

## North Carolina Dairy Farm Financial Performance Pilot Project

Averages for 2002. Data are from 9 Farms with Holstein cows housed and fed in confinement facilities.

Table 1. Selected Measures of Farm Resources and Performance, 2002

ITEM	Your Farm	Average <sup>a</sup>	Range <sup>b</sup>	
		per Farm	High	Low
Cows		264	563	108
Milk, Cwt.		58,002	131,638	27,688
Milk Price, \$/Cwt.		13.86	14.32	13.01
Milk/Cow, lb.		22,109	25,685	18,018
Unpaid Labor, mo.		22.0	42	8
Paid Labor, mo.		61.6	112	24
Milk Sold per Person, lb.		850,556	1,212,050	409,264
Gross Revenue per Person, \$		134,564	175,507	67,317
Investment/Worker, \$		312,786	501,651	169,223
Investment/Cow, \$		9,093	17,424	3,132
Purchased Expansion Livestock, \$		18,378	80,700	0
Acres of Crops Grown		411	720	0
Crop Acres per Cow		1.8	3.6	0.0
Milk Income/Gross Revenue		0.87	0.98	0.77

<sup>a</sup> Simple average of values for each farm.

<sup>b</sup> Each item is ranked independently and several farms are represented in this list.

Table 2. Revenue, 2002

REVENUE	Your Farm \$	Average \$/Farm	Your Farm \$/cow	Average <sup>a</sup> \$/cow	Your Farm \$/cwt	Avg <sup>a</sup> \$/cwt
Milk		805,119		3,059		13.86
Livestock		34,206		139		0.63
Other		85,438		416		1.87
Total Operating Income		924,764		3,614		16.35
Accrual Adjustments		-13,027		-77		-0.34
<b>Gross Revenue</b>		<b>911,736</b>		<b>3,536</b>		<b>16.02</b>

<sup>a</sup> Simple average of values for each farm.

Table 3. Expenses, 2002

EXPENSES	Your Farm	Average	Your Farm	Average <sup>a</sup>	Your Farm	Average <sup>a</sup>
	\$	\$/Farm	\$/cow	\$/cow	\$/cwt	\$/cwt
Hired Labor		148,067		571		2.64
Feed - Grain & Commodities		259,815		1,010		4.57
Feed - Bought Forage		21,203		106		0.47
Feed - Non-dairy		278		1		0.01
<i>Feed subtotal</i>		281,295		1,117		5.04
Fertilizer		26,677		115		0.52
Chemicals		14,105		50		0.23
Seed		13,112		43		0.20
<i>Crop Subtotal</i>		53,894		208		0.94
<i>Feed &amp; Crop subtotal</i>		335,189		1,326		5.98
Milk Hauling & marketing		45,261		170		0.77
Milking supplies		23,756		90		0.40
Vet & Med		29,091		116		0.51
BST		14,067		53		0.24
Breeding		8,778		33		0.15
Bedding		8,956		36		0.16
Custom Boarding/Raising		6,612		19		0.09
Purchased Replacement Livestock		9,167		68		0.29
Leased cows		0		0		0.00
Other Livestock Expense		18,211		77		0.33
<i>Livestock Expense subtotal</i>		163,900		661		2.93
Utilities		20,435		93		0.42
Machinery Repair		30,631		145		0.66
Mach Hire, Rent, Lease		11,169		45		0.21
Fuel		13,714		58		0.27
Auto		282		3		0.01
<i>Power Subtotal</i>		76,231		343		1.57
Land Rent & Lease		11,557		49		0.22
Building, Fence, Land Repair		13,764		60		0.26
Insurance		14,894		66		0.29
Property Taxes		7,727		32		0.14
Miscellaneous		9,449		44		0.20
<i>General Farm Expense subtotal</i>		57,390		251		1.11
Total Production Expenses		780,776		3,152		14.24
Interest		17,627		67		0.30
Total Operating Expenses		798,404		3,218		14.54
Income Before Depreciation		113,333		318		1.48
Depreciation		68,076		289		1.29
<b>Total Expenses</b>		866,480		3,507		15.83
<b>Net Farm Income from Operations</b>		45,256		29		0.19

<sup>a</sup> Simple average of values for each farm.

Table 4. Selected Measures of Financial Resources and Performance, 2002

PERFORMANCE MEASURES	Your Farm	Average <sup>a</sup>	Range <sup>b</sup>	
			High	Low
Total Investment, \$/Cow		9,093	17,424	3,132
Total Liabilities, \$/Cow		1,016	2,852	0
Net Worth (Equity), \$/Cow		8,077	17,357	3,016
Interest on Equity Capital, \$/Cow		565	1,215	211
Unpaid Labor Charge, \$/Cow		132	226	98
Management Returns, \$/Cow		-668	174	-2,197
Management Returns, \$/Cwt.		-3.02	0.78	-8.55
Return on Assets, \$/Cow		-36	401	-1,343
Rate of Return on Assets		1.43%	12.79%	-10.82%
Rate of Return on Equity		0.68%	12.55%	-11.27%
Net Farm Income/Cow, \$		29	515	-1,244
Net Farm Income/Cwt., \$		0.19	2.29	-4.84
Livestock Returns over Feed, \$/Cow		2,080	2,769	1,672
Gross Revenue per Cow, \$		3,536	2,964	4,311
Total Expense per Cow, \$		3,507	5,555	2,734
Gross Revenue per 100 lb. of milk sold, \$		16.02	17.46	14.32
Total Expense per 100 lb. of milk sold, \$		15.83	21.63	12.19
Debt:Asset Ratio		0.14	0.49	0.00
Asset Turnover Ratio		0.49	1.04	0.17
Operating Profit Margin Ratio		0.00	0.12	-0.31
Operating Expense Ratio		0.90	0.76	1.19
Operating Surplus for Debt Service, Family Living, etc. per Cow, \$		385	958	-808
Operating Surplus for Debt Service, Fam. Living, etc. per Unpaid Worker, \$		57,782	130,197	#####

<sup>a</sup> Simple average of values for each farm.

<sup>b</sup> Each item is ranked independently and several farms are represented in this list.

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