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1988

annual report



Southwestern Minnesota Farm Business Management Association

COOPERATING AGENCIES:

University of Minnesota, Institute of Agriculture
County Extension Services of the 16 Southwestern Counties
Southwestern Minnesota Farm Business Management Association

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Institute of Agriculture
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1988 ANNUAL REPORT OF THE SOUTHWESTERN MINNESOTA
FARM BUSINESS MANAGEMENT ASSOCIATION

by

Kent D. Olson, Erlin J. Weness, Dary E. Talley,
Perry A. Fales and Rann R. Loppnow

This report summarizes the individual farm records of the members of the Southwestern Minnesota Farm Business Management Association. Whole-farm information and enterprise costs and returns are reported. In addition to the average of all farms, the averages for the high and low income groups are also presented. Both members and nonmembers can compare their operation to this information to find areas that need management attention and areas which have above-average performance. Creditors, policy makers, and others interested in agriculture will find this information useful also.

The tables are divided into three major groups. Tables 1 through 9 present whole-farm information. Tables in the 10-x series provide information on crop enterprises. Tables in the 11-x series provide information on livestock enterprises. Table 12 contains information on the prices used in the analysis. A summary of the average whole-farm information over time is presented in Table 13. Tables 14, 15 and 16 categorize the whole-farm information by county, by gross income class, and by type of farm, respectively. Tables 17 and 18, respectively, report the corn and soybean cash rented enterprises by county.

Of the 212 farms in the Southwestern Association, the data for 207 farms are included in this report. The rest were omitted because the records were incomplete at the time that this report was prepared. No claim is made as to whether the farmers who belong to the Association are or are not representative of all farmers in southwestern Minnesota.

In addition to this report, members receive an annual farm business analysis; on-farm instructional visits; end-of-year income tax planning and preparation; periodic meetings, tours, and seminars; a monthly newsletter; and other managerial and educational assistance. Each farmer pays an annual fee which covers a large part of the cost, with the balance defrayed by the Minnesota Extension Service and research programs of the University of Minnesota. The year-end analysis of the individual farms was performed by the fieldmen using FINANX 7.0 from the Center for Farm Financial Management within the Department of Agricultural and Applied Economics. The individual analyses were summarized at the Department of Agricultural and Applied Economics with a database program developed by Rann Loppnow. The data is used for other research and educational projects.

These records should be interpreted in light of the widespread drought conditions in 1988.

* Olson is Assistant Professor of Farm Management; Weness, Talley and Fales are Farm Management Extension Agents and Fieldmen for the Association; Loppnow is Assistant Extension Specialist, University of Minnesota-Twin Cities. The authors wish to thank Vernon Eidman, Dale Nordquist, and Ken Thomas for review.

SOUTHWESTERN MINNESOTA FARM MANAGEMENT ASSOCIATION

DISTRIBUTION OF MEMBERSHIP

1988

County	Number of Farm Units	Number of Records Submitted	Association Directors	County Extension Agent Agriculture
Cottonwood	34	33	Wayne Pankonin, Vice President Mark Loewen	James Christianson
Jackson	31	32	George Diemer Jon Untiedt	Rodney B. Hamer
Martin	12	12	David Kuehl	John Bohnker
Murray	24	25	Tom Keller Case Vos	Robert G. Koehler
Nobles	32	33	Jim Knips Dean Christopherson Marvin Nystrom	Arthur R. Frame
Pipestone	15	17	Randy Spronk, President Dale Schuld	Robert E. Fritz
Redwood	37	32	Paul Hagen Ervin Runck	Wayne J. Hanson
Watonwan	10	9	Paul Torkelson	Gary J. Wyatt
Others*	<u>17</u>	<u>14</u>		
TOTAL	212	207		

M.J. Fellows, Secretary-Treasurer

* In 1988, the Association had members in Brown, Faribault, Lincoln, Lyon, Nicollet, Renville, Rock and Yellow Medicine counties, in addition to the counties listed individually.

1988 ANNUAL REPORT OF THE SOUTHWESTERN
MINNESOTA FARM BUSINESS MANAGEMENT ASSOCIATION

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EXPLANATORY NOTES FOR THE WHOLE-FARM REPORTS

Tables 1 through 5 and 7 include the same number of farms, which were all of the farms whose records were judged to be of sufficient quality to be included in the overall report. Table 6, the Comparative Financial Statement, includes only sole proprietors. Partnerships and corporations are excluded because some debt is held outside of the business causing potential misinterpretations of the financial statement. The number of farms included in each of the crop and livestock tables varies because all farms do not have the same enterprises. Also, some farmers' records were complete enough to be included in the whole-farm tables, but at times, these same farmers' crop or livestock records were not complete enough to include in the respective crop or livestock tables.

Rounding of individual items for the report may have caused minor discrepancies with the printed totals which are calculated before rounding.

Table 1. Detailed Farm Profit or Loss Statement

This statement is a summary of income, expenses, and resultant profit or loss from farming operations during the calendar year.

The first section of Table 1 lists cash farm income from all sources. There are three possible sources of cash income from crops. The first is income from cash sales. The second is income from crop enterprises labeled as "CCC or Reserve" or "Sealed," which refers to crops stored under government programs with the crop value treated as income for the year in which the crop was stored. If the crop value had not been entered as income when it was stored, then its entire value would be treated as income in the year it was sold. The third is "Net Government Sales," which refers to the difference between income credited in the year a crop was stored and the actual income received at the time it was sold. There are two categories of cash income from livestock sales. "Raised" steer, hogs, and lambs refer to animals raised from birth to market weight on the farm. "Finished" animals refers to those purchased as feeders and fed to market weight. "Other Government Payments" refers primarily to commodity storage payments.

The second section of Table 1 lists cash expenses. "Labor" includes only labor hired. "Interest" includes only interest actually paid. No opportunity charges on farm equity capital or unpaid labor are included.

The difference between "Gross Cash Farm Income" and "Total Cash Expense" is the "Net Cash Farm Income." This is net farm income on a cash basis.

The third and fourth sections of Table 1 deal with non-cash changes in the farm business. The "Inventory Changes" and "Depreciation and Other Capital Adjustments" sections are used to convert the cash income statement (Net Cash Farm Income) derived from the first two sections into an accrual income statement. The "bottom line," labeled "Profit or Loss," represents the return to the operator's and family's unpaid labor, management, and equity capital (net worth). In other words, it represents the return to all of the

resources which are owned by the farm family and, hence, not purchased or paid a wage. However, it does not include any debt forgiveness or asset repossessions.

Table 2. Inventory Changes

This is the detailed statement of inventory changes which is summarized in Table 1. It includes beginning and ending inventories and the calculated changes.

Table 3. Depreciation and Other Capital Adjustments

This is the detailed statement of depreciation and other capital adjustments which is summarized in Table 1. It includes beginning and ending inventories, sales, repossessions, purchases, and depreciation.

Table 4. Farm Profit After Extraordinary Items

The value of debts forgiven which exceeds the value of assets repossessed is technically income to the business. (Whether it is taxable or not depends upon the specific situation.) The average values of debts forgiven and assets repossessed are reported in Table 4 and used to adjust the "Profit or Loss" from Table 1, if there are 5 or more farms reporting.

Table 5. Profitability and Liquidity Analysis

Various measures of performance are calculated for the farms in this report. These include measures of profitability and liquidity. (Solvency measures are in Table 6.) In Tables 1-4, no opportunity costs are used. In Table 5, opportunity costs for labor, capital, and management are used. The measures and their components are described below.

Profitability

"Labor and management earnings" equals "Profit and Loss" from Table 1 minus an opportunity interest cost of 6% on average farm net worth.

"Rate of return on investment" is the "Return to farm investment" divided by "Average farm investment."

"Rate of return on net worth" is the "Return to farm net worth" divided by "Average farm net worth."

"Net profit margin" is the "Return to farm investment" divided by "Value of farm production."

"Asset turnover rate" is the "Value of farm production" divided by "Average farm investment."

"Interest on farm net worth" is the "Average farm net worth" multiplied by a 6% opportunity interest cost charge.

"Farm interest (accrual)" is the accrued interest cost so it will be different from Table 1.

"Value of operator's labor and management" is its opportunity cost. It is evaluated using the suggested values listed in Table 12.

"Return to farm investment" is calculated by adding "Farm interest paid" and "Profit or Loss" and then subtracting the "Value of operator's labor and management."

"Average farm investment" is the average of beginning and ending total farm assets.

"Return to farm net worth" is calculated by subtracting the "Value of operator's labor and management" from "Profit or loss."

"Average farm net worth" is the average of beginning and ending farm net worth.

"Value of farm production" is gross farm income minus feeder livestock purchased and adjusted for inventory changes in crops, market livestock and breeding livestock.

Liquidity: Cash Basis

"Family Living and Taxes Paid" is the total family use of cash from Table 8. Thus, it is an average of the number of farms in Table 8 which is different from the number of farms in Table 5.

"Cash available for intermediate debt service" on the cash basis is "Total net income" minus "Family living and taxes paid" and "Real estate principal payments."

"Average intermediate debt" is the average of beginning and ending intermediate farm liabilities.

"Years to turn over intermediate debt" is "Average intermediate debt" divided by "Cash available for intermediate debt service." If either the cash-based or accrual-based "Cash available for intermediate debt" is a negative number, debt repayment is not possible because of negative cash flow and "Years to turn over intermediate debt" cannot be calculated.

"Cash expense as a percent of income" is "Total cash expense" divided by "Gross cash farm income."

"Interest as a percent of income" is "Interest paid" divided by "Gross cash farm income."

Liquidity: Accrual Basis

"Cash available for intermediate debt service" on the accrual basis is "Total net income" minus "Family living and taxes paid" and "Real estate principal payments" adjusted for inventory changes listed in Table 2.

"Accrual expense as a percent of income" is "Total cash expense" divided by the sum of "Gross cash farm income" and "Inventory change."

"Interest as a percent of income" is the sum of "Interest paid" and accrued interest which is then divided by "Gross cash farm income."

Table 6. Comparative Financial Statement

The beginning and ending net worth statements and solvency measures are presented for sole proprietors only in Table 6. Current assets are valued at market price at the time of the inventory which is January 1, and December 31, for the beginning and ending inventories, respectively. Intermediate and long-term assets that are depreciable are valued at cost remaining (amount remaining to be depreciated, plus salvage value). Raised breeding livestock is valued at conservative market replacement costs. Land is valued at conservative market price (by county average) for the Southwest Association and at cost basis for the Southeast Association.

Table 7. Crop Production and Marketing Summary

This table contains three sections. The first section reports average acreages by land use. The next two sections show average price received and average yields for major crops. These tables are sorted according to the whole-farm profit (or loss) while the crop tables are sorted by return to overhead costs.

Table 8. Household and Personal Expense

For those farms that kept records, the household and personal expenses are summarized in Table 8. The farms are grouped in the same ranking as in Table 1. Since not all farms keep these records, the numbers may be different for each group. Averages are determined by the number of farms keeping these records.

Table 9. Nonfarm Income and Operator Information

Table 9 reports the averages for the number of operators per farm, the operator's age, and the number of years farming. This table also reports the income from nonfarm sources which is included in a farmer's total net income. Not all farms have nonfarm income, but the figure reported is the average over all farms not just those reporting nonfarm income. Also reported are the beginning and ending values for nonfarm assets for all farms (not just sole proprietors as in Table 6).

TABLE 1
 **** DETAILED FARM PROFIT OR LOSS STATEMENT FOR 1988 ****
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Profit / Loss)

	Average For All Farms	Average For Low 20%	Average For High 20%
	-----	-----	-----
Number of Farms	202	40	40
Farm Income			

Corn	23,789	8,992	41,243
Corn - CCC	15,020	9,266	28,050
Corn - Net Govt	3,197	2,210	4,518
Oats	972	717	607
Alfalfa Hay	902	778	217
Spring Wheat	569	713	846
Stover	38	0	0
Grass Hay	24	2	98
Mixed Hay	113	419	0
Soybeans	47,725	27,843	76,646
Soybeans - CCC	7,329	2,545	20,142
Soybeans - Net Govt	1,604	471	2,933
Dry Beans	209	135	430
Straw	84	149	12
Sweet Corn	311	477	220
Peas	177	135	56
Other Crop Income	1,248	66	1,668
Dairy	11,788	4,800	15,905
Farrow-Finish Hogs	32,096	24,175	67,997
Feeder Pigs	2,505	1,517	1,196
Beef Cow-Calf	504	212	1,911
Market Lamb Production	345	1,304	0
Eggs	2,006	10,091	39
Mixed Hogs	7,572	7,063	2,698
Wool	39	123	4
Finish Feeder Pigs	13,019	6,656	18,022
Custom Fed Hogs	232	281	892
Beef Finishing, All Types	37,073	39,696	82,155
Beef Background	473	0	993
Dairy Steers	314	150	781
Dairy Heifers	511	2,551	28
Lamb Finishing	1,733	8,716	36
Turkeys	3,642	0	17,640
Broilers	235	0	0
Dairy Repl. & Feeder Stock	774	324	355
Cull Livestock Sales	5,052	4,680	6,556
Other Livestock Income	2,247	1,046	6,420
Machine Work	1,787	1,978	1,961
Patronage Divideneds	538	363	513
Deficiency and Diversion	23,475	13,140	41,209
Government CRP Income	307	258	380
Other Government Payments	2,267	2,211	2,009
Insurance Income	1,619	1,476	1,268
Hedging Account Withdrawls	2,712	158	11,922
Other Farm Income	4,285	2,114	7,970
Gross Cash Farm Income	262,229	189,721	467,655

TABLE 1 (cont.)
 **** DETAILED FARM PROFIT OR LOSS STATEMENT FOR 1988 ****
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Profit / Loss)

	Average For All Farms	Average For Low 20%	Average For High 20%
	-----	-----	-----
Number of Farms	202	40	40
Cash Expense			

Hired Labor	5,372	3,144	15,152
Repairs	12,738	8,790	20,371
Land Rent	17,115	11,576	32,479
Mach. and Bldg. Leases	2,727	1,014	6,581
Interest	14,546	11,252	23,894
Feed Purchased	63,895	45,480	121,894
Seed	7,343	4,287	11,956
Fertilizer	9,389	6,689	15,010
Crop Chemicals	7,771	4,657	14,004
Machinery Work Hired	3,718	3,324	6,313
Livestock Supplies	2,162	1,531	4,258
Breeding Fees	216	163	335
Veterinary and Medicine	2,783	1,626	5,012
Gasoline, Fuel, Oil and Drying	5,408	3,644	8,854
Real Estate Taxes	1,878	1,108	3,200
Crop Insurance	1,523	1,594	1,745
Farm Insurance	1,518	1,077	2,266
Utilities	3,089	2,413	4,949
Crop Marketing, Storage, Hauling	968	1,212	1,259
Livestock Trucking and Marketing	321	204	412
Feeder Livestock Purchases	34,235	39,855	79,545
Livestock Grazing Fees	69	0	0
Miscellaneous Farm	2,451	2,238	2,840
Miscellaneous Crop	4,374	2,277	4,174
Personal Property Taxes	47	8	0
Cash Paid into Hedging Accounts	778	320	1,969
Total Cash Expense	206,433	159,483	388,471
Net Cash Farm Income	55,796	30,238	79,184
Inventory Changes			

Feed and Grain	13,138	-5,167	49,325
Market Livestock	6,261	-5,953	32,556
Supplies and Prepaid Expenses	917	-45	2,784
Accounts Receivable	682	2,657	3,783
Accounts Payable	-421	-1,409	-291
Total Inventory Change	20,577	-9,917	88,157
Net Operating Profit	76,373	20,321	167,341
Depreciation and Other Capital Adj.			

Breeding Livestock	-1,182	-3,886	1,952
Machinery and Equipment	-13,461	-9,716	-19,593
Buildings and Improvements	-7,003	-5,144	-11,792
Investment Stock and Other	277	90	274
Total Depr. and Other Capital Adj.	-21,370	-18,656	-29,159
Profit or Loss	55,004	1,664	138,182

TABLE 2
 **** INVENTORY CHANGES FOR 1988 ****
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Profit / Loss)

	Average For All Farms	Average For Low 20%	Average For High 20%
	-----	-----	-----
Number of Farms	202	40	40
Net Cash Farm Income	55,796	30,238	79,184
Feed and Grain			
Ending Inventory	97,619	39,188	205,672
Beginning Inventory	84,482	44,355	156,348
Inventory Change	13,138	-5,167	49,325
Market Livestock			
Ending Inventory	49,552	29,606	110,524
Beginning Inventory	43,291	35,558	77,967
Inventory Change	6,261	-5,953	32,556
Supplies and Prepaid Expenses			
Ending Inventory	7,044	2,295	14,869
Beginning Inventory	6,127	2,340	12,085
Inventory Change	917	-45	2,784
Accounts Receivable			
Ending Inventory	4,944	4,385	12,584
Beginning Inventory	4,263	1,728	8,801
Inventory Change	682	2,657	3,783
Accounts Payable			
Beginning Inventory	2,254	1,747	2,455
Ending Inventory	2,674	3,156	2,746
Inventory Change	-421	-1,409	-291
Total Inventory Change	20,577	-9,917	88,157
Net Operating Profit	76,373	20,321	167,341

TABLE 3
 **** DEPRECIATION AND OTHER CAPITAL ADJUSTMENTS FOR 1988 ****
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Profit / Loss)

	Average For All Farms	Average For Low 20%	Average For High 20%
	-----	-----	-----
Number of Farms	202	40	40
Net Operating Profit	76,373	20,321	167,341
Breeding Livestock			
Ending Inventory	17,452	13,842	28,807
Sales + Repossessions	580	0	1,495
Ending Inventory + Sales + Rep.	18,032	13,842	30,302
Beginning Inventory	16,111	13,446	24,828
Purchases	3,103	4,282	3,522
Beg. Inventory + Purchases	19,214	17,728	28,350
Depreciation, Capital Adj.	-1,182	-3,886	1,952
Machinery and Equipment			
Ending Inventory	39,672	30,486	62,824
Sales + Repossessions	633	478	1,060
Ending Inventory + Sales + Rep.	40,305	30,963	63,883
Beginning Inventory	37,209	29,758	53,374
Purchases	16,557	10,921	30,102
Beg. Inventory + Purchases	53,766	40,679	83,476
Depreciation, Capital Adj.	-13,461	-9,716	-19,593
Buildings and Improvements			
Ending Inventory	43,723	29,045	78,704
Sales + Repossessions	366	368	0
Ending Inventory + Sales + Rep.	44,089	29,413	78,704
Beginning Inventory	43,625	29,491	71,568
Purchases	7,468	5,065	18,928
Beg. Inventory + Purchases	51,093	34,556	90,496
Depreciation, Capital Adj.	-7,003	-5,144	-11,792
Stock and Other Assets			
Ending Inventory	9,943	8,283	17,184
Sales + Repossessions	603	202	177
Ending Inventory + Sales + Rep.	10,547	8,485	17,361
Beginning Inventory	9,261	6,971	17,084
Purchases	1,009	1,425	4
Beg. Inventory + Purchases	10,270	8,396	17,087
Depreciation, Capital Adj.	277	90	274
Total Depreciation, Capital Adj.	-21,370	-18,656	-29,159
Profit or Loss	55,004	1,664	138,182
Land (for information only)			
Ending Inventory	153,944	96,410	256,856
Sales + Repossessions	1,138	3,799	0
Ending Inventory + Sales + Rep.	155,082	100,209	256,856
Beginning Inventory	145,309	94,950	239,983
Purchases	9,562	5,259	16,872
Beg. Inventory + Purchases	154,871	100,209	256,856

TABLE 4
 **** FARM PROFIT AFTER EXTRAORDINARY ITEMS FOR 1988 ****
 Southwest Minnesota Farm Business Management Association
 (Average of all farms reporting)

	Average For All Farms -----
Number of Farms	202
Total Cash Income	262,229
Total Cash Expense	206,433
Total Inventory Change	20,577
Depr. and Other Capital Adjustments	-21,370
Profit or Loss (Before Repossessions & Debts Forgiven)	55,004
Debts Forgiven	
Farm Accounts Payable Forgiven	0
Current Farm Loans Forgiven	0
Intermediate Farm Loans Forgiven	459
Long Term Farm Loans Forgiven	2,561
Nonfarm Debts Forgiven	0
Total Debts Forgiven	3,020 *
Total Asset Repossessions	0 **
Profit or Loss (After Repossessions & Debts Forgiven)	58,024

* For the 11 farms which had debts forgiven, the average debt forgiven is 55,463 per farm.

** There were no farms which had assets repossessed in 1988.

TABLE 5
 **** PROFITABILITY AND LIQUIDITY ANALYSIS FOR 1988 ****
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Profit / Loss)

	Average For All Farms	Average For Low 20%	Average For High 20%
	----- 202	----- 40	----- 40
Profitability			
Labor and Management Earnings	39,866	-6,598	109,483
Rate of Return on Investment (%)	13	-0	19
Rate of Return on Net Worth (%)	16	-10	25
Net Profit Margin (%)	22	-1	30
Asset Turnover Rate (%)	58	50	63
Interest on Farm Net Worth	15,137	8,262	28,699
Farm Interest Paid	14,480	10,973	23,949
Value of Operators Labor and Mgmt.	15,842	14,000	18,000
Return to Farm Investment	53,642	-1,363	144,131
Average Farm Investment	427,199	275,369	754,376
Return to Farm Net Worth	39,162	-12,336	120,182
Average Farm Net Worth	247,942	129,659	478,316
Value of Farm Production	246,893	137,516	475,726
Liquidity			
-Cash Basis			
Net Cash Farm Income	55,796	30,238	79,184
Nonfarm Income	9,000	13,901	9,663
Total Net Cash Income	64,796	44,139	88,847
Family Living and Taxes Paid	37,556	29,551	56,767
Real Estate Principal Payments	10,581	10,243	15,785
Cash Available for Interim. Debt	24,664	4,345	43,510
Average Intermediate Debt	35,488	29,915	48,744
Years to Turn Over Interim. Debt	1.44	6.89	1.12
Expense as a % of Income	79	84	83
Interest as a % of Income	6	6	5
-Accrual Basis			
Inventory Change (Income Items)	20,081	-8,463	85,664
Total Accrual Farm Income	282,310	181,258	553,319
Inventory Change (Expense Items)	-497	1,454	-2,493
Total Accrual Farm Expense	205,936	160,937	385,978
Net Accrual Farm Income	76,373	20,321	167,341
Nonfarm Income	9,000	13,901	9,663
Total Net Accrual Income	85,373	34,222	177,004
Family Living and Taxes Paid	37,556	29,551	56,767
Real Estate Principal Payments	10,581	10,243	15,785
Cash Available for Interim. Debt	45,241	-5,572	131,667
Average Intermediate Debt	35,488	29,915	48,744
Years to Turn Over Interim. Debt	0.78	**	0.37
Expense as a % of Income	73	89	70
Interest as a % of Income	5	6	4

** Income insufficient to meet debt servicing requirements.

TABLE 6
 **** COMPARATIVE FINANCIAL STATEMENT FOR 1988 ****
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Profit / Loss)

	Average For All Farms		Average For Low 20%		Average For High 20%	
	----- 182	----- 38	----- 38	----- 30	----- 30	----- 30
Number of Farms						
Assets	Beginning	Ending	Beginning	Ending	Beginning	Ending
-----	-----	-----	-----	-----	-----	-----
Current Farm Assets						
Cash and Checking Balance	21,615	19,789	22,062	15,425	32,520	29,568
Prepaid Expenses and Supplies	5,331	5,956	2,155	1,929	9,430	11,283
Growing Crops	0	0	0	0	0	0
Farm Accounts Receivable	2,762	3,626	1,577	4,187	7,742	11,990
Hedging Accounts	211	505	124	308	780	1,805
Crops Held for Sale or Feed	78,183	90,660	37,326	31,995	147,622	202,549
Livestock Held for Sale	41,407	45,941	37,430	31,164	75,488	99,280
Other Assets	22	23	104	108	0	0
Total Current Farm Assets	149,531	166,500	100,777	85,114	273,581	356,475
Intermediate Farm Assets						
Breeding Livestock	14,134	15,139	12,003	11,833	20,398	23,417
Machinery and Equipment	33,362	35,515	25,079	26,307	46,825	55,762
Other Intermediate Assets	649	402	0	0	1,944	1,900
Total Intermediate Farm Assets	48,145	51,056	37,082	38,140	69,167	81,079
Long-term Farm Assets						
Buildings and Improvements	38,746	36,764	26,895	25,785	54,284	50,906
Farm Land	142,457	150,082	89,368	87,905	236,939	252,185
Other Long-term Farm Assets	7,763	8,220	6,461	7,795	14,479	14,496
Total Long-term Farm Assets	188,966	195,066	122,724	121,485	305,702	317,587
Total Farm Assets	386,642	412,622	260,583	244,739	648,451	755,141
Total Nonfarm Assets	49,410	55,995	32,880	36,989	81,244	88,822
Total Assets	436,052	468,616	293,463	281,728	729,694	843,963
Liabilities						

Current Farm Liabilities						
Accrued Interest and Accounts Payable	2,241	2,710	1,757	2,961	2,837	2,897
Current Notes	39,807	43,199	31,022	31,367	59,216	76,513
Total Current Farm Liabilities	42,048	45,909	32,779	34,328	62,053	79,410
Intermediate Farm Liabilities	32,723	30,610	25,154	23,736	44,476	49,787
Long-term Farm Liabilities	97,139	93,223	81,063	69,348	131,695	127,503
Total Farm Liabilities	171,909	169,741	138,996	127,412	238,223	256,700
Total Nonfarm Liabilities	3,028	2,973	1,437	2,248	3,929	1,735
Total Liabilities	174,937	172,714	140,433	129,660	242,152	258,435
Net Worth (Farm and Nonfarm)	261,115	295,902	153,031	152,067	487,542	585,528
Net Worth Change		34,787		-963		97,985
Solvency Measures for Farm Only						

Curr. + Interm. Liab. / Assets (Percent)	38	35	42	47	31	30
Long-term Liabilities / Assets (Percent)	51	48	66	57	43	40
Total Liabilities / Assets (Percent)	44	41	53	52	37	34

TABLE 7
 **** CROP PRODUCTION AND MARKETING SUMMARY FOR 1988 ****
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Profit / Loss)

	Average For All Farms	Average For Low 20%	Average For High 20%
	-----	-----	-----
Number of Farms	202	40	40
Total Acres Owned	222	123	365
Total Crop Acres	525	304	898
Crop Acres Owned	186	103	304
Crop Acres Cash Rented	238	157	443
Crop Acres Share Rented	101	44	151
Total Pasture Acres	16	6	48
Average Price Received			

(For Cash Sales Only)			
Corn per Bu	2.08	2.28	2.12
Soybeans per Bu	6.80	6.60	6.88
Oats per Bu	2.45	2.81	2.75
Spring Wheat per Bu	3.55	3.49	3.48
Alfalfa Hay per Ton	75.54	62.75	100.02
Average Yield per Acre			

(On Owned Land Only)			
Soybeans (Bu)	31.60	27.62	35.12
Corn (Bu)	89.26	88.14	103.93
Alfalfa Hay (Ton)	2.64	2.52	2.56
Corn Silage (Ton)	9.64	9.29	8.89
Oats (Bu)	41.99	31.03	60.39
Spring Wheat (Bu)	24.11	26.09	25.55

TABLE 8
 **** HOUSEHOLD AND PERSONAL EXPENSES FOR 1988 ****
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Profit / Loss)

	Average For All Farms	Average For Low 20%	Average For High 20%
	-----	-----	-----
Number of Farms	120	27	17
Average Family Size	3.8	3.4	4.2
Household Expenses			
Food and Meals	4,467	3,926	4,601
Medical Care and Health Insurance	3,067	2,208	4,668
Church and Charity Donations	1,461	1,332	2,146
Operation and Supplies	1,977	1,903	1,965
Clothing and Clothing Materials	1,652	1,272	2,097
Personal Care and Spending	1,252	1,226	1,834
Child Care	177	177	120
Gifts and Special Events	1,419	1,190	1,402
Education	929	598	1,722
Recreation	1,350	1,129	1,625
Utilities (Household Share)	918	832	1,046
Nonfarm Vehicle Operatng Expenses	1,462	1,516	1,619
Household Real Estate Taxes	38	65	38
Dwelling Rent	125	87	126
Nonfarm Interest Expense	150	137	24
Living from the Farm (Noncash)	317	285	657
Total Family Living Expenses	20,761	17,883	25,689
Capital Expenditures			
Upkeep on Dwelling	309	190	327
Furnishings and Equipment	784	556	526
Personal Vehicle Purchases	1,462	1,533	838
Other Personal Purchases	2,930	252	8,679
Life Insurance Payments	1,352	1,433	1,275
Savings	2,489	1,676	6,177
Total Capital Expenditures	9,327	5,640	17,822
Income Taxes	7,311	6,313	13,912
Partnership Draws	475	0	0
Total Family uses of Cash	37,556	29,551	56,767

TABLE 9
 **** OPERATOR INFORMATION, NONFARM INCOME & ASSETS FOR 1988 ****
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Profit / Loss)

	Average For All Farms	Average For Low 20%	Average For High 20%
	-----	-----	-----
Number of Farms	202	40	40
 Operator Information			

Average Number of Operators	1.11	1.05	1.28
Average Age of Operators	43.27	42.21	45.47
Average Number of Years Farming	20.35	18.88	22.41
 Nonfarm Income			

Wages	4,440	9,429	1,422
Net Nonfarm Business Income	997	893	2,139
Rental Income	455	386	433
Cash Dividends	2,110	1,611	4,598
Tax Refunds	283	636	215
Other Nonfarm Income	715	946	855
Total Nonfarm Income	6,890	12,290	5,064
 Nonfarm Assets			

	Average For All Farms		
	-----	-----	
	Beginning	Ending	
	-----	-----	
Nonfarm Savings and Checking	908	1,403	
Keogh's and IRA's	3,687	4,597	
Stocks and Bonds	6,500	7,520	
Cash Value of Life Insurance	3,506	3,652	
Nonfarm Vehicles	1,786	2,587	
Household Furnishings and Appliances	11,573	11,608	
Other Nonfarm Assets	30,814	33,334	
Total Nonfarm Assets	58,774	64,700	

EXPLANATORY NOTES FOR CROPS TABLES

The "Crop Enterprise Analysis" tables show the average physical production, gross return, direct costs, overhead costs, and net returns per acre. All costs are actual costs; no opportunity costs are included. The "Net Return per Acre" is the "Gross Return per Acre" minus the direct and overhead costs. The "Net cash flow generated for principal payments, income taxes, and family living" is calculated as "Net return per acre" plus "Depreciation." (All overhead costs except depreciation are assumed to be cash costs.) The last section of each crop table contains economic efficiency measures which provide useful standards or goals for individual managers and the returns to overhead and net return per acre including government payments.

There are potentially three tables for each group depending on the farmer's tenure on the land. The crop tables may be for (1) owned land, (2) cash rented land, or (3) share rented land. It is possible for an individual farm to have data in all three tables if all three land tenure categories are represented in that farm business. When there are less than five farms with a particular crop and tenure, that table is not included in the report. Farms are classified into low 20% or high 20% on the basis of returns to overhead costs. The classification is done separately for each table, i.e., an individual farm may be in the low 20% for one crop, the high 20% for a second, and the middle 60% for a third. When there are less than 25 total farms with any particular crop and farmer's tenure, only overall averages are presented.

Several cost items, such as "utilities," "hired labor," and "interest paid," are listed under both "direct" and "overhead" costs because some farm records have been kept in enough detail to permit assigning these costs specifically to that crop. "Direct Lease Payments" refers to non-land inputs or resources leased and used only in that crop enterprise and not listed elsewhere under direct costs; the most common example is the lease of equipment that is crop specific. "Land Rent" is listed as a separate category and is assigned as a direct cost for each crop enterprise because it is identifiable with the specific crop. In the case of double cropping, one-half of the rent is charged to each crop. Machinery lease payments are for leased machinery used on more than one crop. Interest payments are likewise divided into those incurred directly for a specific crop and those that are not.

The "unit" referred to in the "Value per unit" and the efficiency measures at the bottom is the unit of measurement for the principal product from this enterprise. It is "bushel" for corn, soybeans, wheat and oats. It is "ton" for corn silage and hay. It is "dollar" for set aside where "dollar" is the estimated cash deficiency payment received from the government.

To estimate the return to crops in the government programs, the return to overhead and the net return including setaside income (and expenses) is estimated and included in the appropriate tables.

Rounding of individual items for the report may have caused minor discrepancies with the calculated totals.

TABLE 10-1
 ***** 1988 Crop Enterprise Analysis *****
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Return to Overhead per Acre)

CORN ON OWNED LAND

	Average For All Farms	Average For Low 20%	Average For High 20%
Number of Fields	159	31	33
Number of Farms	138	28	28
Acres	95.79	74.69	105.85
Yield per Acre	89.26	58.81	115.78
Operators Share of Yield %	100.00	100.00	100.00
Value per Bushel	2.40	2.40	2.40
Crop Product Return per Acre	214.23	141.15	277.87
Other Crop Income per Acre	7.12	10.68	1.78
Gross Return per Acre	221.35	151.83	279.65
Direct Costs per Acre			
Seed	19.81	20.37	20.10
Fertilizer	37.57	40.32	33.94
Chemicals	19.23	21.00	17.88
Crop Insurance	2.55	1.42	1.99
Custom Work Hired	3.63	3.37	2.15
Fuel and Oil	8.68	9.87	7.30
Repairs	22.37	24.38	18.68
Crop Drying	3.06	2.44	2.30
Special Hired Labor	0.12	0.00	0.27
Crop Marketing	0.71	0.75	0.82
Utilities	0.04	0.01	0.03
Lease Payments	0.01	0.01	0.00
Miscellaneous Crop Expense	1.07	0.55	1.77
Operating Interest	7.51	10.75	9.40
Total Direct Costs per Acre	126.36	135.23	116.65
Return to Overhead per Acre	94.99	16.60	163.00
Overhead Costs per Acre			
Utilities	3.11	3.11	3.27
Hired Labor	5.72	4.15	6.62
Farm Insurance	2.30	2.19	1.72
Machinery Lease Payments	1.98	1.76	1.81
Real Estate Taxes	8.21	8.58	8.62
Miscellaneous Farm Expense	3.45	3.16	3.76
Interest	39.72	36.08	52.22
Depreciation	38.55	36.06	30.38
Total Overhead Costs per Acre	103.04	95.09	108.41
Total Listed Costs per Acre	229.41	230.32	225.05
Net Return per Acre	-8.05	-78.49	54.60
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living per Acre			
	30.50	-42.44	84.97
Total Direct Costs per Bushel	1.42	2.30	1.01
Total Listed Costs per Bushel	2.57	3.92	1.94
Net Return per Bushel	-0.09	-1.33	0.47
Break Even Yield per Acre	92.62	91.52	93.03
Return to Overhead (incl. setaside)	110.83	54.36	164.78
Net Return per Acre (incl. setaside)	19.50	-29.82	68.03

TABLE 10-2
 **** 1988 Crop Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Return to Overhead per Acre)

CORN ON CASH RENTED LAND

	Average For All Farms	Average For Low 20%	Average For High 20%
	-----	-----	-----
Number of Fields	218	32	52
Number of Farms	139	28	28
Acres	124.39	83.27	151.63
Yield per Acre	88.50	65.78	113.52
Operators Share of Yield %	100.00	100.00	100.00
Value per Bushel	2.40	2.40	2.40
Crop Product Return per Acre	212.41	157.87	272.46
Other Crop Income per Acre	8.64	4.95	6.87
Gross Return per Acre	221.05	162.82	279.32
Direct Costs per Acre			
Seed	19.80	20.34	20.57
Fertilizer	37.06	37.90	36.76
Chemicals	19.05	21.46	16.41
Crop Insurance	2.26	1.62	1.16
Custom Work Hired	4.16	7.11	1.99
Fuel and Oil	9.03	10.30	8.58
Repairs	19.99	25.93	18.07
Crop Drying	2.89	2.01	2.52
Special Hired Labor	0.18	0.11	0.56
Crop Marketing	0.83	0.91	0.00
Utilities	0.04	0.01	0.00
Land Rent	69.65	66.81	75.71
Lease Payments	0.01	0.01	0.00
Miscellaneous Crop Expense	1.36	2.23	1.76
Operating Interest	5.54	9.26	3.29
Total Direct Costs per Acre	191.84	206.02	187.36
Return to Overhead per Acre	29.22	-43.20	91.97
Overhead Costs per Acre			
Utilities	2.60	2.89	2.88
Hired Labor	6.31	3.80	12.85
Farm Insurance	1.56	1.45	1.48
Machinery Lease Payments	4.71	3.41	9.84
Real Estate Taxes	0.03	0.00	0.00
Miscellaneous Farm Expense	2.96	2.29	2.66
Interest	3.71	2.42	2.07
Depreciation	29.50	27.18	25.22
Total Overhead Costs per Acre	51.37	43.44	57.00
Total Listed Costs per Acre	243.21	249.46	244.35
Net Return per Acre	-22.16	-86.64	34.97
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living per Acre	7.34	-59.45	60.19
Total Direct Costs per Bushel	2.17	3.13	1.65
Total Listed Costs per Bushel	2.75	3.79	2.15
Net Return per Bushel	-0.25	-1.32	0.31
Break Even Yield per Acre	97.74	101.88	98.95
Return to Overhead (incl. setaside)	43.74	-10.86	94.51
Net Return per Acre (incl. setaside)	0.11	-47.50	45.84

TABLE 10-3
 **** 1988 Crop Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Return to Overhead per Acre)

CORN ON SHARE RENTED LAND

	Average For All Farms	Average For Low 20%	Average For High 20%
	-----	-----	-----
Number of Fields	95	16	19
Number of Farms	76	15	15
Acres	95.08	80.19	109.01
Yield per Acre	90.96	65.41	113.80
Operators Share of Yield %	58.05	59.70	55.83
Value per Bushel	2.40	2.40	2.40
Crop Product Return per Acre	125.79	94.40	151.38
Other Crop Income per Acre	5.36	8.21	4.51
Gross Return per Acre	131.15	102.61	155.89
Direct Costs per Acre			
Seed	17.85	20.24	16.68
Fertilizer	22.01	22.79	17.64
Chemicals	13.59	16.64	10.45
Crop Insurance	1.65	2.16	1.54
Custom Work Hired	2.51	4.00	0.75
Fuel and Oil	8.90	9.20	8.51
Repairs	21.12	29.03	19.48
Crop Drying	2.19	1.84	2.86
Special Hired Labor	0.10	0.00	0.26
Crop Marketing	1.23	1.63	0.00
Lease Payments	0.12	0.00	0.00
Miscellaneous Crop Expense	0.82	2.78	0.39
Operating Interest	5.41	13.57	2.46
Total Direct Costs per Acre	97.50	123.89	81.03
Return to Overhead per Acre	33.65	-21.28	74.86
Overhead Costs per Acre			
Utilities	2.55	3.25	1.42
Hired Labor	4.44	6.19	3.11
Farm Insurance	1.49	1.41	1.13
Machinery Lease Payments	3.76	0.96	3.37
Real Estate Taxes	0.02	0.00	0.00
Miscellaneous Farm Expense	2.49	3.28	2.37
Interest	3.57	4.82	3.32
Depreciation	28.44	24.64	26.16
Total Overhead Costs per Acre	46.76	44.56	40.88
Total Listed Costs per Acre	144.27	168.45	121.91
Net Return per Acre	-13.11	-65.84	33.98
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living per Acre	15.33	-41.19	60.14
Total Direct Costs per Bushel	1.07	1.89	0.71
Total Listed Costs per Bushel	1.59	2.58	1.07
Net Return per Bushel	-0.14	-1.01	0.30
Break Even Yield per Acre	99.70	111.83	87.62
Return to Overhead (incl. setaside)	51.71	10.93	79.19
Net Return per Acre (incl. setaside)	13.37	-27.50	45.29

TABLE 10-4
 **** 1988 Crop Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Return to Overhead per Acre)

SOYBEANS ON OWNED LAND

	Average For All Farms	Average For Low 20%	Average For High 20%
	-----	-----	-----
Number of Fields	149	30	30
Number of Farms	129	26	26
Acres	111.06	94.83	99.05
Yield per Acre	31.60	21.80	41.89
Operators Share of Yield %	100.00	100.00	100.00
Value per Bushel	7.54	7.50	7.51
Crop Product Return per Acre	238.11	163.50	314.51
Other Crop Income per Acre	5.90	16.71	0.69
Gross Return per Acre	244.00	180.21	315.21
Direct Costs per Acre			
Seed	9.40	10.55	9.63
Fertilizer	1.74	1.79	0.58
Chemicals	18.43	21.22	16.86
Crop Insurance	4.21	6.22	3.39
Custom Work Hired	2.53	2.08	1.66
Fuel and Oil	6.57	7.06	6.71
Repairs	16.87	18.99	15.31
Crop Drying	0.00	0.00	0.00
Special Hired Labor	0.50	0.29	0.92
Crop Marketing	0.01	0.00	0.04
Lease Payments	0.03	0.02	0.00
Miscellaneous Crop Expense	0.93	0.18	0.71
Operating Interest	5.32	6.70	5.67
Total Direct Costs per Acre	66.52	75.09	61.48
Return to Overhead per Acre	177.48	105.12	253.73
Overhead Costs per Acre			
Utilities	2.15	1.81	2.29
Hired Labor	4.23	4.20	4.37
Farm Insurance	1.75	1.65	1.23
Machinery Lease Payments	1.62	2.26	3.43
Real Estate Taxes	7.86	6.61	8.52
Miscellaneous Farm Expense	2.85	4.37	2.41
Interest	35.28	31.93	46.92
Depreciation	29.97	20.25	25.94
Total Overhead Costs per Acre	85.70	73.08	95.10
Total Listed Costs per Acre	152.23	148.18	156.58
Net Return per Acre	91.78	32.03	158.62
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living per Acre	121.74	52.28	184.56
Total Direct Costs per Bushel	2.11	3.44	1.47
Total Listed Costs per Bushel	4.82	6.80	3.74
Net Return per Bushel	2.90	1.47	3.79
Break Even Yield per Acre	19.40	17.53	20.76

TABLE 10-5
 **** 1988 Crop Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Return to Overhead per Acre)

SOYBEANS ON CASH RENTED LAND

	Average For All Farms	Average For Low 20%	Average For High 20%
Number of Fields	206	37	38
Number of Farms	139	28	28
Acres	132.39	140.52	157.60
Yield per Acre	32.20	24.10	40.13
Operators Share of Yield %	100.00	100.00	100.00
Value per Bushel	7.51	7.50	7.51
Crop Product Return per Acre	241.68	180.75	301.59
Other Crop Income per Acre	8.52	12.38	14.11
Gross Return per Acre	250.20	193.13	315.69
Direct Costs per Acre			
Seed	9.84	9.68	10.03
Fertilizer	2.39	1.86	1.57
Chemicals	17.71	16.67	18.14
Crop Insurance	5.24	4.93	3.11
Custom Work Hired	4.07	2.30	1.02
Fuel and Oil	6.80	6.97	6.41
Repairs	15.84	18.45	14.81
Crop Drying	0.00	0.00	0.00
Special Hired Labor	0.38	0.57	0.62
Crop Marketing	0.19	0.66	0.03
Land Rent	70.67	77.85	72.96
Lease Payments	0.01	0.01	0.00
Miscellaneous Crop Expense	0.72	0.18	1.08
Operating Interest	4.63	7.05	1.92
Total Direct Costs per Acre	138.51	147.19	131.68
Return to Overhead per Acre	111.69	45.94	184.01
Overhead Costs per Acre			
Utilities	1.69	2.11	1.35
Hired Labor	4.93	4.40	9.68
Farm Insurance	1.27	1.48	1.14
Machinery Lease Payments	3.57	3.46	7.88
Real Estate Taxes	0.03	0.00	0.00
Miscellaneous Farm Expense	2.33	1.82	2.30
Interest	2.57	2.70	1.19
Depreciation	22.68	19.98	20.14
Total Overhead Costs per Acre	39.08	35.95	43.67
Total Listed Costs per Acre	177.59	183.14	175.35
Net Return per Acre	72.61	9.99	140.34
Net Cash Flow Generated for			
Principal Payments, Income Taxes, and Family Living per Acre	95.30	29.96	160.48
Total Direct Costs per Bushel	4.30	6.11	3.28
Total Listed Costs per Bushel	5.52	7.60	4.37
Net Return per Bushel	2.26	0.41	3.50
Break Even Yield per Acre	22.53	22.77	21.46

TABLE 10-6
 **** 1988 Crop Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Return to Overhead per Acre)

SOYBEANS ON SHARE RENTED LAND

	Average For All Farms	Average For Low 20%	Average For High 20%
	-----	-----	-----
Number of Fields	103	19	24
Number of Farms	79	16	16
Acres	111.57	100.90	132.44
Yield per Acre	32.35	24.21	40.42
Operators Share of Yield %	58.15	57.87	58.21
Value per Bushel	7.53	7.50	7.61
Crop Product Return per Acre	141.24	105.24	178.22
Other Crop Income per Acre	2.09	3.66	0.00
Gross Return per Acre	143.33	108.90	178.22
Direct Costs per Acre			
Seed	8.81	9.75	8.56
Fertilizer	1.21	0.86	0.33
Chemicals	12.74	13.44	13.37
Crop Insurance	3.19	6.20	2.51
Custom Work Hired	2.60	3.76	0.28
Fuel and Oil	6.89	6.88	6.59
Repairs	16.46	20.90	15.97
Special Hired Labor	0.50	0.16	1.03
Crop Marketing	0.03	0.00	0.00
Lease Payments	0.14	0.02	0.00
Miscellaneous Crop Expense	0.20	0.21	0.18
Operating Interest	4.49	9.96	2.72
Total Direct Costs per Acre	57.28	72.14	51.54
Return to Overhead per Acre	86.05	36.76	126.68
Overhead Costs per Acre			
Utilities	1.76	2.67	1.17
Hired Labor	3.25	4.35	2.62
Farm Insurance	1.22	1.20	1.12
Machinery Lease Payments	2.97	0.32	2.70
Real Estate Taxes	0.02	0.00	0.00
Miscellaneous Farm Expense	2.00	2.73	1.84
Interest	2.98	3.33	3.04
Depreciation	23.30	18.49	21.71
Total Overhead Costs per Acre	37.50	33.10	34.20
Total Listed Costs per Acre	94.78	105.24	85.74
Net Return per Acre	48.56	3.66	92.48
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living per Acre	71.86	22.16	114.19
Total Direct Costs per Bushel	1.77	2.98	1.28
Total Listed Costs per Bushel	2.93	4.35	2.12
Net Return per Bushel	1.50	0.15	2.29
Break Even Yield per Acre	21.18	23.40	19.37

TABLE 10-7
 **** 1988 Crop Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Return to Overhead per Acre)

OATS ON OWNED LAND

	Average For All Farms	Average For Low 20%	Average For High 20%
Number of Fields	29	6	6
Number of Farms	29	6	6
Acres	17.96	17.22	24.25
Yield per Acre	41.99	13.71	61.78
Operators Share of Yield %	100.00	100.00	100.00
Value per Bushel	2.37	2.30	2.37
Crop Product Return per Acre	100.98	31.53	145.63
Other Crop Income per Acre	31.87	9.26	60.49
Gross Return per Acre	132.85	40.79	206.13
Direct Costs per Acre			
Seed	9.35	11.60	8.71
Fertilizer	6.50	9.42	6.19
Chemicals	1.90	1.10	2.74
Crop Insurance	0.39	0.00	0.00
Custom Work Hired	1.69	3.47	1.11
Fuel and Oil	5.23	8.64	2.74
Repairs	15.46	30.52	7.44
Crop Drying	0.50	0.00	1.77
Special Hired Labor	0.50	0.00	0.82
Miscellaneous Crop Expense	3.59	0.06	1.48
Operating Interest	3.18	5.15	2.96
Total Direct Costs per Acre	48.30	69.96	35.96
Return to Overhead per Acre	84.55	-29.16	170.17
Overhead Costs per Acre			
Utilities	1.65	2.64	1.34
Hired Labor	3.12	3.22	1.58
Farm Insurance	0.98	0.97	1.29
Machinery Lease Payments	0.86	0.07	0.29
Real Estate Taxes	6.39	6.91	5.47
Miscellaneous Farm Expense	1.67	2.76	1.10
Interest	22.28	27.83	16.30
Depreciation	21.27	19.45	27.30
Total Overhead Costs per Acre	58.22	63.85	54.66
Total Listed Costs per Acre	106.52	133.81	90.62
Net Return per Acre	26.33	-93.02	115.51
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living per Acre			
	47.59	-73.57	142.80
Total Direct Costs per Bushel	1.15	5.10	0.58
Total Listed Costs per Bushel	2.54	9.76	1.47
Net Return per Bushel	0.63	-6.79	1.87
Break Even Yield per Acre	31.52	54.15	12.69

TABLE 10-8
 **** 1988 Crop Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Return to Overhead per Acre)

OATS ON CASH RENTED LAND

	Average For All Farms	Average For Low 20%	Average For High 20%
	-----	-----	-----
Number of Fields	37	8	7
Number of Farms	35	7	7
Acres	23.43	25.40	26.09
Yield per Acre	45.87	17.38	72.29
Operators Share of Yield %	100.00	100.00	100.00
Value per Bushel	2.29	2.26	2.30
Crop Product Return per Acre	105.28	38.99	166.27
Other Crop Income per Acre	28.60	30.55	32.88
Gross Return per Acre	133.88	69.54	199.14
Direct Costs per Acre			
Seed	12.03	11.53	11.42
Fertilizer	11.01	15.22	7.64
Chemicals	1.64	1.60	2.03
Crop Insurance	0.26	0.00	0.00
Custom Work Hired	7.65	14.41	2.99
Fuel and Oil	5.92	6.81	5.34
Repairs	10.79	12.02	10.78
Special Hired Labor	0.17	0.77	0.00
Land Rent	61.50	62.78	55.96
Miscellaneous Crop Expense	1.05	1.46	1.48
Operating Interest	2.52	1.52	4.34
Total Direct Costs per Acre	114.54	128.11	101.97
Return to Overhead per Acre	19.34	-58.57	97.17
Overhead Costs per Acre			
Utilities	1.03	1.01	0.55
Hired Labor	2.48	0.96	2.62
Farm Insurance	0.82	0.56	0.91
Machinery Lease Payments	2.33	1.22	2.70
Real Estate Taxes	0.00	0.00	0.00
Miscellaneous Farm Expense	1.86	2.74	1.45
Interest	2.14	0.53	1.22
Depreciation	17.23	14.93	15.52
Total Overhead Costs per Acre	27.87	21.95	24.98
Total Listed Costs per Acre	142.40	150.07	126.95
Net Return per Acre	-8.52	-80.52	72.20
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living per Acre	8.70	-65.59	87.72
Total Direct Costs per Bushel	2.50	7.37	1.41
Total Listed Costs per Bushel	3.10	8.63	1.76
Net Return per Bushel	-0.19	-4.63	1.00
Break Even Yield per Acre	49.67	52.87	40.90

TABLE 10-9
 **** 1988 Crop Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Average of all farms reporting)

OATS ON SHARE RENTED LAND

	Average For All Farms
Number of Fields	11
Number of Farms	10
Acres	26.37
Yield per Acre	57.75
Operators Share of Yield %	65.48
Value per Bushel	2.17
Crop Product Return per Acre	80.65
Other Crop Income per Acre	27.25
Gross Return per Acre	107.89
Direct Costs per Acre	
Seed	9.70
Fertilizer	7.71
Chemicals	0.96
Custom Work Hired	3.02
Fuel and Oil	5.92
Repairs	13.51
Miscellaneous Crop Expense	0.82
Operating Interest	1.12
Total Direct Costs per Acre	42.76
Return to Overhead per Acre	65.13
Overhead Costs per Acre	
Utilities	0.96
Hired Labor	3.46
Farm Insurance	0.62
Machinery Lease Payments	0.05
Real Estate Taxes	0.00
Miscellaneous Farm Expense	1.77
Interest	2.51
Depreciation	18.29
Total Overhead Costs per Acre	27.65
Total Listed Costs per Acre	70.42
Net Return per Acre	37.48
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living per Acre	55.77
Total Direct Costs per Bushel	0.74
Total Listed Costs per Bushel	1.22
Net Return per Bushel	0.65
Break Even Yield per Acre	30.44

TABLE 10-10
 **** 1988 Crop Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Average of all farms reporting)

SPRING WHEAT ON OWNED LAND

	Average For All Farms
Number of Fields	21
Number of Farms	21
Acres	24.67
Yield per Acre	24.11
Operators Share of Yield %	100.00
Value per Bushel	3.51
Crop Product Return per Acre	84.42
Other Crop Income per Acre	13.69
Gross Return per Acre	98.11
Direct Costs per Acre	
Seed	10.05
Fertilizer	18.52
Chemicals	4.47
Crop Insurance	1.97
Custom Work Hired	1.71
Fuel and Oil	5.72
Repairs	14.12
Miscellaneous Crop Expense	1.74
Operating Interest	2.67
Total Direct Costs per Acre	60.98
Return to Overhead per Acre	37.13
Overhead Costs per Acre	
Utilities	1.74
Hired Labor	4.99
Farm Insurance	1.32
Machinery Lease Payments	1.80
Real Estate Taxes	6.32
Miscellaneous Farm Expense	1.23
Interest	27.01
Depreciation	19.69
Total Overhead Costs per Acre	64.08
Total Listed Costs per Acre	125.06
Net Return per Acre	-26.95
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living per Acre	-7.26
Total Direct Costs per Bushel	2.53
Total Listed Costs per Bushel	5.19
Net Return per Bushel	-1.12
Break Even Yield per Acre	31.75
Return to Overhead (incl. setaside)	46.79
Net Return per Acre (incl. setaside)	-14.94

TABLE 10-11
 **** 1988 Crop Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Average of all farms reporting)

SPRING WHEAT ON CASH RENTED LAND

	Average For All Farms

Number of Fields	16
Number of Farms	16
Acres	22.29
Yield per Acre	22.49
Operators Share of Yield %	100.00
Value per Bushel	3.50
Crop Product Return per Acre	78.70
Other Crop Income per Acre	14.33
Gross Return per Acre	93.03
Direct Costs per Acre	
Seed	9.22
Fertilizer	12.24
Chemicals	6.77
Crop Insurance	1.75
Custom Work Hired	2.61
Fuel and Oil	4.54
Repairs	11.28
Crop Drying	0.45
Land Rent	62.38
Miscellaneous Crop Expense	2.46
Operating Interest	4.09
Total Direct Costs per Acre	117.81
Return to Overhead per Acre	-24.78
Overhead Costs per Acre	
Utilities	1.03
Hired Labor	2.50
Farm Insurance	0.79
Machinery Lease Payments	1.41
Real Estate Taxes	0.00
Miscellaneous Farm Expense	0.95
Interest	2.64
Depreciation	13.56
Total Overhead Costs per Acre	22.88
Total Listed Costs per Acre	140.69
Net Return per Acre	-47.66
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living per Acre	-34.10
Total Direct Costs per Bushel	5.24
Total Listed Costs per Bushel	6.26
Net Return per Bushel	-2.12
Break Even Yield per Acre	36.10
Return to Overhead (incl. setaside)	-12.42
Net Return per Acre (incl. setaside)	-33.18

TABLE 10-12
 **** 1988 Crop Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Average of all farms reporting)

SPRING WHEAT ON SHARE RENTED LAND

	Average For All Farms
Number of Fields	9
Number of Farms	9
Acres	29.14
Yield per Acre	22.91
Operators Share of Yield %	61.06
Value per Bushel	3.50
Crop Product Return per Acre	49.36
Other Crop Income per Acre	11.98
Gross Return per Acre	61.34
Direct Costs per Acre	
Seed	8.67
Fertilizer	6.21
Chemicals	4.87
Crop Insurance	0.63
Custom Work Hired	1.99
Fuel and Oil	3.99
Repairs	10.06
Miscellaneous Crop Expense	1.33
Operating Interest	6.10
Total Direct Costs per Acre	43.85
Return to Overhead per Acre	17.49
Overhead Costs per Acre	
Utilities	1.17
Hired Labor	0.98
Farm Insurance	0.82
Machinery Lease Payments	1.00
Real Estate Taxes	0.00
Miscellaneous Farm Expense	2.41
Interest	2.88
Depreciation	13.13
Total Overhead Costs per Acre	22.38
Total Listed Costs per Acre	66.22
Net Return per Acre	-4.88
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living per Acre	8.24
Total Direct Costs per Bushel	1.91
Total Listed Costs per Bushel	2.89
Net Return per Bushel	-0.21
Break Even Yield per Acre	25.38
Return to Overhead (incl. setaside)	22.65
Net Return per Acre (incl. setaside)	3.58

TABLE 10-13
 **** 1988 Crop Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Return to Overhead per Acre)

CORN SILAGE ON OWNED LAND

	Average For All Farms	Average For Low 20%	Average For High 20%
Number of Fields	38	7	7
Number of Farms	37	7	7
Acres	34.85	27.79	32.30
Yield per Acre	9.64	6.66	10.67
Operators Share of Yield %	100.00	100.00	100.00
Value per Ton	17.78	16.52	18.00
Crop Product Return per Acre	171.11	103.77	192.06
Other Crop Income per Acre	27.88	0.00	85.06
Gross Return per Acre	199.00	103.77	277.12
Direct Costs per Acre			
Seed	19.83	17.28	19.29
Fertilizer	34.17	41.78	19.51
Chemicals	20.07	20.89	21.41
Crop Insurance	1.27	0.93	2.79
Custom Work Hired	4.15	6.47	0.00
Fuel and Oil	9.35	11.88	7.00
Repairs	25.68	27.78	20.51
Miscellaneous Crop Expense	0.36	1.20	0.00
Operating Interest	8.83	8.34	9.86
Total Direct Costs per Acre	123.71	136.55	100.36
Return to Overhead per Acre	75.29	-32.79	176.76
Overhead Costs per Acre			
Utilities	2.59	1.31	1.37
Hired Labor	6.34	7.52	3.27
Farm Insurance	1.47	1.57	1.08
Machinery Lease Payments	2.44	4.72	2.57
Real Estate Taxes	7.50	5.10	3.58
Miscellaneous Farm Expense	3.51	1.92	3.53
Interest	29.04	13.23	55.68
Depreciation	41.29	31.85	42.83
Total Overhead Costs per Acre	94.19	67.23	113.91
Total Listed Costs per Acre	217.90	203.78	214.27
Net Return per Acre	-18.90	-100.01	62.84
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living per Acre			
	22.40	-68.16	105.67
Total Direct Costs per Ton	12.83	20.52	9.41
Total Listed Costs per Ton	22.60	30.62	20.08
Net Return per Ton	-1.96	-15.03	5.89
Break Even Yield per Acre	10.69	12.33	7.18
Return to Overhead (incl. setaside)	95.66	-0.58	165.93
Net Return per Acre (incl. setaside)	10.73	-59.17	61.91

TABLE 10-14
 **** 1988 Crop Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Return to Overhead per Acre)

CORN SILAGE ON CASH RENTED LAND

	Average For All Farms	Average For Low 20%	Average For High 20%
	-----	-----	-----
Number of Fields	30	6	6
Number of Farms	29	6	6
Acres	36.10	37.90	41.23
Yield per Acre	10.26	8.47	14.47
Operators Share of Yield %	100.00	100.00	100.00
Value per Ton	18.00	18.00	18.00
Crop Product Return per Acre	184.59	152.53	260.51
Other Crop Income per Acre	12.12	10.80	14.26
Gross Return per Acre	196.71	163.33	274.77
Direct Costs per Acre			
Seed	19.08	18.42	20.35
Fertilizer	29.28	40.73	24.22
Chemicals	21.05	26.02	16.93
Crop Insurance	1.68	0.00	2.67
Custom Work Hired	8.32	11.46	0.55
Fuel and Oil	10.97	10.68	8.36
Repairs	23.53	35.62	20.47
Special Hired Labor	0.34	0.55	0.00
Land Rent	58.52	61.79	58.35
Miscellaneous Crop Expense	0.77	0.99	0.15
Operating Interest	3.04	4.12	0.37
Total Direct Costs per Acre	176.57	210.36	152.42
Return to Overhead per Acre	20.14	-47.03	122.35
Overhead Costs per Acre			
Utilities	2.07	2.86	1.84
Hired Labor	6.65	2.84	8.87
Farm Insurance	1.23	1.23	1.15
Machinery Lease Payments	3.53	0.83	8.97
Real Estate Taxes	0.00	0.00	0.00
Miscellaneous Farm Expense	3.46	6.01	2.32
Interest	4.71	0.67	6.28
Depreciation	36.83	34.09	26.14
Total Overhead Costs per Acre	58.48	48.53	55.57
Total Listed Costs per Acre	235.05	258.89	208.00
Net Return per Acre	-38.35	-95.56	66.78
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living per Acre	-1.51	-61.47	92.92
Total Direct Costs per Ton	17.22	24.82	10.53
Total Listed Costs per Ton	22.92	30.55	14.37
Net Return per Ton	-3.74	-11.28	4.61
Break Even Yield per Acre	12.39	13.78	10.76
Return to Overhead (incl. setaside)	37.73	-3.71	123.41
Net Return per Acre (incl. setaside)	-9.97	-42.05	76.74

TABLE 10-15
 **** 1988 Crop Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Return to Overhead per Acre)

ALFALFA HAY ON OWNED LAND

	Average For All Farms	Average For Low 20%	Average For High 20%
	-----	-----	-----
Number of Fields	44	9	9
Number of Farms	44	9	9
Acres	30.80	24.29	30.67
Yield per Acre	2.64	1.56	4.43
Operators Share of Yield %	100.00	100.00	100.00
Value per Ton	79.77	80.00	78.88
Crop Product Return per Acre	209.67	124.85	348.17
Other Crop Income per Acre	7.74	27.00	1.25
Gross Return per Acre	217.40	151.85	349.41
Direct Costs per Acre			
Seed	11.21	10.41	9.90
Fertilizer	12.00	36.73	8.77
Chemicals	0.52	1.44	1.40
Custom Work Hired	9.71	16.42	2.84
Fuel and Oil	9.39	8.64	15.37
Repairs	19.32	24.02	29.39
Special Hired Labor	0.07	0.19	0.00
Miscellaneous Crop Expense	1.44	1.24	0.80
Operating Interest	5.97	16.07	8.55
Total Direct Costs per Acre	69.63	115.17	77.01
Return to Overhead per Acre	147.77	36.68	272.40
Overhead Costs per Acre			
Utilities	2.74	3.21	4.99
Hired Labor	5.21	3.05	9.99
Farm Insurance	1.93	5.30	1.77
Machinery Lease Payments	1.95	0.07	2.14
Real Estate Taxes	5.53	5.15	6.13
Miscellaneous Farm Expense	3.15	3.87	6.72
Interest	33.47	38.83	58.55
Depreciation	29.29	27.10	37.47
Total Overhead Costs per Acre	83.27	86.58	127.76
Total Listed Costs per Acre	152.90	201.75	204.77
Net Return per Acre	64.50	-49.90	144.64
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living per Acre	93.79	-22.79	182.11
Total Direct Costs per Ton	26.40	73.79	17.37
Total Listed Costs per Ton	57.97	129.27	46.19
Net Return per Ton	24.46	-31.97	32.62
Break Even Yield per Acre	1.82	2.18	2.58

TABLE 10-16
 *** 1988 Crop Enterprise Analysis ***
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Return to Overhead per Acre)

ALFALFA HAY ON CASH RENTED LAND

	Average For All Farms	Average For Low 20%	Average For High 20%
	-----	-----	-----
Number of Fields	58	10	8
Number of Farms	41	8	8
Acres	44.35	18.06	28.46
Yield per Acre	2.45	1.35	4.35
Operators Share of Yield %	100.00	100.00	100.00
Value per Ton	80.00	80.00	80.00
Crop Product Return per Acre	196.23	108.38	348.02
Other Crop Income per Acre	8.12	0.00	0.00
Gross Return per Acre	204.35	108.38	348.02
Direct Costs per Acre			
Seed	4.09	18.30	0.41
Fertilizer	13.13	18.12	14.32
Chemicals	0.14	0.00	0.00
Custom Work Hired	7.82	2.88	10.98
Fuel and Oil	10.60	9.36	8.17
Repairs	22.25	22.90	12.76
Special Hired Labor	2.65	5.19	0.00
Land Rent	58.31	60.50	72.41
Lease Payments	0.10	0.00	0.00
Miscellaneous Crop Expense	1.29	1.95	0.42
Operating Interest	1.99	4.50	0.42
Total Direct Costs per Acre	122.39	143.70	119.89
Return to Overhead per Acre	81.96	-35.32	228.13
Overhead Costs per Acre			
Utilities	2.24	1.61	2.05
Hired Labor	4.20	2.12	7.55
Farm Insurance	0.87	0.71	2.15
Machinery Lease Payments	1.61	1.44	1.31
Real Estate Taxes	0.00	0.00	0.00
Miscellaneous Farm Expense	1.66	1.74	1.98
Interest	1.91	2.54	0.41
Depreciation	20.64	25.31	18.92
Total Overhead Costs per Acre	33.13	35.47	34.37
Total Listed Costs per Acre	155.52	179.17	154.26
Net Return per Acre	48.83	-70.79	193.76
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living per Acre	69.47	-45.48	212.68
Total Direct Costs per Ton	49.90	106.07	27.56
Total Listed Costs per Ton	63.40	132.26	35.46
Net Return per Ton	19.91	-52.26	44.54
Break Even Yield per Acre	1.84	2.24	1.93

TABLE 10-17
 **** 1988 Crop Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Average of all farms reporting)

ALFALFA HAY ON SHARE RENTED LAND

	Average For All Farms
Number of Fields	10
Number of Farms	10
Acres	12.40
Yield per Acre	3.46
Operators Share of Yield %	64.26
Value per Ton	80.00
Crop Product Return per Acre	193.03
Other Crop Income per Acre	4.23
Gross Return per Acre	197.26
Direct Costs per Acre	
Seed	8.14
Fertilizer	12.87
Chemicals	1.30
Custom Work Hired	11.39
Fuel and Oil	8.74
Repairs	19.87
Special Hired Labor	0.35
Miscellaneous Crop Expense	1.71
Operating Interest	2.56
Total Direct Costs per Acre	66.93
Return to Overhead per Acre	130.33
Overhead Costs per Acre	
Utilities	3.03
Hired Labor	5.08
Farm Insurance	1.16
Machinery Lease Payments	1.00
Real Estate Taxes	0.00
Miscellaneous Farm Expense	3.61
Interest	1.40
Depreciation	21.73
Total Overhead Costs per Acre	37.01
Total Listed Costs per Acre	103.93
Net Return per Acre	93.33
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living per Acre	115.06
Total Direct Costs per Ton	19.35
Total Listed Costs per Ton	30.06
Net Return per Ton	26.99
Break Even Yield per Acre	1.94

TABLE 10-18
 **** 1988 Crop Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Average of all farms reporting)

GRASS HAY ON CASH RENTED LAND

	Average For All Farms

Number of Fields	8
Number of Farms	7
Acres	27.00
Yield per Acre	1.76
Operators Share of Yield %	100.00
Value per Ton	58.52
Crop Product Return per Acre	107.14
Other Crop Income per Acre	0.00
Gross Return per Acre	107.14
Direct Costs per Acre	
Custom Work Hired	2.17
Fuel and Oil	3.52
Repairs	10.10
Land Rent	14.98
Operating Interest	1.52
Total Direct Costs per Acre	32.30
Return to Overhead per Acre	74.84
Overhead Costs per Acre	
Utilities	1.08
Hired Labor	5.66
Farm Insurance	0.60
Machinery Lease Payments	1.61
Real Estate Taxes	0.00
Miscellaneous Farm Expense	1.19
Interest	3.38
Depreciation	14.50
Total Overhead Costs per Acre	28.03
Total Listed Costs per Acre	60.33
Net Return per Acre	46.81
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living per Acre	61.32
Total Direct Costs per Ton	18.39
Total Listed Costs per Ton	34.34
Net Return per Ton	26.65
Break Even Yield per Acre	1.03

TABLE 10-19
 **** 1988 Crop Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Average of all farms reporting)

PASTURE ON OWNED LAND

	Average For All Farms

Number of Fields	16
Number of Farms	14
Acres	81.08
Yield per Acre	11.00
Operators Share of Yield %	100.00
Value per Unit	5.00
Crop Product Return per Acre	18.68
Other Crop Income per Acre	0.31
Gross Return per Acre	18.99
Direct Costs per Acre	
Seed	0.14
Fertilizer	0.13
Chemicals	1.51
Custom Work Hired	0.07
Fuel and Oil	0.15
Repairs	0.44
Operating Interest	0.26
Total Direct Costs per Acre	2.70
Return to Overhead per Acre	16.29
Overhead Costs per Acre	
Utilities	0.04
Hired Labor	0.19
Farm Insurance	0.04
Machinery Lease Payments	0.16
Real Estate Taxes	5.46
Miscellaneous Farm Expense	0.03
Interest	10.62
Depreciation	0.40
Total Overhead Costs per Acre	16.94
Total Listed Costs per Acre	19.64
Net Return per Acre	-0.65
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living per Acre	-0.25
Total Direct Costs per Unit	0.25
Total Listed Costs per Unit	1.79
Net Return per Unit	-0.06
Break Even Yield per Acre	3.87

TABLE 10-20
 **** 1988 Crop Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Average of all farms reporting)

PASTURE ON CASH RENTED LAND

	Average For All Farms
Number of Fields	16
Number of Farms	14
Acres	145.20
Yield per Acre	8.29
Operators Share of Yield %	100.00
Value per Unit	4.68
Crop Product Return per Acre	19.00
Other Crop Income per Acre	0.37
Gross Return per Acre	19.37
Direct Costs per Acre	
Seed	0.04
Fertilizer	0.27
Chemicals	1.27
Fuel and Oil	0.44
Repairs	0.64
Land Rent	10.50
Operating Interest	0.20
Total Direct Costs per Acre	13.37
Return to Overhead per Acre	6.01
Overhead Costs per Acre	
Utilities	0.06
Hired Labor	0.42
Farm Insurance	0.05
Machinery Lease Payments	0.02
Real Estate Taxes	0.00
Miscellaneous Farm Expense	0.07
Interest	0.20
Depreciation	1.00
Total Overhead Costs per Acre	1.81
Total Listed Costs per Acre	15.17
Net Return per Acre	4.20
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living per Acre	5.19
Total Direct Costs per Unit	1.61
Total Listed Costs per Unit	1.83
Net Return per Unit	0.51
Break Even Yield per Acre	3.16

TABLE 10-21
 **** 1988 Crop Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Average of all farms reporting)

SWEET CORN ON OWNED LAND

	Average For All Farms

Number of Fields	8
Number of Farms	7
Acres	36.11
Yield per Acre	4.35
Operators Share of Yield %	100.00
Value per Unit	39.77
Crop Product Return per Acre	168.96
Other Crop Income per Acre	40.42
Gross Return per Acre	209.38
Direct Costs per Acre	
Seed	3.90
Fertilizer	34.91
Chemicals	10.31
Crop Insurance	4.57
Custom Work Hired	5.44
Fuel and Oil	5.16
Repairs	12.32
Operating Interest	7.16
Total Direct Costs per Acre	83.77
Return to Overhead per Acre	125.61
Overhead Costs per Acre	
Utilities	1.85
Hired Labor	3.45
Farm Insurance	2.43
Machinery Lease Payments	0.40
Real Estate Taxes	7.37
Miscellaneous Farm Expense	2.26
Interest	50.50
Depreciation	23.94
Total Overhead Costs per Acre	92.20
Total Listed Costs per Acre	175.98
Net Return per Acre	33.40
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living per Acre	57.34
Total Direct Costs per Unit	19.26
Total Listed Costs per Unit	40.47
Net Return per Unit	7.68
Break Even Yield per Acre	3.41

TABLE 10-22
 **** 1988 Crop Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Average of all farms reporting)

PEAS ON OWNED LAND

	Average For All Farms

Number of Fields	6
Number of Farms	6
Acres	34.83
Yield per Acre	1,325.11
Operators Share of Yield %	100.00
Value per Unit	0.10
Crop Product Return per Acre	91.88
Other Crop Income per Acre	116.37
Gross Return per Acre	208.25
Direct Costs per Acre	
Seed	10.79
Fertilizer	25.17
Chemicals	2.28
Crop Insurance	7.99
Custom Work Hired	0.57
Fuel and Oil	5.03
Repairs	12.98
Operating Interest	4.18
Total Direct Costs per Acre	69.00
Return to Overhead per Acre	139.25
Overhead Costs per Acre	
Utilities	2.36
Hired Labor	2.76
Farm Insurance	1.45
Machinery Lease Payments	0.00
Real Estate Taxes	8.62
Miscellaneous Farm Expense	2.33
Interest	32.57
Depreciation	23.73
Total Overhead Costs per Acre	73.82
Total Listed Costs per Acre	142.82
Net Return per Acre	65.43
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living per Acre	89.16
Total Direct Costs per Unit	0.05
Total Listed Costs per Unit	0.11
Net Return per Unit	0.05
Break Even Yield per Acre	275.86

TABLE 10-23
 **** 1988 Crop Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Return to Overhead per Acre)

SET ASIDE ON OWNED LAND

	Average For All Farms	Average For Low 20%	Average For High 20%
	-----	-----	-----
Number of Fields	127	26	24
Number of Farms	119	24	24
Acres	38.62	37.28	35.67
Yield per Acre	174.65	103.56	243.03
Operators Share of Yield %	100.00	100.00	100.00
Value per Unit	1.00	1.00	1.00
Crop Product Return per Acre	174.65	103.56	243.03
Other Crop Income per Acre	22.43	4.02	79.19
Gross Return per Acre	197.08	107.57	322.22
Direct Costs per Acre			
Seed	4.44	3.48	2.84
Fertilizer	0.42	0.26	0.55
Chemicals	1.94	1.20	2.75
Crop Insurance	0.09	0.00	0.00
Custom Work Hired	0.87	1.80	1.58
Fuel and Oil	3.27	2.81	2.49
Repairs	8.13	7.00	8.35
Special Hired Labor	0.01	0.07	0.00
Miscellaneous Crop Expense	0.13	0.12	0.01
Operating Interest	2.78	2.44	2.69
Total Direct Costs per Acre	22.08	19.18	21.26
Return to Overhead per Acre	175.00	88.39	300.96
Overhead Costs per Acre			
Utilities	1.12	0.63	0.89
Hired Labor	1.86	1.01	2.62
Farm Insurance	0.83	0.76	0.53
Machinery Lease Payments	0.75	1.15	0.27
Real Estate Taxes	7.12	6.59	6.21
Miscellaneous Farm Expense	1.39	1.32	1.04
Interest	31.55	31.24	43.81
Depreciation	14.88	14.50	12.64
Total Overhead Costs per Acre	59.49	57.19	67.99
Total Listed Costs per Acre	81.57	76.37	89.25
Net Return per Acre	115.51	31.20	232.97
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living per Acre	130.39	45.70	245.61
Total Direct Costs per Unit	0.13	0.19	0.09
Total Listed Costs per Unit	0.47	0.74	0.37
Net Return per Unit	0.66	0.30	0.96
Break Even Yield per Acre	59.14	72.35	10.06

TABLE 10-24
 **** 1988 Crop Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Return to Overhead per Acre)

SET ASIDE ON CASH RENTED LAND

	Average For All Farms	Average For Low 20%	Average For High 20%
	-----	-----	-----
Number of Fields	191	40	31
Number of Farms	142	28	28
Acres	48.06	62.22	39.70
Yield per Acre	164.82	96.55	238.17
Operators Share of Yield %	100.00	100.00	100.00
Value per Unit	1.00	1.00	1.00
Crop Product Return per Acre	164.82	96.55	238.17
Other Crop Income per Acre	22.84	7.52	77.11
Gross Return per Acre	187.66	104.07	315.28
Direct Costs per Acre			
Seed	5.21	5.14	4.50
Fertilizer	0.68	0.64	0.22
Chemicals	1.98	1.64	2.87
Crop Insurance	0.00	0.00	0.00
Custom Work Hired	1.51	1.36	0.55
Fuel and Oil	3.42	3.10	3.72
Repairs	7.59	7.20	6.57
Special Hired Labor	0.05	0.13	0.00
Land Rent	68.28	67.50	60.25
Miscellaneous Crop Expense	0.13	0.18	0.03
Operating Interest	2.36	3.43	1.70
Total Direct Costs per Acre	91.21	90.34	80.42
Return to Overhead per Acre	96.45	13.74	234.86
Overhead Costs per Acre			
Utilities	0.90	0.87	0.91
Hired Labor	2.48	1.12	4.20
Farm Insurance	0.62	0.54	0.49
Machinery Lease Payments	1.51	1.07	1.04
Real Estate Taxes	0.02	0.00	0.00
Miscellaneous Farm Expense	1.15	1.15	0.99
Interest	1.30	1.67	0.99
Depreciation	12.22	12.36	9.88
Total Overhead Costs per Acre	20.20	18.78	18.50
Total Listed Costs per Acre	111.41	109.12	98.92
Net Return per Acre	76.24	-5.04	216.36
Net Cash Flow Generated for			
Principal Payments, Income Taxes, and Family Living per Acre	88.47	7.32	226.24
Total Direct Costs per Unit	0.55	0.94	0.34
Total Listed Costs per Unit	0.68	1.13	0.42
Net Return per Unit	0.46	-0.05	0.91
Break Even Yield per Acre	88.58	101.60	21.81

TABLE 10-25
 **** 1988 Crop Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Return to Overhead per Acre)

SET ASIDE ON SHARE RENTED LAND

	Average For All Farms	Average For Low 20%	Average For High 20%
	-----	-----	-----
Number of Fields	86	20	15
Number of Farms	72	14	14
Acres	34.05	40.27	33.46
Yield per Acre	184.59	102.09	292.67
Operators Share of Yield %	58.60	58.71	60.45
Value per Unit	1.00	1.00	1.00
Crop Product Return per Acre	107.74	59.52	174.33
Other Crop Income per Acre	11.60	1.06	49.27
Gross Return per Acre	119.34	60.59	223.60
Direct Costs per Acre			
Seed	4.17	3.60	3.59
Fertilizer	0.08	0.10	0.00
Chemicals	1.28	1.92	0.65
Custom Work Hired	1.57	3.05	2.03
Fuel and Oil	2.72	2.95	2.89
Repairs	6.37	7.09	7.25
Lease Payments	0.14	0.00	0.00
Miscellaneous Crop Expense	0.12	0.00	0.03
Operating Interest	1.53	1.20	3.79
Total Direct Costs per Acre	17.96	19.91	20.24
Return to Overhead per Acre	101.38	40.68	203.36
Overhead Costs per Acre			
Utilities	0.77	0.81	0.97
Hired Labor	1.35	1.07	2.69
Farm Insurance	0.49	0.66	0.39
Machinery Lease Payments	1.33	1.77	0.60
Real Estate Taxes	0.01	0.00	0.00
Miscellaneous Farm Expense	0.88	0.93	0.59
Interest	1.22	1.28	1.30
Depreciation	9.17	12.76	6.66
Total Overhead Costs per Acre	15.21	19.28	13.19
Total Listed Costs per Acre	33.18	39.19	33.42
Net Return per Acre	86.16	21.40	190.17
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living per Acre	95.33	34.15	196.83
Total Direct Costs per Unit	0.10	0.20	0.07
Total Listed Costs per Unit	0.18	0.38	0.11
Net Return per Unit	0.47	0.21	0.65
Break Even Yield per Acre	36.82	64.94	-26.21

TABLE 10-26
 **** 1988 Crop Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Average of all farms reporting)

CRP ON OWNED LAND

	Average For All Farms -----
Number of Fields	22
Number of Farms	22
Acres	36.40
Yield per Acre	78.67
Operators Share of Yield %	100.00
Value per Acre	1.00
Crop Product Return per Acre	78.67
Other Crop Income per Acre	21.52
Gross Return per Acre	100.18
Direct Costs per Acre	
Seed	9.62
Chemicals	0.54
Custom Work Hired	1.76
Fuel and Oil	2.15
Repairs	4.77
Miscellaneous Crop Expense	2.37
Operating Interest	1.03
Total Direct Costs per Acre	22.24
Return to Overhead per Acre	77.94
Overhead Costs per Acre	
Utilities	0.59
Hired Labor	1.41
Farm Insurance	0.39
Machinery Lease Payments	0.48
Real Estate Taxes	7.59
Miscellaneous Farm Expense	0.76
Interest	39.95
Depreciation	10.37
Total Overhead Costs per Acre	61.54
Total Listed Costs per Acre	83.78
Net Return per Acre	16.40
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living per Acre	26.78
Total Direct Costs per Acre	0.28
Total Listed Costs per Acre	1.07
Net Return per Acre	0.21
Break Even Yield per Acre	62.26

TABLE 10-27
 **** 1988 Crop Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Average of all farms reporting)

CRP ON CASH RENTED LAND

	Average For All Farms
Number of Fields	7
Number of Farms	7
Acres	35.44
Yield per Acre	26.46
Operators Share of Yield %	100.00
Value per Acre	1.00
Crop Product Return per Acre	26.46
Other Crop Income per Acre	75.57
Gross Return per Acre	102.02
Direct Costs per Acre	
Seed	10.50
Fertilizer	1.01
Custom Work Hired	3.39
Fuel and Oil	4.10
Repairs	6.03
Land Rent	15.59
Operating Interest	0.82
Total Direct Costs per Acre	41.43
Return to Overhead per Acre	60.59
Overhead Costs per Acre	
Utilities	0.44
Hired Labor	2.57
Farm Insurance	0.23
Machinery Lease Payments	0.00
Real Estate Taxes	0.00
Miscellaneous Farm Expense	0.55
Interest	1.39
Depreciation	8.46
Total Overhead Costs per Acre	13.65
Total Listed Costs per Acre	55.08
Net Return per Acre	46.94
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living per Acre	55.41
Total Direct Costs per Acre	1.57
Total Listed Costs per Acre	2.08
Net Return per Acre	1.77
Break Even Yield per Acre	-20.49

EXPLANATORY NOTES FOR LIVESTOCK TABLES

The "Livestock Enterprise Analysis" tables show the average physical production, gross returns, direct costs, overhead costs, and net returns per budget unit. All costs are actual costs; no opportunity costs are included. The "Net Return" to the enterprise is the "Total Return" minus the direct and overhead costs. The "Net cash flow for principal payments, income taxes, and family living" is the "Net Return" plus "Depreciation" and minus "Home Use," "Fed," and "Butchered." The last section of each livestock table contains both economic and technical efficiency measures which are particularly useful to individual managers in assessing their performance as compared to their peers.

The "Dairy (Milking Herd)" enterprise contains the information for only the milking herd (which includes dry cows). "Dairy Heifers" are those heifers kept for replacement into the milking herd. "Dairy Heifers and Feeder Stock" includes replacement heifers and dairy animals intended for feeding and slaughter. "Dairy Steers" includes only steers for feeding. The "All Dairy" table includes those farms in the "Dairy (Milking Herd)", "Dairy Heifers", and "Dairy Heifers and Feeder Stock" tables; it does not include "Dairy Steers."

The "All Beef Finishing" table includes the FINANX codes for beef, steer calf, heifer calf, yearling steer, and yearling heifer finishing.

When there is a sufficient number (i.e., more than 24), farms are divided into low 20% and high 20% on the basis of returns to overhead costs. The classification is done separately for each livestock enterprise.

"Lbs. feed per lb. of gain" is the lbs. of total feed divided by "Gross production." The total feed is calculated by adding total pounds of feed. For grains, these pounds per unit are used: corn, 56; oats, 32; barley, 48; grain sorghum, 56; wheat, 60; and millet, 48. For these roughages, the pounds are calculated by these factors: alfalfa haylage, 0.5; corn silage, 0.33; oatlage, 0.5; and sorghum silage, 0.33; and small grain silage, 0.33.

The calving and weaning percentages are calculated as the number of calves which are calved and weaned, respectively, divided by the number of cows which are supposed to bear young.

Rounding of individual items for the report may have caused minor discrepancies with the calculated totals.

TABLE 11-1
 **** 1988 Livestock Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Return to Overhead per unit produced)

Farrow-Finish Hogs -- Average per Litter

	Average For All Farms		Average For Low 20%		Average For High 20%	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of Farms	47		9		9	
Sales (lbs)	1,649.49	734.05	1,523.41	689.83	1,654.24	757.07
Livestock Transferred Out (lbs)	0.00	0.00	0.00	0.00	0.00	0.00
Butchered (lbs)	2.18	0.86	1.85	0.80	2.76	1.00
Cull Sales (lbs)	176.71	57.15	155.41	47.72	170.48	59.17
Less Livestock Purchased (lbs)	24.66	26.33	10.67	14.68	19.22	20.01
Less Livestock Transferred In (lbs)	0.00	0.00	0.00	0.00	0.00	0.00
Change in Inventory (lbs)	-23.61	-24.06	-108.07	-110.11	-111.55	-113.65
Gross Production (lbs)	1,780.10	741.66	1,568.30	655.86	1,838.45	786.07
Other Income		4.89		0.00		23.08
Total Return		746.55		655.86		809.15
Direct Costs						
Corn (bu)	93.28	182.57	101.32	195.96	76.01	148.47
Oats (bu)	0.82	1.89	0.31	0.60	0.89	2.15
Other Grain (lbs)	7.25	1.06	0.0	0.0	0.0	0.0
Alfalfa Hay (lbs)	0.47	0.02	0.0	0.0	0.0	0.0
Protein, Vitamins, Minerals (lbs)	1,563.97	266.43	1,550.64	299.23	1,507.04	207.26
Complete Ration (lbs)	145.23	19.11	288.88	29.26	0.0	0.0
Pasture (AUM)	0.01	0.04	0.0	0.0	0.0	0.0
Breeding		0.76		0.10		0.54
Veterinarian and Medicine		25.90		19.79		27.66
Supplies		14.41		24.25		8.62
Marketing		0.81		0.00		2.53
Fuel and Oil		8.33		6.14		8.46
Repairs		33.27		45.40		19.34
Machinery Work Hired		8.85		12.85		1.09
Utilities		1.15		0.00		0.00
Lease Payments		2.99		0.00		7.12
Bedding		2.98		5.66		0.67
Operating Interest		4.28		6.94		3.68
Total Direct Costs		574.84		646.18		449.10
Return to Overhead		171.71		9.69		360.05
Overhead Costs (allocated by farmers)						
Utilities		15.38		18.64		21.00
Real Estate Taxes		3.17		1.31		4.17
Farm Insurance		5.56		5.63		5.13
Overhead Hired Labor		31.02		26.58		78.26
Lease Payments		13.40		16.74		2.06
Miscellaneous Farm Expense		5.76		5.04		7.63
Interest		15.72		12.25		22.89
Depreciation		48.86		47.30		54.19
Total Overhead Costs		138.87		133.47		195.34
Total Listed Costs		713.71		779.65		644.44
Net Return		32.84		-123.79		164.71
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living		80.84		-77.29		217.90
Other Information						
Number of Litters Farrowed per Farm		181.21		206.78		200.33
Number of Litters per Crate		8.17		9.14		7.42
Number of Litters per Sow		1.72		1.58		1.88
Pigs Born per Litter		9.18		8.69		9.69
Pigs Weaned per Litter		7.80		6.97		8.39
Lbs of Feed Fed per lb of Gain		3.91		4.80		3.25
Avg. Weight of Market Hogs Sold (lbs)		231.62		223.06		220.49
Avg. \$ per Cwt Received for Hogs Sold		44.50		45.28		45.77

TABLE 11-2
 **** 1988 Livestock Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Return to Overhead per unit produced)

Farrow-Finish Hogs -- Average per CWT Produced

	Average For All Farms		Average For Low 20%		Average For High 20%	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of Farms	47		9		9	
Sales (lbs)	92.66	41.24	97.14	43.99	89.98	41.18
Livestock Transferred Out (lbs)	0.00	0.00	0.00	0.00	0.00	0.00
Butchered (lbs)	0.12	0.05	0.12	0.05	0.15	0.05
Cull Sales (lbs)	9.93	3.21	9.91	3.04	9.27	3.22
Less Livestock Purchased (lbs)	1.39	1.48	0.68	0.94	1.05	1.09
Less Livestock Transferred In (lbs)	0.00	0.00	0.00	0.00	0.00	0.00
Change in Inventory (lbs)	-1.33	-1.35	-6.89	-7.02	-6.07	-6.18
Gross Production (lbs)	100.00	41.66	100.00	41.82	100.00	42.76
Other Income		0.27		0.00		1.26
Total Return		41.94		41.82		44.01
Direct Costs						
Corn (bu)	5.24	10.26	6.46	12.50	4.85	9.47
Oats (bu)	0.05	0.11	0.02	0.04	0.06	0.14
Other Grain (lbs)	0.41	0.06	0.0	0.0	0.0	0.0
Alfalfa Hay (lbs)	0.03	0.00	0.0	0.0	0.0	0.0
Protein, Vitamins, Minerals (lbs)	87.86	14.97	98.87	19.08	96.09	13.22
Complete Ration (lbs)	8.16	1.07	18.42	1.87	0.0	0.0
Pasture (AUM)	0.00	0.00	0.0	0.0	0.0	0.0
Breeding		0.04		0.01		0.03
Veterinarian and Medicine		1.45		1.26		1.50
Supplies		0.81		1.55		0.47
Marketing		0.05		0.00		0.14
Fuel and Oil		0.47		0.39		0.46
Repairs		1.87		2.89		1.05
Machinery Work Hired		0.50		0.82		0.06
Utilities		0.06		0.00		0.00
Lease Payments		0.17		0.00		0.39
Bedding		0.17		0.36		0.04
Operating Interest		0.24		0.44		0.20
Total Direct Costs		32.29		41.20		24.43
Return to Overhead		9.65		0.62		19.58
Overhead Costs (allocated by farmers)						
Utilities		0.86		1.19		1.14
Real Estate Taxes		0.18		0.08		0.23
Farm Insurance		0.31		0.36		0.28
Overhead Hired Labor		1.74		1.69		4.26
Lease Payments		0.75		1.07		0.11
Miscellaneous Farm Expense		0.32		0.32		0.42
Interest		0.88		0.78		1.25
Depreciation		2.74		3.02		2.95
Total Overhead Costs		7.80		8.51		10.63
Total Listed Costs		40.09		49.71		35.05
Net Return		1.84		-7.89		8.96
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living		4.54		-4.93		11.85
Other Information						
Number of Litters Farrowed per Farm		181.21		206.78		200.33
Number of Litters per Crate		8.17		9.14		7.42
Number of Litters per Sow		1.72		1.58		1.88
Pigs Born per Litter		9.18		8.69		9.69
Pigs Weaned per Litter		7.80		6.97		8.39
Lbs of Feed Fed per lb of Gain		3.91		4.80		3.25
Avg. Weight of Market Hogs Sold (lbs)		231.62		223.06		220.49
Avg. \$ per Cwt Received for Hogs Sold		44.50		45.28		45.77

TABLE 11-3
 **** 1988 Livestock Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Average of all farms reporting)

Feeder Pigs -- Average per Litter

Number of Farms	14	
	Quantity	Value
	-----	-----
Sales (hd)	3.98	166.94
Livestock Transferred Out (hd)	3.62	143.17
Butchered (hd)	0.00	0.41
Cull Sales (hd)	0.33	47.97
Less Livestock Purchased (hd)	0.15	29.75
Less Livestock Transferred In (hd)	0.20	21.58
Change in Inventory (hd)	0.45	20.49
Gross Production		327.64
Other Income		0.60
Total Return		328.24
Direct Costs		
Corn (bu)	22.74	45.71
Oats (bu)	0.37	1.17
Barley (bu)	0.10	0.25
Protein, Vitamins, Minerals (lbs)	528.56	95.42
Complete Ration (lbs)	443.71	42.75
Breeding		0.07
Veterinarian and Medicine		17.62
Supplies		7.47
Marketing		0.47
Fuel and Oil		3.14
Repairs		15.26
Special Hired Labor		0.08
Machinery Work Hired		0.36
Lease Payments		0.89
Bedding		1.37
Operating Interest		1.72
Total Direct Costs		233.75
Return to Overhead		94.49
Overhead Costs (allocated by farmers)		
Utilities		8.39
Real Estate Taxes		1.69
Farm Insurance		3.03
Overhead Hired Labor		2.48
Lease Payments		4.76
Miscellaneous Farm Expense		2.52
Interest		4.95
Depreciation		22.87
Total Overhead Costs		50.69
Total Listed Costs		284.43
Net Return		43.81
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living		66.27
Other Information		
Number of Litters Farrowed per Farm		175.21
Number of Litters per Crate		12.71
Number of Litters per Sow		1.75
Pigs Born per Litter		9.01
Pigs Weaned per Litter		7.37
Avg. Price Received per Pig Sold		41.92
Avg. Weight per Pig Sold (lbs)		51.32

TABLE 11-4
 **** 1988 Livestock Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Return to Overhead per unit produced)

Finish Feeder Pigs -- Average per Head

	Average For All Farms		Average For Low 20%		Average For High 20%	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of Farms	29		6		6	
Sales (lbs)	237.73	105.98	236.72	105.62	234.95	107.23
Livestock Transferred Out (lbs)	5.27	2.26	0.00	0.00	3.61	1.52
Butchered (lbs)	0.27	0.20	0.13	0.06	0.24	0.31
Cull Sales (lbs)	1.39	0.44	0.00	0.00	3.14	0.98
Less Livestock Purchased (lbs)	28.25	26.15	42.09	44.08	19.71	15.99
Less Livestock Transferred In (lbs)	19.14	14.83	0.00	0.00	28.82	21.42
Change in Inventory (lbs)	-2.79	-0.44	-22.56	-3.56	-6.30	-0.99
Gross Production (lbs)	194.48	67.46	215.32	62.99	178.52	70.75
Other Income		1.84		0.00		3.76
Total Return		69.29		62.99		74.51
Direct Costs						
Corn (bu)	9.17	18.26	11.26	23.23	28.94	58.36
Oats (bu)	0.01	0.01	0.0	0.0	0.0	0.0
Barley (bu)	0.01	0.03	0.0	0.0	0.0	0.0
Protein, Vitamins, Minerals (lbs)	150.97	23.88	180.08	35.71	580.11	74.25
Complete Ration (lbs)	39.85	3.09	79.83	5.93	0.0	0.0
Veterinarian and Medicine		1.44		4.15		0.49
Supplies		1.33		1.73		1.46
Marketing		0.02		0.00		0.00
Fuel and Oil		0.45		0.96		0.28
Repairs		1.34		1.29		1.10
Special Hired Labor		0.13		0.00		0.30
Machinery Work Hired		2.55		7.99		0.41
Lease Payments		0.17		0.00		0.00
Bedding		0.23		0.35		0.13
Operating Interest		1.90		1.01		3.17
Total Direct Costs		54.86		82.34		44.36
Return to Overhead		14.44		-19.35		30.15
Overhead Costs (allocated by farmers)						
Utilities		0.86		0.58		0.97
Real Estate Taxes		0.09		0.06		0.09
Farm Insurance		0.28		0.25		0.31
Overhead Hired Labor		0.40		0.21		0.67
Lease Payments		0.37		0.02		0.49
Miscellaneous Farm Expense		0.49		1.13		0.23
Interest		0.50		0.84		0.38
Depreciation		2.79		2.81		3.32
Total Overhead Costs		5.79		5.89		6.48
Total Listed Costs		60.64		88.23		50.84
Net Return		8.65		-25.25		23.67
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living		11.24		-22.50		26.68
Other Information						
Number of Animals Purchased per Farm		534.62		548.83		698.00
Number of Animals Sold per Farm		807.12		482.67		1,729.17
Percentage Death Loss		3.62		10.06		1.45
Effective Daily Gain (lbs)		1.27		1.15		1.38
Lbs of Feed Fed per lb of Gain		3.63		4.14		3.44
Avg. Weight per Animal Bought		42.65		37.01		48.84
Avg. Weight per Animal Sold		237.73		236.72		234.95
Avg. Price Paid per Animal Bought		39.48		38.76		39.62
Avg. \$ per Cwt Recd. per Animal Sold		44.58		44.62		45.64

TABLE 11-5
 **** 1988 Livestock Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Return to Overhead per unit produced)

Finish Feeder Pigs -- Average per CWT Produced

	Average For All Farms		Average For Low 20%		Average For High 20%	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of Farms	29		6		6	
Sales (lbs)	122.24	54.50	109.94	49.05	131.61	60.07
Livestock Transferred Out (lbs)	2.71	1.16	0.00	0.00	2.02	0.85
Butchered (lbs)	0.14	0.10	0.06	0.03	0.14	0.17
Cull Sales (lbs)	0.72	0.22	0.00	0.00	1.76	0.55
Less Livestock Purchased (lbs)	14.53	13.45	19.55	20.47	11.04	8.96
Less Livestock Transferred In (lbs)	9.84	7.63	0.00	0.00	16.14	12.00
Change in Inventory (lbs)	-1.44	-0.23	-10.48	-1.65	-3.53	-0.56
Gross Production (lbs)	100.00	34.69	100.00	29.25	100.00	39.63
Other Income		0.94		0.00		2.11
Total Return		35.63		29.25		41.74
Direct Costs						
Corn (bu)	4.72	9.39	5.23	10.79	13.44	27.11
Oats (bu)	0.00	0.01	0.0	0.0	0.0	0.0
Barley (bu)	0.01	0.02	0.0	0.0	0.0	0.0
Protein, Vitamins, Minerals (lbs)	77.63	12.28	83.64	16.58	269.42	34.48
Complete Ration (lbs)	20.49	1.59	37.08	2.75	0.0	0.0
Veterinarian and Medicine		0.74		1.93		0.28
Supplies		0.68		0.80		0.82
Marketing		0.01		0.00		0.00
Fuel and Oil		0.23		0.45		0.16
Repairs		0.69		0.60		0.62
Special Hired Labor		0.07		0.00		0.17
Machinery Work Hired		1.31		3.71		0.23
Lease Payments		0.09		0.00		0.00
Bedding		0.12		0.16		0.07
Operating Interest		0.98		0.47		1.78
Total Direct Costs		28.21		38.24		24.85
Return to Overhead		7.42		-8.99		16.89
Overhead Costs (allocated by farmers)						
Utilities		0.44		0.27		0.54
Real Estate Taxes		0.04		0.03		0.05
Farm Insurance		0.15		0.12		0.18
Overhead Hired Labor		0.21		0.10		0.38
Lease Payments		0.19		0.01		0.28
Miscellaneous Farm Expense		0.25		0.52		0.13
Interest		0.26		0.39		0.21
Depreciation		1.44		1.30		1.86
Total Overhead Costs		2.98		2.74		3.63
Total Listed Costs		31.18		40.98		28.48
Net Return		4.45		-11.73		13.26
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living		5.78		-10.45		14.95
Other Information						
Number of Animals Purchased per Farm		534.62		548.83		698.00
Number of Animals Sold per Farm		807.12		482.67		1,729.17
Percentage Death Loss		3.62		10.06		1.45
Effective Daily Gain (lbs)		1.27		1.15		1.38
Lbs of Feed Fed per lb of Gain		3.63		4.14		3.44
Avg. Weight per Animal Bought		42.65		37.01		48.84
Avg. Weight per Animal Sold		237.73		236.72		234.95
Avg. Price Paid per Animal Bought		39.48		38.76		39.62
Avg. \$ per Cwt Recd. per Animal Sold		44.58		44.62		45.64

TABLE 11-6
 **** 1988 Livestock Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Average of all farms reporting)

Mixed Hogs -- Average per CWT Produced

Number of Farms	18	
	Quantity	Value
	-----	-----
Sales (lbs)	92.71	43.15
Livestock Transferred Out (lbs)	0.06	0.04
Butchered (lbs)	0.17	0.07
Cull Sales (lbs)	10.13	3.12
Less Livestock Purchased (lbs)	5.81	3.93
Less Livestock Transferred In (lbs)	0.00	0.00
Change in Inventory (lbs)	2.75	0.83
Gross Production (lbs)	100.00	43.29
Other Income		0.00
Total Return		43.29
Direct Costs		
Corn (bu)	5.02	10.30
Oats (bu)	0.07	0.16
Protein, Vitamins, Minerals (lbs)	68.60	13.06
Complete Ration (lbs)	22.45	2.34
Veterinarian and Medicine		1.42
Supplies		0.40
Marketing		0.15
Fuel and Oil		0.47
Repairs		2.27
Machinery Work Hired		0.44
Utilities		0.03
Lease Payments		0.46
Bedding		0.26
Operating Interest		0.66
Total Direct Costs		32.41
Return to Overhead		10.88
Overhead Costs (allocated by farmers)		
Utilities		1.02
Real Estate Taxes		0.06
Farm Insurance		0.34
Overhead Hired Labor		0.83
Lease Payments		0.33
Miscellaneous Farm Expense		0.35
Interest		0.56
Depreciation		2.57
Total Overhead Costs		6.06
Total Listed Costs		38.47
Net Return		4.82
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living		7.33

TABLE 11-7
 **** 1988 Livestock Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Average of all farms reporting)

Beef Cow-Calf -- Average per Cow

Number of Farms	16	
	Quantity	Value
	-----	-----
Sales (lbs)	26.55	30.46
Livestock Transferred Out (lbs)	433.90	378.08
Butchered (lbs)	3.57	2.01
Cull Sales (lbs)	245.05	131.88
Less Livestock Purchased (lbs)	147.77	113.01
Less Livestock Transferred In (lbs)	90.02	58.30
Change in Inventory (lbs)	32.74	85.22
Gross Production (lbs)	504.02	456.35
Other Income		4.24
Total Return		460.59
Direct Costs		
Corn (bu)	9.90	19.98
Oats (bu)	2.23	4.97
Alfalfa Hay (lbs)	2,028.71	60.53
Corn Silage (lbs)	1,124.61	28.04
Oatlage (lbs)	661.58	9.30
Stover (lbs)	166.05	2.29
Grass Hay (lbs)	578.26	13.97
Mixed Hay (lbs)	242.55	4.71
Protein, Vitamins, Minerals (lbs)	105.65	17.43
Complete Ration (lbs)	2.01	0.28
Pasture (AUM)	6.07	29.72
Breeding		4.46
Veterinarian and Medicine		13.41
Supplies		9.11
Marketing		1.05
Fuel and Oil		3.98
Repairs		8.74
Machinery Work Hired		5.55
Bedding		3.93
Operating Interest		6.86
Total Direct Costs		248.31
Return to Overhead		212.28
Overhead Costs (allocated by farmers)		
Utilities		5.90
Real Estate Taxes		1.68
Farm Insurance		2.37
Overhead Hired Labor		8.09
Lease Payments		0.34
Miscellaneous Farm Expense		3.40
Interest		4.32
Depreciation		20.50
Total Overhead Costs		46.61
Total Listed Costs		294.92
Net Return		165.67
Net Cash Flow Generated for		
Principal Payments, Income Taxes,		
and Family Living		184.16
Other Information		
Average Number of Cows per Farm		62.26
Calving Percentage		97.61
Weaning Percentage		90.03
Percent of Cows Culled		21.38
Avg. Weight per Calf Sold		489.81
Avg. \$ per Cwt Received per Calf Sold		114.71

TABLE 11-8
 **** 1988 Livestock Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Average of all farms reporting)

Beef Cow-Calf -- Average per CWT Produced

Number of Farms	16	
	Quantity	Value
	-----	-----
Sales (lbs)	5.27	6.04
Livestock Transferred Out (lbs)	86.09	75.01
Butchered (lbs)	0.71	0.40
Cull Sales (lbs)	48.62	26.17
Less Livestock Purchased (lbs)	29.32	22.42
Less Livestock Transferred In (lbs)	17.86	11.57
Change in Inventory (lbs)	6.50	16.91
Gross Production (lbs)	100.00	90.54
Other Income		0.84
Total Return		91.38
Direct Costs		
Corn (bu)	1.96	3.96
Oats (bu)	0.44	0.99
Alfalfa Hay (lbs)	402.51	12.01
Corn Silage (lbs)	223.13	5.56
Oatlage (lbs)	131.26	1.85
Stover (lbs)	32.94	0.45
Grass Hay (lbs)	114.73	2.77
Mixed Hay (lbs)	48.12	0.93
Protein, Vitamins, Minerals (lbs)	20.96	3.46
Complete Ration (lbs)	0.40	0.05
Pasture (AUM)	1.21	5.90
Breeding		0.88
Veterinarian and Medicine		2.66
Supplies		1.81
Marketing		0.21
Fuel and Oil		0.79
Repairs		1.73
Machinery Work Hired		1.10
Bedding		0.78
Operating Interest		1.36
Total Direct Costs		49.27
Return to Overhead		42.12
Overhead Costs (allocated by farmers)		
Utilities		1.17
Real Estate Taxes		0.33
Farm Insurance		0.47
Overhead Hired Labor		1.61
Lease Payments		0.07
Miscellaneous Farm Expense		0.67
Interest		0.86
Depreciation		4.07
Total Overhead Costs		9.25
Total Listed Costs		58.51
Net Return		32.87
Net Cash Flow Generated for		
Principal Payments, Income Taxes,		
and Family Living		36.54
Other Information		
Average Number of Cows per Farm		62.26
Calving Percentage		97.61
Weaning Percentage		90.03
Percent of Cows Culled		21.38
Avg. Weight per Calf Sold		489.81
Avg. \$ per Cwt Received per Calf Sold		114.71

TABLE 11-9
 **** 1988 Livestock Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Return to Overhead per unit produced)

Beef Finishing, All Types -- Average per Head

Number of Farms	Average For All Farms		Average For Low 20%		Average For High 20%	
	Quantity	Value	Quantity	Value	Quantity	Value
	47		9		9	
Sales (lbs)	1,147.07	782.35	1,119.00	760.20	1,165.21	808.19
Livestock Transferred Out (lbs)	5.56	3.47	2.03	1.31	5.68	3.86
Butchered (lbs)	4.36	2.85	2.80	1.83	6.26	3.71
Cull Sales (lbs)	0.25	0.16	0.89	0.58	0.00	0.00
Less Livestock Purchased (lbs)	685.55	581.42	782.86	643.91	432.92	371.57
Less Livestock Transferred In (lbs)	37.16	32.38	15.33	13.39	49.81	41.90
Change in Inventory (lbs)	124.22	126.21	448.75	455.96	1,108.72	1,126.52
Gross Production (lbs)	558.75	301.25	377.91	202.85	580.26	367.02
Other Income		4.50		0.00		4.47
Total Return		305.75		202.85		371.50
Direct Costs						
Corn (bu)	57.42	114.89	47.11	93.78	24.80	50.74
Oats (bu)	0.12	0.27	0.15	0.34	0.02	0.04
Barley (bu)	0.01	0.03	0.0	0.0	0.0	0.0
Grain Sorghum (bu)	0.03	0.03	0.0	0.0	0.0	0.0
Wheat (bu)	0.00	0.01	0.0	0.0	0.0	0.0
Alfalfa Hay (lbs)	544.89	16.55	523.61	17.77	158.61	5.72
Alfalfa Haylage (lbs)	196.89	7.37	76.58	2.68	0.0	0.0
Corn Silage (lbs)	774.72	20.37	501.95	13.68	451.82	11.65
Oatlage (lbs)	130.79	1.82	13.94	0.20	19.15	0.29
Sorghum Silage (lbs)	20.63	0.46	0.0	0.0	0.0	0.0
Stover (lbs)	1.27	0.02	4.60	0.08	0.0	0.0
Grass Hay (lbs)	82.89	1.44	94.96	0.83	0.0	0.0
Mixed Hay (lbs)	50.81	0.28	5.21	0.18	0.0	0.0
Small Grain Silage (lbs)	112.67	2.66	213.01	4.29	0.0	0.0
Protein, Vitamins, Minerals (lbs)	388.32	38.17	314.57	38.30	95.16	12.79
Complete Ration (lbs)	26.64	2.54	26.33	2.46	17.31	1.51
Pasture (AUM)	0.02	0.14	0.0	0.0	0.0	0.0
Veterinarian and Medicine		6.40		6.89		6.28
Supplies		2.39		2.40		1.38
Marketing		1.11		2.51		0.27
Fuel and Oil		3.32		2.68		4.06
Repairs		7.81		6.33		8.10
Special Hired Labor		0.02		0.00		0.14
Machinery Work Hired		6.63		10.46		3.16
Bedding		0.87		0.29		1.62
Operating Interest		16.38		13.05		6.28
Total Direct Costs		251.98		219.19		235.70
Return to Overhead		53.77		-16.34		135.79
Overhead Costs (allocated by farmers)						
Utilities		4.01		3.31		5.77
Real Estate Taxes		1.07		1.20		2.02
Farm Insurance		2.28		1.33		2.65
Overhead Hired Labor		4.24		2.21		2.31
Lease Payments		2.04		0.02		0.03
Miscellaneous Farm Expense		2.57		2.55		3.99
Interest		5.09		7.73		2.70
Depreciation		18.94		13.88		33.61
Total Overhead Costs		40.24		32.22		53.08
Total Listed Costs		292.22		251.41		288.79
Net Return		13.53		-48.56		82.71
Net Cash Flow Generated for						
Principal Payments, Income Taxes, and Family Living		29.61		-36.51		112.61
Other Information						
Number of Animals Purchased per Farm		220.96		335.44		85.44
Number of Animals Sold per Farm		200.73		290.17		117.44
Percentage Death Loss		0.81		0.61		0.49
Effective Daily Gain (lbs)		2.14		2.09		2.28
Lbs of Feed Fed per lb of Gain		9.86		11.68		9.05
Avg. Weight per Animal Bought		622.79		677.19		595.05
Avg. Weight per Animal Sold		1,147.07		1,119.00		1,165.21
Avg. Price Paid per Animal Bought		528.19		556.99		510.73
Avg. \$ per Cwt Recd. per Animal Sold		68.20		67.94		69.36

TABLE 11-10
 **** 1988 Livestock Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Farms sorted according to Return to Overhead per unit produced)

Beef Finishing, All Types -- Average per CWT Produced

	Average For All Farms		Average For Low 20%		Average For High 20%	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of Farms	47		9		9	
Sales (lbs)	205.29	140.02	296.10	201.16	200.81	139.28
Livestock Transferred Out (lbs)	1.00	0.62	0.54	0.35	0.98	0.67
Butchered (lbs)	0.78	0.51	0.74	0.49	1.08	0.64
Cull Sales (lbs)	0.04	0.03	0.23	0.15	0.00	0.00
Less Livestock Purchased (lbs)	122.69	104.06	207.15	170.39	74.61	64.04
Less Livestock Transferred In (lbs)	6.65	5.79	4.06	3.54	8.58	7.22
Change in Inventory (lbs)	22.23	22.59	118.75	120.65	191.07	194.14
Gross Production (lbs)	100.00	53.92	100.00	53.68	100.00	63.25
Other Income		0.81		0.00		0.77
Total Return		54.72		53.68		64.02
Direct Costs						
Corn (bu)	10.28	20.56	12.47	24.82	6.56	13.43
Oats (bu)	0.02	0.05	0.04	0.09	0.00	0.01
Barley (bu)	0.00	0.01	0.0	0.0	0.0	0.0
Grain Sorghum (bu)	0.01	0.01	0.0	0.0	0.0	0.0
Wheat (bu)	0.00	0.00	0.0	0.0	0.0	0.0
Alfalfa Hay (lbs)	97.52	2.96	138.55	4.70	41.97	1.51
Alfalfa Haylage (lbs)	35.24	1.32	20.27	0.71	0.0	0.0
Corn Silage (lbs)	138.65	3.65	132.82	3.62	119.56	3.08
Oatlage (lbs)	23.41	0.33	3.69	0.05	5.07	0.08
Sorghum Silage (lbs)	3.69	0.08	0.0	0.0	0.0	0.0
Stover (lbs)	0.23	0.00	1.22	0.02	0.0	0.0
Grass Hay (lbs)	14.83	0.26	25.13	0.22	0.0	0.0
Mixed Hay (lbs)	9.09	0.05	1.38	0.05	0.0	0.0
Small Grain Silage (lbs)	20.16	0.48	56.37	1.14	0.0	0.0
Protein, Vitamins, Minerals (lbs)	69.50	6.83	83.24	10.13	25.18	3.39
Complete Ration (lbs)	4.77	0.45	6.97	0.65	4.58	0.40
Pasture (AUM)	0.00	0.03	0.0	0.0	0.0	0.0
Veterinarian and Medicine		1.15		1.82		1.08
Supplies		0.43		0.64		0.24
Marketing		0.20		0.66		0.05
Fuel and Oil		0.59		0.71		0.70
Repairs		1.40		1.68		1.40
Special Hired Labor		0.00		0.00		0.02
Machinery Work Hired		1.19		2.77		0.54
Bedding		0.15		0.08		0.28
Operating Interest		2.93		3.45		1.08
Total Direct Costs		45.10		58.00		40.62
Return to Overhead		9.62		-4.32		23.40
Overhead Costs (allocated by farmers)						
Utilities		0.72		0.88		0.99
Real Estate Taxes		0.19		0.32		0.35
Farm Insurance		0.41		0.35		0.46
Overhead Hired Labor		0.76		0.58		0.40
Lease Payments		0.37		0.00		0.00
Miscellaneous Farm Expense		0.46		0.67		0.69
Interest		0.91		2.05		0.47
Depreciation		3.39		3.67		5.79
Total Overhead Costs		7.20		8.52		9.15
Total Listed Costs		52.30		66.53		49.77
Net Return		2.42		-12.85		14.25
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living		5.30		-9.66		19.41
Other Information						
Number of Animals Purchased per Farm		220.96		335.44		85.44
Number of Animals Sold per Farm		200.73		290.17		117.44
Percentage Death Loss		0.81		0.61		0.49
Effective Daily Gain (lbs)		2.14		2.09		2.28
Lbs of Feed Fed per lb of Gain		9.86		11.68		9.05
Avg. Weight per Animal Bought		622.79		677.19		595.05
Avg. Weight per Animal Sold		1,147.07		1,119.00		1,165.21
Avg. Price Paid per Animal Bought		528.19		556.99		510.73
Avg. \$ per Cwt Recd. per Animal Sold		68.20		67.94		69.36

TABLE 11-11
 **** 1988 Livestock Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Average of all farms reporting)

Dairy (Milking Herd) -- Average per Cow

Number of Farms	20	
	Quantity	Value
Milk Sold (lbs)	15,861.45	1,830.59
Milk Used in Home (lbs)	51.45	7.38
Milk Fed to Animals (lbs)	292.91	35.57
Sales (hd)	0.00	0.00
Livestock Transferred Out (hd)	0.00	0.33
Butchered (hd)	0.01	3.14
Cull Sales (hd)	0.34	191.10
Less Livestock Purchased (hd)	0.01	11.84
Less Livestock Transferred In (hd)	0.35	259.58
Change in Inventory (hd)	0.00	23.20
Gross Production		1,819.88
Other Income		17.46
Total Return		1,837.34
Direct Costs		
Corn (bu)	95.70	192.01
Oats (bu)	5.50	10.81
Wheat (bu)	0.25	1.97
Other Grain (lbs)	20.72	1.48
Alfalfa Hay (lbs)	4,078.10	147.67
Alfalfa Haylage (lbs)	1,460.05	68.41
Corn Silage (lbs)	2,214.19	59.44
Oatlage (lbs)	14.80	0.22
Stover (lbs)	19.89	0.24
Grass Hay (lbs)	167.71	3.20
Mixed Hay (lbs)	65.77	1.97
Small Grain Silage (lbs)	27.42	0.62
Protein, Vitamins, Minerals (lbs)	1,126.60	166.80
Complete Ration (lbs)	263.83	57.08
Pasture (AUM)	0.17	2.10
Breeding		22.97
Veterinarian and Medicine		49.97
Supplies		95.78
Marketing		5.71
Fuel and Oil		11.94
Repairs		59.06
Special Hired Labor		1.72
Machinery Work Hired		52.76
Lease Payments		7.40
Bedding		11.92
Operating Interest		8.55
Total Direct Costs		1,041.78
Return to Overhead		795.56
Overhead Costs (allocated by farmers)		
Utilities		42.70
Real Estate Taxes		4.17
Farm Insurance		11.35
Overhead Hired Labor		79.97
Lease Payments		19.19
Miscellaneous Farm Expense		12.38
Interest		27.41
Depreciation		101.88
Total Overhead Costs		299.06
Total Listed Costs		1,340.85
Net Return		496.49
Net Cash Flow Generated for		
Principal Payments, Income Taxes, and Family Living		552.28
Other Information		
Average Number of Cows Per Farm		60.82
Lbs of Milk Produced per Cow	16,205.81	
Percent of Barn Capacity Used	106.51	
Percent of Milk Sold as Butterfat	3.51	
Percent of Dairy Herd Culled	34.12	
Lbs Milk Produced per lb Conc. Fed	2.33	
Avg. Price Received per Cwt Milk Sold	11.54	

TABLE 11-12
 **** 1988 Livestock Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Average of all farms reporting)

Dairy Repl. & Feeder Stock -- Average per Head

Number of Farms	17	
	Quantity	Value
	-----	-----
Sales (lbs)	57.12	130.13
Livestock Transferred Out (lbs)	5.98	232.42
Butchered (lbs)	6.68	4.38
Cull Sales (lbs)	4.80	16.77
Less Livestock Purchased (lbs)	0.00	9.64
Less Livestock Transferred In (lbs)	0.83	0.33
Change in Inventory (lbs)	0.00	60.81
Gross Production (lbs)	73.75	434.54
Other Income		0.72
Total Return		435.26
Direct Costs		
Corn (bu)	19.34	105.42
Oats (bu)	5.72	11.29
Alfalfa Hay (lbs)	1,175.19	40.01
Alfalfa Haylage (lbs)	292.26	14.48
Corn Silage (lbs)	1,486.96	39.91
Oatlage (lbs)	25.32	0.38
Sorghum Silage (lbs)	9.97	0.12
Stover (lbs)	115.24	1.11
Grass Hay (lbs)	444.04	8.45
Mixed Hay (lbs)	53.14	1.59
Small Grain Silage (lbs)	8.31	0.19
Protein, Vitamins, Minerals (lbs)	6,239.89	18.91
Complete Ration (lbs)	54.47	6.99
Milk (lbs)	247.81	27.54
Pasture (AUM)	0.75	8.15
Breeding		5.08
Veterinarian and Medicine		13.98
Supplies		9.88
Marketing		0.40
Fuel and Oil		3.96
Repairs		17.55
Special Hired Labor		0.50
Machinery Work Hired		1.40
Lease Payments		1.66
Bedding		6.77
Operating Interest		2.74
Total Direct Costs		348.47
Return to Overhead		86.79
Overhead Costs (allocated by farmers)		
Utilities		11.84
Real Estate Taxes		0.97
Farm Insurance		3.07
Overhead Hired Labor		21.80
Lease Payments		4.75
Miscellaneous Farm Expense		3.22
Interest		9.11
Depreciation		25.93
Total Overhead Costs		80.69
Total Listed Costs		429.16
Net Return		6.10
Net Cash Flow Generated for		
Principal Payments, Income Taxes,		
and Family Living		27.66
Other Information		
Number of Animals Purchased per Farm		1.18
Number of Animals Sold per Farm		25.18
Number of Animals Trans. Out per Farm		22.35
Number of Animals Trans. In per Farm		0.06
Percentage Death Loss		7.54

TABLE 11-13
 **** 1988 Livestock Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Average of all farms reporting)

Dairy, All Females -- Average per Cow

Number of Farms	20	
	Quantity	Value
Milk Sold (lbs)	15,861.45	1,830.59
Milk Used in Home (lbs)	51.45	7.38
Milk Fed to Animals (lbs)	292.91	35.57
Sales (hd)	0.40	133.64
Livestock Transferred Out (hd)	0.37	261.52
Butchered (hd)	0.02	7.78
Cull Sales (hd)	0.42	207.70
Less Livestock Purchased (hd)	0.03	21.84
Less Livestock Transferred In (hd)	0.35	259.91
Change in Inventory (hd)	0.02	91.88
Gross Production		2,294.31
Other Income		18.17
Total Return		2,312.47
Direct Costs		
Corn (bu)	115.60	297.91
Oats (bu)	11.27	22.16
Wheat (bu)	0.25	1.97
Other Grain (lbs)	20.72	1.48
Alfalfa Hay (lbs)	5,439.00	194.68
Alfalfa Haylage (lbs)	1,749.42	82.75
Corn Silage (lbs)	3,951.88	106.12
Oatlage (lbs)	49.49	0.74
Sorghum Silage (lbs)	9.87	0.12
Stover (lbs)	134.00	1.34
Grass Hay (lbs)	607.37	11.57
Mixed Hay (lbs)	118.38	3.55
Small Grain Silage (lbs)	35.64	0.80
Protein, Vitamins, Minerals (lbs)	7,323.84	189.01
Complete Ration (lbs)	317.76	64.00
Milk (lbs)	249.20	27.76
Pasture (AUM)	0.93	10.63
Breeding		28.00
Veterinarian and Medicine		64.30
Supplies		105.56
Marketing		6.11
Fuel and Oil		16.39
Repairs		78.14
Special Hired Labor		2.21
Machinery Work Hired		54.21
Lease Payments		9.04
Bedding		18.64
Operating Interest		11.48
Total Direct Costs		1,410.68
Return to Overhead		901.79
Overhead Costs (allocated by farmers)		
Utilities		57.07
Real Estate Taxes		6.39
Farm Insurance		14.85
Overhead Hired Labor		102.66
Lease Payments		28.04
Miscellaneous Farm Expense		16.15
Interest		36.85
Depreciation		132.82
Total Overhead Costs		394.84
Total Listed Costs		1,805.52
Net Return		506.96
Net Cash Flow Generated for		
Principal Payments, Income Taxes, and Family Living		589.04
Other Information		
Average Number of Cows Per Farm		60.82
Lbs of Milk Produced per Cow	16,205.81	
Percent of Barn Capacity Used	106.51	
Percent of Milk Sold as Butterfat	3.51	
Percent of Dairy Females Culled	42.34	
Lbs Milk Prod. / All lb Conc. Fed	1.12	
Avg. Price Received per Cwt Milk Sold	11.54	

TABLE 11-14
 **** 1988 Livestock Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Average of all farms reporting)

Market Lamb Production -- Average per Ewe

Number of Farms	9	
	Quantity	Value
	-----	-----
Sales (lbs)	87.91	52.04
Livestock Transferred Out (lbs)	0.00	0.00
Butchered (lbs)	0.45	0.27
Cull Sales (lbs)	10.51	1.87
Less Livestock Purchased (lbs)	62.73	49.16
Less Livestock Transferred In (lbs)	0.00	0.00
Change in Inventory (lbs)	115.11	76.26
Gross Production (lbs)	151.25	81.28
Other Income		10.95
Total Return		92.22
Direct Costs		
Corn (bu)	6.36	12.14
Alfalfa Hay (lbs)	445.37	15.53
Grass Hay (lbs)	50.95	2.15
Mixed Hay (lbs)	90.58	0.72
Protein, Vitamins, Minerals (lbs)	110.44	17.99
Complete Ration (lbs)	1.32	0.44
Breeding		0.04
Veterinarian and Medicine		5.34
Supplies		2.07
Marketing		0.04
Fuel and Oil		0.90
Repairs		3.24
Special Hired Labor		0.23
Machinery Work Hired		1.82
Bedding		0.25
Operating Interest		1.15
Total Direct Costs		64.08
Return to Overhead		28.15
Overhead Costs (allocated by farmers)		
Utilities		2.51
Real Estate Taxes		0.08
Farm Insurance		0.81
Overhead Hired Labor		3.17
Lease Payments		0.08
Miscellaneous Farm Expense		1.82
Interest		1.99
Depreciation		4.74
Total Overhead Costs		15.21
Total Listed Costs		79.29
Net Return		12.94
Net Cash Flow Generated for		
Principal Payments, Income Taxes, and Family Living		17.41
Other Information		
Average Number of Ewes per Farm		58.88
Lambing Percentage		141.91
Weaning Percentage		130.52
Percent of Ewes Culled		5.85
Avg. Weight per Lamb Sold		110.13
Avg. \$ per Cwt Received per Lamb Sold		59.19

TABLE 12
 PRICES USED IN ANALYSIS - 1988
 SOUTHWEST FARM BUSINESS MANAGEMENT ASSOCIATION

<u>Item</u>	<u>Beginning Inventory</u>	<u>Feed</u>	<u>Harvest</u>	<u>Ending Inventory</u>
corn/bu.	1.65	2.00	2.40	2.30
Not in the ASCS program	1.60	2.00	2.40	2.30
oats/bu.	1.60	2.25	2.30	2.25
barley/bu.	2.00	2.50	2.50	2.50
wheat/bu.	3.50	3.50	3.50	3.50
soybeans/bu.	5.25	0	7.50	7.00
flax/bu.	5.00	0	5.00	5.00
sunflower/cwt.	7.00	0	10.00	7.00
rye/bu.	2.00	0	2.25	2.00
alfalfa hay/t.	50.00	70.00	80.00	90.00
all other hay/t.	40.00	50.00	60.00	60.00
corn silage/t.	15.00	18.00	18.00	18.00
grass silage/t.	12.00	14.00	14.00	14.00
oat silage/t.	12.00	15.00	15.00	15.00
oat straw/bale	1.00	1.25	1.50	1.50
Deficiency pmt./BU	.50			.25
Set aside income/bu. of corn			.75 (ASCS yield x corn acres planted x deficiency pmt)	
green chop/t.		14.00		
corn stalks/t.		7.00	Value of harvested crop on set aside acres is included as "other income" on set aside acres.	
pasture/head/mo.		6.00		
cows		3.00		
calves		1.00		
lambs		.60		
Board for hired labor	\$6.00/day or \$1.50/meal			
Value of milk used in home	\$.40/qt. or \$1.60/gal.			
Value of operator's labor	\$15,000			

Suggested Land Values

<u>County</u>	<u>Land Value</u>	
Cottonwood	800	
Jackson	800	Prices may be modified according to farmers opinion.
Faribault	1,000	
Martin	900	
Murray	450	Building/dwelling valuations should be considered.
Nobles	600	
Pipestone	350	
Redwood	600	
Watowan	800	

EXPLANATORY NOTES FOR SUMMARY TABLES

A better picture of this year's profitability, liquidity and solvency can be seen by comparing this year to previous years (Table 13). To make these comparisons on an equal footing, previous years are expressed in constant dollars using the Consumer Price Index (CPI-U) from the U.S. Department of Commerce. All items are calculated in the same way as in the whole-farm analysis section except for the rates of return and other percentages. The main difference in the calculation is the use of the previous year's ending assets and liabilities. This is necessary due to the use of the same land value for beginning and ending asset valuation within a year. The rate of return to total investment shows how well a farmer is doing in relation to other businesses; it answers the question of how well the farmer is managing the entire assets of the business. The rate of return to owner's equity shows how well a farm is doing in relation to the farmer's alternative investments; it answers the question of how well the farmer is managing his or her own equity investment. The two rates are calculated by these equations:

$$\text{Rate of return on total investment} = \frac{\text{profit} + \text{interest} - \text{average wage}}{\text{average total investment}} * 100$$

$$\text{Rate of return on equity} = \frac{\text{profit} - \text{average wage}}{\text{average equity}} * 100$$

The average wage is the average nonfarm wage in the region and is calculated from data gathered by the Minnesota Department of Jobs and Training. These rates differ from Table 5 because of the calculation formula and the use of the previous year's ending asset and equity value.

The debt-to-asset percentage measures the degree to which assets are financed by external sources. It measures the solvency of the business. The year-end total farm assets is divided by year-end total liabilities to obtain this measure. The Southeast Association has continually used the cost basis of asset valuation. Between 1978 and 1979, the Southwest Association switched from the cost basis to the market-value method of asset valuation.

Interest as a percentage of gross cash farm income and of cash expenses evaluates management flexibility. The asset turnover ratio indicates how efficiently assets are generating gross business earnings; it is calculated as the value of production divided by the average farm asset value.

To evaluate this year's financial performance in other ways, the whole-farm analysis is summarized on a county basis (Table 14), on a gross income category basis (Table 15), and by type of farm (Table 16). Farms are classified as a certain type (e.g., dairy) on the basis of having 70 percent or more of their gross sales from that category. To show productivity differences between counties, the enterprise reports for corn and soybeans on cash rented land are reported by county (Tables 17 and 18, respectively).

TABLE 13
 ***** SUMMARY OF THE WHOLE FARM ANALYSIS BY YEARS *****
 Southwestern Minnesota Farm Business Management Association
 (Overall averages for all farms reporting)

Items	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988
	(1988 dollars, acres, or number of farms)																		
Number of Farms	140	146	156	144	145	140	124	169	183	179	170	172	180	182	168	180	182	178	202
Total Crop Acres	390	390	417	430	452	451	438	447	460	473	469	478	480	*	519	552	540	520	525
Gross Cash Farm Income	216,686	206,080	226,131	315,088	327,858	277,001	283,739	267,474	321,767	331,770	339,303	340,645	303,368	298,516	295,503	261,709	265,591	264,513	262,229
Total Cash Farm Expense	161,602	176,976	185,678	239,214	209,508	203,980	210,224	209,178	253,641	267,676	277,482	273,701	251,916	227,651	247,790	204,487	204,116	204,157	206,433
Farm Profit or Loss	36,841	35,469	76,875	153,323	62,173	47,273	34,631	64,575	113,335	46,872	67,095	2,957	31,682	33,077	11,249	6,037	34,642	66,027	55,004
Farm Interest Paid	12,677	12,370	13,124	14,763	15,569	15,716	15,065	14,908	18,504	19,704	28,482	34,078	37,174	32,988	33,612	29,375	23,149	16,655	14,546
Value of Farm Production	124,368	121,270	175,974	282,311	196,612	178,082	145,484	177,953	251,725	182,490	213,214	148,836	180,945	238,838	235,374	204,351	228,331	256,423	246,893
Total Ending Farm Assets	402,767	402,638	458,738	548,493	517,671	514,542	506,069	485,972	583,160	1,075,394	1,000,064	1,011,250	728,958	769,142	670,440	476,024	418,161	401,525	412,622
Total Ending Liabilities	193,695	194,966	219,194	230,116	206,404	201,526	242,704	243,652	278,725	298,798	303,616	303,299	309,697	335,000	347,464	280,584	228,202	188,265	172,714
Ending Net Worth	209,072	207,672	239,544	318,377	311,266	313,016	263,366	242,320	304,435	776,596	696,448	707,951	419,262	434,142	322,975	195,440	189,958	213,261	239,908
Rate of Return on:	***																		
Average Investment (%)	9	8	18	31	12	10	7	13	22	10	8	2	6	7	4	4	10	17	14**
Average Equity (%)	11	10	28	51	16	11	7	20	37	11	8	-2	3	4	-1	-3	10	26	18**
Yield, U.S. Gov't Sec.	6	4	4	7	8	6	5	5	7	10	12	14	11	9	10	7	6	6	7**
Debt to Asset Percent	48	48	48	42	40	39	48	50	48	28	30	30	42	44	52	59	55	47	42
Interest Paid as a % of:																			
Gross Cash Income	6	6	6	5	5	6	5	6	6	6	8	10	12	11	11	11	9	6	6
Total Cash Expenses	8	7	7	6	7	8	7	7	7	7	10	12	15	14	14	14	11	8	7
Net Profit Margin	28	27	42	54	32	27	23	36	46	28	38	15	30	22	13	10	19	26	22
Asset Turnover Ratio	32	31	41	58	39	36	29	37	49	23	22	16	22	32	33	36	52	64	62
HOUSEHOLD EXPENSES & INCOME:																			
# farms reporting	62	64	67	55	60	58	58	75	83	79	71	84	96	96	89	93	101	102	120
Average Family Size:	5.10	4.80	4.80	4.50	4.30	4.10	4.30	4.00	4.00	4.00	4.00	4.00	4.00	*	3.70	3.90	3.62	3.65	3.80
Average Nonfarm Income:	2,944	7,607	4,917	4,693	4,819	5,706	4,819	6,619	7,382	7,386	6,561	9,223	11,549	10,365	12,833	9,291	9,261	8,109	6,890
Family living from farm	1,225	888	1,095	1,566	1,284	1,245	882	883	893	951	919	704	639	613	398	364	250	447	317
Family Living Expense	18,660	17,400	19,224	20,907	21,819	21,781	22,506	20,269	21,670	20,522	21,601	19,299	19,540	19,836	18,123	17,955	18,437	19,131	20,761
Capital Expenditures	12,762	7,236	7,339	11,290	14,604	10,012	18,184	13,267	16,438	22,916	17,112	19,779	14,128	18,865	11,129	8,638	8,739	8,336	9,327
TOTAL FAMILY USE OF CASH	34,190	27,131	27,685	36,064	42,456	38,177	47,409	39,515	44,107	51,359	43,202	42,507	36,762	42,362	33,659	30,121	30,253	32,000	37,556

* Not available.
 ** Preliminary estimates
 *** In the southwest, the 1979 rates of return are calculated using the ending assets and liabilities of 1978 because the asset valuation method changed between 1978 and 1979.

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TABLE 14
 **** 1988 FARM FINANCIAL INFORMATION SUMMARY BY COUNTY ****
 Southwest Minnesota Farm Business Management Association
 (Farms Sorted According To County)

	Average For All Farms	Cottonwood	Jackson	Pipestone	Nobles	Redwood	Faribault Martin Watwanan	Murray Lyon	Other
	-----	-----	-----	-----	-----	-----	-----	-----	-----
Number of Farms	202	32	32	16	31	32	23	29	7
Detailed Farm Profit or Loss									
Gross Cash Farm Income	262,229	296,111	244,532	235,663	271,667	237,534	332,309	237,916	190,523
Total Cash Operating Expense	206,433	240,900	190,262	180,959	214,017	182,193	280,317	172,343	156,724
Total Inventory Change	20,577	31,262	27,119	-6,395	31,266	1,414	28,357	16,756	34,021
Total Depreciation and Cap. Adj.	-21,370	-23,297	-21,245	-23,140	-22,742	-17,694	-22,334	-21,766	-15,005
Profit or Loss	55,004	63,176	60,145	25,169	66,174	39,061	58,014	60,563	52,815
Profitability and Liquidity Analysis									
Labor and Management Earnings	39,866	42,548	44,314	13,542	55,854	25,545	39,763	46,220	36,128
Rate of Return on Investment	13	12	14	6	18	9	12	15	12
Rate of Return on Net Worth	16	14	17	5	29	10	15	19	15
Farm Interest Paid	14,480	21,477	9,167	7,574	16,029	12,322	20,885	12,053	14,573
Average Farm Investment	427,199	575,426	388,195	312,520	363,361	400,041	549,038	366,415	448,368
Average Farm Net Worth	247,942	339,014	259,845	193,785	169,808	222,702	297,682	234,419	254,989
Value of Farm Production	246,893	273,807	257,855	166,520	269,720	214,857	301,640	222,067	225,778
Cash Expense as a % of Income	79	81	78	77	79	77	84	72	82
Interest Expense as a % of Income	6	7	4	3	6	5	6	5	8
Comparative Financial Statement									
Sole Proprietors	182	25	32	15	27	30	21	26	6
Total Beginning Farm Assets	386,642	492,123	364,757	301,015	362,539	375,441	492,023	297,342	460,517
Total Ending Farm Assets	412,622	528,495	411,864	298,556	399,501	382,488	491,786	327,868	518,932
Total Beginning Farm Liabilities	171,909	209,931	122,426	130,383	197,995	178,627	219,615	137,489	212,417
Total Ending Farm Liabilities	169,741	214,109	134,274	122,190	205,498	170,724	182,925	136,235	226,154
Beginning Net Worth	261,115	328,546	281,672	210,654	205,311	250,707	360,208	188,278	268,628
Ending Net Worth	295,902	363,662	326,413	225,535	244,366	270,139	407,757	222,366	314,665
Net Worth Change	34,787	35,115	44,741	14,881	39,054	19,433	47,549	34,089	46,037
Beginning Cur + Int Liab / Assets %	38	30	30	36	44	49	37	40	40
Ending Cur + Int Liab / Assets %	35	31	29	33	41	47	28	37	39
Beginning Long Term Liab / Assets %	51	53	38	58	67	46	51	56	52
Ending Long Term Lib / Assets %	48	48	38	54	65	43	45	49	50
Total Beg Farm Liab / Assets %	44	43	34	43	55	48	45	46	46
Total End Farm Liab / Assets %	41	41	33	41	51	45	37	42	44
Household and Personal Expense									
Number of Farms Included	120	17	20	12	18	23	11	16	3
Total Cash Living Expense	37,556	36,277	47,974	31,859	42,522	31,419	46,077	29,583	26,685
Crop Production and Marketing Summary									
Total Acres Owned	222	304	160	208	182	244	221	200	339
Total Crop Acres Farmed	525	539	516	412	544	555	525	535	510
Crop Acres Owned	186	266	146	145	155	225	181	166	152
Crop Acres Cash Rented	238	242	239	169	281	191	296	215	316
Crop Acres Share Rented	101	31	132	99	107	138	48	153	43
Average Prices Received (cash sales)									
Corn per Bushel	2.08	1.87	2.15	1.86	2.12	2.06	2.24	2.19	1.63
Soybeans per Bushel	6.80	6.64	6.87	6.38	6.77	6.69	7.01	7.04	6.36

TABLE 15
 **** 1988 FARM FINANCIAL INFORMATION SUMMARY BY SALES CLASS ****
 Southwest Minnesota Farm Business Management Association
 (Farms Sorted According To Total Cash Farm Income)

	Average For All Farms	40,000 - 99,999	100,000 - 199,999	200,000 - 499,999	500,000 +
Number of Farms	202	22	70	90	20
Detailed Farm Profit or Loss					
Gross Cash Farm Income	262,229	67,641	149,636	288,615	751,615
Total Cash Operating Expense	206,433	48,680	111,751	216,660	665,329
Total Inventory Change	20,577	6,303	15,429	14,540	81,470
Total Depreciation and Cap. Adj.	-21,370	-9,107	-14,960	-24,342	-43,919
Profit or Loss	55,004	16,157	38,354	62,153	123,837
Profitability and Liquidity Analysis					
Labor and Management Earnings	39,866	8,152	28,245	45,343	90,779
Rate of Return on Investment	13	3	11	13	15
Rate of Return on Net Worth	16	1	14	17	20
Farm Interest Paid	14,480	3,077	7,018	17,036	41,633
Average Farm Investment	427,199	175,459	271,074	480,133	1,012,345
Average Farm Net Worth	247,942	125,929	165,426	276,200	543,802
Value of Farm Production	246,893	72,721	152,079	275,363	642,214
Cash Expense as a % of Income	79	72	75	75	89
Interest Expense as a % of Income	6	5	5	6	6
Comparative Financial Statement					
Sole Proprietors	182	22	65	83	12
Total Beginning Farm Assets	386,642	172,711	259,211	465,426	924,177
Total Ending Farm Assets	412,622	178,207	270,817	498,625	1,015,641
Total Beginning Farm Liabilities	171,909	50,918	113,126	213,302	425,833
Total Ending Farm Liabilities	169,741	48,143	104,555	209,568	470,298
Beginning Net Worth	261,115	161,156	192,276	297,030	568,836
Ending Net Worth	295,902	174,073	220,105	340,304	622,717
Net Worth Change	34,787	12,917	27,829	43,274	53,880
Beginning Cur + Int Liab / Assets %	38	30	40	38	37
Ending Cur + Int Liab / Assets %	35	32	34	35	40
Beginning Long Term Liab / Assets %	51	29	48	54	57
Ending Long Term Lib / Assets %	48	23	45	50	55
Total Beg Farm Liab / Assets %	44	29	44	46	46
Total End Farm Liab / Assets %	41	27	39	42	46
Household and Personal Expense					
Number of Farms Included	120	11	47	54	8
Total Cash Living Expense	37,556	26,033	34,964	38,191	64,350
Crop Production and Marketing Summary					
Total Acres Owned	222	122	143	264	423
Total Crop Acres Farmed	525	212	394	619	909
Crop Acres Owned	186	88	110	230	361
Crop Acres Cash Rented	238	81	188	275	423
Crop Acres Share Rented	101	43	95	114	125
Average Prices Received (cash sales)					
Corn per Bushel	2.08	2.12	2.03	2.11	2.06
Soybeans per Bushel	6.80	6.73	6.74	6.77	7.01

TABLE 16
 **** 1988 FARM FINANCIAL INFORMATION SUMMARY BY TYPE OF FARM ****
 Southwest Minnesota Farm Business Management Association
 (Farms Sorted According To Type Of Farm)

	Average For All Farms	Crop	Hog	Crop and Dairy	Crop and Hog	Crop and Beef	Other
	-----	-----	-----	-----	-----	-----	-----
Number of Farms	202	42	6	12	53	24	65
Detailed Farm Profit or Loss							
Gross Cash Farm Income	262229	185218	322971	244244	288425	318533	267555
Total Cash Operating Expense	206433	136724	233477	164979	222131	251355	227247
Total Inventory Change	20577	22627	-31477	7468	18505	45396	19004
Total Depreciation and Cap. Adj.	-21370	-18505	-26143	-18525	-22475	-25352	-20934
Profit or Loss	55004	52615	31874	68208	62324	87222	38379
Profitability and Liquidity Analysis							
Labor and Management Earnings	39866	38816	9228	54033	49318	62586	24662
Rate of Return on Investment	13	13	5	15	15	15	9
Rate of Return on Net Worth	16	16	4	20	22	18	12
Farm Interest Paid	14480	12636	12593	10738	14599	20516	14209
Average Farm Investment	427199	379392	544284	393380	403076	612643	404723
Average Farm Net Worth	247942	228988	374165	230444	214034	403519	221973
Value of Farm Production	246893	203636	276690	254756	294633	278448	220064
Cash Expense as a % of Income	79	74	72	68	77	79	84
Interest Expense as a % of Income	6	7	4	4	5	6	5
Comparative Financial Statement							
Sole Proprietors	182	40	4	8	47	23	44
Total Beginning Farm Assets	386642	368005	472148	345141	325967	560666	378630
Total Ending Farm Assets	412622	389852	460036	346370	360838	606097	398784
Total Beginning Farm Liabilities	171909	161468	141209	200584	168207	206127	165725
Total Ending Farm Liabilities	169741	147944	180338	190253	173684	198502	165518
Beginning Net Worth	261115	261094	376790	169451	191500	428859	256004
Ending Net Worth	295902	300738	344041	193633	225038	486689	285618
Net Worth Change	34787	39644	-32750	24182	33538	57831	29614
Beginning Cur + Int Liab / Assets %	38	40	16	43	39	34	40
Ending Cur + Int Liab / Assets %	35	31	23	39	35	30	41
Beginning Long Term Liab / Assets %	51	46	52	76	69	39	47
Ending Long Term Liab / Assets %	48	43	59	74	65	36	41
Total Beg Farm Liab / Assets %	44	44	30	58	52	37	44
Total End Farm Liab / Assets %	41	38	39	55	48	33	41
Household and Personal Expense							
Number of Farms Included	120	23	3	5	32	15	42
Total Cash Living Expense	37556	34071	75492	50072	34963	43894	34978
Crop Production and Marketing Summary							
Total Acres Owned	222	243	189	161	165	409	200
Total Crop Acres Farmed	525	580	308	484	598	680	401
Crop Acres Owned	186	208	161	124	162	336	150
Crop Acres Cash Rented	238	234	89	307	302	270	179
Crop Acres Share Rented	101	137	57	54	134	74	73
Average Prices Received (cash sales)							
Corn per Bushel	2.08	2.15	2.09	2.00	2.06	2.06	1.91
Soybeans per Bushel	6.80	6.68	6.23	6.54	6.99	6.84	6.75

TABLE 17
 **** 1988 Crop Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Farms Sorted According To County)

CORN ON CASH RENTED LAND

	Average For All Farms	Cottonwood	Jackson	Pipestone	Nobles	Redwood	Faribault Martin Watwanan	Murray Lyon	Other
Number of Fields	218	33	53	15	44	25	23	20	5
Number of Farms	139	23	23	10	23	20	16	19	5
Acres	124.39	114.85	136.30	88.33	145.78	110.10	151.52	107.61	121.22
Yield per Acre	88.50	86.34	107.94	66.38	92.21	76.82	106.35	71.26	38.35
Operators Share of Yield %	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Value per Bushel	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40
Crop Product Return per Acre	212.41	207.23	259.07	159.32	221.30	184.37	255.25	171.01	92.03
Other Crop Income per Acre	8.64	2.75	0.20	0.00	2.69	11.78	12.19	9.60	94.71
Gross Return per Acre	221.05	209.97	259.27	159.32	224.00	196.15	267.44	180.61	186.73
Direct Costs per Acre									
Seed	19.80	19.77	20.46	18.66	19.72	20.04	20.87	19.83	13.35
Fertilizer	37.06	37.98	39.37	23.31	32.40	44.89	42.98	33.25	27.62
Chemicals	19.05	22.03	18.33	20.56	17.66	17.78	19.95	17.77	20.60
Crop Insurance	2.26	1.94	3.17	0.42	2.31	1.57	2.43	1.91	4.38
Custom Work Hired	4.16	3.77	10.01	4.41	1.92	2.58	3.21	1.98	4.61
Fuel and Oil	9.03	9.04	9.04	9.30	8.42	8.96	9.31	9.80	8.49
Repairs	19.99	18.87	17.66	18.10	18.35	26.88	22.04	20.06	15.19
Crop Drying	2.89	3.64	3.79	1.66	3.34	1.77	2.76	2.56	0.00
Special Hired Labor	0.18	0.09	0.00	0.00	0.71	0.00	0.17	0.02	0.00
Crop Marketing	0.83	0.02	0.37	3.54	0.48	0.83	0.00	3.22	0.00
Utilities	0.04	0.17	0.00	0.00	0.00	0.01	0.05	0.00	0.00
Land Rent	69.65	76.48	79.15	54.39	66.78	59.51	84.70	55.57	52.90
Lease Payments	0.01	0.00	0.00	0.00	0.00	0.08	0.00	0.00	0.00
Miscellaneous Crop Expense	1.36	0.66	0.40	0.10	2.75	0.82	1.71	2.21	1.18
Operating Interest	5.54	4.68	5.66	2.57	6.66	6.46	6.29	5.56	0.39
Total Direct Costs per Acre	191.84	199.13	207.40	157.03	181.51	192.19	216.46	173.74	148.69
Return to Overhead per Acre	29.22	10.84	51.87	2.29	42.49	3.97	50.98	6.87	38.04
Overhead Costs per Acre									
Utilities	2.60	2.81	2.76	1.60	2.89	2.73	3.05	1.71	1.55
Hired Labor	6.31	4.12	5.32	0.51	2.47	5.82	20.42	3.83	4.38
Farm Insurance	1.56	1.41	1.65	0.80	1.56	1.99	1.79	1.46	0.70
Machinery Lease Payments	4.71	2.19	2.55	0.79	2.77	4.96	12.22	5.95	8.23
Real Estate Taxes	0.03	0.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Miscellaneous Farm Expense	2.96	3.18	2.68	2.44	3.38	3.37	3.14	2.44	1.42
Interest	3.71	3.95	3.18	6.21	2.47	2.45	2.80	4.24	15.05
Depreciation	29.50	28.86	28.36	38.32	30.76	26.65	32.06	29.72	17.65
Total Overhead Costs per Acre	51.37	46.68	46.51	50.65	46.28	47.96	75.48	49.35	48.98
Total Listed Costs per Acre	243.21	245.82	253.91	207.68	227.79	240.15	291.94	223.09	197.67
Net Return per Acre	-22.16	-35.84	5.36	-48.36	-3.79	-44.00	-24.50	-42.48	-10.93
Net Cash Flow Generated for									
Principal Payments, Income Taxes, and Family Living per Acre	7.34	-6.99	33.72	-10.04	26.96	-17.35	7.56	-12.76	6.71
Total Direct Costs per Bushel	2.17	2.31	1.92	2.37	1.97	2.50	2.04	2.44	3.88
Total Listed Costs per Bushel	2.75	2.85	2.35	3.13	2.47	3.13	2.75	3.13	5.15
Net Return per Bushel	-0.25	-0.42	0.05	-0.73	-0.04	-0.57	-0.23	-0.60	-0.29
Break Even Yield per Acre	97.74	101.28	105.71	86.53	93.79	95.15	116.56	88.96	42.90
Return to Overhead (incl. setaside)	43.74	40.28	55.83	9.11	41.22	29.80	67.60	37.16	40.28
Net Return per Acre (incl. setaside)	0.11	-0.88	15.65	-33.92	1.87	-10.94	1.64	-0.81	1.76

TABLE 18
 **** 1988 Crop Enterprise Analysis ****
 Southwest Minnesota Farm Business Management Association
 (Farms Sorted According To County)

SOYBEANS ON CASH RENTED LAND

	Average For All Farms	Cottonwood	Jackson	Pipestone	Nobles	Redwood	Faribault Martin Watwanan	Murray Lyon	Other
Number of Fields	206	28	45	14	43	26	28	17	5
Number of Farms	139	22	22	10	25	21	18	16	5
Acres	132.39	142.69	134.31	69.28	135.57	131.13	155.46	139.39	88.86
Yield per Acre	32.20	30.61	37.58	27.80	36.78	25.17	35.76	28.98	16.62
Operators Share of Yield %	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Value per Bushel	7.51	7.50	7.50	7.50	7.52	7.50	7.51	7.50	7.50
Crop Product Return per Acre	241.68	229.61	281.88	208.50	276.62	188.80	268.69	217.35	124.65
Other Crop Income per Acre	8.52	7.66	1.15	1.15	0.26	11.38	24.81	2.61	47.57
Gross Return per Acre	250.20	237.27	283.03	209.66	276.88	200.18	293.50	219.96	172.22
Direct Costs per Acre									
Seed	9.84	9.98	8.51	11.34	9.88	9.07	11.13	10.16	10.11
Fertilizer	2.39	4.36	3.51	0.22	1.28	1.79	2.48	1.55	0.19
Chemicals	17.71	16.19	18.47	15.84	17.94	16.87	17.90	18.62	24.11
Crop Insurance	5.24	4.21	10.26	1.65	3.20	2.91	8.08	3.40	6.14
Custom Work Hired	4.07	4.13	9.72	5.61	0.94	2.53	3.97	2.72	4.48
Fuel and Oil	6.80	6.66	6.42	9.05	6.74	6.69	6.83	7.23	5.48
Repairs	15.84	13.94	15.10	14.76	15.21	21.77	15.73	14.14	13.28
Crop Drying	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Special Hired Labor	0.38	0.26	0.17	0.12	0.62	0.31	0.52	0.53	0.00
Crop Marketing	0.19	0.05	0.00	0.26	0.03	0.00	0.15	0.06	5.85
Land Rent	70.67	74.23	76.25	56.47	63.70	71.36	87.04	54.68	56.62
Lease Payments	0.01	0.00	0.00	0.00	0.00	0.05	0.00	0.00	0.00
Miscellaneous Crop Expense	0.72	0.28	0.41	0.00	1.70	0.24	1.45	0.29	0.08
Operating Interest	4.63	3.55	3.45	1.90	6.26	5.28	5.35	5.06	1.36
Total Direct Costs per Acre	138.51	137.85	152.25	117.22	127.53	138.88	160.65	118.45	127.71
Return to Overhead per Acre	111.69	99.42	130.78	92.44	149.35	61.30	132.85	101.51	44.51
Overhead Costs per Acre									
Utilities	1.69	2.03	1.78	0.88	1.12	2.11	2.19	1.13	1.40
Hired Labor	4.93	2.37	4.43	0.47	2.64	4.09	15.45	2.57	1.51
Farm Insurance	1.27	1.04	1.49	0.71	1.40	1.45	1.34	1.12	0.60
Machinery Lease Payments	3.57	1.58	2.15	0.55	1.17	3.74	9.06	5.29	5.82
Real Estate Taxes	0.03	0.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Miscellaneous Farm Expense	2.33	2.70	2.21	2.14	2.55	2.49	2.27	1.90	0.86
Interest	2.57	2.56	2.70	7.76	2.32	1.87	1.35	2.15	9.78
Depreciation	22.68	21.21	23.62	32.36	26.91	20.80	21.95	19.49	11.90
Total Overhead Costs per Acre	39.08	33.66	38.38	44.87	38.11	36.55	53.61	33.64	31.87
Total Listed Costs per Acre	177.59	171.51	190.64	162.09	165.63	175.44	214.25	152.09	159.58
Net Return per Acre	72.61	65.76	92.39	47.57	111.24	24.75	79.24	67.87	12.64
Net Cash Flow Generated for Principal Payments, Income Taxes, and Family Living per Acre	95.30	86.97	116.01	79.93	138.15	45.55	101.19	87.36	24.54
Total Direct Costs per Bushel	4.30	4.50	4.05	4.22	3.47	5.52	4.49	4.09	7.68
Total Listed Costs per Bushel	5.52	5.60	5.07	5.83	4.50	6.97	5.99	5.25	9.60
Net Return per Bushel	2.26	2.15	2.46	1.71	3.02	0.98	2.22	2.34	0.76
Break Even Yield per Acre	22.53	21.85	25.27	21.46	21.99	21.87	25.22	19.93	14.93