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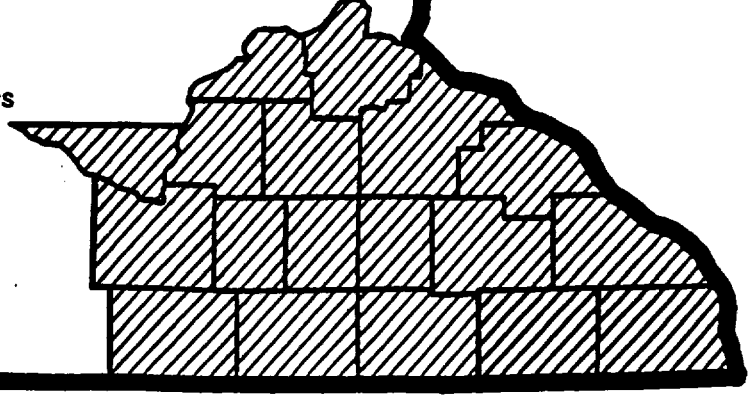
1995
Annual Report

Southeastern Minnesota Farm Business Management Association

COOPERATING AGENCIES:

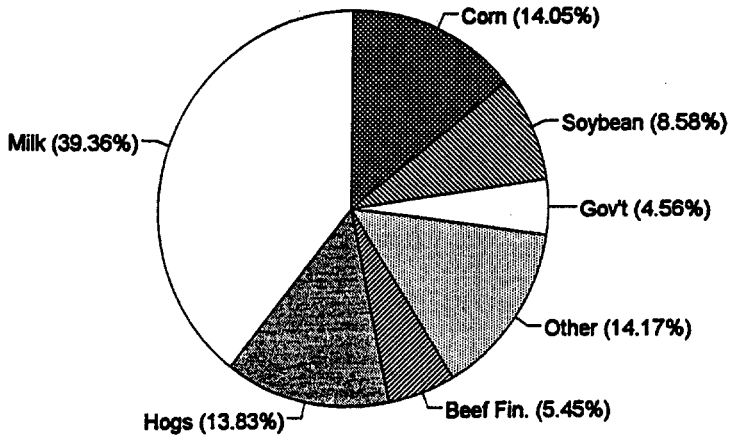
University of Minnesota, Institute of Agriculture, Forestry, and Home Economics
County Extension Services of the 18 Southeastern Counties
Southeastern Minnesota Farm Business Management Association



Staff Paper P96-5
Department of Applied Economics
University of Minnesota
St. Paul, MN 55108
March 1996

Figure 2. Farm Income Sources
Southeastern Minnesota Association

1994



1995

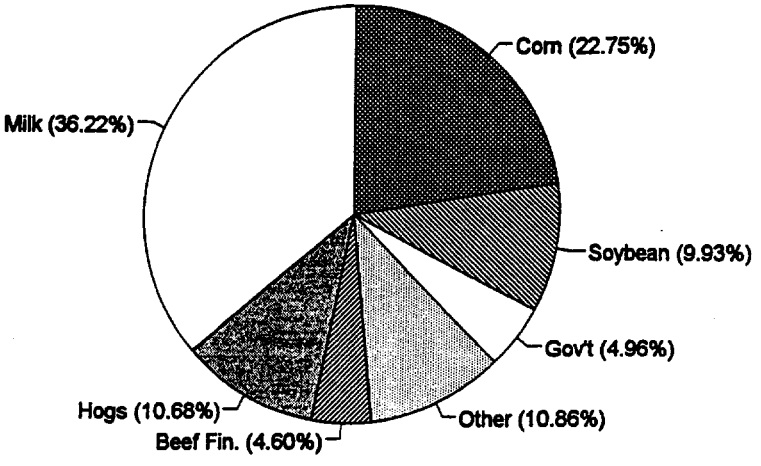
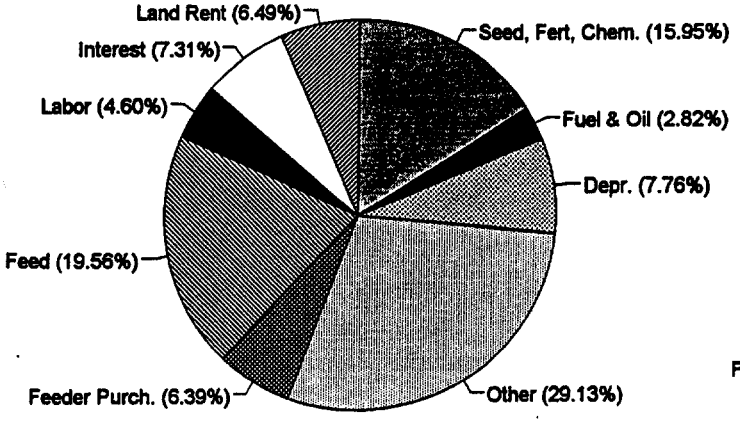


Figure 3. Farm Expense Sources
Southeastern Minnesota Association

1994



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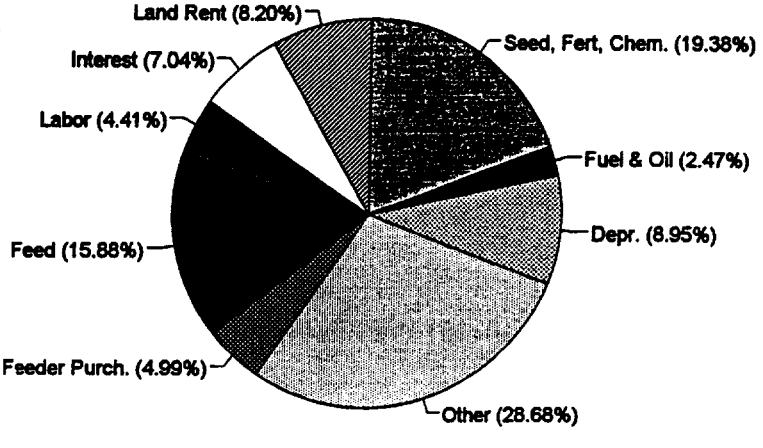

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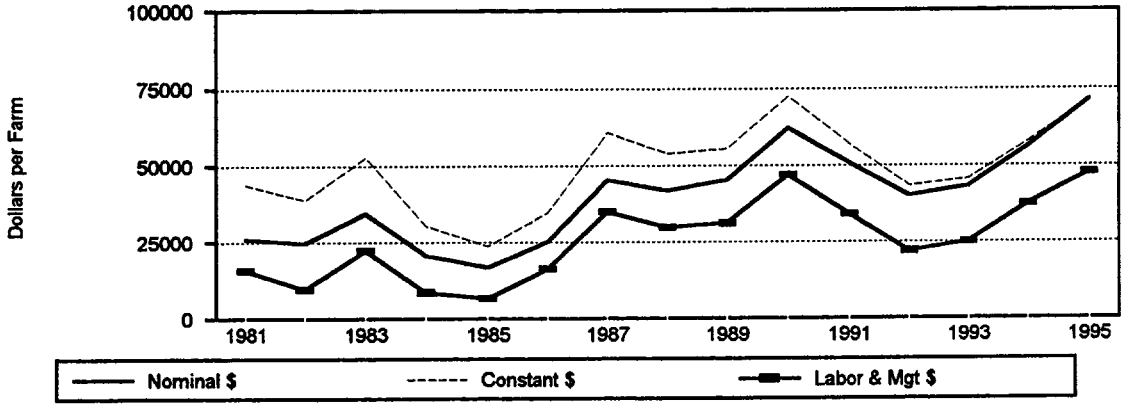
EXECUTIVE SUMMARY

1995 ANNUAL REPORT OF THE SOUTHEASTERN MINNESOTA FARM BUSINESS MANAGEMENT ASSOCIATION

by
Kent D. Olson, Lorin L. Westman, and Dale W. Nordquist

In the Southeastern Association the average net farm income in 1995 was $71,382 for the 62 farms included in this report (Table 1, page 10-11, and Figure 1). This was an increase of 27% from 1994 and is the highest average on record. Most of the increase is from a higher gross cash farm income and higher inventory levels. Since the Association has kept records, the reporting members have had a nominal profit higher than $70,000 in 1990 and 1995. Only in 1978, 1991, and 1994 was average nominal profit also greater than $50,000. When adjusted by the Consumer Price Index (to provide a constant dollar or buying power comparison), the average 1995 profit is exceeded only in 1990. (This accrual net farm income measure is calculated by subtracting cash farm expenses and depreciation from total cash farm income and adjusting the difference for changes in other capital and inventory items.) After subtracting an opportunity cost for equity capital, labor and management earnings follow a similar but lower pattern (Table 4, p. 14).

Figure 1. Average Net Farm Income



As in previous years, the actual profit levels experienced by individual farms vary greatly from the overall average. The high 20% of these farms had an average net farm income of $191,104 in 1995; the low 20%, $2,290. Both of these groups had increases from 1993.

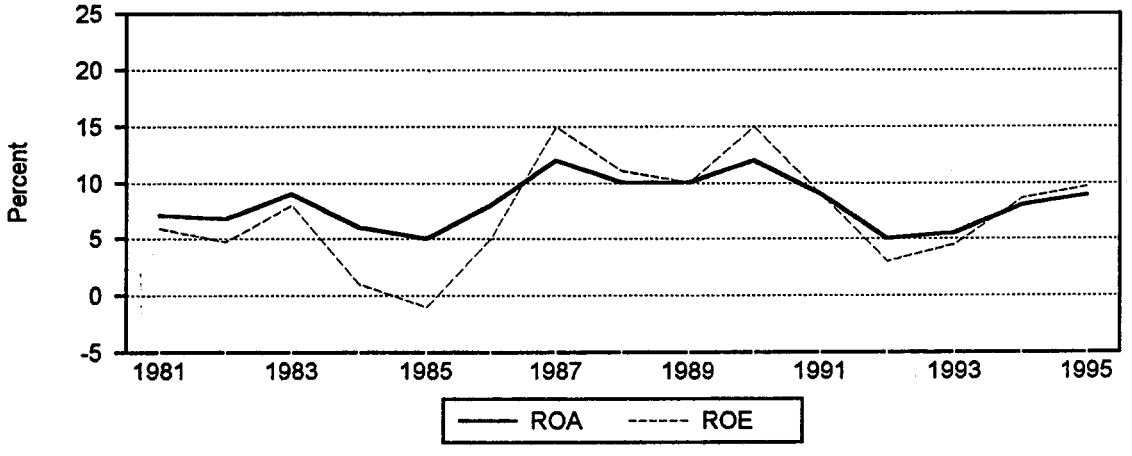
Average gross cash farm income in 1995 was $269,666 for all 62 farms. This was an 11% increase from 1994. Four sources of sales made up 80% of total income in 1995: milk, hogs, corn and soybeans (Figure 2). Compared to 1994, corn sales increased by $27,242 and soybean sales by $5,939. Milk sales were relatively stable.

Government payments (of all types) increased from an average of $11,067 in 1994 to $13,382 in 1995. As a percentage of total income, government payments were 5% in both years.

Average total cash expenses were $198,873 in 1995. This is an increase of 11% from the 1994 average. As a percentage of both cash expenses and depreciation in 1995, feed expenses were 16% which is lower than 1994 (Figure 3). Seed, fertilizer, and crop chemicals increased again from 16% to 19%. Interest expense was 7% of the total again.

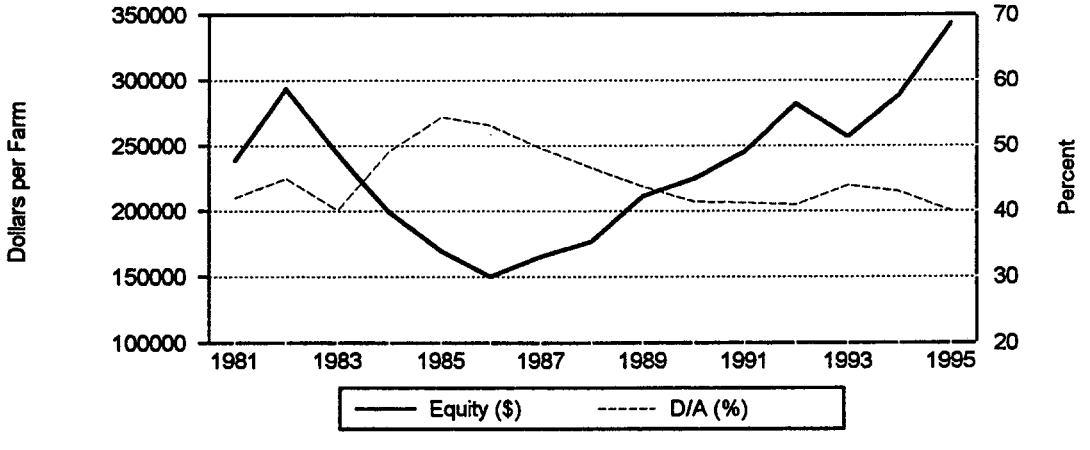
Both the rate of return on assets (ROA) and the rate of return to equity (ROE) increased from 1994 (Figure 4). ROA averaged 9% and ROE was 10% (Table 4, page 14). ROE was greater than ROA again in 1995 indicating that debt capital was more profitable than its cost.

Figure 4. Rates of Return on Assets (ROA) and Equity (ROE)



Two key measures of solvency improved. Average total equity (of the sole proprietors) was $343,526 at the end of 1995: an increase of $38,047 during the year (Table 5, page 15). (Assets were valued on a cost basis.) After a decline during 1993, average equity has improved steadily since 1986 (Figure 5). At the end of 1995, the average debt-asset ratio was down slightly from 1994.

Figure 5. Ending Equity and Ending Debt-Asset Ratio



The report provides additional information on profitability, liquidity, and solvency as well as other whole-farm information and detailed information on crop and livestock enterprises. Also reported are whole-farm financial condition and performance by county, sales size class, and type of farm and corn and soybean returns by county.

1995 ANNUAL REPORT OF THE SOUTHEASTERN MINNESOTA FARM BUSINESS MANAGEMENT ASSOCIATION

by
Kent D. Olson, Lorin L. Westman, and Dale W. Nordquist[1]

This report summarizes the individual farm records of the members of the Southeastern Minnesota Farm Business Management Association for 1994.

Whole-farm information and enterprise costs and returns are reported. The year-end analysis of the individual farms was performed by the fieldman using FINPACK 8.0 from the Center for Farm Financial Management within the Department of Agricultural and Applied Economics. The individual analyses were summarized at the Department of Agricultural and Applied Economics using FINANSUM. In addition to the average of all farms, the averages for the high and low income groups are also presented. The tables are divided into three major groups. Tables 1 through 10 present whole-farm information. Tables in the 11-x series provide information on crop enterprises. Tables in the 12-x series provide information on livestock enterprises. Table 13 contains information on the prices used in the analysis. A summary of the average whole-farm information over time is presented in Table 14. Tables 15, 16, 17, and 18 categorize the whole-farm information by county, gross income class, type of farm, and operator age, respectively.

Of the 92 farms in the Southeastern Association, the data for 64 farms are included in this report. The rest were omitted because the records were incomplete at the time that this report was prepared. In two separate studies the farmers who belong to a management association were found to be larger than the average farm reported by the agricultural census and were more likely to have livestock.

In addition to this report, members receive an annual farm business analysis; on-farm instructional visits; end-of-year income tax planning and preparation; periodic meetings, tours, and seminars; a monthly newsletter; and other managerial and educational assistance. Each farmer pays an annual fee which covers a large part of the cost, with the balance defrayed by the Minnesota Extension Service and research programs of the University of Minnesota.

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[1]Olson is an Associate Professor, University of Minnesota-Twin Cities; Westman is Area Farm Management Extension Agent and Fieldman for the Association; Nordquist is Assistant Extension Economist-Farm Management, University of Minnesota-Twin Cities. Rann Loppnow, Assistant Extension Economist-Farm Management, was the programmer for FINANSUM, the analysis package used to prepare this report.

SOUTHEASTERN MINNESOTA FARM BUSINESS MANAGEMENT ASSOCIATION

DISTRIBUTION OF MEMBERSHIP -- 1995

County	Number of Members	Number of Records Submitted	Association Directors	County Extension Educator Agriculture
Dakota	9	7	Orin Legare	Robert Olson Warren Sifferath
Dodge	5	4	Gary Henslin	Bruce Schwartau
Mower	2	1		Dave Quinlan
Steele	2	2		Timothy Arlt
Faribault	2	1	Tom Hayes	Cindy Arnevik
Freeborn	2	0		Kendall Langseth
Goodhue	14	13	Dave Schwartau	Peter Scheffert
Houston	7	3	James McCormick	Bruce Christensen
Winona	13	8		Neil Broadwater
LeSueur	1	1	Tom Hayes	David Pfarr
Nicollet	1	1		Gary Hachfeld
Waseca	2	0		David Werner
Olmsted	15	11	James Vermilya	David Kjome
Fillmore	2	0		Jerrold Tesmer
Rice	3	2	Dave Woestchoff	Bradley Carlson
Scott	3	4		David Resch
Wabasha	9	4	John Sloan	Charles Schwartau
TOTAL	92	62		

Orin Legare, President
Robert Lamprecht, Secretary-Treasurer

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EXPLANATORY NOTES FOR THE WHOLE-FARM REPORTS

Tables 1 through 4, and 6 through 8 include the same number of farms, which were all of the farms whose records were judged to be of sufficient quality. Table 5, the Balance Sheet, includes only sole proprietors; partnerships and corporations are excluded because some debt is held outside of the business causing potential misinterpretations of the average financial condition. The number of farms included in each of the crop and livestock tables varies because all farms do not have the same enterprises. Some farmers' records were complete enough to be included in the whole-farm tables, but at times, these same farmers' crop or livestock records were not complete enough to include in the respective crop or livestock tables.

Rounding of individual items may have caused minor discrepancies between those items and the printed totals which are calculated before rounding.

Table 1. Farm Income Statement

This statement is a summary of income, expenses, and resultant profit or loss from farming operations during the calendar year. The first section of Table 1 lists cash farm income from all sources. The second section of Table 1 lists cash expenses. "Interest" includes only interest actually paid. No opportunity charges on farm equity capital or unpaid labor are included. The difference between "Gross Cash Farm Income" and "Total Cash Expense" is the "Net Cash Farm Income." This is net farm income on a cash basis.

The third and fourth sections of Table 1 deal with noncash changes in the farm business. The "Inventory Changes" and "Depreciation and Other Capital Adjustments" sections are used to convert the cash income statement (Net Cash Farm Income) derived from the first two sections into an accrual income statement. The resulting "Net Farm Income" represents the return to the operator's and family's unpaid labor, management, and equity capital (net worth). In other words, it represents the return to all of the resources which are owned by the farm family and, hence, not purchased or paid a wage. However, it does not include any asset appreciation, debt forgiveness or asset repossessions.

Table 2. Inventory Changes

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

Table 3. Depreciation and Other Capital Adjustments

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

Table 4. Profitability and Liquidity Analysis

Various measures of performance are calculated for the farms in this report. These include measures of profitability and liquidity. (Solvency measures are in Table 5.) In Tables 1-3, no opportunity costs are used. In Table 4, opportunity costs for labor, capital, and management are used. The measures and their components are described below.

Profitability

Profitability is measured in both cost and market basis (if that information is available) in Table 5.

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

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

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

"Operating profit margin" is the "Return to farm assets" divided by "Value of farm production."

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

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

"Farm interest expense" is the accrued interest cost so it will be different from the cash interest paid shown in Table 1.

"Value of operator's labor and management" is its opportunity cost. It is evaluated using the suggested values listed in Table 13.

"Return on farm assets" is calculated by adding "Farm interest expense" and "Net farm income" and then subtracting the "Value of operator's labor and management."

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

"Return to farm equity" is calculated by subtracting the "Value of operator's labor and management" from "Net farm income."

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

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

Liquidity: Cash Basis

"Family Living and Taxes" is the apparent total family expenses and income and social security taxes paid from Table 7.

"Real estate principal income is taken from the farmer's data.

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

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

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

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

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

Liquidity: Accrual Basis

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

"Accrual expense as a percent of income" is "Total accrual farm expense" divided by "Total accrual farm income."

"Interest as a percent of income" is "Interest" minus beginning accrued interest plus ending accrued interest divided by "Total accrual farm income."

Table 5. Balance Sheets

The beginning and ending balance sheets and solvency measures are presented in Table 5. This table includes only sole proprietors; partnerships and corporations are excluded because some debt is held outside of the business causing potential misinterpretations of the average financial condition. If the data is available, both cost and market value balance sheets are reported.

Table 6. Statement of Cash Flows

This table reports the sources from which cash was available or obtained and where that cash was used or remains at the end of the year.

Table 7. Financial Guidelines Measures and Labor Analysis

This table contains two sections: first, the financial measures and, second, the labor summary. In the first section, the Farm Financial Standards Task Force's 16 financial measures for evaluating a farm's financial position and performance are reported. These 16 measures are explained below following the descriptions found in the FINPACK manual.

Liquidity

The "current ratio" is calculated by dividing the total current farm assets by the total current farm liabilities.

"Working capital" is calculated by subtracting current farm liabilities from current farm assets.

Solvency (Market)

The "farm debt to asset ratio" is calculated by dividing the total farm liabilities by the total farm assets. It is similar to the total percent in debt ratio listed earlier. The difference is that nonfarm assets and liabilities are included in the total percent in debt but not in the farm debt to asset ratio.

The "farm equity to asset ratio' is calculated by dividing farm equity or net worth by the total farm assets. It measures the proportion of the farm assets financed by the owner's equity as opposed to debt. This is the opposite of the debt to asset ratio. These two measures always add up to 100% because they describe how total farm assets are financed.

The "farm debt to equity ratio" measures farm debt relative to farm equity. It is calculated by dividing the total farm liabilities by the total farm net worth. The debt to equity ratio measures the amount of borrowed capital being employed for every dollar of equity capital.

Profitability

The "rate of return on farm assets" can be thought of as the average interest rate being earned on all investments in the farm or ranch business. If assets are valued at market value, the rate of return on assets can be looked at as the "opportunity cost" of farming versus alternate investments. If assets are valued at cost value, the rate of return on assets more closely represents the actual return on the average dollar invested in the farm. The rate of return on farm assets is calculated as follows: Rate of Return on Assets = Return on Farm Assets ÷ Average Farm Investment, where: Return on Farm Assets = Net Farm Income + Farm Interest - Value of Operator's Labor & Management, and Average Farm Investment = (Beginning Total Farm Assets + Ending Total Farm Assets) ÷ 2.

The "rate of return on farm equity" represents the interest rate being earned on your farm net worth. If assets are valued at market value, this return can be compared to returns available if the assets were liquidated and invested in alternate investments. If assets are valued at cost value, this more closely represents the actual return on the funds that have been invested or retained in the business. The rate of return on farm equity is calculated as follows: Rate of Return on Equity = Return on Farm Equity ÷ Average Farm Net Worth, where: Return on Farm Equity = Net Farm Income - Value of Operator's Labor & Management, and Average Farm Net Worth = (Beginning Farm Net Worth + Ending Farm Net Worth) ÷ 2.

"Operating profit margin" is a measure of the operating efficiency of the business. It is calculated as follows: Operating Profit Margin = Return to Farm Assets ÷ Value of Farm Production. If expenses are held in line relative to the value of output produced, the farm will have a healthy net profit margin. A low net profit margin may be caused by low prices, high operating expenses, or inefficient production.

"Net farm income" represents the returns to unpaid labor, management, and equity capital invested in the business.

Repayment Capacity

The "term debt coverage ratio" measures whether the business generated enough cash to cover term debt payments. It is calculated by dividing the funds generated by the business for debt repayment (net cash farm income + nonfarm income + interest expense - family living expense - income taxes) by total term debt payments (annual scheduled principal and interest payments on intermediate and long term debt). A ratio less than 100 percent indicates that the business did not generate sufficient cash to meet scheduled payments in the past year. A ratio greater than 100 indicates the business generated enough cash to pay all term debt payments.

The "capital replacement margin" is the amount of money remaining after all operating expenses, taxes, family living costs, and scheduled debt payments have been made. It is the cash generated by the farm business that is available for financing capital replacement such as machinery and equipment. FINAN calculates the capital replacement margin by first adding interest due on intermediate and long term loans to the amount available for principal payments. It then subtracts scheduled principal and interest payments from this total.

Efficiency

"Asset turnover rate" is a measure of efficiency in using capital. It is calculated as follows: Asset Turnover Rate = Value of Farm Production ÷ Total Farm Assets. This will be a market or cost rate depending on how the assets are valued.

The last four ratios reflect the distribution of gross income to cover operating expenses and generate farm income. The sum of the operating expense ratio, the depreciation expense ratio, and the interest expense ratio equals the percent of gross income used to pay business expenses. The amount remaining is net farm income. The gross farm income used to calculate these ratios is the accrual gross farm income.

The "operating expense ratio" is calculated as (Total Farm Operating Expense - Farm Interest Expense) ÷ Gross Farm Income. This ratio indicates the percent of the gross farm income that was used to pay operating expenses. Total farm operating expense is the accrual total operating expense.

The "depreciation expense ratio" is calculated as Depreciation ÷ Gross Farm Income. This ratio indicates the percent of the gross farm income that was used to cover depreciation and other capital adjustments.

The "interest expense ratio" is calculated as Farm Interest Expense ÷ Gross Farm Income. This ratio indicates the percent of the gross farm income used for farm interest expenses. This is the same ratio as the accrual interest as a percent of income from the Liquidity section in Table 4.

The "net farm income ratio" is calculated as Net Farm Income ÷ Gross Farm Income. This ratio indicates the percent of the gross farm income that remained after all expenses.

Table 8. Crop Production and Marketing Summary

This table contains three sections. The first section reports average acreage by land use. The next two sections show average price received and average yields for major crops.

Table 9. Household and Personal Expenses

For those farms that kept records, the household and personal expenses are summarized in Table 9. The farms are grouped based on profit as in Table 1. Since not all farms keep these records, the number of farms may be different for each group. Averages are determined by the number of farms keeping these records.

Table 10. Operator Information and Nonfarm Summary

Table 10 reports the averages for the number of operators per farm, the operator's age, and the number of years farming. This table also reports the income from nonfarm sources which is included in a farmer's total net income. Not all farms have nonfarm income, but the figure reported is the average over all farms not just those reporting nonfarm income. Also reported are the beginning and ending values for nonfarm assets for all farms (not just sole proprietors as in Table 5).

Table 1a
FARM INCOME STATEMENT, 1995
Southeast Minnesota Farm Business Management Association
(Farms sorted by Net Farm Income)

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of Farms	62	12	12
CASH FARM INCOME			
Apples	559	-	2886
Barley	80	-	-
Green Beans	657	2499	896
Corn	61356	17629	134304
Corn Silage	11	57	-
Alfalfa Hay	1361	274	2666
Alfalfa Haylage	145	-	-
Oats	154	181	125
Peas	1371	743	6014
Rye	49	-	253
Soybeans	26775	7815	52799
Straw	181	164	703
Sweet Corn	1027	809	2957
Spring Wheat	222	-	915
Winter Wheat	35	-	181
Custom Fed Beef	110	569	-
Finish Beef Calves	12288	8836	10389
Milk	97671	72802	166606
Dairy Calves	1108	1118	333
Dairy Heifers (for sale)	2752	1982	-
Dairy Replacement Heifers	1293	488	2608
Dairy Steers	5425	948	12694
Raised Hogs	12085	6551	1671
Feeder Pigs	158	231	588
Finish Feeder Pigs	16549	8123	52076
Cull breeding livestock	6981	4576	10911
Deficiency payments	12455	4827	28645
CRP payments	600	631	-
Other government payments	327	337	851
Custom work income	1421	3066	604
Patronage dividends, cash	1358	1220	2026
Insurance income	307	-	953
Cash from hedging accts	491	1635	142
Other farm income	2303	1392	3515
Gross Cash Farm Income	269666	149501	499309

Table 1b

FARM INCOME STATEMENT, 1995 (Continued)

Southeast Minnesota Farm Business Management Association

(Farms sorted by Net Farm Income)

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of Farms	62	12	12
CASH FARM EXPENSE			
Seed	12549	5841	25490
Fertilizer	16339	4445	33402
Crop chemicals	13432	5707	29164
Crop insurance	1538	905	901
Drying fuel	1963	622	4121
Irrigation energy	58	37	262
Crop marketing	896	577	1337
Crop miscellaneous	1143	600	1716
Feeder livestock purchase	10899	1511	16282
Purchased feed	34686	27818	59087
Breeding fees	1774	1710	2665
Veterinary	4433	3896	6588
Livestock supplies	7267	7762	10304
Grazing fees	11	-	-
Livestock marketing	1761	1049	2544
Interest	15370	12991	22931
Fuel & oil	5405	4458	8522
Repairs	18584	18133	27654
Custom hire	5834	4971	6599
Hired labor	9640	6824	16787
Land rent	17916	6275	37682
Machinery & bldg leases	1328	1341	2325
Real estate taxes	4613	3246	9413
Farm insurance	2865	2604	4480
Utilities	4673	3975	7204
Hedging account deposits	953	757	811
Miscellaneous	2943	2767	2650
Total cash expense	198873	130820	340921
Net cash farm income	70793	18681	158387
INVENTORY CHANGES			
Crops and feed	20225	533	63036
Market livestock	960	-1989	5442
Accounts receivable	-3618	-2743	-4278
Prepaid expenses and supplies	1400	-	340
Accounts payable	1162	-525	1668
Total inventory change	20130	-4724	66209
Net operating profit	90923	13957	224596
DEPRECIATION AND OTHER CAPITAL ADJUSTMENTS			
Breeding livestock	-2497	-803	-3179
Machinery and equipment	-13507	-8851	-24084
Buildings and improvements	-3574	-2013	-6229
Other farm capital	38	-	-
Total depr. and other capital adj	-19541	-11667	-33492
Net farm income	71382	2290	191104

Table 2
INVENTORY CHANGES, 1995
Southeast Minnesota Farm Business Management Association
(Farms sorted by Net Farm Income)

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of Farms	62	12	12
Net cash farm income	70793	18681	158387
CROPS AND FEED			
Ending inventory	110135	40953	265337
Beginning inventory	89910	40420	202301
Inventory change	20225	533	63036
MARKET LIVESTOCK			
Ending inventory	43540	29727	74836
Beginning inventory	42579	31716	69393
Inventory change	960	-1989	5442
ACCTS RECEIVABLE & OTHER CURRENT ASSETS			
Ending inventory	597	-	1262
Beginning inventory	4215	2743	5540
Inventory change	-3618	-2743	-4278
PREPAID EXPENSES AND SUPPLIES			
Ending inventory	2529	-	4290
Beginning inventory	1129	-	3949
Inventory change	1400	-	340
ACCOUNTS PAYABLE			
Beginning inventory	3548	3162	3301
Ending inventory	2386	3688	1633
Inventory change	1162	-525	1668
Total inventory change	20130	-4724	66209
Net operating profit	90923	13957	224596

Table 3

DEPRECIATION AND OTHER CAPITAL ADJUSTMENTS, 1995

Southeast Minnesota Farm Business Management Association

(Farms sorted by Net Farm Income)

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of Farms	62	12	12
Net operating profit	90923	13957	224596
BREEDING LIVESTOCK			
Ending inventory	42625	44519	64087
Capital sales	436	-	-
Beginning inventory	40887	38151	63419
Capital purchases	4670	7171	3847
Depreciation, capital adj.	-2497	-803	-3179
MACHINERY AND EQUIPMENT			
Ending inventory	86408	60758	170918
Capital sales	1279	2561	1174
Beginning inventory	81409	59815	161264
Capital purchases	19785	12354	34911
Depreciation, capital adj.	-13507	-8851	-24084
BUILDINGS AND IMPROVEMENTS			
Ending inventory	59934	36416	98057
Capital sales	69	-	210
Beginning inventory	53543	37615	95140
Capital purchases	10034	814	9356
Depreciation, capital adj.	-3574	-2013	-6229
OTHER CAPITAL ASSETS			
Ending inventory	2770	1741	6750
Capital sales	-	-	-
Beginning inventory	2046	1741	3750
Capital purchases	685	-	3000
Depreciation, capital adj.	38	-	-
Total depreciation, capital adj.	-19541	-11667	-33492
Net farm income	71382	2290	191104

Table 4

PROFITABILITY AND LIQUIDITY ANALYSIS, 1995

Southeast Minnesota Farm Business Management Association

(Farms sorted by Net Farm Income)

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of Farms	62	12	12
PROFITABILITY (Cost)			
Net farm income	71382	2290	191104
Labor and management earnings	47696	-7113	129984
Rate of return on assets	8.9 %	-4.0 %	12.4 %
Rate of return on equity	9.7 %	-18.4 %	13.9 %
Operating profit margin	22.2 %	-12.3 %	34.0 %
Asset turnover rate	40.3 %	33.0 %	36.4 %
Interest on farm net worth	23687	9403	61120
Farm interest expense	15369	13574	23348
Value of operator lbr and mgmt.	33726	30000	49583
Return on farm assets	53026	-14136	164868
Average farm assets	594111	349180	1332027
Return on farm equity	37657	-27710	141521
Average farm equity	387931	150583	1018672
Value of farm production	239151	115171	484961
Number of Farms	62	12	12
LIQUIDITY (Cash)			
Net cash farm income	70793	18681	158387
Net nonfarm income	13629	19960	7908
Family living and taxes	47985	26593	85278
Real estate principal payments	205	-	-
Cash available for interm. debt	36232	12048	81016
Average intermediate debt	44546	54302	45221
Years to turnover interm. debt	1.2	4.5	0.6
Expense as a % of income	74 %	88 %	68 %
Interest as a % of income	6 %	9 %	5 %
LIQUIDITY (Accrual)			
Total accrual farm income	287233	145302	563509
Total accrual farm expense	196310	131345	338913
Net accrual operating income	90923	13957	224596
Net nonfarm income	13629	19960	7908
Family living and taxes	47985	26593	85278
Real estate principal payments	205	-	-
Available for intermediate debt	56362	7324	147225
Average intermediate debt	44546	54302	45221
Years to turnover interm. debt	0.8	7.4	0.3
Expense as a % of income	68 %	90 %	60 %
Interest as a % of income	5 %	9 %	4 %

Table 5
BALANCE SHEET AT COST VALUES, 1995
Southeast Minnesota Farm Business Management Association
(Farms sorted by Net Farm Income)

	Average Of All Farms		Average Of Low 20 %		Average Of High 20 %	
Number of Farms	44		9		4	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
ASSETS						
Current Farm Assets						
Cash and checking balance	20125	15585	3291	8037	27405	3281
Prepaid expenses & supplies	513	2654	-	-	-	5231
Growing crops	-	-	-	-	-	-
Accounts receivable	3610	440	1835	-	4500	3785
Hedging accounts	735	402	1311	-	-	-
Crops held for sale or feed	69533	83957	34001	35183	158462	239000
Crops under government loan	628	0	1046	0	-	-
Market livestock held for sale	31215	32077	23295	21779	15035	10541
Other current assets	-	-	-	-	-	-
Total current farm assets	126359	135115	64780	64999	205402	261839
Intermediate Farm Assets						
Breeding livestock	29821	31080	28323	30948	-	-
Machinery and equipment	65244	70477	65703	65556	86729	103790
Other intermediate assets	618	732	-	-	-	-
Total intermediate farm assets	95683	102289	94026	96504	86729	103790
Long-Term Farm Assets						
Farm land	169557	172422	119136	121691	495680	521448
Buildings and improvements	45743	54416	27367	27428	70093	70572
Other long-term assets	1102	1211	2322	2322	-	-
Total long-term farm assets	216402	228049	148824	151441	565774	592019
Total Farm Assets	438444	465453	307630	312945	857904	957649
Total Nonfarm Assets	93222	105694	91549	107629	120221	158984
Total Assets	531666	571147	399179	420573	978125	1116632
LIABILITIES						
Current Farm Liabilities						
Accrued interest	409	159	-0	778	-	-
Accounts payable	3578	2605	4217	4139	-	1244
Current notes	32689	25982	23775	27274	37096	11111
Government crop loans	81	-	-	-	-	-
Principal due on term debt	290	91	974	-	-	-
Total current farm liabilities	37047	28837	28966	32191	37096	12355
Intermediate Farm Liabilities	48632	57762	65676	64342	71635	98573
Long-term Farm Liabilities	132135	131194	139549	135002	281448	270454
Total Farm Liabilities	217814	217792	234191	231535	390179	381381
Total Nonfarm Liabilities	8372	9828	5195	18847	-	2250
Total Liabilities	226186	227621	239386	250382	390179	383631
Net Worth (farm and nonfarm)	305480	343526	159793	170191	587946	733001
Net Worth Change		38047		10398		145054
RATIO ANALYSIS						
Current Farm Liabilities / Assets	29 %	21 %	45 %	50 %	18 %	5 %
Curr. & Interm Farm Liab / Assets	39 %	36 %	60 %	60 %	37 %	30 %
Long Term Farm Liab. / Assets	61 %	58 %	94 %	89 %	50 %	46 %
Total Liabilities / Assets	43 %	40 %	60 %	60 %	40 %	34 %

Table 6

STATEMENT OF CASH FLOWS, 1995

Southeast Minnesota Farm Business Management Association

(Farms sorted by Net Farm Income)

		Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of Farms		62	12	12
(a) Beginning cash balance (farm & nonfarm)		20420	8305	25533
CASH FROM OPERATING ACTIVITIES				
Gross cash farm income		269666	149501	499309
Net nonfarm income	(+)	13629	19960	7908
Total cash farm expense	(-)	198873	130820	340921
Apparent family living expense	(-)	44021	24133	82104
Income and social security tax	(-)	3964	2460	3175
(b) Cash from operations	(=)	36437	12048	81016
CASH FROM INVESTING ACTIVITIES				
Sale of breeding livestock		436	-	-
Sale of machinery & equipment	(+)	1279	2561	1174
Sale of farm land	(+)	130	671	-
Sale of farm buildings	(+)	69	-	210
Sale of other farm assets	(+)	-	-	-
Sale of nonfarm assets	(+)	2149	3164	2083
Purchase of breeding livestock	(-)	4670	7171	3847
Purchase of machinery & equip.	(-)	19785	12354	34911
Purchase of farm land	(-)	1796	688	8589
Purchase of farm buildings	(-)	10034	814	9356
Purchase of other farm assets	(-)	685	-	3000
Purchase of nonfarm assets	(-)	6683	9201	8593
(c) Cash from investing activities	(=)	-39591	-23831	-64830
CASH FROM FINANCING ACTIVITIES				
Money borrowed		67083	60812	82014
Cash gifts and inheritances	(+)	1157	2227	-
Principal payments	(-)	67070	49330	99436
Dividends paid	(-)	-	-	-
Gifts given	(-)	-	-	-
(d) Cash from financing activities	(=)	1169	13710	-17422
(e) Net change in cash balance	(b+c+d)	-1984	1927	-1236
Ending cash balance calculated	(a+e)	18436	10232	24297

Table 7

FINANCIAL GUIDELINES MEASURES, 1995

Southeast Minnesota Farm Business Management Association

(Farms sorted by Net Farm Income)

	Average For All Farms		Average For Low 20 %		Average For High 20 %	
Number of Farms	62		12		12	
LIQUIDITY	Beginning	Ending	Beginning	Ending	Beginning	Ending
Current ratio	4.72	6.40	3.37	3.22	7.41	12.59
Working capital	123862	147115	55857	55036	265316	340636
SOLVENCY (Cost)	Beginning	Ending	Beginning	Ending	Beginning	Ending
Farm debt to asset ratio	36 %	34 %	57 %	57 %	25 %	22 %
Farm equity to asset ratio	64 %	66 %	43 %	43 %	75 %	78 %
Farm debt to equity ratio	56 %	51 %	134 %	130 %	34 %	28 %
PROFITABILITY (Cost)						
Rate of return on farm assets	8.9 %		-4.0 %		12.4 %	
Rate of return on farm equity	9.7 %		-18.4 %		13.9 %	
Operating profit margin	22.2 %		-12.3 %		34.0 %	
Net farm income	71382		2290		191104	
REPAYMENT CAPACITY	Cash	Accrual	Cash	Accrual	Cash	Accrual
Term debt coverage ratio	- %	- %	- %	- %	- %	- %
Capital replacement margin	36026	56156	11318	6593	81016	147225
EFFICIENCY						
Asset turnover rate (cost)	40.3 %		33.0 %		36.4 %	
Operating expense ratio	63.0 %		81.1 %		56.0 %	
Depreciation expense ratio	6.8 %		8.0 %		5.9 %	
Interest expense ratio	5.4 %		9.3 %		4.1 %	
Net farm income ratio	24.9 %		1.6 %		33.9 %	

LABOR ANALYSIS

	Average For All Farms	Average For Low 20 %	Average For High 20 %
Number of Farms	59	12	12
Total unpaid labor hours	4570	3641	6222
Total hired labor hours	1048	852	1883
Total labor hours per farm	5619	4492	8105
Value of farm production / hour	44.73	25.64	59.84
Net farm income / unpaid hour	16.41	0.63	30.72

Table 8

CROP PRODUCTION AND MARKETING SUMMARY, 1995

Southeast Minnesota Farm Business Management Association

(Farms sorted by Net Farm Income)

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of Farms	62	12	12
ACREAGE SUMMARY			
Total Acres Owned	362	245	715
Total Crop Acres	496	265	985
Crop Acres Owned	276	164	577
Crop Acres Cash Rented	214	94	399
Crop Acres Share Rented	6	7	9
Total Pasture Acres	18	35	8
AVERAGE PRICE RECEIVED (Cash Sales Only)			
Corn per bu.	2.37	2.46	2.35
Soybeans per bu.	5.72	5.43	5.69
Oats per bu.	1.39	-	-
Hay, Alfalfa per ton	79.03	-	99.78
Straw per ton	79.68	-	-
AVERAGE YIELD PER ACRE			
Corn (bu.)	128.51	118.14	132.77
Soybeans (bu.)	44.33	42.53	45.66
Hay, Alfalfa (ton)	3.80	3.36	4.33
Corn Silage (ton)	17.45	16.42	18.64
Oatlage (ton)	5.45	-	-
Oats (bu.)	61.12	-	66.49

Table 9

HOUSEHOLD AND PERSONAL EXPENSES, 1995

Southeast Minnesota Farm Business Management Association

(Average of all farms reporting)

	Average For All Farms
Number of Sole Proprietors	21
Average family size	3.0
FAMILY LIVING EXPENSES	
Food and meals expense	4187
Medical care and health insurance	3189
Cash donations	1257
Household supplies	2046
Clothing	991
Personal care	1198
Child / Dependent care	462
Gifts	1492
Education	961
Recreation	1300
Utilities (household share)	1846
Nonfarm vehicle operating expense	1700
Household real estate taxes	309
Dwelling rent	-
Household repairs	998
Nonfarm interest	1231
Life insurance payments	956
Total cash family living expense	24123
Family living from the farm	112
Total family living	24235
OTHER NONFARM EXPENDITURES	
Income taxes	6556
Furnishing & appliance purchases	-
Nonfarm vehicle purchases	3918
Nonfarm real estate purchases	4063
Other nonfarm capital purchases	-133
Nonfarm savings & investments	2478
Total other nonfarm expenditures	16881
Total cash family living, investment & nonfarm capital purch	41005
PARTNERSHIPS	
Number of partnerships	12
Number of operators per partnership	2.1
Average owner withdrawals per farm	94174
Average withdrawals per operator	44317

Table 10
OPERATOR INFORMATION & NONFARM SUMMARY, 1995
Southeast Minnesota Farm Business Management Association
(Farms sorted by Net Farm Income)

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of Farms	62	12	12
OPERATOR INFORMATION			
Average number of operators	1.3	1.3	1.8
Average age of operators	46.7	46.0	47.7
Average number of years farming	23.5	24.8	27.2
NONFARM INCOME			
Nonfarm wages & salary	8252	12024	2864
Nonfarm business income	2214	2005	1619
Nonfarm rental income	812	1485	748
Nonfarm interest income	842	53	1595
Nonfarm cash dividends	36	-	114
Tax refunds	563	873	967
Gifts and inheritances	1157	2227	-
Other nonfarm income	910	3520	-
Total nonfarm income	14786	22187	7908

	Average For All Farms	
	Beginning	Ending
NONFARM ASSETS (Cost)		
Checking & savings	1114	873
Stocks & bonds	3627	4364
Other current assets	1417	2724
Furniture & appliances	5341	5282
Nonfarm vehicles	1807	3064
Cash value of life ins.	10997	11887
Retirement accounts	13419	15109
Other intermediate assets	2343	2534
Nonfarm real estate	34970	36855
Other long term assets	8925	11068
Total nonfarm assets	83960	93760

EXPLANATORY NOTES FOR CROPS TABLES

The "Crop Enterprise Analysis" tables show the average physical production, gross return, direct costs, overhead costs, and net returns per acre. All costs are actual costs; no opportunity costs are included. The "Net Return per Acre" is the "Gross Return per Acre" minus the direct and overhead costs. The last section of each crop table contains economic efficiency measures and the net return per acre including government payments and a charge for unpaid labor and management.

There are potentially three tables for each group depending on the farmer's tenure on the land: owned land, cash rented land, and 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. Farms are classified into low 20% or high 20% on the basis of returns to overhead costs. The classification is done separately for each table.

To estimate the return to crops in the government programs, the return to overhead and the net return including setaside income (and expenses) is estimated and included in the appropriate tables. This is done by allocating the deficiency payments and the expenses reported in the set aside enterprise to the program crop and then dividing by the total of the production and set aside acres.

The "net return over labor and management" is calculated by allocating the farmer's charge for unpaid labor and management and subtracting it from the "net return per acre (including setaside)."

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

Figure 6. Average Corn & Soybean Yield

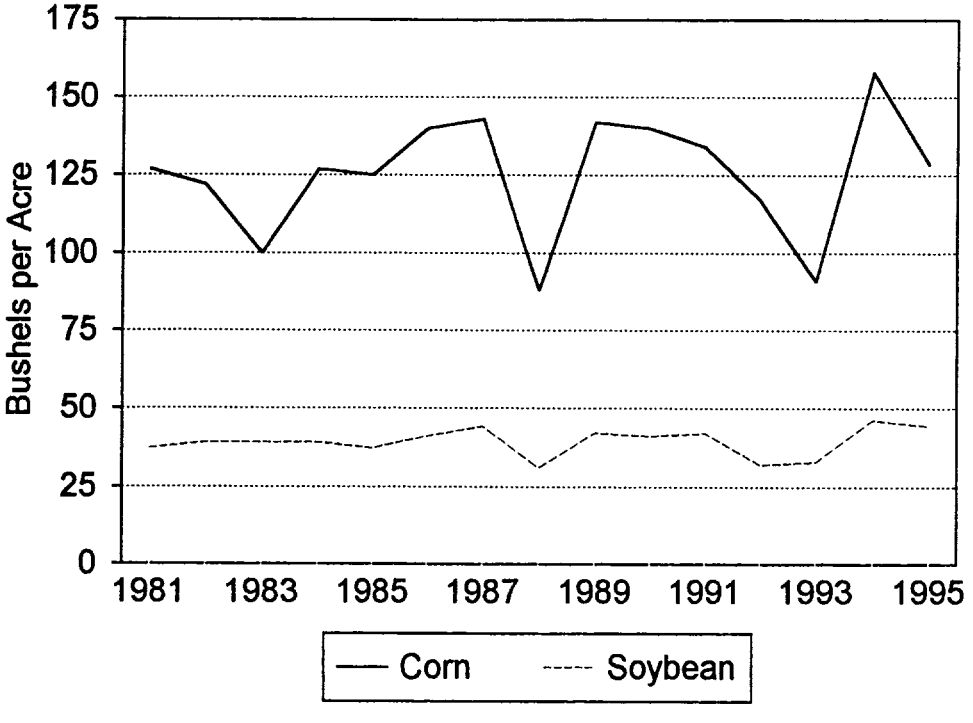

Table 11 - 1
Crop Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association
(Farms sorted by Return to Overhead per Acre)

CORN ON OWNED LAND

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of fields	52	10	12
Number of farms	48	10	10
Acres	150.05	70.24	188.39
Yield per acre (bushel)	129.45	104.14	140.48
Operators share of yield %	100.00	100.00	100.00
Value per bushel	2.70	2.70	2.70
Total product return per acre	349.52	281.18	379.30
Miscellaneous income per acre	0.03	0.00	0.00
Gross return per acre	349.55	281.18	379.30
Direct expenses per acre			
Seed	27.66	26.74	27.08
Fertilizer	40.67	31.13	41.18
Crop chemicals	35.23	38.44	30.53
Crop insurance	2.44	3.27	2.50
Drying fuel	7.99	5.15	4.54
Irrigation energy	0.35	0.00	1.45
Fuel & oil	9.63	12.62	7.50
Repairs	27.95	40.65	18.47
Custom hire	5.58	22.54	1.76
Hired labor	0.05	0.00	0.00
Machinery & bldg leases	0.14	1.14	0.00
Utilities	0.02	0.00	0.00
Operating interest	3.25	3.78	0.79
Miscellaneous	0.65	2.19	0.03
Total direct expenses per acre	161.63	187.64	135.83
Return over direct expenses per acre	187.93	93.54	243.48
Overhead expenses per acre			
Hired labor	7.66	4.60	10.37
Machinery & bldg leases	1.14	0.00	1.39
RE & pers. property taxes	12.86	12.06	12.97
Farm insurance	3.34	3.26	3.21
Utilities	1.43	1.00	1.47
Interest	31.62	40.49	11.96
Mach & bldg depreciation	27.16	14.09	30.40
Miscellaneous	3.35	2.61	2.59
Total overhead expenses per acre	88.56	78.11	74.37
Total listed expenses per acre	250.18	265.75	210.20
Net return per acre	99.37	15.43	169.10
Total direct expense per bushel	1.25	1.80	0.97
Total listed expense per bushel	1.93	2.55	1.50
Net return per bushel	0.77	0.15	1.20
Breakeven yield per acre	92.65	98.43	77.85
Est. labor hours per acre	3.95	5.63	2.21
Net return including govt. payments	91.94	10.76	150.75
Lbr & mgt charge per acre	27.82	36.38	20.68
Net return over lbr & mgt	64.12	-25.62	130.08

Table 11 - 2
Crop Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association
(Farms sorted by Return to Overhead per Acre)

CORN ON CASH RENTED LAND

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of fields	47	8	10
Number of farms	41	8	8
Acres	131.19	149.94	89.04
Yield per acre (bushel)	127.26	118.81	133.66
Operators share of yield %	100.00	100.00	100.00
Value per bushel	2.70	2.70	2.70
Total product return per acre	343.60	320.80	360.88
Miscellaneous income per acre	0.01	0.00	0.05
Gross return per acre	343.61	320.80	360.93
Direct expenses per acre			
Seed	28.98	34.12	27.52
Fertilizer	50.75	53.07	39.57
Crop chemicals	33.85	39.14	31.59
Crop insurance	3.65	6.00	0.93
Drying fuel	8.37	6.15	6.82
Fuel & oil	8.76	7.12	8.02
Repairs	20.71	23.75	12.51
Custom hire	9.20	28.84	0.17
Hired labor	0.01	0.00	0.00
Land rent	81.43	81.95	63.67
Machinery & bldg leases	0.02	0.00	0.00
Utilities	0.14	0.00	0.00
Operating interest	3.60	6.61	1.46
Miscellaneous	0.50	0.04	1.49
Total direct expenses per acre	249.95	286.81	193.75
Return over direct expenses per acre	93.66	33.99	167.19
Overhead expenses per acre			
Hired labor	4.72	1.45	3.30
Machinery & bldg leases	2.41	1.54	1.56
Farm insurance	2.35	2.96	3.59
Utilities	1.61	2.17	0.93
Interest	5.36	7.46	2.94
Mach & bldg depreciation	17.74	10.47	23.84
Miscellaneous	2.27	1.34	3.18
Total overhead expenses per acre	36.48	27.38	39.35
Total listed expenses per acre	286.43	314.19	233.09
Net return per acre	57.18	6.61	127.84
Total direct expense per bushel	1.96	2.41	1.45
Total listed expense per bushel	2.25	2.64	1.74
Net return per bushel	0.45	0.06	0.96
Breakeven yield per acre	106.08	116.37	86.31
Est. labor hours per acre	3.29	1.55	5.76
Net return including govt. payments	47.76	0.50	113.60
Lbr & mgt charge per acre	26.69	24.78	33.86
Net return over lbr & mgt	21.07	-24.28	79.74

Table 11 - 3
Crop Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association
(Average of all farms reporting)

CORN ON SHARE RENTED LAND

	Average For All Farms
Number of fields	5
Number of farms	5
Acres	38.14
Yield per acre (bushel)	130.56
Operators share of yield %	58.42
Value per bushel	2.70
Total product return per acre	209.82
Miscellaneous income per acre	0.00
Gross return per acre	209.82
Direct expenses per acre	
Seed	20.59
Fertilizer	18.10
Crop chemicals	31.77
Crop insurance	3.08
Drying fuel	2.79
Fuel & oil	10.79
Repairs	30.98
Custom hire	2.79
Machinery & bldg leases	0.25
Operating interest	0.22
Miscellaneous	0.22
Total direct expenses per acre	121.58
Return over direct expenses per acre	88.24
Overhead expenses per acre	
Hired labor	2.33
Machinery & bldg leases	0.78
Farm insurance	2.66
Utilities	0.63
Interest	3.32
Mach & bldg depreciation	26.32
Miscellaneous	4.00
Total overhead expenses per acre	40.04
Total listed expenses per acre	161.62
Net return per acre	48.21
Total direct expense per bushel	1.59
Total listed expense per bushel	2.12
Net return per bushel	0.63
Breakeven yield per acre	102.46
Est. labor hours per acre	4.91
Net return including govt. payments	45.57
Lbr & mgt charge per acre	27.53
Net return over lbr & mgt	18.04

Table 11 - 4
Crop Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association
(Farms sorted by Return to Overhead per Acre)

SOYBEANS ON OWNED LAND

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of fields	35	7	7
Number of farms	35	7	7
Acres	101.87	56.10	85.71
Yield per acre (bushel)	45.80	38.94	52.48
Operators share of yield %	100.00	100.00	100.00
Value per bushel	6.00	6.00	6.00
Total product return per acre	274.82	233.63	314.87
Miscellaneous income per acre	0.00	0.00	0.00
Gross return per acre	274.82	233.63	314.87
Direct expenses per acre			
Seed	15.74	19.14	13.14
Fertilizer	2.37	0.00	0.05
Crop chemicals	33.33	35.90	25.71
Crop insurance	4.34	3.75	1.79
Fuel & oil	6.96	9.38	8.20
Repairs	19.81	28.70	11.34
Custom hire	3.46	11.65	2.42
Hired labor	0.03	0.00	0.17
Machinery & bldg leases	0.05	0.49	0.00
Operating interest	2.85	3.36	1.14
Miscellaneous	0.34	0.00	0.63
Total direct expenses per acre	89.27	112.38	64.59
Return over direct expenses per acre	185.55	121.26	250.28
Overhead expenses per acre			
Hired labor	4.64	8.64	0.74
Machinery & bldg leases	0.72	1.70	1.21
RE & pers. property taxes	13.26	12.05	17.83
Farm insurance	2.78	2.76	2.41
Utilities	0.79	0.69	1.27
Interest	30.78	39.58	20.33
Mach & bldg depreciation	22.53	17.86	27.90
Miscellaneous	2.51	3.45	1.83
Total overhead expenses per acre	78.01	86.73	73.52
Total listed expenses per acre	167.28	199.11	138.11
Net return per acre	107.54	34.53	176.76
Total direct expense per bushel	1.95	2.89	1.23
Total listed expense per bushel	3.65	5.11	2.63
Net return per bushel	2.35	0.89	3.37
Breakeven yield per acre	27.88	33.18	23.02
Est. labor hours per acre	2.25	3.04	2.27
Net return including govt. payments	107.25	34.53	176.76
Lbr & mgt charge per acre	20.80	15.14	19.49
Net return over lbr & mgt	86.45	19.38	157.27

Table 11 - 5
Crop Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association
(Farms sorted by Return to Overhead per Acre)

SOYBEANS ON CASH RENTED LAND

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of fields	30	6	5
Number of farms	26	5	5
Acres	128.56	213.60	69.37
Yield per acre (bushel)	42.84	30.98	51.83
Operators share of yield %	100.00	100.00	100.00
Value per bushel	6.00	6.00	6.00
Total product return per acre	257.05	185.89	310.97
Miscellaneous income per acre	0.00	0.00	0.00
Gross return per acre	257.05	185.89	310.97
Direct expenses per acre			
Seed	14.78	16.00	10.46
Fertilizer	2.38	0.00	0.99
Crop chemicals	32.71	37.74	19.70
Crop insurance	5.99	9.70	1.64
Fuel & oil	6.73	5.79	7.58
Repairs	14.32	14.08	11.68
Custom hire	6.07	11.68	6.13
Land rent	82.85	69.79	98.42
Machinery & bldg leases	0.05	0.19	0.00
Marketing	0.01	0.00	0.00
Operating interest	3.39	5.99	0.28
Miscellaneous	0.19	0.20	0.22
Total direct expenses per acre	169.47	171.16	157.10
Return over direct expenses per acre	87.58	14.73	153.87
Overhead expenses per acre			
Hired labor	4.94	10.18	1.96
Machinery & bldg leases	2.54	0.88	11.77
Farm insurance	2.17	1.97	1.21
Utilities	1.04	1.93	0.47
Interest	4.50	2.45	5.69
Mach & bldg depreciation	14.40	10.23	11.37
Miscellaneous	2.74	4.35	0.77
Total overhead expenses per acre	32.33	31.99	33.24
Total listed expenses per acre	201.80	203.15	190.34
Net return per acre	55.25	-17.26	120.64
Total direct expense per bushel	3.96	5.52	3.03
Total listed expense per bushel	4.71	6.56	3.67
Net return per bushel	1.29	-0.56	2.33
Breakeven yield per acre	33.63	33.86	31.72
Est. labor hours per acre	2.55	1.74	2.44
Lbr & mgt charge per acre	21.34	19.97	25.40
Net return over lbr & mgt	33.92	-37.23	95.24

Table 11 - 6
Crop Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association
(Average of all farms reporting)

OATS ON OWNED LAND

	Average For All Farms
Number of fields	10
Number of farms	9
Acres	15.21
Yield per acre (bushel)	58.18
Operators share of yield %	100.00
Value per bushel	1.25
Total product return per acre	72.73
Miscellaneous income per acre	29.28
Gross return per acre	102.01
Direct expenses per acre	
Seed	10.48
Fertilizer	0.19
Crop chemicals	0.01
Crop insurance	0.49
Fuel & oil	6.17
Repairs	17.65
Custom hire	5.85
Operating interest	1.34
Miscellaneous	0.41
Total direct expenses per acre	42.60
Return over direct expenses per acre	59.40
Overhead expenses per acre	
Hired labor	4.75
Machinery & bldg leases	0.01
RE & pers. property taxes	11.04
Farm insurance	3.06
Utilities	0.49
Interest	16.46
Mach & bldg depreciation	12.12
Miscellaneous	2.52
Total overhead expenses per acre	50.46
Total listed expenses per acre	93.06
Net return per acre	8.94
Total direct expense per bushel	0.73
Total listed expense per bushel	1.60
Net return per bushel	0.15
Breakeven yield per acre	51.03
Est. labor hours per acre	3.23
Lbr & mgt charge per acre	18.74
Net return over lbr & mgt	-9.80

Table 11 - 7
Crop Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association
(Average of all farms reporting)

OATS ON CASH RENTED LAND

	Average For All Farms
Number of fields	10
Number of farms	9
Acres	18.64
Yield per acre (bushel)	63.41
Operators share of yield %	100.00
Value per bushel	1.25
Total product return per acre	79.26
Miscellaneous income per acre	21.86
Gross return per acre	101.12
Direct expenses per acre	
Seed	7.43
Fertilizer	5.07
Crop chemicals	1.20
Fuel & oil	5.03
Repairs	11.61
Custom hire	8.17
Land rent	69.39
Operating interest	1.49
Miscellaneous	1.13
Total direct expenses per acre	110.51
Return over direct expenses per acre	-9.39
Overhead expenses per acre	
Hired labor	1.56
Machinery & bldg leases	1.41
Farm insurance	2.38
Utilities	0.46
Interest	3.13
Mach & bldg depreciation	8.45
Miscellaneous	1.38
Total overhead expenses per acre	18.76
Total listed expenses per acre	129.28
Net return per acre	-28.16
Total direct expense per bushel	1.74
Total listed expense per bushel	2.04
Net return per bushel	-0.44
Breakeven yield per acre	85.94
Est. labor hours per acre	2.24
Lbr & mgt charge per acre	15.47
Net return over lbr & mgt	-43.63

Table 11 - 8
Crop Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association
(Farms sorted by Return to Overhead per Acre)

ALFALFA HAY ON OWNED LAND

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of fields	35	7	8
Number of farms	34	7	7
Acres	74.75	52.31	69.96
Yield per acre (ton)	3.88	2.23	5.15
Operators share of yield %	100.00	100.00	100.00
Value per ton	80.00	80.00	80.00
Total product return per acre	310.12	178.09	411.91
Miscellaneous income per acre	0.00	0.00	0.00
Gross return per acre	310.12	178.09	411.91
Direct expenses per acre			
Seed	18.39	22.80	12.65
Fertilizer	11.33	5.92	16.30
Crop chemicals	3.29	4.89	3.43
Fuel & oil	11.54	9.51	9.72
Repairs	43.91	32.49	40.08
Custom hire	5.57	14.47	0.85
Hired labor	0.03	0.16	0.00
Machinery & bldg leases	0.06	0.38	0.00
Operating interest	1.99	5.93	0.47
Miscellaneous	3.35	6.49	1.59
Total direct expenses per acre	99.46	103.04	85.11
Return over direct expenses per acre	210.66	75.06	326.80
Overhead expenses per acre			
Hired labor	13.69	3.12	17.04
Machinery & bldg leases	0.66	1.61	2.15
RE & pers. property taxes	11.23	13.35	10.02
Farm insurance	4.16	2.60	2.33
Utilities	1.09	0.86	0.75
Interest	27.53	23.64	15.89
Mach & bldg depreciation	35.65	15.47	33.98
Miscellaneous	4.84	2.17	2.41
Total overhead expenses per acre	98.85	62.82	84.58
Total listed expenses per acre	198.31	165.85	169.69
Net return per acre	111.81	12.24	242.22
Total direct expense per ton	25.66	46.28	16.53
Total listed expense per ton	51.16	74.50	32.96
Net return per ton	28.84	5.50	47.04
Breakeven yield per acre	2.48	2.07	2.12
Est. labor hours per acre	6.91	5.42	5.01
Lbr & mgt charge per acre	36.67	48.42	35.79
Net return over lbr & mgt	75.14	-36.19	206.43

Table 11 - 9
Crop Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association
(Farms sorted by Return to Overhead per Acre)

ALFALFA HAY ON CASH RENTED LAND

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of fields	29	6	7
Number of farms	26	5	5
Acres	43.69	29.81	47.85
Yield per acre (ton)	3.65	1.93	5.01
Operators share of yield %	100.00	100.00	100.00
Value per ton	80.00	80.00	80.00
Total product return per acre	291.90	154.41	400.42
Miscellaneous income per acre	0.95	5.75	0.00
Gross return per acre	292.85	160.16	400.42
Direct expenses per acre			
Seed	11.61	14.97	7.32
Fertilizer	7.88	3.43	2.04
Crop chemicals	1.09	0.38	0.00
Fuel & oil	10.14	8.48	8.92
Repairs	30.70	40.64	18.72
Custom hire	7.24	18.78	0.00
Hired labor	0.02	0.00	0.00
Land rent	70.90	70.49	68.51
Machinery & bldg leases	0.04	0.00	0.00
Operating interest	1.65	4.17	1.24
Miscellaneous	2.93	4.32	2.21
Total direct expenses per acre	144.20	165.67	108.96
Return over direct expenses per acre	148.65	-5.51	291.46
Overhead expenses per acre			
Hired labor	7.05	6.77	1.92
Machinery & bldg leases	1.04	0.00	1.31
Farm insurance	2.99	4.89	2.82
Utilities	0.78	1.89	0.68
Interest	4.65	6.88	7.52
Mach & bldg depreciation	23.76	27.93	19.17
Miscellaneous	2.83	4.55	2.59
Total overhead expenses per acre	43.11	52.91	36.01
Total listed expenses per acre	187.31	218.58	144.96
Net return per acre	105.54	-58.42	255.46
Total direct expense per ton	39.52	85.83	21.77
Total listed expense per ton	51.33	113.25	28.96
Net return per ton	28.92	-30.27	51.04
Breakeven yield per acre	2.33	2.66	1.81
Est. labor hours per acre	5.89	6.86	6.60
Lbr & mgt charge per acre	39.37	47.19	46.90
Net return over lbr & mgt	66.17	-105.61	208.55

Table 11 - 10
Crop Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association
(Farms sorted by Return to Overhead per Acre)

CORN SILAGE ON OWNED LAND

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of fields	30	6	6
Number of farms	29	6	6
Acres	28.80	35.83	31.17
Yield per acre (ton)	18.47	12.64	23.60
Operators share of yield %	100.00	100.00	100.00
Value per ton	19.00	19.00	19.00
Total product return per acre	351.00	240.17	448.48
Miscellaneous income per acre	0.00	0.00	0.00
Gross return per acre	351.00	240.17	448.48
Direct expenses per acre			
Seed	29.19	26.37	26.01
Fertilizer	29.57	28.58	32.60
Crop chemicals	34.88	38.07	29.51
Crop insurance	1.63	4.04	0.31
Irrigation energy	0.47	0.00	2.16
Fuel & oil	12.63	13.27	7.78
Repairs	36.74	48.00	20.58
Custom hire	4.89	10.11	1.98
Machinery & bldg leases	0.22	0.90	0.00
Operating interest	2.16	3.08	0.00
Miscellaneous	1.28	2.70	0.02
Total direct expenses per acre	153.67	175.12	120.95
Return over direct expenses per acre	197.33	65.05	327.54
Overhead expenses per acre			
Hired labor	11.76	5.95	19.92
Machinery & bldg leases	0.34	0.00	0.82
RE & pers. property taxes	12.01	9.37	12.27
Farm insurance	4.05	2.36	3.85
Utilities	1.25	0.88	1.61
Interest	25.37	42.23	6.14
Mach & bldg depreciation	31.10	24.43	39.53
Miscellaneous	6.42	3.31	2.44
Total overhead expenses per acre	92.30	88.52	86.56
Total listed expenses per acre	245.97	263.64	207.51
Net return per acre	105.03	-23.47	240.98
Total direct expense per ton	8.32	13.85	5.12
Total listed expense per ton	13.31	20.86	8.79
Net return per ton	5.69	-1.86	10.21
Breakeven yield per acre	12.95	13.88	10.92
Est. labor hours per acre	5.47	3.35	3.22
Net return including govt. payments	96.45	-24.90	220.89
Lbr & mgt charge per acre	27.23	22.98	15.77
Net return over lbr & mgt	69.22	-47.88	205.12

Table 11 - 11
Crop Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association
(Average of all farms reporting)

CORN SILAGE ON CASH RENTED LAND

	Average For All Farms
Number of fields	15
Number of farms	14
Acres	20.39
Yield per acre (ton)	15.23
Operators share of yield %	100.00
Value per ton	19.00
Total product return per acre	289.41
Miscellaneous income per acre	0.00
Gross return per acre	289.41
Direct expenses per acre	
Seed	27.92
Fertilizer	31.40
Crop chemicals	38.39
Crop insurance	1.92
Fuel & oil	15.36
Repairs	31.81
Custom hire	1.94
Land rent	69.91
Machinery & bldg leases	1.31
Operating interest	1.24
Miscellaneous	1.32
Total direct expenses per acre	222.52
Return over direct expenses per acre	66.89
Overhead expenses per acre	
Hired labor	8.54
Machinery & bldg leases	0.06
Farm insurance	2.85
Utilities	1.12
Interest	4.19
Mach & bldg depreciation	25.26
Miscellaneous	3.58
Total overhead expenses per acre	45.61
Total listed expenses per acre	268.13
Net return per acre	21.28
Total direct expense per ton	14.61
Total listed expense per ton	17.60
Net return per ton	1.40
Breakeven yield per acre	14.11
Est. labor hours per acre	5.36
Net return including govt. payments	21.15
Lbr & mgt charge per acre	30.09
Net return over lbr & mgt	-8.93

Table 11 - 12
Crop Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association
(Average of all farms reporting)

OATLAGE ON OWNED LAND

	Average For All Farms
Number of fields	7
Number of farms	7
Acres	42.41
Yield per acre (ton)	6.05
Operators share of yield %	100.00
Value per ton	12.42
Total product return per acre	75.14
Miscellaneous income per acre	0.00
Gross return per acre	75.14
Direct expenses per acre	
Seed	13.80
Fertilizer	4.13
Fuel & oil	5.15
Repairs	15.55
Operating interest	0.15
Miscellaneous	1.10
Total direct expenses per acre	39.88
Return over direct expenses per acre	35.26
Overhead expenses per acre	
Hired labor	11.45
RE & pers. property taxes	12.37
Farm insurance	3.72
Utilities	0.84
Interest	20.61
Mach & bldg depreciation	18.89
Miscellaneous	1.83
Total overhead expenses per acre	69.70
Total listed expenses per acre	109.58
Net return per acre	-34.44
Total direct expense per ton	6.59
Total listed expense per ton	18.12
Net return per ton	-5.70
Breakeven yield per acre	8.82
Est. labor hours per acre	2.31
Lbr & mgt charge per acre	8.99
Net return over lbr & mgt	-43.43

Table 11 - 13
Crop Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association
(Average of all farms reporting)

OATLAGE ON CASH RENTED LAND

	Average For All Farms
Number of fields	5
Number of farms	5
Acres	17.36
Yield per acre (ton)	3.02
Operators share of yield %	100.00
Value per ton	12.74
Total product return per acre	38.47
Miscellaneous income per acre	23.96
Gross return per acre	62.43
Direct expenses per acre	
Seed	4.27
Crop chemicals	0.04
Fuel & oil	6.88
Repairs	18.05
Land rent	70.60
Operating interest	2.07
Miscellaneous	0.60
Total direct expenses per acre	102.51
Return over direct expenses per acre	-40.08
Overhead expenses per acre	
Hired labor	10.07
Machinery & bldg leases	3.92
Farm insurance	5.05
Utilities	1.90
Interest	5.08
Mach & bldg depreciation	12.71
Miscellaneous	4.17
Total overhead expenses per acre	42.90
Total listed expenses per acre	145.40
Net return per acre	-82.97
Total direct expense per ton	33.96
Total listed expense per ton	48.17
Net return per ton	-27.49
Breakeven yield per acre	9.53
Est. labor hours per acre	3.20
Lbr & mgt charge per acre	76.43
Net return over lbr & mgt	-159.40

Table 11 - 14
Crop Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association
(Average of all farms reporting)

PASTURE ON OWNED LAND

	Average For All Farms
Number of fields	17
Number of farms	14
Acres	45.40
Total product return per acre	76.23
Miscellaneous income per acre	0.00
Gross return per acre	76.23
Direct expenses per acre	
Seed	1.50
Fertilizer	1.23
Fuel & oil	1.90
Repairs	4.88
Operating interest	0.72
Miscellaneous	0.05
Total direct expenses per acre	10.29
Return over direct expenses per acre	65.94
Overhead expenses per acre	
Hired labor	2.09
RE & pers. property taxes	10.04
Farm insurance	3.58
Utilities	0.30
Interest	23.83
Mach & bldg depreciation	4.27
Miscellaneous	2.83
Total overhead expenses per acre	46.94
Total listed expenses per acre	57.23
Net return per acre	19.00
Total direct expense per unit	0.42
Total listed expense per unit	2.35
Net return per unit	0.78
Breakeven yield per acre	18.31
Est. labor hours per acre	1.04
Lbr & mgt charge per acre	7.60
Net return over lbr & mgt	11.41

Table 11 - 15
Crop Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association
(Average of all farms reporting)

PASTURE ON CASH RENTED LAND

	Average For All Farms
Number of fields	6
Number of farms	6
Acres	53.83
Total product return per acre	29.94
Miscellaneous income per acre	0.00
Gross return per acre	29.94
Direct expenses per acre	
Fuel & oil	1.37
Repairs	2.83
Land rent	16.49
Operating interest	0.86
Total direct expenses per acre	21.55
Return over direct expenses per acre	8.38
Overhead expenses per acre	
Hired labor	5.11
Farm insurance	1.74
Utilities	0.42
Interest	0.02
Mach & bldg depreciation	2.95
Miscellaneous	3.61
Total overhead expenses per acre	13.85
Total listed expenses per acre	35.40
Net return per acre	-5.46
Total direct expense per unit	2.09
Total listed expense per unit	3.43
Net return per unit	-0.53
Breakeven yield per acre	12.19
Est. labor hours per acre	0.48
Lbr & mgt charge per acre	3.05
Net return over lbr & mgt	-8.52

Table 11 - 16
Crop Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association
(Farms sorted by Return to Overhead per Acre)

SET ASIDE ON OWNED LAND

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of fields	30	6	6
Number of farms	30	6	6
Acres	17.99	18.13	14.75
Yield per acre	37.80	1.49	228.70
Operators share of yield %	100.00	100.00	100.00
Value per unit	1.00	1.00	1.00
Total product return per acre	37.80	1.49	228.70
Miscellaneous income per acre	1.02	0.00	0.00
Gross return per acre	38.82	1.49	228.70
Direct expenses per acre			
Seed	3.70	8.03	8.01
Crop chemicals	3.28	16.03	0.00
Fuel & oil	5.18	6.67	8.79
Repairs	14.67	28.66	19.67
Custom hire	0.52	2.22	0.00
Operating interest	2.02	5.14	1.36
Miscellaneous	0.88	4.00	0.45
Total direct expenses per acre	30.25	70.76	38.28
Return over direct expenses per acre	8.57	-69.26	190.42
Overhead expenses per acre			
Hired labor	5.63	7.73	2.37
Machinery & bldg leases	0.75	0.06	0.00
RE & pers. property taxes	11.78	11.23	8.85
Farm insurance	3.03	3.44	3.20
Utilities	0.78	1.20	0.50
Interest	19.82	33.94	18.78
Mach & bldg depreciation	15.76	17.67	14.47
Miscellaneous	2.23	2.83	1.89
Total overhead expenses per acre	59.77	78.10	50.06
Total listed expenses per acre	90.02	148.86	88.34
Net return per acre	-51.20	-147.37	140.36
Total direct expense per unit	0.80	47.45	0.17
Total listed expense per unit	2.38	99.83	0.39
Net return per unit	-1.35	-98.83	0.61
Breakeven yield per acre	89.00	148.86	88.34
Est. labor hours per acre	2.35	4.99	3.04
Lbr & mgt charge per acre	2.18	0.00	0.00
Net return over lbr & mgt	-53.37	-147.37	140.36

Table 11 - 17
Crop Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association
(Farms sorted by Return to Overhead per Acre)

SET ASIDE ON CASH RENTED LAND

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of fields	25	5	5
Number of farms	24	5	5
Acres	24.23	24.54	14.36
Yield per acre	26.47	0.00	223.24
Operators share of yield %	100.00	100.00	100.00
Value per unit	1.00	1.00	1.00
Total product return per acre	26.47	0.00	223.24
Miscellaneous income per acre	9.87	0.00	0.00
Gross return per acre	36.34	0.00	223.24
Direct expenses per acre			
Seed	4.22	3.84	0.54
Crop chemicals	0.77	3.15	0.00
Fuel & oil	4.74	4.24	7.91
Repairs	14.23	18.00	18.55
Land rent	82.25	96.89	78.24
Operating interest	2.38	2.79	0.95
Total direct expenses per acre	108.59	128.91	106.20
Return over direct expenses per acre	-72.25	-128.91	117.05
Overhead expenses per acre			
Hired labor	4.29	1.85	1.73
Machinery & bldg leases	2.50	5.45	0.00
Farm insurance	2.06	2.93	2.67
Utilities	0.50	0.63	0.67
Interest	2.95	4.96	3.94
Mach & bldg depreciation	10.64	6.56	14.90
Miscellaneous	1.74	1.45	1.73
Total overhead expenses per acre	24.67	23.83	25.65
Total listed expenses per acre	133.26	152.74	131.85
Net return per acre	-96.92	-152.74	91.40
Total direct expense per unit	4.10	45513.27	0.48
Total listed expense per unit	5.04	53925.16	0.59
Net return per unit	-3.66	-53924.16	0.41
Breakeven yield per acre	123.39	152.74	131.85
Est. labor hours per acre	2.18	1.28	4.75
Lbr & mgt charge per acre	0.68	0.50	0.00
Net return over lbr & mgt	-97.60	-153.23	91.40

Table 11 - 18
Crop Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association
(Average of all farms reporting)

SWEET CORN ON CASH RENTED LAND

	Average For All Farms
Number of fields	6
Number of farms	6
Acres	51.02
Total product return per acre	215.23
Miscellaneous income per acre	0.00
Gross return per acre	215.23
Direct expenses per acre	
Fertilizer	47.76
Crop chemicals	28.61
Crop insurance	3.22
Fuel & oil	6.64
Repairs	17.18
Custom hire	1.27
Land rent	83.66
Operating interest	5.24
Miscellaneous	0.05
Total direct expenses per acre	193.62
Return over direct expenses per acre	21.60
Overhead expenses per acre	
Hired labor	1.86
Machinery & bldg leases	1.85
Farm insurance	2.64
Utilities	1.20
Interest	13.12
Mach & bldg depreciation	8.83
Miscellaneous	1.72
Total overhead expenses per acre	31.23
Total listed expenses per acre	224.85
Net return per acre	-9.62
Total direct expense per ton	2.34
Total listed expense per ton	2.72
Net return per ton	-0.12
Breakeven yield per acre	86.30
Est. labor hours per acre	3.32
Lbr & mgt charge per acre	25.96
Net return over lbr & mgt	-35.59

Table 11 - 19
Crop Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association
(Average of all farms reporting)

PEAS ON OWNED LAND

	Average For All Farms
Number of fields	5
Number of farms	5
Acres	54.00
Total product return per acre	267.27
Miscellaneous income per acre	0.00
Gross return per acre	267.27
Direct expenses per acre	
Seed	15.41
Fertilizer	17.39
Crop chemicals	8.41
Fuel & oil	4.92
Repairs	10.50
Custom hire	0.93
Operating interest	1.82
Total direct expenses per acre	59.38
Return over direct expenses per acre	207.89
Overhead expenses per acre	
Hired labor	3.87
Machinery & bldg leases	11.75
RE & pers. property taxes	18.16
Farm insurance	1.40
Utilities	0.42
Interest	69.06
Mach & bldg depreciation	7.13
Miscellaneous	0.69
Total overhead expenses per acre	112.46
Total listed expenses per acre	171.84
Net return per acre	95.43
Total direct expense per lb	0.05
Total listed expense per lb	0.14
Net return per lb	0.08
Breakeven yield per acre	780.88
Est. labor hours per acre	2.07
Lbr & mgt charge per acre	16.77
Net return over lbr & mgt	78.66

Table 11 - 20
Crop Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association
(Average of all farms reporting)

CRP ON OWNED LAND

	Average For All Farms
Number of fields	10
Number of farms	10
Acres	39.40
Yield per acre	76.28
Operators share of yield %	100.00
Value per unit	1.00
Total product return per acre	76.28
Miscellaneous income per acre	0.00
Gross return per acre	76.28
Direct expenses per acre	
Fuel & oil	0.14
Repairs	0.25
Operating interest	1.13
Total direct expenses per acre	1.52
Return over direct expenses per acre	74.76
Overhead expenses per acre	
Hired labor	0.85
Machinery & bldg leases	1.08
RE & pers. property taxes	14.50
Farm insurance	1.34
Utilities	0.10
Interest	35.68
Mach & bldg depreciation	0.31
Miscellaneous	1.98
Total overhead expenses per acre	55.84
Total listed expenses per acre	57.36
Net return per acre	18.91
Total direct expense per unit	0.02
Total listed expense per unit	0.75
Net return per unit	0.25
Breakeven yield per acre	57.36
Est. labor hours per acre	0.20
Lbr & mgt charge per acre	1.76
Net return over lbr & mgt	17.15

EXPLANATORY NOTES FOR LIVESTOCK TABLES

The "Livestock Enterprise Analysis" tables show the average physical production, gross returns, direct costs, overhead costs, and net returns per budget unit. All costs are actual costs; no opportunity costs are included. The "Net Return" to the enterprise is the "Gross Return" minus the direct and overhead costs. The last section of each livestock table contains both economic and technical efficiency measures.

The "Dairy" table contains the information for only the milking herd (which includes dry cows). "Dairy Replacement Heifers" are those heifers kept for replacement into the milking herd. "Dairy Steers" includes only steers for feeding. The "Dairy and Replacement Heifers" table is for the whole herd and includes those farms in the "Dairy" and "Dairy Replacement Heifers" tables; it does not include "Dairy Steers."

The "Beef, Finish Beef Calves" table includes the FINPACK codes for beef steer and heifer calf finishing; there was no yearling feeding.

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

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

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

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

Table 12 - 1
Livestock Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association
(Farms sorted by Return to Overhead)

Dairy -- Average per Cow

	Average For All Farms		Average For Low 20%		Average For High 20%	
Number of farms	33		7		7	
	Quantity	Value	Quantity	Value	Quantity	Value
Milk sold (lb)	18360.86	2349.13	15548.05	1929.38	21852.52	2857.15
Milk used in home (lb)	21.48	2.22	26.38	2.64	29.65	3.43
Milk fed to animals (lb)	116.53	11.75	194.75	19.48	100.56	10.70
Dairy Calves sold (hd)	0.07	16.45	0.02	6.83	0.13	10.06
Transferred out (hd)	1.03	88.30	0.95	68.74	0.91	148.51
Cull sales (hd)	0.28	117.79	0.22	90.01	0.37	184.57
Butchered (hd)	0.00	0.20	0.00	0.00	0.00	0.52
Less purchased (hd)	-0.06	-54.01	-0.11	-121.86	0.00	0.00
Less transferred in (hd)	-0.38	-373.42	-0.29	-271.33	-0.39	-389.34
Inventory change (hd)	0.06	60.94	0.11	107.70	0.01	11.73
Total production		2219.34		1831.58		2837.33
Other income		4.59		1.73		10.46
Gross return		2223.93		1833.31		2847.79
Direct expenses						
Barley (bu.)	0.28	0.55	0.00	0.00	1.80	3.61
Corn (bu.)	106.23	263.81	126.28	315.70	103.00	260.65
Corn Silage (lb.)	8050.71	61.13	12034.97	89.43	8751.03	65.63
Hay, Alfalfa (lb.)	2714.80	112.62	5653.30	226.13	3081.17	123.25
Hay, Grass & Other (lb.)	164.44	2.54	90.44	2.71	149.55	3.74
Haylage, Alfalfa (lb.)	7364.10	147.30	4359.36	87.25	7178.22	143.56
Haylage, Grass & Other (lb.)	391.33	7.83	0.00	0.00	0.00	0.00
Oatlage (lb.)	493.47	6.83	0.00	0.00	0.00	0.00
Oats (bu.)	1.21	1.81	0.00	0.00	0.72	1.08
Pasture (aum)	1.34	14.16	2.12	21.19	0.46	11.09
Sorghum Silage (lb.)	251.40	0.31	0.00	0.00	1639.85	2.05
Stover (lb.)	2.37	0.07	0.00	0.00	15.47	0.46
Complete Ration (lb.)	786.61	34.88	211.03	19.11	0.00	0.00
Protein Vit Minerals (lb.)	2174.92	347.14	1657.52	253.67	2355.61	380.67
Breeding fees		34.19		40.46		39.15
Veterinary		84.25		109.85		91.14
Livestock supplies		163.95		198.09		170.90
Fuel & oil		13.36		20.98		16.52
Repairs		93.53		129.55		87.37
Custom hire		12.93		17.95		16.96
Hired labor		3.79		0.00		21.35
Machinery & bldg leases		1.01		7.73		0.00
Marketing		33.68		41.30		39.71
Operating interest		5.32		8.59		2.68
Total direct expenses		1446.99		1589.70		1481.57
Return over direct expense		776.94		243.61		1366.22
Overhead expenses						
Hired labor		96.06		43.51		72.42
Machinery & bldg leases		9.82		39.34		13.89
RE & pers. property taxes		12.09		12.04		14.76
Farm insurance		18.14		25.36		20.35
Utilities		58.51		84.08		64.51
Interest		40.05		92.87		35.24
Mach & bldg depreciation		89.57		60.63		99.01
Miscellaneous		16.97		17.25		23.48
Total overhead expenses		341.22		375.08		343.66
Total listed expenses		1788.21		1964.78		1825.23
Net return		435.72		-131.47		1022.56
Est. labor hours per unit		54.03		66.04		65.59
Labor & management charge		271.49		410.04		398.57
Net return over lbr & mgt		164.24		-541.51		623.99
Other Information						
Avg. number of Cows		76.7		47.4		55.4
Milk produced per Cow		18499		15769		21983
Percent butterfat in milk		3.8		3.8		3.7
Culling percentage		28.1		22.3		36.6
Percent of barn capacity		108.8		106.0		110.2
Lbs. milk/lb grain & conc.		2.2		1.8		3.0
Feed cost per cwt of milk		5.41		6.44		4.53
Feed cost per Cow		1000.98		1015.20		995.80
Avg. milk price per cwt.		12.79		12.41		13.07

Table 12 - 2
Livestock Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association
(Farms sorted by Return to Overhead)

Dairy Replacement Heifers -- Average per Head

	Average For All Farms		Average For Low 20%		Average For High 20%	
Number of farms	34		7		7	
	Quantity	Value	Quantity	Value	Quantity	Value
Replacements sold (hd)	0.37	87.72	0.38	157.07	0.23	77.76
Transferred out (hd)	0.63	474.02	0.62	456.42	0.77	476.33
Cull sales (hd)	0.02	2.64	0.10	15.80	0.00	0.00
Butchered (hd)	0.00	1.39	0.01	3.23	0.00	0.00
Less purchased (hd)	-0.06	-36.89	-0.25	-107.86	0.00	0.00
Less transferred in (hd)	-1.21	-91.15	-1.25	-97.31	-1.11	-82.99
Inventory change (hd)	0.03	30.38	-0.05	-46.39	-0.06	78.04
Total production (hd)	0.00	468.11	0.00	380.96	0.00	549.14
Other income		0.00		0.00		0.00
Gross return		468.11		380.96		549.14
Direct expenses						
Barley (bu.)	0.17	0.38	1.29	2.90	0.00	0.00
Corn (bu.)	28.29	70.83	56.35	140.90	16.54	41.35
Corn Silage (lb.)	5309.70	39.99	10078.85	74.97	3180.79	23.86
Hay, Alfalfa (lb.)	2281.02	89.65	3752.69	146.99	964.93	38.70
Hay, Grass & Other (lb.)	210.67	6.26	215.05	6.45	751.57	22.55
Haylage, Alfalfa (lb.)	2433.32	48.67	2666.67	53.33	1264.72	25.29
Haylage, Grass & Other (lb.)	74.25	1.48	0.00	0.00	0.00	0.00
Oatlage (lb.)	315.55	4.01	0.00	0.00	450.94	4.51
Oats (bu.)	2.99	4.48	1.68	2.52	3.09	4.42
Pasture (aum)	1.14	9.16	2.67	21.55	1.41	13.18
Sorghum Silage (lb.)	127.15	0.16	0.00	0.00	0.00	0.00
Complete Ration (lb.)	5124.92	11.16	407.17	37.91	297.70	7.30
Milk (lb.)	116.87	13.00	129.03	12.90	37.58	4.28
Milk Replacer (lb.)	7.98	0.80	0.00	0.00	0.00	0.00
Protein Vit Minerals (lb.)	411.55	67.12	493.91	96.66	414.61	58.90
Breeding fees		7.94		10.40		3.06
Veterinary		10.73		24.49		8.41
Livestock supplies		6.15		7.56		2.31
Fuel & oil		4.30		6.33		6.02
Repairs		26.54		41.29		20.18
Custom hire		16.84		3.12		0.00
Marketing		1.52		2.75		1.37
Operating interest		1.86		4.09		2.42
Total direct expenses		443.04		697.12		288.11
Return over direct expense		25.07		-316.16		261.03
Overhead expenses						
Hired labor		30.44		39.38		33.98
Machinery & bldg leases		2.99		0.81		0.00
RE & pers. property taxes		3.69		3.49		2.63
Farm insurance		5.34		6.36		3.31
Utilities		11.17		17.77		11.43
Interest		12.43		29.17		8.59
Mach & bldg depreciation		25.22		22.46		21.92
Miscellaneous		5.02		5.59		8.17
Total overhead expenses		96.30		125.03		90.03
Total listed expenses		539.34		822.16		378.14
Net return		-71.23		-441.20		171.00
Est. labor hours per unit		15.70		22.69		13.97
Labor & management charge		76.38		134.37		60.53
Net return over lbr & mgt		-147.60		-575.57		110.47
Other Information						
No. purchased or trans in		80		60		76
Number sold or trans out		63		40		68
Percentage death loss		7.2		13.2		5.4
Feed cost/head sold+trans		367.16		597.10		244.34
Avg. purchase weight		-		0		0
Avg. sales weight		8		0		0
Avg. purch price / head		668.13		429.89		0.00
Avg. sales price / head		238.37		413.42		332.58

Table 12 - 3
Livestock Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association
(Farms sorted by Return to Overhead)

Dairy and Repl Heifers -- Average per Cow

	Average For All Farms		Average For Low 20%		Average For High 20%	
Number of farms	33		7		7	
	Quantity	Value	Quantity	Value	Quantity	Value
Milk sold (lb)	18360.86	2349.13	17042.99	2128.10	21852.52	2857.15
Milk used in home (lb)	21.48	2.22	16.74	1.67	29.65	3.43
Milk fed to animals (lb)	116.53	11.75	90.61	9.06	100.56	10.70
Dairy Calves sold (hd)	0.37	81.06	0.34	83.41	0.50	76.32
Transferred out (hd)	1.57	492.09	1.39	402.26	1.43	559.15
Cull sales (hd)	0.30	120.04	0.18	60.44	0.44	195.93
Butchered (hd)	0.00	1.38	0.01	2.27	0.01	1.80
Less purchased (hd)	-0.08	-79.16	-0.12	-120.90	-0.01	-2.97
Less transferred in (hd)	-1.41	-451.07	-1.21	-369.18	-1.44	-467.85
Inventory change (hd)	0.09	86.56	0.01	50.96	-0.02	41.24
Total production		2614.00		2248.08		3274.91
Other income		4.59		1.44		10.46
Gross return		2618.59		2249.53		3285.37
Direct expenses						
Barley (bu.)	0.42	0.87	0.91	2.04	1.80	3.61
Corn (bu.)	129.94	323.16	153.19	383.00	132.92	335.99
Corn Silage (lb.)	12431.38	94.12	17648.12	131.23	12603.14	94.53
Hay, Alfalfa (lb.)	4592.62	186.38	5019.88	200.92	4677.19	184.72
Hay, Grass & Other (lb.)	343.90	7.88	226.53	6.80	211.43	5.29
Haylage, Alfalfa (lb.)	9436.88	188.76	8219.98	164.45	9070.75	181.42
Haylage, Grass & Other (lb.)	454.57	9.09	0.00	0.00	0.00	0.00
Oatlage (lb.)	762.26	10.25	0.00	0.00	309.41	1.86
Oats (bu.)	3.76	5.63	1.44	2.15	5.76	8.38
Pasture (aum)	2.20	21.17	2.97	28.08	2.00	20.70
Sorghum Silage (lb.)	359.71	0.45	0.00	0.00	2346.33	2.93
Stover (lb.)	2.37	0.07	0.00	0.00	15.47	0.46
Complete Ration (lb.)	5152.18	44.38	643.34	54.54	11.86	1.10
Milk (lb.)	99.56	11.07	90.61	9.06	100.56	10.70
Milk Replacer (lb.)	6.80	0.68	0.00	0.00	0.00	0.00
Protein Vit Minerals (lb.)	2517.59	402.93	2669.52	444.19	2900.68	449.28
Breeding fees		40.95		41.40		49.78
Veterinary		92.49		104.98		98.91
Livestock supplies		168.98		212.73		172.38
Fuel & oil		16.87		22.17		19.88
Repairs		115.99		169.42		104.83
Custom hire		27.28		12.22		18.28
Hired labor		3.79		0.00		21.35
Machinery & bldg leases		1.01		6.46		0.00
Marketing		34.94		46.88		40.18
Operating interest		6.82		12.50		3.53
Total direct expenses		1816.02		2055.21		1830.07
Return over direct expense		802.57		194.31		1455.30
Overhead expenses						
Hired labor		121.99		118.41		87.27
Machinery & bldg leases		12.36		0.00		17.14
RE & pers. property taxes		15.23		12.93		18.15
Farm insurance		22.65		25.74		25.14
Utilities		68.00		96.32		71.60
Interest		50.19		95.77		42.72
Mach & bldg depreciation		110.99		84.47		118.12
Miscellaneous		21.23		20.04		27.06
Total overhead expenses		422.65		453.67		407.20
Total listed expenses		2238.67		2508.88		2237.28
Net return		379.92		-259.35		1048.10
Est. labor hours per unit		67.25		72.43		81.96
Labor & management charge		334.57		468.76		489.30
Net return over lbr & mgt		45.35		-728.12		558.79
Other Information						
Avg. number of Cows		76.7		56.8		55.4
Milk produced per Cow		18499		17150		21983
Percent butterfat in milk		3.8		3.6		3.7
Culling percentage		30.1		17.6		43.6
Percent of barn capacity		108.8		103.2		110.2
Lbs. milk/lb grain & conc.		1.3		1.6		2.3
Feed cost per cwt of milk		7.06		8.32		5.92
Feed cost per Cow		1306.89		1426.45		1300.96
Avg. milk price per cwt.		12.79		12.49		13.07

Table 12 - 4
Livestock Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association

Hogs, Farrow To Finish -- Average per Litter

	Average For All Farms	
Number of farms	9	
	Quantity	Value
Raised Hogs sold (lb)	1787.11	759.07
Cull sales (lb)	146.82	41.49
Butchered (lb)	1.23	0.32
Less purchased (lb)	-34.52	-31.92
Inventory change (lb)	-23.89	34.09
Total production (lb)	1876.76	803.05
Other income		0.00
Gross return		803.05
Direct expenses		
Barley (bu.)	0.27	0.68
Corn (bu.)	101.79	254.50
Oats (bu.)	0.66	1.64
Complete Ration (lb.)	37.03	12.05
Protein Vit Minerals (lb.)	1517.81	219.89
Breeding fees		0.34
Veterinary		13.24
Livestock supplies		14.47
Fuel & oil		5.34
Repairs		37.96
Custom hire		1.81
Marketing		3.17
Operating interest		7.84
Total direct expenses		572.93
Return over direct expense		230.12
Overhead expenses		
Hired labor		25.40
RE & pers. property taxes		5.98
Farm insurance		11.04
Utilities		28.37
Interest		30.08
Mach & bldg depreciation		29.02
Miscellaneous		9.33
Total overhead expenses		139.21
Total listed expenses		712.14
Net return		90.91
Est. labor hours per unit		14.30
Labor & management charge		146.69
Net return over lbr & mgt		-55.78
Other Information		
Average number of sows		76.0
Litters farrowed		142
Litters per sow		1.87
Litters per crate		6.92
Pigs born per litter		9.90
Pigs weaned per litter		7.71
Pigs weaned per sow		14.43
Number sold per litter		7.43
Lbs of feed / lb of gain		3.64
Feed cost / cwt. of gain		26.04
Feed cost per litter		488.76
Avg wgt/Raised Hog sold		241
Avg price / cwt		42.47

Table 12 - 5
Livestock Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association

Hogs, Farrow To Finish -- Average per Cwt Produced

	Average For All Farms	
Number of farms	9	
	Quantity	Value
Raised Hogs sold (lb)	95.22	40.45
Cull sales (lb)	7.82	2.21
Butchered (lb)	0.07	0.02
Less purchased (lb)	-1.84	-1.70
Inventory change (lb)	-1.27	1.82
Total production (lb)	100.00	42.79
Other income		0.00
Gross return		42.79
Direct expenses		
Barley (bu.)	0.01	0.04
Corn (bu.)	5.42	13.56
Oats (bu.)	0.04	0.09
Complete Ration (lb.)	1.97	0.64
Protein Vit Minerals (lb.)	80.87	11.72
Breeding fees		0.02
Veterinary		0.71
Livestock supplies		0.77
Fuel & oil		0.28
Repairs		2.02
Custom hire		0.10
Marketing		0.17
Operating interest		0.42
Total direct expenses		30.53
Return over direct expense		12.26
Overhead expenses		
Hired labor		1.35
RE & pers. property taxes		0.32
Farm insurance		0.59
Utilities		1.51
Interest		1.60
Mach & bldg depreciation		1.55
Miscellaneous		0.50
Total overhead expenses		7.42
Total listed expenses		37.95
Net return		4.84
Est. labor hours per unit		0.76
Labor & management charge		7.82
Net return over lbr & mgt		-2.97
Other Information		
Average number of sows		76.0
Litters farrowed		142
Litters per sow		1.87
Litters per crate		6.92
Pigs born per litter		9.90
Pigs weaned per litter		7.71
Pigs weaned per sow		14.43
Number sold per litter		7.43
Lbs of feed / lb of gain		3.64
Feed cost / cwt. of gain		26.04
Feed cost per litter		488.76
Avg wgt/Raised Hog sold		241
Avg price / cwt		42.47

Table 12 - 6
Livestock Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association

Hogs, Finish Feeder Pigs -- Average per Head

	Average For All Farms	
Number of farms	7	
	Quantity	Value
Finish Hogs sold (lb)	233.78	102.01
Transferred out (lb)	6.14	2.64
Cull sales (lb)	12.44	4.84
Butchered (lb)	0.06	0.03
Less purchased (lb)	-45.45	-36.02
Less transferred in (lb)	-8.61	-6.91
Inventory change (lb)	-11.90	-1.15
Total production (lb)	186.46	65.42
Other income		0.00
Gross return		65.42
Direct expenses		
Barley (bu.)	0.05	0.09
Corn (bu.)	9.44	23.72
Oats (bu.)	0.06	0.08
Protein Vit Minerals (lb.)	110.46	18.75
Veterinary		0.18
Livestock supplies		0.17
Fuel & oil		0.63
Repairs		1.82
Custom hire		0.74
Machinery & bldg leases		0.49
Utilities		0.04
Marketing		0.27
Operating interest		0.96
Total direct expenses		47.94
Return over direct expense		17.48
Overhead expenses		
Hired labor		1.97
Machinery & bldg leases		0.69
RE & pers. property taxes		0.78
Farm insurance		0.43
Utilities		1.94
Interest		1.99
Mach & bldg depreciation		3.13
Miscellaneous		0.85
Total overhead expenses		11.78
Total listed expenses		59.72
Net return		5.70
Est. labor hours per unit		1.02
Labor & management charge		6.55
Net return over lbr & mgt		-0.84
Other Information		
No. purchased or trans in		1080
Number sold or trans out		1093
Percentage death loss		4.7
Avg. daily gain (lbs)		1.22
Lbs of conc / lb of gain		3.21
Lbs of feed / lb of gain		3.21
Feed cost per cwt of gain		22.87
Feed cost per head		42.65
Average purchase weight		53
Average sales weight		236
Avg purch price / head		42.37
Avg sales price / cwt		43.63

Table 12 - 7
Livestock Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association

Hogs, Finish Feeder Pigs -- Average per Cwt Produced

	Average For All Farms	
Number of farms	7	
	Quantity	Value
Finish Hogs sold (lb)	125.38	54.71
Transferred out (lb)	3.29	1.42
Cull sales (lb)	6.67	2.59
Butchered (lb)	0.03	0.01
Less purchased (lb)	-24.38	-19.32
Less transferred in (lb)	-4.62	-3.71
Inventory change (lb)	-6.38	-0.62
Total production (lb)	100.00	35.09
Other income		0.00
Gross return		35.09
Direct expenses		
Barley (bu.)	0.02	0.05
Corn (bu.)	5.06	12.72
Oats (bu.)	0.03	0.05
Protein Vit Minerals (lb.)	59.24	10.06
Veterinary		0.10
Livestock supplies		0.09
Fuel & oil		0.34
Repairs		0.98
Custom hire		0.40
Machinery & bldg leases		0.26
Utilities		0.02
Marketing		0.15
Operating interest		0.52
Total direct expenses		25.71
Return over direct expense		9.38
Overhead expenses		
Hired labor		1.06
Machinery & bldg leases		0.37
RE & pers. property taxes		0.42
Farm insurance		0.23
Utilities		1.04
Interest		1.07
Mach & bldg depreciation		1.68
Miscellaneous		0.45
Total overhead expenses		6.32
Total listed expenses		32.03
Net return		3.06
Est. labor hours per unit		0.55
Labor & management charge		3.51
Net return over lbr & mgt		-0.45
Other Information		
No. purchased or trans in		1080
Number sold or trans out		1093
Percentage death loss		4.7
Avg. daily gain (lbs)		1.22
Lbs of conc / lb of gain		3.21
Lbs of feed / lb of gain		3.21
Feed cost per cwt of gain		22.87
Feed cost per head		42.65
Average purchase weight		53
Average sales weight		236
Avg purch price / head		42.37
Avg sales price / cwt		43.63

Table 12 - 8
Livestock Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association

Beef Cow-Calf -- Average per Cow

	Average For All Farms	
Number of farms	6	
	Quantity	Value
Beef Calves sold (lb)	58.57	26.42
Transferred out (lb)	385.82	238.53
Cull sales (lb)	94.05	32.88
Less purchased (lb)	-12.54	-14.18
Less transferred in (lb)	-38.49	-21.22
Inventory change (lb)	-64.60	-72.80
Total production (lb)	422.82	189.62
Other income		0.00
Gross return		189.62
Direct expenses		
Corn Silage (lb.)	5480.41	41.10
Hay, Alfalfa (lb.)	961.51	35.23
Hay, Grass & Other (lb.)	3298.97	98.97
Haylage, Alfalfa (lb.)	1499.66	29.99
Pasture (aum)	4.43	41.12
Stover (lb.)	206.19	4.12
Protein Vit Minerals (lb.)	54.98	11.58
Breeding fees		1.76
Veterinary		3.73
Livestock supplies		2.12
Fuel & oil		2.17
Repairs		15.36
Custom hire		0.26
Livestock leases		1.03
Marketing		1.49
Operating interest		0.76
Total direct expenses		290.81
Return over direct expense		-101.19
Overhead expenses		
Hired labor		0.76
RE & pers. property taxes		2.24
Farm insurance		4.26
Utilities		8.15
Interest		1.90
Mach & bldg depreciation		8.63
Miscellaneous		5.53
Total overhead expenses		31.47
Total listed expenses		322.28
Net return		-132.65
Est. labor hours per unit		6.01
Labor & management charge		113.69
Net return over lbr & mgt		-246.34
Other Information		
Number of cows		48.5
Pregnancy percentage		96.1
Pregnancy loss percentage		-
Culling percentage		7.2
Calving percentage		96.1
Weaning percentage		82.9
Calves sold per cow		0.88
Calf death loss percent		10.0
Average weaning weight		431
Lbs weaned/exposed female		357
Feed cost per cow		262.12
Avg wgt/Beef Calf sold		812
Avg price / cwt		45.10

Table 12 - 9
Livestock Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association

Beef, Finish Beef Calves -- Average per Head

	Average For All Farms	
Number of farms	8	
	Quantity	Value
Finish Beef sold (lb)	1243.46	771.94
Less purchased (lb)	-409.91	-287.13
Less transferred in (lb)	-134.58	-82.24
Inventory change (lb)	6.50	-58.72
Total production (lb)	705.48	343.84
Other income		0.00
Gross return		343.84
Direct expenses		
Corn (bu.)	70.88	177.20
Corn Silage (lb.)	3260.06	24.65
Hay, Alfalfa (lb.)	823.60	32.94
Hay, Grass & Other (lb.)	234.26	7.03
Haylage, Alfalfa (lb.)	1024.87	20.50
Oats (bu.)	2.41	3.42
Complete Ration (lb.)	15.81	1.71
Protein Vit Minerals (lb.)	360.56	51.78
Veterinary		5.14
Livestock supplies		5.63
Fuel & oil		3.08
Repairs		10.81
Marketing		6.02
Operating interest		1.77
Total direct expenses		351.67
Return over direct expense		-7.83
Overhead expenses		
Hired labor		2.26
Machinery & bldg leases		0.98
RE & pers. property taxes		1.23
Farm insurance		2.76
Utilities		6.40
Interest		7.68
Mach & bldg depreciation		9.91
Miscellaneous		2.85
Total overhead expenses		34.07
Total listed expenses		385.74
Net return		-41.90
Est. labor hours per unit		5.67
Labor & management charge		54.12
Net return over lbr & mgt		-96.02
Other Information		
No. purchased or trans in		139
Number sold or trans out		128
Percentage death loss		2.0
Avg. daily gain (lbs)		1.93
Lbs of conc / lb of gain		6.21
Lbs of feed / lb of gain		9.98
Feed cost per cwt of gain		45.25
Feed cost per head		319.22
Average purchase weight		527
Average sales weight		1249
Avg purch price / cwt		70.05
Avg sales price / cwt		62.08

Table 12 - 10
Livestock Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association

Beef, Finish Beef Calves -- Average per Cwt Produced

	Average For All Farms	
Number of farms	8	
	Quantity	Value
Finish Beef sold (lb)	176.26	109.42
Less purchased (lb)	-58.10	-40.70
Less transferred in (lb)	-19.08	-11.66
Inventory change (lb)	0.92	-8.32
Total production (lb)	100.00	48.74
Other income		0.00
Gross return		48.74
Direct expenses		
Corn (bu.)	10.05	25.12
Corn Silage (lb.)	462.11	3.49
Hay, Alfalfa (lb.)	116.74	4.67
Hay, Grass & Other (lb.)	33.21	1.00
Haylage, Alfalfa (lb.)	145.27	2.91
Oats (bu.)	0.34	0.48
Complete Ration (lb.)	2.24	0.24
Protein Vit Minerals (lb.)	51.11	7.34
Veterinary		0.73
Livestock supplies		0.80
Fuel & oil		0.44
Repairs		1.53
Marketing		0.85
Operating interest		0.25
Total direct expenses		49.85
Return over direct expense		-1.11
Overhead expenses		
Hired labor		0.32
Machinery & bldg leases		0.14
RE & pers. property taxes		0.17
Farm insurance		0.39
Utilities		0.91
Interest		1.09
Mach & bldg depreciation		1.40
Miscellaneous		0.40
Total overhead expenses		4.83
Total listed expenses		54.68
Net return		-5.94
Est. labor hours per unit		0.80
Labor & management charge		7.67
Net return over lbr & mgt		-13.61
Other Information		
No. purchased or trans in		139
Number sold or trans out		128
Percentage death loss		2.0
Avg. daily gain (lbs)		1.93
Lbs of conc / lb of gain		6.21
Lbs of feed / lb of gain		9.98
Feed cost per cwt of gain		45.25
Feed cost per head		319.22
Average purchase weight		527
Average sales weight		1249
Avg purch price / cwt		70.05
Avg sales price / cwt		62.08

Table 12 - 11
Livestock Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association

Dairy Steers -- Average per Head

	Average For All Farms	
Number of farms		9
	Quantity	Value
Dairy Steers sold (lb)	1040.65	612.32
Butchered (lb)	8.84	5.23
Less purchased (lb)	-11.42	-11.30
Less transferred in (lb)	-268.80	-152.04
Inventory change (lb)	78.84	-2.53
Total production (lb)	848.11	451.68
Other income		0.00
Gross return		451.68
Direct expenses		
Corn (bu.)	83.85	212.58
Corn Silage (lb.)	1538.06	16.03
Hay, Alfalfa (lb.)	1180.77	48.66
Hay, Grass & Other (lb.)	2.39	0.10
Haylage, Alfalfa (lb.)	2302.32	46.05
Oats (bu.)	0.96	1.43
Complete Ration (lb.)	133.74	4.78
Protein Vit Minerals (lb.)	300.45	45.47
Veterinary		1.10
Livestock supplies		9.39
Fuel & oil		3.31
Repairs		16.19
Marketing		8.01
Operating interest		5.28
Total direct expenses		418.36
Return over direct expense		33.32
Overhead expenses		
Hired labor		21.42
Machinery & bldg leases		1.27
RE & pers. property taxes		3.18
Farm insurance		4.10
Utilities		9.82
Interest		6.28
Mach & bldg depreciation		17.50
Miscellaneous		4.38
Total overhead expenses		67.96
Total listed expenses		486.31
Net return		-34.63
Est. labor hours per unit		9.37
Labor & management charge		54.08
Net return over lbr & mgt		-88.71
Other Information		
No. purchased or trans in		43
Number sold or trans out		37
Percentage death loss		2.8
Avg. daily gain (lbs)		2.15
Lbs of conc / lb of gain		6.04
Lbs of feed / lb of gain		9.40
Feed cost per cwt of gain		44.23
Feed cost per head		375.09
Average purchase weight		102
Average sales weight		1324
Avg purch price / head		100.64
Avg sales price / cwt		58.84

Table 12 - 12
Livestock Enterprise Analysis, 1995
Southeast Minnesota Farm Business Management Association

Dairy Steers -- Average per Cwt Produced

	Average For All Farms	
Number of farms	9	
	Quantity	Value
Dairy Steers sold (lb)	122.70	72.20
Butchered (lb)	1.04	0.62
Less purchased (lb)	-1.35	-1.33
Less transferred in (lb)	-31.69	-17.93
Inventory change (lb)	9.30	-0.30
Total production (lb)	100.00	53.26
Other income		0.00
Gross return		53.26
Direct expenses		
Corn (bu.)	9.89	25.07
Corn Silage (lb.)	181.35	1.89
Hay, Alfalfa (lb.)	139.22	5.74
Hay, Grass & Other (lb.)	0.28	0.01
Haylage, Alfalfa (lb.)	271.47	5.43
Oats (bu.)	0.11	0.17
Complete Ration (lb.)	15.77	0.56
Protein Vit Minerals (lb.)	35.43	5.36
Veterinary		0.13
Livestock supplies		1.11
Fuel & oil		0.39
Repairs		1.91
Marketing		0.94
Operating interest		0.62
Total direct expenses		49.33
Return over direct expense		3.93
Overhead expenses		
Hired labor		2.53
Machinery & bldg leases		0.15
RE & pers. property taxes		0.38
Farm insurance		0.48
Utilities		1.16
Interest		0.74
Mach & bldg depreciation		2.06
Miscellaneous		0.52
Total overhead expenses		8.01
Total listed expenses		57.34
Net return		-4.08
Est. labor hours per unit		1.11
Labor & management charge		6.38
Net return over lbr & mgt		-10.46
Other Information		
No. purchased or trans in		43
Number sold or trans out		37
Percentage death loss		2.8
Avg. daily gain (lbs)		2.15
Lbs of conc / lb of gain		6.04
Lbs of feed / lb of gain		9.40
Feed cost per cwt of gain		44.23
Feed cost per head		375.09
Average purchase weight		102
Average sales weight		1324
Avg purch price / head		100.64
Avg sales price / cwt		58.84

TABLE 13
PRICES USED IN ANALYSIS - 1995
Southeast Farm Business Management Association

Item	Beginning Inventory Price	Average Feed Price/Yr.	Harvest Price	Ending Inventory Price
Corn	$ 1.80	$ 2.50	$ 2.70	$ 2.80
Oats	1.20	1.50	1.25	1.70
Soybeans	5.00	5.50	6.00	6.00
Alfafa Hay	90.00	80.00	80.00	90.00
Mixed Hay	60.00	60.00	60.00	60.00
Haylage	40.00	40.00	40.00	40.00
Corn Silage	14.00	15.00	19.00	20.00
Oat Silage	12.00	13.00	13.00	13.00
Straw/ton	80.00	--	80.00	80.00
Corn Stalks	12.00	12.00	12.00	12.00
Barley	1.70	2.00	2.30	2.50

Pasture Rates	Tillable Pasture or Green Chop		Non-Tillable or Permanent Pasture	
	Per Month	Per Day	Per Month	Per Day
Dairy cow, bull, beef cow feeder cattle & horses	$10.00	$.333	$ 7.00	$.233
Young cattle	5.00	.167	3.50	.117
Board for hired help	--	$6/day	--	--

Homegrown seed - soybeans $7.00/bu.

Homegrown seed - oats $2.00/bu.

Value of Operator's Labor: $24,000

EXPLANATORY NOTES FOR SUMMARY TABLES

A better picture of the current profitability, liquidity and solvency conditions can be seen by comparing this year to previous years (Table 14). All items are taken from the annual report for that year. Monetary values are left in nominal terms unadjusted for inflation. The one exception is the "Net Farm Income (Constant 1994 $)" using the Consumer Price Index (CPI-U) from the U.S. Department of Commerce. This shows the changes in "buying power" for the farmers.

The debt-to-asset percentage measures the degree to which assets are financed by external sources. The year-end total assets is divided by year-end total liabilities to obtain this measure. The Southeastern Association uses the cost basis of asset valuation.

Starting with 1983, financial analysis was done by FINPACK. This new program added new measures which had not been available previously and in some cases used slightly different formulas.

To evaluate current financial performance in other ways, the whole-farm analysis is summarized on a county basis (Table 15), on a gross income category basis (Table 16), by type of farm (Table 17), and by age of operator (Table 18). Farms are classified as a certain type (e.g., dairy) on the basis of having 70 percent or more of their gross sales from that category.

Year	CPI-U 1982-84=100	Adjusted CPI-U 1994=100
1981	90.9	59.6
1982	96.5	63.3
1983	99.6	65.3
1984	103.9	68.1
1985	107.6	70.6
1986	109.6	71.9
1987	113.6	74.5
1988	118.3	77.6
1989	124.0	81.3
1990	130.7	85.7
1991	136.2	89.3
1992	140.3	92.0
1993	144.5	94.8
1994	148.2	97.2
1995 (proj.)	152.5	100.0

TABLE 14

********** SUMMARY OF THE WHOLE FARM ANALYSIS BY YEARS **********

Southeastern Minnesota Farm Business Management Association

(Overall averages for all farms reporting)

Items	1981	1982	** 1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
Number of Farms	63	54	53	57	59	61	62	63	58	65	65	63	65	64	62
Farm Income Statement															
Gross Cash Farm Income	160,457	202,185	178,365	187,562	197,842	190,124	190,481	187,712	203,126	219,696	212,943	219,457	236,401	242,784	269,666
Total Cash Farm Expense	112,444	150,932	116,369	144,048	151,162	141,090	136,802	135,159	146,353	146,315	144,519	153,908	172,893	178,968	198,873
Inventory Change	*	*	7,628	9,584	415	1,833	9,817	2,922	3,482	8,706	1,827	-7,685	2,930	7,424	20,130
Depr. & Cap. Adj.	*	*	-35,150	-32,373	-30,386	-25,685	-18,298	-13,646	-15,010	-20,043	-19,416	-17,897	-23,192	-15,047	-19,541
Net Farm Income	26,117	24,553	34,473	20,724	16,709	25,180	45,197	41,829	45,244	62,044	50,835	39,987	43,246	56,192	71,382
Net Farm Income (Constant 1995 $)	43,816	38,801	52,782	30,418	23,681	35,036	60,674	53,922	55,643	72,393	56,919	43,442	45,640	57,822	71,382
Profitability and Liquidity Analysis															
Labor and Management Earnings	15,765	9,531	22,365	8,630	6,630	16,418	34,905	29,793	31,106	46,923	34,143	22,049	*** 25,084	*** 37,384	*** 47,696
Rate of return on:															
Average Assets (%)	7	7	9	6	5	8	12	10	10	12	9	5	6	8	9
Average Equity (%)	6	5	8	1	-1	5	15	11	10	15	9	3	5	9	10
Operating Profit Margin (%)	25	26	20	13	10	16	22	20	19	23	19	11	14	20	22
Asset Turnover Rate (%)	28	28	46	45	50	50	54	52	50	53	46	42	38	40	40
Value of Farm Production	113,376	138,358	170,219	181,517	190,882	173,619	194,420	187,789	199,804	215,976	200,904	198,818	184,576	201,239	239,151
Farm Interest Paid	14,271	21,759	17,680	19,863	22,207	21,168	16,542	15,543	15,151	12,963	13,983	12,509	13,339	14,175	15,370
Cash Expense as a % of Income	70	75	65	77	76	74	72	72	72	67	68	70	73	74	74
Interest Paid as a % of:															
Gross Cash Income	9	11	10	11	11	11	9	8	7	6	7	6	6	6	6
Total Cash Expenses	13	14	15	14	15	15	12	11	10	9	10	8	8	8	8
Yrs. to T/O Non R.E. Debt	*	*	0	1	2	4	4	3	5	2	2	2	2	1	1
Comparative Financial Statement (Cost Basis)															
No. of Sole Proprietors	35	42	49	41	40	46	49	48	44	51	48	46	*** 47	*** 46	*** 44
Total Ending Assets	411,875	533,714	407,995	391,624	370,853	320,601	326,849	331,420	376,054	384,259	417,616	474,752	455,144	507,456	571,147
Total Ending Liabilities	173,263	240,207	163,744	192,733	201,572	170,318	162,013	154,430	164,661	159,333	172,612	192,695	198,475	218,738	227,621
Ending Net Worth	238,612	293,507	244,251	198,891	169,281	150,283	164,836	176,990	211,393	224,926	245,004	282,057	256,670	288,718	343,526
Ending Farm C+I Debt to Asset %	24	41	32	42	50	45	38	33	33	31	31	33	40	38	38
Ending Total Debt to Asset %	42	45	40	49	54	53	50	47	44	41	41	41	44	43	40
Acreage Information															
Total Acres Owned	247	257	*	264	288	264	268	274	294	280	272	285	325	335	362
Total Crop Acres Farmed	327	347	*	363	423	376	365	348	372	350	401	417	432	430	496
Crop Acres Owned	204	219	*	210	231	198	225	223	222	210	237	261	264	258	276
Crop Acres Cash Rented	*	*	*	140	180	157	123	105	128	124	159	152	162	163	214
Crop Acres Share Rented	*	*	*	13	12	21	18	20	22	16	5	4	5	8	6
Crop Yields															
Corn per acre	127	122	100	127	125	140	143	88	142	140	134	117	91	158	129
Soybean per acre	37	39	39	39	37	41	44	31	42	41	42	32	33	46	44
Crop Prices Received (cash sales)															
Corn per Bushel	2.71	2.41	*	2.99	2.44	2.02	1.77	2.17	2.36	2.39	2.28	2.34	1.97	2.22	2.37
Soybeans per Bushel	6.79	5.80	*	7.20	5.06	5.07	4.95	6.87	6.88	5.89	5.33	5.28	5.98	5.94	5.72
Household Information															
No. Farms Reporting HseHld Info	22	23	13	14	15	15	14	12	11	16	16	16	19	30	30
Average Family Size	4.0	4.0	*	3.5	3.4	3.5	3.5	3.5	3.7	3.4	3.8	4.0	3.3	3.0	2.5
Total Family Use of Cash	31,609	26,669	26,003	24,531	27,308	26,945	35,772	41,392	44,050	49,370	46,635	44,940	32,132	37,652	30,921
Average Net Nonfarm Income	7,188	7,749	*	8,108	6,065	8,429	8,788	8,396	9,370	8,403	8,343	10,377	12,192	12,435	14,786

* Not available.

** Starting with 1983, a new financial analysis program (FINANX) was used. FINANX calculated several measures which had not been available before.

Table 15
County Report, 1995
Southeast Minnesota Farm Business Management Association

	Average For All Farms	Dakota Le Sueur Nicollet Rice Scott	Goodhue Houston Olmsted Wabasha Winona	Dodge Freeborn Mower Steele Waseca
Number of farms	60	14	39	7
Income Statement				
Gross cash farm income	270459	303581	255757	286122
Total cash farm expense	199401	212480	191789	215656
Net cash farm income	71058	91101	63969	70466
Inventory change	19762	30912	14610	26171
Depreciation and capital adjustment	-19715	-22651	-18231	-22109
Net farm income	71105	99362	60347	74529
Profitability (cost)				
Labor and management earnings	46826	64266	39387	53388
Rate of return on assets	9 %	10 %	8 %	10 %
Rate of return on equity	9 %	11 %	8 %	12 %
Operating profit margin	22 %	28 %	18 %	25 %
Asset turnover rate	40 %	36 %	42 %	39 %
Liquidity				
Term debt coverage ratio	6776 %	5102 %	6291 %	- %
Expense as a percent of income	68 %	63 %	71 %	68 %
Interest as a percent of income	5 %	4 %	5 %	7 %
Solvency (cost)				
Number of sole proprietors	42	10	28	4
Ending farm assets	471223	627956	407396	-
Ending farm liabilities	216513	215365	202381	-
Ending total assets	575283	747521	504406	-
Ending total liabilities	225341	218322	210420	-
Ending net worth	349943	529199	293986	-
Net worth change	37343	62964	27031	-
Ending farm debt to asset ratio	46 %	34 %	50 %	60 %
Beg total debt to asset ratio	42 %	31 %	44 %	59 %
End total debt to asset ratio	39 %	29 %	42 %	54 %
Nonfarm Information				
Farms reporting living expenses	42	10	28	4
Total family living expense	17686	8167	19496	-
Total living, invest, & capital purch	32161	13532	37242	-
Net nonfarm income	14053	14430	11066	29944
Crop Acres				
Total acres owned	369	421	354	348
Total crop acres	493	601	438	584
Total crop acres owned	281	391	236	311
Total crop acres cash rented	206	205	194	270
Total crop acres share rented	6	5	7	3

Table 16
Size Of Farm Report, 1995
Southeast Minnesota Farm Business Management Association
(Farms Sorted By Gross Cash Farm Income)

	Average For All Farms	40,001 - 100,000	100,001 - 200,000	200,001 - 500,000	500,001 +
Number of farms	62	6	19	29	8
Income Statement					
Gross cash farm income	269666	73712	146425	289872	636081
Total cash farm expense	198873	62055	106913	219731	444277
Net cash farm income	70793	11657	39513	70140	191804
Inventory change	20130	2925	4850	27069	44167
Depreciation and capital adjustment	-19541	-5262	-13324	-23549	-30486
Net farm income	71382	9320	31040	73661	205485
Profitability (cost)					
Labor and management earnings	47696	4451	18814	49888	140773
Rate of return on assets	9 %	-1 %	3 %	9 %	12 %
Rate of return on equity	10 %	-21 %	1 %	10 %	14 %
Operating profit margin	22 %	-2 %	10 %	22 %	32 %
Asset turnover rate	40 %	37 %	35 %	43 %	40 %
Liquidity					
Term debt coverage ratio	7036 %	- %	3569 %	5208 %	- %
Expense as a percent of income	68 %	80 %	70 %	69 %	65 %
Interest as a percent of income	5 %	15 %	6 %	5 %	4 %
Solvency (cost)					
Number of sole proprietors	44	5	17	19	3
Ending farm assets	465453	156587	326792	606444	-
Ending farm liabilities	217792	147644	161990	271855	-
Ending total assets	571147	222417	425846	715111	-
Ending total liabilities	227621	159150	175449	279545	-
Ending net worth	343526	63266	250397	435567	-
Net worth change	38047	20258	21254	51756	-
Ending farm debt to asset ratio	47 %	94 %	50 %	45 %	35 %
Beg total debt to asset ratio	43 %	78 %	44 %	43 %	25 %
End total debt to asset ratio	40 %	72 %	41 %	39 %	29 %
Nonfarm Information					
Farms reporting living expenses	44	5	17	19	3
Total family living expense	17846	20947	16085	17261	-
Total living, invest, & capital purch	32457	29036	30328	26545	-
Net nonfarm income	13629	25221	17115	10312	8676
Crop Acres					
Total acres owned	362	260	253	345	759
Total crop acres	496	203	273	555	1035
Total crop acres owned	276	113	174	275	642
Total crop acres cash rented	214	89	94	274	379
Total crop acres share rented	6	-	6	6	14

Table 17
Type Of Farm Report, 1995
Southeast Minnesota Farm Business Management Association

	Average For All Farms	Crop	Dairy	Crop and Dairy	Crop and Hog	Other
Number of farms	62	12	17	15	6	6
Income Statement						
Gross cash farm income	269666	211498	212303	395097	353455	197517
Total cash farm expense	198873	160882	158734	274484	273814	134707
Net cash farm income	70793	50616	53569	120613	79641	62809
Inventory change	20130	36396	9233	28980	10985	-2911
Depreciation and capital adjustment	-19541	-15475	-21317	-26061	-19860	-11164
Net farm income	71382	71538	41486	123532	70767	48734
Profitability (cost)						
Labor and management earnings	47696	54013	26146	75249	57181	27822
Rate of return on assets	9 %	12 %	6 %	10 %	13 %	3 %
Rate of return on equity	10 %	16 %	5 %	10 %	19 %	1 %
Operating profit margin	22 %	26 %	14 %	26 %	24 %	10 %
Asset turnover rate	40 %	46 %	41 %	37 %	56 %	31 %
Liquidity						
Term debt coverage ratio	7036 %	- %	6172 %	3323 %	- %	- %
Expense as a percent of income	68 %	63 %	72 %	65 %	75 %	69 %
Interest as a percent of income	5 %	7 %	5 %	4 %	5 %	6 %
Solvency (cost)						
Number of sole proprietors	44	11	14	8	4	3
Ending farm assets	465453	510041	444130	576360	-	-
Ending farm liabilities	217792	243463	189061	255263	-	-
Ending total assets	571147	623878	532693	683277	-	-
Ending total liabilities	227621	265997	191109	258388	-	-
Ending net worth	343526	357881	341584	424889	-	-
Net worth change	38047	62151	23714	34856	-	-
Ending farm debt to asset ratio	47 %	48 %	43 %	44 %	49 %	49 %
Beg total debt to asset ratio	43 %	47 %	34 %	42 %	44 %	40 %
End total debt to asset ratio	40 %	43 %	36 %	38 %	40 %	39 %
Nonfarm Information						
Farms reporting living expenses	44	11	14	8	4	3
Total family living expense	17846	18353	15472	13546	-	-
Total living, invest, & capital purch	32457	30735	31771	18126	-	-
Net nonfarm income	13629	14464	11006	12279	21978	10892
Crop Acres						
Total acres owned	362	351	230	527	324	475
Total crop acres	496	677	205	751	587	389
Total crop acres owned	276	295	166	419	273	318
Total crop acres cash rented	214	382	39	327	310	38
Total crop acres share rented	6	-	1	4	3	33

Table 18
Age Of Operator Report, 1995
Southeast Minnesota Farm Business Management Association

	Average For All Farms	31 - 40	41 - 50	51 - 60	Over 60
Number of farms	62	17	20	11	11
Income Statement					
Gross cash farm income	269666	219432	276328	300311	286460
Total cash farm expense	198873	170393	191106	219323	223169
Net cash farm income	70793	49039	85222	80988	63292
Inventory change	20130	16381	9259	29384	35632
Depreciation and capital adjustment	-19541	-16542	-15404	-31817	-19888
Net farm income	71382	48878	79077	78554	79036
Profitability (cost)					
Labor and management earnings	47696	33772	55217	46931	55704
Rate of return on assets	9 %	7 %	10 %	9 %	9 %
Rate of return on equity	10 %	7 %	12 %	9 %	10 %
Operating profit margin	22 %	17 %	26 %	24 %	20 %
Asset turnover rate	40 %	42 %	40 %	39 %	46 %
Liquidity					
Term debt coverage ratio	7036 %	1771 %	6808 %	- %	- %
Expense as a percent of income	68 %	72 %	67 %	66 %	69 %
Interest as a percent of income	5 %	6 %	6 %	6 %	5 %
Solvency (cost)					
Number of sole proprietors	44	12	17	9	4
Ending farm assets	465453	335818	427857	745816	-
Ending farm liabilities	217792	178676	222701	269167	-
Ending total assets	571147	405550	564413	855438	-
Ending total liabilities	227621	186934	241599	270509	-
Ending net worth	343526	218616	322815	584929	-
Net worth change	38047	19306	36212	61007	-
Ending farm debt to asset ratio	47 %	53 %	52 %	36 %	48 %
Beg total debt to asset ratio	43 %	49 %	46 %	32 %	40 %
End total debt to asset ratio	40 %	46 %	43 %	32 %	36 %
Nonfarm Information					
Farms reporting living expenses	44	12	17	9	4
Total family living expense	17846	17630	22520	12977	-
Total living, invest, & capital purch	32457	21450	50814	27961	-
Net nonfarm income	13629	8275	18727	14762	13035
Crop Acres					
Total acres owned	362	245	362	428	442
Total crop acres	496	396	533	546	470
Total crop acres owned	276	189	288	386	324
Total crop acres cash rented	214	207	230	160	144
Total crop acres share rented	6	-	14	-	1