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1997

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 P98-3
Department of Applied Economics
University of Minnesota
St. Paul, MN 55108
April 1998

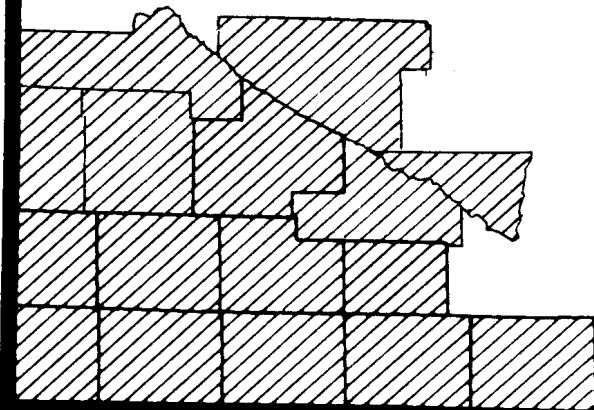


Figure 2. Farm Income Sources
Southwestern Minnesota Association

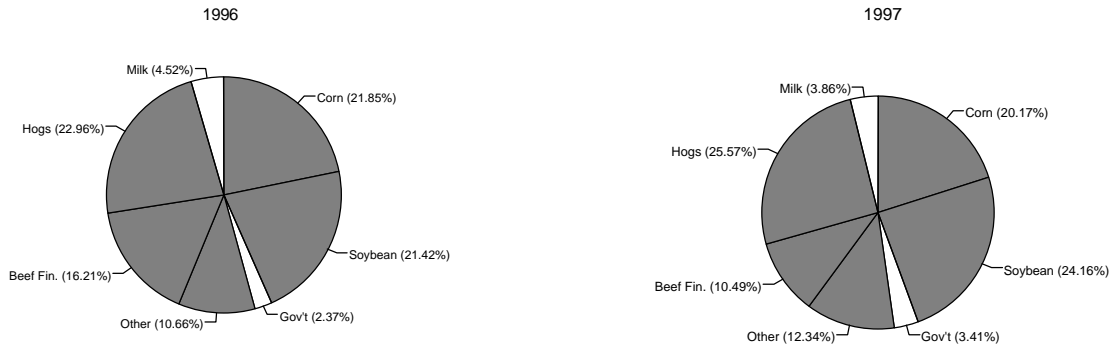
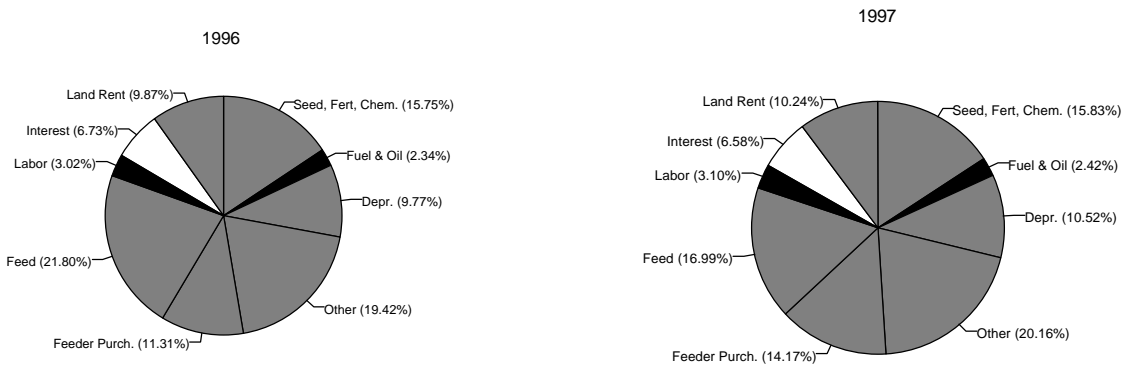


Figure 3. Farm Expense Sources
Southwestern Minnesota Association



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EXECUTIVE SUMMARY

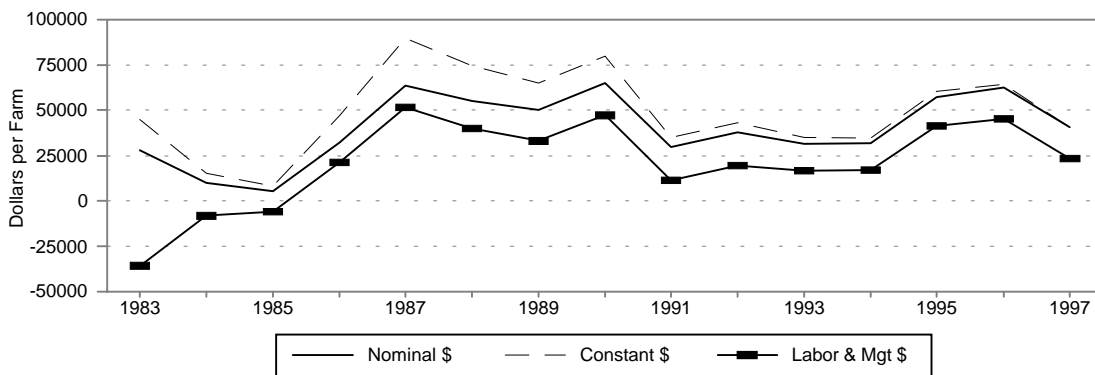
1997 ANNUAL REPORT OF THE SOUTHWESTERN MINNESOTA FARM BUSINESS MANAGEMENT ASSOCIATION

by

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

For the Southwestern Association, average net farm income was \$40,598 in 1997 for the 208 farms included in this report (Table 1, pages 10-11). This is a decrease of 35% from 1996 continuing the pattern of large swings in income (Figure 1). Since costs changed very little, almost all of the decrease can be attributed to a decrease in gross income, specifically to decreases in the sales of corn and finished beef. (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.) After subtracting an opportunity cost for equity capital, labor and management earnings follow a similar but lower pattern (Table 4, p. 14).

Figure 1. Average Net Farm Income



As in previous years, the actual profit levels experienced by individual farms vary greatly from the overall average profit. The high 20% of these farms had an average profit of \$118,724 which is a decrease from 1996. The low 20% of the farms had an average loss of -\$25,337 in 1997, which is a much larger loss than in 1996. In addition, some areas experienced very dry conditions while others did not, causing financial performance to vary across the Association.

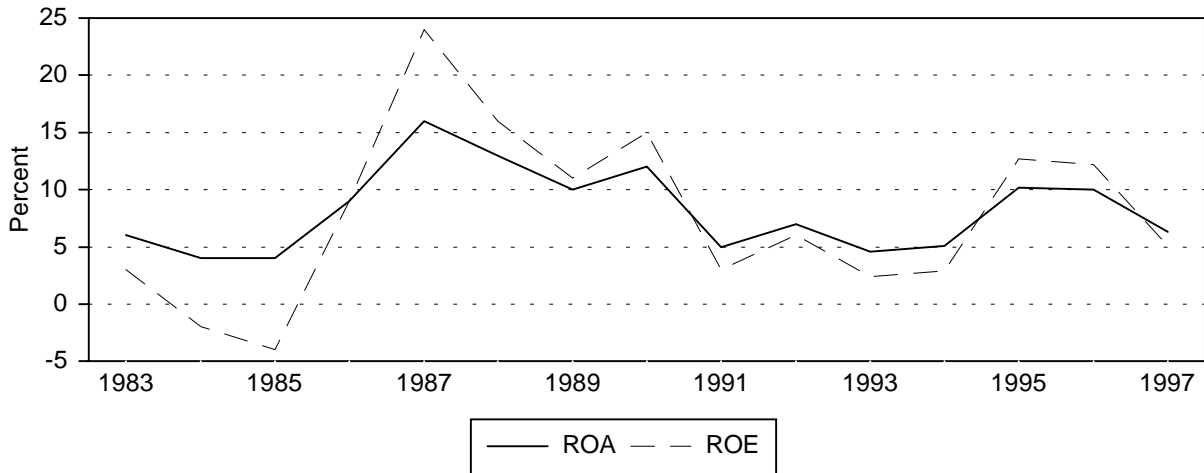
Average gross cash farm income in 1997 was \$359,710. This was a 6% decrease from 1996. Four sources of sales made up 80% of total income in 1997: corn, beef finishing, hogs, and soybeans (Figure 2). Corn sales decreased 13% between 1996 and 1997. Beef finishing decreased by 39%. Soybean sales increased by 6%; hog sales by 5%.

Government payments (of all types) increased to \$12,257 in 1997 but continue to be lower than the early 1990s. As a percentage of total income, government payments increased slightly from 2% in 1996 to 3% in 1997.

Cash expenses increased slightly to an average of \$303,241 in 1997. This was an increase of 1% from 1996. As a percentage of both cash expenses and depreciation in 1997, feed expenses; feeder purchases; seed, fertilizer, and crop chemicals; land rent; and depreciation continue to dominate (Figure 3).

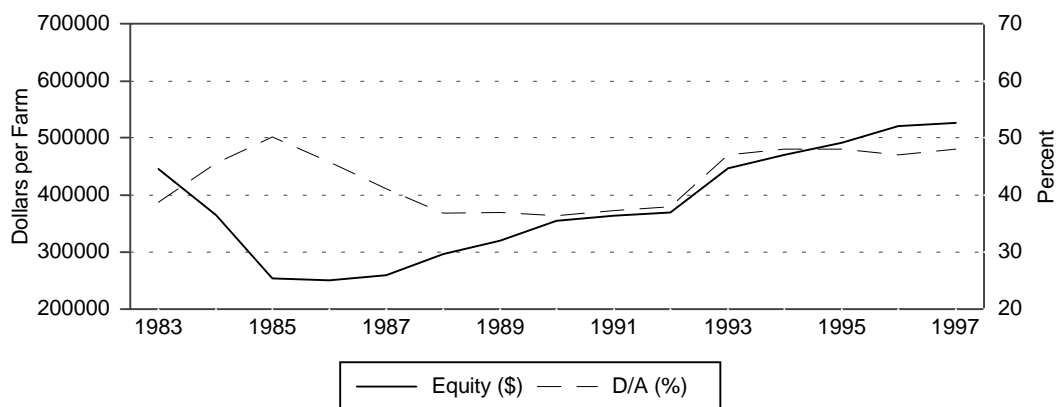
Both the average rate of return on assets (ROA) and the rate of return to equity (ROE) decreased substantially in 1997 compared to 1996 (Figure 4). ROA averaged 6% and ROE was 5% using assets valued on a cost basis (Table 4, page 14). Since ROE was smaller than ROA, the cost of using debt capital was more than its benefit.

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



Using a market value basis, average total equity (of the sole proprietors) was \$526,168 at the end of 1997. This was an increase of \$46,216 for these 180 farms during the year (Table 5, page 16). Average equity has continued to improve since 1987 ; however, the average debt-asset ratio increased slightly to 48% at the end of 1997 (Figure 5).

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.

1997 ANNUAL REPORT OF THE SOUTHWESTERN MINNESOTA FARM BUSINESS MANAGEMENT ASSOCIATION

by

Kent D. Olson, Erlin J. Weness, James Christensen, Robert D. Anderson,
Perry A. Fales, and Dale W. Nordquist¹

This report summarizes the individual farm records of the members of the Southwestern Minnesota Farm Business Management Association for 1997.

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

Of the 240 farms in the Southwestern Association, the data for 208 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.

On May 7, 1997, the Association lost a valuable fieldman when Dary Talley died from cancer. He was 54 years old. He had worked for the University of Minnesota and the Association for 15 years. He is missed by his family, co-workers, farmers, and many friends.

Robert Anderson joined the University and Association staff in September 1997 and is a very welcome, talented addition.

¹Olson is an Associate Professor, University of Minnesota-Twin Cities; Weness, Christensen, Anderson, and Fales are Extension Educators--Farm Management and Fieldmen for the Association; Nordquist is Extension Economist--Farm Management, University of Minnesota - Twin Cities. Rann Loppnow, Assistant Extension Economist--Farm Management, was the programmer for FINANSUM (the analysis package used to prepare this report).

SOUTHWESTERN MINNESOTA FARM BUSINESS MANAGEMENT ASSOCIATION

DISTRIBUTION OF MEMBERSHIP -- 1997

County	Number of Farm Units	Number of Records Submitted	Association Directors
Cottonwood	44	36	Phil Batalden Larry Falk James Dick
Jackson	29	28	Paul Rentscheer John Hay
Martin	12	11	Kerry Krenz
Murray	29	23	Jim Malone John Hanson
Nobles	46	42	Jerry Perkins Harold Mellema Richard Fellows
Pipestone	13	14	Alan Vanderlugt Jerlyn Spronk
Redwood	39	30	Brian Hicks Joel Christensen Richard Jacoby
Watonwan	10	9	James Wassman
Others ²	<u>18</u>	<u>15</u>	
TOTAL	240	208	

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

²In 1997 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.

TABLE OF CONTENTS

	Page
<i>Explanatory Notes for the Whole-farm Reports</i>	4-9
Table 1 - Farm Income Statement	10-11
Table 2 - Inventory Changes	12
Table 3 - Depreciation and Other Capital Adjustments	13
Table 4 - Profitability and Liquidity Analysis	14
Table 5a - Balance Sheet at COST Values	15
Table 5b - Balance Sheet at MARKET Values	16
Table 6 - Statement of Cash Flows	17
Table 7 - Financial Guidelines Measures and Labor Analysis	18
Table 8 - Crop Production and Marketing Summary	19
Table 9 - Household and Personal Expenses	20
Table 10 - Operator Information and Nonfarm Summary	21
<i>Explanatory Notes for Crops Tables</i>	23
Table 11-1 - Corn on Owned Land	24
Table 11-2 - Corn on Cash Rented Land	25
Table 11-3 - Corn on Share Rented Land	26
Table 11-4 - Soybeans on Owned Land	27
Table 11-5 - Soybeans on Cash Rented Land	28
Table 11-6 - Soybeans on Share Rented Land	29
Table 11-7 - Oats on Owned Land	30
Table 11-8 - Oats on Cash Rented Land	31
Table 11-9 - Spring Wheat on Owned Land	32
Table 11-10 - Spring Wheat on Cash Rented Land	33
Table 11-11 - Corn Silage on Owned Land	34
Table 11-12- Corn Silage on Cash Rented Land	35
Table 11-13 - Alfalfa Hay on Owned Land	36
Table 11-14 - Alfalfa Hay on Cash Rented Land	37
Table 11-15 - Oatlage on Owned Land	38
Table 11-16 - Peas on Owned Land	39
Table 11-17 - Peas on Cash Rented Land	40
Table 11-18 - Sweet Corn on Cash Rented Land	41
Table 11-19 - CRP on Owned Land	42
Table 11-20 - Rented Out on Owned Land	43
<i>Explanatory Notes for Livestock Tables</i>	45
Table 12-1 - Hogs, Farrow-to-Finish--Average Per Litter	46
Table 12-2 - Hogs, Farrow-to-Finish--Average Per Cwt. Produced	47
Table 12-3 - Hogs, Feeder Pig Production--Average Per Litter	48
Table 12-4 - Hogs, Feeder Pig Production--Average Per Head Sold/Trans	49
Table 12-5 - Hogs, Finish Feeder Pigs--Average Per Head	50
Table 12-6 - Hogs, Finish Feeder Pigs--Average Per Cwt. Produced	51
Table 12-7 - Hogs, Weaning to Finish--Average Per Head	52
Table 12-8 - Hogs, Weaning to Finish--Average Per Cwt. Produced	53
Table 12-9 - Hogs, Contractee---Average Per Pig Space	54
Table 12-10 - Beef Cow-Calf--Average Per Cow	55
Table 12-11 - Beef, Finish Beef Calves--Average Per Head	56
Table 12-12 - Beef, Finish Beef Calves--Average Per Cwt. Produced	57
Table 12-13 - Dairy--Average Per Cow	58
Table 12-14 - Dairy Replacement Heifers--Average Per Head Sold/Trans	59
Table 12-15 - Dairy and Replacement Heifers--Average Per Cow	60
Table 12-16 - Dairy Heifers (for Sale)--Average Per Head Sold/Trans	61
Table 12-17 - Dairy Steers--Average Per Head	62
Table 12-18 - Dairy Steers--Average Per Cwt. Produced	63
Table 12-19 - Sheep, Market Lamb Produced--Average Per Ewe	64
Table 12-20 - Sheep, Market Lamb Produced--Average Per Cwt. Produced	65
Table 13 - Prices Used in the Analysis	66
<i>Explanatory Notes for the Summary Tables</i>	67
Table 14 - Summary of the Whole-Farm Analysis by Years	68
Table 15 - Summary of the Whole-Farm Analysis by County	69
Table 16 - Summary of the Whole-Farm Analysis by Size of Farm	70
Table 17 - Summary of the Whole-Farm Analysis by Type of Farm	71
Table 18 - Summary of the Whole Farm Analysis by Age of Operator	72

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 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. Both cost and market value balance sheets are reported.

Table 6. Statement of Cash Flows

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

Table 7. Financial Guidelines Measures and Labor Analysis

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

Liquidity

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

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

Solvency (Market)

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

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

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

Profitability

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

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

"Operating profit margin" is a measure of the operating efficiency of the business. It is calculated as follows: $\text{Operating Profit Margin} = \text{Return to Farm Assets} \div \text{Value of Farm Production}$. 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: $\text{Asset Turnover Rate} = \text{Value of Farm Production} \div \text{Total Farm Assets}$. 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. Operator Information and Nonfarm Summary

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

Table 1a
FARM INCOME STATEMENT, 1997
Southwestern 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	208	42	42
CASH FARM INCOME			
Corn	72569	57413	96887
Corn Silage	38	-	71
Hay, Alfalfa	655	736	1559
Hay, Other	113	42	119
Navy Beans	349	-	-
Oats	320	48	972
Peas	655	342	1196
Pinto Beans	24	-	-
Soybeans	86906	70762	116002
Straw	96	-	214
Sweet Corn	607	580	994
Wheat, Spring	297	565	192
Miscellaneous crop income	94	163	18
Beef, Cow-Calf Calves	501	707	579
Beef, Backgrounding	722	124	1434
Beef, Finish Beef Calves	22048	5626	44500
Beef, Finish Yrlg Steers	14962	759	-
Chickens, Contract Broilers	372	1841	-
Dairy Milk	13902	4631	53034
Dairy Calves	286	388	834
Dairy Heifers	1964	5765	-
Dairy Steers	1520	2238	2925
Hogs, Raised Hogs	46779	42954	75059
Hogs, Feeder Pigs	713	-	-
Hogs, Finish Feeder Pigs	7768	11815	412
Hogs, Weaning Pigs	439	1378	795
Hogs, Weaning to Feeder	180	471	-
Hogs, Weaning to Finish	36086	26613	112144
Hogs, Contractee Hogs	173	-	-
Sheep, Wool	27	7	-
Sheep, Feeder Lambs	437	-	-
Sheep, Lamb Finishing	26	131	-
Sheep, Market Lambs	345	-	857
Turkeys	3710	-	-
Cull breeding livestock	4657	1988	10111
Misc. livestock income	1279	451	1046
Govt. transition payments	8486	8048	10140
CRP payments	58	35	150
Other government payments	3713	915	7086
Custom work income	8310	5464	17232
Patronage dividends, cash	1458	981	2334
Insurance income	1611	1512	2126
Cash from hedging accts	1855	1830	4550
Contract livestock income	997	-	1578
Other farm income	11602	11681	17585
Gross Cash Farm Income	359710	269007	584737

Table 1b
FARM INCOME STATEMENT, 1997 (Continued)
Southwestern 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	208	42	42
CASH FARM EXPENSE			
Seed	16981	12841	25141
Fertilizer	17844	12377	24781
Crop chemicals	18814	14878	25752
Crop insurance	4900	4596	5874
Drying fuel	1138	885	1239
Irrigation energy	5	-	-
Crop marketing	847	697	885
Crop miscellaneous	1296	863	1719
Feeder livestock purchase	48028	23923	68586
Purchased feed	57578	51710	110145
Breeding fees	557	489	1081
Veterinary	3667	3725	5926
Livestock supplies	3371	1800	5329
Livestock leases	1009	376	4168
Grazing fees	17	69	6
Livestock marketing	660	1401	1153
Interest	22282	25273	25659
Fuel & oil	8204	7499	12318
Repairs	17661	16321	23964
Custom hire	6159	3909	10617
Hired labor	10498	7137	24711
Land rent	34689	26638	45397
Machinery & bldg leases	7036	8984	13257
Real estate taxes	3752	2793	5811
Personal property taxes	65	252	-
Farm insurance	3586	3674	5267
Utilities	4155	3692	6469
Dues & professional fees	194	358	38
Hedging account deposits	3106	3182	6862
Miscellaneous	5143	4556	9434
Total cash expense	303241	244897	471588
Net cash farm income	56469	24110	113149
INVENTORY CHANGES			
Crops and feed	-2086	-13943	17395
Market livestock	11614	523	7973
Accounts receivable	2022	-3616	8382
Prepaid expenses and supplies	7055	1187	18061
Accounts payable	1163	-2207	5542
Total inventory change	19769	-18056	57353
Net operating profit	76238	6053	170502
DEPRECIATION AND OTHER CAPITAL ADJUSTMENTS			
Breeding livestock	-3259	-3242	-4311
Machinery and equipment	-23428	-19206	-34381
Buildings and improvements	-11027	-8918	-17668
Other farm capital	2074	-25	4581
Total depr. and other capital adj	-35640	-31390	-51778
Net farm income	40598	-25337	118724

Table 2
INVENTORY CHANGES, 1997
Southwestern 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	208	42	42
Net cash farm income	56469	24110	113149
CROPS AND FEED			
Ending inventory	133177	79592	216308
Beginning inventory	135264	93535	198913
Inventory change	-2086	-13943	17395
MARKET LIVESTOCK			
Ending inventory	62556	36719	101322
Beginning inventory	50942	36197	93350
Inventory change	11614	523	7973
ACCTS RECEIVABLE & OTHER CURRENT ASSETS			
Ending inventory	13021	7244	39803
Beginning inventory	10999	10860	31420
Inventory change	2022	-3616	8382
PREPAID EXPENSES AND SUPPLIES			
Ending inventory	23395	8503	45474
Beginning inventory	16340	7316	27412
Inventory change	7055	1187	18061
ACCOUNTS PAYABLE			
Beginning inventory	15343	12926	26409
Ending inventory	14179	15132	20868
Inventory change	1163	-2207	5542
Total inventory change	19769	-18056	57353
Net operating profit	76238	6053	170502

Table 3
DEPRECIATION AND OTHER CAPITAL ADJUSTMENTS, 1997
Southwestern 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	208	42	42
Net operating profit	76238	6053	170502
BREEDING LIVESTOCK			
Ending inventory	8255	8504	15110
Capital sales	1057	934	2915
Beginning inventory	6553	4642	13286
Capital purchases	6018	8038	9049
Depreciation, capital adj.	-3259	-3242	-4311
MACHINERY AND EQUIPMENT			
Ending inventory	69450	58239	113374
Capital sales	1227	322	3303
Beginning inventory	63848	56573	95705
Capital purchases	30258	21194	55353
Depreciation, capital adj.	-23428	-19206	-34381
BUILDINGS AND IMPROVEMENTS			
Ending inventory	63141	51454	101718
Capital sales	333	1648	-
Beginning inventory	57935	50612	91884
Capital purchases	16566	11408	27503
Depreciation, capital adj.	-11027	-8918	-17668
OTHER CAPITAL ASSETS			
Ending inventory	39623	27613	44989
Capital sales	1958	1292	1549
Beginning inventory	37424	27912	38701
Capital purchases	2083	1018	3256
Depreciation, capital adj.	2074	-25	4581
Total depreciation, capital adj.	-35640	-31390	-51778
Net farm income	40598	-25337	118724

Table 4
PROFITABILITY AND LIQUIDITY ANALYSIS, 1997
Southwestern 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	208	42	42	208	42	42
PROFITABILITY						
	----- Cost -----			----- Market -----		
Net farm income	40598	-25337	118724	66039	4179	133364
Labor and management earnings	23364	-33262	86752	41297	-10164	92808
Rate of return on assets	6.3 %	-4.6 %	12.5 %	7.1 %	1.3 %	10.1 %
Rate of return on equity	5.1 %	-43.0 %	16.6 %	9.7 %	-7.8 %	15.2 %
Operating profit margin	14.2 %	-11.7 %	26.1 %	23.9 %	5.4 %	29.4 %
Asset turnover rate	44.2 %	38.9 %	48.0 %	29.7 %	24.9 %	34.3 %
Interest on farm net worth	17233	7925	31972	24742	14343	40556
Farm interest expense	23011	27385	25170	23011	27385	25170
Value of operator lbr and mgmt.	26283	22278	30355	26283	22278	30355
Return on farm assets	37325	-20230	113539	62767	9286	128179
Average farm assets	593473	444549	906339	883872	694725	1268290
Return on farm equity	14314	-47615	88369	39756	-18099	103009
Average farm equity	278640	110675	532816	410052	231308	675934
Value of farm production	262396	173096	435446	262396	173096	435446
				Average Of All Farms	Average Of Low 20 %	Average Of High 20 %
Number of Farms		208	42			
LIQUIDITY (Cash)						
Net cash farm income		56469	24110	113149		
Net nonfarm income		13596	19585	7289		
Family living and taxes		43570	35464	56091		
Real estate principal payments		6884	7618	6573		
Cash available for interm. debt		19611	612	57775		
Average intermediate debt		64549	56530	85197		
Years to turnover interm. debt		3.3	92.3	1.5		
Expense as a % of income		84 %	91 %	81 %		
Interest as a % of income		6 %	9 %	4 %		
LIQUIDITY (Accrual)						
Total accrual farm income		371260	251970	618488		
Total accrual farm expense		295023	245917	447985		
Net accrual operating income		76238	6053	170502		
Net nonfarm income		13596	19585	7289		
Family living and taxes		43570	35464	56091		
Real estate principal payments		6884	7618	6573		
Available for intermediate debt		39380	-17444	115128		
Average intermediate debt		64549	56530	85197		
Years to turnover interm. debt		1.6	**	0.7		
Expense as a % of income		79 %	98 %	72 %		
Interest as a % of income		6 %	11 %	4 %		

** Income insufficient to meet debt servicing requirements

Table 5a
BALANCE SHEET AT COST VALUES, 1997
Southwestern 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 %	
	180		37		29	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
ASSETS						
Current Farm Assets						
Cash and checking balance	11977	8788	16566	13726	7450	-6458
Prepaid expenses & supplies	16351	22103	7091	8851	30921	43772
Growing crops	35	-	168	-	-	-
Accounts receivable	4528	6292	5253	3863	12106	13582
Hedging accounts	1616	985	1144	440	3599	2578
Crops held for sale or feed	113346	110301	79041	63048	160303	181030
Crops under government loan	14413	13718	12221	13399	10855	9032
Market livestock held for sale	44113	51498	39339	40640	63574	69069
Other current assets	5432	5808	5489	3402	25345	30960
Total current farm assets	211811	219495	166312	147368	314152	343564
Intermediate Farm Assets						
Breeding livestock	3917	5087	3921	5861	1846	3580
Machinery and equipment	56546	61203	54441	58168	80187	91319
Other intermediate assets	3824	3711	2305	2407	3143	3318
Total intermediate farm assets	64287	70001	60667	66436	85175	98217
Long-Term Farm Assets						
Farm land	193273	208716	153607	173073	298573	322590
Buildings and improvements	49268	53195	53904	55454	53632	63067
Other long-term assets	31765	34294	27043	26347	36126	42460
Total long-term farm assets	274306	296204	234554	254875	388331	428118
Total Farm Assets	550405	585700	461533	468678	787659	869899
Total Nonfarm Assets	88473	104170	70402	78227	87393	108016
Total Assets	638877	689870	531935	546905	875051	977914
LIABILITIES						
Current Farm Liabilities						
Accrued interest	5749	6592	6376	8663	7027	6677
Accounts payable	7574	6284	4524	4291	14524	12822
Current notes	80772	103873	98208	120732	74730	106452
Government crop loans	9093	8698	5351	6266	6502	5553
Principal due on term debt	15500	18555	14963	19087	18556	19099
Total current farm liabilities	118740	144096	129422	159039	121449	150943
Intermediate Farm Liabilities	41840	46090	44174	54199	43907	51691
Long-term Farm Liabilities	124712	128562	144096	148044	159462	154122
Total Farm Liabilities	285292	318748	317692	361282	324818	356756
Total Nonfarm Liabilities	7667	9095	8606	9055	9229	11705
Total Liabilities	292959	327843	326298	370336	334047	368461
Net Worth (farm and nonfarm)	345918	362027	205636	176569	541005	609454
Net Worth Change		16109		-29068		68449
RATIO ANALYSIS						
Current Farm Liabilities / Assets	56 %	66 %	78 %	108 %	39 %	44 %
Curr. & Interm Farm Liab / Assets	58 %	66 %	76 %	100 %	41 %	46 %
Long Term Farm Liab. / Assets	45 %	43 %	61 %	58 %	41 %	36 %
Total Liabilities / Assets	46 %	48 %	61 %	68 %	38 %	38 %

Table 5b
BALANCE SHEET AT MARKET VALUES, 1997
Southwestern 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 %	
	180		37		29	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
ASSETS						
Current Farm Assets						
Cash and checking balance	11977	8788	16566	13726	7450	-6458
Prepaid expenses & supplies	16351	22103	7091	8851	30921	43772
Growing crops	35	-	168	-	-	-
Accounts receivable	4528	6292	5253	3863	12106	13582
Hedging accounts	1616	985	1144	440	3599	2578
Crops held for sale or feed	113346	110301	79041	63048	160303	181030
Crops under government loan	14413	13718	12221	13399	10855	9032
Market livestock held for sale	44113	51498	39339	40640	63574	69069
Other current assets	5432	5808	5489	3402	25345	30960
Total current farm assets	211811	219495	166312	147368	314152	343564
Intermediate Farm Assets						
Breeding livestock	11252	11125	11682	13095	19664	17981
Machinery and equipment	181367	198511	173708	188583	235427	259156
Other intermediate assets	7055	6259	8935	5995	6086	4485
Total intermediate farm assets	199674	215895	194325	207674	261177	281623
Long-Term Farm Assets						
Farm land	298473	319868	228613	247778	464572	494980
Buildings and improvements	75664	87236	81078	90120	69386	87091
Other long-term assets	45069	40718	36321	28934	42093	42168
Total long-term farm assets	419207	447823	346012	366832	576052	624239
Total Farm Assets	830692	883213	706648	721874	1151381	1249426
Total Nonfarm Assets	113728	133096	93635	104634	111993	135336
Total Assets	944419	1016308	800283	826509	1263374	1384762
LIABILITIES						
Current Farm Liabilities						
Accrued interest	5749	6592	6376	8663	7027	6677
Accounts payable	7574	6284	4524	4291	14524	12822
Current notes	80772	103873	98208	120732	74730	106452
Government crop loans	9093	8698	5351	6266	6502	5553
Principal due on term debt	15500	18555	14963	19087	18556	19099
Total current farm liabilities	118740	144096	129422	159039	121449	150943
Intermediate Farm Liabilities	41840	46090	44174	54199	43907	51691
Long-term Farm Liabilities	124712	128562	144096	148044	159462	154122
Total Farm Liabilities	285292	318748	317692	361282	324818	356756
Total Nonfarm Liabilities	7667	9095	8606	9055	9229	11705
Total Deferred Liabilities	171508	162297	150915	129757	220887	220846
Total Liabilities	464467	490140	477214	500094	554934	589307
Net Worth (farm and nonfarm)	479953	526168	323070	326415	708440	795455
Net Worth Change		46216		3345		87016
RATIO ANALYSIS						
Current Farm Liabilities / Assets	56 %	66 %	78 %	108 %	39 %	44 %
Curr. & Interm Farm Liab. / Assets	39 %	44 %	48 %	60 %	29 %	32 %
Long Term Farm Liabilities / Assets	30 %	29 %	42 %	40 %	28 %	25 %
Total Liabilities / Assets	49 %	48 %	60 %	61 %	44 %	43 %

Table 6
STATEMENT OF CASH FLOWS, 1997
Southwestern 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	208	42	42
(a) Beginning cash balance (farm & nonfarm)	12990	15070	14874
CASH FROM OPERATING ACTIVITIES			
Gross cash farm income	359710	269007	584737
Net nonfarm income (+)	13596	19585	7289
Total cash farm expense (-)	303241	244897	471588
Apparent family living expense (-)	34742	30091	42382
Income and social security tax (-)	8828	5374	13709
(b) Cash from operations (=)	26495	8230	64347
CASH FROM INVESTING ACTIVITIES			
Sale of breeding livestock	1057	934	2915
Sale of machinery & equipment (+)	1227	322	3303
Sale of farm land (+)	183	-	177
Sale of farm buildings (+)	333	1648	-
Sale of other farm assets (+)	1958	1292	1549
Sale of nonfarm assets (+)	2292	1267	2930
Purchase of breeding livestock (-)	6018	8038	9049
Purchase of machinery & equip. (-)	30258	21194	55353
Purchase of farm land (-)	12408	13925	14871
Purchase of farm buildings (-)	16566	11408	27503
Purchase of other farm assets (-)	2083	1018	3256
Purchase of nonfarm assets (-)	14493	7738	15648
(c) Cash from investing activities (=)	-74776	-57857	-114806
CASH FROM FINANCING ACTIVITIES			
Money borrowed	215215	196544	243252
Cash gifts and inheritances (+)	5386	3112	963
Principal payments (-)	176748	151863	211523
Dividends paid (-)	-	-	-
Gifts given (-)	426	-	12
(d) Cash from financing activities (=)	43426	47793	32679
(e) Net change in cash balance (b+c+d)	-4854	-1834	-17779
Ending cash balance (farm & nonfarm)	8136	13235	-2905

Table 7
FINANCIAL GUIDELINES MEASURES, 1997
Southwestern Minnesota Farm Business Management Association
(Farms sorted by Net Farm Income)

	Average For All Farms		Average For Low 20 %		Average For High 20 %	
	208		42		42	
Number of Farms	208		42		42	
LIQUIDITY	Beginning	Ending	Beginning	Ending	Beginning	Ending
Current ratio	1.89	1.61	1.23	0.88	2.82	2.61
Working capital	106297	91023	30009	-20486	235322	246271
SOLVENCY (Market)	Beginning	Ending	Beginning	Ending	Beginning	Ending
Farm debt to asset ratio	54 %	54 %	66 %	71 %	48 %	46 %
Farm equity to asset ratio	46 %	46 %	34 %	29 %	52 %	54 %
Farm debt to equity ratio	117 %	118 %	190 %	243 %	91 %	84 %
PROFITABILITY	Cost	Market	Cost	Market	Cost	Market
Rate of return on farm assets	6.3 %	7.1 %	-4.6 %	1.3 %	12.5 %	10.1 %
Rate of return on farm equity	5.1 %	9.7 %	-43.0 %	-7.8 %	16.6 %	15.2 %
Operating profit margin	14.2 %	23.9 %	-11.7 %	5.4 %	26.1 %	29.4 %
Net farm income	40598	66039	-25337	4179	118724	133364
REPAYMENT CAPACITY	Cash	Accrual	Cash	Accrual	Cash	Accrual
Term debt coverage ratio	143 %	221 %	75 %	-9 %	266 %	465 %
Capital replacement margin	11042	30811	-5434	-23490	47791	105144
EFFICIENCY						
Asset turnover rate (market)	29.7 %		24.9 %		34.3 %	
Operating expense ratio	73.3 %		86.7 %		68.4 %	
Depreciation expense ratio	9.6 %		12.5 %		8.4 %	
Interest expense ratio	6.2 %		10.9 %		4.1 %	
Net farm income ratio	10.9 %		-10.1 %		19.2 %	

LABOR ANALYSIS

	Average For All Farms	Average For Low 20 %	Average For High 20 %
	208	42	42
Number of Farms	208	42	42
Total unpaid labor hours	2324	2143	2690
Total hired labor hours	905	515	2184
Total labor hours per farm	3229	2658	4874
Value of farm production / hour	81.25	65.11	89.35
Net farm income / unpaid hour	17.47	-11.82	44.14

Table 8
CROP PRODUCTION AND MARKETING SUMMARY, 1997
Southwestern 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	208	42	42
ACREAGE SUMMARY			
Total Acres Owned	233	170	353
Total Crop Acres	648	489	868
Crop Acres Owned	200	143	315
Crop Acres Cash Rented	381	295	486
Crop Acres Share Rented	67	51	68
Total Pasture Acres	9	5	10
AVERAGE PRICE RECEIVED (Cash Sales Only)			
Corn per bu.	2.39	2.44	2.34
Soybeans per bu.	7.13	7.05	7.39
Peas per lb.	0.09	-	-
Oats per bu.	1.80	-	1.81
Wheat, Spring per bu.	4.17	-	-
Sweet Corn per ton	52.35	-	-
Hay, Alfalfa per ton	85.56	94.49	-
Straw per ton	65.01	-	-
Hay, Grass per ton	55.60	-	-
AVERAGE YIELD PER ACRE			
Corn (bu.)	125.50	117.45	130.91
Soybeans (bu.)	42.03	39.29	44.14
Corn Silage (ton)	17.44	17.01	18.74
Hay, Alfalfa (ton)	3.31	3.32	3.25
Oats (bu.)	74.46	-	78.60

Table 9
HOUSEHOLD AND PERSONAL EXPENSES, 1997
Southwestern 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	123	22	21
Average family size	3.7	3.9	4.2
FAMILY LIVING EXPENSES			
Food and meals expense	5310	5338	4916
Medical care and health insurance	5175	5481	6152
Cash donations	1578	1708	2152
Household supplies	3770	4075	3680
Clothing	2233	2190	1866
Personal care	2205	2750	1481
Child / Dependent care	372	896	363
Gifts	2071	1833	2204
Education	1554	1583	1118
Recreation	2395	2218	3155
Utilities (household share)	1529	1465	1345
Nonfarm vehicle operating expense	2404	2368	2186
Household real estate taxes	126	110	29
Dwelling rent	368	42	6
Household repairs	874	1060	911
Nonfarm interest	377	400	89
Life insurance payments	1799	1748	1642
Total cash family living expense	34139	35268	33295
Family living from the farm	144	211	168
Total family living	34284	35478	33463
OTHER NONFARM EXPENDITURES			
Income taxes	9542	3822	19895
Furnishing & appliance purchases	1001	669	1088
Nonfarm vehicle purchases	2729	1961	4899
Nonfarm real estate purchases	7177	502	16925
Other nonfarm capital purchases	2466	5142	-3061
Nonfarm savings & investments	997	381	-1022
Total other nonfarm expenditures	23912	12478	38724
Total cash family living, investment & nonfarm capital purch	58051	47746	72018
PARTNERSHIPS			
Number of partnerships	22		
Number of operators per partnership	2.0		
Average owner withdrawals per farm	52096		
Average withdrawals per operator	26048		

* Negative values indicate net capital sales or savings withdrawals.

Table 10
OPERATOR INFORMATION & NONFARM SUMMARY, 1997
Southwestern 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	208	42	42
OPERATOR INFORMATION			
Average number of operators	1.3	1.7	1.3
Average age of operators	45.1	44.2	44.2
Average number of years farming	22.1	19.6	22.5
NONFARM INCOME			
Nonfarm wages & salary	8105	10401	5463
Nonfarm business income	1633	6482	-632
Nonfarm rental income	555	40	345
Nonfarm interest income	1096	1085	1125
Nonfarm cash dividends	108	-	28
Tax refunds	314	632	97
Gifts and inheritances	5386	3112	963
Other nonfarm income	1784	946	865
Total nonfarm income	18982	22697	8252

	Average For All Farms	
	Beginning	Ending
	-----	-----
NONFARM ASSETS (Mkt)		
Checking & savings	520	331
Stocks & bonds	11289	13254
Other current assets	716	2352
Furniture & appliances	8998	9124
Nonfarm vehicles	7781	8784
Cash value of life ins.	7670	8634
Retirement accounts	16538	19722
Other intermediate assets	7845	9221
Nonfarm real estate	28242	34700
Other long term assets	10548	10775
Total nonfarm assets	100146	116896

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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.

The "net return including government payments" is calculated by allocating "FAIR" transition payments across relevant crops and adding this to the "net return per acre."

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 government payments)."

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

Figure 6. Average Corn & Soybean Yield

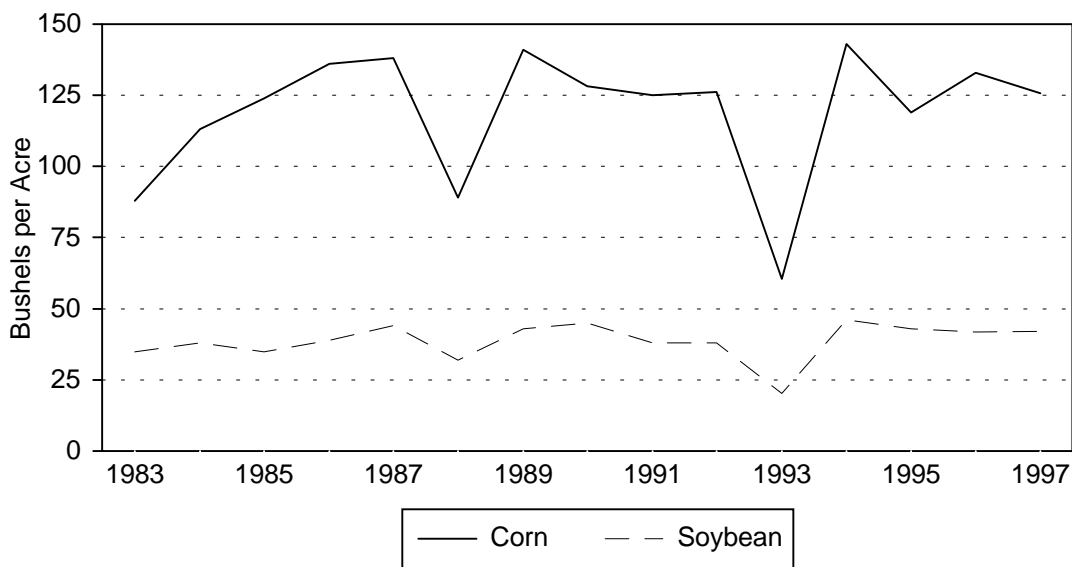


Table 11 - 1
Crop Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association
(Farms sorted according to Return to Overhead per Acre)

CORN ON OWNED LAND

	Average Of All Farms	Average Of Low 20%	Average Of High 20%
Number of fields	192	46	36
Number of farms	138	28	28
Acres	93.48	79.96	84.54
Yield per acre (bushel)	127.49	99.27	149.42
Operators share of yield %	100.00	100.00	100.00
Value per bushel	2.40	2.40	2.40
Total product return per acre	305.97	238.24	358.60
Miscellaneous income per acre	0.96	5.83	0.00
Gross return per acre	306.93	244.07	358.60
Direct expenses per acre			
Seed	32.97	33.36	31.66
Fertilizer	48.22	45.50	48.33
Crop chemicals	27.47	30.29	26.47
Crop insurance	5.99	6.94	3.91
Drying fuel	5.83	4.66	4.52
Fuel & oil	10.20	10.59	9.30
Repairs	24.32	33.02	24.25
Custom hire	3.27	1.54	4.07
Hired labor	0.35	0.42	1.28
Machinery & bldg leases	1.29	0.54	2.87
Marketing	0.09	0.01	0.15
Operating interest	8.88	11.88	4.69
Miscellaneous	0.96	1.16	1.61
Total direct expenses per acre	169.84	179.91	163.11
Return over direct expenses per acre	137.09	64.16	195.50
Overhead expenses per acre			
Hired labor	5.98	5.44	7.50
Machinery & bldg leases	1.59	3.10	1.39
RE & pers. property taxes	14.97	13.46	16.36
Farm insurance	4.13	4.49	4.11
Utilities	3.10	2.87	2.67
Dues & professional fees	0.09	0.09	0.15
Interest	38.18	38.43	38.13
Mach & bldg depreciation	46.59	40.51	58.63
Miscellaneous	5.31	4.31	6.12
Total overhead expenses per acre	119.94	112.71	135.05
Total listed expenses per acre	289.78	292.62	298.16
Net return per acre	17.15	-48.55	60.44
Total direct expense per bushel	1.33	1.81	1.09
Total listed expense per bushel	2.27	2.95	2.00
Net return per bushel	0.13	-0.49	0.40
Breakeven yield per acre	120.34	119.50	124.23
Est. labor hours per acre	3.21	2.59	3.45
Net return including govt. payments	58.48	-7.18	104.38
Lbr & mgt charge per acre	32.28	30.26	34.77
Net return over lbr & mgt	26.19	-37.45	69.61

Table 11 - 2
Crop Enterprise Analysis, 1997
Southwestern 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	362	60	68
Number of farms	163	33	33
Acres	100.05	86.51	122.65
Yield per acre (bushel)	124.93	104.94	141.46
Operators share of yield %	100.00	100.00	100.00
Value per bushel	2.40	2.40	2.40
Total product return per acre	299.83	251.86	339.50
Miscellaneous income per acre	0.98	1.49	0.78
Gross return per acre	300.81	253.36	340.28
Direct expenses per acre			
Seed	32.86	32.25	32.80
Fertilizer	47.99	50.37	44.49
Crop chemicals	28.54	30.95	27.76
Crop insurance	6.40	8.07	5.35
Drying fuel	4.81	4.89	4.54
Fuel & oil	10.04	10.19	9.30
Repairs	21.11	22.46	21.86
Custom hire	3.25	1.38	1.96
Hired labor	0.16	0.00	0.60
Land rent	90.54	93.77	86.21
Machinery & bldg leases	1.99	1.23	0.81
Utilities	0.02	0.00	0.00
Marketing	0.28	0.16	0.53
Operating interest	9.50	15.21	8.58
Miscellaneous	1.38	1.98	0.51
Total direct expenses per acre	258.87	272.89	245.29
Return over direct expenses per acre	41.93	-19.53	95.00
Overhead expenses per acre			
Hired labor	6.50	2.42	7.90
Machinery & bldg leases	2.99	1.32	3.62
Farm insurance	3.26	3.46	3.85
Utilities	2.68	2.99	2.74
Dues & professional fees	0.22	0.28	0.10
Interest	6.54	4.47	6.87
Mach & bldg depreciation	35.44	29.07	47.15
Miscellaneous	4.96	4.86	5.37
Total overhead expenses per acre	62.59	48.87	77.61
Total listed expenses per acre	321.47	321.76	322.89
Net return per acre	-20.66	-68.40	17.39
Total direct expense per bushel	2.07	2.60	1.73
Total listed expense per bushel	2.57	3.07	2.28
Net return per bushel	-0.17	-0.65	0.12
Breakeven yield per acre	133.54	133.44	134.21
Est. labor hours per acre	2.93	2.69	3.04
Net return including govt. payments	18.32	-31.12	59.17
Lbr & mgt charge per acre	27.17	30.10	26.40
Net return over lbr & mgt	-8.86	-61.22	32.78

Table 11 - 3
Crop Enterprise Analysis, 1997
Southwestern 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	74	13	15
Number of farms	60	12	12
Acres	89.04	76.02	78.46
Yield per acre (bushel)	123.20	102.86	136.35
Operators share of yield %	55.16	54.65	57.01
Value per bushel	2.40	2.40	2.40
Total product return per acre	163.15	134.94	187.30
Miscellaneous income per acre	0.00	0.00	0.00
Gross return per acre	163.15	134.94	187.30
Direct expenses per acre			
Seed	25.73	20.42	24.11
Fertilizer	26.15	28.55	28.59
Crop chemicals	17.45	19.25	16.11
Crop insurance	3.52	5.07	2.57
Drying fuel	3.79	2.45	2.80
Fuel & oil	9.06	8.24	9.18
Repairs	20.76	23.37	15.62
Custom hire	6.42	10.16	1.88
Hired labor	0.03	0.00	0.16
Machinery & bldg leases	1.75	3.67	0.00
Marketing	0.29	0.00	0.00
Operating interest	8.10	11.51	4.24
Miscellaneous	0.69	1.30	0.14
Total direct expenses per acre	123.73	133.99	105.39
Return over direct expenses per acre	39.41	0.95	81.91
Overhead expenses per acre			
Hired labor	6.34	4.82	7.15
Machinery & bldg leases	2.32	0.48	3.05
Farm insurance	3.33	3.38	2.76
Utilities	2.06	2.11	2.32
Dues & professional fees	0.15	0.58	0.04
Interest	4.97	9.97	5.61
Mach & bldg depreciation	29.79	29.63	33.42
Miscellaneous	4.09	1.57	4.03
Total overhead expenses per acre	53.06	52.53	58.39
Total listed expenses per acre	176.79	186.52	163.77
Net return per acre	-13.65	-51.58	23.53
Total direct expense per bushel	1.82	2.38	1.36
Total listed expense per bushel	2.60	3.32	2.11
Net return per bushel	-0.20	-0.92	0.30
Breakeven yield per acre	133.55	142.20	119.69
Est. labor hours per acre	2.50	2.42	2.76
Net return including govt. payments	-8.80	-23.99	43.96
Lbr & mgt charge per acre	23.32	27.38	19.43
Net return over lbr & mgt	-14.52	-51.37	24.52

Table 11 - 4
Crop Enterprise Analysis, 1997
Southwestern 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	209	46	37
Number of farms	141	28	28
Acres	95.52	87.56	92.42
Yield per acre (bushel)	42.38	32.37	48.63
Operators share of yield %	100.00	100.00	100.00
Value per bushel	6.50	6.50	6.50
Total product return per acre	275.47	210.39	316.09
Miscellaneous income per acre	1.27	5.91	0.80
Gross return per acre	276.74	216.30	316.89
Direct expenses per acre			
Seed	15.77	16.94	13.79
Fertilizer	4.36	2.65	3.30
Crop chemicals	29.55	33.98	28.20
Crop insurance	8.61	9.39	6.30
Fuel & oil	8.00	8.06	8.27
Repairs	18.86	22.67	18.75
Custom hire	3.19	2.21	1.29
Hired labor	0.42	0.37	0.41
Machinery & bldg leases	1.06	1.49	0.04
Utilities	0.01	0.00	0.00
Marketing	0.11	0.06	0.08
Operating interest	6.51	9.43	5.05
Miscellaneous	0.76	0.66	0.15
Total direct expenses per acre	97.21	107.91	85.63
Return over direct expenses per acre	179.53	108.39	231.27
Overhead expenses per acre			
Hired labor	4.43	2.98	4.23
Machinery & bldg leases	1.21	2.27	1.75
RE & pers. property taxes	14.61	13.17	15.77
Farm insurance	3.17	3.44	2.92
Utilities	2.31	2.42	2.66
Dues & professional fees	0.10	0.24	0.02
Interest	41.57	46.21	35.79
Mach & bldg depreciation	36.48	31.04	47.12
Miscellaneous	4.30	3.92	3.62
Total overhead expenses per acre	108.18	105.70	113.88
Total listed expenses per acre	205.39	213.61	199.51
Net return per acre	71.34	2.70	117.38
Total direct expense per bushel	2.29	3.33	1.76
Total listed expense per bushel	4.85	6.60	4.10
Net return per bushel	1.68	0.08	2.41
Breakeven yield per acre	31.40	31.95	30.57
Est. labor hours per acre	2.46	2.17	2.71
Net return including govt. payments	71.39	2.70	117.38
Lbr & mgt charge per acre	26.32	22.18	26.65
Net return over lbr & mgt	45.06	-19.49	90.73

Table 11 - 5
Crop Enterprise Analysis, 1997
Southwestern 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	351	59	64
Number of farms	164	33	33
Acres	108.18	110.73	124.95
Yield per acre (bushel)	42.03	37.40	46.38
Operators share of yield %	100.00	100.00	100.00
Value per bushel	6.50	6.50	6.50
Total product return per acre	273.19	243.10	301.47
Miscellaneous income per acre	1.98	1.19	1.17
Gross return per acre	275.17	244.28	302.64
Direct expenses per acre			
Seed	15.72	16.37	14.39
Fertilizer	4.57	4.57	2.95
Crop chemicals	30.21	33.36	27.18
Crop insurance	10.00	13.09	6.64
Fuel & oil	7.99	8.16	7.35
Repairs	16.75	17.72	14.85
Custom hire	2.71	3.52	2.47
Hired labor	0.16	0.35	0.19
Land rent	89.40	91.46	87.08
Machinery & bldg leases	1.35	5.01	0.89
Utilities	0.02	0.10	0.00
Marketing	0.20	0.11	0.27
Operating interest	7.62	13.83	4.36
Miscellaneous	0.56	0.91	0.35
Total direct expenses per acre	187.25	208.54	168.97
Return over direct expenses per acre	87.92	35.74	133.67
Overhead expenses per acre			
Hired labor	5.28	4.97	4.73
Machinery & bldg leases	2.58	2.62	3.46
Farm insurance	2.64	3.59	2.70
Utilities	2.13	2.60	1.98
Dues & professional fees	0.17	0.29	0.14
Interest	5.03	4.03	7.38
Mach & bldg depreciation	27.90	23.15	30.21
Miscellaneous	3.80	4.56	3.54
Total overhead expenses per acre	49.54	45.81	54.16
Total listed expenses per acre	236.79	254.36	223.13
Net return per acre	38.38	-10.07	79.51
Total direct expense per bushel	4.46	5.58	3.64
Total listed expense per bushel	5.63	6.80	4.81
Net return per bushel	0.91	-0.27	1.71
Breakeven yield per acre	36.12	38.95	34.15
Est. labor hours per acre	2.37	2.37	2.33
Net return including govt. payments	39.10	-10.07	79.51
Lbr & mgt charge per acre	21.25	21.04	22.87
Net return over lbr & mgt	17.84	-31.11	56.64

Table 11 - 6
Crop Enterprise Analysis, 1997
Southwestern 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	78	13	16
Number of farms	60	12	12
Acres	92.17	80.93	72.61
Yield per acre (bushel)	41.05	35.91	48.10
Operators share of yield %	55.80	54.08	59.48
Value per bushel	6.50	6.50	6.50
Total product return per acre	149.23	125.71	185.29
Miscellaneous income per acre	0.00	0.00	0.00
Gross return per acre	149.23	125.71	185.29
Direct expenses per acre			
Seed	12.70	15.61	11.90
Fertilizer	2.30	1.25	2.96
Crop chemicals	18.37	18.52	16.89
Crop insurance	5.84	8.82	5.67
Fuel & oil	7.81	9.54	8.62
Repairs	17.13	19.31	16.73
Custom hire	6.17	2.50	1.42
Hired labor	0.09	0.00	0.72
Machinery & bldg leases	0.46	0.23	0.00
Utilities	0.03	0.00	0.21
Marketing	0.10	0.05	0.48
Operating interest	7.29	17.21	4.51
Miscellaneous	0.48	0.72	0.00
Total direct expenses per acre	78.78	93.76	70.11
Return over direct expenses per acre	70.44	31.95	115.18
Overhead expenses per acre			
Hired labor	4.97	4.12	2.50
Machinery & bldg leases	2.05	2.37	5.86
Farm insurance	2.75	2.57	3.12
Utilities	1.95	2.66	2.45
Dues & professional fees	0.14	0.00	0.00
Interest	4.30	5.39	5.62
Mach & bldg depreciation	24.51	27.62	35.93
Miscellaneous	3.81	2.97	3.50
Total overhead expenses per acre	44.47	47.70	58.99
Total listed expenses per acre	123.26	141.46	129.10
Net return per acre	25.97	-15.75	56.19
Total direct expense per bushel	3.44	4.83	2.45
Total listed expense per bushel	5.38	7.28	4.51
Net return per bushel	1.13	-0.81	1.96
Breakeven yield per acre	33.98	40.24	33.39
Est. labor hours per acre	2.11	2.53	2.45
Lbr & mgt charge per acre	19.71	21.88	18.53
Net return over lbr & mgt	6.26	-37.62	37.66

Table 11 - 7
Crop Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association
(Average of all farms reporting)

OATS ON OWNED LAND

	Average For All Farms

Number of fields	11
Number of farms	11
Acres	21.55
Yield per acre (bushel)	73.47
Operators share of yield %	100.00
Value per bushel	2.00
Total product return per acre	146.95
Miscellaneous income per acre	68.33
Gross return per acre	215.28
Direct expenses per acre	
Seed	13.19
Fertilizer	7.88
Crop chemicals	0.98
Crop insurance	1.21
Fuel & oil	7.23
Repairs	12.30
Custom hire	5.51
Marketing	0.18
Operating interest	1.73
Miscellaneous	0.41
Total direct expenses per acre	50.62
Return over direct expenses per acre	164.66
Overhead expenses per acre	
Hired labor	11.90
Machinery & bldg leases	0.00
RE & pers. property taxes	8.99
Farm insurance	3.85
Utilities	1.78
Dues & professional fees	0.05
Interest	6.86
Mach & bldg depreciation	20.74
Miscellaneous	1.71
Total overhead expenses per acre	55.88
Total listed expenses per acre	106.50
Net return per acre	108.77
Total direct expense per bushel	0.69
Total listed expense per bushel	1.45
Net return per bushel	1.48
Breakeven yield per acre	19.09
Est. labor hours per acre	1.81
Net return including govt. payments	111.78
Lbr & mgt charge per acre	10.83
Net return over lbr & mgt	100.95

Table 11 - 8
Crop Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association
(Average of all farms reporting)

OATS ON CASH RENTED LAND

	Average For All Farms

Number of fields	11
Number of farms	11
Acres	25.52
Yield per acre (bushel)	75.15
Operators share of yield %	100.00
Value per bushel	2.00
Total product return per acre	150.30
Miscellaneous income per acre	79.19
Gross return per acre	229.49
Direct expenses per acre	
Seed	12.04
Fertilizer	5.26
Crop chemicals	2.30
Crop insurance	2.76
Fuel & oil	7.56
Repairs	7.59
Custom hire	18.05
Land rent	78.58
Operating interest	3.27
Miscellaneous	0.94
Total direct expenses per acre	138.37
Return over direct expenses per acre	91.12
Overhead expenses per acre	
Hired labor	1.72
Machinery & bldg leases	4.06
Farm insurance	1.39
Utilities	0.78
Interest	1.50
Mach & bldg depreciation	7.49
Miscellaneous	1.66
Total overhead expenses per acre	18.61
Total listed expenses per acre	156.98
Net return per acre	72.51
Total direct expense per bushel	1.84
Total listed expense per bushel	2.09
Net return per bushel	0.96
Breakeven yield per acre	38.89
Est. labor hours per acre	1.38
Net return including govt. payments	72.61
Lbr & mgt charge per acre	14.41
Net return over lbr & mgt	58.20

Table 11 - 9
Crop Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association
(Average of all farms reporting)

SPRING WHEAT ON OWNED LAND

	Average For All Farms

Number of fields	6
Number of farms	6
Acres	19.93
Yield per acre (bushel)	41.13
Operators share of yield %	100.00
Value per bushel	4.00
Total product return per acre	164.52
Miscellaneous income per acre	51.21
Gross return per acre	215.73
Direct expenses per acre	
Seed	19.77
Fertilizer	16.31
Crop chemicals	5.03
Crop insurance	2.84
Fuel & oil	7.28
Repairs	20.75
Custom hire	2.72
Machinery & bldg leases	5.08
Operating interest	4.17
Miscellaneous	0.66
Total direct expenses per acre	84.60
Return over direct expenses per acre	131.12
Overhead expenses per acre	
Hired labor	5.76
Machinery & bldg leases	10.42
RE & pers. property taxes	11.69
Farm insurance	4.84
Utilities	4.03
Dues & professional fees	0.82
Interest	37.93
Mach & bldg depreciation	29.10
Miscellaneous	6.79
Total overhead expenses per acre	111.39
Total listed expenses per acre	195.99
Net return per acre	19.74
Total direct expense per bushel	2.06
Total listed expense per bushel	4.77
Net return per bushel	0.48
Breakeven yield per acre	36.19
Est. labor hours per acre	2.71
Net return including govt. payments	27.72
Lbr & mgt charge per acre	18.25
Net return over lbr & mgt	9.47

Table 11 - 10
Crop Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association
(Average of all farms reporting)

SPRING WHEAT ON CASH RENTED LAND

	Average For All Farms

Number of fields	6
Number of farms	6
Acres	26.85
Yield per acre (bushel)	40.54
Operators share of yield %	100.00
Value per bushel	4.00
Total product return per acre	162.16
Miscellaneous income per acre	43.23
Gross return per acre	205.39
Direct expenses per acre	
Seed	15.69
Fertilizer	30.16
Crop chemicals	8.62
Crop insurance	4.30
Fuel & oil	5.63
Repairs	11.28
Custom hire	5.57
Land rent	77.59
Operating interest	3.75
Miscellaneous	0.12
Total direct expenses per acre	162.72
Return over direct expenses per acre	42.68
Overhead expenses per acre	
Hired labor	2.11
Machinery & bldg leases	2.89
Farm insurance	1.47
Utilities	2.17
Interest	8.85
Mach & bldg depreciation	19.66
Miscellaneous	4.14
Total overhead expenses per acre	41.28
Total listed expenses per acre	204.00
Net return per acre	1.39
Total direct expense per bushel	4.01
Total listed expense per bushel	5.03
Net return per bushel	0.03
Breakeven yield per acre	40.19
Est. labor hours per acre	2.01
Net return including govt. payments	28.54
Lbr & mgt charge per acre	14.56
Net return over lbr & mgt	13.98

Table 11 - 11
Crop Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association
(Average of all farms reporting)

CORN SILAGE ON OWNED LAND

	Average For All Farms
Number of fields	21
Number of farms	19
Acres	26.13
Yield per acre (ton)	17.03
Operators share of yield %	100.00
Value per ton	20.00
Total product return per acre	340.70
Miscellaneous income per acre	0.00
Gross return per acre	340.70
Direct expenses per acre	
Seed	30.87
Fertilizer	43.33
Crop chemicals	30.15
Crop insurance	6.08
Fuel & oil	13.99
Repairs	27.60
Custom hire	4.19
Machinery & bldg leases	0.67
Marketing	0.00
Operating interest	12.43
Miscellaneous	1.08
Total direct expenses per acre	170.40
Return over direct expenses per acre	170.29
Overhead expenses per acre	
Hired labor	15.67
Machinery & bldg leases	0.38
RE & pers. property taxes	13.43
Farm insurance	6.49
Utilities	3.17
Dues & professional fees	0.14
Interest	30.83
Mach & bldg depreciation	50.46
Miscellaneous	3.16
Total overhead expenses per acre	123.73
Total listed expenses per acre	294.13
Net return per acre	46.57
Total direct expense per ton	10.00
Total listed expense per ton	17.27
Net return per ton	2.73
Breakeven yield per acre	14.71
Est. labor hours per acre	3.74
Net return including govt. payments	92.13
Lbr & mgt charge per acre	25.25
Net return over lbr & mgt	66.87

Table 11 - 12
Crop Enterprise Analysis, 1997
Southwestern 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	31	6	6
Number of farms	29	6	6
Acres	40.61	41.68	69.93
Yield per acre (ton)	17.47	10.63	22.26
Operators share of yield %	100.00	100.00	100.00
Value per ton	20.00	20.00	20.00
Total product return per acre	349.45	212.55	445.26
Miscellaneous income per acre	4.40	22.14	0.00
Gross return per acre	353.84	234.69	445.26
Direct expenses per acre			
Seed	31.70	29.60	32.19
Fertilizer	39.09	45.77	19.63
Crop chemicals	26.15	23.76	24.24
Crop insurance	5.23	9.40	1.46
Fuel & oil	12.11	11.39	14.68
Repairs	24.08	32.16	19.11
Custom hire	7.42	13.97	4.12
Land rent	76.02	75.38	74.22
Machinery & bldg leases	0.10	0.48	0.00
Marketing	0.06	0.31	0.00
Operating interest	8.36	11.69	4.21
Miscellaneous	1.94	0.00	1.56
Total direct expenses per acre	232.26	253.89	195.42
Return over direct expenses per acre	121.58	-19.20	249.84
Overhead expenses per acre			
Hired labor	7.76	0.25	14.82
Machinery & bldg leases	1.51	5.31	1.09
Farm insurance	3.35	2.06	3.16
Utilities	2.13	3.33	1.09
Dues & professional fees	0.01	0.00	0.03
Interest	7.24	4.28	5.05
Mach & bldg depreciation	32.98	47.90	20.48
Miscellaneous	5.35	4.26	7.14
Total overhead expenses per acre	60.33	67.39	52.85
Total listed expenses per acre	292.59	321.28	248.27
Net return per acre	61.26	-86.59	196.99
Total direct expense per ton	13.29	23.89	8.78
Total listed expense per ton	16.75	30.23	11.15
Net return per ton	3.51	-8.15	8.85
Breakeven yield per acre	14.41	14.96	12.41
Est. labor hours per acre	3.73	3.73	4.29
Net return including govt. payments	104.50	-38.91	241.45
Lbr & mgt charge per acre	25.07	34.59	5.96
Net return over lbr & mgt	79.43	-73.50	235.49

Table 11 - 13
Crop Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association
(Average of all farms reporting)

ALFALFA HAY ON OWNED LAND

	Average For All Farms

Number of fields	11
Number of farms	11
Acres	25.65
Yield per acre (ton)	3.15
Operators share of yield %	100.00
Value per ton	95.00
Total product return per acre	299.37
Miscellaneous income per acre	9.31
Gross return per acre	308.68
Direct expenses per acre	
Seed	31.14
Fertilizer	26.26
Crop chemicals	3.15
Fuel & oil	12.18
Repairs	19.31
Custom hire	4.99
Hired labor	0.40
Operating interest	7.47
Miscellaneous	1.61
Total direct expenses per acre	106.52
Return over direct expenses per acre	202.16
Overhead expenses per acre	
Hired labor	23.11
Machinery & bldg leases	0.32
RE & pers. property taxes	10.98
Farm insurance	7.42
Utilities	3.23
Dues & professional fees	0.05
Interest	26.54
Mach & bldg depreciation	29.84
Miscellaneous	2.73
Total overhead expenses per acre	104.24
Total listed expenses per acre	210.75
Net return per acre	97.93
Total direct expense per ton	33.80
Total listed expense per ton	66.88
Net return per ton	31.07
Breakeven yield per acre	2.12
Est. labor hours per acre	2.78
Lbr & mgt charge per acre	11.46
Net return over lbr & mgt	86.47

Table 11 - 14
Crop Enterprise Analysis, 1997
Southwestern 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	31	6	5
Number of farms	25	5	5
Acres	44.27	18.42	48.13
Yield per acre (ton)	3.35	1.00	4.09
Operators share of yield %	100.00	100.00	100.00
Value per ton	95.00	95.00	95.00
Total product return per acre	318.04	94.98	388.55
Miscellaneous income per acre	0.00	0.00	0.00
Gross return per acre	318.04	94.98	388.55
Direct expenses per acre			
Seed	24.89	23.64	8.77
Fertilizer	21.67	21.05	21.86
Crop chemicals	3.01	6.29	1.07
Fuel & oil	10.84	5.49	9.12
Repairs	20.53	17.68	21.79
Custom hire	6.44	23.44	2.45
Land rent	71.05	57.07	55.65
Marketing	0.33	0.00	0.00
Operating interest	5.20	8.82	5.43
Miscellaneous	3.08	0.00	1.20
Total direct expenses per acre	167.05	163.48	127.32
Return over direct expenses per acre	150.99	-68.50	261.23
Overhead expenses per acre			
Hired labor	8.24	8.53	1.24
Machinery & bldg leases	11.42	0.33	0.78
Farm insurance	2.25	1.08	2.62
Utilities	1.11	1.21	1.76
Interest	6.00	4.44	15.93
Mach & bldg depreciation	23.81	17.48	24.30
Miscellaneous	4.82	2.10	1.43
Total overhead expenses per acre	57.66	35.17	48.07
Total listed expenses per acre	224.71	198.65	175.39
Net return per acre	93.33	-103.68	213.17
Total direct expense per ton	49.90	163.52	31.13
Total listed expense per ton	67.12	198.70	42.88
Net return per ton	27.88	-103.70	52.12
Breakeven yield per acre	2.37	2.09	1.85
Est. labor hours per acre	3.42	2.26	2.94
Net return including govt. payments	93.88	-103.68	213.17
Lbr & mgt charge per acre	18.60	16.06	19.99
Net return over lbr & mgt	75.28	-119.74	193.17

Table 11 - 15
Crop Enterprise Analysis, 1997
Southwestern 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	20.95
Yield per acre (ton)	4.85
Operators share of yield %	100.00
Value per ton	14.20
Total product return per acre	68.88
Miscellaneous income per acre	24.34
Gross return per acre	93.22
Direct expenses per acre	
Seed	14.10
Fertilizer	3.88
Crop chemicals	2.35
Fuel & oil	7.03
Repairs	11.85
Custom hire	0.62
Operating interest	5.82
Total direct expenses per acre	45.66
Return over direct expenses per acre	47.55
Overhead expenses per acre	
Hired labor	11.79
Machinery & bldg leases	0.53
RE & pers. property taxes	16.25
Farm insurance	3.51
Utilities	1.66
Dues & professional fees	0.09
Interest	46.81
Mach & bldg depreciation	20.72
Miscellaneous	0.76
Total overhead expenses per acre	102.12
Total listed expenses per acre	147.78
Net return per acre	-54.56
Total direct expense per ton	9.42
Total listed expense per ton	30.47
Net return per ton	-11.25
Breakeven yield per acre	8.69
Est. labor hours per acre	1.33
Net return including govt. payments	-54.37
Lbr & mgt charge per acre	6.47
Net return over lbr & mgt	-60.84

Table 11 - 16
Crop Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association
(Average of all farms reporting)

PEAS ON OWNED LAND

	Average For All Farms

Number of fields	8
Number of farms	7
Acres	35.70
Yield per acre (lb)	3679.32
Operators share of yield %	100.00
Value per lb	0.08
Total product return per acre	282.80
Miscellaneous income per acre	23.69
Gross return per acre	306.49
Direct expenses per acre	
Seed	2.25
Fertilizer	16.53
Crop chemicals	12.42
Crop insurance	9.81
Fuel & oil	7.58
Repairs	16.16
Custom hire	0.76
Hired labor	2.05
Machinery & bldg leases	3.63
Operating interest	5.27
Miscellaneous	0.58
Total direct expenses per acre	77.04
Return over direct expenses per acre	229.45
Overhead expenses per acre	
Hired labor	5.22
Machinery & bldg leases	0.02
RE & pers. property taxes	16.35
Farm insurance	2.20
Utilities	2.11
Interest	39.18
Mach & bldg depreciation	28.95
Miscellaneous	3.26
Total overhead expenses per acre	97.29
Total listed expenses per acre	174.33
Net return per acre	132.16
Total direct expense per lb	0.02
Total listed expense per lb	0.05
Net return per lb	0.04
Breakeven yield per acre	1959.86
Est. labor hours per acre	1.76
Lbr & mgt charge per acre	18.69
Net return over lbr & mgt	113.48

Table 11 - 17
Crop Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association
(Average of all farms reporting)

PEAS ON CASH RENTED LAND

	Average For All Farms

Number of fields	6
Number of farms	5
Acres	36.78
Yield per acre (lb)	3273.71
Operators share of yield %	100.00
Value per lb	0.07
Total product return per acre	239.33
Miscellaneous income per acre	59.87
Gross return per acre	299.21
Direct expenses per acre	
Seed	4.68
Fertilizer	20.67
Crop chemicals	5.69
Crop insurance	8.08
Fuel & oil	7.02
Repairs	11.51
Land rent	108.38
Marketing	0.24
Operating interest	6.64
Miscellaneous	0.83
Total direct expenses per acre	173.74
Return over direct expenses per acre	125.46
Overhead expenses per acre	
Hired labor	9.05
Machinery & bldg leases	0.61
Farm insurance	1.03
Utilities	1.25
Dues & professional fees	0.27
Interest	3.31
Mach & bldg depreciation	20.88
Miscellaneous	1.54
Total overhead expenses per acre	37.94
Total listed expenses per acre	211.68
Net return per acre	87.53
Total direct expense per lb	0.05
Total listed expense per lb	0.06
Net return per lb	0.03
Breakeven yield per acre	2076.49
Est. labor hours per acre	1.45
Net return including govt. payments	94.62
Lbr & mgt charge per acre	9.25
Net return over lbr & mgt	85.37

Table 11 - 18
Crop Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association
(Average of all farms reporting)

SWEET CORN ON CASH RENTED LAND

	Average For All Farms

Number of fields	9
Number of farms	7
Acres	35.33
Yield per acre (ton)	7.18
Operators share of yield %	100.00
Value per ton	43.72
Total product return per acre	314.00
Miscellaneous income per acre	0.00
Gross return per acre	314.00
Direct expenses per acre	
Fertilizer	49.69
Crop chemicals	16.75
Crop insurance	8.14
Fuel & oil	7.79
Repairs	17.59
Hired labor	1.36
Land rent	91.04
Marketing	0.16
Operating interest	9.63
Miscellaneous	0.30
Total direct expenses per acre	202.45
Return over direct expenses per acre	111.55
Overhead expenses per acre	
Hired labor	3.26
Machinery & bldg leases	1.84
Farm insurance	2.03
Utilities	1.83
Interest	3.75
Mach & bldg depreciation	31.96
Miscellaneous	2.24
Total overhead expenses per acre	46.90
Total listed expenses per acre	249.35
Net return per acre	64.65
Total direct expense per ton	28.19
Total listed expense per ton	34.72
Net return per ton	9.00
Breakeven yield per acre	5.70
Est. labor hours per acre	2.07
Lbr & mgt charge per acre	23.72
Net return over lbr & mgt	40.93

Table 11 - 19
Crop Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association
(Average of all farms reporting)

CRP ON OWNED LAND

	Average For All Farms

Number of fields	21
Number of farms	20
Acres	34.35
Yield per acre	82.01
Operators share of yield %	100.00
Value per unit	1.00
Total product return per acre	82.01
Miscellaneous income per acre	0.00
Gross return per acre	82.01
Direct expenses per acre	
Seed	0.25
Fertilizer	1.48
Crop chemicals	1.05
Fuel & oil	1.09
Repairs	2.51
Operating interest	0.76
Total direct expenses per acre	7.15
Return over direct expenses per acre	74.86
Overhead expenses per acre	
Hired labor	0.40
Machinery & bldg leases	0.03
RE & pers. property taxes	14.14
Farm insurance	0.39
Utilities	0.31
Dues & professional fees	0.01
Interest	21.39
Mach & bldg depreciation	6.42
Miscellaneous	0.68
Total overhead expenses per acre	43.77
Total listed expenses per acre	50.92
Net return per acre	31.09
Total direct expense per unit	0.09
Total listed expense per unit	0.62
Net return per unit	0.38
Breakeven yield per acre	50.92
Est. labor hours per acre	0.31
Lbr & mgt charge per acre	3.75
Net return over lbr & mgt	27.34

Table 11 - 20
Crop Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association
(Average of all farms reporting)

RENTED OUT ON OWNED LAND

	Average For All Farms

Number of fields	11
Number of farms	11
Acres	179.46
Yield per acre	94.50
Operators share of yield %	100.00
Value per unit	1.00
Total product return per acre	94.50
Miscellaneous income per acre	1.46
Gross return per acre	95.96
Direct expenses per acre	
Seed	0.69
Crop chemicals	0.78
Crop insurance	0.30
Fuel & oil	1.22
Repairs	4.28
Operating interest	1.14
Total direct expenses per acre	8.41
Return over direct expenses per acre	87.55
Overhead expenses per acre	
Hired labor	1.27
RE & pers. property taxes	15.79
Farm insurance	2.17
Utilities	0.87
Interest	30.80
Mach & bldg depreciation	6.98
Miscellaneous	1.19
Total overhead expenses per acre	59.08
Total listed expenses per acre	67.49
Net return per acre	28.47
Total direct expense per unit	0.09
Total listed expense per unit	0.71
Net return per unit	0.30
Breakeven yield per acre	66.03
Est. labor hours per acre	0.71
Lbr & mgt charge per acre	7.94
Net return over lbr & mgt	20.54

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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, 1997
Southwestern 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%	
	37		7		7	
	Quantity	Value	Quantity	Value	Quantity	Value
Raised Hogs sold (lb)	1827.73	985.90	1718.82	924.24	1821.99	993.97
Transferred out (lb)	0.12	0.05	0.00	0.00	0.00	0.00
Cull sales (lb)	144.58	58.82	89.81	38.41	175.18	73.32
Butchered (lb)	0.89	0.42	1.24	0.65	1.12	0.48
Less purchased (lb)	-60.00	-62.51	-74.56	-71.73	-79.57	-92.30
Less transferred in (lb)	-0.50	-0.58	0.00	0.00	-1.85	-2.15
Inventory change (lb)	75.17	-22.71	47.05	-53.36	127.13	41.73
Total production (lb)	1987.99	959.39	1782.37	838.21	2044.00	1015.04
Other income		0.03		0.00		0.00
Gross return		959.43		838.21		1015.04
Direct expenses						
Barley (bu.)	0.29	0.57	1.61	3.22	0.00	0.00
Corn (bu.)	92.04	219.37	102.59	246.67	70.24	164.68
Hay, Alfalfa (lb.)	0.66	0.03	1.24	0.07	0.00	0.00
Oats (bu.)	0.19	0.32	0.68	1.12	0.00	0.00
Pasture (aum)	0.00	0.06	0.00	0.13	0.00	0.00
Stover (lb.)	1.47	0.07	0.00	0.00	0.00	0.00
Complete Ration (lb.)	389.89	45.25	0.68	0.22	1207.38	99.00
Protein Vit Minerals (lb.)	1508.25	321.21	1708.50	340.67	1384.22	267.22
Other feed stuffs		2.41		13.59		0.00
Breeding fees		4.42		0.00		5.61
Veterinary		38.53		62.69		34.76
Livestock supplies		12.90		14.57		5.57
Fuel & oil		14.64		21.71		19.51
Repairs		26.84		37.98		23.84
Custom hire		20.54		20.25		10.61
Hired labor		0.25		0.00		0.00
Machinery & bldg leases		1.87		0.00		6.97
Livestock leases		8.35		0.00		0.00
Utilities		2.32		0.00		0.00
Marketing		0.83		3.42		0.13
Bedding		0.22		0.00		0.00
Operating interest		11.78		19.18		13.54
Total direct expenses		732.78		785.48		651.43
Return over direct expense		226.65		52.73		363.61
Overhead expenses						
Hired labor		52.06		62.11		90.25
Machinery & bldg leases		10.37		0.34		0.68
RE & pers. property taxes		3.11		5.74		1.39
Farm insurance		8.92		13.15		8.24
Utilities		16.54		17.74		22.47
Dues & professional fees		0.63		0.00		1.83
Interest		15.21		4.84		20.28
Mach & bldg depreciation		62.05		59.27		79.63
Miscellaneous		6.97		11.21		5.03
Total overhead expenses		175.86		174.40		229.80
Total listed expenses		908.64		959.88		881.23
Net return		50.79		-121.67		133.81
Est. labor hours per unit		9.86		9.53		11.39
Labor & management charge		69.79		66.50		70.42
Net return over lbr & mgt		-19.00		-188.17		63.39
Other Information						
Average number of sows		130.5		127.1		175.1
Litters farrowed		245		230		348
Litters per sow		1.88		1.81		1.99
Litters Per crate		9.68		9.08		10.20
Pigs born per litter		10.01		10.11		9.90
Pigs weaned per litter		8.86		8.97		8.70
Pigs weaned per sow		16.66		15.83		17.78
Number sold per litter		7.73		7.38		7.37
Lbs of feed / lb of gain		3.56		4.28		3.19
Feed cost / cwt. of gain		29.64		33.98		25.97
Feed cost per litter		589.28		605.69		530.90
Avg wgt/Raised Hog sold		237		233		247
Avg price / cwt		53.94		53.77		54.55

Table 12 - 2
Livestock Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association
(Farms sorted according to Return to Overhead per unit produced)

Hogs, Farrow To Finish -- Average per Cwt Produced

	Average For All Farms		Average For Low 20%		Average For High 20%	
	37		7		7	
Number of farms	Quantity	Value	Quantity	Value	Quantity	Value
Raised Hogs sold (lb)	91.94	49.59	96.43	51.85	89.14	48.63
Cull sales (lb)	7.27	2.96	5.04	2.16	8.57	3.59
Butchered (lb)	0.04	0.02	0.07	0.04	0.05	0.02
Less purchased (lb)	-3.02	-3.14	-4.18	-4.02	-3.89	-4.52
Less transferred in (lb)	-0.02	-0.03	0.00	0.00	-0.09	-0.11
Inventory change (lb)	3.78	-1.14	2.64	-2.99	6.22	2.04
Total production (lb)	100.00	48.26	100.00	47.03	100.00	49.66
Other income		0.00		0.00		0.00
Gross return		48.26		47.03		49.66
Direct expenses						
Barley (bu.)	0.01	0.03	0.09	0.18	0.00	0.00
Corn (bu.)	4.63	11.03	5.76	13.84	3.44	8.06
Oats (bu.)	0.01	0.02	0.04	0.06	0.00	0.00
Complete Ration (lb.)	19.61	2.28	0.04	0.01	59.07	4.84
Protein Vit Minerals (lb.)	75.87	16.16	95.86	19.11	67.72	13.07
Other feed stuffs		0.12		0.76		0.00
Breeding fees		0.22		0.00		0.27
Veterinary		1.94		3.52		1.70
Livestock supplies		0.65		0.82		0.27
Fuel & oil		0.74		1.22		0.95
Repairs		1.35		2.13		1.17
Custom hire		1.03		1.14		0.52
Hired labor		0.01		0.00		0.00
Machinery & bldg leases		0.09		0.00		0.34
Livestock leases		0.42		0.00		0.00
Utilities		0.12		0.00		0.00
Marketing		0.04		0.19		0.01
Bedding		0.01		0.00		0.00
Operating interest		0.59		1.08		0.66
Total direct expenses		36.86		44.07		31.87
Return over direct expense		11.40		2.96		17.79
Overhead expenses						
Hired labor		2.62		3.48		4.42
Machinery & bldg leases		0.52		0.02		0.03
RE & pers. property taxes		0.16		0.32		0.07
Farm insurance		0.45		0.74		0.40
Utilities		0.83		1.00		1.10
Dues & professional fees		0.03		0.00		0.09
Interest		0.77		0.27		0.99
Mach & bldg depreciation		3.12		3.33		3.90
Miscellaneous		0.35		0.63		0.25
Total overhead expenses		8.85		9.78		11.24
Total listed expenses		45.71		53.85		43.11
Net return		2.55		-6.83		6.55
Est. labor hours per unit		0.50		0.53		0.56
Labor & management charge		3.51		3.73		3.45
Net return over lbr & mgt		-0.96		-10.56		3.10
Other Information						
Average number of sows		130.5		127.1		175.1
Litters farrowed		245		230		348
Litters per sow		1.88		1.81		1.99
Litters per crate		9.68		9.08		10.20
Pigs born per litter		10.01		10.11		9.90
Pigs weaned per litter		8.86		8.97		8.70
Pigs weaned per sow		16.66		15.83		17.78
Number sold per litter		7.73		7.38		7.37
Lbs of feed / lb of gain		3.56		4.28		3.19
Feed cost / cwt. of gain		29.64		33.98		25.97
Feed cost per litter		589.28		605.69		530.90
Avg wgt/Raised Hog sold		237		233		247
Avg price / cwt		53.94		53.77		54.55

Table 12 - 3
Livestock Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association

Hogs, Feeder Pig Prod -- Average per Litter

	Average For All Farms	
	8	
	Quantity	Value
Number of farms		
Feeder Pigs sold (hd)	4.12	214.87
Transferred out (hd)	4.51	160.53
Cull sales (hd)	0.27	46.63
Less purchased (hd)	-0.18	-32.10
Less transferred in (hd)	-0.23	-40.90
Inventory change (hd)	0.26	9.31
Total production (hd)	0.00	358.35
Other income		0.00
Gross return		358.35
Direct expenses		
Corn (bu.)	20.16	48.75
Complete Ration (lb.)	242.53	48.73
Protein Vit Minerals (lb.)	269.96	68.39
Other feed stuffs		6.65
Breeding fees		8.72
Veterinary		28.72
Livestock supplies		4.39
Fuel & oil		6.23
Repairs		17.72
Custom hire		4.53
Machinery & bldg leases		0.95
Utilities		4.09
Operating interest		6.11
Total direct expenses		253.97
Return over direct expense		104.38
Overhead expenses		
Hired labor		15.37
Machinery & bldg leases		21.19
RE & pers. property taxes		2.21
Farm insurance		3.01
Utilities		11.18
Dues & professional fees		0.51
Interest		8.72
Mach & bldg depreciation		31.17
Miscellaneous		4.81
Total overhead expenses		98.16
Total listed expenses		352.13
Net return		6.22
Est. labor hours per unit		6.66
Labor & management charge		43.92
Net return over lbr & mgt		-37.70
Other Information		
Average number of sows		94.6
Litters farrowed		164
Litters per sow		1.74
Litters per crate		7.47
Pigs born per litter		10.39
Pigs weaned per litter		8.73
Pigs weaned per sow		14.93
Number sold per litter		4.12
Feed cost per litter		172.51
Avg wgt/Feeder Pig sold		50
Avg price / head		52.20

Table 12 - 4
Livestock Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association

Hogs, Feeder Pig Prod -- Average per Head Sold/Trans

	Average For All Farms	
	8	
	Quantity	Value
Number of farms		
Feeder Pigs sold (hd)	0.48	24.91
Transferred out (hd)	0.52	18.61
Cull sales (hd)	0.03	5.41
Less purchased (hd)	-0.02	-3.72
Less transferred in (hd)	-0.03	-4.74
Inventory change (hd)	0.03	1.08
Total production (hd)	0.00	41.54
Other income		0.00
Gross return		41.54
Direct expenses		
Corn (bu.)	2.34	5.65
Complete Ration (lb.)	28.12	5.65
Protein Vit Minerals (lb.)	31.29	7.93
Other feed stuffs		0.77
Breeding fees		1.01
Veterinary		3.33
Livestock supplies		0.51
Fuel & oil		0.72
Repairs		2.05
Custom hire		0.52
Machinery & bldg leases		0.11
Utilities		0.47
Operating interest		0.71
Total direct expenses		29.44
Return over direct expense		12.10
Overhead expenses		
Hired labor		1.78
Machinery & bldg leases		2.46
RE & pers. property taxes		0.26
Farm insurance		0.35
Utilities		1.30
Dues & professional fees		0.06
Interest		1.01
Mach & bldg depreciation		3.61
Miscellaneous		0.56
Total overhead expenses		11.38
Total listed expenses		40.82
Net return		0.72
Est. labor hours per unit		0.77
Labor & management charge		5.09
Net return over lbr & mgt		-4.37
Other Information		
Average number of sows		94.6
Litters farrowed		164
Litters per sow		1.74
Litters per crate		7.47
Pigs born per litter		10.39
Pigs weaned per litter		8.73
Pigs weaned per sow		14.93
Number sold per litter		4.12
Feed cost per litter		172.51
Avg wgt/Feeder Pig sold		50
Avg price / head		52.20

Table 12 - 5
Livestock Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association

Hogs, Finish Feeder Pigs -- Average per Head

	Average For All Farms	
	----- 13 -----	
	Quantity	Value
	-----	-----
Number of farms		13
Finish Hogs sold (lb)	244.72	128.91
Transferred out (lb)	2.20	1.11
Cull sales (lb)	0.26	0.07
Butchered (lb)	0.21	0.11
Less purchased (lb)	-44.60	-46.47
Less transferred in (lb)	-4.49	-4.75
Inventory change (lb)	6.21	-3.30
Total production (lb)	204.54	75.68
Other income		0.00
Gross return		75.68
Direct expenses		
Corn (bu.)	9.30	22.11
Complete Ration (lb.)	6.80	1.38
Protein Vit Minerals (lb.)	133.44	25.19
Other feed stuffs		2.06
Breeding fees		0.04
Veterinary		2.19
Livestock supplies		0.94
Fuel & oil		0.75
Repairs		1.80
Custom hire		0.04
Machinery & bldg leases		0.23
Marketing		0.17
Operating interest		1.30
Total direct expenses		58.19
Return over direct expense		17.49
Overhead expenses		
Hired labor		1.20
Machinery & bldg leases		4.33
RE & pers. property taxes		0.31
Farm insurance		0.64
Utilities		0.85
Dues & professional fees		0.07
Interest		1.03
Mach & bldg depreciation		3.01
Miscellaneous		1.35
Total overhead expenses		12.79
Total listed expenses		70.98
Net return		4.70
Est. labor hours per unit		0.50
Labor & management charge		4.61
Net return over lbr & mgt		0.09
Other Information		
No. purchased or trans in		1014
Number sold or trans out		961
Percentage death loss		2.3
Avg. daily gain (lbs)		1.36
Lbs of conc / lb of gain		3.23
Lbs of feed / lb of gain		3.31
Feed cost per cwt of gain		24.81
Feed cost per head		50.75
Average purchase weight		48
Average sales weight		254
Avg purch price / head		50.06
Avg sales price / cwt		52.67

Table 12 - 6
Livestock Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association

Hogs, Finish Feeder Pigs -- Average per Cwt Produced

	Average For All Farms	
	----- 13 -----	
	Quantity	Value
Number of farms		13
Finish Hogs sold (lb)	119.65	63.02
Transferred out (lb)	1.08	0.55
Cull sales (lb)	0.13	0.04
Butchered (lb)	0.10	0.05
Less purchased (lb)	-21.80	-22.72
Less transferred in (lb)	-2.19	-2.32
Inventory change (lb)	3.04	-1.61
Total production (lb)	100.00	37.00
Other income		0.00
Gross return		37.00
Direct expenses		
Corn (bu.)	4.55	10.81
Complete Ration (lb.)	3.32	0.68
Protein Vit Minerals (lb.)	65.24	12.32
Other feed stuffs		1.01
Breeding fees		0.02
Veterinary		1.07
Livestock supplies		0.46
Fuel & oil		0.36
Repairs		0.88
Custom hire		0.02
Machinery & bldg leases		0.11
Marketing		0.08
Operating interest		0.64
Total direct expenses		28.45
Return over direct expense		8.55
Overhead expenses		
Hired labor		0.58
Machinery & bldg leases		2.12
RE & pers. property taxes		0.15
Farm insurance		0.31
Utilities		0.42
Dues & professional fees		0.04
Interest		0.50
Mach & bldg depreciation		1.47
Miscellaneous		0.66
Total overhead expenses		6.25
Total listed expenses		34.70
Net return		2.30
Est. labor hours per unit		0.24
Labor & management charge		2.25
Net return over lbr & mgt		0.05
Other Information		
No. purchased or trans in		1014
Number sold or trans out		961
Percentage death loss		2.3
Avg. daily gain (lbs)		1.36
Lbs of conc / lb of gain		3.23
Lbs of feed / lb of gain		3.31
Feed cost per cwt of gain		24.81
Feed cost per head		50.75
Average purchase weight		48
Average sales weight		254
Avg purch price / head		50.06
Avg sales price / cwt		52.67

Table 12 - 7
Livestock Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association

Hogs, Weaning to Finish -- Average per Head

	Average For All Farms	
	----- 10 -----	
	Quantity	Value
Number of farms		10
Wean-Fin Pig sold (lb)	251.80	135.07
Transferred out (lb)	0.97	1.30
Cull sales (lb)	2.87	1.52
Butchered (lb)	0.07	0.03
Less purchased (lb)	-11.35	-35.62
Less transferred in (lb)	-8.78	-5.65
Inventory change (lb)	-0.45	-1.41
Total production (lb)	235.14	95.25
Other income		0.00
Gross return		95.25
Direct expenses		
Corn (bu.)	7.22	17.38
Complete Ration (lb.)	128.15	17.22
Protein Vit Minerals (lb.)	126.43	18.09
Breeding fees		0.12
Veterinary		1.29
Livestock supplies		0.58
Fuel & oil		1.31
Repairs		3.07
Custom hire		0.52
Machinery & bldg leases		1.98
Livestock leases		1.70
Utilities		0.04
Marketing		0.16
Operating interest		0.90
Total direct expenses		64.37
Return over direct expense		30.88
Overhead expenses		
Hired labor		3.46
Machinery & bldg leases		4.72
RE & pers. property taxes		0.19
Farm insurance		0.70
Utilities		1.42
Interest		2.70
Mach & bldg depreciation		5.22
Miscellaneous		1.14
Total overhead expenses		19.55
Total listed expenses		83.93
Net return		11.32
Est. labor hours per unit		0.52
Labor & management charge		1.19
Net return over lbr & mgt		10.14
Other Information		
No. purchased or trans in		6277
Number sold or trans out		5824
Percentage death loss		5.1
Avg. daily gain (lbs)		1.42
Lbs of conc / lb of gain		2.80
Lbs of feed / lb of gain		2.80
Feed cost per cwt of gain		22.41
Feed cost per head		52.69
Average purchase weight		11
Average sales weight		247
Avg purch price / head		34.54
Avg sales price / cwt		53.64

Table 12 - 8
Livestock Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association

Hogs, Weaning to Finish -- Average per Cwt Produced

	Average For All Farms	
	----- 10	
	Quantity	Value
	-----	-----
Number of farms		10
Wean-Fin Pig sold (lb)	107.09	57.44
Transferred out (lb)	0.41	0.55
Cull sales (lb)	1.22	0.65
Butchered (lb)	0.03	0.01
Less purchased (lb)	-4.83	-15.15
Less transferred in (lb)	-3.73	-2.40
Inventory change (lb)	-0.19	-0.60
Total production (lb)	100.00	40.51
Other income		0.00
Gross return		40.51
Direct expenses		
Corn (bu.)	3.07	7.39
Complete Ration (lb.)	54.50	7.33
Protein Vit Minerals (lb.)	53.77	7.69
Breeding fees		0.05
Veterinary		0.55
Livestock supplies		0.25
Fuel & oil		0.56
Repairs		1.31
Custom hire		0.22
Machinery & bldg leases		0.84
Livestock leases		0.72
Utilities		0.02
Marketing		0.07
Operating interest		0.38
Total direct expenses		27.38
Return over direct expense		13.13
Overhead expenses		
Hired labor		1.47
Machinery & bldg leases		2.01
RE & pers. property taxes		0.08
Farm insurance		0.30
Utilities		0.60
Interest		1.15
Mach & bldg depreciation		2.22
Miscellaneous		0.49
Total overhead expenses		8.32
Total listed expenses		35.69
Net return		4.81
Est. labor hours per unit		0.22
Labor & management charge		0.50
Net return over lbr & mgt		4.31
Other Information		
No. purchased or trans in		6277
Number sold or trans out		5824
Percentage death loss		5.1
Avg. daily gain (lbs)		1.42
Lbs of conc / lb of gain		2.80
Lbs of feed / lb of gain		2.80
Feed cost per cwt of gain		22.41
Feed cost per head		52.69
Average purchase weight		11
Average sales weight		247
Avg purch price / head		34.54
Avg sales price / cwt		53.64

Table 12 - 9
Livestock Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association

Hogs, Contractee -- Average per Pig Space

	Average For All Farms	
	8	
	Quantity	Value
Number of farms		8
ContracteeHg sold (hd)	0.00	11.95
Total production (hd)	0.00	11.95
Other income		26.73
Gross return		38.68
Direct expenses		
Veterinary		0.03
Livestock supplies		1.71
Fuel & oil		0.82
Repairs		1.09
Custom hire		0.25
Machinery & bldg leases		0.41
Livestock leases		0.31
Bedding		0.03
Operating interest		0.15
Total direct expenses		4.81
Return over direct expense		33.87
Overhead expenses		
Hired labor		2.14
Machinery & bldg leases		0.11
RE & pers. property taxes		0.30
Farm insurance		0.92
Utilities		1.80
Dues & professional fees		0.02
Interest		10.82
Mach & bldg depreciation		14.40
Miscellaneous		0.66
Total overhead expenses		31.17
Total listed expenses		35.98
Net return		2.70
Est. labor hours per unit		0.56
Labor & management charge		6.33
Net return over lbr & mgt		-3.63
Other Information		
Number of pigs		4813
Pigs per pig space (per year)		2.65
Pigs per 100 sq. ft. (per yr)		33.65
Net return per 100 sq. ft.		34.34
Net return per labor hour		4.79
Square feet per pig space		7.86

Table 12 - 10
Livestock Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association

Beef Cow-Calf -- Average per Cow

	Average For All Farms	
	14	
	Quantity	Value
Number of farms		
Beef Calves sold (lb)	109.58	70.91
Transferred out (lb)	353.52	277.64
Cull sales (lb)	194.42	70.78
Butchered (lb)	2.41	1.01
Less purchased (lb)	-154.89	-100.78
Less transferred in (lb)	-103.26	-69.23
Inventory change (lb)	140.71	139.18
Total production (lb)	542.49	389.52
Other income		0.00
Gross return		389.52
Direct expenses		
Barley (bu.)	0.35	0.69
Corn (bu.)	9.04	21.59
Corn Silage (lb.)	5915.65	60.19
Hay, Alfalfa (lb.)	1144.59	45.83
Hay, Grass & Other (lb.)	1756.37	61.40
Haylage, Grass & Other (lb.)	23.15	0.64
Oats (bu.)	0.12	0.20
Pasture (aum)	1.94	49.96
Stover (lb.)	338.51	2.40
Complete Ration (lb.)	99.56	30.86
Protein Vit Minerals (lb.)	399.50	30.80
Other feed stuffs		12.15
Breeding fees		3.06
Veterinary		25.31
Livestock supplies		7.08
Fuel & oil		11.40
Repairs		19.71
Custom hire		7.60
Machinery & bldg leases		1.00
Livestock leases		2.96
Marketing		0.35
Operating interest		8.93
Total direct expenses		380.10
Return over direct expense		9.41
Overhead expenses		
Hired labor		10.55
Machinery & bldg leases		12.28
RE & pers. property taxes		1.41
Farm insurance		5.19
Utilities		9.82
Interest		9.83
Mach & bldg depreciation		31.93
Miscellaneous		5.47
Total overhead expenses		86.58
Total listed expenses		466.68
Net return		-77.17
Est. labor hours per unit		8.09
Labor & management charge		39.92
Net return over lbr & mgt		-117.08
Other Information		
Number of cows		74.1
Pregnancy percentage		94.7
Pregnancy loss percentage		2.5
Culling percentage		15.2
Calving percentage		92.4
Weaning percentage		85.4
Calves sold per cow		0.80
Calf death loss percent		7.5
Average weaning weight		530
Lbs weaned/exposed female		453
Feed cost per cow		292.71
Avg wgt/Beef Calf sold		738
Avg price / cwt		64.71

Table 12 - 11
Livestock Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association
(Farms sorted according to Return to Overhead per unit produced)

Beef, Finish Beef Calves -- Average per Head

Number of farms	Average For All Farms		Average For Low 20%		Average For High 20%	
	26		5		5	
	Quantity	Value	Quantity	Value	Quantity	Value
Finish Beef sold (lb)	1001.24	648.57	1039.66	655.62	750.87	478.21
Transferred out (lb)	2.07	1.19	1.63	1.09	5.02	3.15
Cull sales (lb)	0.13	0.03	0.00	0.00	0.00	0.00
Butchered (lb)	2.76	1.76	1.25	0.80	7.89	5.04
Less purchased (lb)	-643.31	-524.16	-856.37	-693.04	-522.84	-393.50
Less transferred in (lb)	-34.86	-28.87	-23.53	-20.00	-10.05	-7.03
Inventory change (lb)	211.81	197.81	386.74	332.17	282.94	256.77
Total production (lb)	539.84	296.32	549.37	276.64	513.84	342.63
Other income		0.00		0.00		0.00
Gross return		296.32		276.64		342.63
Direct expenses						
Corn (bu.)	55.52	130.93	67.75	156.03	49.09	117.53
Corn Silage (lb.)	2016.82	20.60	1697.74	18.42	1916.48	19.41
Corn, Ear (lb.)	60.28	1.96	0.00	0.00	0.00	0.00
Hay, Alfalfa (lb.)	128.90	5.53	171.85	5.77	132.48	3.31
Hay, Grass & Other (lb.)	133.27	3.91	109.10	3.95	88.32	1.98
Haylage, Grass & Other (lb.)	7.81	0.10	4.76	0.13	0.00	0.00
Outlage (lb.)	76.47	0.54	239.76	1.68	0.00	0.00
Sorghum Silage (lb.)	104.05	0.98	290.44	2.90	0.00	0.00
Stover (lb.)	14.90	0.07	46.73	0.23	0.00	0.00
Wheat, Spring (bu.)	0.02	0.09	0.00	0.00	0.00	0.00
Complete Ration (lb.)	339.37	17.20	626.06	33.09	0.00	0.00
Protein Vit Minerals (lb.)	254.27	30.36	107.63	14.19	176.74	31.87
Other feed stuffs		0.50		0.00		0.69
Veterinary		8.03		5.50		6.84
Livestock supplies		15.30		39.92		2.20
Fuel & oil		2.94		3.52		4.44
Repairs		6.40		5.54		9.29
Custom hire		0.60		0.90		0.51
Machinery & bldg leases		1.01		0.00		0.00
Marketing		2.44		0.04		3.02
Bedding		0.12		0.00		0.00
Operating interest		17.28		17.17		17.31
Total direct expenses		266.88		309.00		218.38
Return over direct expense		29.44		-32.35		124.25
Overhead expenses						
Hired labor		6.29		8.24		3.67
Machinery & bldg leases		0.62		0.00		5.88
RE & pers. property taxes		1.31		1.37		1.76
Farm insurance		2.17		1.47		2.85
Utilities		3.21		2.55		3.86
Bedding		0.31		0.00		3.19
Dues & professional fees		0.09		0.23		0.11
Interest		4.12		6.17		6.10
Mach & bldg depreciation		24.89		18.79		24.31
Miscellaneous		2.71		2.78		2.27
Total overhead expenses		45.71		41.59		54.00
Total listed expenses		312.60		350.59		272.38
Net return		-16.27		-73.95		70.25
Est. labor hours per unit		2.35		2.42		3.10
Labor & management charge		18.75		9.60		22.00
Net return over lbr & mgt		-35.02		-83.55		48.24
Other Information						
No. purchased or trans in		356		712		152
Number sold or trans out		290		485		112
Percentage death loss		0.7		0.7		1.4
Avg. daily gain (lbs)		2.56		2.41		2.30
Lbs of conc / lb of gain		6.97		8.16		5.80
Lbs of feed / lb of gain		8.84		10.09		7.47
Feed cost per cwt of gain		39.42		43.03		34.02
Feed cost per head		212.78		236.40		174.79
Average purchase weight		684		738		636
Average sales weight		1228		1264		1226
Avg purch price / cwt		81.48		80.93		75.26
Avg sales price / cwt		64.78		63.06		63.69

Table 12 - 12
Livestock Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association
(Farms sorted according to Return to Overhead per unit produced)

Beef, Finish Beef Calves -- Average per Cwt Produced

Number of farms	Average For All Farms		Average For Low 20%		Average For High 20%	
	Quantity	Value	Quantity	Value	Quantity	Value
		26		5		5
Finish Beef sold (lb)	185.47	120.14	189.24	119.34	146.13	93.07
Transferred out (lb)	0.38	0.22	0.30	0.20	0.98	0.61
Butchered (lb)	0.51	0.33	0.23	0.14	1.54	0.98
Less purchased (lb)	-119.17	-97.10	-155.88	-126.15	-101.75	-76.58
Less transferred in (lb)	-6.46	-5.35	-4.28	-3.64	-1.96	-1.37
Inventory change (lb)	39.24	36.64	70.40	60.46	55.06	49.97
Total production (lb)	100.00	54.89	100.00	50.36	100.00	66.68
Other income		0.00		0.00		0.00
Gross return		54.89		50.36		66.68
Direct expenses						
Corn (bu.)	10.28	24.25	12.33	28.40	9.55	22.87
Corn Silage (lb.)	373.60	3.82	309.03	3.35	372.97	3.78
Corn, Ear (lb.)	11.17	0.06	0.00	0.00	0.00	0.00
Hay, Alfalfa (lb.)	23.88	1.03	31.28	1.05	25.78	0.64
Hay, Grass & Other (lb.)	24.69	0.72	19.86	0.72	17.19	0.39
Haylage, Grass & Other (lb.)	1.45	0.02	0.87	0.02	0.00	0.00
Oatlage (lb.)	14.17	0.10	43.64	0.31	0.00	0.00
Sorghum Silage (lb.)	19.27	0.18	52.87	0.53	0.00	0.00
Stover (lb.)	2.76	0.01	8.51	0.04	0.00	0.00
Wheat, Spring (bu.)	0.00	0.02	0.00	0.00	0.00	0.00
Complete Ration (lb.)	62.86	3.19	113.96	6.02	0.00	0.00
Protein Vit Minerals (lb.)	47.10	5.62	19.59	2.58	34.40	6.20
Other feed stuffs		0.09		0.00		0.13
Veterinary		1.49		1.00		1.33
Livestock supplies		2.83		7.27		0.43
Fuel & oil		0.54		0.64		0.86
Repairs		1.18		1.01		1.81
Custom hire		0.11		0.16		0.10
Machinery & bldg leases		0.19		0.00		0.00
Marketing		0.45		0.01		0.59
Bedding		0.02		0.00		0.00
Operating interest		3.20		3.13		3.37
Total direct expenses		49.44		56.25		42.50
Return over direct expense		5.45		-5.89		24.18
Overhead expenses						
Hired labor		1.17		1.50		0.71
Machinery & bldg leases		0.12		0.00		1.14
RE & pers. property taxes		0.24		0.25		0.34
Farm insurance		0.40		0.27		0.55
Utilities		0.59		0.46		0.75
Bedding		0.06		0.00		0.62
Dues & professional fees		0.02		0.04		0.02
Interest		0.76		1.12		1.19
Mach & bldg depreciation		4.61		3.42		4.73
Miscellaneous		0.50		0.51		0.44
Total overhead expenses		8.47		7.57		10.51
Total listed expenses		57.91		63.82		53.01
Net return		-3.01		-13.46		13.67
Est. labor hours per unit		0.44		0.44		0.60
Labor & management charge		3.47		1.75		4.28
Net return over lbr & mgt		-6.49		-15.21		9.39
Other Information						
No. purchased or trans in		356		712		152
Number sold or trans out		290		485		112
Percentage death loss		0.7		0.7		1.4
Avg. daily gain (lbs)		2.56		2.41		2.30
Lbs of conc / lb of gain		6.97		8.16		5.80
Lbs of feed / lb of gain		8.84		10.09		7.47
Feed cost per cwt of gain		39.42		43.03		34.02
Feed cost per head		212.78		236.40		174.79
Average purchase weight		684		738		636
Average sales weight		1228		1264		1226
Avg purch price / cwt		81.48		80.93		75.26
Avg sales price / cwt		64.78		63.06		63.69

Table 12 - 13
Livestock Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association

Dairy -- Average per Cow

	Average For All Farms	
	9	
	Quantity	Value
Number of farms		9
Milk sold (lb)	19636.83	2651.72
Milk used in home (lb)	25.18	4.21
Milk fed to animals (lb)	48.77	7.35
Dairy Calves sold (hd)	0.15	89.64
Transferred out (hd)	0.02	3.59
Cull sales (hd)	0.27	114.10
Butchered (hd)	0.00	0.58
Less purchased (hd)	-0.00	-2.95
Less transferred in (hd)	-0.36	-350.69
Inventory change (hd)	-0.10	-84.02
Total production		2433.54
Other income		6.14
Gross return		2439.68
Direct expenses		
Corn (bu.)	89.26	214.60
Corn Silage (lb.)	13331.80	133.53
Corn, Ear (lb.)	330.32	13.94
Hay, Alfalfa (lb.)	4500.65	223.70
Hay, Grass & Other (lb.)	148.10	4.19
Haylage, Alfalfa (lb.)	1317.08	36.33
Wheat, Spring (bu.)	5.27	38.56
Complete Ration (lb.)	1098.14	54.77
Protein Vit Minerals (lb.)	2424.51	348.25
Other feed stuffs		3.03
Breeding fees		14.21
Veterinary		67.99
Livestock supplies		144.03
Fuel & oil		20.39
Repairs		77.21
Custom hire		38.87
Machinery & bldg leases		11.88
Marketing		17.96
Operating interest		8.73
Total direct expenses		1472.17
Return over direct expense		967.51
Overhead expenses		
Hired labor		232.22
Machinery & bldg leases		4.77
RE & pers. property taxes		5.15
Farm insurance		26.66
Utilities		43.24
Interest		73.90
Mach & bldg depreciation		258.22
Miscellaneous		61.74
Total overhead expenses		705.89
Total listed expenses		2178.06
Net return		261.62
Est. labor hours per unit		38.19
Labor & management charge		157.29
Net return over lbr & mgt		104.32
Other Information		
Avg. number of Cows		115.9
Milk produced per Cow		19711
Percent butterfat in milk		3.7
Culling percentage		27.3
Percent of barn capacity		106.7
Lbs. milk/lb grain & conc.		2.1
Feed cost per cwt of milk		5.43
Feed cost per Cow		1070.90
Avg. milk price per cwt.		13.50

Table 12 - 14
Livestock Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association
Dairy Replacement Heifers -- Average per Head Sold/Trans

	Average For All Farms	
Number of farms	9	
	Quantity	Value
Replacements sold (hd)	0.55	160.06
Transferred out (hd)	0.45	382.90
Butchered (hd)	0.00	1.29
Less purchased (hd)	-0.14	-166.20
Less transferred in (hd)	-0.04	-13.23
Inventory change (hd)	0.10	35.24
Total production (hd)	0.00	400.07
Other income		3.17
Gross return		403.24
Direct expenses		
Corn (bu.)	14.38	34.43
Corn Silage (lb.)	5310.75	53.95
Hay, Alfalfa (lb.)	1382.10	65.75
Hay, Grass & Other (lb.)	329.03	9.19
Haylage, Alfalfa (lb.)	212.90	9.01
Oatlage (lb.)	99.35	1.34
Oats (bu.)	3.54	7.05
Pasture (aum)	0.00	0.46
Stover (lb.)	78.49	1.89
Milk (lb.)	19.55	4.63
Protein Vit Minerals (lb.)	334.84	50.09
Breeding fees		4.34
Veterinary		14.18
Livestock supplies		12.78
Fuel & oil		5.21
Repairs		20.02
Custom hire		115.87
Hired labor		0.17
Machinery & bldg leases		3.23
Marketing		1.57
Operating interest		1.80
Total direct expenses		416.97
Return over direct expense		-13.73
Overhead expenses		
Hired labor		38.75
Machinery & bldg leases		0.89
RE & pers. property taxes		1.41
Farm insurance		5.03
Utilities		7.57
Interest		6.86
Mach & bldg depreciation		33.34
Miscellaneous		5.59
Total overhead expenses		99.43
Total listed expenses		516.41
Net return		-113.17
Est. labor hours per unit		5.60
Labor & management charge		30.74
Net return over lbr & mgt		-143.91
Other Information		
No. purchased or trans in		19
Number sold or trans out		103
Average number of head		106
Percentage death loss		2.1
Feed cost per average head		231.92
Feed cost/head sold+trans		237.80
Avg. purchase weight		1048
Avg. sales weight		209
Avg. purch price / head		1153.51
Avg. sales price / head		292.46

Table 12 - 15
Livestock Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association

Dairy and Repl Heifers -- Average per Cow

	Average For All Farms	
	7	
	Quantity	Value
Number of farms		7
Milk sold (lb)	19545.09	2646.34
Milk used in home (lb)	26.90	4.55
Milk fed to animals (lb)	37.95	6.08
Dairy Calves sold (hd)	0.64	201.47
Transferred out (hd)	0.43	379.07
Cull sales (hd)	0.27	111.71
Butchered (hd)	0.00	1.94
Less purchased (hd)	-0.15	-170.20
Less transferred in (hd)	-0.37	-358.28
Inventory change (hd)	0.01	39.70
Total production		2862.37
Other income		7.46
Gross return		2869.83
Direct expenses		
Corn (bu.)	107.80	259.64
Corn Silage (lb.)	18060.50	180.61
Hay, Alfalfa (lb.)	6008.85	295.59
Hay, Grass & Other (lb.)	449.68	12.77
Haylage, Alfalfa (lb.)	729.85	24.51
Oats (bu.)	3.37	6.70
Wheat, Spring (bu.)	5.93	43.43
Complete Ration (lb.)	1236.86	61.69
Milk (lb.)	19.63	4.65
Protein Vit Minerals (lb.)	2601.75	387.71
Other feed stuffs		0.67
Breeding fees		14.73
Veterinary		76.58
Livestock supplies		153.27
Fuel & oil		24.27
Repairs		95.54
Custom hire		151.36
Marketing		18.43
Operating interest		8.88
Total direct expenses		1821.03
Return over direct expense		1048.80
Overhead expenses		
Hired labor		283.87
Machinery & bldg leases		6.27
RE & pers. property taxes		6.43
Farm insurance		30.85
Utilities		47.43
Interest		82.44
Mach & bldg depreciation		304.62
Miscellaneous		70.36
Total overhead expenses		832.27
Total listed expenses		2653.30
Net return		216.53
Est. labor hours per unit		43.45
Labor & management charge		167.75
Net return over lbr & mgt		48.79
Other Information		
Avg. number of Cows		132.3
Milk produced per Cow		19610
Percent butterfat in milk		3.7
Culling percentage		26.9
Percent of barn capacity		105.5
Lbs. milk/lb grain & conc.		1.9
Feed cost per cwt of milk		6.52
Feed cost per Cow		1277.97
Avg. milk price per cwt.		13.54

Table 12 - 16
Livestock Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association

Dairy Heifers (for sale) -- Average per Head Sold/Trans

	Average For All Farms	
	----- 5 -----	
	Quantity	Value
Number of farms		5
Dairy Hfrs sold (hd)	1.00	887.84
Butchered (hd)	0.00	1.45
Less purchased (hd)	-0.97	-528.00
Inventory change (hd)	-0.06	89.54
Total production (hd)	0.00	450.83
Other income		0.00
Gross return		450.83
Direct expenses		
Corn (bu.)	13.91	33.62
Corn Silage (lb.)	21115.89	218.09
Corn, Ear (lb.)	562.50	23.10
Hay, Alfalfa (lb.)	1376.47	67.91
Hay, Grass & Other (lb.)	649.55	25.25
Haylage, Grass & Other (lb.)	267.86	6.03
Oatlage (lb.)	267.86	2.41
Oats (bu.)	0.72	1.35
Sorghum Silage (lb.)	34.82	1.74
Protein Vit Minerals (lb.)	208.04	53.09
Breeding fees		6.38
Veterinary		12.92
Livestock supplies		13.21
Fuel & oil		9.66
Repairs		19.24
Custom hire		6.20
Machinery & bldg leases		2.23
Marketing		2.60
Bedding		2.85
Operating interest		49.09
Total direct expenses		556.98
Return over direct expense		-106.15
Overhead expenses		
Hired labor		6.87
Machinery & bldg leases		1.73
RE & pers. property taxes		6.62
Farm insurance		15.13
Utilities		14.31
Interest		30.46
Mach & bldg depreciation		65.39
Miscellaneous		3.78
Total overhead expenses		144.29
Total listed expenses		701.27
Net return		-250.44
Est. labor hours per unit		10.36
Labor & management charge		72.02
Net return over lbr & mgt		-322.46
Other Information		
No. purchased or trans in		87
Number sold or trans out		90
Average number of head		122
Percentage death loss		1.1
Feed cost per average head		317.80
Feed cost/head sold+trans		432.59
Avg. purchase weight		704
Avg. sales weight		758
Avg. purch price / head		543.78
Avg. sales price / head		887.84

Table 12 - 17
Livestock Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association

Dairy Steers -- Average per Head

	Average For All Farms	
	----- 8 -----	
	Quantity	Value
	-----	-----
Number of farms		8
Dairy Steers sold (lb)	956.66	571.71
Transferred out (lb)	58.54	46.83
Less purchased (lb)	-193.61	-131.59
Less transferred in (lb)	-127.52	-98.57
Inventory change (lb)	-36.24	32.57
Total production (lb)	657.82	420.95
Other income		0.00
Gross return		420.95
Direct expenses		
Corn (bu.)	80.37	188.06
Corn Silage (lb.)	486.05	4.86
Hay, Alfalfa (lb.)	53.57	2.68
Hay, Grass & Other (lb.)	104.53	3.66
Complete Ration (lb.)	42.65	5.55
Protein Vit Minerals (lb.)	504.21	83.45
Veterinary		19.71
Livestock supplies		5.51
Fuel & oil		6.04
Repairs		9.80
Custom hire		0.63
Machinery & bldg leases		1.57
Marketing		6.99
Operating interest		21.63
Total direct expenses		360.14
Return over direct expense		60.81
Overhead expenses		
Hired labor		4.67
Machinery & bldg leases		14.16
RE & pers. property taxes		1.08
Farm insurance		7.17
Utilities		9.47
Interest		12.35
Mach & bldg depreciation		30.87
Miscellaneous		3.60
Total overhead expenses		83.38
Total listed expenses		443.53
Net return		-22.58
Est. labor hours per unit		7.51
Labor & management charge		53.05
Net return over lbr & mgt		-75.62
Other Information		
No. purchased or trans in		55
Number sold or trans out		45
Percentage death loss		6.4
Avg. daily gain (lbs)		1.69
Lbs of conc / lb of gain		7.67
Lbs of feed / lb of gain		8.16
Feed cost per cwt of gain		43.82
Feed cost per head		288.26
Average purchase weight		216
Average sales weight		1212
Avg purch price / head		146.81
Avg sales price / cwt		59.76

Table 12 - 18
Livestock Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association

Dairy Steers -- Average per Cwt Produced

	Average For All Farms	
	8	
	Quantity	Value
Number of farms		8
Dairy Steers sold (lb)	145.43	86.91
Transferred out (lb)	8.90	7.12
Less purchased (lb)	-29.43	-20.00
Less transferred in (lb)	-19.39	-14.98
Inventory change (lb)	-5.51	4.95
Total production (lb)	100.00	63.99
Other income		0.00
Gross return		63.99
Direct expenses		
Corn (bu.)	12.22	28.59
Corn Silage (lb.)	73.89	0.74
Hay, Alfalfa (lb.)	8.14	0.41
Hay, Grass & Other (lb.)	15.89	0.56
Complete Ration (lb.)	6.48	0.84
Protein Vit Minerals (lb.)	76.65	12.69
Veterinary		3.00
Livestock supplies		0.84
Fuel & oil		0.92
Repairs		1.49
Custom hire		0.10
Machinery & bldg leases		0.24
Marketing		1.06
Operating interest		3.29
Total direct expenses		54.75
Return over direct expense		9.24
Overhead expenses		
Hired labor		0.71
Machinery & bldg leases		2.15
RE & pers. property taxes		0.16
Farm insurance		1.09
Utilities		1.44
Interest		1.88
Mach & bldg depreciation		4.69
Miscellaneous		0.55
Total overhead expenses		12.68
Total listed expenses		67.42
Net return		-3.43
Est. labor hours per unit		1.14
Labor & management charge		8.06
Net return over lbr & mgt		-11.50
Other Information		
No. purchased or trans in		55
Number sold or trans out		45
Percentage death loss		6.4
Avg. daily gain (lbs)		1.69
Lbs of conc / lb of gain		7.67
Lbs of feed / lb of gain		8.16
Feed cost per cwt of gain		43.82
Feed cost per head		288.26
Average purchase weight		216
Average sales weight		1212
Avg purch price / head		146.81
Avg sales price / cwt		59.76

Table 12 - 19
Livestock Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association

Sheep, Market Lamb Prod -- Average per Ewe

	Average For All Farms	
	5	
	Quantity	Value
Number of farms		
Lambs sold (lb)	7.98	8.13
Mkt Lambs sold (lb)	156.07	134.78
Transferred out (lb)	10.25	10.25
Cull sales (lb)	30.44	11.88
Butchered (lb)	0.08	0.07
Less purchased (lb)	-26.23	-20.91
Less transferred in (lb)	-10.25	-10.25
Inventory change (lb)	15.36	14.25
Total production		148.20
Other income		2.34
Gross return		150.54
Direct expenses		
Corn (bu.)	11.29	27.23
Corn Silage (lb.)	383.33	3.83
Hay, Alfalfa (lb.)	398.67	19.68
Hay, Grass & Other (lb.)	113.17	3.02
Haylage, Alfalfa (lb.)	200.00	5.00
Oatlage (lb.)	108.33	1.08
Oats (bu.)	0.58	0.88
Stover (lb.)	29.17	1.17
Protein Vit Minerals (lb.)	121.15	19.19
Veterinary		4.99
Livestock supplies		2.81
Fuel & oil		3.14
Repairs		6.25
Custom hire		2.75
Marketing		0.08
Operating interest		0.78
Total direct expenses		101.89
Return over direct expense		48.65
Overhead expenses		
Hired labor		1.37
Machinery & bldg leases		0.07
RE & pers. property taxes		0.67
Farm insurance		1.59
Utilities		2.67
Interest		2.76
Mach & bldg depreciation		22.40
Miscellaneous		3.50
Total overhead expenses		35.03
Total listed expenses		136.92
Net return		13.62
Est. labor hours per unit		2.37
Labor & management charge		19.91
Net return over lbr & mgt		-6.28
Other Information		
Number of ewes		240.0
Pregnancy percentage		93.0
Pregnancy loss percentage		-
Female turnover rate		21.00
Lambs born / ewe exposed		1.50
Lambs born / ewe lambing		1.61
Lambs weaned/ewe exposed		1.37
Lambs sold per ewe		1.32
Lamb dth loss (died/born)		11.4
Average weaning weight		47
Lbs weaned/exposed female		65
Feed cost per ewe		81.08
Avg wgt/Mkt Lamb sold		129
Avg price / cwt		86.36

Table 12 - 20
Livestock Enterprise Analysis, 1997
Southwestern Minnesota Farm Business Management Association

Sheep, Market Lamb Prod -- Average per Cwt Produced

	Average For All Farms	
	5	
	Quantity	Value
Number of farms		
Lambs sold (lb)	4.54	4.63
Mkt Lambs sold (lb)	88.82	76.70
Transferred out (lb)	5.83	5.83
Cull sales (lb)	17.32	6.76
Butchered (lb)	0.05	0.04
Less purchased (lb)	-14.93	-11.90
Less transferred in (lb)	-5.83	-5.83
Inventory change (lb)	8.74	8.11
Total production		84.34
Other income		1.33
Gross return		85.67
Direct expenses		
Corn (bu.)	6.42	15.50
Corn Silage (lb.)	218.15	2.18
Hay, Alfalfa (lb.)	226.87	11.20
Hay, Grass & Other (lb.)	64.40	1.72
Haylage, Alfalfa (lb.)	113.82	2.85
Oatlage (lb.)	61.65	0.62
Oats (bu.)	0.33	0.50
Stover (lb.)	16.60	0.66
Protein Vit Minerals (lb.)	68.94	10.92
Veterinary		2.84
Livestock supplies		1.60
Fuel & oil		1.79
Repairs		3.56
Custom hire		1.56
Marketing		0.04
Operating interest		0.45
Total direct expenses		57.98
Return over direct expense		27.69
Overhead expenses		
Hired labor		0.78
Machinery & bldg leases		0.04
RE & pers. property taxes		0.38
Farm insurance		0.91
Utilities		1.52
Interest		1.57
Mach & bldg depreciation		12.75
Miscellaneous		1.99
Total overhead expenses		19.93
Total listed expenses		77.92
Net return		7.75
Est. labor hours per unit		1.35
Labor & management charge		11.33
Net return over lbr & mgt		-3.58
Other Information		
Number of ewes		240.0
Pregnancy percentage		93.0
Pregnancy loss percentage		-
Female turnover rate		21.00
Lambs born / ewe exposed		1.50
Lambs born / ewe lambing		1.61
Lambs weaned/ewe exposed		1.37
Lambs sold per ewe		1.32
Lamb dth loss (died/born)		11.4
Average weaning weight		47
Lbs weaned/exposed female		65
Feed cost per ewe		81.08
Avg wgt/Mkt Lamb sold		129
Avg price / cwt		86.36

Table 13
PRICES USED IN ANALYSIS REPORT, 1997
Southwestern Minnesota Farm Business Management Association

Item	Beginning Inventory	Feed	Harvest	Ending Inventory
Corn/bu.	2.30	2.40	2.40	2.30
Oats/bu.	2.00	2.00	2.00	2.00
All Wheat/bu.	3.75	4.00	4.00	4.20
Soybeans/bu.	6.75	7.20	6.50	6.40
Alfalfa hay/t.	120.00	100.00	95.00	130.00
Alfalfa haylage/t	60.00	50.00	47.50	65.00
Grass/Mixed hay/r	100.00	90.00	85.00	110.00
Corn silage/t.	20.00	20.00	20.00	20.00
Grass silage/t.	13.00	13.00	15.00	15.00
Oatlage/t.	14.00	14.00	14.00	14.00
Oats straw/bale	2.20	1.75	2.00	2.20
Green chop/t.		14.00	14.00	
Cornstalks/t.		10.00		
CCC Corn Loan Equity	.55 (cash basis only)			.55
CCC Soybean Loan Equity	1.80 (cash basis only)			1.30

All commodities are valued on an as-fed moisture basis.

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

Pasture Costs \$/Head/Mo.

Cows	7.00	Sheep	1.00
Calves	3.50	Lambs	.60

Board for hired labor \$ 6.00/day or \$1.50/meal

Value of milk used in home \$.40/qt or \$1.60/gallon

Value of milk fed calves \$ 1.50/gallon

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

Suggested land market value by county: \$/acre

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

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

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.

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>
1983	99.6
1984	103.9
1985	107.6
1986	109.6
1987	113.6
1988	118.3
1989	124.0
1990	130.7
1991	136.2
1992	140.3
1993	144.5
1994	148.2
1995	152.4
1996	156.9
1997	160.5

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

Items	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Number of Farms	182	168	180	182	178	202	203	200	207	201	202	202	216	203	208
Farm Income Statement															
Gross Cash Farm Income	251,287	259,338	237,875	246,048	254,004	262,229	265,019	291,839	288,031	301,907	296,705	306,175	346,838	382,502	359,710
Total Cash Farm Expense	191,634	217,464	185,864	189,097	196,046	206,433	204,939	222,201	221,385	236,768	242,616	256,246	277,214	299,610	303,241
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	16,939	12,231	19,769
Depr. & Cap. Adj.	-30,286	-33,093	-31,469	-26,656	-25,906	-21,370	-21,709	-26,876	-26,122	-27,051	-26,997	-27,268	-29,288	-32,424	-35,640
Net Farm Income	27,844	9,872	5,487	32,093	63,404	55,004	50,159	65,004	29,702	37,659	31,567	31,915	57,276	62,699	40,598
Net Farm Income (Constant \$)	44,869	15,250	8,185	46,998	89,580	74,625	64,924	79,825	35,001	43,081	35,062	34,564	60,320	64,138	40,598
Profitability and Liquidity Analysis															
Labor and Management Earnings	-35,799	-8,161	-5,860	21,241	51,592	39,866	33,078	47,215	11,281	19,467	16,681	16,949	41,326	45,206	23,364
Rate of return on:											**	**	**	**	**
Average Assets (%)	6	4	4	9	16	13	10	12	5	7	5	5	10	10	6
Average Equity (%)	3	-2	-4	9	24	16	11	15	3	6	2	3	13	12	5
Operating Profit Margin (%)	19	11	10	18	26	22	19	23	12	14	12	12	22	21	14
Asset Turnover Rate (%)	31	35	40	52	63	58	49	53	43	46	40	41	46	48	44
Value of Farm Production	201,051	206,568	185,740	211,530	246,235	246,893	233,867	264,282	225,829	244,243	191,194	207,729	247,690	277,026	262,396
Farm Interest Paid	27,769	29,498	26,700	21,446	15,993	14,546	15,489	17,126	17,061	17,943	15,667	17,837	22,084	22,337	22,282
Cash Expense as a % of Income	76	84	78	77	77	79	77	76	77	78	82	84	80	78	84
Interest Paid as a % of:															
Gross Cash Income	11	11	11	9	6	6	6	6	6	6	5	6	6	6	6
Total Cash Expenses	14	14	14	11	8	7	8	8	8	8	6	7	8	7	7
Yrs. to T/O Non R.E. Debt	3	7	2	2	2	1	2	2	3	3	2	3	1	1	3
Comparative Financial Statement (Market Basis)															
No. of Sole Proprietors	162	147	160	161	164	182	179	180	187	180	**	**	**	**	**
Total Ending Assets	728,302	669,773	508,552	462,043	439,918	468,616	506,988	557,912	579,629	596,525	844,030	901,807	944,208	982,750	1,016,308
Total Ending Liabilities	281,999	304,940	255,031	211,411	180,785	172,714	186,956	202,626	216,189	227,131	396,899	431,390	452,253	462,505	490,140
Ending Net Worth	446,303	364,833	253,521	250,632	259,133	295,902	320,032	355,286	363,440	369,394	447,132	470,418	491,955	520,245	526,168
Ending Farm C+I Debt to Asset %	51	55	51	43	37	35	35	36	41	44	38	39	38	37	44
Ending Total Debt to Asset %	39	46	50	46	41	37	37	36	37	38	47	48	48	47	48
Acreage Information															
Total Acres Owned	*	250	249	231	222	222	237	237	241	251	252	267	256	249	233
Total Crop Acres Farmed	*	519	552	540	520	525	568	561	570	586	600	612	625	658	648
Crop Acres Owned	*	206	212	191	180	186	199	191	200	203	204	204	211	204	200
Crop Acres Cash Rented	*	208	237	236	231	238	269	275	274	286	299	323	340	384	381
Crop Acres Share Rented	*	104	103	113	108	101	100	95	96	96	97	86	74	70	67
Crop Yields															
Corn per acre	88	113	124	136	138	89	141	128	125	126	61	143	119	133	126
Soybean per acre	35	38	35	39	44	32	43	45	38	38	20	46	43	42	42
Crop Prices Received (cash sales)															
Corn per Bushel	*	2.88	2.35	2.03	1.53	2.08	2.20	2.30	2.26	2.20	2.11	2.24	2.30	3.04	2.39
Soybeans per Bushel	*	7.12	5.38	5.01	4.89	6.80	6.57	5.69	5.41	5.39	5.84	5.94	5.56	6.84	7.13
Household Information															
No. Farms Reporting HseHld Info	96	89	96	101	102	120	129	126	145	136	131	134	151	131	123
Average Family Size	*	3.7	3.9	3.6	3.7	3.8	3.9	3.9	4.0	4.1	3.9	3.8	3.7	3.7	3.7
Total Family Use of Cash	35,660	29,540	28,701	28,027	30,729	37,556	44,214	46,587	48,911	45,638	45,897	42,179	43,315	47,584	58,051
Average Net Nonfarm Income	*	11,262	8,445	8,580	7,787	6,890	11,973	12,135	10,803	12,329	12,354	13,515	16,014	16,954	18,982

* Not available.

** Starting with 1993, profitability is analyzed using assets valued on the cost basis and the financial statement uses fair market value.

From 1979 through 1992, profitability and solvency are analyzed using land valued with a conservative market value and all other assets valued on a cost basis.

Table 15
County Report, 1997
Southwestern Minnesota Farm Business Management Association

	Average For All Farms	Lincoln		Pipestone Rock Yellow Medi		Brown		Faribault Martin Watowan	Lyon Murray
		Cottonwood	Jackson			Nobles	Redwood		
Number of farms	207	35	28	18		44	31	24	27
Income Statement									
Gross cash farm income	360264	432152	324723	499879		300842	293376	410860	339513
Total cash farm expense	303717	387442	255607	441289		249506	227202	370430	270259
Net cash farm income	56546	44709	69117	58590		51336	66174	40429	69254
Inventory change	19769	45847	5310	20804		5451	2210	47652	18977
Depreciation and capital adjustment	-35684	-42011	-26968	-37070		-32086	-28578	-48003	-38670
Net farm income	40631	48544	47458	42324		24702	39806	40078	49561
Profitability (cost)									
Labor and management earnings	23314	26848	27382	26159		10682	24281	23142	32246
Rate of return on assets	6 %	6 %	7 %	8 %		3 %	7 %	7 %	9 %
Rate of return on equity	5 %	6 %	7 %	8 %		-3 %	7 %	6 %	9 %
Operating profit margin	14 %	17 %	16 %	16 %		6 %	16 %	14 %	18 %
Asset turnover rate	44 %	38 %	43 %	50 %		45 %	42 %	49 %	49 %
Liquidity									
Term debt coverage ratio	222 %	171 %	303 %	955 %		321 %	152 %	199 %	278 %
Expense as a percent of income	79 %	81 %	77 %	84 %		81 %	76 %	80 %	75 %
Interest as a percent of income	6 %	7 %	6 %	5 %		7 %	7 %	6 %	6 %
Solvency (market)									
Number of sole proprietors	179	32	26	12		38	28	20	23
Ending farm assets	886181	1173609	754730	654968		881434	882019	925760	734002
Ending farm liabilities	481631	642846	381706	318399		517569	449260	462893	451785
Ending total assets	1019901	1257884	888986	888378		1019178	1067229	1050473	822396
Ending total liabilities	491108	653318	381381	338896		529242	465419	473974	452045
Ending net worth	528793	604566	507605	549482		489936	601809	576498	370351
Net worth change	46469	55597	42006	55127		31470	56056	75077	22527
Ending farm debt to asset ratio	54 %	55 %	51 %	49 %		59 %	51 %	50 %	62 %
Beg total debt to asset ratio	49 %	52 %	45 %	41 %		50 %	47 %	49 %	55 %
End total debt to asset ratio	48 %	52 %	43 %	38 %		52 %	44 %	45 %	55 %
Nonfarm Information									
Farms reporting living expenses	174	31	23	12		38	28	20	22
Total family living expense	33679	32309	34704	29106		36255	33168	33289	33585
Total living, invest, & capital purch	57357	53672	53554	68172		55820	60071	61841	55754
Net nonfarm income	13646	12155	13559	11953		16990	13715	13035	11810
Crop Acres									
Total acres owned	234	340	188	161		214	219	207	269
Total crop acres	649	740	586	522		614	633	672	737
Total crop acres owned	201	307	150	105		188	195	181	226
Total crop acres cash rented	381	379	343	367		356	353	464	429
Total crop acres share rented	68	55	93	51		69	84	28	82

Table 16
Size Of Farm Report, 1997
Southwestern 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	208	12	52	108	33
Income Statement					
Gross cash farm income	359710	74755	154626	323930	933877
Total cash farm expense	303241	61598	119186	255152	865250
Net cash farm income	56469	13157	35441	68778	68627
Inventory change	19769	3170	1187	5193	99611
Depreciation and capital adjustment	-35640	-7218	-21883	-34409	-73920
Net farm income	40598	9109	14744	39562	94319
Profitability (cost)					
Labor and management earnings	23364	4895	3319	22646	62450
Rate of return on assets	6 %	2 %	3 %	5 %	10 %
Rate of return on equity	5 %	-5 %	-2 %	3 %	12 %
Operating profit margin	14 %	5 %	7 %	12 %	20 %
Asset turnover rate	44 %	45 %	38 %	44 %	48 %
Liquidity					
Term debt coverage ratio	221 %	236 %	185 %	176 %	313 %
Expense as a percent of income	79 %	79 %	77 %	77 %	83 %
Interest as a percent of income	6 %	9 %	9 %	7 %	5 %
Solvency (market)					
Number of sole proprietors	180	12	47	97	21
Ending farm assets	883213	254412	631254	952813	1532788
Ending farm liabilities	480377	152302	299240	530517	899863
Ending total assets	1016308	384125	763293	1087517	1675311
Ending total liabilities	490140	171809	308493	539496	910201
Ending net worth	526168	212316	454800	548021	765110
Net worth change	46216	22088	46420	43805	63642
Ending farm debt to asset ratio	54 %	60 %	47 %	56 %	59 %
Beg total debt to asset ratio	49 %	44 %	43 %	51 %	53 %
End total debt to asset ratio	48 %	45 %	40 %	50 %	54 %
Nonfarm Information					
Farms reporting living expenses	175	11	45	95	21
Total family living expense	33494	31031	28313	35090	39692
Total living, invest, & capital purch	57184	58366	50352	59011	68793
Net nonfarm income	13596	31342	17547	11545	7147
Crop Acres					
Total acres owned	233	99	183	240	349
Total crop acres	648	200	388	723	1033
Total crop acres owned	200	64	138	222	293
Total crop acres cash rented	381	136	207	416	661
Total crop acres share rented	67	-	42	85	79

Table 17
Type Of Farm Report, 1997
Southwestern Minnesota Farm Business Management Association

	Average For					Crop and Hog	Crop and Beef	Other
	All Farms	Crop	Dairy	Hog	Beef			
Number of farms	208	88	5	16	6	37	13	38
Income Statement								
Gross cash farm income	359710	252120	496765	675565	977781	436049	397653	274546
Total cash farm expense	303241	196013	349739	609663	1096619	357774	384985	216645
Net cash farm income	56469	56107	147026	65902	-118838	78275	12668	57901
Inventory change	19769	3720	18519	24575	253644	4765	83278	11454
Depreciation and capital adjustment	-35640	-27772	-82466	-40750	-74367	-41441	-42957	-31650
Net farm income	40598	32054	83079	49728	60439	41599	52989	37704
Profitability (cost)								
Labor and management earnings	23364	16718	53342	36021	29044	20028	37275	23051
Rate of return on assets	6 %	5 %	10 %	9 %	6 %	5 %	7 %	7 %
Rate of return on equity	5 %	3 %	12 %	11 %	5 %	3 %	8 %	6 %
Operating profit margin	14 %	12 %	19 %	18 %	19 %	11 %	17 %	18 %
Asset turnover rate	44 %	44 %	55 %	49 %	34 %	47 %	40 %	42 %
Liquidity								
Term debt coverage ratio	221 %	179 %	772 %	287 %	233 %	239 %	215 %	194 %
Expense as a percent of income	79 %	76 %	68 %	87 %	89 %	81 %	80 %	75 %
Interest as a percent of income	6 %	8 %	4 %	4 %	4 %	5 %	6 %	8 %
Solvency (market)								
Number of sole proprietors	180	78	3	11	5	32	12	34
Ending farm assets	883213	840813	-	808797	1985320	873917	1131014	802081
Ending farm liabilities	480377	441784	-	535269	1095450	453554	700603	435953
Ending total assets	1016308	967975	-	912388	2134591	1023755	1215747	967517
Ending total liabilities	490140	448632	-	537864	1123690	459870	726005	447631
Ending net worth	526168	519344	-	374524	1010901	563884	489742	519886
Net worth change	46216	41852	-	22524	73866	50977	40786	60697
Ending farm debt to asset ratio	54 %	53 %	62 %	66 %	55 %	52 %	62 %	54 %
Beg total debt to asset ratio	49 %	48 %	62 %	59 %	51 %	46 %	58 %	49 %
End total debt to asset ratio	48 %	46 %	63 %	59 %	53 %	45 %	60 %	46 %
Nonfarm Information								
Farms reporting living expenses	175	73	3	11	5	32	12	34
Total family living expense	33494	31877	-	34257	47076	34877	37502	32685
Total living, invest, & capital purch	57184	49928	-	50698	99386	65898	60977	58850
Net nonfarm income	13596	15809	6570	5428	6778	12070	14643	15657
Crop Acres								
Total acres owned	233	239	175	109	442	208	301	233
Total crop acres	648	733	557	329	805	722	756	455
Total crop acres owned	200	230	28	88	377	175	265	158
Total crop acres cash rented	381	438	485	218	388	439	408	246
Total crop acres share rented	67	65	44	23	41	107	83	51

Table 18
Age Of Operator Report, 1997
Southwestern Minnesota Farm Business Management Association

	Average For All Farms	Under 31	31 - 40	41 - 50	51 - 60	Over 60
Number of farms	208	21	52	73	42	20
Income Statement						
Gross cash farm income	359710	310807	370079	385756	366665	274429
Total cash farm expense	303241	294385	324709	312560	285284	260420
Net cash farm income	56469	16422	45370	73196	81381	14009
Inventory change	19769	35893	27066	15695	2505	34988
Depreciation and capital adjustment	-35640	-28452	-33078	-39701	-39163	-27630
Net farm income	40598	23863	39358	49190	44723	21368
Profitability (cost)						
Labor and management earnings	23364	15084	26616	32007	18165	2977
Rate of return on assets	6 %	5 %	7 %	7 %	5 %	4 %
Rate of return on equity	5 %	2 %	8 %	8 %	3 %	1 %
Operating profit margin	14 %	11 %	13 %	16 %	12 %	14 %
Asset turnover rate	44 %	46 %	55 %	45 %	38 %	31 %
Liquidity						
Term debt coverage ratio	221 %	153 %	215 %	234 %	271 %	181 %
Expense as a percent of income	79 %	85 %	81 %	77 %	77 %	84 %
Interest as a percent of income	6 %	6 %	5 %	7 %	6 %	8 %
Solvency (market)						
Number of sole proprietors	180	19	42	65	36	18
Ending farm assets	883213	602066	618201	943137	1173050	1002268
Ending farm liabilities	480377	404163	371421	551858	527519	462644
Ending total assets	1016308	637434	701339	1082438	1380605	1183764
Ending total liabilities	490140	413352	385010	565448	530292	464247
Ending net worth	526168	224082	316329	516990	850313	719517
Net worth change	46216	18214	33060	47087	71613	52532
Ending farm debt to asset ratio	54 %	67 %	60 %	59 %	45 %	46 %
Beg total debt to asset ratio	49 %	63 %	55 %	54 %	40 %	42 %
End total debt to asset ratio	48 %	65 %	55 %	52 %	38 %	39 %
Nonfarm Information						
Farms reporting living expenses	175	19	41	62	35	18
Total family living expense	33494	26923	29518	38213	38104	24265
Total living, invest, & capital purch	57184	40220	48435	65521	69806	41756
Net nonfarm income	13596	7842	11046	14914	15950	16517
Crop Acres						
Total acres owned	233	78	98	268	351	370
Total crop acres	648	420	611	745	711	493
Total crop acres owned	200	62	102	223	324	254
Total crop acres cash rented	381	337	419	441	330	212
Total crop acres share rented	67	21	91	81	57	26