

Dairy Farm Operating Trends

June 30, 2024



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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, 2024.

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 4.1 billion pounds and more than 344,000 head of mature cows for the six months ended June 30, 2024.

This report includes a comparison of the results in the regions listed above for the six months ended June 30, 2024, 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.

Sincerely,

*FRAZER, LLP
Certified Public Accountants and Consultants*

December 2024

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, 2024
(BASED ON AVERAGE AMOUNTS PER HEAD)

	Southern California	San Joaquin Valley	Kern County
Income:			
Milk sales	\$ 2,722	\$ 2,714	\$ 2,578
Calves and other	182	193	201
Total income	\$ 2,904	\$ 2,907	\$ 2,779
Cost of operations:			
Feed:			
Grain	\$ 1,084	\$ 1,163	\$ 1,143
Hay and forages	524	453	604
Total feed	\$ 1,608	\$ 1,616	\$ 1,747
Labor, (including fringe costs)	\$ 346	\$ 273	\$ 240
Herd replacement costs	\$ 137	\$ 90	\$ 109
Other costs:			
Milk hauling	\$ 105	\$ 72	\$ 85
State and association charges	21	24	24
Veterinary, breeding, testing, etc.	122	73	58
Supplies	23	76	63
Repairs and maintenance	74	85	117
Utilities	43	48	55
Occupancy costs	57	80	59
Depreciation - equipment	31	52	46
Interest	120	94	107
Miscellaneous	113	110	91
Total other costs	\$ 709	\$ 714	\$ 705
Total cost of operations	\$ 2,800	\$ 2,693	\$ 2,801
Income (loss) from dairy operations	\$ 104	\$ 214	\$ (22)
Farming operations, net	\$ 0	\$ (48)	\$ 55
Net income (loss)	\$ 104	\$ 166	\$ 33



Arizona	Idaho	New Mexico	Panhandle	Pacific Northwest	Your June 30, 2024 Amounts
\$ 2,662 309	\$ 2,527 105	\$ 2,396 160	\$ 2,308 140	\$ 2,354 159	\$
\$ 2,971	\$ 2,632	\$ 2,556	\$ 2,448	\$ 2,513	\$
\$ 1,229 231	\$ 968 460	\$ 1,096 459	\$ 1,064 451	\$ 655 659	\$
\$ 1,460	\$ 1,428	\$ 1,555	\$ 1,515	\$ 1,314	\$
\$ 296	\$ 224	\$ 282	\$ 187	\$ 230	\$
\$ 124	\$ 84	\$ 96	\$ 124	\$ 127	\$
\$ 66 34 45 106 104 52 45 36 178 167	\$ 42 23 59 63 68 28 80 78 148 185	\$ 73 41 39 136 132 41 32 45 70 95	\$ 94 32 50 74 56 15 41 44 88 72	\$ 100 27 92 94 141 33 59 46 125 103	\$
\$ 833	\$ 774	\$ 704	\$ 566	\$ 820	\$
\$ 2,713	\$ 2,510	\$ 2,637	\$ 2,392	\$ 2,491	\$
\$ 258	\$ 122	\$ (81)	\$ 56	\$ 22	\$
\$ 46	\$ 19	\$ 26	\$ 76	\$ 6	\$
\$ 304	\$ 141	\$ (55)	\$ 132	\$ 28	\$

CONDENSED STATEMENT OF DAIRY FARM INCOME AND COSTS

COMPARISON BY AREA
FOR THE SIX MONTHS ENDED JUNE 30, 2024
(BASED ON PER HUNDREDWEIGHT OF MILK BASIS)

	Southern California	San Joaquin Valley	Kern County
Income:			
Milk sales	\$ 22.23	\$ 20.48	\$ 20.24
Calves and other	1.49	1.43	1.58
Total income	\$ 23.72	\$ 21.91	\$ 21.82
Cost of operations:			
Feed:			
Grain	\$ 8.85	\$ 8.79	\$ 8.97
Hay and forages	4.28	3.43	4.74
Total feed	\$ 13.13	\$ 12.22	\$ 13.71
Labor, (including fringe costs)	\$ 2.83	\$ 2.06	\$ 1.88
Herd replacement costs	\$ 1.12	\$ 0.68	\$ 0.85
Other costs:			
Milk hauling	\$ 0.86	\$ 0.54	\$ 0.67
State and association charges	0.17	0.19	0.19
Veterinary, breeding, testing, etc.	0.99	0.55	0.45
Supplies	0.18	0.58	0.50
Repairs and maintenance	0.61	0.64	0.91
Utilities	0.35	0.36	0.44
Occupancy costs	0.47	0.60	0.46
Depreciation - equipment	0.25	0.39	0.36
Interest	0.98	0.71	0.84
Miscellaneous	0.92	0.85	0.70
Total other costs	\$ 5.78	\$ 5.41	\$ 5.52
Total cost of operations	\$ 22.86	\$ 20.37	\$ 21.96
Income (loss) from dairy operations	\$ 0.86	\$ 1.54	\$ (0.14)
Farming operations, net	\$ 0.00	\$ (0.36)	\$ 0.43
Net income (loss)	\$ 0.86	\$ 1.18	\$ 0.29



Arizona	Idaho	New Mexico	Panhandle	Pacific Northwest	Your June 30, 2024 Amounts
\$ 22.11 2.55	\$ 22.33 0.93	\$ 20.13 1.35	\$ 20.81 1.26	\$ 21.49 1.44	\$
\$ 24.66	\$ 23.26	\$ 21.48	\$ 22.07	\$ 22.93	\$
\$ 10.21 1.91	\$ 8.56 4.06	\$ 9.21 3.86	\$ 9.60 4.06	\$ 5.98 6.02	\$
\$ 12.12	\$ 12.62	\$ 13.07	\$ 13.66	\$ 12.00	\$
\$ 2.45	\$ 1.98	\$ 2.37	\$ 1.69	\$ 2.11	\$
\$ 1.03	\$ 0.74	\$ 0.81	\$ 1.12	\$ 1.16	\$
\$ 0.54 0.28 0.38 0.88 0.87 0.43 0.38 0.29 1.48 1.39	\$ 0.37 0.20 0.52 0.56 0.61 0.24 0.70 0.68 1.31 1.64	\$ 0.61 0.35 0.32 1.15 1.11 0.35 0.27 0.38 0.59 0.80	\$ 0.85 0.28 0.45 0.67 0.51 0.13 0.37 0.41 0.79 0.66	\$ 0.91 0.25 0.84 0.86 1.29 0.30 0.54 0.43 1.14 0.95	\$
\$ 6.92	\$ 6.83	\$ 5.93	\$ 5.12	\$ 7.51	\$
\$ 22.52	\$ 22.17	\$ 22.18	\$ 21.59	\$ 22.78	\$
\$ 2.14	\$ 1.09	\$ (0.70)	\$ 0.48	\$ 0.15	\$
\$ 0.38	\$ 0.16	\$ 0.22	\$ 0.69	\$ 0.06	\$
\$ 2.52	\$ 1.25	\$ (0.48)	\$ 1.17	\$ 0.21	\$

SUMMARY OF FINANCIAL STATISTICS

COMPARISON BY AREA FOR THE SIX MONTHS ENDED JUNE 30, 2024 (RATIOS)

	Southern California	San Joaquin Valley	Kern County
1 Current Ratio	0.56 : 1	1.02 : 1	1.08 : 1
2 Herd Line Debt Per Cow	\$ 974	\$ 584	\$ 554
3 Total Debt Per Cow	\$ 5,332	\$ 3,112	\$ 2,706
4 Debt to Equity Ratio	2.13 : 1	1.05 : 1	0.84 : 1
5 Return on Total Assets	1.2%	1.9%	0.4%
6 Income (loss) per milking cow per month	\$ 19.55	\$ 31.68	\$ 6.31

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, 2024 Results
0.43 : 1	0.92 : 1	2.27 : 1	1.21 : 1	0.74 : 1	
\$ 838	\$ 745	\$ 319	\$ 484	\$ 1,130	\$
\$ 4,978	\$ 4,260	\$ 1,254	\$ 2,734	\$ 3,315	\$
2.84 : 1	1.68 : 1	0.34 : 1	1.02 : 1	1.97 : 1	
3.1%	1.4%	-0.7%	2.0%	0.4%	
\$ 57.34	\$ 27.02	\$ (10.10)	\$ 25.89	\$ 5.40	\$

CONDENSED STATEMENT OF DAIRY FARM INCOME AND COSTS

FOR THE SIX MONTHS ENDED JUNE 30, 2024
AND YEAR ENDED DECEMBER 31, 2023
SOUTHERN CALIFORNIA
(BASED ON PER HUNDREDWEIGHT OF MILK BASIS)

	June 30, 2024	December 31, 2023
Income:		
Milk sales	\$ 22.23	\$ 22.06
Calves and other	1.49	1.38
Total income	\$ 23.72	\$ 23.44
Cost of operations:		
Feed:		
Grain	\$ 8.85	\$ 10.80
Hay and forages	4.28	5.87
Total feed	\$ 13.13	\$ 16.67
Labor, (including fringe costs)	\$ 2.83	\$ 2.80
Herd replacement costs	\$ 1.12	\$ 1.15
Other costs:		
Milk hauling	\$ 0.86	\$ 0.62
State and association charges	0.17	0.07
Veterinary, breeding, testing, etc.	0.99	1.01
Supplies	0.18	0.19
Repairs and maintenance	0.61	0.64
Utilities	0.35	0.31
Occupancy costs	0.47	0.57
Depreciation - equipment	0.25	0.28
Interest	0.98	1.17
Miscellaneous	0.92	1.12
Total other costs	\$ 5.78	\$ 5.98
Total cost of operations	\$ 22.86	\$ 26.60
Income (loss) from dairy operations	\$ 0.86	\$ (3.16)
Farming operations, net	\$ 0.00	\$ 0.00
Net income (loss)	\$ 0.86	\$ (3.16)

SUMMARY OF FINANCIAL STATISTICS

SOUTHERN CALIFORNIA

	June 30, 2024	December 31, 2023
1 Current Ratio	0.56 : 1	0.63 : 1
2 Herd Line Debt Per Cow	\$ 974	\$ 1,797
3 Total Debt Per Cow	\$ 5,332	\$ 5,880
4 Debt to Equity Ratio	2.13 : 1	1.96 : 1
5 Return on Total Assets	1.2%	-7.5%
6 Income (loss) per milking cow per month	\$ 19.55	\$ (71.62)

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

SOUTHERN CALIFORNIA

(BASED ON A PER HUNDREDWEIGHT OF MILK BASIS)

	June 30, 2024	December 31, 2023	December 31, 2022
Income:			
Milk sales	\$ 22.23	\$ 22.06	\$ 26.69
Calves and other	1.49	1.38	2.29
Total income	\$ 23.72	\$ 23.44	\$ 28.98
Total cost of operations:			
Feed	\$ 13.13	\$ 16.67	\$ 15.94
Labor	2.83	2.80	2.70
Herd replacement costs	1.12	1.15	1.18
Other costs	5.78	5.98	6.10
Total costs of operations	\$ 22.86	\$ 26.60	\$ 25.92
Income (loss) from dairy operations	\$ 0.86	\$ (3.16)	\$ 3.06
Farming operations, net	\$ 0.00	\$ 0.00	\$ 0.00
Net income (loss)	\$ 0.86	\$ (3.16)	\$ 3.06
Cost of operations as a percentage of income	96.37%	113.48%	89.44%
Feed costs as a percentage of milk sales	59.06%	75.57%	59.72%
Net income (loss) per milking cow per month	\$ 19.55	\$ (71.62)	\$ 73.69

	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
	\$ 19.71	\$ 18.49	\$ 19.50	\$ 16.51
	0.75	1.70	0.77	0.47
	\$ 20.46	\$ 20.19	\$ 20.27	\$ 16.98
	\$ 11.84	\$ 10.41	\$ 10.67	\$ 9.99
	2.31	2.28	2.28	2.04
	1.26	1.51	1.75	1.72
	4.36	4.39	4.25	4.06
	\$ 19.77	\$ 18.59	\$ 18.95	\$ 17.81
	\$ 0.69	\$ 1.60	\$ 1.32	\$ (0.83)
	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
	\$ 0.69	\$ 1.60	\$ 1.32	\$ (0.83)
	96.63%	92.08%	93.49%	104.89%
	60.07%	56.30%	54.72%	60.51%
	\$ 16.23	\$ 38.36	\$ 29.93	\$ (18.68)

CONDENSED STATEMENT OF DAIRY FARM INCOME AND COSTS

FOR THE SIX MONTHS ENDED JUNE 30, 2024
AND YEAR ENDED DECEMBER 31, 2023
SAN JOAQUIN VALLEY
(BASED ON A PER HUNDREDWEIGHT OF MILK BASIS)

	June 30, 2024	December 31, 2023
Income:		
Milk sales	\$ 20.48	\$ 20.90
Calves and other	1.43	1.93
Total income	\$ 21.91	\$ 22.83
Cost of operations:		
Feed:		
Grain	\$ 8.79	\$ 10.52
Hay and forages	3.43	4.80
Total feed	\$ 12.22	\$ 15.32
Labor, (including fringe costs)	\$ 2.06	\$ 2.10
Herd replacement costs	\$ 0.68	\$ 1.05
Other costs:		
Milk hauling	\$ 0.54	\$ 0.54
State and association charges	0.19	0.31
Veterinary, breeding, testing, etc.	0.55	0.58
Supplies	0.58	0.58
Repairs and maintenance	0.64	0.72
Utilities	0.36	0.50
Occupancy costs	0.60	0.75
Depreciation - equipment	0.39	0.34
Interest	0.71	0.62
Miscellaneous	0.85	1.06
Total other costs	\$ 5.41	\$ 6.00
Total cost of operations	\$ 20.37	\$ 24.47
Income (loss) from dairy operations	\$ 1.54	\$ (1.64)
Farming operations, net	\$ (0.36)	\$ 0.51
Net income (loss)	\$ 1.18	\$ (1.13)

SUMMARY OF FINANCIAL STATISTICS

SAN JOAQUIN VALLEY

	June 30, 2024	December 31, 2023
1 Current Ratio	1.02 : 1	1.08 : 1
2 Herd Line Debt Per Cow	\$ 584	\$ 800
3 Total Debt Per Cow	\$ 3,112	\$ 3,270
4 Debt to Equity Ratio	1.05 : 1	1.22 : 1
5 Return on Total Assets	1.9%	-3.2%
6 Income (loss) per milking cow per month	\$ 31.68	\$ (26.18)

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, 2024	December 31, 2023	December 31, 2022
Income:			
Milk sales	\$ 20.48	\$ 20.90	\$ 24.53
Calves and other	1.43	1.93	0.51
Total income	\$ 21.91	\$ 22.83	\$ 25.04
Total cost of operations:			
Feed	\$ 12.22	\$ 15.32	\$ 13.72
Labor	2.06	2.10	2.11
Herd replacement costs	0.68	1.05	1.28
Other costs	5.41	6.00	5.08
Total costs of operations	\$ 20.37	\$ 24.47	\$ 22.19
Income (loss) from dairy operations	\$ 1.54	\$ (1.64)	\$ 2.85
Farming operations, net	\$ (0.36)	\$ 0.51	\$ 1.18
Net income (loss)	\$ 1.18	\$ (1.13)	\$ 4.03
Cost of operations as a percentage of income	92.97%	107.18%	88.62%
Feed costs as a percentage of milk sales	59.67%	73.30%	55.93%
Net income (loss) per milking cow per month	\$ 15.84	\$ (23.15)	\$ 98.62



	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
	\$ 18.49	\$ 17.41	\$ 18.19	\$ 15.52
	0.61	0.78	0.46	0.40
	\$ 19.10	\$ 18.19	\$ 18.65	\$ 15.92
	\$ 10.92	\$ 9.86	\$ 9.54	\$ 8.97
	1.83	1.86	1.90	1.66
	1.60	1.47	1.59	1.49
	4.81	4.72	5.09	4.65
	\$ 19.16	\$ 17.91	\$ 18.12	\$ 16.77
	\$ (0.06)	\$ 0.28	\$ 0.53	\$ (0.85)
	\$ 0.63	\$ 0.65	\$ 0.41	\$ 0.55
	\$ 0.57	\$ 0.93	\$ 0.94	\$ (0.30)
	100.31%	98.46%	97.16%	105.34%
	59.06%	56.63%	52.45%	57.80%
	\$ 14.69	\$ 17.92	\$ 11.31	\$ (19.36)

CONDENSED STATEMENT OF DAIRY FARM INCOME AND COSTS

FOR THE SIX MONTHS ENDED JUNE 30, 2024
AND YEAR ENDED DECEMBER 31, 2023
KERN COUNTY
(BASED ON A PER HUNDREDWEIGHT OF MILK BASIS)

	June 30, 2024	December 31, 2023
Income:		
Milk sales	\$ 20.24	\$ 21.08
Calves and other	1.58	1.12
Total income	\$ 21.82	\$ 22.20
Cost of operations:		
Feed:		
Grain	\$ 8.97	\$ 10.58
Hay and forages	4.74	5.66
Total feed	\$ 13.71	\$ 16.24
Labor, (including fringe costs)	\$ 1.88	\$ 2.07
Herd replacement costs	\$ 0.85	\$ 1.06
Other costs:		
Milk hauling	\$ 0.67	\$ 0.66
State and association charges	0.19	0.34
Veterinary, breeding, testing, etc.	0.45	0.42
Supplies	0.50	0.64
Repairs and maintenance	0.91	0.93
Utilities	0.44	0.54
Occupancy costs	0.46	0.45
Depreciation - equipment	0.36	0.35
Interest	0.84	0.77
Miscellaneous	0.70	0.83
Total other costs	\$ 5.52	\$ 5.93
Total cost of operations	\$ 21.96	\$ 25.30
Loss from dairy operations	\$ (0.14)	\$ (3.10)
Farming operations, net	\$ 0.43	\$ 0.80
Net income (loss)	\$ 0.29	\$ (2.30)

SUMMARY OF FINANCIAL STATISTICS

KERN COUNTY

	June 30, 2024	December 31, 2023
1 Current Ratio	1.08 : 1	0.96 : 1
2 Herd Line Debt Per Cow	\$ 554	\$ 910
3 Total Debt Per Cow	\$ 2,706	\$ 3,502
4 Debt to Equity Ratio	0.84 : 1	0.89 : 1
5 Return on Total Assets	0.4%	-4.8%
6 Income (loss) per milking cow per month	\$ 6.31	\$ (49.79)

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, 2024	December 31, 2023	December 31, 2022
Income:			
Milk sales	\$ 20.24	\$ 21.08	\$ 26.04
Calves and other	1.58	1.12	0.40
Total income	\$ 21.82	\$ 22.20	\$ 26.44
Total cost of operations:			
Feed	\$ 13.71	\$ 16.24	\$ 16.05
Labor	1.88	2.07	1.85
Herd replacement costs	0.85	1.06	1.38
Other costs	5.52	5.93	5.44
Total costs of operations	\$ 21.96	\$ 25.30	\$ 24.72
Income (loss) from dairy operations	\$ (0.14)	\$ (3.10)	\$ 1.72
Farming operations, net	\$ 0.43	\$ 0.80	\$ 1.18
Net income (loss)	\$ 0.29	\$ (2.30)	\$ 2.90
Cost of operations as a percentage of income	100.64%	113.96%	93.49%
Feed costs as a percentage of milk sales	67.74%	77.04%	61.64%
Net income (loss) per milking cow per month	\$ 6.31	\$ (49.79)	\$ 61.12

	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
	\$ 18.85	\$ 18.58	\$ 18.86	\$ 16.14
	0.63	0.25	0.29	0.75
	\$ 19.48	\$ 18.83	\$ 19.15	\$ 16.89
	\$ 11.93	\$ 10.32	\$ 10.03	\$ 9.58
	1.82	1.62	1.55	1.53
	1.40	1.41	1.42	1.39
	4.41	4.62	4.50	4.42
	\$ 19.56	\$ 17.97	\$ 17.50	\$ 16.92
	\$ (0.08)	\$ 0.86	\$ 1.65	\$ (0.03)
	\$ 0.42	\$ 0.46	\$ 0.47	\$ 0.56
	\$ 0.34	\$ 1.32	\$ 2.12	\$ 0.53
	100.41%	95.43%	91.38%	100.18%
	63.29%	55.54%	53.18%	59.36%
	\$ 8.79	\$ 19.07	\$ 36.38	\$ (0.61)

CONDENSED STATEMENT OF DAIRY FARM INCOME AND COSTS

FOR THE SIX MONTHS ENDED JUNE 30, 2024
AND YEAR ENDED DECEMBER 31, 2023
ARIZONA
(BASED ON A PER HUNDREDWEIGHT OF MILK BASIS)

	June 30, 2024	December 31, 2023
Income:		
Milk sales	\$ 22.11	\$ 21.80
Calves and other	2.55	1.78
Total income	\$ 24.66	\$ 23.58
Cost of operations:		
Feed:		
Grain	\$ 10.21	\$ 11.05
Hay and forages	1.91	3.65
Total feed	\$ 12.12	\$ 14.70
Labor, (including fringe costs)	\$ 2.45	\$ 2.58
Herd replacement costs	\$ 1.03	\$ 1.12
Other costs:		
Milk hauling	\$ 0.54	\$ 0.55
State and association charges	0.28	0.34
Veterinary, breeding, testing, etc.	0.38	0.38
Supplies	0.88	0.96
Repairs and maintenance	0.87	0.77
Utilities	0.43	0.59
Occupancy costs	0.38	0.51
Depreciation - equipment	0.29	0.31
Interest	1.48	1.48
Miscellaneous	1.39	1.55
Total other costs	\$ 6.92	\$ 7.44
Total cost of operations	\$ 22.52	\$ 25.84
Income (loss) from dairy operations	\$ 2.14	\$ (2.26)
Farming operations, net	\$ 0.38	\$ 0.11
Net income (loss)	\$ 2.52	\$ (2.15)

SUMMARY OF FINANCIAL STATISTICS

ARIZONA

	June 30, 2024	December 31, 2023
1 Current Ratio	0.43 : 1	0.50 : 1
2 Herd Line Debt Per Cow	\$ 838	\$ 1,866
3 Total Debt Per Cow	\$ 4,978	\$ 5,834
4 Debt to Equity Ratio	2.84 : 1	4.09 : 1
5 Return on Total Assets	3.1%	-4.8%
6 Income (loss) per milking cow per month	\$ 57.34	\$ (46.68)

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, 2024	December 31, 2023	December 31, 2022
Income:			
Milk sales	\$ 22.11	\$ 21.80	\$ 25.94
Calves and other	2.55	1.78	3.14
Total income	\$ 24.66	\$ 23.58	\$ 29.08
Total cost of operations:			
Feed	\$ 12.12	\$ 14.70	\$ 14.32
Labor	2.45	2.58	2.46
Herd replacement costs	1.03	1.12	1.31
Other costs	6.92	7.44	6.73
Total costs of operations	\$ 22.52	\$ 25.84	\$ 24.82
Income (loss) from dairy operations	\$ 2.14	\$ (2.26)	\$ 4.26
Farming operations, net	\$ 0.38	\$ 0.11	\$ 0.33
Net income (loss)	\$ 2.52	\$ (2.15)	\$ 4.59
Cost of operations as a percentage of income	91.32%	109.58%	85.35%
Feed costs as a percentage of milk sales	54.82%	67.43%	55.20%
Net income (loss) per milking cow per month	\$ 57.34	\$ (93.36)	\$ 88.10

	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
	\$ 18.82	\$ 18.58	\$ 18.73	\$ 16.31
	1.86	1.05	1.01	0.34
	\$ 20.68	\$ 19.63	\$ 19.74	\$ 16.65
	\$ 11.62	\$ 9.71	\$ 10.04	\$ 9.40
	2.34	2.48	2.53	2.41
	1.31	1.67	2.76	1.95
	5.42	6.74	6.16	5.88
	\$ 20.69	\$ 20.60	\$ 21.49	\$ 19.64
	\$ (0.01)	\$ (0.97)	\$ (1.75)	\$ (2.99)
	\$ (0.02)	\$ 0.03	\$ 0.10	\$ 0.44
	\$ (0.03)	\$ (0.94)	\$ (1.65)	\$ (2.55)
	100.05%	104.94%	108.87%	117.96%
	61.74%	52.26%	53.60%	57.63%
	\$ (0.24)	\$ (2.40)	\$ (35.57)	\$ (60.15)

CONDENSED STATEMENT OF DAIRY FARM INCOME AND COSTS

FOR THE SIX MONTHS ENDED JUNE 30, 2024
AND YEAR ENDED DECEMBER 31, 2023
IDAHO
(BASED ON A PER HUNDREDWEIGHT OF MILK BASIS)

	June 30, 2024	December 31, 2023
Income:		
Milk sales	\$ 22.33	\$ 21.40
Calves and other	0.93	0.67
Total income	\$ 23.26	\$ 22.07
Cost of operations:		
Feed:		
Grain	\$ 8.56	\$ 9.71
Hay and forages	4.06	3.81
Total feed	\$ 12.62	\$ 13.52
Labor, (including fringe costs)	\$ 1.98	\$ 2.00
Herd replacement costs	\$ 0.74	\$ 1.30
Other costs:		
Milk hauling	\$ 0.37	\$ 0.33
State and association charges	0.20	0.15
Veterinary, breeding, testing, etc.	0.52	0.53
Supplies	0.56	0.54
Repairs and maintenance	0.61	0.64
Utilities	0.24	0.24
Occupancy costs	0.70	0.64
Depreciation - equipment	0.68	0.58
Interest	1.31	1.14
Miscellaneous	1.64	1.48
Total other costs	\$ 6.83	\$ 6.27
Total cost of operations	\$ 22.17	\$ 23.09
Income (loss) from dairy operations	\$ 1.09	\$ (1.02)
Farming operations, net	\$ 0.16	\$ 0.48
Net income (loss)	\$ 1.25	\$ (0.54)

SUMMARY OF FINANCIAL STATISTICS

	IDAHO	
	June 30, 2024	December 31, 2023
1 Current Ratio	0.92 : 1	0.88 : 1
2 Herd Line Debt Per Cow	\$ 745	\$ 752
3 Total Debt Per Cow	\$ 4,260	\$ 4,408
4 Debt to Equity Ratio	1.68 : 1	1.88 : 1
5 Return on Total Assets	1.4%	-1.2%
6 Income (loss) per milking cow per month	\$ 27.02	\$ (11.47)

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, 2024	December 31, 2023	December 31, 2022
Income:			
Milk sales	\$ 22.33	\$ 21.40	\$ 26.57
Calves and other	0.93	0.67	0.45
Total income	\$ 23.26	\$ 22.07	\$ 27.02
Total cost of operations:			
Feed	\$ 12.62	\$ 13.52	\$ 13.16
Labor	1.98	2.00	1.83
Herd replacement costs	0.74	1.30	1.73
Other costs	6.83	6.27	5.86
Total costs of operations	\$ 22.17	\$ 23.09	\$ 22.58
Income (loss) from dairy operations	\$ 1.09	\$ (1.02)	\$ 4.44
Farming operations, net	\$ 0.16	\$ 0.48	\$ 0.44
Net income (loss)	\$ 1.25	\$ (0.54)	\$ 4.88
Cost of operations as a percentage of income	95.31%	104.62%	83.57%
Feed costs as a percentage of milk sales	56.52%	63.18%	49.53%
Net income (loss) per milking cow per month	\$ 13.51	\$ (22.93)	\$ 101.58

	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
	\$ 18.67	\$ 19.50	\$ 18.79	\$ 16.71
	0.49	0.49	0.37	0.26
	\$ 19.16	\$ 19.99	\$ 19.16	\$ 16.97
	\$ 10.13	\$ 9.11	\$ 8.81	\$ 8.41
	1.73	1.66	1.67	1.77
	1.94	2.08	2.23	2.29
	4.93	5.08	5.06	5.01
	\$ 18.73	\$ 17.93	\$ 17.77	\$ 17.48
	\$ 0.43	\$ 2.06	\$ 1.39	\$ (0.51)
	\$ 0.38	\$ 0.23	\$ 0.14	\$ 0.24
	\$ 0.81	\$ 2.29	\$ 1.53	\$ (0.27)
	97.76%	89.69%	92.75%	103.01%
	54.26%	46.72%	46.89%	50.33%
	\$ 16.75	\$ 43.35	\$ 29.02	\$ (10.40)

CONDENSED STATEMENT OF DAIRY FARM INCOME AND COSTS

FOR THE SIX MONTHS ENDED JUNE 30, 2024
AND YEAR ENDED DECEMBER 31, 2023
NEW MEXICO
(BASED ON A PER HUNDREDWEIGHT OF MILK BASIS)

	June 30, 2024	December 31, 2023
Income:		
Milk sales	\$ 20.13	\$ 21.15
Calves and other	1.35	0.40
Total income	\$ 21.48	\$ 21.55
Cost of operations:		
Feed:		
Grain	\$ 9.21	\$ 9.54
Hay and forages	3.86	3.73
Total feed	\$ 13.07	\$ 13.27
Labor, (including fringe costs)	\$ 2.37	\$ 2.43
Herd replacement costs	\$ 0.81	\$ 0.58
Other costs:		
Milk hauling	\$ 0.61	\$ 0.77
State and association charges	0.35	0.32
Veterinary, breeding, testing, etc.	0.32	0.31
Supplies	1.15	1.20
Repairs and maintenance	1.11	1.10
Utilities	0.35	0.41
Occupancy costs	0.27	0.33
Depreciation - equipment	0.38	0.39
Interest	0.59	0.85
Miscellaneous	0.80	1.16
Total other costs	\$ 5.93	\$ 6.84
Total cost of operations	\$ 22.18	\$ 23.12
Loss from dairy operations	\$ (0.70)	\$ (1.57)
Farming operations, net	\$ 0.22	\$ 0.27
Net loss	\$ (0.48)	\$ (1.30)

SUMMARY OF FINANCIAL STATISTICS

NEW MEXICO

	June 30, 2024	December 31, 2023
1 Current Ratio	2.27 : 1	0.73 : 1
2 Herd Line Debt Per Cow	\$ 319	\$ 1,408
3 Total Debt Per Cow	\$ 1,254	\$ 2,738
4 Debt to Equity Ratio	0.34 : 1	1.11 : 1
5 Return on Total Assets	-0.7%	-3.7%
6 Income (loss) per milking cow per month	\$ (10.10)	\$ (26.94)

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, 2024	December 31, 2023	December 31, 2022
Income:			
Milk sales	\$ 20.13	\$ 21.15	\$ 23.88
Calves and other	1.35	0.40	0.34
Total income	\$ 21.48	\$ 21.55	\$ 24.22
Total cost of operations:			
Feed	\$ 13.07	\$ 13.27	\$ 11.19
Labor	2.37	2.43	2.26
Herd replacement costs	0.81	0.58	0.54
Other costs	5.93	6.84	6.47
Total costs of operations	\$ 22.18	\$ 23.12	\$ 20.46
Income (loss) from dairy operations	\$ (0.70)	\$ (1.57)	\$ 3.76
Farming operations, net	\$ 0.22	\$ 0.27	\$ (0.63)
Net income (loss)	\$ (0.48)	\$ (1.30)	\$ 3.13
Cost of operations as a percentage of income	103.26%	107.29%	84.48%
Feed costs as a percentage of milk sales	64.93%	62.74%	46.86%
Net income (loss) per milking cow per month	\$ (10.10)	\$ (26.94)	\$ 63.46



December 31, 2021		December 31, 2020		December 31, 2019		December 31, 2018	
\$	18.15	\$	17.57	\$	17.37	\$	15.61
	0.13		0.30		0.22		0.46
\$	18.28	\$	17.87	\$	17.59	\$	16.07
\$	10.05	\$	10.74	\$	11.61	\$	10.65
	2.18		2.12		2.16		1.91
	0.63		0.97		1.35		1.41
	5.58		5.34		5.69		5.69
\$	18.44	\$	19.17	\$	20.81	\$	19.66
\$	(0.16)	\$	(1.30)	\$	(3.22)	\$	(3.59)
\$	(0.08)	\$	0.72	\$	-	\$	1.31
\$	(0.24)	\$	(0.58)	\$	(3.22)	\$	(2.28)
	100.88%		107.27%		118.31%		122.34%
	55.37%		61.13%		66.84%		68.23%
\$	(4.78)	\$	(28.96)	\$	(71.24)	\$	(81.14)

CONDENSED STATEMENT OF DAIRY FARM INCOME AND COSTS

FOR THE SIX MONTHS ENDED JUNE 30, 2024
AND YEAR ENDED DECEMBER 31, 2023
PANHANDLE
(BASED ON A PER HUNDREDWEIGHT OF MILK BASIS)

	June 30, 2024	December 31, 2023
Income:		
Milk sales	\$ 20.81	\$ 19.37
Calves and other	1.26	1.04
Total income	\$ 22.07	\$ 20.41
Cost of operations:		
Feed:		
Grain	\$ 9.60	\$ 10.85
Hay and forages	4.06	2.87
Total feed	\$ 13.66	\$ 13.72
Labor, (including fringe costs)	\$ 1.69	\$ 1.70
Herd replacement costs	\$ 1.12	\$ 1.29
Other costs:		
Milk hauling	\$ 0.85	\$ 0.87
State and association charges	0.28	0.23
Veterinary, breeding, testing, etc.	0.45	0.36
Supplies	0.67	0.71
Repairs and maintenance	0.51	0.51
Utilities	0.13	0.11
Occupancy costs	0.37	0.36
Depreciation - equipment	0.41	0.36
Interest	0.79	0.56
Miscellaneous	0.66	0.73
Total other costs	\$ 5.12	\$ 4.80
Total cost of operations	\$ 21.59	\$ 21.51
Income (loss) from dairy operations	\$ 0.48	\$ (1.10)
Farming operations, net	\$ 0.69	\$ 1.08
Net income (loss)	\$ 1.17	\$ (0.02)

SUMMARY OF FINANCIAL STATISTICS

PANHANDLE

	June 30, 2024	December 31, 2023
1 Current Ratio	1.21 : 1	1.49 : 1
2 Herd Line Debt Per Cow	\$ 484	\$ 627
3 Total Debt Per Cow	\$ 2,734	\$ 3,104
4 Debt to Equity Ratio	1.02 : 1	1.11 : 1
5 Return on Total Assets	2.0%	-0.1%
6 Income (loss) per milking cow per month	\$ 25.89	\$ (0.69)

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

	PANHANDLE		
	(BASED ON A PER HUNDREDWEIGHT OF MILK BASIS)		
	June 30, 2024	December 31, 2023	December 31, 2022
Income:			
Milk sales	\$ 20.81	\$ 19.37	\$ 25.45
Calves and other	1.26	1.04	1.61
Total income	\$ 22.07	\$ 20.41	\$ 27.06
Total cost of operations:			
Feed	\$ 13.66	\$ 13.72	\$ 15.09
Labor	1.69	1.70	2.24
Herd replacement costs	1.12	1.29	1.20
Other costs	5.12	4.80	6.65
Total costs of operations	\$ 21.59	\$ 21.51	\$ 25.18
Income (loss) from dairy operations	\$ 0.48	\$ (1.10)	\$ 1.88
Farming operations, net	\$ 0.69	\$ (1.08)	\$ (0.23)
Net income (loss)	\$ 1.17	\$ (2.18)	\$ 1.65
Cost of operations as a percentage of income	97.83%	105.39%	93.05%
Feed costs as a percentage of milk sales	65.64%	70.83%	59.29%
Net income (loss) per milking cow per month	\$ 25.37	\$ (0.69)	\$ 42.46

	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
\$	19.12	\$ 22.49	\$ 18.97	\$ 15.92
	1.55	0.46	(0.04)	0.24
\$	20.67	\$ 22.95	\$ 18.93	\$ 16.16
\$	12.34	\$ 9.31	\$ 8.52	\$ 8.12
	2.24	1.82	1.80	1.87
	1.45	1.67	1.74	1.93
	5.67	4.95	5.05	5.22
\$	21.70	\$ 17.75	\$ 17.11	\$ 17.14
\$	(1.03)	\$ 5.20	\$ 1.82	\$ (0.98)
\$	0.26	\$ 0.74	\$ 0.32	\$ 0.40
\$	(0.77)	\$ 5.94	\$ 2.14	\$ (0.58)
	104.98%	77.34%	90.39%	106.06%
	64.54%	41.40%	44.91%	51.01%
\$	(15.68)	\$ 107.43	\$ 37.85	\$ (20.40)

CONDENSED STATEMENT OF DAIRY FARM INCOME AND COSTS

FOR THE SIX MONTHS ENDED JUNE 30, 2024
AND YEAR ENDED DECEMBER 31, 2023
PACIFIC NORTHWEST
(BASED ON A PER HUNDREDWEIGHT OF MILK BASIS)

	June 30, 2024	December 31, 2023
Income:		
Milk sales	\$ 21.49	\$ 21.03
Calves and other	1.44	0.61
Total income	\$ 22.93	\$ 21.64
Cost of operations:		
Feed:		
Grain	\$ 5.98	\$ 8.20
Hay and forages	6.02	5.36
Total feed	\$ 12.00	\$ 13.56
Labor, (including fringe costs)	\$ 2.11	\$ 2.36
Herd replacement costs	\$ 1.16	\$ 1.14
Other costs:		
Milk hauling	\$ 0.91	\$ 0.94
State and association charges	0.25	0.24
Veterinary, breeding, testing, etc.	0.84	0.87
Supplies	0.86	0.72
Repairs and maintenance	1.29	1.14
Utilities	0.30	0.32
Occupancy costs	0.54	0.54
Depreciation - equipment	0.43	0.41
Interest	1.14	0.87
Miscellaneous	0.95	1.33
Total other costs	\$ 7.51	\$ 7.38
Total cost of operations	\$ 22.78	\$ 24.44
Income (loss) from dairy operations	\$ 0.15	\$ (2.80)
Farming operations, net	\$ 0.06	\$ 1.00
Net income (loss)	\$ 0.21	\$ (1.80)

SUMMARY OF FINANCIAL STATISTICS

PACIFIC NORTHWEST

	June 30, 2024	December 31, 2023
1 Current Ratio	0.74 : 1	0.77 : 1
2 Herd Line Debt Per Cow	\$ 1,130	\$ 1,136
3 Total Debt Per Cow	\$ 3,315	\$ 3,489
4 Debt to Equity Ratio	1.97 : 1	2.12 : 1
5 Return on Total Assets	0.4%	-5.3%
6 Income (loss) per milking cow per month	\$ 5.40	\$ (38.06)

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, 2024	December 31, 2023	December 31, 2022
Income:			
Milk sales	\$ 21.49	\$ 21.03	\$ 26.82
Calves and other	1.44	0.61	0.47
Total income	\$ 22.93	\$ 21.64	\$ 27.29
Total cost of operations:			
Feed	\$ 12.00	\$ 13.56	\$ 13.32
Labor	2.11	2.36	2.46
Herd replacement costs	1.16	1.14	1.36
Other costs	7.51	7.38	7.22
Total costs of operations	\$ 22.78	\$ 24.44	\$ 24.36
Income (loss) from dairy operations	\$ 0.15	\$ (2.80)	\$ 2.93
Farming operations, net	\$ 0.06	\$ 1.00	\$ 0.66
Net income (loss)	\$ 0.21	\$ (1.80)	\$ 3.59
Cost of operations as a percentage of income	99.35%	112.94%	89.26%
Feed costs as a percentage of milk sales	55.84%	64.48%	49.66%
Net income (loss) per milking cow per month	\$ 5.40	\$ (76.12)	\$ 73.17

	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
	\$ 21.46	\$ 19.71	\$ 20.18	\$ 17.65
	0.95	0.59	0.24	0.23
	\$ 22.41	\$ 20.30	\$ 20.42	\$ 17.88
	\$ 10.38	\$ 8.95	\$ 8.56	\$ 8.00
	3.53	2.95	2.73	2.40
	2.00	1.78	1.57	1.43
	6.48	5.89	5.94	5.63
	\$ 22.39	\$ 19.57	\$ 18.80	\$ 17.46
	\$ 0.02	\$ 0.73	\$ 1.62	\$ 0.42
	\$ 0.67	\$ 0.44	\$ 0.61	\$ 0.47
	\$ 0.69	\$ 1.17	\$ 2.23	\$ 0.89
	99.91%	96.40%	92.07%	97.65%
	48.37%	45.41%	42.42%	45.33%
	\$ 12.55	\$ 13.77	\$ 32.10	\$ 8.49

EXPLANATION OF INCOME AND COST FACTORS

Basis of presentation	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.
Milk sales	Includes milk income, quality and production bonuses, patronage dividends, USDA program payments, and gains and losses on milk futures.
Calves and other income	This is primarily composed of the sale of calves, heifers, other livestock and equipment, and miscellaneous other income.
Feed	Grain includes all minerals and supplements while "Hay and Other" represents alfalfa and all forage costs
Labor	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.
Herd replacement cost	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.
Occupancy cost	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.
Miscellaneous cost	Includes auto, truck and fuel expenses, insurance, professional fees, quality penalties and other dairy expenses not specifically classified in another category.
Net income	Is stated before a provision for income taxes or a return on the dairy owner's investment.