

**WAHL, WILLEMSE & WILSON, LLP** 

CERTIFIED PUBLIC ACCOUNTANTS

# **Dairy Cost Study**

## **2015**

Turlock and Hilmar Jersey Industry

TURLOCK AND HILMAR AREA DAIRY FARM INCOME AND EXPENSES  
 FOR THE YEAR ENDED DECEMBER 31, 2015  
***FOR JERSEY HERDS***

(Per hundredweight (CWT))

Milk income	\$ 20.04
Calves, Co-Op Distributions, Ag Program Payments, and Other Income	1.01
Gain (Loss) on Sale of Livestock	1.03
 Total Income	 22.07
 Assessments	 0.53
Breeding and testing	0.39
Feed	11.23
Fertilizers and chemicals	0.30
Fuel	0.27
Heifer raising	2.76
Insurance	0.69
Interest	0.74
Labor	2.29
Machine hire and Outside services	1.53
Rent - Land and other	1.55
Repairs and maintenance	0.65
Supplies	0.59
Taxes - Payroll and other	0.36
Utilities	0.49
Veterinary	1.01
Other expenses	0.63
Allocation to raised animals and growing crops	(3.20)
 Total Operating Expenses	 22.79
 Income (Loss) Before Depreciation	 (0.72)
 Depreciation expense	 2.30
 Net Income (Loss)	 \$ (3.02)

COMPARATIVE DAIRY FARM INCOME AND EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2015  
TURLOCK AND HILMAR AREA VERSUS  
**YOUR JERSEY DAIRY**

(Per hundredweight (CWT))

Pounds of Milk = _____	<u>YOUR JERSEY DAIRY</u>		<u>LOCAL JERSEY</u>	<u>DIFFERENCE</u>
	<u>AMOUNT</u>	<u>PER CWT</u>	<u>INDUSTRY</u>	
Milk income			\$ 20.04	
Calves, Co-Op Distributions, Ag Program Payments, and Other Income			1.01	
Gain (Loss) on Sale of Livestock			1.03	
 Total Income			 22.07	
Assessments			0.53	
Breeding and testing			0.39	
Feed			11.23	
Fertilizers and chemicals			0.30	
Fuel			0.27	
Heifer raising			2.76	
Insurance			0.69	
Interest			0.74	
Labor			2.29	
Machine hire and Outside services			1.53	
Rent - Land and other			1.55	
Repairs and maintenance			0.65	
Supplies			0.59	
Taxes - Payroll and other			0.36	
Utilities			0.49	
Veterinary			1.01	
Other expenses			0.63	
Allocation to raised animals and growing crops			(3.20)	
 Total Operating Expenses			 22.79	
 Income (Loss) Before Depreciation			 (0.72)	
 Depreciation expense			 2.30	
 Income (Loss) from Operations			 \$ (3.02)	

TURLOCK AND HILMAR AREA DAIRY FARM INCOME AND EXPENSES  
LONG-TERM TREND ANALYSIS - 2011-2015

*FOR JERSEY HERDS*

**(Based on Simple Annual Averages - Per hundredweight (CWT))**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Milk income	\$ 20.04	\$ 26.20	\$ 21.32	\$ 20.15	\$ 22.23
Calves, Co-Op Distributions, Ag Program Payments, and Other Income	1.01	1.10	0.92	0.93	0.67
Gain (Loss) on Sale of Livestock	<u>1.03</u>	<u>0.89</u>	<u>0.29</u>	<u>0.24</u>	<u>0.26</u>
 Total Income	 22.07	 28.18	 22.54	 21.32	 23.16
Assessments	0.53	0.48	0.47	0.46	0.43
Breeding and testing	0.39	0.30	0.30	0.28	0.31
Feed	11.23	11.36	11.71	12.38	10.14
Fertilizers and chemicals	0.30	0.26	0.22	0.20	0.20
Fuel	0.27	0.37	0.37	0.35	0.34
Heifer raising	2.76	2.54	2.69	2.41	1.95
Insurance	0.69	0.60	0.55	0.50	0.46
Interest	0.74	0.70	0.72	0.71	0.73
Labor	2.29	2.01	1.92	1.88	1.77
Machine hire and Outside services	1.53	1.40	1.32	1.43	1.34
Rent - Land and other	1.55	1.40	1.39	1.49	1.40
Repairs and maintenance	0.65	0.56	0.43	0.46	0.49
Supplies	0.59	0.47	0.47	0.49	0.51
Taxes - Payroll and other	0.36	0.34	0.34	0.34	0.33
Utilities	0.49	0.49	0.48	0.45	0.45
Veterinary	1.01	0.90	0.91	0.93	0.93
Other expenses	0.63	0.58	0.55	0.52	0.48
Allocation to raised animals and growing crops	<u>(3.20)</u>	<u>(3.06)</u>	<u>(3.56)</u>	<u>(2.77)</u>	<u>(2.16)</u>
 Total Operating Expenses	 <u>22.79</u>	 <u>21.69</u>	 <u>21.30</u>	 <u>22.52</u>	 <u>20.13</u>
 Income (Loss) Before Depreciation	 (0.72)	 6.49	 1.24	 (1.20)	 3.04
 Depreciation expense	 <u>2.30</u>	 <u>2.12</u>	 <u>1.77</u>	 <u>1.91</u>	 <u>1.93</u>
 Income (Loss) from Operations	 <u>\$ (3.02)</u>	 <u>\$ 4.37</u>	 <u>\$ (0.53)</u>	 <u>\$ (3.11)</u>	 <u>\$ 1.11</u>

TURLOCK AND HILMAR AREA DAIRY FARM INCOME AND EXPENSES  
 FOR THE YEAR ENDED DECEMBER 31, 2015  
**FOR JERSEY HERDS**

(Based on Average Number of Total Cows)

	<u>PER COW</u>	<u>PER DAY</u>
Milk income	\$ 3,985.00	\$ 10.89
Calves, Co-Op Distributions, Ag Program Payments, and Other Income	200.85	0.55
Gain (Loss) on Sale of Livestock	<u>204.53</u>	<u>0.56</u>
 Total Income	 4,390.38	 12.00
 Assessments	 105.08	 0.29
Breeding and testing	77.22	0.21
Feed	2,232.92	6.10
Fertilizers and chemicals	58.86	0.16
Fuel	53.44	0.15
Heifer raising	548.85	1.50
Insurance	137.51	0.38
Interest	146.66	0.40
Labor	454.92	1.24
Machine hire and Outside services	304.62	0.83
Rent - Land and other	308.61	0.84
Repairs and maintenance	128.36	0.35
Supplies	117.86	0.32
Taxes - Payroll and other	72.59	0.20
Utilities	97.80	0.27
Veterinary	200.53	0.55
Other expenses	124.95	0.34
Allocation to raised animals and growing crops	<u>(637.12)</u>	<u>(1.74)</u>
 Total Operating Expenses	 <u>4,533.68</u>	 <u>12.39</u>
 Income (Loss) Before Depreciation	 (143.30)	 (0.39)
 Depreciation expense	 <u>456.81</u>	 <u>1.25</u>
 Income (Loss) from Operations	 <u>\$ (600.12)</u>	 <u>\$ (1.64)</u>

COMPARATIVE DAIRY FARM INCOME AND EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2015  
TURLOCK AND HILMAR AREA VERSUS  
YOUR *JERSEY* DAIRY

(Based on Average Number of *Total Cows*)

Average # of Total Cows = _____	<u>YOUR <i>JERSEY</i> DAIRY</u>			<u>LOCAL JERSEY INDUSTRY</u>		<u>DIFFERENCE</u>	
	<u>AMOUNT</u>	<u>PER HEAD</u>	<u>PER DAY</u>	<u>PER HEAD</u>	<u>PER DAY</u>	<u>PER HEAD</u>	<u>PER DAY</u>
Milk income				\$ 3,985.00	\$ 10.89		
Calves, Co-Op Distributions, Ag Program Payments, and Other Income				200.85	0.55		
Gain (Loss) on Sale of Livestock				204.53	0.56		
 Total Income				 4,390.38	 12.00		
Assessments				105.08	0.29		
Breeding and testing				77.22	0.21		
Feed				2,232.92	6.10		
Fertilizers and chemicals				58.86	0.16		
Fuel				53.44	0.15		
Heifer raising				548.85	1.50		
Insurance				137.51	0.38		
Interest				146.66	0.40		
Labor				454.92	1.24		
Machine hire and Outside services				304.62	0.83		
Rent - Land and other				308.61	0.84		
Repairs and maintenance				128.36	0.35		
Supplies				117.86	0.32		
Taxes - Payroll and other				72.59	0.20		
Utilities				97.80	0.27		
Veterinary				200.53	0.55		
Other expenses				124.95	0.34		
Allocation to raised animals and growing crops				(637.12)	(1.74)		
 Total Operating Expenses				 4,533.68	 12.39		
Income (Loss) Before Depreciation				(143.30)	(0.39)		
Depreciation expense				456.81	1.25		
Income (Loss) from Operations				\$ (600.12)	\$ (1.64)		

TURLOCK AND HILMAR AREA DAIRY FARM INCOME AND EXPENSES  
LONG-TERM TREND ANALYSIS - 2011-2015  
*FOR JERSEY HERDS*

(Based on Simple Annual Averages - Number of Total Cows)

	<u>2015</u>		<u>2014</u>		<u>2013</u>		<u>2012</u>		<u>2011</u>	
	<u>PER COW</u>	<u>PER DAY</u>	<u>PER COW</u>	<u>PER DAY</u>	<u>PER COW</u>	<u>PER DAY</u>	<u>PER COW</u>	<u>PER DAY</u>	<u>PER COW</u>	<u>PER DAY</u>
Milk income	\$ 3,985.00	\$ 10.89	\$ 5,255.06	\$ 14.36	\$ 4,192.43	\$ 11.45	\$ 3,955.34	\$ 10.81	\$ 4,247.45	\$ 11.64
Calves, Co-Op Distributions, Ag Program Payments, and Other Income	200.85	0.55	220.22	0.60	181.11	0.49	182.55	0.50	127.75	0.35
Gain (Loss) on Sale of Livestock	<u>204.53</u>	<u>0.56</u>	<u>178.41</u>	<u>0.49</u>	<u>57.83</u>	<u>0.16</u>	<u>47.53</u>	<u>0.13</u>	<u>49.97</u>	<u>0.14</u>
 Total Income	 4,390.38	 12.00	 5,653.70	 15.45	 4,431.37	 12.11	 4,185.42	 11.44	 4,425.16	 12.12
Assessments	105.08	0.29	96.77	0.26	92.10	0.25	90.31	0.25	82.59	0.23
Breeding and testing	77.22	0.21	60.23	0.16	58.03	0.16	55.37	0.15	58.89	0.16
Feed	2,232.92	6.10	2,277.87	6.22	2,302.31	6.29	2,431.51	6.64	1,937.85	5.31
Fertilizers and chemicals	58.86	0.16	51.51	0.14	43.89	0.12	39.14	0.11	38.96	0.11
Fuel	53.44	0.15	74.19	0.20	73.66	0.20	69.66	0.19	64.68	0.18
Heifer raising	548.85	1.50	510.19	1.39	528.32	1.44	472.76	1.29	373.17	1.02
Insurance	137.51	0.38	119.83	0.33	108.24	0.30	97.72	0.27	87.81	0.24
Interest	146.66	0.40	140.88	0.38	141.43	0.39	140.11	0.38	138.91	0.38
Labor	454.92	1.24	402.96	1.10	377.36	1.03	368.80	1.01	338.84	0.93
Machine hire and Outside services	304.62	0.83	280.63	0.77	259.97	0.71	280.13	0.77	256.59	0.70
Rent - Land and other	308.61	0.84	280.21	0.77	274.22	0.75	292.38	0.80	267.52	0.73
Repairs and maintenance	128.36	0.35	111.46	0.30	84.77	0.23	90.67	0.25	93.76	0.26
Supplies	117.86	0.32	95.12	0.26	93.24	0.25	96.20	0.26	97.27	0.27
Taxes - Payroll and other	72.59	0.20	67.54	0.18	67.41	0.18	66.80	0.18	63.73	0.17
Utilities	97.80	0.27	98.67	0.27	94.41	0.26	87.87	0.24	86.60	0.24
Veterinary	200.53	0.55	180.92	0.49	178.40	0.49	182.90	0.50	177.90	0.49
Other expenses	124.95	0.34	115.64	0.32	108.82	0.30	101.94	0.28	91.56	0.25
Allocation to raised animals and growing crops	<u>(637.12)</u>	<u>(1.74)</u>	<u>(613.57)</u>	<u>(1.68)</u>	<u>(699.04)</u>	<u>(1.91)</u>	<u>(543.08)</u>	<u>(1.48)</u>	<u>(411.79)</u>	<u>(1.13)</u>
 Total Operating Expenses	 <u>4,533.68</u>	 <u>12.39</u>	 <u>4,351.05</u>	 <u>11.89</u>	 <u>4,187.56</u>	 <u>11.44</u>	 <u>4,421.20</u>	 <u>12.08</u>	 <u>3,844.80</u>	 <u>10.53</u>
 Income (Loss) Before Depreciation	 (143.30)	 (0.39)	 1,302.65	 3.56	 243.81	 0.67	 (235.78)	 (0.64)	 580.36	 1.59
 Depreciation expense	 <u>456.81</u>	 <u>1.25</u>	 <u>425.48</u>	 <u>1.16</u>	 <u>347.58</u>	 <u>0.95</u>	 <u>375.25</u>	 <u>1.03</u>	 <u>368.30</u>	 <u>1.01</u>
 Income (Loss) from Operations	 <u>\$ (600.12)</u>	 <u>\$ (1.64)</u>	 <u>\$ 877.16</u>	 <u>\$ 2.40</u>	 <u>\$ (103.77)</u>	 <u>\$ (0.28)</u>	 <u>\$ (611.03)</u>	 <u>\$ (1.67)</u>	 <u>\$ 212.06</u>	 <u>\$ 0.58</u>

TURLOCK AND HILMAR AREA DAIRY FARM INCOME AND EXPENSES  
 FOR THE YEAR ENDED DECEMBER 31, 2015  
**FOR JERSEY HERDS**

(Based on Average Number of Milk Cows)

	<u>PER COW</u>	<u>PER DAY</u>
Milk income	\$ 4,664.30	\$ 12.74
Calves, Co-Op Distributions, Ag Program Payments, and Other Income	235.08	0.64
Gain (Loss) on Sale of Livestock	<u>239.40</u>	<u>0.65</u>
 Total Income	 5,138.79	 14.04
 Assessments	 123.00	 0.34
Breeding and testing	90.38	0.25
Feed	2,613.55	7.14
Fertilizers and chemicals	68.89	0.19
Fuel	62.55	0.17
Heifer raising	642.41	1.76
Insurance	160.95	0.44
Interest	171.66	0.47
Labor	532.47	1.45
Machine hire and Outside services	356.55	0.97
Rent - Land and other	361.22	0.99
Repairs and maintenance	150.25	0.41
Supplies	137.95	0.38
Taxes - Payroll and other	84.96	0.23
Utilities	114.47	0.31
Veterinary	234.72	0.64
Other expenses	146.25	0.40
Allocation to raised animals and growing crops	<u>(745.72)</u>	<u>(2.04)</u>
 Total Operating Expenses	 <u>5,306.52</u>	 <u>14.50</u>
 Income (Loss) Before Depreciation	 (167.73)	 (0.46)
 Depreciation expense	 <u>534.69</u>	 <u>1.46</u>
 Income (Loss) from Operations	 <u><u>\$ (702.42)</u></u>	 <u><u>\$ (1.92)</u></u>



COMPARATIVE DAIRY FARM INCOME AND EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2015  
TURLOCK AND HILMAR AREA VERSUS  
**YOUR JERSEY DAIRY**

(Based on Average Number of *Milk Cows*)

Average # of Milk Cows = _____	<u>YOUR JERSEY DAIRY</u>			<u>LOCAL JERSEY INDUSTRY</u>		<u>DIFFERENCE</u>	
	<u>AMOUNT</u>	<u>PER HEAD</u>	<u>PER DAY</u>	<u>PER HEAD</u>	<u>PER DAY</u>	<u>PER HEAD</u>	<u>PER DAY</u>
Milk income				\$ 4,664.30	\$ 12.74		
Calves, Co-Op Distributions, Ag Program Payments, and Other Income				235.08	0.64		
Gain (Loss) on Sale of Livestock				239.40	0.65		
<b>Total Income</b>				<b>5,138.79</b>	<b>14.04</b>		
Assessments				123.00	0.34		
Breeding and testing				90.38	0.25		
Feed				2,613.55	7.14		
Fertilizers and chemicals				68.89	0.19		
Fuel				62.55	0.17		
Heifer raising				642.41	1.76		
Insurance				160.95	0.44		
Interest				171.66	0.47		
Labor				532.47	1.45		
Machine hire and Outside services				356.55	0.97		
Rent - Land and other				361.22	0.99		
Repairs and maintenance				150.25	0.41		
Supplies				137.95	0.38		
Taxes - Payroll and other				84.96	0.23		
Utilities				114.47	0.31		
Veterinary				234.72	0.64		
Other expenses				146.25	0.40		
Allocation to raised animals and growing crops				(745.72)	(2.04)		
<b>Total Operating Expenses</b>				<b>5,306.52</b>	<b>14.50</b>		
Income (Loss) Before Depreciation				(167.73)	(0.46)		
Depreciation expense				534.69	1.46		
<b>Income (Loss) from Operations</b>				<b>\$ (702.42)</b>	<b>\$ (1.92)</b>		

TURLOCK AND HILMAR AREA DAIRY FARM INCOME AND EXPENSES  
LONG-TERM TREND ANALYSIS - 2011-2015  
*FOR JERSEY HERDS*

(Based on Simple Annual Averages - Number of Milk Cows)

	<u>2015</u>		<u>2014</u>		<u>2013</u>		<u>2012</u>		<u>2011</u>	
	<u>PER COW</u>	<u>PER DAY</u>	<u>PER COW</u>	<u>PER DAY</u>	<u>PER COW</u>	<u>PER DAY</u>	<u>PER COW</u>	<u>PER DAY</u>	<u>PER COW</u>	<u>PER DAY</u>
Milk income	\$ 4,664.30	\$ 12.74	\$ 6,158.84	\$ 16.83	\$ 4,916.07	\$ 13.43	\$ 4,633.62	\$ 12.66	\$ 4,929.15	\$ 13.50
Calves, Co-Op Distributions, Ag Program Payments, and Other Income	235.08	0.64	258.09	0.71	212.37	0.58	213.85	0.58	148.25	0.41
Gain (Loss) on Sale of Livestock	<u>239.40</u>	<u>0.65</u>	<u>209.10</u>	<u>0.57</u>	<u>67.81</u>	<u>0.19</u>	<u>55.68</u>	<u>0.15</u>	<u>57.99</u>	<u>0.16</u>
 Total Income	 5,138.79	 14.04	 6,626.03	 18.10	 5,196.25	 14.20	 4,903.15	 13.40	 5,135.38	 14.07
Assessments	123.00	0.34	113.41	0.31	107.99	0.30	105.80	0.29	95.84	0.26
Breeding and testing	90.38	0.25	70.59	0.19	68.05	0.19	64.86	0.18	68.34	0.19
Feed	2,613.55	7.14	2,669.62	7.29	2,699.70	7.38	2,848.48	7.78	2,248.87	6.16
Fertilizers and chemicals	68.89	0.19	60.37	0.16	51.47	0.14	45.85	0.13	45.21	0.12
Fuel	62.55	0.17	86.94	0.24	86.38	0.24	81.60	0.22	75.06	0.21
Heifer raising	642.41	1.76	597.93	1.63	619.51	1.69	553.83	1.51	433.06	1.19
Insurance	160.95	0.44	140.44	0.38	126.92	0.35	114.47	0.31	101.90	0.28
Interest	171.66	0.47	165.11	0.45	165.84	0.45	164.14	0.45	161.20	0.44
Labor	532.47	1.45	472.26	1.29	442.50	1.21	432.04	1.18	393.22	1.08
Machine hire and Outside services	356.55	0.97	328.90	0.90	304.85	0.83	328.17	0.90	297.78	0.82
Rent - Land and other	361.22	0.99	328.40	0.90	321.55	0.88	342.52	0.94	310.46	0.85
Repairs and maintenance	150.25	0.41	130.63	0.36	99.40	0.27	106.22	0.29	108.80	0.30
Supplies	137.95	0.38	111.48	0.30	109.34	0.30	112.70	0.31	112.88	0.31
Taxes - Payroll and other	84.96	0.23	79.16	0.22	79.04	0.22	78.26	0.21	73.95	0.20
Utilities	114.47	0.31	115.64	0.32	110.71	0.30	102.94	0.28	100.50	0.28
Veterinary	234.72	0.64	212.03	0.58	209.19	0.57	214.26	0.59	206.45	0.57
Other expenses	146.25	0.40	135.52	0.37	127.60	0.35	119.42	0.33	106.25	0.29
Allocation to raised animals and growing crops	<u>(745.72)</u>	<u>(2.04)</u>	<u>(719.09)</u>	<u>(1.96)</u>	<u>(819.70)</u>	<u>(2.24)</u>	<u>(636.20)</u>	<u>(1.74)</u>	<u>(477.88)</u>	<u>(1.31)</u>
 Total Operating Expenses	 <u>5,306.52</u>	 <u>14.50</u>	 <u>5,099.35</u>	 <u>13.93</u>	 <u>4,910.35</u>	 <u>13.42</u>	 <u>5,179.36</u>	 <u>14.15</u>	 <u>4,461.88</u>	 <u>12.22</u>
 Income (Loss) Before Depreciation	 (167.73)	 (0.46)	 1,526.68	 4.17	 285.89	 0.78	 (276.21)	 (0.75)	 673.50	 1.85
 Depreciation expense	 <u>534.69</u>	 <u>1.46</u>	 <u>498.66</u>	 <u>1.36</u>	 <u>407.57</u>	 <u>1.11</u>	 <u>439.60</u>	 <u>1.20</u>	 <u>427.41</u>	 <u>1.17</u>
 Income (Loss) from Operations	 <u>\$ (702.42)</u>	 <u>\$ (1.92)</u>	 <u>\$ 1,028.02</u>	 <u>\$ 2.81</u>	 <u>\$ (121.68)</u>	 <u>\$ (0.33)</u>	 <u>\$ (715.81)</u>	 <u>\$ (1.96)</u>	 <u>\$ 246.09</u>	 <u>\$ 0.67</u>

TURLOCK AND HILMAR AREA DAIRY FARM INCOME AND EXPENSES  
 FOR THE YEAR ENDED DECEMBER 31, 2015  
**FOR JERSEY HERDS**

(Based on Simple Annual Averages - Percentage of Total Income)

Milk income	90.77%
Calves, Co-Op Distributions, Ag Program Payments, and Other Income	4.57%
Gain (Loss) on Sale of Livestock	<u>4.66%</u>
 Total Income	 100.00%
 Assessments	 2.39%
Breeding and testing	1.76%
Feed	50.86%
Fertilizers and chemicals	1.34%
Fuel	1.22%
Heifer raising	12.50%
Insurance	3.13%
Interest	3.34%
Labor	10.36%
Machine hire and Outside services	6.94%
Rent - Land and other	7.03%
Repairs and maintenance	2.92%
Supplies	2.68%
Taxes - Payroll and other	1.65%
Utilities	2.23%
Veterinary	4.57%
Other expenses	2.85%
Allocation to raised animals and growing crops	<u>-14.51%</u>
 Total Operating Expenses	 <u>103.26%</u>
 Income (Loss) Before Depreciation	 -3.26%
 Depreciation expense	 <u>10.40%</u>
 Income (Loss) from Operations	 <u>-13.67%</u>

COMPARATIVE DAIRY FARM INCOME AND EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2015  
TURLOCK AND HILMAR AREA VERSUS  
**YOUR JERSEY DAIRY**

(Based on Simple Annual Average Amounts - Percentage of *Total Income*)

	<u>YOUR JERSEY DAIRY</u>		<u>LOCAL JERSEY INDUSTRY PER CENT</u>	<u>DIFFERENCE PER CENT</u>
	<u>AMOUNT</u>	<u>PER CENT</u>		
Milk income			90.77%	
Calves, Co-Op Distributions, Ag Program Payments, and Other Income			4.57%	
Gain (Loss) on Sale of Livestock			<u>4.66%</u>	
 Total Income		100.00%	100.00%	0.00%
Assessments			2.39%	
Breeding and testing			1.76%	
Feed			50.86%	
Fertilizers and chemicals			1.34%	
Fuel			1.22%	
Heifer raising			12.50%	
Insurance			3.13%	
Interest			3.34%	
Labor			10.36%	
Machine hire and Outside services			6.94%	
Rent - Land and other			7.03%	
Repairs and maintenance			2.92%	
Supplies			2.68%	
Taxes - Payroll and other			1.65%	
Utilities			2.23%	
Veterinary			4.57%	
Other expenses			2.85%	
Allocation to raised animals and growing crops			<u>-14.51%</u>	
 Total Operating Expenses			<u>103.26%</u>	
 Income (Loss) Before Depreciation			-3.26%	
 Depreciation expense			<u>10.40%</u>	
 Income (Loss) from Operations			<u><u>-13.67%</u></u>	

TURLOCK AND HILMAR AREA DAIRY FARM INCOME AND EXPENSES  
LONG-TERM TREND ANALYSIS - 2006-2015  
*FOR JERSEY HERDS*

(Based on Simple Annual Averages - Percentage of Total Income)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Milk income	90.77%	92.95%	94.61%	94.50%	95.98%	95.09%	93.14%	95.52%	94.47%	92.37%
Calves, Co-Op Distributions, Ag Program Payments, and Other Income	4.57%	3.90%	4.09%	4.36%	2.89%	4.24%	6.29%	2.75%	3.81%	6.16%
Gain (Loss) on Sale of Livestock	<u>4.66%</u>	<u>3.16%</u>	<u>1.30%</u>	<u>1.14%</u>	<u>1.13%</u>	<u>0.66%</u>	<u>0.57%</u>	<u>1.73%</u>	<u>1.72%</u>	<u>1.47%</u>
Total Income	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Assessments	2.39%	1.71%	2.08%	2.16%	1.87%	2.22%	2.70%	2.09%	1.76%	2.55%
Breeding and testing	1.76%	1.07%	1.31%	1.32%	1.33%	1.60%	1.77%	1.53%	1.31%	1.54%
Feed	50.86%	40.29%	51.95%	58.09%	43.79%	47.22%	51.71%	44.78%	35.76%	46.15%
Fertilizers and chemicals	1.34%	0.91%	0.99%	0.94%	0.88%	0.98%	1.10%	0.75%	0.61%	0.76%
Fuel	1.22%	1.31%	1.66%	1.66%	1.46%	1.38%	1.23%	1.54%	1.23%	1.76%
Heifer raising	12.50%	9.02%	11.92%	11.30%	8.43%	10.51%	12.45%	7.72%	7.13%	8.07%
Insurance	3.13%	2.12%	2.44%	2.33%	1.98%	2.56%	2.86%	2.45%	2.25%	3.54%
Interest	3.34%	2.49%	3.19%	3.35%	3.14%	3.58%	3.89%	4.42%	5.49%	6.24%
Labor	10.36%	7.13%	8.52%	8.81%	7.66%	9.67%	10.88%	8.77%	8.37%	12.25%
Machine hire and Outside services	6.94%	4.96%	5.87%	6.69%	5.80%	6.96%	6.39%	5.48%	6.41%	7.33%
Rent - Land and other	7.03%	4.96%	6.19%	6.99%	6.05%	5.99%	8.07%	7.26%	3.59%	4.23%
Repairs and maintenance	2.92%	1.97%	1.91%	2.17%	2.12%	2.47%	2.72%	2.65%	2.36%	3.29%
Supplies	2.68%	1.68%	2.10%	2.30%	2.20%	2.58%	3.17%	2.70%	2.04%	3.11%
Taxes - Payroll and other	1.65%	1.19%	1.52%	1.60%	1.44%	1.80%	1.96%	1.69%	1.60%	2.24%
Utilities	2.23%	1.75%	2.13%	2.10%	1.96%	2.21%	2.30%	1.48%	1.50%	2.09%
Veterinary	4.57%	3.20%	4.03%	4.37%	4.02%	5.38%	5.31%	4.30%	4.10%	5.55%
Other expenses	2.85%	2.05%	2.46%	2.44%	2.07%	2.46%	2.76%	2.76%	3.20%	5.90%
Allocation to raised animals and growing crops	<u>-14.51%</u>	<u>-10.85%</u>	<u>-15.77%</u>	<u>-12.98%</u>	<u>-9.31%</u>	<u>-11.03%</u>	<u>-13.85%</u>	<u>-10.64%</u>	<u>-9.27%</u>	<u>-10.75%</u>
Total Operating Expenses	<u>103.26%</u>	<u>76.96%</u>	<u>94.50%</u>	<u>105.63%</u>	<u>86.89%</u>	<u>98.55%</u>	<u>107.43%</u>	<u>91.75%</u>	<u>79.45%</u>	<u>105.85%</u>
Income (Loss) Before Depreciation	-3.26%	23.04%	5.50%	-5.63%	13.11%	1.45%	-7.43%	8.25%	20.55%	-5.85%
Depreciation expense	<u>10.40%</u>	<u>7.53%</u>	<u>7.84%</u>	<u>8.97%</u>	<u>8.32%</u>	<u>9.94%</u>	<u>12.80%</u>	<u>10.16%</u>	<u>9.73%</u>	<u>12.37%</u>
Income (Loss) from Operations	<u>-13.67%</u>	<u>15.51%</u>	<u>-2.34%</u>	<u>-14.60%</u>	<u>4.79%</u>	<u>-8.49%</u>	<u>-20.23%</u>	<u>-1.91%</u>	<u>10.82%</u>	<u>-18.22%</u>

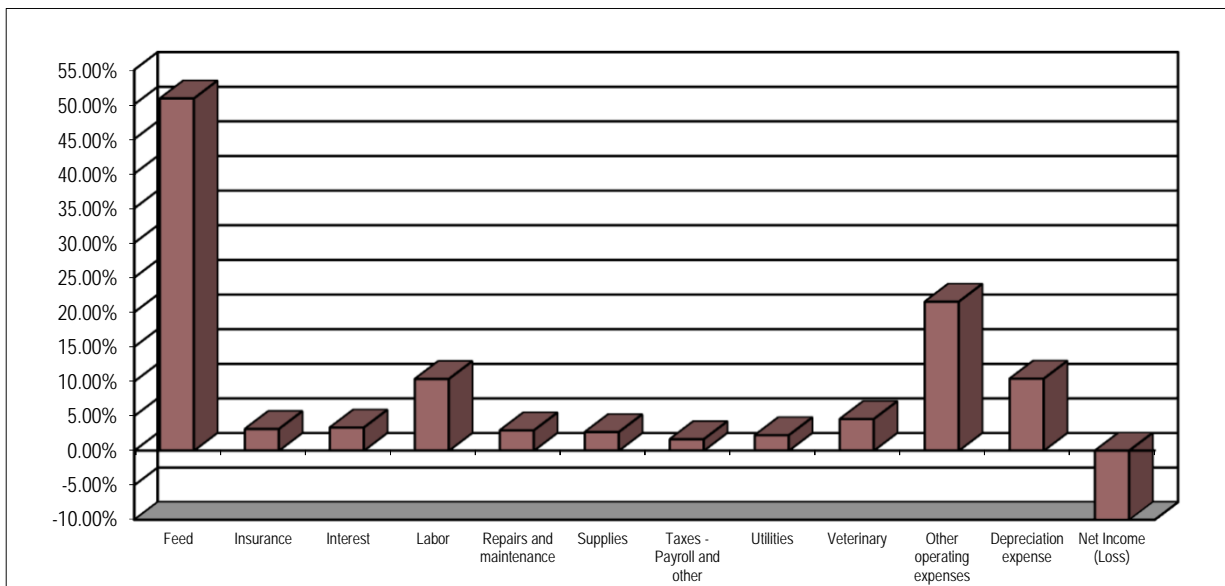
TURLOCK AND HILMAR AREA DAIRY FARM INCOME AND EXPENSES  
 FOR THE YEAR ENDED DECEMBER 31, 2015  
*FOR JERSEY HERDS*

(Based on Simple Annual Averages - Percentage of Total Income)

CONDENSED INFORMATION:

Total income	100.00%
Feed	50.86%
Insurance	3.13%
Interest	3.34%
Labor	10.36%
Repairs and maintenance	2.92%
Supplies	2.68%
Taxes - Payroll and other	1.65%
Utilities	2.23%
Veterinary	4.57%
Other operating expenses	21.51%
 Total Operating Expenses	 103.26%
Income (Loss) Before Depreciation	-3.26%
 Depreciation expense	 10.40%
Income (Loss) from Operations	-13.67%

*The following chart is a graphical presentation of the above information:*



TURLOCK AND HILMAR AREA DAIRY FARM INCOME AND EXPENSES  
 FOR THE YEAR ENDED DECEMBER 31, 2015  
**FOR JERSEY HERDS**

(Based on Simple Annual Averages - Percentage of Gross Milk Income)

Milk income	100.00%
Assessments	2.64%
Breeding and testing	1.94%
Feed	56.03%
Fertilizers and chemicals	1.48%
Fuel	1.34%
Heifer raising	13.77%
Insurance	3.45%
Interest	3.68%
Labor	11.42%
Machine hire and Outside services	7.64%
Rent - Land and other	7.74%
Repairs and maintenance	3.22%
Supplies	2.96%
Taxes - Payroll and other	1.82%
Utilities	2.45%
Veterinary	5.03%
Other expenses	3.14%
Allocation to raised animals and growing crops	<u>-15.99%</u>
 Total Operating Expenses	 <u>113.77%</u>
 Income (Loss) Before Depreciation	 -13.77%
 Depreciation expense	 <u>11.46%</u>
 Income (Loss) Over Gross Milk Income	 -25.23%
 Calves, Co-Op Distributions, Ag Program Payments, and Other Income	  5.04%
 Gain (Loss) on Sale of Livestock	 <u>5.13%</u>
 Income (Loss) from Operations	 <u>-15.06%</u>

COMPARATIVE DAIRY FARM INCOME AND EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2015  
TURLOCK AND HILMAR AREA VERSUS  
**YOUR JERSEY DAIRY**

(Based on Simple Annual Average Amounts - Percentage of *Gross Milk Income*)

	<u>YOUR JERSEY DAIRY</u>		<u>LOCAL JERSEY</u>	<u>DIFFERENCE</u>
	<u>AMOUNT</u>	<u>PER CENT</u>	<u>INDUSTRY PER CENT</u>	<u>PER CENT</u>
Milk income		100.00%	100.00%	0.00%
Assessments			2.64%	
Breeding and testing			1.94%	
Feed			56.03%	
Fertilizers and chemicals			1.48%	
Fuel			1.34%	
Heifer raising			13.77%	
Insurance			3.45%	
Interest			3.68%	
Labor			11.42%	
Machine hire and Outside services			7.64%	
Rent - Land and other			7.74%	
Repairs and maintenance			3.22%	
Supplies			2.96%	
Taxes - Payroll and other			1.82%	
Utilities			2.45%	
Veterinary			5.03%	
Other expenses			3.14%	
Allocation to raised animals and growing crops			-15.99%	
Total Operating Expenses			113.77%	
Income (Loss) Before Depreciation			-13.77%	
Depreciation expense			11.46%	
Income (Loss) Over Gross Milk Income			-25.23%	
Calves, Co-Op Distributions, Ag Program Payments, and Other Income			5.04%	
Gain (Loss) on Sale of Livestock			5.13%	
Income (Loss) from Operations			-15.06%	



TURLOCK AND HILMAR AREA DAIRY FARM EXPENSES  
LONG-TERM TREND ANALYSIS - 2006-2015

*FOR JERSEY HERDS*

(Based on Simple Annual Averages - Percentage of Gross Milk Income)

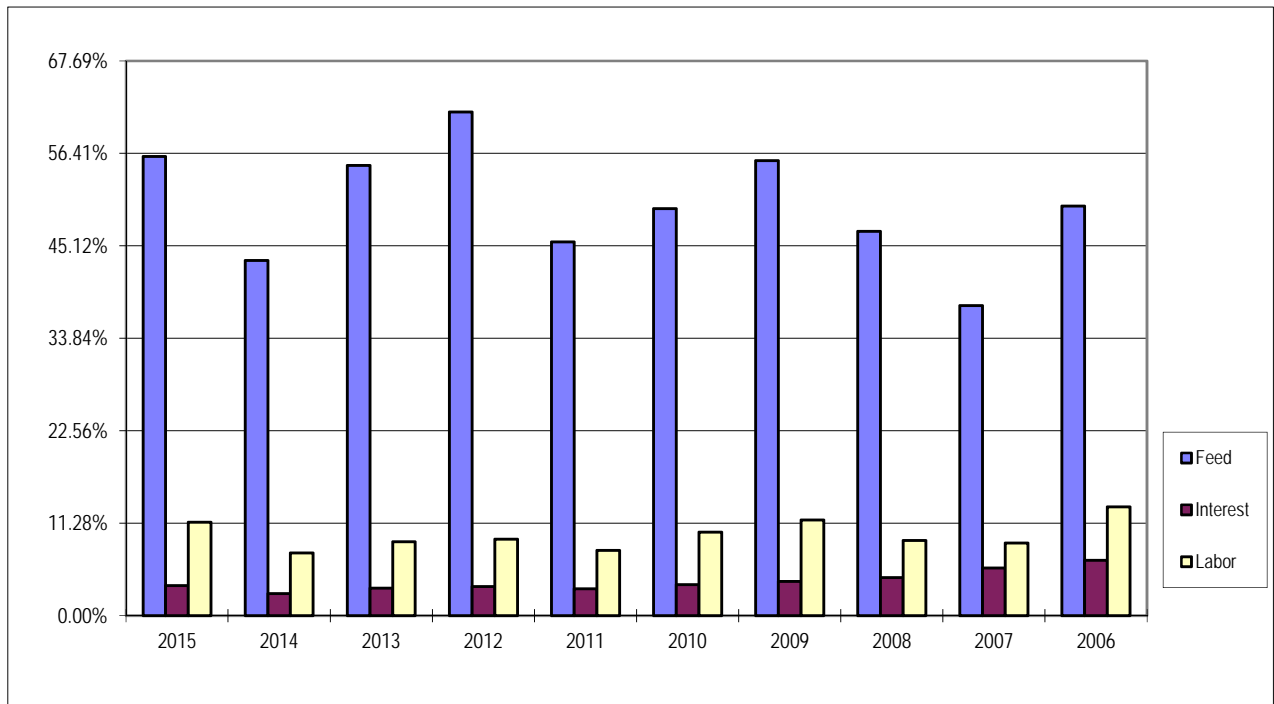
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Milk income	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Assessments	2.64%	1.84%	2.20%	2.28%	1.94%	2.33%	2.90%	2.19%	1.87%	2.76%
Breeding and testing	1.94%	1.15%	1.38%	1.40%	1.39%	1.68%	1.90%	1.60%	1.39%	1.66%
Feed	56.03%	43.35%	54.92%	61.47%	45.62%	49.66%	55.52%	46.88%	37.85%	49.96%
Fertilizers and chemicals	1.48%	0.98%	1.05%	0.99%	0.92%	1.04%	1.18%	0.79%	0.64%	0.83%
Fuel	1.34%	1.41%	1.76%	1.76%	1.52%	1.46%	1.32%	1.61%	1.30%	1.91%
Heifer raising	13.77%	9.71%	12.60%	11.95%	8.79%	11.05%	13.37%	8.09%	7.55%	8.73%
Insurance	3.45%	2.28%	2.58%	2.47%	2.07%	2.69%	3.07%	2.57%	2.38%	3.83%
Interest	3.68%	2.68%	3.37%	3.54%	3.27%	3.77%	4.18%	4.63%	5.81%	6.75%
Labor	11.42%	7.67%	9.00%	9.32%	7.98%	10.17%	11.68%	9.18%	8.86%	13.26%
Machine hire and Outside services	7.64%	5.34%	6.20%	7.08%	6.04%	7.32%	6.86%	5.74%	6.79%	7.94%
Rent - Land and other	7.74%	5.33%	6.54%	7.39%	6.30%	6.30%	8.67%	7.61%	3.80%	4.58%
Repairs and maintenance	3.22%	2.12%	2.02%	2.29%	2.21%	2.59%	2.92%	2.77%	2.50%	3.56%
Supplies	2.96%	1.81%	2.22%	2.43%	2.29%	2.71%	3.41%	2.83%	2.16%	3.37%
Taxes - Payroll and other	1.82%	1.29%	1.61%	1.69%	1.50%	1.89%	2.11%	1.77%	1.70%	2.43%
Utilities	2.45%	1.88%	2.25%	2.22%	2.04%	2.33%	2.47%	1.55%	1.59%	2.26%
Veterinary	5.03%	3.44%	4.26%	4.62%	4.19%	5.66%	5.70%	4.50%	4.34%	6.01%
Other expenses	3.14%	2.20%	2.60%	2.58%	2.16%	2.59%	2.97%	2.89%	3.38%	6.38%
Allocation to raised animals and growing crops	<u>-15.99%</u>	<u>-11.68%</u>	<u>-16.67%</u>	<u>-13.73%</u>	<u>-9.70%</u>	<u>-11.60%</u>	<u>-14.87%</u>	<u>-11.14%</u>	<u>-9.81%</u>	<u>-11.64%</u>
Total Operating Expenses	<u>113.77%</u>	<u>82.80%</u>	<u>99.88%</u>	<u>111.78%</u>	<u>90.52%</u>	<u>103.64%</u>	<u>115.34%</u>	<u>96.05%</u>	<u>84.10%</u>	<u>114.59%</u>
Income (Loss) Before Depreciation	-13.77%	17.20%	0.12%	-11.78%	9.48%	-3.64%	-15.34%	3.95%	15.90%	-14.59%
Depreciation expense	<u>11.46%</u>	<u>8.10%</u>	<u>8.29%</u>	<u>9.49%</u>	<u>8.67%</u>	<u>10.45%</u>	<u>13.75%</u>	<u>10.63%</u>	<u>10.30%</u>	<u>13.39%</u>
Income (Loss) Over Gross Milk Income	-25.23%	9.11%	-8.17%	-21.27%	0.81%	-14.09%	-29.09%	-6.68%	5.60%	-27.99%
Calves, Co-Op Distributions, Ag Program Payments, and Other Income	5.04%	4.19%	4.32%	4.62%	3.01%	4.46%	6.75%	2.87%	4.03%	6.66%
Gain (Loss) on Sale of Livestock	<u>5.13%</u>	<u>3.40%</u>	<u>1.38%</u>	<u>1.20%</u>	<u>1.18%</u>	<u>0.70%</u>	<u>0.61%</u>	<u>1.81%</u>	<u>1.82%</u>	<u>1.59%</u>
Income (Loss) from Operations	<u>-15.06%</u>	<u>16.69%</u>	<u>-2.48%</u>	<u>-15.45%</u>	<u>4.99%</u>	<u>-8.93%</u>	<u>-21.72%</u>	<u>-2.00%</u>	<u>11.45%</u>	<u>-19.73%</u>

TURLOCK AND HILMAR AREA DAIRY FARM EXPENSES  
 LONG-TERM TREND ANALYSIS - 2006-2015

*FOR JERSEY HERDS*

(Based on Simple Annual Averages - Percentage of Gross Milk Income)

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Feed	56.03%	43.35%	54.92%	61.47%	45.62%	49.66%	55.52%	46.88%	37.85%	49.96%
Interest	3.68%	2.68%	3.37%	3.54%	3.27%	3.77%	4.18%	4.63%	5.81%	6.75%
Labor	11.42%	7.67%	9.00%	9.32%	7.98%	10.17%	11.68%	9.18%	8.86%	13.26%



PER HUNDREDWEIGHT (CWT) POOL PRICES PER MONTH  
For the Years Ended December 31, 2006 - 2015

(As announced by Milk Pooling Branch - Department of Food & Agriculture)

**QUOTA**

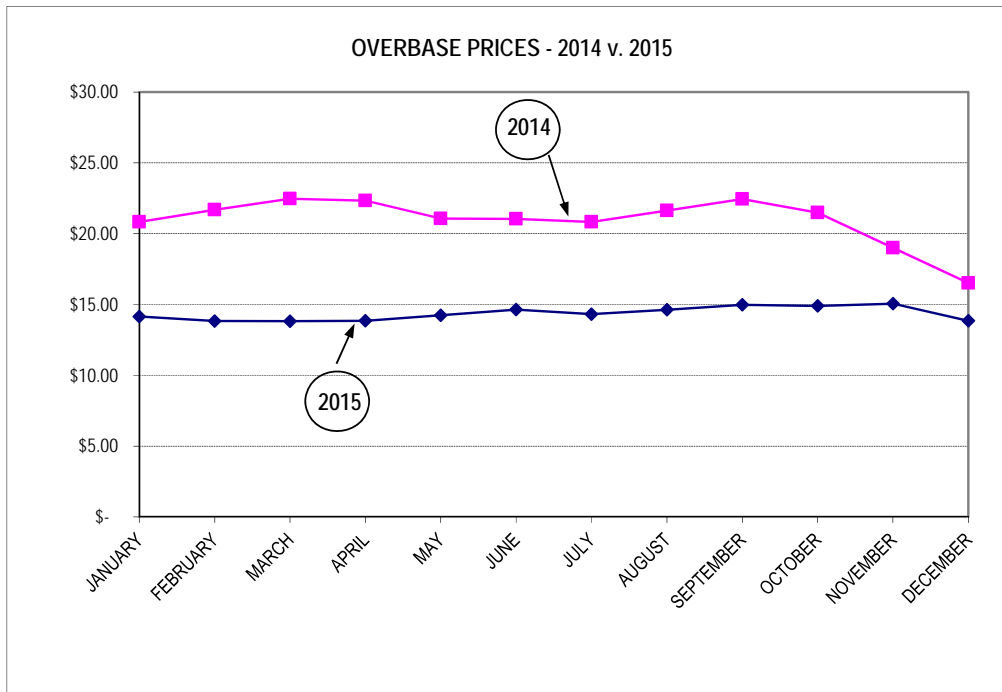
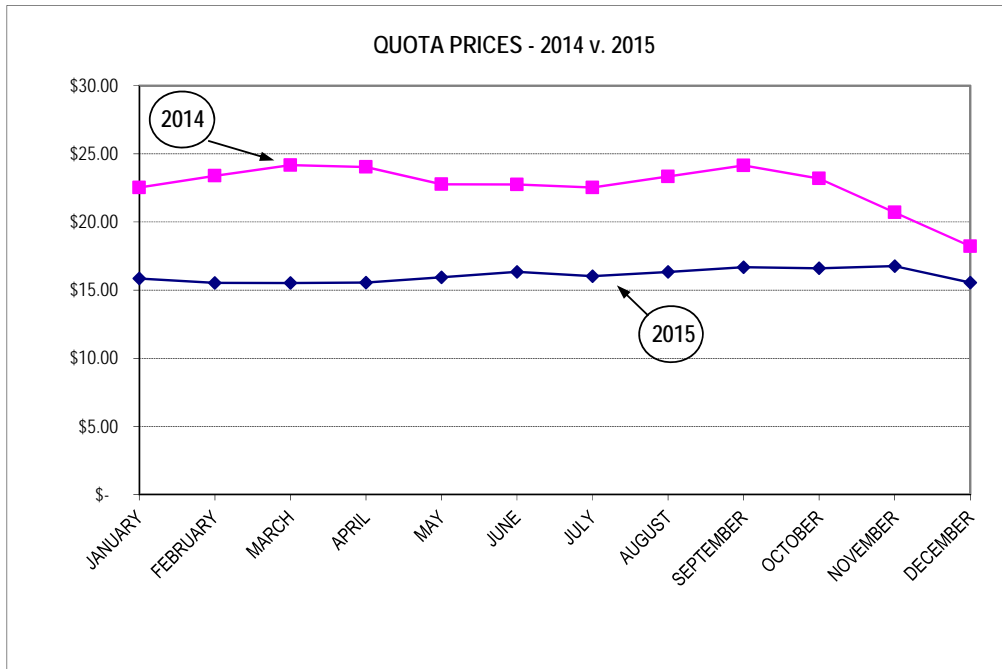
MONTH	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2014-2015	2006-2015	2006-2015
											VAR.	VAR.	AVG
JANUARY	\$ 13.87	\$ 13.82	\$ 19.14	\$ 12.10	\$ 15.18	\$ 16.12	\$ 17.25	\$ 18.30	\$ 22.53	\$ 15.85	\$ (6.68)	\$ 1.98	\$ 16.42
FEBRUARY	12.94	14.33	18.42	11.28	14.81	18.44	16.29	18.36	23.39	15.53	\$ (7.86)	\$ 2.59	\$ 16.38
MARCH	12.10	15.41	17.71	11.54	14.11	19.01	16.28	18.03	24.17	15.52	\$ (8.65)	\$ 3.42	\$ 16.39
APRIL	11.90	16.39	17.56	11.57	14.33	18.70	15.80	18.99	24.04	15.55	\$ (8.49)	\$ 3.65	\$ 16.48
MAY	11.87	18.04	18.47	11.46	14.65	18.97	15.35	19.13	22.77	15.94	\$ (6.83)	\$ 4.07	\$ 16.67
JUNE	11.91	20.52	19.12	11.32	15.17	21.19	15.67	18.78	22.75	16.34	\$ (6.41)	\$ 4.43	\$ 17.28
JULY	11.75	21.36	19.05	11.30	15.94	21.24	16.14	18.55	22.53	16.02	\$ (6.51)	\$ 4.27	\$ 17.39
AUGUST	11.99	21.76	18.01	12.18	16.54	21.23	17.48	19.01	23.34	16.33	\$ (7.01)	\$ 4.34	\$ 17.79
SEPTEMBER	12.86	21.80	17.92	12.74	17.25	19.87	18.42	19.44	24.15	16.68	\$ (7.47)	\$ 3.82	\$ 18.11
OCTOBER	12.77	21.20	17.14	13.61	17.64	18.91	20.17	19.80	23.19	16.60	\$ (6.59)	\$ 3.83	\$ 18.10
NOVEMBER	13.01	21.69	15.97	14.83	16.45	19.31	20.19	20.31	20.70	16.76	\$ (3.94)	\$ 3.75	\$ 17.92
DECEMBER	13.54	20.99	14.11	16.17	15.42	17.80	18.97	20.98	18.22	15.55	\$ (2.67)	\$ 2.01	\$ 17.18
AVERAGE	\$ 12.54	\$ 18.94	\$ 17.72	\$ 12.51	\$ 15.62	\$ 19.23	\$ 17.33	\$ 19.14	\$ 22.65	\$ 16.06	\$ (6.59)	\$ 3.51	\$ 17.17

**OVERBASE**

MONTH	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2014-2015	2006-2015	2006-2015
											VAR.	VAR.	AVG
JANUARY	\$ 12.17	\$ 12.12	\$ 17.44	\$ 10.40	\$ 13.48	\$ 14.42	\$ 15.55	\$ 16.60	\$ 20.83	\$ 14.15	\$ (6.68)	\$ 1.98	\$ 14.72
FEBRUARY	11.24	12.63	16.72	9.58	13.11	16.74	14.59	16.66	21.69	13.83	\$ (7.86)	\$ 2.59	\$ 14.68
MARCH	10.40	13.62	16.01	9.84	12.41	17.31	14.58	16.33	22.47	13.82	\$ (8.65)	\$ 3.42	\$ 14.68
APRIL	10.20	14.69	15.86	9.87	12.63	17.00	14.10	17.29	22.34	13.85	\$ (8.49)	\$ 3.65	\$ 14.78
MAY	10.21	16.34	16.77	9.76	12.95	17.27	13.65	17.43	21.07	14.24	\$ (6.83)	\$ 4.03	\$ 14.97
JUNE	10.21	18.82	17.42	9.62	13.47	19.49	13.97	17.08	21.05	14.64	\$ (6.41)	\$ 4.43	\$ 15.58
JULY	10.05	19.66	17.32	9.60	14.24	19.54	14.44	16.85	20.83	14.32	\$ (6.51)	\$ 4.27	\$ 15.69
AUGUST	10.29	20.06	16.31	10.48	14.84	19.53	15.78	17.31	21.64	14.63	\$ (7.01)	\$ 4.34	\$ 16.09
SEPTEMBER	11.16	20.10	16.22	11.04	15.55	18.17	16.72	17.74	22.45	14.98	\$ (7.47)	\$ 3.82	\$ 16.41
OCTOBER	11.07	19.50	15.44	11.91	15.94	17.21	18.47	18.10	21.49	14.90	\$ (6.59)	\$ 3.83	\$ 16.40
NOVEMBER	11.31	19.99	14.27	13.13	14.75	17.61	18.49	18.61	19.00	15.06	\$ (3.94)	\$ 3.75	\$ 16.22
DECEMBER	11.84	19.29	12.41	14.47	13.72	16.10	17.27	19.28	16.52	13.85	\$ (2.67)	\$ 2.01	\$ 15.48
AVERAGE	\$ 10.85	\$ 17.24	\$ 16.02	\$ 10.81	\$ 13.92	\$ 17.53	\$ 15.63	\$ 17.44	\$ 20.95	\$ 14.36	\$ (6.59)	\$ 3.50	\$ 15.47

PER HUNDREDWEIGHT (CWT) PRICES PER MONTH  
 For the Years Ended December 31, 2014 v. 2015

(As announced by Milk Pooling Branch - Department of Food & Agriculture)



AVERAGE PER HUNDREDWEIGHT (CWT) POOL PRICES  
For the Years Ended December 31, 2006 - 2015

<u>YEAR</u>	<u>QUOTA AVERAGE</u>	<u>OVERBASE AVERAGE</u>
2006	12.54	10.85
2007	18.94	17.24
2008	17.72	16.02
2009	12.51	10.81
2010	15.62	13.92
2011	19.23	17.53
2012	17.33	15.63
2013	19.14	17.44
2014	22.65	20.95
2015	16.06	14.36

