500	\$17,411	\$12,802	\$10,050	\$28,000	\$8,500	(\$53,417)	\$7,274	\$51	
Overhead Costs	\$88,986	\$74,221	\$71,083	\$83,408	\$79,554	\$94,484	\$122,581	\$110,266	\$112,162	\$111,691	\$94,844	\$669	
Total Costs	\$238,331	\$310,521	\$265,144	\$325,611	\$311,304	\$330,733	\$493,296	\$512,730	\$424,238	\$424,375	\$363,628	\$2,564	
<b>RETURN OVER COSTS</b>	<b>\$51,794</b>	<b>\$2,700</b>	<b>\$80,444</b>	<b>\$121,580</b>	<b>\$112,601</b>	<b>\$41,861</b>	<b>\$157,024</b>	<b>\$35,408</b>	<b>\$2,852</b>	<b>\$52,057</b>	<b>\$65,832</b>	<b>\$464</b>	
Adj. Gross Return per FTE Labor.....	\$116,050	\$139,209	\$172,794	\$223,595	\$211,952	\$186,297	\$325,160	\$219,255	\$152,532	\$170,154	\$191,700		
Return to All Labor per FTE Labor.....	\$48,844	\$35,008	\$71,928	\$92,050	\$90,893	\$63,328	\$123,446	\$50,463	\$36,250	\$56,206	\$66,842		
Number of Cows per FTE Labor.....	46	58	68	63	63	68	76	66	61	59	63		
Cwts. of Milk Sold per FTE Labor.....	7,758	9,935	11,258	12,188	11,907	11,901	13,823	10,278	10,515	10,051	10,961		
Pounds of Milk Sold per Cow.....	16,865	17,195	16,555	19,450	18,900	17,631	18,188	15,573	17,319	17,160	17,484		
Productive Crop Acres per Cow.....	3.09	1.72	1.68	2.00	1.90	1.59	1.41	1.30	1.26	1.31	1.73		
Capital Cost per Cow.....	\$382	\$471	\$229	\$439	\$473	\$500	\$589	\$474	\$436	\$473	\$447		
All Labor Costs per Cow.....	\$611	\$585	\$466	\$499	\$549	\$628	\$591	\$550	\$580	\$642	\$570		
Fixed Cost per Cow (DIRTI)	\$540	\$689	\$433	\$668	\$712	\$684	\$855	\$745	\$607	\$643	\$657		
Capital Invested per Cow.....	\$4,263	\$4,231	\$4,614	\$5,686	\$6,350	\$7,441	\$7,869	\$7,249	\$7,377	\$8,503	\$6,358		
Net Farm Income per Crop Acre.....	\$397	\$343	\$662	\$837	\$801	\$634	\$1,300	\$678	\$535	\$762	\$695		
Lbs. Milk Produced per Crop Acre.....	5,463	9,979	9,832	9,950	9,923	11,071	12,858	11,952	13,694	13,090	10,781		
Adj. Gross Cash Income/Crop Acre.....	\$817	\$1,398	\$1,509	\$1,825	\$1,766	\$1,733	\$3,025	\$2,549	\$1,986	\$2,216	\$1,883		
Machinery Investment/Crop Acre	\$165	\$310	\$242	\$328	\$536	\$714	\$761	\$799	\$788	\$762	\$540		
Fuel, Gas and Oil Cost/Crop Acre.....	\$16	\$19	\$24	\$33	\$30	\$37	\$59	\$55	\$38	\$37	\$35		
Repair Cost per Crop Acre.....	\$14	\$65	\$66	\$82	\$76	\$53	\$133	\$139	\$72	\$58	\$76		
Fert/Chem/Seed Cost/Crop Acre.....	\$60	\$79	\$70	\$80	\$66	\$57	\$67	\$59	\$60	\$93	\$69		
Livestock over Total Investment %	26%	30%	31%	27%	29%	27%	26%	25%	28%	26%	28%		
Cash Exp./Cash Inc.w/o Labor&Int.....	47%	50%	49%	46%	43%	50%	52%	64%	57%	64%	52%		<i>Model Graziers Case</i>
All Labor as Percent of Total Costs.....	30%	24%	24%	19%	22%	26%	18%	18%	23%	25%	23%		<i>generated by</i>
Fixed Cost as Percent of Total Cost.....	26%	29%	26%	27%	29%	28%	26%	24%	24%	25%	26%		<i>DAIRY TRANS 4.4</i>
<b>**Rate of Return on Assets.....</b>	<b>13.97%</b>	<b>6.02%</b>	<b>16.09%</b>	<b>21.07%</b>	<b>17.64%</b>	<b>8.84%</b>	<b>18.14%</b>	<b>7.71%</b>	<b>5.21%</b>	<b>8.01%</b>	<b>12.27%</b>		
<b>**Operating Profit Margin.....</b>	<b>31.3%</b>	<b>12.9%</b>	<b>33.7%</b>	<b>38.0%</b>	<b>37.1%</b>	<b>25.9%</b>	<b>36.1%</b>	<b>18.4%</b>	<b>16.4%</b>	<b>24.9%</b>	<b>27.46%</b>		
<b>**Asset Turnover Ratio.....</b>	<b>44.7%</b>	<b>46.7%</b>	<b>47.7%</b>	<b>55.4%</b>	<b>47.6%</b>	<b>34.2%</b>	<b>50.3%</b>	<b>42.0%</b>	<b>31.8%</b>	<b>32.1%</b>	<b>43.24%</b>		<b>ISU Extension</b>
**Depreciation Expense Ratio.....	1.7%	7.5%	1.2%	2.2%	3.5%	3.5%	1.8%	2.4%	1.6%	2.3%	2.8%		
**Net Farm Income Ratio (w/o interest)	49.0%	24.6%	44.0%	46.0%	45.0%	37.0%	43.0%	27.0%	27.0%	34.0%	37.7%		<i>by Larry F. Tranel</i>
Dairy TRANS Profit Status is.....	<b>SUPERB!</b>	<b>GREAT!</b>	<b>SUPERB!</b>	<b>SUPERB!</b>	<b>SUPERB!</b>	<b>SUPERB!</b>	<b>SUPERB!</b>	<b>GREAT!</b>	<b>GREAT!</b>	<b>GREAT!</b>	<b>SUPERB!</b>		<i>Dairy Field Specialist</i>
Dairy TRANS Performance Rating	<b>103%</b>	<b>75%</b>	<b>118%</b>	<b>134%</b>	<b>123%</b>	<b>87%</b>	<b>130%</b>	<b>74%</b>	<b>76%</b>	<b>79%</b>	<b>100%</b>		<i>e- tranel@iastate.edu</i>