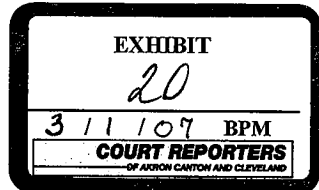


GENSKE, MULDER & CO., LLP			AVERAGE OF OUR DAIRY CLIENTS							
CERTIFIED PUBLIC ACCOUNTANTS			AVERAGE INCOME AND EXPENSES							
Rancho (909) 483-2100			FOR THE 2000, 2001, AND 2002 YEAR							
Modesto (209) 523-3573			MILING 2X PER DAY				MILING 3X PER DAY			
Costa Mesa (949) 650-9580			AMOUNT	PER CWT	PER COW	PER-CENT	AMOUNT	PER CWT	PER COW	PER-CENT
INCOME:										
Milk	\$ 5,269,566	\$ 12.07	\$ 2,453	97.0%	\$ 6,193,176	\$ 11.92	\$ 2,547	96.6%		
Calves and heifers	73,998	0.17	34	1.4%	108,753	0.21	45	1.7%		
Other	88,803	0.20	41	1.6%	107,231	0.21	44	1.7%		
Total Income	\$ 5,432,367	\$ 12.44	\$ 2,529	100.0%	\$ 6,409,160	\$ 12.34	\$ 2,636	100.0%		
EXPENSES:										
Feed:	\$ 1,193,910	\$ 2.73	\$ 556	22.0%	\$ 1,571,599	\$ 3.02	\$ 646	24.5%		
Hay	1,578,652	3.62	735	29.1%	1,785,580	3.44	734	27.9%		
Grain	(583,249)	(1.34)	(272)	-10.7%	(765,981)	(1.47)	(315)	-12.0%		
Less cost of feeding heifers	\$ 2,189,313	\$ 5.01	\$ 1,019	40.4%	\$ 2,591,198	\$ 4.99	\$ 1,066	40.4%		
Total feed										
Herd replacement cost:										
Depreciation - dairy cows	\$ 372,624	\$ 0.85	\$ 173	6.9%	\$ 373,093	\$ 0.72	\$ 153	5.8%		
Loss on sale of cows	195,120	0.45	91	3.6%	287,865	0.55	118	4.5%		
Total herd replacement cost	\$ 567,744	\$ 1.30	\$ 264	10.5%	\$ 660,958	\$ 1.27	\$ 272	10.3%		
Other operating expenses:										
Interest and rent expense	\$ 322,045	\$ 0.74	\$ 150	5.9%	\$ 363,990	\$ 0.70	\$ 150	5.7%		
Labor	549,076	1.26	256	10.1%	608,872	1.17	250	9.5%		
Depreciation - other	155,388	0.36	72	2.9%	175,774	0.34	72	2.7%		
Milk hauling	169,143	0.39	79	3.1%	203,329	0.39	84	3.2%		
Promotion	88,554	0.20	41	1.6%	104,906	0.20	43	1.6%		
Supplies	328,074	0.75	153	6.0%	347,531	0.67	143	5.4%		
Corral cleaning	26,434	0.06	12	0.5%	25,557	0.05	11	0.4%		
Repairs and maintenance	173,819	0.40	81	3.2%	173,595	0.33	71	2.7%		
Utilities	99,833	0.23	46	1.8%	111,287	0.21	46	1.7%		
Taxes and licenses	76,804	0.18	36	1.4%	74,756	0.14	31	1.2%		
Insurance	38,169	0.09	18	0.7%	45,609	0.09	19	0.7%		
Fuel and oil	31,152	0.07	15	0.6%	36,510	0.07	15	0.6%		
Legal and accounting	16,559	0.04	8	0.3%	21,044	0.04	9	0.3%		
Employee benefits	16,925	0.04	8	0.3%	29,607	0.06	12	0.5%		
Veterinary and breeding	116,763	0.27	54	2.1%	142,010	0.27	58	2.2%		
Testing and trimming	34,989	0.08	16	0.6%	34,031	0.07	14	0.5%		
Hauling livestock	6,632	0.02	3	0.1%	14,674	0.03	6	0.2%		
Miscellaneous	8,792	0.02	4	0.2%	3,071	0.01	1	0.0%		
Less cost of raising heifers	(143,968)	(0.33)	(67)	-2.7%	(170,106)	(0.33)	(70)	-2.7%		
Total other operating expenses	\$ 2,115,183	\$ 4.84	\$ 985	38.7%	\$ 2,346,047	\$ 4.52	\$ 965	36.4%		
Total expenses	\$ 4,872,240	\$ 11.16	\$ 2,268	89.6%	\$ 5,598,203	\$ 10.77	\$ 2,302	87.1%		
NET INCOME	\$ 560,127	\$ 1.28	\$ 261	10.4%	\$ 810,957	\$ 1.56	\$ 334	12.9%		
AVERAGE STATISTICAL DATA:										
Average number of milking cows			1,759				1,950			
Average daily production per cow			68				73			
Average butterfat test			3.68%				3.60%			
Average solids-non-fat			8.75%				8.71%			
Herd turnover rate			33.59%				33.93%			



JERSEYS vs HOLSTEINS

Three Year Comparison 2003 - 2006							
		Gross Milk Price	Average Per Cow	Total Cost CWT	Average Cost Per Cow	Net Income CWT	Average Per Cow
2003	Holstein	\$12.17	\$2,412	\$12.56	\$2,489	\$0.01	\$2
	Jersey	\$13.70	\$2,149	\$13.23	\$2,076	\$1.06	\$168
2004	Holstein	\$15.48	\$3,175	\$13.54	\$2,772	\$2.28	\$472
	Jersey	\$17.40	\$2,665	\$15.48	\$2,371	\$2.15	\$330
2005	Holstein	\$14.71	\$3,011	\$13.83	\$2,826	\$1.47	\$305
	Jersey	\$17.00	\$2,776	\$16.52	\$2,697	\$0.66	\$105
9/30/2006	Holstein	\$12.01	\$1,895	\$13.48	\$2,126	(\$0.83)	(\$129)
	Jersey	\$14.17	\$1,694	\$15.76	\$1,885	(\$0.58)	(\$70)
TOTALS	Holsteins	\$13.59	2781*	\$13.35	2731*	\$0.73	\$162
	Jersey	\$15.56	2462*	\$15.24	2414*	\$0.82	\$133
* 2006 Averages have been annualized in these totals							

**Milk cows: Number of operations and percent of milk production
by size group, United States, 1998 & 2005**

Head	Operations		Percent of production	
	1998	2005	1998	2005
	Number	Number	Percent	Percent
01 - 29	36,130	22,490	2.30	1.30
30 - 49	25,485	14,835	9.00	5.10
50 - 99	34,105	23,185	22.50	15.20
100 - 199	13,880	10,055	19.00	13.50
200 - 499	5,155	4,662	16.70	15.30
500 - 999	1,500	1,700	11.20	14.30
1,000 - 1,999	670	850	10.90	13.40
2000+	220	523	8.40	21.90
Total	117,145	78,300	100.00	100.00

* Information provided by USDA National Agricultural Statistics Service



Average Annual Dairy Income & Expenses, 1990-1999

	California	Idaho	Texas	Wash.	N. Mexico	Arizona	Average of six states
Total income/cwt.	\$12.92	\$12.87	\$14.40	\$13.28	\$13.03	\$13.88	\$13.40
Expenses/cwt.							
feed	6.41	6.08	6.40	5.51	6.38	6.39	6.20
herd replacement cost	1.14	1.27	1.44	1.07	1.15	1.13	1.20
interest & rent expense	1.02	0.96	1.11	0.93	0.71	0.92	0.95
other operating costs	3.24	4.08	4.27	4.25	3.59	4.39	3.97
total expenses/cwt.	10.78	10.43	12.26	10.82	10.79	11.90	11.17
Net income/cwt.	\$1.33	\$1.48	\$1.04	\$1.54	\$1.53	\$1.08	\$1.31
Net income/\$	\$266,248	\$456,004	\$215,144	\$451,196	\$492,256	\$335,570	\$369,403
Net income/cow	\$22.06	\$345.99	\$235.39	\$359.81	\$372.93	\$278.95	\$317.91
Net income as % of total income	8.80%	11.60%	7.20%	11.10%	11.70%	7.40%	9.80%
Avg. number of cows milking	961	1,318	914	1,254	1,320	1,203	1,162
Avg. production/cow/day	62 lbs	65 lbs	61 lbs	76 lbs	67 lbs	65	66 lbs
Avg. fat test	3.59%	3.58%	3.65%	3.57%	3.58%	3.58%	3.60%
Avg. herd turnover rate	32.20%	32.50%	31.90%	29.40%	35.40%	27.70%	31.50%

Source: Garcke, Mader & Company, LLP Certified Public Accountants

Average Annual Dairy Income & Expenses, 2000-2005

	California	Idaho	Texas	Wash.	N. Mexico	Arizona	Average of six states
Total income/cwt.	\$13.55	\$12.82	\$15.03	\$13.51	\$13.99	\$13.89	\$13.80
Expenses/cwt.							
feed	5.98	5.39	6.15	5.42	5.78	5.97	5.78
herd replacement cost	1.36	1.42	1.84	1.23	1.67	1.50	1.50
interest & rent expense	0.87	0.94	0.94	0.65	0.65	1.02	0.85
other operating costs	4.88	5.48	6.10	5.53	5.22	5.86	5.51
total expenses/cwt.	12.22	12.29	14.09	12.18	12.67	13.33	12.80
Net income/cwt.	\$1.33	\$0.53	\$0.94	\$1.33	\$1.32	\$0.56	1.00
Net income/\$	\$452,480	\$260,849	\$240,222	\$627,749	\$619,217	\$255,577	\$409,349
Net income/cow	\$272.00	\$110.00	\$178.00	\$317.00	\$254.00	\$107.00	\$206.33
Net income as % of total income	9.90%	4.40%	6.00%	9.80%	9.20%	4.20%	7.25%
Avg. number of cows milking	1,397	1,951	1,102	1,627	1,958	1,928	1,662
Avg. production/cow/day	66 lbs	66 lbs	64 lbs	79 lbs	66 lbs	63 lbs	67
Avg. fat test	3.66%	3.66%	3.65%	3.56%	3.59%	3.63%	3.63
Avg. herd turnover rate	33.14%	34.17%	31.41%	33.31%	34.58%	28.82%	32.57

Source: Genesee, Mulder & Company, LLP Certified Public Accountants

<u>Cost of Production - C.W.T.</u>				
	<u>1990's</u>	<u>2000 - 2005</u>	<u>Increase</u>	<u>Percentage</u>
California	10.78	12.29	1.51	14%
Idaho	10.43	12.42	1.99	19%
Texas	12.26	14.14	1.88	15%
Washington	10.82	12.38	1.56	14%
New Mexico	10.79	12.61	1.92	18%
Arizona	11.90	13.29	1.38	12%
Average	11.16	12.87	1.71	15%
SOURCE: GENSKE, MULDER & CO., LLP, CPA				

Cost of Production - C.W.T.

	1990's	2004 & '05	Last 2 years increase over '90's average	Percentage
California	10.78	12.98	2.20	20%
Idaho	10.43	13.25	2.82	27%
Texas	12.26	14.57	2.31	19%
Washington	10.82	12.88	2.06	19%
New Mexico	10.79	13.24	2.45	23%
Arizona	11.90	14.09	2.19	18%
High Plains	N/A			
Average	11.16	13.50	2.34	21%
10 year average milk price in the 1990's			\$13.40	
\$13.40 x 1.21%			\$16.21	
Where are we today?			\$?	
SOURCE: GENSKE, MULDER & CO., LLP, CPA				

**PROFORMA INCOME AND EXPENSES
FOR GENSKE, MULDER & CO. DAIRY CLIENTS
FOR THE YEAR ENDED DECEMBER 31, 2006**

	% CHANGE FROM 2005	AMOUNT	PER CWT	PER COW	
INCOME:					
Milk	-15.00%	\$5,098,786	\$12.30	\$2,499	%
Other		260,931	0.64	129	
Total income		\$5,359,717	\$12.94	\$2,628	%
EXPENSES:					
Feed:					
Hay and silage	10.00%	\$1,653,078	\$3.99	\$810	%
Grain		1,755,352	4.24	860	
Less cost of feeding heifers		(683,039)	(1.65)	(335)	
Total feed		\$2,725,391	\$6.58	\$1,335	%
Herd replacement cost:					
Depreciation - dairy cows		\$449,810	\$1.09	\$220	%
Loss on sale of cows		221,486	0.53	109	
Total herd replacement cost	10.00%	\$671,296	\$1.62	\$329	%
Other operating expenses:					
Interest and rent	30.00%	\$480,356	\$1.16	\$235	%
Labor	5.00%	587,036	1.42	288	
Depreciation - other	5.00%	218,292	0.53	107	
Milk hauling	5.00%	227,546	0.55	112	
Industry assessments	cwt - \$.10	140,444	0.34	69	
Supplies	5.00%	270,892	0.65	133	
BST		53,425	0.13	26	
Environmental	10.00%	35,714	0.09	18	
Repairs and maintenance	10.00%	232,915	0.56	114	
Utilities	10.00%	124,269	0.30	61	
Taxes and licenses	5.00%	81,129	0.20	40	
Insurance		68,145	0.16	33	
Fuel and oil	20.00%	88,087	0.21	43	
Legal and accounting		22,232	0.05	11	
Employee benefits	5.00%	30,288	0.07	15	
Veterinary and breeding	5.00%	131,801	0.32	65	
Testing and trimming		34,847	0.08	17	
Hauling livestock		7,727	0.02	4	
Miscellaneous		8,983	0.02	4	
Less cost of raising heifers		(128,395)	(0.31)	(63)	
Total other expenses		\$2,715,733	\$6.55	\$1,332	%
Total expenses		\$6,112,420	\$14.75	\$2,996	%
NET INCOME		(\$752,703)	(\$1.81)	(\$368)	%
AVERAGE DAIRY STATISTICAL DATA:					
Average number of milking cows		1,713			
Average daily production per cow		66			
Average butterfat test		3.71	%		
Average protein test		3.12	%		
Herd turnover rate		32.69	%		

**AVERAGE INCOME AND EXPENSES
FOR GENSKE, MULDER & CO. DAIRY CLIENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2006**

	AMOUNT	PER CWT	PER COW
INCOME:			
Milk	\$4,117,954	\$12.01	\$1,895
Milk futures	10,286	0.03	5
Calves and heifers	133,722	-0.39	62
Patronage dividend	34,288	0.10	16
Other	41,145	0.12	19
Total income	\$4,337,395	\$12.65	\$1,997
EXPENSES:			
Feed:			
Hay and silage	\$1,258,359	\$3.67	\$579
Grain	1,326,934	3.87	611
Less cost of feeding heifers	(569,176)	(1.66)	(262)
Total feed	\$2,016,117	\$5.88	\$928
Herd replacement cost:			
Depreciation - dairy cows	\$339,448	\$0.99	\$156
Loss on sale of cows	216,013	0.63	99
Total herd replacement cost	\$555,461	\$1.62	\$255
Other operating expenses:			
Interest and rent	\$373,736	\$1.09	\$172
Labor	462,884	1.35	213
Depreciation - other	168,010	0.49	77
Milk hauling	212,584	0.62	98
Industry assessments	89,148	0.26	41
Supplies	188,582	0.55	87
BST	48,003	0.14	22
Environmental	20,573	0.06	9
Repairs and maintenance	150,866	0.44	69
Utilities	96,006	0.28	44
Taxes and licenses	58,289	0.17	27
Insurance	44,574	0.13	21
Fuel and oil	72,004	0.21	33
Legal and accounting	17,144	0.05	8
Employee benefits	13,715	0.04	6
Veterinary and breeding	113,149	0.33	52
Testing and trimming	27,430	0.08	13
Hauling livestock	3,429	0.01	2
Miscellaneous	6,857	0.02	3
Less cost of raising heifers	(116,578)	(0.34)	(54)
Total other expenses	\$2,050,405	\$5.98	\$943
Total expenses	\$4,621,983	\$13.48	\$2,126
NET INCOME	(\$284,588)	(\$0.83)	(\$129)
AVERAGE DAIRY STATISTICAL DATA:			
Average number of milking cows	1,847		
Average daily production per cow	68		
Average butterfat test	3.57	%	
Average protein test	3.02	%	
Herd turnover rate	31.96	%	

AVERAGE INCOME AND EXPENSES
FOR GENSKE, MULDER & CO. DAIRY CLIENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2006

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Average protein test	3.02	%	
Herd turnover rate	31.96	%	

PRODUCED BY GENSKE, MULDER & CO. LLP
AVERAGE COST OF PRODUCTION FOR THE LAST SEVEN YEARS
DECEMBER 31, 2000 THRU SEPTEMBER 30, 2006

	GROSS PRICE	AVE PER COW	TOTAL CWT COST	AVE PER COW	NET CWT INCOME	AVE PER COW
ARIZONA						
09/30/2006	\$11.96	\$1,808	\$14.29	\$2,160	(\$1.73)	(\$261)
12/31/2005	14.97	2,880	14.25	2,742	1.35	259
12/31/2004	15.67	3,054	13.93	2,715	2.25	438
12/31/2003	12.12	2,332	13.11	2,519	(0.66)	(124)
12/31/2002	11.51	2,189	12.93	2,460	(0.93)	(178)
12/31/2001	14.39	2,548	12.78	2,063	1.75	310
12/31/2000	12.06	2,081	12.50	2,158	(0.33)	(57)
Average	\$13.24	\$2,703	\$13.40	\$2,691	\$0.27	\$62
CALIFORNIA						
09/30/2006	\$11.40	\$1,801	\$12.91	\$2,038	(\$0.98)	(\$154)
12/31/2005	14.21	2,942	13.34	\$2,762	1.57	\$324
12/31/2004	14.89	3,035	12.62	2,573	2.83	577
12/31/2003	11.53	2,327	11.89	2,402	0.27	53
12/31/2002	11.19	2,277	11.90	2,420	(0.06)	(12)
12/31/2001	14.06	2,792	11.90	2,361	2.60	517
12/31/2000	11.62	2,348	11.34	2,291	0.76	153
Average	\$12.70	\$2,804	\$12.27	\$2,696	\$1.12	\$233
MIDWEST						
09/30/2006	\$12.94	\$2,008	\$15.03	\$2,332	(\$1.15)	(\$179)
12/31/2005	15.55	3,065	14.83	2,922	1.46	288
12/31/2004	16.21	3,084	14.83	2,822	1.70	325
12/31/2003	13.27	2,378	13.86	2,476	(0.15)	(20)
12/31/2002	13.12	2,328	14.29	2,536	(0.03)	(5)
12/31/2001	14.94	2,446	14.71	2,409	0.70	115
12/31/2000	12.63	2,256	13.27	2,370	(0.10)	(17)
Average	\$14.09	\$2,810	\$14.40	\$2,659	\$0.39	\$81
IDAHO						
09/30/2006	\$11.70	\$1,781	\$13.05	\$1,987	(\$0.80)	(\$122)
12/31/2005	14.47	2,924	13.51	2,731	1.34	270
12/31/2004	15.38	3,278	12.98	2,771	2.27	479
12/31/2003	11.81	2,326	11.82	2,326	0.24	49
12/31/2002	11.32	2,285	11.96	2,414	(0.33)	(66)
12/31/2001	13.34	2,510	11.90	2,242	1.63	335
12/31/2000	11.06	2,028	11.60	2,127	(0.27)	(50)
Average	\$12.73	\$2,741	\$12.40	\$2,656	\$0.65	\$143
NEW MEXICO						
09/30/2006	\$11.52	\$1,797	\$12.66	\$1,975	(\$0.55)	(\$86)
12/31/2005	14.20	2,778	13.40	2,623	1.42	278
12/31/2004	15.10	3,005	13.07	2,600	2.47	493
12/31/2003	12.00	2,270	12.21	2,311	0.18	34
12/31/2002	11.99	2,271	12.47	2,362	0.39	74
12/31/2001	15.02	2,769	13.01	2,401	2.38	439
12/31/2000	12.53	2,445	11.83	2,308	1.10	215
Average	\$13.19	\$2,774	\$12.66	\$2,653	\$1.18	\$232
TEXAS						
09/30/2006	\$12.31	\$1,820	\$14.52	\$2,147	(\$1.47)	(\$218)
12/31/2005	14.97	2,900	14.64	2,835	0.97	190
12/31/2004	16.02	3,156	14.50	2,856	1.87	370
12/31/2003	13.27	2,519	13.74	2,606	(0.01)	0
12/31/2002	13.08	2,527	13.53	2,614	0.38	74
12/31/2001	15.92	2,814	14.52	2,564	1.68	297
12/31/2000	13.50	2,523	13.20	2,467	0.68	128
Average	\$14.15	\$2,921	\$14.09	\$2,894	\$0.66	\$135
WASHINGTON						
09/30/2006	\$12.24	\$2,291	\$12.64	\$2,366	\$0.25	\$46
12/31/2005	14.60	3,588	12.90	3,170	2.15	530
12/31/2004	15.15	3,617	12.85	3,066	2.63	628
12/31/2003	11.21	2,733	11.33	2,785	0.21	48
12/31/2002	11.42	2,801	11.80	2,894	0.15	36
12/31/2001	14.20	2,688	12.35	2,343	2.12	459
12/31/2000	12.28	2,625	11.75	2,514	0.86	184
Average	\$13.01	\$3,255	\$12.23	\$3,062	\$1.34	\$309
NEW ENGLAND						
09/30/2006			N/A			N/A
12/31/2005			15.74			339
12/31/2004			15.68			508
12/31/2003			14.15			41
12/31/2002			13.98			31
12/31/2001			15.12			384
12/31/2000			N/A			N/A
Average	\$0.00	\$0	\$14.93	\$0	\$0.00	\$261

PRODUCED BY GENSKE, MULDER & CO LLP
AVERAGE COST OF PRODUCTION FOR THE LAST SEVEN YEARS
DECEMBER 31, 2000 THRU SEPTEMBER 30, 2006

	MAILBOX	AVE PER	TOTAL	AVE PER	NET	
	PRICE	COW	CWT	COW	CWT	AVE PER
			COST		INCOME	COW
ARIZONA	\$13.24	\$2,703	\$13.40	\$2,691	\$0.27	\$62
CALIFORNIA	\$12.70	\$2,804	\$12.27	\$2,696	\$1.12	\$233
MIDWEST	\$14.09	\$2,810	\$14.40	\$2,859	\$0.39	\$81
IDAHO	\$12.73	\$2,741	\$12.40	\$2,656	\$0.65	\$143
NEW MEXICO	\$13.19	\$2,774	\$12.66	\$2,653	\$1.18	\$232
TEXAS	\$14.15	\$2,921	\$14.09	\$2,894	\$0.66	\$135
WASHINGTON	\$13.01	\$3,255	\$12.23	\$3,062	\$1.34	\$309
NEW ENGLAND	\$0.00	\$0	\$14.93	\$0	\$0.00	\$261

**PROFORMA INCOME AND EXPENSES
FOR GENSKÉ, MULDER & CO. DAIRY CLIENTS
FOR THE YEAR ENDED DECEMBER 31, 2007**

	% CHANGE FROM 2006	AMOUNT	PER CWT	PER COW
INCOME:				
Milk	+ 25%	\$6,504,300	\$15.00	\$3,071
Calves	- 25%	112,741	0.26	53
Other		108,405	0.25	51
Total income		\$6,725,446	\$15.51	\$3,175
EXPENSES:				
Feed:				
Hay and silage	+ 10%	\$1,751,825	\$4.04	\$827
Grain	+ 20%	2,202,790	5.08	1,040
Less cost of feeding heifers	+ 10%	(780,516)	(1.80)	(368)
Total feed		\$3,174,099	\$7.32	\$1,499
Herd replacement cost:				
Depreciation - dairy cows		\$476,982	\$1.10	\$225
Loss on sale of cows		294,862	0.68	139
Total herd replacement cost	+ 10%	\$771,844	\$1.78	\$364
Other operating expenses:				
Interest and rent		\$476,982	\$1.10	\$225
Labor	+ 3%	607,068	1.40	288
Depreciation - other		216,810	0.50	102
Milk hauling		268,844	0.62	127
Industry assessments		112,741	0.26	53
Supplies		238,491	0.55	113
BST	- 50%	30,353	0.07	14
Environmental	+ 10%	34,690	0.08	16
Repairs and maintenance	+ 10%	216,810	0.50	102
Utilities		121,414	0.28	57
Taxes and licenses		73,715	0.17	35
Insurance		56,371	0.13	27
Fuel and oil		91,060	0.21	43
Legal and accounting		21,681	0.05	10
Employee benefits		21,680	0.05	10
Veterinary and breeding		143,095	0.33	68
Testing and trimming		34,690	0.08	16
Hauling livestock		4,336	0.01	2
Miscellaneous		8,672	0.02	4
Less cost of raising heifers		(147,431)	(0.34)	(70)
Total other expenses		\$2,632,072	\$6.07	\$1,242
Total expenses		\$6,578,015	\$15.17	\$3,105
NET INCOME		\$147,431	\$0.34	\$70
AVERAGE DAIRY STATISTICAL DATA:				
Average number of milking cows		1,800		
Average daily production per cow	-2%	66		
Average butterfat test		3.60	%	
Average protein test		3.00	%	
Herd turnover rate		33.00	%	

**PROFORMA INCOME AND EXPENSES
FOR GENSKE, MULDER & CO. DAIRY CLIENTS
FOR THE YEAR ENDED DECEMBER 31, 2007**

Total other expenses		\$2,632,072	\$6.07	\$1,242
Total expenses		\$6,578,015	\$15.17	\$3,105
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Approximately 10% of the nation's milk is produced by our clients in 26 states.

GENSKE, MULDER & COMPANY, LLP

Certified Public Accountants

"Right for you... Right for your Industry."

This is our 7th Annual Illustration Explaining Why Dairy Producers MUST Support A National "C.W.T." Program!

	April 1996*	March 2006*	Change
Retail fluid milk	\$2.50/gallon	\$3.75/gallon	+50%
Retail cheddar cheese	\$2.30/pound	\$4.50/pound	+95%
Average California Producer pay price	\$12.10/cwt.	\$10.80/cwt.	-11%

Average producer pay price needed to keep up with retail price increases: **\$21.20/cwt.**

Are dairymen getting a fair share of the retail dollar?

Why dairymen should have a coordinated marketing plan:

1. To satisfy targeted markets - both domestic and foreign,
2. To approach decision-making from a systematic view of management in which all functions are interdependent.
3. To earn a satisfactory return to the owners.
4. Marketing textbooks say that goals 1-2-3 can only be met if everyone works together.

*Per Genske, Mulder & Co., LLP survey and sales of dairy products, "Loss Leaders" excluded.

Services:

- Accounting
- Bookkeeping
- Business Organization
- Cash Flow Projections
- Computer Installation
- Estate Planning
- Income Tax Consulting & Preparation
- Profitability Improvement
- Promoting Higher Milk Prices

Consulting Partners:

- Gary Genske, C.P.A.
- Paul Mulder, C.P.A.
- Wayne Cunningham, C.P.A.
- Bruce Miles, C.P.A.
- Paul Anema, C.P.A.
- Pete Hoekstra, C.P.A.
- David Beal, C.P.A.
- Brad Carr, CPA
- Albert Nunes, C.P.A.
- Robert Burroughs, C.P.A.
- Glenn Hoagland, C.P.A.
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