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September 2007

Missouri Representative Farms

Mid-Year Baseline Outlook

Food and Agricultural
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Mid-Year Farm Level Outlook Missouri Representative Farms 2007 – 2011

This mid-year farm level outlook looks at the impact of the new FAPRI August 2007 Baseline Update on the 38 Missouri representative farms. The FAPRI August 2007 Baseline Update reflects information available in mid-August 2007. This is intended to be an intermediate update to the FAPRI January 2007 Baseline.

This is an abbreviated report containing updated financial tables and risk graphs, sorted into seven categories.

When comparing the results of this baseline to the January 2007 FAPRI Baseline, differences can be found in each category. In most cases, the near-term outlook shows the most change. Five of the seven categories show increased cash flow pressure in the near-term. This can be traced to lower yields in 2005 due to drought conditions across most of the state.

Price Outlook:

The FAPRI August 2007 baseline prices are summarized in Table 1. In almost all cases, the prices are higher than the FAPRI January 2007 baseline. Soybeans, for instance, are up nearly \$1.00/bu when compared to the January baseline. However, barrow and gilt prices are below the January level in the 2009-12 time period.

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

| Commodity | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|------------------------|--------|-------|--------|--------|--------|--------|--------|--------|
| Crop Year | | | | | | | | |
| Corn, bu | 2.06 | 2.00 | 3.03 | 3.10 | 3.38 | 3.35 | 3.34 | 3.28 |
| Sorghum, bu | 1.79 | 1.86 | 3.28 | 2.92 | 3.19 | 3.12 | 3.15 | 3.10 |
| Wheat, bu | 3.40 | 3.42 | 4.26 | 5.11 | 4.19 | 4.32 | 4.31 | 4.31 |
| Soybeans, bu | 5.74 | 5.66 | 6.40 | 7.77 | 8.01 | 7.92 | 7.85 | 7.79 |
| Cotton, lb | 0.42 | 0.48 | 0.47 | 0.54 | 0.61 | 0.61 | 0.60 | 0.60 |
| Long rice, cwt | 7.33 | 7.65 | 9.68 | 9.90 | 9.70 | 9.64 | 9.65 | 9.64 |
| Cottonseed, tn | 107.00 | 96.00 | 118.00 | 141.56 | 144.81 | 139.34 | 137.23 | 136.63 |
| Soybean meal (44%), tn | 174 | 166 | 196 | 208 | 206 | 200 | 197 | 195 |
| All hay, tn | 92.00 | 98.20 | 109.00 | 123.20 | 114.46 | 110.86 | 110.46 | 111.15 |
| Calendar Year | | | | | | | | |
| Cull cows, lb | 0.524 | 0.544 | 0.476 | 0.509 | 0.530 | 0.524 | 0.499 | 0.479 |
| Feeder steers, lb | 1.12 | 1.20 | 1.18 | 1.18 | 1.18 | 1.14 | 1.08 | 1.04 |
| Fed steers, lb | 0.848 | 0.873 | 0.854 | 0.911 | 0.942 | 0.929 | 0.900 | 0.878 |
| Cull sows, lb | 0.43 | 0.43 | 0.36 | 0.38 | 0.35 | 0.36 | 0.38 | 0.41 |
| Barrow and gilts, lb | 0.525 | 0.501 | 0.473 | 0.493 | 0.465 | 0.479 | 0.504 | 0.531 |
| Missouri all milk, cwt | 16.40 | 15.50 | 13.30 | 19.63 | 16.46 | 16.15 | 16.11 | 16.16 |

Feedgrain-soy Farms:

The 10 farms in this category continue to be the strongest in the data set. While the farms looked good in the January report, they look even better now. Corn prices are up about a dime per bushel over the January numbers and soybean prices are up almost \$1/bu from January. The continued strength in demand for corn and soybeans is driving these farms towards record profits.

Cotton and Rice Farms:

The farms in this category continue to look better. All three improved from the January baseline due to stronger prices for all commodities grown. Even with the higher prices, the large rice farms still struggle to meet all cash obligations and receive a high risk rating for both projection periods.

Crop-beef Farms:

The nine farms in this category look much improved from the January baseline report. The farms benefit from higher crop and livestock prices. The cattle prices are up due to continued strength in the beef markets.

Pork-crop Farms:

The four farms in this category are diverse in their type of hog production. Two of the farms strictly produce hogs. These two farms continue to see high to moderate risk pressure. The probability of not cash flowing in 2009 and 2010 is higher than in January. This is due to higher feed costs and lower barrow and gilt prices. The other two farms are not impacted as much by the lower barrow and gilt prices because they raise nursery and finish pigs on contract.

Beef Farms:

The five farms in this category face a much brighter outlook than we saw in January. The outlook for beef prices over the next five years is much better than in January due to continued strong demand for beef.

Dairy Farms:

The five farms in this category also benefit from a much stronger price outlook than in January. Milk prices in 2007 have been at or above record levels. While prices are projected to come down some, they are still projected to be at levels that should result in lower risk than reported in January.

Broiler-beef Farms:

These two farms continue to struggle to meet cash costs while paying for their poultry buildings in 2007 and 2008. However, the higher beef prices in this baseline improve their overall outlook in 2009-2011.

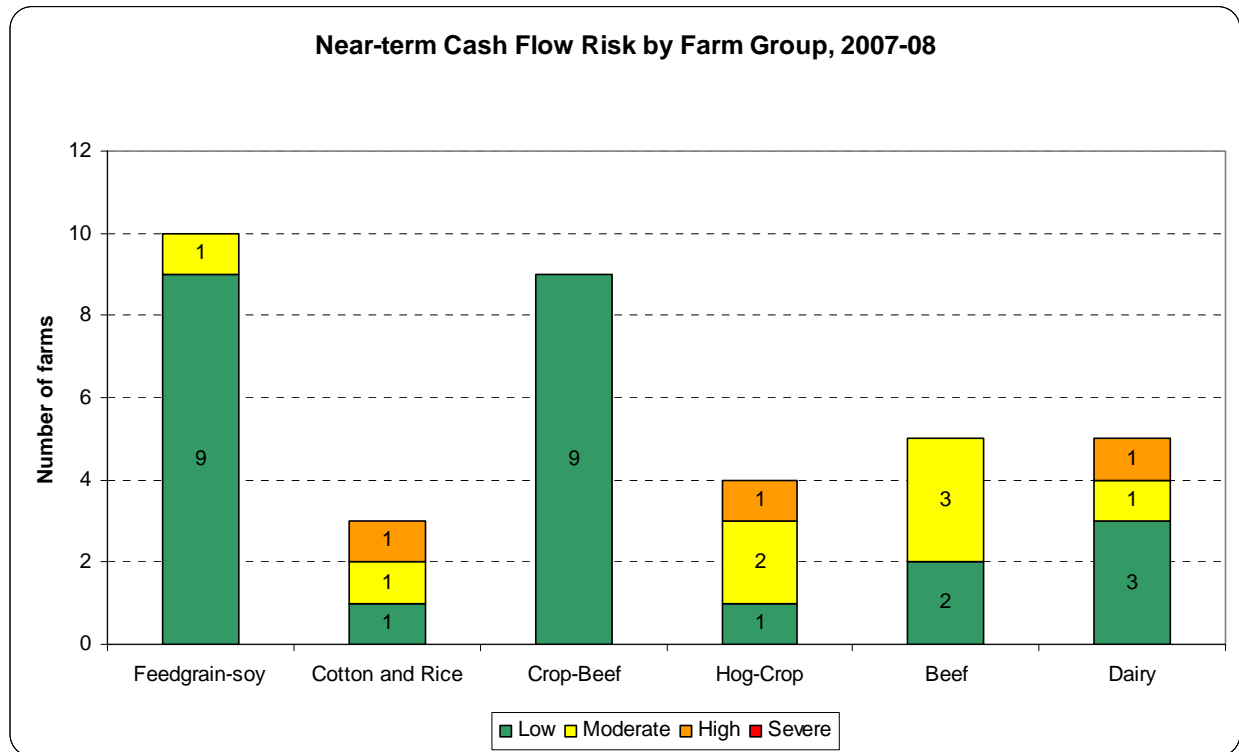


Figure 1. Near term risk scores for the 38 representative farms

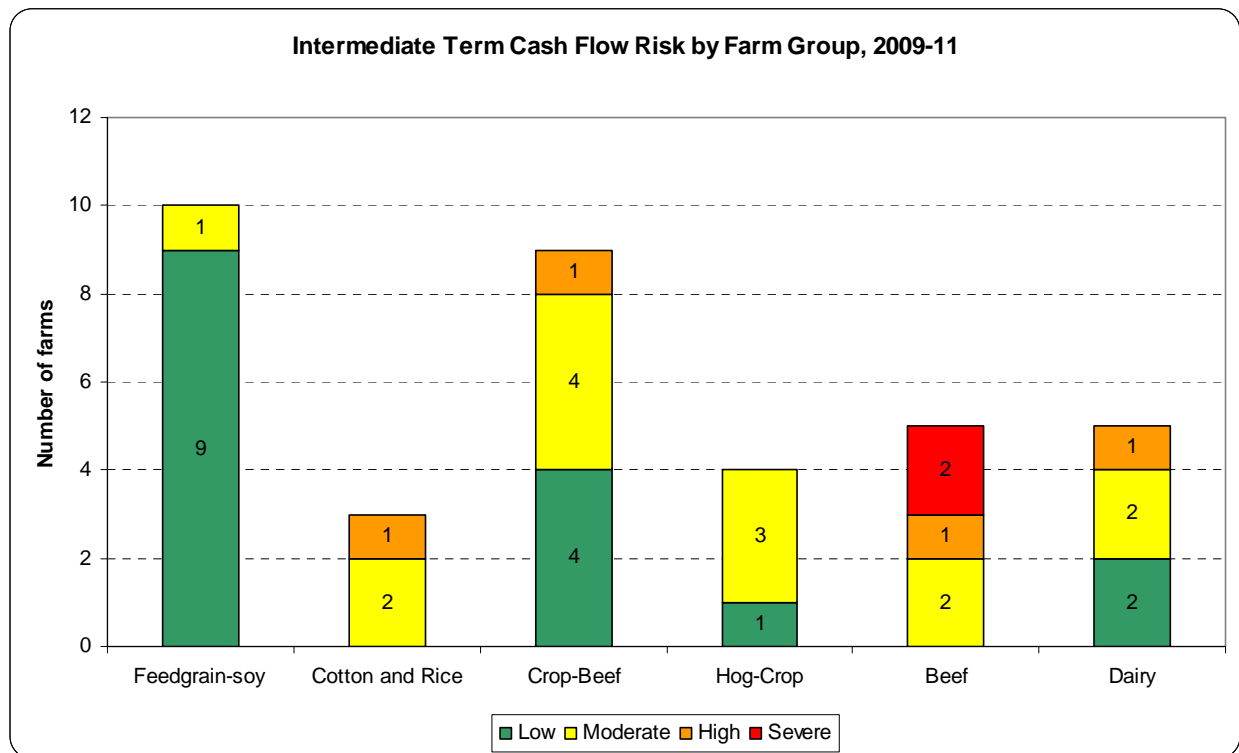


Figure 2. Intermediate term risk scores for the 38 representative farms

Feedgrain-soy Farms

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

| Code | NWFG2500 | NWFG2300 | NCFG890 | NCFG2050 | NCFG3630 |
|--|-------------|-------------|---------------|---------------|---------------|
| 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 | 3630 |
| Acres owned | 1050 | 1380 | 565 | 1150 | 1600 |
| Acres leased | 1450 | 920 | 325 | 900 | 2030 |
| Nonproductive acres owned | 150 | 68 | 85 | 80 | 160 |
| Total acres operated | 2650 | 2368 | 975 | 2130 | 3790 |
| Operator owned (%) | 46 | 61 | 67 | 58 | 46 |
| Cash leased (%) | 25 | | | 8 | |
| Share leased (%) | 29 | 39 | 33 | 34 | 54 |
| 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 | 3630 |
| Double cropped acres | | 200 | 100 | | |
| Share of total planted acres | | | | | |
| Corn (%) | 50 | 28 | 30 | 50 | 52 |
| Sorghum (%) | | | | | |
| Wheat (%) | | 8 | 10 | | 3 |
| Soybeans (%) | 50 | 64 | 41 | 50 | 45 |
| Conservation reserve (%) | | | 19 | | |
| Crop yields ^c | | | | | |
| Corn, bu | | | | | |
| 2004 | 186 | 184 | 173 | 185 | 203 |
| 2005 | 173 | 174 | 135 | 145 | 177 |
| 2006 | 152 | 176 | 158 | 170 | 185 |
| Sorghum, bu | | | | | |
| 2004 | | | | | |
| 2005 | | | | | |
| 2006 | | | | | |
| Wheat, bu | | | | | |
| 2004 | | 66 | 58 | | 60 |
| 2005 | | 60 | 70 | | 77 |
| 2006 | | 68 | 71 | | 55 |
| Soybeans, bu | | | | | |
| 2004 | 49 | 48 | 43 | 53 | 53 |
| 2005 | 51 | 47 | 43 | 49 | 49 |
| 2006 | 42 | 39 | 42 | 49 | 51 |

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

| Code | NWFG2500 | NWFG2300 | NCFG890 | NCFG2050 | NCFG3630 |
|--|----------|----------|---------|----------|----------|
| 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) | 5,852 | 7,734 | 1,740 | 6,468 | 8,953 |
| Average return to operator assets (%) | 11.5 | 10.1 | 9.4 | 11.8 | 13.4 |
| Assumed operator debt, Jan 1, 2004 (%) ^e | 20 | 20 | 20 | 20 | 20 |
| Term debt capacity, Jan 1, 2007 (%) ^f | 46 | 34 | 37 | 44 | 55 |
| Cropland value in 2004 (\$ per acre) | 2,250 | 2,705 | 1,135 | 2,525 | 2,254 |
| Average operating expense/receipts (%) | 56.0 | 47.8 | 46.0 | 44.3 | 41.7 |
| Government payments (\$1000) ^g | | | | | |
| 2004 | 102.1 | 67.6 | 26.0 | 86.4 | 139.3 |
| 2005 | 153.2 | 89.1 | 33.8 | 115.8 | 202.3 |
| 2006 | 59.7 | 41.4 | 16.9 | 53.6 | 79.7 |
| 2007 | 73.5 | 64.4 | 18.6 | 61.3 | 96.8 |
| 2008 | 74.3 | 69.2 | 19.1 | 63.2 | 99.7 |
| 2009 | 69.3 | 60.7 | 18.3 | 60.6 | 95.7 |
| 2010 | 85.2 | 70.9 | 21.4 | 73.3 | 116.0 |
| 2011 | 68.3 | 57.5 | 17.5 | 58.0 | 90.9 |
| Average | 74.1 | 64.5 | 19.0 | 63.3 | 99.8 |
| Total cash receipts (\$1000) ^a | | | | | |
| 2004 | 882.0 | 708.2 | 225.4 | 694.5 | 1,145.7 |
| 2005 | 830.3 | 654.6 | 193.9 | 586.4 | 1,019.6 |
| 2006 | 807.1 | 711.4 | 238.6 | 724.4 | 1,207.3 |
| 2007 | 938.8 | 819.8 | 262.9 | 810.4 | 1,345.5 |
| 2008 | 996.9 | 839.9 | 279.6 | 870.9 | 1,443.9 |
| 2009 | 997.4 | 839.4 | 277.2 | 883.3 | 1,465.6 |
| 2010 | 1,026.5 | 882.0 | 288.3 | 903.4 | 1,498.8 |
| 2011 | 991.1 | 844.6 | 283.3 | 902.4 | 1,498.9 |
| Average | 990.1 | 845.2 | 278.3 | 874.1 | 1,450.5 |
| Net cash farm income (\$1000) ^h | | | | | |
| 2004 | 401.5 | 353.7 | 110.0 | 353.5 | 630.5 |
| 2005 | 328.9 | 269.9 | 72.5 | 236.6 | 476.8 |
| 2006 | 294.3 | 328.8 | 113.3 | 359.6 | 639.5 |
| 2007 | 423.2 | 435.4 | 136.4 | 444.9 | 774.3 |
| 2008 | 472.9 | 455.0 | 153.0 | 493.7 | 864.2 |
| 2009 | 474.0 | 447.8 | 153.7 | 509.6 | 883.4 |
| 2010 | 499.2 | 492.2 | 166.0 | 533.0 | 915.2 |
| 2011 | 466.3 | 449.2 | 163.5 | 532.4 | 915.9 |
| Average | 467.1 | 455.9 | 154.5 | 502.7 | 870.6 |
| Return to family living (\$1000) ⁱ | | | | | |
| 2004 | 223.1 | 148.9 | 66.6 | 189.9 | 296.7 |
| 2005 | 164.8 | 87.7 | 31.0 | 97.2 | 197.6 |
| 2006 | 135.5 | 101.5 | 57.4 | 161.5 | 247.8 |
| 2007 | 216.8 | 185.1 | 89.7 | 210.0 | 351.7 |
| 2008 | 221.6 | 184.0 | 96.8 | 184.9 | 379.3 |
| 2009 | 222.3 | 165.0 | 89.2 | 204.0 | 378.8 |
| 2010 | 212.3 | 170.3 | 93.6 | 211.8 | 379.3 |
| 2011 | 177.6 | 107.2 | 85.7 | 187.0 | 359.4 |
| Average | 210.1 | 162.3 | 91.0 | 199.5 | 369.7 |
| Average owner withdrawal assumed (\$1000) ^j | 50.6 | 50.6 | 51.9 | 51.9 | 68.5 |
| Beginning cash, 2007 (\$1000) ^k | 386.56 | 202.35 | 12.3 | 314.34 | 560.86 |
| Beginning cash/operating expenses (%) ^k | 75.0 | 52.6 | 9.7 | 86.0 | 98.2 |
| Probability of a cash flow deficit (%) ^l | | | | | |
| 2007 | 12.0 | 2.0 | 9.0 | 1.0 | 1.0 |
| 2008 | 13.0 | 5.0 | 11.0 | 8.0 | 1.0 |
| 2009 | 10.0 | 8.0 | 13.0 | 1.0 | 1.0 |
| 2010 | 12.0 | 2.0 | 11.0 | 1.0 | 1.0 |
| 2011 | 18.0 | 15.0 | 17.0 | 5.0 | 2.0 |

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

| Code | NEFG2600 | NEFG2300 | NEFG1300 | WCFG1800 | SWFG1100 |
|--|-------------|-------------|-------------|--------------|-------------|
| Farm number | 6 | 7 | 8 | 9 | 10 |
| Region | Northeast | Northeast | Northeast | West Central | Southwest |
| County | Marion | Knox | Audrain | Lafayette | Barton |
| Land base | | | | | |
| Cropland | 2600 | 2300 | 1300 | 1800 | 1100 |
| Acres owned | 936 | 920 | 390 | 875 | 360 |
| Acres leased | 1664 | 1380 | 910 | 925 | 740 |
| Nonproductive acres owned | 70 | 50 | 40 | 197 | 41 |
| Total acres operated | 2670 | 2350 | 1340 | 1997 | 1141 |
| Operator owned (%) | 38 | 41 | 32 | 53 | 36 |
| Cash leased (%) | 41 | 50 | 34 | 31 | 32 |
| Share leased (%) | 21 | 9 | 34 | 16 | 32 |
| Cash receipt sources ^a | | | | | |
| Share of total | | | | | |
| All crops (%) | 100 | 100 | 100 | 95 | 100 |
| Custom work (%) | | | | 5 | |
| Planted acres ^b | | | | | |
| Total acres | 2600 | 2300 | 1300 | 1800 | 1485 |
| Double cropped acres | | | | | 365 |
| Share of total planted acres | | | | | |
| Corn (%) | 48 | 50 | 25 | 50 | 18 |
| Sorghum (%) | | | 18 | | 8 |
| Wheat (%) | 4 | | | | 25 |
| Soybeans (%) | 48 | 50 | 57 | 50 | 49 |
| Crop yields ^c | | | | | |
| Corn, bu | | | | | |
| 2004 | 205 | 184 | 170 | 192 | 170 |
| 2005 | 80 | 99 | 60 | 138 | 110 |
| 2006 | 150 | 152 | 147 | 133 | 127 |
| Sorghum, bu | | | | | |
| 2004 | | | 140 | | 135 |
| 2005 | | | 85 | | 78 |
| 2006 | | | 115 | | 99 |
| Wheat, bu | | | | | |
| 2004 | 55 | | | | 50 |
| 2005 | 58 | | | 65 | 52 |
| 2006 | 65 | | | 59 | 18 |
| Soybeans, bu | | | | | |
| 2004 | 61 | 51 | 50 | 58 | 44 |
| 2005 | 36 | 50 | 37 | 48 | 36 |
| 2006 | 45 | 48 | 44 | 42 | 15 |

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

| Code | NEFG2600 | NEFG2300 | NEFG1300 | WCFG1800 | SWFG1100 |
|--|----------|----------|----------|----------|----------|
| Farm number | 6 | 7 | 8 | 9 | 10 |
| Near term cash risk outlook ^d | Low | Low | Low | Moderate | Low |
| Intermediate term cash risk outlook | Low | Low | Low | Moderate | Low |
| Average operator assets (\$1000) | 5,003 | 5,350 | 2,254 | 6,543 | 1,556 |
| Average return to operator assets (%) | 13.7 | 15.6 | 12.1 | 8.7 | 15.5 |
| Assumed operator debt, Jan 1, 2004 (%) ^e | 20 | 20 | 20 | 20 | 20 |
| Term debt capacity, Jan 1, 2007 (%) ^f | 57 | 73 | 59 | 33 | 98 |
| Cropland value in 2004 (\$ per acre) | 2,164 | 1,967 | 2,350 | 2,900 | 1,207 |
| Average operating expense/receipts (%) | 56.9 | 48.6 | 57.7 | 63.5 | 45.7 |
| Government payments (\$1000) ^g | | | | | |
| 2004 | 119.2 | 110.6 | 53.1 | 59.6 | 37.9 |
| 2005 | 116.9 | 124.1 | 53.5 | 101.9 | 37.9 |
| 2006 | 68.3 | 67.2 | 26.9 | 49.3 | 24.8 |
| 2007 | 78.4 | 76.8 | 39.4 | 60.9 | 31.3 |
| 2008 | 78.5 | 77.3 | 41.6 | 66.9 | 32.7 |
| 2009 | 75.9 | 75.1 | 36.9 | 59.2 | 29.9 |
| 2010 | 93.4 | 92.1 | 43.2 | 70.4 | 33.7 |
| 2011 | 75.5 | 73.9 | 35.7 | 58.5 | 27.1 |
| Average | 80.3 | 79.0 | 39.3 | 63.2 | 31.0 |
| Total cash receipts (\$1000) ^a | | | | | |
| 2004 | 1,072.9 | 964.2 | 417.9 | 844.8 | 392.1 |
| 2005 | 566.7 | 760.9 | 261.9 | 622.9 | 296.3 |
| 2006 | 855.0 | 968.6 | 400.3 | 661.8 | 234.0 |
| 2007 | 1,031.6 | 1,134.8 | 445.1 | 797.1 | 413.6 |
| 2008 | 1,086.4 | 1,201.2 | 472.6 | 887.5 | 410.6 |
| 2009 | 1,080.3 | 1,194.8 | 467.7 | 871.0 | 413.3 |
| 2010 | 1,119.7 | 1,239.7 | 485.2 | 884.3 | 438.2 |
| 2011 | 1,075.2 | 1,189.5 | 477.1 | 865.8 | 418.4 |
| Average | 1,078.6 | 1,192.0 | 469.5 | 861.1 | 418.8 |
| Net cash farm income (\$1000) ^h | | | | | |
| 2004 | 546.2 | 465.7 | 170.9 | 398.1 | 227.9 |
| 2005 | 32.6 | 241.3 | 11.6 | 145.1 | 122.6 |
| 2006 | 285.4 | 434.8 | 134.1 | 151.4 | 52.6 |
| 2007 | 457.7 | 599.1 | 176.3 | 274.7 | 228.0 |
| 2008 | 512.4 | 664.4 | 205.4 | 363.0 | 226.0 |
| 2009 | 508.5 | 656.9 | 202.9 | 346.6 | 229.2 |
| 2010 | 546.4 | 698.5 | 222.8 | 363.4 | 252.3 |
| 2011 | 504.8 | 649.3 | 213.4 | 345.7 | 224.2 |
| Average | 506.0 | 653.6 | 204.1 | 338.7 | 231.9 |
| Return to family living (\$1000) ⁱ | | | | | |
| 2004 | 287.0 | 255.2 | 92.8 | 209.4 | 142.7 |
| 2005 | -53.7 | 110.5 | -32.7 | 30.7 | 61.2 |
| 2006 | 135.8 | 198.7 | 68.6 | 8.2 | 0.0 |
| 2007 | 219.4 | 300.8 | 99.7 | 109.4 | 137.5 |
| 2008 | 222.2 | 311.8 | 107.2 | 143.8 | 131.4 |
| 2009 | 218.4 | 299.9 | 99.5 | 116.2 | 137.5 |
| 2010 | 234.2 | 317.1 | 106.0 | 112.4 | 147.2 |
| 2011 | 205.5 | 280.9 | 69.0 | 90.9 | 87.2 |
| Average | 220.0 | 302.1 | 96.3 | 114.6 | 128.2 |
| Average owner withdrawal assumed (\$1000) ^j | 50.6 | 50.6 | 28.1 | 45.0 | 39.4 |
| Beginning cash, 2007 (\$1000) ^k | 233.1 | 429.3 | 51.6 | 127.7 | 98.4 |
| Beginning cash/operating expenses (%) ^k | 40.6 | 80.1 | 19.2 | 24.5 | 53.0 |
| Probability of a cash flow deficit (%) ^l | | | | | |
| 2007 | 18.0 | 1.0 | 4.0 | 31.0 | 1.0 |
| 2008 | 20.0 | 1.0 | 1.0 | 23.0 | 1.0 |
| 2009 | 20.0 | 2.0 | 4.0 | 24.0 | 1.0 |
| 2010 | 13.0 | 4.0 | 3.0 | 31.0 | 1.0 |
| 2011 | 18.0 | 3.0 | 18.0 | 26.0 | 16.0 |

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 | | | |
| 2004 | 1125 | 1125 irr | |
| 2005 | 1031 | 1031 irr | |
| 2006 | 978 | 978 irr | |
| Rice, cwt | | | |
| 2004 | 68.0 | 68.4 | 71.1 |
| 2005 | 66.0 | 66.0 | 73.0 |
| 2006 | 66.0 | 66.0 | 72.0 |
| Corn, bu | | | |
| 2004 | | 180 | |
| 2005 | | 164 | |
| 2006 | | 167 | |
| Sorghum, bu | | | |
| 2004 | 100 | | |
| 2005 | 100 | | |
| 2006 | 101 | | |
| Wheat, bu | | | |
| 2004 | | 60 | |
| 2005 | | 60 | |
| 2006 | | 56 | |
| Soybeans, bu | | | |
| 2004 | 38 | 51 irr | 51 |
| 2005 | 25 | 51 irr | 50 |
| 2006 | 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 | High |
| Intermediate term cash risk outlook | Moderate | Moderate | High |
| Average operator assets (\$1000) | 1,283 | 4,711 | 11,454 |
| Average return to operator assets (%) | 11.9 | 9.2 | 8.0 |
| Assumed operator debt, Jan 1, 2004 (%) ^e | 20 | 20 | 20 |
| Term debt capacity, Jan 1, 2007 (%) ^f | 77 | 42 | 37 |
| Cropland value in 2004 (\$ per acre) | 1,500 | 2,269 | 2,182 |
| Average operating expense/receipts (%) | 76.6 | 72.2 | 78.6 |
| Average government payments/receipts (%) | 12.9 | 9.1 | 11.7 |
| Government payments (\$1000) ^g | | | |
| 2004 | 166.0 | 126.1 | 302.5 |
| 2005 | 152.4 | 145.1 | 356.2 |
| 2006 | 124.2 | 75.2 | 217.1 |
| 2007 | 105.3 | 85.7 | 224.4 |
| 2008 | 86.9 | 89.9 | 237.2 |
| 2009 | 79.7 | 86.4 | 233.8 |
| 2010 | 81.3 | 92.6 | 238.3 |
| 2011 | 79.9 | 84.9 | 228.7 |
| Average | 86.6 | 87.9 | 232.5 |
| Total cash receipts (\$1000) ^a | | | |
| 2004 | 653.1 | 856.4 | 1,762.6 |
| 2005 | 647.9 | 827.0 | 1,789.2 |
| 2006 | 628.6 | 904.3 | 2,037.8 |
| 2007 | 690.3 | 989.6 | 2,129.9 |
| 2008 | 711.3 | 1,017.8 | 2,111.7 |
| 2009 | 700.4 | 1,009.4 | 2,084.6 |
| 2010 | 731.6 | 1,063.2 | 2,162.9 |
| 2011 | 714.0 | 1,028.4 | 2,128.6 |
| Average | 709.5 | 1,021.7 | 2,123.5 |
| Net cash farm income (\$1000) ^h | | | |
| 2004 | 245.3 | 263.7 | 540.9 |
| 2005 | 173.4 | 177.6 | 407.2 |
| 2006 | 115.5 | 213.9 | 543.1 |
| 2007 | 168.3 | 285.9 | 609.3 |
| 2008 | 183.6 | 302.0 | 559.0 |
| 2009 | 173.9 | 291.2 | 518.5 |
| 2010 | 204.6 | 341.5 | 589.0 |
| 2011 | 187.9 | 305.8 | 554.8 |
| Average | 183.7 | 305.3 | 566.1 |
| Return to family living (\$1000) ⁱ | | | |
| 2004 | 165.2 | 127.6 | 249.4 |
| 2005 | 73.4 | 42.6 | 50.6 |
| 2006 | 24.2 | 48.0 | 43.8 |
| 2007 | 71.9 | 125.9 | 84.7 |
| 2008 | 73.1 | 112.5 | -62.6 |
| 2009 | 59.7 | 95.8 | -153.9 |
| 2010 | 113.2 | 110.9 | -137.8 |
| 2011 | 98.0 | 72.7 | -200.6 |
| Average | 83.2 | 103.6 | -94.0 |
| Average owner withdrawal assumed (\$1000) ^j | 45.0 | 45.0 | 45.0 |
| Beginning cash, 2007 (\$1000) ^k | 141.0 | 95.0 | 224.1 |
| Beginning cash/operating expenses (%) ^k | 27.0 | 13.5 | 14.7 |
| Probability of a cash flow deficit (%) ^l | | | |
| 2007 | 35.0 | 21.0 | 36.0 |
| 2008 | 34.0 | 22.0 | 54.0 |
| 2009 | 42.0 | 23.0 | 64.0 |
| 2010 | 26.0 | 20.0 | 61.0 |
| 2011 | 27.0 | 35.0 | 65.0 |

Crop-beef Farms

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

| Code | NWCB1850 | NCCB1485 | NECB1460 | NECB500 |
|--|-------------|---------------|-------------|------------|
| Farm number | 14 | 15 | 16 | 17 |
| Region | Northwest | North Central | Northeast | Northeast |
| County | Nodaway | Livingston | Monroe | Audrain |
| Land base | | | | |
| Cropland | 1850 | 1485 | 1460 | 500 |
| Acres owned | 950 | 975 | 730 | 250 |
| Acres leased | 900 | 510 | 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 | 1895 | 1946 | 655 |
| Operator owned (%) | 56 | 64 | 49 | 62 |
| Cash leased (%) | 17 | 23 | 36 | 38 |
| Share leased (%) | 27 | 13 | 15 | |
| Beef enterprise | | | | |
| Mature beef cows (hd) | 200 | 100 | 80 | 50 |
| Cattle backgrounded (hd) | 146 | | 70 | 35 |
| Cash receipt sources ^a | | | | |
| Share of total | | | | |
| Crops (%) | 80 | 89 | 89 | 87 |
| Beef (%) | 18 | 11 | 11 | 13 |
| Hay and/or seed (%) | 1 | | | |
| Custom work (%) | 1 | | | |
| Planted acres ^b | | | | |
| Total acres planted | 2850 | 1825 | 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 | | | | |
| 2004 | 190 | 175 | 175 | 169 |
| 2005 | 180 | 115 | 62 | 40 |
| 2006 | 165 | 140 | 119 | 145 |
| Sorghum, bu | | | | |
| 2004 | | | | 149 |
| 2005 | | | | 85 |
| 2006 | | | | 120 |
| Wheat, bu | | | | |
| 2004 | | 60 | 60 | 48 |
| 2005 | | 62 | 61 | 65 |
| 2006 | | 72 | 75 | 52 |
| Soybeans, bu | | | | |
| 2004 | 55 | 60 | 57 | 61 |
| 2005 | 60 | 42 | 28 | 30 |
| 2006 | 47 | 43 | 47 | 46 |

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

| Code | NWCB1850 | NCCB1485 | NECB1460 | NECB500 |
|--|----------|----------|----------|---------|
| Farm number | 14 | 15 | 16 | 17 |
| Near term cash risk outlook ^d | Low | Low | Low | Low |
| Intermediate term cash risk outlook | Moderate | Low | Moderate | Low |
| Average operator assets (\$1000) | 6,356 | 4,459 | 3,763 | 1,761 |
| Average return to operator assets (%) | 10.5 | 9.6 | 9.4 | 10.0 |
| Assumed operator debt Jan 1, 2004 (%) ^e | 20 | 20 | 20 | 20 |
| Term debt capacity Jan 1, 2007 (%) ^f | 40 | 44 | 38 | 44 |
| Cropland value in 2004 (\$ per acre) | 2,250 | 1,700 | 1,892 | 2,350 |
| Average operating expense/receipts (%) | 59.4 | 49.1 | 66.0 | 53.4 |
| Average government payments/receipts (%) | 6.5 | 7.3 | 7.5 | 7.5 |
| Government payments (\$1000) ^g | | | | |
| 2004 | 81.6 | 37.6 | 57.8 | 23.0 |
| 2005 | 123.9 | 44.1 | 54.6 | 20.4 |
| 2006 | 48.9 | 24.4 | 34.7 | 12.5 |
| 2007 | 55.9 | 38.8 | 40.0 | 16.9 |
| 2008 | 59.2 | 41.4 | 43.5 | 18.4 |
| 2009 | 53.8 | 37.7 | 37.8 | 16.3 |
| 2010 | 64.9 | 44.8 | 42.7 | 19.2 |
| 2011 | 54.0 | 36.1 | 37.9 | 15.6 |
| Average | 57.6 | 39.8 | 40.4 | 17.3 |
| Total cash receipts (\$1000) ^a | | | | |
| 2004 | 852.8 | 475.2 | 587.7 | 234.7 |
| 2005 | 822.0 | 420.4 | 347.8 | 146.0 |
| 2006 | 780.7 | 498.4 | 513.9 | 213.5 |
| 2007 | 920.4 | 579.0 | 582.1 | 241.5 |
| 2008 | 961.0 | 605.8 | 601.2 | 254.0 |
| 2009 | 934.2 | 599.1 | 601.1 | 247.0 |
| 2010 | 955.6 | 617.6 | 627.0 | 260.8 |
| 2011 | 923.6 | 598.3 | 601.3 | 249.3 |
| Average | 939.0 | 600.0 | 602.6 | 250.5 |
| Net cash farm income (\$1000) ^h | | | | |
| 2004 | 379.3 | 217.1 | 261.7 | 112.7 |
| 2005 | 326.3 | 151.4 | 4.0 | 21.3 |
| 2006 | 275.2 | 218.7 | 147.4 | 84.7 |
| 2007 | 403.0 | 296.6 | 207.3 | 109.7 |
| 2008 | 441.4 | 318.0 | 221.8 | 122.9 |
| 2009 | 399.4 | 313.9 | 222.2 | 120.3 |
| 2010 | 425.2 | 330.5 | 246.7 | 133.1 |
| 2011 | 397.4 | 313.2 | 228.2 | 121.3 |
| Average | 413.3 | 314.4 | 225.2 | 121.5 |
| Return to family living (\$1000) ⁱ | | | | |
| 2004 | 191.5 | 133.5 | 154.1 | 68.6 |
| 2005 | 151.6 | 71.0 | -60.8 | -9.6 |
| 2006 | 111.5 | 102.8 | 67.7 | 38.4 |
| 2007 | 162.1 | 170.5 | 102.9 | 65.2 |
| 2008 | 195.4 | 147.9 | 98.9 | 69.7 |
| 2009 | 86.0 | 145.1 | 89.0 | 70.3 |
| 2010 | 158.5 | 133.0 | 82.0 | 73.0 |
| 2011 | 111.6 | 101.7 | 61.6 | 55.2 |
| Average | 142.7 | 139.7 | 86.9 | 66.7 |
| Average owner withdrawal assumed (\$1000) ^j | 39.4 | 50.6 | 37.1 | 16.9 |
| Beginning cash, 2007 (\$1000) ^k | 348.2 | 170.0 | 60.3 | 51.4 |
| Beginning cash/operating expenses (%) ^k | 67.3 | 60.2 | 16.1 | 39.0 |
| Probability of a cash flow deficit (%) ^l | | | | |
| 2007 | 22.0 | 1.0 | 23.0 | 6.0 |
| 2008 | 14.0 | 9.0 | 22.0 | 4.0 |
| 2009 | 34.0 | 3.0 | 25.0 | 4.0 |
| 2010 | 21.0 | 9.0 | 35.0 | 6.0 |
| 2011 | 30.0 | 19.0 | 37.0 | 17.0 |

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

| Code | WCCB1400 | ECCB380 | ECCB1500 | SWCB240 | 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 | 240 | 1800 |
| Acres owned | 530 | 120 | 500 | 175 | 1350 |
| Acres leased | 870 | 260 | 1000 | 65 | 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 | 10 | 30 |
| Total acres operated | 1920 | 595 | 2150 | 1100 | 2385 |
| Operator owned (%) | 43 | 35 | 40 | 69 | 79 |
| Cash leased (%) | 34 | 45 | 12 | 25 | 2 |
| Share leased (%) | 23 | 20 | 48 | 6 | 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 (%) | 79 | 69 | 71 | 29 | 85 |
| Beef (%) | 21 | 12 | 11 | 64 | 15 |
| Hay and/or seed (%) | | 17 | 16 | 7 | |
| Custom work (%) | | 2 | 2 | | |
| Planted acres ^b | | | | | |
| Total acres planted | 2180 | 750 | 2200 | 1348 | 2955 |
| Double cropped acres | 340 | 180 | 150 | 258 | 600 |
| Share of total planted acres | | | | | |
| Corn (%) | 24 | 17 | 23 | 9 | 16 |
| Sorghum (%) | | | | 2 | 9 |
| Wheat (%) | 16 | 11 | 9 | 5 | 21 |
| Soybeans (%) | 40 | 28 | 10 | 10 | 38 |
| Hay and/or seed (%) | 5 | 37 | 39 | 24 | 3 |
| Improved pasture (%) | 15 | 7 | 19 | 50 | 13 |
| Crop yields ^c | | | | | |
| Corn, bu | | | | | |
| 2004 | 158 | 159 | 160 | 128 | 161 |
| 2005 | 115 | 146 | 133 | 35 | 91 |
| 2006 | 139 | 140 | 148 | 111 | 130 |
| Sorghum, bu | | | | | |
| 2004 | | | | 75 | 145 |
| 2005 | | | | 43 | 72 |
| 2006 | | | | 58 | 65 |
| Wheat, bu | | | | | |
| 2004 | 60 | 53 | 53 | 50 | 50 |
| 2005 | 54 | 55 | 52 | 50 | 63 |
| 2006 | 53 | 58 | 44 | 37 | 26 |
| Soybeans, bu | | | | | |
| 2004 | 48 | 50 | 49 | 24 | 45 |
| 2005 | 39 | 40 | 48 | 22 | 37 |
| 2006 | 38 | 40 | 47 | 21 | 15 |

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

| Code | WCCB1400 | ECCB380 | ECCB1500 | SWCB240 | SWCB1800 |
|--|----------|----------|----------|---------|----------|
| Farm number | 18 | 19 | 20 | 21 | 22 |
| Near term cash risk outlook ^d | Low | Low | Low | Low | Low |
| Intermediate term cash risk outlook | Low | Moderate | Moderate | High | Low |
| Average operator assets (\$1000) | 3,223 | 1,295 | 4,307 | 2,858 | 4,631 |
| Average return to operator assets (%) | 9.4 | 8.8 | 10.2 | 6.9 | 12.2 |
| Assumed operator debt Jan 1, 2004 (%) ^e | 20 | 20 | 20 | 20 | 21 |
| Term debt capacity, Jan 1, 2007 (%) ^f | 44 | 46 | 35 | 26 | 49 |
| Cropland value in 2004 (\$ per acre) | 1,779 | 2,500 | 2,194 | 1,533 | 1,248 |
| Average operating expense/receipts (%) | 62.1 | 52.6 | 66.3 | 48.6 | 57.1 |
| Average government payments/receipts (%) | 7.3 | 5.8 | 6.6 | 2.5 | 7.6 |
| Government payments (\$1000) ^g | | | | | |
| 2004 | 51.1 | 13.3 | 49.6 | 8.4 | 79.6 |
| 2005 | 62.3 | 17.3 | 63.6 | 8.2 | 88.9 |
| 2006 | 50.0 | 8.3 | 32.7 | 5.2 | 64.0 |
| 2007 | 41.4 | 11.5 | 41.5 | 5.9 | 62.8 |
| 2008 | 43.0 | 12.5 | 45.2 | 6.1 | 65.4 |
| 2009 | 39.9 | 11.1 | 38.8 | 5.7 | 60.0 |
| 2010 | 44.0 | 12.3 | 44.0 | 6.3 | 66.8 |
| 2011 | 38.0 | 10.6 | 38.0 | 5.6 | 55.9 |
| Average | 41.3 | 11.6 | 41.5 | 5.9 | 62.2 |
| Total cash receipts (\$1000) ^a | | | | | |
| 2004 | 541.9 | 184.7 | 587.8 | 211.2 | 773.3 |
| 2005 | 515.9 | 177.0 | 555.1 | 207.7 | 661.2 |
| 2006 | 575.5 | 201.0 | 655.2 | 233.2 | 576.3 |
| 2007 | 604.2 | 216.0 | 724.3 | 247.2 | 848.1 |
| 2008 | 623.4 | 212.6 | 722.5 | 249.0 | 866.0 |
| 2009 | 610.2 | 212.2 | 722.5 | 244.6 | 846.9 |
| 2010 | 633.6 | 221.2 | 764.3 | 242.4 | 882.1 |
| 2011 | 616.3 | 210.4 | 721.2 | 235.2 | 873.1 |
| Average | 617.5 | 214.5 | 731.0 | 243.7 | 863.3 |
| Net cash farm income (\$1000) ^h | | | | | |
| 2004 | 210.6 | 87.5 | 185.3 | 107.0 | 356.8 |
| 2005 | 164.8 | 70.8 | 127.3 | 95.7 | 213.2 |
| 2006 | 209.7 | 93.4 | 218.4 | 121.1 | 108.0 |
| 2007 | 231.5 | 104.6 | 280.1 | 130.3 | 367.7 |
| 2008 | 249.0 | 102.7 | 277.4 | 134.9 | 382.3 |
| 2009 | 236.8 | 100.7 | 276.7 | 127.9 | 367.5 |
| 2010 | 262.2 | 112.3 | 319.1 | 125.6 | 405.1 |
| 2011 | 244.2 | 101.0 | 270.0 | 119.3 | 398.3 |
| Average | 244.7 | 104.3 | 284.7 | 127.6 | 384.2 |
| Return to family living (\$1000) ⁱ | | | | | |
| 2004 | 111.8 | 51.7 | 96.4 | 56.6 | 194.2 |
| 2005 | 70.2 | 33.7 | 50.0 | 41.0 | 94.9 |
| 2006 | 91.3 | 42.4 | 100.5 | 55.1 | 5.4 |
| 2007 | 106.4 | 54.6 | 154.3 | 66.0 | 171.7 |
| 2008 | 105.8 | 47.3 | 137.3 | 66.2 | 160.0 |
| 2009 | 124.7 | 41.4 | 126.6 | 56.1 | 152.5 |
| 2010 | 131.7 | 47.6 | 146.2 | 26.1 | 173.0 |
| 2011 | 104.1 | 35.3 | 87.0 | 32.8 | 150.3 |
| Average | 114.5 | 45.2 | 130.3 | 49.4 | 161.5 |
| Average owner withdrawal assumed (\$1000) ^j | 37.1 | 28.1 | 45.0 | 33.7 | 45.0 |
| Beginning cash, 2007 (\$1000) ^k | 173.0 | 50.7 | 124.3 | 60.3 | 172.9 |
| Beginning cash/operating expenses (%) ^k | 46.4 | 45.5 | 28.0 | 51.6 | 36.0 |
| Probability of a cash flow deficit (%) ^l | | | | | |
| 2007 | 14.0 | 11.0 | 11.0 | 11.0 | 6.0 |
| 2008 | 12.0 | 17.0 | 22.0 | 9.0 | 9.0 |
| 2009 | 7.0 | 27.0 | 18.0 | 15.0 | 8.0 |
| 2010 | 7.0 | 24.0 | 15.0 | 66.0 | 6.0 |
| 2011 | 14.0 | 37.0 | 25.0 | 57.0 | 10.0 |

Pork-crop Farms

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

| Code | NEH1500 | WCHBC550 | CTHBC250 | CTH1250 |
|--|---------------|--------------|---------------|---------------|
| Farm number | 23 | 24 | 25 | 26 |
| Region | Northeast | West Central | Central | Central |
| County | Monroe | Vernon | Osage | 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 | 41 | 83 | 100 |
| Beef (%) | | 15 | 13 | |
| Crops (%) | | 44 | 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 | | | | |
| 2004 | | 160 | 172 | |
| 2005 | | 152 | 94 | |
| 2006 | | 120 | 129 | |
| Sorghum, bu | | | | |
| 2004 | | 115 | 80 | |
| 2005 | | 78 | 76 | |
| 2006 | | none | 82 | |
| Wheat, bu | | | | |
| 2004 | | 55 | 50 | |
| 2005 | | 70 | 50 | |
| 2006 | | 30 | 49 | |
| Soybeans, bu | | | | |
| 2004 | | 45 | 45 | |
| 2005 | | 42 | 42 | |
| 2006 | | 16 | 43 | |

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 | Moderate | Low | Moderate | High |
| Intermediate term cash risk outlook | Moderate | Low | Moderate | Moderate |
| Average operator assets (\$1000) | 5,326 | 2,051 | 3,189 | 4,745 |
| Average return to operator assets (%) | 8.3 | 9.9 | 5.0 | 3.5 |
| Assumed operator debt in 2004 (%) ^e | 50 | 30 | 20 | 40 |
| Term debt capacity, Jan 1, 2007 (%) ^f | 81 | 50 | 17 | 51 |
| Cropland value in 2004 (\$ per acre) | 1,420 | 1,658 | 2,000 | 1,500 |
| Average operating expense/receipts (%) | 88.2 | 41.7 | 83.4 | 90.2 |
| Average government payments/receipts (%) | 0.0 | 4.7 | 1.6 | 0.0 |
| Government payments (\$1000) ^g | | | | |
| 2004 | 0.0 | 19.8 | 16.5 | 0.0 |
| 2005 | 0.0 | 26.1 | 20.9 | 0.0 |
| 2006 | 0.0 | 16.5 | 8.9 | 0.0 |
| 2007 | 0.0 | 16.9 | 9.4 | 0.0 |
| 2008 | 0.0 | 17.5 | 9.6 | 0.0 |
| 2009 | 0.0 | 15.9 | 9.0 | 0.0 |
| 2010 | 0.0 | 17.8 | 10.1 | 0.0 |
| 2011 | 0.0 | 15.4 | 8.4 | 0.0 |
| Average | 0.0 | 16.7 | 9.3 | 0.0 |
| Total cash receipts (\$1000) ^a | | | | |
| 2004 | 5,021.8 | 340.1 | 711.8 | 4,063.0 |
| 2005 | 4,850.0 | 355.9 | 687.5 | 3,884.9 |
| 2006 | 4,577.2 | 306.0 | 644.5 | 3,669.4 |
| 2007 | 4,689.6 | 370.6 | 663.1 | 3,759.6 |
| 2008 | 4,476.6 | 372.5 | 640.8 | 3,590.3 |
| 2009 | 4,480.3 | 369.3 | 636.7 | 3,592.5 |
| 2010 | 4,814.4 | 381.2 | 675.2 | 3,858.0 |
| 2011 | 5,040.6 | 368.6 | 694.9 | 4,037.6 |
| Average | 4,700.3 | 372.4 | 662.1 | 3,767.6 |
| Net cash farm income (\$1000) ^h | | | | |
| 2004 | 1,908.9 | 190.2 | 284.1 | 1,493.7 |
| 2005 | 1,629.9 | 192.3 | 218.7 | 1,223.6 |
| 2006 | 1,135.0 | 150.9 | 171.2 | 836.0 |
| 2007 | 851.8 | 214.3 | 142.7 | 618.1 |
| 2008 | 569.6 | 218.0 | 108.6 | 393.0 |
| 2009 | 535.8 | 218.0 | 105.2 | 362.2 |
| 2010 | 851.7 | 230.2 | 147.1 | 602.1 |
| 2011 | 1,061.4 | 216.3 | 165.1 | 754.9 |
| Average | 774.1 | 219.3 | 133.7 | 546.1 |
| Return to family living (\$1000) ⁱ | | | | |
| 2004 | 764.7 | 87.7 | 173.6 | 581.3 |
| 2005 | 564.1 | 80.1 | 124.3 | 405.5 |
| 2006 | 335.9 | 42.2 | 83.5 | 222.8 |
| 2007 | 101.9 | 98.8 | 62.6 | 31.9 |
| 2008 | -26.6 | 90.9 | 36.2 | -96.5 |
| 2009 | 294.3 | 150.1 | 36.8 | 141.2 |
| 2010 | 469.7 | 155.1 | 65.0 | 293.4 |
| 2011 | 571.1 | 136.5 | 65.7 | 365.7 |
| Average | 282.1 | 126.3 | 53.3 | 147.2 |
| Average owner withdrawal assumed (\$1000) ^j | 76.4 | 49.5 | 45.0 | 76.4 |
| Beginning cash, 2007 (\$1000) ^k | 1,464.3 | 74.2 | 260.8 | 1,010.0 |
| Beginning cash/operating expenses (%) ^k | 38.2 | 47.5 | 50.1 | 32.1 |
| Probability of a cash flow deficit (%) ^l | | | | |
| 2007 | 30.0 | 4.0 | 27.0 | 37.0 |
| 2008 | 49.0 | 6.0 | 47.0 | 58.0 |
| 2009 | 26.0 | 1.0 | 38.0 | 30.0 |
| 2010 | 23.0 | 1.0 | 29.0 | 26.0 |
| 2011 | 18.0 | 1.0 | 29.0 | 22.0 |

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) | 700 | 590 | 800 | 600 | 735 |
| Cash receipt sources ^a | | | | | |
| Share of total | | | | | |
| Beef (%) | 96 | 80 | 93 | 93 | 90 |
| Hay and/or seed (%) | 2 | 20 | 6 | 5 | 10 |
| 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 | | | | | |
| 2004 | 4.3 | | 4.1 | 4.0 | 4.1 |
| 2005 | 4.3 | | 4.1 | 4.0 | 3.2 |
| 2006 | | | 2.5 | 4.0 | 2.5 |
| Warm-season grass hay, tns | | | | | |
| 2004 | | | | 4.0 | 2.5 |
| 2005 | | | | 4.0 | 2.5 |
| 2006 | | | | 4.0 | 0.5 |
| Cool-season grass hay, tns | | | | | |
| 2004 | 1.5 | 1.5 | 1.8 | 2.0 | 2.1 |
| 2005 | 1.5 | 1.5 | 1.8 | 2.0 | 2.1 |
| 2006 | 1.5 | 1.5 | 1.8 | 2.0 | 1.3 |
| Fescue seed, lbs | | | | | |
| 2004 | | 200 | 300 | 250 | |
| 2005 | | 250 | 250 | 0 | |
| 2006 | | 210 | 200 | 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 | Low | Low | Moderate | Moderate | Moderate |
| Intermediate term cash risk outlook | Moderate | Moderate | High | Severe | Severe |
| Average operator assets (\$1000) | 4,243 | 2,425 | 2,471 | 2,463 | 1,811 |
| Average operator assets (\$ per cow) | 10,609 | 12,124 | 9,503 | 7,038 | 12,071 |
| Average return to operator assets (%) | 3.8 | 6.8 | 4.8 | 3.1 | 4.4 |
| Assumed operator debt, Jan 1, 2004 (%) ^e | 4 | 4 | 4 | 4 | 4 |
| Term debt capacity, Jan 1, 2007 (%) ^f | 10 | 9 | 7 | 6 | 6 |
| "Cropland" value in 2004 (\$ per acre) | 1,091 | 1,600 | 1,438 | 1,046 | 1,417 |
| Average operating expense/receipts (%) | 69.1 | 60.4 | 75.3 | 85.6 | 74.1 |
| Average whole-farm cash expenses excluding operator labor (\$ per cow) | 540 | 568 | 655 | 698 | 696 |
| Average whole-farm cash receipts (\$ per cow) | 685 | 762 | 776 | 732 | 814 |
| Total cash receipts (\$1000) ^a | | | | | |
| 2004 | 268.7 | 132.6 | 180.2 | 262.4 | 110.9 |
| 2005 | 288.8 | 149.9 | 203.9 | 256.5 | 122.4 |
| 2006 | 279.5 | 135.6 | 184.1 | 259.9 | 119.5 |
| 2007 | 282.5 | 156.7 | 208.4 | 261.5 | 127.0 |
| 2008 | 288.1 | 158.8 | 210.8 | 267.5 | 126.8 |
| 2009 | 278.6 | 153.1 | 203.5 | 259.7 | 123.7 |
| 2010 | 268.1 | 149.2 | 195.8 | 251.3 | 118.3 |
| 2011 | 252.3 | 144.2 | 190.2 | 241.4 | 115.0 |
| Average | 273.9 | 152.4 | 201.7 | 256.3 | 122.2 |
| Net cash farm income (\$1000) ^h | | | | | |
| 2004 | 114.7 | 60.3 | 65.5 | 86.7 | 38.9 |
| 2005 | 123.2 | 70.0 | 77.7 | 69.1 | 33.0 |
| 2006 | 109.2 | 48.9 | 41.8 | 62.3 | 35.5 |
| 2007 | 102.7 | 66.5 | 63.1 | 55.0 | 41.1 |
| 2008 | 103.5 | 68.8 | 61.8 | 53.8 | 39.3 |
| 2009 | 93.4 | 64.6 | 55.7 | 44.4 | 33.6 |
| 2010 | 82.8 | 59.9 | 49.2 | 32.0 | 30.3 |
| 2011 | 66.6 | 53.7 | 39.6 | 16.4 | 23.8 |
| Average | 89.8 | 62.7 | 53.9 | 40.3 | 33.6 |
| Return to family living (\$1000) ⁱ | | | | | |
| 2004 | 88.3 | 46.2 | 53.4 | 69.5 | 29.6 |
| 2005 | 85.4 | 47.5 | 58.3 | 51.0 | 23.0 |
| 2006 | 73.3 | 29.9 | 29.4 | 38.5 | 23.5 |
| 2007 | 70.7 | 41.8 | 40.7 | 33.9 | 26.0 |
| 2008 | 65.7 | 41.6 | 38.2 | 31.6 | 23.3 |
| 2009 | 61.4 | 42.2 | 33.7 | 23.9 | 20.8 |
| 2010 | 52.4 | 38.4 | 27.9 | -0.5 | 15.6 |
| 2011 | 39.1 | 30.4 | 17.1 | -29.2 | 2.8 |
| Average | 57.8 | 38.9 | 31.5 | 11.9 | 17.7 |
| Average owner withdrawal assumed (\$1000) ^j | 28.1 | 28.1 | 28.1 | 28.1 | 22.5 |
| Beginning cash, 2007 (\$1000) ^k | 171.3 | 47.2 | 64.4 | 82.2 | 14.5 |
| Beginning cash/operating expenses (%) ^k | 95.3 | 52.3 | 44.3 | 39.8 | 16.8 |
| Probability of a cash flow deficit (%) ^l | | | | | |
| 2007 | 15.0 | 19.0 | 30.0 | 36.0 | 36.0 |
| 2008 | 18.0 | 23.0 | 30.0 | 38.0 | 43.0 |
| 2009 | 14.0 | 21.0 | 42.0 | 53.0 | 50.0 |
| 2010 | 18.0 | 27.0 | 45.0 | 84.0 | 55.0 |
| 2011 | 36.0 | 49.0 | 70.0 | 99.0 | 85.0 |

Dairy Farms

Table 7. **Dairy** farms, characteristics

| Code | ECDY150 | SWDY85 | SWDY110 | SWDY400 | SWDY230 |
|--|--------------------------|------------------------|--------------------|-------------------|-------------------|
| Farm number | 32 | 33 | 34 | 35 | 36 |
| Region County | East Central Franklin | Southwest Christian | Southwest Barry | Southwest Dade | Southwest Dade |
| Land base | | | | | |
| Crop and hayland | 340 | 222 | 180 | 450 | |
| Acres owned | 260 | 222 | 150 | 450 | |
| Acres leased | 80 | | 30 | | |
| Other forages | 220 | 110 | 65 | 150 | 290 |
| Acres owned | 170 | 55 | 65 | 150 | 290 |
| Acres leased | 50 | 55 | | | |
| Timber/waste acres owned | 155 | 20 | 30 | 120 | 10 |
| Total acres operated | 715 | 352 | 275 | 720 | 300 |
| Operator owned (%) | 82 | 84 | 89 | 100 | 100 |
| Cash leased (%) | 18 | 16 | 11 | | |
| Dairy herd | | | | | |
| Production unit type | Hybrid | Confinement | Hybrid | Confinement | Grazing |
| Mature dairy cows (hd) | 150 | 85 | 110 | 400 | 230 |
| Milk per cow (lbs) | 22,800 | 18,500 | 22,175 | 21,800 | 14,000 |
| Forages purchased off-farm (tns) | | | | 980 | 415 |
| Cash receipt sources ^a | | | | | |
| Share of total | | | | | |
| Milk (%) | 82 | 86 | 89 | 92 | 90 |
| Cows, heifers, baby calves (%) | 9 | 14 | 11 | 8 | 10 |
| Crops (%) | 9 | | | | |
| Harvested acres ^b | | | | | |
| Total acres, including double crop | 625 | 332 | 245 | 600 | 342 |
| Alfalfa | 40 | 85 | 60 | | 52 |
| Corn silage | 100 | 32 | | 135 | |
| Perennial grass mixes | 50 | 105 | 125 | 315 | 115 |
| Annual grass mixes | 65 | | 30 | | 115 |
| Improved pasture | 170 | 110 | 30 | 150 | 60 |
| Corn, grain | 135 | | | | |
| Soybeans | 65 | | | | |

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

| Code | ECDY150 | SWDY85 | SWDY110 | SWDY400 | SWDY230 |
|--|---------|--------|----------|----------|---------|
| Farm number | 32 | 33 | 34 | 35 | 36 |
| Near term cash risk outlook ^d | Low | High | Low | Moderate | Low |
| Intermediate term cash risk outlook | Low | High | Moderate | Moderate | Low |
| Average operator assets (\$1000) | 3,860 | 1,744 | 1,477 | 4,871 | 1,601 |
| Average return to operator assets (%) | 8.5 | 6.7 | 9.8 | 9.3 | 12.9 |
| Assumed operator debt, Jan 1, 2004 (%) ^e | 20 | 20 | 30 | 30 | 30 |
| Term debt capacity, Jan 1, 2007 (%) ^f | 40 | 27 | 55 | 51 | 56 |
| "Cropland" value in 2004 (\$ per acre) | 2,450 | 2,435 | 1,500 | 1,984 | 1,443 |
| Average operating expense/receipts (%) | 62.5 | 72.7 | 66.3 | 74.1 | 66.8 |
| Average whole-farm cash expenses, excluding operator labor (\$ per cow) | 3,843 | 3,253 | 3,231 | 3,660 | 2,189 |
| excluding operator labor (\$ per cwt) | 17.79 | 18.38 | 15.84 | 17.60 | 16.33 |
| Average government payments/receipts (%) | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Government payments (\$1000) ^g | | | | | |
| 2004 | 9.2 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2005 | 14.4 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2006 | 21.6 | 9.7 | 13.6 | 14.7 | 14.7 |
| 2007 | 7.3 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2008 | 7.5 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2009 | 7.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2010 | 7.5 | 0.0 | 0.0 | 0.0 | 0.0 |
| 2011 | 6.6 | 0.0 | 0.0 | 0.0 | 0.0 |
| Average | 7.2 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total cash receipts (\$1000) ^a | | | | | |
| 2004 | 621.7 | 281.4 | 410.2 | 1483.7 | 557.2 |
| 2005 | 621.6 | 272.6 | 402.9 | 1434.5 | 542.7 |
| 2006 | 560.5 | 247.3 | 357.8 | 1260.9 | 487.5 |
| 2007 | 780.5 | 338.9 | 488.1 | 1805.3 | 679.2 |
| 2008 | 690.2 | 293.3 | 424.6 | 1551.5 | 585.7 |
| 2009 | 695.3 | 301.4 | 436.1 | 1598.9 | 603.1 |
| 2010 | 699.7 | 303.6 | 440.9 | 1613.1 | 608.1 |
| 2011 | 709.2 | 306.4 | 444.1 | 1631.6 | 614.6 |
| Average | 715.0 | 308.7 | 446.8 | 1640.1 | 618.2 |
| Net cash farm income (\$1000) ^h | | | | | |
| 2004 | 222.6 | 97.4 | 157.2 | 519.9 | 211.1 |
| 2005 | 220.3 | 81.6 | 145.2 | 427.0 | 187.3 |
| 2006 | 146.4 | 54.3 | 88.5 | 224.8 | 118.3 |
| 2007 | 346.0 | 123.8 | 207.2 | 652.4 | 281.3 |
| 2008 | 241.0 | 72.0 | 129.4 | 360.1 | 178.1 |
| 2009 | 250.4 | 79.0 | 141.9 | 398.0 | 196.9 |
| 2010 | 254.9 | 81.6 | 149.2 | 406.3 | 201.5 |
| 2011 | 264.5 | 84.5 | 152.3 | 419.3 | 204.1 |
| Average | 271.4 | 88.2 | 156.0 | 447.2 | 212.4 |
| Return to family living (\$1000) ⁱ | | | | | |
| 2004 | 141.1 | 58.4 | 93.3 | 259.5 | 127.6 |
| 2005 | 123.5 | 42.3 | 82.6 | 196.3 | 103.1 |
| 2006 | 70.1 | 16.4 | 40.4 | 69.7 | 49.5 |
| 2007 | 203.7 | 69.9 | 136.8 | 312.9 | 156.3 |
| 2008 | 128.7 | 26.0 | 78.9 | 135.6 | 95.8 |
| 2009 | 126.3 | 30.2 | 83.0 | 140.6 | 108.4 |
| 2010 | 119.3 | 22.6 | 83.6 | 147.3 | 112.3 |
| 2011 | 114.7 | 12.4 | 74.7 | 144.1 | 100.7 |
| Average | 138.5 | 32.2 | 91.4 | 176.1 | 114.7 |
| Average owner withdrawal assumed (\$1000) ^j | 50.6 | 30.4 | 45.0 | 61.8 | 56.2 |
| Beginning cash, 2007 (\$1000) ^k | 195.4 | 34.5 | 92.6 | 361.8 | 131.2 |
| Beginning cash/operating expenses (%) ^k | 45.0 | 16.0 | 33.0 | 31.4 | 33.0 |
| Probability of a cash flow deficit (%) ^l | | | | | |
| 2007 | 1.0 | 7.0 | 1.0 | 1.0 | 1.0 |
| 2008 | 1.0 | 52.0 | 17.0 | 26.0 | 20.0 |
| 2009 | 1.0 | 46.0 | 20.0 | 25.0 | 16.0 |
| 2010 | 1.0 | 59.0 | 16.0 | 19.0 | 7.0 |
| 2011 | 5.0 | 66.0 | 26.0 | 26.0 | 22.0 |

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 (%) | 79 | 84 |
| Beef (%) | 21 | 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, tns | | |
| 2004 | 3.0 | 3.0 |
| 2005 | 3.0 | 3.0 |
| 2006 | 3.0 | 3.0 |
| Fescue seed, lbs | | |
| 2004 | | 400 |
| 2005 | | 200 |
| 2006 | | 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 | Low | Low |
| Average operator assets (\$1000) | 1082 | 1071 |
| Average return to operator assets (%) | 5.7 | 3.2 |
| Assumed operator debt, Jan 1, 2004 (%) ^e | 19 | 27 |
| Term debt capacity, Jan 1, 2007 (%) ^f | 29 | 31 |
| "Cropland" value in 2004 (\$ per acre) | 1600 | 1650 |
| Average operating expense/receipts (%) | 59.5 | 65.6 |
| Average whole-farm cash expenses excluding family living (\$/cow) | 2,647 | 4,016 |
| Total cash receipts (\$1000) ^a | | |
| 2004 | 144.3 | 209.0 |
| 2005 | 148.1 | 210.0 |
| 2006 | 146.3 | 208.0 |
| 2007 | 148.4 | 209.4 |
| 2008 | 147.2 | 208.4 |
| 2009 | 146.6 | 208.7 |
| 2010 | 144.2 | 207.3 |
| 2011 | 144.1 | 206.4 |
| Average | 146.1 | 208.0 |
| Net cash farm income (\$1000) ^h | | |
| 2004 | 73.7 | 102.8 |
| 2005 | 64.1 | 83.1 |
| 2006 | 46.5 | 55.6 |
| 2007 | 46.5 | 53.5 |
| 2008 | 63.5 | 76.6 |
| 2009 | 61.3 | 77.0 |
| 2010 | 62.4 | 77.0 |
| 2011 | 62.9 | 75.1 |
| Average | 59.3 | 71.8 |
| Return to family living (\$1000) ⁱ | | |
| 2004 | 21.0 | 35.3 |
| 2005 | 8.7 | 11.0 |
| 2006 | -12.3 | -18.9 |
| 2007 | -14.4 | -19.3 |
| 2008 | -0.8 | -4.8 |
| 2009 | 32.1 | 29.8 |
| 2010 | 30.9 | 18.6 |
| 2011 | 20.9 | 11.9 |
| Average | 13.8 | 7.2 |
| Average owner withdrawal assumed (\$1000) ^j | 0.0 | 0.0 |
| Beginning cash, 2007 (\$1000) ^k | 17.4 | 28.8 |
| Beginning cash/operating expenses (%) ^k | 17.0 | 18.5 |
| Probability of a cash flow deficit (%) ^l | | |
| 2007 | 99.0 | 99.0 |
| 2008 | 52.0 | 80.0 |
| 2009 | 1.0 | 1.0 |
| 2010 | 1.0 | 1.0 |
| 2011 | 1.0 | 1.0 |

Table Reference Notes

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

- 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 (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). 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. (See Appendix A).
- 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. (See Appendix A for further explanation).
- g. Government payments include all receipts provided through the commodity titles of the farm bill, including direct (fixed) payments, counter-cyclical payments, 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. (See Appendix A).
- 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. (See Appendix A).
- 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. (See Appendix A).

