

HEART OF AMERICA



2013

Annual Summary

April 2004

I hope you enjoy the attached Annual Summary for Heart of America DHIA. The numbers show a variety of changes that continue to affect us all. Cow demographics demonstrate where dairies are now more commonly located, where growth is occurring, and where it is not. Some breeds of cattle are barely represented, if at all. The average herd size continues to increase.

We are also continually evolving and changing to adapt to the needs of our members. We recently began to run ELISA tests such as Johne's and pregnancy in our own lab in Manhattan. The dairymen Board of Directors has voted to purchase a new analysis instrument for our lab to test butterfat, protein, SCC and other components. This purchase was necessary to replace aging equipment that was quickly becoming obsolete.

Heart of America DHIA continues to meet the national Quality Certification standards as we strive to meet the needs of our members. The lab, field service and meter center are all audited annually to certify that certain standards are being met.

A huge thank you goes out to the people who make this Association work. From Field Technicians and sample takers to lab technicians and office staff, these dedicated employees work hard under sometimes less-than-desirable conditions to make sure the system works. When everyone does their part, we are able to provide the service to members that they deserve. Thank you.

Dennis Drudik
General Manager

Heart of America 2013 Summary Tables

Table 1. Current and historical participation in various DHIA testing programs

Code	Type of Test	Herds	Cows	Cows/ Herd	2010	2011	2012	2013
0	DHI	7	9,281	1,326	3.0	2.7	5.8	6.1
1	DHI-AP-T				2.4	0.0	0.0	0.0
2	DHI-APCS	27	25,222	934	7.9	8.2	16.3	16.7
20	DHIR	8	6,233	779	0.7	0.6	4.6	4.1
21	DHIA-AP-T				1.3	0.0	0.0	0.0
22	DHIR-APCS	13	8,150	627	2.0	2.1	5.8	5.4
23	DHIR-APCS	62	9,109	147	10.7	10.2	6.7	6.0
31	DHI-AP	187	47,962	256	39.5	34.7	31.6	31.7
40	OS	9	1,904	212	1.2	1.1	1.3	1.3
41	OS-AP	47	9,153	195	10.2	10.4	7.2	6.0
42	OS-APCS	14	3,712	265	2.7	2.1	1.4	2.5
43	OS-MO	1	237	237	1.9	0.4	0.2	0.2
44	OS-MO-AP				0.5	0.0	0.0	0.0
45	OS-BA	1	561	561	0.0	0.0	0.4	0.4
70	SS				2.0	0.0	0.0	0.0
71	SS-AP	36	27,695	769	10.2	21.3	16.2	18.3
72	SS-APCS	2	2,220	1,110	3.9	3.6	2.5	1.5

Table 2. HOA State Averages 2013

State	Cow/ Herd	RHA Milk	RHA lbs Fat	RHA lbs Prot	SCC Actual
Arkansas	217	15,254	602	490	339
Colo.-Texas	1,744	24,525	867	765	228
Iowa	512	19,821	832	657	216
Kansas	149	19,931	773	636	289
Missouri	117	17,020	660	543	331
Nebraska	275	20,619	787	661	285
Oklahoma	145	16,639	633	528	262
N. Dakota	306	19,771	734	618	278
S. Dakota	437	20,494	798	647	270

Table 3. Total Herds and Total Cows by State 2010-13

State	Total Herds				Total Cows			
	2010	2011	2012	2013	2010	2011	2012	2013
Arkansas	13	6	5	5	1,457	1,046	1,151	1,083
CO-TX		33	32	29		45,167	47,797	50,574
Iowa	21	21	20	19	4,356	9,594	9,838	9,723
Kansas	175	159	149	138	20,946	23,161	21,504	20,577
Missouri	5	5	4	3		474	366	350
Nebraska	112	109	94	91	21,652	26,286	25,084	25,062
N. Dakota	31	31	22	17	6,292	6,512	5,389	5,204
Oklahoma	39	38	32	33	5,941	5,776	4,869	4,781
S. Dakota	90	87	81	78	27,590	31,131	31,614	34,069
Totals	486	489	439	413	88,234	149,147	147,612	151,423

Heart of America 2013 Summary Tables

Table 4. HOA Breed Averages 2013

Breed	Cows	Cow/ Herd	Milk	Fat	Protein	SCC Actual 1000	Calving Interval (mo.)
Ayrshire	0	0	0	0	0	0	0.0
Brown Swiss	314	63	16,474	688	575	177	15.9
Guernsey	66	66	12,783	611	455	560	19.4
Holstein	125,282	412	21,233	793	664	274	14.1
Jersey	10,415	289	15,038	738	558	251	13.5
M. Shorthorn	181	60	16,048	580	503	361	13.8
Crossbred	15,164	237	18,342	726	596	291	13.6

Table 5. Total herds by breed 2009-13

Breed	Total Herds				
	2009	2010	2011	2012	2013
Ayrshire	3	1	1	0	0
Brown Swiss	14	10	10	5	5
Guernsey	2	1	1	1	1
Holstein	431	389	394	329	304
Jersey	45	41	44	36	36
M. Shorthorn	6	4	4	3	3
Crossbred	72	87	90	65	64
Totals	573	533	544	439	413

Table 6. Statistical summary of HOA herds 2009-13

Item	2009	2010	2011	2012	2013
Cow/herd	196	208	304	336	368
RHA milk, lbs.	20,934	21,208	22,345	22,878	20,173
Avg. milk fat %	3.7	3.7	3.8	3.8	3.9
Avg. milk protein %	3.2	3.2	3.2	3.2	3.2
Avg. SCC, (1000)	270	272	294	255	273
Calving Interval, months	14.0	13.8	14.2	14.2	14.0

Table 7. Production and SCC Quartiles by Herd Size 2013

Herd Size	Cows	Herds	RHA Milk	SCC Avg
17 - 69	5,064	103	17,771	307
69 - 114	9,139	102	19,440	279
115 - 274	17,770	103	20,441	267
275 - 9132	110,837	90	23,646	245

Heart of America 2013 Balance Sheet

HEART OF AMERICA D H I A, INC BALANCE SHEET December 31, 2013

	<u>12/31/2013</u>	<u>12/31/2012</u>	<u>12/31/2011</u>
CURRENT ASSETS			
Cash Accounts	\$ 55,326	\$ 39,445	\$ 87,930
Savings Accounts	\$ 41,750	\$ 1,491	\$ 1,490
Certificates & Investments	\$ 262,070	\$ 261,837	\$ 246,834
Lab Equipment Future Purchases	\$ 40,000	\$ 40,000	\$ 40,000
Meter Parts Inventory	\$ 36,561	\$ 29,712	\$ 31,260
Prepaid Insurance	\$ 4,824	\$ 13,000	\$ 1,537
Prepaid QCS Fees/CDCB Funding	\$ 5,059	\$ -	\$ -
Accounts Receivable	\$ 91,207	\$ 98,683	\$ 80,058
Total Current Assets	<u>\$ 536,798</u>	<u>\$ 484,168</u>	<u>\$ 489,109</u>
FIXED ASSETS			
Field Tech Computers	\$ 18,001	\$ 19,654	\$ 20,330
Lab & Office Equipment	\$ 247,692	\$ 236,632	\$ 235,667
Meter Trailer & Equipment	\$ 11,557	\$ 11,557	\$ 11,557
Real Estate - Lab Building	\$ 47,000	\$ 47,000	\$ 47,000
Field Testing Equipment	\$ 50,353	\$ 49,108	\$ 48,543
Accumulated Depreciation	\$ (304,830)	\$ (319,643)	\$ (284,620)
Total Long Term Assets	<u>\$ 69,772</u>	<u>\$ 44,308</u>	<u>\$ 78,476</u>
OTHER ASSETS			
Patronage Capital Credits	\$ 3,830	\$ 3,830	\$ 3,821
Total Assets	<u><u>\$ 610,400</u></u>	<u><u>\$ 532,305</u></u>	<u><u>\$ 571,406</u></u>
LIABILITIES			
Accounts Payable ¹	\$ 5,365	\$ 4,534	\$ 13,956
Payroll Taxes Payable	\$ 675	\$ 88	\$ 4,630
Flex Plan Payable	\$ 187	\$ 2,728	\$ 2,378
Field Tech Compensation Payable	\$ 18,807	\$ 22,087	\$ 18,530
Total Liabilities	<u>\$ 25,033</u>	<u>\$ 29,436</u>	<u>\$ 39,493</u>
NET ASSETS			
Unrestricted Capital	\$ 528,986	\$ 531,912	\$ 538,343
Net Profit (Loss)	\$ 56,381	\$ (29,043)	\$ (6,431)
Total Net Assets	<u>\$ 585,366</u>	<u>\$ 502,869</u>	<u>\$ 531,912</u>
Total Liabilities & Net Assets	<u><u>\$ 610,400</u></u>	<u><u>\$ 532,305</u></u>	<u><u>\$ 571,406</u></u>

¹ Accounts Payable do not include estimated accrued expenses of \$51,173

Heart of America 2013 General Operating Budget

GENERAL OPERATING BUDGET FOR 2013

Account	2013 Budget
INCOME	
Affiliate fees	\$ 417,500
Lab BFP & SCC fees	\$ 353,000
Lab other income	\$ 4,000
Lab return vials fee	\$ 40,000
Meter calibration center income	\$ 14,000
Meter usage fees	\$ 47,800
Other general income	\$ 49,900
Total Income	\$ 926,200
EXPENSES	
Accounting services (audit, etc.)	\$ 15,000
Board of directors	\$ 13,000
Depreciation	\$ 11,100
Field services	\$ 19,000
Field Tech training & development	\$ 19,600
Field Tech vacation	\$ 7,500
Health insurance	\$ 98,690
Insurance - liability, work comp	\$ 42,000
Lab chemicals, supplies, calib. samples	\$ 42,400
Lab employee compensation expenses	\$ 158,000
Lab equipment repairs	\$ 27,500
Lab health Insurance	\$ 22,580
Lab other expenses	\$ 14,400
Lab return shipping expense	\$ 84,000
Lab vial pilling, capping & preservative	\$ 32,900
Management compensation (new position)	\$ 155,700
Meter maintenance fees	\$ 53,000
Meter calibration center expenses	\$ 19,100
Other general expenses	\$ 35,200
Quality Certification fees	\$ 10,850
Payroll taxes	\$ 22,500
Retirement Benefits contributions	\$ 40,100
Telephone	\$ 12,000
Total Expenses	\$ 956,120
Net Income - Expenses	\$ (29,920)

If any member would like further details about the financial information, please call 800-793-2511.

There were no rate adjustments included this year.

The Association actually formulates three separate budgets; a combined one is shown here.

Heart of America 2013 Field Techs

Heart of America DHIA Field Technicians for 2013					
name	city	started	name	city	started
NORTH DAKOTA			KANSAS		
SAMANTHA OHMANN	MANDAN	2013	SHEILA LEIKER-PAGE	VICTORIA	1975
THOMAS & KAILA BROWN	FARGO	2013	GALEN ENSZ	HILLSBORO	1983
SOUTH DAKOTA			DEAN FLEHARTY	PRAIRIE HOME, MO	1965
NOLA BAUER	MOUND CITY	1990	KELLY FRANKLIN	ATCHISON	1989
ORIN FREEMAN	ETHAN	1990	RICHARD HIEBERT	HILLSBORO	1980
DEB PEDERSON	MILBANK	2001	JIM WELLS	CLEARWATER	1988
KEVIN PEDERSON	MILBANK	2003	MARY KROPF	WESTPHALIA	1997
SARAH/TYLER HOTCHKISS	PARKER	2006	CALVIN YODER	HUTCHINSON	1999
ARKANSAS			GERALD WEISS	WAMEGO	2000
EDDIE FINNEY	BOONEVILLE	2001	MICKEY MITCHELL	HOLYOKE, CO	2006
OKLAHOMA			DOROTHY WYRICK	WAVERLEY	2007
DON MCLEMORE	CHANDLER	1986	NEBRASKA		
RICK & JANELL REID	CHICKASHA	1983	BETH STARK	HASTINGS	1983
RUSTY SHIPLEY	DEER CREEK	1988	RICHARD EILERS	NELIGH	1969
COLORADO			GERALD NOLTE	HUMBOLDT	1987
VIKI MCLAIN	GILL	2009	GREGG ROESLER	WESTERN	1996
HEATHER BRANDNER	YUMA	2009	MITCH SWANSON	O'NEILL	1989
ZACH MONAGHAN	BROOMFIELD	2006	TOM OLANDER	BLOOMFIELD	1984
LINDSAY DYE	KERSEY	2011	RICK SCHEELE	ODELL	2002
KENNETH ANDERSON	CANON CITY	2011	PEG STRONG	STANTON	2007
			KATIE MEYER	RANDOLPH	2013
			IOWA		
			MERLIN SANDERSFELD	HARRIS	1993
			CHARLOTTE ROLLEFSON	SIBLEY	2012

2013 Field Tech Association Board			
Mitch Swanson	Deb Pederson	Rick Scheele	Jim Wells
Advisory Board Members: Beth Stark Sheila Leiker-Page			