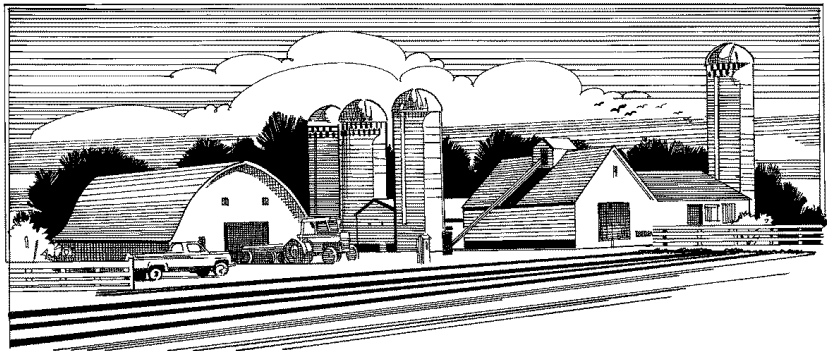


DAIRY FARM BUSINESS SUMMARY

DECEMBER 2004

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NEW YORK DAIRY FARM RENTERS 2003



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2003 DAIRY FARM BUSINESS SUMMARY
NEW YORK DAIRY FARM RENTERS
Table of Contents

	Page
INTRODUCTION.....	1
Use Comparative Profitability Data With Caution.....	1
SUMMARY AND ANALYSIS OF THE FARM BUSINESS.....	3
Business Characteristics and Resources Used.....	3
Income Statement.....	4
Profitability Analysis.....	7
Farm and Family Financial Status.....	9
Statement of Owner Equity.....	12
Cash Flow Statement.....	13
Repayment Analysis.....	15
Cropping Program Analysis.....	17
Dairy Program Analysis.....	18
Capital and Labor Efficiency Analysis.....	21
COMPARATIVE ANALYSIS OF THE FARM BUSINESS.....	22
Progress of the Farm Business.....	22
Condensed Summary and Selected Business Factors for Two Herd Size Groups.....	24
Regional Farm Business Chart.....	26
Regional Financial Analysis Chart.....	27
IDENTIFY AND SET GOALS.....	28
GLOSSARY AND LOCATION OF COMMON TERMS.....	30
INDEX.....	33

2003 NEW YORK DAIRY FARM RENTER BUSINESS SUMMARY

INTRODUCTION

Dairy farmers throughout New York State submit business records for summarization and analysis through Cornell Cooperative Extension's Farm Business Management Program. Averages from a compilation of the individual farm reports are published in six regional summaries and in one statewide summary.¹

Accrual procedures have been used to provide the most accurate accounting of farm receipts and farm expenses for measuring farm profits. An explanation of these procedures is found on pages 4-6. Three measures of farm profits are calculated on pages 7 and 8. The balance sheet, statement of owner equity, and cash flow statement are featured on pages 9-16. The dairy program analysis includes data on the costs of producing milk (pages 19 and 20).

This New York Dairy Farm Renter Business Summary is an average of 31 businesses that are renting substantially all of the farm real estate. The farm income, financial summary, and business analysis sections of this report include comparisons with average data on 59 owned dairy farms in New York that are similar in size and location to the farms that rent. This report is prepared in workbook form for farm renters to use in the systematic study of their farm business operations.

Business records for 31 farms in Columbia, Delaware, Erie, Franklin, Genesee, Orange, Otsego, Saratoga, Schenectady, Schuyler, Seneca, Steuben, Sullivan, Tompkins, and Washington Counties are summarized in this publication (see Figure 1 on page 2). The 59 owned dairy farms summarized in this publication include farms from these counties that are similar in size to the renters.

Use Comparative Profitability Data With Caution

The profitability analysis on page 8 implies that renting a dairy farm provides a greater return to the operator's labor and management than does owning the farm. Concessionary rental rates set by some land owners is a major factor. The farm owners are often father and mother and other landlords who are willing to accept a very low return for their investment. Total real estate costs including land, building and fence repair; taxes; real estate rent and lease; depreciation; and interest on real estate investment were similar when calculated per tillable acre. However, on a per cow basis, these real estate costs averaged \$405 per cow on the owned dairy farms compared to \$295 on the rented farms. This accounts for a \$14,875 difference in costs between owned and rented farms. With this difference in cost structure, the renters had higher rates of return on equity and all capital (with appreciation).

¹Wayne A. Knoblauch, Linda D. Putnam and Jason Karszes, Dairy Farm Management Business Summary, New York, 2003, R.B. 2004-13, December 2004.

SUMMARY AND ANALYSIS OF THE FARM BUSINESS

Business Characteristics and Resources Used

Recognition of important business characteristics and identification of the farm resources used are necessary for evaluating management performance. The combination of resources and management practices is known as farm organization. Important farm business characteristics, the number of farms reporting these characteristics, and a listing of the average labor, land, and dairy cattle resources used are presented in the following table.

BUSINESS CHARACTERISTICS AND RESOURCES USED 31 New York Dairy Farm Renters, 2003

<u>Type of Business</u>	<u>Number</u>	<u>bST Usage</u>	<u>Number</u>	
Single proprietorship	22	Used consistently	9	
Partnership	7	Used inconsistently	3	
Limited liability corporation	2	Started usage in 2003	1	
Subchapter S or C corporation	0	Stopped usage in 2003	1	
		Not used in 2003	18	
		Average percent usage, if used	39%	
<u>Milking System</u>	<u>Number</u>	<u>Labor Force*</u>	<u>My Farm</u>	<u>Average</u>
Dumping station	0	Operator 1	___ mo.	13.8
Pipeline	19	Operator 2	___ mo.	6.3
Herringbone parlor	10	Family paid	___ mo.	2.0
Other parlor	2	Family unpaid	___ mo.	3.7
<u>Type of Barn</u>	<u>Number</u>	Hired	___ mo.	<u>14.5</u>
Stanchion	20	Total	___ mo.	40.3
Freestall	10	Worker equivalent		
Combination	1	(total ÷ 12)	_____	3.36
<u>Dairy Records Service</u>	<u>Number</u>	Operator/Manager Equivalent	_____	1.69
Testing service	25			
On-farm system	2	<u>Land Use</u>	<u>My Farm</u>	<u>Average</u>
Other	0	Total acres rented	_____	265
None	4	Tillable acres rented	_____	188
<u>Business Record System</u>	<u>Number</u>	<u>Number of Cows</u>	<u>My Farm</u>	<u>Average</u>
Account book	14	Beg. year (owned)	_____	121
Accounting service	5	End year (owned & leased)	_____	132
On-farm computer	12	Average for year (owned & leased)	_____	128
Other	0			
<u>Milking Frequency</u>	<u>Number</u>	<u>Breed of Herd</u>	<u>My Farm</u>	<u>Percent</u>
2 times a day	28	Holstein	_____	88
3 times a day	3	Jersey	_____	5
		Other	_____	7

*Based on hours actually worked by owner/operator, instead of standard 12 months per full-time owner/operator. The standard 12 months is used for operator/manager equivalent when calculating labor and management income per operator.

Predominate business characteristics of the 31 rented farms include the single proprietorship, pipeline milking system, stanchion or conventional stall barn, two time a day milking, herd records with a testing service, and an account book or on-farm computer record system. Thirty-nine percent of the renters were using on-farm computers compared to 36 percent of the owners.

The average size of the labor force on the rented farms was 23 percent less than the 4.13 worker equivalent on owned farms. The rented farms averaged 188 tillable acres compared to 380 tillable acres on the 59 owned dairy farms. The owned farms averaged 31 cows per worker, compared to 38 cows per worker on the rented farms. In 2003, the rented farms used labor resources more efficiently than the owned farms.

Income Statement

The accrual income statement begins with an accounting of all farm business expenses.

CASH AND ACCRUAL FARM EXPENSES
31 New York Dairy Farm Renters, 2003

Expense Item	Cash Paid	- Change in Inventory or Prepaid Exp.	+	Change in Accounts Payable	= Accrual Expenses	Percent of Total
<u>Hired Labor</u>	\$ 36,252	\$ 0	<<*	\$ 325	\$ 36,577	11
<u>Feed</u>						
Dairy grain & concentrate	105,215	-954		7,175	113,344	34
Dairy roughage	21,733	-3,295		612	25,640	8
Nondairy	65	0		0	65	<1
Professional nutritional services	217	0	<<	-64	153	<1
<u>Machinery</u>						
Machinery, hire, rent & lease	7,495	0	<<	5	7,500	2
Machinery repair & farm veh. exp.	16,195	65		652	16,782	5
Fuel, oil & grease	9,372	3		62	9,430	3
<u>Livestock</u>						
Replacement livestock	2,713	0	<<	148	2,861	1
Breeding	5,175	30		-27	5,118	2
Vet & medicine	11,378	6		38	11,410	3
Milk marketing	16,902	0	<<	28	16,930	5
Bedding	5,382	-26		193	5,601	2
Milking supplies	9,113	-5		-260	8,857	3
Cattle lease & rent	535	0	<<	5	540	<1
Custom boarding	2,624	0	<<	343	2,967	1
bST expense	4,159	-40		38	4,238	1
Livestock professional fees	1,422	0	<<	9	1,431	<1
Other livestock expense	3,663	50		-2	3,611	1
<u>Crops</u>						
Fertilizer & lime	4,726	-1,020		371	6,117	2
Seeds & plants	2,317	-1,449		0	3,766	1
Spray, other crop expense	2,266	-4		48	2,319	1
Crop professional fees	127	0	<<	0	127	<1
<u>Real Estate</u>						
Land, building & fence repair	3,944	-102		123	4,169	1
Taxes	2,697	0	<<	41	2,739	1
Rent & lease	16,169	0	<<	1,016	17,185	5
<u>Other</u>						
Insurance	5,104	0	<<	0	5,104	2
Utilities (farm share)	10,715	0	<<	383	11,098	3
Interest paid	7,497	0	<<	64	7,561	2
Other professional fees	895	0	<<	10	905	<1
Miscellaneous	1,505	0		15	1,520	<1
Total Operating	\$ 317,569	\$ -6,740		\$ 11,354	\$ 335,663	100
Expansion livestock	\$ 13,275	\$ 0	<<	\$ 0	\$ 13,275	
Extraordinary expense	0	0	<<	0	0	
Machinery depreciation					16,154	
Building depreciation					9,556	
TOTAL ACCRUAL EXPENSES					\$ 374,648	

*A change in prepaid expense is noted by <<.

Cash paid is the actual amount of money paid out during the year and does not necessarily represent the cost of goods and services actually used.

Change in inventory: An increase in inventory is subtracted in computing accrual expenses because it represents purchased inputs not actually used during the year. A decrease in inventory is added to expenses because it represents the cost of inputs purchased in a prior year and used this year.

Changes in prepaid expenses apply to non-inventory categories (noted by << in the tables). Include any expenses that have been paid for in advance of their use, for example, 2004 rent paid in 2003. A positive change is the amount the prepayment account increased from beginning to end year, a negative change indicates a decline in the account.

Change in accounts payable: An increase in payables is added and a decrease is subtracted when calculating accrual expenses.

Accrual expenses are the costs of inputs actually used in this year's production.

Worksheets are provided to enable any dairy farmer to compute his or her accrual farm expenses and compare them with the averages on the previous page.

CASH AND ACCRUAL FARM EXPENSES WORKSHEET

Expense Item	Cash Paid	-	Change in Inventory or Prepaid Exp.	+	Change in Accounts Payable	=	Accrual Expenses
<u>Hired Labor</u>	\$ _____		\$ _____	<<*	\$ _____		\$ _____
<u>Feed</u>							
Dairy grain & concentrate	_____		_____		_____		_____
Dairy roughage	_____		_____		_____		_____
Nondairy	_____		_____		_____		_____
Professional nutritional services	_____		_____	<<	_____		_____
<u>Machinery</u>							
Machinery, hire, rent & lease	_____		_____	<<	_____		_____
Machinery repair & farm veh. exp.	_____		_____		_____		_____
Fuel, oil & grease	_____		_____		_____		_____
<u>Livestock</u>							
Replacement livestock	_____		_____	<<	_____		_____
Breeding	_____		_____		_____		_____
Vet & medicine	_____		_____		_____		_____
Milk marketing	_____		_____	<<	_____		_____
Bedding	_____		_____		_____		_____
Milking supplies	_____		_____		_____		_____
Cattle lease & rent	_____		_____	<<	_____		_____
Custom boarding	_____		_____	<<	_____		_____
bST expense	_____		_____		_____		_____
Livestock professional fees	_____		_____	<<	_____		_____
Other livestock expense	_____		_____		_____		_____
<u>Crops</u>							
Fertilizer & lime	_____		_____		_____		_____
Seeds & plants	_____		_____		_____		_____
Spray, other crop expense	_____		_____		_____		_____
Crop professional fees	_____		_____	<<	_____		_____
<u>Real Estate</u>							
Land, building & fence repair	_____		_____		_____		_____
Taxes	_____		_____	<<	_____		_____
Rent & lease	_____		_____	<<	_____		_____
<u>Other</u>							
Insurance	_____		_____	<<	_____		_____
Utilities (farm share)	_____		_____	<<	_____		_____
Interest paid	_____		_____	<<	_____		_____
Other professional fees	_____		_____	<<	_____		_____
Miscellaneous	_____		_____		_____		_____
Total Operating	\$ _____		\$ _____		\$ _____		\$ _____
Expansion livestock	\$ _____		\$ _____	<<	\$ _____		\$ _____
Extraordinary expense	\$ _____		\$ _____	<<	\$ _____		\$ _____
Machinery depreciation							
Building depreciation							
TOTAL ACCRUAL EXPENSES							\$ _____

*A change in prepaid expense is noted by <<.

CASH AND ACCRUAL FARM RECEIPTS
31 New York Dairy Farm Renters, 2003

Receipt Item	Cash Receipts	+	Change in Inventory	+	Change in Accounts Receivable	=	Accrual Receipts
Milk Sales	\$ 343,365				\$ 3,766		\$ 347,131
Dairy cattle	17,430		\$ 13,565		0		30,995
Dairy calves	5,014		3,573		0		8,587
Other livestock	1,357		-20		0		1,337
Crops	715		8,538		65		9,317
Government receipts	21,095		0*		-279		20,816
Custom machine work	2,339				58		2,397
Gas tax refund	213				0		213
Other	2,564				0		2,564
- Nonfarm noncash capital**	_____		(-) 0		_____		(-) 0
Total Accrual Receipts	\$ 394,092		\$ 25,656		\$ 3,609		\$ 423,357

*Change in advanced government receipts.

**Gifts or inheritances of cattle or crops included in inventory.

Cash receipts include the gross value of milk checks received during the year plus all other payments received from the sale of farm products, services, and government programs. Nonfarm income is not included in calculating farm profitability.

Changes in inventory are calculated by subtracting beginning of year values from end of year values excluding appreciation. Increases in livestock inventory caused by herd growth and/or quality are added and decreases caused by herd reduction and for quality are subtracted. Changes in inventories of crops grown are also calculated. Changes in advanced government receipts are calculated by subtracting the end year balance from the beginning year balance (balances are listed with the current liabilities on the Balance Sheet).

Changes in accounts receivable are calculated by subtracting beginning year balances from end year balances. The January milk check for this December's marketings compared with the previous January's check is included as a change in accounts receivable.

Accrual receipts represent the value of all farm commodities produced and services actually generated by the farmer during the year.

CASH AND ACCRUAL FARM RECEIPT WORKSHEET

Receipt Item	Cash Receipts	+	Change in Inventory	+	Change in Accounts Receivable	=	Accrual Receipts
Milk Sales	\$ _____				\$ _____		\$ _____
Dairy cattle	_____		\$ _____		_____		_____
Dairy calves	_____		_____		_____		_____
Other livestock	_____		_____		_____		_____
Crops	_____		_____		_____		_____
Government receipts	_____		_____		_____		_____
Custom machine work	_____		_____		_____		_____
Gas tax refund	_____		_____		_____		_____
Other	_____		_____		_____		_____
- Nonfarm noncash capital**	_____		(-) _____		_____		(-) _____
Total Accrual Receipts	\$ _____		\$ _____		\$ _____		\$ _____

Profitability Analysis

Farm owners/operators contribute labor, management, and capital to their businesses and the best combination of these resources maximizes income. Farm profitability can be measured as the return to all family resources or as the return to one or more individual resources such as labor and management.

Net farm income is the total combined return to the farm operator(s) and other unpaid family members for their labor, management, and equity capital. It is the farm family's net annual return from working, managing, financing, and owning the farm business. This is not a measure of cash available from the year's business operation. Cash flow is evaluated later in this report.

Net farm income is computed with and without appreciation. Appreciation represents the change in values caused by annual changes in prices of livestock, machinery, real estate inventory, and stocks and certificates (other than Farm Credit stock). Appreciation is a major factor contributing to changes in farm net worth and must be included for a complete profitability analysis.

NET FARM INCOME New York Dairy Farm Renters and Owners, 2003

Item	31 Dairy Farm Renters	59 Dairy Farm Owners	My Farm
Total accrual receipts	\$ 423,357	\$ 427,299	\$ _____
+ Appreciation: Livestock	13,143	8,183	_____
Machinery	5,152	6,226	_____
Real Estate	20,623	20,459	_____
Other Stock & Certificates	_____ 157	_____ 224	_____
= Total Including Appreciation	\$ 462,432	\$ 462,391	\$ _____
- Total accrual expenses	_____ 374,648	_____ 391,873	_____
= Net Farm Income (with appreciation)	\$ 87,784	\$ 70,518	\$ _____
Per cow	\$ 686	\$ 542	\$ _____
Net Farm Income (without appreciation)	\$ 48,709	\$ 35,426	\$ _____
Per cow	\$ 381	\$ 273	\$ _____

Labor and management income is the return which farm operators receive for their labor and management used in operating the farm business. Appreciation is not included as part of the return to labor and management because it results from ownership of assets rather than management of the farm business. Labor and management income is calculated by deducting from net farm income excluding appreciation a charge for unpaid family labor and the opportunity cost of using equity capital at a 5 percent interest rate. The interest charge of 5 percent reflects the long-term average rate of return that a farmer might expect to earn in comparable risk investments in a low inflation economy.

LABOR AND MANAGEMENT INCOME
New York Dairy Farm Renters and Owners, 2003

Item	31 Dairy Farm Renters	59 Dairy Farm Owners	My Farm
Net farm income without appreciation	\$ 48,709	\$ 35,426	\$ _____
- Family labor unpaid @ \$2,200 per month	- 8,190	- 8,729	- _____
- Interest on average equity capital @ 5% real rate	<u>- 17,601</u>	<u>- 37,159</u>	- _____
= Labor & Management Income	\$ 22,918	\$ -10,462	\$ _____
Labor & Management Income per Operator/Manager	\$ 13,561	\$ -6,539	\$ _____

Return to equity capital measures the net return remaining for the farmer's equity or owned capital after a charge has been made for unpaid family labor and the owner-operator's labor and management. The earnings or amount of net farm income allocated to labor and management is the opportunity cost of operators' labor and management estimated by the cooperators. Return to equity capital is calculated with and without appreciation. The rate of return on equity capital is determined by dividing the amount returned by the average farm net worth or equity capital. Return to all capital is calculated by adding interest paid to the return to equity capital and then dividing by average farm assets to calculate the rate of return on average total capital. Net farm income from operations ratio is net farm income (without appreciation) divided by total accrual receipts.

RETURN TO EQUITY CAPITAL AND RETURN TO ALL CAPITAL
New York Dairy Farm Renters and Owners, 2003

Item	31 Dairy Farm Renters	59 Dairy Farm Owners	My Farm
Net farm income with appreciation	\$ 87,784	\$ 70,518	\$ _____
- Family labor unpaid @ \$2,200 per month	\$ 8,190	\$ 8,729	\$ _____
- Value of operators' labor & management	<u>49,761</u>	<u>41,553</u>	_____
= Return to equity capital with appreciation	\$ 29,833	\$ 20,236	\$ _____
+ Interest paid	<u>7,561</u>	<u>12,912</u>	_____
= Return to all capital with appreciation	\$ 37,394	\$ 33,148	\$ _____
Return to equity capital without appreciation	\$ -9,242	\$ -14,856	\$ _____
Return to all capital without appreciation	\$ -1,681	\$ -1,944	\$ _____
Rate of return on average equity capital:			
with appreciation	8.5%	2.7%	_____ %
without appreciation	-2.6%	-2.0%	_____ %
Rate of return on all capital:			
with appreciation	6.7%	3.1%	_____ %
without appreciation	-0.3%	-0.2%	_____ %
Net farm income from operations ratio	0.12	0.08	_____

Farm and Family Financial Status

The first step in evaluating the financial status of the farm is to construct a balance sheet, which identifies all the assets and liabilities of the business. The second step is to evaluate the relationship between assets, liabilities, and net worth and changes that occurred during the year.

2003 FARM BUSINESS & NONFARM BALANCE SHEET
31 New York Dairy Farm Renters

Farm Assets	Jan. 1	Dec. 31	Farm Liabilities & Net Worth	Jan. 1	Dec. 31
<u>Current</u>			<u>Current</u>		
Farm cash, checking & savings	\$ 6,057	\$ 10,442	Accounts payable	\$ 13,866	\$ 25,220
Accounts receivable	25,616	29,226	Operating debt	12,411	9,812
Prepaid expenses	0	0	Short term	707	971
Feed & supplies	<u>65,298</u>	<u>67,095</u>	Advanced gov't. receipt	0	0
Total Current	\$ 96,971	\$ 106,763	Current portion:		
			Intermediate	24,609	28,664
			Long term	<u>2,800</u>	<u>2,343</u>
			Total Current	\$ 54,393	\$ 67,010
<u>Intermediate</u>			<u>Intermediate</u>		
Dairy Cows:			Structured debt		
owned	\$ 151,440	\$ 167,374	1-10 years	\$ 96,789	\$ 141,635
leased	15	507	Financial lease		
Heifers	76,829	91,139	(cattle & machinery)	4,369	3,479
Bulls & other livestock	808	824	Farm Credit stock	<u>415</u>	<u>533</u>
Mach. & equip. owned	111,259	126,950	Total Intermediate	\$ 101,573	\$ 145,647
Mach. & equip. leased	4,354	2,972			
Farm Credit stock	415	533	<u>Long Term</u>		
Other stock & cert.	<u>3,594</u>	<u>5,025</u>	Structured debt		
Total Intermediate	\$ 348,714	\$ 395,324	≥ 10 years	\$ 17,788	\$ 24,781
<u>Long Term</u>			Financial lease		
Land & buildings:			(structures)	<u>1,131</u>	<u>582</u>
owned	\$ 53,764	\$ 110,131	Total Long Term	\$ 18,919	\$ 25,363
leased	<u>1,131</u>	<u>582</u>			
Total Long Term	\$ 54,895	\$ 110,713	Total Farm Liabilities	\$ 174,885	\$ 238,020
Total Farm Assets	\$ 500,580	\$ 612,801	FARM NET WORTH	\$ 325,695	\$ 374,781
(Average for 14 farms reporting)			<u>Nonfarm Liabilities*</u>		
<u>Nonfarm Assets*</u>	Jan.1	Dec. 31	& Net Worth	Jan. 1	Dec. 31
Personal cash, checking & savings	\$ 17,905	\$ 24,181	Nonfarm Liabilities	\$ 9,116	\$ 7,845
Cash value life ins.	2,813	2,974	NONFARM NET WORTH	\$ 60,749	\$ 84,357
Nonfarm real estate	27,500	29,643			
Auto (personal share)	4,893	5,686	<u>FARM & NONFARM**</u>	Jan. 1	Dec. 21
Stocks & bonds	10,697	16,682	Total Assets	\$ 570,445	\$ 705,003
Household furn.	5,250	5,607	Total Liabilities	<u>184,001</u>	<u>245,865</u>
All other	<u>807</u>	<u>7,429</u>	TOTAL FARM & NON-		
Total Nonfarm	\$ 69,865	\$ 92,202	FARM NET WORTH	\$ 386,444	\$ 459,138

*Assumes that average nonfarm assets and liabilities for the nonreporting farms were the same as for those reporting.

Financial lease obligations are included in the balance sheet. The present value of all future payments is listed as a liability since the farmer is committed to make the payments by signing the lease. The present value is also listed as an asset, representing the future value the item has to the business.

Balance sheet analysis involves examination of relative asset and debt levels for the business. Percent equity is calculated by dividing end of year net worth by end of year assets. The debt to asset ratio is compiled by dividing liabilities by assets. Low debt to asset ratios reflect business solvency and the potential capacity to borrow. The leverage ratio is the dollars of debt per dollar of equity, computed by dividing total farm liabilities by farm net worth. Debt levels per productive unit represent old standards that are still useful if used with measures of cash flow and repayment ability. A current ratio of less than 1.5 or that has been falling warrants additional evaluation. The amount of working capital that is adequate must be related to the size of the farm business.

BALANCE SHEET ANALYSIS
New York Dairy Farm Renters and Owners, 2003

Item	31 Dairy Farm Renters	59 Dairy Farm Owners	My Farm
<u>Financial Ratios - Farm:</u>			
Percent equity	61%	71%	_____ %
Debt/asset ratio: total	0.39	0.29	_____
long term	0.23	0.22	_____
intermediate & current	0.42	0.35	_____
Leverage ratio	0.64	0.42	_____
Current ratio	1.59	1.64	_____
Working capital \$39,753 as % of total expenses	11%	(\$49,086) 13%	_____ %
<u>Farm Debt Analysis:</u>			
Accounts payable as % of total debt	11%	5%	_____ %
Long term liabilities as a % of total debt	11%	32%	_____ %
Current & intermediate liabilities as a % of total debt	89%	68%	_____ %
Cost of term debt (weighted average)	4.2%	4.6%	_____ %
<u>Farm Debt Levels Per Cow:</u>			
Total farm debt	\$ 1,803	\$ 2,424	\$ _____
Long term debt	\$ 192	\$ 776	\$ _____
Intermediate & long term debt	\$ 1,296	\$ 1,841	\$ _____
Intermediate & current debt	\$ 1,611	\$ 1,648	\$ _____

Farm inventory balance is an accounting of the value of machinery and equipment used on the balance sheet and the changes that occur from the beginning to end of year. Changes in the livestock inventory are included in the dairy analysis. Net investment indicates whether the capital stock is being expanded (positive) or depleted (negative).

FARM MACHINERY AND EQUIPMENT INVENTORY BALANCE
New York Dairy Farm Renters and Owners, 2003

Item	31 Dairy Farm Renters	59 Dairy Farm Owners	My Farm
Value beginning of year	\$ 111,259	\$ 211,077	\$ _____
Purchases	\$ 27,254	\$ 22,107	\$ _____
+ Nonfarm noncash transfer	0	0	_____
- Net Sales	560	330	_____
- Depreciation	<u>16,154</u>	<u>23,202</u>	_____
= Net investment	10,540	-1,425	_____
+ Appreciation	<u>5,152</u>	<u>6,226</u>	_____
= Value end of year	\$ 126,950	\$ 215,878	\$ _____

The Statement of Owner Equity has two purposes. It allows (1) verification that the accrual income statement and market value balance sheet are interrelated and consistent (in accountants' terms, they reconcile) and (2) identification of the causes of change in equity that occurred on the farm during the year. The Statement of Owner Equity allows the farmer to determine to what degree the change in equity was caused by (1) earnings from the business, and nonfarm income, in excess of withdrawals being retained in the business (called retained earnings), (2) outside capital being invested in the business or farm capital being removed from the business (called contributed/withdrawn capital) and (3) increases or decreases in the value (price) of assets owned by the business (called change in valuation equity).

The change in farm net worth without appreciation is an excellent indicator of farm generated financial progress.

STATEMENT OF OWNER EQUITY (RECONCILIATION)
31 New York Dairy Farm Renters, 2003

Item	Average	My Farm
Beginning of year farm net worth	\$ 325,695	\$ _____
Net farm income without appreciation	\$ 48,709	\$ _____
+ Nonfarm cash income	+ 17,162	+ _____
- Personal withdrawals & family expenditures excluding nonfarm borrowings	- <u>45,610</u>	- _____
RETAINED EARNINGS	+ \$ 20,261	+ \$ _____
Nonfarm noncash transfers to farm	\$ 0	\$ _____
+ Cash used in business from nonfarm capital	+ 2,119	+ _____
- Note/mortgage from farm real estate sold (nonfarm)	- <u>0</u>	- _____
CONTRIBUTED/WITHDRAWN CAPITAL	+ \$ 2,119	+ \$ _____
Appreciation	\$ 39,075	\$ _____
- Lost capital	- <u>11,693</u>	- _____
CHANGE IN VALUATION EQUITY	+ \$ 27,382	+ \$ _____
IMBALANCE/ERROR	- \$ <u>676</u>	- \$ _____
End of year farm net worth*	= \$ 374,781	= \$ _____
Change in net worth with appreciation.	\$ 49,086	\$ _____
<hr/>		
<u>Change in Net Worth</u>		
Without appreciation	\$ 10,011	\$ _____
With appreciation	\$ 49,086	\$ _____

*May not add due to rounding.

Cash Flow Statement

Completing an annual cash flow statement is an important step in understanding the sources and uses of funds for the business. Understanding last year's cash flow is the first step toward planning and managing cash flow for the current and future years.

The annual cash flow statement is structured to show net cash provided by operating activities, investing activities, financing activities and from reserves. All cash inflows and outflows including beginning and end balances are included. Therefore, the sum of net cash provided from all four activities should be zero. Any imbalance is the error from incorrect accounting of cash inflows/outflows.

ANNUAL CASH FLOW STATEMENT
31 New York Dairy Farm Renters, 2003

Item	Average	
<u>Cash Flow from Operating Activities</u>		
Cash farm receipts	\$ 394,092	
- Cash farm expenses	317,569	
- Extraordinary expense	<u>0</u>	
= Net cash farm income		\$ 76,523
Personal withdrawals & family expenses including nonfarm debt payments	\$ 45,703	
- Nonfarm income	<u>17,162</u>	
- Net cash withdrawals from the farm		<u>\$ 28,541</u>
= Net Provided by Operating Activities		\$ 47,982
<u>Cash Flow From Investing Activities</u>		
Sale of assets: Machinery	\$ 560	
+ real estate	0	
+ other stock & certificates	<u>0</u>	
= Total asset sales		\$ 560
Capital purchases: expansion livestock	\$ 13,275	
+ machinery	27,254	
+ real estate	56,992	
+ other stock & certificates	<u>1,273</u>	
- Total invested in farm assets		<u>\$ 98,794</u>
= Net Provided by Investment Activities		\$ -98,234
<u>Cash Flow From Financing Activities</u>		
Money borrowed (intermediate & long term)	\$ 77,591	
+ Money borrowed (short term)	697	
+ Increase in operating debt	0	
+ Cash from nonfarm capital used in business	2,119	
+ Money borrowed - nonfarm	<u>93</u>	
= Cash inflow from financing		\$ 80,500
Principal payments (intermediate & long term)	\$ 22,153	
+ Principal payments (short term)	433	
+ Decrease in operating debt	<u>2,599</u>	
- Cash outflow for financing		<u>\$ 25,185</u>
= Net Provided by Financing Activities		\$ 55,315
<u>Cash Flow From Reserves</u>		
Beginning farm cash, checking & savings		\$ 6,057
- Ending farm cash, checking & savings		<u>10,442</u>
= Net Provided from Reserves		<u>\$ -4,385</u>
<u>Imbalance (error)</u>		\$ 678

ANNUAL CASH FLOW STATEMENT

Item	My Farm
<u>Cash Flow from Operating Activities</u>	
Cash farm receipts	\$ _____
- Cash farm expenses	_____
- Extraordinary expense	_____
= Net cash farm income	\$ _____
Personal withdrawals & family expenses including nonfarm debt payments	\$ _____
- Nonfarm income	_____
- Net cash withdrawals from the farm	\$ _____
= Net Provided by Operating Activities	\$ _____
<u>Cash Flow From Investing Activities</u>	
Sale of assets: Machinery	\$ _____
+ real estate	_____
+ other stock & certificates	_____
= Total asset sales	\$ _____
Capital purchases: expansion livestock	\$ _____
+ machinery	_____
+ real estate	_____
+ other stock & certificates	_____
- Total invested in farm assets	\$ _____
= Net Provided by Investment Activities	\$ _____
<u>Cash Flow From Financing Activities</u>	
Money borrowed (intermediate & long term)	\$ _____
+ Money borrowed (short term)	_____
+ Increase in operating debt	_____
+ Cash from nonfarm capital used in business	_____
+ Money borrowed - nonfarm	_____
= Cash inflow from financing	\$ _____
Principal payments (intermediate & long term)	\$ _____
+ Principal payments (short term)	_____
+ Decrease in operating debt	_____
- Cash outflow for financing	\$ _____
= Net Provided by Financing Activities	\$ _____
<u>Cash Flow From Reserves</u>	
Beginning farm cash, checking & savings	\$ _____
- Ending farm cash, checking & savings	_____
= Net Provided from Reserves	\$ _____
<u>Imbalance (error)</u>	\$ _____

Repayment Analysis

The second step in cash flow analysis is to compare the debt payments planned for the last year with the amount actually paid. The measures listed below provide a number of different perspectives on the repayment performance of the business. However, the critical question to many farmers and lenders is whether planned payments can be made in 2004. The cash flow projection worksheet on the next page can be used to estimate repayment ability, which can then be compared to planned 2004 debt payments shown below.

FARM DEBT PAYMENTS PLANNED
Same 15 New York Dairy Farm Renters, 2002 & 2003*

Debt Payments	Average			My Farm		
	2003 Payments		Planned 2004	2003 Payments		Planned 2004
	Planned	Made		Planned	Made	
Long-term	\$ 3,050	\$ 2,978	\$ 2,502	\$ _____	\$ _____	\$ _____
Intermediate-term	15,789	15,293	23,351	_____	_____	_____
Short-term	333	359	0	_____	_____	_____
Operating (net red.)	6,398	3,669	565	_____	_____	_____
Accounts payable (net reduction)	<u>587</u>	<u>327</u>	<u>0</u>	_____	_____	_____
Total	\$ 26,157	\$ 22,626	\$ 26,418	\$ _____	\$ _____	\$ _____
Per cow	\$ 281	\$ 243		\$ _____	\$ _____	
Per cwt. 2003 milk	\$ 1.35	\$ 1.17		\$ _____	\$ _____	
Percent of total 2003 receipts	9%	8%		_____	_____	
Percent of 2003 milk receipts	10%	9%		_____	_____	

*Farms that completed Dairy Farm Business Summaries for both 2002 and 2003.

The cash flow coverage ratio and debt coverage ratio measure the ability of the farm business to meet its planned debt payment schedule. The ratios show the percentage of planned payments (as of December 31, 2002) that could have been made with the amount available for debt service in 2003. Farmers that did not participate in DFBS last year will find in their report coverage ratios based on planned debt payments for 2004.

COVERAGE RATIOS
Same 15 New York Dairy Farm Renters, 2002 & 2003

Item	Average	Item	My Farm
<u>Cash Flow Coverage Ratio</u>		<u>Debt Coverage Ratio</u>	
Cash farm receipts	\$ 299,766	Net farm income (w/o appreciation)	\$ 40,637
- Cash farm expenses	231,658	+ Depreciation	14,049
+ Interest paid (cash)	4,795	+ Interest paid (accrual)	4,795
- Net personal withdrawals from farm*	<u>36,530</u>	- Net personal withdrawals from farm*	<u>36,530</u>
(A) = Amount Available for Debt Service	\$ 36,373	(A') = Repayment Capacity	\$ 22,951
(B) = Debt Payments Planned for 2002 (as of December 31, 2002)	\$ 26,157	(B) = Debt Payments Planned for 2003 (as of December 31, 2002)	\$ 26,157
(A/B)=Cash Flow Coverage Ratio for 2003	1.39	(A'/B)=Debt Coverage Ratio for 2003	0.88
----- Same 59 New York Dairy Farm Owners, 2002 & 2003 -----			
(A) = Amount Available for Debt Service	\$ 40,435	(A') = Repayment Capacity	\$ 47,904
(B) = Debt Payments Planned for 2003	55,442	(B) = Debt Payments Planned for 2003	55,442
(A/B)=Cash Flow Coverage Ratio for 2003	0.73	(A'/B)=Debt Coverage Ratio for 2003	0.86

*Personal withdrawals and family expenditures less nonfarm income and nonfarm money borrowed. If family withdrawals are excluded, or inaccurately included, the coverage ratios will be incorrect.

ANNUAL CASH FLOW WORKSHEET

Item	31 Dairy	My Farm		Expected Change	2004 Projection
	Farm Renters	Total	Per Cow		
Average number of cows	128				
<u>Accrual Operating Receipts</u>	(per cow)				
Milk	\$ 2,712	\$	\$		\$
Dairy cattle	242				
Dairy calves	67				
Other livestock	10				
Crops	73				
Misc. receipts	203				
Total	\$ 3,307	\$	\$		\$
<u>Accrual Operating Expenses</u>					
Hired labor	\$ 286	\$	\$		\$
Dairy grain & concentrate	886				
Dairy roughage	200				
Nondairy feed	1				
Professional nutritional services	1				
Machinery hire, rent & lease	59				
Machinery repair & vehicle exp.	131				
Fuel, oil & grease	74				
Replacement livestock	22				
Breeding	40				
Vet & medicine	89				
Milk marketing	132				
Bedding	44				
Milking supplies	69				
Cattle lease	4				
Custom boarding	23				
bST expense	33				
Livestock professional fees	11				
Other livestock expense	28				
Fertilizer & lime	48				
Seeds & plants	29				
Spray & other crop expense	18				
Crop professional fees	1				
Land, building & fence repair	33				
Taxes	21				
Real estate rent & lease	134				
Insurance	40				
Utilities	87				
Misc. & other professional fees	19				
Total Less Interest Paid	\$ 2,563	\$	\$	\$	\$
<u>Net Accrual Operating Income</u>	(Total)				
(without interest paid)	\$ 95,255	\$			\$
- Change in livestock & crop inv.	25,656				
- Change in accounts receivable	3,609				
- Change in feed & supply inv.*	-6,740				
+ Change in accounts payable**	11,290				
NET CASH FLOW	\$ 84,020	\$			\$
- Net family withdrawals	28,448				
Available for Farm Debt Payments & Investments	\$ 55,572	\$			\$
- Farm debt payments	33,510				
Available for Farm Investments	\$ 22,062	\$			\$
- Capital purchases: cattle, machinery & improvements	\$ 98,794	\$		\$	\$
Additional Capital Needed	\$ 76,732	\$			\$

*Includes change in prepaid expenses.

**Excludes change in interest account payable.

Cropping Program Analysis

The cropping program is an important part of the dairy farm business and sometimes it is overlooked and neglected. A complete evaluation of available land resources, how they are being used, how well crops are producing and what it costs to produce them, is required to evaluate alternative cropping and feed purchasing choices.

LAND RESOURCES AND CROP PRODUCTION
New York Dairy Farm Renters Reporting, 2003

Item	Average of Farms Reporting			My Farm	
<u>Crop Yields</u>	<u>Farms</u>	<u>Acres</u>	<u>Prod/Acre*</u>	<u>Acres</u>	<u>Prod/Acre</u>
Hay crop	25	156	2.38 tons DM	_____	_____ tons
					DM
Corn silage	19	69	13.14 tons 4.32 tons DM	_____ _____	_____ _____ tons
					DM
Other forage	2	30	0.54 tons DM	_____	_____ tons
					DM
Total forage	25	211	4.28 tons DM	_____	_____ tons
					DM
Corn grain	2	138	111 bushels	_____	_____ bushels
Oats	0	0	0 bushels	_____	_____ bushels
Wheat	0	0	0 bushels	_____	_____ bushels
Other crops	2	32		_____	
Tillable pasture	2	55		_____	
Idle	3	28		_____	
Total Tillable Acres	31	188		_____	

*2003 average yields for 59 dairy farm owners in New York included: all hay crops, 2.6 tons dry matter per acre; corn silage, 15.6 tons per acre.

Average crop acres and yields compiled for the region are for the number of farms reporting each crop. Yields of forage crops have been converted to tons of dry matter using dry matter coefficients reported by the farmers. Grain production has been converted to bushels of dry grain equivalent based on dry matter information provided.

The following measures of crop management indicate how efficiently the land resource is being used and how well total forage requirements are being met.

CROP MANAGEMENT FACTORS
New York Dairy Farm Renters and Owners, 2003

Item	31 Dairy Farm Renters	59 Dairy Farm Owners	My Farm
Total tillable acres per cow	1.47	2.92	_____
Total forage acres per cow	1.65	2.41	_____
Harvested forage dry matter, tons per cow	4.71	8.36	_____

Average fertilizer and lime, seeds and plants, and spray and other crop expenses have been computed per tillable acre for all farms in the first column of the table below. Additional expense items such as fuels, labor, and machinery repairs are not included. There was not a sufficient number of farms providing a breakdown in expenses for hay crop and corn. Rotational grazing was used on 3 rented farms and 13 owned farms.

CROP RELATED ACCRUAL EXPENSES
New York Dairy Farm Renters and Owners, 2003

Expense	Total Per Tillable Acre	Hay Crop		All Corn Per Acre	Corn Silage Per Ton DM	Corn Grain Per Dry Shell Bu.
		Per Acre	Per Ton DM			
<u>31 Dairy Farm Renters:</u>						
-----Not Sufficient Data to Report-----						
Fertilizer & lime	\$32.54					
Seeds & plants	20.03					
Spray & other crop expense	<u>12.34</u>					
Total	\$64.91					
<u>59 Dairy Farm Owners:</u>						
-----Not Sufficient Data to Report-----						
Fertilizer & lime	\$23.53					
Seeds & plants	14.35					
Spray & other crop expense	<u>14.28</u>					
Total	\$52.16					
<u>My Farm:</u>						
Fertilizer & lime	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Seeds & plants	_____	_____	_____	_____	_____	_____
Spray & other crop expense	_____	_____	_____	_____	_____	_____
Total	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

Most machinery costs are associated with crop production and should be analyzed with the crop enterprise. Total machinery expenses include the major fixed costs (interest and depreciation), as well as the accrual operating costs. Although machinery costs have not been allocated to individual crops, they are shown below per total tillable acre.

ACCRUAL MACHINERY EXPENSES
New York Dairy Farm Renters and Owners, 2003

Item	Average Per Tillable Acre		My Farm	
	31 Dairy Farm Renters	59 Dairy Farm Owners	Total Expenses	Per Tillable Acre
Fuel, oil & grease	\$ 50.16	\$ 28.37	\$ _____	\$ _____
Machine repair & farm veh. exp.	89.27	67.74	_____	_____
Machine hire, rent & lease	39.89	16.55	_____	_____
Interest (5%)	32.65	28.37	_____	_____
Depreciation	<u>85.93</u>	<u>61.06</u>	_____	_____
Total	\$297.90	\$202.09	\$ _____	\$ _____

Dairy Program Analysis

Analysis of the dairy enterprise can tell a great deal about the strengths and weaknesses of the dairy farm business. Information on the following page should be used in conjunction with DHI and other dairy production information. Changes in dairy herd size and market values that occur during the year are identified in the table below. The change in inventory value without appreciation is attributed to physical changes in herd size and quality. This increase in inventory is included as an accrual farm receipt when calculating profitability without appreciation impacts.

DAIRY HERD INVENTORY
New York Dairy Farm Renters and Owners, 2003

Item	Dairy Cows		Heifers					
	No.	Value	Bred		Open		Calves	
	No.	Value	No.	Value	No.	Value	No.	Value
31 Dairy Farm Renters:								
Beginning year (owned)	121	\$ 151,440	33	\$ 40,321	29	\$ 23,571	30	\$ 12,940
+ Change w/o apprec.		11,644		-2,063		3,984		3,573
+ Appreciation		<u>4,290</u>		<u>334</u>		<u>2,037</u>		<u>6,440</u>
End year (owned)	130	\$ 167,374	31	\$ 38,594	33	\$ 29,592	38	\$ 22,953
End including leased	132							
Average number	128		97	(all age groups)				
59 Dairy Farm Owners:								
Beginning year (owned)	130	\$ 161,375	34	\$ 38,927	32	\$ 22,945	28	\$ 11,621
+ Change w/o apprec.		-21		18		3,378		28
+ Appreciation		<u>4,467</u>		<u>1,924</u>		<u>1,257</u>		<u>511</u>
End year (owned)	131	\$ 165,821	35	\$ 40,869	36	\$ 27,580	27	\$ 12,160
End including leased	132							
Average number	130		96	(all age groups)				
My Farm:								
Beginning year (owned)	—	\$ _____	—	\$ _____	—	\$ _____	—	\$ _____
+ Change w/o apprec.		_____		_____		_____		_____
+ Appreciation		_____		_____		_____		_____
End year (owned)	—	\$ _____	—	\$ _____	—	\$ _____	—	\$ _____
End including leased	—							
Average number	—		—	(all age groups)				

Total milk sold and milk sold per cow are extremely valuable measures of productivity on the dairy farm. These measures of milk output are based on pounds of milk marketed during the year.

MILK PRODUCTION
New York Dairy Farm Renters and Owners, 2003

Item	31 Dairy Farm Renters	59 Dairy Farm Owners	My Farm
Total milk sold, lbs.	2,634,628	2,618,524	_____
Milk sold per cow, lbs.	20,635	20,098	_____
Average milk plant test, % butterfat	3.58%	3.70%	_____

Monitoring and evaluating culling practices and experiences on an annual basis are important herd management tools. Culling rate can have an affect on both milk per cow and profitability.

ANIMALS LEAVING THE HERD
New York Dairy Farm Renters and Owners, 2003

Item	31 Dairy Farm Renters		59 Dairy Farm Owners		My Farm	
	Number	Percent*	Number	Percent*	Number	Percent*
Cows sold for beef	31	24.2	32	24.6	_____	_____
Cows sold for dairy	2	1.6	1	0.8	_____	_____
Cows died	8	6.3	7	5.4	_____	_____
Culling rate**		30.5		30.0	_____	_____

*Percent of average number of cows in the herd. ** Cows sold for beef plus cows died.

The cost of producing milk has been compiled using the whole farm method, and is featured in the following table. Accrual receipts from milk sales are compared with the accrual costs of producing milk per hundredweight of milk. Using the whole farm method, operating cost of producing milk is estimated by deducting nonmilk accrual receipts from total accrual operating expenses plus expansion livestock purchased. Purchased input cost of producing milk is the operating cost plus depreciation. Total cost of producing milk includes the operating cost plus depreciation on machinery and buildings, the value of unpaid family labor, the value of operator(s) labor and management, and an interest charge for using equity capital.

COST OF PRODUCING MILK AND ACCRUAL RECEIPTS FROM MILK
New York Dairy Farm Renters and Owners, 2003

Item	31 Dairy Farm Renters		59 Dairy Farm Owners		My Farm	
	Total	Per Cwt.	Total	Per Cwt.	Total	Per Cwt.
<u>Accrual Cost of Producing Milk</u>						
Operating cost	\$272,711	\$10.35	\$279,231	\$10.66	\$ _____	\$ _____
Purchased input cost	\$298,421	\$11.33	\$312,383	\$11.93	\$ _____	\$ _____
Total cost	\$373,972	\$14.19	\$399,823	\$15.27	\$ _____	\$ _____
<u>Accrual Receipts from Milk</u>	\$347,131	\$13.18	\$347,809	\$13.28	\$ _____	\$ _____
Net Milk Receipts	\$330,201	\$12.53	\$322,482	\$12.32	\$ _____	\$ _____

The accrual operating expenses most commonly associated with the dairy enterprise are listed in the table below. Evaluating these costs per unit of production enables the comparison of different size dairy farms for strengths and areas for improvement.

DAIRY RELATED ACCRUAL EXPENSES
New York Dairy Farm Renters and Owners, 2003

Item	Average Per Cwt. Milk		Per Cwt.
	31 Dairy Farm Renters	59 Dairy Farm Owners	
Purchased dairy grain & concentrate	\$4.30	\$3.93	\$ _____
Purchased dairy roughage	<u>0.97</u>	<u>0.16</u>	_____
Total Purchased Dairy Feed	\$5.27	\$4.09	\$ _____
Purchased grain & concentrate as % of milk receipts	33%	30%	_____ %
Purchased feed & crop expense	\$5.74	\$4.85	\$ _____
Purchased feed & crop expense as % of milk receipts	44%	37%	_____ %
Breeding	\$0.19	\$0.23	\$ _____
Veterinary & medicine	0.43	0.50	_____
Milk marketing	0.64	0.97	_____
Bedding	0.21	0.17	_____
Milking supplies	0.34	0.34	_____
Cattle lease	0.02	0.02	_____
Custom boarding	0.11	0.17	_____
bST expense	0.16	0.15	_____
Livestock professional fees	0.05	0.05	_____
Other livestock expense	0.14	0.23	_____

Capital and Labor Efficiency Analysis

Capital efficiency factors measure how intensively the capital is being used in the farm business. The asset turnover ratio is the ratio of total farm income to total farm assets. It is calculated by dividing total accrual operating receipts plus appreciation by average total farm assets. Measures of labor efficiency are key indicators of management's success in generating products per unit of labor input.

CAPITAL EFFICIENCY
New York Dairy Farm Renters and Owners, 2003

Item	Per Worker	Per Cow	Per Tillable Acre
<u>27 Dairy Farm Renters:</u>			
Farm capital	\$ 165,682	\$ 4,349	\$ 2,961
Machinery & equipment	36,538	959	653
<u>Ratios</u>			
Asset turnover 0.83	Operating expense 0.81	Interest expense 0.02	Depreciation expense 0.06
<u>59 Dairy Farm Owners:</u>			
Farm capital	\$ 257,284	\$ 8,174	\$ 2,796
Machinery & equipment	52,205	1,659	567
<u>Ratios</u>			
Asset turnover 0.44	Operating expense 0.81	Interest expense 0.03	Depreciation expense 0.08
<u>My Farm:</u>			
Farm capital	\$ _____	\$ _____	\$ _____
Machinery & equipment	_____	_____	_____
<u>Ratios</u>			
Asset turnover _____	Operating expense _____	Interest expense _____	Depreciation expense _____

LABOR FORCE ANALYSIS
New York Dairy Farm Renters and Owners, 2003

Efficiency	31 Dairy Farm Renters		59 Dairy Farm Owners		My Farm	
	Total	Per Worker	Total	Per Worker	Total	Per Worker
Cows, average number	128	38	130	31	_____	_____
Milk sold, pounds	2,634,628	784,115	2,618,524	634,025	_____	_____
Tillable acres	188	56	380	92	_____	_____
Labor Costs	31 Dairy Farm Renters		59 Dairy Farm Owners		My Farm	
	Total	Per Cow	Total	Per Cow	Total	Per Cow
Value of operator(s) labor*	\$ 44,220	\$ 345	\$ 41,807	\$ 322	\$ _____	\$ _____
Family unpaid*	8,190	64	8,729	67	_____	_____
Hired	36,577	286	55,024	423	_____	_____
Total Labor	\$ 88,987	\$ 695	\$ 105,560	\$ 812	\$ _____	\$ _____
Machinery Cost	\$ 56,005	\$ 438	\$ 76,794	\$ 591	\$ _____	\$ _____
Total Labor & Machinery	\$ 144,992	\$ 1,133	\$ 182,354	\$ 1,403	\$ _____	\$ _____
Hired labor expense per hired worker equivalent	\$ 26,601		\$ 24,776		\$ _____	
Hired labor expense as % of milk sales	10.5%		15.8%		_____%	

*\$2,200 per month.

COMPARATIVE ANALYSIS OF THE FARM BUSINESS

Progress of the Farm Business

Comparing your business with average data from regional DFBS cooperators that participated in both of the last two years is one part of a business checkup. It is equally important for you to determine the progress your business has made over the past two or three years and to set targets or goals for the future.

PROGRESS OF THE FARM BUSINESS Same 15 New York Dairy Farm Renters, 2002 & 2003

Selected Factors	Average		My Farm		Goal
	2002	2003	2002	2003	
<u>Size of Business</u>					
Average number of cows	95	93	_____	_____	_____
Average number of heifers	69	70	_____	_____	_____
Milk sold, lbs.	1,989,723	1,935,116	_____	_____	_____
Worker equivalent	2.54	2.62	_____	_____	_____
Total tillable acres	233	242	_____	_____	_____
<u>Rates of Production</u>					
Milk sold per cow, lbs.	20,944	20,838	_____	_____	_____
Hay DM per acre, tons	2.2	2.3	_____	_____	_____
Corn silage per acre, tons	10.4	9.6	_____	_____	_____
<u>Labor Efficiency</u>					
Cows per worker	37	35	_____	_____	_____
Milk sold per worker, lbs.	783,356	738,594	_____	_____	_____
<u>Cost Control</u>					
Grain & concentrate purchased as % of milk sales	30%	31%	_____ %	_____ %	_____ %
Dairy feed & crop expense per cwt. milk	\$5.01	\$5.22	\$ _____	\$ _____	\$ _____
Labor & machinery costs/cow	\$1,133	\$1,177	\$ _____	\$ _____	\$ _____
Operating cost of producing cwt. milk	\$9.80	\$10.20	\$ _____	\$ _____	\$ _____
<u>Capital Efficiency*</u>					
Farm capital per cow	\$4,120	\$4,394	\$ _____	\$ _____	\$ _____
Machinery & equipment per cow	\$1,165	\$1,287	\$ _____	\$ _____	\$ _____
Asset turnover ratio	0.77	0.75	_____	_____	_____
<u>Profitability</u>					
Net farm income without appreciation	\$43,399	\$40,637	\$ _____	\$ _____	\$ _____
Net farm income with appreciation	\$42,595	\$52,704	\$ _____	\$ _____	\$ _____
Labor & management income per operator/manager	\$18,677	\$13,798	\$ _____	\$ _____	\$ _____
Rate of return on equity capital with appreciation	0.6%	3.7%	_____ %	_____ %	_____ %
Rate of return on all capital with appreciation	1.7%	3.7%	_____ %	_____ %	_____ %
<u>Financial Summary</u>					
Farm net worth, end year	\$280,256	\$294,145	\$ _____	\$ _____	\$ _____
Debt to asset ratio	0.29	0.30	_____	_____	_____
Farm debt per cow	\$1,190	\$1,365	\$ _____	\$ _____	\$ _____

*Average for the year.

RECEIPTS AND EXPENSES PER COW AND PER HUNDREDWEIGHT
Same 15 New York Dairy Farm Renters, 2002 & 2003

Item	2002		2003	
	Per Cow	Per Cwt.	Per Cow	Per Cwt.
Average Number of Cows	95		93	
Cwt. of Milk Sold		19,897		19,351
<u>ACCRUAL OPERATING RECEIPTS</u>				
Milk	\$ 2,645	\$ 12.63	\$ 2,711	\$ 13.03
Dairy cattle	162	0.77	86	0.41
Dairy calves	54	0.26	49	0.23
Other livestock	5	0.02	0	0.00
Crops	21	0.10	69	0.33
Miscellaneous receipts	312	1.49	261	1.25
Total Receipts	\$ 3,199	\$ 15.28	\$ 3,176	\$ 15.25
<u>ACCRUAL OPERATING EXPENSES</u>				
Hired labor	\$ 235	\$ 1.12	\$ 221	\$ 1.06
Dairy grain & concentrate	792	3.78	851	4.09
Dairy roughage	93	0.44	95	0.45
Nondairy feed	0	0.00	1	0.01
Professional nutritional services	NA*	NA*	3	0.02
Machine hire/rent/lease	39	0.19	28	0.13
Mach. repair & vehicle exp.	162	0.77	167	0.80
Fuel, oil & grease	66	0.32	83	0.40
Replacement livestock	68	0.32	23	0.11
Breeding	50	0.24	45	0.22
Veterinary & medicine	62	0.29	70	0.34
Milk marketing	154	0.73	165	0.80
Bedding	26	0.12	32	0.15
Milking supplies	67	0.32	59	0.28
Cattle lease	1	0.00	0	0.00
Custom boarding	65	0.31	58	0.28
bST expense	33	0.16	35	0.17
Livestock professional fees	NA*	NA*	8	0.04
Other livestock expense	71	0.34	45	0.22
Fertilizer & lime	81	0.39	68	0.33
Seeds & plants	27	0.13	29	0.14
Spray/other crop expense	57	0.27	44	0.21
Crop professional fees	NA*	NA*	0	0.00
Land, building, fence repair	34	0.16	39	0.19
Taxes	24	0.11	29	0.14
Real estate rent/lease	159	0.76	170	0.81
Insurance	34	0.16	38	0.18
Utilities	91	0.43	108	0.52
Interest paid	54	0.26	52	0.25
Other professional fees	NA*	NA*	10	0.05
Miscellaneous	62	0.29	8	0.04
Total Operating Expenses	\$ 2,606	\$ 12.44	\$ 2,583	\$ 12.42
Expansion Livestock	0	0.00	4	0.02
Extraordinary Expense	NA*	NA*	0	0.00
Machinery Depreciation	118	0.57	135	0.65
Real Estate Depreciation	18	0.08	16	0.08
Total Expenses	\$ 2,742	\$ 13.09	\$ 2,738	\$ 13.17
Net Farm Income Without Appreciation	\$ 457	\$ 2.19	\$ 438	\$ 2.08

*NA = not available in 2002 data. Expense was included in other categories.

Condensed Summary and Selected Business Factors for Two Herd Size Groups

CONDENSED FARM BUSINESS SUMMARY FOR TWO RENTER GROUPS BY HERD SIZE
31 New York Dairy Farm Renters, 2003

Item	16 Dairy Farm Renters with < 70 Cows		15 Dairy Farm Renters with > 70 Cows	
	Per Cow	Per Cwt.	Per Cow	Per Cwt.
<u>ACCRUAL EXPENSES</u>				
Hired labor	\$30	\$0.17	\$354	\$1.65
Dairy grain & concentrate	685	3.95	939	4.38
Dairy roughage	132	0.76	218	1.02
Nondairy feed	2	0.01	0	0.00
Professional nutritional services	0	0.00	1	0.01
Machine hire, rent & lease	31	0.18	66	0.31
Machine repairs & farm vehicle expense	146	0.84	127	0.59
Fuel, oil & grease	68	0.39	75	0.35
Replacement livestock	52	0.30	15	0.07
Breeding	27	0.15	44	0.20
Veterinary & medicine	50	0.29	99	0.46
Milk marketing	179	1.03	120	0.56
Bedding	25	0.15	49	0.23
Milking supplies	51	0.29	74	0.35
Cattle lease & rent	0	0.00	5	0.02
Custom boarding	0	0.00	29	0.14
bST expense	9	0.05	39	0.18
Livestock professional fees	16	0.09	10	0.05
Other livestock expense	58	0.34	20	0.09
Fertilizer & lime	36	0.21	51	0.24
Seeds & plants	14	0.08	34	0.16
Spray & other crop expense	21	0.12	17	0.08
Crop professional fees	0	0.00	1	0.01
Land, building & fence repair	30	0.17	33	0.15
Taxes & rent	169	0.98	152	0.71
Utilities	96	0.55	84	0.39
Interest paid	84	0.48	53	0.25
Other professional fees	6	0.03	7	0.03
Misc. (including insurance)	<u>51</u>	<u>0.30</u>	<u>52</u>	<u>0.24</u>
Total Operating Expenses	\$2,069	\$11.94	\$2,770	\$12.91
Expansion livestock	197	1.13	79	0.37
Extraordinary expense	0	0.00	0	0.00
Machinery depreciation	129	0.74	126	0.59
Building depreciation	<u>12</u>	<u>0.07</u>	<u>91</u>	<u>0.43</u>
Total Accrual Expenses	\$2,407	\$13.88	\$3,066	\$14.30
<u>ACCRUAL RECEIPTS</u>				
Milk sales	\$2,295	\$13.25	\$2,823	\$13.16
Dairy cattle	287	1.66	230	1.07
Dairy calves	56	0.32	70	0.33
Other livestock	13	0.08	10	0.05
Crops	106	0.61	64	0.30
Miscellaneous receipts	<u>263</u>	<u>1.52</u>	<u>187</u>	<u>0.87</u>
Total Accrual Receipts	\$3,020	\$17.44	\$3,384	\$15.78
<u>PROFITABILITY ANALYSIS (Total)</u>				
Net farm income (without appreciation)	\$31,886		\$66,655	
Net farm income (with appreciation)	\$36,380		\$142,614	
Labor & management income/operator	\$10,890		\$15,653	
Rates of return on:				
Equity capital without appreciation	-9.1%		-1.2%	
Equity capital with appreciation	-5.5%		11.6%	
All capital without appreciation	-3.4%		0.4%	
All capital with appreciation	-1.2%		8.6%	

SELECTED BUSINESS FACTORS FOR TWO RENTER GROUPS BY HERD SIZE
31 New York Dairy Farm Renters, 2003

Item	16 Dairy Farm Renters with < 70 Cows	15 Dairy Farm Renters with > 70 Cows
<u>Cropping Program Analysis</u>		
Total acres rented	222	312
Tillable acres rented	135	245
Hay crop acres ²²	105	148
Corn silage acres ²²	17	69
Hay crop, tons DM/acre	2.6	2.2
Corn silage, tons/acre	15.8	12.4
Forage DM per cow, tons	7.0	4.0
Tillable acres/cow	2.6	1.2
Fertilizer & lime expense/tillable acre	\$14.05	\$43.34
Machinery cost/tillable acre	\$170	\$372
<u>Dairy Analysis</u>		
Number of cows	52	209
Number of heifers	27	172
Milk sold, pounds	900,950	4,483,884
Milk sold/cow, pounds	17,473	21,468
Operating cost of producing milk/cwt.	\$8.90	\$10.66
Total cost of producing milk/cwt.	\$15.21	\$13.98
Price/cwt. milk sold	\$13.25	\$13.16
Purchased dairy feed/cow	\$817	\$1,157
Purchased dairy feed/cwt. milk	\$4.72	\$5.39
Purchased grain & concentrate as % of milk receipts	30%	33%
Purchased feed & crop expense/cwt. milk	\$5.13	\$5.87
<u>Capital Efficiency</u>		
Farm capital/worker	\$109,298	\$188,526
Farm capital/cow	\$3,952	\$4,456
Real estate/cow	\$234	\$757
Machinery investment/cow	\$1,374	\$849
Asset turnover ratio	0.79	0.84
<u>Labor Efficiency</u>		
Worker equivalent	1.88	4.94
Operator/manager equivalent	1.45	1.95
Milk sold/worker, lbs.	479,229	907,669
Cows/worker	28	42
Labor cost/cow	\$934	\$631
<u>Financial Measures</u>		
Percent equity	60%	61%
Debt/asset ratio - long term	0.78	0.20
Debt/asset ratio - intermediate & current	0.38	0.44
Change in net worth with appreciation	\$16,727	\$83,601
Total farm debt per cow	\$1,673	\$1,839
Debt payments made per cow	\$345	\$240
Debt payments as % of milk sales	15%	8%
Amount available for debt service	\$19,146	\$94,427
Debt coverage ratio for 2003	1.45	1.00

²²Average of all farms, not only those reporting data.

Regional 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 represent the average of each 20 percent or quintile of farms included in the regional summary.

FARM BUSINESS CHART FOR FARM MANAGEMENT COOPERATORS
31 New York Dairy Farm Renters, 2003

Size of Business			Rates of Production			Labor Efficiency	
Worker Equivalent	No. of Cows	Pounds of 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)
8.2	363	7,946,093	22,898	3.6	20	51	1,098,961
2.4	76	1,580,756	21,290	2.9	17	37	733,354
2.2	67	1,261,212	19,038	2.5	14	32	580,333
1.8	55	893,549	16,953	2.1	11	29	502,402
1.3	39	606,285	13,091	1.5	8	19	304,551

Cost Control

Grain Bought Per Cow	% Grain is of Milk Receipts	Machinery Costs Per Cow	Labor & Machinery Costs Per Cow	Feed & Crop Expenses Per Cow	Feed & Crop Expenses Per Cwt. Milk
(12)	(12)	(14)	(14)	(12)	(12)
\$406	20%	\$195	\$912	\$593	\$3.86
591	27	337	1,089	754	4.55
788	31	458	1,256	1,039	5.11
931	35	544	1,423	1,149	5.96
1,184	41	681	1,808	1,520	7.24

Value and Cost of Production			Profitability		
Milk Receipts Per Cow	Operating Cost Producing Milk Per Cwt.	Total Cost Producing Milk Per Cwt.	Net Farm Income With Appreciation	Net Farm Income Without Appreciation	Labor & Management Income Per Operator
(12)	(12)	(12)	(4)	(4)	(4)
\$2,984	\$6.40	\$11.68	\$303,008	\$146,357	\$59,995
2,733	8.39	13.02	57,014	50,400	24,204
2,574	9.54	14.56	44,454	35,442	11,890
2,287	11.01	15.94	22,831	18,011	4,133
1,801	13.04	21.02	-24,259	-22,935	-34,805

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

Regional Financial Analysis Chart

The farm financial analysis chart is designed just like the Farm Business Chart and may be used to assess the financial health of the farm business. Most of the financial measures used in the chart are defined on pages 7, 8, 11, and 15 of this publication. References to DFBS output page numbers for participating dairy farmers are provided in the table headings.

FINANCIAL ANALYSIS CHART
31 New York Dairy Farm Renters, 2003

Liquidity (repayment)				
Planned Debt Payments Per Cow	Available for Debt Service Per Cow	Cash Flow Coverage Ratio	Debt Payments as Percent of Milk Sales	Debt Per Cow
(10)*	(16)	(10)	(10)	(7)
\$ 24	\$729	21.75	1%	\$185
120	579	2.33	5	894
309	344	1.33	12	1,795
509	178	1.00	18	2,334
683	-46	0.33	28	3,622

Solvency		Profitability		
Leverage Ratio**	Percent Equity	Debt/Asset Ratio	Percent Rate of Return with appreciation on:	
		Current & Intermediate	Equity	Investment***
(7)	(7)	(7)	(4)	(4)
-0.48	96%	0.03	84%	18%
0.21	76	0.18	8	6
0.90	44	0.41	1	2
2.52	24	0.69	-19	-6
7.89	1	0.86	-210	-46

Efficiency (Capital)			
Asset Turnover Ratio	Machinery Investment Per Cow	Total Farm Assets Per Cow	Change in Net Worth With Appreciation
(14)	(14)	(14)	(8)
1.75	\$373	\$6,411	\$245,256
0.94	602	5,099	26,071
0.78	822	3,703	12,710
0.65	1,585	2,941	168
0.52	2,411	2,020	-71,476

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

**Dollars of debt per dollar of equity, computed by dividing total liabilities by total equity.

***Return on all farm capital (no deduction for interest paid) divided by total farm assets.

IDENTIFY AND SET GOALS

If businesses are to be successful, they must have direction. Written goals help provide businesses with an identifiable direction over both the long and the short term. Goal setting is as important on a dairy farm as it is in other businesses. Written goals are a tool which farm operators can use to ensure that the business continues to move in the proper direction. Goals should be **SMART**:

1. Goals should be Specific.
2. Goals should be Measurable.
3. Goals should be Achievable but challenging.
4. Goals should be Rewarding.
5. You should designate a Time when each goal will be achieved.

Goal setting on a dairy farm does not have to be a complex process. In many cases it provides a process for writing down and agreeing on goals that you have already given some thought to. It is also important to remember that once you write out your goals they are not cast in concrete. If a change takes place which has a major impact on the farm business, the goals should be reworked to accommodate that change. Refer to your goals as often as necessary to keep the farm business progressing.

It is important to identify both objectives (long-range) and goals (short-range) when looking at the future of your farm business.

A suggested format for writing out your goals is as follows:

- a. Begin with a mission statement which describes why the business exists based on the preferences and values of the owners.
- b. Identify 4-6 objectives.
- c. Identify SMART goals.

Worksheet for Setting Goals

I. Mission and Objectives

GLOSSARY AND LOCATION OF COMMON TERMS

Accounts Payable - Open accounts or bills owed to feed and supply firms, cattle dealers, veterinarians and other providers of farm services and supplies.

Accounts Receivable - Outstanding receipts from items sold or sales proceeds not yet received such as the payment for December milk sales received in January.

Accrual Expenses - (defined on page 5)

Accrual Receipts - (defined on page 6)

Annual Cash Flow Statement - (defined on page 13)

Appreciation - (defined on page 7)

Asset Turnover Ratio - (defined on page 21)

Balance Sheet - A "snapshot" of the business financial position at a given point in time, usually December 31. The balance sheet equates the value of assets to liabilities plus net worth.

bST Usage - An estimate of percentage of herd that was injected with bovine somatotropin during the year.

Capital Efficiency - The amount of capital invested per production unit. Relatively high investments per worker with low to moderate investments per cow imply efficient use of capital.

Cash From Nonfarm Capital Used in the Business - Transfers of money from nonfarm savings or investments to the farm business where it is used to pay operating expenses, make debt payments and/or capital purchases.

Cash Flow Coverage Ratio - (defined on page 15)

Cash Paid - (defined on page 4)

Cash Receipts - (defined on page 6)

Change in Accounts Payable - (defined on page 5)

Change in Accounts Receivable - (defined on page 6)

Change in Inventory - (defined on page 4)

Cost of Term Debt - A weighted average of the cost of borrowed capital to the farm. Calculate by multiplying end of year principal of each loan that is borrowed by the interest rate for each loan at that time. Add up each amount that is calculated for each loan and then divide by total amount of borrowed funds. Do not include accounts payable, operating debt or advanced government receipts. This information is found on pages 10 and 11 of the data entry form.

Culling Rate - (defined on page 19)

Current Portion - Principal due in the next year for intermediate and long term debt.

Current Ratio - Measures the extent to which current farm assets, if liquidated, would cover current farm liabilities. Calculated as current farm assets at end year divided by current farm liabilities at end year.

Dairy (farm) - A farm business where dairy farming is the primary enterprise, operating and managing this farm is a full-time occupation for one or more people and cropland is owned.

Dairy Cash-Crop (farm) - Operating and managing this farm is the full-time occupation of one or more people, cropland is owned but crop sales exceed 10 percent of accrual milk receipts.

Debt Per Cow - Total end-of-year debt divided by end-of-year number of cows.

Debt to Asset Ratios - (defined on page 11)

Depreciation Expense Ratio - Machinery and building depreciation divided by total accrual receipts.

Dry Matter - The amount or proportion of dry material that remains after all water is removed. Commonly used to measure dry matter percent and tons of dry matter in feed.

Equity Capital - The farm operator/manager's owned capital or farm net worth.

Expansion Livestock - Purchased dairy cattle and other livestock that cause an increase in herd size from the beginning to the end of the year.

Farm Debt Payments as Percent of Milk Sales - Amount of milk income committed to debt repayment, calculated by dividing planned debt payments by total milk receipts. A reliable measure of repayment ability, see page 15.

Farm Debt Payments Per Cow - Planned or scheduled debt payments per cow represent the repayment plan scheduled at the beginning of the year divided by the average number of cows for the year. This measure of repayment ability is used in the Financial Analysis Chart.

Financial Lease - A long-term non-cancelable contract giving the lessee use of an asset in exchange for a series of lease payments. The term of a financial lease usually covers a major portion of the economic life of the asset. The lease is a substitute for purchase. The lessor retains ownership of the asset.

Hired Labor Expense per Hired Worker Equivalent - The total cost to the farm per hired worker equivalent. Divide accrual hired labor expense by number of hired plus family paid worker equivalent.

Hired Labor Expense as % of Milk Sales - The percentage of the gross milk receipts that is used for labor expense. Divide accrual hired labor expense by accrual milk sales.

Income Statement - A complete and accurate account of farm business receipts and expenses used to measure profitability over a period of time such as one year or one month.

Interest Expense Ratio - Accrual interest expense divided by total accrual receipts.

Labor and Management Income - (defined on page 8)

Labor and Management Income Per Operator - The return to the owner/manager's labor and management per full-time operator.

Labor Efficiency - Production capacity and output per worker.

Leverage Ratio - (defined on page 11)

Liquidity - Ability of business to generate cash to make debt payments or to convert assets to cash.

Net Farm Income - (defined on page 7)

Net Farm Income from Operations Ratio - (defined on page 8)

Net Worth - The value of assets less liabilities equal net worth. It is the equity the owner has in owned assets.

Operating Costs of Producing Milk - (defined on page 20)

Operating Expense Ratio - Total accrual expenses less interest and machinery and building depreciation divided by total accrual receipts.

Opportunity Cost - The cost or charge made for using a resource based on its value in its most likely alternative use. The opportunity cost of a farmer's labor and management is the value he/she would receive if employed in his/her most qualified alternative position.

Other Livestock Expenses - All other dairy herd and livestock expenses not included in more specific categories. Other livestock expenses include; bedding, DHIC, milk house and parlor supplies, livestock board, registration fees and transfers.

Part-Time Cash-Crop Dairy (farm) - Operating and managing this farm is not a full-time occupation, crop sales exceed 10 percent of accrual milk receipts and cropland is owned.

Part-Time Dairy (farm) - Dairy farming is the primary enterprise, cropland is owned but operating and managing this farm is not a full-time occupation for one or more people.

Personal Withdrawals and Family Expenditures Including Nonfarm Debt Payments - All the money removed from the farm business for personal or nonfarm use including family living expenses, health and life insurance, income taxes, nonfarm debt payments, and investments.

Profitability - The return or net income the owner/manager receives for using one or more of his or her resources in the farm business. True "economic profit" is what remains after deducting all costs including the opportunity costs of the owner/manager's labor, management, and equity capital.

Purchased Inputs Cost of Producing Milk - (defined on page 20)

Repayment Analysis - An evaluation of the business' ability to make planned debt payments.

Replacement Livestock - Dairy cattle and other livestock purchased to replace those that were culled or sold from the herd during the year.

Return on Equity Capital - (defined on page 8)

Return on Total Capital - (defined on page 8)

Return to Operators' Labor, Management, and Equity Capital - (defined on page 7)

Rotational Grazing - The dairy herd is on pasture at least three months of the year, changing paddock at least every three days.

Solvency - The extent or ability of assets to cover or pay liabilities. Debt/asset and leverage ratios are common measures of solvency.

Total Costs of Producing Milk - (defined on page 20)

Whole Farm Method - A procedure used to calculate costs of producing milk on dairy farms without using enterprise cost accounts. All non-milk receipts are assigned a cost equal to their sale value and deducted from total farm expenses to determine the costs of producing milk.

Working Capital - A theoretical measure of the amount of funds available to purchase inputs and inventory items after the sale of current farm assets and payment of all current farm liabilities. Calculate as current farm assets at end year less current farm liabilities at end year.

INDEX

<u>Page(s)</u>	<u>Page(s)</u>		
Accounts Payable	4,9	Interest Expense Ratio	21
Accounts Receivable	6,9	Labor and Management Income	8
Accrual Expenses	4,7	Labor and Management	
Accrual Receipts	6,7	Income per Operator	8
Acreage	3,17	Labor Efficiency	21
Advanced Government Receipts	9,10	Land Resources	17
Amount Available for Debt Service	15	Leverage Ratio	11
Annual Cash Flow Statement	13	Liquidity	11
Appreciation	7,8,11,12,19	Machinery Expenses	4,18
Asset Turnover Ratio.....	21	Milk Production	19
Balance Sheet	9	Milking System	3
Barn Type	3	Money Borrowed	13
bST Usage	3	Net Farm Income	7
Business Type	3	Net Farm Income from Operations Ratio.....	8
Capital Efficiency	21	Net Investment	11
Cash From Nonfarm Capital Used in		Net Worth	9
the Business	13	Number of Cows.....	19
Cash Flow Coverage Ratio	15	Operating Cost of Producing Milk	20
Cash Paid	4	Operating Expense Ratio	21
Cash Receipts	6,13	Opportunity Cost	8
Change in Accounts Payable	4	Other Livestock Expenses	4
Change in Accounts Receivable	6	Outflows	13
Change in Inventory	4,6	Personal Withdrawals and Family Expenditures	
Change in Net Worth	12	Including Nonfarm Debt Payments	13
Cost of Term Debt	11	Principal Payments	13
Crop Expenses	4,18	Profitability	7
Crop/Dairy Ratios	17	Purchased Inputs Cost of Producing Milk	20
Culling Rate.....	19	Receipts	6
Current Portion.....	9	Record System	3
Current Ratio	11	Repayment Analysis	15
Dairy (farm)	1	Replacement Livestock	4
Debt Coverage Ratio	15	Retained Earnings	12
Debt Per Cow	11	Return on Equity Capital	8
Debt to Asset Ratios	11	Return on Total Capital	8
Depreciation	4,11	Rotational Grazing	18
Depreciation Expense Ratio	21	Solvency	11
Dry Matter	17	Total Costs of Producing Milk	20
Equity Capital	9	Whole Farm Method	20
Expansion Livestock	4,13	Worker Equivalent	3
Expenses	4	Working Capital.....	11
Farm Business Chart	26	Yields Per Acre	17
Farm Debt Payments as Percent of			
Milk Sales	15		
Farm Debt Payments Per Cow	15		
Financial Analysis Chart	26		
Financial Lease	9		
Hired Labor Expense per Hired			
Worker Equivalent	21		
Hired Labor Expense as % of Milk Sales.....	21		
Income Statement	4		
Inflows	13		

OTHER A.E.M. EXTENSION BULLETINS

EB No	Title	Fee (if applicable)	Author(s)
2004-21	Dairy Farm Business Summary, New York Small Herd Farms, 80 Cows or Fewer, 2003	(\$16.00)	Knoblauch, W., Putnam, L., Kiraly, M. and J. Karszes
2004-20	New York Economic Handbook 2005	(\$7.00)	Extension Staff
2004-19	Dairy Farm Business Summary, Northern New York Region, 2003	(\$12.00)	Knoblauch, W., Putnam, L., Karszes, J., Murray, P., Vokey, F., Ames, M., VanLoo, W., Nobles, C. and A. Deming
2004-18	Dairy Farm Business Summary, Western and Central Plateau Region, 2003	(\$12.00)	Knoblauch, W., Putnam, L., Karszes, J., Allhusen, G., Grace, J., Petzen, J. and A. Dufresne
2004-17	Income Tax Management and Reporting For Small Businesses and Farms	(\$20.00)	Cuykendall, C. and G. Bouchard
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