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1983

annual report



Southwestern Minnesota Farm Management Association

COOPERATING AGENCIES:

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

Economic Report ER84-2
Department of Agricultural and Applied Economics
Institute of Agriculture
St. Paul, Minnesota 55108
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1983 ANNUAL REPORT OF THE SOUTHWESTERN MINNESOTA
FARM MANAGEMENT ASSOCIATION

by

Delane E. Welsch, Matthew G. Smith, Erlin J. Weness, Perry A. Fales, & Dary E. Talley*

INTRODUCTION

The Department of Agricultural and Applied Economics and the Agricultural Extension Service of the University of Minnesota, and the Agricultural Extension Agents of several southwestern Minnesota counties are cooperating with the Southwestern Minnesota Farm Management Association in maintaining a farm management service. The Association was organized in the fall of 1939 by farmers in that part of the state for the purpose of studying the farm business through farm records. Each farmer pays an annual fee which covers a large part of the cost, with the balance defrayed by the Agricultural Extension and research programs of the University of Minnesota. The analysis of the records and the preparation of the report are handled jointly by the Department of Agricultural and Applied Economics, under the direction of Delane Welsch and Matthew Smith, and by the Association fieldmen, Erlin Weness, Perry Fales and Dary Talley. Frank Brewer was the District Program Leader in Agriculture with the Agricultural Extension Service in 1983 working with the counties which are served by the Association. The analysis of each individual farm was performed by the fieldmen during the closeout procedure, using IBM-PC microcomputers and FINAN version 1.1 software. The input data were sent to the Department where individual analyses were computed and loaded on the IBM 4341 mainframe. The data base manager, NOMAD, was used to compute the tables for this report.

Of the 215 farms in the Southwestern Association, 193 farms submitted records at the time of this report. The data for 182 farms are shown in the tables on succeeding pages. The rest were omitted from the information in the tables because the records were not sufficiently complete for a full analysis. No claim is made as to whether the farmers who belong to the Association are or are not representative of southwestern Minnesota. However, this report should be of value to farmers and others interested in agriculture in that it illustrates how farm records may be used as a basis for making an analysis of a farm business. It also shows typical enterprise costs and returns for 1983 and the variation in enterprise earnings as well as in total farm earnings.

The content of this report is somewhat different from those prior to 1983. While the roots of the analysis lie in the work of the Department of Agricultural and Applied Economics and its predecessor units over the past 70 years, the more detailed analysis found in this report was developed by the Extension Farm Management faculty of the Department. Special acknowledgement is due to Ken Thomas for the conceptual development of the analysis, Dick Hawkins for the initial computerization of the analysis and the testing and extension of the analysis to diverse groups throughout the state and region, and to Dale Nordquist and Bob Craven for adapting the analysis to microcomputers.

*Welsch is Professor of Farm Management; Smith was Research Specialist; Weness, Fales and Talley are jointly Area Farm Management Extension Agents and Fieldmen for the Association. The authors wish to thank the following people for their contributions to this report: Janet Froslan, Alan Langseth, Paul Mattison, Gene Metz, Tony Strasser, Carol Theis, Glenda Mellema and Gary Hippe for their assistance in Account Book closing and coding; Ron and Terri Schultz for special computer programming; Brian Keefe for computer programming and general responsibility for the data base and its use in compiling this report; Vernon Eidman, Kenneth Thomas and Burt Sundquist for review; and Carol Hansen for secretarial and clerical work throughout the project and especially for putting this report together.

SOUTHWESTERN MINNESOTA FARM MANAGEMENT ASSOCIATION

DISTRIBUTION OF MEMBERSHIP

1983

County	Number of Farm Units	Number of Records Submitted	Association Directors	County Extension Agent - Agriculture
Cottonwood	34	31	Elton Goeman Harvey Stoesz	Giles L. Roehl
Jackson	28	28	David Henkels Craig Rubis	Darrell D. Ogilvie
Martin	12	12	Roger Bentz	Floyd H. Bellin, Jr.
Murray	27	22	John Malone Jerry Blankers	Reuben M. Boxrud
Nobles	38	34	M. J. Fellows, Sec.-Treas. Kendall Langseth Myron Grussing Robert Koehler Tom Riley	Arthur R. Frame
Pipestone	18	18	Gerald Christoffels Eugene Schuld	Robert E. Fritz
Redwood	30	25	Gary Hippe Eugene Hook	Wayne J. Hanson
Watonwan	11	9	(none)	Gary J. Wyatt
Others ^{a/}	<u>17</u>	<u>14</u>		
TOTAL	215	193		

^{a/} In 1983, the Association had members in Faribault, Lincoln, Lyon, Renville, Rock and Yellow Medicine counties; no members in Brown and Nicollet counties.

1983 ANNUAL REPORT OF THE SOUTHWESTERN
MINNESOTA FARM BUSINESS MANAGEMENT ASSOCIATION

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DESCRIPTION OF THIS REPORT

The tables in this report are identical to the tables which comprise the analysis received by each farm family who is a member of the Farm Business Management Association, with one exception: each individual analysis contains information on that farm business only, whereas the information in each table in this report is the average of the farm analyses included in that table.

The tables are divided into three related sets. Tables 1-7 present whole farm information. Tables in the 8-X series provide information on crop enterprises. Tables in the 9-X series provide information on livestock enterprises. Table 10 contains information on the prices used in the analysis.

Tables 1-4 and 6 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. Tables 5 and 7 include only sole proprietorships whose net worth and family living records, respectively, were complete enough to include. (Partnerships and corporations were excluded from these two tables only.) 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 (1-7), but one or more of these same farmers' crop or livestock records were not complete enough to include in the crop or livestock tables.

The farms in all 7 tables are classified into low or high 20% or middle 60% on the basis of the last line in Table 1, "Profit or Loss." One of the purposes of this report is to permit farm managers to compare their individual analysis results with the averages, highs, and lows of the other members of their Farm Business Management Association.

EXPLANATORY NOTES FOR TABLES 1-7

Table 1 Detailed Farm Profit or Loss Statement

This statement (sometimes called an income statement or operating statement) presents a summary of income, expenses, and resultant profit or loss from farming operations for calendar year 1983 on an accrual basis, which means that inventory changes, depreciation and other capital adjustments are taken into account. The "bottom line" on the second page of this table, 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.

The first section of Table 1 (all of the first page) 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. The next to last item listed on the left side, "Government Payments" refers primarily to commodity storage and deficiency payments, not from PIK. Proceeds from the PIK program are accounted for under the appropriate commodities sold category.

The second section of Table 1 (top part of the second page of Table 1) lists cash operating expenses. "Labor" includes only labor hired. "Interest" includes only interest actually paid. No opportunity charges on farm capital are included because this part of the table records only cash transactions.

The third and fourth sections of Table 1 deal with non-cash changes in the farm business. The "Inventory Changes" section of Table 1 is shown in more detail in Table 2. The "Depreciation and Other Capital Adjustments" section of Table 1 is shown in more detail in Table 3. These two sections are used to convert the cash income statement (Net Cash Farm Income) derived from the first two sections into an accrual income statement.

Table 4. Profitability and Liquidity AnalysisProfitability

"Labor and Management Earnings" equals profit and loss minus interest on farm net worth.

"Rate of Return on Investment" is return to farm investment divided by average farm investment.

"Rate of Return on Net Worth" is the residual return to farm net worth divided by total farm net worth.

"Net Profit Margin" is the residual 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 six percent opportunity cost charge.

"Farm Interest Paid" is interest actually paid.

"Value of Operator's Labor and Management" was evaluated using the suggested values listed at the end of this report. If no value was entered, "Total Family Living Expense" was used instead.

"Return to Farm Investment" is calculated by adding farm interest paid to 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, plus/minus inventory increases/decreases in crops, market livestock and breeding livestock.

Liquidity: Cash Basis

"Cash Available for Intermediate Debt" is total net income minus family living and taxes paid and real estate principal payment.

"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. If either the cash based or the accrual based "cash available for intermediate debt" is a negative number, then "years to turn over intermediate debt" cannot be calculated, and is so indicated by an asterisk. (Debt repayment is not possible because of negative cash flow.)

"Cash Expense as a % of Income" is total cash operating expense divided by gross cash farm income.

"Interest as a % of Income" is interest paid divided by gross cash farm income.

Liquidity: Accrual Basis

"Cash Available for Intermediate Debt" on the accrual basis is calculated by adding or subtracting inventory change to or from the "cash available for intermediate debt" item in the "Cash Basis" section of the table.

"Cash Expense as a % of Income" is total cash operating expense divided by the sum of gross cash farm income and inventory change.

"Interest as a % of Income" is interest paid divided by the sum of gross farm cash income and inventory change.

Table 5. Comparative Financial Statement

Current assets are valued at market price at the time of the inventory (January 1, 1983 and December 31, 1983, 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.

"Current plus intermediate" roughly corresponds to "non-real estate" and "long term" roughly corresponds to "real estate" in reference to assets and liabilities, for the use of those readers who prefer to examine solvency in that way.

Table 6. Contributions to Overhead Expenses

In the individual analyses, this table permits the manager to assess the overall profitability of individual enterprises relative to each other, and hence the contribution of each enterprise to covering overhead costs and, ultimately, to farm earnings. The bottom line of Table 6 (return to above overhead) is not equal to the bottom line of Table 1 (Profit or Loss) because the returns part of Table 6 is calculated from the enterprise tables whereas the returns part of Table 1 is calculated directly from input data.

Table 7. Household and Personal Expense

The individual items in this table are mostly self explanatory. The "savings" item is heavily influenced by a small number of farms which had substantial savings (ranging from slightly to substantially larger than their profit from farming--Table 1) which came from large inheritances which were subsequently invested.

TABLE 1

***** DETAILED FARM PROFIT OR LOSS STATEMENT FOR 1983 *****
 Southwest Farm Business Management Association
 (Farms Categorized Based on Total Farm Profit/Loss)

	Low 20%	Middle 60%	High 20%	TOTAL
** Farm Income **	Value	Value	Value	Value
Number of farms	36	110	36	182
Corn	\$28,800	\$27,874	\$46,167	\$31,696
Corn-CCC or Reserve	\$968	\$2,623	\$8,275	\$3,418
Corn-Net Govt Sales	\$0	\$3	\$144	\$30
Oats	\$615	\$315	\$1,201	\$551
Wheat	\$115	\$679	\$1,530	\$736
Wheat-Net Govt Sales	\$0	\$11	\$0	\$7
Soybeans	\$42,203	\$44,359	\$74,049	\$49,835
Soybeans Sealed	\$3,602	\$2,313	\$8,338	\$3,767
Soybeans-Govt Sales	\$208	\$374	\$0	\$266
Hay	\$424	\$280	\$177	\$288
Corn Silage	\$113	\$14	\$206	\$72
Sweet Corn	\$0	\$15	\$280	\$65
Dry Beans	\$0	\$53	\$0	\$32
Canning Crops	\$0	\$229	\$170	\$171
Other Crops	\$917	\$1,516	\$917	\$1,278
Milk	\$20,460	\$9,525	\$9,174	\$11,630
Raised Dairy Steers	\$6,778	\$1,463	\$1,026	\$2,433
Raised Market Hogs	\$39,530	\$28,858	\$47,714	\$34,731
Feeder Pigs	\$276	\$1,883	\$0	\$1,189
Raised Beef	\$3,117	\$60	\$606	\$777
Raised Lambs	\$974	\$22	\$51	\$217
Eggs	\$549	\$4,378	\$0	\$2,746
Hogs Finished	\$25,715	\$10,561	\$15,004	\$14,459
Beef Finished	\$82,053	\$50,436	\$124,515	\$71,459
Poultry	\$44	\$1,046	\$0	\$639
Horses	\$57	\$0	\$0	\$11
Dogs	\$184	\$0	\$0	\$37
Wool	\$89	\$0	\$0	\$18
Cull Livestock	\$8,682	\$5,063	\$9,499	\$6,665
Other Lvstck Income	\$313	\$203	\$34	\$191
Machine Work Income	\$3,869	\$1,371	\$3,249	\$2,242
Patronage Dividends	\$353	\$368	\$687	\$429
Govt Payments	\$4,358	\$5,808	\$11,270	\$6,606
Other Farm Income	\$2,307	\$2,650	\$2,722	\$2,596
Gross Cash Farm Income	\$277,673	\$204,353	\$367,006	\$251,287

TABLE 1 (cont.)

***** DETAILED FARM PROFIT OR LOSS STATEMENT FOR 1983 *****
 Southwest Farm Business Management Association
 (Farms Categorized Based on Total Farm Profit/Loss)

	Low 20%	Middle 60%	High 20%	TOTAL
** Cash Operating Expense **	Value	Value	Value	Value
Number of farms	36	110	36	182
Labor	\$6,956	\$5,736	\$8,299	\$6,489
Repairs	\$10,858	\$8,855	\$12,537	\$9,986
Interest	\$44,223	\$21,973	\$28,864	\$27,769
Rents and Leases	\$17,941	\$13,133	\$21,402	\$15,734
Feed Purchased	\$45,140	\$33,688	\$52,152	\$39,638
Seed	\$4,617	\$4,483	\$6,916	\$4,993
Fertilizer	\$6,703	\$6,637	\$13,855	\$8,086
Crop Chemicals	\$5,981	\$5,995	\$10,230	\$6,835
Machinery Hire	\$4,199	\$2,534	\$4,066	\$3,170
Supplies	\$4,239	\$1,646	\$1,646	\$2,161
Breeding Fees	\$273	\$49	\$296	\$143
Vet. and Medicine	\$2,494	\$1,707	\$3,051	\$2,131
Gas-Fuel-Oil	\$8,798	\$7,118	\$9,789	\$7,983
Real Estate Taxes	\$2,183	\$2,214	\$4,608	\$2,684
Crop Insurance	\$2,127	\$1,293	\$1,367	\$1,474
Farm Insurance	\$1,531	\$1,191	\$1,588	\$1,338
Utilities	\$3,605	\$2,430	\$3,040	\$2,785
Crop Marketing	\$499	\$2,063	\$703	\$1,481
Livestock Marketing	\$1,502	\$474	\$1,050	\$793
Feeder Lvstck. Purch.	\$56,932	\$28,506	\$73,870	\$43,182
Other Expense	\$2,375	\$2,974	\$2,592	\$2,779
Total Cash Operating Expense	\$233,175	\$154,700	\$261,921	\$191,634
Net Cash Farm Income	\$44,498	\$49,654	\$105,085	\$59,653
Inventory Changes				
Feed and Grain	-\$13,927	\$5,106	\$20,088	\$4,300
Market Livestock	-\$18,807	-\$4,600	-\$157	-\$6,542
Supplies and Prepaid Exp.	\$152	\$1,023	\$1,212	\$887
Accounts Receivable	-\$2,342	\$159	\$2,793	\$186
Accounts Payable	-\$232	-\$145	-\$10	-\$136
Total Inventory Change	-\$35,155	\$1,542	\$23,927	-\$1,304
Net Operating Profit	\$9,343	\$51,138	\$129,012	\$58,274
Depreciation and Other Capital Adjustments				
Breeding Livestock	-\$7,257	-\$4,577	-\$3,079	-\$4,812
Machinery and Equipment	-\$18,262	-\$15,669	-\$25,456	-\$18,132
Buildings and Improvements	-\$6,923	-\$6,688	-\$11,086	-\$7,609
Stock and Other	-\$20	\$83	-\$23	\$41
Land	\$114	\$339	-\$6	\$226
Total Depreciation and Other Capital Adjustments	-\$32,348	-\$26,512	-\$39,650	-\$30,286
Profit or Loss	-\$23,120	\$24,388	\$89,367	\$27,844

TABLE 2

***** INVENTORY CHANGES, 1983 *****
 Southwest Farm Business Management Association
 (Farms Categorized Based on Total Farm Profit/Loss)

	Low 20%	Middle 60%	High 20%	TOTAL
Number of farms	36	110	36	182
Net cash farm income	\$44,498	\$49,654	\$105,085	\$59,653
Feed and grain				
Ending inventory	\$50,799	\$72,906	\$167,501	\$87,323
Beginning inventory	\$64,726	\$67,800	\$147,413	\$83,023
Inventory change	-\$13,927	\$5,106	\$20,088	\$4,300
Market livestock				
Ending inventory	\$52,496	\$38,166	\$81,710	\$49,677
Beginning inventory	\$71,303	\$42,766	\$81,866	\$56,219
Inventory change	-\$18,807	-\$4,600	-\$157	-\$6,542
Supplies and Prepaid Exp.				
Ending inventory	\$1,026	\$2,497	\$3,175	\$2,339
Beginning inventory	\$875	\$1,474	\$1,963	\$1,452
Inventory change	\$152	\$1,023	\$1,212	\$887
Accounts receivable				
Ending inventory	\$1,480	\$241	\$3,048	\$1,046
Beginning inventory	\$3,822	\$82	\$255	\$860
Inventory change	-\$2,342	\$159	\$2,793	\$186
Accounts payable				
Beginning inventory	\$853	\$566	\$134	\$537
Ending inventory	\$1,086	\$711	\$144	\$673
Inventory change	-\$232	-\$145	-\$10	-\$136
Total inventory change	-\$35,155	\$1,542	\$23,927	-\$1,304
Net operating profit	\$9,343	\$51,138	\$129,012	\$58,274

TABLE 3

***** DEPRECIATION AND OTHER CAPITAL ADJUSTMENTS, 1983 *****
 Southwest Farm Business Management Association
 Farms Categorized Based on Total Farm Profit/Loss

	Low 20%	Middle 60%	High 20%	TOTAL
Number of farms	36	110	36	182
Net operating profit	\$9,343	\$51,138	\$129,012	\$58,274
Breeding livestock				
Ending inventory + sales	\$28,603	\$13,843	\$23,819	\$18,763
Beg. inventory + purchases	\$35,860	\$18,420	\$26,898	\$23,575
Depreciation, capital adj.	-\$7,257	-\$4,577	-\$3,079	-\$4,812
Machinery and equipment				
Ending inventory + sales	\$70,912	\$54,298	\$91,937	\$65,089
Beg. inventory + purchases	\$89,174	\$69,968	\$117,394	\$83,220
Depreciation, capital adj.	-\$18,262	-\$15,669	-\$25,456	-\$18,132
Buildings and improvements				
Ending inventory + sales	\$61,242	\$58,007	\$93,550	\$65,720
Beg. inventory + purchases	\$68,166	\$64,694	\$104,636	\$73,329
Depreciation, capital adj.	-\$6,923	-\$6,688	-\$11,086	-\$7,609
Stock and other				
Ending inventory + sales	\$4,280	\$2,258	\$2,102	\$2,629
Beg. inventory + purchases	\$4,301	\$2,175	\$2,125	\$2,588
Depreciation, capital adj.	-\$20	\$83	-\$23	\$41
Land				
Ending inventory + sales	\$272,405	\$304,771	\$587,871	\$354,641
Beg. inventory + purchases	\$272,291	\$304,432	\$587,877	\$354,415
Depreciation, capital adj.	\$114	\$339	-\$6	\$226
Total depreciation, capital adj.	-\$32,348	-\$26,512	-\$39,650	-\$30,286
Profit or loss	-\$23,120	\$24,388	\$89,367	\$27,844

TABLE 4

***** PROFITABILITY AND LIQUIDITY ANALYSIS, 1983 *****
 Southwest Farm Business Management Association
 (Farms Categorized Based on Total Farm Profit/Loss)

	Low 20%	Middle 60%	High 20%	TOTAL
** Profitability **				
Number of farms	36	110	36	182
Labor and management earnings	-\$35,799	\$5,229	\$44,191	\$4,818
Rate of return on investment	0.01	0.06	0.09	0.06
Rate of return on net worth	-0.18	0.03	0.09	0.03
Net profit margin	0.03	0.18	0.32	0.19
Asset turnover rate	0.32	0.31	0.30	0.31
Interest on farm net worth	\$12,679	\$19,093	\$45,176	\$23,005
Farm interest paid	\$44,223	\$21,973	\$28,864	\$27,769
Value of operator labor and mgmt	\$14,860	\$15,898	\$20,406	\$16,588
Return to farm investment	\$6,243	\$30,397	\$97,825	\$39,004
Average farm investment	\$567,111	\$546,665	\$1033,704	\$647,601
Return to farm net worth	-\$37,980	\$8,424	\$68,961	\$11,235
Average farm net worth	\$211,320	\$318,216	\$752,937	\$383,419
Value of farm production	\$180,751	\$171,776	\$309,988	\$201,051
** Liquidity **				
-- Cash Basis --				
Net cash farm income	\$44,498	\$49,631	\$105,085	\$59,639
Non farm income	\$9,071	\$9,044	\$7,414	\$8,725
Total net income	\$53,569	\$58,674	\$112,499	\$68,365
Family living and taxes paid	\$15,140	\$21,964	\$43,051	\$24,801
Real estate principal payments	\$3,822	\$6,834	\$34,238	\$11,686
Cash available for interm. debt	\$34,608	\$29,876	\$35,210	\$31,878
Average intermediate debt	\$200,335	\$78,863	\$96,769	\$106,584
Years to turn over interm. debt	5.79	2.64	2.75	3.34
Cash expense as a % of income	82.06	73.71	67.28	74.09
Interest as a % of income	18.50	10.90	8.00	11.83
-- Accrual Basis --				
Inventory change	-\$35,155	\$1,542	\$23,927	-\$1,304
Cash available for interm. debt	-\$548	\$31,419	\$59,137	\$30,574
Years to turn over interm. debt	*	2.51	1.64	3.49
Cash expense as a % of income	96.53	72.01	61.50	74.80
Interest as a % of income	21.83	10.81	7.19	12.28

*can never be repaid because of negative cash flow for debt repayment.

TABLE 5
 ***** COMPARATIVE FINANCIAL STATEMENTS, 1983 *****
 SOUTHWEST FARM BUSINESS MANAGEMENT ASSOCIATION
 (FARMS CATEGORIZED BASED ON TOTAL FARM PROFIT/LOSS)

NUMBER OF FARMS	LOW 20%		MIDDLE 60%		HIGH 20%		TOTAL	
	32		98		32		162	
ASSETS	BEGINNING	ENDING	BEGINNING	ENDING	BEGINNING	ENDING	BEGINNING	ENDING
CURRENT FARM ASSETS								
CASH	\$7,080	\$5,632	\$7,425	\$12,237	\$13,919	\$12,723	\$8,647	\$11,021
PREPAID EXPENSES AND SUPPLIES	\$984	\$1,102	\$1,200	\$2,258	\$1,957	\$3,105	\$1,307	\$2,197
ACCOUNTS RECEIVABLE	\$4,299	\$1,665	\$92	\$271	\$287	\$3,429	\$967	\$1,176
CROPS HELD FOR SALE/FEED	\$65,135	\$50,840	\$64,773	\$68,697	\$142,696	\$167,836	\$80,333	\$84,852
LIVESTOCK HELD FOR SALE	\$76,256	\$57,056	\$41,531	\$38,033	\$74,875	\$70,460	\$55,060	\$48,259
TOTAL CURRENT FARM ASSETS	\$153,755	\$116,294	\$115,021	\$121,497	\$233,734	\$257,553	\$146,315	\$147,505
INTERMEDIATE FARM ASSETS								
BREEDING LIVESTOCK	\$31,407	\$30,794	\$13,481	\$12,252	\$21,030	\$21,065	\$18,544	\$17,689
MACHINERY AND EQUIPMENT	\$77,596	\$72,877	\$49,462	\$49,316	\$89,959	\$89,475	\$63,103	\$61,981
OTHER INTERM. ASSETS	\$3,725	\$3,725	\$920	\$1,022	\$56	\$47	\$1,306	\$1,366
TOTAL INTERM. FARM ASSETS	\$112,728	\$107,396	\$63,862	\$62,590	\$111,045	\$110,587	\$82,953	\$81,035
LONG TERM FARM ASSETS								
BUILDINGS AND IMPROVEMENTS	\$68,144	\$65,334	\$54,675	\$55,544	\$86,686	\$87,908	\$63,714	\$63,923
FARM LAND	\$286,855	\$289,649	\$281,083	\$299,370	\$537,285	\$581,751	\$333,152	\$353,563
OTHER LONG TERM ASSETS	\$956	\$956	\$1,189	\$1,439	\$1,335	\$1,868	\$1,172	\$1,429
TOTAL LONG TERM FARM ASSETS	\$355,955	\$355,939	\$336,947	\$356,353	\$625,306	\$671,526	\$398,038	\$418,914
NON FARM ASSETS	\$49,527	\$53,663	\$72,649	\$80,933	\$105,668	\$107,772	\$74,616	\$80,847
TOTAL ASSETS	\$671,965	\$633,292	\$588,480	\$621,373	\$1075,752	\$1147,438	\$701,922	\$728,302
LIABILITIES								
CURRENT FARM LIABILITIES								
ACCOUNTS PAYABLE	\$960	\$1,221	\$503	\$799	\$554	\$164	\$604	\$757
CURRENT NOTES	\$5,705	\$4,970	\$11,186	\$13,521	\$11,576	\$15,925	\$10,174	\$12,299
TOTAL CURRENT FARM LIABILITIES	\$6,665	\$6,191	\$11,689	\$14,320	\$12,130	\$16,089	\$10,778	\$13,056
INTERMEDIATE FARM LIABILITIES	\$213,611	\$203,668	\$76,167	\$76,360	\$99,235	\$90,401	\$108,070	\$104,454
LONG TERM FARM LIABILITIES	\$162,877	\$164,730	\$130,806	\$147,262	\$176,956	\$213,288	\$146,353	\$163,857
NON FARM LIABILITIES	\$0	\$0	\$0	\$206	\$14,730	\$2,554	\$2,928	\$631
TOTAL LIABILITIES	\$383,154	\$374,589	\$218,662	\$238,148	\$303,050	\$322,332	\$268,129	\$281,999
NET WORTH	\$288,811	\$258,703	\$369,817	\$383,226	\$772,703	\$825,107	\$433,793	\$446,303
NET WORTH CHANGE		-\$30,108		\$13,409		\$52,404		\$12,510
SOLVENCY MEASURES								
CUR.+INT. LIAB/ASSET RATIO	0.8266	0.9382	0.4911	0.4926	0.3230	0.2893	0.5184	0.5142
LONG TERM LIAB/ASSET RATIO	0.4576	0.4628	0.3882	0.4132	0.2830	0.3176	0.3677	0.3911
TOTAL LIABILITY/ASSET RATIO	0.5702	0.5915	0.3716	0.3833	0.2817	0.2809	0.3820	0.3872

TABLE 6

***** CONTRIBUTIONS TO OVERHEAD EXPENSES, 1983 *****
 Southwest Farm Business Management Association
 (Farms Categorized Based on Total Farm Profit/Loss)

	Low 20%	Middle 60%	High 20%	TOTAL
Number of farms	36	110	36	182
Enterprise				

Corn	\$6,995	\$10,711	\$16,472	\$11,113
Oats	\$183	\$295	\$373	\$288
Wheat	\$0	\$132	\$215	\$123
Hay	\$4,013	\$2,441	\$2,943	\$2,849
C. Silage	\$1,652	\$1,943	\$5,060	\$2,498
Soybeans	\$16,978	\$24,274	\$50,321	\$27,961
Sweet corn	\$0	\$11	\$140	\$34
Dry beans	\$0	\$109	\$0	\$66
Can crop	\$0	\$129	\$66	\$91
Other crop	\$465	-\$40	\$29	\$73
Oat silage	\$83	\$9	\$97	\$41
Wht. silage	\$0	\$0	-\$3	-\$1
Wild hay	\$185	\$38	\$455	\$149
Pasture	\$277	\$125	\$516	\$232
Set aside	\$9,865	\$11,709	\$18,474	\$12,677
Rented out	\$210	\$224	\$657	\$306
Dairy	\$4,610	\$3,405	\$4,743	\$3,905
Farrow to finish	\$4,859	\$3,278	\$11,423	\$5,191
Feeder pig production	-\$241	\$332	\$353	\$223
Beef cow-calf	-\$342	-\$198	-\$53	-\$198
Market lamb production	-\$458	-\$36	\$24	-\$107
Feeder lamb production	\$0	-\$4	-\$29	-\$8
Egg production	-\$11	\$625	\$0	\$377
Dairy beef finishing	-\$285	\$0	-\$5	-\$57
Hog finishing	\$438	\$523	\$1,158	\$631
Beef finishing	-\$243	\$2,804	\$13,470	\$4,302
Broilers	\$26	-\$159	\$0	-\$91
Dairy replacements	-\$2,176	-\$44	\$686	-\$320
Dairy rep. and feeders	-\$897	\$246	\$0	-\$27
Mixed hog production	\$1,027	\$767	\$881	\$841
Horses	-\$151	-\$103	\$0	-\$92
Dogs	\$53	\$0	\$0	\$10
TOTAL	\$47,118	\$63,546	\$128,468	\$73,081
Overhead Expenses				
Real estate taxes	\$2,180	\$2,193	\$4,665	\$2,677
Utilities	\$3,429	\$2,402	\$2,973	\$2,716
Hired labor	\$6,151	\$5,168	\$7,093	\$5,740
Farm insurance	\$1,442	\$1,186	\$1,622	\$1,322
Lease payments	\$2,019	\$1,073	\$902	\$1,226
Interest paid	\$43,784	\$21,702	\$28,292	\$27,339
Depreciation	\$25,650	\$21,978	\$36,327	\$25,521
Total overhead expense	\$84,654	\$55,702	\$81,874	\$66,541
Ret above ovrhd exp (whl farm)	-\$30,840	\$12,270	\$53,255	\$11,852

TABLE 7

***** HOUSEHOLD AND PERSONAL EXPENSES, 1983 *****
 Southwest Farm Business Management Association
 (Farms Categorized Based on Total Farm Profit/Loss)

	Low 20%	Middle 60%	High 20%	TOTAL
Number of farms	21	60	15	96
Food and meals	\$5,018	\$3,916	\$3,901	\$4,155
Medical care and health insurance	\$2,136	\$2,536	\$2,749	\$2,482
Church and charities	\$1,132	\$1,172	\$1,766	\$1,256
Operating and supplies	\$1,379	\$1,371	\$1,383	\$1,375
Clothing and clothing materials	\$1,316	\$1,329	\$1,613	\$1,370
Gifts and special events	\$1,016	\$1,163	\$1,962	\$1,255
Personal share of auto and truck	\$1,269	\$968	\$985	\$1,036
Personal care and spending	\$702	\$628	\$799	\$671
Education	\$309	\$405	\$981	\$474
Recreation	\$998	\$1,220	\$1,339	\$1,190
Upkeep on dwelling	\$146	\$211	\$499	\$242
Furnishings and equipment	\$1,062	\$1,163	\$1,037	\$1,121
Household real estate taxes	\$32	\$31	\$54	\$35
Dwelling rent	\$0	\$36	\$480	\$97
Telephone and electricity	\$881	\$718	\$936	\$788
Life insurance payments	\$1,137	\$1,007	\$924	\$1,023
Income taxes	\$1,204	\$3,377	\$7,836	\$3,598
Total cash living expenses	\$19,737	\$21,250	\$29,243	\$22,168
Family living from the farm	\$659	\$458	\$546	\$516
Total family living	\$20,396	\$21,708	\$29,789	\$22,683
Household capital purchases	\$2,067	\$884	\$5,832	\$1,916
Personal vehicles, other nonfarm purchases	\$371	\$495	\$5,557	\$1,259
Nonfarm real estate purchased	\$449	\$27	\$16,060	\$2,625
Savings	\$2,834	\$9,147	\$8,688	\$7,694
Total family uses of cash	\$25,457	\$31,802	\$65,380	\$35,660

EXPLANATORY NOTE FOR CROPS TABLES

Farms are classified into low 20% or high 20% on the basis of returns to overhead costs (return over direct costs). The classification is done separately for each table, i.e., a particular farm may be in the low 20% for one crop, top 20% for a second, and middle 60% for a third. "Lows" and "highs" are listed only for crops with five or more farms in each category. When there are less than five farms in lows and highs (less than 25 total farms), then only overall averages are presented. When there are less than five farms with a particular crop, then that table is not included in the report.

There are potentially three tables for each crop depending on whether the crop was grown on (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.

The items listed on the left-hand side of each table are identical for all crop tables. The first set of items deals with the calculation of gross return per acre. The second and third sets of items deal with direct and overhead costs, respectively. These are followed by "net cash flow generated for principal payments, taxes, and family living" which is calculated as "net return per acre" plus "depreciation." (All overhead costs except depreciation are assumed to be cash costs.) The last set of items is economic efficiency measures which provide useful standards or goals for individual managers.

Several cost items are listed under both "direct" and "overhead" costs, but there will be entries under both cost categories only if the farm receipts have been kept in enough detail to permit assigning to each crop the costs incurred specifically for that crop. The costs listed under both categories include "utilities," "hired labor," and "interest paid." "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 that 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 "Return to Overhead" item, multiplied by the number of acres, as listed in the second line at the top of each crop table, is used to construct Table 6. The "unit" referred to in the fifth line from the top and the second and third lines from the bottom is the unit of measurement of the principal product from this enterprise. It is "bushels" for corn, soybeans, wheat and oats. It is "tons" for corn silage and hay. It is "dollars" for pasture and set aside. For pasture, "dollars" is the imputed value per acre based on the value per head per month, as given in Table 10. For set aside, "dollars" is the cash received from government payments for the land set aside plus the value of PIK crops received.

"Total Listed Cost/Unit" is "Total Listed Costs Per Acre" divided by "Yield Per Acre." "Return Over Listed Cost/Unit" is "Net Return Per Acre" divided by "Yield Per Acre." "Breakeven Yield/Acre" is "Total Listed Costs Per Acre" divided by "Value Per Unit."

TABLE 8-1

***** Crop Enterprise Analysis *****
 Southwest Farm Business Management Association
 Farms Sorted According to Return to Overhead per Acre

	CORN ON OWNED LAND			
	Low 20%	Middle 60%	High 20%	TOTAL
	-----	-----	-----	-----
Number of farms	25	75	25	125
Acres	70.20	74.49	72.36	73.21
Yield per acre	68.24	88.78	107.02	88.32
Operator share of yield	100.00	100.00	100.00	100.00
Value per unit	\$3.00	\$3.00	\$3.00	\$3.00
Crop product return/acre	\$204.72	\$266.35	\$321.07	\$264.96
Other crop income/acre	\$2.40	\$0.28	\$0.00	\$0.65
Gross return per acre	\$207.12	\$266.62	\$321.07	\$265.61
Direct costs				
Seed	\$17.10	\$18.05	\$16.86	\$17.63
Fertilizer	\$39.27	\$45.31	\$31.44	\$41.33
Chemicals	\$21.54	\$19.85	\$19.33	\$20.08
Crop insurance	\$4.30	\$2.41	\$1.83	\$2.67
Custom hire	\$7.23	\$4.86	\$5.23	\$5.41
Fuel and oil	\$16.19	\$16.57	\$12.79	\$15.74
Repairs	\$22.84	\$22.93	\$19.03	\$22.13
Drying	\$5.48	\$6.58	\$6.25	\$6.30
Special hired labor	\$0.06	\$0.27	\$0.00	\$0.18
Marketing	\$0.00	\$0.00	\$0.00	\$0.00
Utilities	\$0.28	\$0.00	\$0.00	\$0.06
Land rent	\$0.00	\$0.00	\$0.00	\$0.00
Direct lease payments	\$0.00	\$0.02	\$0.00	\$0.01
Misc. crop expense	\$1.60	\$0.81	\$0.98	\$1.00
Operating interest	\$0.00	\$0.00	\$0.00	\$0.00
Total direct costs	\$135.89	\$137.67	\$113.72	\$132.53
Return to overhead	\$71.23	\$128.95	\$207.34	\$133.08
Overhead costs (as allocated by farmers)				
Overhead utilities	\$3.59	\$2.68	\$2.76	\$2.88
Overhead hired labor	\$4.52	\$7.66	\$5.31	\$6.56
Farm insurance	\$1.73	\$1.59	\$1.34	\$1.57
Machinery lease pymts.	\$0.94	\$1.22	\$1.98	\$1.32
Real Estate Taxes	\$9.56	\$10.13	\$11.08	\$10.21
Interest Paid	\$63.63	\$70.83	\$79.68	\$71.16
Depreciation	\$39.35	\$47.10	\$46.18	\$45.37
Total overhead costs	\$123.32	\$141.22	\$148.34	\$139.06
Total listed costs per acre	\$259.21	\$278.89	\$262.06	\$271.59
Net return per acre	-\$52.09	-\$12.27	\$59.01	-\$5.98
Net cash flow generated for principal payments, taxes, and family living	-\$12.74	\$34.84	\$105.19	\$39.39
Total listed cost/unit	\$3.80	\$3.14	\$2.45	\$3.08
Return over listed cost/unit	-\$0.80	-\$0.14	\$0.55	-\$0.08
Break even yield/acre	86.40	92.96	87.35	90.53

TABLE 8-2

***** Crop Enterprise Analysis *****
 Southwest Farm Business Management Association
 Farms Sorted According to Return to Overhead per Acre

	Low 20%	Middle 60%	High 20%	TOTAL
	-----	-----	-----	-----
Number of farms	20	59	20	99
Acres	90.85	81.75	98.10	86.89
Yield per acre	75.97	88.35	109.12	90.04
Operator share of yield	100.00	100.00	100.00	100.00
Value per unit	\$3.00	\$3.00	\$3.00	\$3.00
Crop product return/acre	\$227.90	\$265.04	\$327.37	\$270.13
Other crop income/acre	\$3.00	\$0.35	\$0.62	\$0.94
Gross return per acre	\$230.90	\$265.40	\$327.99	\$271.07
Direct costs				
Seed	\$18.40	\$18.00	\$16.17	\$17.71
Fertilizer	\$40.65	\$42.00	\$35.91	\$40.50
Chemicals	\$20.80	\$18.27	\$18.55	\$18.83
Crop insurance	\$8.72	\$3.47	\$0.63	\$3.95
Custom hire	\$9.77	\$6.28	\$3.77	\$6.48
Fuel and oil	\$16.36	\$15.81	\$14.10	\$15.58
Repairs	\$21.98	\$21.06	\$20.21	\$21.07
Drying	\$7.38	\$6.65	\$4.44	\$6.35
Special hired labor	\$0.71	\$0.00	\$0.00	\$0.14
Marketing	\$0.00	\$0.00	\$0.00	\$0.00
Utilities	\$0.65	\$0.13	\$0.00	\$0.21
Land rent	\$96.68	\$84.33	\$64.32	\$82.78
Direct lease payments	\$0.00	\$0.31	\$0.00	\$0.18
Misc. crop expense	\$1.42	\$1.42	\$1.38	\$1.41
Operating interest	\$0.00	\$0.00	\$0.00	\$0.00
Total direct costs	\$243.54	\$217.71	\$179.47	\$215.21
Return to overhead	-\$12.64	\$47.68	\$148.52	\$55.87
Overhead costs (as allocated by farmers)				
Overhead utilities	\$2.79	\$3.17	\$2.23	\$2.90
Overhead hired labor	\$4.99	\$7.86	\$7.55	\$7.22
Farm insurance	\$1.18	\$1.74	\$1.39	\$1.55
Machinery lease pymts.	\$2.11	\$1.16	\$2.63	\$1.65
Real Estate Taxes	\$0.00	\$0.00	\$0.00	\$0.00
Interest Paid	\$24.65	\$23.51	\$11.05	\$21.22
Depreciation	\$44.38	\$45.63	\$46.53	\$45.56
Total overhead costs	\$80.11	\$83.07	\$71.38	\$80.11
Total listed costs per acre	\$323.65	\$300.78	\$250.85	\$295.31
Net return per acre	-\$92.74	-\$35.38	\$77.14	-\$24.24
Net cash flow generated for principal payments, taxes, and family living	-\$48.37	\$10.25	\$123.68	\$21.32
Total listed cost/unit	\$4.26	\$3.40	\$2.30	\$3.28
Return over listed cost/unit	-\$1.26	-\$0.40	\$0.70	-\$0.28
Break even yield/acre	107.88	100.26	83.62	98.44

TABLE 8-3

***** Crop Enterprise Analysis *****
 Southwest Farm Business Management Association
 Farms Sorted According to Return to Overhead per Acre

	CORN ON SHARE RENT			
	Low 20%	Middle 60%	High 20%	TOTAL
	-----	-----	-----	-----
Number of farms	15	45	15	75
Acres	74.93	66.47	66.73	68.21
Yield per acre	75.82	86.70	112.11	89.61
Operator share of yield	55.67	56.91	59.80	57.24
Value per unit	\$3.00	\$3.00	\$3.00	\$3.00
Crop product return/acre	\$126.45	\$147.26	\$196.73	\$152.99
Other crop income/acre	\$0.00	\$0.03	\$0.00	\$0.02
Gross return per acre	\$126.45	\$147.29	\$196.73	\$153.01
Direct costs				
Seed	\$15.78	\$14.36	\$13.19	\$14.41
Fertilizer	\$34.46	\$26.79	\$22.91	\$27.55
Chemicals	\$15.68	\$11.59	\$10.42	\$12.18
Crop insurance	\$2.13	\$2.28	\$1.37	\$2.07
Custom hire	\$6.46	\$4.41	\$2.50	\$4.44
Fuel and oil	\$17.68	\$14.53	\$12.06	\$14.66
Repairs	\$20.41	\$18.43	\$12.54	\$17.65
Drying	\$6.16	\$5.84	\$4.26	\$5.59
Special hired labor	\$0.86	\$0.06	\$0.00	\$0.21
Marketing	\$0.00	\$0.00	\$0.00	\$0.00
Utilities	\$0.42	\$0.04	\$0.00	\$0.11
Land rent	\$0.00	\$0.00	\$0.00	\$0.00
Direct lease payments	\$0.09	\$0.40	\$0.00	\$0.26
Misc. crop expense	\$0.49	\$0.39	\$1.05	\$0.54
Operating interest	\$0.00	\$0.00	\$0.00	\$0.00
Total direct costs	\$120.61	\$99.11	\$80.30	\$99.65
Return to overhead	\$5.83	\$48.18	\$116.43	\$53.36
Overhead costs (as allocated by farmers)				
Overhead utilities	\$3.56	\$2.64	\$1.99	\$2.70
Overhead hired labor	\$7.34	\$6.70	\$3.07	\$6.10
Farm insurance	\$1.74	\$1.25	\$0.89	\$1.28
Machinery lease pymts.	\$1.89	\$2.34	\$3.27	\$2.44
Real Estate Taxes	\$0.00	\$0.00	\$0.00	\$0.00
Interest Paid	\$20.64	\$18.42	\$15.11	\$18.20
Depreciation	\$51.27	\$38.45	\$40.37	\$41.40
Total overhead costs	\$86.44	\$69.80	\$64.70	\$72.11
Total listed costs per acre	\$207.05	\$168.91	\$144.99	\$171.75
Net return per acre	-\$80.61	-\$21.62	\$51.73	-\$18.75
Net cash flow generated for principal payments, taxes, and family living	-\$29.34	\$16.83	\$92.10	\$22.65
Total listed cost/unit	\$4.91	\$3.42	\$2.16	\$3.35
Return over listed cost/unit	-\$1.91	-\$0.42	\$0.84	-\$0.35
Break even yield/acre	69.02	56.30	48.33	57.25

TABLE 8-4

***** Crop Enterprise Analysis *****
 Southwest Farm Business Management Association
 Farms Sorted According to Return to Overhead per Acre

SOYBEANS ON OWNED LAND

	Low 20%	Middle 60%	High 20%	TOTAL
	-----	-----	-----	-----
Number of farms	26	78	26	130
Acres	115.23	102.41	101.31	104.75
Yield per acre	27.01	35.40	43.31	35.30
Operator share of yield	100.00	100.00	100.00	100.00
Value per unit	\$7.50	\$7.50	\$7.50	\$7.50
Crop product return/acre	\$202.58	\$265.50	\$324.81	\$264.78
Other crop income/acre	\$0.78	\$2.05	\$0.00	\$1.39
Gross return per acre	\$203.36	\$267.56	\$324.81	\$266.17
Direct costs				
Seed	\$12.09	\$9.73	\$9.17	\$10.09
Fertilizer	\$3.32	\$3.44	\$2.40	\$3.21
Chemicals	\$18.88	\$17.14	\$12.20	\$16.50
Crop insurance	\$3.93	\$7.00	\$3.13	\$5.61
Custom hire	\$6.85	\$3.96	\$1.18	\$3.98
Fuel and oil	\$14.86	\$12.99	\$12.26	\$13.22
Repairs	\$22.67	\$18.31	\$17.43	\$19.01
Drying	\$0.00	\$0.11	\$0.04	\$0.08
Special hired labor	\$0.18	\$0.91	\$0.46	\$0.67
Marketing	\$0.19	\$0.05	\$0.00	\$0.07
Utilities	\$0.00	\$0.00	\$0.00	\$0.00
Land rent	\$0.00	\$0.00	\$0.00	\$0.00
Direct lease payments	\$0.00	\$0.02	\$0.00	\$0.01
Misc. crop expense	\$0.19	\$1.34	\$0.29	\$0.90
Operating interest	\$0.00	\$0.00	\$0.00	\$0.00
Total direct costs	\$83.16	\$75.00	\$58.55	\$73.34
Return to overhead	\$120.20	\$192.56	\$266.26	\$192.83
Overhead costs (as allocated by farmers)				
Overhead utilities	\$2.10	\$1.81	\$1.66	\$1.84
Overhead hired labor	\$6.58	\$7.44	\$6.61	\$7.11
Farm insurance	\$2.05	\$1.60	\$1.27	\$1.62
Machinery lease pymts.	\$1.63	\$1.09	\$2.05	\$1.39
Real Estate Taxes	\$11.23	\$9.55	\$11.16	\$10.21
Interest Paid	\$69.15	\$78.54	\$66.30	\$74.22
Depreciation	\$49.08	\$39.31	\$38.50	\$41.10
Total overhead costs	\$141.82	\$139.35	\$127.56	\$137.49
Total listed costs per acre	\$224.97	\$214.35	\$186.11	\$210.82
Net return per acre	-\$21.61	\$53.21	\$138.71	\$55.34
Net cash flow generated for principal payments, taxes, and family living	\$27.47	\$92.52	\$177.20	\$96.45
Total listed cost/unit	\$8.33	\$6.06	\$4.30	\$5.97
Return over listed cost/unit	-\$0.83	\$1.44	\$3.20	\$1.53
Break even yield/acre	29.99	28.58	24.81	28.11

TABLE 8-5

***** Crop Enterprise Analysis *****
 Southwest Farm Business Management Association
 Farms Sorted According to Return to Overhead per Acre

SOYBEANS ON CASH RENT

	Low 20%	Middle 60%	High 20%	TOTAL
	-----	-----	-----	-----
Number of farms	20	62	20	102
Acres	128.10	128.65	124.85	127.79
Yield per acre	28.08	35.78	42.95	35.68
Operator share of yield	100.00	100.00	100.00	100.00
Value per unit	\$7.50	\$7.50	\$7.50	\$7.50
Crop product return/acre	\$210.58	\$268.37	\$322.09	\$267.57
Other crop income/acre	\$5.76	\$2.51	\$0.00	\$2.65
Gross return per acre	\$216.34	\$270.88	\$322.09	\$270.23
Direct costs				
Seed	\$11.82	\$10.50	\$9.52	\$10.57
Fertilizer	\$3.26	\$2.74	\$1.96	\$2.69
Chemicals	\$17.10	\$17.35	\$13.63	\$16.57
Crop insurance	\$4.35	\$8.06	\$4.02	\$6.54
Custom hire	\$7.75	\$3.33	\$1.22	\$3.78
Fuel and oil	\$12.93	\$12.94	\$11.97	\$12.75
Repairs	\$21.60	\$16.45	\$18.23	\$17.81
Drying	\$0.00	\$0.00	\$0.09	\$0.02
Special hired labor	\$0.77	\$0.81	\$0.28	\$0.70
Marketing	\$0.00	\$0.00	\$0.00	\$0.00
Utilities	\$0.00	\$0.00	\$0.00	\$0.00
Land rent	\$103.57	\$84.60	\$64.66	\$84.41
Direct lease payments	\$0.00	\$0.00	\$0.00	\$0.00
Misc. crop expense	\$0.68	\$2.29	\$0.91	\$1.70
Operating interest	\$0.00	\$0.00	\$0.00	\$0.00
Total direct costs	\$183.82	\$159.06	\$126.50	\$157.53
Return to overhead	\$32.52	\$111.82	\$195.60	\$112.69
Overhead costs (as allocated by farmers)				
Overhead utilities	\$2.38	\$1.90	\$1.60	\$1.93
Overhead hired labor	\$5.71	\$7.81	\$8.27	\$7.49
Farm insurance	\$1.71	\$1.48	\$1.21	\$1.47
Machinery lease pymts.	\$2.16	\$1.49	\$1.77	\$1.68
Real Estate Taxes	\$0.00	\$0.00	\$0.00	\$0.00
Interest Paid	\$22.83	\$19.36	\$16.27	\$19.44
Depreciation	\$44.94	\$36.85	\$35.19	\$38.11
Total overhead costs	\$79.72	\$68.90	\$64.33	\$70.12
Total listed costs per acre	\$263.55	\$227.96	\$190.82	\$227.66
Net return per acre	-\$47.21	\$42.92	\$131.27	\$42.57
Net cash flow generated for principal payments, taxes, and family living	-\$2.27	\$79.77	\$166.46	\$80.68
Total listed cost/unit	\$9.39	\$6.37	\$4.44	\$6.38
Return over listed cost/unit	-\$1.89	\$1.13	\$3.06	\$1.12
Break even yield/acre	35.14	30.39	25.44	30.35

TABLE 8-6

***** Crop Enterprise Analysis *****
 Southwest Farm Business Management Association
 Farms Sorted According to Return to Overhead per Acre

SOYBEANS ON SHARE RENT

	Low 20%	Middle 60%	High 20%	TOTAL
	-----	-----	-----	-----
Number of farms	16	46	16	78
Acres	90.06	95.02	128.31	100.83
Yield per acre	28.74	35.32	40.77	35.09
Operator share of yield	53.13	57.17	61.31	57.19
Value per unit	\$7.50	\$7.50	\$7.50	\$7.50
Crop product return/acre	\$113.46	\$150.71	\$185.95	\$150.30
Other crop income/acre	\$8.17	\$0.83	\$0.00	\$2.17
Gross return per acre	\$121.63	\$151.54	\$185.95	\$152.47
Direct costs				
Seed	\$10.55	\$7.81	\$7.68	\$8.35
Fertilizer	\$6.08	\$1.10	\$1.57	\$2.22
Chemicals	\$14.84	\$11.88	\$9.28	\$11.96
Crop insurance	\$4.34	\$5.03	\$4.11	\$4.70
Custom hire	\$3.93	\$3.30	\$1.64	\$3.09
Fuel and oil	\$14.95	\$11.68	\$11.41	\$12.30
Repairs	\$19.16	\$14.14	\$12.86	\$14.91
Drying	\$0.00	\$0.12	\$0.00	\$0.07
Special hired labor	\$0.22	\$0.64	\$0.40	\$0.51
Marketing	\$0.00	\$0.00	\$0.00	\$0.00
Utilities	\$0.00	\$0.00	\$0.00	\$0.00
Land rent	\$0.00	\$0.00	\$0.00	\$0.00
Direct lease payments	\$0.00	\$0.03	\$0.00	\$0.02
Misc. crop expense	\$1.13	\$0.37	\$0.10	\$0.47
Operating interest	\$0.00	\$0.00	\$0.00	\$0.00
Total direct costs	\$75.21	\$56.11	\$49.06	\$58.58
Return to overhead	\$46.42	\$95.44	\$136.89	\$93.89
Overhead costs (as allocated by farmers)				
Overhead utilities	\$2.26	\$1.88	\$1.92	\$1.97
Overhead hired labor	\$7.80	\$6.99	\$8.24	\$7.41
Farm insurance	\$1.34	\$1.10	\$1.49	\$1.23
Machinery lease pymts.	\$2.52	\$2.59	\$2.00	\$2.45
Real Estate Taxes	\$0.00	\$0.00	\$0.00	\$0.00
Interest Paid	\$28.49	\$18.83	\$15.65	\$20.16
Depreciation	\$42.60	\$31.66	\$34.97	\$34.58
Total overhead costs	\$85.01	\$63.04	\$64.27	\$67.80
Total listed costs per acre	\$160.22	\$119.15	\$113.33	\$126.38
Net return per acre	-\$38.59	\$32.39	\$72.62	\$26.09
Net cash flow generated for principal payments, taxes, and family living	\$4.01	\$64.05	\$107.59	\$60.67
Total listed cost/unit	\$10.49	\$5.90	\$4.53	\$6.30
Return over listed cost/unit	-\$2.99	\$1.60	\$2.97	\$1.20
Break even yield/acre	21.36	15.89	15.11	16.85

TABLE 8-7

***** Crop Enterprise Analysis *****
 Southwest Farm Business Management Association
 Farms Sorted According to Return to Overhead per Acre

CORN SILAGE ON OWNED LAND

	Low 20%	Middle 60%	High 20%	TOTAL
	-----	-----	-----	-----
Number of farms	9	29	9	47
Acres	57.11	42.24	28.56	42.47
Yield per acre	9.18	14.46	17.67	14.06
Operator share of yield	100.00	100.00	100.00	100.00
Value per unit	\$23.00	\$23.00	\$23.00	\$23.00
Crop product return/acre	\$211.11	\$332.60	\$406.31	\$323.45
Other crop income/acre	\$0.00	\$0.00	\$0.00	\$0.00
Gross return per acre	\$211.11	\$332.60	\$406.31	\$323.45
Direct costs				
Seed	\$15.21	\$17.50	\$21.23	\$17.77
Fertilizer	\$41.07	\$37.82	\$27.95	\$36.55
Chemicals	\$22.88	\$20.61	\$23.22	\$21.55
Crop insurance	\$1.33	\$0.78	\$1.68	\$1.06
Custom hire	\$9.64	\$9.09	\$0.78	\$7.61
Fuel and oil	\$18.24	\$20.62	\$16.44	\$19.37
Repairs	\$24.16	\$30.38	\$17.96	\$26.81
Drying	\$0.00	\$0.46	\$0.00	\$0.29
Special hired labor	\$0.00	\$0.75	\$0.00	\$0.46
Marketing	\$0.00	\$0.00	\$0.00	\$0.00
Utilities	\$0.00	\$0.00	\$0.00	\$0.00
Land rent	\$0.00	\$0.00	\$0.00	\$0.00
Direct lease payments	\$0.00	\$0.00	\$0.00	\$0.00
Misc. crop expense	\$0.77	\$0.31	\$0.45	\$0.43
Operating interest	\$0.00	\$0.00	\$0.00	\$0.00
Total direct costs	\$133.31	\$138.33	\$109.72	\$131.89
Return to overhead	\$77.80	\$194.27	\$296.59	\$191.56
Overhead costs (as allocated by farmers)				
Overhead utilities	\$1.75	\$1.97	\$1.12	\$1.77
Overhead hired labor	\$7.36	\$10.39	\$2.17	\$8.24
Farm insurance	\$1.78	\$1.34	\$0.97	\$1.35
Machinery lease pymts.	\$2.91	\$0.72	\$3.32	\$1.64
Real Estate Taxes	\$11.45	\$10.21	\$7.08	\$9.85
Interest Paid	\$60.95	\$54.88	\$68.72	\$58.69
Depreciation	\$52.23	\$57.69	\$44.67	\$54.15
Total overhead costs	\$138.44	\$137.18	\$128.06	\$135.68
Total listed costs per acre	\$271.75	\$275.51	\$237.78	\$267.57
Net return per acre	-\$60.64	\$57.09	\$168.53	\$55.89
Net cash flow generated for principal payments, taxes, and family living	-\$8.41	\$114.78	\$213.20	\$110.04
Total listed cost/unit	\$29.60	\$19.05	\$13.46	\$19.03
Return over listed cost/unit	-\$6.60	\$3.95	\$9.54	\$3.97
Break even yield/acre	11.82	11.98	10.34	11.63

TABLE 8-8

***** Crop Enterprise Analysis *****
 Southwest Farm Business Management Association
 Farms Sorted According to Return to Overhead per Acre

CORN SILAGE ON CASH RENT

	Low 20%	Middle 60%	High 20%	TOTAL
	-----	-----	-----	-----
Number of farms	5	14	5	24
Acres	37.00	47.43	33.80	42.42
Yield per acre	8.35	11.77	17.54	12.26
Operator share of yield	100.00	100.00	100.00	100.00
Value per unit	\$23.00	\$23.00	\$23.00	\$23.00
Crop product return/acre	\$192.05	\$270.68	\$403.33	\$281.93
Other crop income/acre	\$0.00	\$0.00	\$0.00	\$0.00
Gross return per acre	\$192.05	\$270.68	\$403.33	\$281.93
Direct costs				
Seed	\$17.96	\$17.04	\$19.01	\$17.65
Fertilizer	\$39.34	\$34.31	\$31.04	\$34.68
Chemicals	\$20.84	\$19.45	\$24.37	\$20.76
Crop insurance	\$3.96	\$5.42	\$0.00	\$3.99
Custom hire	\$10.12	\$14.12	\$1.20	\$10.60
Fuel and oil	\$11.98	\$15.52	\$15.11	\$14.69
Repairs	\$14.41	\$17.34	\$27.75	\$18.90
Drying	\$0.00	\$0.00	\$0.00	\$0.00
Special hired labor	\$0.00	\$0.01	\$0.00	\$0.01
Marketing	\$0.00	\$0.00	\$0.00	\$0.00
Utilities	\$0.00	\$0.00	\$0.00	\$0.00
Land rent	\$81.26	\$68.34	\$65.21	\$70.38
Direct lease payments	\$0.00	\$0.00	\$0.00	\$0.00
Misc. crop expense	\$1.03	\$1.01	\$0.00	\$0.80
Operating interest	\$0.00	\$0.00	\$0.00	\$0.00
Total direct costs	\$200.91	\$192.57	\$183.69	\$192.46
Return to overhead	-\$8.86	\$78.11	\$219.64	\$89.47
Overhead costs (as allocated by farmers)				
Overhead utilities	\$0.77	\$1.66	\$3.53	\$1.86
Overhead hired labor	\$12.52	\$11.19	\$6.70	\$10.53
Farm insurance	\$1.00	\$1.17	\$1.61	\$1.23
Machinery lease pymts.	\$1.30	\$1.70	\$2.45	\$1.77
Real Estate Taxes	\$0.00	\$0.00	\$0.00	\$0.00
Interest Paid	\$8.23	\$19.25	\$11.66	\$15.37
Depreciation	\$46.63	\$37.83	\$51.80	\$42.57
Total overhead costs	\$70.44	\$72.81	\$77.75	\$73.34
Total listed costs per acre	\$271.35	\$265.38	\$261.44	\$265.80
Net return per acre	-\$79.30	\$5.30	\$141.89	\$16.13
Net cash flow generated for principal payments, taxes, and family living	-\$32.67	\$43.13	\$193.69	\$58.70
Total listed cost/unit	\$32.50	\$22.55	\$14.91	\$21.68
Return over listed cost/unit	-\$9.50	\$0.45	\$8.09	\$1.32
Break even yield/acre	11.80	11.54	11.37	11.56

TABLE 8-9
 ***** Crop Enterprise Analysis *****
 Southwest Farm Business Management Association
 Farms Sorted According to Return to Overhead per Acre

WHEAT ON OWNED LAND

	Total
Number of farms	14
Acres	18.71
Yield per acre	30.65
Operator share of yield	100.00
Value per unit	\$3.75
Crop product return/acre	\$114.92
Other crop income/acre	\$19.69
Gross return per acre	\$134.61
Direct costs	
Seed	\$14.55
Fertilizer	\$11.32
Chemicals	\$1.78
Crop insurance	\$1.17
Custom hire	\$4.24
Fuel and oil	\$8.50
Repairs	\$14.50
Drying	\$0.00
Special hired labor	\$0.89
Marketing	\$0.04
Utilities	\$0.00
Land rent	\$0.00
Direct lease payments	\$0.00
Misc. crop expense	\$0.20
Operating interest	\$0.00
Total direct costs	\$57.19
Return to overhead	\$77.42
Overhead costs	
(as allocated by farmers)	
Overhead utilities	\$1.28
Overhead hired labor	\$7.08
Farm insurance	\$1.26
Machinery lease pymts.	\$0.12
Real Estate Taxes	\$9.08
Interest Paid	\$27.69
Depreciation	\$37.94
Total overhead costs	\$84.43
Total listed costs per acre	\$141.63
Net return per acre	-\$7.02
Net cash flow generated for principal payments, taxes, and family living	\$30.93
Total listed cost/unit	\$4.62
Return over listed cost/unit	-\$0.87
Break even yield/acre	37.77

TABLE 8-10
 ***** Crop Enterprise Analysis *****
 Southwest Farm Business Management Association
 Farms Sorted According to Return to Overhead per Acre

WHEAT ON CASH RENT

	Total
Number of farms	9
Acres	17.22
Yield per acre	33.31
Operator share of yield	100.00
Value per unit	\$3.75
Crop product return/acre	\$124.90
Other crop income/acre	\$3.27
Gross return per acre	\$128.17
Direct costs	
Seed	\$8.48
Fertilizer	\$22.59
Chemicals	\$1.91
Crop insurance	\$0.54
Custom hire	\$5.46
Fuel and oil	\$7.38
Repairs	\$12.20
Drying	\$0.00
Special hired labor	\$0.14
Marketing	\$0.00
Utilities	\$0.00
Land rent	\$63.98
Direct lease payments	\$0.00
Misc. crop expense	\$5.81
Operating interest	\$0.00
Total direct costs	\$128.50
Return to overhead	-\$0.32
Overhead costs (as allocated by farmers)	
Overhead utilities	\$1.21
Overhead hired labor	\$8.09
Farm insurance	\$1.18
Machinery lease pymts.	\$0.30
Real Estate Taxes	\$0.00
Interest Paid	\$8.92
Depreciation	\$30.65
Total overhead costs	\$50.36
Total listed costs per acre	\$178.86
Net return per acre	-\$50.69
Net cash flow generated for principal payments, taxes, and family living	-\$20.04
Total listed cost/unit	\$5.37
Return over listed cost/unit	-\$1.62
Break even yield/acre	47.70

TABLE 8-11

***** Crop Enterprise Analysis *****
 Southwest Farm Business Management Association
 Farms Sorted According to Return to Overhead per Acre

	OATS ON OWNED LAND			
	Low 20%	Middle 60%	High 20%	TOTAL
	-----	-----	-----	-----
Number of farms	7	22	7	36
Acres	20.86	21.05	19.71	20.75
Yield per acre	39.56	52.06	77.58	54.59
Operator share of yield	100.00	100.00	100.00	100.00
Value per unit	\$1.60	\$1.60	\$1.60	\$1.60
Crop product return/acre	\$63.30	\$83.29	\$124.14	\$87.34
Other crop income/acre	\$5.57	\$18.10	\$71.53	\$26.05
Gross return per acre	\$68.87	\$101.39	\$195.67	\$113.40
Direct costs				
Seed	\$13.30	\$7.16	\$7.33	\$8.39
Fertilizer	\$3.92	\$7.33	\$4.24	\$6.07
Chemicals	\$0.25	\$0.73	\$0.39	\$0.57
Crop insurance	\$1.19	\$0.06	\$0.00	\$0.27
Custom hire	\$8.47	\$6.06	\$4.00	\$6.13
Fuel and oil	\$8.89	\$6.85	\$8.00	\$7.47
Repairs	\$14.65	\$9.62	\$9.87	\$10.65
Drying	\$0.00	\$0.00	\$0.00	\$0.00
Special hired labor	\$1.59	\$1.08	\$0.00	\$0.97
Marketing	\$0.00	\$0.00	\$0.00	\$0.00
Utilities	\$0.00	\$0.00	\$0.00	\$0.00
Land rent	\$0.00	\$0.00	\$0.00	\$0.00
Direct lease payments	\$0.00	\$0.00	\$0.00	\$0.00
Misc. crop expense	\$7.60	\$1.09	\$0.67	\$2.27
Operating interest	\$0.00	\$0.00	\$0.00	\$0.00
Total direct costs	\$59.86	\$39.98	\$34.50	\$42.78
Return to overhead	\$9.01	\$61.41	\$161.17	\$70.62
Overhead costs (as allocated by farmers)				
Overhead utilities	\$1.70	\$1.13	\$0.89	\$1.20
Overhead hired labor	\$9.45	\$3.23	\$7.27	\$5.23
Farm insurance	\$1.54	\$1.26	\$0.95	\$1.25
Machinery lease pymts.	\$3.92	\$1.30	\$0.33	\$1.62
Real Estate Taxes	\$8.37	\$9.05	\$10.04	\$9.11
Interest Paid	\$63.89	\$45.03	\$55.40	\$50.71
Depreciation	\$25.33	\$21.34	\$26.45	\$23.11
Total overhead costs	\$114.19	\$82.35	\$101.33	\$92.23
Total listed costs per acre	\$174.05	\$122.33	\$135.83	\$135.01
Net return per acre	-\$105.18	-\$20.94	\$59.84	-\$21.61
Net cash flow generated for principal payments, taxes, and family living	-\$79.85	\$0.41	\$86.29	\$1.50
Total listed cost/unit	\$4.40	\$2.35	\$1.75	\$2.47
Return over listed cost/unit	-\$2.80	-\$0.75	-\$0.15	-\$0.87
Break even yield/acre	108.78	76.45	84.90	84.38

TABLE 8-12

***** Crop Enterprise Analysis *****
 Southwest Farm Business Management Association
 Farms Sorted According to Return to Overhead per Acre

OATS ON CASH RENT

	Total

Number of farms	21
Acres	22.38
Yield per acre	47.23
Operator share of yield	100.00
Value per unit	\$1.60
Crop product return/acre	\$75.57
Other crop income/acre	\$23.55
Gross return per acre	\$99.12
Direct costs	
Seed	\$8.39
Fertilizer	\$6.15
Chemicals	\$0.91
Crop insurance	\$0.76
Custom hire	\$8.84
Fuel and oil	\$7.35
Repairs	\$6.29
Drying	\$0.00
Special hired labor	\$0.69
Marketing	\$0.00
Utilities	\$0.00
Land rent	\$71.01
Direct lease payments	\$0.00
Misc. crop expense	\$6.99
Operating interest	\$0.00
Total direct costs	\$117.36
Return to overhead	-\$18.24
Overhead costs (as allocated by farmers)	
Overhead utilities	\$1.36
Overhead hired labor	\$3.76
Farm insurance	\$0.99
Machinery lease pymts.	\$2.14
Real Estate Taxes	\$0.00
Interest Paid	\$11.11
Depreciation	\$19.29
Total overhead costs	\$38.66
Total listed costs per acre	\$156.02
Net return per acre	-\$56.90
Net cash flow generated for principal payments, taxes, and family living	-\$37.61
Total listed cost/unit	\$3.30
Return over listed cost/unit	-\$1.70
Break even yield/acre	97.51

TABLE 8-13
 ***** Crop Enterprise Analysis *****
 Southwest Farm Business Management Association
 Farms Sorted According to Return to Overhead per Acre

OATS ON SHARE RENT

	Total
Number of farms	11
Acres	15.82
Yield per acre	45.72
Operator share of yield	56.36
Value per unit	\$1.60
Crop product return/acre	\$41.27
Other crop income/acre	\$7.26
Gross return per acre	\$48.53
Direct costs	
Seed	\$6.58
Fertilizer	\$4.78
Chemicals	\$0.41
Crop insurance	\$0.00
Custom hire	\$5.71
Fuel and oil	\$7.46
Repairs	\$9.46
Drying	\$0.00
Special hired labor	\$0.00
Marketing	\$0.00
Utilities	\$0.00
Land rent	\$0.00
Direct lease payments	\$0.00
Misc. crop expense	\$0.48
Operating interest	\$0.00
Total direct costs	\$34.87
Return to overhead	\$13.66
Overhead costs	
(as allocated by farmers)	
Overhead utilities	\$1.16
Overhead hired labor	\$3.60
Farm insurance	\$1.01
Machinery lease pymts.	\$0.39
Real Estate Taxes	\$0.00
Interest Paid	\$11.65
Depreciation	\$16.47
Total overhead costs	\$34.28
Total listed costs per acre	\$69.16
Net return per acre	-\$20.63
Net cash flow generated for principal payments, taxes, and family living	-\$4.15
Total listed cost/unit	\$2.68
Return over listed cost/unit	-\$1.08
Break even yield/acre	43.22

TABLE 8-14

***** Crop Enterprise Analysis *****
 Southwest Farm Business Management Association
 Farms Sorted According to Return to Overhead per Acre

	HAY ON OWNED LAND			
	Low 20%	Middle 60%	High 20%	TOTAL
Number of farms	12	38	12	62
Acres	24.58	25.24	29.75	25.98
Yield per acre	2.53	4.03	6.21	4.16
Operator share of yield	100.00	100.00	100.00	100.00
Value per unit	\$65.00	\$65.00	\$65.00	\$65.00
Crop product return/acre	\$164.50	\$261.85	\$403.81	\$270.48
Other crop income/acre	\$0.00	\$0.00	\$0.00	\$0.00
Gross return per acre	\$164.50	\$261.85	\$403.81	\$270.48
Direct costs				
Seed	\$15.54	\$5.73	\$5.79	\$7.64
Fertilizer	\$9.16	\$11.68	\$4.81	\$9.86
Chemicals	\$3.05	\$0.66	\$0.00	\$1.00
Crop insurance	\$0.00	\$0.00	\$0.00	\$0.00
Custom hire	\$17.54	\$7.47	\$6.66	\$9.26
Fuel and oil	\$13.25	\$14.17	\$16.81	\$14.50
Repairs	\$20.57	\$19.64	\$19.48	\$19.79
Drying	\$0.00	\$0.00	\$0.00	\$0.00
Special hired labor	\$1.74	\$1.49	\$1.51	\$1.55
Marketing	\$0.00	\$0.00	\$0.00	\$0.00
Utilities	\$0.00	\$0.00	\$0.00	\$0.00
Land rent	\$0.00	\$0.00	\$0.00	\$0.00
Direct lease payments	\$0.00	\$0.00	\$0.00	\$0.00
Misc. crop expense	\$1.78	\$3.25	\$3.83	\$3.08
Operating interest	\$0.00	\$0.00	\$0.00	\$0.00
Total direct costs	\$82.64	\$64.10	\$58.88	\$66.68
Return to overhead	\$81.87	\$197.75	\$344.93	\$203.81
Overhead costs (as allocated by farmers)				
Overhead utilities	\$1.74	\$1.34	\$1.12	\$1.38
Overhead hired labor	\$5.17	\$7.07	\$8.01	\$6.89
Farm insurance	\$1.44	\$1.09	\$1.07	\$1.15
Machinery lease pymts.	\$4.62	\$0.47	\$2.01	\$1.57
Real Estate Taxes	\$9.63	\$10.05	\$10.01	\$9.96
Interest Paid	\$66.37	\$53.39	\$31.54	\$51.68
Depreciation	\$35.72	\$32.65	\$51.59	\$36.91
Total overhead costs	\$124.71	\$106.06	\$105.35	\$109.53
Total listed costs per acre	\$207.34	\$170.16	\$164.24	\$176.21
Net return per acre	-\$42.84	\$91.69	\$239.57	\$94.27
Net cash flow generated for principal payments, taxes, and family living				
	-\$7.12	\$124.33	\$291.16	\$131.18
Total listed cost/unit	\$81.95	\$42.22	\$26.45	\$42.36
Return over listed cost/unit	-\$16.95	\$22.78	\$38.55	\$22.64
Break even yield/acre	3.19	2.62	2.53	2.71

TABLE 8-15

***** Crop Enterprise Analysis *****
 Southwest Farm Business Management Association
 Farms Sorted According to Return to Overhead per Acre

	HAY ON CASH RENT			
	Low 20%	Middle 60%	High 20%	TOTAL
	-----	-----	-----	-----
Number of farms	7	21	7	35
Acres	13.00	38.76	40.00	33.86
Yield per acre	2.42	3.47	5.89	3.74
Operator share of yield	100.00	100.00	100.00	100.00
Value per unit	\$65.00	\$65.00	\$65.00	\$65.00
Crop product return/acre	\$157.58	\$225.49	\$382.66	\$243.34
Other crop income/acre	\$0.00	\$0.00	\$0.00	\$0.00
Gross return per acre	\$157.58	\$225.49	\$382.66	\$243.34
Direct costs				
Seed	\$22.99	\$6.94	\$5.29	\$9.82
Fertilizer	\$12.71	\$8.18	\$8.97	\$9.24
Chemicals	\$5.23	\$1.16	\$0.00	\$1.74
Crop insurance	\$0.00	\$0.00	\$0.00	\$0.00
Custom hire	\$56.56	\$15.07	\$5.64	\$21.48
Fuel and oil	\$9.66	\$11.14	\$13.28	\$11.27
Repairs	\$20.25	\$15.64	\$20.96	\$17.63
Drying	\$0.00	\$0.00	\$0.00	\$0.00
Special hired labor	\$0.49	\$0.34	\$0.96	\$0.49
Marketing	\$0.00	\$0.00	\$0.00	\$0.00
Utilities	\$0.00	\$0.00	\$0.00	\$0.00
Land rent	\$81.46	\$64.98	\$63.21	\$67.92
Direct lease payments	\$0.00	\$0.24	\$0.00	\$0.14
Misc. crop expense	\$0.31	\$2.25	\$2.46	\$1.90
Operating interest	\$0.00	\$0.00	\$0.00	\$0.00
Total direct costs	\$209.67	\$125.94	\$120.77	\$141.65
Return to overhead	-\$52.09	\$99.55	\$261.90	\$101.69
Overhead costs (as allocated by farmers)				
Overhead utilities	\$0.85	\$2.18	\$0.97	\$1.67
Overhead hired labor	\$7.67	\$10.64	\$3.55	\$8.63
Farm insurance	\$0.85	\$1.30	\$1.43	\$1.24
Machinery lease pymts.	\$2.67	\$2.21	\$1.98	\$2.25
Real Estate Taxes	\$0.00	\$0.00	\$0.00	\$0.00
Interest Paid	\$11.56	\$14.83	\$10.74	\$13.36
Depreciation	\$30.68	\$30.43	\$40.59	\$32.51
Total overhead costs	\$54.28	\$61.59	\$59.25	\$59.66
Total listed costs per acre	\$263.94	\$187.53	\$180.02	\$201.31
Net return per acre	-\$106.37	\$37.96	\$202.64	\$42.03
Net cash flow generated for principal payments, taxes, and family living	-\$75.69	\$68.39	\$243.23	\$74.54
Total listed cost/unit	\$109.07	\$54.04	\$30.56	\$53.83
Return over listed cost/unit	-\$44.07	\$10.96	\$34.44	\$11.17
Break even yield/acre	4.06	2.89	2.77	3.10

TABLE 8-16
 ***** Crop Enterprise Analysis *****
 Southwest Farm Business Management Association
 Farms Sorted According to Return to Overhead per Acre

PASTURE ON OWNED LAND

	Total

Number of farms	18
Acres	77.56
Yield per acre	57.42
Operator share of yield	100.00
Value per unit	\$1.00
Crop product return/acre	\$57.42
Other crop income/acre	\$0.00
Gross return per acre	\$57.42
Direct costs	
Seed	\$0.00
Fertilizer	\$0.48
Chemicals	\$0.86
Crop insurance	\$0.00
Custom hire	\$0.41
Fuel and oil	\$1.38
Repairs	\$1.91
Drying	\$0.00
Special hired labor	\$0.00
Marketing	\$0.00
Utilities	\$0.00
Land rent	\$0.00
Direct lease payments	\$0.00
Misc. crop expense	\$0.00
Operating interest	\$0.00
Total direct costs	\$5.04
Return to overhead	\$52.37
Overhead costs (as allocated by farmers)	
Overhead utilities	\$0.93
Overhead hired labor	\$4.17
Farm insurance	\$0.63
Machinery lease pymts.	\$2.07
Real Estate Taxes	\$7.39
Interest Paid	\$24.51
Depreciation	\$5.92
Total overhead costs	\$45.63
Total listed costs per acre	\$50.68
Net return per acre	\$6.74
Net cash flow generated for principal payments, taxes, and family living	\$12.66
Total listed cost/unit	\$0.88
Return over listed cost/unit	\$0.12
Break even yield/acre	50.68

TABLE 8-17
 ***** Crop Enterprise Analysis *****
 Southwest Farm Business Management Association
 Farms Sorted According to Return to Overhead per Acre

PASTURE ON CASH RENT

	Total

Number of farms	16
Acres	56.00
Yield per acre	40.20
Operator share of yield	100.00
Value per unit	\$1.00
Crop product return/acre	\$40.20
Other crop income/acre	\$1.53
Gross return per acre	\$41.73
Direct costs	
Seed	\$0.25
Fertilizer	\$0.00
Chemicals	\$0.43
Crop insurance	\$0.00
Custom hire	\$2.26
Fuel and oil	\$0.69
Repairs	\$0.48
Drying	\$0.00
Special hired labor	\$0.00
Marketing	\$0.00
Utilities	\$0.00
Land rent	\$34.64
Direct lease payments	\$0.00
Misc. crop expense	\$0.26
Operating interest	\$0.00
Total direct costs	\$39.00
Return to overhead	\$2.73
Overhead costs	
(as allocated by farmers)	
Overhead utilities	\$0.46
Overhead hired labor	\$1.41
Farm insurance	\$0.50
Machinery lease pymts.	\$2.68
Real Estate Taxes	\$0.00
Interest Paid	\$6.10
Depreciation	\$5.92
Total overhead costs	\$17.08
Total listed costs per acre	\$56.08
Net return per acre	-\$14.35
Net cash flow generated for principal payments, taxes, and family living	-\$8.43
Total listed cost/unit	\$1.39
Return over listed cost/unit	-\$0.39
Break even yield/acre	56.08

TABLE 8-18

***** Crop Enterprise Analysis *****
 Southwest Farm Business Management Association
 Farms Sorted According to Return to Overhead per Acre

SET ASIDE ACRES ON OWNED LAND

	Low 20%	Middle 60%	High 20%	TOTAL
	-----	-----	-----	-----
Number of farms	23	67	23	113
Acres	73.57	78.94	64.00	74.81
Yield per acre	84.52	178.60	239.98	171.94
Operator share of yield	100.00	100.00	100.00	100.00
Value per unit	\$1.00	\$1.00	\$1.00	\$1.00
Crop product return/acre	\$84.52	\$178.60	\$239.98	\$171.94
Other crop income/acre	\$15.70	\$3.81	\$13.95	\$8.30
Gross return per acre	\$100.22	\$182.41	\$253.93	\$180.24
Direct costs				
Seed	\$2.76	\$3.22	\$4.28	\$3.34
Fertilizer	\$0.80	\$0.81	\$0.34	\$0.71
Chemicals	\$3.81	\$2.11	\$1.34	\$2.30
Crop insurance	\$0.00	\$0.00	\$0.00	\$0.00
Custom hire	\$0.12	\$0.20	\$0.64	\$0.27
Fuel and oil	\$5.27	\$5.76	\$5.96	\$5.70
Repairs	\$6.83	\$8.71	\$6.29	\$7.84
Drying	\$0.00	\$0.00	\$0.00	\$0.00
Special hired labor	\$0.00	\$0.06	\$0.01	\$0.04
Marketing	\$0.00	\$0.00	\$0.00	\$0.00
Utilities	\$0.00	\$0.00	\$0.00	\$0.00
Land rent	\$0.00	\$0.00	\$0.00	\$0.00
Direct lease payments	\$0.00	\$0.00	\$0.06	\$0.01
Misc. crop expense	\$0.03	\$0.12	\$0.22	\$0.12
Operating interest	\$0.00	\$0.00	\$0.00	\$0.00
Total direct costs	\$19.62	\$20.99	\$19.13	\$20.33
Return to overhead	\$80.60	\$161.42	\$234.81	\$159.91
Overhead costs (as allocated by farmers)				
Overhead utilities	\$1.14	\$1.38	\$1.38	\$1.33
Overhead hired labor	\$2.89	\$3.71	\$4.24	\$3.65
Farm insurance	\$0.92	\$0.82	\$0.91	\$0.86
Machinery lease pymts.	\$2.53	\$1.34	\$0.96	\$1.50
Real Estate Taxes	\$8.88	\$9.08	\$10.92	\$9.41
Interest Paid	\$52.44	\$54.16	\$90.46	\$61.20
Depreciation	\$13.72	\$19.80	\$19.93	\$18.59
Total overhead costs	\$82.52	\$90.30	\$128.80	\$96.55
Total listed costs per acre	\$102.14	\$111.28	\$147.93	\$116.88
Net return per acre	-\$1.92	\$71.12	\$106.00	\$63.36
Net cash flow generated for principal payments, taxes, and family living	\$11.80	\$90.93	\$125.93	\$81.95
Total listed cost/unit	\$1.21	\$0.62	\$0.62	\$0.68
Return over listed cost/unit	-\$0.21	\$0.38	\$0.38	\$0.32
Break even yield/acre	102.14	111.28	147.93	116.88

TABLE 8-19

***** Crop Enterprise Analysis *****
 Southwest Farm Business Management Association
 Farms Sorted According to Return to Overhead per Acre

SET ASIDE ACRES ON CASH RENT

	Low 20%	Middle 60%	High 20%	TOTAL
	-----	-----	-----	-----
Number of farms	18	52	18	88
Acres	58.00	83.17	62.50	73.80
Yield per acre	79.16	177.66	229.77	168.17
Operator share of yield	100.00	100.00	100.00	100.00
Value per unit	\$1.00	\$1.00	\$1.00	\$1.00
Crop product return/acre	\$79.16	\$177.66	\$229.77	\$168.17
Other crop income/acre	\$15.71	\$6.44	\$7.20	\$8.49
Gross return per acre	\$94.87	\$184.10	\$236.97	\$176.66
Direct costs				
Seed	\$2.48	\$3.22	\$2.63	\$2.95
Fertilizer	\$0.69	\$0.58	\$0.00	\$0.48
Chemicals	\$1.17	\$1.46	\$2.41	\$1.59
Crop insurance	\$0.00	\$0.00	\$0.00	\$0.00
Custom hire	\$2.40	\$0.15	\$0.20	\$0.62
Fuel and oil	\$5.09	\$5.98	\$5.21	\$5.64
Repairs	\$6.95	\$7.12	\$6.74	\$7.01
Drying	\$0.00	\$0.00	\$0.00	\$0.00
Special hired labor	\$0.00	\$0.00	\$0.01	\$0.00
Marketing	\$0.00	\$0.00	\$0.00	\$0.00
Utilities	\$0.00	\$0.00	\$0.00	\$0.00
Land rent	\$85.72	\$87.43	\$71.15	\$83.75
Direct lease payments	\$1.00	\$0.00	\$0.00	\$0.20
Misc. crop expense	\$0.01	\$0.08	\$0.28	\$0.11
Operating interest	\$0.00	\$0.00	\$0.00	\$0.00
Total direct costs	\$105.51	\$106.02	\$88.62	\$102.36
Return to overhead	-\$10.64	\$78.08	\$148.35	\$74.30
Overhead costs (as allocated by farmers)				
Overhead utilities	\$1.58	\$1.04	\$2.10	\$1.37
Overhead hired labor	\$4.74	\$3.18	\$6.24	\$4.12
Farm insurance	\$1.15	\$0.81	\$0.90	\$0.90
Machinery lease pymts.	\$2.58	\$1.24	\$1.29	\$1.52
Real Estate Taxes	\$0.00	\$0.00	\$0.00	\$0.00
Interest Paid	\$14.86	\$14.02	\$13.06	\$14.00
Depreciation	\$10.57	\$17.17	\$16.36	\$15.65
Total overhead costs	\$35.47	\$37.46	\$39.94	\$37.56
Total listed costs per acre	\$140.99	\$143.48	\$128.56	\$139.92
Net return per acre	-\$46.12	\$40.62	\$108.40	\$36.74
Net cash flow generated for principal payments, taxes, and family living	-\$35.55	\$57.78	\$124.76	\$52.39
Total listed cost/unit	\$1.78	\$0.81	\$0.56	\$0.83
Return over listed cost/unit	-\$0.78	\$0.19	\$0.44	\$0.17
Break even yield/acre	140.99	143.48	128.56	139.92

TABLE 8-20

***** Crop Enterprise Analysis *****
 Southwest Farm Business Management Association
 Farms Sorted According to Return to Overhead per Acre

SET ASIDE ACRES ON SHARE RENT

	Low 20%	Middle 60%	High 20%	TOTAL
	-----	-----	-----	-----
Number of farms	12	38	12	62
Acres	48.75	61.24	62.00	58.97
Yield per acre	114.04	175.22	241.07	176.13
Operator share of yield	60.83	56.24	67.33	59.27
Value per unit	\$1.00	\$1.00	\$1.00	\$1.00
Crop product return/acre	\$67.14	\$97.45	\$156.65	\$103.04
Other crop income/acre	\$3.23	\$2.81	\$9.22	\$4.13
Gross return per acre	\$70.37	\$100.26	\$165.87	\$107.17
Direct costs				
Seed	\$2.87	\$3.04	\$3.14	\$3.03
Fertilizer	\$0.91	\$0.26	\$0.00	\$0.34
Chemicals	\$1.05	\$1.72	\$1.76	\$1.60
Crop insurance	\$0.00	\$0.00	\$0.00	\$0.00
Custom hire	\$5.29	\$0.18	\$0.16	\$1.16
Fuel and oil	\$5.78	\$5.33	\$5.75	\$5.50
Repairs	\$8.44	\$6.51	\$7.01	\$6.98
Drying	\$0.00	\$0.00	\$0.00	\$0.00
Special hired labor	\$0.00	\$0.02	\$0.00	\$0.01
Marketing	\$0.00	\$0.00	\$0.00	\$0.00
Utilities	\$0.00	\$0.00	\$0.00	\$0.00
Land rent	\$0.00	\$0.00	\$0.00	\$0.00
Direct lease payments	\$1.50	\$0.00	\$0.11	\$0.31
Misc. crop expense	\$0.02	\$0.14	\$0.04	\$0.10
Operating interest	\$0.00	\$0.00	\$0.00	\$0.00
Total direct costs	\$25.87	\$17.20	\$17.98	\$19.03
Return to overhead	\$44.51	\$83.06	\$147.89	\$88.15
Overhead costs (as allocated by farmers)				
Overhead utilities	\$1.11	\$1.16	\$1.42	\$1.20
Overhead hired labor	\$4.10	\$3.06	\$6.19	\$3.86
Farm insurance	\$0.98	\$0.67	\$0.90	\$0.78
Machinery lease pymts.	\$0.34	\$1.40	\$3.44	\$1.59
Real Estate Taxes	\$0.00	\$0.00	\$0.00	\$0.00
Interest Paid	\$9.79	\$12.49	\$17.88	\$13.01
Depreciation	\$15.11	\$16.21	\$14.85	\$15.73
Total overhead costs	\$31.43	\$34.99	\$44.67	\$36.18
Total listed costs per acre	\$57.30	\$52.19	\$62.65	\$55.20
Net return per acre	\$13.08	\$48.07	\$103.22	\$51.97
Net cash flow generated for principal payments, taxes, and family living	\$28.19	\$64.28	\$118.07	\$67.70
Total listed cost/unit	\$0.83	\$0.53	\$0.39	\$0.53
Return over listed cost/unit	\$0.17	\$0.47	\$0.61	\$0.47
Break even yield/acre	57.30	52.19	62.65	55.20

EXPLANATORY NOTES FOR LIVESTOCK TABLES

Farms are divided into low 20% or high 20% on the basis of returns to overhead costs (return over direct costs), and the classification is done separately for each livestock enterprise except dairy, where the "all dairy" table is the sum of the "dairy cows" and "other dairy" tables and the classification groups are copied from the "dairy cows" table. (The "dairy cows" enterprise contains only the milking herd.) Newborn calves are entered directly in the "other dairy" enterprise, not in the "dairy cows" enterprise.

The "Direct Cost" and "Allocated Overhead Costs" categories are identical for all livestock enterprises, but the top section (sources of returns) and the bottom section (other information) of the tables are different for each enterprise. Definitions and allocations of individual cost items are the same for livestock and crop enterprises. The bottom 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.

TABLE 9-1

***** LIVESTOCK ENTERPRISE ANALYSIS *****
 SOUTHWEST FARM BUSINESS MANAGEMENT ASSOCIATION, 1983
 FARMS SORTED ACCORDING TO RETURN TO OVERHEAD PER UNIT PRODUCED

DAIRY COWS - PER COW

NUMBER OF FARMS	LOW 20%		MIDDLE 60%		HIGH 20%		TOTAL	
	QUANTITY ⁵	VALUE	QUANTITY ¹⁴	VALUE	QUANTITY ⁵	VALUE	QUANTITY ²⁴	VALUE
MILK SOLD	12,531.40	\$1,557.75	13,402.14	\$1,697.51	14,754.20	\$1,888.50	13,502.42	\$1,708.18
MILK USED IN THE HOME	43.20	\$9.57	90.00	\$13.56	81.80	\$17.49	78.54	\$13.55
MILK FED	12.00	\$7.22	80.00	\$21.63	179.80	\$34.78	86.63	\$21.37
CULL SALES	0.00	\$216.24	0.14	\$204.89	0.00	\$150.85	0.08	\$196.00
BULL CALVES, OTHR SALES	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
CHANGE IN INVENTORY		-\$356.10		-\$325.78		-\$242.88		-\$314.82
GROSS PRODUCTION		\$1,434.62		\$1,611.76		\$1,848.70		\$1,624.22
OTHER INCOME		\$0		\$0		\$0		\$0
TOTAL RETURN		\$1,434.60		\$1,611.71		\$1,848.66		\$1,624.17
DIRECT COSTS								
CORN BU	95.40	\$264.42	104.50	\$288.79	81.80	\$226.52	97.88	\$270.74
OATS BU	4.60	\$7.12	9.64	\$14.51	14.40	\$25.00	9.58	\$15.15
BARLEY BU	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
WHEAT BU	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
OTHER GRAIN LB	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
PROTEIN, MINERALS, ETC CWT	9.60	\$152.74	11.14	\$183.56	11.16	\$157.54	10.83	\$171.72
COMPLETE RATION TON	0.00	\$0.00	0.00	\$2.84	0.00	\$0.00	0.00	\$1.65
LEGUME HAY TON	3.60	\$280.88	2.14	\$170.68	1.20	\$111.40	2.25	\$181.29
OTHER DRY HAY TON	0.00	\$0.00	0.00	\$0.00	0.00	\$1.80	0.00	\$0.38
HAYLAGE TON	0.00	\$0.00	1.21	\$49.00	0.40	\$45.06	0.79	\$37.97
CORN SILAGE TON	9.00	\$197.16	4.71	\$108.04	2.40	\$63.24	5.13	\$117.27
GRASS SILAGE TON	0.00	\$0.00	0.00	\$1.66	0.00	\$0.00	0.00	\$0.97
FODDER AND STOVER TON	0.00	\$0.00	0.00	\$2.80	0.00	\$0.28	0.00	\$1.69
PASTURE DAYS	17.80	\$7.86	2.86	\$2.86	0.00	\$0.00	5.38	\$3.30
MILK LB	0.00	\$0.00	11.94	\$2.22	0.00	\$0.00	6.96	\$1.29
BREEDING		\$0.64		\$8.18		\$11.72		\$7.36
VET. AND MEDICINE		\$30.84		\$35.96		\$31.80		\$34.02
SUPPLIES		\$119.86		\$77.06		\$71.48		\$84.82
MARKETING		\$10.04		\$6.69		\$0.00		\$6.00
FUEL AND OIL		\$8.20		\$22.35		\$7.50		\$16.31
REPAIRS		\$60.20		\$45.34		\$29.56		\$45.15
SPEC. HIRED LABOR		\$29.02		\$0.96		\$0.00		\$6.61
MACHINERY HIRE		\$62.08		\$61.31		\$83.56		\$66.10
UTILITIES		\$0.00		\$0.00		\$0.00		\$0.00
LEASE PAYMENTS		\$43.18		\$0.00		\$0.00		\$9.00
BEDDING		\$27.46		\$5.70		\$5.58		\$10.21
OPERATING INTEREST		\$0.00		\$0.00		\$0.00		\$0.00
OTHER EXPENSES		\$0.00		\$4.23		\$0.00		\$2.47
TOTAL DIRECT COSTS		\$1302.20		\$1092.94		\$872.50		\$1090.61
RETURN TO OVERHEAD		\$132.38		\$518.73		\$976.14		\$533.53
ALLOCATED OVERHEADS								
OVERHEAD UTILITIES		\$34.58		\$42.98		\$33.72		\$39.30
PROPERTY TAXES		\$2.06		\$5.88		\$4.60		\$4.82
FARM INSURANCE		\$8.82		\$11.34		\$5.42		\$9.58
OVERHEAD HIRED LABOR		\$69.70		\$58.77		\$50.86		\$59.40
LEASE PAYMENTS		\$56.38		\$36.55		\$1.60		\$33.40
INTEREST		\$99.52		\$152.19		\$48.94		\$119.70
DEPRECIATION		\$102.60		\$103.66		\$182.08		\$119.77
TOTAL OVERHEAD COSTS		\$373.66		\$411.36		\$327.22		\$385.98
TOTAL LISTED COSTS		\$1675.36		\$1506.11		\$1199.26		\$1477.44
NET RETURN		-\$240.76		\$105.60		\$649.40		\$146.73
NET CASH FLOW GENERATED								
FOR PRINCIPAL PAYMENTS, INCOME TAXES, AND FAMILY LIVING EXPENSES		-\$153.82		\$192.36		\$811.46		\$249.22
OTHER INFORMATION								
AVERAGE NUMBER OF COWS	49.40		42.57		73.00		50.33	
MILK PRODUCED PER COW (LB.)	12,587.40		13,573.36		15,017.00		13,668.71	
PERCENT OF BARN CAPACITY	129.80		102.71		102.00		108.21	
PERCENT BUTTERFAT IN MILK	3.44		3.50		3.68		3.52	
CULLING RATE	38.20		46.36		32.40		41.75	
LBS. MILK PER LB. CONCENTRATE	1.96		1.88		1.98		1.92	
AVERAGE PRICE PER CWT. MILK	\$12.38		\$12.62		\$12.84		\$12.62	

TABLE 9-2

***** LIVESTOCK ENTERPRISE ANALYSIS *****
 SOUTHWEST FARM BUSINESS MANAGEMENT ASSOCIATION
 FARMS SORTED ACCORDING TO RETURN TO OVERHEAD PER UNIT PRODUCED

OTHER DAIRY - PER DAIRY COW

NUMBER OF FARMS	TOTAL	
	QUANTITY	VALUE
	20	
MILK SOLD	0.00	\$0.00
MILK USED IN THE HOME	0.00	\$0.00
MILK FED	0.00	\$0.00
CULL SALES	0.03	\$13.45
BULL CALVES, OTHR SALES	0.20	\$91.33
CHANGE IN INVENTORY		\$209.84
GROSS PRODUCTION		\$314.61
OTHER INCOME		\$1
TOTAL RETURN		\$315.57
DIRECT COSTS		
CORN BU	24.92	\$68.54
OATS BU	6.54	\$9.49
BARLEY BU	0.00	\$0.00
WHEAT BU	0.00	\$0.00
OTHER GRAIN LB	0.00	\$0.00
PROTEIN, MINERALS, ETC CWT	2.33	\$41.54
COMPLETE RATION TON	0.00	\$0.37
LEGUME HAY TON	1.04	\$74.02
OTHER DRY HAY TON	0.01	\$0.82
HAYLAGE TON	0.20	\$6.59
CORN SILAGE TON	4.25	\$90.35
GRASS SILAGE TON	0.04	\$0.64
FODDER AND STOVER TON	0.03	\$1.85
PASTURE DAYS	12.10	\$2.56
MILK LBS	22.38	\$4.29
BREEDING		\$2.26
VET. AND MEDICINE		\$7.34
SUPPLIES		\$10.09
MARKETING		\$0.19
FUEL AND OIL		\$6.92
REPAIRS		\$11.45
SPEC. HIRED LABOR		\$4.07
MACHINERY HIRE		\$4.04
UTILITIES		\$0.00
LEASE PAYMENTS		\$2.83
BEDDING		\$8.00
OPERATING INTEREST		\$0.00
OTHER EXPENSES		\$0.00
TOTAL DIRECT COSTS		\$359.14
RETURN TO OVERHEAD		-\$43.57
ALLOCATED OVERHEADS		
OVERHEAD UTILITIES		\$7.96
PROPERTY TAXES		\$1.56
FARM INSURANCE		\$2.73
OVERHEAD HIRED LABOR		\$16.06
LEASE PAYMENTS		\$6.03
INTEREST		\$32.92
DEPRECIATION		\$35.20
TOTAL OVERHEAD COSTS		\$102.46
TOTAL LISTED COSTS		\$460.73
NET RETURN		-\$145.16
NET CASH FLOW GENERATED FOR PRINCIPAL PAYMENTS, INCOME TAXES, AND FAMILY LIVING EXPENSES		-\$115.61

TABLE 9-3

***** LIVESTOCK ENTERPRISE ANALYSIS *****
 SOUTHWEST FARM BUSINESS MANAGEMENT ASSOCIATION
 FARMS SORTED ACCORDING TO RETURN TO OVERHEAD PER UNIT PRODUCED

ALL DAIRY - PER DAIRY COW

	TOTAL	
NUMBER OF FARMS	QUANTITY	VALUE
	18	
MILK SOLD	13,691.00	\$1,734.11
MILK USED IN THE HOME	91.94	\$15.32
MILK FED	100.83	\$20.54
CULL SALES	0.09	\$222.39
BULL CALVES, OTHR SALES	0.22	\$100.54
CHANGE IN INVENTORY		-\$98.43
GROSS PRODUCTION		\$1,994.41
OTHER INCOME		\$1
TOTAL RETURN		\$1,995.43
DIRECT COSTS		
CORN BU	124.19	\$343.30
OATS BU	16.07	\$24.78
BARLEY BU	0.00	\$0.00
WHEAT BU	0.00	\$0.00
OTHER GRAIN LB	0.00	\$0.00
PROTEIN, MINERALS, ETC CWT	12.66	\$207.92
COMPLETE RATION TON	0.00	\$2.62
LEGUME HAY TON	3.36	\$261.47
OTHER DRY HAY TON	0.01	\$1.41
HAYLAGE TON	1.06	\$51.17
CORN SILAGE TON	10.15	\$223.71
GRASS SILAGE TON	0.05	\$0.71
FODDER AND STOVER TON	0.04	\$4.31
PASTURE DAYS	18.39	\$4.13
MILK LBS	23.60	\$4.53
BREEDING		\$11.52
VET. AND MEDICINE		\$40.13
SUPPLIES		\$88.85
MARKETING		\$3.00
FUEL AND OIL		\$24.03
REPAIRS		\$57.49
SPEC. HIRED LABOR		\$12.85
MACHINERY HIRE		\$71.09
UTILITIES		\$0.00
LEASE PAYMENTS		\$15.14
BEDDING		\$15.64
OPERATING INTEREST		\$0.00
OTHER EXPENSES		\$3.29
TOTAL DIRECT COSTS		\$1473.54
RETURN TO OVERHEAD		\$521.87
ALLOCATED OVERHEADS		
OVERHEAD UTILITIES		\$44.89
PROPERTY TAXES		\$7.41
FARM INSURANCE		\$11.83
OVERHEAD HIRED LABOR		\$74.68
LEASE PAYMENTS		\$42.99
INTEREST		\$161.46
DEPRECIATION		\$176.34
TOTAL OVERHEAD COSTS		\$519.61
TOTAL LISTED COSTS		\$1992.70
NET RETURN		\$2.73
NET CASH FLOW GENERATED FOR PRINCIPAL PAYMENTS, INCOME TAXES, AND FAMILY LIVING EXPENSES		\$155.98

TABLE 9-4

***** LIVESTOCK ENTERPRISE ANALYSIS *****
 SOUTHWEST FARM BUSINESS MANAGEMENT ASSOCIATION
 FARMS SORTED ACCORDING TO RETURN TO OVERHEAD PER UNIT PRODUCED

BEEF COW / CALF - PER HEAD

NUMBER OF FARMS	LOW 20%		MIDDLE 60%		HIGH 20%		TOTAL	
	QUANTITY	VALUE	QUANTITY	VALUE	QUANTITY	VALUE	QUANTITY	VALUE
	5		14		5		24	
BEEF CALF SALES	96.73	\$56.16	26.67	\$14.95	0.00	\$0.00	35.71	\$20.42
CALVES TRANSFERRED OUT	436.65	\$275.69	341.07	\$216.52	385.18	\$250.58	370.17	\$235.94
BUTCHERED	19.05	\$12.16	0.85	\$0.43	3.48	\$1.30	5.19	\$3.05
CULL SALES	243.65	\$92.93	149.70	\$47.48	133.37	\$72.73	165.87	\$62.21
CHANGE IN INVENTORY	-380.30	-\$296.03	-120.42	-\$83.28	-121.69	\$5.49	-174.83	-\$109.11
GROSS PRODUCTION	415.79	\$140.91	408.03	\$196.09	417.31	\$330.11	411.58	\$212.52
OTHER INCOME		\$0.00		\$0.00		\$0.00		\$0.00
TOTAL RETURN		\$140.91		\$196.09		\$330.11		\$212.52
DIRECT COSTS								
CORN BU	2.75	\$9.45	3.11	\$8.68	0.91	\$2.51	2.58	\$7.56
OATS BU	1.15	\$1.84	1.58	\$2.26	0.00	\$0.00	1.16	\$1.70
BARLEY BU	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
WHEAT BU	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
OTHER GRAIN LB	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
PROTEIN, MINERALS, ETC CWT	5.74	\$18.83	5.03	\$17.80	0.49	\$7.18	4.23	\$15.80
COMPLETE RATION TON	0.00	\$0.00	0.25	\$2.44	0.00	\$0.00	0.15	\$1.43
LEGUME HAY TON	2.27	\$155.18	0.99	\$66.26	1.24	\$86.94	1.31	\$89.09
OTHER DRY HAY TON	0.17	\$10.40	0.35	\$17.62	0.00	\$0.00	0.24	\$12.45
HAYLAGE TON	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
CORN SILAGE TON	1.50	\$33.61	2.93	\$61.70	1.38	\$30.82	2.31	\$49.41
GRASS SILAGE TON	0.00	\$0.00	0.01	\$0.29	0.00	\$0.00	0.00	\$0.17
FODDER AND STOVER TON	0.07	\$0.82	3.21	\$3.77	0.00	\$0.00	1.89	\$2.37
PASTURE DAYS	3.27	\$46.67	0.75	\$27.70	0.98	\$21.85	1.32	\$30.44
MILK LBS	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
BREEDING		\$0.62		\$2.74		\$1.45		\$2.03
VET. AND MEDICINE		\$10.31		\$6.24		\$3.31		\$6.48
SUPPLIES		\$7.56		\$6.21		\$1.09		\$5.42
MARKETING		\$0.00		\$0.40		\$0.00		\$0.23
FUEL AND OIL		\$22.66		\$7.51		\$6.89		\$10.54
REPAIRS		\$42.34		\$11.33		\$5.54		\$16.58
SPEC. HIRED LABOR		\$0.00		\$0.24		\$0.00		\$0.14
MACHINERY HIRE		\$5.96		\$0.96		\$0.78		\$1.96
UTILITIES		\$0.00		\$0.00		\$0.00		\$0.00
LEASE PAYMENTS		\$0.00		\$0.00		\$0.00		\$0.00
BEDDING		\$1.69		\$4.87		\$4.55		\$4.14
OPERATING INTEREST		\$0.00		\$0.00		\$0.00		\$0.00
OTHER EXPENSES		\$0.00		\$0.00		\$0.00		\$0.00
TOTAL DIRECT COSTS		\$367.95		\$249.02		\$172.92		\$257.94
RETURN TO OVERHEAD		-\$227.04		-\$52.92		\$157.19		-\$45.42
ALLOCATED OVERHEADS								
OVERHEAD UTILITIES		\$12.33		\$7.92		\$4.83		\$8.19
PROPERTY TAXES		\$4.99		\$3.42		\$2.03		\$3.46
FARM INSURANCE		\$5.43		\$2.58		\$2.06		\$3.07
OVERHEAD HIRED LABOR		\$42.99		\$9.42		\$11.92		\$16.93
LEASE PAYMENTS		\$0.00		\$0.00		\$0.00		\$0.00
INTEREST		\$35.74		\$27.24		\$21.93		\$27.90
DEPRECIATION		\$68.65		\$30.98		\$31.26		\$38.89
TOTAL OVERHEAD COSTS		\$170.14		\$81.55		\$74.05		\$98.44
TOTAL LISTED COSTS		\$538.09		\$330.57		\$246.96		\$356.39
NET RETURN		-\$397.18		-\$134.48		\$83.15		-\$143.87
NET CASH FLOW GENERATED FOR PRINCIPAL PAYMENTS, INCOME TAXES, AND FAMILY LIVING EXPENSES		-\$340.68		-\$103.91		\$113.10		-\$108.03
OTHER INFORMATION								
AVERAGE NUMBER OF COWS	26.20		61.00		49.60		51.38	
CALVING PERCENTAGE	95.80		100.14		89.00		96.92	
WEANING PERCENTAGE	74.80		83.57		87.40		82.54	
CULLING RATE	23.80		11.00		12.00		13.88	

TABLE 9-5

***** LIVESTOCK ENTERPRISE ANALYSIS *****
 SOUTHWEST FARM BUSINESS MANAGEMENT ASSOCIATION
 FARMS SORTED ACCORDING TO RETURN TO OVERHEAD PER CWT. PRODUCED

BEEF FINISHING - PER CWT PRODUCED

NUMBER OF FARMS	LOW 20%		MIDDLE 60%		HIGH 20%		TOTAL	
	QUANTITY 13	VALUE	QUANTITY 40	VALUE	QUANTITY 13	VALUE	QUANTITY 66	VALUE
SALES	229.56	\$130.86	223.07	\$134.25	230.42	\$142.22	225.80	\$135.15
BUTCHERED	3.21	\$1.83	6.33	\$3.60	1.06	\$0.62	4.68	\$2.67
PURCHASED	34.82	\$22.19	115.94	\$66.31	107.99	\$66.66	98.40	\$57.69
TRANSFERRED IN	54.64	\$32.97	13.09	\$7.84	25.68	\$14.67	23.75	\$14.14
NET SALES	143.32	\$77.52	100.37	\$63.70	97.81	\$61.50	108.33	\$65.99
CHANGE IN INVENTORY	-43.32	-\$30.72	-0.37	-\$1.67	2.19	\$4.97	-8.33	-\$6.09
NET PRODUCTION	100.00	\$46.80	100.00	\$62.02	100.00	\$66.47	100.00	\$59.90
OTHER INCOME		\$0.00		\$0.00		\$1.90		\$0.37
TOTAL RETURN		\$46.80		\$62.02		\$68.37		\$60.27
DIRECT COSTS								
CORN BU	11.43	\$31.43	9.74	\$27.20	7.27	\$20.08	9.59	\$26.63
OATS BU	0.06	\$0.09	0.33	\$0.50	0.00	\$0.00	0.21	\$0.32
BARLEY BU	0.00	\$0.00	0.00	\$0.00	0.03	\$0.09	0.01	\$0.02
WHEAT BU	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
OTHER GRAIN LB	0.36	\$0.07	3.20	\$0.09	0.00	\$0.00	2.01	\$0.07
PROTEIN, MINERALS, ETC CWT	1.91	\$6.85	0.51	\$6.84	0.39	\$4.74	0.76	\$6.43
COMPLETE RATION TON	0.00	\$0.00	0.02	\$1.39	0.01	\$0.22	0.01	\$0.88
LEGUME HAY TON	0.17	\$11.57	0.06	\$4.04	0.02	\$1.48	0.07	\$5.02
OTHER DRY HAY TON	0.00	\$0.17	0.00	\$0.24	0.00	\$0.20	0.00	\$0.22
HAYLAGE TON	0.00	\$0.00	0.02	\$1.02	0.01	\$0.28	0.02	\$0.67
CORN SILAGE TON	0.49	\$9.70	0.34	\$7.23	0.41	\$8.55	0.38	\$7.97
GRASS SILAGE TON	0.01	\$0.13	0.01	\$0.08	0.01	\$0.11	0.01	\$0.09
FODDER AND STOVER TON	0.00	\$0.06	0.00	\$0.04	0.00	\$0.03	0.00	\$0.05
PASTURE DAYS	0.01	\$0.05	0.02	\$0.15	0.00	\$0.00	0.01	\$0.10
MILK LBS	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
BREEDING		\$0.00		\$0.00		\$0.00		\$0.00
VET. AND MEDICINE		\$0.54		\$1.13		\$0.62		\$0.91
SUPPLIES		\$0.31		\$0.37		\$0.17		\$0.32
MARKETING		\$0.02		\$0.15		\$0.00		\$0.09
FUEL AND OIL		\$1.56		\$0.96		\$1.24		\$1.13
REPAIRS		\$2.14		\$1.42		\$1.91		\$1.66
SPEC. HIRED LABOR		\$0.06		\$0.01		\$0.00		\$0.02
MACHINERY HIRE		\$0.95		\$1.39		\$0.48		\$1.12
UTILITIES		\$0.00		\$0.04		\$0.00		\$0.02
LEASE PAYMENTS		\$0.00		\$0.00		\$0.00		\$0.00
BEDDING		\$0.15		\$0.35		\$0.25		\$0.29
OPERATING INTEREST		\$0.00		\$0.23		\$0.18		\$0.17
OTHER EXPENSES		\$0.00		\$0.00		\$0.00		\$0.00
TOTAL DIRECT COSTS		\$65.84		\$54.86		\$40.62		\$54.22
RETURN TO OVERHEAD		-\$19.04		\$7.16		\$27.75		\$6.05
ALLOCATED OVERHEADS								
OVERHEAD UTILITIES		\$1.15		\$1.02		\$1.43		\$1.13
PROPERTY TAXES		\$0.33		\$0.39		\$0.28		\$0.36
FARM INSURANCE		\$0.47		\$0.48		\$0.55		\$0.49
OVERHEAD HIRED LABOR		\$1.40		\$1.25		\$1.51		\$1.33
LEASE PAYMENTS		\$0.00		\$0.02		\$0.00		\$0.01
INTEREST		\$12.00		\$5.72		\$7.03		\$7.22
DEPRECIATION		\$4.84		\$5.72		\$5.93		\$5.59
TOTAL OVERHEAD COSTS		\$20.18		\$14.61		\$16.73		\$16.13
TOTAL LISTED COSTS		\$86.02		\$69.47		\$57.36		\$70.34
NET RETURN		-\$39.22		-\$7.45		\$11.01		-\$10.07
NET CASH FLOW GENERATED FOR PRINCIPAL PAYMENTS, INCOME TAXES, AND FAMILY LIVING EXPENSES		-\$36.21		-\$5.33		\$15.69		-\$7.27
OTHER INFORMATION								
NUMBER PURCHASED	40.46		328.45		262.38		258.71	
NUMBER SOLD	127.23		341.63		282.23		287.70	
PERCENTAGE DEATH LOSS	2.74		1.01		2.15		1.57	
EFFECTIVE DAILY GAIN	1.45		1.97		1.88		1.85	
LBS. GRAIN PER LB. OF GAIN	6.42		5.59		4.09		5.46	
LBS. SUPPLEMENT PER LB. OF GAIN	1.91		0.51		0.39		0.76	
LBS. FEED PER LB. OF GAIN	21.74		15.27		13.63		16.22	
AVG. WT. PER HEAD PURCHASED	586.29		634.03		579.50		615.71	
AVG. WT. PER HEAD SOLD	1,014.31		1,079.10		968.23		1,044.50	
AVG. PRICE PAID PER CWT	\$62.69		\$58.50		\$65.49		\$60.57	
AVG. PRICE RECEIVED PER CWT.	\$55.57		\$59.94		\$57.09		\$58.52	

TABLE 9-6
 ***** LIVESTOCK ENTERPRISE ANALYSIS *****
 SOUTHWEST FARM BUSINESS MANAGEMENT ASSOCIATION
 FARMS SORTED ACCORDING TO RETURN TO OVERHEAD PER CWT. PRODUCED

FARROW TO FINISH HOGS - PER LITTER

NUMBER OF FARMS	LOW 20%		MIDDLE 60%		HIGH 20%		TOTAL	
	QUANTITY ¹⁰	VALUE	QUANTITY ³²	VALUE	QUANTITY ¹⁰	VALUE	QUANTITY ⁵²	VALUE
MARKET HOG SALES	1498.15	\$667.30	1573.18	\$738.97	1498.98	\$736.52	1544.48	\$724.72
BUTCHERED	7.08	\$3.08	4.36	\$1.93	3.66	\$1.78	4.75	\$2.12
CULL SALES	341.92	\$138.23	308.24	\$96.73	199.76	\$78.98	293.86	\$101.30
CHANGE IN INVENTORY	-202.86	-\$200.29	-63.44	-\$79.77	102.71	-\$3.25	-58.30	-\$88.23
GROSS PRODUCTION	1644.29	\$608.32	1822.34	\$758.65	1805.11	\$814.03	1784.78	\$740.39
OTHER INCOME		\$0.00		\$2.38		\$0.00		\$1.46
TOTAL RETURN		\$608.32		\$761.03		\$814.03		\$741.85
DIRECT COSTS								
CORN BU	87.24	\$257.82	89.11	\$245.67	96.29	\$264.37	90.13	\$251.61
OATS BU	6.64	\$9.93	4.94	\$7.60	2.10	\$3.04	4.72	\$7.17
BARLEY BU	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
WHEAT BU	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
OTHER GRAIN LB	0.00	\$0.00	17.54	\$2.83	0.00	\$0.00	10.79	\$1.74
PROTEIN, MINERALS, ETC CWT	13.95	\$204.09	12.75	\$209.36	12.81	\$202.91	12.99	\$207.10
COMPLETE RATION TON	0.69	\$85.30	0.78	\$90.38	0.02	\$9.17	0.62	\$73.78
LEGUME HAY TON	0.00	\$0.00	0.00	\$0.21	0.00	\$0.00	0.00	\$0.13
OTHER DRY HAY TON	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
HAYLAGE TON	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
CORN SILAGE TON	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
GRASS SILAGE TON	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
FODDER AND STOVER TON	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
PASTURE DAYS	0.00	\$0.00	0.38	\$0.59	0.84	\$0.84	0.39	\$0.53
MILK LB	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
BREEDING		\$0.00		\$0.00		\$0.00		\$0.00
VET. AND MEDICINE		\$18.05		\$19.13		\$13.27		\$17.79
SUPPLIES		\$17.92		\$16.53		\$9.69		\$15.48
MARKETING		\$0.00		\$0.57		\$0.53		\$0.45
FUEL AND OIL		\$13.60		\$11.72		\$12.02		\$12.14
REPAIRS		\$22.23		\$25.10		\$16.43		\$22.88
SPEC. HIRED LABOR		\$1.84		\$4.26		\$0.00		\$2.98
MACHINERY HIRE		\$5.15		\$6.58		\$6.17		\$6.23
UTILITIES		\$0.00		\$0.27		\$1.23		\$0.40
LEASE PAYMENTS		\$0.00		\$0.00		\$0.00		\$0.00
BEDDING		\$7.71		\$7.76		\$2.73		\$6.78
OPERATING INTEREST		\$0.00		\$1.69		\$0.00		\$1.04
OTHER EXPENSES		\$0.00		\$0.00		\$0.00		\$0.00
TOTAL DIRECT COSTS		\$643.64		\$650.25		\$542.42		\$628.24
RETURN TO OVERHEAD		-\$35.32		\$110.78		\$271.61		\$113.61
ALLOCATED OVERHEADS								
OVERHEAD UTILITIES		\$23.48		\$16.41		\$17.63		\$18.00
PROPERTY TAXES		\$1.90		\$2.36		\$5.24		\$2.83
FARM INSURANCE		\$6.94		\$3.76		\$10.05		\$5.58
OVERHEAD HIRED LABOR		\$25.93		\$27.48		\$19.24		\$25.60
LEASE PAYMENTS		\$8.10		\$0.25		\$12.32		\$4.08
INTEREST		\$62.55		\$35.83		\$38.98		\$41.58
DEPRECIATION		\$50.02		\$66.62		\$95.63		\$74.78
TOTAL OVERHEAD COSTS		\$208.92		\$152.71		\$199.09		\$172.44
TOTAL LISTED COSTS		\$852.56		\$802.96		\$741.51		\$800.68
NET RETURN		-\$244.24		-\$41.93		\$72.52		-\$58.83
NET CASH FLOW GENERATED FOR PRINCIPAL PAYMENTS, INCOME TAXES, AND FAMILY LIVING EXPENSES		-\$167.30		\$22.76		\$166.37		\$13.83
OTHER INFORMATION								
NUMBER OF LITTERS FARROWED	84.80		129.44		204.60		135.31	
NUMBER OF LITTERS PER SOW	1.59		1.56		1.45		1.55	
NUMBER OF LITTERS PER CRATE	4.47		5.09		5.72		5.09	
PIGS BORN PER LITTER	8.49		8.78		9.11		8.79	
PIGS WEANED PER LITTER	6.90		7.55		7.86		7.48	
LBS. GRAIN PER LB. OF GAIN	3.22		2.96		3.05		3.03	
LBS. SUPPLEMENT PER LB. OF GAIN	0.84		0.73		0.73		0.75	
LBS. FEED PER LB. OF GAIN	5.06		4.65		3.81		4.57	
AVG. WT. / MARKET HOG SOLD (LBS.)	226.20		229.44		218.00		226.62	
AVG. PRICE/CWT. / MARKET HOG SOLD	\$42.70		\$46.82		\$49.22		\$46.49	

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TABLE 9-7

***** LIVESTOCK ENTERPRISE ANALYSIS *****
 SOUTHWEST FARM BUSINESS MANAGEMENT ASSOCIATION
 FARMS SORTED ACCORDING TO RETURN TO OVERHEAD PER CWT. PRODUCED

FARROW TO FINISH HOGS - PER CWT PRODUCED

NUMBER OF FARMS	LOW 20%		MIDDLE 60%		HIGH 20%		TOTAL	
	QUANTITY 10	VALUE	QUANTITY 32	VALUE	QUANTITY 10	VALUE	QUANTITY 52	VALUE
MARKET HOG SALES	88.61	\$37.99	87.09	\$40.86	82.67	\$40.84	86.54	\$40.30
BUTCHERED	0.41	\$0.18	0.24	\$0.11	0.20	\$0.10	0.27	\$0.12
CULL SALES	21.04	\$8.27	15.30	\$5.31	10.95	\$4.32	15.57	\$5.69
CHANGE IN INVENTORY	-10.06	-\$10.91	-2.63	-\$3.60	6.18	\$0.23	-2.37	-\$4.27
GROSS PRODUCTION	100.00	\$35.53	100.00	\$42.75	100.00	\$45.48	100.00	\$41.89
OTHER INCOME		\$0.00		\$0.14		\$0.00		\$0.09
TOTAL RETURN		\$35.53		\$42.89		\$45.48		\$41.97
DIRECT COSTS								
CORN BU	5.50	\$16.49	5.13	\$14.15	5.37	\$14.75	5.25	\$14.72
OATS BU	0.44	\$0.65	0.24	\$0.37	0.13	\$0.19	0.26	\$0.39
BARLEY BU	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
WHEAT BU	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
OTHER GRAIN LB	0.00	\$0.00	0.89	\$0.16	0.00	\$0.00	0.55	\$0.10
PROTEIN, MINERALS, ETC CWT	0.84	\$12.54	0.73	\$11.94	0.73	\$11.31	0.75	\$11.93
COMPLETE RATION TON	0.05	\$4.94	0.05	\$4.80	0.00	\$0.74	0.04	\$4.05
LEGUME HAY TON	0.00	\$0.00	0.00	\$0.01	0.00	\$0.00	0.00	\$0.01
OTHER DRY HAY TON	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
HAYLAGE TON	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
CORN SILAGE TON	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
GRASS SILAGE TON	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
FODDER AND STOVER TON	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
PASTURE DAYS	0.00	\$0.00	0.03	\$0.04	0.05	\$0.05	0.03	\$0.03
MILK LB	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
BREEDING		\$0.00		\$0.00		\$0.00		\$0.00
VET. AND MEDICINE		\$0.96		\$1.09		\$0.77		\$1.01
SUPPLIES		\$0.94		\$0.93		\$0.51		\$0.85
MARKETING		\$0.00		\$0.04		\$0.03		\$0.03
FUEL AND OIL		\$0.80		\$0.73		\$0.70		\$0.74
REPAIRS		\$1.37		\$1.51		\$0.89		\$1.37
SPEC. HIRED LABOR		\$0.10		\$0.23		\$0.00		\$0.16
MACHINERY HIRE		\$0.32		\$0.35		\$0.37		\$0.35
UTILITIES		\$0.00		\$0.01		\$0.10		\$0.02
LEASE PAYMENTS		\$0.00		\$0.00		\$0.00		\$0.00
BEDDING		\$0.43		\$0.43		\$0.13		\$0.37
OPERATING INTEREST		\$0.00		\$0.04		\$0.00		\$0.02
OTHER EXPENSES		\$0.00		\$0.00		\$0.00		\$0.00
TOTAL DIRECT COSTS		\$39.54		\$36.84		\$30.54		\$36.15
RETURN TO OVERHEAD		-\$4.01		\$6.04		\$14.94		\$5.82
ALLOCATED OVERHEADS								
OVERHEAD UTILITIES		\$1.40		\$1.04		\$0.98		\$1.10
PROPERTY TAXES		\$0.11		\$0.14		\$0.27		\$0.16
FARM INSURANCE		\$0.47		\$0.23		\$0.58		\$0.35
OVERHEAD HIRED LABOR		\$1.35		\$1.72		\$1.23		\$1.55
LEASE PAYMENTS		\$0.38		\$0.01		\$0.77		\$0.23
INTEREST		\$4.31		\$2.43		\$2.72		\$2.84
DEPRECIATION		\$5.21		\$3.91		\$5.11		\$4.39
TOTAL OVERHEAD COSTS		\$13.24		\$9.48		\$11.66		\$10.62
TOTAL LISTED COSTS		\$52.79		\$46.32		\$42.21		\$46.77
NET RETURN		-\$17.26		-\$3.43		\$3.27		-\$4.80
NET CASH FLOW GENERATED FOR PRINCIPAL PAYMENTS, INCOME TAXES, AND FAMILY LIVING EXPENSES		-\$12.22		\$0.37		\$8.29		-\$0.53
OTHER INFORMATION								
NUMBER OF LITTERS FARROWED	84.80		129.44		204.60		135.31	
NUMBER OF LITTERS PER SOW	1.59		1.56		1.45		1.55	
NUMBER OF LITTERS PER CRATE	4.47		5.09		5.72		5.09	
PIGS BORN PER LITTER	8.49		8.78		9.11		8.79	
PIGS WEANED PER LITTER	6.90		7.55		7.86		7.48	
LBS. GRAIN PER LB. OF GAIN	3.22		2.96		3.05		3.03	
LBS. SUPPLEMENT PER LB. OF GAIN	0.84		0.73		0.73		0.75	
LBS. FEED PER LB. OF GAIN	5.06		4.65		3.81		4.57	
AVG. WT. / MARKET HOG SOLD (LBS.)	226.20		229.44		218.00		226.62	
AVG. PRICE/CWT. / MARKET HOG SOLD	\$42.70		\$46.82		\$49.22		\$46.49	

TABLE 9-8

***** LIVESTOCK ENTERPRISE ANALYSIS *****
 SOUTHWEST FARM BUSINESS MANAGEMENT ASSOCIATION, 1983
 FARMS SORTED ACCORDING TO RETURN TO OVERHEAD PER UNIT PRODUCED

HOG FINISHING - PER CWT PRODUCED

NUMBER OF FARMS	LOW 20%		MIDDLE 60%		HIGH 20%		TOTAL	
	QUANTITY	VALUE	QUANTITY	VALUE	QUANTITY	VALUE	QUANTITY	VALUE
	6		19		6		31	
SALES	137.64	\$66.05	132.21	\$61.42	163.44	\$80.24	139.31	\$65.96
BUTCHERED	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
PURCHASED	20.61	\$19.66	24.70	\$21.53	19.43	\$12.74	22.89	\$19.47
TRANSFERRED IN	0.00	\$0.00	1.26	\$0.84	3.29	\$2.67	1.41	\$1.03
NET SALES	117.24	\$46.48	106.69	\$39.24	140.87	\$64.89	115.35	\$45.61
CHANGE IN INVENTORY	-17.24	-\$16.98	-6.69	-\$5.61	-40.87	-\$25.19	-15.35	-\$11.60
NET PRODUCTION	100.00	\$29.50	100.00	\$33.63	100.00	\$39.70	100.00	\$34.01
OTHER INCOME		\$0.00		\$0.00		\$0.00		\$0.00
TOTAL RETURN		\$29.50		\$33.63		\$39.70		\$34.01
DIRECT COSTS								
CORN BU	6.48	\$18.25	4.82	\$13.20	4.46	\$10.53	5.07	\$13.66
OATS BU	0.10	\$0.14	0.07	\$0.10	0.00	\$0.00	0.06	\$0.09
BARLEY BU	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
WHEAT BU	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
OTHER GRAIN LB	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
PROTEIN, MINERALS, ETC CWT	0.77	\$15.48	0.84	\$11.07	0.71	\$9.33	0.80	\$11.58
COMPLETE RATION TON	0.00	\$0.03	0.01	\$2.20	0.00	\$0.00	0.01	\$1.35
LEGUME HAY TON	0.00	\$0.00	0.00	\$0.01	0.00	\$0.00	0.00	\$0.00
OTHER DRY HAY TON	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
HAYLAGE TON	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
CORN SILAGE TON	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
GRASS SILAGE TON	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
FODDER AND STOVER TON	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
PASTURE DAYS	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
MILK LBS	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
BREEDING		\$0.00		\$0.00		\$0.00		\$0.00
VET. AND MEDICINE		\$0.14		\$0.77		\$0.23		\$0.54
SUPPLIES		\$0.10		\$0.24		\$0.20		\$0.21
MARKETING		\$0.21		\$0.04		\$0.00		\$0.07
FUEL AND OIL		\$0.94		\$0.84		\$0.59		\$0.81
REPAIRS		\$0.98		\$0.84		\$0.78		\$0.86
SPEC. HIRED LABOR		\$0.04		\$0.09		\$0.00		\$0.06
MACHINERY HIRE		\$0.42		\$0.45		\$0.58		\$0.47
UTILITIES		\$0.00		\$0.03		\$0.00		\$0.02
LEASE PAYMENTS		\$0.00		\$0.00		\$0.00		\$0.00
BEDDING		\$0.30		\$0.19		\$0.00		\$0.17
OPERATING INTEREST		\$0.00		\$0.00		\$0.00		\$0.00
OTHER EXPENSES		\$0.00		\$0.01		\$0.00		\$0.00
TOTAL DIRECT COSTS		\$37.04		\$30.08		\$22.26		\$29.91
RETURN TO OVERHEAD		-\$7.54		\$3.55		\$17.45		\$4.10
ALLOCATED OVERHEADS								
OVERHEAD UTILITIES		\$0.70		\$0.82		\$0.91		\$0.81
PROPERTY TAXES		\$0.29		\$0.10		\$0.08		\$0.14
FARM INSURANCE		\$0.17		\$0.33		\$0.28		\$0.29
OVERHEAD HIRED LABOR		\$0.20		\$0.59		\$1.09		\$0.61
LEASE PAYMENTS		\$0.00		\$0.00		\$0.00		\$0.00
INTEREST		\$2.20		\$4.89		\$5.83		\$4.55
DEPRECIATION		\$1.71		\$3.65		\$2.08		\$2.97
TOTAL OVERHEAD COSTS		\$5.27		\$10.38		\$10.28		\$9.37
TOTAL LISTED COSTS		\$42.31		\$40.46		\$32.53		\$39.28
NET RETURN		-\$12.81		-\$6.83		\$7.17		-\$5.28
NET CASH FLOW GENERATED FOR PRINCIPAL PAYMENTS, INCOME TAXES, AND FAMILY LIVING EXPENSES		-\$11.19		-\$3.37		\$9.18		-\$2.46
OTHER INFORMATION								
NUMBER PURCHASED	886.83		661.47		737.17		719.74	
NUMBER SOLD	866.50		679.53		824.67		743.81	
PERCENTAGE DEATH LOSS	1.75		3.06		2.50		2.70	
EFFECTIVE DAILY GAIN	1.22		1.50		1.59		1.46	
LBS. GRAIN PER LB. OF GAIN	3.57		2.68		2.49		2.82	
LBS. SUPPLEMENT PER LB. OF GAIN	0.76		0.83		0.71		0.79	
LBS. FEED PER LB. OF GAIN	4.34		3.69		3.20		3.72	
AVG. WT. PER HEAD SOLD	229.00		233.11		242.33		234.10	
AVG. PRICE PAID PER HEAD	\$37.38		\$42.01		\$25.58		\$37.93	
AVG. PRICE RECEIVED PER CWT.	\$48.20		\$46.44		\$48.47		\$47.17	

TABLE 9-9

***** LIVESTOCK ENTERPRISE ANALYSIS *****
 SOUTHWEST FARM BUSINESS MANAGEMENT ASSOCIATION
 FARMS SORTED ACCORDING TO RETURN TO OVERHEAD PER UNIT PRODUCED

FEEDER PIG PRODUCTION - PER LITTER

NUMBER OF FARMS	TOTAL	
	QUANTITY	VALUE
FEEDER PIG SALES	6.73	\$270.02
BUTCHERED	0.00	\$0.08
CULL SALES	0.44	\$74.54
CHANGE IN INVENTORY	-0.17	-\$72.12
GROSS PRODUCTION		\$274.52
OTHER INCOME		\$0.00
TOTAL RETURN		\$274.52
DIRECT COSTS		
CORN BU	21.34	\$58.84
OATS BU	1.92	\$2.91
BARLEY BU	0.00	\$0.00
WHEAT BU	0.00	\$0.00
OTHER GRAIN LB	0.00	\$0.00
PROTEIN, MINERALS, ETC CWT	5.28	\$82.44
COMPLETE RATION TON	0.29	\$50.18
LEGUME HAY TON	0.00	\$0.00
OTHER DRY HAY TON	0.00	\$0.00
HAYLAGE TON	0.00	\$0.00
CORN SILAGE TON	0.00	\$0.00
GRASS SILAGE TON	0.00	\$0.00
FODDER AND STOVER TON	0.00	\$0.00
PASTURE DAYS	0.00	\$0.00
MILK LB	0.00	\$0.00
BREEDING		\$0.00
VET. AND MEDICINE		\$15.28
SUPPLIES		\$9.45
MARKETING		\$0.00
FUEL AND OIL		\$10.32
REPAIRS		\$11.88
SPEC. HIRED LABOR		\$0.88
MACHINERY HIRE		\$1.18
UTILITIES		\$0.00
LEASE PAYMENTS		\$7.08
BEDDING		\$7.10
OPERATING INTEREST		\$0.00
OTHER EXPENSES		\$0.00
TOTAL DIRECT COSTS		\$257.54
RETURN TO OVERHEAD		\$16.98
ALLOCATED OVERHEADS		
OVERHEAD UTILITIES		\$12.75
PROPERTY TAXES		\$2.04
FARM INSURANCE		\$2.30
OVERHEAD HIRED LABOR		\$21.09
LEASE PAYMENTS		\$0.92
INTEREST		\$66.60
DEPRECIATION		\$41.98
TOTAL OVERHEAD COSTS		\$147.67
TOTAL LISTED COSTS		-\$405.22
NET RETURN		-\$130.69
NET CASH FLOW GENERATED FOR PRINCIPAL PAYMENTS, INCOME TAXES, AND FAMILY LIVING EXPENSES		-\$90.79
OTHER INFORMATION		
NUMBER OF LITTERS FARROWED	77.67	
NUMBER OF LITTERS PER SOW	1.69	
NUMBER OF LITTERS PER CRATE	5.07	
PIGS BORN PER LITTER	8.76	
PIGS WEANED PER LITTER	7.17	
AVG. PRICE PER PIG SOLD	\$39.35	

TABLE 9-10

***** LIVESTOCK ENTERPRISE ANALYSIS *****
 SOUTHWEST FARM BUSINESS MANAGEMENT ASSOCIATION
 FARMS SORTED ACCORDING TO RETURN TO OVERHEAD PER UNIT PRODUCED

MIXED HOGS - PER CWT PRODUCED

NUMBER OF FARMS	TOTAL	
	QUANTITY	VALUE
	15	
MARKET HOG /FEEDER PIG SALES	97.08	\$49.06
BUTCHERED	0.38	\$0.15
CULL SALES	9.45	\$3.56
CHANGE IN INVENTORY	-6.90	-\$10.19
GROSS PRODUCTION	100.00	\$42.59
OTHER INCOME		\$0.00
TOTAL RETURN		\$42.59
DIRECT COSTS		
CORN BU	5.53	\$15.08
OATS BU	0.24	\$0.35
BARLEY BU	0.00	\$0.00
WHEAT BU	0.00	\$0.00
OTHER GRAIN LB	0.00	\$0.00
PROTEIN, MINERALS, ETC CWT	0.80	\$13.33
COMPLETE RATION TON	0.02	\$3.02
LEGUME HAY TON	0.00	\$0.02
OTHER DRY HAY TON	0.00	\$0.00
HAYLAGE TON	0.00	\$0.00
CORN SILAGE TON	0.00	\$0.00
GRASS SILAGE TON	0.00	\$0.00
FODDER AND STOVER TON	0.00	\$0.02
PASTURE DAYS	0.00	\$0.00
MILK LBS	0.00	\$0.00
BREEDING		\$0.00
VET. AND MEDICINE		\$1.33
SUPPLIES		\$1.29
MARKETING		\$0.05
FUEL AND OIL		\$1.15
REPAIRS		\$1.25
SPEC. HIRED LABOR		\$0.00
MACHINERY HIRE		\$0.27
UTILITIES		\$0.01
LEASE PAYMENTS		\$0.00
BEDDING		\$0.47
OPERATING INTEREST		\$0.00
OTHER EXPENSES		\$0.00
TOTAL DIRECT COSTS		\$37.64
RETURN TO OVERHEAD		\$4.95
ALLOCATED OVERHEADS		
OVERHEAD UTILITIES		\$1.15
PROPERTY TAXES		\$0.10
FARM INSURANCE		\$0.30
OVERHEAD HIRED LABOR		\$1.22
LEASE PAYMENTS		\$0.01
INTEREST		\$4.91
DEPRECIATION		\$4.08
TOTAL OVERHEAD COSTS		\$11.77
TOTAL LISTED COSTS		\$49.41
NET RETURN		-\$6.82
NET CASH FLOW GENERATED FOR PRINCIPAL PAYMENTS, INCOME TAXES, AND FAMILY LIVING EXPENSES		
		-\$2.89
OTHER INFORMATION		
NUMBER OF LITTERS FARROWED	109.93	
NUMBER OF LITTERS PER SOW	1.85	
NUMBER OF LITTERS PER CRATE	4.69	
PIGS BORN PER LITTER	9.58	
PIGS WEANED PER LITTER	7.77	
LBS. GRAIN PER LB. OF GAIN	3.17	
LBS. SUPPLEMENT PER LB. OF GAIN	0.80	
LBS. FEED PER LB. OF GAIN	4.37	
AVG. WT. PER HOG/PIG SOLD (LBS.)	175.33	

TABLE 9-11

***** LIVESTOCK ENTERPRISE ANALYSIS *****
 SOUTHWEST FARM BUSINESS MANAGEMENT ASSOCIATION
 FARMS SORTED ACCORDING TO RETURN TO OVERHEAD PER UNIT PRODUCED

MARKET LAMBS - PER EWE

NUMBER OF FARMS	TOTAL	
	QUANTITY	VALUE
	9	
LAMB SALES	114.84	\$60.64
BUTCHERED	0.52	\$0.29
CULL SALES	30.33	\$4.36
CHANGE IN INVENTORY	-15.27	-\$26.99
GROSS PRODUCTION	130.42	\$38.31
OTHER INCOME		\$6.39
TOTAL RETURN		\$44.70
DIRECT COSTS		
CORN BU	6.39	\$17.95
OATS BU	1.88	\$3.01
BARLEY BU	0.00	\$0.00
WHEAT BU	0.00	\$0.00
OTHER GRAIN LB	0.00	\$0.00
PROTEIN, MINERALS, ETC CWT	1.60	\$5.40
COMPLETE RATION TON	0.02	\$1.10
LEGUME HAY TON	0.49	\$32.76
OTHER DRY HAY TON	0.00	\$0.00
HAYLAGE TON	0.00	\$0.00
CORN SILAGE TON	0.11	\$2.23
GRASS SILAGE TON	0.00	\$0.00
FODDER AND STOVER TON	0.00	\$0.00
PASTURE DAYS	0.00	\$1.85
MILK LBS	0.00	\$0.00
BREEDING		\$0.00
VET. AND MEDICINE		\$1.85
SUPPLIES		\$4.15
MARKETING		\$0.71
FUEL AND OIL		\$3.11
REPAIRS		\$5.84
SPEC. HIRED LABOR		\$1.11
MACHINERY HIRE		\$1.39
UTILITIES		\$0.00
LEASE PAYMENTS		\$2.06
BEDDING		\$0.96
OPERATING INTEREST		\$0.00
OTHER EXPENSES		\$0.00
TOTAL DIRECT COSTS		\$85.48
RETURN TO OVERHEAD		-\$40.78
ALLOCATED OVERHEADS		
OVERHEAD UTILITIES		\$3.65
PROPERTY TAXES		\$0.81
FARM INSURANCE		\$1.11
OVERHEAD HIRED LABOR		\$6.05
LEASE PAYMENTS		\$0.00
INTEREST		\$10.10
DEPRECIATION		\$12.10
TOTAL OVERHEAD COSTS		\$33.82
TOTAL LISTED COSTS		\$119.31
NET RETURN		-\$74.61
NET CASH FLOW GENERATED FOR PRINCIPAL PAYMENTS, INCOME TAXES, AND FAMILY LIVING EXPENSES		-\$62.79
OTHER INFORMATION		
AVERAGE NUMBER OF EWES	55.00	
LAMBING PERCENTAGE	122.46	
WEANING PERCENTAGE	111.29	
CULLING RATE	19.22	
AVG. WT. PER LAMB SOLD	100.56	
AVG. PRICE / CWT. / LAMB SOLD	\$47.60	

TABLE 10
PRICES USED IN ANALYSIS
SOUTHWEST FARM BUSINESS MANAGEMENT ASSOCIATION

<u>Item</u>	<u>Beginning Inventory</u>	<u>Feed</u>	<u>Harvest</u>	<u>Ending Inventory</u>
corn/bu.	\$ 2.20	\$ 2.75	\$ 3.00	\$ 3.00
oats/bu.	1.35	1.45	1.60	1.60
wheat/bu.	3.60	3.50	3.75	3.50
soybeans	5.40	--	7.50	\$7.25-\$7.50
alfalfa hay/t.	50.00	70.00	65.00	70.00
all other hay/t.	40.00	55.00	50.00	50.00
corn silage/t.	18.00	21.00	23.00	23.00
oats silage/t.	15.00	15.00	17.00	17.00
oats straw/bale	1.50	1.25	1.25	1.25
green chop/t.	--	15.00	--	--
corn stalks/t.	--	12.00	--	--
pasture/head/mo.				
cows		8.00		
calves		4.00		
hogs		1.00		
sheep		1.25		
lambs		.70		
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>Conservative Land Value/Acre</u>
Cottonwood	\$1,500
Jackson	1,600
Faribault	1,700
Martin	1,600
Murray	1,100
Nobles	1,400
Pipestone	1,000
Redwood	1,400
Watsonwan	1,600

TABLE 11

PAST TRENDS IN FINANCIAL DATA

FINANCIAL DATA FOR THE SOUTHWEST MINNESOTA FARM MANAGEMENT ASSN.
TEN YEARS OF PROGRESS

YEAR	RETURN			GROSS INCOME	*ASSETS	DEBT	DEBT/ RETURN	INTEREST	
	INTEREST	TO LABOR/ MGT/EQUIT						DEBT/ ASSET	AS A % OF GROSS
1983	27,655	27,824	250,532	724,738	280,739	10.09	.39	.11	
1982	30,316	25,838	248,606	686,198	252,574	9.78	.37	.12	
1981	26,187	2,272	260,926	849,984	233,068	102.58	.27	.10	
1980	19,830	46,713	235,768	755,354	211,385	4.53	.28	.08	
1979	12,084	28,746	201,993	739,517	183,249	6.37	.25	.06	
1978	10,200	62,473	176,444	375,954	153,640	2.46	.41	.06	
1977	7,633	33,063	136,161	301,588	124,753	3.77	.41	.06	
1976	7,246	16,657	136,282	287,035	116,736	7.01	.41	.05	
1975	6,429	21,497	140,612	249,332	88,950	4.14	.36	.05	
1974	5,726	25,905	112,563	235,071	83,336	3.22	.35	.05	

FINANCIAL DATA FOR THE SOUTHWEST MINNESOTA FARM MANAGEMENT ASSN.
HIGH 20%

YEAR	RETURN			GROSS INCOME	*ASSETS	DEBT	DEBT/ RETURN	INTEREST	
	INTEREST	TO LABOR/ MGT/EQUIT						DEBT/ ASSET	AS A % OF GROSS
1983	28,023	85,760	347,196	1,136,351	316,223	3.69	.28	.08	
1982	40,757	90,234	388,192	876,754	368,934	4.09	.42	.10	
1981	22,549	50,071	289,521	669,809	262,118	5.23	.39	.08	
1980	18,651	95,393	270,903	711,108	203,284	2.13	.29	.07	
1979	9,162	67,380	253,804	454,759	154,498	2.29	.34	.04	
1978	15,633	138,867	340,116	532,405	208,728	1.50	.39	.05	
1977	9,160	77,551	196,085	419,898	139,772	1.80	.33	.05	

FINANCIAL DATA FOR THE SOUTHWEST MINNESOTA FARM MANAGEMENT ASSN.
LOW 20%

YEAR	RETURN			GROSS INCOME	*ASSETS	DEBT	DEBT/ RETURN	INTEREST	
	INTEREST	TO LABOR/ MGT/EQUIT						DEBT/ ASSET	AS A % OF GROSS
1983	45,090	-23,689	283,589	617,720	367,565	-15.52	.60	.16	
1982	30,527	-2,865	229,663	1,018,972	274,870	-95.94	.27	.13	
1981	43,286	-48,325	414,397	1,353,278	331,966	-6.87	.25	.10	
1980	23,289	17,573	289,314	1,108,450	282,501	16.08	.25	.08	
1979	19,432	6,585	266,242	1,292,372	303,367	46.07	.23	.07	
1978	6,900	14,686	90,361	235,980	106,430	7.25	.45	.08	
1977	10,049	902	139,943	277,566	149,630	165.89	.54	.07	

* AFTER 1978 LAND WAS VALUED AT A CONSERVATIVE MARKET VALUE
PRIOR TO THAT TIME IT WAS VALUED AT COST BASIS