

# 1999

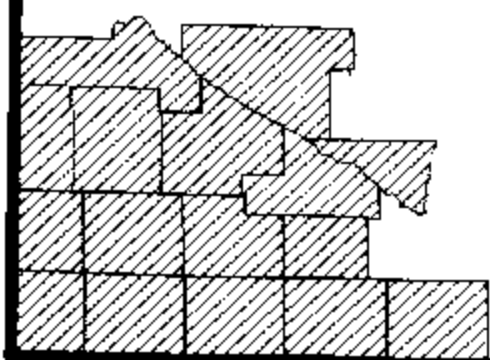
## Annual Report

### Southwestern Minnesota Farm Business Management Association

#### COOPERATING AGENCIES

University of Minnesota, College of Agricultural, Food, and Environmental Sciences  
County Extension Services of the 15 Southwestern Counties  
Southwestern Minnesota Farm Business Management Association

Staff Paper P00-02  
Department of Applied Economics  
University of Minnesota  
St. Paul, MN 55108  
April 2000



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## EXECUTIVE SUMMARY

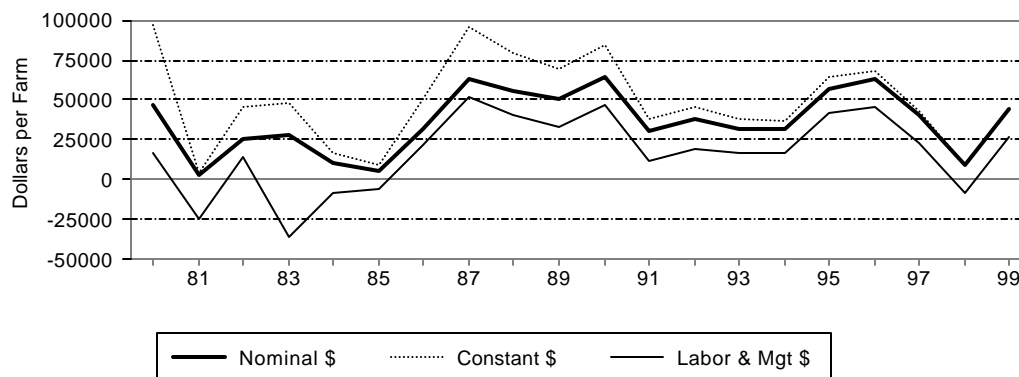
### 1999 ANNUAL REPORT OF THE SOUTHWESTERN MINNESOTA FARM BUSINESS MANAGEMENT ASSOCIATION

by

Kent D. Olson, Robert D. Anderson, James L. Christensen, Erlin J. Weness,  
Perry A. Fales, and Dale W. Nordquist

Average net farm income was \$43,762 in 1999 for the 216 farms included in this annual report of the Southwestern Minnesota Farm Business Management Association (Table 1, pages 10-11). This is a large increase from the extremely low levels of 1998 and continues the historical pattern of large swings in farm income (Figure 1). Almost all of the increase can be attributed to the increases in the value of inventories and an average government payment of \$44,674 in 1999. (Net farm income is an accrual measure calculated by subtracting total cash farm expense and depreciation from gross cash farm income and adjusting for changes in 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 SW Net Farm Income



As in previous years, the actual profit levels experienced by individual farms vary greatly from the overall average profit. The high 20% of these farms had an average profit of \$132,905 which is an increase from 1998. The low 20% of the farms had an average loss of -\$16,562 in 1999 which is better than 1998.

Average gross cash farm income in 1999 was \$388,731. This was a 5% increase from 1998. Four sources of sales made up more than 70% of total income in 1999: corn, hogs, soybeans, and beef finishing (Figure 2). In 1998, these four sources also contributed about 70%. Soybean sales decreased 21% between 1998 and 1999. Hog sales increased by 6%; corn sales by 17%, and beef finishing by 45%.

Government payments of all types increased to \$44,674 per average farm in 1999--an increase from \$30,021 in 1998 and \$12,257 in 1997. As a percentage of total income, government payments were 11% in 1999, compared to 8% in 1998 and 3% in 1997. The average total government payments in 1999 include \$11,031 from FAIR transition payments for the 1999 year; \$168 for FAIR transition payments for the 2000 year but received in 1999; \$11,555 for (emergency) market loss payments; \$18,992 for loan deficiency payments (LDPs) for all crops; \$423 for the conservation reserve program (CRP); and \$2,504 for other payments.

Entire report available at: <http://www.apecon.agri.umn.edu/faculty/kolson/currentres.html>

Fig. 2 SW -- 1998 Income

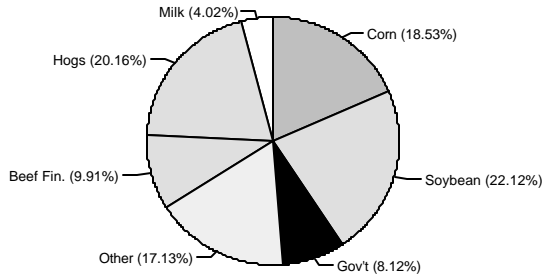
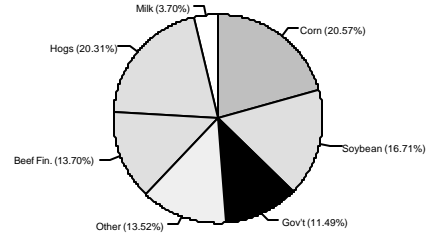


Fig. 2 SW -- 1999 Income



Cash expenses increased 6% to an average of \$324,802 in 1999. As a percentage of both cash expenses and depreciation in 1999, feeder purchases; seed, fertilizer, and crop chemicals; feed expenses; land rent; and depreciation continue to dominate (Figure 3).

Fig. 3 SW -- 1998 Expenses

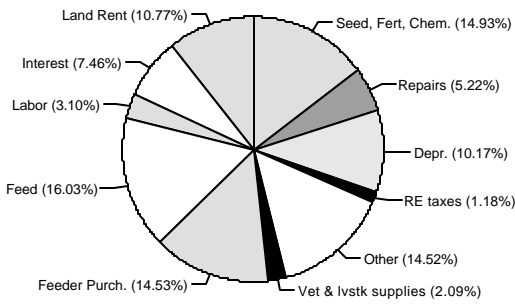
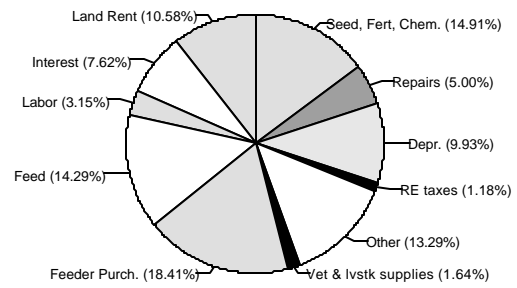
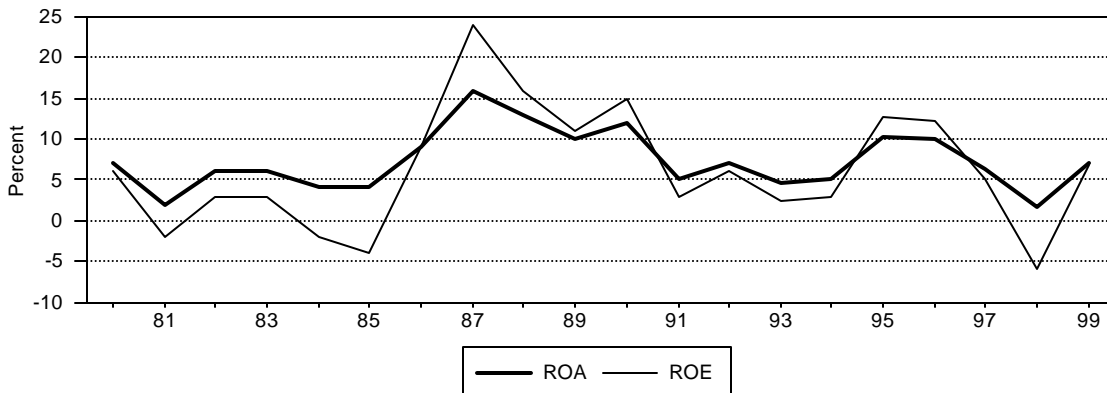


Fig. 3 SW -- 1999 Expenses



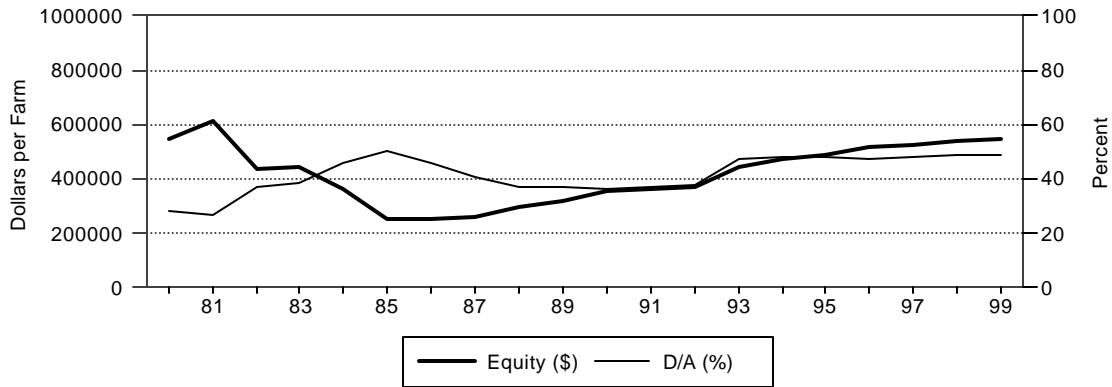
Both the average rate of return on assets (ROA) and the rate of return to equity (ROE) increased substantially in 1999 compared to 1998 (Figure 4). In 1999 ROA averaged 7% and ROE was just under 7% using assets valued on a cost basis (Table 4, page 14).

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



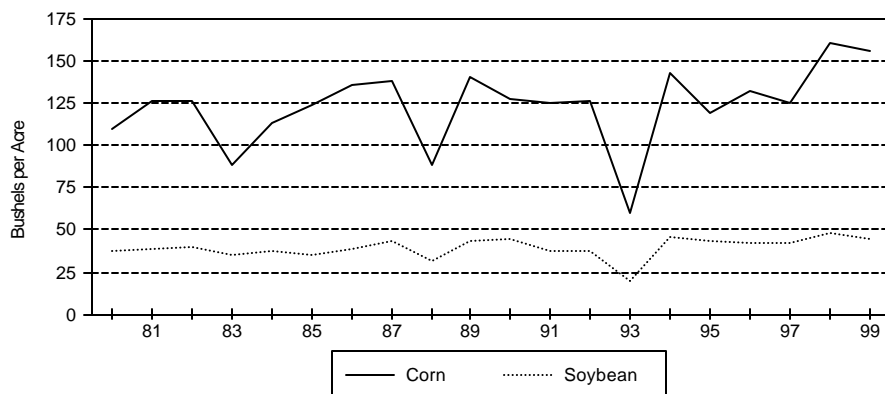
Using a market value basis, average total equity (of the 185 sole proprietors) was \$544,539 at the end of 1999. This was an increase of \$33,532 during the year (Table 5, page 16). Average equity has continued to improve since 1986. The average debt-asset ratio remained unchanged at 49% at the end of 1999 (Figure 5).

Figure 5. Ending Equity and Ending Debt-Asset Ratio



Crop yields decreased slightly from the record levels in 1998 for the Association. The average corn yield was 156 bushels per acre; soybeans were at 45 bushels per acre (Figure 6).

Figure 6. Average Corn & Soybean Yield



## Results by Type of Farm

The 216 farms in the report are classified as a certain type of farm (e.g., hog) on the basis of having 70 percent or more of their gross sales from that category. Using this 70 percent rule in 1999, there are 62 crop farms, 12 hog farms, 34 crop and hog farms, 6 beef farms, and 18 crop and beef farms. (There are 75 farms which do not have a single source (or pair of sources) of income over 70%.)

Compared to 1998, all types of farms had better net farm incomes in 1999 (Figure 7). A similar story can be seen in the rate of return to assets (ROA) (Figure 8). (Assets are valued on a cost-basis for ROA).

Figure 7. Net Farm Income by Type

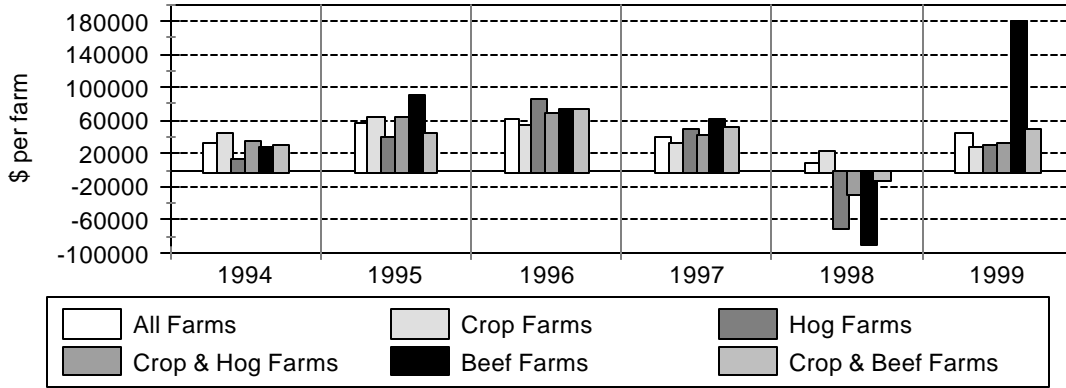
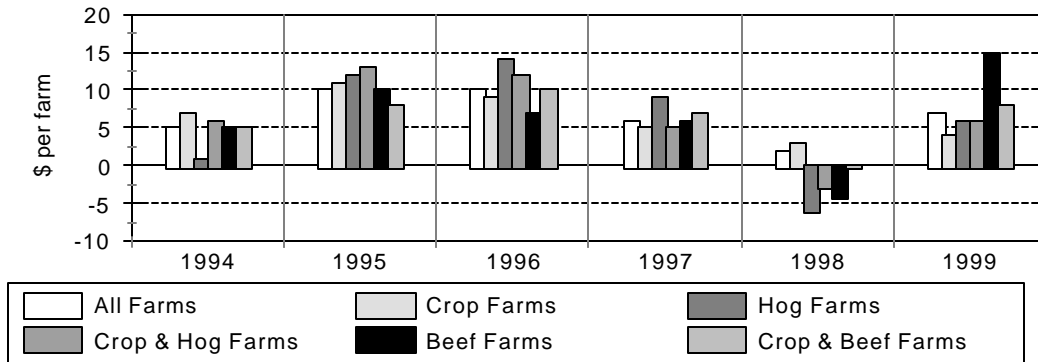
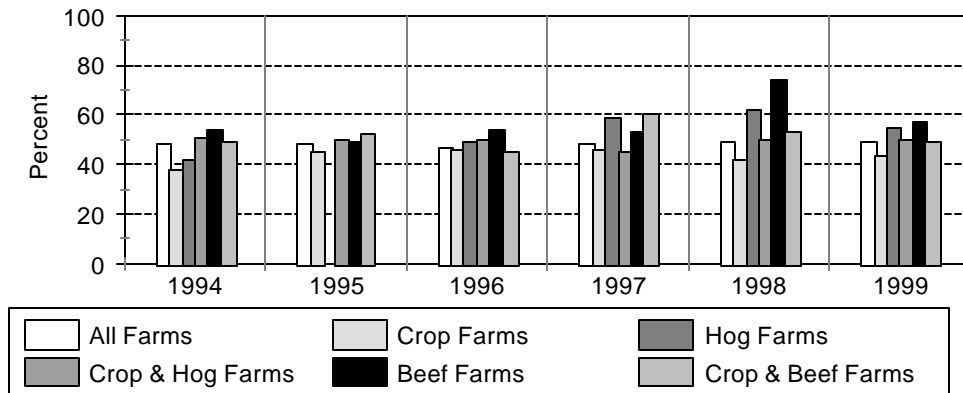


Figure 8. ROA by Type



Using assets valued on a market basis, the average crop farm has a debt-to-asset ratio of 43% at the end of 1999 (Figure 9). Farms with 70% of their income from either hogs or beef had an average debt-to-asset ratio of 55% or higher.

Figure 9. Debt-Asset Ratio by Type



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.

# 1999 ANNUAL REPORT OF THE SOUTHWESTERN MINNESOTA FARM BUSINESS MANAGEMENT ASSOCIATION

by

Kent D. Olson, Robert D. Anderson, James L. Christensen, Erlin J. Weness,  
Perry A. Fales, and Dale W. Nordquist<sup>1</sup>

This report summarizes the individual farm records of the members of the Southwestern Minnesota Farm Business Management Association for 1999.

Whole-farm information and enterprise costs and returns are reported. The year-end analysis of the individual farms was performed by the fieldmen using FINPACK 8.0 from the Center for Farm Financial Management within the Department of Applied Economics. The individual analyses were summarized at the Department of 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 246 farms in the Southwestern Association, the data for 216 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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<sup>1</sup>Olson is an Associate Professor, University of Minnesota-Twin Cities; Christensen, Weness, Anderson, and Fales are Extension Educators--Farm Management and Fieldmen 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).

**SOUTHWESTERN MINNESOTA FARM BUSINESS MANAGEMENT ASSOCIATION**

**DISTRIBUTION OF MEMBERSHIP -- 1999**

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County	Number of Farm Units	Number of Records Submitted	Association Directors
Cottonwood	46	40	Steve Iverson Larry Falk Kip Rasmussen
Jackson	27	25	Dan Riley Mark Fest
Martin	13	13	Kerry Krenz
Murray	34	31	Ronald Dahl John Hanson
Nobles	46	40	Ryan Gravenhof Harold Mellema Richard Fellows
Pipestone	13	13	Alan Vanderlugt Harlan Spronk
Redwood	40	36	Brian Hicks Michael Landuyt Eric Fultz
Watonwan	10	8	James Wassman
Others <sup>2</sup>	<u>17</u>	<u>10</u>	
TOTAL	246	216	

John Hay, President  
 Alan Vanderlugt, Vice President  
 Tom Keller, Secretary-Treasurer

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<sup>2</sup>In 1999 the Association had records submitted from members in Brown, Faribault, Lincoln, Lyon, Nicollet, and Rock counties, in addition to the counties listed individually.



**SOUTHWESTERN MINNESOTA FARM BUSINESS MANAGEMENT ASSOCIATION  
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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.

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, purchases, and depreciation.

### **Table 4. Profitability and Liquidity Analysis**

Various measures of performance are calculated for the farms in this report. Measures of profitability and liquidity are included in Table 4. 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 using assets valued in cost basis terms.

"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 calculated by multiplying the suggested value per operator (listed in Table 13) by the number of operators per farm (see Table 10).

"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 for all farms, not just those included in Table 5.

"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***

“Net cash farm income” is from Table 1.

“Net nonfarm income” is the average for all farms, not including “gifts and inheritances” (Table 10).

"Family living and taxes" is the apparent total family expenses and income and social security taxes paid averaged for all farms, not just those in Table 9.

"Real estate principal payments” are 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." "Available for intermediate debt service" on the *accrual* basis is "Net accrual operating income" plus “Net nonfarm income” and 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" (*cash* basis) is "Total cash expense" divided by "Gross cash farm income." "Expense as a percent of income" (*accrual* basis) is "Total accrual farm expense" divided by "Total accrual farm income."

"Interest as a percent of income" (*cash* basis) is "Interest" divided by "Gross cash farm income." "Interest as a percent of income" (*accrual* basis) 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 assets and debts are held outside of the farm business causing potential misinterpretations of the average financial condition.

## **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 Council'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 =  $\text{Return on Farm Assets} \div \text{Average Farm Investment}$ , where:  $\text{Return on Farm Assets} = \text{Net Farm Income} + \text{Farm Interest} - \text{Value of Operator's Labor \& Management}$ , and  $\text{Average Farm Investment} = (\text{Beginning Total Farm Assets} + \text{Ending Total Farm Assets}) \div 2$ .

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:  $\text{Rate of Return on Equity} = \text{Return on Farm Equity}$

$\div$  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)  $\div$  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  $\div$  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  $\div$  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)  $\div$  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  $\text{Depreciation} \div \text{Gross Farm Income}$ . 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  $\text{Farm Interest Expense} \div \text{Gross Farm Income}$ . 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  $\text{Net Farm Income} \div \text{Gross Farm Income}$ . This ratio indicates the percent of the gross farm income that remained after all expenses.

### ***Labor Analysis***

"Total unpaid labor hours" and "Total hired labor hours" are based on farmers' estimates of labor use. No labor records are kept for unpaid labor.

"Value of farm production/hour" is the "Value of farm production" (Table 4) divided by "Total labor hours per farm."

"Net farm income/unpaid hours" is "Net Farm Income" (Table 1) divided by "Total unpaid labor hours."

### **Table 8. Crop Production and Marketing Summary**

This table contains three sections. The first section reports average acreage by tenure and general use. The next two sections show average price received from cash sales 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. Nonfarm Income and Operator Information**

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, 1999**  
*Southwest 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	216	43	43
<b>CASH FARM INCOME</b>			
Beans, navy	443	-	602
Corn	79972	69662	93288
Grass seed, annual rye	81	-	405
Hay, alfalfa	1087	133	768
Hay, grass	69	16	72
Hay, mixed alfalfa/grass	72	-	27
Haylage, grass	173	869	-
Oats	234	108	127
Peas	667	964	793
Pumpkins	27	-	-
Soybeans	64968	62468	74593
Straw	200	2	19
Sweet Corn	651	774	1237
Wheat, spring	239	-	140
Miscellaneous crop income	46	-	-
Beef, bulls	39	-	-
Beef, cow-calf	3198	1796	11573
Beef, custom fed	383	-	-
Beef, background calves	73	368	-
Beef, finish calves	43993	17542	163612
Beef, finish yearling steers	9184	-	8137
Chickens, eggs	2335	-	11731
Dairy, milk	14390	-	59107
Dairy, calves	558	-	771
Dairy, heifers	2331	-	3288
Dairy, steers	2369	4985	604
Hogs, farrow to finish	26474	27929	41112
Hogs, feeder pigs	392	687	661
Hogs, finish feeder pigs	18286	48125	5555
Hogs, weaning to finish	33486	23539	14285
Sheep, market lambs	797	-	83
Turkeys	2370	-	11907
Cull breeding livestock	3271	2796	5333
Misc. livestock income	2400	-	3444
Transition payments	14170	13457	21108
CRP payments	423	425	555
Other government payments	30081	24026	45948
Custom work income	12022	9690	4953
Patronage dividends, cash	1703	1233	3031
Insurance income	458	826	714
Cash from hedging accts	1302	1589	3675
Contract livestock income	1703	1036	2954
Other farm income	11610	8049	16121
<b>Gross Cash Farm Income</b>	<b>388731</b>	<b>323092</b>	<b>612336</b>



**TABLE 1b**  
**FARM INCOME STATEMENT, 1999 (Continued)**  
**Southwest 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	216	43	43
<b>CASH FARM EXPENSE</b>			
Seed	20755	16888	27599
Fertilizer	16436	14010	25131
Crop chemicals	16560	15195	23108
Crop insurance	4939	4708	5872
Drying fuel	634	629	636
Crop marketing	1056	1082	870
Crop miscellaneous	1643	1571	1397
Feeder livestock purchase	66396	36831	153254
Purchased feed	51544	53642	56616
Breeding fees	466	674	1186
Veterinary	3092	1951	7380
Livestock supplies	2814	1789	6805
Livestock leases	509	1648	-
Grazing fees	43	138	-
Livestock marketing	759	165	1928
Interest	27488	28326	39783
Fuel & oil	6943	5860	9296
Repairs	18040	17296	26235
Custom hire	6245	5602	13335
Hired labor	11360	10452	19067
Land rent	38145	41410	44151
Machinery & bldg leases	8692	8722	4542
Real estate taxes	4242	3035	7344
Farm insurance	4079	4019	4936
Utilities	4204	3758	5074
Dues & professional fees	148	185	130
Hedging account deposits	3126	5562	5173
Miscellaneous	4444	3225	5480
Total cash expense	324802	288376	496329
Net cash farm income	63929	34716	116006
<b>INVENTORY CHANGES</b>			
Crops and feed	-5501	-11316	16930
Market livestock	11317	-6151	32871
Accounts receivable	921	-1472	3084
Prepaid expenses and supplies	5014	3615	8826
Accounts payable	3882	1026	5124
Total inventory change	15633	-14298	66835
Net operating profit	79562	20419	182842
<b>DEPRECIATION AND OTHER CAPITAL ADJUSTMENTS</b>			
Breeding livestock	-3117	-3838	-4086
Machinery and equipment	-23206	-21331	-35610
Buildings and improvements	-10730	-11155	-13478
Other farm capital	1253	-658	3237
Total depr. and other capital adj	-35800	-36981	-49937
Net farm income	43762	-16562	132905

**TABLE 2**  
**INVENTORY CHANGES, 1999**  
**Southwest 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	216	43	43
Net cash farm income	63929	34716	116006
<b>CROPS AND FEED</b>			
Ending inventory	131404	113038	218860
Beginning inventory	136905	124353	201930
Inventory change	-5501	-11316	16930
<b>MARKET LIVESTOCK</b>			
Ending inventory	65050	42942	130979
Beginning inventory	53733	49093	98107
Inventory change	11317	-6151	32871
<b>ACCTS RECEIVABLE &amp; OTHER CURRENT ASSETS</b>			
Ending inventory	8602	8939	10532
Beginning inventory	7681	10411	7448
Inventory change	921	-1472	3084
<b>PREPAID EXPENSES AND SUPPLIES</b>			
Ending inventory	26884	19096	56245
Beginning inventory	21870	15481	47419
Inventory change	5014	3615	8826
<b>ACCOUNTS PAYABLE</b>			
Beginning inventory	20372	21267	25032
Ending inventory	16490	20240	19907
Inventory change	3882	1026	5124
Total inventory change	15633	-14298	66835
Net operating profit	79562	20419	182842

**TABLE 3**  
**DEPRECIATION AND OTHER CAPITAL ADJUSTMENTS, 1999**  
**Southwest 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	216	43	43
Net operating profit	79562	20419	182842
<b>BREEDING LIVESTOCK</b>			
Ending inventory	2755	1872	4724
Capital sales	777	1554	471
Beginning inventory	5024	6119	6347
Capital purchases	1626	1145	2934
Depreciation, capital adj.	-3117	-3838	-4086
<b>MACHINERY AND EQUIPMENT</b>			
Ending inventory	66831	71129	94880
Capital sales	1401	3494	416
Beginning inventory	69972	75776	99811
Capital purchases	21465	20177	31095
Depreciation, capital adj.	-23206	-21331	-35610
<b>BUILDINGS AND IMPROVEMENTS</b>			
Ending inventory	66863	73625	81793
Capital sales	234	27	1083
Beginning inventory	70003	78054	86501
Capital purchases	7823	6753	9852
Depreciation, capital adj.	-10730	-11155	-13478
<b>OTHER CAPITAL ASSETS</b>			
Ending inventory	50551	41329	98059
Capital sales	349	549	237
Beginning inventory	48229	41972	92045
Capital purchases	1418	564	3014
Depreciation, capital adj.	1253	-658	3237
Total depreciation, capital adj.	-35800	-36981	-49937
Net farm income	43762	-16562	132905

**TABLE 4**  
**PROFITABILITY AND LIQUIDITY ANALYSIS, 1999**  
**Southwest Minnesota Farm Business Management Association**  
**(Farms sorted by Net Farm Income)**

	Avg. Of All Farms )))))))))	Avg. Of Low 20% )))))))))	Avg. Of High 20% )))))))))	Avg. Of All Farms )))))))))	Avg. Of Low 20% )))))))))	Avg. Of High 20% )))))))))
Number of Farms	216	43	43	216	43	43
<b>PROFITABILITY</b>						
	----- Cost -----			----- Market -----		
Net farm income	43762	-16562	132905	53340	-6745	131542
Labor and management earnings	26896	-27043	102031	26723	-24522	84862
Rate of return on assets	7.0 %	-1.4 %	13.1 %	5.6 %	0.3 %	8.5 %
Rate of return on equity	6.8 %	-22.9 %	19.5 %	6.3 %	-9.0 %	12.4 %
Operating profit margin	16.3 %	-3.7 %	29.6 %	19.8 %	1.0 %	29.3 %
Asset turnover rate	43.0 %	38.6 %	44.3 %	28.3 %	26.1 %	29.0 %
Interest on farm net worth	16867	10481	30875	26617	17778	46680
Farm interest expense	26641	28561	36187	26641	28561	36187
Value of operator lbr and mgmt.	25548	19713	35401	25548	19713	35401
Return on farm assets	44856	-7715	133692	54434	2103	132328
Average farm assets	638199	543099	1019398	971305	805522	1557927
Return on farm equity	18215	-36276	97505	27792	-26458	96141
Average farm equity	268395	158666	499921	442047	293509	777320
Value of farm production	274411	209843	451265	274411	209843	451265
		Average Of All Farms )))))))))	Average Of Low 20% )))))))))	Average Of High 20% )))))))))		
Number of Farms		216	43	43		
<b>LIQUIDITY (Cash)</b>						
Net cash farm income		63929	34716	116006		
Net nonfarm income		18430	25180	11969		
Family living and taxes		40669	32365	57106		
Real estate principal payments		10292	10971	13933		
Cash available for interm debt		31398	16560	56936		
Average intermediate debt		77504	86669	80185		
Years to turnover interm debt		2.5	5.2	1.4		
Expense as a % of income		84 %	89 %	81 %		
Interest as a % of income		7 %	9 %	6 %		
<b>LIQUIDITY (Accrual)</b>						
Total accrual farm income		395468	304154	665221		
Total accrual farm expense		315906	283735	482379		
Net accrual operating income		79562	20419	182842		
Net nonfarm income		18430	25180	11969		
Family living and taxes		40669	32365	57106		
Real estate principal payments		10292	10971	13933		
Available for intermediate debt		47031	2262	123772		
Average intermediate debt		77504	86669	80185		
Years to turnover interm debt		1.6	38.3	0.6		
Expense as a % of income		80 %	93 %	73 %		
Interest as a % of income		7 %	9 %	5 %		



**TABLE 5b**  
**BALANCE SHEET AT MARKET VALUES, 1999**  
*Southwest Minnesota Farm Business Management Association*  
*(Farms sorted by Net Farm Income)*

Number of Farms	Average Of All Farms ) ) ) ) ) ) ) ) ) )		Average Of Low 20 % ) ) ) ) ) ) ) ) ) )		Average Of High 20 % ) ) ) ) ) ) ) ) ) )	
	185		37		33	
	Beginning ) ) ) ) ) ) ) ) ) )	Ending ) ) ) ) ) ) ) ) ) )	Beginning ) ) ) ) ) ) ) ) ) )	Ending ) ) ) ) ) ) ) ) ) )	Beginning ) ) ) ) ) ) ) ) ) )	Ending ) ) ) ) ) ) ) ) ) )
<b>ASSETS</b>						
<b>Current Farm Assets</b>						
Cash and checking balance	11609	14588	10167	13692	- 3229	2670
Prepaid expenses & supplies	21101	24034	11298	10247	50441	55714
Growing crops	-	-	-	-	-	-
Accounts receivable	5227	6409	8625	8731	5231	7324
Hedging accounts	752	1028	613	501	1832	2935
Crops held for sale or feed	114352	109011	96099	88263	170652	180320
Crops under government loan	7606	9370	10243	7716	9121	17260
Market livestock held for sale	39236	47250	26558	20092	112233	148166
Other current assets	292	156	159	242	845	260
Total current farm assets	200174	211846	163762	149484	347127	414650
<b>Intermediate Farm Assets</b>						
Breeding livestock	10395	9067	8598	5373	18698	17921
Machinery and equipment	197269	200565	152740	154830	283099	287468
Other intermediate assets	5950	6397	10296	10608	3287	4718
Total intermediate farm assets	213615	216029	171634	170811	305084	310107
<b>Long-Term Farm Assets</b>						
Farm land	331451	341803	242537	244446	564917	576513
Buildings and improvements	94494	97653	74444	73096	119988	124588
Other long-term assets	45411	46448	26506	26091	119596	121040
Total long-term farm assets	471356	485904	343486	343633	804500	822141
Total Farm Assets	885144	913780	678883	663928	1456711	1546898
Total Nonfarm Assets	135548	147799	111593	126690	148272	159675
Total Assets	1020692	1061579	790475	790619	1604983	1706573
<b>LIABILITIES</b>						
<b>Current Farm Liabilities</b>						
Accrued interest	7799	7100	6768	6898	9948	6736
Accounts payable	10436	6756	10803	4403	16461	14421
Current notes	94321	91197	68909	67194	195979	182112
Government crop loans	7205	9367	9821	7716	8740	17260
Principal due on term debt	19869	19877	15846	15504	26963	26693
Total current farm liabilities	139796	134458	112223	101721	258331	247461
Intermediate Farm Liabilities	50334	49115	50423	54198	55234	49344
Long-term Farm Liabilities	148434	152544	151923	151930	235163	246660
Total Farm Liabilities	338564	336117	314568	307849	548729	543465
Total Nonfarm Liabilities	12178	15489	16794	16490	17145	31506
Total Deferred Liabilities	157945	165434	119666	119251	241969	263519
Total Liabilities	508686	517040	451028	443589	807843	838490
Net Worth (farm and nonfarm)	512006	544539	339448	347030	797140	868083
Net Worth Change		32532		7582		70943
<b>RATIO ANALYSIS</b>						
Current Farm Liabilities / Assets	70 %	63 %	69 %	68 %	74 %	60 %
Curr. & Interm Farm Liab. / Assets	46 %	43 %	48 %	49 %	48 %	41 %
Long Term Farm Liabilities / Assets	31 %	31 %	44 %	44 %	29 %	30 %
Total Liabilities / Assets	50 %	49 %	57 %	56 %	50 %	49 %

**TABLE 6**  
**STATEMENT OF CASH FLOWS, 1999**  
**Southwest 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	216	43	43
(a) Beginning cash balance (farm & nonfarm)	11330	8654	2589
CASH FROM OPERATING ACTIVITIES			
Gross cash farm income	388731	323092	612336
Net nonfarm income (+)	18430	25180	11969
Total cash farm expense (-)	324802	288376	496329
Apparent family living expense (-)	32888	28193	45963
Income and social security tax (-)	6955	3986	11143
(b) Cash from operations (=)	42516	27717	70870
CASH FROM INVESTING ACTIVITIES			
Sale of breeding livestock	777	1554	471
Sale of machinery & equipment (+)	1401	3494	416
Sale of farm land (+)	703	62	3371
Sale of farm buildings (+)	234	27	1083
Sale of other farm assets (+)	349	549	237
Sale of nonfarm assets (+)	1518	551	2633
Purchase of breeding livestock (-)	1626	1145	2934
Purchase of machinery & equip. (-)	21465	20177	31095
Purchase of farm land (-)	8631	-	16307
Purchase of farm buildings (-)	7823	6753	9852
Purchase of other farm assets (-)	1418	564	3014
Purchase of nonfarm assets (-)	7379	6129	7940
(c) Cash from investing activities (=)	-43361	-28530	-62931
CASH FROM FINANCING ACTIVITIES			
Money borrowed	213651	154846	381549
Cash gifts and inheritances (+)	1845	1991	1334
Principal payments (-)	207632	155205	365857
Dividends paid (-)	826	186	-
Gifts given (-)	2126	-	8877
(d) Cash from financing activities (=)	4912	1446	8149
(e) Net change in cash balance (b+c+d)	4068	634	16087
Ending cash balance (farm & nonfarm)	15397	9287	18677

**TABLE 7**  
**FINANCIAL GUIDELINES MEASURES, 1999**  
**Southwest 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	216		43		43	
<b>LIQUIDITY</b>	<b>Beginning</b>	<b>Ending</b>	<b>Beginning</b>	<b>Ending</b>	<b>Beginning</b>	<b>Ending</b>
Current ratio	1.49	1.63	1.40	1.41	1.53	1.89
Working capital	76481	95737	59268	56248	123354	205155
<b>SOLVENCY (Market)</b>	<b>Beginning</b>	<b>Ending</b>	<b>Beginning</b>	<b>Ending</b>	<b>Beginning</b>	<b>Ending</b>
Farm debt to asset ratio	55 %	53 %	63 %	65 %	51 %	48 %
Farm equity to asset ratio	45 %	47 %	37 %	35 %	49 %	52 %
Farm debt to equity ratio	122 %	114 %	169 %	182 %	104 %	92 %
<b>PROFITABILITY</b>	<b>Cost</b>	<b>Market</b>	<b>Cost</b>	<b>Market</b>	<b>Cost</b>	<b>Market</b>
Rate of return on farm assets	7.0 %	5.6 %	-1.4 %	0.3 %	13.1 %	8.5 %
Rate of return on farm equity	6.8 %	6.3 %	-22.9 %	-9.0 %	19.5 %	12.4 %
Operating profit margin	16.3 %	19.8 %	-3.7 %	1.0 %	29.6 %	29.3 %
Net farm income	43762	53340	-16562	-6745	132905	131542
<b>REPAYMENT CAPACITY</b>	<b>Cash</b>	<b>Accrual</b>	<b>Cash</b>	<b>Accrual</b>	<b>Cash</b>	<b>Accrual</b>
Term debt coverage ratio	149 %	190 %	110 %	71 %	188 %	327 %
Capital replacement margin	18502	34134	3704	-10593	42635	109471
<b>EFFICIENCY</b>						
Asset turnover rate (market)	28.3 %		26.1 %		29.0 %	
Operating expense ratio	73.1 %		83.9 %		67.1 %	
Depreciation expense ratio	9.1 %		12.2 %		7.5 %	
Interest expense ratio	6.7 %		9.4 %		5.4 %	
Net farm income ratio	11.1 %		-5.4 %		20.0 %	

**LABOR ANALYSIS**

	Average Of All Farms )))))))))	Average Of Low 20 % )))))))))	Average Of High 20 % )))))))))
Number of Farms	215	43	43
Total unpaid labor hours	2253	1994	2762
Total hired labor hours	778	789	1496
Total labor hours per farm	3031	2783	4258
Value of farm production / hour	90.69	75.40	105.98
Net farm income / unpaid hour	19.49	-8.31	48.11



**TABLE 8**  
**CROP PRODUCTION AND MARKETING SUMMARY, 1999**  
**Southwest 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	216	43	43
 ACREAGE SUMMARY			
Total Acres Owned	241	173	404
Total Crop Acres	709	654	968
Crop Acres Owned	204	138	352
Crop Acres Cash Rented	430	439	533
Crop Acres Share Rented	75	77	83
Total Pasture Acres	9	9	21
 AVERAGE PRICE RECEIVED (Cash Sales Only)			
Corn per bu.	1.66	1.63	1.74
Soybeans per bu.	4.59	4.63	4.66
Oats per bu.	1.36	-	-
Wheat, spring per bu.	2.86	-	-
Hay, alfalfa per ton	64.55	-	-
Hay, grass per ton	24.58	-	-
Straw per ton	52.08	-	-
 AVERAGE YIELD PER ACRE			
Corn (bu.)	155.72	156.78	162.28
Soybeans (bu.)	44.90	44.17	46.28
Hay, alfalfa (ton)	4.08	4.45	4.05
Corn silage (ton)	19.31	17.60	19.45
Sweet corn (ton)	6.23	-	-
Peas (lb.)	3091.43	-	-

**TABLE 9**  
**HOUSEHOLD AND PERSONAL EXPENSES, 1999**  
**Southwest 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 Sole Proprietors	125	24	22
Average family size	3.6	3.3	4.6
<b>FAMILY LIVING EXPENSES</b>			
Food and meals expense	5310	5362	5495
Medical care and health insurance	5016	3078	7390
Cash donations	1902	1492	2507
Household supplies	3702	2612	4309
Clothing	2097	1622	3359
Personal care	2635	3583	3221
Child / Dependent care	289	700	12
Gifts	2279	1615	2710
Education	2301	1963	2858
Recreation	2245	1945	3004
Utilities (household share)	1527	1428	1829
Nonfarm vehicle operating expense	2365	2247	2900
Household real estate taxes	148	137	92
Dwelling rent	65	60	149
Household repairs	726	723	1157
Nonfarm interest	417	749	563
Life insurance payments	2005	2637	3455
Total cash family living expense	35031	31954	45013
Family living from the farm	155	30	300
Total family living	35186	31984	45313
<b>OTHER NONFARM EXPENDITURES</b>			
Income taxes	8457	5057	11362
Furnishing & appliance purchases	904	1286	639
Nonfarm vehicle purchases	2158	3427	886
Nonfarm real estate purchases	1349	1409	-
Other nonfarm capital purchases	266	938	18
Nonfarm savings & investments	2162	1546	1874
Total other nonfarm expenditures	15295	13663	14780
Total cash family living, investment & nonfarm capital purch	50326	45617	59792
<b>PARTNERSHIPS</b>			
Number of partnerships	24		
Number of operators per partnership	2.0		
Average owner withdrawals per farm	44694		
Average withdrawals per operator	21891		

**TABLE 10**  
**OPERATOR INFORMATION & NONFARM SUMMARY, 1999**  
**Southwest 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	216	43	43
 OPERATOR INFORMATION			
Average number of operators	1.2	1.2	1.3
Average age of operators	46.7	45.4	46.8
Average number of years farming	23.3	20.9	24.3
 NONFARM INCOME			
Nonfarm wages & salary	10165	16578	6508
Nonfarm business income	1359	5030	-298
Nonfarm rental income	1239	683	2344
Nonfarm interest income	1225	779	946
Nonfarm cash dividends	67	-	39
Tax refunds	1081	1218	1173
Gifts and inheritances	1845	1991	1334
Other nonfarm income	3294	892	1256
Total nonfarm income	20275	27172	13303
	Average Of All Farms		
	Beginning	Ending	
NONFARM ASSETS (Mkt)	)))))))))	)))))))))	
Checking & savings	506	501	
Stocks & bonds	14522	16066	
Other current assets	961	1491	
Furniture & appliances	9329	9588	
Nonfarm vehicles	8172	8675	
Cash value of life ins.	9690	10664	
Retirement accounts	21739	26218	
Other intermediate assets	7459	7302	
Nonfarm real estate	34663	37164	
Other long term assets	10792	10715	
Total nonfarm assets	117832	128384	



## 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 net return per acre. The classification is done separately for each table.

To estimate the return to crops in the government programs, the net return including government payments is estimated and included in the appropriate tables. This is done for each farm by allocating the transition payments from the whole farm to these crops.

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 government payments."

Rounding of individual items for the report may have caused minor discrepancies with the calculated totals. If fewer than 5 farms have a crop, land tenure category, that information is not reported. If there are fewer than 25 farms, the high and low groups are not reported.



**TABLE 11 - 2**  
**Crop Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**  
**(Farms sorted by Net Return)**

**CORN ON CASH RENTED LAND**

	Average Of All Farms )))))))))	Average Of Low 20% )))))))))	Average Of High 20% )))))))))
Number of fields	354	72	66
Number of farms	177	35	35
Acres	115.72	76.10	141.51
Yield per acre (bushel)	155.00	148.55	161.48
Operators share of yield %	100.00	100.00	100.00
Value per bushel	1.75	1.75	1.75
Total product return per acre	271.25	259.96	282.59
Miscellaneous income per acre	0.23	0.00	0.00
Gross return per acre	271.48	259.96	282.59
Direct expenses per acre			
Seed	35.39	36.40	34.31
Fertilizer	36.20	35.65	33.94
Crop chemicals	25.32	27.97	24.10
Crop insurance	6.56	8.10	5.31
Drying fuel	2.48	2.29	2.07
Fuel & oil	7.87	10.12	6.54
Repairs	19.77	30.56	16.38
Custom hire	2.99	4.31	2.31
Hired labor	0.02	0.00	0.00
Land rent	88.81	90.21	76.72
Machinery & bldg leases	1.17	1.13	1.63
Utilities	0.03	0.00	0.12
Marketing	0.42	0.18	0.05
Operating interest	9.09	17.74	5.83
Miscellaneous	1.17	1.85	0.34
Total direct expenses per acre	237.28	266.49	209.66
Return over direct expenses per acre	34.20	-6.53	72.94
Overhead expenses per acre			
Hired labor	6.77	4.87	3.49
Machinery & bldg leases	4.86	5.51	1.76
Farm insurance	3.56	5.11	2.80
Utilities	2.46	3.33	1.83
Dues & professional fees	0.15	0.09	0.06
Interest	5.23	9.37	5.13
Mach & bldg depreciation	29.93	37.94	25.03
Miscellaneous	3.79	5.20	3.43
Total overhead expenses per acre	56.74	71.42	43.52
Total listed expenses per acre	294.02	337.91	253.18
Net return per acre	-22.54	-77.95	29.41
Total direct expense per bushel	1.53	1.79	1.30
Total listed expense per bushel	1.90	2.27	1.57
Net return per bushel	-0.15	-0.52	0.18
Breakeven yield per acre	167.88	193.09	144.67
Est. labor hours per acre	2.75	2.65	2.76
Net return including govt. payments	18.41	-36.04	74.73
Lbr & mgt charge per acre	26.12	32.29	25.86
Net return over lbr & mgt	-7.71	-68.33	48.88





**TABLE 11 - 4**  
**Crop Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**  
**(Farms sorted by Net Return)**

**SOYBEANS ON OWNED LAND**

	Average Of All Farms )))))))))	Average Of Low 20% )))))))))	Average Of High 20% )))))))))
Number of fields	187	33	33
Number of farms	144	29	29
Acres	109.14	78.39	107.26
Yield per acre (bushel)	45.52	40.58	48.40
Operators share of yield %	100.00	100.00	100.00
Value per bushel	5.15	5.15	5.15
Total product return per acre	234.44	208.98	249.27
Miscellaneous income per acre	0.37	1.26	0.06
Gross return per acre	234.81	210.24	249.33
Direct expenses per acre			
Seed	16.54	19.01	14.93
Fertilizer	9.56	11.44	9.26
Crop chemicals	21.41	19.83	19.80
Crop insurance	7.70	8.97	6.62
Fuel & oil	6.41	6.37	5.43
Repairs	17.31	18.15	17.57
Custom hire	2.37	5.49	3.38
Hired labor	0.03	0.00	0.00
Machinery & bldg leases	0.65	2.99	0.00
Utilities	0.01	0.05	0.01
Marketing	0.27	0.11	0.25
Operating interest	7.16	7.75	2.81
Miscellaneous	0.94	0.27	0.59
Total direct expenses per acre	90.35	100.43	80.65
Return over direct expenses per acre	144.46	109.81	168.68
Overhead expenses per acre			
Hired labor	4.53	2.79	5.76
Machinery & bldg leases	2.41	4.78	1.16
RE & pers. property taxes	15.34	17.61	14.30
Farm insurance	3.46	2.92	3.26
Utilities	2.26	2.80	2.22
Dues & professional fees	0.23	0.86	0.11
Interest	39.60	74.01	13.19
Mach & bldg depreciation	33.24	32.04	28.67
Miscellaneous	3.30	2.86	2.56
Total overhead expenses per acre	104.36	140.68	71.23
Total listed expenses per acre	194.71	241.11	151.87
Net return per acre	40.10	-30.87	97.46
Total direct expense per bushel	1.98	2.47	1.67
Total listed expense per bushel	4.28	5.94	3.14
Net return per bushel	0.88	-0.76	2.01
Breakeven yield per acre	37.73	46.57	29.48
Est. labor hours per acre	2.25	2.39	2.41
Net return including govt. payments	79.39	7.13	139.37
Lbr & mgt charge per acre	28.37	23.69	28.92
Net return over lbr & mgt	51.02	-16.56	110.45

**TABLE 11 - 5**  
**Crop Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**  
**(Farms sorted by Net Return)**

**SOYBEANS ON CASH RENTED LAND**

	Average Of All Farms )))))))))	Average Of Low 20% )))))))))	Average Of High 20% )))))))))
Number of fields	338	60	65
Number of farms	175	35	35
Acres	127.78	111.00	128.79
Yield per acre (bushel)	44.61	41.19	46.55
Operators share of yield %	100.00	100.00	100.00
Value per bushel	5.15	5.15	5.15
Total product return per acre	229.73	212.14	239.71
Miscellaneous income per acre	0.23	0.62	0.38
Gross return per acre	229.96	212.76	240.09
Direct expenses per acre			
Seed	17.53	16.77	17.62
Fertilizer	9.18	9.32	8.85
Crop chemicals	21.08	21.50	19.45
Crop insurance	8.92	11.81	6.70
Fuel & oil	6.41	8.61	5.59
Repairs	16.11	21.36	13.07
Custom hire	2.71	2.67	1.44
Hired labor	0.02	0.00	0.01
Land rent	89.13	91.99	74.55
Machinery & bldg leases	0.91	2.08	1.43
Utilities	0.01	0.00	0.04
Marketing	0.36	0.22	0.39
Operating interest	6.97	12.54	4.53
Miscellaneous	0.83	0.93	0.36
Total direct expenses per acre	180.18	199.81	154.04
Return over direct expenses per acre	49.78	12.95	86.05
Overhead expenses per acre			
Hired labor	5.16	7.44	3.63
Machinery & bldg leases	3.94	5.70	2.15
Farm insurance	2.84	4.45	2.67
Utilities	1.95	2.75	1.58
Dues & professional fees	0.12	0.29	0.00
Interest	4.51	5.68	4.71
Mach & bldg depreciation	23.84	28.92	18.15
Miscellaneous	2.92	4.66	3.79
Total overhead expenses per acre	45.28	59.88	36.67
Total listed expenses per acre	225.46	259.69	190.71
Net return per acre	4.50	-46.93	49.38
Total direct expense per bushel	4.04	4.85	3.31
Total listed expense per bushel	5.05	6.30	4.10
Net return per bushel	0.10	-1.14	1.06
Breakeven yield per acre	43.73	50.31	36.96
Est. labor hours per acre	2.16	2.48	2.27
Net return including govt. payments	44.82	-5.97	93.88
Lbr & mgt charge per acre	20.53	23.50	22.47
Net return over lbr & mgt	24.29	-29.47	71.42

**TABLE 11 - 6**  
**Crop Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**  
**(Farms sorted by Net Return)**

**SOYBEANS ON SHARE RENTED LAND**

	Average Of All Farms )))))))))	Average Of Low 20% )))))))))	Average Of High 20% )))))))))
Number of fields	83	17	14
Number of farms	64	13	13
Acres	88.44	83.37	98.59
Yield per acre (bushel)	44.25	40.73	49.41
Operators share of yield %	55.84	51.10	59.38
Value per bushel	5.15	5.15	5.15
Total product return per acre	127.37	106.90	151.28
Miscellaneous income per acre	0.10	0.08	0.00
Gross return per acre	127.47	106.98	151.28
Direct expenses per acre			
Seed	12.13	9.33	16.39
Fertilizer	5.52	5.42	5.62
Crop chemicals	14.92	14.48	12.92
Crop insurance	5.15	6.80	3.87
Fuel & oil	6.56	6.77	4.99
Repairs	16.79	23.74	13.22
Custom hire	4.38	0.34	15.51
Hired labor	0.01	0.04	0.00
Machinery & bldg leases	0.15	0.55	0.00
Utilities	0.02	0.00	0.10
Marketing	0.17	0.00	0.69
Operating interest	6.61	8.76	1.72
Miscellaneous	0.68	0.26	0.09
Total direct expenses per acre	73.09	76.49	75.12
Return over direct expenses per acre	54.38	30.49	76.16
Overhead expenses per acre			
Hired labor	3.36	5.54	1.52
Machinery & bldg leases	5.09	2.82	0.33
Farm insurance	3.06	3.45	2.37
Utilities	1.83	2.46	1.64
Dues & professional fees	0.15	0.25	0.05
Interest	3.78	4.88	3.05
Mach & bldg depreciation	24.00	35.87	16.83
Miscellaneous	2.77	2.77	2.46
Total overhead expenses per acre	44.04	58.04	28.25
Total listed expenses per acre	117.12	134.53	103.37
Net return per acre	10.34	-27.55	47.91
Total direct expense per bushel	2.96	3.68	2.56
Total listed expense per bushel	4.74	6.46	3.52
Net return per bushel	0.42	-1.32	1.63
Breakeven yield per acre	40.70	51.09	33.80
Est. labor hours per acre	1.92	1.96	2.20
Net return including govt. payments	31.16	-7.70	69.16
Lbr & mgt charge per acre	18.78	22.54	22.78
Net return over lbr & mgt	12.38	-30.24	46.38

**TABLE 11 - 7**  
**Crop Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**  
**(Average of All Farms)**

**OATS ON OWNED LAND**

	Average For All Farms )))))))))
Number of fields	8
Number of farms	8
Acres	16.54
Yield per acre (bushel)	92.77
Operators share of yield %	100.00
Value per bushel	1.20
Total product return per acre	111.32
Miscellaneous income per acre	58.32
Gross return per acre	169.64
Direct expenses per acre	
Seed	11.80
Fertilizer	1.13
Crop chemicals	1.01
Crop insurance	1.66
Fuel & oil	5.44
Repairs	13.24
Custom hire	4.63
Operating interest	2.98
Miscellaneous	0.91
Total direct expenses per acre	42.80
Return over direct expenses per acre	126.84
Overhead expenses per acre	
Hired labor	4.25
Machinery & bldg leases	1.43
RE & pers. property taxes	9.87
Farm insurance	3.37
Utilities	2.07
Dues & professional fees	0.03
Interest	23.93
Mach & bldg depreciation	20.93
Miscellaneous	4.19
Total overhead expenses per acre	70.07
Total listed expenses per acre	112.87
Net return per acre	56.77
Total direct expense per bushel	0.46
Total listed expense per bushel	1.22
Net return per bushel	0.61
Breakeven yield per acre	45.46
Est. labor hours per acre	1.55
Net return including govt. payments	90.16
Lbr & mgt charge per acre	16.48
Net return over lbr & mgt	73.68

**TABLE 11 - 8**  
**Crop Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**  
**(Average of All Farms)**

**OATS ON CASH RENTED LAND**

	Average For All Farms )))))))))
Number of fields	13
Number of farms	13
Acres	20.36
Yield per acre (bushel)	76.99
Operators share of yield %	100.00
Value per bushel	1.20
Total product return per acre	92.39
Miscellaneous income per acre	63.47
Gross return per acre	155.85
Direct expenses per acre	
Seed	11.31
Fertilizer	7.25
Crop chemicals	2.53
Crop insurance	0.19
Fuel & oil	5.39
Repairs	13.13
Custom hire	3.84
Land rent	76.36
Marketing	0.21
Operating interest	3.10
Miscellaneous	2.19
Total direct expenses per acre	125.50
Return over direct expenses per acre	30.36
Overhead expenses per acre	
Hired labor	5.62
Machinery & bldg leases	9.12
Farm insurance	2.98
Utilities	1.73
Dues & professional fees	0.08
Interest	4.22
Mach & bldg depreciation	17.04
Miscellaneous	2.33
Total overhead expenses per acre	43.12
Total listed expenses per acre	168.62
Net return per acre	-12.76
Total direct expense per bushel	1.63
Total listed expense per bushel	2.19
Net return per bushel	-0.17
Breakeven yield per acre	87.63
Est. labor hours per acre	1.82
Net return including govt. payments	24.02
Lbr & mgt charge per acre	15.54
Net return over lbr & mgt	8.48



**TABLE 11 - 10**  
**Crop Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**  
**(Average of All Farms)**

**SPRING WHEAT ON CASH RENTED LAND**

	Average For All Farms )))))))))
Number of fields	7
Number of farms	7
Acres	43.46
Yield per acre (bushel)	47.18
Operators share of yield %	100.00
Value per bushel	3.00
Total product return per acre	141.55
Miscellaneous income per acre	13.12
Gross return per acre	154.66
Direct expenses per acre	
Seed	9.30
Fertilizer	16.26
Crop chemicals	7.88
Crop insurance	2.59
Fuel & oil	3.50
Repairs	9.51
Custom hire	2.62
Land rent	50.84
Operating interest	4.20
Total direct expenses per acre	106.70
Return over direct expenses per acre	47.97
Overhead expenses per acre	
Hired labor	3.02
Machinery & bldg leases	3.33
Farm insurance	1.51
Utilities	1.60
Interest	4.58
Mach & bldg depreciation	13.45
Miscellaneous	4.94
Total overhead expenses per acre	32.44
Total listed expenses per acre	139.13
Net return per acre	15.53
Total direct expense per bushel	2.26
Total listed expense per bushel	2.95
Net return per bushel	0.33
Breakeven yield per acre	42.01
Est. labor hours per acre	1.63
Net return including govt. payments	53.34
Lbr & mgt charge per acre	16.44
Net return over lbr & mgt	36.89

**TABLE 11 - 11**  
**Crop Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**  
**(Average of All Farms)**

**BARLEY ON CASH RENTED LAND**

	Average For All Farms )))))))))
Number of fields	6
Number of farms	6
Acres	19.42
Yield per acre (bushel)	64.63
Operators share of yield %	100.00
Value per bushel	1.41
Total product return per acre	91.33
Miscellaneous income per acre	70.59
Gross return per acre	161.93
Direct expenses per acre	
Seed	10.91
Fertilizer	9.84
Crop chemicals	2.62
Fuel & oil	4.91
Repairs	13.29
Custom hire	11.42
Land rent	61.45
Operating interest	3.13
Miscellaneous	0.40
Total direct expenses per acre	117.96
Return over direct expenses per acre	43.97
Overhead expenses per acre	
Hired labor	3.54
Machinery & bldg leases	0.12
Farm insurance	1.76
Utilities	0.92
Dues & professional fees	0.11
Interest	2.25
Mach & bldg depreciation	10.22
Miscellaneous	1.19
Total overhead expenses per acre	20.11
Total listed expenses per acre	138.07
Net return per acre	23.85
Total direct expense per bushel	1.83
Total listed expense per bushel	2.14
Net return per bushel	0.37
Breakeven yield per acre	47.75
Est. labor hours per acre	1.71
Net return including govt. payments	53.62
Lbr & mgt charge per acre	16.41
Net return over lbr & mgt	37.21



**TABLE 11 - 12**  
**Crop Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**  
**(Average of All Farms)**

**CORN SILAGE ON OWNED LAND**

	Average For All Farms )))))))))
Number of fields	19
Number of farms	18
Acres	28.31
Yield per acre (ton)	16.46
Operators share of yield %	100.00
Value per ton	18.00
Total product return per acre	296.33
Miscellaneous income per acre	0.00
Gross return per acre	296.33
Direct expenses per acre	
Seed	34.70
Fertilizer	35.09
Crop chemicals	24.04
Crop insurance	5.93
Fuel & oil	10.07
Repairs	26.94
Custom hire	3.90
Operating interest	8.67
Miscellaneous	1.06
Total direct expenses per acre	150.39
Return over direct expenses per acre	145.94
Overhead expenses per acre	
Hired labor	10.14
Machinery & bldg leases	1.50
RE & pers. property taxes	13.24
Farm insurance	4.89
Utilities	2.58
Dues & professional fees	0.01
Interest	43.28
Mach & bldg depreciation	49.45
Miscellaneous	5.35
Total overhead expenses per acre	130.43
Total listed expenses per acre	280.82
Net return per acre	15.51
Total direct expense per ton	9.14
Total listed expense per ton	17.06
Net return per ton	0.94
Breakeven yield per acre	15.60
Est. labor hours per acre	2.84
Net return including govt. payments	51.44
Lbr & mgt charge per acre	30.13
Net return over lbr & mgt	21.31

**TABLE 11 - 13**  
**Crop Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**  
**(Farms sorted by Net Return)**

**CORN SILAGE ON CASH RENTED LAND**

	Average Of All Farms ) ) ) ) ) ) ) ) ) )	Average Of Low 20% ) ) ) ) ) ) ) ) ) )	Average Of High 20% ) ) ) ) ) ) ) ) ) )
Number of fields	37	7	6
Number of farms	31	6	6
Acres	33.13	24.57	65.12
Yield per acre (ton)	20.53	16.43	24.00
Operators share of yield %	100.00	100.00	100.00
Value per ton	18.00	18.00	18.00
Total product return per acre	369.53	295.67	431.95
Miscellaneous income per acre	0.00	0.00	0.00
Gross return per acre	369.53	295.67	431.95
Direct expenses per acre			
Seed	35.10	35.64	35.06
Fertilizer	34.07	42.53	29.76
Crop chemicals	24.42	25.57	17.80
Crop insurance	5.08	12.26	3.68
Fuel & oil	10.64	9.41	10.12
Repairs	30.99	24.51	32.27
Custom hire	8.57	15.67	16.66
Land rent	79.24	87.82	75.80
Machinery & bldg leases	0.96	0.08	0.37
Operating interest	12.10	11.34	2.21
Miscellaneous	0.80	2.25	0.39
Total direct expenses per acre	241.98	267.07	224.12
Return over direct expenses per acre	127.55	28.60	207.83
Overhead expenses per acre			
Hired labor	10.17	2.96	9.34
Machinery & bldg leases	2.20	5.74	0.01
Farm insurance	3.43	2.76	2.84
Utilities	2.12	2.51	1.38
Dues & professional fees	0.01	0.00	0.00
Interest	6.07	14.04	1.75
Mach & bldg depreciation	35.97	46.96	27.43
Miscellaneous	3.86	5.21	5.11
Total overhead expenses per acre	63.82	80.17	47.86
Total listed expenses per acre	305.79	347.24	271.98
Net return per acre	63.74	-51.57	159.97
Total direct expense per ton	11.79	16.26	9.34
Total listed expense per ton	14.90	21.14	11.33
Net return per ton	3.10	-3.14	6.67
Breakeven yield per acre	16.99	19.29	15.11
Est. labor hours per acre	3.13	2.90	3.14
Net return including govt. payments	100.57	-19.24	196.38
Lbr & mgt charge per acre	22.59	26.51	20.12
Net return over lbr & mgt	77.97	-45.75	176.27

**TABLE 11 - 14**  
**Crop Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**  
**(Average of All Farms)**

**ALFALFA HAY ON OWNED LAND**

	Average For All Farms )))))))))
Number of fields	16
Number of farms	14
Acres	29.37
Yield per acre (ton)	3.51
Operators share of yield %	100.00
Value per ton	65.00
Total product return per acre	227.90
Miscellaneous income per acre	0.00
Gross return per acre	227.90
Direct expenses per acre	
Seed	7.98
Fertilizer	13.46
Crop chemicals	3.64
Crop insurance	0.85
Fuel & oil	9.41
Repairs	24.34
Custom hire	3.94
Operating interest	5.69
Miscellaneous	2.09
Total direct expenses per acre	71.40
Return over direct expenses per acre	156.50
Overhead expenses per acre	
Hired labor	11.94
Machinery & bldg leases	3.01
RE & pers. property taxes	11.73
Farm insurance	5.69
Utilities	2.91
Interest	30.75
Mach & bldg depreciation	41.03
Miscellaneous	5.73
Total overhead expenses per acre	112.80
Total listed expenses per acre	184.20
Net return per acre	43.70
Total direct expense per ton	20.36
Total listed expense per ton	52.54
Net return per ton	12.46
Breakeven yield per acre	2.83
Est. labor hours per acre	2.60
Net return including govt. payments	77.84
Lbr & mgt charge per acre	23.60
Net return over lbr & mgt	54.24



**TABLE 11 - 16**  
**Crop Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**  
**(Average of All Farms)**

**GRASS HAY ON CASH RENTED LAND**

	Average For All Farms )))))))))
Number of fields	5
Number of farms	5
Acres	39.80
Yield per acre (ton)	1.52
Operators share of yield %	100.00
Value per ton	45.67
Total product return per acre	69.53
Miscellaneous income per acre	0.00
Gross return per acre	69.53
Direct expenses per acre	
Seed	0.63
Fuel & oil	3.99
Repairs	14.96
Land rent	6.93
Operating interest	1.45
Total direct expenses per acre	27.96
Return over direct expenses per acre	41.57
Overhead expenses per acre	
Hired labor	1.47
Machinery & bldg leases	0.39
Farm insurance	1.06
Utilities	0.44
Interest	2.46
Mach & bldg depreciation	10.13
Miscellaneous	1.50
Total overhead expenses per acre	17.45
Total listed expenses per acre	45.41
Net return per acre	24.12
Total direct expense per ton	18.36
Total listed expense per ton	29.83
Net return per ton	15.84
Breakeven yield per acre	0.99
Est. labor hours per acre	1.40
Net return including govt. payments	28.41
Lbr & mgt charge per acre	9.24
Net return over lbr & mgt	19.17

**TABLE 11 - 17**  
**Crop Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**  
**(Average of All Farms)**

**PASTURE ON OWNED LAND**

	Average For All Farms ) ) ) ) ) ) ) ) ) )
Number of fields	12
Number of farms	12
Acres	41.88
Yield per acre	4.05
Operators share of yield %	100.00
Value per unit	4.68
Total product return per acre	18.94
Miscellaneous income per acre	2.97
Gross return per acre	21.91
Direct expenses per acre	
Seed	0.14
Fertilizer	1.06
Crop chemicals	0.17
Fuel & oil	0.41
Repairs	1.17
Custom hire	2.80
Operating interest	0.44
Total direct expenses per acre	6.19
Return over direct expenses per acre	15.72
Overhead expenses per acre	
Hired labor	0.20
Machinery & bldg leases	0.09
RE & pers. property taxes	6.04
Farm insurance	0.26
Utilities	0.15
Dues & professional fees	0.01
Interest	4.65
Mach & bldg depreciation	1.41
Miscellaneous	0.21
Total overhead expenses per acre	13.03
Total listed expenses per acre	19.21
Net return per acre	2.70
Total direct expense per unit	1.53
Total listed expense per unit	4.75
Net return per unit	0.67
Breakeven yield per acre	3.47
Est. labor hours per acre	0.15
Net return including govt. payments	4.33
Lbr & mgt charge per acre	1.14
Net return over lbr & mgt	3.19

**TABLE 11 - 18**  
**Crop Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**  
**(Average of All Farms)**

**PASTURE ON CASH RENTED LAND**

	Average For All Farms )))))))))
Number of fields	11
Number of farms	11
Acres	116.88
Yield per acre	2.50
Operators share of yield %	100.00
Value per unit	6.46
Total product return per acre	16.15
Miscellaneous income per acre	0.89
Gross return per acre	17.04
Direct expenses per acre	
Fertilizer	0.66
Crop chemicals	0.60
Crop insurance	0.30
Fuel & oil	0.52
Repairs	1.70
Custom hire	2.33
Land rent	13.41
Operating interest	0.51
Total direct expenses per acre	20.03
Return over direct expenses per acre	-2.99
Overhead expenses per acre	
Hired labor	0.25
Machinery & bldg leases	0.01
Farm insurance	0.19
Utilities	0.13
Dues & professional fees	0.01
Interest	0.52
Mach & bldg depreciation	0.94
Miscellaneous	0.18
Total overhead expenses per acre	2.22
Total listed expenses per acre	22.25
Net return per acre	-5.21
Total direct expense per unit	8.01
Total listed expense per unit	8.90
Net return per unit	-2.08
Breakeven yield per acre	3.31
Est. labor hours per acre	0.24
Net return including govt. payments	-3.08
Lbr & mgt charge per acre	1.50
Net return over lbr & mgt	-4.57

**TABLE 11 - 19**  
**Crop Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**  
**(Average of All Farms)**

**PEAS ON OWNED LAND**

	Average For All Farms )))))))))
Number of fields	6
Number of farms	5
Acres	41.17
Yield per acre (lb)	2618.07
Operators share of yield %	100.00
Value per lb	0.08
Total product return per acre	197.69
Miscellaneous income per acre	84.07
Gross return per acre	281.76
Direct expenses per acre	
Fertilizer	19.92
Crop chemicals	15.83
Crop insurance	7.49
Fuel & oil	3.49
Repairs	10.22
Operating interest	1.92
Miscellaneous	1.39
Total direct expenses per acre	60.26
Return over direct expenses per acre	221.49
Overhead expenses per acre	
Hired labor	3.39
Machinery & bldg leases	1.83
RE & pers. property taxes	18.01
Farm insurance	2.35
Utilities	1.90
Dues & professional fees	0.29
Interest	46.48
Mach & bldg depreciation	21.81
Miscellaneous	1.02
Total overhead expenses per acre	97.07
Total listed expenses per acre	157.34
Net return per acre	124.42
Total direct expense per lb	0.02
Total listed expense per lb	0.06
Net return per lb	0.05
Breakeven yield per acre	970.29
Est. labor hours per acre	1.20
Net return including govt. payments	151.16
Lbr & mgt charge per acre	14.03
Net return over lbr & mgt	137.13



**TABLE 11 - 20**  
**Crop Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**  
**(Average of All Farms)**

**PEAS ON CASH RENTED LAND**

	Average For All Farms ) ) ) ) ) ) ) ) ) )
Number of fields	10
Number of farms	9
Acres	33.43
Yield per acre (lb)	2540.90
Operators share of yield %	100.00
Value per lb	0.07
Total product return per acre	182.40
Miscellaneous income per acre	66.28
Gross return per acre	248.69
Direct expenses per acre	
Fertilizer	16.90
Crop chemicals	11.42
Crop insurance	4.76
Fuel & oil	3.32
Repairs	9.34
Custom hire	3.24
Land rent	86.29
Operating interest	3.78
Total direct expenses per acre	139.06
Return over direct expenses per acre	109.63
Overhead expenses per acre	
Hired labor	7.29
Machinery & bldg leases	0.85
Farm insurance	1.37
Utilities	1.67
Dues & professional fees	0.08
Interest	6.56
Mach & bldg depreciation	11.82
Miscellaneous	1.39
Total overhead expenses per acre	31.04
Total listed expenses per acre	170.10
Net return per acre	78.59
Total direct expense per lb	0.05
Total listed expense per lb	0.07
Net return per lb	0.03
Breakeven yield per acre	1446.12
Est. labor hours per acre	1.70
Net return including govt. payments	99.57
Lbr & mgt charge per acre	13.60
Net return over lbr & mgt	85.97

**TABLE 11 - 21**  
**Crop Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**  
**(Average of All Farms)**

**SWEET CORN ON CASH RENTED LAND**

	Average For All Farms ) ) ) ) ) ) ) ) ) )
Number of fields	6
Number of farms	6
Acres	51.65
Yield per acre (ton)	5.91
Operators share of yield %	100.00
Value per ton	45.97
Total product return per acre	271.62
Miscellaneous income per acre	0.00
Gross return per acre	271.62
Direct expenses per acre	
Fertilizer	35.66
Crop chemicals	18.21
Crop insurance	5.35
Fuel & oil	5.25
Repairs	20.90
Land rent	80.15
Operating interest	5.05
Miscellaneous	0.24
Total direct expenses per acre	170.81
Return over direct expenses per acre	100.81
Overhead expenses per acre	
Hired labor	2.14
Machinery & bldg leases	1.34
Farm insurance	2.00
Utilities	2.25
Dues & professional fees	0.21
Interest	3.85
Mach & bldg depreciation	27.80
Miscellaneous	2.33
Total overhead expenses per acre	41.91
Total listed expenses per acre	212.72
Net return per acre	58.90
Total direct expense per ton	28.91
Total listed expense per ton	36.00
Net return per ton	9.97
Breakeven yield per acre	4.63
Est. labor hours per acre	1.96
Net return including govt. payments	78.38
Lbr & mgt charge per acre	20.73
Net return over lbr & mgt	57.65

**TABLE 11 - 22**  
**Crop Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**  
**(Farms sorted by Net Return)**

**CRP ON OWNED LAND**

	Average Of All Farms )))))))))	Average Of Low 20% )))))))))	Average Of High 20% )))))))))
Number of fields	25	6	5
Number of farms	23	5	5
Acres	30.41	11.05	17.84
Yield per acre	77.00	76.86	111.41
Operators share of yield %	100.00	100.00	100.00
Value per unit	1.00	1.00	1.00
Total product return per acre	77.00	76.86	111.41
Miscellaneous income per acre	0.50	0.00	0.00
Gross return per acre	77.50	76.86	111.41
Direct expenses per acre			
Seed	5.83	51.76	0.00
Crop chemicals	1.38	4.62	1.61
Fuel & oil	0.85	0.74	0.78
Repairs	1.80	2.06	2.08
Operating interest	0.48	1.14	0.09
Miscellaneous	0.51	4.98	0.00
Total direct expenses per acre	10.85	65.30	4.56
Return over direct expenses per acre	66.65	11.56	106.86
Overhead expenses per acre			
Hired labor	0.65	0.71	2.19
Machinery & bldg leases	0.16	0.00	0.01
RE & pers. property taxes	11.30	17.08	13.57
Farm insurance	0.56	0.45	0.70
Utilities	0.40	0.19	0.52
Dues & professional fees	0.07	0.00	0.03
Interest	14.48	48.69	0.88
Mach & bldg depreciation	4.09	5.40	5.26
Miscellaneous	0.33	0.40	0.49
Total overhead expenses per acre	32.03	72.93	23.64
Total listed expenses per acre	42.88	138.23	28.20
Net return per acre	34.62	-61.37	83.21
Total direct expense per unit	0.14	0.85	0.04
Total listed expense per unit	0.56	1.80	0.25
Net return per unit	0.45	-0.80	0.75
Breakeven yield per acre	42.38	138.23	28.20
Est. labor hours per acre	0.26	0.27	0.27
Net return including govt. payments	36.98	-61.37	83.21
Lbr & mgt charge per acre	4.67	3.23	6.90
Net return over lbr & mgt	32.31	-64.59	76.31

**TABLE 11 - 23**  
**Crop Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**  
**(Average of All Farms)**

**CRP ON CASH RENTED LAND**

	Average For All Farms )))))))))
Number of fields	10
Number of farms	10
Acres	22.51
Yield per acre	53.97
Operators share of yield %	100.00
Value per unit	1.00
Total product return per acre	53.97
Miscellaneous income per acre	10.03
Gross return per acre	64.00
Direct expenses per acre	
Seed	13.27
Crop chemicals	1.78
Fuel & oil	0.66
Repairs	1.93
Land rent	41.51
Operating interest	0.64
Miscellaneous	0.37
Total direct expenses per acre	60.16
Return over direct expenses per acre	3.84
Overhead expenses per acre	
Hired labor	0.89
Machinery & bldg leases	0.32
Farm insurance	0.26
Utilities	0.24
Interest	0.58
Mach & bldg depreciation	3.75
Miscellaneous	0.51
Total overhead expenses per acre	6.55
Total listed expenses per acre	66.71
Net return per acre	-2.71
Total direct expense per unit	1.11
Total listed expense per unit	1.24
Net return per unit	-0.05
Breakeven yield per acre	56.67
Est. labor hours per acre	0.20
Lbr & mgt charge per acre	3.11
Net return over lbr & mgt	-5.82

**TABLE 11 - 24**  
**Crop Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**  
**(Average of All Farms)**

**RENTED OUT ON OWNED LAND**

	Average For All Farms )))))))))
Number of fields	10
Number of farms	10
Acres	205.62
Yield per acre	87.88
Operators share of yield %	100.00
Value per unit	1.00
Total product return per acre	87.88
Miscellaneous income per acre	0.00
Gross return per acre	87.88
Direct expenses per acre	
Fertilizer	0.08
Fuel & oil	0.05
Repairs	2.77
Operating interest	0.87
Total direct expenses per acre	3.77
Return over direct expenses per acre	84.11
Overhead expenses per acre	
Hired labor	0.00
Machinery & bldg leases	3.46
RE & pers. property taxes	16.67
Farm insurance	0.71
Utilities	0.34
Interest	16.47
Mach & bldg depreciation	6.31
Miscellaneous	0.45
Total overhead expenses per acre	44.43
Total listed expenses per acre	48.20
Net return per acre	39.68
Total direct expense per unit	0.04
Total listed expense per unit	0.55
Net return per unit	0.45
Breakeven yield per acre	48.20
Est. labor hours per acre	0.12
Lbr & mgt charge per acre	1.49
Net return over lbr & mgt	38.19



## 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" tables include the FINPACK codes for beef steer and heifer calf finishing; there was no yearling feeding.

"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. If fewer than 5 farms have a certain livestock enterprise, that information is not reported. If there are fewer than 25 farms, the high and low groups are not reported.

**TABLE 12 - 1**  
**Livestock Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**  
**(Farms sorted by Net Return)**

**Hogs, Farrow To Finish -- Average per Litter**

	Average For All Farms ))))))))) 23		Average For Low 20% ))))))))) 5		Average For High 20% ))))))))) 5	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of farms						
Raised Hogs sold (lb)	2103.82	717.09	1735.23	575.67	2382.05	839.10
Transferred out (lb)	0.15	0.05	0.00	0.00	0.00	0.00
Cull sales (lb)	171.92	39.17	151.12	30.48	297.06	72.45
Butchered (lb)	2.21	0.68	1.15	0.33	0.80	0.21
Less purchased (lb)	-41.84	-28.81	-63.66	-30.42	-7.05	-16.10
Less transferred in (lb)	-0.15	-0.05	0.00	0.00	0.00	0.00
Inventory change (lb)	-93.65	36.70	-35.12	35.18	-298.42	23.60
Total production (lb)	2142.46	764.83	1788.72	611.64	2374.43	919.26
Other income		8.49		1.77		18.70
Gross return		773.32		613.40		937.96
Direct expenses						
Corn (bu.)	79.04	134.42	81.29	137.52	109.86	186.12
Complete Ration (lb.)	768.58	71.29	4.34	1.07	547.43	88.86
Protein Vit Minerals (lb.)	1846.37	205.99	1403.74	186.81	1490.67	176.17
Other feed stuffs		4.08		12.74		0.00
Breeding fees		7.43		17.68		3.72
Veterinary		31.34		29.47		32.13
Livestock supplies		10.45		16.91		3.73
Fuel & oil		13.62		6.13		13.99
Repairs		25.50		21.71		23.98
Custom hire		20.41		8.45		1.97
Machinery & bldg leases		4.84		7.32		5.49
Marketing		8.55		8.10		6.32
Operating interest		11.89		8.30		21.29
Total direct expenses		549.81		462.21		563.76
Return over direct expense		223.51		151.19		374.20
Overhead expenses						
Hired labor		59.55		109.15		12.78
Machinery & bldg leases		5.92		0.58		2.96
RE & pers. property taxes		3.76		2.32		2.67
Farm insurance		9.60		9.45		7.58
Utilities		17.90		18.90		14.20
Dues & professional fees		0.79		0.14		0.00
Interest		31.29		54.56		20.97
Mach & bldg depreciation		62.49		79.27		51.74
Miscellaneous		9.28		7.70		18.55
Total overhead expenses		200.61		282.07		131.45
Total listed expenses		750.41		744.28		695.21
Net return		22.91		-130.88		242.75
Est. labor hours per unit		8.83		10.30		8.64
Labor & management charge		56.59		40.31		125.87
Net return over lbr & mgt		-33.69		-171.19		116.88
Other Information						
Average number of sows		126.5		143.3		83.8
Litters farrowed		233		293		160
Litters per sow		1.84		2.05		1.91
Litters per crate		8.68		9.91		10.02
Pigs born per litter		10.07		9.90		10.18
Pigs weaned per litter		8.93		8.82		9.20
Pigs weaned per sow		16.02		16.88		17.61
Number sold per litter		8.41		7.13		9.85
Lbs of feed / lb of gain		3.31		3.39		3.45
Feed cost / cwt. of gain		19.41		18.90		19.00
Feed cost per litter		415.78		338.14		451.15
Avg wgt/Raised Hog sold		250		243		242
Avg price / cwt		34.09		33.18		35.23



*TABLE 12 - 2*  
*Livestock Enterprise Analysis, 1999*  
*Southwest Minnesota Farm Business Management Association*  
*(Farms sorted by Net Return)*

*Hogs, Farrow To Finish -- Average per Cwt Produced*

	Average For All Farms ))))())))) 23		Average For Low 20% ))))())))) 5		Average For High 20% ))))())))) 5	
	Quantity ))))()))))	Value ))))()))))	Quantity ))))()))))	Value ))))()))))	Quantity ))))()))))	Value ))))()))))
Number of farms						
Raised Hogs sold (lb)	98.20	33.47	97.01	32.18	100.32	35.34
Cull sales (lb)	8.02	1.83	8.45	1.70	12.51	3.05
Butchered (lb)	0.10	0.03	0.06	0.02	0.03	0.01
Less purchased (lb)	-1.95	-1.34	-3.56	-1.68	-0.30	-0.68
Inventory change (lb)	-4.37	1.71	-1.96	1.97	-12.57	0.99
Total production (lb)	100.00	35.70	100.00	34.19	100.00	38.71
Other income		0.40		0.10		0.79
Gross return		36.09		34.29		39.50
<b>Direct expenses</b>						
Corn (bu.)	3.69	6.27	4.54	7.69	4.63	7.84
Complete Ration (lb.)	35.87	3.33	0.24	0.06	23.06	3.74
Protein Vit Minerals (lb.)	86.18	9.61	78.48	10.44	62.78	7.42
Other feed stuffs		0.18		0.71		0.00
Breeding fees		0.35		0.99		0.16
Veterinary		1.46		1.65		1.35
Livestock supplies		0.49		0.95		0.16
Fuel & oil		0.64		0.34		0.59
Repairs		1.19		1.21		1.01
Custom hire		0.95		0.47		0.08
Machinery & bldg leases		0.23		0.41		0.23
Marketing		0.40		0.45		0.27
Operating interest		0.55		0.46		0.90
Total direct expenses		25.66		25.84		23.74
Return over direct expense		10.43		8.45		15.76
<b>Overhead expenses</b>						
Hired labor		2.78		6.10		0.54
Machinery & bldg leases		0.28		0.03		0.12
RE & pers. property taxes		0.18		0.13		0.11
Farm insurance		0.45		0.53		0.32
Utilities		0.84		1.06		0.60
Dues & professional fees		0.04		0.01		0.00
Interest		1.46		3.05		0.88
Mach & bldg depreciation		2.92		4.43		2.18
Miscellaneous		0.43		0.43		0.78
Total overhead expenses		9.36		15.77		5.54
Total listed expenses		35.03		41.61		29.28
Net return		1.07		-7.32		10.22
<b>Est. labor hours per unit</b>						
Labor & management charge		0.41		0.58		0.36
Net return over lbr & mgt		2.64		2.25		5.30
		-1.57		-9.57		4.92
<b>Other Information</b>						
Average number of sows		126.5		143.3		83.8
Litters farrowed		233		293		160
Litters per sow		1.84		2.05		1.91
Litters per crate		8.68		9.91		10.02
Pigs born per litter		10.07		9.90		10.18
Pigs weaned per litter		8.93		8.82		9.20
Pigs weaned per sow		16.02		16.88		17.61
Number sold per litter		8.41		7.13		9.85
Lbs of feed / lb of gain		3.31		3.39		3.45
Feed cost / cwt. of gain		19.41		18.90		19.00
Feed cost per litter		415.78		338.14		451.15
Avg wgt/Raised Hog sold		250		243		242
Avg price / cwt		34.09		33.18		35.23

**TABLE 12 - 3**  
**Livestock Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**

**Hogs, Finish Feeder Pigs -- Average per Head**

	Average For All Farms )))))))))	
Number of farms	11	
	Quantity	Value
	)))))))))	)))))))))
Finish Hogs sold (lb)	257.26	94.44
Transferred out (lb)	0.34	0.13
Butchered (lb)	0.27	0.07
Less purchased (lb)	-41.22	-39.72
Less transferred in (lb)	-3.48	-1.96
Inventory change (lb)	15.52	9.56
Total production (lb)	228.69	62.53
Other income		0.94
Gross return		63.47
<b>Direct expenses</b>		
Corn (bu.)	9.59	16.29
Protein Vit Minerals (lb.)	171.62	23.00
Other feed stuffs		0.27
Veterinary		0.35
Livestock supplies		0.53
Fuel & oil		0.33
Repairs		1.17
Custom hire		2.93
Machinery & bldg leases		1.86
Marketing		0.11
Operating interest		1.59
Total direct expenses		48.42
Return over direct expense		15.05
<b>Overhead expenses</b>		
Hired labor		0.08
Machinery & bldg leases		1.85
RE & pers. property taxes		0.15
Farm insurance		0.43
Utilities		0.72
Dues & professional fees		0.09
Interest		0.82
Mach & bldg depreciation		2.51
Miscellaneous		0.36
Total overhead expenses		7.02
Total listed expenses		55.44
Net return		8.03
Est. labor hours per unit		0.35
Labor & management charge		2.67
Net return over lbr & mgt		5.36
<b>Other Information</b>		
No. purchased or trans in		2136
Number sold or trans out		1836
Percentage death loss		3.2
Avg. daily gain (lbs)		1.51
Lbs of conc / lb of gain		3.10
Lbs of feed / lb of gain		3.11
Feed cost per cwt of gain		17.30
Feed cost per head		39.57
Average purchase weight		39
Average sales weight		266
Avg purch price / head		37.62
Avg sales price / cwt		36.71

**TABLE 12 - 4**  
**Livestock Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**

**Hogs, Finish Feeder Pigs -- Average per Cwt Produced**

	Average For All Farms )))))))))	
Number of farms	11	
	Quantity )))))))))	Value )))))))))
Finish Hogs sold (lb)	112.49	41.30
Transferred out (lb)	0.15	0.06
Butchered (lb)	0.12	0.03
Less purchased (lb)	-18.02	-17.37
Less transferred in (lb)	-1.52	-0.86
Inventory change (lb)	6.79	4.18
Total production (lb)	100.00	27.34
Other income		0.41
Gross return		27.75
<b>Direct expenses</b>		
Corn (bu.)	4.19	7.12
Protein Vit Minerals (lb.)	75.04	10.06
Other feed stuffs		0.12
Veterinary		0.15
Livestock supplies		0.23
Fuel & oil		0.14
Repairs		0.51
Custom hire		1.28
Machinery & bldg leases		0.81
Marketing		0.05
Operating interest		0.69
Total direct expenses		21.17
Return over direct expense		6.58
<b>Overhead expenses</b>		
Hired labor		0.03
Machinery & bldg leases		0.81
RE & pers. property taxes		0.07
Farm insurance		0.19
Utilities		0.31
Dues & professional fees		0.04
Interest		0.36
Mach & bldg depreciation		1.10
Miscellaneous		0.16
Total overhead expenses		3.07
Total listed expenses		24.24
Net return		3.51
<b>Est. labor hours per unit</b>		0.15
Labor & management charge		1.17
Net return over lbr & mgt		2.35
<b>Other Information</b>		
No. purchased or trans in		2136
Number sold or trans out		1836
Percentage death loss		3.2
Avg. daily gain (lbs)		1.51
Lbs of conc / lb of gain		3.10
Lbs of feed / lb of gain		3.11
Feed cost per cwt of gain		17.30
Feed cost per head		39.57
Average purchase weight		39
Average sales weight		266
Avg purch price / head		37.62
Avg sales price / cwt		36.71

**TABLE 12 - 5**  
**Livestock Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**

**Hogs, Weaning to Finish -- Average per Head**

	Average For All Farms )))))))))	
Number of farms	8	
	Quantity )))))))))	Value )))))))))
Wean-Fin Pig sold (lb)	246.18	90.30
Cull sales (lb)	0.09	0.03
Butchered (lb)	0.04	0.01
Less purchased (lb)	-13.95	-36.02
Inventory change (lb)	13.56	6.86
Total production (lb)	245.92	61.18
Other income		0.12
Gross return		61.30
<b>Direct expenses</b>		
Corn (bu.)	8.22	14.24
Complete Ration (lb.)	54.06	6.60
Protein Vit Minerals (lb.)	70.42	9.85
Other feed stuffs		4.83
Veterinary		0.88
Livestock supplies		0.26
Fuel & oil		0.76
Repairs		1.14
Custom hire		1.06
Hired labor		0.01
Machinery & bldg leases		0.96
Marketing		0.19
Operating interest		1.51
Total direct expenses		42.30
Return over direct expense		19.00
<b>Overhead expenses</b>		
Hired labor		2.83
Machinery & bldg leases		5.87
RE & pers. property taxes		0.17
Farm insurance		0.66
Utilities		1.26
Dues & professional fees		0.02
Interest		3.25
Mach & bldg depreciation		4.13
Miscellaneous		0.25
Total overhead expenses		18.45
Total listed expenses		60.75
Net return		0.55
<b>Est. labor hours per unit</b>		0.41
Labor & management charge		1.14
Net return over lbr & mgt		-0.59
<b>Other Information</b>		
No. purchased or trans in		10797
Number sold or trans out		9667
Percentage death loss		4.3
Avg. daily gain (lbs)		1.57
Lbs of conc / lb of gain		2.38
Lbs of feed / lb of gain		2.66
Feed cost per cwt of gain		14.45
Feed cost per head		35.53
Average purchase weight		13
Average sales weight		257
Avg purch price / head		33.65
Avg sales price / cwt		36.68

**TABLE 12 - 6**  
**Livestock Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**

**Hogs, Weaning to Finish -- Average per Cwt Produced**

	Average For All Farms )))))))))	
Number of farms	8	
	Quantity )))))))))	Value )))))))))
Wean-Fin Pig sold (lb)	100.11	36.72
Cull sales (lb)	0.04	0.01
Less purchased (lb)	-5.67	-14.65
Inventory change (lb)	5.51	2.79
Total production (lb)	100.00	24.88
Other income		0.05
Gross return		24.93
 Direct expenses		
Corn (bu.)	3.34	5.79
Complete Ration (lb.)	21.98	2.68
Protein Vit Minerals (lb.)	28.64	4.01
Other feed stuffs		1.97
Veterinary		0.36
Livestock supplies		0.11
Fuel & oil		0.31
Repairs		0.46
Custom hire		0.43
Machinery & bldg leases		0.39
Marketing		0.08
Operating interest		0.61
Total direct expenses		17.20
Return over direct expense		7.72
 Overhead expenses		
Hired labor		1.15
Machinery & bldg leases		2.39
RE & pers. property taxes		0.07
Farm insurance		0.27
Utilities		0.51
Interest		1.32
Mach & bldg depreciation		1.68
Miscellaneous		0.10
Total overhead expenses		7.50
Total listed expenses		24.70
Net return		0.22
 Est. labor hours per unit		
Labor & management charge		0.17
Net return over lbr & mgt		0.46
Net return over lbr & mgt		-0.24
 Other Information		
No. purchased or trans in		10797
Number sold or trans out		9667
Percentage death loss		4.3
Avg. daily gain (lbs)		1.57
Lbs of conc / lb of gain		2.38
Lbs of feed / lb of gain		2.66
Feed cost per cwt of gain		14.45
Feed cost per head		35.53
Average purchase weight		13
Average sales weight		257
Avg purch price / head		33.65
Avg sales price / cwt		36.68

**TABLE 12 - 7**  
**Livestock Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**

**Hogs, Contractee -- Average per Pig Space**

	Average For All Farms )))))))))	
Number of farms	14	
	Quantity	Value
	)))))))))	)))))))))
ContracteeHg sold (hd)	0.00	1.07
Total production (hd)	0.00	1.07
Other income		33.51
Gross return		34.58
Direct expenses		
Veterinary		0.02
Livestock supplies		1.47
Fuel & oil		0.52
Repairs		1.98
Custom hire		0.53
Livestock leases		1.12
Operating interest		0.16
Total direct expenses		5.80
Return over direct expense		28.78
Overhead expenses		
Hired labor		1.74
Machinery & bldg leases		0.24
RE & pers. property taxes		0.26
Farm insurance		0.85
Utilities		1.37
Dues & professional fees		0.01
Interest		10.68
Mach & bldg depreciation		13.06
Miscellaneous		0.44
Total overhead expenses		28.64
Total listed expenses		34.44
Net return		0.14
Est. labor hours per unit		0.43
Labor & management charge		3.73
Net return over lbr & mgt		-3.59
Other Information		
Number of pigs		5836
Pigs per pig space (per year)		2.38
Pigs per 100 sq. ft. (per yr)		34.69
Net return per 100 sq. ft.		2.03
Net return per labor hour		0.32
Square feet per pig space		6.87

**TABLE 12 - 8**  
**Livestock Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**

**Beef Cow-Calf -- Average per Cow**

	Average For All Farms )))))))))	
Number of farms	16	
	Quantity )))))))))	Value )))))))))
Beef Calves sold (lb)	149.62	125.70
Transferred out (lb)	305.87	276.07
Cull sales (lb)	252.44	120.75
Butchered (lb)	4.15	2.01
Less purchased (lb)	-48.85	-47.06
Less transferred in (lb)	-96.05	-69.73
Inventory change (lb)	-9.27	68.36
Total production (lb)	557.90	476.10
Other income		0.29
Gross return		476.39
<b>Direct expenses</b>		
Corn (bu.)	4.71	7.78
Corn Silage (lb.)	4961.05	43.30
Hay, Alfalfa (lb.)	1951.86	60.81
Hay, Grass & Other (lb.)	1881.77	40.68
Pasture (aum)	2.33	31.47
Stover (lb.)	605.20	13.22
Complete Ration (lb.)	43.96	5.08
Protein Vit Minerals (lb.)	115.71	20.35
Other feed stuff		4.63
Breeding fees		4.40
Veterinary		17.08
Livestock supplies		3.37
Fuel & oil		8.98
Repairs		13.34
Custom hire		2.01
Livestock leases		3.24
Marketing		1.38
Bedding		0.18
Operating interest		9.47
Total direct expenses		290.77
Return over direct expense		185.62
<b>Overhead expenses</b>		
Hired labor		9.18
Machinery & bldg leases		2.09
RE & pers. property taxes		1.85
Farm insurance		6.18
Utilities		10.31
Interest		11.59
Mach & bldg depreciation		27.31
Miscellaneous		6.58
Total overhead expenses		75.09
Total listed expenses		365.86
Net return		110.53
Est. labor hours per unit		8.14
Labor & management charge		56.61
Net return over lbr & mgt		53.92
<b>Other Information</b>		
Number of cows		64.0
Pregnancy percentage		96.4
Pregnancy loss percentage		2.5
Culling percentage		19.7
Calving percentage		94.0
Weaning percentage		89.4
Calves sold per cow		0.83
Calf death loss percent		6.3
Average weaning weight		493
Lbs weaned/exposed female		441
Feed cost per cow		227.32
Avg wgt/Beef Calf sold		557
Avg price / cwt		84.02

**TABLE 12 - 9**  
**Livestock Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**

**Beef Cow-Calf -- Average per Cwt Produced**

	Average For All Farms )))))))))	
Number of farms	16	
	Quantity )))))))))	Value )))))))))
Beef Calves sold (lb)	26.82	22.53
Transferred out (lb)	54.82	49.48
Cull sales (lb)	45.25	21.64
Butchered (lb)	0.74	0.36
Less purchased (lb)	-8.76	-8.43
Less transferred in (lb)	-17.22	-12.50
Inventory change (lb)	-1.66	12.25
Total production (lb)	100.00	85.34
Other income		0.05
Gross return		85.39
<b>Direct expenses</b>		
Corn (bu.)	0.84	1.39
Corn Silage (lb.)	889.24	7.76
Hay, Alfalfa (lb.)	349.86	10.90
Hay, Grass & Other (lb.)	337.30	7.29
Pasture (aum)	0.42	5.64
Stover (lb.)	108.48	2.37
Complete Ration (lb.)	7.88	0.91
Protein Vit Minerals (lb.)	20.74	3.65
Other feed stuff		0.82
Breeding fees		0.79
Veterinary		3.06
Livestock supplies		0.60
Fuel & oil		1.61
Repairs		2.39
Custom hire		0.36
Livestock leases		0.58
Marketing		0.25
Bedding		0.03
Operating interest		1.70
Total direct expenses		52.12
Return over direct expense		33.27
<b>Overhead expenses</b>		
Hired labor		1.64
Machinery & bldg leases		0.37
RE & pers. property taxes		0.33
Farm insurance		1.11
Utilities		1.85
Interest		2.08
Mach & bldg depreciation		4.90
Miscellaneous		1.18
Total overhead expenses		13.46
Total listed expenses		65.58
Net return		19.81
Est. labor hours per unit		1.46
Labor & management charge		10.15
Net return over lbr & mgt		9.67
<b>Other Information</b>		
Number of cows		64.0
Pregnancy percentage		96.4
Pregnancy loss percentage		2.5
Culling percentage		19.7
Calving percentage		94.0
Weaning percentage		89.4
Calves sold per cow		0.83
Calf death loss percent		6.3
Average weaning weight		493
Lbs weaned/exposed female		441
Feed cost per cow		227.32
Avg wgt/Beef Calf sold		557
Avg price / cwt		84.02



**TABLE 12 - 10**  
**Livestock Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**  
**(Farms sorted by Net Return)**

**Beef, Finish Beef Calves -- Average per Head**

	Average For All Farms ))))))))) 29		Average For Low 20% ))))))))) 6		Average For High 20% ))))))))) 6	
Number of farms						
	Quantity )))))))))	Value )))))))))	Quantity )))))))))	Value )))))))))	Quantity )))))))))	Value )))))))))
Finish Beef sold (lb)	1397.29	925.60	1402.99	898.92	1287.51	848.29
Transferred out (lb)	5.20	3.64	28.02	18.92	8.34	5.67
Butchered (lb)	3.19	2.08	6.18	3.82	5.66	3.79
Less purchased (lb)	-870.60	-711.11	-658.62	-537.63	-833.55	-655.62
Less transferred in (lb)	-12.83	-11.16	-55.17	-44.12	-6.10	-4.08
Inventory change (lb)	70.56	142.91	-158.81	-44.99	130.93	159.95
Total production (lb)	592.82	351.96	564.59	294.93	592.79	358.01
Other income		1.03		0.00		5.46
Gross return		352.99		294.93		363.46
<b>Direct expenses</b>						
Corn (bu.)	61.39	99.36	57.63	98.03	58.73	95.14
Corn Silage (lb.)	2043.84	18.11	3649.46	31.56	1964.20	18.59
Hay, Alfalfa (lb.)	209.55	6.49	481.23	15.31	138.20	4.00
Hay, Grass & Other (lb.)	204.25	4.90	29.02	0.73	137.33	3.51
Sorghum Silage (lb.)	377.20	4.30	0.00	0.00	0.00	0.00
Complete Ration (lb.)	186.52	3.72	0.00	0.00	0.00	0.00
Creep / Starter (lb.)	79.20	1.12	0.00	0.00	0.00	0.00
Protein Vit Minerals (lb.)	377.42	28.02	221.66	32.91	216.23	25.83
Other feed stuffs		3.40		4.35		5.09
Veterinary		9.10		5.96		8.31
Livestock supplies		6.55		7.51		3.74
Fuel & oil		2.56		3.27		2.11
Repairs		9.92		12.90		4.91
Custom hire		6.23		1.39		1.54
Machinery & bldg leases		0.83		0.00		4.40
Marketing		2.33		1.17		3.69
Bedding		0.09		0.00		0.00
Operating interest		23.99		25.98		16.41
Total direct expenses		231.02		241.05		197.28
Return over direct expense		121.97		53.88		166.18
<b>Overhead expenses</b>						
Hired labor		7.03		18.69		3.09
Machinery & bldg leases		0.42		0.00		0.48
RE & pers. property taxes		1.30		0.96		0.55
Farm insurance		2.04		3.29		0.55
Utilities		2.74		3.68		1.86
Dues & professional fees		0.21		0.00		0.00
Interest		7.32		6.25		3.23
Mach & bldg depreciation		19.40		15.78		17.00
Miscellaneous		1.84		3.14		1.50
Total overhead expenses		42.28		51.79		28.26
Total listed expenses		273.30		292.84		225.54
Net return		79.69		2.09		137.93
<b>Est. labor hours per unit</b>						
Labor & management charge		2.20		2.90		2.16
Net return over lbr & mgt		16.60		25.42		14.43
		63.10		-23.33		123.49
<b>Other Information</b>						
No. purchased or trans in		451		193		396
Number sold or trans out		408		202		349
Percentage death loss		0.5		0.9		0.3
Avg. daily gain (lbs)		2.55		2.47		2.17
Lbs of conc / lb of gain		7.00		6.39		5.91
Lbs of feed / lb of gain		9.23		9.57		8.15
Feed cost per cwt of gain		28.58		32.39		25.67
Feed cost per head		169.41		182.87		152.17
Average purchase weight		713		671		700
Average sales weight		1245		1236		1232
Avg purch price / cwt		81.68		81.63		78.65
Avg sales price / cwt		66.24		64.07		65.89

**TABLE 12 - 11**  
**Livestock Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**  
**(Farms sorted by Net Return)**

**Beef, Finish Beef Calves -- Average per Cwt Produced**

	Average For All Farms ))))))))) 29		Average For Low 20% ))))))))) 6		Average For High 20% ))))))))) 6	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of farms						
Finish Beef sold (lb)	235.70	156.13	248.50	159.22	217.20	143.10
Transferred out (lb)	0.88	0.61	4.96	3.35	1.41	0.96
Butchered (lb)	0.54	0.35	1.09	0.68	0.95	0.64
Less purchased (lb)	-146.86	-119.95	-116.65	-95.22	-140.62	-110.60
Less transferred in (lb)	-2.16	-1.88	-9.77	-7.81	-1.03	-0.69
Inventory change (lb)	11.90	24.11	-28.13	-7.97	22.09	26.98
Total production (lb)	100.00	59.37	100.00	52.24	100.00	60.39
Other income		0.17		0.00		0.92
Gross return		59.54		52.24		61.31
<b>Direct expenses</b>						
Corn (bu.)	10.35	16.76	10.21	17.36	9.91	16.05
Corn Silage (lb.)	344.77	3.06	646.39	5.59	331.35	3.14
Hay, Alfalfa (lb.)	35.35	1.09	85.24	2.71	23.31	0.67
Hay, Grass & Other (lb.)	34.45	0.83	5.14	0.13	23.17	0.59
Sorghum Silage (lb.)	63.63	0.73	0.00	0.00	0.00	0.00
Complete Ration (lb.)	31.46	0.63	0.00	0.00	0.00	0.00
Creep / Starter (lb.)	13.36	0.19	0.00	0.00	0.00	0.00
Protein Vit Minerals (lb.)	63.67	4.73	39.26	5.83	36.48	4.36
Other feed stuffs		0.57		0.76		0.86
Veterinary		1.54		1.06		1.40
Livestock supplies		1.10		1.33		0.63
Fuel & oil		0.43		0.58		0.36
Repairs		1.67		2.28		0.83
Custom hire		1.05		0.25		0.26
Machinery & bldg leases		0.14		0.00		0.74
Marketing		0.39		0.21		0.62
Bedding		0.01		0.00		0.00
Operating interest		4.05		4.60		2.77
Total direct expenses		38.97		42.69		33.28
Return over direct expense		20.57		9.54		28.03
<b>Overhead expenses</b>						
Hired labor		1.19		3.31		0.52
Machinery & bldg leases		0.07		0.00		0.08
RE & pers. property taxes		0.22		0.17		0.09
Farm insurance		0.34		0.58		0.09
Utilities		0.46		0.65		0.31
Dues & professional fees		0.04		0.00		0.00
Interest		1.23		1.11		0.54
Mach & bldg depreciation		3.27		2.80		2.87
Miscellaneous		0.31		0.56		0.25
Total overhead expenses		7.13		9.17		4.77
Total listed expenses		46.10		51.87		38.05
Net return		13.44		0.37		23.27
<b>Est. labor hours per unit</b>		0.37		0.51		0.36
Labor & management charge		2.80		4.50		2.43
Net return over lbr & ngt		10.64		-4.13		20.83
<b>Other Information</b>						
No. purchased or trans in		451		193		396
Number sold or trans out		408		202		349
Percentage death loss		0.5		0.9		0.3
Avg. daily gain (lbs)		2.55		2.47		2.17
Lbs of conc / lb of gain		7.00		6.39		5.91
Lbs of feed / lb of gain		9.23		9.57		8.15
Feed cost per cwt of gain		28.58		32.39		25.67
Feed cost per head		169.41		182.87		152.17
Average purchase weight		713		671		700
Average sales weight		1245		1236		1232
Avg purch price / cwt		81.68		81.63		78.65
Avg sales price / cwt		66.24		64.07		65.89

**TABLE 12 - 12**  
**Livestock Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**

**Dairy -- Average per Cow**

	Average For All Farms )))))))))	
Number of farms	6	
	Quantity	Value
	)))))))))	)))))))))
Milk sold (lb)	21530.64	3092.84
Milk used in home (lb)	14.82	2.25
Milk fed to animals (lb)	100.11	7.96
Dairy Calves sold (hd)	0.02	14.26
Cull sales (hd)	0.27	113.78
Butchered (hd)	0.00	0.42
Less purchased (hd)	-0.01	-11.38
Less transferred in (hd)	-0.37	-419.48
Inventory change (hd)	0.03	41.04
Total production		2841.69
Other income		12.84
Gross return		2854.54
 Direct expenses		
Corn (bu.)	89.03	149.02
Corn Silage (lb.)	14267.88	128.41
Corn, Ear (lb.)	381.82	6.87
Hay, Alfalfa (lb.)	4839.86	156.57
Hay, Grass & Other (lb.)	148.01	3.70
Haylage, Alfalfa (lb.)	1198.96	23.61
Wheat, Spring (bu.)	7.42	35.26
Protein Vit Minerals (lb.)	2945.01	309.31
Breeding fees		26.63
Veterinary		73.86
Livestock supplies		188.23
Fuel & oil		15.41
Repairs		116.69
Custom hire		48.08
Machinery & bldg leases		1.24
Marketing		51.93
Operating interest		1.04
Total direct expenses		1335.86
Return over direct expense		1518.67
 Overhead expenses		
Hired labor		280.73
Machinery & bldg leases		18.53
RE & pers. property taxes		4.45
Farm insurance		28.60
Utilities		38.32
Interest		15.34
Mach & bldg depreciation		278.96
Miscellaneous		34.64
Total overhead expenses		699.58
Total listed expenses		2035.44
Net return		819.10
 Est. labor hours per unit		
		40.39
Labor & management charge		163.37
Net return over lbr & mgt		655.73
 Other Information		
Avg. number of Cows		158.9
Milk produced per Cow		21646
Percent butterfat in milk		3.6
Culling percentage		27.1
Percent of barn capacity		107.4
Lbs. milk/lb grain & conc.		2.5
Feed cost per cwt of milk		3.75
Feed cost per Cow		812.76
Avg. milk price per cwt.		14.36

**TABLE 12 - 13**  
**Livestock Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**  
**Dairy Replacement Heifers -- Average per Head Sold/Trans**

	Average For All Farms )))))))))	
Number of farms	5	
	Quantity )))))))))	Value )))))))))
Replacements sold (hd)	0.48	101.32
Transferred out (hd)	0.52	488.64
Butchered (hd)	0.00	0.49
Less purchased (hd)	-0.04	-29.04
Inventory change (hd)	0.02	38.06
Total production (hd)	0.00	599.47
Other income		0.00
Gross return		599.47
<b>Direct expenses</b>		
Corn (bu.)	21.17	35.99
Corn Silage (lb.)	5083.84	45.75
Hay, Alfalfa (lb.)	1217.62	38.84
Hay, Grass & Other (lb.)	105.71	2.64
Haylage, Alfalfa (lb.)	284.33	4.55
Oats (bu.)	2.15	2.30
Pasture (aum)	1.45	7.23
Stover (lb.)	11.18	0.42
Milk (lb.)	49.58	6.16
Protein Vit Minerals (lb.)	221.28	51.83
Other feed stuffs		0.87
Breeding fees		13.52
Veterinary		19.54
Livestock supplies		24.81
Fuel & oil		2.60
Repairs		26.66
Custom hire		130.91
Machinery & bldg leases		2.12
Marketing		0.01
Operating interest		0.25
Total direct expenses		416.99
Return over direct expense		182.48
<b>Overhead expenses</b>		
Hired labor		57.96
Machinery & bldg leases		3.50
RE & pers. property taxes		0.72
Farm insurance		4.32
Utilities		5.25
Interest		2.49
Mach & bldg depreciation		44.89
Miscellaneous		4.89
Total overhead expenses		124.03
Total listed expenses		541.02
Net return		58.45
Est. labor hours per unit		6.82
Labor & management charge		30.50
Net return over lbr & mgt		27.95
<b>Other Information</b>		
No. purchased or trans in		6
Number sold or trans out		165
Average number of head		172
Percentage death loss		4.4
Feed cost per average head		187.92
Feed cost/head sold+trans		196.58
Avg. purchase weight		-
Avg. sales weight		90
Avg. purch price / head		796.67
Avg. sales price / head		211.11

**TABLE 12 - 14**  
**Livestock Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**

**Dairy and Replacement Heifers -- Average per Cow**

	Average For All Farms )))))))))	
Number of farms	5	
	Quantity	Value
	)))))))))	)))))))))
Milk sold (lb)	21618.03	3104.48
Milk used in home (lb)	12.40	1.93
Milk fed to animals (lb)	93.26	6.54
Dairy Calves sold (hd)	0.47	109.43
Transferred out (hd)	0.48	453.72
Cull sales (hd)	0.27	113.55
Butchered (hd)	0.00	0.90
Less purchased (hd)	-0.04	-39.21
Less transferred in (hd)	-0.38	-435.96
Inventory change (hd)	0.06	77.45
Total production		3392.84
Other income		10.54
Gross return		3403.37
<b>Direct expenses</b>		
Corn (bu.)	107.08	182.04
Corn Silage (lb.)	19979.01	179.81
Corn, Ear (lb.)	410.68	7.39
Hay, Alfalfa (lb.)	6188.08	200.12
Hay, Grass & Other (lb.)	257.35	6.43
Haylage, Alfalfa (lb.)	1297.49	21.29
Pasture (aum)	1.35	6.72
Wheat, Spring (bu.)	8.01	38.05
Milk (lb.)	46.04	5.72
Protein Vit Minerals (lb.)	3107.08	344.24
Other feed stuffs		3.21
Breeding fees		39.56
Veterinary		89.99
Livestock supplies		210.53
Fuel & oil		15.97
Repairs		138.37
Custom hire		170.85
Machinery & bldg leases		3.30
Marketing		55.86
Total direct expenses		1719.44
Return over direct expense		1683.93
<b>Overhead expenses</b>		
Hired labor		346.77
Machinery & bldg leases		21.47
RE & pers. property taxes		5.46
Farm insurance		32.93
Utilities		38.51
Interest		10.98
Mach & bldg depreciation		324.62
Miscellaneous		37.18
Total overhead expenses		817.91
Total listed expenses		2537.34
Net return		866.03
Est. labor hours per unit		47.26
Labor & management charge		186.57
Net return over lbr & mgt		679.46
<b>Other Information</b>		
Avg. number of Cows		177.3
Milk produced per Cow		21724
Percent butterfat in milk		3.6
Culling percentage		27.2
Percent of barn capacity		107.6
Lbs. milk/lb grain & conc.		2.2
Feed cost per cwt of milk		4.58
Feed cost per Cow		995.01
Avg. milk price per cwt.		14.36

**TABLE 12 - 15**  
**Livestock Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**

**Dairy and Replacement Heifers -- Average per Cwt of Milk**

	Average For All Farms )))))))))	
Number of farms	5	
	Quantity )))))))))	Value )))))))))
Milk sold (lb)	99.51	14.29
Milk fed to animals (lb)	0.43	0.03
Dairy Calves sold (hd)	0.00	0.50
Transferred out (hd)	0.00	2.09
Cull sales (hd)	0.00	0.52
Less purchased (hd)	-0.00	-0.18
Less transferred in (hd)	-0.00	-2.01
Inventory change (hd)	0.00	0.36
Total production		15.62
Other income		0.05
Gross return		15.67
<b>Direct expenses</b>		
Corn (bu.)	0.49	0.84
Corn Silage (lb.)	91.97	0.83
Corn, Ear (lb.)	1.89	0.03
Hay, Alfalfa (lb.)	28.49	0.92
Hay, Grass & Other (lb.)	1.18	0.03
Haylage, Alfalfa (lb.)	5.97	0.10
Pasture (aum)	0.01	0.03
Wheat, Spring (bu.)	0.04	0.18
Milk (lb.)	0.21	0.03
Protein Vit Minerals (lb.)	14.30	1.58
Breeding fees		0.18
Veterinary		0.41
Livestock supplies		0.96
Fuel & oil		0.07
Repairs		0.64
Custom hire		0.79
Machinery & bldg leases		0.02
Marketing		0.26
Total direct expenses		7.92
Return over direct expense		7.75
<b>Overhead expenses</b>		
Hired labor		1.60
Machinery & bldg leases		0.10
RE & pers. property taxes		0.03
Farm insurance		0.15
Utilities		0.18
Interest		0.05
Mach & bldg depreciation		1.49
Miscellaneous		0.17
Total overhead expenses		3.77
Total listed expenses		11.68
Net return		3.99
Est. labor hours per unit		0.22
Labor & management charge		0.86
Net return over lbr & mgt		3.13
<b>Other Information</b>		
Avg. number of Cows		177.3
Milk produced per Cow		21724
Percent butterfat in milk		3.6
Culling percentage		27.2
Percent of barn capacity		107.6
Lbs. milk/lb grain & conc.		2.2
Feed cost per cwt of milk		4.58
Feed cost per Cow		995.01
Avg. milk price per cwt.		14.36

**TABLE 12 - 16**  
**Livestock Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**

**Dairy Steers -- Average per Head**

	Average For All Farms )))))))))	
Number of farms	9	
	Quantity	Value
	)))))))))	)))))))))
Dairy Steers sold (lb)	1121.88	662.78
Transferred out (lb)	9.41	5.64
Cull sales (lb)	37.20	24.74
Butchered (lb)	4.51	2.32
Less purchased (lb)	-221.29	-204.61
Less transferred in (lb)	-45.83	-33.81
Inventory change (lb)	-212.49	-45.71
Total production (lb)	693.39	411.35
Other income		0.00
Gross return		411.35
<b>Direct expenses</b>		
Barley (bu.)	0.55	0.55
Corn (bu.)	81.70	137.96
Corn Silage (lb.)	412.54	3.71
Hay, Alfalfa (lb.)	239.05	7.77
Hay, Grass & Other (lb.)	196.87	5.29
Pasture (aum)	0.00	0.54
Protein Vit Minerals (lb.)	501.02	72.49
Other feed stuffs		0.28
Veterinary		13.38
Livestock supplies		6.28
Fuel & oil		5.39
Repairs		25.92
Custom hire		5.40
Machinery & bldg leases		4.76
Marketing		4.10
Operating interest		17.41
Total direct expenses		311.24
Return over direct expense		100.11
<b>Overhead expenses</b>		
Hired labor		6.33
Machinery & bldg leases		0.13
RE & pers. property taxes		2.10
Farm insurance		5.91
Utilities		9.55
Interest		12.58
Mach & bldg depreciation		31.90
Miscellaneous		6.12
Total overhead expenses		74.61
Total listed expenses		385.85
Net return		25.50
Est. labor hours per unit		6.43
Labor & management charge		47.94
Net return over lbr & mgt		-22.45
<b>Other Information</b>		
No. purchased or trans in		76
Number sold or trans out		86
Percentage death loss		3.9
Avg. daily gain (lbs)		1.79
Lbs of conc / lb of gain		7.36
Lbs of feed / lb of gain		8.19
Feed cost per cwt of gain		32.97
Feed cost per head		228.59
Average purchase weight		264
Average sales weight		1071
Avg purch price / head		244.35
Avg sales price / cwt		59.08

**TABLE 12 - 17**  
**Livestock Enterprise Analysis, 1999**  
**Southwest 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)	161.80	95.59
Transferred out (lb)	1.36	0.81
Cull sales (lb)	5.36	3.57
Butchered (lb)	0.65	0.33
Less purchased (lb)	-31.91	-29.51
Less transferred in (lb)	-6.61	-4.88
Inventory change (lb)	-30.64	-6.59
Total production (lb)	100.00	59.32
Other income		0.00
Gross return		59.32
<b>Direct expenses</b>		
Barley (bu.)	0.08	0.08
Corn (bu.)	11.78	19.90
Corn Silage (lb.)	59.50	0.54
Hay, Alfalfa (lb.)	34.48	1.12
Hay, Grass & Other (lb.)	28.39	0.76
Pasture (aum)	0.00	0.08
Protein Vit Minerals (lb.)	72.26	10.45
Other feed stuffs		0.04
Veterinary		1.93
Livestock supplies		0.91
Fuel & oil		0.78
Repairs		3.74
Custom hire		0.78
Machinery & bldg leases		0.69
Marketing		0.59
Operating interest		2.51
Total direct expenses		44.89
Return over direct expense		14.44
<b>Overhead expenses</b>		
Hired labor		0.91
Machinery & bldg leases		0.02
RE & pers. property taxes		0.30
Farm insurance		0.85
Utilities		1.38
Interest		1.81
Mach & bldg depreciation		4.60
Miscellaneous		0.88
Total overhead expenses		10.76
Total listed expenses		55.65
Net return		3.68
Est. labor hours per unit		0.93
Labor & management charge		6.91
Net return over lbr & mgt		-3.24
<b>Other Information</b>		
No. purchased or trans in		76
Number sold or trans out		86
Percentage death loss		3.9
Avg. daily gain (lbs)		1.79
Lbs of conc / lb of gain		7.36
Lbs of feed / lb of gain		8.19
Feed cost per cwt of gain		32.97
Feed cost per head		228.59
Average purchase weight		264
Average sales weight		1071
Avg purch price / head		244.35
Avg sales price / cwt		59.08



**TABLE 12 - 18**  
**Livestock Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**

**Sheep, Market Lamb Prod -- Average per Ewe**

	Average For All Farms )))))))))	
Number of farms	6	
	Quantity )))))))))	Value )))))))))
Lambs sold (lb)	2.86	0.32
Mkt Lambs sold (lb)	150.62	124.04
Transferred out (lb)	10.03	9.44
Cull sales (lb)	27.09	9.71
Butchered (lb)	0.37	0.31
Less purchased (lb)	-15.33	-11.96
Less transferred in (lb)	-10.03	-9.44
Inventory change (lb)	13.86	2.46
Total production		124.88
Other income		0.00
Gross return		124.88
<b>Direct expenses</b>		
Corn (bu.)	12.03	19.78
Corn Silage (lb.)	269.79	2.43
Hay, Alfalfa (lb.)	539.98	15.52
Hay, Grass & Other (lb.)	159.77	4.33
Haylage, Alfalfa (lb.)	369.50	6.00
Pasture (aum)	0.03	0.85
Stover (lb.)	4.69	0.04
Protein Vit Minerals (lb.)	146.74	17.85
Veterinary		4.51
Livestock supplies		3.46
Fuel & oil		2.94
Repairs		10.22
Custom hire		4.96
Machinery & bldg leases		0.25
Utilities		0.16
Marketing		0.31
Operating interest		1.00
Total direct expenses		94.61
Return over direct expense		30.26
<b>Overhead expenses</b>		
Hired labor		1.05
RE & pers. property taxes		0.72
Farm insurance		1.63
Utilities		1.85
Dues & professional fees		0.39
Interest		2.35
Mach & bldg depreciation		15.08
Miscellaneous		1.60
Total overhead expenses		24.68
Total listed expenses		119.29
Net return		5.59
Est. labor hours per unit		2.61
Labor & management charge		19.96
Net return over lbr & mgt		-14.38
<b>Other Information</b>		
Number of ewes		284.2
Pregnancy percentage		95.7
Pregnancy loss percentage		5.6
Female turnover rate		17.36
Lambs born / ewe exposed		1.55
Lambs born / ewe lambing		1.72
Lambs weaned/ewe exposed		1.40
Lambs sold per ewe		1.31
Lamb dth loss (died/born)		14.3
Average weaning weight		48
Lbs weaned/exposed female		68
Feed cost per ewe		66.80
Avg wgt/Mkt Lamb sold		125
Avg price / cwt		82.35

**TABLE 12 - 19**  
**Livestock Enterprise Analysis, 1999**  
**Southwest Minnesota Farm Business Management Association**

**Sheep, Market Lamb Prod -- Average per Cwt Produced**

	Average For All Farms )))))))))	
Number of farms	6	
	Quantity )))))))))	Value )))))))))
Lambs sold (lb)	1.62	0.18
Mkt Lambs sold (lb)	85.29	70.24
Transferred out (lb)	5.68	5.35
Cull sales (lb)	15.34	5.50
Butchered (lb)	0.21	0.18
Less purchased (lb)	-8.68	-6.77
Less transferred in (lb)	-5.68	-5.35
Inventory change (lb)	7.85	1.39
Total production		70.71
Other income		0.00
Gross return		70.71
Direct expenses		
Corn (bu.)	6.81	11.20
Corn Silage (lb.)	152.77	1.37
Hay, Alfalfa (lb.)	305.76	8.79
Hay, Grass & Other (lb.)	90.47	2.45
Haylage, Alfalfa (lb.)	209.23	3.40
Pasture (aum)	0.02	0.48
Stover (lb.)	2.66	0.02
Protein Vit Minerals (lb.)	83.09	10.11
Veterinary		2.55
Livestock supplies		1.96
Fuel & oil		1.66
Repairs		5.79
Custom hire		2.81
Machinery & bldg leases		0.14
Utilities		0.09
Marketing		0.18
Operating interest		0.57
Total direct expenses		53.58
Return over direct expense		17.14
Overhead expenses		
Hired labor		0.60
RE & pers. property taxes		0.41
Farm insurance		0.92
Utilities		1.05
Dues & professional fees		0.22
Interest		1.33
Mach & bldg depreciation		8.54
Miscellaneous		0.90
Total overhead expenses		13.97
Total listed expenses		67.55
Net return		3.16
Est. labor hours per unit		1.48
Labor & management charge		11.30
Net return over lbr & mgt		-8.14
Other Information		
Number of ewes		284.2
Pregnancy percentage		95.7
Pregnancy loss percentage		5.6
Female turnover rate		17.36
Lambs born / ewe exposed		1.55
Lambs born / ewe lambing		1.72
Lambs weaned/ewe exposed		1.40
Lambs sold per ewe		1.31
Lamb dth loss (died/born)		14.3
Average weaning weight		48
Lbs weaned/exposed female		68
Feed cost per ewe		66.80
Avg wgt/Mkt Lamb sold		125
Avg price / cwt		82.35

**Table 13**  
**PRICES USED IN ANALYSIS REPORT, 1999**  
**Southwestern Minnesota Farm Business Management Association**

Item	Beginning Inventory	Feed	Harvest	Ending Inventory
Corn/bu.	1.80	1.70	1.75	1.60
Oats/bu.	1.20	1.10	1.20	1.00
All Wheat/bu.	3.00	3.00	3.00	3.00
Soybeans/bu.	5.00	4.50	5.15	4.10
Alfalfa hay/t.	65.00	65.00	65.00	75.00
Alfalfa haylage/t	32.50	32.50	32.50	35.00
Grass/Mixed hay/r	65.00	55.00	50.00	50.00
Corn silage/t.	18.00	18.00	18.00	18.00
Grass silage/t.	13.00	13.00	13.00	13.00
Oatlage/t.	12.00	12.00	12.00	12.00
Oats straw/bale	1.00	1.75	1.50	1.50
Green chop/t.		10.00	9.00	9.00
Cornstalks/t.		10.00		
CCC Corn Loan Equity	0.00 (cash basis only)			.00
CCC Soybean Loan Equity	0.00 (cash basis only)			0.00

Pasture Costs \$/Head/Mo.

Cows	7.00	Sheep	1.00
Calves	3.50	Lambs	.60

Board for hired labor	\$ 6.00/day or \$1.50/meal
Value of milk used in home	\$ .40/qt or \$1.60/gallon
Value of milk fed calves	\$ 1.50/gallon

Value of operator's labor: Total living expenses less nonfarm income equals value of operator's labor with a minimum of \$15,000 per operator. \$25,000 was used if exact family living expenses were unknown.

Suggested land market value by county: \$/acre

Cottonwood	1500	Nobles	1200
Jackson	1500	Pipestone	700
Faribault	1800	Redwood	1400
Martin	1600	Watsonwan	1600
Murray	800	Yellow Medicine	1000

Land prices may be modified according to each farm situation. Building and dwelling valuations are based on fair market value.



## 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 \$)" using the Consumer Price Index (CPI-U) from the U.S. Department of Commerce. This shows the changes in "buying power" for the farmers, compared to the current year. The CPI used in Table 14 is reported below.

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 Southwestern Association used a "conservative market value" for land from 1979 to 1992 and switched to a market value basis for all assets starting in 1993.

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.

<u>Year</u>	<u>CPI-U</u> <u>1982-84=100</u>
1980	82.4
1981	90.9
1982	96.5
1983	99.6
1984	103.9
1985	107.6
1986	109.6
1987	113.6
1988	118.3
1989	124.0
1990	130.7
1991	136.2
1992	140.3
1993	144.5
1994	148.2
1995	152.4
1996	156.9
1997	160.5
1998	163.0
1999	171.0

TABLE 14  
SUMMARY OF THE WHOLE FARM ANALYSIS BY YEARS  
Southwestern Minnesota Farm Business Management Association  
(Overall averages for all farms reporting)

Row	Items	1980	1981	1982	1983	1984	1985	1986	1987	1988
1	Number of Farms	170	172	180	182	168	180	182	178	202
Farm Income Statement										
2	Gross Cash Farm Income	236,231	261,766	247,413	251,287	259,338	237,875	246,048	254,004	262,229
3	Total Cash Farm Expense	193,190	210,323	205,451	191,634	217,464	185,864	189,097	196,046	206,433
4	Inventory Change	*	*	*	(1,304)	1,234	(15,056)	1,798	31,353	20,577
5	Depr. & Cap. Adj.	*	*	*	(30,286)	(33,093)	(31,469)	(26,656)	(25,906)	(21,370)
6	Net Farm Income	46,713	2,272	25,838	27,844	9,872	5,487	32,093	63,404	55,004
7	Net Farm Income (Constant \$)	96,941	4,274	45,785	47,804	16,247	8,720	50,072	95,441	79,507
Profitability and Liquidity Analysis										
8	Labor and Management Earning Rate of return on:	16,210	(25,623)	13,491	(35,799)	(8,161)	(5,860)	21,241	51,592	39,866
9	Average Assets (%)	7	2	6	6	4	4	9	16	13
10	Average Equity (%)	6	(2)	3	3	(2)	(4)	9	24	16
11	Operating Profit Margin (%)	35	12	28	19	11	10	18	26	22
12	Asset Turnover Rate (%)	20	14	22	31	35	40	52	63	58
13	Value of Farm Production	148,445	114,372	147,570	201,051	206,568	185,740	211,530	246,235	246,893
14	Farm Interest Paid	19,830	26,187	30,317	27,769	29,498	26,700	21,446	15,993	14,546
15	Cash Expense as a % of Income	82	80	83	76	84	78	77	77	79
Interest Paid as a % of:										
16	Gross Cash Income	8	10	12	11	11	11	9	6	6
17	Total Cash Expenses	10	12	15	14	14	14	11	8	7
18	Yrs. to T/O Non R.E. Debt	*	*	*	3.3	7.1	1.7	1.5	1.9	1.4
Comparative Financial Statement (Market Basis)										
19	No. of Sole Proprietors	107	104	143	162	147	160	161	164	182
20	Total Ending Assets	755,354	849,984	686,198	728,302	669,773	508,552	462,043	439,918	468,616
21	Total Ending Liabilities	211,385	233,068	252,574	281,999	304,940	255,031	211,411	180,785	172,714
22	Ending Net Worth	543,969	616,916	433,624	446,303	364,833	253,521	250,632	259,133	295,902
23	Ending Farm C+I Debt to Asset %	39	39	45	51	55	51	43	37	35
24	Ending Total Debt to Asset %	28	27	37	39	46	50	46	41	37
Acreage Information										
25	Total Acres Owned	226	266	244	*	250	249	231	222	222
26	Total Crop Acres Farmed	469	478	480	*	519	552	540	520	525
27	Crop Acres Owned	198	234	206	*	206	212	191	180	186
28	Crop Acres Cash Rented	*	*	*	*	208	237	236	231	238
29	Crop Acres Share Rented	*	*	*	*	104	103	113	108	101
Crop Yields										
30	Corn per acre	110	126	126	88	113	124	136	138	89
31	Soybean per acre	37	39	40	35	38	35	39	44	32
Crop Prices Received (cash sales)										
32	Corn per Bushel	2.44	2.83	2.23	*	2.88	2.35	2.03	1.53	2.08
33	Soybeans per Bushel	6.36	6.95	5.63	*	7.12	5.38	5.01	4.89	6.80
Household Information										
34	No. Farms Reporting HseHld Inc	71	84	96	96	89	96	101	102	120
35	Average Family Size	4.0	4.0	4.0	*	3.7	3.9	3.6	3.7	3.8
36	Total Family Use of Cash	30,078	32,664	29,981	35,660	29,540	28,701	28,027	30,729	37,556
37	Average Net Nonfarm Income	4,524	7,048	9,385	*	11,262	8,445	8,580	7,787	6,890

\* Not available.

\*\* Starting with 1993, profitability is analyzed using assets valued on the cost basis and the financial statement uses fair market value. From 1979 through 1992, profitability and solvency are analyzed using land valued with a conservative market value and all other assets valued on a cost basis.

Table 14, continued

1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	Row
203	200	207	201	202	202	216	203	208	210	216	1
265,019	291,839	288,031	301,907	296,705	306,175	346,838	382,502	359,710	369,573	388,731	2
204,939	222,201	221,385	236,768	242,616	256,246	277,214	299,610	303,241	305,344	324,802	3
11,788	22,242	(10,822)	(429)	4,474	9,254	16,939	12,231	19,769	(21,057)	15,633	4
(21,709)	(26,876)	(26,122)	(27,051)	(26,997)	(27,268)	(29,288)	(32,424)	(35,640)	(34,557)	(35,800)	5
50,159	65,004	29,702	37,659	31,567	31,915	57,276	62,699	40,598	8,616	43,762	6
69,171	85,047	37,291	45,899	37,356	36,825	64,266	68,334	43,254	9,039	43,762	7
33,078	47,215	11,281	19,467	16,681	16,949	41,326	45,206	23,364	(8,757)	26,896	8
10	12	5	7	5	5	10	10	6	2	7	9
11	15	3	6	2	3	13	12	5	(6)	7	10
19	23	12	14	12	12	22	21	14	4	16	11
49	53	43	46	40	41	46	48	44	39	43	12
233,867	264,282	225,829	244,243	191,194	207,729	247,690	277,026	262,396	250,717	274,411	13
15,489	17,126	17,061	17,943	15,667	17,837	22,084	22,337	22,282	25,358	27,488	14
77	76	77	78	82	84	80	78	84	83	84	15
6	6	6	6	5	6	6	6	6	7	7	16
8	8	8	8	6	7	8	7	7	8	8	17
2.2	1.9	3.3	2.6	1.8	2.6	1.3	1.2	3.3	2.5	2.5	18
179	180	187	180	178	179	184	173	180	183	185	19
506,988	557,912	579,629	596,525	844,030	901,807	944,208	982,750	1,016,308	1,066,565	1,061,579	20
186,956	202,626	216,189	227,131	396,899	431,390	452,253	462,505	490,140	522,994	517,040	21
320,032	355,286	363,440	369,394	447,132	470,418	491,955	520,245	526,168	543,571	544,539	22
35	36	41	44	38	39	38	37	44	45	43	23
37	36	37	38	47	48	48	47	48	49	49	24
237	237	241	251	252	267	256	249	233	250	241	25
568	561	570	586	600	612	625	658	648	697	709	26
199	191	200	203	204	204	211	204	200	219	204	27
269	275	274	286	299	323	340	384	381	402	430	28
100	95	96	96	97	86	74	70	67	76	75	29
141	128	125	126	61	143	119	133	126	161	156	30
43	45	38	38	20	46	43	42	42	49	45	31
2.20	2.30	2.26	2.20	2.11	2.24	2.30	3.04	2.39	1.97	1.66	32
6.57	5.69	5.41	5.39	5.84	5.94	5.56	6.84	7.13	5.72	4.59	33
129	126	145	136	131	134	151	131	123	122	125	34
3.9	3.9	4.0	4.1	3.9	3.8	3.7	3.7	3.7	3.6	3.6	35
44,214	46,587	48,911	45,638	45,897	42,179	43,315	47,584	58,051	48,197	50,326	36
11,973	12,135	10,803	12,329	12,354	13,515	16,014	16,954	18,982	17,475	20,275	37

**TABLE 15**  
**County Report, 1999**  
**Southwest Minnesota Farm Business Management Association**

	Average For All Farms )))))))))	Cottonwood )))))))))	Jackson )))))))))	Lincoln Pipestone Rock Yellow Medi )))))))))	Nobles )))))))))	Redwood )))))))))	Brown Faribault Martin Watowan )))))))))	Lyon Murray )))))))))
Number of farms	215	38	25	15	41	36	25	35
<b>Income Statement</b>								
Gross cash farm income	389009	464230	403921	534442	351887	310537	397569	352448
Total cash farm expense	325069	396954	329778	469338	286717	266465	337422	278213
Net cash farm income	63940	67276	74143	65104	65170	44072	60147	74234
Inventory change	15746	44076	-12847	17696	9742	31086	5389	3227
Depreciation and capital adjustment	-35831	-41590	-33626	-44194	-33462	-28549	-44351	-31748
Net farm income	43855	69762	27670	38607	41450	46609	21185	45713
<b>Profitability (cost)</b>								
Labor and management earnings	26922	45092	10489	23648	28082	30448	5660	30535
Rate of return on assets	7 %	8 %	5 %	8 %	7 %	8 %	4 %	8 %
Rate of return on equity	7 %	10 %	1 %	7 %	7 %	10 %	-3 %	8 %
Operating profit margin	16 %	24 %	11 %	17 %	15 %	19 %	9 %	16 %
Asset turnover rate	43 %	35 %	42 %	48 %	46 %	46 %	41 %	49 %
<b>Liquidity</b>								
Term debt coverage ratio	190 %	245 %	161 %	175 %	199 %	187 %	122 %	222 %
Expense as a percent of income	80 %	77 %	84 %	85 %	78 %	78 %	84 %	78 %
Interest as a percent of income	7 %	7 %	6 %	6 %	7 %	6 %	8 %	6 %
<b>Solvency (market)</b>								
Number of sole proprietors	184	33	23	10	35	31	22	30
Ending farm assets	916409	1309233	783591	690981	913615	877284	957393	674905
Ending farm liabilities	484683	670785	401492	383380	516104	413987	507616	397097
Ending total assets	1064577	1416240	924925	961710	1079376	1064013	1092584	781879
Ending total liabilities	518220	714801	424809	424686	554650	461546	524626	416136
Ending net worth	546357	701439	500116	537024	524726	602467	567958	365743
Net worth change	32537	36597	27686	49447	42291	31542	27314	19634
Ending farm debt to asset ratio	53 %	51 %	51 %	55 %	56 %	47 %	53 %	59 %
Beg total debt to asset ratio	50 %	51 %	49 %	46 %	53 %	42 %	49 %	56 %
End total debt to asset ratio	49 %	50 %	46 %	44 %	51 %	43 %	48 %	53 %
<b>Nonfarm Information</b>								
Farms reporting living expenses	175	30	21	10	35	29	22	28
Total family living expense	33167	38442	34351	25642	32083	29134	37433	31492
Total living, invest, & capital purch	47742	51116	45666	57827	45640	47288	50219	43232
Net nonfarm income	18516	16235	20143	13345	19086	19317	20040	19467
<b>Crop Acres</b>								
Total acres owned	242	377	207	146	213	200	215	260
Total crop acres	711	823	646	636	674	744	680	698
Total crop acres owned	205	318	161	112	178	197	210	192
Total crop acres cash rented	430	452	371	446	427	459	439	410
Total crop acres share rented	75	53	114	78	69	88	31	96



**TABLE 16**  
**Size Of Farm Report, 1999**  
**Southwest 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	216	16	55	101	43
<b>Income Statement</b>					
Gross cash farm income	388731	73913	148056	319766	983817
Total cash farm expense	324802	64463	109292	253160	872279
Net cash farm income	63929	9451	38764	66606	111538
Inventory change	15633	12090	1058	6930	56317
Depreciation and capital adjustment	-35800	-5396	-19495	-31968	-77577
Net farm income	43762	16145	20327	41568	90278
<b>Profitability (cost)</b>					
Labor and management earnings	26896	8916	7677	27559	57340
Rate of return on assets	7 %	5 %	3 %	7 %	9 %
Rate of return on equity	7 %	4 %	-0 %	7 %	11 %
Operating profit margin	16 %	15 %	8 %	15 %	20 %
Asset turnover rate	43 %	36 %	35 %	44 %	45 %
<b>Liquidity</b>					
Term debt coverage ratio	190 %	236 %	144 %	172 %	228 %
Expense as a percent of income	80 %	74 %	73 %	77 %	84 %
Interest as a percent of income	7 %	8 %	7 %	8 %	6 %
<b>Solvency (market)</b>					
Number of sole proprietors	185	16	53	88	27
Ending farm assets	913780	392255	634499	911544	1810405
Ending farm liabilities	483629	170937	279934	509154	1002897
Ending total assets	1061579	526578	788344	1055601	1969696
Ending total liabilities	517040	202299	307834	542123	1050633
Ending net worth	544539	324279	480510	513478	919063
Net worth change	32532	26272	15827	28219	83546
Ending farm debt to asset ratio	53 %	44 %	44 %	56 %	55 %
Beg total debt to asset ratio	50 %	38 %	40 %	53 %	55 %
End total debt to asset ratio	49 %	38 %	39 %	51 %	53 %
<b>Nonfarm Information</b>					
Farms reporting living expenses	176	12	51	85	27
Total family living expense	32982	28528	30375	33010	39881
Total living, invest, & capital purch	47706	43671	43659	49101	53495
Net nonfarm income	18430	37611	21765	16436	10964
<b>Crop Acres</b>					
Total acres owned	241	125	196	217	405
Total crop acres	709	240	414	732	1223
Total crop acres owned	204	87	151	190	355
Total crop acres cash rented	430	144	212	464	743
Total crop acres share rented	75	9	51	78	125

**TABLE 17**  
**Type Of Farm Report, 1999**  
**Southwest Minnesota Farm Business Management Association**

	Average For All Farms )))))))))	Crop )))))))))	Hog )))))))))	Beef )))))))))	Crop and Hog )))))))))	Crop and Beef )))))))))	Other )))))))))
Number of farms	216	62	12	6	34	18	75
<b>Income Statement</b>							
Gross cash farm income	388731	256161	966156	1514510	404619	408512	284308
Total cash farm expense	324802	188998	899882	1484171	351340	345735	230559
Net cash farm income	63929	67163	66274	30338	53279	62778	53749
Inventory change	15633	-17784	24051	214130	23138	25053	21448
Depreciation and capital adjustment	-35800	-21543	-61021	-63196	-43216	-37549	-33807
Net farm income	43762	27836	29304	181272	33201	50282	41390
<b>Profitability (cost)</b>							
Labor and management earnings	26896	12298	12227	153113	17124	27183	27748
Rate of return on assets	7 %	4 %	6 %	15 %	6 %	8 %	7 %
Rate of return on equity	7 %	1 %	2 %	34 %	4 %	8 %	7 %
Operating profit margin	16 %	9 %	14 %	37 %	13 %	24 %	16 %
Asset turnover rate	43 %	41 %	43 %	40 %	46 %	33 %	44 %
<b>Liquidity</b>							
Term debt coverage ratio	190 %	117 %	179 %	377 %	192 %	252 %	170 %
Expense as a percent of income	80 %	79 %	91 %	85 %	82 %	79 %	75 %
Interest as a percent of income	7 %	7 %	6 %	5 %	7 %	9 %	9 %
<b>Solvency (market)</b>							
Number of sole proprietors	185	52	7	5	30	16	67
Ending farm assets	913780	803459	943283	2462433	830330	1303197	835424
Ending farm liabilities	483629	385851	602460	1366773	451171	656417	470538
Ending total assets	1061579	965663	1152092	2571854	974308	1387368	988128
Ending total liabilities	517040	411035	638629	1461606	484878	684729	507098
Ending net worth	544539	554628	513464	1110248	489430	702639	481030
Net worth change	32532	17097	54211	114502	33504	45572	29947
Ending farm debt to asset ratio	53 %	48 %	64 %	56 %	54 %	50 %	56 %
Beg total debt to asset ratio	50 %	44 %	59 %	58 %	50 %	51 %	52 %
End total debt to asset ratio	49 %	43 %	55 %	57 %	50 %	49 %	51 %
<b>Nonfarm Information</b>							
Farms reporting living expenses	176	49	7	5	30	15	62
Total family living expense	32982	34674	34477	58459	31947	26541	31879
Total living, invest, & capital purch	47706	52237	42330	65286	41383	35860	48191
Net nonfarm income	18430	20869	12232	-2159	22693	18172	18307
<b>Crop Acres</b>							
Total acres owned	241	216	161	510	188	362	248
Total crop acres	709	732	504	998	749	815	658
Total crop acres owned	204	206	141	451	182	295	186
Total crop acres cash rented	430	452	269	491	478	464	399
Total crop acres share rented	75	74	93	56	89	56	73

**TABLE 18**  
**Age Of Operator Report, 1999**  
**Southwest Minnesota Farm Business Management Association**

	Average For All Farms )))))))))	Under 31 )))))))))	31 - 40 )))))))))	41 - 50 )))))))))	51 - 60 )))))))))	Over 60 )))))))))
Number of farms	216	14	52	68	56	26
<b>Income Statement</b>						
Gross cash farm income	388731	188085	449145	428022	375595	301476
Total cash farm expense	324802	168739	391166	344521	305672	265740
Net cash farm income	63929	19346	57979	83500	69923	35736
Inventory change	15633	26048	20360	16057	10619	10260
Depreciation and capital adjustment	-35800	-21969	-33681	-43644	-34008	-30826
Net farm income	43762	23425	44659	55913	46534	15171
<b>Profitability (cost)</b>						
Labor and management earnings	26896	19475	33418	39266	21607	-3118
Rate of return on assets	7 %	6 %	9 %	8 %	6 %	3 %
Rate of return on equity	7 %	2 %	13 %	10 %	4 %	-1 %
Operating profit margin	16 %	10 %	17 %	18 %	16 %	9 %
Asset turnover rate	43 %	63 %	53 %	45 %	35 %	33 %
<b>Liquidity</b>						
Term debt coverage ratio	190 %	137 %	204 %	200 %	195 %	137 %
Expense as a percent of income	80 %	79 %	83 %	77 %	78 %	85 %
Interest as a percent of income	7 %	8 %	6 %	7 %	7 %	7 %
<b>Solvency (market)</b>						
Number of sole proprietors	185	14	40	61	48	22
Ending farm assets	913780	376126	642778	1002975	1172102	937724
Ending farm liabilities	483629	278552	397310	590632	519327	396501
Ending total assets	1061579	411010	730580	1123892	1399175	1168042
Ending total liabilities	517040	296242	428816	617989	564581	434330
Ending net worth	544539	114768	301764	505904	834594	733711
Net worth change	32532	22111	41021	24706	36503	36766
Ending farm debt to asset ratio	53 %	74 %	62 %	59 %	44 %	42 %
Beg total debt to asset ratio	50 %	73 %	61 %	56 %	41 %	39 %
End total debt to asset ratio	49 %	72 %	59 %	55 %	40 %	37 %
<b>Nonfarm Information</b>						
Farms reporting living expenses	176	11	38	57	48	22
Total family living expense	32982	27279	30407	37189	33528	28190
Total living, invest, & capital purch	47706	32795	41418	49142	50936	55253
Net nonfarm income	18430	12527	13931	17911	21493	25370
<b>Crop Acres</b>						
Total acres owned	241	43	108	237	374	341
Total crop acres	709	463	682	765	771	620
Total crop acres owned	204	28	99	207	322	251
Total crop acres cash rented	430	413	517	479	339	334
Total crop acres share rented	75	22	65	80	109	35