

# Dairy Farm Operating Trends

June 30, 2023



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## **To Our Valued Clients and Other Friends in the Dairy Industry**

*The following pages contain the Frazer, LLP's Dairy Farm Operating Trends for the six months ended June 30, 2023.*

*The data is compiled from dairy operations in Southern California, the San Joaquin Valley, Kern County, Arizona, Idaho, New Mexico, the Texas Panhandle, and the Pacific Northwest, which consists of Washington and Oregon operating collectively, with a combined milk production of over 3.3 billion pounds and more than 316,000 head of mature cows for the six months ended June 30, 2023.*

*This report includes a comparison of the results in the regions listed above for the six months ended June 30, 2023, both on a "per hundredweight of milk" basis and on a "per head" basis. Also included are selected financial ratios and other statistical analysis for the year.*

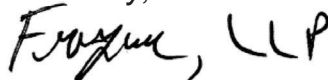
*This publication is designed as a reference tool and a management aid for dairy farm managers and advisors. Frazer, LLP believes the information to be reliable, but is not responsible for errors in reported source information.*

*Our publication continues to be recognized as the top industry source for relevant dairy statistics. This report is provided to and widely utilized by dairy farmers, lending institutions, universities, colleges and other agribusiness industries.*

*We appreciate all of your past and present support and thank you for your continued reliance on Frazer, LLP. If you have any comments or questions, please contact our Agribusiness partners, Ralph Lizardo or Tim Gulling at our Anaheim office at (714) 990-1040 and Angela Blaylock, Leland Kootstra, or Mike Edwards at our Visalia office at (559) 732-4135.*

*For more information regarding our firm, our Agribusiness department and our publication, please visit our website at [www.frazerllp.com](http://www.frazerllp.com).*

Sincerely,



FRAZER, LLP

Certified Public Accountants and Consultants

**December 2023**

# DAIRY FARM OPERATING TRENDS

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## CONDENSED STATEMENT OF DAIRY FARM INCOME AND COSTS

COMPARISON BY AREA  
FOR THE SIX MONTHS ENDED JUNE 30, 2023  
(BASED ON AVERAGE AMOUNTS PER HEAD)

	Southern California	San Joaquin Valley	Kern County
Income:			
Milk sales	\$ 2,742	\$ 2,566	\$ 2,527
Calves and other	117	189	72
<b>Total income</b>	<b>\$ 2,859</b>	<b>\$ 2,755</b>	<b>\$ 2,599</b>
Cost of operations:			
Feed:			
Grain	\$ 1,377	\$ 1,380	\$ 1,477
Hay and forages	845	678	594
<b>Total feed</b>	<b>\$ 2,222</b>	<b>\$ 2,058</b>	<b>\$ 2,071</b>
Labor, (including fringe costs)	\$ 376	\$ 248	\$ 264
Herd replacement costs	\$ 142	\$ 145	\$ 137
Other costs:			
Milk hauling	\$ 75	\$ 61	\$ 80
State and association charges	7	31	34
Veterinary, breeding, testing, etc.	160	69	48
Supplies	10	81	79
Repairs and maintenance	75	85	104
Utilities	36	38	33
Occupancy costs	66	42	58
Depreciation - equipment	43	0	41
Interest	165	81	92
Miscellaneous	130	117	94
<b>Total other costs</b>	<b>\$ 767</b>	<b>\$ 605</b>	<b>\$ 663</b>
<b>Total cost of operations</b>	<b>\$ 3,507</b>	<b>\$ 3,056</b>	<b>\$ 3,135</b>
Income (loss) from dairy operations	\$ (648)	\$ (301)	\$ (536)
Farming operations, net	\$ 0	\$ 34	\$ 198
<b>Net income (loss)</b>	<b>\$ (648)</b>	<b>\$ (267)</b>	<b>\$ (338)</b>

Arizona	Idaho	New Mexico	Panhandle	Pacific Northwest	Your June 30, 2023 Amounts
\$ 2,595 79	\$ 2,384 71	\$ 2,568 43	\$ 2,375 73	\$ 2,413 64	\$
\$ 2,674	\$ 2,455	\$ 2,611	\$ 2,448	\$ 2,477	\$
\$ 1,352 566	\$ 1,110 450	\$ 1,210 463	\$ 1,325 410	\$ 1,111 570	\$
\$ 1,918	\$ 1,560	\$ 1,673	\$ 1,735	\$ 1,681	\$
\$ 287	\$ 224	\$ 277	\$ 217	\$ 255	\$
\$ 132	\$ 157	\$ 55	\$ 141	\$ 108	\$
\$ 64 28 37 106 105 52 55 34 172 167	\$ 36 16 59 54 71 25 67 61 109 184	\$ 89 36 37 125 148 43 35 45 27 122	\$ 99 26 42 74 55 14 40 40 58 63	\$ 106 29 104 92 125 34 65 46 76 164	\$
\$ 820	\$ 682	\$ 707	\$ 511	\$ 841	\$
\$ 3,157	\$ 2,623	\$ 2,712	\$ 2,604	\$ 2,885	\$
\$ (483)	\$ (168)	\$ (101)	\$ (156)	\$ (408)	\$
\$ 24	\$ 27	\$ 27	\$ 132	\$ 40	\$
\$ (459)	\$ (141)	\$ (74)	\$ (24)	\$ (368)	\$

## CONDENSED STATEMENT OF DAIRY FARM INCOME AND COSTS

COMPARISON BY AREA  
FOR THE SIX MONTHS ENDED JUNE 30, 2023  
(BASED ON PER HUNDREDWEIGHT OF MILK BASIS)

	Southern California	San Joaquin Valley	Kern County
Income:			
Milk sales	\$ 22.89	\$ 21.23	\$ 20.82
Calves and other	0.98	1.53	0.50
Total income	\$ 23.87	\$ 22.76	\$ 21.32
Cost of operations:			
Feed:			
Grain	\$ 11.50	\$ 11.42	\$ 12.18
Hay and forages	7.05	5.61	4.89
Total feed	\$ 18.55	\$ 17.03	\$ 17.07
Labor, (including fringe costs)	\$ 3.14	\$ 2.05	\$ 2.17
Herd replacement costs	\$ 1.18	\$ 1.20	\$ 1.13
Other costs:			
Milk hauling	\$ 0.62	\$ 0.51	\$ 0.66
State and association charges	0.06	0.26	0.29
Veterinary, breeding, testing, etc.	1.34	0.57	0.39
Supplies	0.08	0.67	0.65
Repairs and maintenance	0.62	0.70	0.86
Utilities	0.30	0.32	0.27
Occupancy costs	0.55	0.67	0.48
Depreciation - equipment	0.36	0.38	0.34
Interest	1.38	0.67	0.76
Miscellaneous	1.09	1.03	0.78
Total other costs	\$ 6.40	\$ 5.78	\$ 5.48
Total cost of operations	\$ 29.27	\$ 26.06	\$ 25.85
Income (loss) from dairy operations	\$ (5.40)	\$ (3.30)	\$ (4.53)
Farming operations, net	\$ 0.00	\$ 0.28	\$ 1.64
Net income (loss)	\$ (5.40)	\$ (3.02)	\$ (2.89)



Arizona	Idaho	New Mexico	Panhandle	Pacific Northwest	Your June 30, 2023 Amounts
\$ 20.88 0.63	\$ 21.41 0.65	\$ 21.42 0.36	\$ 20.22 0.62	\$ 20.95 0.57	\$
\$ 21.51	\$ 22.06	\$ 21.78	\$ 20.84	\$ 21.52	\$
\$ 10.88 4.55	\$ 9.96 4.04	\$ 10.10 3.87	\$ 11.28 3.50	\$ 9.65 4.94	\$
\$ 15.43	\$ 14.00	\$ 13.97	\$ 14.78	\$ 14.59	\$
\$ 2.32	\$ 2.01	\$ 2.31	\$ 1.86	\$ 2.21	\$
\$ 1.07	\$ 1.41	\$ 0.45	\$ 1.20	\$ 0.94	\$
\$ 0.51 0.22 0.29 0.85 0.85 0.42 0.45 0.28 1.38 1.34	\$ 0.32 0.14 0.53 0.48 0.64 0.22 0.60 0.55 0.98 1.65	\$ 0.74 0.30 0.30 1.04 1.24 0.36 0.29 0.38 0.22 1.01	\$ 0.84 0.22 0.35 0.63 0.47 0.12 0.34 0.34 0.50 0.53	\$ 0.92 0.25 0.90 0.80 1.08 0.30 0.56 0.40 0.66 1.41	\$
\$ 6.59	\$ 6.11	\$ 5.88	\$ 4.34	\$ 7.28	\$
\$ 25.41	\$ 23.53	\$ 22.61	\$ 22.18	\$ 25.02	\$
\$ (3.90)	\$ (1.47)	\$ (0.83)	\$ (1.34)	\$ (3.50)	\$
\$ 0.19	\$ 0.24	\$ 0.23	\$ 1.13	\$ 0.34	\$
\$ (3.71)	\$ (1.23)	\$ (0.60)	\$ (0.21)	\$ (3.16)	\$



## SUMMARY OF FINANCIAL STATISTICS

### COMPARISON BY AREA FOR THE SIX MONTHS ENDED JUNE 30, 2023 (RATIOS)

	<b>Southern California</b>	<b>San Joaquin Valley</b>	<b>Kern County</b>
1 Current Ratio	1.52 : 1	0.92 : 1	1.20 : 1
2 Herd Line Debt Per Cow	\$ 1,703	\$ 639	\$ 897
3 Total Debt Per Cow	\$ 6,477	\$ 2,868	\$ 2,831
4 Debt to Equity Ratio	1.38 : 1	1.07 : 1	0.78 : 1
5 Return on Total Assets	-5.8%	-4.5%	-3.7%
6 Income (loss) per milking cow per month	\$ (121.40)	\$ (69.00)	\$ (65.45)

1. The current ratio represents current assets divided by current liabilities.
2. Herd line debt per cow equals the total debt secured by the herd divided by the average total herd size. Heifers are included on a mature equivalent basis.
3. Total debt per cow equals the total current liabilities and long-term debt divided by the average total herd size. Heifers are included on a mature equivalent basis.
4. Debt to equity ratio represents total debt divided by total equity.
5. The return on total assets represents the net income divided by the total assets, stated at cost.
6. Income (loss) per milking cow per month represents each region's accrual based financial results divided by the number of milking cows, divided by six months.



Arizona	Idaho	New Mexico	Panhandle	Pacific Northwest	Your June 30, 2023 Results
0.50 : 1	0.88 : 1	4.64 : 1	1.50 : 1	0.97 : 1	
\$ 1,260	\$ 809	\$ 1,273	\$ 189	\$ 958	\$
\$ 5,784	\$ 4,505	\$ 926	\$ 2,199	\$ 2,741	\$
3.51 : 1	1.53 : 1	0.23 : 1	0.77 : 1	1.42 : 1	
-4.4%	-1.6%	-0.9%	-0.4%	-5.3%	
\$ (85.88)	\$ (26.75)	\$ (13.64)	\$ (4.72)	\$ (71.85)	\$

## CONDENSED STATEMENT OF DAIRY FARM INCOME AND COSTS

FOR THE SIX MONTHS ENDED JUNE 30, 2023  
AND YEAR ENDED DECEMBER 31, 2022  
SOUTHERN CALIFORNIA  
(BASED ON PER HUNDREDWEIGHT OF MILK BASIS)

	June 30, 2023	December 31, 2022
Income:		
Milk sales	\$ 22.89	\$ 26.69
Calves and other	0.98	2.29
<b>Total income</b>	<b>\$ 23.87</b>	<b>\$ 28.98</b>
Cost of operations:		
Feed:		
Grain	\$ 11.50	\$ 10.10
Hay and forages	7.05	5.84
<b>Total feed</b>	<b>\$ 18.55</b>	<b>\$ 15.94</b>
Labor, (including fringe costs)	\$ 3.14	\$ 2.70
Herd replacement costs	\$ 1.18	\$ 1.18
Other costs:		
Milk hauling	\$ 0.62	\$ 0.63
State and association charges	0.06	0.06
Veterinary, breeding, testing, etc.	1.34	1.13
Supplies	0.08	0.11
Repairs and maintenance	0.62	1.20
Utilities	0.30	0.33
Occupancy costs	0.55	0.28
Depreciation - equipment	0.36	0.32
Interest	1.38	0.75
Miscellaneous	1.09	1.29
<b>Total other costs</b>	<b>\$ 6.40</b>	<b>\$ 6.10</b>
<b>Total cost of operations</b>	<b>\$ 29.27</b>	<b>\$ 25.92</b>
Income (loss) from dairy operations	\$ (5.40)	\$ 3.06
Farming operations, net	\$ 0.00	\$ 0.00
<b>Net income (loss)</b>	<b>\$ (5.40)</b>	<b>\$ 3.06</b>

## SUMMARY OF FINANCIAL STATISTICS

### SOUTHERN CALIFORNIA

	June 30, 2023	December 31, 2022
1 Current Ratio	1.52 : 1	2.27 : 1
2 Herd Line Debt Per Cow	\$ 1,703	\$ 1,707
3 Total Debt Per Cow	\$ 6,477	\$ 7,091
4 Debt to Equity Ratio	1.38 : 1	1.32 : 1
5 Return on Total Assets	-5.8%	6.1%
6 Income (loss) per milking cow per month	\$ (121.40)	\$ 73.69

1. The current ratio represents current assets divided by current liabilities.
2. Herd line debt per cow equals the total debt secured by the herd divided by the average total herd size. Heifers are included on a mature equivalent basis.
3. Total debt per cow equals the total current liabilities and long-term debt divided by the average total herd size. Heifers are included on a mature equivalent basis.
4. Debt to equity represents the total debt divided by the total equity.
5. The return on total assets represents the net income divided by the total assets, stated at cost.
6. Income per milking cow per month represents each region's accrual based financial results divided by the number of milking cows, divided by six months.

## INCOME AND COST OF OPERATIONS

### SOUTHERN CALIFORNIA

(BASED ON A PER HUNDREDWEIGHT OF MILK BASIS)

	June 30, 2023	December 31, 2022	December 31, 2021
Income:			
Milk sales	\$ 22.89	\$ 26.69	\$ 19.71
Calves and other	0.98	2.29	0.75
Total income	\$ 23.87	\$ 28.98	\$ 20.46
Total cost of operations:			
Feed	\$ 18.55	\$ 15.94	\$ 11.84
Labor	3.14	2.70	2.31
Herd replacement costs	1.18	1.18	1.26
Other costs	6.40	6.10	4.36
Total costs of operations	\$ 29.27	\$ 25.92	\$ 19.77
Income (loss) from dairy operations	\$ (5.40)	\$ 3.06	\$ 0.69
Farming operations, net	\$ 0.00	\$ 0.00	\$ 0.00
Net income (loss)	\$ (5.40)	\$ 3.06	\$ 0.69
Cost of operations as a percentage of income	122.62%	89.44%	96.63%
Feed costs as a percentage of milk sales	81.04%	59.72%	60.07%
Net income (loss) per milking cow per month	\$ (121.40)	\$ 73.69	\$ 16.23

	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
	\$ 18.49	\$ 19.50	\$ 16.51	\$ 17.57
	1.70	0.77	0.47	0.46
	\$ 20.19	\$ 20.27	\$ 16.98	\$ 18.03
	\$ 10.41	\$ 10.67	\$ 9.99	\$ 9.37
	2.28	2.28	2.04	2.28
	1.51	1.75	1.72	2.04
	4.39	4.25	4.06	4.11
	\$ 18.59	\$ 18.95	\$ 17.81	\$ 17.80
	\$ 1.60	\$ 1.32	\$ (0.83)	\$ 0.23
	\$ 0.00	\$ 0.00	\$ 0.00	\$ -
	\$ 1.60	\$ 1.32	\$ (0.83)	\$ 0.23
	92.08%	93.49%	104.89%	98.72%
	56.30%	54.72%	60.51%	53.33%
	\$ 38.36	\$ 29.93	\$ (18.68)	\$ 5.18

## CONDENSED STATEMENT OF DAIRY FARM INCOME AND COSTS

FOR THE SIX MONTHS ENDED JUNE 30, 2023  
AND YEAR ENDED DECEMBER 31, 2022  
SAN JOAQUIN VALLEY  
(BASED ON A PER HUNDREDWEIGHT OF MILK BASIS)

	June 30, 2023	December 31, 2022
Income:		
Milk sales	\$ 21.23	\$ 24.53
Calves and other	1.53	0.51
<b>Total income</b>	<b>\$ 22.76</b>	<b>\$ 25.04</b>
Cost of operations:		
Feed:		
Grain	\$ 11.42	\$ 9.98
Hay and forages	5.61	3.74
<b>Total feed</b>	<b>\$ 17.03</b>	<b>\$ 13.72</b>
Labor, (including fringe costs)	\$ 2.05	\$ 2.11
Herd replacement costs	\$ 1.20	\$ 1.28
Other costs:		
Milk hauling	\$ 0.51	\$ 0.51
State and association charges	0.26	0.19
Veterinary, breeding, testing, etc.	0.57	0.53
Supplies	0.67	0.42
Repairs and maintenance	0.70	0.64
Utilities	0.32	0.45
Occupancy costs	0.67	0.63
Depreciation - equipment	0.38	0.34
Interest	0.67	0.42
Miscellaneous	1.03	0.95
<b>Total other costs</b>	<b>\$ 5.78</b>	<b>\$ 5.08</b>
<b>Total cost of operations</b>	<b>\$ 26.06</b>	<b>\$ 22.19</b>
<b>Income (loss) from dairy operations</b>	<b>\$ (3.30)</b>	<b>\$ 2.85</b>
<b>Farming operations, net</b>	<b>\$ 0.28</b>	<b>\$ 1.18</b>
<b>Net income (loss)</b>	<b>\$ (3.02)</b>	<b>\$ 4.03</b>

## SUMMARY OF FINANCIAL STATISTICS

### SAN JOAQUIN VALLEY

	June 30, 2023	December 31, 2022
1 Current Ratio	0.92 : 1	1.64 : 1
2 Herd Line Debt Per Cow	\$ 639	\$ 662
3 Total Debt Per Cow	\$ 2,868	\$ 3,357
4 Debt to Equity Ratio	1.07 : 1	1.07 : 1
5 Return on Total Assets	-4.5%	10.7%
6 Income (loss) per milking cow per month	\$ (69.00)	\$ 98.62

1. The current ratio represents current assets divided by current liabilities.
2. Herd line debt per cow equals the total debt secured by the herd divided by the average total herd size. Heifers are included on a mature equivalent basis.
3. Total debt per cow equals the total current liabilities and long-term debt divided by the average total herd size. Heifers are included on a mature equivalent basis.
4. Debt to equity represents the total debt divided by the total equity.
5. The return on total assets represents the net income divided by the total assets, stated at cost.
6. Income per milking cow per month represents each region's accrual based financial results divided by the number of milking cows, divided by six months.



## INCOME AND COST OF OPERATIONS

### SAN JOAQUIN VALLEY

(BASED ON A PER HUNDREDWEIGHT OF MILK BASIS)

	June 30, 2023	December 31, 2022	December 31, 2021
Income:			
Milk sales	\$ 21.23	\$ 24.53	\$ 18.49
Calves and other	1.53	0.51	0.61
Total income	\$ 22.76	\$ 25.04	\$ 19.10
Total cost of operations:			
Feed	\$ 17.03	\$ 13.72	\$ 10.92
Labor	2.05	2.11	1.83
Herd replacement costs	1.20	1.28	1.60
Other costs	5.78	5.08	4.81
Total costs of operations	\$ 26.06	\$ 22.19	\$ 19.16
Income (loss) from dairy operations	\$ (3.30)	\$ 2.85	\$ (0.06)
Farming operations, net	\$ 0.28	\$ 1.18	\$ 0.63
Net income (loss)	\$ (3.02)	\$ 4.03	\$ 0.57
Cost of operations as a percentage of income	114.50%	88.62%	100.31%
Feed costs as a percentage of milk sales	80.22%	55.93%	59.06%
Net income (loss) per milking cow per month	\$ (69.00)	\$ 98.62	\$ 14.69

	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
	\$ 17.41	\$ 18.19	\$ 15.52	\$ 16.88
	0.78	0.46	0.40	0.45
	\$ 18.19	\$ 18.65	\$ 15.92	\$ 17.33
	\$ 9.86	\$ 9.54	\$ 8.97	\$ 8.88
	1.86	1.90	1.66	1.82
	1.47	1.59	1.49	1.63
	4.72	5.09	4.65	4.75
	\$ 17.91	\$ 18.12	\$ 16.77	\$ 17.08
	\$ 0.28	\$ 0.53	\$ (0.85)	\$ 0.25
	\$ 0.65	\$ 0.41	\$ 0.55	\$ 0.32
	\$ 0.93	\$ 0.94	\$ (0.30)	\$ 0.57
	98.46%	97.16%	105.34%	98.56%
	56.63%	52.45%	57.80%	52.61%
	\$ 17.92	\$ 11.31	\$ (19.36)	\$ 5.59

**CONDENSED STATEMENT OF DAIRY FARM INCOME AND COSTS**

FOR THE SIX MONTHS ENDED JUNE 30, 2023  
AND YEAR ENDED DECEMBER 31, 2022  
KERN COUNTY  
(BASED ON A PER HUNDREDWEIGHT OF MILK BASIS)

	<b>June 30, 2023</b>	<b>December 31, 2022</b>
Income:		
Milk sales	\$ 20.82	\$ 26.04
Calves and other	0.50	0.40
<b>Total income</b>	<b>\$ 21.32</b>	<b>\$ 26.44</b>
Cost of operations:		
Feed:		
Grain	\$ 12.18	\$ 10.55
Hay and forages	4.89	5.50
<b>Total feed</b>	<b>\$ 17.07</b>	<b>\$ 16.05</b>
Labor, (including fringe costs)	\$ 2.17	\$ 1.85
Herd replacement costs	\$ 1.13	\$ 1.38
Other costs:		
Milk hauling	\$ 0.66	\$ 0.65
State and association charges	0.29	0.19
Veterinary, breeding, testing, etc.	0.39	0.39
Supplies	0.65	0.64
Repairs and maintenance	0.86	0.80
Utilities	0.27	0.61
Occupancy costs	0.48	0.43
Depreciation - equipment	0.34	0.31
Interest	0.76	0.48
Miscellaneous	0.78	0.94
<b>Total other costs</b>	<b>\$ 5.48</b>	<b>\$ 5.44</b>
<b>Total cost of operations</b>	<b>\$ 25.85</b>	<b>\$ 24.72</b>
<b>Income (loss) from dairy operations</b>	<b>\$ (4.53)</b>	<b>\$ 1.72</b>
<b>Farming operations, net</b>	<b>\$ 1.64</b>	<b>\$ 1.18</b>
<b>Net income (loss)</b>	<b>\$ (2.89)</b>	<b>\$ 2.90</b>

## SUMMARY OF FINANCIAL STATISTICS

### KERN COUNTY

	June 30, 2023	December 31, 2022
1 Current Ratio	1.20 : 1	1.16 : 1
2 Herd Line Debt Per Cow	\$ 897	\$ 1,082
3 Total Debt Per Cow	\$ 2,831	\$ 3,539
4 Debt to Equity Ratio	0.78 : 1	0.85 : 1
5 Return on Total Assets	-3.7%	5.6%
6 Income (loss) per milking cow per month	\$ (65.45)	\$ 61.12

1. The current ratio represents current assets divided by current liabilities.
2. Herd line debt per cow equals the total debt secured by the herd divided by the average total herd size. Heifers are included on a mature equivalent basis.
3. Total debt per cow equals the total current liabilities and long-term debt divided by the average total herd size. Heifers are included on a mature equivalent basis.
4. Debt to equity represents the total debt divided by the total equity.
5. The return on total assets represents the net income divided by the total assets, stated at cost.
6. Income per milking cow per month represents each region's accrual based financial results divided by the number of milking cows, divided by six months.

## INCOME AND COST OF OPERATIONS

### KERN COUNTY

(BASED ON A PER HUNDREDWEIGHT OF MILK BASIS)

	June 30, 2023	December 31, 2022	December 31, 2021
Income:			
Milk sales	\$ 20.82	\$ 26.04	\$ 18.85
Calves and other	0.50	0.40	0.63
Total income	\$ 21.32	\$ 26.44	\$ 19.48
Total cost of operations:			
Feed	\$ 17.07	\$ 16.05	\$ 11.93
Labor	2.17	1.85	1.82
Herd replacement costs	1.13	1.38	1.40
Other costs	5.48	5.44	4.41
Total costs of operations	\$ 25.85	\$ 24.72	\$ 19.56
Income (loss) from dairy operations	\$ (4.53)	\$ 1.72	\$ (0.08)
Farming operations, net	\$ 1.64	\$ 1.18	\$ 0.42
Net income (loss)	\$ (2.89)	\$ 2.90	\$ 0.34
Cost of operations as a percentage of income	121.25%	93.49%	100.41%
Feed costs as a percentage of milk sales	81.99%	61.64%	63.29%
Net income (loss) per milking cow per month	\$ (65.45)	\$ 61.12	\$ 8.79

	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
	\$ 18.58	\$ 18.86	\$ 16.14	\$ 17.04
	0.25	0.29	0.75	0.24
	\$ 18.83	\$ 19.15	\$ 16.89	\$ 17.28
	\$ 10.32	\$ 10.03	\$ 9.58	\$ 9.03
	1.62	1.55	1.53	1.54
	1.41	1.42	1.39	1.36
	4.62	4.50	4.42	4.28
	\$ 17.97	\$ 17.50	\$ 16.92	\$ 16.21
	\$ 0.86	\$ 1.65	\$ (0.03)	\$ 1.07
	\$ 0.46	\$ 0.47	\$ 0.56	\$ 0.08
	\$ 1.32	\$ 2.12	\$ 0.53	\$ 1.15
	95.43%	91.38%	100.18%	93.81%
	55.54%	53.18%	59.36%	52.99%
	\$ 19.07	\$ 36.38	\$ (0.61)	\$ 21.95

## CONDENSED STATEMENT OF DAIRY FARM INCOME AND COSTS

FOR THE SIX MONTHS ENDED JUNE 30, 2023  
AND YEAR ENDED DECEMBER 31, 2022  
ARIZONA  
(BASED ON A PER HUNDREDWEIGHT OF MILK BASIS)

	June 30, 2023	December 31, 2022
Income:		
Milk sales	\$ 20.88	\$ 25.94
Calves and other	0.63	3.14
<b>Total income</b>	<b>\$ 21.51</b>	<b>\$ 29.08</b>
Cost of operations:		
Feed:		
Grain	\$ 10.88	\$ 10.54
Hay and forages	4.55	3.78
<b>Total feed</b>	<b>\$ 15.43</b>	<b>\$ 14.32</b>
Labor, (including fringe costs)	\$ 2.32	\$ 2.46
Herd replacement costs	\$ 1.07	\$ 1.31
Other costs:		
Milk hauling	\$ 0.51	\$ 0.52
State and association charges	0.22	0.40
Veterinary, breeding, testing, etc.	0.29	0.37
Supplies	0.85	0.87
Repairs and maintenance	0.85	0.76
Utilities	0.42	0.56
Occupancy costs	0.45	0.48
Depreciation - equipment	0.28	0.28
Interest	1.38	1.09
Miscellaneous	1.34	1.40
<b>Total other costs</b>	<b>\$ 6.59</b>	<b>\$ 6.73</b>
<b>Total cost of operations</b>	<b>\$ 25.41</b>	<b>\$ 24.82</b>
Income (loss) from dairy operations	\$ (3.90)	\$ 4.26
Farming operations, net	\$ 0.19	\$ 0.33
<b>Net income (loss)</b>	<b>\$ (3.71)</b>	<b>\$ 4.59</b>

## SUMMARY OF FINANCIAL STATISTICS

### ARIZONA

	June 30, 2023	December 31, 2022
1 Current Ratio	0.50 : 1	0.57 : 1
2 Herd Line Debt Per Cow	\$ 1,260	\$ 1,320
3 Total Debt Per Cow	\$ 5,784	\$ 4,686
4 Debt to Equity Ratio	3.51 : 1	2.70 : 1
5 Return on Total Assets	-4.4%	10.30%
6 Income (loss) per milking cow per month	\$ (85.88)	\$ 88.10

1. The current ratio represents current assets divided by current liabilities.
2. Herd line debt per cow equals the total debt secured by the herd divided by the average total herd size. Heifers are included on a mature equivalent basis.
3. Total debt per cow equals the total current liabilities and long-term debt divided by the average total herd size. Heifers are included on a mature equivalent basis.
4. Debt to equity represents the total debt divided by the total equity.
5. The return on total assets represents the net income (loss) divided by the total assets, stated at cost.
6. Income (loss) per milking cow per month represents each region's accrual based financial results divided by the number of milking cows, divided by six months.



## INCOME AND COST OF OPERATIONS

	ARIZONA		
	(BASED ON A PER HUNDREDWEIGHT OF MILK BASIS)		
	June 30, 2023	December 31, 2022	December 31, 2021
Income:			
Milk sales	\$ 20.88	\$ 25.94	\$ 18.82
Calves and other	0.63	3.14	1.86
Total income	\$ 21.51	\$ 29.08	\$ 20.68
Total cost of operations:			
Feed	\$ 15.43	\$ 14.32	\$ 11.62
Labor	2.32	2.46	2.34
Herd replacement costs	1.07	1.31	1.31
Other costs	6.59	6.73	5.42
Total costs of operations	\$ 25.41	\$ 24.82	\$ 20.69
Income (loss) from dairy operations	\$ (3.90)	\$ 4.26	\$ (0.01)
Farming operations, net	\$ 0.19	\$ 0.33	\$ (0.02)
Net income (loss)	\$ (3.71)	\$ 4.59	\$ (0.03)
Cost of operations as a percentage of income	118.13%	85.35%	100.05%
Feed costs as a percentage of milk sales	73.90%	55.20%	61.74%
Net income (loss) per milking cow per month	\$ (85.88)	\$ 88.10	\$ (0.24)



December 31, 2020		December 31, 2019		December 31, 2018		December 31, 2017	
\$	18.58	\$	18.73	\$	16.31	\$	17.20
	1.05		1.01		0.34		0.77
\$	19.63	\$	19.74	\$	16.65	\$	17.97
\$	9.71	\$	10.04	\$	9.40	\$	9.03
	2.48		2.53		2.41		2.21
	1.67		2.76		1.95		1.62
	6.74		6.16		5.88		5.50
\$	20.60	\$	21.49	\$	19.64	\$	18.36
\$	(0.97)	\$	(1.75)	\$	(2.99)	\$	(0.39)
\$	0.03	\$	0.10	\$	0.44	\$	0.14
\$	(0.94)	\$	(1.65)	\$	(2.55)	\$	(0.25)
	104.94%		108.87%		117.96%		102.17%
	52.26%		53.60%		57.63%		52.50%
\$	(2.40)	\$	(35.57)	\$	(60.15)	\$	(9.45)

**CONDENSED STATEMENT OF DAIRY FARM INCOME AND COSTS**

FOR THE SIX MONTHS ENDED JUNE 30, 2023  
AND YEAR ENDED DECEMBER 31, 2022  
IDAHO  
(BASED ON A PER HUNDREDWEIGHT OF MILK BASIS)

	<b>June 30, 2023</b>	<b>December 31, 2022</b>
Income:		
Milk sales	\$ 21.41	\$ 26.57
Calves and other	0.65	0.45
<b>Total income</b>	<b>\$ 22.06</b>	<b>\$ 27.02</b>
Cost of operations:		
Feed:		
Grain	\$ 9.96	\$ 9.28
Hay and forages	4.04	3.88
<b>Total feed</b>	<b>\$ 14.00</b>	<b>\$ 13.16</b>
Labor, (including fringe costs)	\$ 2.01	\$ 1.83
Herd replacement costs	\$ 1.41	\$ 1.73
Other costs:		
Milk hauling	\$ 0.32	\$ 0.41
State and association charges	0.14	0.18
Veterinary, breeding, testing, etc.	0.53	0.49
Supplies	0.48	0.62
Repairs and maintenance	0.64	0.68
Utilities	0.22	0.22
Occupancy costs	0.60	0.58
Depreciation - equipment	0.55	0.50
Interest	0.98	0.73
Miscellaneous	1.65	1.45
<b>Total other costs</b>	<b>\$ 6.11</b>	<b>\$ 5.86</b>
<b>Total cost of operations</b>	<b>\$ 23.53</b>	<b>\$ 22.58</b>
<b>Income (loss) from dairy operations</b>	<b>\$ (1.47)</b>	<b>\$ 4.44</b>
<b>Farming operations, net</b>	<b>\$ 0.24</b>	<b>\$ 0.44</b>
<b>Net income (loss)</b>	<b>\$ (1.23)</b>	<b>\$ 4.88</b>

## SUMMARY OF FINANCIAL STATISTICS

	IDAHO	
	June 30, 2023	December 31, 2022
1 Current Ratio	0.88 : 1	1.28 : 1
2 Herd Line Debt Per Cow	\$ 809	\$ 498
3 Total Debt Per Cow	\$ 4,505	\$ 3,701
4 Debt to Equity Ratio	1.53 : 1	1.34 : 1
5 Return on Total Assets	-1.6%	11.2%
6 Income (loss) per milking cow per month	\$ (26.75)	\$ 101.58

1. The current ratio represents current assets divided by current liabilities.
2. Herd line debt per cow equals the total debt secured by the herd divided by the average total herd size. Heifers are included on a mature equivalent basis.
3. Total debt per cow equals the total current liabilities and long-term debt divided by the average total herd size. Heifers are included on a mature equivalent basis.
4. Debt to equity represents the total debt divided by the total equity.
5. The return on total assets represents the net income divided by the total assets, stated at cost.
6. Income per milking cow per month represents each region's accrual based financial results divided by the number of milking cows, divided by six months.

## INCOME AND COST OF OPERATIONS

	IDAHO		
	(BASED ON A PER HUNDREDWEIGHT OF MILK BASIS)		
	June 30, 2023	December 31, 2022	December 31, 2021
Income:			
Milk sales	\$ 21.41	\$ 26.57	\$ 18.67
Calves and other	0.65	0.45	0.49
Total income	\$ 22.06	\$ 27.02	\$ 19.16
Total cost of operations:			
Feed	\$ 14.00	\$ 13.16	\$ 10.13
Labor	2.01	1.83	1.73
Herd replacement costs	1.41	1.73	1.94
Other costs	6.11	5.86	4.93
Total costs of operations	\$ 23.53	\$ 22.58	\$ 18.73
Income (loss) from dairy operations	\$ (1.47)	\$ 4.44	\$ 0.43
Farming operations, net	\$ 0.24	\$ 0.44	\$ 0.38
Net income (loss)	\$ (1.23)	\$ 4.88	\$ 0.81
Cost of operations as a percentage of income	106.66%	83.57%	97.76%
Feed costs as a percentage of milk sales	65.39%	49.53%	54.26%
Net income (loss) per milking cow per month	\$ (26.75)	\$ 101.58	\$ 16.75



December 31, 2020		December 31, 2019		December 31, 2018		December 31, 2017	
\$	19.50	\$	18.79	\$	16.71	\$	17.35
	0.49		0.37		0.26		0.26
\$	19.99	\$	19.16	\$	16.97	\$	17.61
\$	9.11	\$	8.81	\$	8.41	\$	8.43
	1.66		1.67		1.77		1.85
	2.08		2.23		2.29		1.83
	5.08		5.06		5.01		4.65
\$	17.93	\$	17.77	\$	17.48	\$	16.76
\$	2.06	\$	1.39	\$	(0.51)	\$	0.85
\$	0.23	\$	0.14	\$	0.24	\$	0.41
\$	2.29	\$	1.53	\$	(0.27)	\$	1.26
	89.69%		92.75%		103.01%		95.17%
	46.72%		46.89%		50.33%		48.59%
\$	43.35	\$	29.02	\$	(10.40)	\$	18.80

## CONDENSED STATEMENT OF DAIRY FARM INCOME AND COSTS

FOR THE SIX MONTHS ENDED JUNE 30, 2023  
AND YEAR ENDED DECEMBER 31, 2022  
NEW MEXICO  
(BASED ON A PER HUNDREDWEIGHT OF MILK BASIS)

	June 30, 2023	December 31, 2022
Income:		
Milk sales	\$ 21.42	\$ 23.88
Calves and other	0.36	0.34
<b>Total income</b>	<b>\$ 21.78</b>	<b>\$ 24.22</b>
Cost of operations:		
Feed:		
Grain	\$ 10.10	\$ 9.91
Hay and forages	3.87	1.28
<b>Total feed</b>	<b>\$ 13.97</b>	<b>\$ 11.19</b>
Labor, (including fringe costs)	\$ 2.31	\$ 2.26
Herd replacement costs	\$ 0.45	\$ 0.54
Other costs:		
Milk hauling	\$ 0.74	\$ 0.78
State and association charges	0.30	0.32
Veterinary, breeding, testing, etc.	0.30	0.29
Supplies	1.04	1.03
Repairs and maintenance	1.24	1.17
Utilities	0.36	0.66
Occupancy costs	0.29	0.36
Depreciation - equipment	0.38	0.44
Interest	0.22	0.27
Miscellaneous	1.01	1.15
<b>Total other costs</b>	<b>\$ 5.88</b>	<b>\$ 6.47</b>
<b>Total cost of operations</b>	<b>\$ 22.61</b>	<b>\$ 20.46</b>
<b>Income from dairy operations</b>	<b>\$ (0.83)</b>	<b>\$ 3.76</b>
<b>Farming operations, net</b>	<b>\$ 0.23</b>	<b>\$ (0.63)</b>
<b>Net income</b>	<b>\$ (0.60)</b>	<b>\$ 3.13</b>

## SUMMARY OF FINANCIAL STATISTICS

### NEW MEXICO

	June 30, 2023	December 31, 2022
1 Current Ratio	4.64 : 1	3.33 : 1
2 Herd Line Debt Per Cow	\$ 1,273	\$ 605
3 Total Debt Per Cow	\$ 926	\$ 1,423
4 Debt to Equity Ratio	0.23 : 1	0.28 : 1
5 Return on Total Assets	-0.9%	11.8%
6 Income (loss) per milking cow per month	\$ (13.64)	\$ 63.46

1. The current ratio represents current assets divided by current liabilities.
2. Herd line debt per cow equals the total debt secured by the herd divided by the average total herd size. Heifers are included on a mature equivalent basis.
3. Total debt per cow equals the total current liabilities and long-term debt divided by the average total herd size. Heifers are included on a mature equivalent basis.
4. Debt to equity represents the total debt divided by the total equity.
5. The return on total assets represents the net loss divided by the total assets, stated at cost.
6. Loss per milking cow per month represents each region's accrual based financial results divided by the number of milking cows, divided by six months.



## INCOME AND COST OF OPERATIONS

	NEW MEXICO		
	(BASED ON A PER HUNDREDWEIGHT OF MILK BASIS)		
	June 30, 2023	December 31, 2022	December 31, 2021
Income:			
Milk sales	\$ 21.42	\$ 23.88	\$ 18.15
Calves and other	0.36	0.34	0.13
Total income	\$ 21.78	\$ 24.22	\$ 18.28
Total cost of operations:			
Feed	\$ 13.97	\$ 11.19	\$ 10.05
Labor	2.31	2.26	2.18
Herd replacement costs	0.45	0.54	0.63
Other costs	5.88	6.47	5.58
Total costs of operations	\$ 22.61	\$ 20.46	\$ 18.44
Income (loss) from dairy operations	\$ (0.83)	\$ 3.76	\$ (0.16)
Farming operations, net	\$ 0.23	\$ (0.63)	\$ (0.08)
Net income (loss)	\$ (0.60)	\$ 3.13	\$ (0.24)
Cost of operations as a percentage of income	103.81%	84.48%	100.88%
Feed costs as a percentage of milk sales	65.22%	46.86%	55.37%
Net income (loss) per milking cow per month	\$ (13.64)	\$ 63.46	\$ (4.78)

	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
	\$ 17.57	\$ 17.37	\$ 15.61	\$ 16.75
	0.30	0.22	0.46	0.51
	\$ 17.87	\$ 17.59	\$ 16.07	\$ 17.26
	\$ 10.74	\$ 11.61	\$ 10.65	\$ 9.25
	2.12	2.16	1.91	2.09
	0.97	1.35	1.41	1.37
	5.34	5.69	5.69	5.73
	\$ 19.17	\$ 20.81	\$ 19.66	\$ 18.44
	\$ (1.30)	\$ (3.22)	\$ (3.59)	\$ (1.18)
	\$ 0.72	\$ -	\$ 1.31	\$ 1.88
	\$ (0.58)	\$ (3.22)	\$ (2.28)	\$ 0.70
	107.27%	118.31%	122.34%	106.84%
	61.13%	66.84%	68.23%	55.22%
	\$ (28.96)	\$ (71.24)	\$ (81.14)	\$ (24.33)

## CONDENSED STATEMENT OF DAIRY FARM INCOME AND COSTS

FOR THE SIX MONTHS ENDED JUNE 30, 2023  
AND YEAR ENDED DECEMBER 31, 2022  
PANHANDLE  
(BASED ON A PER HUNDREDWEIGHT OF MILK BASIS)

	June 30, 2023	December 31, 2022
Income:		
Milk sales	\$ 20.22	\$ 25.45
Calves and other	0.62	1.61
<b>Total income</b>	<b>\$ 20.84</b>	<b>\$ 27.06</b>
Cost of operations:		
Feed:		
Grain	\$ 11.28	\$ 11.42
Hay and forages	3.50	3.67
<b>Total feed</b>	<b>\$ 14.78</b>	<b>\$ 15.09</b>
Labor, (including fringe costs)	\$ 1.86	\$ 2.24
Herd replacement costs	\$ 1.20	\$ 1.20
Other costs:		
Milk hauling	\$ 0.84	\$ 1.21
State and association charges	0.22	0.24
Veterinary, breeding, testing, etc.	0.35	0.71
Supplies	0.63	0.79
Repairs and maintenance	0.47	0.82
Utilities	0.12	0.24
Occupancy costs	0.34	0.36
Depreciation - equipment	0.34	0.47
Interest	0.50	0.33
Miscellaneous	0.53	1.48
<b>Total other costs</b>	<b>\$ 4.34</b>	<b>\$ 6.65</b>
<b>Total cost of operations</b>	<b>\$ 22.18</b>	<b>\$ 25.18</b>
Income (loss) from dairy operations	\$ (1.34)	\$ 1.88
Farming operations, net	\$ 1.13	\$ (0.23)
<b>Net income (loss)</b>	<b>\$ (0.21)</b>	<b>\$ 1.65</b>

## SUMMARY OF FINANCIAL STATISTICS

### PANHANDLE

	June 30, 2023	December 31, 2022
1 Current Ratio	1.50 : 1	1.02 : 1
2 Herd Line Debt Per Cow	\$ 189	\$ 575
3 Total Debt Per Cow	\$ 2,199	\$ 2,740
4 Debt to Equity Ratio	0.77 : 1	0.86 : 1
5 Return on Total Assets	-0.4%	5.4%
6 Income (loss) per milking cow per month	\$ (4.72)	\$ 42.46

1. The current ratio represents current assets divided by current liabilities.
2. Herd line debt per cow equals the total debt secured by the herd divided by the average total herd size. Heifers are included on a mature equivalent basis.
3. Total debt per cow equals the total current liabilities and long-term debt divided by the average total herd size. Heifers are included on a mature equivalent basis.
4. Debt to equity represents the total debt divided by the total equity.
5. The return on total assets represents the net income divided by the total assets, stated at cost.
6. Income per milking cow per month represents each region's accrual based financial results divided by the number of milking cows, divided by six months.

## INCOME AND COST OF OPERATIONS

	PANHANDLE		
	(BASED ON A PER HUNDREDWEIGHT OF MILK BASIS)		
	June 30, 2023	December 31, 2022	December 31, 2021
Income:			
Milk sales	\$ 20.22	\$ 25.45	\$ 19.12
Calves and other	0.62	1.61	1.55
Total income	\$ 20.84	\$ 27.06	\$ 20.67
Total cost of operations:			
Feed	\$ 14.78	\$ 15.09	\$ 12.34
Labor	1.86	2.24	2.24
Herd replacement costs	1.20	1.20	1.45
Other costs	4.34	6.65	5.67
Total costs of operations	\$ 22.18	\$ 25.18	\$ 21.70
Income (loss) from dairy operations	\$ (1.34)	\$ 1.88	\$ (1.03)
Farming operations, net	\$ 1.13	\$ (0.23)	\$ 0.26
Net income (loss)	\$ (0.21)	\$ 1.65	\$ (0.77)
Cost of operations as a percentage of income	106.43%	93.05%	104.98%
Feed costs as a percentage of milk sales	73.10%	59.29%	64.54%
Net income (loss) per milking cow per month	\$ (4.72)	\$ 42.46	\$ (15.68)

	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
	\$ 22.49	\$ 18.97	\$ 15.92	\$ 17.77
	0.46	(0.04)	0.24	0.40
	\$ 22.95	\$ 18.93	\$ 16.16	\$ 18.17
	\$ 9.31	\$ 8.52	\$ 8.12	\$ 7.80
	1.82	1.80	1.87	1.84
	1.67	1.74	1.93	2.08
	4.95	5.05	5.22	4.97
	\$ 17.75	\$ 17.11	\$ 17.14	\$ 16.69
	\$ 5.20	\$ 1.82	\$ (0.98)	\$ 1.48
	\$ 0.74	\$ 0.32	\$ 0.40	\$ 0.15
	\$ 5.94	\$ 2.14	\$ (0.58)	\$ 1.63
	77.34%	90.39%	106.06%	91.85%
	41.40%	44.91%	51.01%	43.89%
	\$ 107.43	\$ 37.85	\$ (20.40)	\$ 31.40

## CONDENSED STATEMENT OF DAIRY FARM INCOME AND COSTS

FOR THE SIX MONTHS ENDED JUNE 30, 2023  
AND YEAR ENDED DECEMBER 31, 2022  
PACIFIC NORTHWEST  
(BASED ON A PER HUNDREDWEIGHT OF MILK BASIS)

	June 30, 2023	December 31, 2022
Income:		
Milk sales	\$ 20.95	\$ 26.82
Calves and other	0.57	0.47
<b>Total income</b>	<b>\$ 21.52</b>	<b>\$ 27.29</b>
Cost of operations:		
Feed:		
Grain	\$ 9.65	\$ 9.23
Hay and forages	4.94	4.09
<b>Total feed</b>	<b>\$ 14.59</b>	<b>\$ 13.32</b>
Labor, (including fringe costs)	\$ 2.21	\$ 2.46
Herd replacement costs	\$ 0.94	\$ 1.36
Other costs:		
Milk hauling	\$ 0.92	\$ 0.90
State and association charges	0.25	0.26
Veterinary, breeding, testing, etc.	0.90	0.67
Supplies	0.80	0.77
Repairs and maintenance	1.08	1.13
Utilities	0.30	0.31
Occupancy costs	0.56	0.55
Depreciation - equipment	0.40	0.42
Interest	0.66	0.54
Miscellaneous	1.41	1.67
<b>Total other costs</b>	<b>\$ 7.28</b>	<b>\$ 7.22</b>
<b>Total cost of operations</b>	<b>\$ 25.02</b>	<b>\$ 24.36</b>
Income (loss) from dairy operations	\$ (3.50)	\$ 2.93
Farming operations, net	\$ 0.34	\$ 0.66
<b>Net income (loss)</b>	<b>\$ (3.16)</b>	<b>\$ 3.59</b>

## SUMMARY OF FINANCIAL STATISTICS

### PACIFIC NORTHWEST

	June 30, 2023	December 31, 2022
1 Current Ratio	0.97 : 1	1.04 : 1
2 Herd Line Debt Per Cow	\$ 958	\$ 791
3 Total Debt Per Cow	\$ 2,741	\$ 3,045
4 Debt to Equity Ratio	1.42 : 1	1.34 : 1
5 Return on Total Assets	-5.3%	9.7%
6 Income (loss) per milking cow per month	\$ (71.85)	\$ 73.17

1. The current ratio represents current assets divided by current liabilities.
2. Herd line debt per cow equals the total debt secured by the herd divided by the average total herd size. Heifers are included on a mature equivalent basis.
3. Total debt per cow equals the total current liabilities and long-term debt divided by the average total herd size. Heifers are included on a mature equivalent basis.
4. Debt to equity represents the total debt divided by the total equity.
5. The return on total assets represents the net income divided by the total assets, stated at cost.
6. Income per milking cow per month represents each region's accrual based financial results divided by the number of milking cows, divided by six months.



## INCOME AND COST OF OPERATIONS

### PACIFIC NORTHWEST

(BASED ON A PER HUNDREDWEIGHT OF MILK BASIS)

	June 30, 2023	December 31, 2022	December 31, 2021
Income:			
Milk sales	\$ 20.95	\$ 26.82	\$ 21.46
Calves and other	0.57	0.47	0.95
Total income	\$ 21.52	\$ 27.29	\$ 22.41
Total cost of operations:			
Feed	\$ 14.59	\$ 13.32	\$ 10.38
Labor	2.21	2.46	3.53
Herd replacement costs	0.94	1.36	2.00
Other costs	7.28	7.22	6.48
Total costs of operations	\$ 25.02	\$ 24.36	\$ 22.39
Income (loss) from dairy operations	\$ (3.50)	\$ 2.93	\$ 0.02
Farming operations, net	\$ 0.34	\$ 0.66	\$ 0.67
Net income (loss)	\$ (3.16)	\$ 3.59	\$ 0.69
Cost of operations as a percentage of income	116.26%	89.26%	99.91%
Feed costs as a percentage of milk sales	69.64%	49.66%	48.37%
Net income (loss) per milking cow per month	\$ (71.85)	\$ 73.17	\$ 12.55

	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
	\$ 19.71	\$ 20.18	\$ 17.65	\$ 19.05
	0.59	0.24	0.23	0.28
	\$ 20.30	\$ 20.42	\$ 17.88	\$ 19.33
	\$ 8.95	\$ 8.56	\$ 8.00	\$ 8.69
	2.95	2.73	2.40	2.29
	1.78	1.57	1.43	1.44
	5.89	5.94	5.63	5.52
	\$ 19.57	\$ 18.80	\$ 17.46	\$ 17.94
	st			
	\$ 0.73	\$ 1.62	\$ 0.42	\$ 1.39
	\$ 0.44	\$ 0.61	\$ 0.47	\$ 0.54
	\$ 1.17	\$ 2.23	\$ 0.89	\$ 1.93
	96.40%	92.07%	97.65%	92.81%
	45.41%	42.42%	45.33%	45.62%
	\$ 13.77	\$ 32.10	\$ 8.49	\$ 27.37

## EXPLANATION OF INCOME AND COST FACTORS

<b>Basis of presentation</b>	Information is included both on a "per head" basis and a "per hundredweight of milk" basis. The "per head" statistics are based on the total average number of milking and dry cows in a herd for the period. The Panhandle region includes the triangle from Clovis, New Mexico, up to Amarillo, Texas and down to Lubbock, Texas. The Pacific Northwest region includes the states of Washington and Oregon.
<b>Milk sales</b>	Includes milk income, quality and production bonuses, patronage dividends, USDA program payments, and gains and losses on milk futures.
<b>Calves and other income</b>	This is primarily composed of the sale of calves, heifers, other livestock and equipment, and miscellaneous other income.
<b>Feed</b>	Grain includes all minerals and supplements while "Hay and Other" represents alfalfa and all forage costs
<b>Labor</b>	Includes wages and fringe costs such as payroll taxes, workers' compensation insurance, medical insurance, union benefits, etc. Compensation to owner-employees or partners is not included.
<b>Herd replacement cost</b>	Represents the difference between the actual price paid for purchased cows (or estimated cost of self-raised cows) at the time the cows were added to the milking herd less the sales price received for cows disposed of. This difference is amortized over the productive life of the cows.
<b>Occupancy cost</b>	Includes property taxes and depreciation of buildings on owner occupied facilities, rent paid and depreciation of improvements on leased facilities. It does not include interest paid on real property.
<b>Miscellaneous cost</b>	Includes auto, truck and fuel expenses, insurance, professional fees, quality penalties and other dairy expenses not specifically classified in another category.
<b>Net income</b>	Is stated before a provision for income taxes or a return on the dairy owner's investment.