

April 2, 2019

Progress Report #3



Preliminary Progress Report

Selected Financial and Production Factors

Average All Farms

Less Than 600 Cows

600-1200 Cows

Greater Than 1200 Cows

Dairy Farm Business Summary

New York State

125 Farms

Jason Karszes

Lauren Hill

Wayne Knoblauch

**Agricultural Finance and Management at Cornell
Cornell Dairy Farm Business Summary & Analysis Program
Cornell University
Ithaca, New York 14853-7801**



PROGRESS OF THE FARM BUSINESS

Same 121 New York Dairy Farms, 2017 & Preliminary 2018, DFBS

SELECTED FACTORS	Average of 121 Farms		Percent Change
	2017	2018	
<i>Size of Business</i>			
Average number of cows	1,003	1,075	7%
Average number of heifers	880	915	4%
Milk sold, pounds	26,150,494	27,836,556	6%
Worker equivalent	21.2	22.1	4%
Total tillable acres	1,906	1,957	3%
<i>Rates of Production</i>			
Milk sold per cow, pounds	26,071	25,903	-1%
Hay DM per acre, tons	3.4	3.2	-6%
Corn silage per acre, tons	18.3	19.0	4%
<i>Labor Efficiency</i>			
Cows per worker	47.4	48.7	3%
Milk sold per worker, pounds	1,234,679	1,260,714	2%
<i>Cost Control and Milk Price</i>			
Grain & concentrate per cwt. milk	\$5.66	\$5.78	2%
Net milk income over purchased grain & conc. per cow	\$2,928	\$2,532	-14%
Dairy feed & crop expense per cwt. milk	\$7.11	\$7.23	2%
Labor and machinery costs per cow	\$1,743	\$1,687	-3%
Hired labor costs per cwt. milk	\$2.98	\$3.00	1%
Hired labor costs per worker equivalent	\$42,276	\$43,362	3%
Operating cost of producing milk per cwt.	\$14.82	\$15.09	2%
Purchased input cost of producing milk per cwt.	\$16.52	\$16.72	1%
Total cost of producing milk per cwt.	\$18.78	\$18.90	1%
Net milk price	\$17.44	\$16.08	-8%
<i>Capital Efficiency (average for year)</i>			
Farm capital per cow	\$12,041	\$11,619	-4%
Machinery and equipment per cow	\$1,879	\$1,769	-6%
Asset turnover ratio	0.49	0.43	-12%
<i>Profitability</i>			
Net farm income without appreciation	\$517,635	\$151,254	-71%
Net farm income without appreciation per cow	\$516	\$141	-73%
Net farm income with appreciation	\$787,691	-\$23,958	-103%
Net farm income with appreciation per cow	\$785	-\$22	-103%
Labor & management income per operator/manager	\$46,856	-\$108,670	-332%
Rate return on equity capital with appreciation	7.4%	-2.7%	-136%
Rate return on equity capital without appreciation	4.1%	-0.4%	-110%
Rate return on all capital with appreciation	6.3%	-0.2%	-103%
Rate return on all capital without appreciation	4.1%	1.3%	-67%
<i>Financial Summary (based on market value, excluding deferred taxes)</i>			
Farm net worth, end year	\$8,295,217	\$8,038,579	-3%
Debt to asset ratio	0.33	0.36	9%
Farm debt per cow	\$4,007	\$4,053	1%
Debt coverage ratio	1.71	0.92	-46%

*Farm participating both years



RECEIPTS & EXPENSES PER COW AND PER HUNDREDWEIGHT

Same 121 New York Dairy Farms, 2017 & Preliminary 2018, DFBS

Item	2017		2018		% Change Per Cwt.
	Per Cow	Per Cwt.	Per Cow	Per Cwt.	
Average number of cows	1,003		1,075		7%
Cwt. of milk sold		261,505		278,366	6%
ACCRUAL OPERATING RECEIPTS					
Milk	\$4,823	\$18.50	\$4,472	\$17.26	-7%
Dairy cattle	\$407	\$1.56	\$320	\$1.23	-21%
Dairy calves	\$49	\$0.19	\$22	\$0.09	-53%
Other livestock	\$14	\$0.05	\$24	\$0.09	80%
Crops	\$126	\$0.48	\$107	\$0.41	-15%
Miscellaneous receipts	<u>\$152</u>	<u>\$0.58</u>	<u>\$173</u>	<u>\$0.67</u>	16%
Total Operating Receipts	\$5,572	\$21.37	\$5,117	\$19.76	-8%
ACCRUAL OPERATING EXPENSES					
Hired labor	\$777	\$2.98	\$776	\$3.00	1%
Dairy grain & concentrate	\$1,477	\$5.66	\$1,498	\$5.78	2%
Dairy roughage	\$89	\$0.34	\$91	\$0.35	3%
Nondairy feed	\$0	\$0.00	\$0	\$0.00	NA
Professional nutritional services	\$1	\$0.00	\$1	\$0.00	NA
Machine hire, rent & lease	\$136	\$0.52	\$123	\$0.48	-8%
Machine repair & vehicle expense	\$248	\$0.95	\$219	\$0.84	-12%
Fuel, oil & grease	\$134	\$0.51	\$153	\$0.59	16%
Replacement livestock	\$7	\$0.03	\$5	\$0.02	-33%
Breeding	\$56	\$0.21	\$53	\$0.20	-5%
Veterinary & medicine	\$165	\$0.63	\$152	\$0.59	-6%
Milk marketing	\$278	\$1.07	\$306	\$1.18	10%
Bedding	\$88	\$0.34	\$81	\$0.31	-9%
Milking supplies	\$91	\$0.35	\$83	\$0.32	-9%
Cattle lease	\$3	\$0.01	\$2	\$0.01	0%
Custom boarding	\$103	\$0.40	\$80	\$0.31	-23%
BST expense	\$11	\$0.04	\$0	\$0.00	-100%
Livestock professional fees	\$16	\$0.06	\$14	\$0.05	-17%
Other livestock expense	\$27	\$0.10	\$21	\$0.08	-20%
Fertilizer & lime	\$99	\$0.38	\$100	\$0.39	3%
Seeds & plants	\$120	\$0.46	\$110	\$0.42	-9%
Spray & other crop expense	\$62	\$0.24	\$56	\$0.22	-8%
Crop professional fees	\$8	\$0.03	\$7	\$0.03	0%
Land, building & fence repair	\$70	\$0.27	\$61	\$0.23	-15%
Taxes	\$63	\$0.24	\$61	\$0.24	0%
Real estate rent & lease	\$79	\$0.30	\$81	\$0.31	3%
Insurance	\$45	\$0.17	\$44	\$0.17	0%
Utilities	\$88	\$0.34	\$94	\$0.36	6%
Interest paid	\$159	\$0.61	\$187	\$0.72	18%
Other professional fees	\$26	\$0.10	\$27	\$0.10	0%
Miscellaneous	<u>\$28</u>	<u>\$0.11</u>	<u>\$24</u>	<u>\$0.09</u>	-18%
Total Operating Expenses	\$4,551	\$17.46	\$4,509	\$17.41	0%
Expansion livestock	\$60	\$0.23	\$35	\$0.14	-39%
Extraordinary expenses	\$5	\$0.02	\$2	\$0.01	-50%
Machinery depreciation	\$252	\$0.97	\$226	\$0.87	-10%
Real estate depreciation	<u>\$188</u>	<u>\$0.72</u>	<u>\$193</u>	<u>\$0.74</u>	3%
Total Expenses	\$5,056	\$19.40	\$4,965	\$19.17	-1%
Net Farm Income w/o Appreciation	\$516	\$1.98	\$141	\$0.54	-73%



Farm Business Chart

The Farm Business Chart is a tool which can be used in analyzing your business. Compare your business by drawing a line through or near the figure in each column, which represents your current level of performance. The five figures in each column represents the average of each 20 percent or quintile of farms included in the summary. Use this information to identify business areas where more challenging goals are needed.

FARM BUSINESS CHART FOR FARM MANAGEMENT COOPERATORS

125 New York Dairy Farms, Preliminary 2018

Size of Business			Rates of Production			Labor Efficiency	
Worker Equivalents	No. of Cows	Pounds Milk Sold	Pounds Milk Sold Per Cow	Tons Hay Crop DM/Acre	Tons Corn Silage per Acre	Cows Per Worker	Pounds Milk Sold Per Worker
(14)*	(12)	(12)	(12)	(11)	(11)	(14)	(14)
46.8	2,378	61,683,594	28,266	4.5	23.0	62.6	1,588,231
26.1	1,280	34,301,326	26,993	3.7	20.4	51.1	1,332,544
19.8	925	24,239,424	25,922	3.2	19.1	46.4	1,189,030
12.2	556	13,503,551	24,696	2.6	17.5	41.6	1,044,061
4.5	165	3,724,275	19,826	1.5	11.2	29.8	684,261

Cost Control							
Grain Bought per Cow	Grain Bought per Cwt.	% Grain is of Milk Receipts	Machinery Costs per Cow	Labor & Machinery Costs/Cow	Feed & crop Expenses per Cow	Feed & Crop Expenses per Cwt. Milk	Hired Labor Cost per Wkr. Equivalent
(12)	(12)	(12)	(14)	(14)	(12)	(12)	(14)
\$1,035	\$4.60	27	\$569	\$1,302	\$1,365	\$6.04	\$25,713
\$1,356	\$5.42	31	\$748	\$1,635	\$1,692	\$6.80	\$38,149
\$1,508	\$5.86	34	\$873	\$1,810	\$1,831	\$7.30	\$41,411
\$1,638	\$6.36	37	\$972	\$1,958	\$2,003	\$7.73	\$44,481
\$1,876	\$7.14	41	\$1,274	\$2,484	\$2,311	\$8.75	\$51,758

Value of Production			Profitability				
Milk Receipts Per Cow	Milk Receipts Per Cwt.	Opr. Cost Milk Production per Cwt.	Total Cost Milk Production Per Cwt.	% Rate of Return on All Capital w/o Apprec.	Net Farm Income Without Apprec.	Labor & Management Income per Operator	Change in Net Worth with Apprec.
(12)	(12)	(12)	(12)	(4)	(4)	(4)	(8)
\$4,968	\$18.65	\$13.29	\$17.24	4.6	\$939,117	\$110,727	\$602,441
\$4,657	\$17.60	\$14.34	\$18.50	1.9	\$239,402	-\$35,169	-\$21,490
\$4,459	\$17.21	\$15.19	\$19.38	0.3	\$62,634	-\$94,312	-\$180,611
\$4,192	\$16.80	\$16.14	\$20.93	-2.1	-\$55,216	-\$173,630	-\$443,168
\$3,436	\$16.18	\$18.93	\$26.29	-8.1	-\$466,034	-\$516,799	-\$1,306,006

Financial Efficiency							
Investment per Cow	Machinery Investment per Cow	Asset Turnover Ratio	Operating Expense Ratio	Debt Coverage Ratio	Planned Debt Payments per Cow	Percent Equity	Working Capital as % of Opr. Expense
(14)	(14)	(14)	(14)	(10)	(12)	(7)	(7)
\$7,723	\$836	0.66	0.78	10.26	\$95	95	59
\$10,327	\$1,515	0.48	0.82	1.32	\$323	75	27
\$11,982	\$2,001	0.41	0.85	0.79	\$572	62	18
\$13,509	\$2,564	0.35	0.90	0.34	\$769	52	10
\$18,043	\$3,913	0.24	1.04	-2.33	\$1,006	34	-12

*Page number of the participant's DFBS where the factor is located.



PROGRESS OF THE FARM BUSINESS

Same 39 New York Dairy Farms, Less Than 600 Cows, 2017 & Preliminary 2018, DFBS

SELECTED FACTORS	Average of 39 Farms		Percent Change
	2017	2018	
<i>Size of Business</i>			
Average number of cows	277	286	3%
Average number of heifers	242	241	0%
Milk sold, pounds	6,723,498	6,918,549	3%
Worker equivalent	7.0	7.1	2%
Total tillable acres	624	645	3%
<i>Rates of Production</i>			
Milk sold per cow, pounds	24,309	24,193	0%
Hay DM per acre, tons	3.1	3.1	0%
Corn silage per acre, tons	18.6	18.5	-1%
<i>Labor Efficiency</i>			
Cows per worker	39.9	40.5	1%
Milk sold per worker, pounds	967,410	978,578	1%
<i>Cost Control and Milk Price</i>			
Grain & concentrate per cwt. milk	\$5.43	\$5.77	6%
Net milk income over purchased grain & conc. per cow	\$2,743	\$2,301	-16%
Dairy feed & crop expense per cwt. milk	\$6.89	\$7.26	5%
Labor and machinery costs per cow	\$1,922	\$1,941	1%
Hired labor costs per cwt. milk	\$2.36	\$2.48	5%
Hired labor costs per worker equivalent	\$36,256	\$38,804	7%
Operating cost of producing milk per cwt.	\$14.36	\$15.46	8%
Purchased input cost of producing milk per cwt.	\$16.52	\$17.55	6%
Total cost of producing milk per cwt.	\$20.24	\$21.25	5%
Net milk price	\$17.30	\$15.93	-8%
<i>Capital Efficiency (average for year)</i>			
Farm capital per cow	\$13,323	\$13,054	-2%
Machinery and equipment per cow	\$2,656	\$2,619	-1%
Asset turnover ratio	0.41	0.34	-17%
<i>Profitability</i>			
Net farm income without appreciation	\$127,829	-\$29,786	-123%
Net farm income without appreciation per cow	\$462	-\$104	-123%
Net farm income with appreciation	\$198,822	-\$79,278	-140%
Net farm income with appreciation per cow	\$719	-\$277	-139%
Labor & management income per operator/manager	-\$4,485	-\$84,405	-1782%
Rate return on equity capital with appreciation	3.0%	-8.1%	-370%
Rate return on equity capital without appreciation	0.3%	-6.2%	-2127%
Rate return on all capital with appreciation	3.3%	-4.1%	-224%
Rate return on all capital without appreciation	1.4%	-2.8%	-296%
<i>Financial Summary (based on market value, excluding deferred taxes)</i>			
Farm net worth, end year	\$2,640,700	\$2,480,436	-6%
Debt to asset ratio	0.3	0.33	10%
Farm debt per cow	\$3,678	\$4,305	17%
Debt coverage ratio	1.57	0.66	-58%

*Farm participating both years



RECEIPTS & EXPENSES PER COW AND PER HUNDREDWEIGHT

Same 39 New York Dairy Farms, Less Than 600 Cows, 2017 & Preliminary 2018, DFBS

Item	2017		2018		% Change Per Cwt.
	Per Cow	Per Cwt.	Per Cow	Per Cwt.	
Average number of cows	277		286		3%
Cwt. of milk sold		67,235		69,185	3%
ACCRUAL OPERATING RECEIPTS					
Milk	\$4,478	\$18.42	\$4,143	\$17.12	-7%
Dairy cattle	\$367	\$1.51	\$232	\$0.96	-36%
Dairy calves	\$32	\$0.13	\$26	\$0.11	-15%
Other livestock	\$12	\$0.05	\$10	\$0.04	-20%
Crops	\$154	\$0.63	\$83	\$0.34	-46%
Miscellaneous receipts	<u>\$124</u>	<u>\$0.51</u>	<u>\$162</u>	<u>\$0.67</u>	31%
Total Operating Receipts	\$5,167	\$21.26	\$4,656	\$19.24	-10%
ACCRUAL OPERATING EXPENSES					
Hired labor	\$573	\$2.36	\$600	\$2.48	5%
Dairy grain & concentrate	\$1,319	\$5.43	\$1,397	\$5.77	6%
Dairy roughage	\$64	\$0.26	\$71	\$0.29	12%
Nondairy feed	\$1	\$0.01	\$1	\$0.01	0%
Professional nutritional services	\$1	\$0.01	\$2	\$0.01	0%
Machine hire, rent & lease	\$168	\$0.69	\$160	\$0.66	-4%
Machine repair & vehicle expense	\$251	\$1.03	\$226	\$0.94	-9%
Fuel, oil & grease	\$145	\$0.60	\$175	\$0.73	22%
Replacement livestock	\$3	\$0.01	\$11	\$0.05	400%
Breeding	\$61	\$0.25	\$59	\$0.25	0%
Veterinary & medicine	\$150	\$0.62	\$138	\$0.57	-8%
Milk marketing	\$273	\$1.12	\$287	\$1.19	6%
Bedding	\$89	\$0.37	\$86	\$0.35	-5%
Milking supplies	\$107	\$0.44	\$93	\$0.39	-11%
Cattle lease	\$0	\$0.00	\$0	\$0.00	NA
Custom boarding	\$7	\$0.03	\$10	\$0.04	33%
BST expense	\$3	\$0.01	\$0	\$0.00	-100%
Livestock professional fees	\$18	\$0.07	\$16	\$0.06	-14%
Other livestock expense	\$35	\$0.14	\$31	\$0.13	-7%
Fertilizer & lime	\$100	\$0.41	\$95	\$0.39	-5%
Seeds & plants	\$117	\$0.48	\$119	\$0.49	2%
Spray & other crop expense	\$67	\$0.28	\$65	\$0.27	-4%
Crop professional fees	\$9	\$0.04	\$9	\$0.04	0%
Land, building & fence repair	\$60	\$0.25	\$44	\$0.18	-28%
Taxes	\$73	\$0.30	\$73	\$0.30	0%
Real estate rent & lease	\$76	\$0.31	\$71	\$0.29	-6%
Insurance	\$63	\$0.26	\$64	\$0.26	0%
Utilities	\$94	\$0.39	\$103	\$0.43	10%
Interest paid	\$160	\$0.66	\$190	\$0.79	20%
Other professional fees	\$23	\$0.10	\$25	\$0.10	0%
Miscellaneous	<u>\$22</u>	<u>\$0.09</u>	<u>\$27</u>	<u>\$0.11</u>	22%
Total Operating Expenses	\$4,134	\$17.01	\$4,249	\$17.56	3%
Expansion livestock	\$47	\$0.19	\$4	\$0.02	-89%
Extraordinary expenses	\$0	\$0.00	\$0	\$0.00	NA
Machinery depreciation	\$308	\$1.27	\$296	\$1.22	-4%
Real estate depreciation	<u>\$216</u>	<u>\$0.89</u>	<u>\$211</u>	<u>\$0.87</u>	-2%
Total Expenses	\$4,705	\$19.36	\$4,760	\$19.67	2%
Net Farm Income w/o Appreciation	\$462	\$1.90	-\$104	-\$0.43	-123%



Farm Business Chart

The Farm Business Chart is a tool which can be used in analyzing your business. Compare your business by drawing a line through or near the figure in each column, which represents your current level of performance. The five figures in each column represents the average of each 20 percent or quintile of farms included in the summary. Use this information to identify business areas where more challenging goals are needed.

FARM BUSINESS CHART FOR FARM MANAGEMENT COOPERATORS

41 New York Dairy Farms, Less Than 600 Cows, Preliminary 2018

Size of Business			Rates of Production			Labor Efficiency	
Worker Equivalents	No. of Cows	Pounds Milk Sold	Pounds Milk Sold Per Cow	Tons Hay Crop DM/Acre	Tons Corn Silage per Acre	Cows Per Worker	Pounds Milk Sold Per Worker
(14)*	(12)	(12)	(12)	(11)	(11)	(14)	(14)
13.9	525	13,105,106	27,672	4.3	22.6	61.1	1,403,534
9.6	475	11,851,253	25,917	3.5	20.1	46.4	1,121,971
7.0	283	6,839,529	24,831	3.1	19.0	38.6	917,294
4.4	156	3,504,955	22,576	2.3	17.3	31.0	778,226
2.4	69	1,347,925	16,596	1.4	9.0	23.0	454,688

Cost Control							
Grain Bought per Cow	Grain Bought per Cwt.	% Grain is of Milk Receipts	Machinery Costs per Cow	Labor & Machinery Costs/Cow	Feed & crop Expenses per Cow	Feed & Crop Expenses per Cwt. Milk	Hired Labor Cost per Wkr. Equivalent
(12)	(12)	(12)	(14)	(14)	(12)	(12)	(14)
\$875	\$4.30	25	\$622	\$1,493	\$1,160	\$6.03	\$12,340
\$1,237	\$5.41	31	\$887	\$1,880	\$1,620	\$6.94	\$32,335
\$1,433	\$5.97	35	\$997	\$2,059	\$1,746	\$7.42	\$36,975
\$1,569	\$6.48	38	\$1,193	\$2,254	\$1,892	\$7.76	\$42,719
\$1,798	\$7.14	42	\$1,540	\$3,049	\$2,226	\$8.69	\$51,887

Value of Production			Profitability				
Milk Receipts Per Cow	Milk Receipts Per Cwt.	Opr. Cost Milk Production per Cwt.	Total Cost Milk Production Per Cwt.	% Rate of Return on All Capital w/o Apprec.	Net Farm Income Without Apprec.	Labor & Management Income per Operator	Change in Net Worth with Apprec.
(12)	(12)	(12)	(12)	(4)	(4)	(4)	(8)
\$4,813	\$18.54	\$13.77	\$18.54	1.5	\$142,286	-\$276	\$96,995
\$4,445	\$17.59	\$14.74	\$20.77	-0.9	\$39,709	-\$31,364	-\$18,640
\$4,205	\$17.28	\$15.46	\$22.40	-3.3	-\$5,881	-\$61,389	-\$73,447
\$3,869	\$16.72	\$16.67	\$23.51	-5.4	-\$58,283	-\$125,886	-\$154,159
\$2,849	\$15.92	\$20.21	\$32.29	-11.0	-\$278,578	-\$252,053	-\$523,311

Financial Efficiency							
Investment per Cow	Machinery Investment per Cow	Asset Turnover Ratio	Operating Expense Ratio	Debt Coverage Ratio	Planned Debt Payments per Cow	Percent Equity	Working Capital as % of Opr. Expense
(14)	(14)	(14)	(14)	(10)	(12)	(7)	(7)
\$8,928	\$1,237	0.51	0.79	5.05	\$82	98	57
\$11,452	\$2,274	0.42	0.83	1.19	\$248	83	31
\$12,968	\$2,788	0.35	0.89	0.67	\$454	69	22
\$15,229	\$3,632	0.29	0.93	0.10	\$763	57	13
\$21,540	\$5,118	0.17	1.13	-2.92	\$1,073	37	-11

*Page number of the participant's DFBS where the factor is located.



PROGRESS OF THE FARM BUSINESS

Same 40 New York Dairy Farms, 600-1,200 Cows, 2017 & Preliminary 2018, DFBS

SELECTED FACTORS	Average of 40 Farms		Percent Change
	2017	2018	
<i>Size of Business</i>			
Average number of cows	881	914	4%
Average number of heifers	774	801	3%
Milk sold, pounds	22,857,992	23,675,830	4%
Worker equivalent	19.4	19.8	2%
Total tillable acres	1,742	1,767	1%
<i>Rates of Production</i>			
Milk sold per cow, pounds	25,948	25,894	0%
Hay DM per acre, tons	3.3	3.0	-9%
Corn silage per acre, tons	17.7	19.3	9%
<i>Labor Efficiency</i>			
Cows per worker	45.4	46.1	1%
Milk sold per worker, pounds	1,178,855	1,193,338	1%
<i>Cost Control and Milk Price</i>			
Grain & concentrate per cwt. milk	\$5.82	\$5.97	3%
Net milk income over purchased grain & conc. per cow	\$3,006	\$2,607	-13%
Dairy feed & crop expense per cwt. milk	\$7.49	\$7.48	0%
Labor and machinery costs per cow	\$1,787	\$1,738	-3%
Hired labor costs per cwt. milk	\$3.04	\$3.06	1%
Hired labor costs per worker equivalent	\$41,353	\$42,146	2%
Operating cost of producing milk per cwt.	\$15.61	\$15.64	0%
Purchased input cost of producing milk per cwt.	\$17.22	\$17.18	0%
Total cost of producing milk per cwt.	\$19.38	\$19.29	0%
Net milk price	\$17.54	\$16.20	-8%
<i>Capital Efficiency (average for year)</i>			
Farm capital per cow	\$11,746	\$11,412	-3%
Machinery and equipment per cow	\$1,897	\$1,840	-3%
Asset turnover ratio	0.5	0.44	-12%
<i>Profitability</i>			
Net farm income without appreciation	\$329,413	\$48,639	-85%
Net farm income without appreciation per cow	\$374	\$53	-86%
Net farm income with appreciation	\$538,998	-\$102,200	-119%
Net farm income with appreciation per cow	\$612	-\$112	-118%
Labor & management income per operator/manager	\$2,842	-\$113,253	NA
Rate return on equity capital with appreciation	5.7%	-4.4%	-177%
Rate return on equity capital without appreciation	2.5%	-2.0%	-183%
Rate return on all capital with appreciation	5.1%	-0.9%	-118%
Rate return on all capital without appreciation	3.1%	0.5%	-83%
<i>Financial Summary (based on market value, excluding deferred taxes)</i>			
Farm net worth, end year	\$6,576,357	\$6,253,320	-5%
Debt to asset ratio	0.38	0.40	5%
Farm debt per cow	\$4,453	\$4,372	-2%
Debt coverage ratio	1.17	0.64	-45%

*Farm participating both years



RECEIPTS & EXPENSES PER COW AND PER HUNDREDWEIGHT

Same 40 New York Dairy Farms, 600-1,200 Cows, 2017 & Preliminary 2018, DFBS

Item	2017		2018		% Change Per Cwt.
	Per Cow	Per Cwt.	Per Cow	Per Cwt.	
Average number of cows	881		914		4%
Cwt. of milk sold		228,580		236,758	4%
ACCRUAL OPERATING RECEIPTS					
Milk	\$4,843	\$18.66	\$4,501	\$17.38	-7%
Dairy cattle	\$393	\$1.51	\$311	\$1.20	-21%
Dairy calves	\$58	\$0.22	\$21	\$0.08	-64%
Other livestock	\$32	\$0.12	\$55	\$0.21	75%
Crops	\$115	\$0.44	\$73	\$0.28	-36%
Miscellaneous receipts	<u>\$164</u>	<u>\$0.63</u>	<u>\$195</u>	<u>\$0.75</u>	19%
Total Operating Receipts	\$5,605	\$21.60	\$5,156	\$19.91	-8%
ACCRUAL OPERATING EXPENSES					
Hired labor	\$790	\$3.04	\$792	\$3.06	1%
Dairy grain & concentrate	\$1,509	\$5.82	\$1,545	\$5.97	3%
Dairy roughage	\$129	\$0.50	\$104	\$0.40	-20%
Nondairy feed	\$0	\$0.00	\$0	\$0.00	NA
Professional nutritional services	\$3	\$0.01	\$1	\$0.01	0%
Machine hire, rent & lease	\$171	\$0.66	\$143	\$0.55	-17%
Machine repair & vehicle expense	\$244	\$0.94	\$223	\$0.86	-9%
Fuel, oil & grease	\$132	\$0.51	\$158	\$0.61	20%
Replacement livestock	\$7	\$0.03	\$2	\$0.01	-67%
Breeding	\$53	\$0.20	\$48	\$0.18	-10%
Veterinary & medicine	\$172	\$0.66	\$156	\$0.60	-9%
Milk marketing	\$290	\$1.12	\$306	\$1.18	5%
Bedding	\$101	\$0.39	\$91	\$0.35	-10%
Milking supplies	\$86	\$0.33	\$81	\$0.31	-6%
Cattle lease	\$2	\$0.01	\$1	\$0.00	-100%
Custom boarding	\$137	\$0.53	\$108	\$0.42	-21%
BST expense	\$11	\$0.04	\$0	\$0.00	-100%
Livestock professional fees	\$19	\$0.07	\$17	\$0.06	-14%
Other livestock expense	\$17	\$0.07	\$19	\$0.07	0%
Fertilizer & lime	\$96	\$0.37	\$112	\$0.43	16%
Seeds & plants	\$126	\$0.49	\$109	\$0.42	-14%
Spray & other crop expense	\$71	\$0.27	\$56	\$0.22	-19%
Crop professional fees	\$12	\$0.05	\$11	\$0.04	-20%
Land, building & fence repair	\$74	\$0.29	\$61	\$0.23	-21%
Taxes	\$60	\$0.23	\$59	\$0.23	0%
Real estate rent & lease	\$97	\$0.37	\$92	\$0.35	-5%
Insurance	\$45	\$0.18	\$45	\$0.17	-6%
Utilities	\$89	\$0.34	\$94	\$0.36	6%
Interest paid	\$180	\$0.69	\$201	\$0.77	12%
Other professional fees	\$28	\$0.11	\$25	\$0.10	-9%
Miscellaneous	<u>\$32</u>	<u>\$0.12</u>	<u>\$29</u>	<u>\$0.11</u>	-8%
Total Operating Expenses	\$4,782	\$18.43	\$4,686	\$18.10	-2%
Expansion livestock	\$29	\$0.11	\$17	\$0.06	-45%
Extraordinary expenses	\$1	\$0.00	\$3	\$0.01	NA
Machinery depreciation	\$247	\$0.95	\$219	\$0.85	-11%
Real estate depreciation	<u>\$171</u>	<u>\$0.66</u>	<u>\$178</u>	<u>\$0.69</u>	5%
Total Expenses	\$5,230	\$20.15	\$5,103	\$19.71	-2%
Net Farm Income w/o Appreciation	\$374	\$1.44	\$53	\$0.21	-85%



Farm Business Chart

The Farm Business Chart is a tool which can be used in analyzing your business. Compare your business by drawing a line through or near the figure in each column, which represents your current level of performance. The five figures in each column represents the average of each 20 percent or quintile of farms included in the summary. Use this information to identify business areas where more challenging goals are needed.

FARM BUSINESS CHART FOR FARM MANAGEMENT COOPERATORS

42 New York Dairy Farms, 600-1,200 Cows, Preliminary 2018

Size of Business			Rates of Production			Labor Efficiency	
Worker Equivalents	No. of Cows	Pounds Milk Sold	Pounds Milk Sold Per Cow	Tons Hay Crop DM/Acre	Tons Corn Silage per Acre	Cows Per Worker	Pounds Milk Sold Per Worker
(14)*	(12)	(12)	(12)	(11)	(11)	(14)	(14)
26.0	1,142	31,032,044	28,671	4.4	23.1	59.8	1,548,283
23.0	1,032	27,664,305	27,427	3.7	20.9	49.9	1,291,987
20.2	939	24,533,278	26,533	3.2	19.6	46.1	1,201,251
17.6	818	20,933,881	25,203	2.5	17.8	43.3	1,126,220
13.2	656	15,128,620	21,402	1.4	10.4	38.0	910,760

Cost Control							
Grain Bought per Cow	Grain Bought per Cwt.	% Grain is of Milk Receipts	Machinery Costs per Cow	Labor & Machinery Costs/Cow	Feed & crop Expenses per Cow	Feed & Crop Expenses per Cwt. Milk	Hired Labor Cost per Wkr. Equivalent
(12)	(12)	(12)	(14)	(14)	(12)	(12)	(14)
\$1,131	\$4.83	28	\$523	\$1,280	\$1,477	\$6.07	\$35,836
\$1,433	\$5.61	32	\$755	\$1,625	\$1,740	\$7.05	\$39,491
\$1,592	\$6.12	35	\$868	\$1,786	\$1,936	\$7.63	\$42,356
\$1,696	\$6.51	38	\$946	\$1,903	\$2,114	\$7.92	\$44,581
\$1,925	\$7.06	40	\$1,111	\$2,135	\$2,433	\$9.05	\$47,663

Value of Production			Profitability				
Milk Receipts Per Cow	Milk Receipts Per Cwt.	Opr. Cost Milk Production per Cwt.	Total Cost Milk Production Per Cwt.	% Rate of Return on All Capital w/o Apprec.	Net Farm Income Without Apprec.	Labor & Management Income per Operator	Change in Net Worth with Apprec.
(12)	(12)	(12)	(12)	(4)	(4)	(4)	(8)
\$5,118	\$19.33	\$13.37	\$17.20	4.9	\$448,400	\$122,110	\$332,069
\$4,733	\$17.73	\$14.58	\$18.50	1.8	\$228,506	-\$43,410	-\$39,177
\$4,550	\$17.15	\$15.65	\$19.27	0.8	\$89,241	-\$101,974	-\$263,959
\$4,298	\$16.87	\$16.51	\$19.94	-0.3	-\$55,072	-\$164,289	-\$470,301
\$3,812	\$16.47	\$19.10	\$22.82	-5.2	-\$398,804	-\$428,861	-\$904,414

Financial Efficiency							
Investment per Cow	Machinery Investment per Cow	Asset Turnover Ratio	Operating Expense Ratio	Debt Coverage Ratio	Planned Debt Payments per Cow	Percent Equity	Working Capital as % of Opr. Expense
(14)	(14)	(14)	(14)	(10)	(12)	(7)	(7)
\$6,410	\$710	0.87	0.80	12.74	\$159	90	49
\$10,244	\$1,394	0.52	0.83	0.96	\$474	68	23
\$11,875	\$1,923	0.44	0.86	0.63	\$711	59	15
\$13,166	\$2,366	0.38	0.90	0.38	\$878	51	8
\$15,767	\$2,989	0.29	1.01	-0.38	\$1,017	30	-19

*Page number of the participant's DFBS where the factor is located.



PROGRESS OF THE FARM BUSINESS

Same 42 New York Dairy Farms, Greater than 1,200 Cows, 2017 & Preliminary 2018, DFBS

SELECTED FACTORS	Average of 42 Farms		Percent Change
	2017	2018	
<i>Size of Business</i>			
Average number of cows	1,794	1,960	9%
Average number of heifers	1,573	1,649	5%
Milk sold, pounds	47,325,563	51,223,016	8%
Worker equivalent	36.1	38.2	6%
Total tillable acres	3,252	3,358	3%
<i>Rates of Production</i>			
Milk sold per cow, pounds	26,380	26,139	-1%
Hay DM per acre, tons	3.5	3.3	-6%
Corn silage per acre, tons	18.6	18.9	2%
<i>Labor Efficiency</i>			
Cows per worker	49.7	51.4	3%
Milk sold per worker, pounds	1,310,594	1,342,322	2%
<i>Cost Control and Milk Price</i>			
Grain & concentrate per cwt. milk	\$5.63	\$5.70	1%
Net milk income over purchased grain & conc. per cow	\$3,132	\$2,731	-13%
Dairy feed & crop expense per cwt. milk	\$6.97	\$7.12	2%
Labor and machinery costs per cow	\$1,696	\$1,630	-4%
Hired labor costs per cwt. milk	\$3.03	\$3.04	0%
Hired labor costs per worker equivalent	\$43,465	\$44,467	2%
Operating cost of producing milk per cwt.	\$14.51	\$14.81	2%
Purchased input cost of producing milk per cwt.	\$16.20	\$16.41	1%
Total cost of producing milk per cwt.	\$18.31	\$18.43	1%
Net milk price	\$17.40	\$16.05	-8%
<i>Capital Efficiency (average for year)</i>			
Farm capital per cow	\$11,996	\$11,516	-4%
Machinery and equipment per cow	\$1,759	\$1,623	-8%
Asset turnover ratio	0.49	0.43	-12%
<i>Profitability</i>			
Net farm income without appreciation	\$1,058,857	\$417,091	-61%
Net farm income without appreciation per cow	\$590	\$213	-64%
Net farm income with appreciation	\$1,571,348	\$101,927	-94%
Net farm income with appreciation per cow	\$876	\$52	-94%
Labor & management income per operator/manager	\$118,360	-\$120,906	-202%
Rate return on equity capital with appreciation	8.9%	-1.2%	-113%
Rate return on equity capital without appreciation	5.4%	1.1%	-79%
Rate return on all capital with appreciation	7.3%	0.8%	-89%
Rate return on all capital without appreciation	4.9%	2.3%	-53%
<i>Financial Summary (based on market value, excluding deferred taxes)</i>			
Farm net worth, end year	\$15,182,850	\$14,899,957	-2%
Debt to asset ratio	0.32	0.34	6%
Farm debt per cow	\$3,853	\$3,877	1%
Debt coverage ratio	2.06	1.11	-46%

*Farm participating both years



RECEIPTS & EXPENSES PER COW AND PER HUNDREDWEIGHT

Same 42 New York Dairy Farms, Greater than 1,200 Cows, 2017 & Preliminary 2018, DFBS

Item	2017		2018		% Change Per Cwt.
	Per Cow	Per Cwt.	Per Cow	Per Cwt.	
Average number of cows	1,794		1,960		9%
Cwt. of milk sold		473,256		512,230	8%
ACCRUAL OPERATING RECEIPTS					
Milk	\$4,864	\$18.44	\$4,503	\$17.23	-7%
Dairy cattle	\$420	\$1.59	\$335	\$1.28	-19%
Dairy calves	\$47	\$0.18	\$22	\$0.09	-50%
Other livestock	\$6	\$0.02	\$12	\$0.05	150%
Crops	\$128	\$0.48	\$125	\$0.48	0%
Miscellaneous receipts	<u>\$151</u>	<u>\$0.57</u>	<u>\$164</u>	<u>\$0.63</u>	11%
Total Operating Receipts	\$5,615	\$21.28	\$5,163	\$19.75	-7%
ACCRUAL OPERATING EXPENSES					
Hired labor	\$800	\$3.03	\$793	\$3.04	0%
Dairy grain & concentrate	\$1,484	\$5.63	\$1,491	\$5.70	1%
Dairy roughage	\$74	\$0.28	\$87	\$0.33	18%
Nondairy feed	\$0	\$0.00	\$0	\$0.00	NA
Professional nutritional services	\$0	\$0.00	\$1	\$0.00	NA
Machine hire, rent & lease	\$114	\$0.43	\$110	\$0.42	-2%
Machine repair & vehicle expense	\$250	\$0.95	\$215	\$0.82	-14%
Fuel, oil & grease	\$134	\$0.51	\$148	\$0.57	12%
Replacement livestock	\$8	\$0.03	\$6	\$0.02	-33%
Breeding	\$56	\$0.21	\$54	\$0.21	0%
Veterinary & medicine	\$164	\$0.62	\$151	\$0.58	-6%
Milk marketing	\$273	\$1.03	\$308	\$1.18	15%
Bedding	\$82	\$0.31	\$77	\$0.29	-6%
Milking supplies	\$90	\$0.34	\$83	\$0.32	-6%
Cattle lease	\$4	\$0.01	\$3	\$0.01	0%
Custom boarding	\$101	\$0.38	\$76	\$0.29	-24%
BST expense	\$12	\$0.04	\$0	\$0.00	-100%
Livestock professional fees	\$15	\$0.06	\$12	\$0.05	-17%
Other livestock expense	\$30	\$0.11	\$20	\$0.08	-27%
Fertilizer & lime	\$101	\$0.38	\$95	\$0.36	-5%
Seeds & plants	\$117	\$0.44	\$109	\$0.42	-5%
Spray & other crop expense	\$57	\$0.21	\$54	\$0.21	0%
Crop professional fees	\$6	\$0.02	\$5	\$0.02	0%
Land, building & fence repair	\$69	\$0.26	\$63	\$0.24	-8%
Taxes	\$62	\$0.24	\$61	\$0.23	-4%
Real estate rent & lease	\$72	\$0.27	\$78	\$0.30	11%
Insurance	\$42	\$0.16	\$40	\$0.15	-6%
Utilities	\$87	\$0.33	\$92	\$0.35	6%
Interest paid	\$149	\$0.57	\$180	\$0.69	21%
Other professional fees	\$25	\$0.10	\$28	\$0.11	10%
Miscellaneous	<u>\$27</u>	<u>\$0.10</u>	<u>\$22</u>	<u>\$0.08</u>	-20%
Total Operating Expenses	\$4,503	\$17.07	\$4,465	\$17.08	0%
Expansion livestock	\$76	\$0.29	\$48	\$0.18	-38%
Extraordinary expenses	\$7	\$0.03	\$3	\$0.01	-67%
Machinery depreciation	\$247	\$0.93	\$220	\$0.84	-10%
Real estate depreciation	<u>\$192</u>	<u>\$0.73</u>	<u>\$197</u>	<u>\$0.75</u>	3%
Total Expenses	\$5,025	\$19.05	\$4,933	\$18.86	-1%
Net Farm Income w/o Appreciation	\$590	\$2.24	\$213	\$0.81	-64%



Farm Business Chart

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FARM BUSINESS CHART FOR FARM MANAGEMENT COOPERATORS

42 New York Dairy Farms, Greater Than 1,200 Cows, Preliminary 2018

Size of Business			Rates of Production			Labor Efficiency	
Worker Equivalents	No. of Cows	Pounds Milk Sold	Pounds Milk Sold Per Cow	Tons Hay Crop DM/Acre	Tons Corn Silage per Acre	Cows Per Worker	Pounds Milk Sold Per Worker
(14)*	(12)	(12)	(12)	(11)	(11)	(14)	(14)
65.6	3,450	87,573,244	28,254	4.8	23.2	65.0	1,691,351
42.6	2,156	57,616,207	27,225	3.9	20.7	55.5	1,472,416
34.2	1,642	42,710,642	26,628	3.6	19.0	51.5	1,369,167
28.8	1,408	37,528,357	25,647	3.0	17.9	47.7	1,259,959
22.7	1,295	34,490,078	24,118	2.0	15.6	42.4	1,091,636

Cost Control							
Grain Bought per Cow	Grain Bought per Cwt.	% Grain is of Milk Receipts	Machinery Costs per Cow	Labor & Machinery Costs/Cow	Feed & crop Expenses per Cow	Feed & Crop Expenses per Cwt. Milk	Hired Labor Cost per Wkr. Equivalent
(12)	(12)	(12)	(14)	(14)	(12)	(12)	(14)
\$1,211	\$4.81	28	\$617	\$1,277	\$1,550	\$6.16	\$37,120
\$1,431	\$5.40	31	\$721	\$1,588	\$1,766	\$6.67	\$40,898
\$1,525	\$5.76	33	\$783	\$1,667	\$1,876	\$7.05	\$42,822
\$1,643	\$6.08	36	\$899	\$1,825	\$2,020	\$7.47	\$46,297
\$1,909	\$7.23	42	\$997	\$1,987	\$2,239	\$8.55	\$55,697

Value of Production			Profitability				
Milk Receipts Per Cow	Milk Receipts Per Cwt.	Opr. Cost Milk Production per Cwt.	Total Cost Milk Production Per Cwt.	% Rate of Return on All Capital w/o Apprec.	Net Farm Income Without Apprec.	Labor & Management Income per Operator	Change in Net Worth with Apprec.
(12)	(12)	(12)	(12)	(4)	(4)	(4)	(8)
\$4,920	\$18.08	\$13.07	\$16.90	5.7	\$1,685,252	\$215,929	\$1,389,199
\$4,739	\$17.64	\$14.03	\$18.02	3.5	\$700,891	-\$17,589	\$44,643
\$4,601	\$17.34	\$14.72	\$18.65	2.4	\$381,150	-\$106,653	-\$287,720
\$4,431	\$16.93	\$15.58	\$19.22	0.9	\$130,514	-\$240,672	-\$667,745
\$4,042	\$16.29	\$17.35	\$20.60	-3.5	-\$643,903	-\$750,299	-\$2,092,818

Financial Efficiency							
Investment per Cow	Machinery Investment per Cow	Asset Turnover Ratio	Operating Expense Ratio	Debt Coverage Ratio	Planned Debt Payments per Cow	Percent Equity	Working Capital as % of Opr. Expense
(14)	(14)	(14)	(14)	(10)	(12)	(7)	(7)
\$8,577	\$851	0.58	0.77	13.96	\$85	95	73
\$9,986	\$1,421	0.50	0.80	1.66	\$386	77	29
\$11,501	\$1,708	0.45	0.83	1.28	\$577	63	22
\$13,029	\$2,052	0.39	0.88	0.77	\$677	54	12
\$16,261	\$2,678	0.32	0.97	-3.00	\$904	39	-2

*Page number of the participant's DFBS where the factor is located.