



FARM CREDIT EAST



2025 NORTHEAST DAIRY FARM SUMMARY & MID-YEAR OUTLOOK



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ACKNOWLEDGMENTS

The *Northeast Dairy Farm Summary (DFS)* was first published in 1980 with data from 1979. No research project of this scope would be possible without the collaboration and hard work of many individuals. The current author would like to thank the authors who preceded him in writing the *DFS* over the past 46 years.

In addition, thanks are due to all Farm Credit lending and financial services staff, who reconciled the financial data from numerous farms and entered the information into our system. Every year, their hard work provides the raw material for creating the *DFS*. This report is truly a “team effort.”

Most importantly, the entire Farm Credit team extends our sincere thanks to the hardworking Northeast dairy producers who entrusted their farm data to this project. We hope the end product is helpful in your continual pursuit of improved farm management. You inspire us all with the valuable work that you do.

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HIGHLIGHTS OF THE 2025 NORTHEAST DAIRY FARM SUMMARY

- ❖ Net earnings for our sample of 136 Northeast farms increased by 34%, to an average of \$791 per cow (when averaged across size categories) in 2025,¹ from \$592 per cow in 2024.
- ❖ Total costs increased by 4% from 2024 to 2025. Total costs including depreciation and family living per cwt. increased by \$1.07 per cwt., from \$26.54 to \$27.61 in 2025.
- ❖ Net cost of production² (NCOP) decreased to \$19.83 per cwt., \$1.66 lower than 2024's \$21.49. Multiple factors contributed to this decrease including greater non-milk farm income and larger herd sizes in our sample.
- ❖ Feed expense, a farm's largest cost, increased from \$1,760 per cow in 2024 to \$2,002 per cow in 2025.
- ❖ Productivity increased. Per cow production in our sample herds was 3.4% greater than the prior year. Average cows per worker increased from 47 to 51.
- ❖ Cash flow was sufficient, on average, to meet all financial commitments (e.g., operating expenses, debt repayment, family living and income taxes), resulting in an average cash margin (excluding government payments) per cwt. of \$2.12.³
- ❖ Percent net worth in our sample declined to 62%. This was largely due to an increase in total liabilities. Total debt-per-cow increased from \$6,514 to \$7,744.

PROFILE OF THE AVERAGE DFS DAIRY FARM⁴

	2024	2025
Number of Cows	820	941
Milk Sold per Cow	25,130 lbs.	25,976 lbs.
Milk Sold per Worker	1,195,659 lbs.	1,338,310 lbs.
Milk Price per Cwt.	\$23.93	\$22.21
NCOP per Cwt.	\$21.49	\$19.83
Net Worth	68%	62%
Net Earnings per Cow	\$592	\$791
Net Household Income per Cow	\$654	\$845
Return on Assets	4.9%	7.8%

¹ On an accrual basis, after family living, not including nonfarm income.

² Total farm expense, plus family living, less non-milk income. For more information, see Figure 6.

³ See Figure 7.

⁴ Averaged across size categories.



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INTRODUCTION

Farm Credit East is pleased to present the 2025 *Northeast Dairy Farm Summary (DFS)* and outlook for the remainder of 2026. Now in its 46th year, the annual *DFS* is a unique project within the U.S. dairy industry, providing a major regional summary of actual dairy farm business results. Through assessment of the financial health and progress of Northeast dairy farm businesses, it is intended to provide dairy producers, Farm Credit staff, Northeast public policymakers and dairy industry leaders with a better understanding of the current status of the Northeast's largest farm sector.

The *DFS* has never been a true longitudinal study as the dairy farms analyzed in the report change slightly from year to year. However, we believe the study provides important insights as to the changes in economics of dairy farming in the region year-over-year and over the long term.

In this year's report, we believe the sample of 136 farm operations represents a cross section of more profitable-than-average Northeast dairy farm businesses, most of which maintain loan relationships with Farm Credit.

The farms analyzed range from 70 milking cows to more than 5,000. While our sample is skewed towards larger farms than the actual distribution of farm sizes in the region, we have weighted each of the three size categories (1-299 cows; 300-699 cows; and 700 or more) equally in calculating all-farm averages. This ensures the results are more reflective of the distribution of herd sizes in the Northeast.

By only including farms able to supply complete and accurate financial statements by May 1, 2026, the sample is likely skewed toward farms with good records that may be more profitable than the true average of all dairy producers in the region. Thus, we should emphasize that this report presents data based on the sample of dairy farms that chose to participate in our study and is not necessarily representative of the entirety of the Northeast dairy farm industry.

All farms included in the study received the majority of their income from milk and cattle sales, but many farms have additional business income, such as custom work, maple sugaring or crop sales. We have purposely not excluded these farms from the sample (unless such income exceeds 50% of total farm income) as we believe it reflects the diverse nature of Northeast dairying, where many producers have supplementary income streams.

If such ancillary business activity constitutes a separate enterprise from dairying, and both revenue and expenses can be broken out, the net return is included in *nonfarm income*, along with income from off-farm employment. If the expenses of this ancillary activity cannot be separated from the dairy farming expenses (labor costs are often co-mingled), such revenue is included in *other farm income*. Thus, the total farm income represented in this report often includes some return from these affiliated business ventures, increasing the income that would have been generated from the dairy enterprise alone. This is typically more significant for farms with smaller herd sizes.

The *DFS* tends to focus discussion on the "average farm." While there is no single farm which is exactly "average," focusing on the average farm within our sample allows us to highlight changes of Northeast dairy farms over time. While the use of averages may lead to an effective discussion with respect to change and overall industry trends, it tends to minimize the best and worst conditions experienced by farms within the sample.

This continues to be true in a year such as 2025. While the "average farm" within our group of 136 had \$791 per cow in net earnings, many of the farms in our sample had net losses. Results ranged from more than \$3,000 in net earnings per cow, to a loss of more than \$2,000 per cow. The standard deviation of net earnings was \$990, indicating a great deal of variability within the sample.

Focusing on average results discounts the fact that while many producers achieve positive earnings, others, of all sizes, struggle to make a profit in this challenging industry due to a variety of factors. For this reason, we also look at the data within individual herd-size groups and within the top and bottom profitability groups.

The *DFS* has been published for 46 consecutive years, beginning in 1980 with 1979 financial data. Past editions are available upon request.

ANALYSIS OF 2025

MILK PRICE DECLINED; FEED COSTS INCREASED

Figure 1

Dairy Farm Profitability

	Net Earnings per Cow [*]	Standard Deviation	Return on Assets ^{**}	Return on Equity ^{***}
2021	\$ 374	\$ 609	3.8%	4.0%
2022	\$ 945	\$ 784	6.9%	8.2%
2023	\$ 292	\$ 700	3.1%	2.3%
2024	\$ 592	\$ 938	4.9%	4.4%
2025	\$ 791	\$ 990	7.8%	6.3%
3-Year Average	\$ 558		5.3%	4.3%
5-Year Average	\$ 599		5.3%	5.0%
10-Year Average	\$ 437		4.4%	4.1%

^{*} Net earnings does not include nonfarm income.

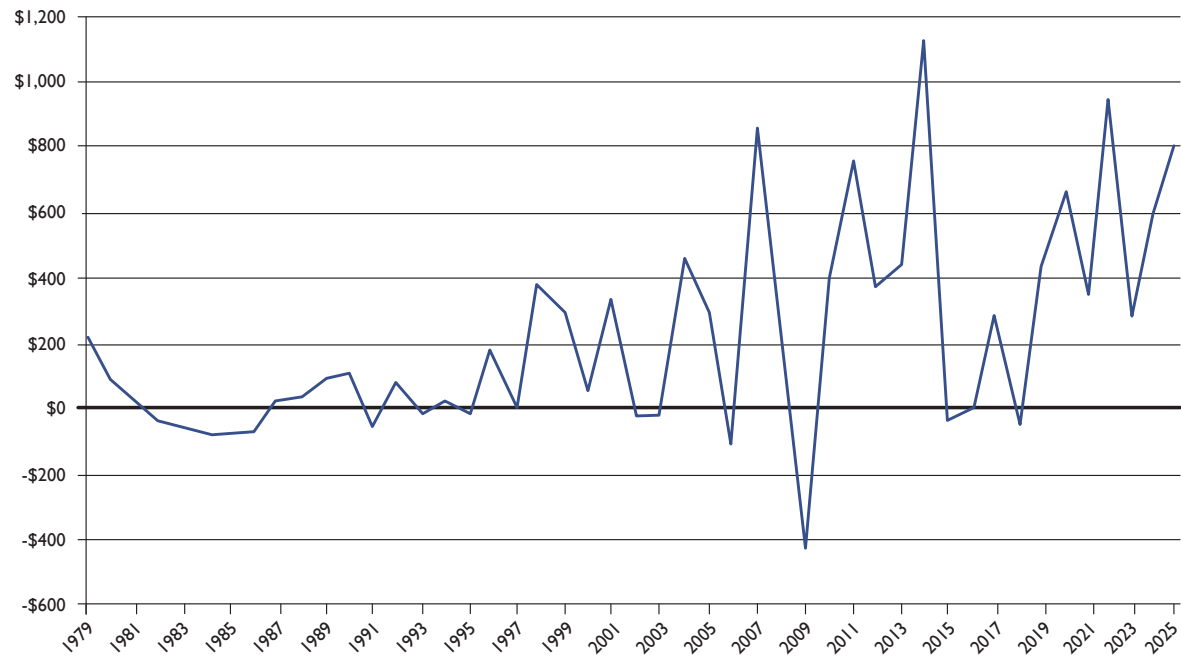
^{**} Return on assets = (net earnings + interest) / average total assets

^{***} Return on equity = net earnings / average net worth



Figure 2A

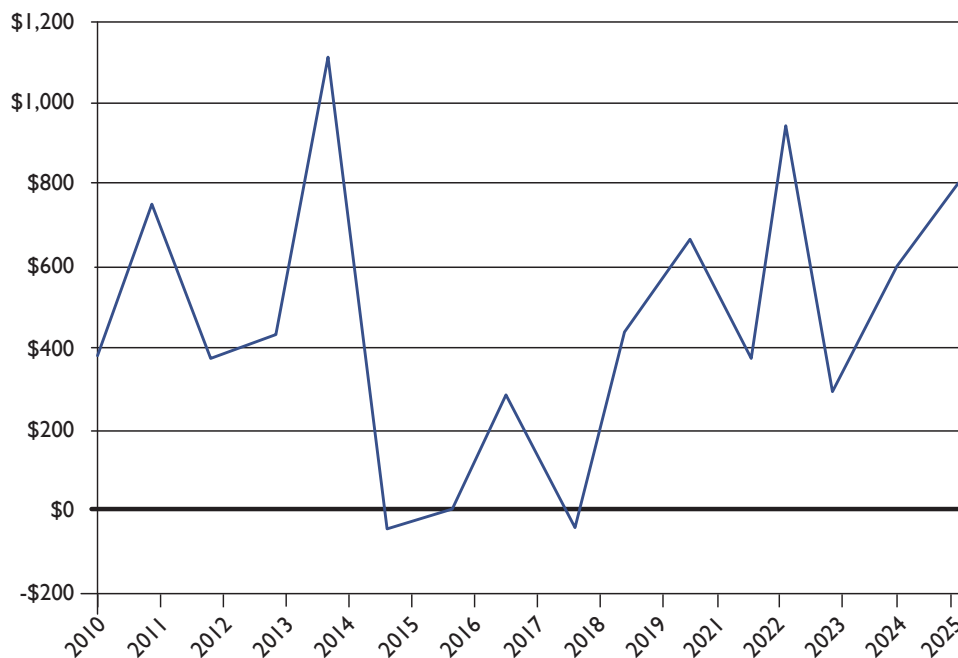
Net Earnings Per Cow 1979-2025



The milk price farmers received in 2025 decreased by \$1.72 per cwt., on average, compared to the prior year. The milk price received by the farms in our sample averaged \$23.93 in 2024. This declined to \$22.21 in 2025.

Figure 2B

Net Earnings Per Cow 2010-2025



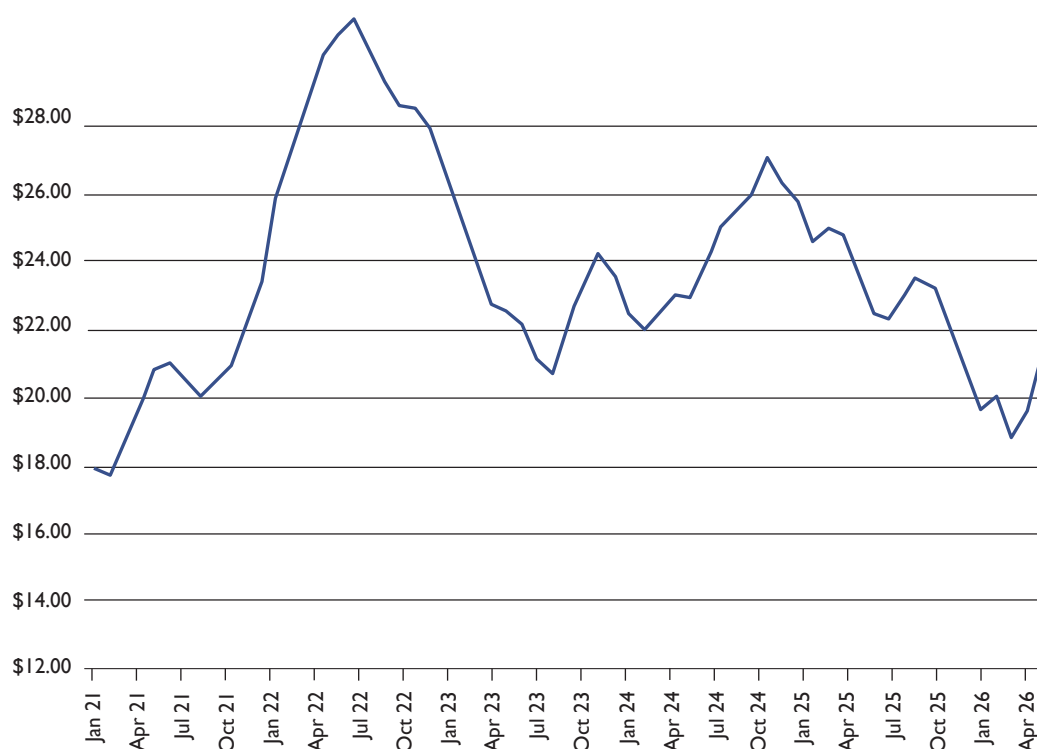
The Federal Milk Marketing Order One (FMMO1) statistical uniform price (at 3.5% butterfat) decreased from an average of \$21.44 in 2024 to an average of \$19.74 in 2025, as can be seen in Figure 3.

The average net cost of production, adjusting for non-milk farm income, decreased from \$21.49/cwt. to \$19.83/cwt., a change of -\$1.66.

Looking back over a five-year period, farms in our 2025 sample realized average net earnings of \$791 per cow, substantially above the 5-year average, which was \$599 per cow. Earnings ranged from \$292 per cow in 2023 to a high of \$945 in 2022 (not counting nonfarm income, such as a spouse's off-farm job).

Figure 3

FMMO1 Statistical Uniform Price at 3.5% Butterfat



Source: Federal Milk Marketing Order One, Statistical Uniform Price at 3.5% Butterfat

In the 46-year history of the *DFS*, 2025 ranks 4th in terms of profitability in nominal terms, but 7th when adjusted for inflation. 2025's net earnings of \$791 per cow places it well above the mean of \$221 in overall nominal net earnings for the study period.

While the cumulative return for *DFS* farms over the life of the study remains positive, the average farm has lost money in 15 of the 46 years of the *DFS*. Farms that experience multiple years of net losses have tended to drop out of the study, often exiting the industry, leaving more profitable farms remaining.

This summary uses three primary measures of profitability, each of which provides a useful perspective on dairy farm financial performance:

- ❖ **Net earnings per cow** measures sheer dollars of profit earned and includes all farm business sources of income.
- ❖ **Return on assets (ROA)** measures profit earned relative to the present market value of total farm assets. This indicates the earning power of each dollar invested in the farming operation, regardless of whether it comes from the farm operator or was borrowed from a lender.
- ❖ **Return on equity (ROE)** measures profit earned relative to the farmer’s equity investment in the operation. This measure is the best indicator of how the dairy producer’s investment is paying off compared to the potential return if the funds were invested another way.

A single year does not provide an accurate picture of the dairy industry’s long-term operating performance, especially given the volatility in recent years. To further illustrate, in the last 17 years we have seen three of the top four years for profitability in *DFS* history (2014, 2022 and 2011) as well as the greatest loss in *DFS* history (2009). Given these extremes, multi-year averages yield a more accurate picture of the industry. If we look at both shorter- and longer-term averages, we see similar results (Figure 4). Continued year-to-year volatility confirms the challenges and opportunities faced by Northeast dairy producers.

Figure 4

Comparison of Multiyear Averages

	Three-Year Average	Five-Year Average	Ten-Year Average
Net Earnings per Cow	\$558	\$599	\$437
Return on Assets	5.3%	5.3%	4.4%
Return on Equity	4.3%	5.0%	4.1%

It is important to differentiate net earnings (profit) from cash flow. Farm businesses rely on cash flow to pay ongoing bills, but cash flow is not an accurate measure of profitability. Net earnings are an accrual measure of profit, which represents a farm business’s ability to provide an economic return for the operator’s investment and management. It offers the best measure of a farm’s profitability by adjusting cash farm income and expenses to reflect changes in inventories, accounts receivable, accounts payable and prepaid expenses. Conversely, some farms may show positive net income on an accrual basis yet struggle with cash flow.

It is important to note that principal payments on debt, while a significant cash obligation, are not a deductible expense and must be paid out of earnings. Thus, both accrual net earnings and positive cash flow are essential for a dairy farm to survive and grow. Furthermore, the owners of a business do not get to keep all the net earnings of that business as debt principal payments and reinvestment in the business must come out of that sum.

As stated previously, the average 2025 farm milk price at \$22.21 per cwt. was -\$1.72, or 7% lower than 2024’s \$23.93. It was \$0.77 less than the five-year average of \$22.98 per cwt. (Figure 5A). In terms of actual (nominal dollars, not adjusted for inflation) milk prices, 2025 ranked 5th in the 46 years of the *DFS*. However, to better understand the true story of how milk

prices have changed over time, we must account for the impact of inflation (Figure 5B). In terms of “real,” inflation-adjusted rankings, 2025 drops to 41st. The first year of the *DFS*, 1979, ranks first, with an inflation-adjusted milk price of \$44.60/cwt. in 2025 dollars.

Figure 5A

Farm Milk Prices Per Cwt. (Nominal vs. 5-Year Average)

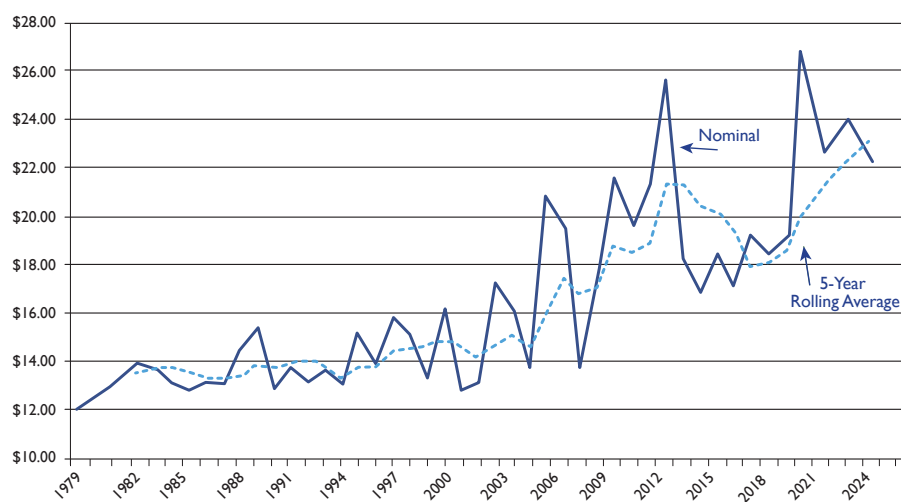
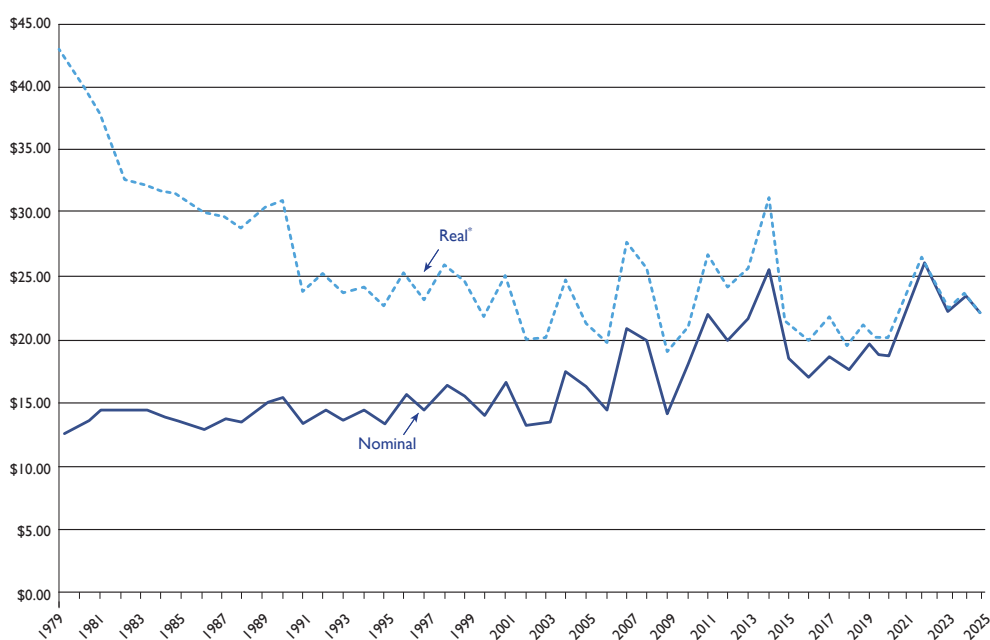


Figure 5B

Farm Milk Prices Per Cwt. (Nominal vs. Real Dollars)



*Nominal price adjusted for inflation - 2025

NET COST OF PRODUCTION DECREASES SLIGHTLY, WITH CONSIDERABLE VARIATION

The net cost of producing milk in the Northeast has fluctuated over the past five years.

Three key figures to review for 2025's cost of production analysis of the average dairy farm in the *DFS* include:

- ❖ Cash operating expenses were \$25.20 per cwt., \$1.28 greater than 2024.⁵
- ❖ Total costs, including depreciation and family living, were \$27.61 per cwt., \$1.07 per cwt. higher than 2024.
- ❖ Non-milk farm income for 2025 was significantly greater than in 2024. Increased value of cattle sales was the main contributor to this. After subtracting non-milk farm income, NCOP was \$19.83 per cwt., \$1.66 below the previous year.⁶

Figure 6

Cost of Producing Milk – Accrual Basis

	2021	2022	2023	2024	2025
	Dollars per Cwt.				
Feed	\$ 6.90	\$ 8.04	\$ 7.93	\$ 7.00	\$ 7.71
Labor	3.42	3.10	2.84	3.13	3.32
Interest	0.60	0.84	1.15	1.58	1.52
Freight & Trucking	1.29	1.42	1.96	1.51	1.32
Crop Inputs	1.33	1.92	1.79	1.57	1.68
Other Expenses	<u>6.25</u>	<u>8.97</u>	<u>9.31</u>	<u>9.13</u>	<u>9.64</u>
Adjusted Cash Operating Expenses	\$19.79	\$24.29	\$24.98	\$23.92	\$25.20
+ Depreciation	1.31	1.82	1.92	1.96	1.81
+ Family Living	<u>0.40</u>	<u>0.70</u>	<u>1.13</u>	<u>0.66</u>	<u>0.60</u>
Total Costs	\$21.50	\$26.81	\$28.03	\$26.54	\$27.61
- Non-Milk Income*	<u>2.90</u>	<u>3.94</u>	<u>5.39</u>	<u>5.05</u>	<u>7.78</u>
Net Cost of Production**	\$18.60	\$22.87	\$22.64	\$21.49	\$19.83

* Non-milk income includes cattle, crop and other income adjusted for inventory changes.

** Before any return on equity. If we assume a return on equity to be an imputed cost, each 1 percent return on equity would be equivalent to another \$0.49 added to the NCOP for 2025. For a 6% ROE, NCOP would be \$22.31.

⁵ Does not include family living or depreciation.

⁶ Non-milk farm income includes cattle, crop sales and other farm income. Nonfarm income and government payments are not factored into NCOP.

Despite fluctuations in many expenses in recent years, Northeast dairy producers have managed to limit cost-of-production increases. Categories where costs increased included interest, labor and depreciation.

Minimum wage increases in many Northeast states and an overall tightening of the labor market continue to put upward pressure on labor costs per hour, leading to a push for efficiency and lower staffing levels on many farms.

In New York, 2020 saw the implementation of mandatory overtime pay for agricultural workers, with a 60-hour threshold for time-and-one-half pay. Subsequently a planned phase-down of that threshold to 40 hours over a 10-year period was approved, as recommended by the Farm Laborers Wage Board. The phase down began in 2024, with a 56-hour threshold, and continues in 2026, with a 52-hour threshold. The ratcheting down will take place every two years, with a 4-hour reduction in the threshold until it reaches 40 hours in 2032. The industry will need to make significant adjustments to maintain profitability and operations once the threshold is reduced to 40 hours.

One factor in this effort is a refundable tax credit that New York farms are eligible for to cover the overtime premium required between the threshold and 60 hours. Given that hired labor is typically the second greatest expense on most dairy farms, managing labor efficiently is a significant contributor to the profit (or loss) of a farm.

Farms have responded to increased wage expenses in different ways. Some smaller farms reduced either the hours worked by hired labor or the number of hired workers and increased their usage of family labor. Some larger farms tried to become more efficient in their use of hired workers by increasing the number of cows per worker and by reducing hours to the 56-hour threshold or close to it. Some attempted to hire additional workers to manage the amount of overtime per worker, with varying degrees of success. The scarcity of both local resident and migrant workers, as well as housing limitations made this tactic a challenge, and indeed many farms had to operate in 2025 with fewer workers than they might have liked.

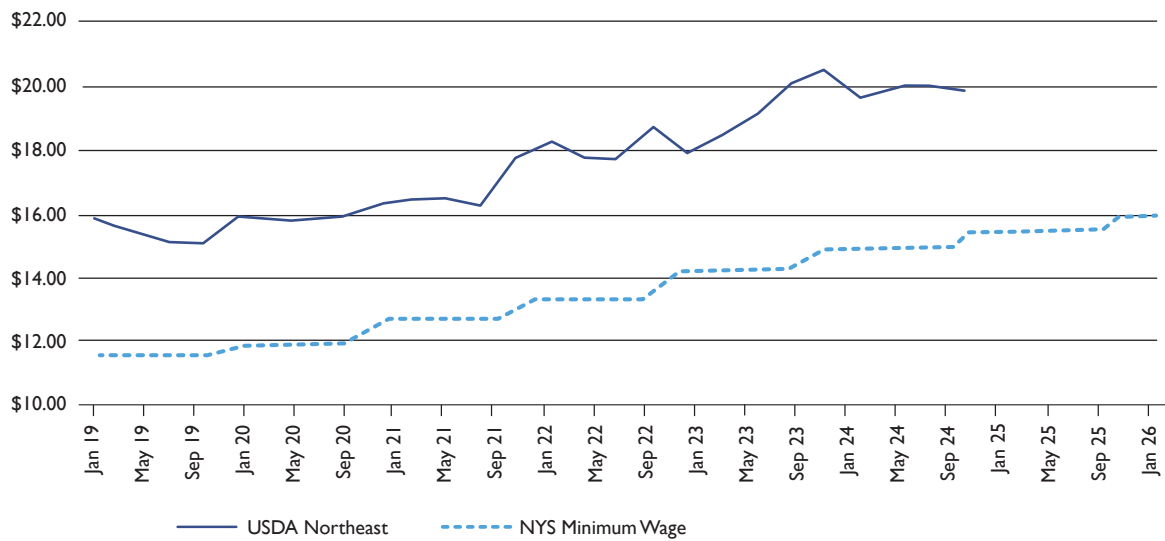
The significant usage of family labor on Northeast farms somewhat masks the impact of increasing hired labor costs, most notably on smaller farms. Many farms using mostly family labor show a very small amount for hired labor expense, relying on the family living draw for compensation. We make no adjustment for un-paid or under-paid family labor in the *DFS*, reporting only the actual funds spent without any imputed cost for this work, despite the fact that it has significant value.

Labor costs have risen significantly over the last several years. The USDA's National Agricultural Statistics Service (NASS) surveyed wage rates for farm workers, and found that in January 2019, hired farm workers in the "Northeast I" region, which includes New England and New York, were paid an average of \$15.86 per hour. By April 2025, hired workers were paid an average of \$19.98 per hour.⁷ Meanwhile, the minimum wage in many Northeast states continues to increase. As of January 2026, the minimum wage in Upstate New York is \$16.00 per hour.

⁷ USDA, NASS Farm Labor Survey (Discontinued in 2025).

Figure 6A

Wage Rates for Hired Workers



While the cost of hired workers per hour has increased significantly in recent years, Northeast dairy farmers have been able to keep labor cost increases per cwt. of milk produced to a manageable level. This has been achieved partly through increasing the number of cows per worker, as well as having more productive cows.

This year's study includes 111 farms from New York and 25 farms from New England (Connecticut, Maine, Massachusetts, New Hampshire and Vermont). When we look at the cost of production by region, we can see differences in many expense categories (Figure 7 and D Tables). It should be noted, however, that given the small sample size of New England farms, caution should be used in extrapolating the data to the entire region.



Figure 7

NCOP By Region

Cost per Cwt.	New England	New York
Feed	\$ 8.27	\$ 7.97
Labor	4.09	3.65
Interest	1.31	1.20
Freight & Trucking	1.55	1.59
Crop Inputs	1.57	1.40
Other Expenses	<u>9.47</u>	<u>7.82</u>
Adjusted Cash Operating Expenses	\$26.27	\$23.63
+ Depreciation	1.32	1.67
+ Family Living	<u>0.27</u>	<u>0.25</u>
Total Costs	\$27.85	\$25.56
- Non-Milk Income*	<u>5.16</u>	<u>6.82</u>
Net Cost of Production	\$22.68	\$18.74

Looking at specific cost categories across our entire sample of farms, and comparing 2025 to 2024, purchased feed was the category with the most significant increase in dollar terms.



Figure 8

Specific Cost Categories

	2024		2025		Percent Change	
	per Cow	per Cwt.	per Cow	per Cwt.	per Cow	per Cwt.
Feed	\$1,760	\$7.00	\$2,002	\$7.71	13.8%	10.0%
Labor	\$ 786	\$3.13	\$ 862	\$3.32	9.7%	6.1%
Fuel	\$ 215	\$0.86	\$ 198	\$0.76	-7.9%	-10.9%
Supplies	\$ 371	\$1.48	\$ 330	\$1.27	-11.1%	-13.9%
Repairs	\$ 408	\$1.62	\$ 438	\$1.69	7.4%	3.9%
Interest	\$ 397	\$1.58	\$ 396	\$1.52	-0.3%	-3.5%
Crop Inputs	\$ 394	\$1.57	\$ 436	\$1.68	10.7%	7.1%
All Other Expenses	\$2,170	\$8.64	\$2,354	\$9.06	8.5%	4.9%

The formula used in the *DFS* for calculating NCOP is as follows:

[Cash Operating Expenses (with accrual adjustments made for pre-pays, accounts payable, etc.)

+ Calculated Depreciation⁸ + Family Living Expense] - Non-Milk Farm Income⁹ = Net Cost of Production.

It is important to note that the \$19.83/cwt. average NCOP includes no return on the producer's equity investment.

While it may be debatable what an appropriate return on equity (ROE) might be, earning some level of return should be a business objective, and is indeed necessary for the repayment of debt and for reinvestment in the business. For the average *DFS* producer in 2025, each 1% return on equity would be equivalent to an additional \$0.49 per cwt. If we were to include a 6% ROE goal as part of NCOP, for example, this would be equivalent to a \$22.77 NCOP, a value greater than the actual milk price received in 2025.

Figure 9 shows NCOP by herd size. Generally, larger herds have an advantage in spreading fixed costs over more units, driving per-unit cost down through higher production per cow and greater capital efficiency. Smaller herds typically have lower hired labor costs (due to more owner and family labor) and higher non-milk income per unit; family living and other costs are usually higher, on a per-unit basis. Notably, however, in 2025, non-milk income generally increased with herd size, as larger farms had more income from beef-on-dairy and cull cow sales.

⁸ For the *DFS*, all farms have their submitted depreciation restated by applying a standard percentage of straight-line depreciation to various asset classes in order to compare consistent numbers from farm to farm and avoid variations driven by accounting and changes in tax laws.

⁹ Non-milk income includes cattle, crop and other income adjusted for inventory changes, but does not include nonfarm income or government payments.

Figure 9

NCOP By Herd Size

Cost per Cwt.	< 299 Cows	300-699 Cows	700+ Cows
Feed	\$ 7.05	\$ 8.02	\$ 8.03
Labor	2.37	3.85	3.71
Interest	1.82	1.65	1.13
Freight & Trucking	1.03	1.29	1.64
Crop Inputs	1.85	1.88	1.33
Other Expenses	<u>11.76</u>	<u>9.73</u>	<u>7.57</u>
Adjusted Cash Operating Expenses	\$25.88	\$26.42	\$23.41
+ Depreciation	1.98	1.92	1.55
+ Family Living	<u>1.13</u>	<u>0.48</u>	<u>0.20</u>
Total Costs	\$28.99	\$28.82	\$25.17
- Non-Milk Income *	<u>6.02</u>	<u>7.26</u>	<u>9.91</u>
Net Cost of Production	\$22.97	\$21.56	\$15.26

It is critical to note that while we often speak of NCOP as a single number, in reality each individual farm has its own cost of production. These averages are determined by calculating the mathematical mean of the farms in each of the three size categories in the study (<300 cows, 300-699, and 700+). This means that many farms had NCOP greater than average and many lower.

CASH FLOW FROM MILK INCOME DECREASES SLIGHTLY

Cash flow is another measure of financial health for a dairy operation or any business. Each business has a minimum cash requirement to meet its ongoing commitments, such as operating costs, overhead, debt service payments and family living. The remainder can be used for capital investment, such as to replace older equipment, build liquidity or invest in a retirement fund.

Cash margin from milk income decreased slightly from the prior year in 2025, averaging \$1.48/cwt. compared to \$1.65 in 2024, -\$0.40 in 2023, \$6.43 in 2022, and \$0.66 in 2021 (Figure 10).¹⁰ Prior to 2019, the average DFS farm had four straight years of negative cash flows. This means that although the average farm in our sample had positive cash flow for the years from 2019-2022 and then again in 2024-2025, they may still carry increased debt loads from prior years of negative cash flows.

Given the variation in average cash margins, making a financial decision based on a single year's performance would be difficult. Prudent management suggests that farms should evaluate their decisions based on performance over a period of time, rather than a single good or bad year.

¹⁰ The cash flow analysis shown in Figure 10 does not include government payments.

Figure 10

Cash Flow Analysis Per Cwt.

	2021	2022	2023	2024	2025
Actual Milk Price	\$19.21	\$26.66	\$22.76	\$23.93	\$22.21
Cash Required	\$21.80	\$23.79	\$28.55	\$26.99	\$27.84
- Other Income	<u>3.25</u>	<u>3.56</u>	<u>5.39</u>	<u>4.71</u>	<u>7.11</u>
Breakeven Milk Price	\$18.55	\$20.23	\$23.16	\$22.28	\$20.73
Cash Margin	\$ 0.66	\$ 6.43	\$-0.40	\$ 1.65	\$ 1.48

Cash Margin Definitions

Total cash operating expenses
+ Family living expense and income tax
+ Scheduled principal payments

= Cash required

Cattle sales
+ Capital sales
+ Crop sales
+ Other farm income

= Other income

Figure 10 shows the range of cash margins from milk income for the average Northeast dairy farm since 2021. The breakeven milk price is the price level where a farm can cover all its cash operating expenses, family living and estimated debt payments, without having to rely on government payments or off-farm income. Due to cost inflation and increasing debt levels, the breakeven milk price has increased significantly from approximately \$14 per cwt., which was common prior to 2007, to over \$20 in 2014, which we returned to in 2022 and subsequent years. Milk prices have fluctuated in recent years, setting new records in 2011, 2014 and 2022, but declining in interim years. Note that this calculation looks at milk income only and does not account for government payments, which have fluctuated significantly, peaking in 2020.



The level of variability in cash flows makes financial management more challenging, underscoring the importance of a long-range view of cash flow. Timing of major capital expenditures, managing debt load, building liquidity for the tight years and adjusting family withdrawals are all means of managing volatility. Some producers have adopted risk management strategies involving both input costs and milk prices using a combination of crop insurance programs, such as Livestock Gross Margin (LGM-Dairy) and the Dairy Revenue Protection (DRP) coverage, other government programs such as Dairy Margin Coverage (DMC) as well as hedging strategies.

CAPITAL EFFICIENCY

When viewed on a per cow or per cwt. basis, larger farms are generally able to spread costs and investments over more units. For example, the 299 cows or fewer group produced less milk per worker than the average of all farms and carried significantly greater assets per cwt. sold (\$91 versus \$79). Return on assets was positive for all groups, though the 700 cows or more group had by far the highest return on assets.

Figure 11

Capital Efficiency

Herd Size (No. of Cows)	Pounds Sold per Worker	Pounds Sold per Cow	Total Assets per Cwt. Sold ¹	Asset Turnover (per Year) ²	Return on Assets ³
299 or Fewer	962,233	25,391	\$ 91	0.33	2.8%
300 to 699	1,292,394	25,460	74	0.40	3.3%
700 or More	1,760,304	27,076	72	0.45	11.8%
All Farms	1,338,310	25,976	79	0.39	7.8%

¹ Total assets divided by cwt. of milk sold
² Total assets divided by cash receipts = turnover per year
³ Return on assets = (net earnings + interest) / average farm assets

NET WORTH DECREASES

Net worth, or owner’s equity, measures how the farm business is capitalized. It is measured at the end of each year in the DFS in order to consider changes from year to year. Net worth is an indicator of the ability of the business to absorb financial losses and to collateralize additional borrowing. It is also a theoretical measure of the amount of money that could be redeployed toward other endeavors if the business was liquidated.

The average DFS farmer’s net worth declined in percentage terms in 2025 (Figure 12). Both assets and liabilities per cow increased, but liabilities increased a greater amount, resulting in a lower percent net worth. Solvency remains solid for the average DFS farm, meaning that the average participant has more than enough farm assets to satisfy all farm debts, selling costs and the resulting income tax liability if they were to liquidate their operation.

Figure 12

Change In Financial Position

	Percent Net Worth ¹	Current Ratio ²	Quick Ratio ³	Asset Turnover ⁴
2021	67%	2.5	1.1	0.42
2022	69%	3.3	1.6	0.45
2023	68%	2.8	1.2	0.39
2024	68%	3.2	1.6	0.36
2025	62%	2.3	1.1	0.39

¹Percent net worth = Owner's net worth / total assets

²Current ratio = Current assets / current liabilities

³Quick ratio = Current assets - inventory / current liabilities

⁴Asset turnover = Value of farm production / average total assets

There is an important distinction between growth in net worth resulting from earnings versus market revaluation. Net earnings are the result of profits from dairy farming. Market revaluation generally occurs in farm real estate and, sometimes, cattle, while machinery and equipment typically depreciate.

Liquidity is the ability of the farm operator to convert short-term assets (current assets) to cash to meet short-term obligations (current liabilities) as they become due. Current and quick ratios are two important measures of liquidity. In 2025, the average dairy farm had a current ratio of 2.3, a decrease from the prior year (Figure 12). This means that the average farm had 2.3 times the value of current assets compared to its current liabilities.

However, since inventory on a dairy farm is primarily feed for on-farm use and not intended to be directly converted into cash to pay bills, subtracting inventory from current assets provides a closer look at a dairy farm's true short-term liquidity situation. The quick ratio takes the result (current assets minus inventory) and divides by current liabilities. The quick ratio of 1.1 at the end of the year demonstrates that the average farm had sufficient near-cash assets (such as cash and accounts receivable), excluding inventory, to meet the current year's financial obligations. This indicates that producers had, on average, 110% of the value of short-term liabilities available in cash or assets that could be quickly converted to cash.

Finally, asset turnover is commonly used to measure the efficiency of total capital invested in the business by determining gross revenue dollars generated for every dollar invested. The higher the asset turnover ratio, the more efficiently the investment is working for the business. Thus, greater asset turnover should translate into a higher return on assets (ROA). In 2025, the asset turnover ratio for the average Northeast dairy business was 0.39, slightly higher than the prior year. This was a result of an increase in cash receipts relative to the assets of the farms in the sample with \$0.39 of gross revenue generated for every \$1 invested in assets.

NET MARGIN BY PROFIT QUARTILE

Northeast producers again showed a wide range of profits around the \$791 per cow average net earnings in 2025. Several farms lost money, while a few posted more than \$3,000 profit per cow. Figure 13 demonstrates the range of profitability between the top, bottom and all farms profit groups. Farms in the *DFS* are ranked by profit margin and divided into four quartiles.



Figure 13

Range of 2025 Profits

	Bottom 25%	All Farms	Top 25%
Number of Farms	34	136	34
Average Number of Cows	614	941	1,680
Milk Sold per Cow (lbs.)	25,258	25,130	27,452
Milk Sold per Worker (lbs.)	1,316,363	1,338,310	1,784,243
Net Earnings			
Per Farm	(\$494,884)	\$744,331	\$3,529,680
Per Cow	(\$806)	\$791	\$2,101
Per Cwt.	(\$3.19)	\$3.05	\$7.65
Return on Assets*	-1.5%	7.8%	13.2%
Return on Equity*	-7.3%	6.3%	16.4%

* ROA and ROE calculations do not include asset appreciation.

There was a \$2,907 difference in average net earnings per cow between the top and bottom quartile groups. Similarly, on a per cwt. basis, the top farms showed \$10.84 more in net earnings than the least profitable farms.

Interestingly, some of the most profitable farms, at least on a per cow basis, were found at both the high end and at the low end of herd sizes. The large herd dairy farms were able to capitalize on economies of scale, while some of the small herd farms were able to keep a tight rein on expenses and utilized more family labor. There were farms from all size categories represented in the top profit quartile.

FARM SIZE AND PROFITABILITY

Figure 14

Farm Size and Profitability

	299 Cows or Fewer	300-699 Cows	700 Cows or more
Average Number of Cows	181	507	2,136
Milk Sold per Cow (lbs.)	25,391	25,460	27,076
Milk Sold per Worker (lbs.)	962,233	1,292,394	1,760,304
Net Cost of Production per Cwt.	\$22.97	\$21.56	\$15.26
Milk Price per Cwt.	\$22.23	\$22.10	\$22.29
Assets per Cow	\$23,045	\$18,750	\$19,395
Asset Turnover	0.26	0.31	0.31
Percentage Net Worth	61%	59%	66%
Net Earnings per Cow	\$189	\$204	\$1,979
Return on Assets %	2.8%	3.3%	11.8%

Average farm sizes in the Northeast and across the country have continually increased for many decades. The *DFS* has found that all size farms can be profitable, and that it's more important to be 'better' than it is to be 'bigger.' However, there are still strong correlations in the data regarding size of farm, efficiency, pounds of milk sold per cow, cost of production and ultimately, profitability.

On average, the largest size group was by far the most profitable of the four size categories with \$1,979 net earnings per cow in 2025 (Figure 14). In addition, compared to the rest of the sample, members of this group were:

- ❖ The most productive on a milk-sold-per-cow and per-worker measure.
- ❖ The lowest per-cow investor in productive assets. As a result, this group had the highest asset turnover ratio.
- ❖ The lowest cost producers per cwt., based on net cost of production.
- ❖ The highest revenue producers for cattle sales.

It is noteworthy that all three size categories were represented in the top profit quartile, while only about one-third of the 700+ cow size group had that distinction. This is important because it shows there is opportunity to achieve superior profitability over a range of farm sizes. It also shows, however, that, as a group, the largest farms also have the highest average earnings per cow.

FARM DEBT CONTINUES TO INCREASE

We noted in 2016 that total liabilities exceeded \$4,000 per cow for the first time in *DFS* history. This was worth mentioning because while it took 29 years for average debt-per-cow¹¹ to climb from \$2,000 to \$3,000, it took only eight years to exceed \$4,000 per cow. In 2022, total liabilities exceeded \$5,000 per cow, only six years since the \$4,000 level was first reached. Of course, there is impact from inflation during this period, but it still raises concerns about the increasing leverage of the average farm, and their ability to maintain debt service and cash flow during periods of low margins. In 2025, we saw total debt per cow climb to \$7,744, with intermediate and long-term debt totaling \$6,515.

Figure 15A

Total Liabilities Per Cow

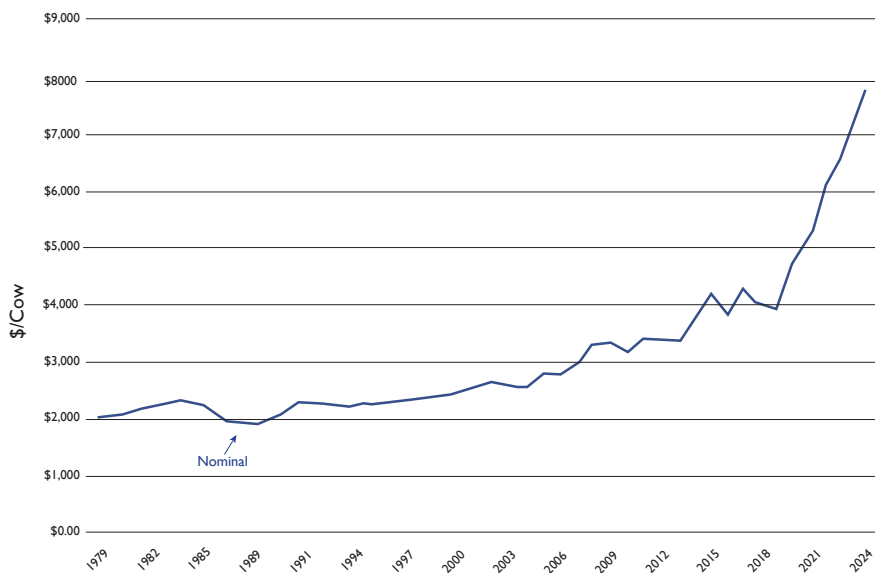
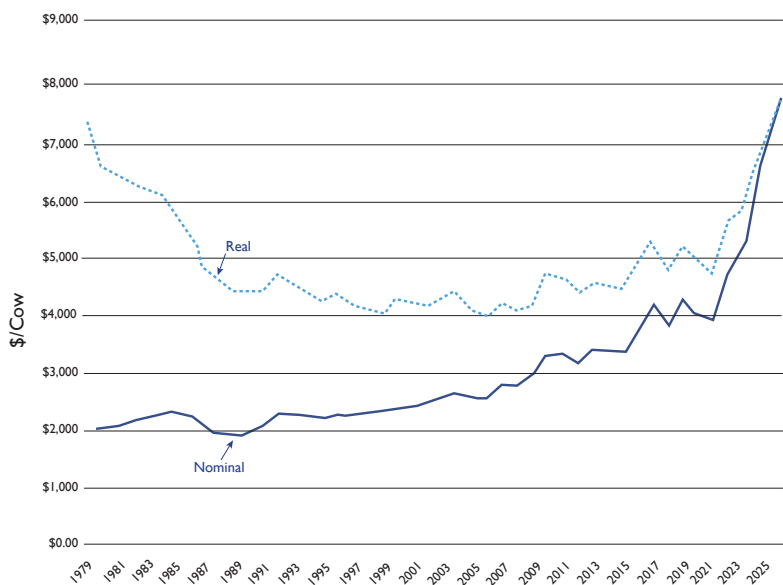


Figure 15B

Total Liabilities Per Cow (Nominal vs. Real Dollars)



Real = adjusted for inflation

¹¹ Total liabilities per cow, including current liabilities such as trade credit.

CONCLUSION

In 2025, farms of 700 cows or more, the largest size class in our study were the most profitable, with \$1,979 net earnings per cow. These farms were the most productive per cow and per worker, had the highest asset turnover ratio, and were the lowest cost producers. All size categories showed potential for high profitability, but the largest farms had the highest average earnings per cow.

Debt levels for farms have increased significantly. In 2022, total liabilities exceeded \$5,000 per cow, and by 2025, this rose to \$7,744 per cow. This raises concerns about the ability of farms to maintain debt service during low margin periods.

2025 saw a positive shift in profitability despite lower milk prices and higher feed costs. This increase in profitability was largely due to increased revenue from cattle sales. In 2025, the average farm had positive net earnings, but nearly one-third of the farms lost money on an accrual basis.

Managing risk and controlling costs are crucial for Northeast dairy farms, given high debt levels and market uncertainties. The greatest risk management tool remains smart management and cost control. By continuing to invest in property, livestock and equipment, Northeast producers are generally well-positioned to manage tight margins in the future.

One of the key takeaways from the *Northeast Dairy Farm Summary* is that there are multiple paths to dairy farm profitability. Strategies are as different as the individual characteristics of farms within this study, and there is certainly more than one way to achieve industry-leading returns. Working closely with your Farm Credit loan officer and/or business consultant to assess your strengths and weaknesses and develop a strategy to position your farm to meet industry challenges and take advantage of business opportunities is now more critical than ever.

If you are interested in improving your profitability, the *DFS* is only the beginning. Farm Credit's *Success Strategies Dairy Benchmarks* and *Dairy Profit Analyzer* delves much deeper into not only farm financial data, but a host of production and herd management metrics as well. Membership includes a personalized profit assessment of your farm. Farms throughout New England, New York, New Jersey, and Pennsylvania are eligible to participate. Contact a Farm Credit East representative for more information.

We hope that this year's *Northeast Dairy Farm Summary* is a useful tool for managing your farm and business. It remains essential that dairy farmers and those who serve them continue to have good data upon which to make decisions in order to have a healthy, economically sustainable Northeast dairy industry. The entire Farm Credit team of loan officers, farm accounting professionals and business consultants are eager and prepared to help Northeast dairy farmers achieve financial success. On behalf of our entire team, thank you for your interest and participation.



2025 MID-YEAR OUTLOOK DEMAND FOR DAIRY CONTINUES TO GROW

By Corey A. Geiger, CoBank.

After some rather sluggish dairy prices to start out the new year, margins to make milk have improved, providing one reason for a positive outlook. Another reason for optimism is strong consumer demand for protein, and dairy wins in two ways – protein found in milk and protein from beef sales. A third reason to be optimistic is that new dairy plant investment continues to be announced this year. By my count, there is \$13 billion of new capital investment in U.S. dairy plants and that will ensure a home for the growing milk supply.

While many indicators point upward, there are some reasons for caution. For starters, the EU continues to show strong growth in milk production with output being up 5% or more year-over-year from October 2025 through March 2026. That's noteworthy growth for the world's largest dairy product and ingredient exporter, equivalent to 1.6 times the size of the U.S. dairy sector. Another reason for caution is the ongoing conflict in the Middle East that is making it extremely difficult to move products. That includes dairy products into, and fuel and fertilizer out of the region.

A LOOK AT DAIRY DEMAND

Domestic dairy sales continue to grow despite population growth remaining under 1% in the U.S. Total commercial dairy use reached 238 billion pounds on a milk equivalent total solids basis in 2025 and that figure was up 2.4% over the previous year. The new year is also off to a great start as commercial dairy use moved 3.7% higher in January and February 2026 when compared to last year.

Domestic sales accounted for 84% of that 238-billion-pound figure with dairy exports accounting for the remaining 16% of total solids on a milk equivalent basis. While domestic growth has been rather consistent, ranging from 2.3% in 2025 and 2.2% to start the new year, dairy exports have shown robust growth.

In 2025, dairy exports grew by 3.0% over the previous year. In January and February, exports climbed 5.2% on a milk equivalent total solids basis. Cheese and butter exports have both been moving at a strong pace. U.S. cheese exports were a record 140 million pounds in March and notched the 11th consecutive month over 110 million pounds.

BUTTERFAT GROWTH REMAINS STRONG

Many of the Middle East countries import over 90% of their food supply. For dairy, that includes a great deal of butterfat. When looking at the U.S. milk markets, our country has been in a butterfat-deficit market for many decades. However, the tide has turned, and America may be structurally short on dairy protein and long on butterfat moving forward.

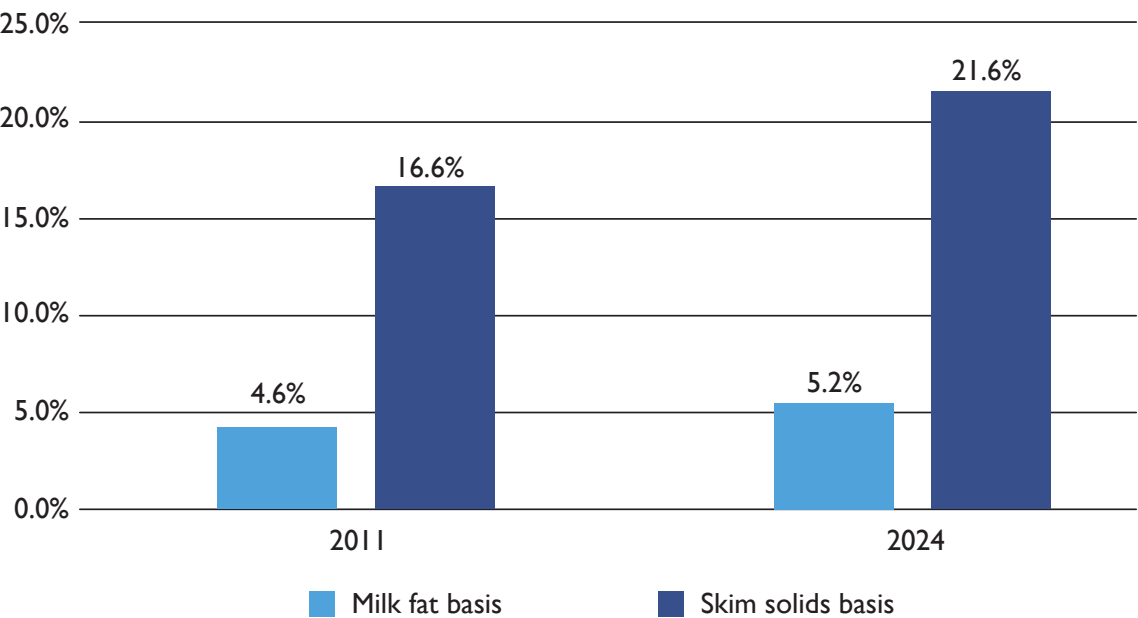
This will change how products and ingredients move in both domestic and export markets. We will balance product flows based on dairy protein production, and butterfat will need to find new markets, with the export market being a significant focus. This transition will create more market volatility, as we have already witnessed from August 2025 through June 2026.

Prior to the creation of the North American Free Trade Agreement in 1994 and the U.S. Dairy Export Council in 1995, the U.S. was largely a nonplayer on the dairy export stage. By 2011, the U.S. was exporting 16.5% of its milk production on a skim solids basis. In other words, the U.S. kept the skimmed off butterfat from the milk stream and sold the skim solids (largely in the form of protein and lactose) to customers around the world. In fact, the spread was so large between the product mix that exports measured on a milk fat basis were a meager 4.6% of U.S. milk production.

Exhibit 1

Low-milkfat products outpacing milk fat in U.S. dairy exports

Percent of total U.S. dairy production going to exports



Source: USDA-ERS

The story hadn't changed much by 2024. That year, U.S. dairy processors exported 21.6% of America's milk production on a skim solids basis. But exports on a milk-fat basis hardly budged, posting just 5.2% in exports even though total exports represented 17% of the nation's total milk production. In other words, domestic consumers were buying nearly all of America's butterfat production in the form of dairy products and little was available for export markets.

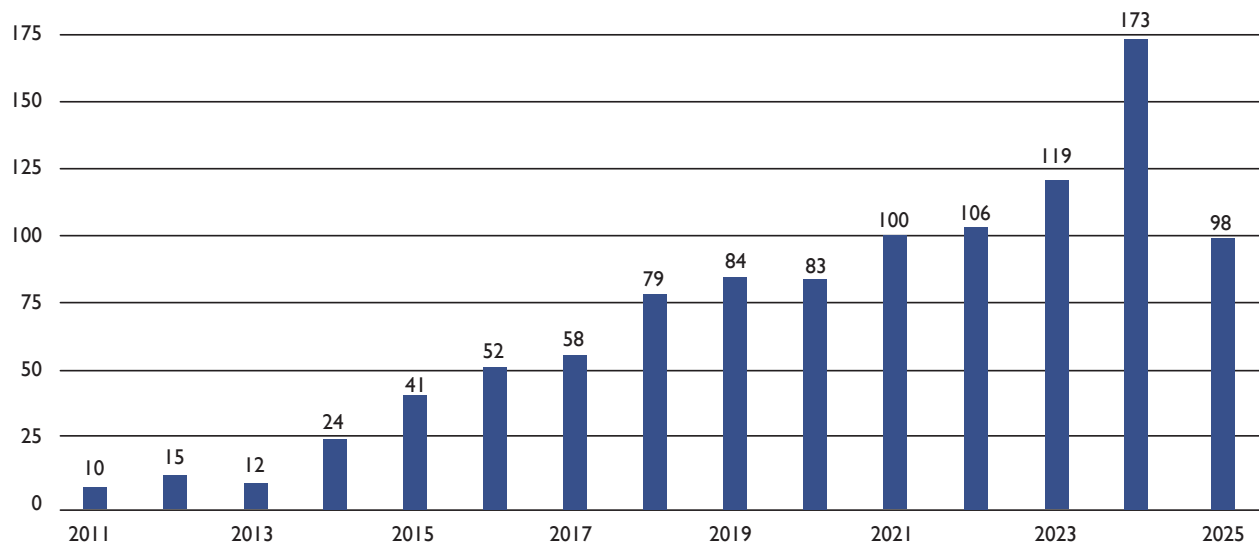
Not only were Americans buying domestic butterfat, but they also started buying more imported butter. In 2011, the U.S. imported 10 million pounds of butter. By 2021, butter imports grew 10-fold to reach 100 million pounds. With more demand from American consumers, butter imports grew another 72% to reach 173 million pounds of imported butter by 2024. With strong domestic butterfat production in 2025, butter imports fell 57% to 98 million pounds.



Exhibit 2

Butter imports into the U.S. dropped 57% in 2025

Butter imports, millions of pounds



Source: USDA-ERS

Along the way, the multiple component pricing factors in the U.S., via the Federal Milk Marketing Order system, gave stronger signals to produce more butterfat. As a result, butterfat percentages on farm went on a historic run, moving from 3.66% in 2010 to 4.32% in 2025. This growth stemmed from a combination of changes in feed rations and the influx of genetic change via artificial breeding programs and the new science of genomic predictions.

This rapid growth in butterfat eventually pushed the production pendulum in the opposite direction mid-year 2025 — long on butterfat and short on protein. Not only did production of products like cottage cheese, dairy nutritional shakes and Greek yogurt demand more protein and less fat, but butterfat production on a pounds basis also began growing by 5% to 6% in any given month by mid-year. That strong growth began outstripping domestic market demand to absorb farmgate butterfat production.

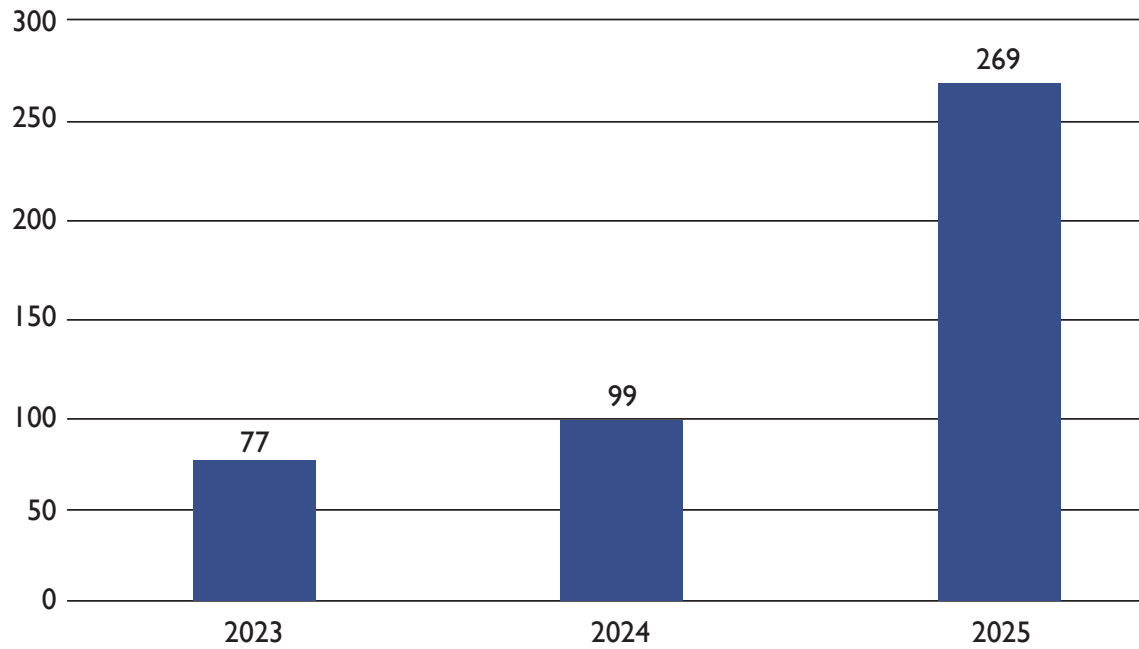
As a result, butter prices on the Chicago Mercantile Exchange (CME) began to drop from \$2.44 per pound on August 1, 2025, to \$1.50 per pound by mid-November just when butter sales typically would peak as the holiday season approached.

Spot butter prices have since improved to the \$1.70 per pound range. Domestic market demand didn't improve spot prices; export markets did. The U.S. exported an impressive 269 million pounds of butterfat and anhydrous milkfat in 2025, boosting total export volume 271% from the previous year. More importantly to balance markets, 60% of those 269 million pounds of butterfat were exported in the second half of the year when the U.S. needed to move inventory. The new year is off to an equally impressive start on the butterfat front as the U.S. has exported 102 million pounds of butterfat so far this year. To bring this into full perspective, through just three months of the new year, butterfat exports have already outpaced the entire calendar year of 2024.

Exhibit 3

Butterfat exports set a record in 2025

Butterfat exports, millions of pounds



Source: U.S. Dairy Export Council, USDA

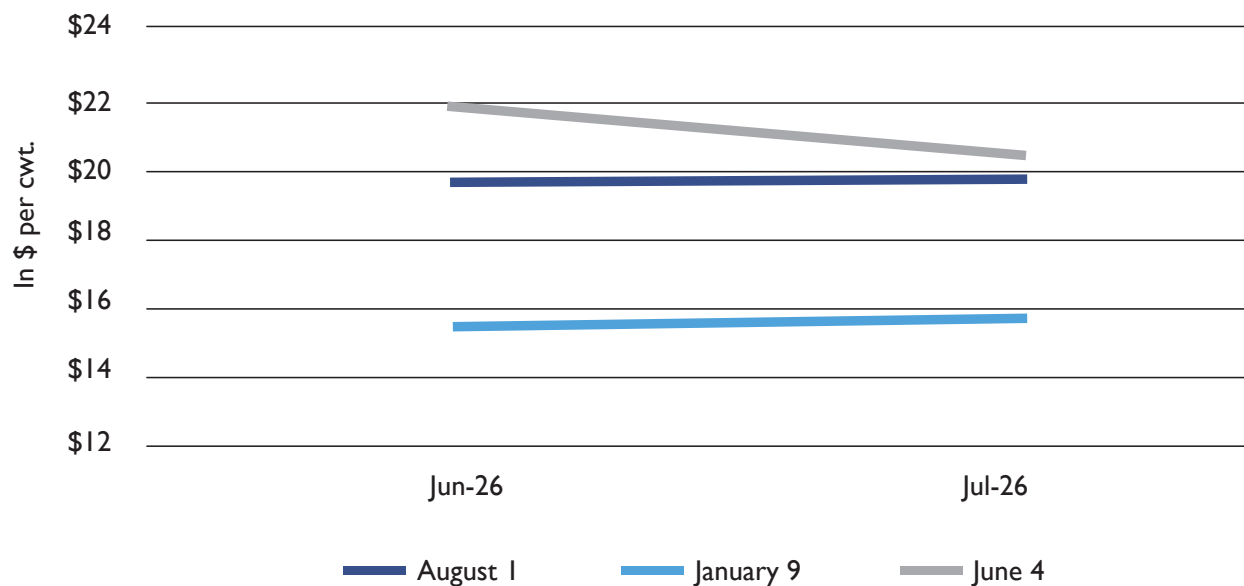
This huge increase in domestic butterfat production has created significant volatility in Class III cheese and whey markets, and an even greater downturn in Class IV butter and powder markets. In August 2025, Class III contracts for April 2026 to July 2026 milk traded between \$17 to \$18. In January, due to market pressures from butterfat, those same contracts traded between \$15 and \$17. Then with strong butterfat exports and other factors, June 4 CME futures began to rebound. In early CME trading (August 2026 through December 2026), contracts range from \$17.30 to \$18.45 per cwt.



The situation was more dramatic in the Class IV space. In August 2025, all contracts for the March 2026 to July 2026 window traded above \$19 per hundredweight. By January 9, 2026, those same contracts dropped to the \$14 to \$15 range. After the impact of strong butterfat exports and the recent tightening nonfat dry milk market that sent prices to record highs, June to July 2026 CME Class IV futures climbed to pre-August 2025 trading levels and in some months those contracts traded close over \$22. As nonfat dry milk production ramps up, these strong contracts taper off later in the year to the \$19 range.

Exhibit 4

Class IV futures quickly turned from bearish to bullish





PROTEIN IS DRIVING HERD GROWTH

Protein has become the most important consumer demand trend and that's where the growing U.S. dairy cow herd comes into play as beef prices stand at record highs. That begs the question: how much larger will the U.S. dairy cow herd grow to reap rewards from beef-on-dairy calves and may that resulting growth in milk production cause an oversupply in the marketplace?

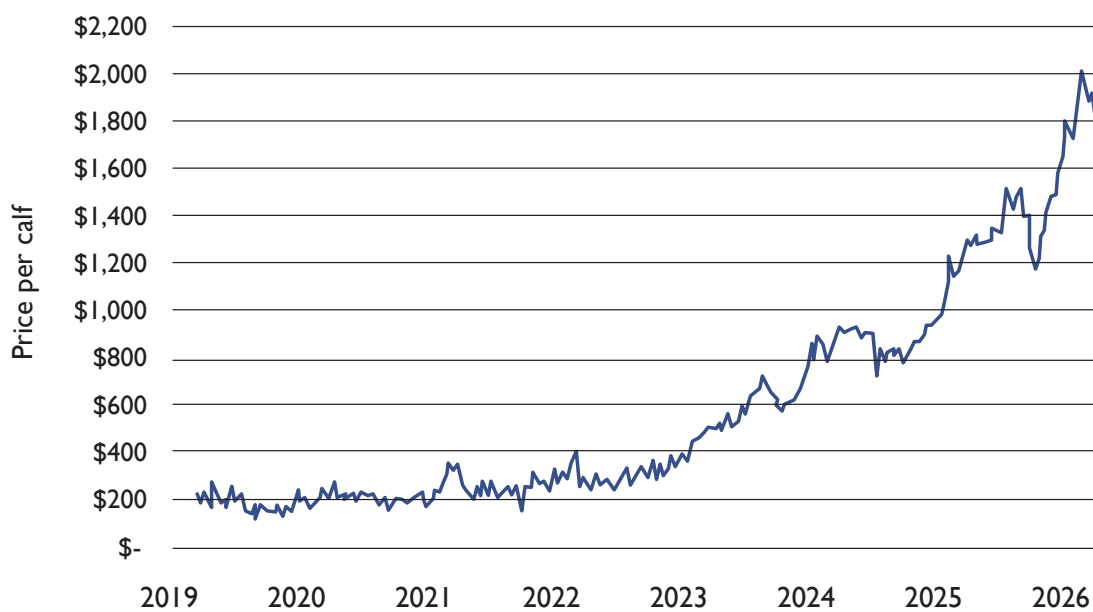
The U.S. dairy cow milking herd is at its largest in 34 years at 9.645 million head in April. Compared to a year ago, the herd is 190,000 head (+2.0%) larger. These additional cows added to total milk production, which grew by 2.7%. March butterfat production grew 3.2% and protein pounds were up 3.6% reflecting feeding adjustments for lower butterfat prices in recent months.

Beef-on-dairy calves are one of the primary reasons to keep dairy cows longer in the herd, especially after notching a record \$2,013 per head in mid-April and falling back to the robust \$1,900 range. Recent visits by CoBank staff to feedlots in Texas mentioned 15% to 20% of cattle on feed are beef-on-dairy animals. These crossbreds grow well in the feedlot and can weigh over 1,700 pounds before heading to the beef packer due to the larger frame provided by the dairy genetics. Strong interest in beef-on-dairy calves should continue given the U.S. beef cow herd is at the lowest level in 65 years. Plus, beef sales to consumers have shown 27 straight months of volume growth.



Exhibit 5

Beef-on-dairy calf prices continue to soar



Due to the strong pivot to beef-on-dairy, dairy replacements prices have soared due to the limited supply and posted a record high of \$3,130 per head in April. Of the 24 states that track these prices, all but two states (New Mexico and Washington) posted values \$3,000 per head or above, according to USDA data.

UPDATES ON INSURANCE COVERAGE

Speaking of profit margins, USDA's Risk Management Agency (RMA) recently made some updates to its insurance programs to provide more options for dairy farmers. When it comes to the Livestock Revenue Protection (LRP) program, cull cow coverage can now take place over 52 weeks contrasted to just 13 weeks under the previous rules. This adjustment will allow dairy farmers to lock in a price floor for their cull dairy cows and extend profitability for up to a year. In addition, RMA clarified rules that now allow cull cows sold to intermediaries such as livestock markets to be covered by the LRP program.

More clarity has also been created in the calf insurance category. Full breed dairy calves, such as Holstein and Jersey, can only be covered under the feeder cattle option. Those purebred dairy calves cannot be covered under the "calves sold within the first two weeks" provision. However, crossbred beef-on-dairy calves can be covered under that provision.

When it comes to milk coverage, dairy producers can now double up on Livestock Gross Margin (LGM) and Dairy Revenue Protection (DRP). LGM covers margins between revenue and feed costs and is available during two-month contract windows. DRP is available on a quarterly basis. These updates from RMA mean that dairy producers can add LGM coverage even if they already purchased DRP quarterly coverage. This is meaningful if high prices in one month push the quarterly average higher for DRP. In a scenario where the three-month DRP average rises too high and doesn't trigger a payout, LGM could offer supplemental coverage.

DAIRY LOOKS GOOD OVERALL

While there are many reasons for optimism, dairy markets are not out of the proverbial woods. The 2025 export year might have been even better had there not been geopolitical issues and tariffs making an impact. The largest catalyst supporting U.S. sales growth was lower cheese and butter prices compared to the world's top two dairy exporters – the EU and New Zealand. Given this situation, dairy farmers and processors alike should consider hedging opportunities when market prices look favorable and cover expenses because small product movements could significantly move prices.

Corey Geiger is the Lead Economist for Dairy with CoBank's Knowledge Exchange Division and previously served on the editorial team for Hoard's Dairyman for 28 years. He earned degrees in agricultural economics and dairy science at the University of Wisconsin-Madison



FINANCIAL RECORDS

The following 13 tables present the detailed financial data on which this summary was based. These tables are organized into four sets:

- ❖ Tables A-1 through A-4 are **COMPARISONS BETWEEN YEARS**
- ❖ Tables B-1 through B-3 are **DATA BY HERD SIZES**
- ❖ Tables C-1 through C-3 are **DATA BY PROFIT GROUPS**
- ❖ Tables D-1 through D-3 are **DATA BY REGIONS**

Each set includes a condensed earnings worksheet, a balance sheet summary and a page of evaluation factors. The 2021-to-2025 data series includes farms in Connecticut, Maine, Massachusetts, New Hampshire, New York and Vermont.

Please note the following in order to properly use this data:

- ❖ Cattle purchased for replacements are considered operating expenses, but cattle purchased for expansion are capital purchases. The accrual adjustment change in the inventory of raised livestock is calculated by subtracting purchases for expansion from the total increase in cattle inventory value.
- ❖ Depreciation has been restated by applying a standard percentage of depreciation to various asset classes in order to compare consistent numbers from year to year and avoid variations driven by changes in tax laws.
- ❖ Appreciation and revaluation of capital assets do not appear in the earnings statements. They are, however, included on the balance sheets.
- ❖ Current liabilities on the balance sheet include both current debts as well as the current portion of intermediate-term and long-term liabilities.
- ❖ Government payments include state program payments and those from FSA programs. Crop insurance indemnities are recorded as Crop Revenue.

Your Farm Credit team of ag finance specialists encourages you to review the following financial data thoughtfully and thoroughly. It allows you to identify your strengths and weaknesses and to improve your operation for the future.

TABLE A-1.

COMPARISON BETWEEN YEARS / Earnings Worksheet

	2021	2022	2023	2024	2025
Number of Farms	164	139	283	122	136
Average Number of Cows	568	821	726	820	941
Receipts					
Milk Sales	\$2,823,528	\$5,423,526	\$4,127,552	\$5,200,619	\$7,379,667
Cattle Sales	178,352	325,937	397,364	606,705	1,510,425
Crop Sales	131,208	188,009	257,246	154,443	140,674
Government Payments	114,168	74,711	193,116	41,044	78,421
Other	116,440	209,355	322,102	272,089	350,918
CASH RECEIPTS	\$3,363,696	\$6,221,538	\$5,297,380	\$6,274,900	\$9,460,105
Accrual Adjustments					
+ Change in Inventory-Raised Livestock	\$1,136	\$4,926	\$726	\$24,363	\$76,689
VALUE OF FARM PRODUCTION (a)	\$3,364,832	\$6,226,464	\$5,298,106	\$6,299,263	\$9,536,794
COST OF GOODS SOLD					
Chemicals & Sprays	\$29,536	\$56,649	\$66,792	\$46,383	\$79,455
Custom Hire	89,176	165,842	178,596	162,142	310,481
Purchased Feed	1,012,176	1,635,432	1,438,932	1,605,573	2,645,839
Fertilizer & Lime	100,536	216,744	136,730	147,404	223,855
Freight & Trucking (Marketing)	189,144	289,813	355,740	349,602	523,174
Gasoline, Fuel & Oil	98,832	254,510	156,816	175,159	238,340
Hired Labor	502,112	629,707	514,734	766,414	1,221,230
Seed & Plants	64,752	116,852	121,000	117,029	163,749
Supplies	138,024	260,257	218,042	259,316	375,196
Veterinary, Medicine & Breeding	110,760	146,959	149,556	181,193	283,022
Cow Replacements	6,248	54,186	36,058	39,717	44,131
Total Cost of Goods Sold	\$2,341,296	\$3,826,951	\$3,372,996	\$3,849,932	\$6,108,472
Gross Margin	\$1,023,536	\$2,399,513	\$1,925,110	\$2,449,331	\$3,428,322
OVERHEAD					
Insurance	44,304	87,026	69,260	78,684	117,470
Interest	87,472	171,589	209,330	280,587	401,049
Rent	57,936	95,236	145,442	115,497	161,733
Repairs	208,456	363,703	302,500	339,725	551,284
Property & Misc. Taxes	43,736	78,816	65,340	58,226	89,321
Utilities	62,480	113,298	100,672	104,712	187,329
Other	56,800	201,966	265,958	254,543	250,002
Accrual Adjustments					
+ Depreciation	191,416	369,450	348,964	355,066	531,502
Total Overhead Expenses	\$752,600	\$1,481,084	\$1,507,466	\$1,587,040	\$2,289,690
Total Farm Production Costs (b)	\$3,093,896	\$5,308,035	\$4,880,462	\$5,436,972	\$8,398,162
NET FARM EARNINGS (a) - (b)	\$270,936	\$918,429	\$417,644	\$862,291	\$1,138,632
- Family Living & Income Taxes	58,504	142,854	205,700	93,070	85,624
NET EARNINGS	\$212,432	\$775,575	\$211,944	\$769,221	\$1,053,008
+ Net Nonfarm Income	22,720	48,439	48,642	33,543	27,462
NET HOUSEHOLD INCOME	\$235,152	\$824,014	\$260,586	\$802,764	\$1,080,470

Note: Expenses are adjusted for changes in accounts payable, prepaid expenses, and supply inventories to remove the effects of tax planning and reflect only one year's expenses.

TABLE A-2.

COMPARISON BETWEEN YEARS / Earnings Worksheet Per Cwt.

	2021	2022	2023	2024	2025
Number of Farms	164	139	283	122	136
Average Number of Cows	568	821	726	820	941
Receipts	DOLLARS PER CWT. OF MILK				
Milk Sales	\$19.21	\$26.66	\$22.75	\$23.93	\$22.21
Cattle Sales	1.22	1.60	2.19	2.57	5.39
Crop Sales	0.89	0.92	1.42	0.80	0.54
Government Payments	0.78	0.37	1.06	0.27	0.44
Other	0.79	1.03	1.78	1.41	1.63
CASH RECEIPTS	\$22.89	\$30.58	\$29.20	\$28.98	\$30.21
Accrual Adjustments					
+ Change in Inventory-Raised Livestock	\$0.01	\$0.02	\$0.00	-\$0.08	\$0.44
VALUE OF FARM PRODUCTION (a)	\$22.90	\$30.60	\$29.20	\$28.90	\$30.65
COST OF GOODS SOLD					
Chemicals & Sprays	\$0.20	\$0.28	\$0.37	\$0.19	\$0.20
Custom Hire	0.61	0.82	0.98	0.81	0.91
Purchased Feed	6.90	8.04	7.93	7.00	7.71
Fertilizer & Lime	0.69	1.07	0.75	0.78	0.83
Freight & Trucking (Marketing)	1.29	1.42	1.96	1.51	1.32
Gasoline, Fuel & Oil	0.67	1.25	0.86	0.86	0.76
Hired Labor	3.42	3.10	2.84	3.13	3.32
Seed & Plants	0.44	0.57	0.67	0.60	0.65
Supplies	0.94	1.28	1.20	1.48	1.27
Veterinary, Medicine & Breeding	0.76	0.72	0.82	0.80	0.82
Cow Replacements	0.04	0.27	0.20	0.17	0.47
Total Cost of Goods Sold	\$15.96	\$18.82	\$18.58	\$17.33	\$18.26
Gross Margin	\$6.94	\$11.78	\$10.62	\$11.57	\$12.39
OVERHEAD					
Insurance	0.30	0.43	0.38	0.43	0.42
Interest	0.60	0.84	1.15	1.58	1.52
Rent	0.40	0.47	0.80	0.52	0.61
Repairs	1.42	1.79	1.67	1.62	1.69
Property & Misc. Taxes	0.30	0.39	0.36	0.32	0.33
Utilities	0.43	0.56	0.55	0.56	0.62
Other	0.38	0.99	1.49	1.56	1.75
Accrual Adjustments					
+ Depreciation	1.31	1.82	1.92	1.96	1.81
Total Overhead Expenses	\$5.14	\$7.29	\$8.32	\$8.55	\$8.75
Total Farm Production Costs (b)	\$21.10	\$26.11	\$26.90	\$25.88	\$27.01
NET FARM EARNINGS (a) - (b)	\$1.80	\$4.49	\$2.30	\$3.02	\$3.64
- Family Living & Income Taxes	0.40	0.70	1.13	0.66	0.60
NET EARNINGS	\$1.40	\$3.79	\$1.17	\$2.36	\$3.04
+ Net Nonfarm Income	0.16	0.24	0.27	0.25	0.21
NET HOUSEHOLD INCOME	\$1.56	\$4.03	\$1.44	\$2.61	\$3.25

Note: Expenses adjusted for changes in accounts payable, prepaid expenses and supply inventories to remove the effects of tax planning and reflect only one year's expenses.

TABLE A-3.

COMPARISON BETWEEN YEARS / Balance Sheet Summary

	2021	2022	2023	2024	2025
Number of Farms	164	139	283	122	136
Average Number of Cows	568	821	726	820	941
DOLLARS PER FARM					
Assets					
Livestock	\$1,170,080	\$1,751,193	\$1,565,982	\$2,501,820	\$3,412,066
Feed & Crops	731,584	1,233,142	1,047,618	\$1,263,620	\$1,471,724
Machinery & Equipment	1,284,248	2,774,159	2,193,972	\$2,786,360	\$3,760,236
Farm-Land & Buildings	3,527,848	5,091,021	6,802,620	\$6,605,920	\$7,587,283
All Other	1,255,848	2,924,402	1,891,230	\$3,291,480	\$2,962,268
TOTAL ASSETS	7,969,608	13,773,917	13,501,422	16,449,200	19,193,577
TOTAL LIABILITIES	2,653,696	4,269,200	4,338,576	5,341,480	7,287,104
TOTAL NET WORTH	\$5,315,912	\$9,504,717	\$9,162,846	\$11,107,720	\$11,906,473
DOLLARS PER COW					
Assets					
Livestock	\$2,060	\$2,133	\$2,157	\$3,051	\$3,626
Feed & Crops	1,288	1,502	1,443	1,541	1,564
Machinery & Equipment	2,261	3,379	3,022	3,398	3,996
Farm-Land & Buildings	6,211	6,201	9,370	8,056	8,063
All Other	2,211	3,562	2,605	4,014	3,148
TOTAL ASSETS	14,031	16,777	18,597	20,060	20,397
TOTAL LIABILITIES	4,672	5,200	5,976	6,514	7,744
TOTAL NET WORTH	\$9,359	\$11,577	\$12,621	\$13,546	\$12,653
DOLLARS PER CWT. OF MILK					
Assets					
Livestock	\$7.98	\$8.61	\$8.23	\$12.14	\$13.96
Feed & Crops	4.99	6.06	5.51	6.13	6.02
Machinery & Equipment	8.76	13.64	11.54	13.52	15.38
Farm-Land & Buildings	24.06	25.03	35.77	32.06	31.04
All Other	8.56	14.38	9.94	15.97	12.12
TOTAL ASSETS	\$54.34	\$67.72	\$70.99	\$79.82	\$78.52
TOTAL LIABILITIES	18.09	20.99	22.81	25.92	29.81
TOTAL NET WORTH	\$36.25	\$46.73	\$48.18	\$53.90	\$48.71
PERCENT NET WORTH	67%	69%	68%	68%	62%

TABLE A-4.

COMPARISON BETWEEN YEARS / Evaluation Factors

	2021	2022	2023	2024	2025
Number of Farms	164	139	283	122	136
Average Number of Cows	568	821	726	820	941
Worker Equivalents	10.9	14.6	14.0	15.3	15.9
Cows Per Worker	52	50	49	47	51
Pounds of Milk Sold Per Worker	1,343,002	1,254,778	1,224,461	1,195,659	1,338,310
Pounds of Milk Sold	14,665,582	20,340,275	18,142,014	20,340,275	20,340,275
Pounds of Milk Sold Per Cow	25,823	24,775	24,989	25,130	25,976
Milk Price Per Cwt.	\$19.21	\$26.66	\$22.76	\$23.93	\$22.21
Total Crop Acres	1,240	1,157	1,113	1,140	1,191
Crop Acres Per Cow	2.2	1.9	1.8	1.9	1.7
Feed Cost Per Cow	\$1,782	\$1,992	\$1,982	\$1,760	\$2,002
Feed as a Percent of Milk Sales	36%	30%	35%	29%	34%
Feed & Crop Expense Per Cow*	\$2,125	\$2,468	\$2,429	\$2,154	\$2,439
Feed & Crop Expense Per Cwt.	\$8.23	\$9.91	\$9.72	\$8.54	\$9.39
Machinery Costs Per Cow**	\$874	\$1,246	\$1,360	\$1,139	\$1,343
Machinery Costs Per Cwt.	\$3.38	\$5.16	\$5.48	\$4.56	\$5.18
Labor & Family Living Per Cow	\$983	\$937	\$992	\$946	\$1,017
Labor & Family Living Per Cwt.	\$3.81	\$3.81	\$3.96	\$3.74	\$3.91
Assets Per Cow	\$14,031	\$16,777	\$18,597	\$20,060	\$20,397
Debt Per Cow	\$4,672	\$5,200	\$5,976	\$6,514	\$7,745
Net Worth Per Cow	\$9,359	\$11,577	\$12,621	\$13,546	\$12,652
Percent Net Worth	67%	69%	68%	69%	62%

*Feed & Crop Expense = Feed + Seed & Plants + Fertilizer + Chemicals & Spray.

**Machinery Costs = Machinery Repairs + Fuel & Oil + Custom Hire + Machinery & Equipment Depreciation.

TABLE B-1.

2025 DATA BY HERD SIZE / Earnings Worksheet

	299 COWS OR FEWER	300-699 COWS	700 COWS OR MORE	ALL FARMS BY COLUMN*	ALL FARMS BY FARMS**
Number of Farms	27	43	66	122	136
Average Number of Cows	181	507	2,136	941	1,233
Receipts	DOLLARS PER COW				
Milk Sales	\$5,764	\$5,680	\$6,041	\$5,828	\$5,985
Cattle Sales	\$752	1,191	2,261	1,401	1,225
Crop Sales	\$155	158	106	140	114
Government Payments	\$182	105	53	113	64
Other	\$439	395	262	365	285
CASH RECEIPTS	\$7,292	\$7,529	\$8,723	\$7,848	\$7,673
Accrual Adjustments					
+ Change in Inventory-Raised Livestock	\$258	\$13	\$70	\$114	\$62
VALUE OF FARM PRODUCTION (a)	\$7,550	\$7,542	\$8,793	\$7,962	\$7,735
COST OF GOODS SOLD					
Chemicals & Sprays	\$24	\$68	\$65	\$52	\$64
Custom Hire	\$221	232	256	236	252
Purchased Feed	\$1,790	2,043	2,173	2,002	2,146
Fertilizer & Lime	\$255	221	173	216	182
Freight & Trucking (Marketing)	\$261	328	444	344	424
Gasoline, Fuel & Oil	\$192	210	191	198	193
Hired Labor	\$601	980	1,004	862	990
Seed & Plants	\$192	190	123	168	133
Supplies	\$383	307	301	330	304
Veterinary, Medicine & Breeding	\$173	232	231	212	230
Cow Replacements	\$223	101	41	122	36
Total Cost of Goods Sold	\$4,315	\$4,912	\$5,002	\$4,743	\$4,954
Gross Margin	\$3,235	\$2,630	\$3,791	\$3,219	\$2,781
OVERHEAD					
Insurance	\$119	116	91	109	95
Interest	\$461	420	307	396	325
Rent	\$210	134	128	157	131
Repairs	\$413	454	447	438	447
Property & Misc. Taxes	\$92	99	68	86	72
Utilities	\$180	154	151	162	152
Other	\$780	437	145	454	203
Accrual Adjustments					
+ Depreciation	\$504	489	420	471	431
Total Overhead Expenses	\$2,759	\$2,303	\$1,757	\$2,273	\$1,856
Total Farm Production Costs (b)	\$7,074	\$7,215	\$6,759	\$7,016	\$6,810
NET FARM EARNINGS (a) - (b)	\$476	\$327	\$2,034	\$946	\$925
- Family Living & Income Taxes	\$287	123	55	155	69
NET EARNINGS	\$189	\$204	\$1,979	\$791	\$856
+ Net Nonfarm Income	\$76	75	13	55	22
NET HOUSEHOLD INCOME	\$265	\$279	\$1,992	\$845	\$878

Note: Expenses adjusted for changes in accounts payable, prepaid expenses, and supply inventories to remove the effects of tax planning and reflect only one year's expenses.

*This weighs each column equally, to account for the difference in sample sizes across the three size categories

**This averages the data by number of farms, which puts more weight on the 700+ cow category

TABLE B-2.

2025 DATA BY HERD SIZE / Balance Sheet Summary

	299 COWS OR FEWER	300-699 COWS	700 COWS OR MORE	ALL FARMS BY COLUMN*	ALL FARMS BY FARMS**
Number of Farms	27	43	66	136	136
Average Number of Cows	181	507	2,136	941	1,233
ASSETS PER COW					
Cash & Accounts Receivable	\$801	\$575	\$1,056	\$811	\$848
Feed & Crop Inventory	1,436	1,529	1,728	1,564	1,464
Supplies & Prepaid Expenses	143	122	310	192	240
Other Current Assets	315	283	325	308	280
TOTAL CURRENT ASSETS	\$2,695	\$2,509	\$3,419	\$2,875	\$2,832
Dairy Livestock	\$3,710	\$3,129	\$4,040	\$3,626	\$3,378
Machinery & Equipment	5,176	3,805	3,008	3,996	2,781
Other Intermediate Assets	1,310	1,741	1,221	1,424	1,135
TOTAL INTERMEDIATE ASSETS	\$10,197	\$8,675	\$8,269	\$9,046	\$7,294
Farm Real Estate	\$9,392	\$7,332	\$7,464	\$8,063	\$6,508
Other Fixed Assets	761	234	243	413	226
TOTAL FIXED ASSETS	\$10,153	\$7,566	\$7,707	\$8,476	\$6,734
TOTAL ASSETS	\$23,045	\$18,750	\$19,395	\$20,397	\$16,860
LIABILITIES PER COW					
Accounts Payable	\$280	\$210	\$184	\$225	\$166
Farm Credit Short-Term Loans	85	143	166	131	139
Other Current Liabilities	843	989	786	873	711
TOTAL CURRENT LIABILITIES	\$1,208	\$1,342	\$1,136	\$1,229	\$1,016
Farm Credit Intermediate Term	\$2,971	\$2,326	\$2,396	\$2,564	\$2,085
Other Intermediate Liabilities	673	603	435	570	405
TOTAL INTERMEDIATE LIABILITIES	\$3,644	\$2,929	\$2,831	\$3,134	\$2,490
Farm Credit Long-Term Real Estate	\$2,944	\$2,889	\$2,330	\$2,721	\$2,099
Other Long-Term Liabilities	1,253	439	288	660	292
TOTAL LONG-TERM LIABILITIES	\$4,198	\$3,328	\$2,618	\$3,381	\$2,391
TOTAL LIABILITIES	\$9,050	\$7,599	\$6,585	\$7,744	\$5,897
NET WORTH PER COW					
OWNER'S NET WORTH	\$13,995	\$11,151	\$12,810	\$12,653	\$10,963
TOTAL LIABILITIES & NET WORTH	\$23,045	\$18,750	\$19,395	\$20,397	\$16,860
PERCENT NET WORTH	61%	59%	66%	62%	65%

*This weighs each column equally, to account for the difference in sample sizes across the three size categories

**This averages the data by number of farms, which puts more weight on the 700+ cow category

TABLE B-3.

2025 DATA BY HERD SIZE / Evaluation Factors

	299 COWS OR FEWER	300-699 COWS	700 COWS OR MORE	ALL FARMS BY COLUMN*	ALL FARMS BY FARMS**
Number of Farms	27	43	66	136	136
Average Number of Cows	181	507	2,136	941	1,233
Worker Equivalents	4.7	10.0	32.9	15.9	20.0
Cows Per Worker	38	51	65	51	62
Pounds of Milk Sold Per Worker	962,233	1,292,394	1,760,304	1,338,310	1,649,270
Pounds of Milk Sold Per Farm	4,518,220	12,908,220	57,834,336	20,340,275	33,045,633
Pounds of Milk Sold Per Cow	25,391	25,460	27,076	25,976	26,801
Milk Price Per Cwt.	\$22.23	\$22.10	\$22.29	\$22.21	\$22.33
Total Crop Acres	406	816	2,350	1,191	1,480
Crop Acres Per Cow	2.3	1.6	1.1	1.7	1.2
Crop Acres Per Worker	87	82	72	80	74
Feed Cost Per Cow	\$1,790	\$2,043	\$2,173	\$2,002	\$2,146
Feed Cost Per Cwt.	\$7.12	\$8.02	\$8.03	\$7.72	\$8.01
Feed as a Percent of Milk Sales	31%	36%	36%	34%	36%
Feed & Crop Expense Per Cow ¹	\$2,261	\$2,522	\$2,534	\$2,439	\$2,525
Feed & Crop Expense Per Cwt.	\$8.90	\$9.91	\$9.36	\$9.39	\$9.42
Machinery Cost Per Cow ²	\$1,330	\$1,385	\$1,314	\$1,343	\$1,323
Machinery Costs Per Cwt.	\$5.24	\$5.44	\$4.85	\$5.18	\$4.94
Labor & Family Living Per Cow	\$888	\$1,103	\$1,059	\$1,017	\$1,060
Labor & Family Living Per Cwt.	\$3.50	\$4.33	\$3.91	\$3.91	\$3.96
Assets Per Cow	\$23,045	\$18,750	\$19,395	\$20,397	\$16,860
Debt Per Cow	\$9,050	\$7,599	\$6,585	\$7,745	\$5,897
Net Worth Per Cow	\$13,995	\$11,151	\$12,810	\$12,652	\$10,963
Return on Assets ³	2.8%	3.3%	11.8%	7.8%	7.0%
Return on Equity ⁴	1.4%	1.8%	15.4%	6.3%	7.8%

¹Feed & Crop Expense = Feed + Seed & Plants + Fertilizer + Chemicals & Sprays.

²Machinery Cost = Machinery Repairs + Custom Hire + Fuel & Oil + Machinery & Equipment Depreciation.

³Return on Assets = (Net Earnings + Interest) ÷ Average Farm Assets.

⁴Return on Equity = Net Earnings ÷ Average Farm Net Worth.

*This weighs each column equally, to account for the difference in sample sizes across the three size categories

**This averages the data by number of farms, which puts more weight on the 700+ cow category

TABLE C-1.

2025 DATA BY PROFIT GROUPS / Earnings Worksheet

	PROFIT GROUP				
	BOTTOM 25%	THIRD 25%	SECOND 25%	TOP 25%	ALL FARMS
Number of Farms	34	34	34	34	136
Average Number of Cows	614	1,467	1,169	1,680	941
Receipts	DOLLARS PER COW				
Milk Sales	\$5,546	\$5,956	\$5,919	\$6,224	\$5,828
Cattle Sales	908	1,103	1,844	1,786	1,401
Crop Sales	72	65	144	152	140
Government Payments	94	56	76	51	113
Other	364	275	283	265	366
CASH RECEIPTS	\$6,984	\$7,455	\$8,266	\$8,478	\$7,848
Accrual Adjustments					
+ Change in Inventory-Raised Livestock	\$40	\$122	\$68	\$144	\$114
VALUE OF FARM PRODUCTION (a)	\$7,024	\$7,577	\$8,334	\$8,622	\$7,962
COST OF GOODS SOLD					
Chemicals & Sprays	\$31	\$82	\$70	\$58	\$52
Custom Hire	246	249	322	208	236
Purchased Feed	1,955	2,214	2,222	2,106	2,002
Fertilizer & Lime	236	189	163	168	216
Freight & Trucking (Marketing)	360	435	441	428	344
Gasoline, Fuel & Oil	235	182	191	190	198
Hired Labor	1,091	994	967	968	862
Seed & Plants	247	116	140	100	168
Supplies	367	316	315	265	330
Veterinary, Medicine & Breeding	249	248	217	216	212
Cow Replacements	374	11	16	73	123
Total Cost of Goods Sold	\$5,391	\$5,036	\$5,064	\$4,780	\$4,743
Gross Margin	\$1,633	\$2,541	\$3,270	\$3,842	\$3,219
OVERHEAD					
Insurance	120	82	97	97	109
Interest	509	335	344	237	396
Rent	135	116	195	99	157
Repairs	497	447	530	372	438
Property & Misc. Taxes	97	59	52	90	86
Utilities	173	151	144	144	162
Other	215	175	261	182	454
Accrual Adjustments					
+ Depreciation	605	428	321	448	471
Total Overhead Expenses	\$2,351	\$1,793	\$1,944	\$1,669	\$2,273
Total Farm Production Costs (b)	\$7,742	\$6,829	\$7,008	\$6,449	\$7,016
NET FARM EARNINGS (a) - (b)	-\$718	\$748	\$1,326	\$2,173	\$946
- Family Living & Income Taxes	88	62	66	72	155
NET EARNINGS	-\$806	\$686	\$1,260	\$2,101	\$791
+ Net Nonfarm Income	19	16	19	31	54
NET HOUSEHOLD INCOME	-\$787	\$702	\$1,279	\$2,132	\$845

Note: Expenses adjusted for changes in accounts payable, prepaid expenses and supply inventories to remove the effects of tax planning and reflect only one year's expenses.

TABLE C-2.

2025 DATA BY PROFIT GROUPS / Balance Sheet Summary

	PROFIT GROUP				
	BOTTOM 25%	THIRD 25%	SECOND 25%	TOP 25%	ALL FARMS
Number of Farms	34	34	34	34	136
Average Number of Cows	614	1,467	1,169	1,680	941
ASSETS PER COW					
Cash & Accounts Receivable	\$563	\$647	\$620	\$1,287	\$811
Feed & Crop Inventory	1,411	1,304	1,386	1,701	1,564
Supplies & Prepaid Expenses	80	301	160	303	192
Other Current Assets	363	176	288	313	308
TOTAL CURRENT ASSETS	\$2,417	\$2,428	\$2,454	\$3,604	\$2,875
Dairy Livestock	\$3,101	\$3,357	\$3,314	\$3,547	\$3,626
Machinery & Equipment	3,714	2,542	2,503	2,846	3,996
Other Intermediate Assets	1,491	892	1,303	1,100	1,424
TOTAL INTERMEDIATE ASSETS	\$8,306	\$6,791	\$7,120	\$7,493	\$9,046
Farm Real Estate	\$8,908	\$6,263	\$6,073	\$6,155	\$8,063
Other Fixed Assets	282	47	130	431	413
TOTAL FIXED ASSETS	\$9,190	\$6,310	\$6,203	\$6,586	\$8,476
TOTAL ASSETS	\$19,913	\$15,529	\$15,777	\$17,683	\$20,397
LIABILITIES PER COW					
Accounts Payable	\$462	\$108	\$260	\$44	\$225
Farm Credit Short-Term Loans	91	220	147	80	131
Other Current Liabilities	1,121	676	651	633	873
TOTAL CURRENT LIABILITIES	\$1,674	\$1,004	\$1,058	\$757	\$1,229
Noncurrent Liabilities	7,215	4,628	5,089	4,111	6,515
TOTAL LIABILITIES	\$8,889	\$5,632	\$6,147	\$4,868	\$7,744
NET WORTH PER COW					
OWNER'S NET WORTH	\$11,024	\$9,897	\$9,630	\$12,815	\$12,653
TOTAL LIABILITIES & NET WORTH	\$19,913	\$15,529	\$15,777	\$17,683	\$20,397
PERCENT NET WORTH	55%	64%	61%	72%	62%

TABLE C-3.

2025 DATA BY PROFIT GROUPS / Evaluation Factors

	PROFIT GROUP				
	BOTTOM 25%	THIRD 25%	SECOND 25%	TOP 25%	ALL FARMS
Number of Farms	34	34	34	34	136
Average Number of Cows	614	1,467	1,169	1,680	941
Worker Equivalents	11.8	23.3	19.2	25.9	15.9
Cows Per Worker	52	63	61	65	51
Pounds of Milk Sold Per Worker	1,316,363	1,684,006	1,629,695	1,784,243	1,338,310
Pounds of Milk Sold Per Farm	15,508,412	39,239,316	31,316,341	46,119,360	20,340,275
Pounds of Milk Sold Per Cow	25,258	26,748	26,789	27,452	25,976
Milk Price Per Cwt.	\$21.88	\$22.27	\$22.02	\$22.57	\$22.21
Total Crop Acres	853	1,511	1,660	1,898	1,191
Crop Acres Per Cow	1.4	1.0	1.4	1.1	1.7
Crop Acres Per Worker	72	65	86	73	80
Feed Cost Per Cow	\$1,955	\$2,214	\$2,222	\$2,106	\$2,002
Feed Cost Per Cwt.	\$7.74	\$8.28	\$8.29	\$7.67	\$7.72
Feed as a Percent of Milk Sales	35%	37%	38%	34%	34%
Feed & Crop Expense Per Cow ¹	\$2,469	\$2,601	\$2,595	\$2,432	\$2,439
Feed & Crop Expense Per Cwt.	\$9.78	\$9.72	\$9.69	\$8.86	\$9.39
Machinery Cost Per Cow ²	\$1,583	\$1,306	\$1,364	\$1,218	\$1,343
Machinery Cost Per Cwt.	\$6.27	\$4.88	\$5.09	\$4.44	\$5.18
Labor & Family Living Per Cow	\$1,179	\$1,056	\$1,033	\$1,040	\$1,017
Labor & Family Living Per Cwt.	\$4.67	\$3.95	\$3.86	\$3.79	\$3.91
Assets Per Cow	\$19,913	\$15,529	\$15,777	\$17,683	\$20,397
Debt Per Cow	\$8,889	\$5,632	\$6,147	\$4,868	\$7,745
Net Worth Per Cow	\$11,024	\$9,897	\$9,630	\$12,815	\$12,652
Return on Assets ³	-1.5%	6.6%	10.2%	13.2%	7.8%
Return on Equity ⁴	-7.3%	6.9%	13.1%	16.4%	6.3%

¹Feed & Crop Expense = Feed + Seed & Plants + Fertilizer + Chemicals & Spray.

²Machinery Cost = Machinery Repairs + Custom Hire + Fuel & Oil + Machinery & Equipment Depreciation.

³Return on Assets = (Net Earnings + Interest) ÷ Average Farm Assets.

⁴Return on Equity = Net Earnings ÷ Average Farm Net Worth.

TABLE D-1.

2025 DATA BY REGIONS / Earnings Worksheet

	REGIONS		
	NEW ENGLAND	NEW YORK	ALL FARMS
Number of Farms	25	111	136
Average Number of Cows	861	1,284	941
Receipts	DOLLARS PER COW		
Milk Sales	\$5,980	\$5,988	\$5,828
Cattle Sales	760	1,379	1,401
Crop Sales	69	123	140
Government Payments	201	50	113
Other	331	279	366
CASH RECEIPTS	\$7,341	\$7,819	\$7,848
Accrual Adjustments			
+ Change in Inventory-Raised Livestock	\$12	\$70	\$114
VALUE OF FARM PRODUCTION (a)	\$7,353	\$7,889	\$7,962
COST OF GOODS SOLD			
Chemicals & Sprays	\$45	\$66	\$52
Custom Hire	186	258	236
Purchased Feed	2,181	2,140	2,002
Fertilizer & Lime	206	181	216
Freight & Trucking (Marketing)	409	426	344
Gasoline, Fuel & Oil	204	192	198
Hired Labor	1,079	980	862
Seed & Plants	163	129	168
Supplies	313	302	330
Veterinary, Medicine & Breeding	223	235	212
Cow Replacements	138	31	123
Total Cost of Goods Sold	\$5,147	\$4,940	\$4,743
Gross Margin	\$2,206	\$2,949	\$3,219
OVERHEAD			
Insurance	101	93	109
Interest	344	322	396
Rent	146	128	157
Repairs	535	442	438
Property & Misc. Taxes	65	74	86
Utilities	169	150	162
Other	416	193	454
Accrual Adjustments			
Depreciation	347	449	471
Total Overhead Expenses	\$2,123	\$1,851	\$2,273
Total Farm Production Costs (b)	\$7,270	\$6,791	\$7,016
NET FARM EARNINGS (a) - (b)	\$83	\$1,098	\$946
- Family Living & Income Taxes	70	68	155
NET EARNINGS	\$13	\$1,030	\$791
+ Net Nonfarm Income	24	20	54
NET HOUSEHOLD INCOME	\$37	\$1,050	\$845

Note: Expenses adjusted for changes in accounts payable, prepaid expenses and supply inventories to remove the effects of tax planning and reflect only one year's expenses.

TABLE D-2.

2025 DATA BY REGIONS / Balance Sheet Summary

	REGIONS *		
	NEW ENGLAND	NEW YORK	ALL FARMS
Number of Farms	25	111	136
Average Number of Cows	861	1,284	941
ASSETS PER COW			
Cash & Accounts Receivable	\$550	\$881	\$811
Feed & Crop Inventory	1,314	1,489	1,564
Supplies & Prepaid Expenses	264	231	192
Other Current Assets	69	294	308
TOTAL CURRENT ASSETS	\$2,197	\$2,895	\$2,875
Dairy Livestock	\$3,065	\$3,414	\$3,626
Machinery & Equipment	2,756	2,786	3,996
Other Intermediate Assets	1,312	1122	1,424
TOTAL INTERMEDIATE ASSETS	\$7,133	\$7,322	\$9,046
Farm Real Estate	\$6,837	\$6,503	\$8,063
Other Fixed Assets	141	237	413
TOTAL FIXED ASSETS	\$6,978	\$6,740	\$8,476
TOTAL ASSETS	\$16,308	\$16,957	\$20,397
LIABILITIES PER COW			
Accounts Payable	\$352	\$155	\$225
Farm Credit Short-Term Loans	342	127	131
Other Current Liabilities	640	720	873
TOTAL CURRENT LIABILITIES	\$1,334	\$1,002	\$1,229
Noncurrent Liabilities	4,416	4,980	6,515
TOTAL LIABILITIES	\$5,750	\$5,982	\$7,744
NET WORTH PER COW			
OWNER'S NET WORTH	\$10,558	\$10,975	\$12,653
TOTAL LIABILITIES & NET WORTH	\$16,308	\$16,957	\$20,397
PERCENT NET WORTH	65%	65%	62%

*Regions are divided by state not Federal Milk Orders.

TABLE D-3.

2025 DATA BY REGIONS / Evaluation Factors

	REGIONS ¹		
	NEW ENGLAND	NEW YORK	ALL FARMS
Number of Farms	25	111	136
Average Number of Cows	861	1,284	941
Worker Equivalents	17.0	20.5	15.9
Cows Per Worker	51	63	51
Pounds of Milk Sold Per Worker	1,338,222	1,683,804	1,338,310
Pounds of Milk Sold Per Farm	22,694,238	34,456,140	20,340,275
Pounds of Milk Sold Per Cow	26,358	26,835	25,976
Milk Price Per Cwt.	\$23.91	\$22.24	\$22.21
Total Crop Acres	1,317	1,502	1,191
Crop Acres Per Cow	1.5	1.2	1.7
Crop Acres Per Worker	78	73	80
Feed Cost Per Cow	\$2,181	\$2,128	\$2,002
Feed Cost Per Cwt.	\$8.27	\$7.93	\$7.72
Feed as a Percent of Milk Sales	36%	36%	34%
Feed & Crop Expense Per Cow ²	\$2,595	\$2,516	\$24,439
Feed & Crop Expense Per Cwt.	\$9.85	\$9.38	\$9.39
Machinery Cost Per Cow ³	\$1,272	\$1,341	\$1,343
Machinery Cost Per Cwt.	\$4.83	\$5.00	\$5.18
Labor & Family Living Per Cow	\$1,149	\$1,048	\$1,017
Labor & Family Living Per Cwt.	\$4.36	\$3.91	\$3.91
Assets Per Cow	\$16,308	\$16,957	\$20,397
Debt Per Cow	\$5,750	\$5,982	\$7,745
Net Worth Per Cow	\$10,558	\$10,975	\$12,652
Return on Assets ⁴	2.2%	8.0%	7.8%
Return on Equity ⁵	0.1%	9.4%	6.3%

¹Regions are divided by states not Federal Milk Orders.

²Feed & Crop Expense = Feed + Seed & Plants + Fertilizer + Chemicals & Spray.

³Machinery Cost = Machinery Repairs + Custom Hire + Fuel & Oil + Machinery & Equipment Depreciation.

⁴Return on Assets = (Net Earnings + Interest) ÷ Average Farm Assets.

⁵Return on Equity = Net Earnings ÷ Average Farm Net Worth.

GLOSSARY

Net Cash Farm Income

A measure of farm profitability in terms of cash flow and net cash farm income, reflects the ability of a farm business to meet its cost of production through cash income. It is equal to:

$$\text{Cash Receipts} - \text{Adjusted Cash Operating Expenses}$$

Accrual Adjusted Operating Expenses

Farm operating expenses adjusted to reflect 12 months of operation and to remove the effect of tax planning. Adjustments account for changes in supply inventories, accounts payable and prepaid expenses. Operating expenses do not include family living costs or capital expenditures.

Net Household Income

An accrual measure of overall household earnings, reflecting all revenues and costs, including both farm and non-farm sources. It is equal to:

$$\begin{aligned} &\text{Net Cash Farm Income} \\ &+ \text{Change in Accounts Receivable} \\ &+ \text{Change in Production Inventories} \\ &+ \text{Net Nonfarm \& Noncash Income} \\ &- \text{Depreciation} \\ &- \text{Family Living Expenses \& Taxes} \end{aligned}$$

Return on Assets

Measures profit earned relative to total farm assets, including assets financed with debt and those financed with farm equity. Return on assets is equal to:

$$\frac{\text{Net Earnings} + \text{Interest Expense}}{\text{Average Assets}}$$

Return on Equity

Measures profit earned relative to a farmer's equity investment in the farm operation. Return on equity is equal to:

$$\frac{\text{Net Earnings}}{\text{Average Net Worth}}$$

Debt Capacity

The maximum amount of capital debt that can be repaid from a farm's cash flow, the calculation of debt capacity is described in the summary.

Reserve Debt Capacity

The amount of additional capital debt (beyond that already incurred) that a farm can service from cash flow. Reserve debt capacity represents a farm's buffer against financial adversity. It is equal to:

$$\text{Debt Capacity} - \text{Capital Debt}$$

Overhead Costs

Costs that do not vary with a change in production output, such as depreciation, interest, repairs, taxes and insurance, etc.





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