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# 1994

## Annual Report



### Southwestern Minnesota Farm Business Management Association

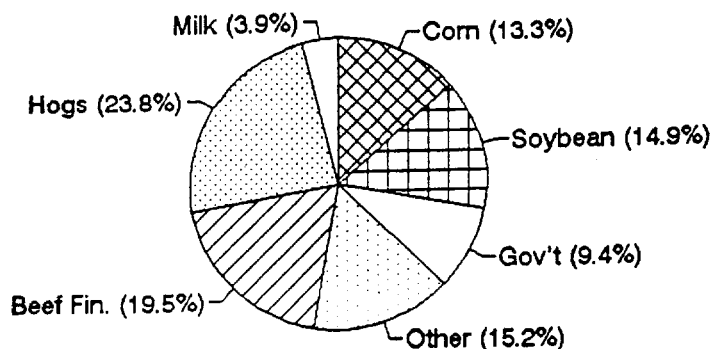
#### COOPERATING AGENCIES:

University of Minnesota, College of Agricultural, Food, and Environmental Sciences  
County Extension Services of the 16 Southwestern Counties  
Southwestern Minnesota Farm Business Management Association

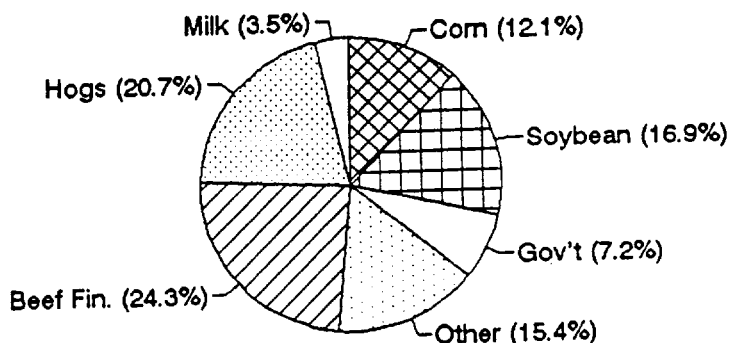
Staff Paper P95-7  
Department of Applied Economics  
University of Minnesota  
St. Paul, MN 55108  
July 1995

**Figure 2. Farm Income Sources**  
Southwestern Minnesota Association

1993

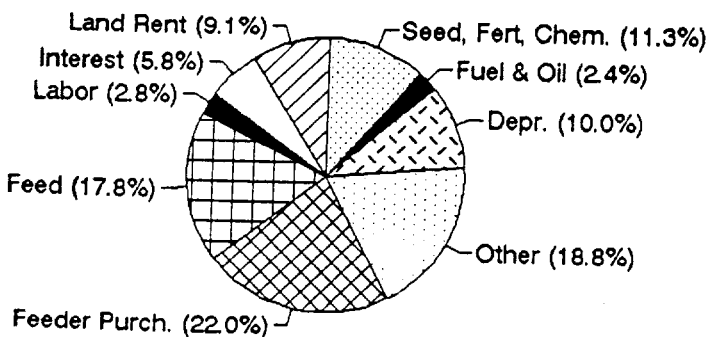


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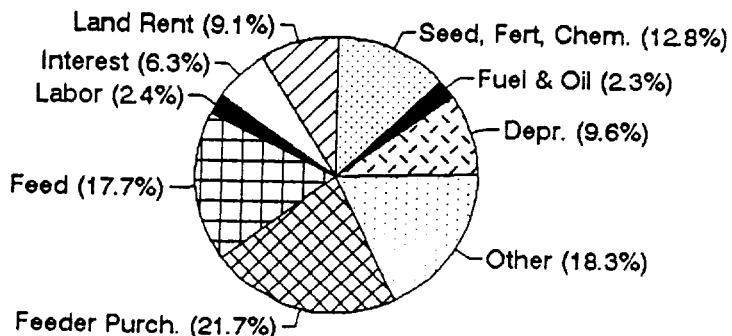


**Figure 3. Farm Expense Sources**  
Southwestern Minnesota Association

1993



1994



## EXECUTIVE SUMMARY

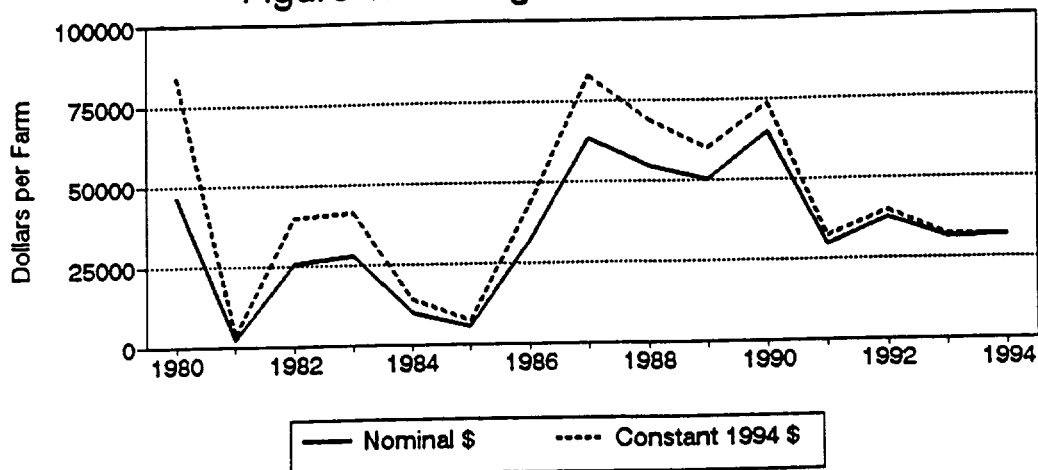
### 1994 ANNUAL REPORT OF THE SOUTHWESTERN MINNESOTA FARM BUSINESS MANAGEMENT ASSOCIATION

by

Kent D. Olson, Dary E. Talley, James Christensen,  
Erlin J. Weness, and Perry A. Fales

For the Southwestern Association, average net farm income was \$31,915 in 1994 for the 202 farms included in this report (Table 1, pages 10-11, and Figure 1). This was an increase of 1% from 1993. In both nominal terms and when adjusted by the Consumer Price Index (CPI-U) to a constant 1994 dollar, farmers have had much lower incomes in the past four years (i.e., 1991-1994) than the prior five years (i.e., 1986-1990). (Net farm income is calculated by subtracting total cash farm expense and depreciation from gross cash farm income and adjusting for changes in inventory items.

Figure 1. Average Net Farm Income



As in previous years, the actual profit levels experienced by individual farms can vary greatly from the overall average profit of \$31,915. The high 20% of these farms had an average profit of \$93,592 which is a decrease from 1993. The low 20% of the farms had an average loss of \$-20,296 in 1993, which was a small improvement from 1993.

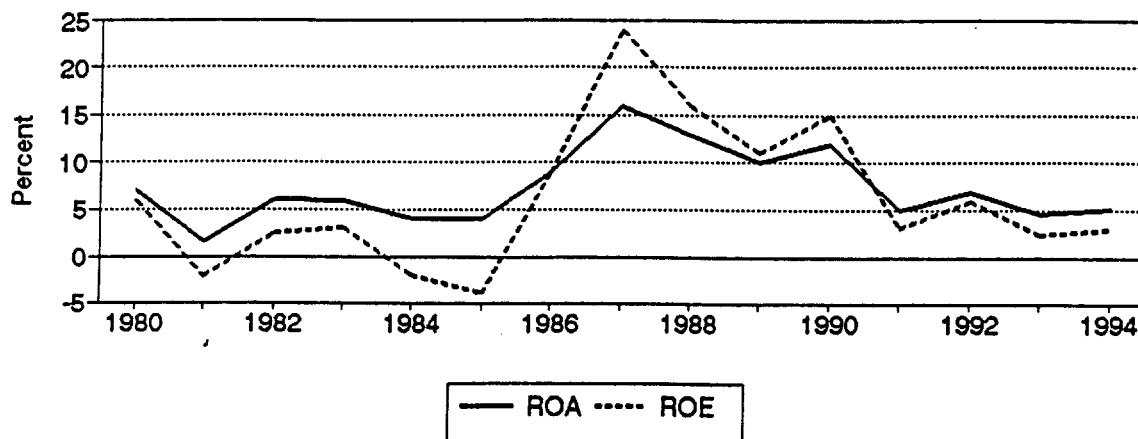
Average gross cash farm income in 1994 was \$306,175. This was an increase of 3% from 1993. Four sources of sales made up 74% of total income in 1994: hogs, beef finishing, corn, and soybeans (Figure 2). Compared to 1993, beef finishing sales increased by \$16,654. Soybean sales increased by \$7,405. Given the low hog prices in late 1994, it is not surprising that hog sales decreased by \$7,438 (or 11%) compared to 1993.

Government payments (of all types) decreased from an average of \$27,754 in 1993 to \$21,987 in 1994. As a percentage of total income, government payments decreased from 9% in 1993 to 7% in 1994. Insurance income decreased by \$7,141 but had been high in 1993 due to the poor weather.

Cash expenses also increased to an average of \$256,246 in 1994. This was an increase of 6% from 1993. As a percentage of both cash expenses and depreciation in 1994, feeder purchases and feed expenses dominated but were stable comparing 1994 and 1993 percentages (Figure 3). Expense categories which increased the most in percentage were: seed, fertilizer, and crop chemicals; interest; and depreciation. Average labor or expenses decreased in dollars as well as a percentage of the total.

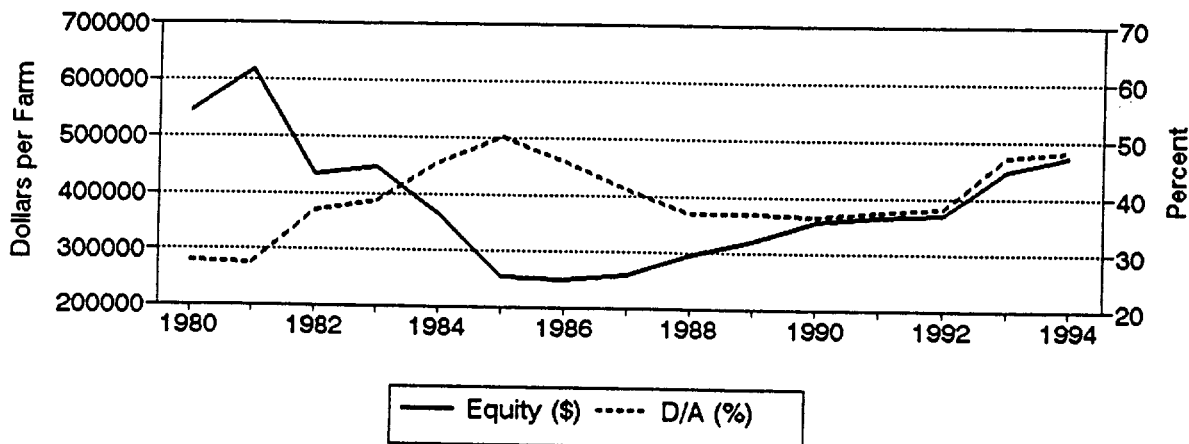
Both the rate of return on assets (ROA) and the rate of return to equity (ROE) increased slightly from 1993 (Figure 4). ROA averaged 5% and ROE was 3% using assets valued on a cost basis (Table 4, page 14). Compared to the late 1980s, ROE continued to be lower than ROA indicating that debt capital was more expensive than it was beneficial.

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



Two key measures of solvency have continued to increase. Using a market value basis, average total equity (of the sole proprietors) was \$470,418 at the end of 1994: an increase of \$18,297 during the year (Table 5, page 16). Average equity continues to improve since 1987 (Figure 5). However, the average debt-asset ratio has increased slightly again to 48% at the end of 1994.

Figure 5. Ending Equity and Ending Debt-Asset Ratio



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

# **1994 ANNUAL REPORT OF THE SOUTHWESTERN MINNESOTA FARM BUSINESS MANAGEMENT ASSOCIATION**

by  
Kent D. Olson, Dary E. Talley, James Christensen,  
Erlin J. Weness and Perry A. Fales<sup>1</sup>

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

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

Of the 220 farms in the Southwestern Association, the data for 202 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; Talley, Christensen, Weness and Fales are Farm Management Extension Agents and Fieldmen for the Association. The review and helpful comments of Vernon Eidman, Earl Fuller and Dale Nordquist are greatly appreciated.

# SOUTHWESTERN MINNESOTA FARM BUSINESS MANAGEMENT ASSOCIATION

## DISTRIBUTION OF MEMBERSHIP -- 1994

County	Number of Farm Units	Number of Records Submitted	Association Directors	County Extension Agent Agriculture
Cottonwood	38	33	Phil Batalden Jerome Stoesz James Dick	Jeffrey Missling
Jackson	33	28	Robert Hartman John Hay	James Nesseth
Martin	11	7	Curtis Mayo	William Crawford
Murray	24	21	Jerry Blankers Richard Andert	Robert Koehler
Nobles	37	40	Jerry Perkins Alan Vogt Myron Grussing	Arthur Frame
Pipestone	14	16	Jim Vanderlugt Tim VanDyke	Jeffrey Kearnan
Redwood	36	33	Terry Flesner John Tiffany Dave Simonsen	Wayne Hanson
Watsonwan	8	6	Ken Besel	Gary Wyatt
Others <sup>2</sup>	<u>19</u>	<u>18</u>		
TOTAL	220	202		

Jerry Blankers, President  
 Robert Hartman, Vice President  
 Tom Keller, Secretary-Treasurer

<sup>2</sup>In 1994 the Association had records submitted from members in Brown, Faribault, Lincoln, Lyon, Nicollet, Rock, and Yellow Medicine counties, in addition to the counties listed individually.

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## **EXPLANATORY NOTES FOR THE WHOLE-FARM REPORTS**

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

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

### **Table 1. Farm Income Statement**

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

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

### **Table 2. Inventory Changes**

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

### **Table 3. Depreciation and Other Capital Adjustments**

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

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

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

##### ***Profitability***

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

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

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

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

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

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

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

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

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

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

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

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

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

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

### ***Liquidity: Cash Basis***

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

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

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

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

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

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

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

### ***Liquidity: Accrual Basis***

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

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

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

### **Table 5. Balance Sheets**

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

## **Table 6. Statement of Cash Flows**

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

## **Table 7. Financial Guidelines Measures and Labor Analysis**

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

### ***Liquidity***

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

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

### ***Solvency (Market)***

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

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

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

### ***Profitability***

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

Management, and Average Farm Investment = (Beginning Total Farm Assets + 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: Rate of Return on Equity = 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  $(\text{Total Farm Operating Expense} - \text{Farm Interest Expense}) \div \text{Gross Farm Income}$ . 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.

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

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

#### **Table 9. Household and Personal Expenses**

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

#### **Table 10. 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 1  
FARM INCOME STATEMENT, 1994  
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	202	40	40
CASH FARM INCOME			
Navy Beans	131	-	517
Corn	37068	23318	48173
Corn Silage	43	-	-
Seed Corn	129	-	652
Alfalfa Hay	207	195	83
Grass Hay	28	11	29
Mixed Hay	24	61	-
Oats	350	168	244
Peas	401	-	644
Pumpkins	19	-	-
Soybeans	51674	49717	61110
Squash	16	-	-
Straw	80	8	190
Sweet Corn	947	342	1596
Spring Wheat	397	67	1226
Winter Wheat	59	-	-
Rented Out	197	976	20
Miscellaneous crop income	29	43	-
Beef Bulls	63	-	-
Beef Calves	4230	6382	3433
Custom Fed Beef	239	-	-
Background Beef	1726	656	1879
Finish Beef Calves	67322	68466	120498
Finish Yrlg Steers	5120	-	14791
Eggs	2379	-	21
Milk	10646	2413	21417
Dairy Calves	482	1444	629
Dairy Heifers (for sale)	3713	13033	-
Dairy Replacement Heifers	201	68	173
Dairy Steers	1375	666	1876
Dogs	27	136	-
Raised Hogs	50818	105585	52476
Feeder Pigs	1133	205	-
Finish Feeder Pigs	11325	13830	2862
Fdr Lambs	168	-	-
Mkt Lambs	64	-	-
Turkeys	3783	-	19103
Contract Broilers	532	2685	-
Contract Hogs	324	-	-
Cull breeding livestock	5601	6959	6165
Misc. livestock income	330	633	62
Deficiency payments	8140	6860	11609
CRP payments	556	99	1240
Other government payments	13291	17215	19711
Custom work income	2931	894	4084
Patronage dividends, cash	749	698	1020
Insurance income	7771	10242	8854
Cash from hedging accts	1252	2043	1691
Other farm income	8087	7244	8690
Gross Cash Farm Income	306175	343364	416771

Table 1  
FARM INCOME STATEMENT, 1994 (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	202	40	40
<b>CASH FARM EXPENSE</b>			
Seed	10810	9019	14699
Fertilizer	11973	10751	18023
Crop chemicals	13488	11616	19393
Crop insurance	3200	2730	5004
Drying fuel	1561	1408	2185
Crop marketing	471	785	582
Crop miscellaneous	1212	912	1516
Feeder livestock purchase	61454	63790	107916
Purchased feed	50100	79762	51765
Breeding fees	253	72	353
Veterinary	4108	6535	4402
Livestock supplies	2449	2002	3259
Livestock leases	292	65	1025
Livestock marketing	402	720	642
Interest	17837	21029	19640
Fuel & oil	6398	7144	7645
Repairs	14575	16387	17108
Custom hire	4434	4079	6232
Hired labor	6714	8500	9699
Land rent	25672	22291	30151
Machinery & bldg leases	2846	7263	976
Real estate taxes	3622	4045	5215
Farm insurance	2506	2637	2890
Utilities	3649	4310	4527
Dues & professional fees	306	241	234
Hedging account deposits	1755	1715	2715
Miscellaneous	4159	3590	4523
Total cash expense	256246	293398	342320
Net cash farm income	49928	49965	74451
<b>INVENTORY CHANGES</b>			
Crops and feed	27443	6302	62526
Market livestock	-3736	-14825	7903
Accounts receivable	-7157	-16598	-5598
Prepaid expenses and supplies	-3547	-3328	-6678
Accounts payable	-3747	-5760	-5619
Total inventory change	9254	-34211	52534
Net operating profit	59183	15755	126985
<b>DEPRECIATION AND OTHER CAPITAL ADJUSTMENTS</b>			
Breeding livestock	-3440	-6993	-3284
Machinery and equipment	-16806	-18765	-20266
Buildings and improvements	-7805	-10208	-11806
Other farm capital	782	-84	1964
Total depr. and other capital adj	-27268	-36051	-33393
Net farm income	31915	-20296	93592



Table 2  
INVENTORY CHANGES, 1994  
Southwest Minnesota Farm Business Management Association  
(Farms sorted by Net Farm Income)

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
	202	40	40
Number of Farms			
Net cash farm income	49928	49965	74451
CROPS AND FEED			
Ending inventory	98069	86956	152477
Beginning inventory	70627	80654	89952
Inventory change	27443	6302	62526
MARKET LIVESTOCK			
Ending inventory	68388	87719	103501
Beginning inventory	72124	102545	95598
Inventory change	-3736	-14825	7903
ACCTS RECEIVABLE & OTHER CURRENT ASSETS			
Ending inventory	16613	15078	21879
Beginning inventory	23771	31676	27477
Inventory change	-7157	-16598	-5598
PREPAID EXPENSES AND SUPPLIES			
Ending inventory	11189	9696	21885
Beginning inventory	14737	13025	28563
Inventory change	-3547	-3328	-6678
ACCOUNTS PAYABLE			
Beginning inventory	7603	11330	6194
Ending inventory	11350	17091	11812
Inventory change	-3747	-5760	-5619
Total inventory change	9254	-34211	52534
Net operating profit	59183	15755	126985

Table 3  
DEPRECIATION AND OTHER CAPITAL ADJUSTMENTS, 1994  
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	202	40	40
Net operating profit	59183	15755	126985
BREEDING LIVESTOCK			
Ending inventory	5587	9448	5975
Capital sales	425	311	213
Beginning inventory	5131	11418	5578
Capital purchases	4321	5334	3893
Depreciation, capital adj.	-3440	-6993	-3284
MACHINERY AND EQUIPMENT			
Ending inventory	56644	58374	69520
Capital sales	1157	1044	1591
Beginning inventory	56412	57917	74213
Capital purchases	18195	20266	17164
Depreciation, capital adj.	-16806	-18765	-20266
BUILDINGS AND IMPROVEMENTS			
Ending inventory	49675	62159	67775
Capital sales	347	535	961
Beginning inventory	45374	58280	58313
Capital purchases	12453	14622	22229
Depreciation, capital adj.	-7805	-10208	-11806
OTHER CAPITAL ASSETS			
Ending inventory	20491	17447	40161
Capital sales	103	32	200
Beginning inventory	17553	15169	34189
Capital purchases	2259	2395	4208
Depreciation, capital adj.	782	-84	1964
Total depreciation, capital adj.	-27268	-36051	-33393
Net farm income	31915	-20296	93592

Table 4  
**PROFITABILITY AND LIQUIDITY ANALYSIS, 1994**  
**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	202	40	40	202	40	40
<b>PROFITABILITY</b>	<b>----- Cost -----</b>			<b>----- Market * -----</b>		
Net farm income	31915	-20296	93592	40954	5530	93188
Labor and management earnings	16949	-36846	67735	19145	-17920	57688
Rate of return on assets	5.1 %	-4.0 %	12.2 %	4.4 %	0.4 %	7.8 %
Rate of return on equity	2.9 %	-16.7 %	15.8 %	4.4 %	-4.7 %	11.3 %
Operating profit margin	12.3 %	-13.5 %	27.5 %	16.7 %	1.9 %	27.3 %
Asset turnover rate	41.2 %	29.8 %	44.2 %	26.7 %	19.6 %	28.7 %
Interest on farm net worth	14966	16549	25857	21809	23449	35500
Farm interest expense	18534	21553	20055	18534	21553	20055
Value of operator lbr and mgmt.	24848	23875	26125	24848	23875	26125
Return on farm assets	25601	-22618	87522	34640	3208	87118
Average farm assets	503667	562602	720143	779433	854208	1110091
Return on farm equity	7067	-44171	67467	16106	-18345	67063
Average farm equity	243138	263774	426743	362451	389968	591659
Value of farm production	207729	167697	318637	207729	167697	318637

	Average Of All Farms	Average Of Low 20 %	Average Of High 20 %
Number of Farms	202	40	40
<b>LIQUIDITY (Cash)</b>			
Net cash farm income	49928	49965	74451
Net nonfarm income	12381	20229	7646
Family living and taxes	40283	39178	57495
Real estate principal payments	5131	4797	5824
Cash available for interm. debt	16895	26220	18778
Average intermediate debt	44755	53914	47741
Years to turnover interm. debt	2.6	2.1	2.5
Expense as a % of income	84 %	85 %	82 %
Interest as a % of income	6 %	6 %	5 %

<b>LIQUIDITY (Accrual)</b>			
Total accrual farm income	322724	318242	481602
Total accrual farm expense	263541	302487	354617
Net accrual operating income	59183	15755	126985
Net nonfarm income	12381	20229	7646
Family living and taxes	40283	39178	57495
Real estate principal payments	5131	4797	5824
Available for intermediate debt	26149	-7991	71312
Average intermediate debt	44755	53914	47741
Years to turnover interm. debt	1.7	**	0.7
Expense as a % of income	82 %	95 %	74 %
Interest as a % of income	6 %	7 %	4 %

\* "Market" includes asset value changes, so measures, such as ROA, may change drastically from "cost."

\*\* Income insufficient to meet debt servicing requirements

Table 5a  
BALANCE SHEET AT COST VALUES, 1994  
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 %	
	179		35		34	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
<b>ASSETS</b>						
Current Farm Assets						
Cash and checking balance	14140	14173	27547	25497	12635	17135
Prepaid expenses & supplies	14742	11204	13919	9056	28393	23928
Growing crops	-	-	-	-	-	-
Accounts receivable	20016	12963	24673	13022	25782	17400
Hedging accounts	1663	935	2070	1322	2436	1666
Crops held for sale or feed	60895	77676	75202	71433	76844	106681
Crops under government loan	6682	14600	7754	9779	8685	32630
Market livestock held for sale	65572	61582	87620	71132	90348	105152
Other current assets	1407	1058	1978	913	268	174
Total current farm assets	185117	194189	240762	202153	245391	304766
Intermediate Farm Assets						
Breeding livestock	4096	4476	8484	6211	4187	4902
Machinery and equipment	51986	52435	52261	51597	66883	64132
Other intermediate assets	1777	1894	1599	1525	2416	2988
Total intermediate farm assets	57859	58806	62344	59334	73486	72022
Long-Term Farm Assets						
Farm land	178545	182666	195943	200857	255967	262367
Buildings and improvements	42749	45893	48917	44460	59741	70226
Other long-term assets	14714	17622	12309	13657	29823	35725
Total long-term farm assets	236008	246180	257169	258974	345532	368318
Total Farm Assets	478985	499175	560276	520461	664409	745106
Total Nonfarm Assets	92071	97245	126921	132391	99014	105437
Total Assets	571056	596419	687196	652852	763423	850542
<b>LIABILITIES</b>						
Current Farm Liabilities						
Accrued interest	3025	3476	4806	4824	2365	2629
Accounts payable	3986	6435	5358	11612	2713	5902
Current notes	81017	80361	104755	96618	94680	107300
Government crop loans	2275	12545	1999	7962	4187	29924
Principal due on term debt	9360	8919	8268	9206	10908	10112
Total current farm liabilities	99662	111755	125186	130221	114853	155881
Intermediate Farm Liabilities	32669	33934	32710	34679	45453	37850
Long-term Farm Liabilities	111484	115371	108450	107924	126168	128978
Total Farm Liabilities	243816	261059	266346	272824	286474	322709
Total Nonfarm Liabilities	4982	4370	5237	4602	2343	2204
Total Liabilities	248797	265430	271583	277426	288817	324914
Net Worth (farm and nonfarm)	322259	330990	415613	375426	474605	525629
Net Worth Change		8731		-40187		51023
<b>RATIO ANALYSIS</b>						
Current Farm Liabilities / Assets	54 %	58 %	52 %	64 %	47 %	51 %
Curr. & Interm Farm Liab / Assets	54 %	58 %	52 %	63 %	50 %	51 %
Long Term Farm Liab. / Assets	47 %	47 %	42 %	42 %	37 %	35 %
Total Liabilities / Assets	44 %	45 %	40 %	42 %	38 %	38 %

Table 5b  
BALANCE SHEET AT MARKET VALUES, 1994  
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 %	
	179		35		34	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
<b>ASSETS</b>						
Current Farm Assets						
Cash and checking balance	14140	14173	27547	25497	12635	17135
Prepaid expenses & supplies	14742	11204	13919	9056	28393	23928
Growing crops	-	-	-	-	-	-
Accounts receivable	20016	12963	24673	13022	25782	17400
Hedging accounts	1663	935	2070	1322	2436	1666
Crops held for sale or feed	60895	77676	75202	71433	76844	106681
Crops under government loan	6682	14600	7754	9779	8685	32630
Market livestock held for sale	65572	61582	87620	71132	90348	105152
Other current assets	1407	1058	1978	913	268	174
Total current farm assets	185117	194189	240762	202153	245391	304766
Intermediate Farm Assets						
Breeding livestock	16528	14460	19257	15809	21049	19557
Machinery and equipment	147566	157044	145637	154670	199937	204798
Other intermediate assets	2736	3629	3803	6478	2416	3127
Total intermediate farm assets	166830	175133	168697	176957	223402	227483
Long-Term Farm Assets						
Farm land	314664	318241	349817	357246	447299	445559
Buildings and improvements	61631	67143	77329	75408	85777	99145
Other long-term assets	21782	30418	19690	25236	48331	66949
Total long-term farm assets	398077	415801	446836	457890	581407	611653
Total Farm Assets	750025	785123	856295	836999	1050201	1143901
Total Nonfarm Assets	109388	116684	138707	145551	125391	132275
Total Assets	859413	901807	995002	982550	1175592	1276176
<b>LIABILITIES</b>						
Current Farm Liabilities						
Accrued interest	3025	3476	4806	4824	2365	2629
Accounts payable	3986	6435	5358	11612	2713	5902
Current notes	81017	80361	104755	96618	94680	107300
Government crop loans	2275	12545	1999	7962	4187	29924
Principal due on term debt	9360	8919	8268	9206	10908	10112
Total current farm liabilities	99662	111755	125186	130221	114853	155881
Intermediate Farm Liabilities	32669	33934	32710	34679	45453	37850
Long-term Farm Liabilities	111484	115371	108450	107924	126168	128978
Total Farm Liabilities	243816	261059	266346	272824	286474	322709
Total Nonfarm Liabilities	4982	4370	5237	4602	2343	2204
Total Deferred Liabilities	158496	165960	175516	166740	220486	241886
Total Liabilities	407293	431390	447099	444166	509303	566800
Net Worth (farm and nonfarm)	452120	470418	547903	538385	666289	709376
Net Worth Change		18297		-9518		43087
<b>RATIO ANALYSIS</b>						
Current Farm Liabilities / Assets	54 %	58 %	52 %	64 %	47 %	51 %
Curr. & Interm Farm Liab. / Assets	38 %	39 %	39 %	43 %	34 %	36 %
Long Term Farm Liabilities / Assets	28 %	28 %	24 %	24 %	22 %	21 %
Total Liabilities / Assets	47 %	48 %	45 %	45 %	43 %	44 %

Table 6  
STATEMENT OF CASH FLOWS, 1994  
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		202	40	40
(a)	Beginning cash balance (farm & nonfarm)	23101	43854	22701
CASH FROM OPERATING ACTIVITIES				
	Gross cash farm income	306175	343364	416771
	Net nonfarm income (+)	12381	20229	7646
	Total cash farm expense (-)	256246	293398	342320
	Apparent family living expense (-)	32972	29027	47803
	Income and social security tax (-)	7311	10151	9693
(b)	Cash from operations (=)	22027	31017	24602
CASH FROM INVESTING ACTIVITIES				
	Sale of breeding livestock	425	311	213
	Sale of machinery & equipment (+)	1157	1044	1591
	Sale of farm land (+)	1990	-	8112
	Sale of farm buildings (+)	347	535	961
	Sale of other farm assets (+)	103	32	200
	Sale of nonfarm assets (+)	1644	1373	2865
	Purchase of breeding livestock (-)	4321	5334	3893
	Purchase of machinery & equip. (-)	18195	20266	17164
	Purchase of farm land (-)	5280	5703	11907
	Purchase of farm buildings (-)	12453	14622	22229
	Purchase of other farm assets (-)	2259	2395	4208
	Purchase of nonfarm assets (-)	5611	6134	8627
(c)	Cash from investing activities (=)	-42453	-51160	-54088
CASH FROM FINANCING ACTIVITIES				
	Money borrowed	185432	195471	241059
	Cash gifts and inheritances (+)	3925	4371	2256
	Principal payments (-)	169158	177614	211232
	Dividends paid (-)	-	-	-
	Gifts given (-)	719	2408	444
(d)	Cash from financing activities (=)	19480	19821	31638
(e)	Net change in cash balance (b+c+d)	-947	-322	2153
	Ending cash balance calculated (a+e)	22154	43532	24853

Table 7  
FINANCIAL GUIDELINES MEASURES, 1994  
Southwest Minnesota Farm Business Management Association  
(Farms sorted by Net Farm Income)

	Average For All Farms		Average For Low 20 %		Average For High 20 %	
	202		40		40	
Number of Farms						
LIQUIDITY	Beginning	Ending	Beginning	Ending	Beginning	Ending
Current ratio	1.89	1.78	1.90	1.56	2.17	2.03
Working capital	93279	91719	119973	79503	142540	164653
SOLVENCY (Market)	Beginning	Ending	Beginning	Ending	Beginning	Ending
Farm debt to asset ratio	53 %	53 %	53 %	56 %	46 %	45 %
Farm equity to asset ratio	47 %	47 %	47 %	44 %	54 %	55 %
Farm debt to equity ratio	113 %	112 %	114 %	129 %	86 %	81 %
PROFITABILITY	Cost	Market	Cost	Market	Cost	Market
Rate of return on farm assets	5.1 %	4.4 %	-4.0 %	0.4 %	12.2 %	7.8 %
Rate of return on farm equity	2.9 %	4.4 %	-16.7 %	-4.7 %	15.8 %	11.3 %
Operating profit margin	12.3 %	16.7 %	-13.5 %	1.9 %	27.5 %	27.3 %
Net farm income	31915	40954	-20296	5530	93592	93188
REPAYMENT CAPACITY	Cash	Accrual	Cash	Accrual	Cash	Accrual
Term debt coverage ratio	193 %	264 %	296 %	2 %	228 %	733 %
Capital replacement margin	12052	21306	22797	-11414	13283	65817
EFFICIENCY						
Asset turnover rate (market)	26.7 %		19.6 %		28.7 %	
Operating expense ratio	75.9 %		88.3 %		69.5 %	
Depreciation expense ratio	8.4 %		11.3 %		6.9 %	
Interest expense ratio	5.7 %		6.8 %		4.2 %	
Net farm income ratio	9.9 %		-6.4 %		19.4 %	

#### LABOR ANALYSIS

	Average For All Farms	Average For Low 20 %	Average For High 20 %
	202	40	40
Number of Farms			
Total unpaid labor hours	2575	2389	2688
Total hired labor hours	730	710	1368
Total labor hours per farm	3305	3099	4056
Value of farm production / hour	62.85	54.11	78.55
Net farm income / unpaid hour	12.39	-8.50	34.82

Table 8  
CROP PRODUCTION AND MARKETING SUMMARY, 1994  
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	202	40	40
ACREAGE SUMMARY			
Total Acres Owned	267	287	353
Total Crop Acres	612	504	852
Crop Acres Owned	204	170	312
Crop Acres Cash Rented	323	266	435
Crop Acres Share Rented	86	67	104
Total Pasture Acres	18	23	34
AVERAGE PRICE RECEIVED (Cash Sales Only)			
Corn per bu.	2.24	2.21	2.42
Soybeans per bu.	5.94	5.84	6.01
Oats per bu.	1.61	1.22	1.92
Hay, Alfalfa per ton	51.19	54.74	-
Straw per ton	31.03	-	-
Hay, Grass per ton	50.81	-	-
AVERAGE YIELD PER ACRE			
Corn (bu.)	142.92	138.96	144.83
Soybeans (bu.)	46.11	46.07	46.79
Hay, Alfalfa (ton)	3.34	3.53	2.90
Corn Silage (ton)	15.18	16.09	14.76
Oats (bu.)	55.44	53.23	50.55



Table 9  
HOUSEHOLD AND PERSONAL EXPENSES, 1994  
Southwest Minnesota Farm Business Management Association  
(Farms sorted by Net Farm Income)

	Average For All Farms	Average For Low 20%	Average For High 20%
Number of Sole Proprietors	134	27	21
Average family size	3.8	3.3	4.3
FAMILY LIVING EXPENSES			
Food and meals expense	4789	4991	3784
Medical care and health insurance	4771	5019	4443
Cash donations	1344	1379	1229
Household supplies	2847	3136	3591
Clothing	1917	2195	2056
Personal care	1982	2327	1815
Child / Dependent care	379	990	-
Gifts	1722	2151	2372
Education	1266	1386	1774
Recreation	1825	1807	2337
Utilities (household share)	1388	1638	1199
Nonfarm vehicle operating expense	2189	2165	2283
Household real estate taxes	140	285	130
Dwelling rent	73	9	86
Household repairs	382	381	169
Nonfarm interest	392	239	647
Life insurance payments	1635	2168	1656
Total cash family living expense	29042	32265	29572
Family living from the farm	396	497	142
Total family living	29438	32762	29714
OTHER NONFARM EXPENDITURES			
Income taxes	8131	11191	12549
Furnishing & appliance purchases	462	695	329
Nonfarm vehicle purchases	1594	752	2673
Nonfarm real estate purchases	1570	3569	4288
Other nonfarm capital purchases	520	607	285
Nonfarm savings & investments	862	3349	-1528
Total other nonfarm expenditures	13138	20163	18596
Total cash family living, investment & nonfarm capital purch	42179	52428	48169
PARTNERSHIPS			
Number of partnerships	19		
Number of operators per partnership	2.1		
Average owner withdrawals per farm	57437		
Average withdrawals per operator	27982		

Table 10  
 OPERATOR INFORMATION & NONFARM SUMMARY, 1994  
 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	202	40	40
OPERATOR INFORMATION			
Average number of operators	1.2	1.1	1.2
Average age of operators	45.6	47.4	46.9
Average number of years farming	22.9	25.3	24.3
NONFARM INCOME			
Nonfarm wages & salary	6535	8931	3574
Nonfarm business income	1323	3453	294
Nonfarm rental income	1473	3514	580
Nonfarm interest income	1444	3057	1382
Nonfarm cash dividends	442	49	1884
Tax refunds	381	226	458
Other nonfarm income	1918	1486	2737
Total nonfarm income	13515	20717	10908

	Average For All Farms	
	Beginning	Ending
NONFARM ASSETS (Mkt)		
Checking & savings	6341	7444
Stocks & bonds	8662	8954
Other current assets	1180	1072
Furniture & appliances	9582	9780
Nonfarm vehicles	5498	6422
Cash value of life ins.	8448	9242
Retirement accounts	13204	14122
Other intermediate assets	3283	4763
Nonfarm real estate	27267	28515
Other long term assets	14921	14679
Total nonfarm assets	98387	104993

## 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 over labor and management.

There are potentially three tables for each group depending on the farmer's tenure on the land: owned land, cash rented land, and share rented land. It is possible for an individual farm to have data in all three tables if all three land tenure categories are represented in that farm business. Farms are classified into low 20% or high 20% on the basis of returns to overhead costs. The classification is done separately for each table.

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

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

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

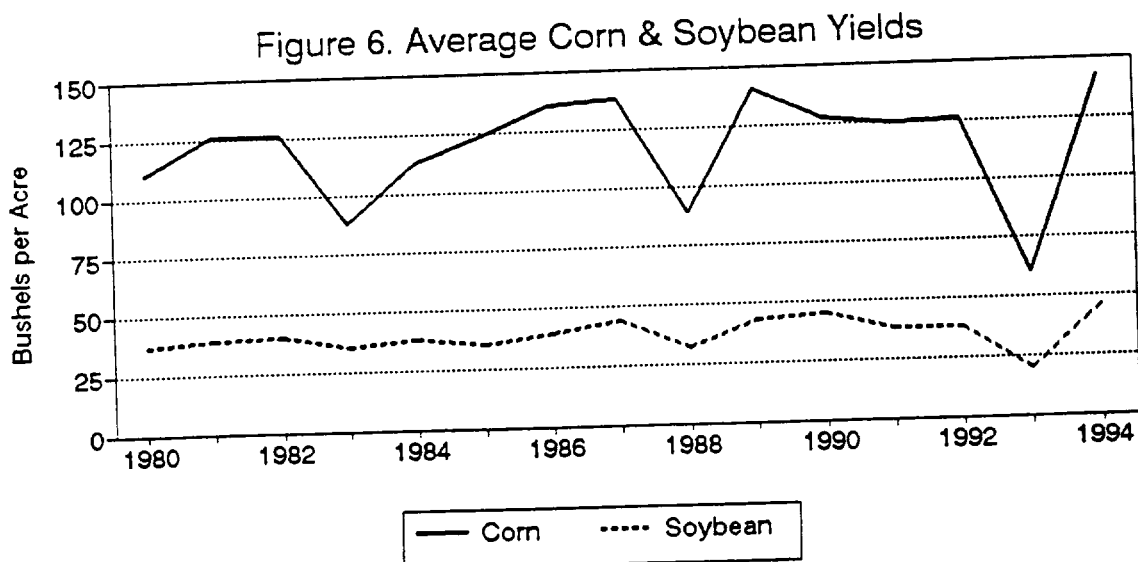


Table 11 - 1  
Crop Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Farms sorted according to Return to Overhead per Acre)

CORN ON OWNED LAND

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of fields	183	33	32
Number of farms	147	29	29
Acres	99.40	81.64	98.39
Yield per acre (bushel)	145.36	124.78	165.52
Operators share of yield %	100.00	100.00	100.00
Value per bushel	1.80	1.80	1.81
Crop product return per acre	262.21	225.07	298.81
Miscellaneous income per acre	1.32	0.35	0.17
Gross return per acre	263.53	225.42	298.99
Direct costs per acre			
Seed	25.95	25.13	25.93
Fertilizer	35.43	37.32	33.67
Crop chemicals	24.02	24.10	21.14
Crop insurance	4.93	5.21	3.42
Drying fuel	7.44	6.86	7.56
Fuel & oil	8.21	8.88	8.53
Repairs	20.33	24.48	17.73
Custom hire	2.99	4.76	2.26
Hired labor	0.11	0.00	0.00
Machinery & bldg leases	0.31	0.41	0.06
Utilities	0.03	0.07	0.00
Marketing	0.14	0.23	0.10
Operating interest	7.78	12.94	5.75
Miscellaneous	1.09	0.79	1.10
Total direct costs per acre	138.77	151.18	127.26
Return to overhead per acre	124.76	74.24	171.72
Overhead costs per acre			
Hired labor	5.05	3.23	6.67
Machinery & bldg leases	1.17	0.62	1.21
RE & pers. property taxes	13.50	12.89	13.37
Farm insurance	2.78	2.36	3.78
Utilities	2.67	2.05	3.39
Dues & professional fees	0.25	0.23	0.21
Interest	33.72	34.39	32.73
Mach & bldg depreciation	35.16	27.83	36.80
Miscellaneous	4.51	3.40	4.41
Total overhead costs per acre	98.81	87.00	102.57
Total listed costs per acre	237.58	238.18	229.84
Net return per acre	25.95	-12.76	69.15
Total direct costs per bushel	0.95	1.21	0.77
Total listed costs per bushel	1.63	1.91	1.39
Net return per bushel	0.18	-0.10	0.42
Breakeven yield per acre	130.97	131.85	127.21
Est. labor hours per acre	3.20	3.40	3.52
Net return including govt. payments	81.64	38.04	128.22
Lbr & mgt charge per acre	28.86	28.31	34.55
Net return over lbr & mgt	52.78	9.73	93.67

Table 11 - 2  
Crop Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Farms sorted according to Return to Overhead per Acre)

CORN ON CASH RENTED LAND

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of fields	284	41	61
Number of farms	150	30	30
Acres	108.77	85.00	131.58
Yield per acre (bushel)	141.64	125.16	158.36
Operators share of yield %	100.00	100.00	100.00
Value per bushel	1.81	1.80	1.82
Crop product return per acre	255.99	225.28	288.39
Miscellaneous income per acre	0.90	1.91	0.30
Gross return per acre	256.89	227.19	288.70
Direct costs per acre			
Seed	26.52	28.27	26.30
Fertilizer	35.09	41.21	29.93
Crop chemicals	23.27	22.20	21.13
Crop insurance	4.94	6.48	4.29
Drying fuel	6.74	6.50	6.78
Fuel & oil	8.96	9.98	8.49
Repairs	17.62	19.10	17.73
Custom hire	2.73	5.02	2.24
Hired labor	0.06	0.08	0.19
Land rent	81.06	84.77	80.80
Machinery & bldg leases	0.53	0.82	0.11
Utilities	0.05	0.20	0.00
Marketing	0.22	0.24	0.04
Operating interest	8.77	11.15	4.40
Miscellaneous	0.95	0.72	0.68
Total direct costs per acre	217.51	236.75	203.12
Return to overhead per acre	39.38	-9.56	85.57
Overhead costs per acre			
Hired labor	5.23	3.25	6.68
Machinery & bldg leases	1.56	2.10	1.41
RE & pers. property taxes	0.00	0.00	0.00
Farm insurance	2.45	2.34	2.63
Utilities	2.22	2.08	2.28
Dues & professional fees	0.21	0.07	0.27
Interest	3.60	3.17	3.16
Mach & bldg depreciation	25.75	23.12	27.83
Miscellaneous	4.05	3.68	4.94
Total overhead costs per acre	45.07	39.82	49.18
Total listed costs per acre	262.58	276.57	252.30
Net return per acre	-5.70	-49.38	36.40
Total direct costs per bushel	1.54	1.89	1.28
Total listed costs per bushel	1.85	2.21	1.59
Net return per bushel	-0.04	-0.39	0.23
Breakeven yield per acre	144.79	152.59	138.37
Est. labor hours per acre	3.01	3.12	3.21
Net return including govt. payments	48.12	6.40	90.02
Lbr & mgt charge per acre	25.36	28.87	27.37
Net return over lbr & mgt	22.77	-22.48	62.66

Table 11 - 3  
Crop Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Farms sorted according to Return to Overhead per Acre)

CORN ON SHARE RENTED LAND

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of fields	83	17	16
Number of farms	63	13	13
Acres	94.70	89.00	88.70
Yield per acre (bushel)	142.32	132.94	159.75
Operators share of yield %	56.88	51.16	59.45
Value per bushel	1.80	1.80	1.80
Crop product return per acre	145.92	122.72	171.10
Miscellaneous income per acre	1.30	1.12	0.00
Gross return per acre	147.21	123.84	171.10
Direct costs per acre			
Seed	21.05	17.04	21.03
Fertilizer	22.66	26.36	22.84
Crop chemicals	14.34	15.53	12.67
Crop insurance	2.80	2.89	2.17
Drying fuel	5.02	5.19	5.53
Fuel & oil	8.65	10.18	7.50
Repairs	17.60	26.86	13.96
Custom hire	5.09	2.48	2.31
Hired labor	0.01	0.00	0.00
Machinery & bldg leases	0.70	1.55	0.01
Utilities	0.04	0.00	0.00
Marketing	0.19	0.05	0.50
Operating interest	6.79	11.93	3.24
Miscellaneous	0.30	0.15	0.52
Total direct costs per acre	105.24	120.21	92.28
Return to overhead per acre	41.97	3.62	78.82
Overhead costs per acre			
Hired labor	5.35	4.17	4.32
Machinery & bldg leases	0.31	0.13	0.84
Farm insurance	2.71	2.33	2.67
Utilities	2.15	2.43	2.34
Dues & professional fees	0.28	0.05	0.60
Interest	4.05	3.64	4.80
Mach & bldg depreciation	29.23	30.22	42.05
Miscellaneous	3.46	4.98	3.29
Total overhead costs per acre	47.53	47.94	60.91
Total listed costs per acre	152.78	168.16	153.19
Net return per acre	-5.56	-44.32	17.91
Total direct costs per bushel	0.74	0.90	0.58
Total listed costs per bushel	1.07	1.26	0.96
Net return per bushel	-0.04	-0.33	0.11
Breakeven yield per acre	147.90	181.38	142.96
Est. labor hours per acre	2.92	3.05	3.16
Net return including govt. payments	25.69	-12.38	47.76
Lbr & mgt charge per acre	22.68	23.83	29.45
Net return over lbr & mgt	3.01	-36.21	18.31

Table 11 - 4  
Crop Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Farms sorted according to Return to Overhead per Acre)

SOYBEANS ON OWNED LAND

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of fields	175	36	29
Number of farms	142	28	28
Acres	100.15	96.13	94.25
Yield per acre (bushel)	47.07	38.75	52.44
Operators share of yield %	100.00	100.00	100.00
Value per bushel	5.04	5.03	5.03
Crop product return per acre	237.25	194.83	263.80
Miscellaneous income per acre	6.11	2.90	18.13
Gross return per acre	243.37	197.73	281.93
Direct costs per acre			
Seed	13.75	14.20	12.47
Fertilizer	1.69	0.93	0.22
Crop chemicals	27.58	33.98	25.73
Crop insurance	6.85	5.49	7.92
Fuel & oil	6.76	6.13	6.09
Repairs	16.23	17.89	14.20
Custom hire	2.12	3.93	1.44
Hired labor	0.14	0.00	0.07
Machinery & bldg leases	0.43	0.84	0.37
Marketing	0.30	0.17	0.13
Operating interest	6.10	7.78	2.27
Miscellaneous	0.89	0.42	0.68
Total direct costs per acre	82.85	91.75	71.59
Return to overhead per acre	160.52	105.98	210.34
Overhead costs per acre			
Hired labor	3.90	2.75	6.17
Machinery & bldg leases	0.94	0.07	2.37
RE & pers. property taxes	12.98	12.49	11.54
Farm insurance	2.28	2.47	2.80
Utilities	2.16	1.85	2.05
Dues & professional fees	0.24	0.21	0.51
Interest	31.19	24.14	27.45
Mach & bldg depreciation	26.32	26.34	28.29
Miscellaneous	3.86	2.35	5.37
Total overhead costs per acre	83.86	72.67	86.55
Total listed costs per acre	166.71	164.41	158.14
Net return per acre	76.66	33.31	123.80
Total direct costs per bushel	1.76	2.37	1.37
Total listed costs per bushel	3.54	4.24	3.02
Net return per bushel	1.63	0.86	2.36
Breakeven yield per acre	31.86	32.12	27.83
Est. labor hours per acre	2.63	2.68	2.68
Lbr & mgt charge per acre	25.41	27.13	22.50
Net return over lbr & mgt	51.24	6.18	101.29

Table 11 - 5  
Crop Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Farms sorted according to Return to Overhead per Acre)

SOYBEANS ON CASH RENTED LAND

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of fields	281	49	54
Number of farms	153	31	31
Acres	98.72	71.19	121.99
Yield per acre (bushel)	45.90	38.98	48.77
Operators share of yield %	100.00	100.00	100.00
Value per bushel	5.05	5.07	5.04
Crop product return per acre	231.63	197.72	246.00
Miscellaneous income per acre	9.95	2.81	16.01
Gross return per acre	241.58	200.54	262.01
Direct costs per acre			
Seed	13.61	14.73	11.16
Fertilizer	1.48	0.13	1.52
Crop chemicals	27.45	29.09	22.36
Crop insurance	7.36	8.84	3.78
Fuel & oil	6.75	7.52	6.12
Repairs	14.08	15.74	12.95
Custom hire	3.07	4.77	2.40
Hired labor	0.10	0.11	0.05
Land rent	78.84	85.20	65.65
Machinery & bldg leases	0.38	1.07	0.45
Utilities	0.02	0.00	0.00
Marketing	0.65	0.36	0.29
Operating interest	6.94	8.47	3.92
Miscellaneous	0.86	0.44	0.55
Total direct costs per acre	161.58	176.48	131.19
Return to overhead per acre	80.01	24.05	130.82
Overhead costs per acre			
Hired labor	3.71	3.93	4.73
Machinery & bldg leases	1.31	1.39	1.14
RE & pers. property taxes	0.00	0.00	0.00
Farm insurance	1.85	2.44	1.34
Utilities	1.59	1.96	1.33
Dues & professional fees	0.17	0.12	0.10
Interest	2.83	2.87	2.75
Mach & bldg depreciation	20.75	22.59	28.24
Miscellaneous	3.09	4.52	2.14
Total overhead costs per acre	35.30	39.82	41.77
Total listed costs per acre	196.88	216.30	172.96
Net return per acre	44.71	-15.77	89.05
Total direct costs per bushel	3.52	4.53	2.69
Total listed costs per bushel	4.29	5.55	3.55
Net return per bushel	0.97	-0.40	1.83
Breakeven yield per acre	37.04	42.09	31.12
Est. labor hours per acre	2.39	3.05	2.33
Lbr & mgt charge per acre	19.93	23.56	18.16
Net return over lbr & mgt	24.78	-39.33	70.89



Table 11 - 6  
Crop Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Farms sorted according to Return to Overhead per Acre)

SOYBEANS ON SHARE RENTED LAND

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of fields	91	16	17
Number of farms	67	13	13
Acres	88.62	85.58	104.26
Yield per acre (bushel)	43.05	39.42	52.21
Operators share of yield %	56.83	52.82	59.82
Value per bushel	5.03	5.03	5.04
Crop product return per acre	123.47	105.47	157.33
Miscellaneous income per acre	9.32	3.07	0.32
Gross return per acre	132.78	108.54	157.65
Direct costs per acre			
Seed	10.83	9.09	11.73
Fertilizer	1.19	2.16	0.40
Crop chemicals	16.72	19.23	13.07
Crop insurance	3.96	1.11	2.30
Fuel & oil	6.98	6.58	6.48
Repairs	14.04	16.64	11.17
Custom hire	3.88	14.96	2.35
Hired labor	0.03	0.00	0.00
Machinery & bldg leases	0.65	2.04	0.00
Marketing	0.17	0.45	0.25
Operating interest	5.65	4.83	2.86
Miscellaneous	0.37	0.22	0.52
Total direct costs per acre	64.49	77.30	51.13
Return to overhead per acre	68.30	31.24	106.53
Overhead costs per acre			
Hired labor	4.10	4.71	3.83
Machinery & bldg leases	0.34	0.16	0.06
Farm insurance	2.00	1.74	1.97
Utilities	1.64	1.61	1.72
Dues & professional fees	0.20	0.16	0.38
Interest	3.21	2.01	3.57
Mach & bldg depreciation	23.49	20.47	36.85
Miscellaneous	2.77	3.35	2.19
Total overhead costs per acre	37.75	34.20	50.57
Total listed costs per acre	102.23	111.51	101.69
Net return per acre	30.55	-2.97	55.96
Total direct costs per bushel	1.50	1.96	0.98
Total listed costs per bushel	2.37	2.83	1.95
Net return per bushel	0.71	-0.08	1.07
Breakeven yield per acre	32.50	40.86	33.62
Est. labor hours per acre	2.35	2.47	2.64
Net return including govt. payments	30.90	-2.97	57.64
Lbr & mgt charge per acre	18.59	18.50	24.34
Net return over lbr & mgt	12.32	-21.47	33.30

Table 11 - 7  
Crop Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Farms sorted according to Return to Overhead per Acre)

OATS ON OWNED LAND

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of fields	28	6	6
Number of farms	28	6	6
Acres	13.66	17.35	14.10
Yield per acre (bushel)	55.95	61.72	48.61
Operators share of yield %	100.00	100.00	100.00
Value per bushel	1.09	1.10	1.10
Crop product return per acre	61.24	67.90	53.47
Miscellaneous income per acre	59.94	3.36	123.12
Gross return per acre	121.18	71.26	176.59
Direct costs per acre			
Seed	10.76	11.89	12.57
Fertilizer	10.26	10.95	6.17
Crop chemicals	1.79	2.74	0.89
Crop insurance	1.91	0.72	2.10
Fuel & oil	5.08	5.57	4.06
Repairs	12.74	10.75	10.17
Custom hire	4.82	1.54	5.52
Machinery & bldg leases	0.47	0.04	0.00
Marketing	0.20	0.00	0.00
Operating interest	3.35	6.45	3.07
Miscellaneous	0.67	1.08	0.57
Total direct costs per acre	52.04	51.73	45.10
Return to overhead per acre	69.14	19.53	131.49
Overhead costs per acre			
Hired labor	2.51	1.44	0.64
Machinery & bldg leases	0.14	0.13	0.11
RE & pers. property taxes	9.72	10.14	9.61
Farm insurance	1.86	1.52	2.22
Utilities	1.48	1.55	1.20
Dues & professional fees	0.12	0.16	0.16
Interest	16.70	19.50	9.74
Mach & bldg depreciation	17.09	21.19	13.58
Miscellaneous	2.71	2.81	2.97
Total overhead costs per acre	52.31	58.44	40.25
Total listed costs per acre	104.35	110.17	85.35
Net return per acre	16.82	-38.91	91.24
Total direct costs per bushel	0.93	0.84	0.93
Total listed costs per bushel	1.87	1.78	1.76
Net return per bushel	0.30	-0.63	1.88
Breakeven yield per acre	40.58	97.10	-34.33
Est. labor hours per acre	2.02	2.06	2.29
Net return including govt. payments	17.79	-38.91	92.69
Lbr & mgt charge per acre	14.36	12.43	20.37
Net return over lbr & mgt	3.43	-51.34	72.33

Table 11 - 8  
Crop Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Farms sorted according to Return to Overhead per Acre)

OATS ON CASH RENTED LAND

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of fields	36	7	7
Number of farms	34	7	7
Acres	20.00	18.20	18.34
Yield per acre (bushel)	53.63	47.64	64.64
Operators share of yield %	100.00	100.00	100.00
Value per bushel	1.13	1.33	1.10
Crop product return per acre	60.84	63.39	71.11
Miscellaneous income per acre	61.84	17.27	105.37
Gross return per acre	122.68	80.66	176.47
Direct costs per acre			
Seed	13.48	13.53	8.31
Fertilizer	8.57	13.41	6.49
Crop chemicals	1.37	2.92	1.54
Crop insurance	1.25	0.78	1.61
Fuel & oil	4.92	4.83	4.62
Repairs	10.13	8.69	6.12
Custom hire	5.64	5.71	7.76
Land rent	69.75	77.96	66.38
Machinery & bldg leases	0.83	0.06	4.62
Marketing	0.11	0.00	0.63
Operating interest	3.39	2.30	1.80
Miscellaneous	0.78	0.21	1.62
Total direct costs per acre	120.23	130.39	111.50
Return to overhead per acre	2.45	-49.73	64.97
Overhead costs per acre			
Hired labor	2.50	3.96	1.89
Machinery & bldg leases	1.09	1.52	2.58
Farm insurance	1.34	1.04	0.66
Utilities	1.01	1.05	0.77
Dues & professional fees	0.11	0.00	0.00
Interest	1.52	1.43	1.47
Mach & bldg depreciation	14.87	11.86	9.75
Miscellaneous	1.88	1.47	1.57
Total overhead costs per acre	24.32	22.33	18.69
Total listed costs per acre	144.55	152.73	130.19
Net return per acre	-21.87	-72.07	46.28
Total direct costs per bushel	2.24	2.74	1.72
Total listed costs per bushel	2.70	3.21	2.01
Net return per bushel	-0.41	-1.51	0.72
Breakeven yield per acre	72.91	101.80	22.57
Est. labor hours per acre	1.85	1.80	1.35
Lbr & mgt charge per acre	14.50	12.83	8.99
Net return over lbr & mgt	-36.37	-84.90	37.29

Table 11 - 9  
Crop Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Average of all farms reporting)

OATS ON SHARE RENTED LAND

	Average For All Farms
Number of fields	8
Number of farms	8
Acres	15.29
Yield per acre (bushel)	62.70
Operators share of yield %	60.42
Value per bushel	1.10
Crop product return per acre	41.52
Miscellaneous income per acre	16.84
Gross return per acre	58.35
Direct costs per acre	
Seed	9.61
Fertilizer	6.45
Crop chemicals	0.84
Crop insurance	0.34
Fuel & oil	5.24
Repairs	10.70
Custom hire	4.85
Machinery & bldg leases	0.66
Operating interest	2.91
Total direct costs per acre	41.60
Return to overhead per acre	16.75
Overhead costs per acre	
Hired labor	1.84
Machinery & bldg leases	0.26
Farm insurance	1.67
Utilities	1.22
Dues & professional fees	0.12
Interest	1.59
Mach & bldg depreciation	13.40
Miscellaneous	0.73
Total overhead costs per acre	20.83
Total listed costs per acre	62.44
Net return per acre	-4.08
Total direct costs per bushel	0.66
Total listed costs per bushel	1.00
Net return per bushel	-0.07
Breakeven yield per acre	68.61
Est. labor hours per acre	1.56
Lbr & mgt charge per acre	15.01
Net return over lbr & mgt	-19.10

Table 11 - 10  
Crop Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Average of all farms reporting)

SPRING WHEAT ON OWNED LAND

	Average For All Farms
Number of fields	8
Number of farms	8
Acres	14.56
Yield per acre (bushel)	40.29
Operators share of yield %	100.00
Value per bushel	3.25
Crop product return per acre	130.95
Miscellaneous income per acre	32.70
Gross return per acre	163.65
Direct costs per acre	
Seed	16.14
Fertilizer	21.91
Crop chemicals	4.81
Crop insurance	5.38
Fuel & oil	6.59
Repairs	16.31
Custom hire	2.00
Operating interest	2.76
Miscellaneous	0.78
Total direct costs per acre	76.69
Return to overhead per acre	86.96
Overhead costs per acre	
Hired labor	1.43
Machinery & bldg leases	0.27
RE & pers. property taxes	9.96
Farm insurance	1.89
Utilities	2.96
Dues & professional fees	0.20
Interest	19.32
Mach & bldg depreciation	16.68
Miscellaneous	1.79
Total overhead costs per acre	54.50
Total listed costs per acre	131.20
Net return per acre	32.45
Total direct costs per bushel	1.90
Total listed costs per bushel	3.26
Net return per bushel	0.81
Breakeven yield per acre	30.31
Est. labor hours per acre	2.19
Net return including govt. payments	50.81
Lbr & mgt charge per acre	22.69
Net return over lbr & mgt	28.12

Table 11 - 11  
Crop Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Average of all farms reporting)

SPRING WHEAT ON CASH RENTED LAND

	Average For All Farms
	<hr/>
Number of fields	7
Number of farms	7
Acres	21.41
Yield per acre (bushel)	38.20
Operator's share of yield %	100.00
Value per bushel	3.25
Crop product return per acre	124.08
Miscellaneous income per acre	41.29
Gross return per acre	165.38
Direct costs per acre	
Seed	13.97
Fertilizer	9.35
Crop chemicals	1.57
Crop insurance	0.24
Fuel & oil	3.84
Repairs	8.46
Custom hire	2.35
Land rent	55.32
Operating interest	2.17
Miscellaneous	0.59
Total direct costs per acre	97.86
Return to overhead per acre	67.52
Overhead costs per acre	
Hired labor	3.37
Machinery & bldg leases	0.39
Farm insurance	2.08
Utilities	1.71
Dues & professional fees	0.08
Interest	0.68
Mach & bldg depreciation	32.27
Miscellaneous	5.81
Total overhead costs per acre	46.40
Total listed costs per acre	144.26
Net return per acre	21.12
Total direct costs per bushel	2.56
Total listed costs per bushel	3.78
Net return per bushel	0.55
Breakeven yield per acre	31.70
Est. labor hours per acre	2.22
Net return including govt. payments	25.96
Lbr & mgt charge per acre	23.15
Net return over lbr & mgt	2.82

Table 11 - 12  
Crop Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Farms sorted according to Return to Overhead per Acre)

CORN SILAGE ON OWNED LAND

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of fields	27	6	5
Number of farms	25	5	5
Acres	29.81	39.12	15.73
Yield per acre (ton)	14.90	10.90	21.51
Operators share of yield %	100.00	100.00	100.00
Value per ton	17.16	17.00	17.00
Crop product return per acre	255.71	185.23	365.73
Miscellaneous income per acre	9.89	0.00	0.00
Gross return per acre	265.60	185.23	365.73
Direct costs per acre			
Seed	26.20	30.30	25.35
Fertilizer	28.30	23.20	28.41
Crop chemicals	22.62	18.71	18.10
Crop insurance	5.07	3.44	4.14
Drying fuel	0.77	2.55	1.25
Fuel & oil	9.49	10.01	10.80
Repairs	27.70	31.67	22.63
Custom hire	4.43	4.25	3.12
Machinery & bldg leases	0.28	0.00	0.00
Marketing	2.33	9.59	0.00
Operating interest	9.00	8.93	1.22
Miscellaneous	2.31	2.26	0.00
Total direct costs per acre	138.50	144.91	115.03
Return to overhead per acre	127.10	40.32	250.70
Overhead costs per acre			
Hired labor	5.67	1.91	11.22
Machinery & bldg leases	0.19	0.31	0.00
RE & pers. property taxes	11.30	9.72	11.20
Farm insurance	3.09	4.77	5.54
Utilities	2.19	1.56	3.21
Dues & professional fees	0.13	0.15	0.05
Interest	34.98	21.82	40.32
Mach & bldg depreciation	38.38	37.50	49.58
Miscellaneous	4.48	7.14	1.99
Total overhead costs per acre	100.40	84.89	123.10
Total listed costs per acre	238.90	229.80	238.13
Net return per acre	26.71	-44.57	127.60
Total direct costs per ton	9.30	13.30	5.35
Total listed costs per ton	16.03	21.09	11.07
Net return per ton	1.79	-4.09	5.93
Breakeven yield per acre	13.34	13.52	14.01
Est. labor hours per acre	4.48	5.34	4.04
Net return including govt. payments	80.75	6.06	190.58
Lbr & mgt charge per acre	30.93	37.02	23.76
Net return over lbr & mgt	49.82	-30.96	166.83

Table 11 - 13  
Crop Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Farms sorted according to Return to Overhead per Acre)

CORN SILAGE ON CASH RENTED LAND

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of fields	30	6	7
Number of farms	29	6	6
Acres	42.37	51.30	55.23
Yield per acre (ton)	15.40	10.77	21.90
Operators share of yield %	100.00	100.00	100.00
Value per ton	17.79	17.00	17.00
Crop product return per acre	273.97	183.07	372.22
Miscellaneous income per acre	2.55	9.02	0.00
Gross return per acre	276.52	192.09	372.22
Direct costs per acre			
Seed	26.37	26.17	26.22
Fertilizer	31.51	36.46	24.87
Crop chemicals	23.99	20.99	24.47
Crop insurance	4.45	3.84	3.00
Fuel & oil	10.84	13.57	7.47
Repairs	26.60	34.85	22.48
Custom hire	5.21	12.22	0.25
Land rent	63.75	66.09	55.75
Machinery & bldg leases	0.70	1.10	1.42
Operating interest	8.82	6.88	7.71
Miscellaneous	0.38	0.14	0.00
Total direct costs per acre	202.62	222.31	173.64
Return to overhead per acre	73.90	-30.22	198.59
Overhead costs per acre			
Hired labor	7.66	6.79	6.59
Machinery & bldg leases	1.22	0.53	0.21
RE & pers. property taxes	0.00	0.00	0.00
Farm insurance	2.62	3.19	2.15
Utilities	2.82	3.48	1.91
Dues & professional fees	0.53	0.56	0.09
Interest	3.91	2.67	1.89
Mach & bldg depreciation	38.77	29.47	68.60
Miscellaneous	5.87	3.62	2.67
Total overhead costs per acre	63.41	50.32	84.11
Total listed costs per acre	266.03	272.63	257.75
Net return per acre	10.49	-80.54	114.47
Total direct costs per ton	13.16	20.64	7.93
Total listed costs per ton	17.27	25.32	11.77
Net return per ton	0.68	-7.48	5.23
Breakeven yield per acre	14.81	15.51	15.16
Est. labor hours per acre	3.77	5.30	3.13
Net return including govt. payments	58.00	-30.50	163.49
Lbr & mgt charge per acre	23.43	31.92	20.41
Net return over lbr & mgt	34.56	-62.42	143.09



Table 11 - 14  
Crop Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Farms sorted according to Return to Overhead per Acre)

ALFALFA HAY ON OWNED LAND

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of fields	39	7	7
Number of farms	37	7	7
Acres	20.53	16.91	9.79
Yield per acre (ton)	3.39	1.40	5.54
Operators share of yield %	100.00	100.00	100.00
Value per ton	69.51	63.45	70.00
Crop product return per acre	235.46	88.72	388.07
Miscellaneous income per acre	3.37	22.80	0.00
Gross return per acre	238.84	111.52	388.07
Direct costs per acre			
Seed	13.74	21.64	1.17
Fertilizer	10.68	11.05	8.67
Crop chemicals	1.38	5.60	0.00
Crop insurance	0.02	0.00	0.00
Fuel & oil	9.27	6.76	6.26
Repairs	24.97	19.57	20.96
Custom hire	4.98	4.56	8.88
Machinery & bldg leases	0.52	1.02	0.00
Operating interest	6.68	13.37	11.20
Miscellaneous	2.16	0.34	0.96
Total direct costs per acre	74.39	83.91	58.10
Return to overhead per acre	164.45	27.61	329.97
Overhead costs per acre			
Hired labor	5.04	3.17	5.10
Machinery & bldg leases	0.27	0.00	0.46
RE & pers. property taxes	7.60	7.11	10.81
Farm insurance	2.30	3.35	2.54
Utilities	2.35	1.72	1.94
Dues & professional fees	0.11	0.25	0.24
Interest	30.96	46.58	31.00
Mach & bldg depreciation	27.35	24.85	29.46
Miscellaneous	4.17	1.86	3.08
Total overhead costs per acre	80.14	88.90	84.63
Total listed costs per acre	154.53	172.81	142.73
Net return per acre	84.30	-61.28	245.34
Total direct costs per ton	21.96	60.01	10.48
Total listed costs per ton	45.62	123.59	25.75
Net return per ton	24.89	-43.83	44.25
Breakeven yield per acre	2.17	2.36	2.04
Est. labor hours per acre	3.37	2.89	3.52
Lbr & mgt charge per acre	22.06	30.62	26.88
Net return over lbr & mgt	62.24	-91.91	218.46

Table 11 - 15  
Crop Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Farms sorted according to Return to Overhead per Acre)

ALFALFA HAY ON CASH RENTED LAND

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of fields	55	9	11
Number of farms	43	9	9
Acres	24.95	35.39	25.62
Yield per acre (ton)	3.31	2.37	5.01
Operators share of yield %	100.00	100.00	100.00
Value per ton	69.11	66.90	70.00
Crop product return per acre	228.51	158.78	350.68
Miscellaneous income per acre	7.13	0.00	0.00
Gross return per acre	235.64	158.78	350.68
Direct costs per acre			
Seed	17.69	31.75	11.68
Fertilizer	13.52	16.48	16.04
Crop chemicals	2.88	9.13	0.00
Crop insurance	0.16	0.00	0.00
Fuel & oil	9.11	6.48	6.93
Repairs	21.08	17.62	16.80
Custom hire	5.45	8.46	2.73
Hired labor	0.10	0.00	0.00
Land rent	65.70	70.25	65.73
Machinery & bldg leases	2.84	9.22	0.19
Operating interest	6.02	5.85	5.35
Miscellaneous	2.85	4.12	3.45
Total direct costs per acre	147.40	179.38	128.91
Return to overhead per acre	88.25	-20.61	221.77
Overhead costs per acre			
Hired labor	5.95	6.31	11.34
Machinery & bldg leases	1.69	0.02	0.09
RE & pers. property taxes	0.01	0.00	0.05
Farm insurance	1.97	1.93	2.27
Utilities	1.98	2.09	1.69
Dues & professional fees	0.15	0.36	0.02
Interest	1.86	0.37	1.59
Mach & bldg depreciation	26.51	18.35	31.53
Miscellaneous	2.97	1.78	6.73
Total overhead costs per acre	43.10	31.21	55.30
Total listed costs per acre	190.49	210.59	184.22
Net return per acre	45.15	-51.81	166.46
Total direct costs per ton	44.57	75.59	25.73
Total listed costs per ton	57.61	88.74	36.77
Net return per ton	13.65	-21.83	33.23
Breakeven yield per acre	2.65	3.15	2.63
Est. labor hours per acre	3.52	3.25	2.82
Lbr & mgt charge per acre	25.65	33.06	15.84
Net return over lbr & mgt	19.50	-84.87	150.63

Table 11 - 16  
Crop Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Average of all farms reporting)

GRASS HAY ON OWNED LAND

	Average For All Farms
Number of fields	5
Number of farms	5
Acres	42.36
Yield per acre (ton)	1.73
Operators share of yield %	100.00
Value per ton	43.22
Crop product return per acre	74.88
Miscellaneous income per acre	0.00
Gross return per acre	74.88
Direct costs per acre	
Fuel & oil	2.59
Repairs	7.61
Custom hire	0.24
Operating interest	6.87
Miscellaneous	1.65
Total direct costs per acre	18.96
Return to overhead per acre	55.91
Overhead costs per acre	
Hired labor	3.47
Machinery & bldg leases	0.01
RE & pers. property taxes	8.49
Farm insurance	0.66
Utilities	0.58
Dues & professional fees	0.01
Interest	10.10
Mach & bldg depreciation	11.58
Miscellaneous	1.27
Total overhead costs per acre	36.16
Total listed costs per acre	55.13
Net return per acre	19.75
Total direct costs per ton	10.94
Total listed costs per ton	31.82
Net return per ton	11.40
Breakeven yield per acre	1.28
Est. labor hours per acre	1.51
Lbr & mgt charge per acre	8.73
Net return over lbr & mgt	11.02

Table 11 - 17  
Crop Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Average of all farms reporting)

GRASS HAY ON CASH RENTED LAND

	Average For All Farms
Number of fields	12
Number of farms	10
Acres	13.55
Yield per acre (ton)	1.52
Operators share of yield %	100.00
Value per ton	52.33
Crop product return per acre	79.60
Miscellaneous income per acre	0.00
Gross return per acre	79.60
Direct costs per acre	
Seed	0.43
Crop chemicals	0.95
Fuel & oil	3.74
Repairs	9.69
Custom hire	0.15
Land rent	32.27
Operating interest	4.20
Miscellaneous	2.71
Total direct costs per acre	54.14
Return to overhead per acre	25.46
Overhead costs per acre	
Hired labor	2.81
Machinery & bldg leases	1.13
Farm insurance	1.39
Utilities	1.17
Dues & professional fees	0.12
Interest	1.24
Mach & bldg depreciation	13.61
Miscellaneous	2.06
Total overhead costs per acre	23.52
Total listed costs per acre	77.66
Net return per acre	1.94
Total direct costs per ton	35.59
Total listed costs per ton	51.06
Net return per ton	1.28
Breakeven yield per acre	1.48
Est. labor hours per acre	1.58
Lbr & mgt charge per acre	13.94
Net return over lbr & mgt	-12.00

Table 11 - 18  
Crop Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Average of all farms reporting)

OATLAGE ON OWNED LAND

	Average For All Farms
Number of fields	6
Number of farms	6
Acres	19.88
Yield per acre (ton)	6.64
Operators share of yield %	100.00
Value per ton	21.71
Crop product return per acre	144.14
Miscellaneous income per acre	3.52
Gross return per acre	147.66
Direct costs per acre	
Seed	12.32
Fertilizer	5.80
Crop chemicals	2.35
Fuel & oil	6.85
Repairs	16.50
Operating interest	6.83
Total direct costs per acre	50.64
Return to overhead per acre	97.01
Overhead costs per acre	
Hired labor	5.74
Machinery & bldg leases	0.39
RE & pers. property taxes	9.41
Farm insurance	1.44
Utilities	1.46
Dues & professional fees	0.07
Interest	42.42
Mach & bldg depreciation	18.29
Miscellaneous	3.94
Total overhead costs per acre	83.16
Total listed costs per acre	133.80
Net return per acre	13.86
Total direct costs per ton	7.63
Total listed costs per ton	20.15
Net return per ton	2.09
Breakeven yield per acre	6.00
Est. labor hours per acre	1.53
Lbr & mgt charge per acre	7.58
Net return over lbr & mgt	6.28

Table 11 - 19  
Crop Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Average of all farms reporting)

OATLAGE ON CASH RENTED LAND

	Average For All Farms
	<hr/>
Number of fields	9
Number of farms	9
Acres	18.47
Yield per acre (ton)	3.65
Operators share of yield %	100.00
Value per ton	17.24
Crop product return per acre	62.93
Miscellaneous income per acre	24.82
Gross return per acre	87.75
Direct costs per acre	
Seed	15.23
Fertilizer	5.81
Crop chemicals	0.76
Crop insurance	0.21
Fuel & oil	4.41
Repairs	7.81
Custom hire	2.10
Land rent	59.87
Operating interest	3.01
Miscellaneous	0.25
Total direct costs per acre	99.46
Return to overhead per acre	-11.70
Overhead costs per acre	
Hired labor	2.78
Machinery & bldg leases	0.17
Farm insurance	0.97
Utilities	1.10
Dues & professional fees	0.13
Interest	2.40
Mach & bldg depreciation	12.17
Miscellaneous	1.60
Total overhead costs per acre	21.31
Total listed costs per acre	120.77
Net return per acre	-33.02
Total direct costs per ton	27.24
Total listed costs per ton	33.08
Net return per ton	-9.04
Breakeven yield per acre	5.57
Est. labor hours per acre	1.13
Lbr & mgt charge per acre	8.73
Net return over lbr & mgt	-41.74

Table 11 - 20  
Crop Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Average of all farms reporting)

PASTURE ON OWNED LAND

	Average For All Farms
Number of fields	11
Number of farms	11
Acres	159.65
Yield per acre	3.08
Operators share of yield %	100.00
Value per unit	6.15
Crop product return per acre	18.90
Miscellaneous income per acre	0.00
Gross return per acre	18.90
Direct costs per acre	
Fertilizer	0.06
Crop chemicals	2.30
Fuel & oil	0.71
Repairs	1.92
Custom hire	0.19
Operating interest	0.64
Total direct costs per acre	5.81
Return to overhead per acre	13.09
Overhead costs per acre	
Hired labor	0.41
Machinery & bldg leases	0.00
RE & pers. property taxes	5.89
Farm insurance	0.14
Utilities	0.14
Dues & professional fees	0.00
Interest	9.92
Mach & bldg depreciation	2.21
Miscellaneous	0.40
Total overhead costs per acre	19.12
Total listed costs per acre	24.93
Net return per acre	-6.03
Total direct costs per unit	1.89
Total listed costs per unit	8.11
Net return per unit	-1.96
Breakeven yield per acre	4.06
Est. labor hours per acre	0.28
Lbr & mgt charge per acre	1.73
Net return over lbr & mgt	-7.76

Table 11 - 21  
Crop Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Average of all farms reporting)

PASTURE ON CASH RENTED LAND

	Average For All Farms
	19
Number of fields	17
Number of farms	
	85.09
Acres	6.07
Yield per acre	100.00
Operators share of yield %	4.05
Value per unit	24.60
Crop product return per acre	0.00
Miscellaneous income per acre	24.60
Gross return per acre	
Direct costs per acre	0.08
Seed	1.24
Crop chemicals	0.70
Fuel & oil	1.56
Repairs	15.27
Land rent	0.28
Operating interest	19.13
Total direct costs per acre	5.47
Return to overhead per acre	
Overhead costs per acre	0.55
Hired labor	0.01
Machinery & bldg leases	0.12
Farm insurance	0.23
Utilities	0.01
Dues & professional fees	0.24
Interest	1.91
Mach & bldg depreciation	0.42
Miscellaneous	3.48
Total overhead costs per acre	22.61
Total listed costs per acre	1.99
Net return per acre	
Total direct costs per unit	3.15
Total listed costs per unit	3.72
Net return per unit	0.33
Breakeven yield per acre	5.58
Est. labor hours per acre	0.27
Lbr & mgt charge per acre	1.37
Net return over lbr & mgt	0.62



Table 11 - 22  
Crop Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Average of all farms reporting)

PEAS ON CASH RENTED LAND

	Average For All Farms
Number of fields	5
Number of farms	5
Acres	31.76
Yield per acre (lb)	4009.92
Operators share of yield %	100.00
Value per lb	0.06
Crop product return per acre	260.17
Miscellaneous income per acre	0.00
Gross return per acre	260.17
Direct costs per acre	
Fertilizer	21.31
Crop chemicals	6.52
Crop insurance	8.94
Fuel & oil	5.57
Repairs	11.32
Land rent	91.36
Machinery & bldg leases	0.18
Operating interest	3.36
Miscellaneous	0.32
Total direct costs per acre	148.88
Return to overhead per acre	111.29
Overhead costs per acre	
Hired labor	3.13
Machinery & bldg leases	0.48
Farm insurance	1.01
Utilities	1.39
Dues & professional fees	0.17
Interest	4.11
Mach & bldg depreciation	12.90
Miscellaneous	1.15
Total overhead costs per acre	24.35
Total listed costs per acre	173.23
Net return per acre	86.95
Total direct costs per lb	0.04
Total listed costs per lb	0.04
Net return per lb	0.02
Breakeven yield per acre	2669.86
Est. labor hours per acre	1.44
Lbr & mgt charge per acre	10.75
Net return over lbr & mgt	76.19

Table 11 - 23  
Crop Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Average of all farms reporting)

SWEET CORN ON OWNED LAND

	Average For All Farms
Number of fields	7
Number of farms	5
Acres	45.84
Yield per acre (ton)	7.60
Operators share of yield %	100.00
Value per ton	40.62
Crop product return per acre	308.55
Miscellaneous income per acre	0.00
Gross return per acre	308.55
Direct costs per acre	
Seed	0.64
Fertilizer	26.55
Crop chemicals	21.43
Crop insurance	8.20
Fuel & oil	6.52
Repairs	18.81
Custom hire	11.72
Operating interest	4.74
Total direct costs per acre	98.62
Return to overhead per acre	209.93
Overhead costs per acre	
Hired labor	4.77
RE & pers. property taxes	15.72
Farm insurance	1.57
Utilities	1.61
Dues & professional fees	0.42
Interest	35.03
Mach & bldg depreciation	21.14
Miscellaneous	3.27
Total overhead costs per acre	83.54
Total listed costs per acre	182.16
Net return per acre	126.39
Total direct costs per ton	12.98
Total listed costs per ton	23.98
Net return per ton	16.64
Breakeven yield per acre	4.48
Est. labor hours per acre	2.28
Lbr & mgt charge per acre	23.94
Net return over lbr & mgt	102.44

Table 11 - 24  
Crop Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Farms sorted according to Return to Overhead per Acre)

CRP ON OWNED LAND

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of fields	30	6	6
Number of farms	29	6	6
Acres	46.86	30.10	68.00
Yield per acre	77.17	61.57	86.11
Operators share of yield %	100.00	100.00	100.00
Value per unit	1.00	1.00	1.00
Crop product return per acre	77.17	61.57	86.11
Miscellaneous income per acre	2.05	0.00	0.00
Gross return per acre	79.21	61.57	86.11
Direct costs per acre			
Seed	0.16	1.27	0.00
Crop chemicals	0.31	0.61	0.80
Fuel & oil	0.69	1.90	0.20
Repairs	2.18	6.23	0.84
Custom hire	0.01	0.11	0.00
Operating interest	0.23	0.49	0.05
Total direct costs per acre	3.59	10.61	1.88
Return to overhead per acre	75.63	50.96	84.23
Overhead costs per acre			
Hired labor	1.18	7.10	0.01
Machinery & bldg leases	0.02	0.06	0.01
RE & pers. property taxes	14.77	9.07	21.85
Farm insurance	0.40	1.83	0.09
Utilities	0.25	0.59	0.09
Dues & professional fees	0.03	0.00	0.00
Interest	20.46	14.47	22.76
Mach & bldg depreciation	3.14	5.48	2.05
Miscellaneous	0.29	0.17	0.08
Total overhead costs per acre	40.54	38.76	46.94
Total listed costs per acre	44.12	49.37	48.82
Net return per acre	35.09	12.20	37.29
Total direct costs per unit	0.05	0.17	0.02
Total listed costs per unit	0.57	0.80	0.57
Net return per unit	0.45	0.20	0.43
Breakeven yield per acre	42.08	49.37	48.82
Est. labor hours per acre	0.31	0.99	0.10
Lbr & mgt charge per acre	2.75	5.79	1.15
Net return over lbr & mgt	32.34	6.42	36.14

Table 11 - 25  
Crop Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Average of all farms reporting)

CRP ON CASH RENTED LAND

	Average For All Farms
	<hr/>
Number of fields	10
Number of farms	10
Acres	27.55
Yield per acre	42.54
Operators share of yield %	100.00
Value per unit	1.00
Crop product return per acre	42.54
Miscellaneous income per acre	0.00
Gross return per acre	42.54
Direct costs per acre	
Crop chemicals	1.23
Fuel & oil	0.47
Repairs	1.00
Custom hire	0.23
Land rent	30.61
Operating interest	0.19
Total direct costs per acre	33.74
Return to overhead per acre	8.80
Overhead costs per acre	
Hired labor	0.50
Machinery & bldg leases	0.04
Farm insurance	0.16
Utilities	0.19
Dues & professional fees	0.05
Interest	0.20
Mach & bldg depreciation	2.19
Miscellaneous	0.37
Total overhead costs per acre	3.70
Total listed costs per acre	37.44
Net return per acre	5.10
Total direct costs per unit	0.79
Total listed costs per unit	0.88
Net return per unit	0.12
Breakeven yield per acre	37.44
Est. labor hours per acre	0.19
Lbr & mgt charge per acre	1.75
Net return over lbr & mgt	3.36

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

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

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

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

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

Table 12 - 1  
Livestock Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Farms sorted according to Return to Overhead per unit produced)

Hogs, Farrow To Finish -- Average per litter

Number of farms	Average For All Farms		Average For Low 20%		Average For High 20%	
	58		12		12	
	Quantity	Value	Quantity	Value	Quantity	Value
Raised Hogs sold (lb)	1940.13	799.97	1845.17	717.57	2099.05	896.60
Transferred out (lb)	6.77	6.80	0.98	0.94	0.00	0.00
Cull sales (lb)	144.32	40.10	228.69	57.75	120.25	34.73
Butchered (lb)	1.90	0.63	3.11	1.01	1.63	0.58
Less purchased (lb)	-65.25	-65.43	-40.97	-44.36	-95.28	-100.46
Inventory change (lb)	69.84	-38.43	-59.87	-120.65	51.82	-6.30
Total production (lb)	2097.70	743.63	1977.11	612.26	2177.46	825.16
Other income		1.80		0.00		4.62
Gross return		745.44		612.26		829.77
Direct costs						
Corn (bu.)	100.02	206.64	103.00	214.46	97.47	207.67
Hay, Alfalfa (lb.)	0.54	0.02	0.00	0.00	0.00	0.00
Oats (bu.)	0.62	0.69	0.18	0.22	0.00	0.00
Pasture (aum)	0.00	0.03	0.00	0.25	0.00	0.00
Stover (lb.)	1.54	0.14	0.00	0.51	0.00	0.00
Complete Ration (lb.)	199.26	25.19	505.04	52.28	133.31	19.80
Protein Vit Minerals (lb.)	1736.53	282.79	1808.93	328.01	1776.73	265.18
Breeding fees		0.42		0.00		0.81
Veterinary		33.29		27.38		27.03
Livestock supplies		10.40		13.78		7.45
Fuel & oil		11.41		11.64		8.81
Repairs		31.69		34.07		23.57
Custom hire		8.20		4.03		2.58
Hired labor		0.54		3.10		0.14
Machinery & bldg leases		1.35		2.79		0.60
Livestock leases		0.13		0.00		0.00
Utilities		0.37		0.27		0.87
Marketing		1.89		0.32		1.24
Operating interest		13.74		25.34		5.92
Total direct costs		628.93		718.46		571.66
Return to overhead		116.51		-106.20		258.11
Overhead costs						
Hired labor		37.14		12.05		60.61
Machinery & bldg leases		15.25		22.19		35.82
RE & pers. property taxes		2.65		1.37		1.94
Farm insurance		7.80		8.10		7.85
Utilities		17.93		16.70		18.79
Dues & professional fees		0.39		0.39		0.28
Interest		16.94		11.60		22.78
Mach & bldg depreciation		55.79		40.49		51.80
Miscellaneous		8.00		10.15		6.31
Total overhead costs		161.88		123.04		206.18
Total listed costs		790.80		841.50		777.84
Net return		-45.36		-229.24		51.93
Est. labor hours per unit		11.14		11.39		10.67
Labor & management charge		62.77		94.91		46.52
Net return over lbr & mgt		-108.13		-324.15		5.42
Other Information						
Average number of sows		102.6		77.0		137.2
Litters farrowed		190		116		271
Litters per sow		1.85		1.50		1.97
Litters per crate		8.43		5.78		10.40
Pigs born per litter		10.01		9.85		10.26
Pigs weaned per litter		8.83		8.44		9.01
Pigs weaned per sow		16.35		12.66		17.77
Number sold per litter		8.31		7.89		9.22
Lbs of feed / lb of gain		3.59		4.03		3.38
Feed cost / cwt. of gain		24.57		30.13		22.63
Feed cost per litter		515.50		595.73		492.65
Avg wgt/Raised Hog sold		233		234		228
Avg price / cwt		41.23		38.89		42.71

Table 12 - 2  
Livestock Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Farms sorted according to Return to Overhead per unit produced)

Hogs, Farrow To Finish -- Average per cwt produced

Number of farms	Average For All Farms		Average For Low 20%		Average For High 20%	
	58		12		12	
	Quantity	Value	Quantity	Value	Quantity	Value
Raised Hogs sold (lb)	92.49	38.14	93.33	36.29	96.40	41.18
Transferred out (lb)	0.32	0.32	0.05	0.05	0.00	0.00
Cull sales (lb)	6.88	1.91	11.57	2.92	5.52	1.60
Butchered (lb)	0.09	0.03	0.16	0.05	0.07	0.03
Less purchased (lb)	-3.11	-3.12	-2.07	-2.24	-4.38	-4.61
Inventory change (lb)	3.33	-1.83	-3.03	-6.10	2.38	-0.29
Total production (lb)	100.00	35.45	100.00	30.97	100.00	37.90
Other income		0.09		0.00		0.21
Gross return		35.54		30.97		38.11
Direct costs						
Corn (bu.)	4.77	9.85	5.21	10.85	4.48	9.54
Oats (bu.)	0.03	0.03	0.01	0.01	0.00	0.00
Complete Ration (lb.)	9.50	1.20	25.54	2.64	6.12	0.91
Protein Vit Minerals (lb.)	82.78	13.48	91.49	16.59	81.60	12.18
Breeding fees		0.02		0.00		0.04
Veterinary		1.59		1.38		1.24
Livestock supplies		0.50		0.70		0.34
Fuel & oil		0.54		0.59		0.40
Repairs		1.51		1.72		1.08
Custom hire		0.39		0.20		0.12
Hired labor		0.03		0.16		0.01
Machinery & bldg leases		0.06		0.14		0.03
Utilities		0.02		0.01		0.04
Marketing		0.09		0.02		0.06
Operating interest		0.66		1.28		0.27
Total direct costs		29.98		36.34		26.25
Return to overhead		5.55		-5.37		11.85
Overhead costs						
Hired labor		1.77		0.61		2.78
Machinery & bldg leases		0.73		1.12		1.64
RE & pers. property taxes		0.13		0.07		0.09
Farm insurance		0.37		0.41		0.36
Utilities		0.85		0.84		0.86
Dues & professional fees		0.02		0.02		0.01
Interest		0.81		0.59		1.05
Mach & bldg depreciation		2.66		2.05		2.38
Miscellaneous		0.38		0.51		0.29
Total overhead costs		7.72		6.22		9.47
Total listed costs		37.70		42.56		35.72
Net return		-2.16		-11.59		2.39
Est. labor hours per unit		0.53		0.58		0.49
Labor & management charge		2.99		4.80		2.14
Net return over lbr & mgt		-5.15		-16.40		0.25
Other Information						
Average number of sows		102.6		77.0		137.2
Litters farrowed		190		116		271
Litters per sow		1.85		1.50		1.97
Litters per crate		8.43		5.78		10.40
Pigs born per litter		10.01		9.85		10.26
Pigs weaned per litter		8.83		8.44		9.01
Pigs weaned per sow		16.35		12.66		17.77
Number sold per litter		8.31		7.89		9.22
Lbs of feed / lb of gain		3.59		4.03		3.38
Feed cost / cwt. of gain		24.57		30.13		22.63
Feed cost per litter		515.50		595.73		492.65
Avg wgt/Raised Hog sold		233		234		228
Avg price / cwt		41.23		38.89		42.71

Table 12 - 3  
Livestock Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association

Hogs, Feeder Pig Prod -- Average per litter

Number of farms	Average For All Farms	
	Quantity	Value
	17	
Feeder Pigs sold (hd)	5.23	204.24
Transferred out (hd)	3.38	117.93
Cull sales (hd)	0.33	41.91
Butchered (hd)	0.00	0.35
Less purchased (hd)	-0.14	-34.49
Less transferred in (hd)	-0.09	-8.67
Inventory change (hd)	-0.12	-42.15
Total production (hd)	0.00	279.13
Other income		0.01
Gross return		279.15
Direct costs		
Corn (bu.)	21.28	43.68
Oats (bu.)	0.25	0.27
Stover (lb.)	0.94	0.02
Complete Ration (lb.)	345.59	60.29
Protein Vit Minerals (lb.)	395.69	72.58
Breeding fees		0.22
Veterinary		22.74
Livestock supplies		6.94
Fuel & oil		5.70
Repairs		14.75
Custom hire		2.06
Machinery & bldg leases		14.79
Utilities		0.37
Marketing		0.71
Operating interest		8.01
Total direct costs		253.14
Return to overhead		26.00
Overhead costs		
Hired labor		11.19
Machinery & bldg leases		0.20
RE & pers. property taxes		1.20
Farm insurance		4.59
Utilities		10.80
Dues & professional fees		0.51
Interest		11.32
Mach & bldg depreciation		21.89
Miscellaneous		4.64
Total overhead costs		66.32
Total listed costs		319.46
Net return		-40.32
Est. labor hours per unit		7.11
Labor & management charge		53.95
Net return over lbr & mgt		-94.27
Other Information		
Average number of sows		103.8
Litters farrowed		201
Litters per sow		1.94
Litters per crate		8.50
Pigs born per litter		10.11
Pigs weaned per litter		8.83
Pigs weaned per sow		17.05
Number sold per litter		5.23
Feed cost per litter		176.84
Avg wgt/Feeder Pig sold		50
Avg price / head		39.04



Table 12 - 4  
Livestock Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Farms sorted according to Return to Overhead per unit produced)

Hogs, Finish Feeder Pigs -- Average per head sold/trans

Number of farms	Average For All Farms		Average For Low 20%		Average For High 20%	
	34		7		7	
	Quantity	Value	Quantity	Value	Quantity	Value
Finish Hogs sold (lb)	241.07	95.91	247.01	96.36	232.23	94.77
Transferred out (lb)	4.10	1.72	0.12	0.12	11.57	5.10
Cull sales (lb)	1.52	0.53	0.00	0.00	0.00	0.00
Butchered (lb)	0.15	0.05	0.92	0.31	0.28	0.11
Less purchased (lb)	-23.80	-19.59	-36.57	-35.92	-14.76	-11.37
Less transferred in (lb)	-15.16	-15.45	-3.03	-2.43	-33.09	-25.30
Inventory change (lb)	-19.08	-12.81	-43.93	-25.65	0.09	-1.34
Total production (lb)	188.80	50.36	164.52	32.80	196.32	61.98
Other income		0.01		0.00		0.00
Gross return		50.37		32.80		61.98
Direct costs						
Corn (bu.)	9.64	20.02	10.56	20.98	9.07	18.90
Complete Ration (lb.)	8.47	1.04	46.12	8.69	23.59	2.79
Protein Vit Minerals (lb.)	146.22	22.57	203.34	29.76	115.75	19.03
Veterinary		1.23		3.00		0.80
Livestock supplies		0.55		0.39		0.61
Fuel & oil		0.58		1.58		0.89
Repairs		1.55		3.74		1.55
Custom hire		0.80		0.00		0.83
Machinery & bldg leases		1.70		0.00		0.00
Livestock leases		0.40		0.00		0.00
Utilities		0.08		0.43		0.08
Marketing		0.08		0.00		0.07
Operating interest		1.26		2.26		0.53
Total direct costs		51.85		70.84		46.06
Return to overhead		-1.48		-38.04		15.92
Overhead costs						
Hired labor		0.51		0.36		0.99
Machinery & bldg leases		0.17		0.29		0.00
RE & pers. property taxes		0.19		0.25		0.32
Farm insurance		0.44		0.73		0.44
Utilities		0.83		1.58		1.21
Dues & professional fees		0.04		0.00		0.10
Interest		0.88		5.18		1.92
Mach & bldg depreciation		2.63		9.96		5.92
Miscellaneous		0.54		0.59		0.90
Total overhead costs		6.23		18.94		11.80
Total listed costs		58.08		89.78		57.86
Net return		-7.71		-56.98		4.12
Est. labor hours per unit		0.56		1.77		0.86
Labor & management charge		5.08		11.23		9.09
Net return over lbr & mgt		-12.79		-68.21		-4.97
Other Information						
No. purchased or trans in		815		211		587
Number sold or trans out		885		235		573
Percentage death loss		4.0		5.8		2.1
Avg. daily gain (lbs)		1.21		1.12		1.45
Lbs of feed / lb of gain		3.61		4.64		3.30
Feed cost per cwt of gain		23.11		36.13		20.74
Feed cost/head sold+trans		43.63		59.43		40.72
Average purchase weight		50		43		49
Average sales weight		246		248		245
Avg purch price / head		41.22		42.46		37.35
Avg sales price / cwt		39.79		39.01		40.81

Table 12 - 5  
Livestock Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Farms sorted according to Return to Overhead per unit produced)

Hogs, Finish Feeder Pigs -- Average per cwt produced

Number of farms	Average For All Farms		Average For Low 20%		Average For High 20%	
	34		7		7	
	Quantity	Value	Quantity	Value	Quantity	Value
Finish Hogs sold (lb)	127.69	50.80	150.14	58.57	118.29	48.27
Transferred out (lb)	2.17	0.91	0.07	0.07	5.89	2.60
Cull sales (lb)	0.80	0.28	0.00	0.00	0.00	0.00
Butchered (lb)	0.08	0.03	0.56	0.19	0.14	0.05
Less purchased (lb)	-12.60	-10.38	-22.23	-21.83	-7.52	-5.79
Less transferred in (lb)	-8.03	-8.18	-1.84	-1.48	-16.86	-12.88
Inventory change (lb)	-10.10	-6.79	-26.70	-15.59	0.05	-0.68
Total production (lb)	100.00	26.67	100.00	19.94	100.00	31.57
Other income		0.01		0.00		0.00
Gross return		26.68		19.94		31.57
Direct costs						
Corn (bu.)	5.11	10.60	6.42	12.75	4.62	9.63
Complete Ration (lb.)	4.48	0.55	28.03	5.28	12.02	1.42
Protein Vit Minerals (lb.)	77.45	11.95	123.60	18.09	58.96	9.69
Veterinary		0.65		1.82		0.41
Livestock supplies		0.29		0.24		0.31
Fuel & oil		0.31		0.96		0.45
Repairs		0.82		2.28		0.79
Custom hire		0.43		0.00		0.42
Machinery & bldg leases		0.90		0.00		0.00
Livestock leases		0.21		0.00		0.00
Utilities		0.04		0.26		0.04
Marketing		0.04		0.00		0.03
Operating interest		0.66		1.37		0.27
Total direct costs		27.46		43.06		23.46
Return to overhead		-0.78		-23.12		8.11
Overhead costs						
Hired labor		0.27		0.22		0.50
Machinery & bldg leases		0.09		0.17		0.00
RE & pers. property taxes		0.10		0.15		0.16
Farm insurance		0.23		0.45		0.23
Utilities		0.44		0.96		0.62
Dues & professional fees		0.02		0.00		0.05
Interest		0.47		3.15		0.98
Mach & bldg depreciation		1.39		6.05		3.02
Miscellaneous		0.29		0.36		0.46
Total overhead costs		3.30		11.51		6.01
Total listed costs		30.76		54.57		29.47
Net return		-4.08		-34.64		2.10
Est. labor hours per unit		0.30		1.08		0.44
Labor & management charge		2.69		6.82		4.63
Net return over lbr & mgt		-6.77		-41.46		-2.53
Other Information						
No. purchased or trans in		815		211		587
Number sold or trans out		885		235		573
Percentage death loss		4.0		5.8		2.1
Avg. daily gain (lbs)		1.21		1.12		1.45
Lbs of feed / lb of gain		3.61		4.64		3.30
Feed cost per cwt of gain		23.11		36.13		20.74
Feed cost/head sold+trans		43.63		59.43		40.72
Average purchase weight		50		43		49
Average sales weight		246		248		245
Avg purch price / head		41.22		42.46		37.35
Avg sales price / cwt		39.79		39.01		40.81

Table 12 - 6  
Livestock Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
Beef Cow-Calf -- Average per Cow

Number of farms	Average For All Farms	
	Quantity	Value
	14	
Beef Calves sold (lb)	193.00	188.94
Transferred out (lb)	384.59	321.47
Cull sales (lb)	223.84	104.04
Butchered (lb)	3.98	2.08
Less purchased (lb)	-70.45	-85.15
Less transferred in (lb)	-156.67	-108.77
Inventory change (lb)	87.90	87.26
Total production (lb)	666.20	509.86
Other income		7.53
Gross return		517.40
Direct costs		
Corn (bu.)	18.05	36.39
Corn Silage (lb.)	6330.26	53.98
Corn, Ear (lb.)	35.54	0.89
Hay, Alfalfa (lb.)	2360.24	79.35
Hay, Grass & Other (lb.)	736.22	14.22
Haylage, Grass & Other (lb.)	111.70	1.95
Oats (bu.)	1.11	1.30
Pasture (aum)	5.05	46.12
Sorghum Silage (lb.)	834.38	7.09
Stover (lb.)	826.42	8.75
Wheat, Spring (bu.)	0.17	0.31
Protein Vit Minerals (lb.)	569.53	38.29
Other feed stuffs		0.20
Breeding fees		5.44
Veterinary		24.04
Livestock supplies		17.06
Fuel & oil		6.40
Repairs		12.86
Custom hire		8.99
Machinery & bldg leases		0.61
Marketing		0.26
Operating interest		11.71
Total direct costs		376.21
Return to overhead		141.18
Overhead costs		
Hired labor		13.24
RE & pers. property taxes		2.50
Farm insurance		3.25
Utilities		7.09
Dues & professional fees		0.38
Interest		7.54
Mach & bldg depreciation		28.87
Miscellaneous		11.10
Total overhead costs		73.98
Total listed costs		450.19
Net return		67.21
Est. labor hours per unit		8.11
Labor & management charge		50.21
Net return over lbr & mgt		16.99
Other Information		
Number of cows		84.4
Pregnancy percentage		96.5
Pregnancy loss percentage		1.4
Culling percentage		17.4
Calving percentage		95.1
Weaning percentage		89.2
Calves sold per cow		0.91
Calf death loss percent		5.2
Average weaning weight		529
Lbs weaned/exposed female		472
Feed cost per cow		288.85
Avg wgt/Beef Calf sold		1124
Avg price / cwt		97.89

Table 12 - 7  
Livestock Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Farms sorted according to Return to Overhead per unit produced)

All Beef Finish Calves -- Average per head sold/trans

Number of farms	Average For All Farms		Average For Low 20%		Average For High 20%	
	39		8		8	
	Quantity	Value	Quantity	Value	Quantity	Value
Finish Beef sold (lb)	1140.83	765.91	1201.46	775.28	1046.03	715.74
Transferred out (lb)	7.59	5.30	0.00	0.00	0.00	0.00
Butchered (lb)	3.21	2.08	8.28	5.33	1.37	0.91
Less purchased (lb)	-675.20	-526.85	-533.57	-418.36	-781.38	-586.01
Less transferred in (lb)	-19.19	-15.88	-15.15	-12.22	-4.20	-3.46
Inventory change (lb)	39.18	-14.22	-170.77	-218.81	159.70	96.14
Total production (lb)	496.43	216.34	490.24	131.22	421.53	223.31
Other income		6.54		0.00		10.94
Gross return		222.88		131.22		234.25
Direct costs						
Corn (bu.)	49.68	98.94	56.41	111.82	34.77	69.57
Corn Silage (lb.)	2031.85	17.08	1782.18	15.15	1216.02	8.26
Corn, Ear (lb.)	747.87	0.70	0.00	0.00	1861.34	1.75
Hay, Alfalfa (lb.)	232.98	7.53	109.88	3.85	263.92	7.99
Hay, Grass & Other (lb.)	56.33	1.37	228.34	7.30	27.81	0.39
Haylage, Alfalfa (lb.)	40.83	0.72	0.00	0.00	16.34	0.29
Haylage, Grass & Other (lb.)	3.01	0.05	0.00	0.00	0.00	0.00
Oatlage (lb.)	11.84	0.11	0.00	0.00	0.00	0.00
Oats (bu.)	0.15	0.18	0.15	0.16	0.13	0.13
Sorghum Silage (lb.)	95.89	1.23	0.00	0.00	3.75	0.03
Stover (lb.)	17.69	0.13	0.00	0.00	29.82	0.14
Complete Ration (lb.)	399.09	8.99	0.00	0.00	527.64	10.23
Protein Vit Minerals (lb.)	250.07	31.35	247.97	33.06	176.78	24.03
Veterinary		7.85		8.56		4.50
Livestock supplies		2.70		1.25		4.79
Fuel & oil		2.55		2.84		1.82
Repairs		5.86		4.10		5.34
Custom hire		9.95		23.93		9.16
Machinery & bldg leases		0.11		0.00		0.00
Marketing		1.05		0.23		0.14
Operating interest		16.92		29.02		10.71
Total direct costs		215.37		241.29		159.29
Return to overhead		7.50		-110.06		74.96
Overhead costs						
Hired labor		3.12		0.24		2.04
Machinery & bldg leases		0.67		4.00		0.00
RE & pers. property taxes		1.04		0.52		0.93
Farm insurance		1.69		0.61		1.27
Utilities		2.94		2.60		2.81
Dues & professional fees		0.16		0.36		0.09
Interest		4.12		2.93		2.71
Mach & bldg depreciation		18.39		6.85		24.88
Miscellaneous		2.21		2.10		1.24
Total overhead costs		34.33		20.21		35.97
Total listed costs		249.70		261.50		195.26
Net return		-26.82		-130.28		38.99
Est. labor hours per unit		2.16		2.53		1.44
Labor & management charge		13.77		30.99		7.33
Net return over lbr & mgt		-40.59		-161.27		31.65
Other Information						
No. purchased or trans in		499		181		1089
Number sold or trans out		476		238		933
Percentage death loss		0.6		0.5		0.4
Avg. daily gain (lbs)		2.27		2.23		2.30
Lbs of conc / lb of gain		6.88		6.96		6.45
Lbs of feed / lb of gain		8.97		8.86		8.18
Feed cost per cwt of gain		33.92		34.95		29.14
Feed cost/head sold+trans		168.39		171.33		122.82
Average purchase weight		668		730		673
Average sales weight		1152		1201		1046
Avg purch price / cwt		78.03		78.41		75.00
Avg sales price / cwt		67.14		64.53		68.42

Table 12 - 8  
Livestock Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
(Farms sorted according to Return to Overhead per unit produced)

All Beef Finish Calves -- Average per cwt produced

Number of farms	Average For All Farms		Average For Low 20%		Average For High 20%	
	39		8		8	
	Quantity	Value	Quantity	Value	Quantity	Value
Finish Beef sold (lb)	229.81	154.28	245.07	158.14	248.15	169.79
Transferred out (lb)	1.53	1.07	0.00	0.00	0.00	0.00
Butchered (lb)	0.65	0.42	1.69	1.09	0.33	0.22
Less purchased (lb)	-136.01	-106.13	-108.84	-85.34	-185.37	-139.02
Less transferred in (lb)	-3.86	-3.20	-3.09	-2.49	-1.00	-0.82
Inventory change (lb)	7.89	-2.86	-34.83	-44.63	37.89	22.81
Total production (lb)	100.00	43.58	100.00	26.77	100.00	52.98
Other income		1.32		0.00		2.60
Gross return		44.90		26.77		55.57
Direct costs						
Corn (bu.)	10.01	19.93	11.51	22.81	8.25	16.51
Corn Silage (lb.)	409.29	3.44	363.53	3.09	288.48	1.96
Corn, Ear (lb.)	150.65	0.14	0.00	0.00	441.57	0.42
Hay, Alfalfa (lb.)	46.93	1.52	22.41	0.78	62.61	1.89
Hay, Grass & Other (lb.)	11.35	0.28	46.58	1.49	6.60	0.09
Haylage, Alfalfa (lb.)	8.23	0.15	0.00	0.00	3.88	0.07
Haylage, Grass & Other (lb.)	0.61	0.01	0.00	0.00	0.00	0.00
Oatlage (lb.)	2.39	0.02	0.00	0.00	0.00	0.00
Oats (bu.)	0.03	0.04	0.03	0.03	0.03	0.03
Sorghum Silage (lb.)	19.32	0.25	0.00	0.00	0.89	0.01
Stover (lb.)	3.56	0.03	0.00	0.00	7.07	0.03
Complete Ration (lb.)	80.39	1.81	0.00	0.00	125.17	2.43
Protein Vit Minerals (lb.)	50.37	6.32	50.58	6.74	41.94	5.70
Veterinary		1.58		1.75		1.07
Livestock supplies		0.54		0.25		1.14
Fuel & oil		0.51		0.58		0.43
Repairs		1.18		0.84		1.27
Custom hire		2.00		4.88		2.17
Machinery & bldg leases		0.02		0.00		0.00
Marketing		0.21		0.05		0.03
Operating interest		3.41		5.92		2.54
Total direct costs		43.38		49.22		37.79
Return to overhead		1.51		-22.45		17.78
Overhead costs						
Hired labor		0.63		0.05		0.48
Machinery & bldg leases		0.14		0.81		0.00
RE & pers. property taxes		0.21		0.11		0.22
Farm insurance		0.34		0.12		0.30
Utilities		0.59		0.53		0.67
Dues & professional fees		0.03		0.07		0.02
Interest		0.83		0.60		0.64
Mach & bldg depreciation		3.70		1.40		5.90
Miscellaneous		0.44		0.43		0.29
Total overhead costs		6.91		4.12		8.53
Total listed costs		50.30		53.34		46.32
Net return		-5.40		-26.57		9.25
Est. labor hours per unit		0.43		0.52		0.34
Labor & management charge		2.77		6.32		1.74
Net return over lbr & mgt		-8.18		-32.90		7.51
Other Information						
No. purchased or trans in		499		181		1089
Number sold or trans out		476		238		933
Percentage death loss		0.6		0.5		0.4
Avg. daily gain (lbs)		2.27		2.23		2.30
Lbs of conc / lb of gain		6.88		6.96		6.45
Lbs of feed / lb of gain		8.97		8.86		8.18
Feed cost per cwt of gain		33.92		34.95		29.14
Feed cost/head sold+trans		168.39		171.33		122.82
Average purchase weight		668		730		673
Average sales weight		1152		1201		1046
Avg purch price / cwt		78.03		78.41		75.00
Avg sales price / cwt		67.14		64.53		68.42

Table 12 - 9  
Livestock Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association

Dairy -- Average per Cow

Number of farms	Average For All Farms	
	Quantity	Value
	13	
Milk sold (lb)	17906.29	2360.29
Milk used in home (lb)	82.90	10.66
Milk fed to animals (lb)	238.87	31.02
Dairy Calves sold (hd)	0.21	119.56
Transferred out (hd)	0.08	66.47
Cull sales (hd)	0.17	98.78
Butchered (hd)	0.01	6.83
Less purchased (hd)	-0.03	-30.86
Less transferred in (hd)	-0.30	-297.56
Inventory change (hd)	0.05	43.99
Total production		2409.17
Other income		11.40
Gross return		2420.57
Direct costs		
Corn (bu.)	101.27	202.56
Corn Silage (lb.)	12130.52	102.53
Corn, Ear (lb.)	12826.40	16.81
Hay, Alfalfa (lb.)	4571.34	163.30
Haylage, Alfalfa (lb.)	1620.26	37.32
Pasture (aum)	1.19	8.36
Speltz (bu.)	2.23	12.29
Complete Ration (lb.)	1210.49	64.63
Protein Vit Minerals (lb.)	1914.76	293.47
Other feed stuffs		26.69
Breeding fees		29.73
Veterinary		74.28
Livestock supplies		143.80
Fuel & oil		23.07
Repairs		98.05
Custom hire		38.39
Machinery & bldg leases		13.09
Marketing		27.51
Operating interest		11.38
Total direct costs		1387.25
Return to overhead		1033.33
Overhead costs		
Hired labor		130.16
Machinery & bldg leases		21.08
Farm insurance		19.93
Utilities		54.17
Dues & professional fees		14.80
Interest		17.93
Mach & bldg depreciation		138.25
Miscellaneous		39.38
Total overhead costs		435.69
Total listed costs		1822.94
Net return		597.63
Est. labor hours per unit		50.26
Labor & management charge		276.02
Net return over lbr & mgt		321.61
Other Information		
Avg. number of Cows		72.1
Milk produced per Cow		18228
Percent butterfat in milk		3.7
Culling percentage		17.5
Percent of barn capacity		109.9
Lbs. milk/lb grain & conc.		1.9
Feed cost per cwt of milk		5.09
Feed cost per Cow		927.96
Avg. milk price per cwt.		13.18

Table 12 - 10  
Livestock Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
Dairy Replacement Heifers -- Average per head sold/trans

Number of farms	Average For All Farms	
	Quantity	Value
	9	
Replacements sold (hd)	0.51	221.81
Transferred out (hd)	0.49	405.63
Cull sales (hd)	0.07	17.17
Butchered (hd)	0.01	5.58
Less purchased (hd)	-0.34	-245.78
Inventory change (hd)	0.10	105.03
Total production (hd)	0.00	509.44
Other income		0.00
Gross return		509.44
Direct costs	27.12	53.85
Corn (bu.)	9267.21	72.16
Corn Silage (lb.)	2160.66	2.16
Corn, Ear (lb.)	1843.28	63.32
Hay, Alfalfa (lb.)	735.41	13.94
Hay, Grass & Other (lb.)	184.20	6.45
Haylage, Alfalfa (lb.)	226.23	1.41
Oatlage (lb.)	4.98	5.65
Oats (bu.)	3.32	24.16
Pasture (aum)	153.93	3.50
Stover (lb.)	206.56	20.25
Complete Ration (lb.)	264.71	33.36
Milk (lb.)	367.88	58.87
Protein Vit Minerals (lb.)		0.22
Other feed stuffs		6.00
Breeding fees		15.27
Veterinary		16.03
Livestock supplies		7.72
Fuel & oil		35.52
Repairs		2.82
Custom hire		1.97
Machinery & bldg leases		3.36
Operating interest		447.98
Total direct costs		61.46
Return to overhead		
Overhead costs		34.29
Hired labor		10.11
Machinery & bldg leases		1.63
RE & pers. property taxes		6.07
Farm insurance		18.60
Utilities		7.41
Dues & professional fees		8.64
Interest		51.83
Mach & bldg depreciation		3.23
Miscellaneous		141.82
Total overhead costs		589.80
Total listed costs		-80.37
Net return		
Est. labor hours per unit		13.23
Labor & management charge		81.15
Net return over lbr & mgt		-161.51
Other Information		23
No. purchased or trans in		68
Number sold or trans out		8.4
Percentage death loss		359.29
Feed cost/head sold+trans		594
Avg. purchase weight		434
Avg. sales weight		727.81
Avg. purch price / head		433.67
Avg. sales price / head		

Table 12 - 11  
Livestock Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association  
Dairy and Repl Heifers -- Average per Cow

Number of farms	Average For All Farms	
	Quantity	Value
	8	
Milk sold (lb)	19307.87	2572.40
Milk used in home (lb)	54.64	7.16
Milk fed to animals (lb)	336.40	43.98
Dairy Calves sold (hd)	0.54	163.57
Transferred out (hd)	0.50	411.50
Cull sales (hd)	0.23	107.10
Butchered (hd)	0.02	9.90
Less purchased (hd)	-0.20	-170.89
Less transferred in (hd)	-0.37	-363.05
Inventory change (hd)	0.10	124.59
Total production		2906.27
Other income		17.78
Gross return		2924.05
Direct costs		
Corn (bu.)	134.44	266.98
Corn Silage (lb.)	19027.11	154.11
Corn, Ear (lb.)	21912.52	21.91
Hay, Alfalfa (lb.)	5792.45	201.82
Haylage, Alfalfa (lb.)	974.29	34.10
Pasture (aum)	5.24	37.55
Speltz (bu.)	3.48	19.16
Complete Ration (lb.)	1146.18	105.25
Milk (lb.)	268.54	33.84
Protein Vit Minerals (lb.)	2369.58	370.88
Other feed stuffs		33.03
Breeding fees		35.49
Veterinary		91.00
Livestock supplies		184.35
Fuel & oil		27.20
Repairs		157.97
Custom hire		52.30
Machinery & bldg leases		22.40
Marketing		28.94
Total direct costs		1878.29
Return to overhead		1045.75
Overhead costs		
Hired labor		167.96
Machinery & bldg leases		43.09
Farm insurance		26.42
Utilities		74.26
Dues & professional fees		30.37
Interest		31.35
Mach & bldg depreciation		212.54
Miscellaneous		18.61
Total overhead costs		604.61
Total listed costs		2482.90
Net return		441.15
Est. labor hours per unit		62.91
Labor & management charge		371.24
Net return over lbr & mgt		69.91
Other Information		
Avg. number of Cows		75.2
Milk produced per Cow		19699
Percent butterfat in milk		3.6
Culling percentage		22.8
Percent of barn capacity		100.6
Lbs. milk/lb grain & conc.		1.6
Feed cost per cwt of milk		6.49
Feed cost per Cow		1278.62
Avg. milk price per cwt.		13.32



Table 12 - 12  
Livestock Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association

Dairy Steers -- Average per head sold/trans

	Average For All Farms	
	7	
Number of farms	Quantity	Value
Dairy Steers sold (lb)	1268.53	756.59
Butchered (lb)	14.03	8.30
Less purchased (lb)	-78.77	-79.86
Less transferred in (lb)	-132.59	-73.94
Inventory change (lb)	-581.78	-445.09
Total production (lb)	489.42	166.01
Other income		0.00
Gross return		166.01
Direct costs	79.49	168.18
Corn (bu.)	822.07	6.99
Corn Silage (lb.)	211.91	6.39
Hay, Alfalfa (lb.)	49.32	1.23
Hay, Grass & Other (lb.)	62.11	1.12
Stover (lb.)	369.97	56.21
Protein Vit Minerals (lb.)		11.56
Veterinary		5.06
Livestock supplies		2.78
Fuel & oil		5.83
Repairs		1.82
Custom hire		3.76
Marketing		1.33
Operating interest		272.29
Total direct costs		-106.28
Return to overhead		
Overhead costs		7.67
Hired labor		1.01
RE & pers. property taxes		4.17
Farm insurance		6.07
Utilities		0.04
Dues & professional fees		5.67
Interest		20.11
Mach & bldg depreciation		2.56
Miscellaneous		47.32
Total overhead costs		319.61
Total listed costs		-153.60
Net return		5.48
Est. labor hours per unit		40.31
Labor & management charge		-193.91
Net return over lbr & mgt		
Other Information		40
No. purchased or trans in		78
Number sold or trans out		2.8
Percentage death loss		1.60
Avg. daily gain (lbs)		9.64
Lbs of conc / lb of gain		10.83
Lbs of feed / lb of gain		49.06
Feed cost per cwt of gain		240.14
Feed cost/head sold+trans		249
Average purchase weight		1269
Average sales weight		252.68
Avg purch price / head		59.64
Avg sales price / cwt		

Table 12 - 13  
Livestock Enterprise Analysis, 1994  
Southwest Minnesota Farm Business Management Association

Dairy Steers -- Average per cwt produced

Number of farms	Average For All Farms	
	Quantity	Value
	7	
Dairy Steers sold (lb)	259.19	154.59
Butchered (lb)	2.87	1.70
Less purchased (lb)	-16.09	-16.32
Less transferred in (lb)	-27.09	-15.11
Inventory change (lb)	-118.87	-90.94
Total production (lb)	100.00	33.92
Other income		0.00
Gross return		33.92
Direct costs		
Corn (bu.)	16.24	34.36
Corn Silage (lb.)	167.97	1.43
Hay, Alfalfa (lb.)	43.30	1.31
Hay, Grass & Other (lb.)	10.08	0.25
Stover (lb.)	12.69	0.23
Protein Vit Minerals (lb.)	75.59	11.49
Veterinary		2.36
Livestock supplies		1.03
Fuel & oil		0.57
Repairs		1.19
Custom hire		0.37
Marketing		0.77
Operating interest		0.27
Total direct costs		55.63
Return to overhead		-21.72
Overhead costs		
Hired labor		1.57
RE & pers. property taxes		0.21
Farm insurance		0.85
Utilities		1.24
Interest		1.16
Mach & bldg depreciation		4.11
Miscellaneous		0.52
Total overhead costs		9.67
Total listed costs		65.30
Net return		-31.38
Est. labor hours per unit		1.12
Labor & management charge		8.24
Net return over lbr & mgt		-39.62
Other Information		
No. purchased or trans in		40
Number sold or trans out		78
Percentage death loss		2.8
Avg. daily gain (lbs)		1.60
Lbs of conc / lb of gain		9.64
Lbs of feed / lb of gain		10.83
Feed cost per cwt of gain		49.06
Feed cost/head sold+trans		240.14
Average purchase weight		249
Average sales weight		1269
Avg purch price / head		252.68
Avg sales price / cwt		59.64

TABLE 13  
PRICES USED IN ANALYSIS - 1994  
SOUTHWESTERN FARM BUSINESS MANAGEMENT ASSOCIATION

<u>Item</u>	<u>Beginning Inventory</u>	<u>Feed</u>	<u>Harvest</u>	<u>Ending Inventory</u>
Corn/bu.	2.50	2.00	1.80	1.80
Oats/bu.	1.25	1.10	1.10	1.10
Wheat/bu.	4.00	3.50	3.25	3.75
Soybeans/bu.	6.50	5.50	5.00	5.15
Alfalfa hay/t.	70.00	70.00	70.00	70.00
Haylage/t.	35.00	35.00	35.00	35.00
Other hay/t.	60.00	60.00	60.00	60.00
Corn silage/t.	17.00	17.00	17.00	17.00
Grass silage/t.	13.00	13.00	13.00	13.00
Oat silage/t.	14.00	14.00	14.00	14.00
Oat straw/bale	1.50	1.50	1.50	1.50
Green chop/t.		14.00		
Cornstalks/t.		7.00		
Def.Pmt.Corn/A	.00		.60	.40
Def.Pmt.Wheat/A	.00		.35	.00
CCC Corn loan equity	.90	(for cash basis only)		.05
CCC Soybean loan equity	1.75	(for cash basis only)		.40

Corn and wheat setaside income/acre calculation: (ASCS yield X 85% of crop base X estimated deficiency payment)

The value of harvested crop on setaside acres is included as "other income" on the setaside enterprise.

To correct for low test weights on corn use: Bu. X test weight/56 lbs.

Pasture/head/month:

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/gal.
Value of milk fed calves	\$1.50/gallon

Value of operator's labor      \$25,000

Suggested land market value by county:

Cottonwood	1,500
Jackson	1,500
Faribault	1,800
Martin	1,600
Murray	800
Nobles	1,200
Pipestone	700
Redwood	1,400
Watonwan	1,600

Land prices may be modified according to each farm situation. Building and dwelling valuations should be 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 1993 \$)" using the Consumer Price Index (CPI-U) from the U.S. Department of Commerce. This shows the changes in "buying power" for the farmers.

The debt-to-asset percentage measures the degree to which assets are financed by external sources. The year-end total assets is divided by year-end total liabilities to obtain this measure. The Southwestern Association used a "conservative market value" for land from 1979 to 1992, but switched to a (full) market value 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>	<u>Adjusted CPI-U</u> <u>1994=100</u>
1980	82.4	55.6
1981	90.9	61.4
1982	96.5	65.1
1983	99.6	67.2
1984	103.8	70.1
1985	107.5	72.6
1986	109.6	74.0
1987	113.6	76.7
1988	118.3	79.9
1989	124.0	83.7
1990	130.7	88.3
1991	136.2	92.0
1992	140.3	94.7
1993	144.5	97.6
1994	148.1	100.0

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

Items	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
Number of Farms	170	172	180	182	168	180	182	178	202	203	200	207	201	202	202
<b>Farm Income Statement</b>															
Gross Cash Farm Income	236,231	261,766	247,413	251,287	259,338	237,875	246,048	254,004	262,229	265,019	281,839	288,031	301,907	298,705	300,175
Total Cash Farm Expense	193,190	210,323	205,451	191,634	217,464	185,864	189,097	196,046	206,433	204,939	222,201	221,385	236,768	242,816	256,246
Inventory Change	.	.	.	(1,304)	1,234	(15,056)	1,798	31,353	20,577	11,788	22,242	(10,822)	(429)	4,474	9,254
Depr. & Cap Adj	.	.	.	(30,286)	(33,093)	(31,468)	(26,656)	(25,906)	(21,370)	(21,709)	(26,876)	(26,122)	(27,051)	(28,897)	(27,268)
Net Farm Income	46,713	2,272	25,838	27,844	9,872	5,487	32,093	63,404	55,004	50,159	65,004	28,702	37,659	31,567	31,915
Net Farm Income (Constant 1993 \$)	83,996	3,701	39,662	41,409	14,082	7,557	43,368	82,660	68,860	59,908	73,658	32,297	38,753	32,353	31,915
<b>Profitability and Liquidity Analysis</b>															
Labor and Management Earnings	16,210	(25,623)	13,491	(35,799)	(8,161)	(5,860)	21,241	51,592	39,866	33,078	47,215	11,281	19,467	16,681	16,949
Rate of return on:															
Average Assets (%)	7	2	6	6	4	4	9	16	13	10	12	5	7	5	5
Average Equity (%)	6	(2)	3	3	(2)	(4)	9	24	16	11	15	3	6	2	3
Operating Profit Margin (%)	35	12	28	19	11	10	18	28	22	19	23	12	14	12	12
Asset Turnover Rate (%)	20	14	22	31	35	40	52	63	56	49	53	43	48	40	41
Value of Farm Production	148,445	114,372	147,570	201,051	206,568	185,740	211,530	246,235	248,893	233,867	264,282	225,829	244,243	191,194	207,729
Farm Interest Paid	19,830	26,187	30,317	27,769	29,498	26,700	21,448	15,983	14,546	15,469	17,128	17,081	17,943	15,667	17,837
Cash Expense as a % of Income	82	80	83	78	84	78	77	77	79	77	76	77	76	82	84
Interest Paid as a % of:															
Gross Cash Income	8	10	12	11	11	11	9	6	6	6	6	6	6	5	6
Total Cash Expenses	10	12	15	14	14	14	11	8	7	8	8	8	8	7	7
Yrs to T/O Non R.E. Debt	.	.	.	3	7	2	2	2	1	2	2	3	3	2	3
<b>Comparative Financial Statement (Cost Basis)</b>															
No. of Sole Proprietors	107	104	143	162	147	160	161	164	182	179	180	187	180	178	179
Total Ending Assets	755,354	849,984	686,198	728,302	669,773	508,552	462,043	439,918	468,616	506,988	557,912	579,629	598,525	844,030	801,807
Total Ending Liabilities	211,385	233,068	252,574	281,999	304,940	255,031	211,411	180,785	172,714	186,956	202,628	216,189	227,131	396,898	431,380
Ending Net Worth	543,969	616,916	433,624	446,303	364,833	253,521	250,632	259,133	295,902	320,032	355,284	363,440	369,394	447,132	470,418
Ending Farm C + I Debt to Asset %	39	39	45	51	55	51	43	37	35	35	36	41	44	38	39
Ending Total Debt to Asset %	28	27	37	39	46	50	46	41	37	37	38	37	38	47	48
<b>Acreage Information</b>															
Total Acres Owned	226	266	244	.	250	249	231	222	222	237	237	241	251	252	267
Total Crop Acres Famed	469	478	480	.	519	552	540	520	525	568	581	570	586	600	612
Crop Acres Owned	198	234	206	.	206	212	191	180	188	199	181	200	203	204	204
Crop Acres Cash Rented	.	.	.	.	208	237	236	231	236	269	275	274	268	269	323
Crop Acres Share Rented	.	.	.	.	104	103	113	108	101	100	95	98	86	87	86
<b>Crop Yields</b>															
Corn per acre	110	126	128	88	113	124	138	138	89	141	128	125	128	81	143
Soybean per acre	37	39	40	35	38	35	39	44	32	43	45	38	36	20	46
<b>Crop Prices Received (cash sales)</b>															
Corn per Bushel	2.44	2.83	2.23	.	2.88	2.35	2.03	1.53	2.08	2.20	2.30	2.28	2.20	2.11	2.24
Soybeans per Bushel	6.36	6.95	5.63	.	7.12	5.38	5.01	4.89	6.80	6.57	5.69	5.41	5.39	5.84	5.64
<b>Household Information</b>															
No. Farms Reporting HseHld Info	71	84	96	96	89	96	101	102	120	129	128	145	136	131	134
Average Family Size	4.0	4.0	4.0	.	3.7	3.9	3.6	3.7	3.8	3.9	3.9	4.0	4.1	3.9	3.8
Total Family Use of Cash	30,078	32,664	29,981	35,660	29,540	28,701	28,027	30,729	37,556	44,214	46,587	48,911	45,638	45,897	42,179
Average Net Nonfarm Income	4,524	7,048	9,385	.	11,262	8,445	8,580	7,787	6,890	11,973	12,135	10,803	12,329	12,354	13,515

TABLE 15  
County Report, 1994  
Southwest Minnesota Farm Business Management Association

	Average For All Farms	Cottonwood	Jackson	Pipestone	Nobles	Redwood	Faribault Martin Watonswan	Lyon Murray
Number of farms	192	34	28	15	41	32	16	26
<b>Income Statement</b>								
Gross cash farm income	308185	448075	245200	355904	263023	260902	374703	254026
Total cash farm expense	257848	367618	194825	329286	225231	194072	327157	228235
Net cash farm income	50337	80457	50375	26618	37792	66830	47546	25791
Inventory change	9521	-5945	-10312	18627	25553	-5463	14785	35775
Depreciation and capital adjustment	-27688	-37021	-26204	-28571	-26409	-22029	-28254	-24591
Net farm income	32170	37490	13859	16674	36936	39339	33077	36975
<b>Profitability (cost)</b>								
Labor and management earnings	17200	18548	-4526	6484	24728	24155	21858	21719
Rate of return on assets	5 %	6 %	1 %	3 %	7 %	6 %	7 %	5 %
Rate of return on equity	3 %	4 %	-3 %	-3 %	7 %	6 %	6 %	3 %
Operating profit margin	13 %	15 %	2 %	9 %	13 %	16 %	17 %	12 %
Asset turnover rate	41 %	37 %	37 %	35 %	50 %	39 %	44 %	44 %
<b>Profitability (market)</b>								
Labor and management earnings	19838	13858	6467	21054	16964	30804	25262	29050
Rate of return on assets	5 %	4 %	3 %	5 %	4 %	6 %	6 %	5 %
Rate of return on equity	5 %	3 %	2 %	6 %	3 %	7 %	7 %	6 %
Operating profit margin	17 %	17 %	12 %	21 %	12 %	24 %	21 %	19 %
Asset turnover rate	27 %	25 %	24 %	25 %	33 %	23 %	29 %	28 %
<b>Liquidity</b>								
Term debt coverage ratio	272 %	242 %	189 %	- %	12195 %	161 %	193 %	264 %
Expense as a percent of income	82 %	84 %	84 %	88 %	79 %	77 %	84 %	79 %
Interest as a percent of income	6 %	6 %	6 %	5 %	5 %	7 %	7 %	5 %
<b>Solvency (cost)</b>								
Number of sole proprietors	171	31	26	11	36	30	15	22
Ending farm assets	499738	681805	473099	391963	475773	465210	481069	427591
Ending farm liabilities	263136	361502	187392	248072	262221	226191	284420	258938
Ending total assets	599491	757885	614100	526929	552754	592067	562863	506891
Ending total liabilities	267679	361733	191253	248072	269426	233336	291109	263272
Ending net worth	331812	396151	422846	278857	283328	358731	271754	243620
Net worth change	9025	12149	237	2546	14512	17117	10426	-2722
Ending farm debt to asset ratio	53 %	53 %	40 %	63 %	55 %	49 %	59 %	61 %
Beg total debt to asset ratio	44 %	49 %	31 %	43 %	45 %	40 %	52 %	49 %
End total debt to asset ratio	45 %	48 %	31 %	47 %	49 %	39 %	52 %	52 %

TABLE 15  
County Report, 1994  
Southwest Minnesota Farm Business Management Association

	Average For All Farms	Cottonwood	Jackson	Pipestone	Nobles	Redwood	Faribault Martin Watsonwan	Lyon Murray
Number of farms	192	34	28	15	41	32	16	26
Solvency (market)								
Number of sole proprietors	171	31	26	11	36	30	15	22
Ending farm assets	785882	1011129	751354	544786	719618	821703	760134	706986
Ending farm liabilities	414658	539723	339193	347988	403805	394495	419858	402659
Ending total assets	905622	1096043	913217	700894	830103	981663	848126	789781
Ending total liabilities	434303	548987	348337	354915	441865	423419	430767	418871
Ending net worth	471320	547056	564880	345979	388238	558244	417359	370909
Net worth change	19049	18923	20192	1435	15105	30562	21997	15431
Ending farm debt to asset ratio	53 %	53 %	45 %	64 %	56 %	48 %	55 %	57 %
Beg total debt to asset ratio	48 %	51 %	39 %	48 %	50 %	43 %	52 %	51 %
End total debt to asset ratio	48 %	50 %	38 %	51 %	53 %	43 %	51 %	53 %
Nonfarm Information								
Farms reporting living expenses	166	31	23	11	36	29	15	21
Total family living expense	29774	27060	29991	24790	32898	28831	29896	32014
Total living, invest, & capital purch	43140	40757	48825	47157	46807	39350	40307	39301
Net nonfarm income	12594	10235	17287	14112	11688	12325	13570	10905
Crop Acres								
Total acres owned	265	349	266	169	198	308	240	278
Total crop acres	618	701	601	343	596	647	623	684
Total crop acres owned	207	275	152	129	173	271	215	190
Total crop acres cash rented	322	364	328	133	351	252	368	379
Total crop acres share rented	90	62	121	82	72	124	41	115

TABLE 16  
Size Of Farm Report, 1994  
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	202	20	70	82	27
<b>Income Statement</b>					
Gross cash farm income	306175	81044	153591	296953	928056
Total cash farm expense	256246	72335	122834	242932	802916
Net cash farm income	49928	8709	30756	54021	125140
Inventory change	9254	20624	18260	7083	-18963
Depreciation and capital adjustment	-27268	-14362	-18749	-26250	-64188
Net farm income	31915	14972	30268	34853	41989
<b>Profitability (cost)</b>					
Labor and management earnings	16949	1187	18354	20986	13677
Rate of return on assets	5 %	0 %	5 %	6 %	6 %
Rate of return on equity	3 %	-3 %	3 %	4 %	3 %
Operating profit margin	12 %	1 %	11 %	13 %	15 %
Asset turnover rate	41 %	28 %	42 %	46 %	37 %
<b>Profitability (market)</b>					
Labor and management earnings	19145	-7566	21999	25052	16432
Rate of return on assets	4 %	-0 %	4 %	5 %	5 %
Rate of return on equity	4 %	-2 %	5 %	6 %	4 %
Operating profit margin	17 %	-0 %	18 %	17 %	18 %
Asset turnover rate	27 %	16 %	24 %	30 %	27 %
<b>Liquidity</b>					
Term debt coverage ratio	264 %	323 %	287 %	243 %	252 %
Expense as a percent of income	82 %	72 %	72 %	80 %	89 %
Interest as a percent of income	6 %	8 %	6 %	6 %	5 %
<b>Solvency (cost)</b>					
Number of sole proprietors	179	20	64	74	18
Ending farm assets	499175	341377	390553	510221	1079691
Ending farm liabilities	261059	114369	195504	278810	617590
Ending total assets	596419	450851	491103	608939	1152051
Ending total liabilities	265430	117337	198559	285616	617590
Ending net worth	330990	333514	292544	323323	534461
Net worth change	8731	12677	13987	4701	3014
Ending farm debt to asset ratio	52 %	34 %	50 %	55 %	57 %
Beg total debt to asset ratio	44 %	25 %	39 %	45 %	54 %
End total debt to asset ratio	45 %	26 %	40 %	47 %	54 %



TABLE 16  
Size Of Farm Report, 1994  
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	202	20	70	82	27
Solvency (market)					
Number of sole proprietors	179	20	64	74	18
Ending farm assets	785123	591458	666791	792376	1471826
Ending farm liabilities	412509	224512	329078	436450	865968
Ending total assets	901807	712144	791182	911093	1557167
Ending total liabilities	431390	243499	350980	456805	866280
Ending net worth	470418	468646	440203	454289	690887
Net worth change	18297	11886	25767	16646	9617
Ending farm debt to asset ratio	53 %	38 %	49 %	55 %	59 %
Beg total debt to asset ratio	47 %	33 %	43 %	49 %	57 %
End total debt to asset ratio	48 %	34 %	44 %	50 %	56 %
Nonfarm Information					
Farms reporting living expenses	174	20	61	73	17
Total family living expense	29359	24010	29283	31302	29428
Total living, invest, & capital purch	42622	40479	40748	43631	50744
Net nonfarm income	12381	25881	17772	7182	4176
Crop Acres					
Total acres owned	267	278	254	249	366
Total crop acres	612	337	501	665	991
Total crop acres owned	204	192	191	187	315
Total crop acres cash rented	323	125	227	375	581
Total crop acres share rented	86	20	82	103	95

TABLE 17  
Type Of Farm Report, 1994  
Southwest Minnesota Farm Business Management Association

	Average For All Farms	Crop	Dairy	Hog	Beef	Crop and Dairy	Crop and Hog	Crop and Beef	Other
Number of farms	202	36	5	11	14	5	54	17	60
<b>Income Statement</b>									
Gross cash farm income	306175	160434	269949	373918	880173	303408	275902	420174	245462
Total cash farm expense	256246	121904	230204	310152	828328	216851	223072	325302	209228
Net cash farm income	9254	38529	39745	63766	51846	86557	52830	84872	36234
Inventory change	9254	24037	36053	-4190	23802	14696	7244	-38875	12214
Depreciation and capital adjustment	-27268	-16917	-22704	-45882	-47531	-22377	-26067	-25118	-27816
Net farm income	31915	45650	53093	13695	28117	78876	34007	30880	20632
<b>Profitability (cost)</b>									
Labor and management earnings	16949	28670	42335	-3741	5117	51456	22341	11898	8056
Rate of return on assets	5 %	7 %	9 %	1 %	5 %	10 %	6 %	5 %	3 %
Rate of return on equity	3 %	7 %	10 %	-3 %	2 %	11 %	5 %	1 %	-1 %
Operating profit margin	12 %	17 %	12 %	3 %	17 %	20 %	13 %	14 %	8 %
Asset turnover rate	41 %	40 %	70 %	39 %	29 %	50 %	49 %	36 %	41 %
<b>Profitability (market)</b>									
Labor and management earnings	19145	32075	30647	-146	-8258	53767	26595	21617	10123
Rate of return on assets	4 %	6 %	4 %	2 %	3 %	7 %	6 %	5 %	3 %
Rate of return on equity	4 %	7 %	4 %	-1 %	1 %	10 %	7 %	5 %	2 %
Operating profit margin	17 %	25 %	10 %	6 %	17 %	21 %	17 %	21 %	13 %
Asset turnover rate	27 %	23 %	44 %	29 %	20 %	34 %	34 %	23 %	25 %
<b>Liquidity</b>									
Term debt coverage ratio	264 %	325 %	253 %	283 %	210 %	352 %	238 %	219 %	285 %
Expense as a percent of income	82 %	67 %	75 %	84 %	92 %	69 %	79 %	86 %	82 %
Interest as a percent of income	6 %	5 %	5 %	4 %	5 %	4 %	7 %	7 %	6 %
<b>Solvency (cost)</b>									
Number of sole proprietors	179	32	3	7	13	4	49	15	56
Ending farm assets	499175	464590	-	628511	967586	-	426576	594006	444969
Ending farm liabilities	261059	173355	-	249158	563588	-	241688	302822	247996
Ending total assets	596419	555812	-	765806	1041858	-	516054	683452	558277
Ending total liabilities	265430	174343	-	249704	564776	-	248245	307355	254010
Ending net worth	330990	381469	-	516103	477082	-	267809	376097	304267
Net worth change	8731	29891	-	-7942	-1407	-	10758	4397	1461
Ending farm debt to asset ratio	52 %	37 %	60 %	40 %	58 %	74 %	57 %	51 %	56 %
Beg total debt to asset ratio	44 %	33 %	44 %	32 %	53 %	62 %	47 %	48 %	42 %
End total debt to asset ratio	45 %	31 %	52 %	33 %	54 %	61 %	48 %	45 %	45 %

TABLE 17  
Type Of Farm Report, 1994  
Southwest Minnesota Farm Business Management Association

	Average For All Farms	Crop	Dairy	Hog	Beef	Crop and Dairy	Crop and Hog	Crop and Beef	Other
Number of farms	202	36	5	11	14	5	54	17	60
Solvency (market)									
Number of sole proprietors	179	32	3	7	13	4	49	15	56
Ending farm assets	785123	812741	-	872659	1412837	-	630190	901187	732195
Ending farm liabilities	412509	334602	-	431922	801334	-	356626	480163	396262
Ending total assets	901807	917151	-	1026087	1493642	-	742679	999946	872799
Ending total liabilities	431390	347605	-	429294	812218	-	381584	490309	420638
Ending net worth	470418	569546	-	596793	681424	-	361095	509638	452161
Net worth change	18297	38581	-	2985	-2402	-	18203	24496	14111
Ending farm debt to asset ratio	53 %	41 %	59 %	49 %	57 %	63 %	57 %	53 %	54 %
Beg total debt to asset ratio	47 %	39 %	49 %	43 %	53 %	57 %	50 %	52 %	47 %
End total debt to asset ratio	48 %	38 %	56 %	42 %	54 %	56 %	51 %	49 %	48 %
Nonfarm Information									
Farms reporting living expenses	174	30	3	6	13	4	49	14	55
Total family living expense	29359	27741	-	40332	30886	-	30924	24411	29345
Total living, invest, & capital purch	42622	41093	-	70029	49526	-	38399	35039	46378
Net nonfarm income	12381	17054	-21304	8664	7992	6431	9269	12258	17420
Crop Acres									
Total acres owned	267	327	215	124	429	281	201	318	268
Total crop acres	612	634	459	345	741	745	654	761	539
Total crop acres owned	204	276	146	121	319	124	166	313	162
Total crop acres cash rented	323	295	300	213	364	450	381	414	264
Total crop acres share rented	86	63	12	11	58	171	108	34	113

TABLE 18  
Age Of Operator Report, 1994  
Southwest Minnesota Farm Business Management Association

	Average For All Farms	Under 31	31 - 40	41 - 50	51 - 60	Over 60
Number of farms	201	15	56	59	48	23
<b>Income Statement</b>						
Gross cash farm income	303710	194655	311492	331057	340213	209558
Total cash farm expense	253800	170327	256605	278491	304701	131847
Net cash farm income	49910	24328	54887	52566	35512	77711
Inventory change	9287	21918	-1273	17637	21082	-19280
Depreciation and capital adjustment	-27103	-16918	-24929	-30051	-29223	-27049
Net farm income	32094	29328	28685	40152	27371	31383
<b>Profitability (cost)</b>						
Labor and management earnings	17133	23627	20144	23805	6304	11047
Rate of return on assets	5 %	7 %	6 %	6 %	4 %	4 %
Rate of return on equity	3 %	6 %	4 %	5 %	1 %	2 %
Operating profit margin	12 %	12 %	12 %	13 %	11 %	13 %
Asset turnover rate	41 %	58 %	51 %	45 %	32 %	31 %
<b>Profitability (market)</b>						
Labor and management earnings	19526	20132	31476	26576	-76	12855
Rate of return on assets	4 %	5 %	7 %	5 %	3 %	4 %
Rate of return on equity	5 %	3 %	10 %	6 %	1 %	4 %
Operating profit margin	17 %	10 %	19 %	17 %	14 %	24 %
Asset turnover rate	27 %	46 %	36 %	31 %	19 %	16 %
<b>Liquidity</b>						
Term debt coverage ratio	262 %	442 %	236 %	279 %	260 %	190 %
Expense as a percent of income	82 %	79 %	83 %	80 %	85 %	70 %
Interest as a percent of income	6 %	6 %	6 %	5 %	5 %	8 %
<b>Solvency (cost)</b>						
Number of sole proprietors	179	12	50	51	45	21
Ending farm assets	499175	303050	384074	535603	629796	516921
Ending farm liabilities	261059	181274	265673	297591	272896	181583
Ending total assets	596419	330149	441397	637093	737900	715723
Ending total liabilities	265430	183492	271827	304571	274719	182056
Ending net worth	330990	146657	169570	332522	463181	533667
Net worth change	8731	27847	8960	8680	7876	-780
Ending farm debt to asset ratio	52 %	60 %	69 %	56 %	43 %	35 %
Beg total debt to asset ratio	44 %	57 %	62 %	47 %	35 %	25 %
End total debt to asset ratio	45 %	56 %	62 %	48 %	37 %	25 %

TABLE 18  
Age Of Operator Report, 1994  
Southwest Minnesota Farm Business Management Association

	Average For All Farms	Under 31	31 - 40	41 - 50	51 - 60	Over 60
Number of farms	201	15	56	59	48	23
Solvency (market)						
Number of sole proprietors	179	12	50	51	45	21
Ending farm assets	785123	374264	540233	791027	1036823	1049277
Ending farm liabilities	412509	236703	355918	449281	472491	429870
Ending total assets	901807	408666	600051	914139	1184073	1267263
Ending total liabilities	431390	254202	371230	469689	498561	438926
Ending net worth	470418	154464	228821	444450	685512	828337
Net worth change	18297	22428	18985	17942	16812	18347
Ending farm debt to asset ratio	53 %	63 %	66 %	57 %	46 %	41 %
Beg total debt to asset ratio	47 %	62 %	63 %	51 %	40 %	35 %
End total debt to asset ratio	48 %	62 %	62 %	51 %	42 %	35 %
Nonfarm Information						
Farms reporting living expenses	174	12	50	48	44	20
Total family living expense	29359	19136	29153	32923	28118	30183
Total living, invest, & capital purch	42622	23288	37674	42847	45905	58827
Net nonfarm income	12442	13671	8945	13874	13588	14091
Crop Acres						
Total acres owned	268	60	146	256	394	472
Total crop acres	613	379	625	734	600	450
Total crop acres owned	203	39	123	218	306	258
Total crop acres cash rented	323	306	408	416	206	135
Total crop acres share rented	86	34	94	101	88	58