

Marion County Ag Extension Newsletter

January 2023

In This Newsletter:

KY Dairy Notes

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A Word From Your County Agent:

Happy New Year! As of January 3rd, I have proudly been the Agriculture and Natural Resources Agent for one year. I am grateful for the opportunity to serve Marion County. I have learned so much this past year and still have lots to learn. Thank you to everyone who has supported me in this great adventure. I am excited for the future of Marion County Extension and thankful for the support I've received as a new agent.

Chelsea Sapp

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College of Agriculture,
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Cooperative Extension Service

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LEXINGTON, KY 40546



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2023

46th Annual Kentucky Turf & Landscape Management Short Course

Register
Now!

February 21-23, 2023

Hardin County Extension Center
111 Opportunity Way
Elizabethtown, KY



<https://2023KYTurfShortCourse.eventbrite.com>

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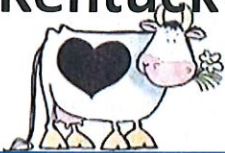
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Regular Review of Financial Records Trait of Profitable Dairy Herds

By Donna M. Amaral-Phillips

For dairy businesses to be profitable and sustainable, their owners must be excellent managers of cattle, crop production, employees/family members, and financial resources. All of these pieces are necessary, and most producers are well versed in managing their crop and cattle resources. Managing financial resources can be more of a challenge for some, as it requires office time to compile and then review numerous categories associated with the income, expenses, assets, and liabilities of a dairy operation. However, finding the time to devote to completing and reviewing these records on a routine schedule throughout the year, not just at tax time or a scheduled visit to the banker, is a necessary management practice. Comparing financials across years also can help one see changes that have occurred, be it positive or negative, and develop a plan to manage one's operation going forward.

Compare Yearly Income and Expenses

Tax time forces one to finalize the collection of income and expenses for the previous year. Compiling this information for your tax preparer should only be part of this process. Reviewing this information can help determine areas that may allow more total net revenue to be generated going forward.

When reviewing sources of income and expenses, one should calculate these not only on a total farm basis, but also per cwt of milk and per cow. These additional calculations allow one to compare your data to other operations, but, as importantly, allow for comparison of your dairy business between years as the number of cows and total production may change over time. By calculating expenses on a cwt of milk basis, one has a dollar value based on your data regarding the milk price needed to cash flow. Knowing this number is important when evaluating whether and how to use risk management tools related to milk pricing that are available.

This month's issue looks at the financial side of the dairy business, an area as important if not more important than the cattle side.

To complete this evaluation, one needs to have these data in a format that allows for easy comparison and on-going calculations. Itemizing each of the categories for income and expenses in a spreadsheet or on a piece of paper with multiple columns allows one to alter or add additional calculations and make comparisons

not only for this tax year, but also previous tax years. (I have found this very informative and surprising how consistent or inconsistent expenses are from year to year in my personal expenses.)

Pre-paid expenses (feed, seed, fertilizer etc.) need to be credited to the year in which they were used/fed. The same is true for unpaid bills; they need to be associated with the year they are used/fed, not the year in which they are paid. This way you are looking at actual expenses for your operation for the year identified, not those credited to a particular tax year. Interest and depreciation should be

noted and accounted for in the calculations, but kept on separate lines from other expenses. One challenge is separating those expenses (and income) that should be charged to another enterprise (i.e. steers, cash grain or other crops) so that the cows do not get charged for them.

Use These Data to Make Management Decisions

Looking at trends in each category of expenses and income over multiple years allows one to see where dollars are consistently being spent and to identify areas of overspending or changes in expenses. This



Continued on page 3 "Regular Review Financial Records"

Are You Competitive as a Dairy Manager?

By Donna M. Amaral-Phillips

For a dairy operation to be profitable and sustainable long-term, available resources need to be used efficiently, be sized appropriately for an operation, and used such that they allow one to easily and effectively manage the dairy herd. By evaluating how efficiently resources are used on an on-going basis, one can find areas where small changes may allow for improvements in finances and/or dairy cow/heifer management. Cow-related management records, i.e. DHI records, are important, but only relate to cow performance and not how management directly impacts finances. To integrate cattle management and financial aspects, one needs to objectively evaluate some key management-related areas which directly impact the financial bottom line. In two additional articles in this issue, we explored the importance of itemizing and reviewing monthly and yearly expenses and how to calculate and review areas of financial stability/profitability of a dairy operation. This article expands this financial discussion to look at the top expense and controllable management-related categories on a dairy which directly impact the financial wellbeing and cow/heifer management.

Feed Costs— Income over Feed Cost

Feed costs represent the largest expense on a dairy coming in at 40 to 60% of the total cost of production. This percentage will vary not only due to the cost of purchased feeds, but also by the value placed on homegrown forages.

When calculating feed costs, consistency in the calculations is important for comparisons to be valid. Some will calculate the value of homegrown forages at a set or market value whereas others use the costs associated with raising the crop, i.e. fertilizer, seed, etc. Others do not include forages in the category, just purchased feeds. To justify raising forages (i.e. hay) or corn grain, the cost associated with raising each crop needs to be less than if those were purchased. Thus, using costs to raise forages and corn grain ideally should result in a lower calculated feed cost overall.

The groups of dairy cattle included in the feed cost category impact the percentage of total expenses associated with feed. Generally, 65% of total feed costs are associated with the milking herd, 5% with dry cows, and 30% with heifers. For dairy herds not raising heifers, total feed costs should be 30% lower than those raising their own replacements. On feed sheets, feed cost reflects the specific group of cows or heifers being fed. These calculations are based on the estimated intake for an individual cow or heifer and do not take into account the variation in feed intake seen within groups of cows/heifers, additional feed left at the next feeding (a common and needed practice), or feed shrink prior to feeding. The take home message is to know what the value for feed cost is reflecting and the purpose or evaluation you are wanting to complete. Specifically one can ask, does the feed cost reflect (a) the

amount actually spent on feed or (b) the cost of a diet formulated for a specific production or growth? Both are important in managing a dairy herd, but are used for different purposes. Feed cost for a formulated ration allows one to compare feeding programs at the same intakes and performance parameters. Whereas the actual total feed cost on-farm reflects what actually is occurring and reveals the cost involved in feeding all classes of dairy cattle on farm, and thus the total financial cost actually incurred for the feeding program. For example, feed shrink can be quite large when commodities are stored in a commodity shed and/or wind losses occur. This cost associated with the feeding program would not be accounted for in the feed ration sheet, but actual expenses for the feeding program would account for these losses.



Lowering feed costs at the expense of milk production income is not a sound and profitable management practice. The key is to “optimize and prudently use” your feed dollars while not compromising milk income. Thus, the rationale for calculating income over feed cost. Improvements in milk production often return more than the additional feed costs, but not always. For example, if total daily feed cost per cow increases by 10 cents, approximately 0.50 lb more

milk is needed to cover the additional feed cost. If these costs are associated with a feed additive or a substituted feed ingredient, the payback should be at least 2 or 3 to 1. For each additional 10 cents/cow, milk production should respond by at least 1 to 2 lbs; a difference often hard to detect in the bulk tank, but does have a financial implication. Improvements in reproduction and immunity also are very hard and at times nearly impossible to calculate the financial reward or cost. However, managers understand their importance and they do represent some of the hidden costs of production.

Labor costs—Hired, Family, and Owner Labor

Labor generally represents 15 to 20% of the cost of producing milk, the second highest expense category for most farms. As labor costs continue to increase, reviewing how efficiently labor dollars and time are used becomes even more prudent. When comparing labor efficiency or cost to benchmarks, all calculations are based on a “worker” working 2500 hours yearly (50 weeks/year at 50 hours/week) defined as 1 full-time equivalent (FTE). Remember that “workers” include not only hired labor (hired and contract labor), but also family and owner time spent completing tasks related to the dairy and raising crops for the cows and heifers.

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Are You Competitive as a Dairy Manager?

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Tiestall barns are often benchmarked at 30 to 35 cows per worker which includes raising crops. Freestall and other group housing systems generally have been benchmarked at 40 to 45 cows per worker and more recently this has averaged 52 and as high as 56 cows/worker. Parlors should be managed such that 4 turns per hour occur. These parlor throughputs reflect not only labor efficiency, but also the efficiency of getting cows to milk out in a reasonable time through the parlor.

By calculating the amount of milk SOLD per worker, one can integrate both labor efficiency and total amount of saleable milk produced. For years, the dairy industry has used the benchmark of 1 million pounds of saleable milk per worker with tiestall barns being slightly less. Today, some of the herds with the higher returns on assets are averaging almost 1.5 million pounds of milk per worker.

Identify Under-Utilized Assets

Dairy operations have a large investment in land, facilities, machinery, and equipment. Interest on debt can be equal to costs associated with labor, depending on amount of capital borrowed and interest rates. Land, facilities, machinery, and equipment need to be sized to adequately distribute these fixed costs over an adequate number of income-generating units, known as milking cows, and have sufficient, but not excessive, land and machinery/equipment to get the daily jobs done in a timely manner. Sometimes investments can increase productivity, decrease labor and repair expenses, or make the job more enjoyable. High investments in machinery/equipment relative to revenue can hurt the financial picture of a dairy operation. Yearly reevaluating if machinery and equipment are being used to their potential or need to be replaced when financially able should be completed. We have all heard the saying, "they have more green, blue, red paint than appropriate for their operation".

Timely Sale of Productive Assets

The sale of cull cows and calves represents 5 to 15% of the total dairy income on a dairy with total income reflecting beef prices and the total pounds of beef or number of calves sold. Cows retained in a dairy herd should be more profitable than a replacement heifer or cow. At what point culling occurs depends on the cost of the replacement, estimated production of the replacement relative to the cow she is replacing, and the number of days in milk, estimated future production, and

reproductive status relative to days in milk of the cow being considered as a cull to name just a few.

One aspect everyone can agree upon is that cows and heifers lost on the farm do not add income to the bottom line. Death losses should be kept to minimum. NAHMS data suggest an average of 6% death losses on farm. Death losses higher than this should be reviewed and corrective action taken. Also, non-dairy culling should be kept as low as possible (ideally < 25%). Raising more replacements than needed also raises expenses. Raising replacements accounts for 15 to 20% of the cost of producing milk when their costs are accounted for separately. Using data from 2015 thru 2020, Cornell University compiled the financial and inventory records from the same 122 New York dairies enrolled in their Farm Business Management Program. For these herds, the percentage of heifers relative to number of cows decreased from 86% to 79% when comparing 2015 to 2020 (cull rate of 36% in 2020).

Family Living Expenses

Generally speaking, family living is benchmarked at around 5 to 10% of gross farm income. Depending on how a farm is structured, this expense may be included in the labor category and is associated with owner and/or family labor. Adequate farm income (and non-farm income, if applicable) is needed to cover family living expenses. Family living expenses need to be assessed accurately, tailored to your and your family's needs, and scrutinized as closely as farm income and expenses. Often times, this expense category varies from year to year to match net farm income, and rightfully so. However, some expenditures, i.e. food or health insurance, need to be covered year to year.

Take Time to Review Major Expense Categories

To be competitive in today's dairy business climate, one must be able to integrate the financial and cow/heifer management principles into one package and make decisions based on this information. From an income standpoint, milk income still drives the income side of the equation, but income from the sale of cows and calves still is important since that percentage often represents at least a big chunk of family living allocations. The biggest expenses include feed, labor and interest/depreciations associated with land, facilities, machinery, and equipment. Comparing costs between years to benchmarks and against local neighbors or dairies in other locations in the US can help a dairy business remain competitive today and in the future.

Regular Review of Financial Records....

Continued from page 1

itemized information also can help one see the impact a change, such as increased milk production or adding a few more cows or another enterprise (retaining calves), can have on cash flow. Essentially, this evaluation allows one to integrate the financial aspects with managing dairy cattle, crops, and labor. This evaluation does not occur in one sitting, but over multiple sessions that is on-going throughout the year.

Of course, I would be remiss and quickly corrected by economists and bankers alike, if I did not mention that

reviewing income and expenses for a dairy operation is just one component of assessing the profitability of a business. Assets held by the dairy operation need to be accounted for and profitability of any business relates to "owning" assets, not just acquiring these assets. The calculations associated with a balance sheet or net worth statement are the true assessment of profitability of a business and will be the topic of a separate article in this issue of *Kentucky Dairy Notes*.

Is Your Dairy Business a Good Investment Risk in Your Banker's Eyes?

By Donna M. Amaral-Phillips and Jerry S. Pierce

Profitable dairy businesses are able to generate adequate income within a given year to pay expenses, repay debts (interest and principle), and provide living expenses or owner withdrawals with some income left to reinvest in the business now, as needed, or in the future, if desired. This definition is somewhat different than one used in management articles which often only reflect the income and expense side of this definition. But, to be sustainable and to continue as an on-going business, dairy operations must provide personal income, return on their investments, and increased wealth for their owners. Financial and performance aspects of a dairy business must be integrated.



Balance sheets, also referred to as net worth statements, are used to determine the financial position of a business. They reflect the financial position of a business at a particular point in time and, as such, need to be updated at the same time each year so the owner and their banker can compare their financial position across years. Balance sheets reflect the value of assets and liabilities of a business and the proportion owned by the business's owner. Bankers use information from a balance sheet to determine the risk associated with lending capital to your business. Essentially, they are determining the probability or risk as to whether you will be able to repay the loan and, if not, do you own assets that will allow the bank to recoup the value of the loan.

For dairies and other agricultural enterprises, both the business's assets and liabilities are broken down into three different "useful life" spans. These "life spans" include (1) current or those used or available to be used within the next year, (2) intermediate or

those used or replaced within 13 months to 10 years (i.e. cows/heifers, equipment), or (3) long term (i.e. land or buildings) assets. Bankers and financial advisors may calculate 16 to 21 different financial ratios from the information in a balance sheet with each person having their preferred set of financial indicators, terminology, and benchmarks. Essentially, these farm financial ratios evaluate 5 different areas of interest. These areas include calculations reflecting the liquidity, solvency, financial efficiency, repayment ability, and profitability of a business. Your banker calculates ratios reflecting these 5 areas to determine the overall risk and ability to secure one's loan with collateral. Spreadsheets or calculations done by hand can be used to calculate these financial ratios using information noted on a balance sheet. The results from these calculations then can be used, along with production records, to integrate the financial and production aspects of a dairy business. They also can be shared with one's banker or financial consultant along with a cash flow and balance sheet, as a starting point for a scheduled financial discussion. For this article, we will look at each of these 5 financial areas and an example calculation reflecting the financial position for each one.

Liquidity-short-term debt repayment ability

Liquidity reflects how well a farm can generate "cash without disrupting normal operations" to pay current and on-going operating expenses and debt in a timely manner. Some use the term "working capital" in association with this assessment. This financial ratio only incorporates what are termed current assets and liabilities. Current assets are those assets which could be sold (i.e. steers, corn grain), used (forages in storage), or turned over (i.e. cash, prepaid expenses) within the next 12 months as part of "normal business activity". Current liabilities would include outstanding accounts payable (bills), accrued interest on debt, and the current portion of term debt which should be paid within the next 12 months. The value of dairy cows and heifers and equipment are not included in this calculation as they are considered "productive assets" and are needed for the continued generation of income.

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Your Business in Your Banker's Eyes ... Cont. from page 4

The higher the percentage of working capital (total current assets – total current liabilities) in relation to total expenses, the stronger the business and the better the dairy business will be able to survive fluctuating prices received for milk and/or higher costs associated with inputs. Percentages greater than 25% are considered favorable and should result in the ability of the dairy business to cover 3 months of expenses or 6 months of a “feed bill”. When this percentage drops below 15%, concern is raised since less than 1 month of expenses are in reserve.

$$\begin{aligned} \text{Working Capital to Total Expenses} &= \frac{\text{Working capital}}{\text{Total expenses}} \times 100 \\ &= \frac{(\text{Total current assets} - \text{Total current liabilities})}{\text{Total expenses (not including family income)}} \times 100 \end{aligned}$$

Total expenses includes operating expenses, interest, taxes, and normal depreciation (not including schedule 179).

Some financial advisors and bankers prefer to calculate the “current ratio” as an indicator of the short term ability of a business in making payments or as a measure of liquidity. This financial indicator takes into consideration the total current assets in relation to current liabilities. Ratios greater than 1.5 are considered “good” and those below 0.8 to 1 are generally considered problematic.

$$\text{Current Ratio} = \frac{\text{Total current assets}}{\text{Total current liabilities}}$$

Solvency reflects longer-term debt repayment ability

Solvency reflects one's ability to repay debts in the long-term and is used to determine if a business has the ability to carry more debt. Essentially, this financial calculation reflects what financial proportion of your assets (i.e. feed, cattle, land, and equipment) you own versus those you owe. Solvency is reflected in the debt to asset ratio or the inverse, equity to asset ratio. All assets, (current, intermediate and long term) are divided between those owned (equity) and those owed (debt or liabilities). Economists evaluating agricultural businesses consider debt to asset ratios under 30% as “good” and the danger zone being at or above 70%. Since dairies receive a “monthly income” in the form of a milk check, some financial advisors adjust the benchmarks to 40% or less being good and danger zone when it is greater than 60%. Those dairy businesses with poor debt to asset ratios need to look for ways to add additional income and/or reduce expenses, ways of restructuring debt through refinancing at a lower interest rate or longer terms, or selling some unneeded assets. Oftentimes, no new borrowing is recommended or allowed until positive changes occur resulting in a lowering of the debt to asset ratio.

$$\text{Debt to Asset Ratio as a Percent} = \frac{\text{Total liabilities}}{\text{Total assets}} \times 100$$

When evaluating solvency, some bankers may assess the debt to asset ratio for current, intermediate, and long-term assets separately. Assessment for each of these lifespans for assets may impact the financial ability to make improvements in the future. High current debt to asset ratios may raise questions regarding a business's ability to make payments as they become due. A high intermediate debt to asset ratio may spell issues replacing capital, i.e. equipment, as needed in the future and high long-term debt ratios may limit expansion capacity in the future.

Financial Efficiency

Financial efficiency reflects a business's ability to control costs associated with either cash expenses or capital purchases while at the same time maximizing income. Separate ratios are calculated to reflect cost containment of cash expenses versus capital expenditures.

The operating expense ratio reflects how much is spent on cash expenditures to generate \$1 of income. Cash expenses include operating expenses minus interest and depreciation. The lower the ratio, the better the evaluation of financial efficiency. Ratios of 65 to 70% or lower generally are considered “good”. At this ratio, \$0.65 to \$0.70 in expenses generates \$1 of income. When this ratio goes above 80 to 85%, major concerns are raised and management changes are

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Your Business in Your Banker's Eyes ... Cont. from page 5

needed which can increase income and/or contain expenses without compromising milk/cull cow income.

$$\text{Operating Expense Ratio} = \frac{\text{Total cash operating expenses}}{\text{Gross farm income}} \times 100$$

$$\text{Total Cash Operating Expenses} = \text{Total farm expenses} - \text{interest} - \text{depreciation}$$

Another aspect to evaluate relates to the amount of revenue generated from each dollar of assets, known as a capital or asset turnover ratio. This ratio indicates how well your business is generating income in relation to assets held. With this ratio, the higher the ratio the better and excellent marks are given when the ratio is greater than 35 to 40% and major concerns are raised when the ratio is less than 20 to 25%. One should always reassess if assets, especially equipment, are needed and make sure they are not being under-used or being utilized inefficiently. I think we all have heard the saying, "too much green/red/blue paint".

$$\text{Capital or Asset Turnover Ratio} = \frac{\text{Total farm revenue}}{\text{Total farm assets}} \times 100$$

$$\text{Total Farm Assets} = \text{Current} + \text{intermediate (cows + equipment)} + \text{long-term (land + buildings) assets}$$

Repayment Ability or Capacity

Repayment ability or capacity measures a business's or person's ability to repay annually scheduled principle and interest payments on "term debts" (i.e. loans for equipment, cattle, or land). Values greater than 150% are considered "good" and 110 to 150% are in the cautionary area. Lower values signal term debt may need to be restructured along with management changes to improve farm income, additional sources of farm and non-farm income, and reductions in expenses. To a banker, low values may also indicate a high risk of non-payment, if applying for a loan, and a reason for not underwriting a farm loan.

$$\text{Term Debt Coverage Ratio as a Percent} = \frac{((\text{Net farm income} + \text{interest} + \text{depreciation}) + \text{non-farm income} - (\text{family living} + \text{personal taxes}))}{\text{Scheduled annual principle and interest payments on term debt}} \times 100$$

Profitability

To be sustainable, businesses must generate enough income to cover their expenses, "pay" their owners for their invested time, and make a return on the investments in capital. Profitability of a business is often calculated as the rate of return on assets or ROA. The higher the rate of return, the more profitable the business. For dairies, ROAs greater than 5 to 8% are considered "good". Obviously, rates of return vary from year to year and as such need to be averaged over time, like investments in the stock market. Generally speaking, one would like to see a return on investment at least greater than the weighted average of interest rates on loans for a dairy business and/or the long-term inflation rate.

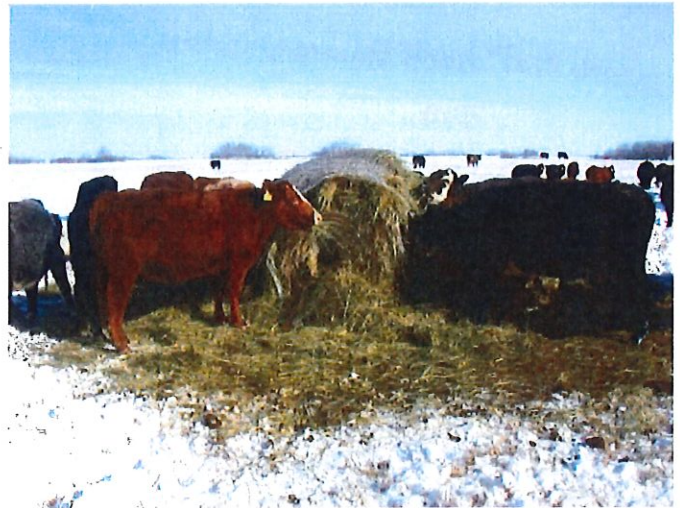
$$\text{Rate of Return on Assets (\%)} = \frac{\text{Net farm income} + \text{interest} - \text{Management fee or family living}}{\text{Total farm assets}} \times 100$$

Complete These Assessments Yearly

At least yearly, if not quarterly, each of these financial areas, needs to be reviewed and assessed as to whether changes need to be made. Regularly reviewing the financial status of a dairy business helps one integrate production/performance-related aspects with the business/financial goals for the operation. By keeping an on-going and retrospective analysis of each of these areas, one can determine if they are making headway toward their financial and performance goals. Sometimes progress and successes are hidden within a pile of papers and numbers!!! We just need to take some time to evaluate what is there.

January Monthly Tips

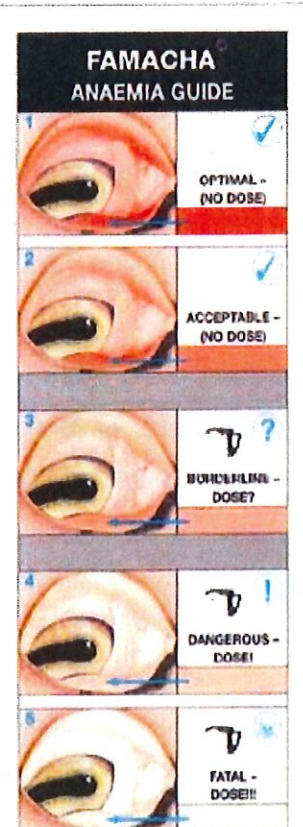
- Feed hay in areas where mud is less of a problem.
- Consider "bale grazing"- set out hay when the ground is dry or frozen. Use temporary fencing to allocate bales as needed.
- Feed hay in poor pastures to increase soil fertility and enhance organic matter.



January Tips are from the KY Grazing Calendar

Small Ruminant Monthly Tips

- Provide Mineral and fresh water at all times.
- Dry does/ewes- non-lactating females that are open or in early gestation should have access to medium quality hay.
- Late gestation does/ ewes - late gestation females need access to high quality hay and will likely need some concentrates as lambing/kidding approaches.
- De-worm pregnant ewes and does with a **FAMACHA** score of 3,4 or 5.



Upcoming Events

January 10th

Goat and Sheep Meeting
7pm
Marion County Extension Office

January 12th

Grain Day
8:30am-1:30pm

Nelson County Extension Office
317 S 3rd St. Bardstown, KY 40004

January 19th

KY Commodity Conference
Sloan Convention Center
Bowling Green, KY

January 27th

County Ag Investment Program
Educational Requirement (CAIP)
DEADLINE

Please contact Chelsea Sapp for an appointment. Call our office at 270-692-2421.

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January 31st

County Ag Investment Program
(CAIP) DEADLINE
Turn in ALL paperwork to NRCS
Office
680 Metts Dr, Lebanon, KY 40033



COME AND JOIN US AT OUR

Grain Day WORKSHOP


This workshop will focus on all aspects of grain crop production. Featured speakers will include:

- Dr. Chad Lee, Extension Agronomist
- Dr. Travis Legleiter, Extension Weeds Specialist
- Dr. Jordan Shockely, Extension Ag Economist
- Dr. Edwin Ritchey, Extension Soils Specialist
- Dr. John Grove, Extension Soils Specialist

Happy
New
Year!

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Join us online for Event available to KSWPA & KGPA Members Only


LAMBING Q & A

YOUR QUESTIONS ANSWERED LIVE

January 24th, 2022 • 7:30 pm EST

Event Sponsored by


WITH DR. DON ELY
UNIVERSITY OF KENTUCKY

VIP EVENT

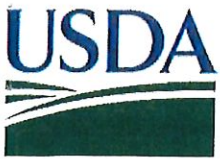
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Email us with accessibility issues with this report.

Livestock Weighted Average Report for 12/12/2022 - Final

SPECIAL GRADED SALE

	This Week	Last Reported 11/28/2022	Last Year
Total Receipts:	757	315	446
Feeder Sheep/Lambs:	29(3.8%)	15(4.8%)	6(1.3%)
Slaughter Sheep/Lambs:	554(73.2%)	219(69.5%)	324(72.6%)
Feeder Goats:	53(7.0%)	21(6.7%)	24(5.4%)
Slaughter Goats:	121(16.0%)	60(19.0%)	92(20.6%)

Special Note: Lamb prices in all weight category continue to go up, today prices were up 8.00 to 10.00 with good demand. Kid prices continue to remain steady with good demand. 821 head received. 757 graded

Supply included: 4% Feeder Sheep/Lambs (100% Hair Lambs); 73% Slaughter Sheep/Lambs (10% Woolled, 77% Hair Breeds, 1% Ewes, 10% Hair Ewes, 2% Bucks, 1% Hair Bucks); 7% Feeder Goats (100% Kids); 16% Slaughter Goats (85% Kids, 8% Nannies/Does, 6% Bucks/Billies, 1% Wethers).

FEEDER SHEEP/LAMBS

HAIR LAMBS - Medium and Large 1-2 (Per Cwt / Actual Wt)

Head	Wt Range	Avg Wt	Price Range	Avg Price
29	43	43	265.00	265.00

SLAUGHTER SHEEP/LAMBS

WOOLED - Choice and Prime 1-2 (Per Cwt / Actual Wt)

Head	Wt Range	Avg Wt	Price Range	Avg Price	Dressing
2	73	73	255.00	255.00	Average
4	91	91	190.00	190.00	Average
9	110-129	121	145.00-170.00	155.14	Average

WOOLED - Choice 2 (Per Cwt / Actual Wt)

Head	Wt Range	Avg Wt	Price Range	Avg Price	Dressing
7	50-57	56	215.00-275.00	222.65	Average
6	69	69	220.00	220.00	Average
16	94-98	95	135.00-212.50	197.47	Average
9	116	116	125.00	125.00	Average

HAIR BREEDS - Choice and Prime 1-2 (Per Cwt / Actual Wt)

Head	Wt Range	Avg Wt	Price Range	Avg Price	Dressing
21	55	55	270.00	270.00	Average
130	76	76	253.00	253.00	Average



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6	85	85	210.00	210.00	Average
22	93	93	207.50	207.50	Average
9	112	112	155.00	155.00	Average

HAIR BREEDS - Choice 2 (Per Cwt / Actual Wt)

<u>Head</u>	<u>Wt Range</u>	<u>Avg Wt</u>	<u>Price Range</u>	<u>Avg Price</u>	<u>Dressing</u>
91	51-58	57	197.50-255.00	250.51	Average
67	68	68	247.50	247.50	Average
1	70	70	130.00	130.00	Average
22	86	86	190.00	190.00	Average

HAIR BREEDS - Good and Choice 2-3 (Per Cwt / Actual Wt)

<u>Head</u>	<u>Wt Range</u>	<u>Avg Wt</u>	<u>Price Range</u>	<u>Avg Price</u>	<u>Dressing</u>
40	53	53	225.00	225.00	Average
9	66	66	150.00	150.00	Average
6	84	84	152.50	152.50	Average

EWES - Choice 2 (Per Cwt / Actual Wt)

<u>Head</u>	<u>Wt Range</u>	<u>Avg Wt</u>	<u>Price Range</u>	<u>Avg Price</u>	<u>Dressing</u>
1	145	145	110.00	110.00	Average
4	199	199	92.50	92.50	Average

EWES - Choice 2-3 (Per Cwt / Actual Wt)

<u>Head</u>	<u>Wt Range</u>	<u>Avg Wt</u>	<u>Price Range</u>	<u>Avg Price</u>	<u>Dressing</u>
3	150	150	85.00	85.00	Average

HAIR EWES - Choice 2 (Per Cwt / Actual Wt)

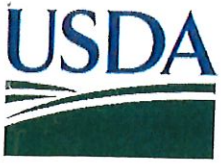
<u>Head</u>	<u>Wt Range</u>	<u>Avg Wt</u>	<u>Price Range</u>	<u>Avg Price</u>	<u>Dressing</u>
2	98	98	120.00	120.00	Average Yearlings
24	125	125	135.00	135.00	Average

HAIR EWES - Good and Choice 2-3 (Per Cwt / Actual Wt)

<u>Head</u>	<u>Wt Range</u>	<u>Avg Wt</u>	<u>Price Range</u>	<u>Avg Price</u>	<u>Dressing</u>
16	86	86	70.00	70.00	Average
7	122	122	80.00	80.00	Average
4	160	160	88.00	88.00	Average

BUCKS - 2 (Per Cwt / Actual Wt)

<u>Head</u>	<u>Wt Range</u>	<u>Avg Wt</u>	<u>Price Range</u>	<u>Avg Price</u>	<u>Dressing</u>
1	125	125	120.00	120.00	Average
4	226	226	103.00	103.00	Average



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BUCKS - 2-3 (Per Cwt / Actual Wt)

Head	Wt Range	Avg Wt	Price Range	Avg Price	Dressing
4	88	88	70.00	70.00	Average
1	200	200	82.50	82.50	Average

HAIR BUCKS - 2 (Per Cwt / Actual Wt)

Head	Wt Range	Avg Wt	Price Range	Avg Price	Dressing
1	110	110	135.00	135.00	Average
4	155	155	115.00	115.00	Average
1	230	230	100.00	100.00	Average

FEEDER GOATS

KIDS - Selection 1 (Per Cwt / Actual Wt)

Head	Wt Range	Avg Wt	Price Range	Avg Price
14	43	43	330.00	330.00

KIDS - Selection 2 (Per Cwt / Actual Wt)

Head	Wt Range	Avg Wt	Price Range	Avg Price	Dressing
20	25	25	245.00	245.00	Pygmies
18	38	38	245.00	245.00	
1	40	40	325.00	325.00	

SLAUGHTER GOATS

KIDS - Selection 1-2 (Per Cwt / Actual Wt)

Head	Wt Range	Avg Wt	Price Range	Avg Price	Dressing
3	85	85	270.00	270.00	Average

KIDS - Selection 2 (Per Cwt / Actual Wt)

Head	Wt Range	Avg Wt	Price Range	Avg Price	Dressing
10	48	48	280.00	280.00	Average
19	46-47	46	253.00-255.00	253.32	Average Pygmies
30	55-58	55	267.50-312.50	307.78	Average
22	65-67	67	170.00-302.50	296.65	Average
3	68	68	215.00	215.00	Average Pygmies

KIDS - Selection 2-3 (Per Cwt / Actual Wt)

Head	Wt Range	Avg Wt	Price Range	Avg Price	Dressing
16	52	52	240.00	240.00	Average

LANNIES/DOES - Selection 2 (Per Cwt / Actual Wt)

Head	Wt Range	Avg Wt	Price Range	Avg Price	Dressing
4	69	69	120.00	120.00	Average



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1	75	75	180.00	180.00	Average
2	93	93	155.00	155.00	Average
3	105-115	108	140.00-142.50	141.62	Average

BUCKS/BILLIES - Selection 2 (Per Cwt / Actual Wt)

<u>Head</u>	<u>Wt Range</u>	<u>Avg Wt</u>	<u>Price Range</u>	<u>Avg Price</u>	<u>Dressing</u>
2	58	58	200.00	200.00	Average
2	90-95	93	120.00-170.00	144.32	Average
3	103-125	110	240.00	240.00	Average

WETHERS - Selection 2 (Per Cwt / Actual Wt)

<u>Head</u>	<u>Wt Range</u>	<u>Avg Wt</u>	<u>Price Range</u>	<u>Avg Price</u>	<u>Dressing</u>
1	100	100	270.00	270.00	Average

Please Note:

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Livestock Weighted Average Report for 12/17/2022 - Final

AUCTION			
	This Week	Last Reported 12/10/2022	Last Year
Total Receipts:	351	407	249
Feeder Cattle:	250(71.2%)	337(82.8%)	169(67.9%)
Slaughter Cattle:	83(23.6%)	51(12.5%)	65(26.1%)
Replacement Cattle:	18(5.1%)	19(4.7%)	15(6.0%)

Compared to last Saturday: Feeder steers and feeder heifers sold mostly steady to 2.00 lower on a average to plain quality offering of feeders. Slaughter cows sold 4.00 to 5.00 lower. Slaughter bulls sold steady. Supply included: 71% Feeder Cattle (12% Steers, 19% Dairy Steers, 40% Heifers, 29% Bulls); 24% Slaughter Cattle (80% Cows, 20% Bulls); 5% Replacement Cattle (17% Bred Cows, 50% Bred Heifers, 33% Cow-Calf Pairs). Feeder cattle supply over 600 lbs was 32%.

FEEDER CATTLE

STEERS - Medium and Large 1-2 (Per Cwt / Actual Wt)

Head	Wt Range	Avg Wt	Price Range	Avg Price
1	230	230	180.00	180.00
10	556-561	560	167.50-168.00	167.65
2	605	605	150.00	150.00
2	692	692	140.00	140.00
3	780	780	153.00	153.00

STEERS - Medium and Large 2-3 (Per Cwt / Actual Wt)

Head	Wt Range	Avg Wt	Price Range	Avg Price
1	275	275	165.00	165.00
1	435	435	110.00	110.00
1	590	590	140.00	140.00
1	735	735	138.00	138.00

DAIRY STEERS - Large 1-2 (Per Cwt / Actual Wt)

Head	Wt Range	Avg Wt	Price Range	Avg Price
1	265	265	137.00	137.00

DAIRY STEERS - Large 3 (Per Cwt / Actual Wt)

Head	Wt Range	Avg Wt	Price Range	Avg Price
2	285	285	140.00	140.00
3	345	345	130.00	130.00
6	523	523	136.00	136.00
3	587-590	588	115.00-120.00	116.67



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2	627	627	127.00	127.00
7	694	694	119.00	119.00
1	730	730	100.00	100.00
5	829	829	110.00	110.00
5	1010	1010	99.00	99.00

HEIFERS - Medium and Large 1-2 (Per Cwt / Actual Wt)

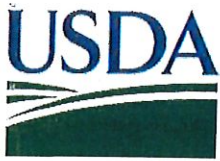
<u>Head</u>	<u>Wt Range</u>	<u>Avg Wt</u>	<u>Price Range</u>	<u>Avg Price</u>	
1	255	255	165.00	165.00	
4	305-345	323	140.00-160.00	152.60	
8	364-390	371	142.50-155.00	152.41	
2	432	432	146.00	146.00	
4	458	458	148.00	148.00	
7	517-537	531	141.00-152.00	144.06	
2	510	510	161.00	161.00	Fancy
3	560	560	145.00	145.00	
7	605-635	620	136.00-143.00	141.54	
1	670	670	135.00	135.00	
2	705	705	122.00	122.00	

HEIFERS - Medium and Large 2-3 (Per Cwt / Actual Wt)

<u>Head</u>	<u>Wt Range</u>	<u>Avg Wt</u>	<u>Price Range</u>	<u>Avg Price</u>
2	187	187	132.00	132.00
1	275	275	147.50	147.50
3	300-315	305	135.00-161.00	152.05
4	405-440	425	130.00-142.00	134.06
8	450-497	482	133.00-143.00	137.13
4	510	510	130.00-142.00	138.25
2	555-570	563	100.00-139.00	119.24
6	600-635	614	130.00-133.00	131.97
1	785	785	129.00	129.00
1	940	940	96.00	96.00

BULLS - Medium and Large 1-2 (Per Cwt / Actual Wt)

<u>Head</u>	<u>Wt Range</u>	<u>Avg Wt</u>	<u>Price Range</u>	<u>Avg Price</u>
2	200-225	213	172.00-187.50	180.21
5	325-335	332	161.00-174.00	168.99
3	365-390	375	162.50-171.00	166.27
4	460-495	474	135.00-170.00	157.21
5	505-525	512	160.00-169.00	163.39
2	550-565	558	150.00	150.00
4	615-645	625	146.00-149.00	147.99



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6	683-695	687	130.00-145.00	133.49
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BULLS - Medium and Large 2-3 (Per Cwt / Actual Wt)

Head	Wt Range	Avg Wt	Price Range	Avg Price
2	210-238	224	162.00-185.00	172.78
1	335	335	162.50	162.50
1	355	355	137.50	137.50
3	400-430	412	136.00-155.00	146.18
5	487-495	492	130.00-162.00	142.08
6	570-590	583	110.00-145.00	135.34
2	605-640	623	130.00	130.00
1	690	690	130.00	130.00

SLAUGHTER CATTLE

COWS - Breaker 75-80% (Per Cwt / Actual Wt)

Head	Wt Range	Avg Wt	Price Range	Avg Price	Dressing
3	1615-1700	1672	64.00-67.00	65.64	Average

COWS - Boner 80-85% (Per Cwt / Actual Wt)

Head	Wt Range	Avg Wt	Price Range	Avg Price	Dressing
24	915-1565	1241	57.00-68.00	63.22	Average
6	1080-1335	1225	45.00-57.00	52.02	Low

COWS - Lean 85-90% (Per Cwt / Actual Wt)

Head	Wt Range	Avg Wt	Price Range	Avg Price	Dressing
4	915-1140	1038	50.00-58.00	53.23	Average
8	900-1120	1008	25.00-45.00	30.54	Low

BULLS - 1-2 (Per Cwt / Actual Wt)

Head	Wt Range	Avg Wt	Price Range	Avg Price	Dressing
5	1500-1945	1795	99.00-104.00	102.03	Average
6	1170-1705	1408	65.00-78.50	72.62	Low

REPLACEMENT CATTLE

BRED COWS - Medium and Large 1-2 (Per Unit / Actual Wt)

Age	Stage	Head	Wt Range	Avg Wt	Price Range	Avg Price
>8	T3	1	1505	1505	1025.00	1025.00

BRED HEIFERS - Medium and Large 1-2 (Per Unit / Actual Wt)

Age	Stage	Head	Wt Range	Avg Wt	Price Range	Avg Price
2-4	T2	2	870-995	933	710.00-975.00	851.38
2-4	T3	1	1360	1360	810.00	810.00



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COW-CALF PAIRS - Medium and Large 1-2 w/ <150 lbs calf (Per Unit / Actual Wt)

<u>Age</u>	<u>Stage</u>	<u>Head</u>	<u>Wt Range</u>	<u>Avg Wt</u>	<u>Price Range</u>	<u>Avg Price</u>
5-8	O	1	1440	1440	1225.00	1225.00

COW-CALF PAIRS - Medium 1-2 w/ <150 lbs calf (Per Unit / Actual Wt)

<u>Age</u>	<u>Stage</u>	<u>Head</u>	<u>Wt Range</u>	<u>Avg Wt</u>	<u>Price Range</u>	<u>Avg Price</u>
2-4	O	1	950	950	650.00	650.00

Please Note:

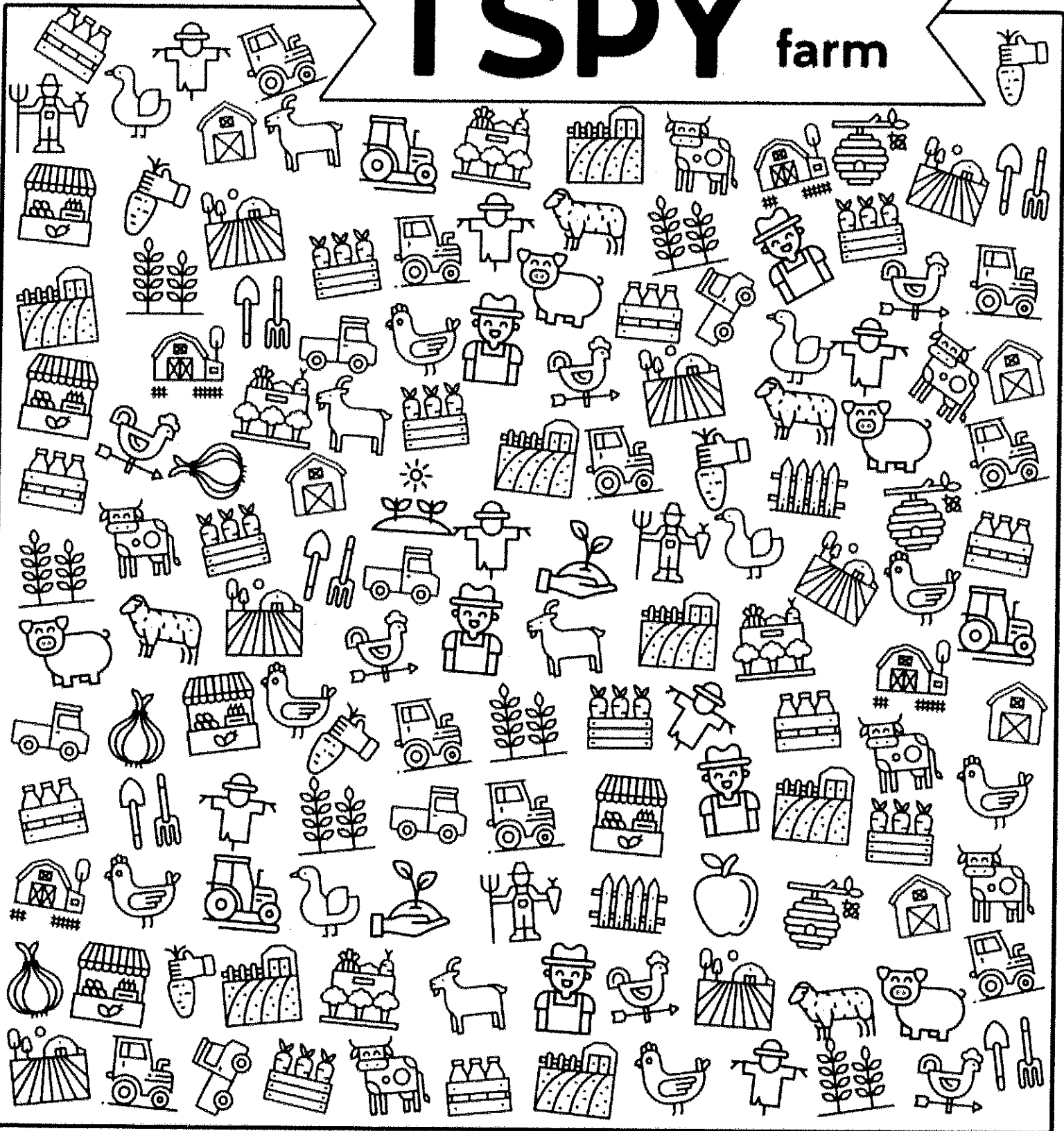
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Explanatory Notes:

Stage (Cattle) - Represents pregnancy stage (O = open; T1 = 1st Trimester, 1 to 3 months; T1-2 = 1st/2nd trimester, 1 to 6 months; T2 = 2nd Trimester, 4 to 6 months; T2-3 = 2nd/3rd Trimester, 4 to 9 months; T3 = 3rd Trimester, 7 to 9 months; T1-3 = all trimesters, 1 to 9 months)

Age - Numerical representation of age in years.

I SPY farm



- | | | | | | | | | | | | | | | | | | | | |
|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|
| 2 | | 4 | | 4 | | 5 | | 4 | | 5 | | 7 | | 4 | | 6 | | 5 | |
| 1 | | 6 | | 7 | | 1 | | 3 | | 6 | | 7 | | 4 | | 7 | | 5 | |
| 3 | | 3 | | 4 | | 6 | | 2 | | 7 | | 5 | | 9 | | 6 | | 3 | |



The Depths of Winter

Tony Edwards – National Weather Service



When asking Kentuckians to reminisce about the worst winter storm they can remember, what comes to mind likely varies by region. Those in the west will likely recall the Ice Storm of 2009 when ice up to two inches thick coated everything and the power was out for weeks. Those in the Bluegrass will likely think back to January 1994, when one to two feet of snow fell, then an arctic blast sent temperatures plunging to a state record of 37 below zero in Shelbyville. Those in east Kentucky will likely recollect the Blizzard of 1993 when heavy snow and strong winds whipped up snow drifts of six to ten feet and temperatures plunged below zero.

While the likelihood that a similar winter storm will occur in your region this winter is remote, it does beg the question - are you ready if it does?

Probably the most effective step you can take at home to make it through the worst that winter can bring is assembling an Emergency Kit. Your kit should contain, at a minimum, 72 hours worth of food, water and prescription medications for everyone in your household, including your pets! If you heat with electricity, it's also important to ensure you have an alternate heat source. If that alternate heat source is a wood stove, make sure the chimney is clean before building a fire.

In severe winter storms, even venturing out to the barn to tend to the animals can be life-threatening! Horses and other animals struggle in severe winter conditions and will likely consume more hay than normal. Water sources will freeze up and require constant chopping of holes in the ice so animals can drink. Firewood stores will also be consumed quickly and propane may run out. These are just a few hardships to plan for.

Here are some more tips to remember when winter turns especially harsh:

- Stay dry to stay warm! Wet clothes result in much faster heat loss.
- Wear multiple layers. Trapped air between loose fitting clothing helps to insulate you from the cold. Wool keeps you warmer than cotton because wool fibers trap air pockets and when wool is exposed to damp conditions, it wicks moisture away from your skin and helps keep you dry. Also, try to use an outer layer that is water resistant.
- Cover everything you can! Wear mittens or gloves and a hat. At least half your body heat can be lost if your head isn't covered.
- Stay informed on the latest weather forecasts.

Finally, it's important to know the signs that someone is getting too cold. Hypothermia is a medical emergency that occurs when your body loses heat faster than it can produce it. Confusion, shivering, difficulty speaking, sleepiness and stiff muscles are all signs of hypothermia and signs that medical attention is urgently needed.

Preparing for the worst storm that may affect your area means you are well prepared for all of the less severe winter storms that will most assuredly come this winter, and you can sit back and enjoy the beauty of open country covered in a blanket of white.