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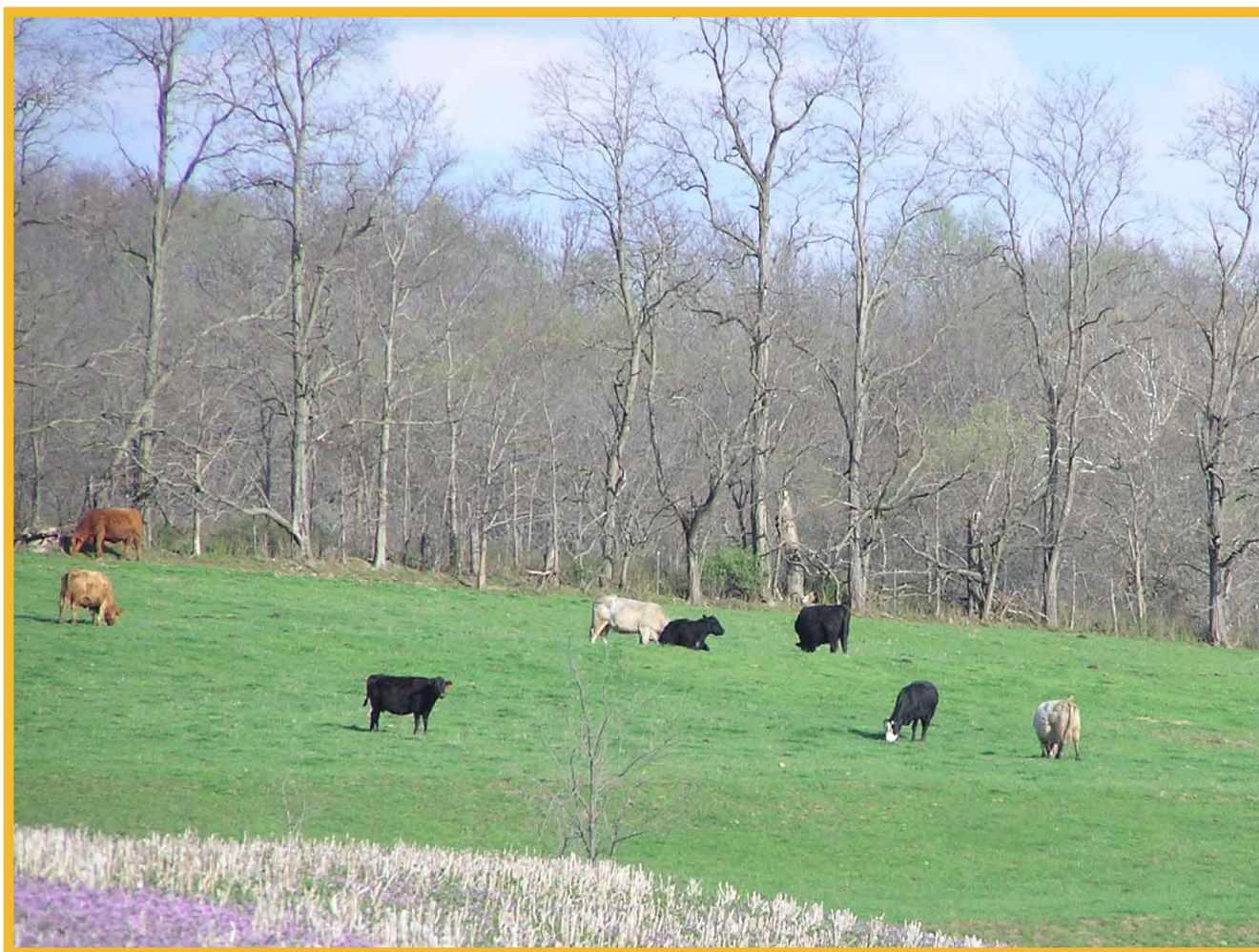
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FAPRI-MU Report #04-08

Food and Agricultural
Policy Research Institute



Baseline Outlook Missouri Representative Farms



Providing objective analysis for over 20 years

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Baseline Outlook

Missouri Representative Farms

This year's farm level outlook report shows the impact of the Food and Agricultural Policy Research Institute (FAPRI) at the University of Missouri (MU) 2008 U.S. Baseline Briefing Book on the 38 Missouri representative farms. This March 2008 baseline (FAPRI–MU Report #03-08) reflects information that was available in January 2008.

This report contains financial tables and risk graphs, sorted into seven categories.

Summary:

The outlook for the 38 Missouri representative farms is a mixed bag. Overall, the crop farms perform best, the dairy farms come in a close second, and the hog, beef and broiler farms bring up the rear. The prices listed in table 1 tell part of the story. Crop and milk prices remain strong while beef prices are declining. Hog prices, while low in 2008–2009, are increasing through 2012. The other part of the story is the increase in costs these farms face. Energy related inputs continue to pace the increase in costs. The livestock farms also face higher feed costs due to the strong crop prices.

Price Outlook:

The March 2008 baseline prices are summarized in table 1. On the crop side, prices in the projection period (2008–2012) are, in most cases, significantly higher than in the last few years (2005–2006). For example, the corn price in 2005 was at \$2.00/bu. In the projection period, corn price is nearly twice that. Soybeans are in a similar situation. While not all the crop prices are that much higher, they are all above 2005–2006 levels.

On the livestock side, prices are not projected to be as strong as the crop prices in the upcoming period. Feeder and fed steer prices are declining throughout the 2008–2012 period. On the hog side, prices bottom out in 2008 and begin a steady climb during the 2009–2012 period. On the dairy side, milk prices were at record levels in 2007. They drop in 2008 and remain fairly steady throughout 2012. While they are more than \$2.00 lower than in 2007, they are well above the 2005–2006 price levels.

Table 1. National, season-average prices, FAPRI deterministic projections (\$ per unit)

Commodity	2005	2006	2007	2008	2009	2010	2011	2012
Crop Year								
Corn, bu	2.00	3.04	3.97	3.89	3.87	3.76	3.80	3.85
Sorghum, bu	1.86	3.29	3.93	3.52	3.62	3.49	3.57	3.59
Wheat, bu	3.42	4.26	6.68	5.27	5.20	5.16	5.23	5.28
Soybeans, bu	5.66	6.43	10.30	10.43	9.84	9.99	9.88	10.03
Cotton, lb	0.48	0.47	0.57	0.65	0.64	0.64	0.63	0.63
Long rice, cwt	7.65	9.74	11.36	10.49	11.10	11.04	11.44	11.42
Cottonseed, tn	96.00	111.00	169.49	183.70	170.90	173.93	174.61	177.26
Soybean meal (44%), tn	174	205	293	276	246	233	226	226
All hay, tn	98.20	110.00	128.30	118.69	116.30	116.78	118.28	119.92
Calendar Year								
Cull cows, lb	0.544	0.476	0.519	0.539	0.522	0.516	0.514	0.514
Feeder steers, lb	1.20	1.18	1.16	1.09	1.02	0.98	0.97	0.96
Fed steers, lb	0.873	0.854	0.918	0.941	0.919	0.907	0.898	0.894
Cull sows, lb	0.43	0.36	0.36	0.34	0.38	0.43	0.45	0.46
Barrow and gilts, lb	0.501	0.473	0.471	0.439	0.472	0.517	0.540	0.546
Missouri all milk, cwt	15.50	13.30	19.64	17.02	17.02	17.06	17.06	17.11

Feedgrain-soy Farms:

This group of 10 farms (table 2) is once again the strongest performers of the 38 representative farms. The corn, soybean and wheat price outlook (table 1) remains very strong through 2012. Low carryover stocks, continued strong demand, and the biofuels mandate in the energy bill all contribute to these strong crop prices. While input prices continue to rise, especially fuel and fertilizer, these farms continue to face low cash flow pressure (figures 1 & 2) due to the strong price outlook.

Cotton and Rice Farms:

The financial outlook for these three farms (table 3) continues to improve. Once again, a strong price outlook is the driving force behind the reduction in cash flow pressure for these farms. However, these farms rely more heavily on energy related inputs and, thus, still have more cash flow pressure (figures 1 & 2) than the feedgrain-soy farms.

Crop-beef Farms:

These nine farms (table 4) benefit from the diversification of their operations. Seven of the nine farms receive at least 80 percent of their income from crop enterprise. This bodes well for these farms with the current outlook for corn, soybeans and wheat. With the weakening in beef prices, the farms have more cash flow pressure (figures 1 & 2) than the feedgrain-soy farms but much lower cash flow pressure than the beef farms.

Pork-crop Farms:

The four farms (table 5) in this category are diverse in their type of hog production. Two of the farms strictly produce hogs. The cash flow pressure (figures 1 & 2) for these two farms stays in the severe category in both the near and intermediate term time periods. One positive for these two farms is that the cash flow pressure is declining through 2012 as hog prices bottom out in 2008 and rise through 2012 (table 1). One of these farms (WCHBC550 #24) faces very low cash flow pressure. The two main reasons this farm has such low cash flow pressure is due to the fact they receive 60 percent of receipts from their crop enterprise. They raise nursery pigs on contract and thus are not affected directly by the lower hog prices.

Beef Farms:

The five farms (table 6) in this category appear to have a very difficult five years in front of them given the outlook for beef prices (table 1). Feeder and fed steer prices are trending downward throughout the projection period (2008–2012). This declining price, along with increasing costs, puts a squeeze on the ability of these farms to cash flow (figures 1 & 2) in the next five years.

Dairy Farms:

The five farms (table 7) in this category benefit from strong milk prices over the next five years. These farms saw record milk prices in 2007. While the price outlook is lower than 2007 levels, it is still significantly higher than 2005–2006 milk prices. While the outlook is good, all five farms face increasing cash flow pressure (figures 1 & 2) throughout the 2008–2012 time period due to level prices and higher inputs costs.

Broiler-beef Farms:

These two farms (table 8) continue to struggle. They receive a severe cash flow risk rating (figures 1 & 2) in 2008–2009 as they are still paying for their poultry buildings. After the buildings are paid off, the weakening of the beef market causes these farms to continue to struggle to cover cash costs in 2009–2012.

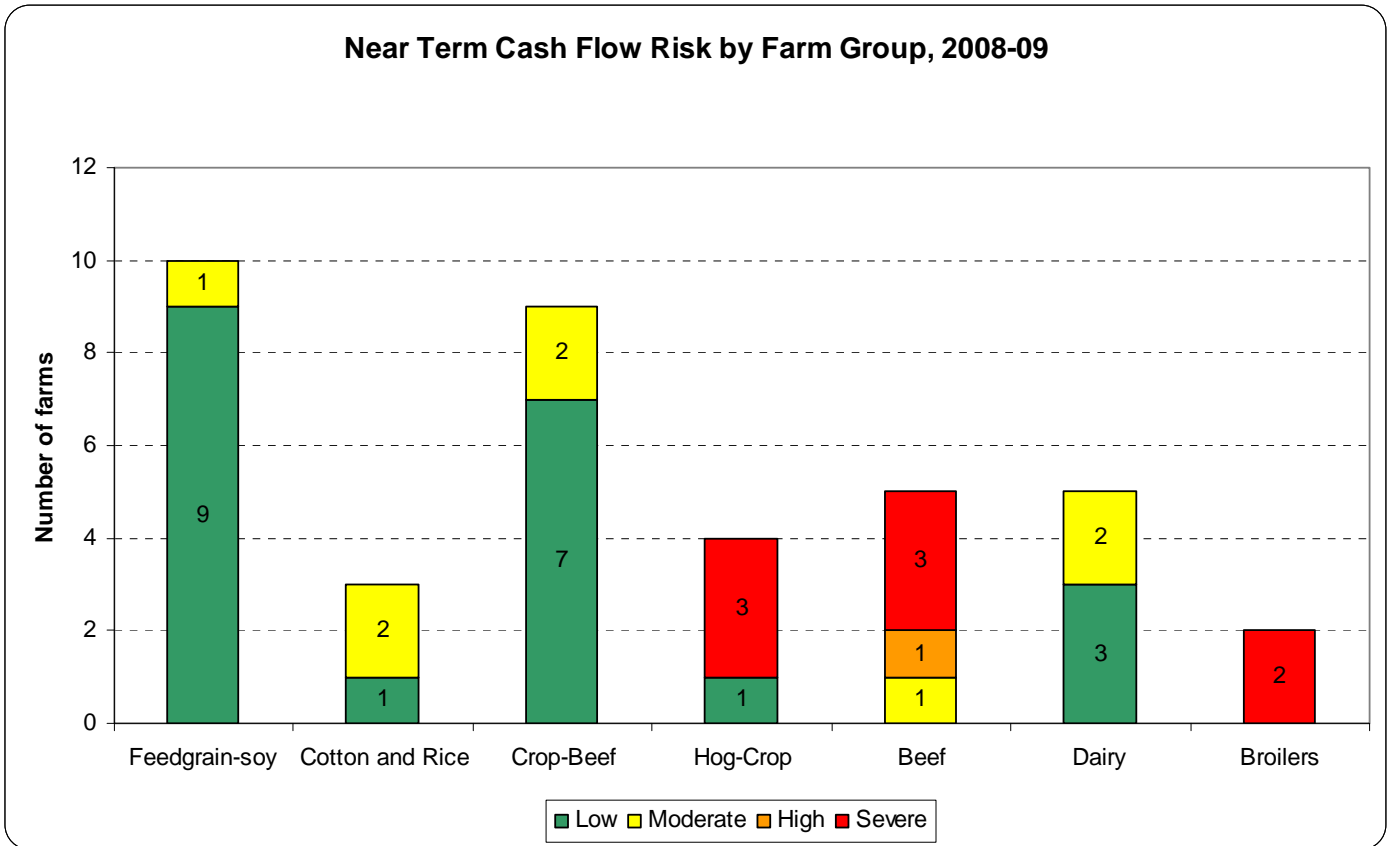


Figure 1. Near term risk scores for the 38 representative farms

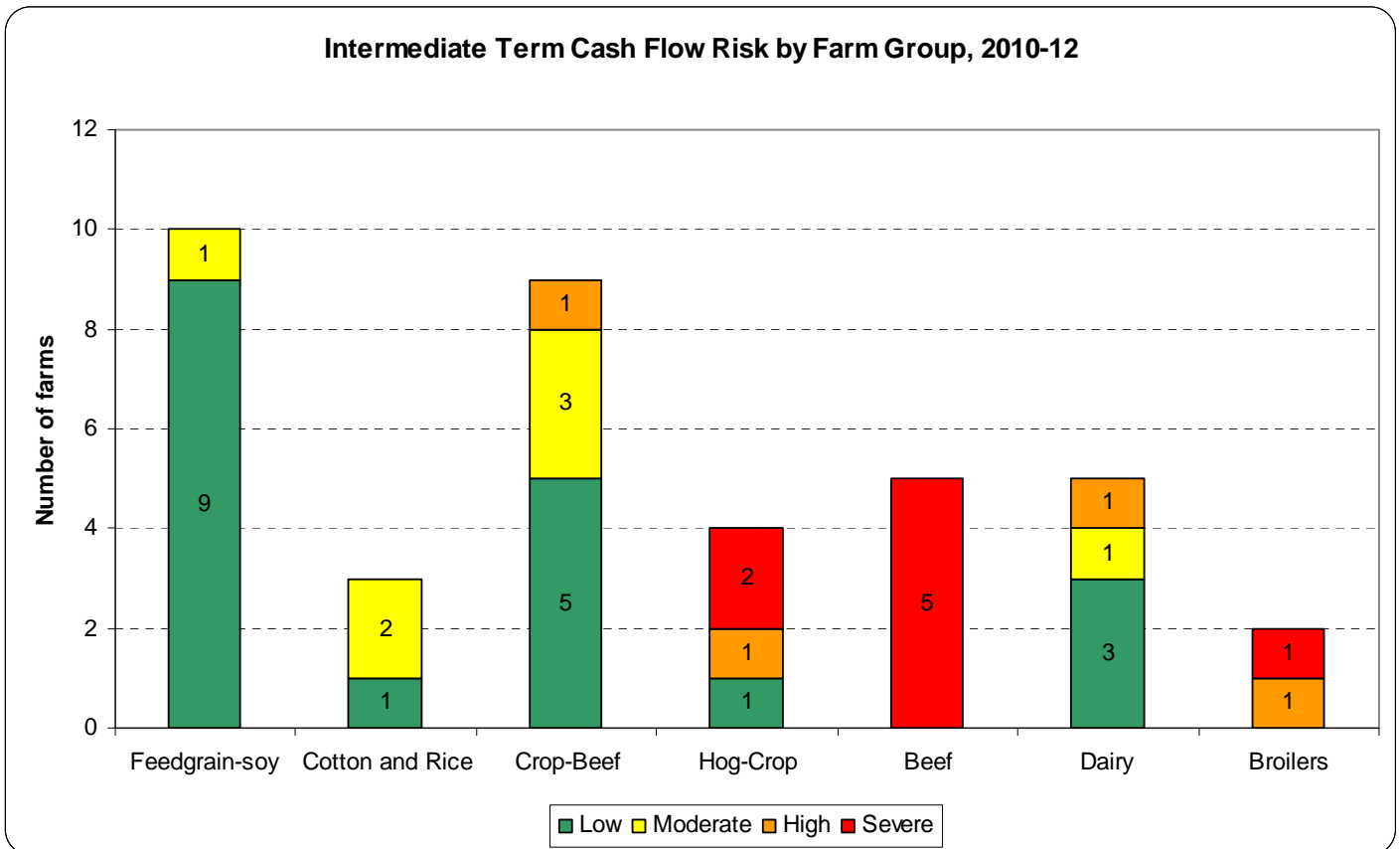


Figure 2. Intermediate term risk scores for the 38 representative farms

Feedgrain-soy Farms

Table 2. **Feedgrain-soy** farms, characteristics

Code	NWFG2500	NWFG2300	NCFG890	NCFG2050	NCFG4000
Farm number	1	2	3	4	5
Region	Northwest	Northwest	North Central	North Central	North Central
County	Atchison	Ray	Carroll	Carroll	Carroll
Land base					
Cropland	2500	2300	890	2050	4000
Acres owned	1050	1380	565	1150	2000
Acres leased	1450	920	325	900	2000
Nonproductive acres owned	150	68	85	80	160
Total acres operated	2650	2368	975	2130	4160
Operator owned (%)	46	61	67	58	52
Cash leased (%)	25			8	
Share leased (%)	29	39	33	34	48
Cash receipt sources ^a					
Share of total					
All crops (%)	100	100	100	100	100
Custom work (%)					
Planted acres ^b					
Total planted acres	2500	2500	990	2050	4000
Double-cropped acres		200	100		
Share of total planted acres					
Corn (%)	50	28	30	50	49.5
Sorghum (%)					
Wheat (%)		8	10		1
Soybeans (%)	50	64	41	50	49.5
Conservation reserve (%)			19		
Crop yields ^c					
Corn, bu					
2005	173	174	135	145	177
2006	152	176	158	170	175
2007	137	159	145	104	120
Sorghum, bu					
2005					
2006					
2007					
Wheat, bu					
2005		60	70		77
2006		68	71		50
2007		63	58		52
Soybeans, bu					
2005	51	47	43	49	49
2006	42	39	42	47	50
2007	43	41	43	45	52

Table 2. **Feedgrain-soybean** farms, financial outlook (continued).

Code	NWFG2500	NWFG2300	NCFG890	NCFG2050	NCFG4000
Farm number	1	2	3	4	5
Near term cash risk outlook ^d	Low	Low	Low	Low	Low
Intermediate term cash risk outlook	Low	Low	Low	Low	Low
Average operator assets (\$1000)	6,765	8,958	1,765	7,481	13,676
Average return to operator assets (%)	11.3	9.8	10.8	11.2	12.9
Assumed operator debt, Jan 1, 2005 (%) ^e	20	20	20	20	20
Term debt capacity, Jan 1, 2008 (%) ^f	55	41	47	49	65
Cropland value in 2005 (\$ per acre)	2,523	3,033	1,135	2,953	2,756
Average operating expense/receipts (%)	53.8	45.0	44.0	44.7	37.9
Government payments (\$1000) ^g					
2005	133.6	79.3	28.7	97.5	203.7
2006	59.1	41.6	16.7	53.1	93.8
2007	36.4	30.2	10.8	31.8	57.3
2008	36.4	30.2	10.8	31.8	57.3
2009	36.4	30.2	10.8	31.8	57.3
2010	36.4	30.2	10.8	31.8	57.3
2011	36.4	30.2	10.8	31.8	57.3
2012	36.4	30.2	10.8	31.8	57.3
Average	36.4	30.2	10.8	31.8	57.3
Total cash receipts (\$1000) ^a					
2005	810.7	644.8	188.8	568.2	1,168.2
2006	858.7	737.7	238.5	763.9	1,443.4
2007	1,108.2	1,027.4	320.2	704.0	1,526.4
2008	1,146.7	1,010.4	326.3	1,015.5	2,020.0
2009	1,123.3	982.9	317.8	997.2	1,982.5
2010	1,138.8	1,007.9	324.4	1,026.7	2,041.4
2011	1,154.6	1,019.0	328.4	1,025.9	2,039.9
2012	1,175.8	1,039.5	335.2	1,051.1	2,090.5
Average	1,147.8	1,011.9	326.4	1,023.3	2,034.9
Net cash farm income (\$1000) ^h					
2005	292.2	246.2	60.9	178.1	510.1
2006	326.0	337.5	104.6	357.2	762.2
2007	547.7	606.6	176.5	287.0	831.1
2008	572.5	587.0	182.2	576.4	1,299.8
2009	549.1	547.4	179.0	561.1	1,253.2
2010	557.3	573.1	186.6	593.8	1,304.4
2011	575.3	576.3	192.7	593.9	1,298.6
2012	583.6	598.0	198.7	612.5	1,349.7
Average	567.6	576.4	187.8	587.5	1,301.1
Return to family living (\$1000) ⁱ					
2005	167.4	103.8	28.5	84.2	253.2
2006	182.8	130.3	42.9	179.9	402.9
2007	308.3	292.0	93.0	121.1	407.2
2008	342.0	325.8	122.0	299.2	758.6
2009	306.9	261.3	108.7	282.3	679.3
2010	288.0	256.8	109.2	288.0	664.9
2011	283.6	224.6	104.4	267.7	593.0
2012	260.2	211.7	97.6	229.1	610.4
Average	296.1	256.0	108.4	273.3	661.2
Average owner withdrawal assumed (\$1000) ^j	50.6	50.6	51.9	51.9	69.1
Beginning cash, 2008 (\$1000) ^k	522.01	390.54	44.01	245.88	885.15
Beginning cash/operating expenses (%) ^k	90.9	92.2	30.6	56.0	122.9
Probability of a cash flow deficit (%) ^l					
2008	1.8	2.0	1.0	1.0	1.0
2009	5.4	3.4	6.0	2.6	1.0
2010	8.0	4.8	7.8	2.4	1.0
2011	11.6	8.4	9.4	6.8	1.8
2012	19.0	10.0	13.2	14.0	2.0

Table 2. **Feedgrain-soy** farms, characteristics (continued)

Code	NEFG2600	NEFG2300	NEFG1500	WCFG1800	SWFG1100
Farm number	6	7	8	9	10
Region County	Northeast Marion	Northeast Knox	Northeast Audrain	West Central Lafayette	Southwest Barton
Land base					
Cropland	2600	2300	1500	1800	1100
Acres owned	936	920	390	875	360
Acres leased	1664	1380	1110	925	740
Nonproductive acres owned	70	50	40	197	41
Total acres operated	2670	2350	1540	1997	1141
Operator owned (%)	38	41	28	53	36
Cash leased (%)	41	50	54	31	32
Share leased (%)	21	9	28	16	32
Cash receipt sources ^a					
Share of total					
All crops (%)	100	100	100	96	100
Custom work (%)				4	
Planted acres ^b					
Total acres	2600	2300	1575	1900	1485
Double-cropped acres			75	100	365
Share of total planted acres					
Corn (%)	48	50	36	42	18
Sorghum (%)			7		8
Wheat (%)	4		5	5	25
Soybeans (%)	48	50	52	53	49
Crop yields ^c					
Corn, bu					
2005	80	99	60	139	110
2006	150	152	115	133	127
2007	130	144	130	141	129
Sorghum, bu					
2005			85		78
2006			96		99
2007			100		105
Wheat, bu					
2005	57		56	65	52
2006	65		57	59	18
2007	61		58	74	50
Soybeans, bu					
2005	36	50	29	46	36
2006	45	48	41	42	15
2007	43	49	35	44	32

Table 2. **Feedgrain-soybean** farms, financial outlook (continued).

Code	NEFG2600	NEFG2300	NEFG1500	WCFG1800	SWFG1100
Farm number	6	7	8	9	10
Near term cash risk outlook ^d	Low	Low	Moderate	Low	Low
Intermediate term cash risk outlook	Low	Low	Moderate	Low	Low
Average operator assets (\$1000)	5,771	5,750	2,571	6,488	1,729
Average return to operator assets (%)	13.8	16.5	11.1	9.4	16.6
Assumed operator debt, Jan 1, 2005 (%) ^e	20	20	20	20	20
Term debt capacity, Jan 1, 2008 (%) ^f	69	100	55	42	114
Cropland value in 2005 (\$ per acre)	2,427	1,967	2,635	2,900	1,207
Average operating expense/receipts (%)	54.5	46.6	65.4	60.9	44.5
Government payments (\$1000) ^g					
2005	94.7	101.7	39.1	87.1	26.9
2006	67.7	66.1	25.6	50.0	16.3
2007	41.7	40.1	19.3	31.3	15.6
2008	41.7	40.1	23.8	31.3	15.6
2009	41.7	40.1	23.8	31.3	15.6
2010	41.8	40.1	23.8	31.4	15.6
2011	41.8	40.1	23.8	31.4	15.6
2012	41.7	40.1	23.8	31.3	15.6
Average	41.7	40.1	23.8	31.3	15.6
Total cash receipts (\$1000) ^a					
2005	519.5	729.1	276.1	608.1	285.2
2006	951.0	967.6	397.8	662.4	220.6
2007	1,176.9	1,291.1	638.1	977.6	512.5
2008	1,246.1	1,378.6	644.0	1,010.8	487.1
2009	1,220.2	1,349.2	630.3	985.2	474.8
2010	1,234.4	1,365.0	643.6	1,001.8	484.7
2011	1,252.4	1,384.2	653.1	1,015.0	493.7
2012	1,272.7	1,406.5	664.5	1,033.4	500.1
Average	1,245.2	1,376.7	647.1	1,009.3	488.1
Net cash farm income (\$1000) ^h					
2005	-35.2	187.7	-67.0	106.8	105.2
2006	345.6	407.5	27.8	122.4	31.6
2007	549.2	701.6	231.7	393.1	305.5
2008	610.7	793.4	231.6	422.6	279.8
2009	593.9	759.3	218.4	399.0	270.4
2010	606.9	767.9	231.1	419.1	277.5
2011	627.1	788.0	242.1	434.5	275.8
2012	634.8	799.5	257.3	465.0	286.0
Average	614.7	781.6	236.1	428.1	277.9
Return to family living (\$1000) ⁱ					
2005	-106.8	95.6	-109.9	23.7	64.0
2006	71.4	215.7	-167.9	-3.9	-8.4
2007	288.6	392.9	-35.0	129.1	166.1
2008	340.0	465.3	62.5	219.9	181.8
2009	314.0	421.6	92.0	171.3	166.5
2010	316.5	421.1	97.5	168.6	164.1
2011	324.4	425.4	84.4	169.8	119.0
2012	292.6	408.0	100.5	196.4	152.0
Average	317.5	428.3	87.4	185.2	156.7
Average owner withdrawal assumed (\$1000) ^j	50.6	50.6	39.4	45.0	39.4
Beginning cash, 2008 (\$1000) ^k	266.0	568.0	-72.1	86.7	129.0
Beginning cash/operating expenses (%) ^k	41.9	97.1	-17.5	14.7	62.2
Probability of a cash flow deficit (%) ^l					
2008	3.2	1.0	34.8	14.6	1.0
2009	7.8	1.0	28.0	21.2	1.0
2010	11.2	1.0	23.6	24.2	1.0
2011	11.0	2.0	26.2	24.6	9.0
2012	20.0	5.8	22.4	19.6	1.6

Cotton and Rice Farms

Table 3. **Cotton and rice farms**, characteristics

Code	SECT1600	SERC2000	SERC4000
Farm number	11	12	13
Region	Southeast	Southeast	Southeast
County	Pemiscot	Butler	Butler
Land base			
Cropland	1600	2000	4000
Acres owned	160	800	2000
Acres leased	1440	1200	2000
Nonproductive acres owned	8	40	100
Total acres operated	1608	2040	4100
Operator owned (%)	10	41	52
Cash leased (%)	9	15	24
Share leased (%)	81	44	24
Cash receipt sources ^a			
Share of total			
All crops (%)	100	100	100
Custom work (%)			
Planted acres ^b			
Total acres planted	1600	2100	4000
Double-cropped acres		100	
Share of total planted acres			
Cotton (%)	42		
Rice (%)	17	36	50
Corn (%)		7	
Sorghum (%)	3		
Wheat (%)		9	
Soybeans (%)	38	48	50
Crop yields ^c			
Cotton, lbs			
2005	1050	1050 irr	
2006	978	978 irr	
2007	1031	1031 irr	
Rice, cwt			
2005		66.0	73.0
2006		66.0	72.0
2007		63.0	70.0
Corn, bu			
2005		164	
2006		167	
2007		169	
Sorghum, bu			
2005	100		
2006	101		
2007	100		
Wheat, bu			
2005		60	
2006		56	
2007		55	
Soybeans, bu			
2005	25	50 irr	50
2006	25	51 irr	47
2007	25	50 irr	47

Table 3. **Cotton and rice farms, financial outlook (continued).**

Code	SECT1600	SERC2000	SERC4000
Farm number	11	12	13
Near term cash risk outlook ^d	Moderate	Low	Moderate
Intermediate term cash risk outlook	Moderate	Low	Moderate
Average operator assets (\$1000)	1,209	4,856	11,686
Average return to operator assets (%)	14.1	9.9	9.3
Assumed operator debt, Jan 1, 2005 (%) ^e	20	20	20
Term debt capacity, Jan 1, 2008 (%) ^f	77	55	52
Cropland value in 2005 (\$ per acre)	1,500	2,269	2,182
Average operating expense/receipts (%)	79.5	69.2	73.2
Average government payments/receipts (%)	9.6	6.3	9.3
Government payments (\$1000) ^g			
2005	153.3	155.5	397.8
2006	130.4	75.2	216.9
2007	73.9	64.1	189.8
2008	73.2	72.7	219.1
2009	66.9	72.1	216.2
2010	72.3	75.0	225.1
2011	73.5	71.5	214.8
2012	73.8	70.7	211.8
Average	71.9	72.4	217.4
Total cash receipts (\$1000) ^a			
2005	648.8	851.5	1,830.9
2006	634.8	920.4	2,037.6
2007	741.1	1,193.7	2,557.4
2008	771.9	1,161.4	2,470.9
2009	753.9	1,170.1	2,494.5
2010	767.4	1,184.6	2,551.5
2011	780.3	1,216.5	2,607.7
2012	786.8	1,231.0	2,644.9
Average	772.1	1,192.7	2,553.9
Net cash farm income (\$1000) ^h			
2005	160.3	184.8	414.6
2006	104.9	208.9	497.6
2007	171.0	423.8	899.7
2008	182.0	361.5	746.8
2009	164.8	371.3	765.2
2010	177.2	386.6	827.2
2011	189.9	417.0	889.2
2012	169.4	424.8	938.9
Average	176.7	392.2	833.5
Return to family living (\$1000) ⁱ			
2005	77.3	77.4	141.0
2006	28.7	82.1	98.9
2007	58.8	182.6	270.5
2008	80.6	191.8	202.8
2009	43.2	166.1	125.7
2010	80.7	162.9	161.4
2011	89.3	163.2	205.4
2012	44.1	147.9	264.1
Average	67.6	166.4	191.9
Average owner withdrawal assumed (\$1000) ^j	45.0	45.0	45.0
Beginning cash, 2008 (\$1000) ^k	41.6	218.9	390.0
Beginning cash/operating expenses (%) ^k	7.1	27.4	22.6
Probability of a cash flow deficit (%) ^l			
2008	31.8	11.2	35.6
2009	44.2	14.4	43.6
2010	34.8	19.6	41.4
2011	28.2	16.2	37.4
2012	45.0	19.8	33.4

Crop-beef Farms

Table 4. **Crop-beef** farms, characteristics

Code	NWCB1850	NCCB1600	NECB1460	NECB500
Farm number	14	15	16	17
Region County	Northwest Nodaway	North Central Livingston	Northeast Monroe	Northeast Audrain
Land base				
Cropland	1850	1600	1460	500
Acres owned	950	1000	730	250
Acres leased	900	600	730	250
Forages	1000	340	400	120
Acres owned	600	155	132	120
Acres leased	400	185	268	
Nonproductive acres owned	140	70	86	35
Total acres operated	2990	2010	1946	655
Operator owned (%)	56	61	49	62
Cash leased (%)	17	24	36	38
Share leased (%)	27	15	15	
Beef enterprise				
Mature beef cows (hd)	200	85	80	50
Cattle backgrounded (hd)	146		70	35
Cash receipt sources ^a				
Share of total				
Crops (%)	86	90	92	89
Beef (%)	13	8	8	11
Hay and/or seed (%)				
Custom work (%)	1	2		
Planted acres ^b				
Total acres planted	2850	1940	1916	655
Double-cropped acres			56	35
Share of total planted acres				
Corn (%)	32	18	30	25
Sorghum (%)				8
Wheat (%)		5	7	4
Soybeans (%)	32	49	42	44
Hay and/or seed (%)	7	5	4	8
Improved pasture (%)	28	13	17	11
Conservation reserve (%)	1	10		
Crop yields ^c				
Corn, bu				
2005	180	115	62	40
2006	165	130	119	145
2007	140	132	125	127
Sorghum, bu				
2005				85
2006				120
2007				126
Wheat, bu				
2005		62	61	65
2006		65	75	52
2007		66	68	49
Soybeans, bu				
2005	60	43	28	30
2006	47	42	47	46
2007	52	42	42	45

Table 4. **Crop-beef** farms, financial outlook (continued).

Code	NWCB1850	NCCB1600	NECB1460	NECB500
Farm number	14	15	16	17
Near term cash risk outlook ^d	Moderate	Low	Moderate	Low
Intermediate term cash risk outlook	Moderate	Low	Moderate	Low
Average operator assets (\$1000)	7,094	4,890	3,658	1,976
Average return to operator assets (%)	8.4	9.6	10.0	9.7
Assumed operator debt, Jan 1, 2005 (%) ^e	20	20	20	20
Term debt capacity, Jan 1, 2008 (%) ^f	32	48	47	44
Cropland value in 2005 (\$ per acre)	2,859	1,906	1,892	2,635
Average operating expense/receipts (%)	69.2	48.3	65.0	53.3
Average government payments/receipts (%)	2.9	2.6	3.5	3.2
Government payments (\$1000) ^g				
2005	107.1	38.3	44.0	13.9
2006	48.5	25.0	34.5	12.1
2007	29.1	17.5	22.8	8.8
2008	29.1	17.5	22.8	8.8
2009	29.1	17.5	22.8	8.8
2010	29.1	17.5	22.8	8.8
2011	29.1	17.5	22.8	8.8
2012	29.1	17.5	22.8	8.8
Average	29.1	17.5	22.8	8.8
Total cash receipts (\$1000) ^a				
2005	815.7	414.7	319.2	134.1
2006	870.0	500.6	513.8	226.1
2007	1051.7	701.3	684.7	287.4
2008	1071.6	701.7	699.8	285.2
2009	1045.3	676.2	680.7	277.4
2010	1055.6	694.3	691.9	279.9
2011	1067.0	697.9	698.5	283.8
2012	1085.5	713.1	710.6	287.2
Average	1065.0	696.6	696.3	282.7
Net cash farm income (\$1000) ^h				
2005	256.7	127.6	-40.6	2.9
2006	241.1	201.5	121.4	82.7
2007	376.8	381.6	259.3	139.7
2008	372.1	370.8	267.3	135.5
2009	350.0	351.1	251.5	133.1
2010	361.6	365.1	259.6	139.4
2011	373.6	371.0	275.7	141.7
2012	392.9	394.8	286.2	140.5
Average	370.0	370.6	268.1	138.0
Return to family living (\$1000) ⁱ				
2005	126.8	61.8	-91.8	-24.1
2006	105.0	106.0	-65.1	10.4
2007	146.8	199.5	52.3	71.7
2008	160.2	197.7	149.5	84.5
2009	143.5	169.9	114.9	79.0
2010	141.1	155.0	98.1	76.8
2011	129.7	137.2	97.4	67.0
2012	152.1	158.0	90.3	63.7
Average	145.3	163.6	110.0	74.2
Average owner withdrawal assumed (\$1000) ^j	39.4	50.6	37.1	16.9
Beginning cash, 2008 (\$1000) ^k	273.6	229.2	17.2	55.7
Beginning cash/operating expenses (%) ^k	39.1	69.3	4.0	37.2
Probability of a cash flow deficit (%) ^l				
2008	26.4	1.0	13.2	2.6
2009	30.8	3.4	26.2	3.8
2010	33.2	7.2	29.6	7.8
2011	31.8	12.6	28.8	12.6
2012	31.6	8.4	36.0	15.2

Table 4. **Crop-beef** farms, characteristics (continued)

Code	WCCB1400	ECCB380	ECCB1500	SWCB280	SWCB1800
Farm number	18	19	20	21	22
Region County	West Central Bates	East Central Perry	East Central Perry	Southwest Dade	Southwest Barton
Land base					
Cropland	1400	380	1500	280	1800
Acres owned	530	120	500	175	1350
Acres leased	870	260	1000	105	450
Forages	440	190	550	850	555
Acres owned	220	65	250	570	500
Acres leased	220	125	300	280	55
Nonproductive acres owned	80	25	100	150	30
Total acres operated	1920	595	2150	1280	2385
Operator owned (%)	43	35	40	70	79
Cash leased (%)	34	45	12	22	2
Share leased (%)	23	20	48	8	19
Beef enterprise					
Mature beef cows (hd)	150	40	130	250	150
Cattle backgrounded (hd)	124		110		100
Cash receipt sources^a					
Share of total					
Crops (%)	88	72	80	42	90
Beef (%)	12	9	9	55	10
Hay and/or seed (%)		17	11	3	
Custom work (%)		2			
Planted acres^b					
Total acres planted	2180	750	2200	1250	2955
Double-cropped acres	340	180	150	120	600
Share of total planted acres					
Corn (%)	24	17	23	10	16
Sorghum (%)					9
Wheat (%)	16	11	9	10	21
Soybeans (%)	40	28	10	13	38
Hay and/or seed (%)	5	37	39	22	3
Improved pasture (%)	15	7	19	45	13
Crop yields^c					
Corn, bu					
2005	115	146	133	35	91 190 irr
2006	139	140	148	100	130 196 irr
2007	120	129	150	106	130 195 irr
Sorghum, bu					
2005					72
2006					65
2007					90
Wheat, bu					
2005	54	55	52	50	63
2006	53	58	44	40	26
2007	60	52	50	22	60
Soybeans, bu					
2005	39	40	48	22	37 60 irr
2006	38	40	47	24	15 38 irr
2007	36	40	48	33	33 38 irr

Table 4. **Crop-beef** farms, financial outlook (continued).

Code	WCCB1400	ECCB380	ECCB1500	SWCB280	SWCB1800
Farm number	18	19	20	21	22
Near term cash risk outlook ^d	Low	Low	Low	Low	Low
Intermediate term cash risk outlook	Moderate	Low	Low	High	Low
Average operator assets (\$1000)	3,652	1,294	4,358	2,768	4,929
Average return to operator assets (%)	8.8	9.1	10.5	5.8	12.2
Assumed operator debt, Jan 1, 2005 (%) ^e	20	20	20	20	21
Term debt capacity, Jan 1, 2008 (%) ^f	52	52	46	21	58
Cropland value in 2005 (\$ per acre)	1,779	2,500	2,194	1,533	1,248
Average operating expense/receipts (%)	60.1	52.5	64.7	60.7	56.2
Average government payments/receipts (%)	3.5	2.5	3.0	1.2	3.6
Government payments (\$1000) ^g					
2005	52.8	15.3	53.8	5.8	65.1
2006	33.8	8.4	32.7	4.7	43.7
2007	24.0	5.9	22.6	3.2	34.4
2008	24.0	5.9	22.6	3.2	34.4
2009	24.0	5.9	22.6	3.2	34.4
2010	24.0	5.9	22.6	3.2	34.5
2011	24.0	5.9	22.6	3.2	34.5
2012	24.0	5.9	22.6	3.2	34.4
Average	24.0	5.9	22.6	3.2	34.4
Total cash receipts (\$1000) ^a					
2005	506.4	174.1	546.5	221.2	637.4
2006	559.4	201.9	655.2	254.1	551.6
2007	723.9	252.5	853.9	261.8	1,040.3
2008	705.8	243.2	838.0	289.7	987.9
2009	689.5	235.5	814.2	278.1	969.1
2010	699.9	239.8	824.7	276.0	978.6
2011	707.6	241.6	835.2	275.4	992.1
2012	719.9	246.7	849.7	278.8	1,008.0
Average	704.5	241.4	832.4	279.6	987.1
Net cash farm income (\$1000) ^h					
2005	148.9	65.3	102.5	77.3	167.4
2006	187.4	86.4	199.2	90.1	56.4
2007	326.7	129.6	368.8	99.0	502.3
2008	297.1	116.2	345.0	121.2	442.6
2009	281.8	111.9	325.9	113.4	433.0
2010	290.5	115.0	336.0	107.8	445.9
2011	296.0	119.9	338.1	109.9	463.0
2012	295.2	126.3	344.4	113.4	477.9
Average	292.1	117.9	337.9	113.1	452.5
Return to family living (\$1000) ⁱ					
2005	102.9	35.5	43.7	34.3	82.6
2006	120.3	42.4	100.3	37.6	-24.6
2007	186.9	66.5	187.0	39.6	244.9
2008	185.7	62.1	195.0	68.6	232.1
2009	166.0	51.1	175.9	57.0	214.2
2010	162.1	50.2	172.8	50.5	223.5
2011	144.5	50.5	146.4	37.6	217.4
2012	85.4	59.8	136.0	35.1	224.1
Average	148.7	54.7	165.2	49.8	222.3
Average owner withdrawal assumed (\$1000) ^j	37.1	28.1	45.0	33.7	45.0
Beginning cash, 2008 (\$1000) ^k	310.9	67.2	208.0	18.8	202.5
Beginning cash/operating expenses (%) ^k	76.1	52.9	42.2	11.1	37.1
Probability of a cash flow deficit (%) ^l					
2008	1.0	9.0	13.4	7.8	3.2
2009	1.6	16.0	16.2	19.6	7.4
2010	3.6	22.4	19.4	28.4	6.4
2011	5.6	23.2	18.6	45.0	8.0
2012	27.6	13.4	23.8	53.6	6.8

Pork-crop Farms

Table 5. **Pork-crop** farms, characteristics

Code	NEH1500	WCHBC550	CTHBC250	CTH1250
Farm number	23	24	25	26
Region County	Northeast Monroe	West Central Vernon	Central Osage	Central Saline
Land base				
Cropland		550	250	
Acres owned		225	163	
Acres leased		325	87	
Forages		285	330	
Acres owned		215	215	
Acres leased		70	115	
Nonproductive acres owned	200	22	220	160
Total acres operated	200	857	800	160
Operator owned (%)	100	54	75	100
Cash leased (%)		27	13	
Share leased (%)		19	12	
Livestock enterprises				
Pork production unit type	Farrow-finish	Nursery	Farrow-finish	Farrow-finish
Number of sows	1500		200	1250
Number of pigs sold per year	33,120	32,000	4,045	26,450
Mature beef cows (hd)		70	125	
Cattle backgrounded (hd)				
Cattle fed (hd)				
Cash receipt sources ^a				
Share of total				
Pork (%)	100	30	82	100
Beef (%)		10	12	
Crops (%)		60	6	
Custom work (%)				
Planted acres ^b				
Total acres planted		1015	605	
Double-cropped acres		180	25	
Share of total planted acres				
Corn (%)		17	29	
Sorghum (%)		8	4	
Wheat (%)		16	4	
Soybeans (%)		34	8	
Hay and/or seed (%)		6	17	
Improved pasture (%)		19	38	
Crop yields ^c				
Corn, bu				
2005		152	94	
2006		120	129	
2007		130	122	
Sorghum, bu				
2005			76	
2006			82	
2007			91	
Wheat, bu				
2005		70	50	
2006		30	49	
2007		55	51	
Soybeans, bu				
2005		42	42	
2006		16	43	
2007		33	45	

Table 5. **Pork-crop** farms, financial outlook (continued).

Code	NEH1500	WCHBC550	CTHBC250	CTH1250
Farm number	23	24	25	26
Near term cash risk outlook ^d	Severe	Low	Severe	Severe
Intermediate term cash risk outlook	Severe	Low	High	Severe
Average operator assets (\$1000)	4,459	2,206	3,012	3,538
Average return to operator assets (%)	-3.7	9.1	3.0	-8.1
Assumed operator debt, Jan 1, 2005 (%) ^e	50	30	20	40
Term debt capacity, Jan 1, 2008 (%) ^f	19	54	8	12
Cropland value in 2005 (\$ per acre)	1,679	1,658	2,243	1,774
Average operating expense/receipts (%)	97.9	42.7	90.6	99.2
Average government payments/receipts (%)	0.0	2.5	0.8	0.0
Government payments (\$1000) ^g				
2005	0.0	22.0	14.3	0.0
2006	0.0	11.7	8.7	0.0
2007	0.0	9.8	5.2	0.0
2008	0.0	9.8	5.2	0.0
2009	0.0	9.8	5.2	0.0
2010	0.0	9.8	5.2	0.0
2011	0.0	9.8	5.2	0.0
2012	0.0	9.8	5.2	0.0
Average	0.0	9.8	5.2	0.0
Total cash receipts (\$1000) ^a				
2005	4,850.0	351.4	679.2	3,884.9
2006	4,577.2	299.5	643.1	3,669.4
2007	4,559.5	417.7	646.9	3,655.6
2008	4,284.4	406.5	611.1	3,436.5
2009	4,578.8	398.4	639.8	3,670.2
2010	5,001.5	401.6	688.1	4,005.8
2011	5,231.6	404.8	714.2	4,188.6
2012	5,310.7	409.5	724.2	4,251.4
Average	4,881.4	404.2	675.5	3,910.5
Net cash farm income (\$1000) ^h				
2005	1,501.9	181.0	212.8	1,136.4
2006	874.5	138.1	154.2	631.4
2007	171.2	246.1	65.8	97.1
2008	-403.0	234.0	-6.8	-341.9
2009	-76.4	231.3	36.3	-98.9
2010	318.5	236.6	90.9	197.8
2011	543.8	238.6	120.2	363.9
2012	598.6	231.5	131.0	395.4
Average	196.3	234.4	74.3	103.2
Return to family living (\$1000) ⁱ				
2005	676.4	94.3	132.5	484.8
2006	258.8	55.0	85.0	139.2
2007	-201.3	126.6	12.4	-217.5
2008	-782.9	125.5	-48.6	-666.2
2009	-868.5	113.1	-29.1	-984.3
2010	-619.6	162.5	-15.9	-885.8
2011	-294.2	149.3	-3.8	-654.8
2012	-35.2	124.5	5.6	-450.9
Average	-520.1	134.9	-18.3	-728.4
Average owner withdrawal assumed (\$1000) ^j	76.5	49.5	45.0	76.5
Beginning cash, 2008 (\$1000) ^k	535.2	140.2	109.4	207.5
Beginning cash/operating expenses (%) ^k	11.4	81.2	17.7	5.5
Probability of a cash flow deficit (%) ^l				
2008	97.2	1.0	89.4	99.0
2009	95.8	1.0	82.0	98.8
2010	76.4	1.0	71.4	92.8
2011	60.6	1.0	66.0	84.6
2012	46.6	1.0	60.4	75.2

Beef Farms

Table 6. **Beef** farms, characteristics

Code	CTBF400	SWBF200	SWBF260	SCBF350	SCBF150
Farm number	27	28	29	30	31
Region	Central	Southwest	Southwest	South Central	South Central
County	Phelps	Barry	Lawrence	Oregon	Howell
Land base	2460	770	1085	2000	825
'Cropland' hay acres	40		100	90	50
Other forage acres	1520	735	835	1760	600
Timber/waste acres	900	35	150	150	175
Operator owned (%)	80	100	72	50	89
Cash leased (%)	20		28	50	11
Beef enterprises					
Mature beef cows (hd)	400	200	260	350	150
Average sale weight of steers (lbs)	625	590	800	600	735
Cash receipt sources ^a					
Share of total					
Beef (%)	98	73	91	93	86
Hay and/or seed (%)		27	8	5	14
Custom work/timber sales (%)	2		1	2	
Harvested acres ^b					
Total acres, includes double-cropped	1560	885	1041	2125	650
Alfalfa hay	40	40	100	50	50
Warm-season grass hay				40	10
Cool-season grass hay	370	310	200	200	75
Fescue seed		150	106	425	
Improved pasture	1150	385	635	1410	515
Crop yields ^c					
Alfalfa, tns					
2005	4.3		4.1	4.0	3.2
2006	4.3		2.5	4.0	2.5
2007	2.5		4.1	4.0	3.2
Warm-season grass hay, tns					
2005				4.0	2.5
2006				4.0	0.5
2007				4.0	2.5
Cool-season grass hay, tns					
2005	1.5	1.5	1.8	2.0	2.1
2006	1.5	1.5	1.8	2.0	1.3
2007	1.5	1.5	1.8	2.0	2.1
Fescue seed, lbs					
2005		250	250	0	
2006		210	200	200	
2007		300	300	200	

Table 6. **Beef** farms, financial outlook (continued).

Code	CTBF400	SWBF200	SWBF260	SCBF350	SCBF150
Farm number	27	28	29	30	31
Near term cash risk outlook ^d	High	Moderate	Severe	Severe	Severe
Intermediate term cash risk outlook	Severe	Severe	Severe	Severe	Severe
Average operator assets (\$1000)	4,763	2,249	2,298	2,419	1,697
Average operator assets (\$ per cow)	11,908	11,247	8,838	6,911	11,315
Average return to operator assets (%)	2.9	4.4	2.2	0.4	1.7
Assumed operator debt, Jan 1, 2005 (%) ^e	4	4	4	4	4
Term debt capacity, Jan 1, 2008 (%) ^f	3	4	-3	-7	-3
"Cropland" value in 2005 (\$ per acre)	1,503	1,600	1,438	1,046	1,417
Average operating expense/receipts (%)	82.1	73.4	97.1	107.2	94.5
Average whole-farm cash expenses excluding operator labor (\$ per cow)	552	600	826	986	926
Average whole-farm cash receipts (\$ per cow)	605	711	717	687	754
Total cash receipts (\$1000) ^a					
2005	260.4	149.9	203.9	256.9	121.3
2006	261.3	135.6	184.1	259.9	120.7
2007	257.0	157.6	206.6	261.8	126.8
2008	259.4	150.6	200.5	255.0	121.6
2009	245.2	143.3	187.6	243.1	113.6
2010	237.6	139.8	182.1	236.9	111.2
2011	234.6	138.3	180.1	234.1	109.0
2012	234.1	138.6	181.4	233.7	110.0
Average	242.2	142.1	186.4	240.6	113.1
Net cash farm income (\$1000) ^h					
2005	92.7	69.6	75.4	62.9	33.4
2006	95.4	47.9	38.2	57.7	33.5
2007	76.1	64.0	49.9	40.0	36.6
2008	71.7	48.3	28.9	18.5	21.2
2009	54.2	43.5	18.5	2.5	15.2
2010	44.0	39.9	9.9	-16.0	7.6
2011	38.8	33.6	2.9	-31.1	4.6
2012	33.6	33.4	-8.9	-41.9	-5.8
Average	48.5	39.7	10.3	-13.6	8.6
Return to family living (\$1000) ⁱ					
2005	70.2	52.0	60.5	53.3	28.3
2006	69.8	34.0	29.6	40.2	26.1
2007	56.4	44.8	34.1	27.1	26.8
2008	46.2	32.0	15.3	5.1	13.3
2009	30.1	27.8	2.7	-18.6	4.3
2010	20.7	25.2	-15.6	-75.2	-13.8
2011	14.1	15.4	-43.9	-165.5	-38.9
2012	-4.5	10.4	-100.7	-269.2	-93.8
Average	21.3	22.2	-28.5	-104.7	-25.8
Average owner withdrawal assumed (\$1000) ^j	31.8	28.1	28.1	28.1	22.5
Beginning cash, 2008 (\$1000) ^k	113.1	54.5	47.6	43.7	19.6
Beginning cash/operating expenses (%) ^k	60.3	53.3	27.7	18.5	19.6
Probability of a cash flow deficit (%) ^l					
2008	29.8	36.6	67.0	79.8	73.4
2009	50.0	49.2	81.6	95.8	87.2
2010	64.2	54.8	88.8	99.0	96.4
2011	71.6	82.6	95.0	99.0	99.0
2012	86.4	88.6	99.0	99.0	99.0

Dairy Farms

Table 7. **Dairy** farms, characteristics

Code	ECDY150	SWG DY150	SWDY110	SWDY500	SWG DY500
Farm number	32	33	34	35	36
Region	East Central	Southwest	Southwest	Southwest	Southwest
County	Franklin	Christian	Barry	Dade	Dade
Land base					
Crop and hayland	340		180	530	
Acres owned	260		150	530	
Acres leased	80		30		
Other forages	220	230	65	70	385
Acres owned	170	180	65	70	385
Acres leased	50	50			
Timber/waste acres owned	155	20	30	120	25
Total acres operated	715	250	275	720	410
Operator owned (%)	82	80	89	100	100
Cash leased (%)	18	20	11		
Dairy herd					
Production unit type	Hybrid	Grazing	Hybrid	Confinement	Grazing
Mature dairy cows (hd)	150	150	110	500	500
Milk per cow (lbs)	22,800	13,300	22,175	21,520	12,500
Forages purchased off-farm (tons)				980	415
Cash receipt sources ^a					
Share of total					
Milk (%)	86	90	92	95	91
Cows, heifers, baby calves (%)	5	10	8	5	9
Crops (%)	9				
Harvested acres ^b					
Total acres, including double-crop	625	320	245	600	517
Alfalfa	40		60	210	52
Corn silage	100			320	40
Perennial grass mixes	50	150	125		305
Annual grass mixes	65	120	30		40
Improved pasture	170	50	30	70	80
Corn, grain	135				
Soybeans	65				

Table 7. Dairy farms, financial outlook (continued).

Code	ECDY150	SWG DY150	SWDY110	SWDY500	SWG DY500
Farm number	32	33	34	35	36
Near term cash risk outlook ^d	Low	Low	Moderate	Moderate	Low
Intermediate term cash risk outlook	Low	Low	Moderate	High	Low
Average operator assets (\$1000)	3,738	1,193	1,342	4,577	3,442
Average return to operator assets (%)	8.0	7.4	8.6	5.4	5.0
Assumed operator debt, Jan 1, 2005 (%) ^e	20	20	30	30	30
Term debt capacity, Jan 1, 2008 (%) ^f	38	62	44	35	61
"Cropland" value in 2005 (\$ per acre)	2,450	1,574	1,500	1,732	1,574
Average operating expense/receipts (%)	66.8	65.4	74.2	85.8	68.8
Average whole-farm cash expenses, excluding operator labor (\$ per cow)	4,245	2,097	3,621	4,143	2,045
excluding operator labor (\$ per cwt)	18.62	15.77	16.33	19.25	16.36
Average government payments/receipts (%)	0.6	0.0	0.0	0.0	0.0
Government payments (\$1000) ^g					
2005	12.1	0.0	0.0	0.0	0.0
2006	21.6	12.2	13.6	14.7	14.7
2007	4.1	0.0	0.0	0.0	0.0
2008	4.2	0.0	0.0	0.0	0.0
2009	4.2	0.0	0.0	0.1	0.1
2010	4.2	0.1	0.1	0.1	0.1
2011	4.2	0.0	0.0	0.0	0.0
2012	4.2	0.1	0.1	0.1	0.1
Average	4.2	0.1	0.1	0.1	0.1
Total cash receipts (\$1000) ^a					
2005	619.4	352.1	402.9	1793.4	1033.9
2006	560.7	327.8	357.8	1573.7	948.0
2007	800.3	471.8	493.9	2272.1	1469.8
2008	751.4	399.5	461.4	2133.2	1223.1
2009	751.5	399.4	461.6	2134.5	1222.7
2010	757.5	402.5	465.3	2151.7	1231.9
2011	767.1	406.7	470.2	2175.2	1244.8
2012	774.3	410.3	474.4	2194.8	1255.9
Average	760.4	403.7	466.6	2157.9	1235.7
Net cash farm income (\$1000) ^h					
2005	196.3	144.3	137.4	321.0	365.4
2006	124.6	103.7	73.3	27.5	233.3
2007	303.7	227.2	152.3	564.2	718.3
2008	229.7	133.1	102.8	299.2	373.5
2009	245.6	137.8	116.8	305.6	384.9
2010	259.8	146.0	128.0	340.3	401.2
2011	276.4	148.7	136.1	361.6	412.7
2012	274.9	151.8	142.8	365.9	420.7
Average	257.3	143.5	125.3	334.5	398.6
Return to family living (\$1000) ⁱ					
2005	121.2	99.7	85.4	137.7	218.0
2006	66.0	65.7	34.6	-73.7	139.3
2007	161.8	132.2	88.0	217.7	446.2
2008	132.3	88.6	62.4	115.3	219.5
2009	127.8	89.5	68.5	86.6	218.8
2010	125.9	93.0	72.0	94.2	219.5
2011	127.4	87.5	66.6	65.3	204.8
2012	104.3	87.1	71.7	70.5	202.7
Average	123.6	89.1	68.2	86.4	213.0
Average owner withdrawal assumed (\$1000) ^j	50.6	39.4	45.0	67.4	67.4
Beginning cash, 2008 (\$1000) ^k	209.8	193.8	84.3	154.1	629.0
Beginning cash/operating expenses (%) ^k	40.2	72.8	23.5	8.4	74.0
Probability of a cash flow deficit (%) ^l					
2008	3.4	5.6	32.6	39.0	4.0
2009	4.4	7.0	27.6	47.8	4.2
2010	3.4	5.4	24.8	47.0	5.2
2011	3.2	8.4	31.8	50.2	10.6
2012	11.6	7.2	28.0	49.8	12.8

Broiler-beef Farms

Table 8. **Broiler-beef** farms, characteristics

Code	SWBRBF4	SWBRBF6
Farm number	37	38
Region	Southwest	Southwest
County	McDonald	Lawrence
Land base		
Crop and hayland	40	65
Acres owned	40	65
Acres leased		
Other forages	160	95
Acres owned	160	55
Acres leased		40
Timber/waste acres owned	10	
Total acres operated	210	160
Operator owned (%)	100	75
Cash leased (%)		25
Poultry and livestock		
Broiler production		
Number of houses	4	6
Sale weight of birds (lbs)	4.4	3.9
Mature beef cows (hd)	50	50
Cash receipt sources ^a		
Share of total		
Broiler (%)	78	84
Beef (%)	22	14
Hay and/or seed (%)		2
Harvested acres ^b		
Total acres	200	225
Cool-season grass hay	40	65
Fescue seed		65
Improved pasture	160	95
Crop yields ^c		
Cool-season grass hay, tons		
2005	3.0	3.0
2006	3.0	3.0
2007	3.0	3.0
Fescue seed, lbs		
2005		200
2006		200
2007		200

Table 8. **Broiler-beef** farms, financial outlook (continued).

Code	SWBRBF4	SWBRBF6
Farm number	37	38
Near term cash risk outlook ^d	Severe	Severe
Intermediate term cash risk outlook	High	Severe
Average operator assets (\$1000)	1076	1053
Average return to operator assets (%)	5.2	3.4
Assumed operator debt, Jan 1, 2005 (%) ^e	19	27
Term debt capacity, Jan 1, 2008 (%) ^f	23	22
"Cropland" value in 2005 (\$ per acre)	1794	1850
Average operating expense/receipts (%)	65.7	72.3
Average whole-farm cash expenses excluding family living (\$/cow)	2,897	4,736
Total cash receipts (\$1000) ^a		
2005	147.2	208.9
2006	147.1	209.0
2007	146.1	207.8
2008	145.9	207.7
2009	143.0	204.7
2010	142.8	204.9
2011	141.7	203.5
2012	142.5	197.3
Average	143.2	203.6
Net cash farm income (\$1000) ^h		
2005	62.1	81.1
2006	56.5	72.9
2007	54.6	65.0
2008	47.5	53.8
2009	48.1	57.0
2010	47.1	57.6
2011	50.0	58.8
2012	53.7	56.0
Average	49.3	56.6
Return to family living (\$1000) ⁱ		
2005	12.0	15.9
2006	2.4	4.5
2007	-2.1	-2.8
2008	-10.8	-21.3
2009	-22.2	-40.9
2010	0.1	-35.1
2011	9.7	-34.4
2012	15.0	-34.0
Average	-1.7	-33.2
Average owner withdrawal assumed (\$1000) ^j	0.0	0.0
Beginning cash, 2008 (\$1000) ^k	12.3	18.4
Beginning cash/operating expenses (%) ^k	12.5	12.0
Probability of a cash flow deficit (%) ^l		
2008	98.0	99.0
2009	99.0	99.0
2010	50.4	99.0
2011	11.8	99.0
2012	1.8	98.2

Table Reference Notes

The term “average” in the financial tables always refers to the annual average of the variable for the five projection years 2008–2012.

- a. Cash receipts is total gross revenue from all sources, including cash sales in the market, insurance indemnities and government payments for crops that may not be planted. For a minority of farms, this figure also includes a relatively small income from custom farming activity.
- b. Planted acres may exceed total crop acres due to double and triple cropping practices. Forage crops are labeled as harvested acres for beef and dairy farms. These acres may be harvested mechanically (e.g. hay, haylage, silage) and/or grazed.
- c. Yield data are as reported by the panels via update meetings or surveys. Irrigated crops are denoted by “Irr.” Otherwise, yields are dryland. Soybean yields are for full season crops.
- d. Cash risk outlook is scored based on the probability of cash flow deficit over two time periods (see l below). Near term are the calendar years 2007 and 2008. Intermediate term is the period 2009-2011. Low risk is less than a 25 percent chance of cash flow deficit in *any* year of the time period; moderate risk is 25 to 49 percent, high risk is 50 to 74 percent, and severe risk is greater than a 75 percent probability of a cash flow deficit.
- e. A beginning level of term debt on January 1, 2004 is assumed for each of the farms. Loan length is the same for all the farms, but interest rates are localized. The values of assets and liabilities, and therefore debt ratios, fluctuate from this starting point.
- f. Term debt capacity ratio is a crude estimate of the debt capacity limit for the farm going into the projection period. Projected receipts and expenses are used to estimate cash available for servicing debt. The loan calculations assume a ten-year loan at 8.5 percent interest. The debt ratio is calculated in relation to operator assets at fair market value. The number reported in the tables is at the median risk level.
- g. Government payments include all receipts provided through the commodity titles of the farm bill, including direct (fixed) payments, countercyclical payments (CCPs), and marketing loan benefits. Dairy market loss payments are included where applicable.
- h. Net cash farm income is total cash receipts less all farm *operating* expenses including interest payments on all outstanding debt. Cash costs not included are principal payments on liabilities, cash down payment for capital replacement, income taxes, and owner withdrawal.
- i. Annual return to family living is the farm’s after-tax bottom line for the given year. It is the residual after all other cash expenses are deducted from current year receipts. This calculation includes carryover debt, but not carryover cash from prior years.
- j. Owner withdrawal is the minimum amount assumed to be extracted from the business for household purposes. It is also used as a proxy for the value of managerial labor in determining rates of return.
- k. Beginning cash in 2007 is the cash reserve accumulated by the farm in the three historical years of the simulation. It is an estimate of the cash cushion the farm has going into the projection period, expressed as a percent of the projected operating expenses in 2007.
- l. Annual probability of cash flow deficit is the chance that total receipts will be less than total cash expenses as a result of price and production risk. Alternatively, it is the chance that returns to family living will be less than the minimum owner withdrawal.