

1960 DAIRY FARM BUSINESS SUMMARIES



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Farm business management projects were conducted during 1960 in 33 dairy counties in New York State. The projects were sponsored by the County Extension Service in cooperation with The College of Agriculture at Cornell.

The primary purposes of these projects are to teach farm families (1) how to keep good farm business records, and (2) how to use records in making decisions. At meetings of the cooperators, principles of good farm management are discussed. In brief, these projects aim to improve the cooperator's skill as a farm manager.

Participation in these projects is on a voluntary basis. Farm families usually enroll in the project for the purpose of improving their farm management. The number of cooperators varies from county to county. Although the cooperators come from different areas in the county, the group average does not reflect the average for all farms in the county. The summary figures merely report the experience of the individual operators in the project.

Each cooperating family had a farm inventory and kept a record of receipts and expenses, and of crops grown. At the end of the year, the records were checked and summarized. The summary figures for the individual farms in each county were combined to get group averages. A summary report was prepared for each county. The farm families used the group averages in the reports as a basis for comparison in studying their individual businesses.

The individual records from 23 counties were summarized at The College. In 10 counties, the farmers summarized their own individual records but the summary reports were prepared at Cornell. The 627 records from the 23 counties summarized at The College have been combined into a general summary for special study.

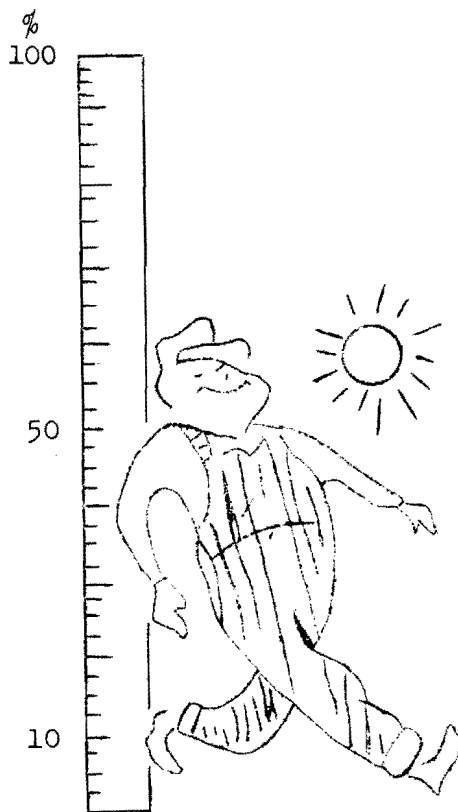
All of the 627 farms had dairy cows. However, the combinations of enterprises with the dairy varied. For analysis purposes, the farms were classified as follows: 467 dairy; 75 dairy-cash crops; 35 dairy-poultry; 10 dairy-fruit; 27 rented dairy farms; 9 part-time dairy farms; and 4 irregulars.

This report has been prepared principally for the use of Extension agents, teachers of agriculture, and other agricultural workers. Blank spaces have been provided so that farmers who are interested can use this for studying their businesses.

This summary prepared by C. A. Bratton

G. L. Casler, C. W. Loomis, L. A. Stanton, and C. A. Bratton in cooperation with the county agents prepared the 33 individual county summaries.

HOW DO YOU MEASURE UP AS A MANAGER?



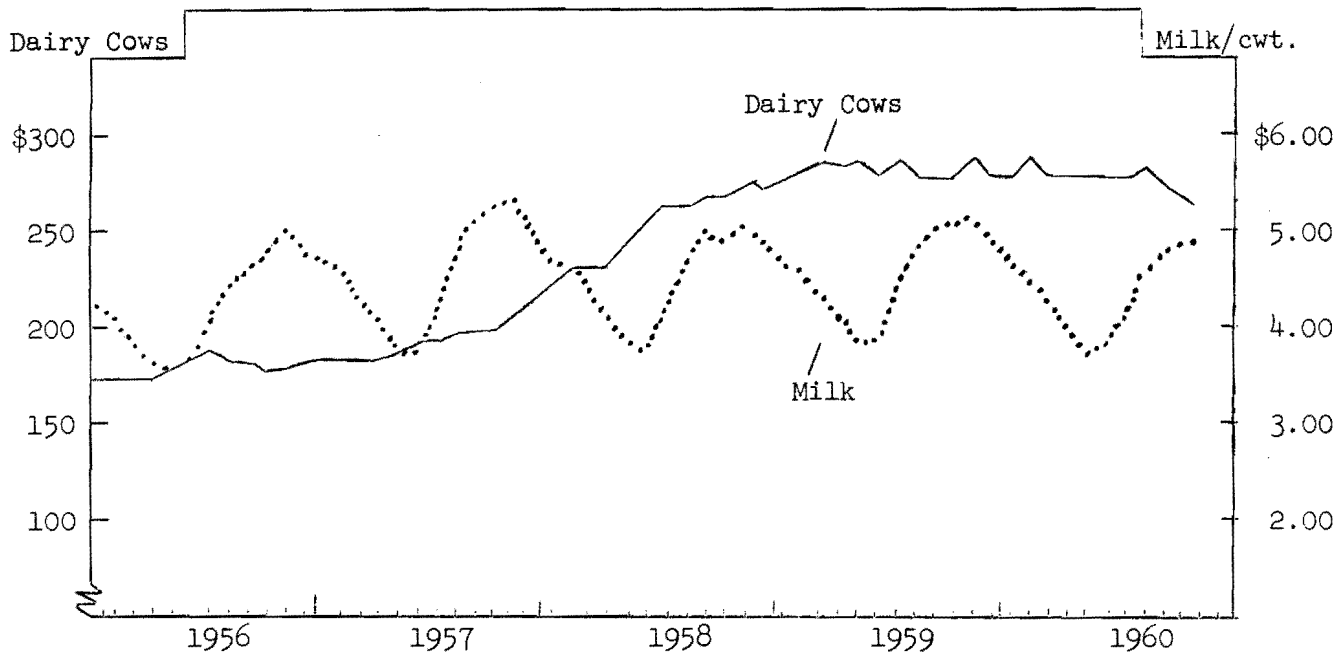
1. Have you developed a "management procedure"?
2. Do you have the economic facts needed for making management decisions?

Steps in making a management decision:

1. Locate the trouble spot (problem)
2. Review your objective (goal)
3. Size up what you have to work with (resources)
4. Look for various ways to solve the problem (alternatives)
5. Consider probable results of each way (consequences)
6. Compare the expected results (evaluate)
7. Select way best suited to your situation (decision)
8. Put the decision into operation (action)

Good decisions are the crux of sound management!

NEW YORK FARM PRICES OF COWS AND MILK, 1956-1960



Source: Current Economic Situation

Prices are one of several important factors affecting farm incomes. When studying farm incomes for any period, we must consider the price situation. This includes both prices received and prices paid. The general level of farm incomes is determined by the relationship of prices received and prices paid by farmers.

The blended farm price for milk in 1960 averaged \$4.42 which was 17¢ below the average for 1959. Dairy cow prices held fairly steady, at a relatively high level, during much of 1960 with some weakening during the last quarter. The index of prices paid by New York dairy farmers continued to rise in 1960 with an increase of 2 per cent for the year. Dairy feed prices in New York State were down slightly, while machinery and wages were up 2 and 3 per cent respectively.

AVERAGE YEARLY PRICES RECEIVED AND PAID BY N.Y. FARMERS, 1951-60

Year	Milk (cwt.)	Dairy cows (head)	Prices paid by N.Y. dairy farms (1910-14=100)	Year	Milk (cwt.)	Dairy cows (head)	Prices paid by N.Y. dairy farms (1910-14=100)
1951	\$4.70	\$294	328	1956	\$4.20	\$180	352
1952	4.76	300	350	1957	4.58	196	363
1953	4.34	209	346	1958	4.55	255	376
1954	4.11	176	343	1959	4.59	284	387
1955	4.09	174	346	1960	4.42	278	394

THINGS TO WORK WITH

The 467 dairy farms included in this summary (farms on which dairy was the only major source of income) were scattered throughout the 23 counties. There was considerable variation in the size and combination of crop enterprises on these farms. The "resources" or things to work with are reported below:

THINGS TO WORK WITH
467 New York Dairy Farms, 1960

Item	Number reporting	Average*	Range	
			Low	High
<u>Labor:</u>				
Man equivalent (No. men)		1.7	1.0	7.4
Operator only	(25 farms)			
Hired man 12 or more months	(81 farms)			
Hired help part of year	(283 farms)			
Unpaid family labor	(260 farms)			
<u>Livestock: (Number)</u>				
Cows		35	6	185
Heifers		21	0	135
Hens	(25 farms)	59	10	235
<u>Crops: (acres grown)</u>				
Hay	(465 farms)	64	2	259
Grass silage	(152 farms)	14	2	100
Corn for silage	(353 farms)	15	1	75
Corn for grain	(98 farms)	10	1	39
Oats	(258 farms)	16	1	60
Total cropland		96	24	335

*Average for farms reporting

These were "family farms." The farm operator and members of the family made up most of the labor force. A total of 364 farms reported hiring some labor; 260 farms reported some unpaid labor; while only 25 farms reported neither unpaid family labor nor hired labor. Some farms were operated by two individuals as partners. There were 432 single operators and 35 partnerships.

Crops and livestock other than those listed above were grown on a few of the farms. Only the most common are shown above.

CAPITAL INVESTMENT

"It takes money to make money in a farm business." This money we call "capital investment." In this report, the farm inventory at the end of the year is used as a measure of capital investment. Farmers are encouraged to use "current market values" (what the items would sell for at a good farm auction) when taking their inventory.

FARM INVENTORY VALUES, JANUARY 1, 1961
467 New York Dairy Farms

Item	Amount per farm		Amount per cow	
	Av. 467 farms	Your farm	Av. 467 farms	Your farm
Land and buildings	\$22,548	\$ _____	\$ 644	\$ _____
Cattle	12,743	_____	364	_____
Machinery and equipment	10,055	_____	287	_____
Other livestock	101	_____	3	_____
Feed and supplies	<u>3,298</u>	_____	<u>94</u>	_____
TOTAL INVESTMENT	\$48,745	\$ _____	\$1,392	\$ _____

Total investment on these dairy farms averaged \$48,745 per farm. There were 169 or about one-third of the farms, that had investments of \$50,000 or more. The average investment per man on these farms was \$28,674. This is about double the capital investment per worker in many industries.

The total investment per cow on these farms averaged \$1,392. Land and buildings was the largest item amounting to \$644 per cow or 46 per cent of the total. The amount of cropland on the farms and the location in respect to cities affects the land and building investment per cow.

High capital investment per "productive unit" (per cow) in a business tends to cause a heavier overhead cost per unit. In some cases, it may indicate that the capital resources are not being used to capacity.

The land and buildings investment per crop acre on these farms averaged \$235. On dairy farms, the buildings are a big factor affecting the total value of a farm. It is important, however, that there be sufficient cropland to provide roughage for the cattle kept.

Capital turnover (years required for receipts to equal capital) is sometimes used to measure efficiency in the use of capital. On these farms, it would require 2.4 years for the 1960 farm receipts to equal the capital investment.

WHERE THE MONEY CAME FROM

Every business needs a good source of income. Below we examine the sources of income for these 467 farms in 1960. Total farm receipts averaged \$49 per day.

FARM RECEIPTS
467 New York Dairy Farms, 1960

Item	Your farm	Average of 467 farms	Per cent of total
Milk sales	\$ _____	\$15,502	85
Livestock & poultry sold	_____	1,749	10
Eggs sold	_____	18	--
Crop sales	_____	127	1
Miscellaneous*	_____	671	4
Total cash receipts	\$ _____	\$18,067	100
Increase in inventory	_____	2,638	
TOTAL FARM RECEIPTS	\$ _____	\$20,705	

*Includes work off farm, conservation payments, refunds, etc.

Total cash receipts on these farms amounted to \$18,067 per farm in 1960. This is equivalent to about \$1,500 per month. Milk was the largest source of income making up 85 per cent of the total cash receipts.

Increases in inventory due to expansion in the business are considered as a farm receipt. These items could have been sold and turned into cash receipts but the farmer decided to invest this in the business. In other businesses, they refer to it as "plowed back" into the business.

The trend among successful farmers is to larger farm businesses. This is reflected in the increase in inventory which averaged \$2,638 per farm. This was 13 per cent of the total farm receipts. The costs for producing this increase in inventory, however, appear in the farm expenses.

Total farm receipts averaged \$20,705 per farm. There were 110, or 24 per cent, of the 467 farms that had receipts of \$25,000 or more. There were 34 farms, or 7 per cent of the total, that had receipts of less than \$10,000.

The average farm receipts per man was \$12,179.

Milk sales averaged \$443 per cow.

The average price per hundredweight of 3.7% milk sold was \$4.64.

WHERE THE MONEY WENT

How the money is spent in a farm business affects the labor income. Expenses can be "too low" as well as "too high." It pays in studying a farm business to take a close look at the various expense items.

FARM EXPENSES
467 New York Dairy Farms, 1960

Item	Your farm	Average of 467 farms	Per cent of total
Dairy feed bought	\$ _____	\$ 4,330	38
Other feed bought	_____	26	--
Hired labor	_____	1,072	9
Dairy & poultry expense*	_____	1,155	10
Gas and oil	_____	632	5
Machinery repairs, etc.	_____	702	6
Auto expense (farm share)	_____	159	1
Machine hire	_____	75	1
Fertilizer and lime	_____	658	6
Other crop expenses	_____	348	3
Building repairs, etc.	_____	330	3
Livestock bought	_____	854	7
Miscellaneous**	_____	1,231	11
Total cash operating	\$ _____	\$11,572	100
New machinery	_____	2,000	
New buildings	_____	796	
Unpaid family labor	_____	400	
Decrease in inventory	_____	--	
TOTAL FARM EXPENSE	\$ _____	\$14,768	

*Includes milk hauling \$380

**Taxes \$465, Insurance \$199, Electricity \$244, Telephone \$57, Rent \$153, Other \$113

FINANCIAL SUMMARY OF YEAR'S BUSINESS

There are several ways of measuring the returns from a farm business. These measures have been developed for specific purposes. The measure selected at any one time will depend on the purpose for which it is to be used.

Four measures have been calculated for the 467 dairy farms for 1960. They are: (1) farm cash operating income, (2) labor income, (3) labor returns, and (4) rate of return on investment.

FARM CASH OPERATING INCOME
467 New York Dairy Farms, 1960

Item	Your farm	Average 467 farms
Total Cash Farm Receipts	\$ _____	\$18,067
Total Cash Operating Expenses	_____	<u>11,572</u>
FARM CASH OPERATING INCOME	\$ _____	\$6,495

"Farm cash operating income" reflects the cash available from the year's operation of the farm business for family living, payments on debts, new capital purchases, and savings. In instances where non-farm income was earned by some member of the family or where money was borrowed or inherited, the cash actually used might be greater than the amount of the cash operating income.

Family living expenses have a first claim on cash income. Fixed debt obligations also have a high priority on available cash.

The size of the cash operating income often determines how a farm family "feels" about their financial situation. If the cash position is short, the family is likely to feel the business is not doing well. It may not be providing a large cash income, but if the business is expanding it may be quite successful in spite of a low cash operating income.

Farm cash operating income is not a good measure of the success of the operation of the farm business.

LABOR INCOMES
467 New York Dairy Farms, 1960

Item	Your farm	Average of 467 farms
Total Farm Receipts	\$ _____	\$20,705
Total Farm Expenses	\$ _____	\$14,768
Farm Income	\$ _____	\$5,937
Interest on average Capital of \$47,426 at 5%	\$ _____	\$2,371
LABOR INCOME per farm	\$ _____	\$3,566
Number of operators on 467 farms	_____	502
LABOR INCOME per operator	\$ _____	\$3,317

"Labor Income" is a measure used to determine the return the farm operator receives for his labor and management. It is the amount left after paying all farm expenses, and deducting a charge for unpaid family labor and for interest on the capital invested. Labor income is the measure used most commonly when studying or comparing farm businesses.

Changes in inventories during the year are included in figuring labor income. Increases in inventories due to expanding the business are considered as farm receipts and decreases in inventories are included as farm expenses.

Interest payments and payments on debts are not included in the farm expenses. On the other hand to make all farms comparable, a five per cent interest charge on the average capital investment (average of beginning and end inventories) is deducted to get labor income.

The average labor income per operator was \$3,317 or \$275 per month. The labor incomes ranged from minus \$5,300 to \$21,000, or a difference of \$26,000. The distribution of the labor incomes is shown below.

<u>Labor income per operator</u>	<u>No. of farms</u>	<u>Per cent</u>
Over \$5,000	109	23
\$2,500 to \$5,000	163	35
0	151	32
Minus return	44	10

LABOR EARNINGS
467 New York Dairy Farms, 1960

Item	Your farm	Average of 467 farms
LABOR INCOME per operator (see page 9)	\$ _____	\$3,317
Value farm privileges*	_____	<u>978</u>
LABOR EARNINGS per operator	\$ _____	\$4,295

*Average of 317 operators reporting

Most farm families live in a house provided on the farm and use a number of farm produced items. These are commonly referred to as "farm privileges." A total of 317 cooperators reported the value of their privileges for 1960.

The value of the operators' privileges averaged \$978. The estimated value of house rent accounted for \$557. Milk amounted to \$176 and other products \$245. The values used are at farm or wholesale prices so are less than if the items were purchased at retail.

"Labor Earnings" is the labor income plus the value of farm privileges. This is probably a better measure of what the operator earns than is labor income. The average labor earnings for these dairy farms was \$4,295, or \$83 per week.

The rate of return on investment is calculated by deducting from the "Farm Income" a charge for the operator's labor. Here \$3,600 has been used as the value of the operator's labor.

RATE OF RETURN ON INVESTMENT
467 New York Dairy Farms, 1960

Item	Your farm	Average 467 farms
Total Farm Receipts	\$ _____	\$20,705
Total Farm Expenses	\$ _____	<u>\$14,768</u>
Farm Income	\$ _____	\$5,937
Value Operator's Labor*	\$ _____	<u>\$3,870</u>
Return on Investment of \$47,426	\$ _____	\$2,067
Rate of Return on Investment	_____ %	4.4%

*There were 502 operators on 467 farms

FEED COSTS

Feed bought is the largest single expense item on most dairy farms. It is good management to keep watch of this cost item. Below are some "checks" which may help in locating weaknesses in the feed program.

SELECTED FACTORS RELATED TO FEED COSTS
467 New York Dairy Farms, 1960

Item	Your farm	Average of 467 farms
<u>Purchased Feed</u>		
Dairy feed bought (grain and hay)	\$ _____	\$4,330
Feed bought per cow	\$ _____	\$124
Feed bought as % of milk receipts	_____ %	28%
<u>Roughage Harvested (hay equivalent)</u>		
Hay (tons)	_____	145 tons
Grass silage (____ tons + 3)	_____	11 tons
Corn silage (____ tons + 3)	_____	37 tons
Total tons hay equivalent	_____	193 tons
Tons hay equivalent per cow	_____	5.5 tons
<u>Other Considerations</u>		
Total acres in crops per cow	_____	2.7 acres
Lime and fertilizer expense per crop acre	\$ _____	\$6.85
Lime and fertilizer expense per cow	\$ _____	\$19
Number of heifers per 10 cows	_____	6.0

The average tons of hay equivalent harvested per cow was 5.5 tons. This roughage is used for both the heifers and cows. This measure of hay equivalent is of quantity only. Quality is also important. Proportion of new seedings, and time of cutting are two important things affecting quality.

What was the "quality" of your hay in 1960? _____

When did you finish your first cutting? _____

LABOR AND MACHINERY COSTS

It costs to own and operate machinery. On dairy farms today, machinery costs make up about one-fifth of the total costs. A dairyman must keep an "eye" on his machinery and labor costs.

MACHINERY COSTS*
467 New York Dairy Farms, 1960

Item	Your farm	Average 467 farms	
		Amount	Per cent
Beginning inventory	\$ _____	\$9,411	
New machinery bought	_____	2,000	
Total	\$ _____	\$11,411	
End inventory	\$ _____	\$10,055	
Machinery sold	_____	62	
Total	\$ _____	<u>\$10,117</u>	
Depreciation	\$ _____	\$1,294	35
Interest @ 5% Av. inventory	_____	487	13
Gas and oil	_____	632	17
Machinery repairs	_____	702	19
Milk hauling	_____	380	10
Machine hire	_____	75	2
Auto expense (farm share)	_____	159	4
Total machinery cost	\$ _____	\$3,729	100
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Machinery cost per cow		\$107	
Machinery cost per crop acre		\$39	
Machinery cost per cwt. milk sold		\$1.12	
Machinery cost per man		\$2,194	

*Does not include insurance, housing, or farm labor on repairs.

Machinery costs amounted to \$2,194 per man or \$42 per week. At current wage rates, this is about the same as the cost of a hired man. With machinery costs per cow of \$107 and an average milk price of \$4.64, it would take 2,300 pounds of milk to pay the costs. These costs can make or break a dairyman.

LABOR AND MACHINERY COST
467 New York Dairy Farms, 1960

Item	Your farm	Average 467 farms
Labor costs:		
Value operators' labor*	\$ _____	\$3,870
Hired labor	_____	1,072
Unpaid family labor	_____	400
Total labor	\$ _____	\$5,342
Machinery cost:		
Total machinery cost	_____	3,729
Total labor and machinery cost	\$ _____	\$9,071

Labor and machinery cost:		
Per crop acre	\$ _____	\$94
Per cow	\$ _____	\$259
Per cwt. milk sold	\$ _____	\$2.72

*Operator's labor valued at \$3,600 per year. There were 502 operators on the 467 farms.

Farmers frequently justify high machinery costs on the basis that the machinery has saved labor. To check on this, one can figure the combined labor and machinery cost per unit.

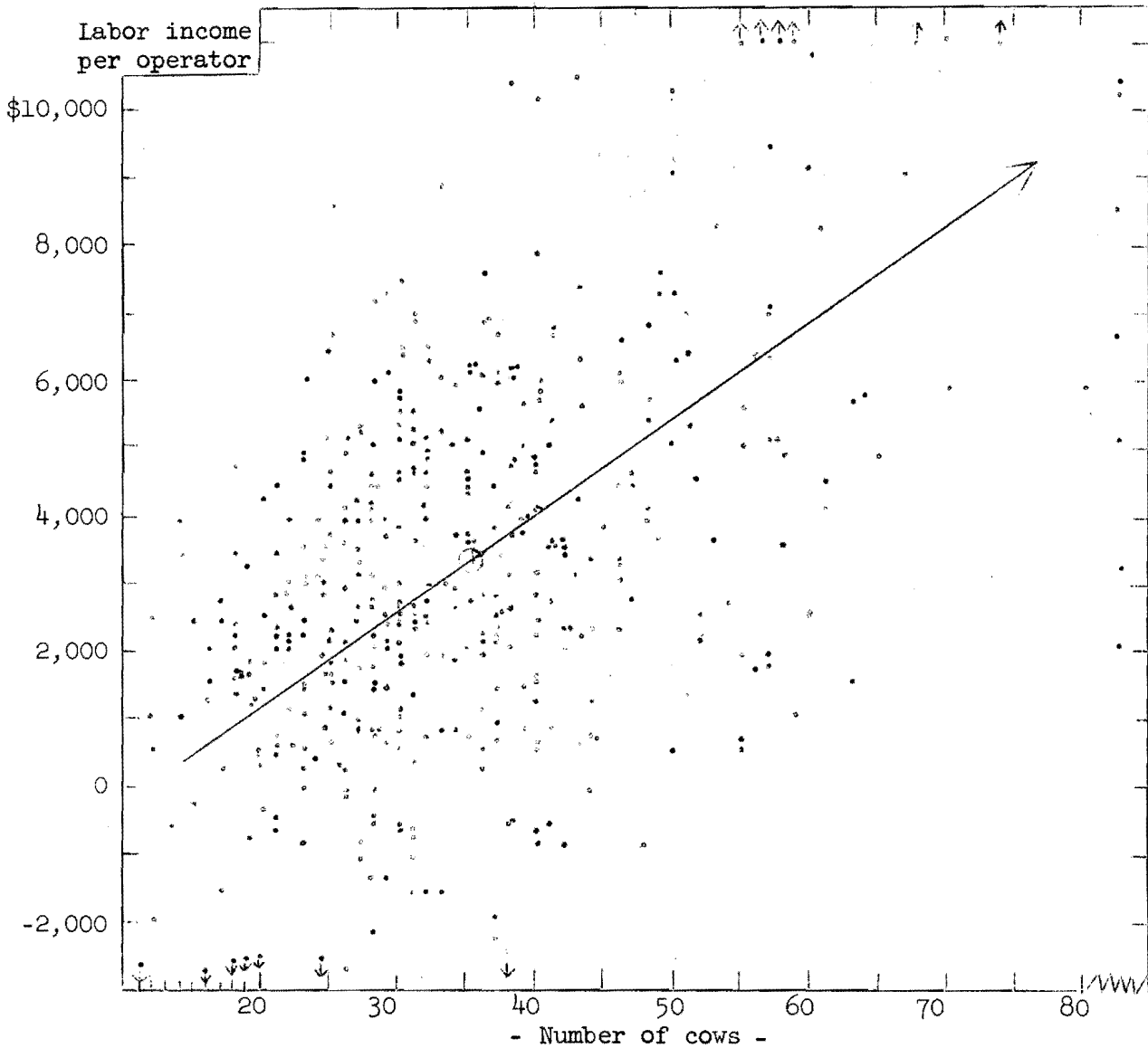
Since the operator is not paid, it is necessary to estimate the value of his labor. Here the operator's labor has been valued at \$3,600 per year. This gives some basis for studying the total labor and machinery costs on a farm.

A "rule of thumb" sometimes used in estimating the cost of operating machinery is to take 40 per cent of the beginning inventory value of machinery. It is of interest to observe that on these 467 farms the machinery cost was 40% of the beginning inventory.

ANALYSIS OF FARM BUSINESS

Labor incomes for the 467 farms in this summary varied considerably as shown in the diagram below. Some of the factors causing this variation are examined in the following pages.

NUMBER OF COWS PER FARM AND LABOR INCOME PER OPERATOR
467 New York Dairy Farms



Each farm included in the summary is represented by a dot on the above graph. Labor income per operator is plotted rather than the labor income per farm. The labor incomes per operator ranged from a minus \$5,300 to a high of \$21,000 or a difference of \$26,000.

These farms averaged about \$100 labor income per cow. In general, the farms with more cows tended to have higher labor incomes (see trend line). However, there was considerable variation above and below the trend line.

IMPORTANT FACTORS AFFECTING FARM INCOMES

Research has shown that size of business, rates of production, and labor efficiency are three important factors affecting farm incomes. Below are the group averages of selected measures for each of these three factors.

BUSINESS FACTORS
467 New York Dairy Farms, 1960

Factor	My farm	Average 467 farms
<u>Size of Business</u>		
Total work units	_____	480
Man equivalent	_____	1.7
Number of cows	_____	35
Pounds of 3.7 milk sold	_____	333,895
<u>Rates of Production</u>		
Pounds of 3.7 milk sold per cow	_____	9,540
Tons of hay per acre	_____	2.3
Tons of corn silage per acre	_____	10
Bushels of oats per acre	_____	54
<u>Labor Efficiency</u>		
Work units per man	_____	282
Number of cows per man	_____	21
Pounds of 3.7 milk sold per man	_____	196,409
Crop acres per man	_____	56

Farm management studies show that, in general, larger farms pay better than smaller farms. Larger farms make it possible to make better use of labor and equipment. However, size alone does not always mean profitable operation.

Good labor efficiency can be accomplished in many ways. Some farmers do it by long hours of work. Others get efficiency by wise use of labor saving equipment. Still others develop efficient work habits and practices.

High rates of production are obtained by following the best known practices in both crop and animal production.

COST CONTROL

Expenditures on a modern dairy farm are large. These 467 dairy farms in 1960 spent an average of \$1,231 per month, or about \$40 per day. The way this money is spent has an important effect on the operator's income.

"Cost control" is essential in any business. This means keeping check on all costs. One can spend "too little" as well as "too much." In trying to keep costs down, a farmer must guard against cutting costs which reduce the efficiency of the business.

Below are some "yardsticks" for checking the reasonableness of expenses on a dairy farm.

COST CONTROL MEASURES
467 New York Dairy Farms, 1960

Item	Your farm	Average 467 farms
% Feed bought is of milk receipts	_____ %	28%
Feed bought per cow	\$ _____	\$124
Fertilizer & lime cost per cow	\$ _____	\$19
Machinery repairs per cow	\$ _____	\$20
Taxes per cow	\$ _____	\$13
Insurance per cow	\$ _____	\$6
Electricity per cow	\$ _____	\$7
Total farm expense per cow	\$ _____	\$422
Machinery cost per crop acre	\$ _____	\$39
Fertilizer & lime per crop acre	\$ _____	\$6.85
Gas & oil per crop acre	\$ _____	\$6.58
Taxes per crop acre	\$ _____	\$4.84
% Expenses are of receipts	_____ %	71%

There is NO magic for keeping costs in line. All cost items must be watched. Little "extra" costs add up over time.

FARM BUSINESS CHART FOR FARM MANAGEMENT COOPERATORS

In 1960, a total of 467 farms were included in the general dairy farm business summary. Business analysis of these farms show them to be above average in most factors affecting profits. Information from these farms has been used to construct the chart below. The figure at the top of each column is the average for the best ten per cent of the farms in that factor. The next figure in the column is for the second best ten per cent of the farms and so forth down the column. Each of the columns is independent of the others.

Man equiv- alent	Size Number of cows	Pounds of milk sold	Rates of Production			Labor Efficiency		Feed Factors	
			Pounds milk sold per cow	Tons hay per acre	Tons corn silage per acre	Cows per man	Pounds milk sold per man	Feed bought per cow	Per cent feed is of milk receipts
3.1	69	709,100	12,800	3.7	18	31	324,700	\$ 46	12
2.2	48	467,200	11,400	3.1	14	27	261,700	73	18
2.0	41	399,900	10,700	2.8	13	24	236,900	85	21
1.9	37	355,800	10,100	2.6	12	22	217,100	97	24
1.7	33	319,300	9,600	2.4	10	21	199,500	106	27

1.5	30	287,700	9,000	2.2	10	19	180,700	121	29
1.4	28	255,500	8,700	2.0	9	18	164,200	135	31
1.3	26	227,700	8,200	1.9	8	17	147,800	153	34
1.2	22	190,400	7,600	1.6	7	15	125,800	172	37
1.0	16	126,900	6,200	1.2	4	12	91,800	222	43

How does your business measure up against this group of commercial dairy farms? Take a pencil and draw a line through each column which will show where your business stands. Are you in the "first division" (above the center line) on more than half of these factors?

COMPARISON OF BUSINESS SUMMARIES OF 30 FARMS WITH
HIGHEST LABOR INCOMES AND THE 30 FARMS WITH LOWEST LABOR INCOMES
467 New York Dairy Farms, 1960

Item	Average of the 467 farms	Average of 30 farms with:	
		Highest labor incomes	Lowest labor incomes
<u>Capital Investment (End of year):</u>			
Land and buildings	\$22,548	\$35,033	\$23,033
Cattle	12,743	24,463	11,347
Machinery	10,055	14,753	10,353
Feed and supplies	3,298	5,706	2,693
Other	101	72	46
TOTAL END INVENTORY	<u>\$48,745</u>	<u>\$80,027</u>	<u>\$47,472</u>
<u>Farm Receipts:</u>			
Milk sales	\$15,502	\$30,480	\$11,933
Livestock sold	1,749	3,100	1,647
All other sales and income	816	683	763
Total Cash Receipts	<u>\$18,067</u>	<u>\$34,263</u>	<u>\$14,343</u>
Increase in Inventory	2,638	7,587	2,020
TOTAL FARM RECEIPTS	<u>\$20,705</u>	<u>\$41,850</u>	<u>\$16,363</u>
<u>Farm Expenses:</u>			
Feed bought	\$4,356	\$8,493	\$3,802
Hired labor	1,072	2,580	1,207
Machinery repairs and auto	861	1,242	993
Gas and oil	632	967	673
Milk hauling	380	885	325
Dairy expense	775	1,452	795
Fertilizer and lime	658	1,097	560
Other crop expense	423	643	420
Livestock bought	854	1,756	1,341
Building repairs	330	763	350
Miscellaneous	1,231	1,823	1,360
Total Cash Operating	<u>\$11,572</u>	<u>\$21,701</u>	<u>\$11,826</u>
New machinery	2,000	3,813	2,157
New buildings	796	1,333	940
Unpaid labor	400	420	677
TOTAL FARM EXPENSES	<u>\$14,768</u>	<u>\$27,267</u>	<u>\$15,600</u>
<u>Financial Summary:</u>			
Total farm receipts	\$20,705	\$41,850	\$16,363
Total farm expenses	<u>14,768</u>	<u>27,267</u>	<u>15,600</u>
Farm Income	5,937	14,583	763
5% on Av. Capital	<u>2,371</u>	<u>3,812</u>	<u>2,323</u>
Labor Income per Farm	<u>\$3,566</u>	<u>\$10,771</u>	<u>\$-1,560</u>
Number of Operators	502	32	30
LABOR INCOME per Operator	<u>\$3,317</u>	<u>\$10,098</u>	<u>\$-1,560</u>

COMPARISON OF FARM BUSINESS FACTORS OF 30 FARMS WITH HIGHEST
LABOR INCOMES AND THE 30 FARMS WITH LOWEST LABOR INCOMES
467 New York Dairy Farms, 1960

Item	Average of the 467 farms	Average of 30 farms with:	
		Highest labor incomes	Lowest labor incomes
Farm Business Factors:			
<u>Size:</u>			
Man equivalent	1.7	2.3	1.8
Average number cows	35	56	30
Pounds of milk sold (3.7% equiv.)	333,895	624,200	258,267
Total crop acres	96	134	105
Total man work units	480	757	422
<u>Rates of Production:</u>			
Pounds milk sold per cow	9,540	11,146	8,609
Tons hay per acre	2.3	2.7	2.2
Tons corn silage per acre	10	12	9
Bushels oats per acre	54	61	52
<u>Labor Efficiency:</u>			
Man work units per man	282	329	234
Pounds milk sold per man (3.7%)	196,409	271,391	143,482
<u>Use of Capital:</u>			
Total capital per man	\$28,674	\$34,795	\$26,374
Total capital per cow	\$1,393	\$1,429	\$1,582
Land & buildings per cow	\$644	\$626	\$768
Machinery investment: per man	\$5,915	\$6,414	\$5,752
per cow	\$287	\$263	\$345
<u>Feed Costs:</u>			
Dairy feed bought per cow	\$124	\$152	\$127
% Feed bought was of milk receipts	28%	28%	32%
Crop acres per cow	2.7	2.4	3.5
Fertilizer & lime expense/crop acre	\$7	\$8	\$5
Number heifers per 10 cows	6.0	6.6	6.7
<u>Machinery Costs:</u>			
Total machinery cost	\$3,729	\$5,907	\$4,130
Machinery cost per cow	\$107	\$105	\$138
Machinery cost per man	\$2,194	\$2,568	\$2,294
<u>Prices:</u>			
Av. price received for milk (3.7%)	\$4.64	\$4.88	\$4.62
<u>Other:</u>			
% Real estate is of total capital	46%	44%	49%
% Expenses are of receipts	71%	65%	95%
% Machinery cost is of total farm expense & interest on investment	22%	19%	23%

COMPARISON OF BUSINESS SUMMARIES OF DAIRY FARMS WITH
OTHER MAJOR SOURCES OF INCOME, NEW YORK, 1960

Item	Dairy Poultry	Dairy Cash-crop	Dairy Fruit	Dairy Renters	Dairy Part-time
No. of farms	35	75	10	27	9
Capital Investment (End of year):					
Land and buildings	\$32,257	\$36,760	\$36,000	--	\$21,667
Cattle	14,646	18,243	13,000	\$13,818	10,344
Poultry	1,515	6	--	--	22
Other livestock	81	63	--	31	19
Machinery	12,189	15,912	14,810	9,541	9,756
Feed and supplies	5,235	6,219	4,530	3,704	4,680
TOTAL END INVENTORY	\$65,923	\$77,203	\$68,340	\$27,094	\$46,488
Farm Receipts:					
Milk sales	\$18,643	\$20,619	\$16,570	\$16,878	\$11,256
Livestock sold	2,489	2,360	1,820	1,741	1,444
Egg sales	7,567	46	--	--	--
Crop sales	989	3,073	9,260	378	333
Miscellaneous	983	1,421	900	406	4,911
Total Cash Receipts	\$30,671	\$27,519	\$28,550	\$19,403	\$17,944
Increase in Inventory	3,389	4,832	3,480	3,448	2,089
TOTAL FARM RECEIPTS	\$34,060	\$32,351	\$32,030	\$22,851	\$20,033
Farm Expenses:					
Feed bought	\$8,952	\$4,390	\$2,627	\$4,725	\$3,468
Hired labor	2,554	2,657	3,810	1,322	789
Machinery repairs and auto	1,225	1,545	1,677	948	1,043
Gas and oil	877	1,111	1,200	611	788
Milk hauling	629	536	808	360	343
Dairy and poultry expense	1,225	1,208	1,022	1,007	723
Fertilizer and lime	1,051	1,477	1,670	567	689
Machine hire	211	187	290	67	333
Other crop expense	658	793	1,980	377	22
Livestock bought	1,344	1,441	1,736	1,307	258
Building repairs	600	513	300	241	233
Miscellaneous	1,849	2,140	1,810	2,200*	1,100
Total Cash Operating	\$21,175	\$17,998	\$18,930	\$13,732	\$9,789
New machinery	2,151	3,413	3,680	2,719	2,167
New buildings	1,217	1,389	1,380	278	44
Unpaid labor	443	320	260	259	456
TOTAL FARM EXPENSES	\$24,986	\$23,120	\$24,250	\$16,988	\$12,456
Financial Summary:					
Total farm receipts	\$34,060	\$32,351	\$32,030	\$22,851	\$20,033
Total farm expenses	24,986	23,120	24,250	16,988	12,456
Farm Income	\$9,074	\$9,231	\$7,780	\$5,863	\$7,577
5% on Av. Capital	3,211	3,739	3,330	1,268	2,272
Labor Income per Farm	\$5,863	\$5,492	\$4,450	\$4,595	\$5,305
Number of Operators	44	86	13	29	11
LABOR INCOME per Operator	\$4,664	\$4,789	\$3,423	\$4,278	\$4,340

*Includes \$1,506 for rent.

COMPARISON OF FARM BUSINESS FACTORS OF DAIRY FARMS
WITH OTHER MAJOR SOURCES OF INCOME, NEW YORK, 1960

Item	Dairy Poultry	Dairy Cash-crop	Dairy Fruit	Dairy Renters	Dairy Part-time
No. of farms	35	75	10	27	9
Farm Business Factors:					
<u>Size:</u>					
Man equivalent	2.4	2.3	2.9	1.7	1.7
Average number cows	38	44	34	35	30
Pounds of milk sold (3.7% equiv.)	394,229	448,160	343,000	347,519	243,111
Average number hens*	1,090	130	--	--	--
Total crop acres	121	175	165	94	80
Total man work units	646	712	887	471	550
<u>Rates of Production:</u>					
Pounds milk sold per cow	10,374	10,185	10,088	9,929	8,104
Tons hay per acre*	2.6	2.7	3.2	2.4	2.4
Tons corn silage per acre*	12	12	10	13	13
Bushels oats per acre*	53	57	64	57	50
<u>Labor Efficiency:</u>					
Man work units per man	269	310	306	277	324
Pounds milk sold per man (3.7%)	164,262	194,852	118,276	204,423	143,006
<u>Use of Capital:</u>					
Total capital per man	\$27,468	\$33,567	\$23,566	\$15,938	\$27,346
Total capital per work unit	\$102	\$108	\$77	\$58	\$85
Land & buildings per crop acre	\$267	\$210	\$218	--	\$271
Machinery investment: per man	\$5,079	\$6,918	\$5,107	\$5,612	\$5,739
<u>Feed Costs:</u>					
Dairy feed bought per cow	\$115	\$99	\$76	\$135	\$113
% Feed bought was of milk receipts	23%	21%	16%	28%	30%
Crop acres per cow	3.2	4.0	4.9	2.7	2.7
Fertilizer & lime expense/crop acre	\$8.69	\$8.44	\$10.12	\$6.03	\$8.61
Number heifers per 10 cows	6.8	7.0	6.5	5.4	6.7
<u>Machinery Costs:</u>					
Total machinery cost	\$5,077	\$6,305	\$6,830	\$3,681	\$3,900
Machinery cost per crop acre	\$42	\$36	\$41	\$39	\$49
Machinery cost per man	\$2,115	\$2,741	\$2,355	\$2,165	\$2,294
<u>Prices:</u>					
Av. price received for milk (3.7%)	\$4.65	\$4.59	\$4.85	\$4.80	\$4.60
<u>Other:</u>					
% Real estate is of total capital	49%	48%	53%	--	47%
% Expenses are of receipts	73%	71%	76%	74%	62%
% Machinery cost is of total farm expense & interest on investment	18%	23%	25%	20%	26%

*Average for farms reporting

COMPARISON OF SELECTED FARM BUSINESS FACTORS FOR 1960
23 Counties Included in General Farm Business Summary

Item	Albany County	Cattaraugus County	Chenango County		
			Group IV	Group V	Group VI
Number of farms	26	12	20	16	16
<u>Things to work with:</u>					
Number of cows	29	32	32	35	41
Number of heifers	20	21	20	17	28
Acres of hay*	90	53	56	64	72
Acres of corn silage*	13	13	11	13	11
Acres of oats*	17	10	13	18	22
Total crop acres	120	83	78	90	107
<u>Size of business:</u>					
Man equivalent	1.8	1.5	1.5	1.7	1.9
Total work units	444	480	482	495	577
Lbs. of milk sold	245,820	282,864	290,041	345,351	392,664
<u>Rates of production:</u>					
Lbs. milk sold/cow	8,477	8,840	9,064	9,867	9,577
Tons hay/acre	1.9	2.1	2.4	2.3	2.8
Tons corn silage/acre	12	11	10	10	11
Bu. oats/acre	44	58	56	70	61
<u>Work per man:</u>					
Number cows/man	16	21	21	21	22
Work units/man	247	320	321	291	304
Lbs. of milk sold/man	136,567	188,576	193,361	203,148	206,665
<u>Financial summary:</u>					
Average capital	\$39,920	\$38,808	\$41,206	\$44,703	\$60,569
Total farm receipts	\$18,338	\$18,705	\$20,098	\$21,476	\$25,190
Total farm expenses	\$13,105	\$12,897	\$13,662	\$14,445	\$18,455
LABOR INCOME/operator	\$2,715	\$3,570	\$3,978	\$4,796	\$3,488
<u>Cost control factors:</u>					
Machinery investment	\$9,319	\$10,088	\$9,213	\$9,215	\$12,610
Machinery cost	\$4,008	\$3,402	\$3,368	\$3,476	\$4,552
Machinery cost/cow	\$138	\$106	\$105	\$99	\$111
Feed bought/cow	\$75	\$105	\$119	\$130	\$139
% feed is of milk receipts	18%	27%	29%	29%	32%
Fertilizer/crop acre	\$3.67	\$7.08	\$8.16	\$4.76	\$7.93
% Expenses are of receipts	72%	69%	68%	67%	73%
Av. price/cwt. milk	\$4.79	\$4.48	\$4.55	\$4.58	\$4.59

*Average per farm reporting

COMPARISON OF SELECTED FARM BUSINESS FACTORS FOR 1960
23 Counties Included in General Farm Business Summary

Item	Cayuga County	Clinton County	Cortland County	Delaware County
Number of farms	28	20	29	39
Things to work with:				
Number of cows	38	32	47	39
Number of heifers	27	19	36	17
Acres of hay*	60	73	67	54
Acres of corn silage*	17	14	23	9
Acres of oats*	28	12	20	10
Total crop acres	165	98	118	72
Size of business:				
Man equivalent	1.9	1.7	2.4	1.6
Total work units	611	439	696	489
Lbs. of milk sold	389,108	275,659	490,844	364,505
Rates of production:				
Lbs. milk sold/cow	10,240	8,614	10,443	9,346
Tons hay/acre	2.8	1.8	2.7	2.4
Tons corn silage/acre	11	9	13	12
Bu. oats/acre	60	54	57	54
Work per man:				
Number cows/man	20	19	20	24
Work units/man	322	258	290	306
Lbs. of milk sold/man	204,794	162,152	204,518	227,816
Financial summary:				
Average capital	\$64,824	\$44,672	\$64,842	\$46,337
Total farm receipts	\$25,532	\$16,629	\$29,412	\$22,659
Total farm expenses	\$17,443	\$12,551	\$21,419	\$15,892
LABOR INCOME/operator	\$4,592	\$1,756	\$4,445	\$4,132
Cost control factors:				
Machinery investment	\$13,387	\$8,595	\$11,987	\$9,006
Machinery cost	\$5,695	\$2,709	\$4,920	\$3,476
Machinery cost/cow	\$150	\$85	\$105	\$89
Feed bought/cow	\$79	\$124	\$127	\$144
% feed is of milk receipts	17%	33%	27%	33%
Fertilizer/crop acre	\$8.90	\$3.28	\$9	\$11.50
% Expenses are of receipts	68%	75%	73%	71%
Av. price/cwt. milk	\$4.49	\$4.32	\$4.52	\$4.68
*Average per farm reporting				

COMPARISON OF SELECTED FARM BUSINESS FACTORS FOR 1960
23 Counties Included in General Farm Business Summary

Item	Franklin County	Greene County	Madison County	Monroe County	Montgomery County
Number of farms	22	44	46	22	20
<u>Things to work with:</u>					
Number of cows	41	30	37	42	38
Number of heifers	27	16	20	32	21
Acres of hay*	88	66	56	77	76
Acres of corn silage*	14	9	17	23	19
Acres of oats*	17	12	17	20	21
Total crop acres	118	85	98	165	114
<u>Size of business:</u>					
Man equivalent	1.9	1.7	1.9	2.2	1.8
Total work units	570	410	520	695	519
Lbs. of milk sold	364,124	259,642	343,888	439,838	341,675
<u>Rates of production:</u>					
Lbs. milk sold/cow	8,881	8,655	9,294	10,472	8,991
Tons hay/acre	1.8	2.1	2.6	2.4	2.1
Tons corn silage/acre	6	10	11	12	10
Bu. oats/acre	60	49	59	72	51
<u>Work per man:</u>					
Number cows/man	22	18	19	19	21
Work units/man	300	241	274	316	288
Lbs. of milk sold/man	191,644	152,731	180,994	199,926	189,819
<u>Financial summary:</u>					
Average capital	\$49,239	\$36,415	\$45,766	\$76,309	\$50,555
Total farm receipts	\$21,204	\$17,975	\$21,055	\$32,661	\$21,486
Total farm expenses	\$15,546	\$13,014	\$14,877	\$24,199	\$14,688
LABOR INCOME/operator	\$3,057	\$2,940	\$3,376	\$4,088	\$3,714
<u>Cost control factors:</u>					
Machinery investment	\$9,589	\$7,516	\$9,558	\$15,312	\$11,525
Machinery cost	\$3,500	\$2,969	\$3,729	\$6,874	\$4,212
Machinery cost/cow	\$85	\$99	\$101	\$164	\$111
Feed bought/cow	\$117	\$125	\$97	\$102	\$82
% feed is of milk receipts	30%	31%	23%	20%	20%
Fertilizer/crop acre	\$7.16	\$4.01	\$5.97	\$8.81	\$4.10
% Expenses are of receipts	73%	72%	71%	74%	68%
Av. price/cwt. milk	\$4.40	\$4.69	\$4.51	\$4.83	\$4.62
*Average per farm reporting					

COMPARISON OF SELECTED FARM BUSINESS FACTORS FOR 1960
23 Counties Included in General Farm Business Summary

Item	Niagara County	Onondaga County	Orange County	Oswego County
Number of farms	11	37	15	22
<u>Things to work with:</u>				
Number of cows	32	35	46	29
Number of heifers	20	24	26	19
Acres of hay*	80	55	57	44
Acres of corn silage*	28	17	18	18
Acres of oats*	31	27	--	11
Total crop acres	184	119	102	76
<u>Size of business:</u>				
Man equivalent	1.8	1.7	2.0	1.5
Total work units	602	521	586	411
Lbs. of milk sold	323,577	368,578	529,731	276,206
<u>Rates of production:</u>				
Lbs. milk sold/cow	10,112	10,530	11,516	9,524
Tons hay/acre	2.7	2.8	2.4	2.3
Tons corn silage/acre	11	11	15	7
Bu. oats/acre	55	60	--	52
<u>Work per man:</u>				
Number cows/man	18	21	23	19
Work units/man	334	303	293	274
Lbs. of milk sold/man	179,765	216,810	264,866	184,137
<u>Financial summary:</u>				
Average capital	\$65,654	\$52,944	\$65,267	\$37,740
Total farm receipts	\$25,817	\$23,712	\$36,621	\$15,771
Total farm expenses	\$18,457	\$16,457	\$27,360	\$12,154
LABOR INCOME/operator	\$4,077	\$4,158	\$5,623	\$1,730
<u>Cost control factors:</u>				
Machinery investment	\$15,096	\$12,341	\$14,857	\$8,909
Machinery cost	\$5,970	\$4,503	\$5,013	\$3,092
Machinery cost/cow	\$183	\$128	\$109	\$107
Feed bought/cow	\$82	\$96	\$194	\$125
% feed is of milk receipts	17%	20%	32%	29%
Fertilizer/crop acre	\$7.91	\$7.62	\$9.94	\$9
% Expenses are of receipts	71%	69%	75%	77%
Av. price/cwt. milk	\$4.81	\$4.56	\$5.35	\$4.46

*Average per farm reporting

COMPARISON OF SELECTED FARM BUSINESS FACTORS FOR 1960
23 Counties Included in General Farm Business Summary

Item	Otsego County	Saratoga County	Schenectady County	Schoharie County
Number of farms	40	16	11	30
<u>Things to work with:</u>				
Number of cows	37	42	27	37
Number of heifers	22	34	17	20
Acres of hay*	67	90	77	75
Acres of corn silage*	14	17	18	13
Acres of oats*	15	21	9	16
Total crop acres	99	151	102	110
<u>Size of business:</u>				
Man equivalent	1.7	2.2	1.5	2.0
Total work units	513	636	349	515
Lbs. of milk sold	350,218	431,952	234,202	350,434
<u>Rates of production:</u>				
Lbs. milk sold/cow	9,465	10,285	8,674	9,471
Tons hay/acre	2.2	2.1	1.9	2.4
Tons corn silage/acre	11	13	9	11
Bu. oats/acre	56	61	57	49
<u>Work per man:</u>				
Number cows/man	22	19	18	18
Work units/man	302	289	233	258
Lbs. of milk sold/man	206,011	196,342	156,135	175,217
<u>Financial summary:</u>				
Average capital	\$53,404	\$64,445	\$41,965	\$53,436
Total farm receipts	\$22,065	\$34,284	\$15,562	\$22,595
Total farm expenses	\$15,624	\$25,482	\$12,570	\$16,181
LABOR INCOME/operator	\$3,351	\$4,960	\$894	\$3,207
<u>Cost control factors:</u>				
Machinery investment	\$12,593	\$14,761	\$9,230	\$11,655
Machinery cost	\$3,921	\$5,348	\$3,662	\$3,828
Machinery cost/cow	\$106	\$127	\$136	\$103
Feed bought/cow	\$127	\$132	\$108	\$132
% feed is of milk receipts	29%	27%	26%	31%
Fertilizer/crop acre	\$6.63	\$7.55	\$2.65	\$8.03
% Expenses are of receipts	71%	74%	81%	72%
Av. price/cwt. milk	\$4.58	\$4.82	\$4.77	\$4.55
<u>*Average per farm reporting</u>				

COMPARISON OF SELECTED FARM BUSINESS FACTORS FOR 1960
23 Counties Included in General Farm Business Summary

Item	Schuyler County	Sullivan County	Washington County	
			Group I	Group II
Number of farms	19	24	22	14
<u>Things to work with:</u>				
Number of cows	28	32	45	34
Number of heifers	23	16	28	24
Acres of hay*	62	56	83	57
Acres of corn silage*	16	11	19	18
Acres of oats*	21	--	14	16
Total crop acres	109	72	123	94
<u>Size of business:</u>				
Man equivalent	1.8	1.7	2.3	1.7
Total work units	454	412	672	500
Lbs. of milk sold	288,854	315,170	490,303	338,234
<u>Rates of production:</u>				
Lbs. milk sold/cow	10,316	9,849	10,896	9,948
Tons hay/acre	2.3	2.4	2.2	2.6
Tons corn silage/acre	8	8	12	12
Bu. oats/acre	45	--	48	52
<u>Work per man:</u>				
Number cows/man	16	19	20	20
Work units/man	255	242	292	294
Lbs. of milk sold/man	160,474	185,394	213,175	198,960
<u>Financial summary:</u>				
Average capital	\$51,208	\$41,204	\$60,634	\$46,021
Total farm receipts	\$20,876	\$20,076	\$37,695	\$23,672
Total farm expenses	\$15,731	\$15,239	\$27,547	\$15,748
LABOR INCOME/operator	\$2,585	\$2,468	\$5,798	\$5,249
<u>Cost control factors:</u>				
Machinery investment	\$11,142	\$9,214	\$13,316	\$9,695
Machinery cost	\$3,754	\$3,580	\$6,176	\$3,997
Machinery cost/cow	\$134	\$112	\$137	\$118
Feed bought/cow	\$108	\$161	\$158	\$127
% feed is of milk receipts	23%	34%	29%	26%
Fertilizer/crop acre	\$7.64	\$9.62	\$8.61	\$7.76
% Expenses are of receipts	76%	76%	73%	67%
Av. price/cwt. milk	\$4.49	\$4.85	\$5.05	\$4.85

*Average per farm reporting

COMPARISON OF SELECTED FARM BUSINESS FACTORS FOR 1960
10 County Summaries Not in General Farm Business Summary*

Item	Herkimer County	Jefferson County	Livingston County	Oneida County	Ontario County
Number of farms	37	30	21	83	36
<u>Things to work with:</u>					
Number of cows	41	36	46	39	36
Acres of hay	77	58	70	54	51
Total acres of crops	111	112	164	102	160
<u>Size of business:</u>					
Man equivalent	1.8	1.9	2.4	1.9	2.1
Lbs. of milk sold	376,641	343,561	507,137	376,771	395,561
<u>Rates of production:</u>					
Lbs. milk sold/cow	9,186	9,543	11,025	9,661	10,988
Tons hay/acre	2.2	2.3	3.0	3.1	2.9
<u>Work per man:</u>					
Number of cows/man	23	19	19	21	17
Lbs. of milk/man	209,245	180,822	211,307	198,301	188,362
<u>Cost control factors:</u>					
Feed bought/cow	\$108	\$96	\$87	\$87	\$87
% feed is of milk receipts	26%	23%	17%	20%	17%
Machinery cost/cow	\$101	\$104	\$153	\$109	\$172
% Expenses are of receipts	72%	71%	66%	69%	73%
<u>Financial summary:</u>					
Average capital	\$51,075	\$44,908	\$81,070	\$49,830	\$69,472
Total farm receipts	\$23,128	\$22,302	\$35,909	\$23,901	\$30,512
Total farm expenses	\$16,548	\$15,869	\$23,860	\$16,563	\$22,247
LABOR INCOME/operator	\$3,820	\$3,807	\$6,457	\$4,104	\$4,107

*County agricultural agents in these counties obtained farm business information from farmers in the counties, and in cooperation with farm management specialists summary reports were prepared for use with the cooperators and others in discussing farm business management problems.

COMPARISON OF SELECTED FARM BUSINESS FACTORS FOR 1960
10 County Summaries Not in General Farm Business Summary*

Item	Rensselaer County	St. Lawrence County	Steuben County	Tompkins County	Wyoming County
Number of farms	15	56	52	27	36
<u>Things to work with:</u>					
Number of cows	28	36	29	37	36
Acres of hay	55	68	65	69	53
Total acres of crops	85	99	124	132	126
<u>Size of business:</u>					
Man equivalent	1.9	1.8	1.7	1.8	1.8
Lbs. of milk sold	225,382	354,077	298,976	394,846	381,004
<u>Rates of production:</u>					
Lbs. milk sold/cow	8,049	9,835	10,310	10,672	10,583
Tons hay/acre	2.9	2.3	2.3	2.8	3.3
<u>Work per man:</u>					
Number of cows/man	15	20	17	21	20
Lbs. of milk/man	118,622	196,709	175,868	219,359	211,669
<u>Cost control factors:</u>					
Feed bought/cow	\$62	\$113	\$97	\$121	\$89
% feed is of milk receipts	16%	27%	21%	25%	19%
Machinery cost/cow	\$128	\$92	\$126	\$110	\$132
% Expenses are of receipts	68%	72%	70%	73%	69%
<u>Financial summary:</u>					
Average capital	\$41,954	\$41,320	\$43,560	\$54,282	\$57,042
Total farm receipts	\$16,053	\$19,425	\$19,996	\$24,897	\$25,670
Total farm expenses	\$10,987	\$13,766	\$14,014	\$18,125	\$17,706
LABOR INCOME/operator	\$2,619	\$3,303	\$3,353	\$4,058	\$4,381

*County agricultural agents in these counties obtained farm business information from farmers in the counties, and in cooperation with farm management specialists summary reports were prepared for use with the cooperators and others in discussing farm business management problems.

COMPARISON OF SELECTED FARM BUSINESS SUMMARY FACTORS
New York Dairy Farms, 1955, 1956, 1957, 1958, 1959 and 1960

Item	1955	1956	1957	1958	1959	1960
Number of farms	201	342	464	559	542	467
<u>Things to work with:</u>						
Number of cows	33	34	33	33	35	35
Number of heifers	20	20	20	20	22	21
Acres of hay	54	56	58	59	62	64
Acres of corn silage***	16	13	14	14	15	15
Acres of oats***	20	13	18	17	18	16
Total crop acres	105	98	100	104	104	96
<u>Size of business:</u>						
Man equivalent	1.8	1.8	1.8	1.8	1.8	1.7
Total work units	573	575	576	523*	557*	480**
Lbs. of milk sold	288,700	302,500	293,200	310,900	327,400	333,900
<u>Rates of production:</u>						
Lbs. milk sold/cow	8,747	8,897	8,885	9,421	9,355	9,540
Tons hay/acre	2.2	2.1	2.1	2.3	2.0	2.3
Tons corn silage/acre	9.9	9.5	11.4	10.1	11.3	9.9
Bu. oats/acre	50	52	58	51	60	54
<u>Work per man:</u>						
Number cows/man	18	19	18	18	19	21
Work units/man	318	319	320	291*	309*	282**
Lbs. of milk sold/man	160,400	168,100	162,900	172,700	181,900	196,400
<u>Financial summary:</u>						
Average capital	\$39,552	\$39,708	\$42,012	\$45,062	\$47,840	\$47,426
Total farm receipts	\$16,443	\$17,654	\$20,166	\$21,512	\$22,548	\$20,705
Total farm expenses	\$11,539	\$12,397	\$13,798	\$15,012	\$16,255	\$14,768
LABOR INCOME/operator	\$2,482	\$2,870	\$3,764	\$3,817	\$3,489	\$3,317
<u>Cost control factors:</u>						
Machinery investment	\$8,475	\$8,438	\$9,163	\$9,636	\$10,315	\$10,055
Machinery cost	\$3,252	\$3,225	\$3,477	\$3,611	\$3,872	\$3,729
Machinery cost/cow	\$99	\$95	\$105	\$109	\$111	\$107
Feed bought/cow	\$90	\$96	\$107	\$109	\$113	\$124
Fertilizer/crop acre	\$6	\$6	\$6	\$7	\$7	\$7
% Expenses are of receipts	70%	70%	68%	70%	72%	71%
Ave. price/cwt. milk	\$4.09	\$4.18	\$4.65	\$4.68	\$4.73	\$4.64

*Work units for 1958 figured on basis of "1958 revision of Farm Business Chart"

**Work units for 1960 figured on basis of "1960 revision of Farm Business Chart"

***Average per farm reporting.

WHAT ARE YOU WORKING FOR?

The discussions in this report have centered around ways to make more money from your business. But you don't operate your business just for the sake of keeping busy. Every family has some things uppermost in their minds that they expect to get from their business or their job. These "objectives" or "goals" may not be easy to put into words. But if they are written down, or at least talked about, it may help you see what things need to be done in the farm business in order to accomplish these goals.

Goals for Your Farm and Family

The Farm -- List the major farm improvements you want to make in the next five years. The list should include changes in buildings, land, crops, and livestock.

The Home -- List major changes you want to make in the home in the next five years. Include remodeling, equipment, and furniture.

Family Security -- List things you want to get done relative to financial security. This list might include debt reduction, a better life insurance program, more business insurance, a will, starting plans for retirement.

Education -- List your objectives for educating the children.

Recreation -- List your plans for major vacations, trips, new cars, etc.

Better Working Conditions -- What do you hope to accomplish concerning the hours you work, lightening physical work, and the like?

The Community -- What do you hope to get done relative to making your community a better place to live - schools, church, roads, and so forth?

SUMMARIZING THE ANALYSIS

Each page in this booklet was designed to help you study your farm business. However, study and analysis alone will not assure a more profitable business. Action must be taken.

Now take a careful overall look at your farm business. Summarize the strong and weak points revealed from the detailed analysis. This will help you to locate the trouble spots or problems. In view of what you have to work with, consider the possible ways that these problems might be solved. Next budget the likely effects of the proposed changes. Finally decide on the most promising proposal and then take action to put it into effect.

STRONG POINTS

- 1. _____
- 2. _____
- 3. _____
- 4. _____

WEAK POINTS

- 1. _____
- 2. _____
- 3. _____
- 4. _____

MAJOR PROBLEMS TO BE SOLVED

- 1. _____
- 2. _____
- 3. _____
- 4. _____

PROPOSED CHANGES TO STRENGTHEN THE BUSINESS

- 1. _____
- 2. _____
- 3. _____
- 4. _____

BUDGETING PROPOSED CHANGES IN YOUR FARM BUSINESS

	<u>My business in 1960</u>	<u>Proposed change #1</u>	<u>Proposed change #2</u>
I. <u>Farm Receipts:</u>			
Milk	\$ _____	\$ _____	\$ _____
Eggs	_____	_____	_____
Livestock sold	_____	_____	_____
Crops sold	_____	_____	_____
Machine work for others	_____	_____	_____
Miscellaneous	_____	_____	_____
<u>Increase in inventory</u>	_____	_____	_____
<u>Total receipts</u>	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u>_____</u>
II. <u>Farm Expenses:</u>			
Feed bought	\$ _____	\$ _____	\$ _____
Gas and oil	_____	_____	_____
New machinery	_____	_____	_____
Machinery repairs	_____	_____	_____
Machine hire	_____	_____	_____
Auto expense (farm share)	_____	_____	_____
Hired labor	_____	_____	_____
Unpaid family labor	_____	_____	_____
Dairy and poultry expense	_____	_____	_____
Livestock bought	_____	_____	_____
Fertilizer and lime	_____	_____	_____
Seed	_____	_____	_____
Other crop expense	_____	_____	_____
Building repair	_____	_____	_____
Taxes on real estate	_____	_____	_____
Insurance	_____	_____	_____
Telephone and electricity	_____	_____	_____
Miscellaneous	_____	_____	_____
<u>Decrease in inventory</u>	_____	_____	_____
<u>Total Expenses</u>	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u>_____</u>
III. <u>Farm Financial Summary:</u>			
Capital investment	\$ _____	\$ _____	\$ _____
Total Farm Receipts	\$ _____	\$ _____	\$ _____
Total Farm Expenses	_____	_____	_____
Farm Income	_____	_____	_____
Interest on Capital	_____	_____	_____
LABOR INCOME	\$ <u>_____</u>	\$ <u>_____</u>	\$ <u>_____</u>