

**AVERAGE INCOME AND EXPENSES  
FOR GENSKE, MULDER & CO. ARIZONA DAIRY CLIENTS  
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<b>AMOUNT</b>	<b>PER CWT</b>	<b>PER COW</b>
<b>INCOME:</b>			
Milk	\$5,364,788	\$11.51	\$2,189
Calves and heifers	118,683	0.25	48
Patronage dividend	25,443	0.06	10
Other	85,296	0.18	35
<b>Total income</b>	<b>\$5,594,210</b>	<b>\$12.00</b>	<b>\$2,282</b>
<b>EXPENSES:</b>			
<b>Feed:</b>			
Hay and silage	\$1,220,082	\$2.62	\$498
Grain	1,770,516	3.79	722
Less cost of feeding heifers	(340,402)	(0.73)	(139)
<b>Total feed</b>	<b>\$2,650,196</b>	<b>\$5.68</b>	<b>\$1,081</b>
<b>Herd replacement cost:</b>			
Depreciation - dairy cows	\$479,901	\$1.03	\$196
Loss on sale of cows	261,605	0.56	107
<b>Total herd replacement cost</b>	<b>\$741,506</b>	<b>\$1.59</b>	<b>\$303</b>
<b>Other operating expenses:</b>			
Interest and rent	\$495,283	\$1.06	\$202
Labor	600,727	1.29	245
Depreciation - other	218,155	0.48	89
Milk hauling	305,373	0.65	124
Promotion	167,710	0.36	68
Supplies	227,787	0.49	93
Posilac - BST	14,132	0.03	6
Corral cleaning	30,074	0.06	12
Repairs and maintenance	156,273	0.34	64
Utilities	172,010	0.37	70
Taxes and licenses	84,114	0.18	34
Insurance	45,683	0.10	19
Fuel and oil	41,962	0.09	17
Legal and accounting	20,251	0.04	8
Employee benefits	13,622	0.03	6
Veterinary and breeding	66,629	0.14	27
Testing and trimming	36,565	0.08	15
Hauling livestock	20,849	0.04	9
Miscellaneous	3,236	0.01	1
Less cost of raising heifers	(81,954)	(0.18)	(33)
<b>Total other expenses</b>	<b>\$2,638,481</b>	<b>\$5.66</b>	<b>\$1,076</b>

Total expenses	\$6,030,183	\$12.93	\$2,460
<b>NET LOSS</b>	<b>(\$435,973)</b>	<b>(\$0.93)</b>	<b>(\$178)</b>

**AVERAGE DAIRY STATISTICAL DATA:**

Average number of milking cows	1,992
Average daily production per cow	64
Average butterfat test	3.63 %
Average protein test	3.33 %
Herd turnover rate	25.36 %

The above average Arizona dairy income and expenses for the year ended December 31, 200: financial statements of a large number of our clients. This is provided as a service to our client them in comparing their results of operations with those of averages of other Arizona dairies.

This report does not statistically represent the averages for the Arizona dairy industry since our random sample of the dairy industry. It is, however, a management tool to make your financial to you. We welcome your suggestions and comments on this report.

**PERCENT**

95.9 %

2.1

0.5

1.5

**100.0 %**

21.8 %

31.7

(6.1)

**47.4 %**

8.5 %

4.7

**13.2 %**

8.8 %

10.7

3.9

5.4

3.0

4.1

0.3

0.5

2.8

3.1

1.5

0.8

0.8

0.4

0.2

1.2

0.7

0.4

0.1

(1.5)

**47.2 %**

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107.8 %

(7.8) %

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l statement more useful