

1960 ANNUAL REPORT

VOCATIONAL AGRICULTURE FARM MANAGEMENT PROGRAM

MANKATO AREA OF SOUTHERN MINNESOTA

UNIVERSITY OF MINNESOTA
INSTITUTE OF AGRICULTURE

and

MINNESOTA DEPARTMENT OF EDUCATION
VOCATIONAL DIVISION

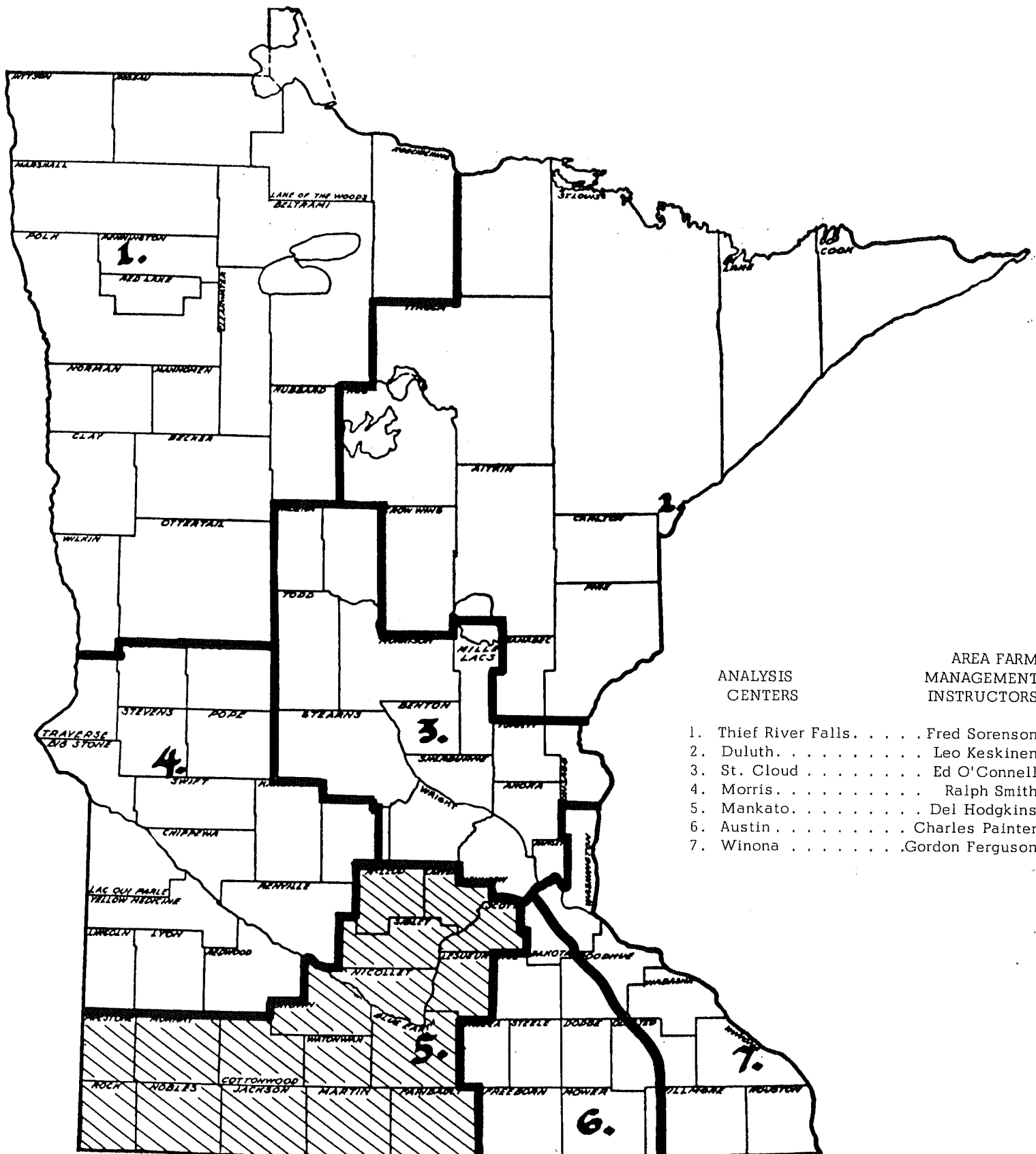
and

AREA VOCATIONAL TECHNICAL SCHOOL
MANKATO, MINNESOTA

Co-operating

APRIL 1961

VO-AG FARM MANAGEMENT AREAS



* Shaded Area Served By The Mankato Analysis Center

1960 Report of the Vocational Agriculture Farm Management
Program in the Mankato Area of Southern Minnesota

Del Hodgkins

INDEX

Introduction.	1
Schools Participating	2
Farm Inventories.	2
Farm Earnings	2
Summary of Farm Inventories	3
Summary of Farm Earnings (Cash Statement)	4
Summary of Farm Earnings (Enterprise Statement)	5
Family Living From the Farm	6
Household and Personal Expense and Receipts	6
Net Worth	7
Range in Earnings	9
Measures of Farm Organization & Management Efficiency	10
Thermometer Chart	11
Distribution of Acres and Crop Yields	12
Explanation of Work Units	13
Power & Machinery Expense	13
Amount of Livestock	13
Total Feed Costs & Returns from Livestock Enterprises	14
Hogs.	15
Dairy Cattle.	16
Beef Cattle	18
Sheep	19
Chickens.	20
Turkeys	21
Summary of Farm Earnings on Tenure Basis.	22
Summary of Farm Earnings by Years	23
Average Prices of Feeds	24
Labor Earnings Correlated With Excelled Factors	25

INTRODUCTION

The University of Minnesota, the Mankato Area Vocational-Technical School in cooperation with the Vocational Division, Minnesota Department of Education, operate and maintain the Vocational Agriculture Farm Management Program in the Mankato area of Southern Minnesota. This program was initiated in 1955 and is available to farmers who are enrolled in Vocational Agriculture, Adult, Young Farmer, and Veterans classes in the Public Schools. The area served by the Mankato analysis center is indicated on the map inside the front cover.

The purpose of the Program as far as the area school is concerned is: (1) to give assistance to the instructors in the mechanics of keeping farm records, (2) to aid in the analysis of the farm business through the use of records as a basis for vocational guidance. Enrollment is on a voluntary basis insofar as the number of schools participating and the number of farmers enrolled in the program.

The analysis of the records and the preparation of the reports for the Mankato Area are done under the direction of Delbert Hodgkins, Vocational Agriculture Program Coordinator at the Mankato School. Clerical assistants for this project were Mrs. Beverly Vogel, Mrs. Julie Wildasin and Mrs. Rozella Olsen.

The Farm Management Program is supervised locally by Erling O. Johnson, Superintendent of Schools, and F. G. Kalin, Director of Vocational and Adult Education at Mankato.

Cooperating Agencies are represented by G. R. Cochran and S. K. Wick of the State Department of Education, and Dr. Milo J. Peterson of the University of Minnesota Department of Agricultural Education. Dr. T. R. Nodland of the University Agricultural Economics Department has been available as a consultant.

Each farmer pays an annual fee which covers a portion of the cost of the record analysis. This fee covers the clerical costs of the analysis and the cost of publishing the report.

We are indebted to Truman Nodland for his assistance and advice in setting up this program and for many years of service rendered to vocational agriculture. Dr. Nodland and his associates in the Agriculture Economics Department have been most cooperative in this and other programs.

This report deals with farmers enrolled in 12 schools in the Mankato area. The following tabulation shows the number of 1960 records submitted and the name of the instructor:

<u>SCHOOL</u>	<u>NO. OF RECORDS</u>	<u>INSTRUCTOR</u>
Blue Earth	3	Ramsey Johnson
Buffalo	1	W. G. Streiff
Cleveland	2	Al Aho
Howard Lake	1	Leslie Hanson
Lake Crystal	17	Ernest Freier
LeCenter	5	Dan Webster
Madelia	3	Malcomb Brandt
Mankato	6	
Mapleton	1	Carl Ziebarth
New Ulm	11	Kermit Kleene
St. James	3	Gene Bonzer
		Emery Krech
Worthington	1	Walter Larson
		Kenneth Johnson
TOTAL	54	

The records kept included farm inventories, cash receipts and expenses, feed consumed by the various classes of livestock, family living secured from the farm, household and personal expenses and receipts, and the operator's liabilities and assets other than farm capital.

FARM INVENTORIES

The Capital investment per farm varied from \$31357 to \$186876. The average investment for all farms included in this report and for the high 20% and the low 20% in labor earnings is shown in Table 1.

FARM EARNINGS

Labor earnings is a measure of the relative financial success of a farm as compared with other farms and represents the returns above all farm expenses and a charge for the use of farm capital.

There are two methods of computing Labor earnings. Table 2 shows the earnings statement on a cash basis and Table 3 shows the earnings on an enterprise or accrual basis. The principal difference in the two statements is the method of handling the net increase or decrease in the value of farm capital. In the cash statement the net increase or decrease in farm capital is entered as one item. In the enterprise statement the net change in the inventory has been included in each enterprise in order to compute "total returns and net increases", or "total expenses and net decreases" by enterprises.

RETURNS TO CAPITAL

The return to capital and family labor represents the amount available to the operator for living expenses, payment on indebtedness and savings. These figures are found in Table 5 and Table 22.

TABLE 1 - SUMMARY OF FARM INVENTORIES, 1960

Items	Your farm		Average of all farms	
	Jan. 1	Dec. 31	Jan. 1	Dec. 31
Size of farm (acres)			228	
Size of business (work units)*			416	
Dairy cattle	\$		\$ 2170	\$ 2208
Other dairy cattle			1184	1270
Beef cattle (incl. feeders)			5137	4739
Hogs			2295	3825
Sheep (incl. feeders)			53	45
Poultry (incl. turkeys)			109	135
Total Productive Livestock	\$		\$10948	\$12222
Horses	\$		\$ ----	\$ ----
Crop, Seed and Feed	\$		\$ 6530	\$ 7830
Auto & truck (farm share)	\$		\$ 1042	\$ 1124
Tractors and motors			2104	2138
Crop and general machinery			4281	4106
Livestock equipment			1127	1252
Total Machinery & Equipment	\$		\$ 8554	\$ 8620
Miscellaneous			----	----
Land			36656	36656
Buildings, fences, etc.			11337	11068
TOTAL FARM CAPITAL	\$		\$74025	\$76396

Items	20% most profitable		20% least profitable	
	Jan. 1	Dec. 31	Jan. 1	Dec. 31
Size of farm (acres)	248		248	
Size of business (work units)*	565		395	
Dairy cattle	\$ 2035	\$ 2010	\$ 2287	\$ 2376
Other dairy cattle	1385	1165	1188	1351
Beef cattle (incl. feeders)	9690	10483	4337	2542
Hogs	3409	6976	1335	1939
Sheep (incl. feeders)	31	35	9	23
Poultry (incl. turkeys)	115	185	58	70
Total Productive Livestock	\$16665	\$20854	\$ 9214	\$ 8301
Horses	\$ ---	\$ ---	\$ ---	\$ ---
Crop, Seed and Feed	\$ 8980	\$11475	\$ 5011	\$ 6384
Auto & truck (farm share)	1406	1324	1196	1183
Tractors and motors	2200	2208	2098	2472
Crop and general machinery	5286	5003	4886	4549
Livestock equipment	895	1263	1107	934
Total Machinery & Equipment	\$ 9787	\$ 9798	\$ 9287	\$ 9138
Miscellaneous	----	----	----	----
Land	38855	38855	39744	39744
Buildings, fences, etc.	12789	12888	13766	13326
TOTAL FARM CAPITAL	\$87076	\$93870	\$77022	\$76893

*See page 13 for an explanation of "work units".

TABLE 2 - SUMMARY OF FARM EARNINGS (CASH STATEMENT), 1960

Items	Your farm	Average of all farms	20% most profitable farms	20% least profitable farms
<u>FARM RECEIPTS</u>				
Dairy cattle	\$ _____	\$ 1013	\$ 1549	\$ 890
Dairy products	_____	2923	2449	3257
Beef cattle (incl. feeders)	_____	8962	17820	7015
Hogs	_____	7606	13540	5192
Sheep and wool	_____	76	44	18
Poultry (incl. turkeys)	_____	42	25	28
Eggs	_____	478	589	493
Corn	_____	1827	428	2007
Small Grain	_____	357	260	311
Other crops	_____	1463	1893	1148
Mach. & equip. sold & gas tax refunds	_____	296	474	304
Income from work off the farm	_____	320	426	336
Miscellaneous farm income	_____	273	656	172
(1) Total farm sales	\$ _____	\$25636	\$40153	\$21171
(2) Increase in farm capital	_____	2371	6794	---
(3) Family living from the farm	_____	281	386	268
(4) Total farm receipts (1)+(2)+(3)	\$ _____	\$28288	\$47333	\$21439
<u>FARM EXPENSES</u>				
Dairy cattle bought	\$ _____	\$ 151	\$ 88	\$ 202
Beef cattle bought (incl. feeders)	_____	4191	9249	2741
Hogs bought	_____	634	1936	369
Sheep bought	_____	4	---	19
Horses bought	_____	---	---	---
Poultry bought (incl. turkeys)	_____	66	110	34
Miscellaneous livestock expense	_____	518	697	515
Feed bought	_____	4555	7794	3450
Fertilizer	_____	1354	1950	1048
Other crop expense	_____	776	780	892
Custom Work Hired	_____	777	1060	674
Gas, oil, grease bought (farm share)	_____	1039	1170	1168
Repairs for tractors, trucks, and autos (farm share)	_____	575	874	486
Repair & upkeep of farm real estate	_____	167	196	174
Repair & upkeep of crop & gen. mach.	_____	385	508	400
Repair & upkeep of livestock equipment	_____	150	201	153
Wages of hired labor	_____	369	755	523
Electricity expense	_____	227	244	224
Personal property & real estate taxes	_____	864	869	923
Telephone and general farm expense	_____	249	356	285
(5) Total cash operating expense	\$ _____	\$17051	\$28837	\$14280
(6) Mech. power bought (farm share)	_____	795	736	1181
(7) Crop & General Machinery bought	_____	652	675	480
(8) Livestock equipment bought	_____	348	471	193
(9) New real estate improvements	_____	477	858	691
(10) Total farm purchases (5) to (9)	\$ _____	\$19323	\$31577	\$16825
(11) Decrease in farm capital	_____	---	---	129
(12) Interest on farm capital	_____	3761	4524	3848
(13) Unpaid family labor	_____	197	126	101
(14) Board furnished hired labor	_____	64	133	93
(15) Total farm expense (10) to (14)	\$ _____	\$23345	\$36360	\$20996
(16) Labor earnings (4) - (15)	\$ _____	\$ 4943	\$10973	\$ 443

TABLE 3 - SUMMARY OF FARM EARNINGS (ENTERPRISE STATEMENT), 1960

Items	Your farm	Average of all farms	20% most profitable farms	20% least profitable farms
<u>RETURNS AND NET INCREASES</u>				
Dairy cows	\$ _____	\$ 2919	\$ 2445	\$ 3200
Other dairy cattle	_____	1283	1451	1138
Beef breeding herd	_____	40	---	202
Feeder cattle	_____	4012	9452	2342
Hogs	_____	8823	15238	5497
Sheep - farm flock	_____	64	48	14
Turkeys	_____	---	---	---
Chickens	_____	498	600	521
ALL PRODUCTIVE LIVESTOCK	\$ _____	\$17639	\$29234	\$12915
Value of feed fed to livestock	_____	10265	16756	8287
Return over feed from livestock	\$ _____	\$ 7374	\$12478	\$ 4628
Crop, seed, and feed	_____	8498	11281	7704
Income from labor off the farm	_____	143	273	121
Agricultural conservation payments	_____	54	85	---
Miscellaneous	_____	220	570	172
(1) TOTAL RETURNS & NET INCREASES	\$ _____	\$16289	\$24687	\$12624
<u>EXPENSES AND NET DECREASES</u>				
Horses	\$ _____	\$ ---	\$ ---	\$ ---
Truck	_____	261	414	189
Auto (farm share)	_____	440	452	468
Tractor	_____	1222	1564	1357
Elec. & gas engine exp. (farm share)	_____	232	249	226
Hired power	_____	373	536	323
Total power	\$ _____	\$ 2528	\$ 3215	\$ 2563
Crop and general machinery	_____	1268	1459	1274
Livestock equipment	_____	341	246	520
Buildings, fences and tiling	_____	914	955	1305
Misc. Productive livestock expense	_____	518	697	515
Labor	_____	902	1393	949
Real estate taxes	_____	687	693	704
Personal property tax	_____	176	176	218
Insurance	_____	101	179	115
General farm expense	_____	148	177	170
Interest on farm capital	_____	3761	4524	3848
(2) TOTAL EXPENSES & NET DECREASES	\$ _____	\$11345	\$13714	\$12181
(3) LABOR EARNINGS (1) - (2)	\$ _____	\$ 4943	\$10973	\$ 443

Cash receipts and expenses are adjusted for changes in inventory for each enterprise and for each item of expense in order to show total receipts and net increases and total expenses and net decreases. The operator's earnings are the same as those on page 4.

FAMILY LIVING FROM THE FARM

The family living from the farm is the estimated value of the farm produce used in the house and shelter furnished the farmer and his family by the farm. It is a part of the income of the farm and a part of the expense of operating the household even though cash transactions are not involved. The omission of the farm produce used in the home results in an incomplete record of both farm income and personal expense.

The value of the family living is shown in Table 4. The values assigned are a conservative market price on the farm. If these products had been purchased, the amount paid out would have been considerably higher.

TABLE 4 - FAMILY LIVING FROM THE FARM, 1960

Items	Your farm	Average of all farms	Your farm	Average of all farms
Whole milk	_____	456 qts.	\$ _____	\$ 43
Skim milk	_____	---	_____	---
Cream	_____	---	_____	---
Farm-made butter	_____	7 lbs.	_____	4
Beef	_____	707 lbs.	_____	141
Hogs	_____	356 lbs.	_____	54
Lamb and mutton	_____	---	_____	---
Poultry	_____	26 lbs.	_____	6
Eggs	_____	32 doz.	_____	13
Potatoes	_____	6 bu.	_____	1
Vegetables & Fruit	_____	---	_____	11
Farm fuel	_____	---	_____	8
TOTAL			\$ _____	\$281

HOUSEHOLD AND PERSONAL EXPENSES AND RECEIPTS

Household and personal accounts are important if the family is to manage its financial affairs wisely. The household and personal expenses and receipts are presented in Table 5. These farmers spent an average of \$297.25 per month for family living in addition to the food, fuel, and housing furnished by the farm.

TABLE 5 - HOUSEHOLD AND PERSONAL EXPENSES FOR THOSE FARMS WHICH KEPT
COMPLETE ACCOUNTS OF THESE EXPENSES - 1960

Items	Your farm	Average of all farms	Most profitable farms	Least profitable farms
Number of persons - family	_____	4.3	5.8	3.6
Number of adult equiv. - family	_____	3.1	3.8	2.6
Food and meals bought	\$ _____	\$ 968	\$ 625	\$ 351
Operating and supplies	_____	266	94	112
Furnishing and equipment	_____	174	122	73
Clothing and clothing materials	_____	267	179	91
Personal care, personal spending	_____	97	20	63
Education, recreation & development	_____	156	42	68
Gifts and special events	_____	126	58	25
Medical care and health insurance	_____	418	209	157
Church, welfare	_____	141	111	41
Personal share of auto & truck expense	_____	140	68	28
Operator's share of upkeep on dwelling	_____	86	32	151
Household share of electricity and telephone expense	_____	93	49	32
TOTAL CASH LIVING EXPENSE	\$ _____	\$2932	\$1609	\$1192
Household & personal share of new auto	\$ _____	\$ 88	\$ 29	\$ 11
New dwelling	_____	---	---	---
Taxes and other deductions	_____	164	129	153
Life insurance	_____	243	112	101
Other savings and investments	_____	140	---	2
TOTAL HOUSEHOLD & PERSONAL CASH EXP.	\$ _____	\$3567	\$1879	\$1459
Total family living from the farm	_____	262	185	129
TOTAL CASH EXPENSE & PERQUISITES	\$ _____	\$3829	\$2064	\$1588
RETURN TO CAPITAL & FAMILY LABOR	\$ _____	\$5583	\$7795	\$1255

NET WORTH

A net worth statement includes a listing of all the assets and liabilities as of a given date. The difference between the farmer's total assets and his liabilities is his net worth. A net worth statement on a tenure basis is presented in Table 6. Both the farm and personal assets and liabilities are included.

The difference between the operator's net worth at the beginning and at the end of the year shows the gain in net worth. It represents the financial progress that has been made during the year.

TABLE 6 - NET WORTH STATEMENT FOR THOSE FARMERS WHO KEPT A COMPLETE RECORD OF ALL ASSETS AND LIABILITIES, 1960 (OPERATOR'S SHARE, TENURE BASIS)

Items	Your Farm		10 Owners	
	Jan. 1	Dec. 31	Jan. 1	Dec. 31
Total Farm Capital (1)	\$	\$	\$68714	\$73137
Stocks and Bonds			578	779
Life Insurance			758	747
Notes & Accounts Receivable			---	39
Shares in Marketing			239	283
Outside Real Estate			1000	1000
Cash on Hand and in Bank			1458	1254
Household Goods			3086	3276
Personal Share of Auto			420	515
Farm Dwelling			4364	4149
Miscellaneous			708	503
Total Non-Farm Assets (2)	\$	\$	\$12611	\$12545
TOTAL ASSETS (1) + (2) = (3)	\$	\$	\$81325	\$85682
Fed. Land Bank Mortgages			2815	2585
F.H.A. Real Estate Mortgages			---	---
Other Mortgages			12087	11699
Loans on Real Estate			---	---
Production Credit Assoc. Loans			409	1003
Miscellaneous			---	---
Crop Loans (Sealed)			---	---
Other Chattel Mortgages			3367	2797
Notes Payable			3820	3062
Accounts Payable			3965	4756
TOTAL LIABILITIES (4)	\$	\$	\$26463	\$25902
FARMER'S NET WORTH = (3) - (4)	\$	\$	\$54862	\$59780
Change in Net Worth		\$		\$ 4918

Items	9 Part-Owners		16 Renters	
	Jan. 1	Dec. 31	Jan. 1	Dec. 31
Total Farm Capital (1)	\$58551	\$59884	\$19219	\$21477
Stocks and Bonds	1207	1094	180	177
Life Insurance	1239	1184	695	815
Notes & Accounts Receivable	---	181	95	62
Shares in Marketing	93	94	64	19
Outside Real Estate	2130	2130	760	750
Cash on Hand and in Bank	1305	1002	821	719
Household Goods	2894	2928	1990	1937
Personal Share of Auto	444	354	340	323
Farm Dwelling	3492	3331	300	294
Miscellaneous	---	---	---	---
Total Non-Farm Assets (2)	\$12804	\$12298	\$ 5245	\$ 5096
TOTAL ASSETS (1) + (2) = (3)	\$71355	\$72182	\$24464	\$26573
Fed. Land Bank Mortgages	2367	2244	---	---
F.H.A. Real Estate Mortgages	---	---	---	---
Other Mortgages	10464	9994	1230	1227
Loans on Other Real Estate	4278	4167	---	---
Production Credit Assoc. Loans	1376	---	1139	151
F.H.A. Chattel Mortgages	---	---	---	1125
Crop Loans (Sealed)	---	---	69	76
Other Chattel Mortgages	6581	6528	2342	924
Notes Payable	2790	2791	1589	1372
Accounts Payable	338	640	1928	3558
TOTAL LIABILITIES (4)	\$28194	\$26364	\$ 8297	\$ 8433
FARMER'S NET WORTH = (3) - (4)	\$43161	\$45818	\$16167	\$18140
Change in Net Worth		\$ 2657		\$ 1973

RANGE IN EARNINGS

Every study of farm earnings shows a wide variation in earnings among farmers in a given year (figure 1). The average labor earnings of those farmers ranking in the upper 20 per cent of the range according to earnings was \$10973 and of those in the lower 20 per cent was \$443. This is a range of \$10530 between the average earnings of these two groups. Some of the causes for these differences in earnings, such as weather, may be beyond the control of the individual farmer. Other factors are within his control. The more important management factors affecting earnings are as follows:

- | | |
|--------------------------|--------------------------|
| 1. Crop Yields | 5. Size of Business |
| 2. Choice of Crops | 6. Work Units per Worker |
| 3. Return from Livestock | 7. Control over Expense |
| 4. Amount of Livestock | |

(These factors vary from year to year in their relative influence on earnings.) 1/

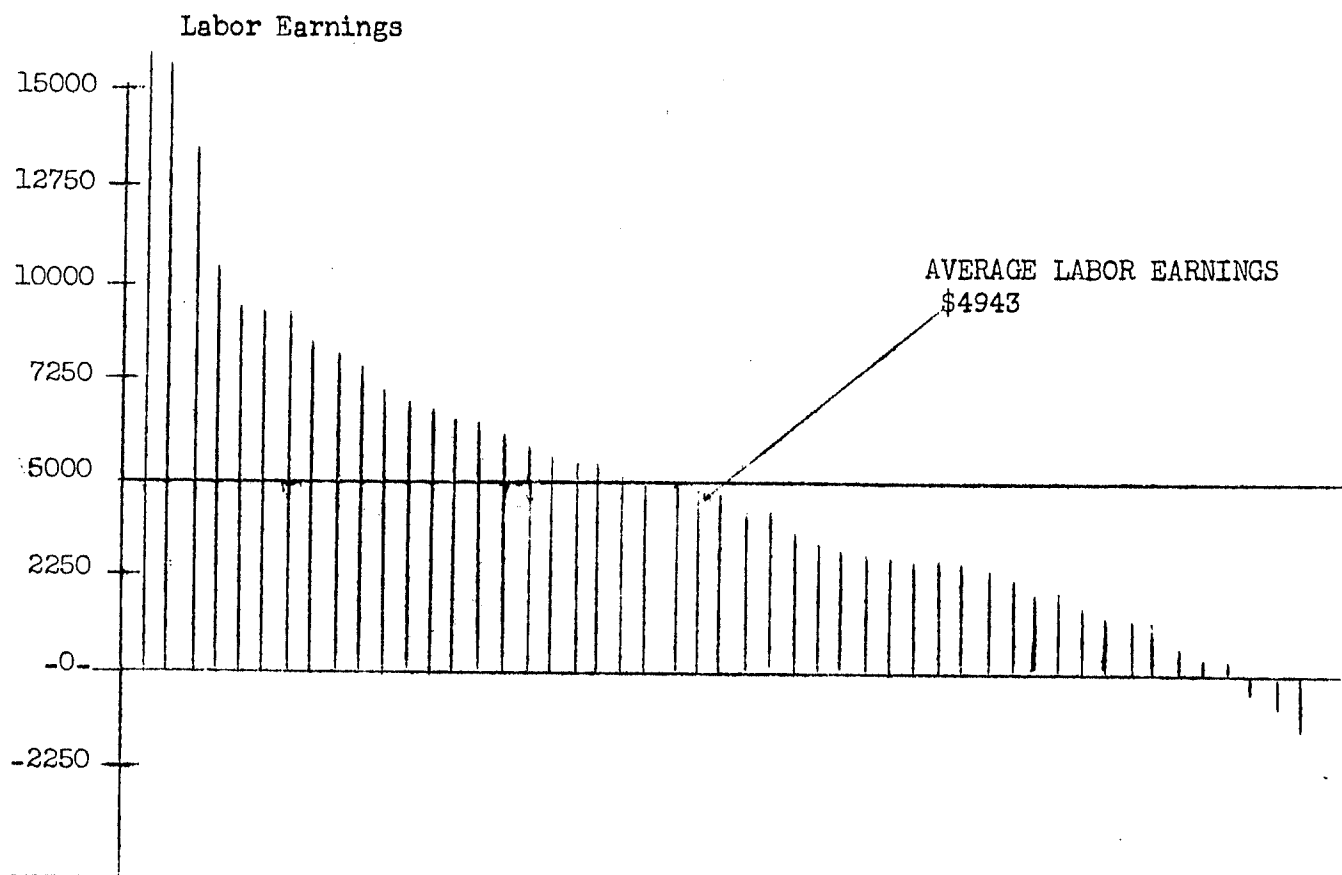


Figure 1. - Range in Labor Earnings
Each line represents the earnings of one farmer.

1/ See Pond, G. A. "Why Farm Earnings Vary." Minn. Agri. Expt. Sta. Bul. 386, June, 1945
Nodland, T. R. and Pond, G. A. "Some Factors Affecting the Earnings of Farmers in Southwestern Minnesota." Univ. of Minn. Dept. of Ag. Econ., Report No. 219, November, 1954.

TABLE 7 - MEASURES OF FARM ORGANIZATION AND MANAGEMENT EFFICIENCY, 1960

Measures used in chart on page 11	Your farm	Average of all farms	20% most profitable farms	20% least profitable farms
Labor earnings	_____	\$ 4943	\$10973	\$ 443
(1) Crop yields*	_____	100	96	101
(2) Percent tillable land in high return crops**	_____	69	64	69
(3) Return for \$100 feed to productive livestock***	_____	100	103	78
(4) Productive livestock units per 100 acres****	_____	43	70	30
(5) Size of business - work units	_____	416	565	395
(6) Work units per worker	_____	317	367	298
(7) Power, mach., equip., and build. exp. per work unit	_____	\$13.05	\$11.50	\$14.92

Items related to some of the above measures:

(3) Index of return for \$100 feed from:

Dairy cattle (see p.16 & 17)	_____	100	103	94
Beef breeding herd (see p.18)	_____	100	---	---
Feeder cattle (see p.18)	_____	100	108	80
Hogs (see p. 15)	_____	100	104	103
Sheep - Farm flock (see p.19)	_____	100	---	---
Chickens (see p. 20)	_____	100	---	---
(4) Number of animal units	_____	90	187	65
(5) Work units on crops	_____	122	137	132
Work units on prod. livestock	_____	280	401	251
Work units from other prod.work	_____	14	27	12
(6) Number of family workers	_____	1.2	1.3	1.1
Number of hired workers	_____	.2	.4	.2
Total number of workers	_____	1.4	1.7	1.3
(7) Power expense per work unit	_____	6.39	5.84	6.60
Crop mach. exp. per work unit	_____	3.22	2.64	3.27
Livestock equip. exp. per w.u.	_____	.89	.82	1.11
Bldgs.. & fences exp. per w.u.	_____	2.55	2.20	3.94

* Given as percentage of the average

** Crops are marked in table 9 as A,B,C, and D. All of acres in A crops, one-half of acres in B crops, and one-fourth of acres in C crops are used in calculating per cent of tillable land in high return crops.

*** An index weighted by the animal units of livestock.

**** Acres in timber not pastured, roads, waste and farmstead were not included.

THERMOMETER CHART

Using your figures from page 10, locate your standing with respect to the various measures of farm organization and management efficiency. The averages for the farms included in this summary are located between the solid lines across the center of this page.

Labor Earnings	Crop Yields	High Return Crops	Return from pro-ductive livestock	Pr. L.S. units per 100 A.	Work Units	Work Units per Worker	Pow., Mach., eq., bldg. exp. per work unit
10,600	140	93	180	75	815	475	7
9,900	135	90	170	71	765	455	8
9,200	130	87	160	67	715	435	9
8,500	125	84	150	63	665	415	10
7,800	120	81	140	59	615	395	11
7,100	115	78	130	55	565	375	12
6,400	110	75	120	51	515	355	13
5,700	105	72	110	47	465	335	14
5,000	100	69	100	43	415	315	15
4,300	95	66	90	39	365	295	16
3,600	90	63	80	35	315	275	17
2,900	85	60	70	31	265	255	18
2,200	80	57	60	27	215	235	19
1,500	75	54	50	23	165	215	20
800	70	51	40	19	115	195	21
100	65	48	30	15	65	175	22
-600	60	45	20	11	0	155	24

TABLE 8 - DISTRIBUTION OF ACRES AND YIELD - 1960

Crop	Crop rating	Number growing	Acres your farm	Average Acres of all farms	Your yield	Average Yield Per Acre
Canning Peas	B	1	_____	.3	_____	\$ 26.83
Wheat	C	20	_____	5.9	_____	26.8 bu.
Oats for silage	C	4	_____	1.2	_____	7.6 ton
Oats & Mix. for grain	D	42	_____	18.9	_____	53.6 bu.
Total small grain and peas				26.3		
Corn, grain	A	50	_____	111.3	_____	67.6 bu.
Sweet corn	B	4	_____	1.7	_____	\$ 37.72
Soybeans for grain	B	38	_____	28.8	_____	24.5 bu.
Corn & Cane silage	B	23	_____	6.3	_____	10.8 ton
Corn & Cane fodder	D	1	_____	.1	_____	3.0 ton
Total cultivated crops				148.2		
Alf. & alf. mix. hay	B	44	_____	18.6	_____	3.2 ton
Other leg. & leg. mix	C	1	_____	.2	_____	3.0 ton
Other annual hay	D	2	_____	.3	_____	2.5 ton
Legumes for seed	D	1	_____	.2	_____	100 lb.
Total tillable land in hay				19.3		
Alf. & Alf. brom past.	B	12	_____	3.5		
Other leg. & mix.	C	2	_____	.7		
Other tillable pasture	D	9	_____	1.6		
Total tillable land in pasture				5.8		
Soil bank	A					
Till. land not cropped	D	3	_____	1.0		
Total tillable land				200.6		
Wild hay (non-till.)		9	_____	.8		
Non-till. pasture		20	_____	6.7		
Timber (not pasture)		9	_____	1.5		
Roads & waste		45	_____	10.8		
Farmstead		47	_____	7.3		
TOTAL ACRES IN FARM				227.7		

Per cent land tillable	88.0%
Per cent tillable land in high return crops	70.3%

EXPLANATION OF WORK UNITS

The total "work units" for any one farm is a measure of the size of that farm business. A work unit as used in this report is the average accomplishment of a farm worker, in a ten hour day, working on crops and productive livestock at an average efficiency. The number of work units for each class of livestock and each acre of crop are presented in Table 9.

TABLE 9 - NUMBER OF WORK UNITS FOR EACH CLASS OF LIVESTOCK & EACH ACRE OF CROP

Item	No. of Work Units	Item	No. of Work Units
Dairy cattle	10.0 per cow	Peas, small grain	.5 per A.
Other dairy cattle	3.5 per an. unit*	Hybrid seed corn	2.0 per A.
Beef breeding herd	3.5 per an. unit*	Corn husked	.7 per A.
Feeder cattle	.25 per 100 lbs.	Corn silage	1.0 per A.
Sheep - farm flock	1.5 per an. unit*	Sweet corn	.7 per A.
Sheep - feeders	.3 per 100 lbs.	Soybean grain	.5 per A.
Hogs	.2 per 100 lbs.	Alfalfa hay	.6 per A.
Hens	20.0 per 100 hens	Other hay & seed	.4 per A.
Turkeys	.5 per 100 lbs.	Grass silage	.4 per A.

* One animal unit represents one dairy cow or bull, two other dairy cattle, 1 $\frac{1}{4}$ beef cows or bull, 1 feeder steer or heifer, 3 $\frac{1}{3}$ other beef cattle, 7 sheep, 14 lambs, 2 $\frac{1}{2}$ hogs, 5 pigs, 50 hens, or 1,100 lbs. of turkeys produced.

POWER AND MACHINERY EXPENSES

Power and machinery expense per crop acre is an indication of the economy with which capital is invested in these items. The expenses are high on farms with a small acreage. In some cases, low expenses for labor might be offset by high power and equipment costs. The farmer is interested in operating at the lowest cost for power, machinery and labor combined.

TABLE 10 - POWER AND MACHINERY EXPENSES PER CROP ACRE, 1960

Items	Your farm	Average of all farms	20% most profitable farms	20% least profitable farms
Crop acres per farm		194.4	204.2	204.6
Tractor expense per crop acre	\$ _____	\$6.38	\$7.35	\$7.13
Crop and general machinery expense per crop acre	\$ _____	\$6.86	\$6.46	\$7.19

AMOUNT OF LIVESTOCK

The farmers cooperating in this study are predominatly livestock farmers. 49% of these farmers maintained dairy cattle, 30% kept poultry, 14% raised sheep, 42% fed beef cattle, and 90% raised hogs.

TABLE 11 - AMOUNT OF LIVESTOCK, 1960

Items	Your farm	Average of all farms	20 % most profitable farms	20% least profitable farms
Number of milk cows	_____	8.9	7.6	11.0
Number of other dairy cattle	_____	11.4	12.6	11.1
Number of beef cattle (incl. feeders)	_____	26.7	51.7	25.3
Number of ewes	_____	3.6	2.6	1.2
Number of hens	_____	90.0	95.6	88.2
Pounds of hogs produced	_____	52110	91870	33955
Pounds of beef produced	_____	17830	39480	13592

TOTAL FEED COSTS AND RETURNS FROM YOUR LIVESTOCK ENTERPRISES

The total "return over feed costs" for each class of livestock is shown in Table 12. This differs from the "return over feed" shown in the enterprise statement in that it is the total for each class of livestock instead of a return "per head", "per unit", or "per 100 pounds". These data indicate the relative importance of different classes of livestock as a source of income and as a market for feed. The total return is the same as the returns and net increases shown on page 5. The value of milk consumed by calves is included in the total returns from dairy cows and in the total feed cost for other dairy cattle. The value of milk consumed by calves is not included in the total returns or the feed cost of "all dairy" cattle. The return over feed is not a net return, but rather the amount available from the gross income, after paying the feed bill, to cover the outlay for hired labor, power, equipment, taxes, insurance, interest and veterinary bills and to provide a return for the use of family labor and capital.

TABLE 12 - TOTAL FEED COSTS AND RETURNS FROM YOUR LIVESTOCK ENTERPRISES, 1960

	Dairy Cattle			Beef
	Cows	Other	All	Breeding Herd
Total returns	_____	_____	_____	_____
Total feed cost	_____	_____	_____	_____
Total return over feed	_____	_____	_____	_____
	Feeder Cattle	Hogs	Farm Flock of Sheep	Chickens
Total returns	_____	_____	_____	_____
Total feed cost	_____	_____	_____	_____
Total return over feed	_____	_____	_____	_____

Feed is the largest single item of cost for all classes of livestock. However, the proportion of the total cost represented by feed varies considerably between classes of livestock. Feed makes up approximately 45 per cent of the total costs of maintaining dairy cattle and poultry; 50 per cent in the case of a farm flock of sheep; and 75 to 90 per cent for hogs, feeder cattle and feeder lambs. Consequently it is necessary to secure a relatively higher return over feed from dairy cattle and poultry than from the other livestock enterprises in order to be able to cover all the costs other than food.

HOGS

Raising hogs is a major enterprise on most farms in Southern Minnesota. Ninety per cent of the farms in this study raised hogs for market. Table 14 below summarizes the results of the hog enterprise analysis.

TABLE 14 - FEED COSTS AND RETURNS FROM HOGS, 1960

Items	Your Farm	Average of 44 farms raising hogs	20% of farms highest in returns above feed	20% of farms lowest in returns above feed
Feed per cwt. hogs produced, lbs.:				
Corn	_____	403.2	324.6	378.3
Small grain	_____	25.9	25.5	20.1
Commercial feeds	_____	59.0	61.2	66.3
Total concentrates*	_____	488.1	411.3	464.7
Alfalfa hay	_____	6.5	7.6	7.1
Milk	_____	- - -	- - -	- - -
Feed cost per cwt. hogs produced:				
Concentrates*	\$ _____	\$ 9.55	\$ 9.12	\$ 10.70
Milk	_____	- - -	- - -	- - -
Pasture	_____	.01	.02	- - -
Alfalfa hay	_____	.05	.07	.06
TOTAL FEED COST	\$ _____	\$ 9.61	\$ 9.21	\$ 10.76
Net increase in value per cwt. hogs produced	\$ _____	\$ 16.95	\$ 18.78	\$ 15.09
RETURNS ABOVE FEED COST PER CWT. HOGS PRODUCED	\$ _____	\$ 7.34	\$ 9.57	\$ 4.33
RETURNS FOR \$100 OF FEED	\$ _____	\$178.00	\$205.00	\$141.00
Price received per cwt. hogs sold	\$ _____	\$ 15.49	\$ 15.51	\$ 15.67
No. of spring litters raised	_____	17.2	17.2	13.0
No. of fall litters raised	_____	14.5	19.2	17.7
Total no. of litters raised	_____	31.7	36.4	30.7
No. of pigs born per litter**	_____	8.8	9.0	7.8
No. of pigs weaned per litter**	_____	7.4	7.2	7.3
POUNDS OF HOGS PRODUCED	_____	60,900	48,166	81,928

* Concentrates refer to the total of corn, small grain and commercial feeds fed.

**From records with accurate litter information only.

DAIRY CATTLE

The quantity of feed consumed, value of feeds and returns from dairy cattle are presented in Tables 14, 15, and 16. Some of the important factors that affected the return over feed were:

1. Rate of production (pounds of milk and butterfat per cow)
2. Price received for butterfat
3. Feeding efficiency
4. Quality of ration
5. Economy of ration (feed cost per pound butterfat)

TABLE 14 - FACTORS OF COST AND RETURNS FROM DAIRY COWS, 1960

Items	Your farm	Average of 24 farms	20% of farms highest in butterfat per cow	20% of farms lowest in butterfat per cow
Pounds of milk per cow		10361.2	11980.1	8704.2
Pounds of butterfat per cow		371.6	434.9	321.6
Price received per pound butterfat sold (cts.)	\$	90.0¢	91.3¢	89.5¢
Feed per cow, lbs.:				
Corn		2746.4	2573.2	2035.5
Small grain		666.7	387.3	482.9
Commercial feed		518.7	647.3	494.4
Total concentrates*		3931.8	3607.8	3012.8
Legume hay		5302.5	7049.3	3711.4
Other hay		103.9	- - -	276.2
Total dry roughages		5406.4	7049.3	3987.6
Silage		7839.5	7496.0	10075.7
Feed cost per cow:				
Concentrates*	\$	\$ 81.70	\$ 75.07	\$ 63.60
Roughages		75.42	90.84	61.55
Pasture		6.54	10.06	4.38
TOTAL FEED COSTS	\$	\$163.66	\$175.97	\$129.53
Value of produce per cow:				
Dairy Product Sales	\$	\$322.68	\$379.08	\$276.45
Dairy produce used in house		4.12	2.50	2.97
Milk fed to livestock		6.09	7.15	6.71
Net increases in value of cows		-8.22	-24.67	-4.28
TOTAL VALUE PRODUCED	\$	\$324.67	\$364.06	\$281.85
RETURNS ABOVE FEED COST PER COW	\$	\$161.01	\$188.09	\$152.32
RETURNS FOR \$100 OF FEED	\$	\$202.00	\$209.00	\$219.00
Feed cost per lb. Butterfat(cts.)	¢	45.0¢	41.0¢	41.0¢
Number of cows		19.8	22.1	16.5

* Concentrates refer to total of corn, small grain and commercial feed fed.

TABLE 15 - FEED COSTS AND RETURNS FROM OTHER DAIRY CATTLE, 1960

Items	Your farm	Average of 24 farms	20% of farms highest in butterfat per cow	20% of farms lowest in butterfat per cow
Feed per head, lbs.:				
Concentrates*		852.3	864.3	801.0
Hay and fodder		2073.2	2425.3	2124.2
Silage		2495.2	3413.2	2288.7
Whole milk		232.5	357.7	345.4
Feed cost per head:				
Concentrates*	\$	\$ 19.24	\$ 17.94	\$ 19.11
Roughages		25.27	32.75	19.91
Milk		5.24	6.21	8.58
Pasture		2.20	2.70	4.55
TOTAL FEED COSTS PER HEAD	\$	\$ 51.95	\$ 59.60	\$ 52.15
Net increase in value of other cattle		104.54	111.00	98.30
RETURNS ABOVE FEED COST PER HEAD	\$	\$ 52.59	\$ 51.40	\$ 46.15
RETURNS FOR \$100 OF FEED	\$	\$214.00	\$189.00	\$184.00
No. of head of other cattle		26.0	27.5	17.5

TABLE 16 - FEED COSTS AND RETURNS FROM ALL DAIRY CATTLE, 1960

Items	Your farm	Average of 24 farms	20% of farms highest in butterfat per cow	20% of farms lowest in butterfat per cow
Feed per animal unit, lbs.:				
Concentrates*		3088.0	2854.0	2585.1
Hay and fodder		5084.0	6190.2	4109.0
Silage		6232.5	6137.2	6744.5
TOTAL FEED COSTS PER ANIMAL UNIT	\$	\$136.65	\$148.73	\$115.52
Value of produce per animal unit:				
Dairy products	\$	\$199.72	\$234.06	\$186.35
Net increase in value of dairy cattle		74.65	70.57	53.52
TOTAL VALUE PRODUCED	\$	\$274.37	\$304.63	\$239.87
RETURNS ABOVE FEED PER ANIMAL UNIT	\$	\$137.72	\$155.90	\$124.35
RETURNS PER \$100 OF FEED	\$	\$202.00	\$205.00	\$207.00
Animal units of cattle		32.9	36.0	25.5

*Concentrates refer to total of corn, small grain, and commercial feed fed.

TABLE 17 - FEED COSTS AND RETURNS FROM FEEDER CATTLE, 1960

Items	Your farm	Average of 21 farms	20% of farms highest in return above feed	20% of farms lowest in return above feed
Feeds per cwt. beef produced, lbs.:				
Corn	_____	541.6	539.2	628.3
Small grain	_____	19.5	17.3	10.5
Commercial feeds	_____	47.7	41.7	55.5
Total Concentrates*	_____	608.8	598.2	694.3
Legume hay	_____	134.0	164.5	110.6
Other hay	_____	27.7	- - -	113.4
Total Hay	_____	161.7	164.5	224.0
Silage	_____	372.2	304.3	532.8
Feed cost per cwt. beef produced:				
Concentrates*	\$ _____	\$ 12.04	\$ 12.13	\$ 14.62
Roughages	_____	2.67	2.21	2.46
Pasture	_____	.04	.19	- - -
TOTAL FEED COSTS	\$ _____	\$ 14.75	\$ 14.53	\$ 17.08
Net Increase in value of feeders	_____	20.31	25.65	16.90
RETURNS ABOVE FEED COST PER CWT. BEEF PRODUCED				
	\$ _____	\$ 5.56	\$ 11.12	\$ -.18
RETURNS FOR \$100 OF FEED	\$ _____	\$140.00	\$177.00	\$ 99.00
Price paid per cwt. beef bought	\$ _____	\$ 19.08	\$ 19.05	\$ 17.63
Price received for feeder cattle sold	\$ _____	23.55	23.53	23.19
Number of animal units	_____	62.1	49.3	76.0
POUNDS OF BEEF PRODUCED	_____	45,314	46,572	46,727
BEEF BREEDING CATTLE				

Items	Your farm
Feeds per animal unit, lbs.:	
Concentrates*	_____
Legume hay	_____
Other hay	_____
Silage	_____
Feed cost per animal unit:	
Concentrates*	\$ _____
Roughages	_____
Pasture	_____
TOTAL FEED COST	\$ _____
Value of produce per animal unit	
Dairy products	\$ _____
Net increase in value	_____
TOTAL VALUE PRODUCED	\$ _____
RETURNS ABOVE FEED COST PER A. U.	_____
RETURNS FOR \$100 OF FEED	_____
Number of cows and herd bulls	_____
Number of animal units in the herd	_____

* Concentrates refer to total of corn, small grain and commercial feed fed.

TABLE 18 - FEED COSTS AND RETURNS FROM FARM FLOCK OF SHEEP, 1960

Items	Your farm	Average of 7 farms
Feed per head,* lbs.		
Concentrates (grain & commercial feeds)		203.3
Legume hay		570.6
Other hay		- - -
Silage		- - -
Feed cost per head:		
Concentrates (grain & commercial feeds)	\$	\$ 4.41
Roughages		5.14
Pasture		.59
TOTAL FEED COSTS	\$	\$ 10.14
Value of produce per head:		
Wool	\$	\$ 4.79
Value of mutton		17.55
TOTAL VALUE PRODUCED	\$	\$ 22.34
RETURNS ABOVE FEED COST PER HEAD	\$	\$ 12.20
RETURNS FOR \$100 OF FEED	\$	\$170.00
Price per cwt. of lambs sold	\$	\$ 19.50
Price per lb. wool sold (cents)		73.6¢
Pounds of wool per sheep sheared		7.9
Number of ewes kept for lambing		42.5
Per cent lamb crop**		149.0%
Per cent death loss**		9.4%
Pounds of sheep produced		5085
Head of Native Sheep		55.3

* Two lambs under six months of age considered as one head.

** Lambs which die during month of birth are not included.

TABLE 19 - FEED COSTS AND RETURNS FROM FEEDER LAMBS, 1960

Items	Your farm
Feed per cwt. Lambs produced, lbs.:	
Concentrates	
Legume hay	
Other hay	
Fodder and stover	
Silage	
Feed cost per cwt. lambs produced	\$
Net increases in value per cwt. produced	\$
Return above feed cost per cwt. produced	\$
RETURN FOR \$100 OF FEED	\$
Price paid per cwt. lambs produced	\$
Price received per cwt. lambs sold	\$
% death loss	
Pounds of lambs produced	

Thirty-three percent of the farmers cooperating in this analysis kept some chickens. In most cases poultry is a so-called minor enterprise, providing eggs and poultry meat for family consumption plus an additional amount of cash income.

Some of the important factors that affected the return over feed were:

1. Quantity of feed required per hen
2. Price received per dozen eggs sold
3. Eggs laid per hen
4. Percentage of death loss of hens

TABLE 20 - FEED COSTS AND RETURNS FROM CHICKENS*, 1960

Items	Your farm	Average of 18 farms	20% highest in return above feed	20% lowest in return above feed
Feed per hen, lbs.:				
Grain	_____	103.3	94.4	120.2
Commercial feed	_____	29.2	34.5	19.4
Total feed	_____	132.5	128.9	149.6
TOTAL FEED COST PER HEN	\$ _____	\$ 3.43	\$ 3.70	\$ 3.63
Value of produce per hen:				
Eggs sold and used in home	\$ _____	\$ 4.66	\$ 6.03	\$ 3.25
Net increase in value of chickens	_____	.45	.43	.80
Total Value Produced	\$ _____	\$ 5.11	\$ 6.46	\$ 4.05
RETURNS ABOVE FEED COST PER HEN	\$ _____	\$ 1.68	\$ 2.76	\$.42
RETURNS FOR \$100 OF FEED	\$ _____	\$152.00	\$180.00	\$112.00
Price received per dozen eggs sold (cts)	_____¢	28¢	30¢	26¢
Eggs laid per hen	_____	191	239	127
Average number hens on farm during year	_____	278	390	128
Per cent death loss of hens	_____	12%	6%	10%
Per cent of laying flock that are pullets	_____	55%	100%	41%
Number of pullets started	_____	236	605	117

* Includes feeds and returns from laying flock and rearing flock.

Turkeys are produced on many farms in the Mankato area. Not enough suitable records were available, however, to calculate averages for this enterprise.

TABLE 21 - FEED COSTS AND RETURNS FOR TURKEYS

Items	Your farm
Feed per cwt. turkeys produced, lbs.:	
Grain	_____
Commercial Feed	_____
Total concentrates	_____
Feed cost per cwt. turkeys produced	\$ _____
Net increase in value per cwt. turkeys produced	_____
RETURNS ABOVE FEED COST PER CWT. PRODUCED	\$ _____
RETURNS PER \$100 OF FEED	\$ _____
No. of poultts put on feed	_____
Price paid per poult purchased	\$ _____
Per cent death loss	_____
Price received per lb. turkeys sold (cents)	_____¢
Weight per bird sold (lbs.)	_____
Pounds of turkey produced	_____

TABLE 22 - SUMMARY OF FARM EARNINGS BY TENURE, 1960 (OPERATOR'S SHARE)

Items	Your Farm	Owners	Part Owners	Renters
<u>FARM RECEIPTS</u>				
Dairy cattle	\$	\$ 251	\$ 1073	\$ 999
Dairy products		1061	3685	2490
Beef cattle (including feeders)		8749	10020	5949
Hogs		11664	3556	5836
Sheep and wool (including feeders)		53	---	124
Poultry (including turkeys)		82	20	26
Eggs		535	357	428
Corn		758	2627	1157
Small grain		418	249	152
Other crops		1850	1185	570
Mach. & equip. sold & gas tax refunds		188	353	210
Income from work off the farm		116	316	392
Miscellaneous		213	238	111
(1) Total farm sales	\$	\$25938	\$23679	\$18444
(2) Increase in farm capital		3437	822	2364
(3) Family living from the farm		260	286	200
(4) Total Farm Receipts (1)+(2)+(3)	\$	\$29635	\$24787	\$21008
<u>FARM EXPENSES</u>				
Dairy cattle bought	\$	\$ 77	\$ 156	\$ 122
Beef cattle bought (including feeders)		4771	4533	2717
Hogs bought		1305	94	389
Sheep bought (including feeders)		---	---	1
Horses bought		---	---	---
Poultry bought (including turkeys)		82	30	73
Miscellaneous livestock expense		442	411	471
Feed bought		5389	3028	3882
Fertilizers		1081	1572	1040
Other crop expense		566	857	577
Custom work hired		696	592	659
Gas, oil & grease bought (farm share)		843	1215	813
Repair & operation tractor, truck, and auto (farm share)		477	790	453
Repair and upkeep of real estate		284	172	47
Repair & upkeep of crop & gen. mach.		220	560	336
Repair & upkeep of livestock equip.		96	120	191
Wages of hired labor		408	526	295
Electricity expense (farm share)		202	210	199
Real estate & personal property tax		807	649	299
Cash rent		45	946	1331
Gen. farm exp. & telephone expense		260	281	190
Interest paid		876	1010	409
Total cash operating expense	\$	\$18927	\$17752	\$14494
Mechanical power bought (farm share)		944	762	534
Crop & general machinery bought		762	552	590
Livestock equipment bought		221	287	435
New real estate improvements		736	350	405
(5) Total farm purchases	\$	\$21590	\$19703	\$16458
(6) Decrease in farm capital		---	---	---
(7) Interest on farm capital		2688	1871	651
(8) Unpaid family labor		208	247	72
(9) Board furnished hired labor		83	45	63
(10) Total Farm Expenses (5) to (9)	\$	\$24596	\$21866	\$17244
(11) Labor Earnings (4) - (10)		5066	2921	3764
(12) Return to Capital and Family Labor (7)+(8)+(11)	\$	\$ 7962	\$ 5039	\$ 4487

TABLE 23 - SUMMARY OF FARM EARNINGS BY YEARS - MANKATO AREA

Items	1956	1957	1958	1959	1960
FARM RECEIPTS					
Dairy cattle	\$ 634	\$ 678	\$ 653	\$ 763	\$ 1013
Dairy products	2575	2252	1386	2186	2923
Beef cattle (incl. feeders)	2714	2634	8717	8230	8962
Hogs	3933	4791	6773	5727	7606
Sheep and wool	294	156	350	82	76
Poultry (incl. turkeys)	1153	738	98	1045	42
Eggs	832	602	1003	922	478
Corn	2426	1967	1713	1965	1827
Small grain	359	254	283	327	357
Other crops	1717	2049	1782	1667	1463
Mach. equip. sold & gas tax refund	230	198	163	193	296
Income from work off the farm	145	273	167	407	320
Miscellaneous	158	112	83	126	273
(1) Total farm sales	\$17170	\$17206	\$23171	\$23640	\$25636
(2) Increase in farm capital	1706	1933	4198	---	2371
(3) Family living from the farm	258	271	273	215	281
(4) Total farm receipts (1)+(2)+(3)	\$19134	\$19410	\$27642	\$23855	\$28288
FARM EXPENSES					
Dairy cattle bought	\$ 218	\$ 250	\$ 239	\$ 209	\$ 151
Beef cattle bought (incl. feeders)	1353	1452	5045	4763	4191
Hogs bought	193	248	595	234	634
Sheep bought (incl. feeders)	17	16	99	21	4
Horses bought	3	---	---	2	---
Poultry bought (incl. turkeys)	278	220	99	308	66
Miscellaneous livestock expense	364	361	337	510	518
Feed bought	2734	2774	3221	4118	4555
Fertilizers	339	539	825	862	1354
Other crop expense	473	480	541	717	776
Custom work hired	515	500	703	641	777
Gas, oil & grease bought (farm share)	740	781	826	930	1039
Repair & oper. of tractor, truck & auto	371	346	444	471	575
Repair & upkeep of real estate	208	178	241	212	167
Repair & upkeep of crop & gen. mach.	274	247	302	318	385
Repair & upkeep of livestock equipment	106	91	152	119	150
Wages of hired labor	390	299	209	322	369
Electricity expense	169	158	183	211	227
Real estate & personal property tax	529	490	620	770	864
Telephone & general farm expense	190	200	245	208	249
(5) Total cash operating expense	\$ 9464	\$ 9630	\$14926	\$15946	\$17051
(6) Mech. power bought (farm share)	661	691	727	629	795
(7) Crop & general machinery bought	777	924	1043	875	652
(8) Livestock equipment bought	94	171	189	513	348
(9) New real estate improvements	490	514	780	521	477
(10) Total farm purchases (5) to (9)	\$11486	\$11930	\$17665	\$18484	\$19323
(11) Decrease in farm capital	---	---	---	549	---
(12) Interest on farm capital	2545	2630	3043	3500	3761
(13) Unpaid family labor	177	174	117	63	197
(14) Board furnished hired labor	69	59	35	36	64
(15) Total farm expense (10) to (14)	\$14277	\$14793	\$20860	\$22632	\$23345
(16) Labor earnings (4) - (15)	4857	4617	6782	1223	4943

AVERAGE PRICES OF FEEDS - 1960

Table 24 lists the average prices of farm grown feeds used in livestock summaries in this report. Prices paid for feeds bought were used whenever possible.

TABLE 24 - AVERAGE PRICES OF FEED, 1960

<u>Farm Grown Grains*</u>		<u>Other Roughages</u>	
Corn	\$.90 per bu.	Corn Silage	\$7.50 per Ton
Oats	.58 " "	Grass Silage	6.50 " "
Barley	.83 " "	Pea Silage*	3.50 " "
Wheat	1.92 " "		
Rye	.88 " "		
Soybeans	1.97 " "		
Flaxseed	2.85 " "		
		<u>Pasture per Head Per Month</u>	
<u>Hay</u>		Cows	\$2.50
Alfalfa	\$18.00 per Ton	Young cattle	1.25
Red or		Hogs	.16
Alsike Clover	15.00 " "	Pigs (under 6 mos.)	.08
Brome or		Sheep	.40
Timothy	10.00 " "	Lambs	.20
Wild Hay	9.00 " "		
		<u>Milk For Feed</u>	
		Whole Milk	\$3.00 per Cwt.
		Whole Milk used in home	.08 per Qt.

LABOR EARNINGS CORRELATED WITH EXCELLED FACTORS

Studies of earnings of farmers in this area show that there are seven major management factors causing variations in earnings among farmers within a given year. These seven factors are (1) crop yields, (2) choice of crops, (3) returns from livestock, (4) amount of livestock, (5) size of business, (6) work accomplishments per worker, and (7) control over expenses. The combined or cumulative influence of these seven management factors on earnings is shown in Table 25. The farmer's earnings are determined to a considerable extent by his accomplishments in these seven factors.

TABLE 25

No. of factors in which farmers excelled	No. of farms	Average Labor Earnings		
		\$3000.	\$5000	\$7000
0 or 1	8	XXXXXXXXXXXXX		
				\$3031
2 or 3	25	XXXXXXXXXXXXXXXXXXXXX		
				\$4140
4 or 5	14	XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX		
				\$6841
6 or 7	3	XXX		
				\$8492

Table 25 indicates that it will be worth while for each co-operator to study carefully his ranking on pages 10 and 11, and learn his standing in respect to each of the above factors and the elements of strength and weakness in his farm business.