



## 2014 Dairy Farm Business Summary

Education Farm  
 Sample Farm

02/03/2016  
 NOT APPROVED

Progress of the Farm Business			
SELECTED FACTORS	2012	2013	2014
<b>Size of Business</b>			
Average number of cows	309	303	312
Average number of heifers	286	271	270
Milk sold, pounds	7,993,589	8,356,617	8,649,737
Worker equivalent	7.06	6.96	7.29
Total tillable acres	658	658	658
<b>Rates of Production</b>			
Milk sold per cow, pounds	25,869	27,580	27,724
Hay DM per acre, tons	3.25	3.15	3.38
Corn silage per acre, tons	20	22.1	25.71
<b>Labor Efficiency</b>			
Cows per worker	44	44	43
Milk sold per worker, pounds	1,132,236	1,200,663	1,186,521
<b>Cost Control and Milk Price</b>			
Grain & concentrate purchased as a % milk sales	43%	35%	31%
Dairy feed & crop expense per cwt. Milk	\$10.86	\$9.26	\$9.22
Labor and machinery costs per cow	\$1,955	\$1,830	\$2,107
Purchased input cost of producing milk per cwt.	\$20.64	\$17.77	\$19.04
Total cost of producing milk per cwt.	\$23.29	\$20.51	\$21.98
Operating cost of producing milk per cwt.	\$18.33	\$15.44	\$16.35
Net milk price	\$18.71	\$20.26	\$24.88
<b>Capital Efficiency (average for year)</b>			
Farm Capital per cow	\$11,241	\$12,577	\$13,364
Machinery and equipment per cow	\$2,032	\$2,338	\$2,631
Asset turnover ratio	0.61	0.59	0.6
<b>Profitability</b>			
Net farm income without appreciation	\$-92,412	\$290,252	\$561,908
Net farm income per cow without appreciation	\$-299	\$958	\$1,801
Net farm income with appreciation	\$145,668	\$436,447	\$571,424
Net farm income per cow with appreciation	\$471	\$1,440	\$1,831
Labor & management income per operator/manager	\$-101,136	\$83,893	\$212,041
Rate return on equity capital with appreciation	1.74%	14.11%	17.22%
Rate return on all capital with appreciation	2.87%	10.31%	12.24%
<b>Financial Summary</b>			
Farm net worth, end year	\$2,127,406	\$2,450,387	\$2,729,905
Debt to asset ratio	0.43	0.37	0.38
Farm debt per cow	\$5,116	\$4,691	\$5,454
Debt coverage ratio	-0.25	1.71	2.37

2014 Nonfarm Balance Sheet

NONFARM ASSETS	January 1	Dec. 31	NONFARM LIABILITIES	January 1	Dec. 31
Personal cash, checking & savings	\$0	\$0	#1 0	\$0	\$0
Cash value of life insurance	\$0	\$0	#2 0	\$0	\$0
Nonfarm real estate	\$0	\$0			
Auto (personal share)	\$0	\$0	TOTAL NONFARM LIABILITIES	\$0	\$0
Stocks & bonds	\$0	\$0			
Household furnishings	\$0	\$0			
All other	\$0	\$0			
TOTAL NONFARM ASSETS	\$0	\$0	NONFARM NET WORTH	\$0	\$0

2014 FARM & NONFARM MARKET VALUE BALANCE SHEET

Total Farm & Nonfarm Assets	\$3,918,602	\$4,420,776
Total Farm & Nonfarm Liabilities	\$1,468,215	\$1,690,871
FARM & NONFARM NET WORTH	\$2,450,387	\$2,729,905

Balance Sheet Analysis (excluding deferred taxes)

Financial Ratios	Farm Business, End Year			
	Market Value	Cost Value	Farm & Nonfarm	
Percent equity	62%	5%	62%	
Debt to asset ratios:				
Total	0.38	0.95	0.38	
Long-term	0.51	0		
Intermediate/current	0.31	0.51		
Leverage ratio	0.62	18.68		
Current ratio	1.96	1.96		
Working capital	\$411,526	\$411,526		
As % of total expenses	21%	21%		
<u>Debt Analysis</u>				
Accounts payable as percent of total debt	0%			
Long-term debt as a percent of total debt	46%			
Current & intermediate debt as % of total debt	54%			
Cost of term debt (weighted average)	4.6%			
<u>Debt Levels</u>	<u>Per Cow</u>	<u>Per Tillable Acre Owned</u>		
Total farm debt	\$5,454	\$4,144		
Long term debt	\$2,521	\$1,916		
Intermediate & long term	\$4,077	\$3,098		
Intermediate & current	\$2,933	\$2,229		
<u>Farm Inventory (Market Value)</u>	<u>Real Estate</u>	<u>Machinery &amp; Equipment</u>	<u>Livestock</u>	<u>Feed &amp; Supplies</u>
Beginning of year	\$1,450,000	\$710,000	\$685,800	\$427,900
Purchases	\$237,759*	\$335,177		
+ Noncash transfer to farm	\$0	\$0		
- Lost capital	\$70,000			
- Net sales	\$0	\$0		
- Depreciation	\$96,512	\$135,940		
= Net investment	\$71,247	\$199,237	\$2,400**	
Appreciation	\$3,753	\$5,763	\$0	
End of Year	\$1,525,000	\$915,000	\$688,200	\$483,606

\* 0 land + 237,759 building.

\*\* See page 12, "Dairy Inventory Analysis", for dairy cow and heifer inventory detail.

Repayment Analysis

<u>Debt Payments</u>	<u>Planned for 2014*</u>	<u>Made in 2014</u>	<u>Planned for 2015</u>
Long term	\$80,568	\$82,921	\$90,048
Intermediate term	\$187,611	\$160,714	\$207,195
Short term	\$0	\$0	\$0
Operating (net reduction)	\$0	\$0	\$0
Accounts payable (net reduction)	\$0	\$5,382	\$0
Total	\$268,179	\$249,017	\$297,243
(Percent made of planned = 93%)			
Per cow	\$860	\$798	
Per cwt 2014 milk	\$3.1	\$2.88	
Percent of total 2014 receipts	12%	10%	
Percent of 2014 milk receipts	13%	11%	

\*If on business summary in 2013.

<u>Cash Flow Coverage Ratio</u>		<u>Debt Coverage Ratio</u>	
Cash farm receipts	\$2,321,001	Net farm income (without appreciation)	\$561,908
- Cash farm expenses	\$1,724,621	+ Depreciation	\$232,452
+ Interest paid (cash)	\$64,333	+ Interest paid (accrual)	\$64,333
- Net personal withdrawals from farm**	\$221,833	- Net personal withdrawals from farm**	\$221,833
(A) = Amount available for debt service	\$438,880	(A) = Repayment capacity	\$636,860
(B) = Debt payments planned for 2014	\$268,179	(B) = Debt payments planned for 2014	\$268,179
(A/B) Cash Flow Coverage Ratio for 2014	1.64	(A/B) Debt Coverage Ratio for 2014	2.37

\*\*Personal withdrawals & family expenditures less nonfarm income and nonfarm money borrowed.

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Milk Income and Marketing Report

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	Pounds	Percent	Price Per Pound	Total	Per Cwt. Milk	Per Cow
<b>BASE FARM PRICE</b>						
Butterfat	343,186	3.97%	\$2.38	\$816,248	\$9.44	\$2,616
Protein	260,623	3.01%	\$3.8	\$989,580	\$11.44	\$3,172
Solids	497,792	5.75%	\$0.47	\$233,705	\$2.7	\$749
Total Component Contribution					\$23.58	\$6,537
PPD	8,649,737			\$77,564	\$0.90	\$249
Base Farm Price					\$24.48	\$6,786
<u>Premiums</u>						
Quality				\$52,838	\$0.61	\$169
Volume				\$18,646	\$0.22	\$60
Market Premiums				\$2,642	\$0.03	\$8
Total Premiums					\$0.86	\$237
BASE FARM PRICE + PREMIUM					\$25.34	\$7,023
<u>Deductions</u>						
Promotion				\$12,653	\$0.15	\$41
Hauling & Stop Charges.				\$44,682	\$0.52	\$143
Market Fees & Coop Dues				\$4,132	\$0.05	\$13
Total Deductions					\$0.72	\$197
BASE FARM PRICE + PREMIUMS - DEDUCTIONS					\$24.62	\$6,826
Marketing Programs						
Compact				\$0	\$0.00	\$0
Futures Contracts, Forward Contracting, Etc.				\$0	\$0.00	\$0
Total Marketing Income					\$0.00	\$0
Patronage Dividends				\$17,299	\$0.20	\$55
NET PRICE RECEIVED ON FARM, ALL SOURCES					\$24.82	\$6,881
PPD - Hauling					\$0.38	\$106
PPD - Hauling + Market Premiums					\$0.41	\$114
Net Marketing Value (PPD + Total Premiums - Total Deductions)					\$1.04	\$289

Capital & Labor Efficiency Analysis

CAPITAL EFFICIENCY (Average Market Value)	Per Worker	Per Cow	Per Tillable Acre	Per Tillable Acre Owned
Farm capital	\$571,974	\$13,364	\$6,337	\$10,220
Real estate		\$4,768		\$3,646
Machinery & equipment	\$112,584	\$2,631	\$1,247	

RATIOS	Asset Turnover	Operating Expense	Interest Expense	Depreciation Expense
	0.6	0.66	0.03	0.09

LABOR FORCE	Months	Age	Years of Education	Value of Labor & Management
Operator number 1	15.0	59	0	\$60,000
Operator number 2	15.0	37	0	\$57,000
Operator number 3	0.0	0	0	\$0
Operator number 4	0.0	0	0	\$0
Operator number 5	0.0	0	0	\$0
Operator number 6	0.0	0	0	\$0
:				
Family paid	0.0			
Family unpaid	3.2			
Hired	54.3			
<b>Total</b>	<b>87.5</b>	<b>/12 = 7.29</b>	<b>Worker Equivalent</b>	<b>Operator/Manager Equivalent</b>
		<b>2</b>		

LABOR EFFICIENCY	Total	Per Worker
Cows, average number	312	43
Milk sold, pounds	8,649,737	1,186,521
Tillable acres	658	90

LABOR COST	Total	Per Cow	Per Cwt.
Value of operator(s) labor (\$ 2,600 / month)*	\$78,000	\$250	\$0.90
Family unpaid (\$2,600 / month)*	\$8,320	\$27	\$0.10
Hired	\$161,794	\$519	\$1.87
Gross pay	\$140,886		
Health insurance & retirement contribution	\$0		
FICA/worker compensation	\$16,661		
Other benefits	\$4,247		
<b>Total Labor</b>	<b>\$248,114</b>	<b>\$795</b>	<b>\$2.87</b>
<b>Machinery Cost (see page 11)</b>	<b>\$409,169</b>	<b>\$1,311</b>	<b>\$4.73</b>
<b>Total Labor &amp; Machinery Cost</b>	<b>\$657,283</b>	<b>\$2,107</b>	<b>\$7.60</b>
Hired labor expense per hired worker equivalent	\$35,756		
Hired labor expense as % of milk sales	7.33%		

\*When comparing to previous years' data, please note 1998 constants used in calculations were \$1600/month for both the value of operator(s) labor and unpaid family labor. In 1999, these values were \$1800/month, 2000 = \$1900/month, 2001 = \$2000/month, and in 2002 = \$2100/month. For 2003 through 2005 these values were \$2200/month and in 2006 = \$2300/month.

## Receipts and Expenses per Cow and per Cwt. 2012 - 2014

Item	2012		2013		2014	
	Per Cow	Per Cwt.	Per Cow	Per Cwt.	Per Cow	Per Cwt.
Average number of cows	309		303		312	
Cwt. of milk sold		79,935.89		83,566.17		86,497.37
<b>ACCRUAL OPERATING RECEIPTS</b>						
Milk	\$5,040	\$19.48	\$5,859	\$21.24	\$7,079	\$25.53
Dairy cattle	\$406	\$1.57	\$380	\$1.38	\$488	\$1.76
Dairy calves	\$39	\$0.15	\$52	\$0.19	\$127	\$0.46
Other livestock	\$0	\$0	\$0	\$0	\$0	\$0
Crops	\$269	\$1.04	\$388	\$1.41	\$194	\$0.70
Miscellaneous receipts	\$307	\$1.19	\$231	\$0.84	\$133	\$0.48
Total Operating Receipts	\$6,060	\$23.43	\$6,910	\$25.05	\$8,021	\$28.93
<b>ACCRUAL OPERATING EXPENSES</b>						
Hired labor	\$524	\$2.02	\$452	\$1.64	\$519	\$1.87
Dairy grain & concentrate	\$2,165	\$8.37	\$2,027	\$7.35	\$2,186	\$7.88
Dairy roughage	\$0	\$0.00	\$61	\$0.22	\$0	\$0.00
Nondairy feed	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00
Professional nutritional services	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00
Machine hire, rent & lease	\$243	\$0.94	\$184	\$0.67	\$239	\$0.86
Machine repair & vehicle expense	\$289	\$1.12	\$236	\$0.86	\$293	\$1.06
Fuel, oil & grease	\$208	\$0.80	\$202	\$0.73	\$212	\$0.77
Replacement livestock	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00
Breeding	\$117	\$0.45	\$104	\$0.38	\$116	\$0.42
Veterinary & medicine	\$127	\$0.49	\$142	\$0.52	\$126	\$0.46
Milk marketing	\$200	\$0.77	\$272	\$0.99	\$180	\$0.65
Bedding	\$264	\$1.02	\$185	\$0.67	\$262	\$0.95
Milking supplies	\$151	\$0.59	\$171	\$0.62	\$150	\$0.54
Cattle lease	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00
Custom boarding	\$124	\$0.48	\$177	\$0.64	\$123	\$0.44
BST expense	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00
Professional fees (livestock)	\$0	\$0.00	\$7	\$0.03	\$0	\$0.00
Other livestock expense	\$12	\$0.05	\$12	\$0.04	\$12	\$0.04
Fertilizer & lime	\$282	\$1.09	\$339	\$1.23	\$246	\$0.89
Seeds & plants	\$340	\$1.32	\$107	\$0.39	\$101	\$0.36
Spray & other crop expense	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00
Professional fees (crops)	\$23	\$0.09	\$19	\$0.07	\$23	\$0.08
Land, building & fence repair	\$112	\$0.43	\$52	\$0.19	\$111	\$0.40
Taxes	\$48	\$0.19	\$45	\$0.16	\$48	\$0.17
Real estate rent & lease	\$82	\$0.32	\$59	\$0.22	\$81	\$0.29
Insurance	\$45	\$0.17	\$59	\$0.21	\$45	\$0.16
Utilities	\$143	\$0.55	\$109	\$0.40	\$141	\$0.51
Interest paid	\$208	\$0.80	\$234	\$0.85	\$206	\$0.74
Professional fees (other)	\$22	\$0.09	\$32	\$0.12	\$22	\$0.08
Miscellaneous	\$35	\$0.13	\$20	\$0.07	\$35	\$0.12
Total Operating Expenses	\$5,763	\$22.28	\$5,308	\$19.25	\$5,475	\$19.75
Expansion livestock	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00
Extraordinary expense	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00
Machinery depreciation	\$311	\$1.20	\$354	\$1.28	\$436	\$1.57
Real estate depreciation	\$285	\$1.10	\$290	\$1.05	\$309	\$1.12
Total Expenses	\$6,359	\$24.58	\$5,952	\$21.58	\$6,220	\$22.43
Net Farm Income						
Without Appreciation	\$-299	\$-1.16	\$958	\$3.47	\$1,801	\$6.50



2014 Income Statement  
Sample Farm  
Education Farm



NY farm viability

INSTITUTE

02-03-2016

<u>ACCRUAL EXPENSES</u>	\$	<u>ACCRUAL RECEIPTS</u>	\$
<u>Labor</u> : Hired	161,794	Milk sales	2,208,522
<u>Feed</u> : Dairy grain & concentrate	681,918	Dairy cattle	152,245
Dairy roughage	0	Dairy calves	39,774
Nondairy	0	Other livestock	0
Professional nutritional services	0	Crops	60,550
<u>Machinery</u> : Machinery hire, rent & lease	74,669	Government receipts	25,337
Machinery repairs & farm vehicle expense	91,327	Custom machine work	10,658
Fuel, oil, grease	66,196	Gas tax refund	0
<u>Livestock</u> : Replacement livestock	0	Other	5,357
Breeding	36,091	- noncash capital transfer	0
Veterinary & medicine	39,374		
Milk marketing	56,085	<b>TOTAL ACCRUAL RECEIPTS</b>	<b>2,502,443</b>
Bedding	81,817		
Milking supplies	46,877	<u>PROFITABILITY ANALYSIS</u>	
Cattle lease & rent	0	Net farm income without appreciation	561,908
Custom boarding	38,266	Net farm income without apprec. per cow	1,801
bST expense	0	Net farm income with appreciation	571,424
Livestock professional fees	0	Net farm income with appreciation per cow	1,831
Other livestock expense	3,777	Labor and management income per operator	212,041
<u>Crops</u> : Fertilizer & lime	76,697	Rate of return on equity capital w/o apprec.	16.9 %
Seeds & plants	31,435	Rate of return on equity capital with apprec.	17.2 %
Spray & other crop expense	0	Rate of return on all capital w/o apprec.	12.0 %
Crop professional fees	7,177	Rate of return on all capital with apprec.	12.2 %
<u>Real estate</u> : Land, building & fence repair	34,506		
Taxes	14,879		
Rent & lease	25,229		
<u>Other</u> :			
Insurance	13,964		
Utilities (farm share)	44,071		
Interest paid	64,333		
Other professional fees	6,828		
Miscellaneous	10,773		
<b>TOTAL OPERATING EXPENSES</b>	<b>1,708,083</b>		
Expansion livestock	0		
Extraordinary expense	0		
Machinery depreciation	135,940		
Building depreciation	96,512		
<b>TOTAL ACCRUAL EXPENSES</b>	<b>1,940,535</b>		



2014 MARKET VALUE BALANCE SHEET  
EXCLUDING DEFERRED TAXES



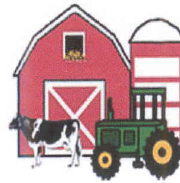
NY farm viability  
INSTITUTE

Sample Farm  
Education Farm

02-03-2016

Farm Assets	Jan. 1	Dec. 31	Farm Liabilities & Net Worth	Jan. 1	Dec. 31
<u>Current</u>	\$	\$	<u>Current</u>	\$	\$
Farm cash, checking & savings	5,583	2,816	Accounts payable	5,382	0
Accounts receivable	217,662	352,154	Operating debt:		
Prepaid expenses	0	0	#1: Operating Loans BOC	40,000	193,000
Feed & supplies	<u>427,900</u>	<u>483,606</u>	#2: Operating Loans BOC	0	0
Total Current	651,145	838,576	#3: 0	0	0
			Short Term:		
			#1: 0	0	0
			#2: 0	0	0
			Advanced government receipt	0	0
			Current portion:		
			Intermediate	172,595	183,740
			Long term	<u>40,582</u>	<u>50,310</u>
			Total Current	258,559	427,050
<u>Intermediate</u>			<u>Intermediate</u>		
Dairy Cows:			Structured debt, 1-10 years:		
owned	406,900	403,000	#1: Revolving Line	131,626	39,424
leased	0	0	#2: Com Bank 1	4,576	25
Heifers	278,900	285,200	#3: FC Capital	236,167	371,992
Bulls & other livestock	0	0	#4: Truck Loan	16,661	10,696
Mach. & equip. owned	710,000	915,000	#5: Comb Bank 2	22,850	9,975
Mach. & equip. leased	10,855	5,617	#6: Dealer 1	7,281	74
Farm Credit stock	1,000	1,000	#7: Dealer 3	0	16,471
Other stock & certificates	<u>409,802</u>	<u>447,383</u>	#8: Dealer 2	4,648	0
Total Intermediate	1,817,457	2,057,200	#9: Dealer 4	0	26,949
			Financial lease (cattle & mach.)	10,855	5,617
			Farm credit stock	<u>1,000</u>	<u>1,000</u>
			Total Intermediate	435,664	482,223
<u>Long Term</u>			<u>Long Term</u>		
Land & buildings:			Structured debt, >= 10 years:		
owned	1,450,000	1,525,000	#1: House Mort	631,876	598,044
leased	<u>0</u>	<u>0</u>	#2: Land 1	105,599	101,257
Total Long Term	1,450,000	1,525,000	#3: 0	0	0
			#4: Com Mort	0	49,822
			#5: Land 3	36,517	32,475
			Financial lease (structures)	<u>0</u>	<u>0</u>
			Total Long Term	773,992	781,598
Total Farm Assets	3,918,602	4,420,776	Total Farm Liabilities	1,468,215	1,690,871
			FARM NET WORTH	2,450,387	2,729,905





**YOUR FARM COMPARED TO A GROUP AVERAGE**  
**Group Average: Similar Size Farm**

Selected Factors	Year 2014 Data		Difference	
	Your Farm	Group Average, 25 farms	Statistical*	Percent
<b>Size of Business</b>				
Average number of cows	312	326	=	-5%
Average number of heifers	270	275	=	-2%
Milk sold, lbs.	8,649,737	8,193,965	=	5%
Worker equivalent	7.29	8.46	=	-16%
Total tillable acres	658	687	=	-4%
<b>Rates of Production</b>				
Milk sold per cow, lbs.	27,724	25,129	+	9%
Hay DM per acre, tons	3.38	3.73	=	-10%
Corn silage per acre, tons	25.71	20.07	+	22%
<b>Labor Efficiency &amp; Costs</b>				
Cows per worker	43	39	=	10%
Milk sold per worker, lbs.	1,186,521	968,462	=	18%
Hired labor cost per cwt.	\$1.87	\$2.93	-	-57%
Hired labor cost per worker	\$35,756	\$37,597	=	-5%
Hired labor cost as % of milk sales	7.0	11.5	-	-64%
<b>Cost Control</b>				
Grain & concentrate purchased as % of milk sales	31	29	=	7%
Grain & concentrate per cwt. milk	\$7.88	\$7.39	=	6%
Dairy feed & crop expense per cwt. milk	9.22	9.18	=	0%
Labor & machinery costs per cow	2,107	2,107	=	-0%
Total farm operating costs per cwt. sold	19.75	20.8	=	-5%
Interest costs per cwt. milk	0.74	0.47	=	37%
Milk marketing costs per cwt. milk sold	0.65	0.83	=	-28%
Operating cost of producing cwt. of milk	16.35	17.59	=	-8%
<b>Capital Efficiency (average for the year)</b>				
Farm capital per cow	\$13,364	\$12,401	=	7%
Machinery & equipment per cow	2,631	2,438	=	7%
Asset turnover ratio	0.60	0.61	=	-2%
<b>Income Generation</b>				
Gross milk sales per cow	\$7,079	\$6,406	+	10%
Gross milk sales per cwt.	25.53	25.49	=	0%
Net milk sales per cwt.	24.88	24.66	=	1%
Dairy cattle sales per cow	488	417	=	15%
Dairy calf sales per cow	127	93	=	27%
<b>Profitability</b>				
Net farm income without appreciation	\$561,908	\$494,140	=	12%
Net farm income with appreciation	571,424	615,746	=	-8%
Labor & management income per operator/manager	212,041	192,399	=	9%
Rate of return on equity capital without appreciation	16.86	13.11	=	22%
Rate of return on all capital without appreciation	12.01	10.59	=	12%
<b>Financial Summary</b>				
Farm net worth, end year	\$2,729,905	\$3,209,246	=	-18%
Debt to asset ratio	0.38	0.25	=	34%
Farm debt per cow	5,454	3,178	=	42%

\*  
+ is between +1 & +2 standard deviation - is between -1 & -2 standard deviation = is between -1 and +1 standard deviation  
++ is greater than +2 standard deviation -- is less than -2 standard deviation NA is not applicable (when "your farm" value is 0)

The purpose of determining if your business is different than the comparison group average is to identify strengths and areas for improvement. The standard deviation tells you how far your farm is above or below the average. If your farm is between 1 standard deviation above or 1 standard deviation below (+ 1 or -1), then you are in the group that accounts for two-thirds of the farms in the group average. In other words, most of the farms in the group average are relatively close to your farm. However, there are only 13% of the farms between 1 and 2 standard deviations, either above or below the average. Only 3% of the farms are greater than 2 standard deviations.

All factors must be considered and evaluated before arriving at a conclusion as to which area of the business should be improved.

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**YOUR FARM COMPARED TO A GROUP AVERAGE**  
**Group Average = Similar Size Farm**

Item	Your farm, 2014 Data		Group Average, 2014 Data		Difference for per Cow. Data		Group Average, 2014 Data		Difference for per Cwt. Data	
	Per Cow	Per Cwt.	Per Cow	Statistical*	Percent	Per Cwt.	Statistical*	Percent		
Average Number of Cows	312		326	=	-5%					
Cwt. of Milk Sold		86,497.37				81,939.65	=			5%
<b>Accrual Operating Receipts</b>										
Milk	\$7079	\$25.53	\$6,406	+	10%	\$25.49	=			0%
Dairy cattle	488	1.76	417	=	15%	1.66	=			6%
Dairy calves	127	0.46	93	=	27%	0.37	=			19%
Other livestock	0	0.00	15	N/A	N/A	0.06	N/A			N/A
Crops	194	0.70	210	=	-8%	0.84	=			-19%
Miscellaneous receipts	133	0.48	86	=	35%	0.34	=			29%
Total Operating Receipts	\$8021	\$28.93	\$7,227	+	10%	\$28.76	=			1%
<b>Accrual Operating Expenses</b>										
Hired labor	\$519	\$1.87	\$737	=	-42%	\$2.93	-			-57%
Dairy grain & concentrate	2186	7.88	1857	+	15%	7.39	=			6%
Dairy roughage	0	0.00	97	N/A	N/A	0.39	N/A			N/A
Nondairy feed	0	0.00	0	N/A	N/A	0.00	N/A			N/A
Professional nutritional services	0	0.00	1	N/A	N/A	0.00	N/A			N/A
Machine hire, rent & lease	239	0.86	176	=	26%	0.70	=			18%
Machine repairs & vehicle expense	293	1.06	320	=	-9%	1.27	=			-20%
Fuel, oil & grease	212	0.77	240	=	-13%	0.95	=			-24%
Replacement livestock	0	0.00	40	N/A	N/A	0.16	N/A			N/A
Breeding	116	0.42	69	+	41%	0.27	+			35%
Veterinary & medicine	126	0.46	171	=	-35%	0.68	=			-48%
Milk marketing	180	0.65	208	=	-16%	0.83	=			-28%
Bedding	262	0.95	128	+	51%	0.51	+			46%
Milking supplies	150	0.54	103	+	32%	0.41	=			24%
Cattle lease	0	0.00	0	N/A	N/A	0.00	N/A			N/A
Custom boarding	123	0.44	82	=	34%	0.33	=			26%
bST expense	0	0.00	20	N/A	N/A	0.08	N/A			N/A
Livestock professional fees	0	0.00	20	N/A	N/A	0.08	N/A			N/A
Other livestock expense	12	0.04	47	=	-293%	0.19	=			-369%
Fertilizer & lime	246	0.89	137	=	44%	0.54	=			39%
Seeds & plants	101	0.36	132	=	-31%	0.52	=			-46%
Spray & other crop expense	0	0.00	75	N/A	N/A	0.30	N/A			N/A
Crop professional fees	23	0.08	9	=	61%	0.04	=			56%
Land, building & fence repair	111	0.40	79	=	29%	0.31	=			22%
Taxes	48	0.17	75	=	-56%	0.30	=			-75%
Real estate rent/lease	81	0.29	60	=	26%	0.24	=			18%
Insurance	45	0.16	62	=	-38%	0.25	=			-55%
Utilities	141	0.51	114	+	19%	0.45	=			11%
Interest paid	206	0.74	118	=	43%	0.47	=			37%
Other professional fees	22	0.08	29	=	-30%	0.11	=			-42%
Miscellaneous	35	0.12	23	=	35%	0.09	=			25%
Total operating expenses	\$5475	\$19.75	\$5229	=	4%	\$20.79	=			-5%
Expansion livestock	0	0.00	14	N/A	N/A	0.06	N/A			N/A
Extraordinary expense	0	0.00	3	N/A	N/A	0.01	N/A			N/A
Machinery depreciation	436	1.57	312	=	29%	1.24	=			21%
Real Estate depreciation	309	1.12	157	+	49%	0.63	+			44%
Total Expenses	\$6220	\$22.43	\$5715	=	8%	\$22.73	=			-1%
Net Farm Income without apprec.	\$1801	\$6.50	\$1,512	=	16%	\$6.03	=			7%

\* + is between +1 & +2 standard deviation  
 + + is greater than +2 standard deviation

- is between -1 & -2 standard deviation  
 - - is less than -2 standard deviation

= is between -1 and +1 standard deviation  
 NA is not applicable (when "your farm" value is 0)



2013 Income Statement  
Sample Farm  
Education Farm



NY farm viability

INSTITUTE

02-03-2016

<u>ACCRUAL EXPENSES</u>	\$	<u>ACCRUAL RECEIPTS</u>	\$
<u>Labor</u> : Hired	136,839	Milk sales	1,775,314
<u>Feed</u> : Dairy grain & concentrate	614,136	Dairy cattle	115,000
Dairy roughage	18,556	Dairy calves	15,677
Nondairy	0	Other livestock	0
Professional nutritional services	0	Crops	117,614
<u>Machinery</u> : Machinery hire, rent & lease	55,796	Government receipts	44,643
Machinery repairs & farm vehicle expense	71,605	Custom machine work	21,213
Fuel, oil, grease	61,154	Gas tax refund	0
<u>Livestock</u> : Replacement livestock	0	Other	4,239
Breeding	31,433	- noncash capital transfer	0
Veterinary & medicine	43,095		
Milk marketing	82,538	<b>TOTAL ACCRUAL RECEIPTS</b>	<b>2,093,700</b>
Bedding	55,920		
Milking supplies	51,904	<u>PROFITABILITY ANALYSIS</u>	
Cattle lease & rent	0	Net farm income without appreciation	290,252
Custom boarding	53,611	Net farm income without apprec. per cow	958
bST expense	0	Net farm income with appreciation	436,447
Livestock professional fees	2,100	Net farm income with appreciation per cow	1,440
Other livestock expense	3,543	Labor and management income per operator	83,893
<u>Crops</u> : Fertilizer & lime	102,753	Rate of return on equity capital w/o apprec.	7.7 %
Seeds & plants	32,496	Rate of return on equity capital with apprec.	14.1 %
Spray & other crop expense	0	Rate of return on all capital w/o apprec.	6.5 %
Crop professional fees	5,813	Rate of return on all capital with apprec.	10.3 %
<u>Real estate</u> : Land, building & fence repair	15,745		
Taxes	13,539		
Rent & lease	18,025		
<u>Other</u> :			
Insurance	17,778		
Utilities (farm share)	33,053		
Interest paid	70,860		
Other professional fees	9,841		
Miscellaneous	6,176		
<b>TOTAL OPERATING EXPENSES</b>	<b>1,608,309</b>		
Expansion livestock	0		
Extraordinary expense	0		
Machinery depreciation	107,222		
Building depreciation	87,917		
<b>TOTAL ACCRUAL EXPENSES</b>	<b>1,803,448</b>		



2013 MARKET VALUE BALANCE SHEET  
EXCLUDING DEFERRED TAXES

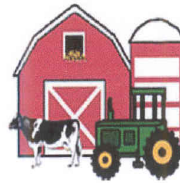


NY farm viability  
INSTITUTE

Sample Farm  
Education Farm

02-03-2016

Farm Assets	Jan. 1	Dec. 31	Farm Liabilities & Net Worth	Jan. 1	Dec. 31
<u>Current</u>	\$	\$	<u>Current</u>	\$	\$
Farm cash, checking & savings	12,802	5,583	Accounts payable	5,378	5,382
Accounts receivable	232,525	217,662	Operating debt:		
Prepaid expenses	0	0	#1: Operating Loans BOC	20,000	40,000
Feed & supplies	<u>340,000</u>	<u>427,900</u>	#2: Operating Loans BOC	11,969	0
Total Current	585,327	651,145	#3: 0	0	0
			Short Term:		
			#1: 0	0	0
			#2: 0	0	0
			Advanced government receipt	0	0
			Current portion:		
			Intermediate	160,785	164,839
			Long term	<u>38,895</u>	<u>40,964</u>
			Total Current	237,027	251,185
<u>Intermediate</u>			<u>Intermediate</u>		
Dairy Cows:			Structured debt, 1-10 years:		
owned	400,400	406,900	#1: Revolving Line	219,271	131,626
leased	0	0	#2: Com Bank 1	7,763	3,392
Heifers	263,300	278,900	#3: FC Capital	217,323	254,026
Bulls & other livestock	0	0	#4: Truck Loan	22,245	16,661
Mach. & equip. owned	680,000	710,000	#5: Com Bank 2	34,202	22,850
Mach. & equip. leased	15,740	10,855	#6: Dealer 1	9,999	3,020
Farm Credit stock	1,000	1,000	#7: 0	0	0
Other stock & certificates	<u>357,546</u>	<u>409,802</u>	#8: Dealer 2	6,740	-10
Total Intermediate	1,717,986	1,817,457	#9: 0	0	0
			Financial lease (cattle & mach.)	15,740	10,855
			Farm credit stock	<u>1,000</u>	<u>1,000</u>
			Total Intermediate	534,283	443,420
<u>Long Term</u>			<u>Long Term</u>		
Land & buildings:			Structured debt, >= 10 years:		
owned	1,400,000	1,450,000	#1: House Mort	666,124	631,863
leased	<u>0</u>	<u>0</u>	#2: Land 1	109,359	105,230
Total Long Term	1,400,000	1,450,000	#3: 0	0	0
			#4: 0	0	0
			#5: Land 3	41,083	36,517
			Financial lease (structures)	<u>0</u>	<u>0</u>
			Total Long Term	816,566	773,610
Total Farm Assets	3,703,313	3,918,602	Total Farm Liabilities	1,587,876	1,468,215
			FARM NET WORTH	2,115,437	2,450,387



**YOUR FARM COMPARED TO A GROUP AVERAGE**  
**Group Average: Similar Size Farm**

Selected Factors	Year 2013 Data		Difference	
	Your Farm	Group Average, 27 farms	Statistical*	Percent
<b>Size of Business</b>				
Average number of cows	303	333	=	-10%
Average number of heifers	271	293	=	-8%
Milk sold, lbs.	8,356,617	8,301,377	=	1%
Worker equivalent	6.96	8.96	=	-29%
Total tillable acres	658	748	=	-14%
<b>Rates of Production</b>				
Milk sold per cow, lbs.	27,580	24,915	+	10%
Hay DM per acre, tons	3.15	3.49	=	-11%
Corn silage per acre, tons	22.10	18.38	=	17%
<b>Labor Efficiency &amp; Costs</b>				
Cows per worker	44	37	=	15%
Milk sold per worker, lbs.	1,200,663	926,684	+	23%
Hired labor cost per cwt.	\$1.64	\$2.94	-	-80%
Hired labor cost per worker	\$32,645	\$36,542	=	-12%
Hired labor cost as % of milk sales	8.0	13.6	-	-70%
<b>Cost Control</b>				
Grain & concentrate purchased as % of milk sales	35	33	=	5%
Grain & concentrate per cwt. milk	\$7.35	\$7.15	=	3%
Dairy feed & crop expense per cwt. milk	9.26	9.07	=	2%
Labor & machinery costs per cow	1,830	1,968	=	-8%
Total farm operating costs per cwt. sold	19.25	20.08	=	-4%
Interest costs per cwt. milk	0.85	0.48	+	43%
Milk marketing costs per cwt. milk sold	0.99	0.82	=	18%
Operating cost of producing cwt. of milk	15.44	17.16	=	-11%
<b>Capital Efficiency (average for the year)</b>				
Farm capital per cow	\$12,577	\$11,356	=	10%
Machinery & equipment per cow	2,338	2,224	=	5%
Asset turnover ratio	0.59	0.56	=	4%
<b>Income Generation</b>				
Gross milk sales per cow	\$5,859	\$5,380	=	8%
Gross milk sales per cwt.	21.24	21.59	=	-2%
Net milk sales per cwt.	20.26	20.78	=	-3%
Dairy cattle sales per cow	380	333	=	12%
Dairy calf sales per cow	52	36	=	31%
<b>Profitability</b>				
Net farm income without appreciation	\$290,252	\$228,716	=	21%
Net farm income with appreciation	436,447	326,682	=	25%
Labor & management income per operator/manager	83,893	48,681	=	42%
Rate of return on equity capital without appreciation	7.71	4.96	=	36%
Rate of return on all capital without appreciation	6.48	4.63	=	28%
<b>Financial Summary</b>				
Farm net worth, end year	\$2,450,387	\$2,836,713	=	-16%
Debt to asset ratio	0.37	0.27	=	27%
Farm debt per cow	4,691	3,248	=	31%

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++ is greater than +2 standard deviation -- is less than -2 standard deviation NA is not applicable (when "your farm" value is 0)

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	Per Cow	Per Cwt.	Per Cow	Statistical*	Percent	Per Cwt.	Statistical*	Percent		
Average Number of Cows	303		333	=	-10%					
Cwt. of Milk Sold		83,566.17				83,013.77	=			1%
<b>Accrual Operating Receipts</b>										
Milk	\$5859	\$21.24	\$5,380	=	8%	\$21.59	=			-2%
Dairy cattle	380	1.38	333	=	12%	1.34	=			3%
Dairy calves	52	0.19	36	=	31%	0.14	=			24%
Other livestock	0	0.00	21	N/A	N/A	0.08	N/A			N/A
Crops	388	1.41	157	=	60%	0.63	=			55%
Miscellaneous receipts	231	0.84	186	=	19%	0.75	=			11%
Total Operating Receipts	\$6910	\$25.05	\$6,113	+	12%	\$24.53	=			2%
<b>Accrual Operating Expenses</b>										
Hired labor	\$452	\$1.64	\$733	=	-62%	\$2.94	-			-80%
Dairy grain & concentrate	2027	7.35	1783	=	12%	7.15	=			3%
Dairy roughage	61	0.22	119	=	-96%	0.48	=			-118%
Nondairy feed	0	0.00	1	N/A	N/A	0.00	N/A			N/A
Professional nutritional services	0	0.00	0	N/A	N/A	0.00	N/A			N/A
Machine hire, rent & lease	184	0.67	162	=	12%	0.65	=			3%
Machine repairs & vehicle expense	236	0.86	251	=	-6%	1.01	=			-17%
Fuel, oil & grease	202	0.73	236	=	-17%	0.95	=			-30%
Replacement livestock	0	0.00	39	N/A	N/A	0.16	N/A			N/A
Breeding	104	0.38	61	+	41%	0.25	+			35%
Veterinary & medicine	142	0.52	167	=	-17%	0.67	=			-29%
Milk marketing	272	0.99	203	=	25%	0.82	=			18%
Bedding	185	0.67	118	=	36%	0.47	=			30%
Milking supplies	171	0.62	110	+	36%	0.44	=			29%
Cattle lease	0	0.00	0	N/A	N/A	0.00	N/A			N/A
Custom boarding	177	0.64	62	=	65%	0.25	=			61%
bST expense	0	0.00	18	N/A	N/A	0.07	N/A			N/A
Livestock professional fees	7	0.03	19	=	-172%	0.08	=			-154%
Other livestock expense	12	0.04	27	=	-126%	0.11	=			-173%
Fertilizer & lime	339	1.23	150	+	56%	0.60	+			51%
Seeds & plants	107	0.39	136	=	-27%	0.55	=			-40%
Spray & other crop expense	0	0.00	62	N/A	N/A	0.25	N/A			N/A
Crop professional fees	19	0.07	10	=	48%	0.04	=			44%
Land, building & fence repair	52	0.19	49	=	6%	0.20	=			-4%
Taxes	45	0.16	74	=	-65%	0.30	=			-87%
Real estate rent/lease	59	0.22	78	=	-32%	0.31	=			-42%
Insurance	59	0.21	48	=	19%	0.19	=			9%
Utilities	109	0.40	116	=	-6%	0.46	=			-16%
Interest paid	234	0.85	120	+	49%	0.48	+			43%
Other professional fees	32	0.12	27	=	16%	0.11	=			10%
Miscellaneous	20	0.07	24	=	-19%	0.10	=			-36%
Total operating expenses	\$5308	\$19.25	\$5003	=	6%	\$20.09	=			-4%
Expansion livestock	0	0.00	5	N/A	N/A	0.02	N/A			N/A
Extraordinary expense	0	0.00	1	N/A	N/A	0.00	N/A			N/A
Machinery depreciation	354	1.28	275	=	22%	1.10	=			14%
Real Estate depreciation	290	1.05	143	+	51%	0.57	+			45%
Total Expenses	\$5952	\$21.58	\$5427	=	9%	\$21.78	=			-1%
Net Farm Income without apprec.	\$958	\$3.47	\$686	=	28%	\$2.75	=			21%

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