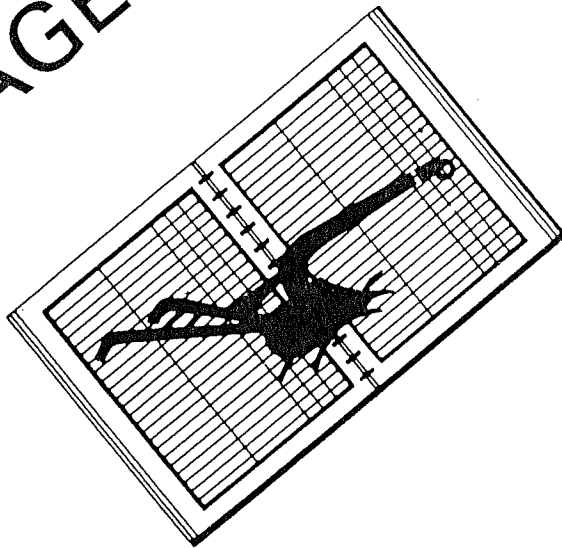


FARM BUSINESS MANAGEMENT



1987 Annual Report Southwestern Minnesota April, 1988

**AN ADULT
EDUCATIONAL
PROGRAM**

In cooperation with: State Board of Vocational Technical Education
Division of Agricultural Education — University of Minnesota

SOUTHWESTERN TECHNICAL INSTITUTE

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The map shows the state of Minnesota divided into six numbered regions, each associated with a specific T.I. Analysis Center and Area VO-AG Coordinator:

- Region 1:** Includes Kittson, Roseau, Marshall, Polk, Pennington, Redlake, Norman, Mahanomen, Clearwater, Clay, Becker, Wilkin, Ottertail, Grant, Douglas, Traverse, Big Stone, Stevens, Pope, Stearns, Benton, Morrison, Crow Wing, Cass, Hubbard, Wadena, Todd, Aitkin, Itasca, Koochiching, Beltrami, Lake of the Woods.
- Region 2:** Includes St. Louis, Cook, Lake, Carlton, Pine, Kanabec, Mille Lacs, Anoka, Isanti, Chisago, Washington, Ramsey, Hennepin, Carver, McLeod, Sibley, Scott, Rice, Goodhue, Wabasha, Olmsted, Winona, Fillmore, Houston.
- Region 3:** Includes Swift, Kandiyohi, Meeker, Wright, Sherburne, Anoka, Isanti, Chisago, Washington, Ramsey, Hennepin, Carver, McLeod, Sibley, Scott, Rice, Goodhue, Wabasha, Olmsted, Winona, Fillmore, Houston.
- Region 4:** Includes Lincoln, Lyon, Redwood, Brown, Murray, Cottonwood, Watonwan, Jackson, Nobles, Rock, Pipestone.
- Region 5:** Includes Yellow Medicine, Renville, Sibley, Nicollet, Le Sueur, Blue Earth, Faribault, Freeborn, Mower, Dodge, Steele, Waseca, Le Sueur, Rice, Goodhue, Wabasha, Olmsted, Winona, Fillmore, Houston.
- Region 6:** Includes Lac Qui Parle, Chippewa, Swift, Kandiyohi, Meeker, Wright, Sherburne, Anoka, Isanti, Chisago, Washington, Ramsey, Hennepin, Carver, McLeod, Sibley, Scott, Rice, Goodhue, Wabasha, Olmsted, Winona, Fillmore, Houston.

T.I. ANALYSIS CENTERS & AREA VO-AG COORDINATORS

- Vern Spengler
Thief River Falls AVTI
Highway 1 East
Thief River Falls, MN 56701
Telephone 218-681-5424
- Del Ray Lecy
Staples AVTI
Staples, MN 56479
Telephone 218-894-1053
- John Thell
Willmar AVTI
Box 1097
Willmar, MN 56201
Telephone 612-235-5114
- Al Brudelle
Southwestern Technical Institute
401 W. St.
Jackson, MN 56143
Telephone 507-847-3320
- Dennis Jackson
Mankato AVTI
1920 Lee Boulevard
Mankato, MN 56001
Telephone 507-625-3441
- Donald B. Walker
Austin Technical Institute
1900 8th Ave. N.W.
Austin, MN 55912
Telephone 507-433-0619

1. Vern Spengler
Thief River Falls AVTI
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Austin, MN 55912
Telephone 507-433-0619

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Table 15B Beef Feeders Feedlot - 1987

	Calves Average 15	Yearlings Average 10	2 Yr Olds Average 28
1. Average Number of Beef Feeders	152.1	35.0	57.7
2. Pounds of Beef Produced	161,352	66,243	51,048
	Per CWT	Per CWT	Per CWT
3. Net Value Produced	\$ 58.45	65.91	53.91
4. Other Miscellaneous Beef Income			
5. Total Value Produced	\$ 58.45 *	65.91 *	53.91 *
6. Pounds of Feed Fed			
7. Grain	989.2	804.9	527.8
8. Protein, Salt + Mineral	49.2	53.2	37.7
9. Legume Hay	54.5	118.2	90.1
10. Other Hay + Dry Roughage	0.7	19.2	130.4
11. Silage	624.3	305.4	476.4
11A. Haylage	148.4	925.6	97.9
12. Feed Cost			
13. Grain	13.96	19.99	13.37
14. Protein, Salt + Mineral	6.09	6.96	5.13
15. Legume Hay/Haylage	1.65	5.00	3.12
16. Other Hay + Dry Roughage	0.02	0.53	1.05
17. Silage	4.88	2.23	3.17
18. Pasture	0.01	0.08	0.04
19. Total Feed Costs	\$ 26.61	34.79	25.88
20. Return Over Feed Costs	\$ 31.84 *	31.12 *	28.03 *
21. Other Direct Costs			
22. Miscellaneous Livestock Expense	0.29	1.66	0.70
23. Veterinary Expense	0.78	0.88	1.20
24. Custom Hauling, Grinding, Marketing Etc.	0.20	0.49	0.68
25. Special Hired Labor			0.12
26. Total Other Direct Costs	\$ 1.27	3.03	2.70
27. Return Over Feed + Other Direct Costs	\$ 30.57 *	28.09 *	25.33 *
28. Allocated Costs			
29. Power + Machinery Costs (PCAF 1.00)	0.98	1.25	1.12
30. Livestock Equipment Costs (ECAF 5)	0.85	1.97	2.61
31. Building + Fences (BCAF 5)	2.15	1.70	1.27
32. Total Allocated Costs	\$ 3.98	4.92	5.00
33. Return Over All Listed Costs	\$ 26.59 *	23.17 *	20.33 *
34. Supplementary Management Information			
35. Return For \$100 Feed Fed	219.65	189.45	208.31
36. Price Per CWT. Sold	64.43	62.77	62.56
37. Average Weight Per Head Sold	886.0	1,158.4	1,108.6
38. Price Per CWT Bought	78.23	78.62	77.89
39. Average Weight Per Head Bought	479.0	487.2	581.6
40. Number of Head Bought	431	19	54
41. Percent Death Loss	0.4	1.4	0.7
42. Effective Daily Gain-Pounds/Head/Day	2.91	1.85	2.42
43. Total Listed Costs Per CWT Produced	\$ 31.86 *	42.74 *	33.58 *
44. Utilities + Other General Farm Expense	3965.33	509.93	902.98
45. Interest Allocation			

Table 15A - Beef Breeding Cattle - 1987

	Average 22	High 11	Low 11
1. Average Number of Cows	35.7	41.4	29.5
2. Average Number of Other Beef Animals + Bulls	23.0	27.3	18.3
3. Pounds of Beef Produced	13,912	16,383	11,194
	Per COW	Per COW	Per COW
4. Net Value Produced	\$ 386.95	451.09	286.98
5. Other Miscellaneous Beef Income			1.53
6. Total Value Produced	\$ 386.95 *	451.09 *	288.51 *
7. Pounds of Feed Fed			
8. Grain	759.7	339.5	1,406.7
9. Protein, Salt + Mineral	68.6	50.7	96.0
10. Legume Hay	2,463.6	2,752.8	2,011.5
11. Other Hay + Dry Roughage	1,389.4	917.9	2,113.9
12. Silage	2,781.9	3,609.1	1,498.3
12A. Haylage			
13. Feed Costs			
14. Grain	23.84	14.18	38.68
15. Protein, Salt + Mineral	9.89	7.00	14.27
16. Legume Hay/Haylage	69.30	79.52	53.39
17. Other Hay + Dry Roughage	19.69	10.14	34.41
18. Silage	20.95	26.81	11.83
19. Pasture	25.55	28.04	21.63
20. Total Feed Costs	\$ 169.22	165.69	174.21
21. Return Over Feed Costs	\$ 217.73 *	285.40 *	114.30 *
22. Other Direct Costs			
23. Miscellaneous Livestock Expense	4.99	5.12	4.75
24. Veterinary Expense	8.10	6.71	10.17
25. Custom Hauling, Grinding, Marketing Etc.	2.13	3.04	0.71
26. Special Hired Labor	1.79	2.97	
27. Total Other Direct Costs	\$ 17.01	17.87	15.63
28. Return Over Feed + Other Direct Costs	\$ 200.72 *	267.53 *	98.67 *
29. Allocated Costs			
30. Power + Machinery Costs (PCAF 1.00)	14.32	14.61	13.82
31. Livestock Equipment Costs (ECAAF 5)	15.82	19.18	10.60
32. Building + Fences (BCAF 5)	16.61	9.52	27.53
33. Total Allocated Costs	\$ 46.75	43.31	51.95
34. Return Over All listed Costs	\$ 153.97 *	224.22 *	46.72 *
35. Supplementary Management Information			
36. Return For \$100 Feed Fed	228.67	272.15	165.62
37. Price Per CWT. Sold	59.02	60.08	57.89
38. Price Per CWT. Calves Sold or Transferred	74.34	76.12	70.73
39. Average Weight Per Head Sold	730.3	824.2	659.9
40. Average Weight Per Calf Sold/Transferred	512.5	521.5	499.8
41. Percent Death Loss	4.3	3.8	6.5
42. Percent Calf Crop	100.0	100.0	100.0
42A. Percent Calf Death Loss	8.3	4.8	13.3
43. Total Listed Costs Per Cow	\$ 232.98 *	226.87 *	241.79 *
44. Utilities + Other General Farm Expense	790.43	935.04	549.83
45. Interest Allocation			

Table 14 - All Dairy Cattle - 1987

	Average 35	High 12	Low 12
1. Average Number of Cows	44.6	47.7	38.6
	Per COW	Per COW	Per COW
2. Value of Dairy Products	\$ 1,685.18	1,997.55	1,372.23
3. Net Change in Value	434.89	614.40	261.79
4. Miscellaneous Dairy Income	1.30		
5. Total Value Produced	\$ 2,121.37 *	2,611.95 *	1,634.02 *
6. Pounds of Feed Fed			
7. Grains	7,457.0	8,484.0	7,537.2
8. Complete Rations	565.2	48.0	32.0
9. Protein, Salt + Mineral, Incl Milk Equiv	1,666.2	1,900.3	1,781.2
10. Hay + Dry Roughage	6,673.6	8,084.2	7,269.9
11. Silage	17,662.4	15,313.1	24,891.7
11A. Haylage	3,353.5	2,457.4	2,746.1
12. Feed Cost			
13. Grains	192.89	209.92	214.35
14. Complete Ration	29.91	3.25	1.71
15. Protein, Salt + Minerals, Incl Milk	255.83	284.91	242.88
16. Hay/Haylage + Dry Roughage	223.34	247.71	227.28
17. Silage	126.28	121.72	146.84
18. Pasture	7.02	10.96	6.04
19. Total Feed Costs	\$ 835.27	878.47	839.10
20. Return Over Feed Costs	\$ 1,286.10 *	1,733.48 *	794.92 *
21. Other Direct Costs			
22. Miscellaneous Livestock Expense	178.30	154.72	104.51
23. Veterinary Expense	43.48	73.31	34.61
24. Custom Hauling, Grinding, Marketing Etc.	54.93	82.98	52.31
25. Special Hired Labor	7.24	1.74	13.94
26. Total Other Direct Costs	\$ 283.95	312.75	205.37
27. Return Over Feed + Other Direct Costs	\$ 1,002.15 *	1,420.73 *	589.55 *
28. Allocated Costs			
29. Power + Machinery Costs	82.78	87.45	95.54
30. Livestock Equipment Costs	86.10	137.46	50.54
31. Building + Fences	108.99	157.87	55.03
32. Total Allocated Costs	\$ 277.87	382.78	201.11
33. Return Over All Listed Costs	\$ 724.28 *	1,037.95 *	388.44 *
34. Supplementary Management Information			
35. Return For \$100 Feed Fed	253.97	297.33	194.73
36. Total Listed Costs Per Cow	\$ 1,397.09 *	1,574.00 *	1,245.58 *
37. Utilities + Other General Farm Expense	5138.46	4190.02	4929.51
38. Interest Allocation			

Table 11C 6510 - Hogs, Weaning Pig Production - 1987

	Average 25	High 12	Low 12
1. Number of Litter Farrowed	157	144	171
	Per LITTER	Per LITTER	Per LITTER
2. Net Value Produced	\$ 404.45	433.31	378.31
3. Other Miscellaneous Hog Income			
4. Total Value Produced	\$ 404.45 *	433.31 *	378.31 *
5. Pounds of Feed Fed			
6. Corn	1352.5	1,392.5	1316.6
7. Small Grain	41.1	49.7	33.4
8. Complete Ration	97.9	15.6	173.0
9. Protein, Salt, Mineral + Milk	520.6	466.0	570.6
10. Total Concentrates	2012.1	1,923.8	2,093.6
11. Forages			
12. Feed Cost			
13. Grains	37.29	38.39	36.30
14. Complete Ration	10.68	2.99	17.71
15. Protein, Salt, Mineral + Milk	86.32	76.33	95.49
16. Forages			
17. Pasture			
18. Total Feed Costs	\$ 134.29	117.71	149.50
19. Return Over Feed Costs	\$ 270.16 *	315.60 *	228.81 *
20. Other Direct Costs			
21. Miscellaneous Livestock Expense	14.71	14.97	14.91
22. Veterinary Expense	18.62	19.49	17.85
23. Custom Hauling, Grinding, Marketing Etc.	2.50	1.12	3.77
24. Special Hired Labor	5.66	9.80	1.88
25. Total Other Direct Costs	\$ 41.49	45.38	38.41
26. Return Over Feed + Other Direct Costs	\$ 228.67 *	270.22 *	190.40 *
27. Allocated Costs			
28. Power + Machinery Costs (PCAF 1.00)	14.71	11.41	17.73
29. Livestock Equipment Costs (ECAF 5)	17.07	15.76	18.27
30. Building + Fences (BCAF 5)	15.25	17.53	13.75
31. Total Allocated Costs	\$ 47.03	44.70	49.75
32. Return Over All Listed Costs	\$ 181.64 *	225.52 *	140.65 *
33. Supplementary Management Information			
34. Return For \$100 Feed Fed	301.18	347.99	253.05
35. Average Price Received Per Animal Sold	58.47	61.40	55.92
36. Average Price Per Pig Sold or Transferred	54.43	54.18	54.67
37. Average Weight Per Pig Sold or Transferred	58.6	58.6	58.5
38. Number of Pigs Produced	1,276	1,145	1,417
39. Number of Pigs Born Per Litter	10.3	10.3	10.3
40. Number of Pigs Weaned Per Litter	8.3	8.3	7.8
40A. Litter/Bearing Female/Year	1.8	1.9	1.7
40B. Pigs Produced/Per Sow/Per Year	14.9	15.8	14.1
41. Percent Death Loss	14.4	12.7	15.7
42. Price Per CWT Concentrate Fed	6.67	6.12	7.14
43. Price Per CWT Protein, Salt + Mineral	16.58	16.38	16.74
44. Feed + Direct Costs Per Pig Produced	21.63	20.51	22.68
45. Total Listed Costs Per Litter	\$ 222.81 *	207.79 *	237.66 *
46. Utilities + General Farm Expense	4430.52	3,158.12	6,265.95
47. Interest Allocation			

Table 11B 6490 - Hogs, Finishing Enterprise - 1987

	Average 53	High 13	Low 13
1. Average Number of Pigs on Hand	239.4	222.8	170.3
2. Pounds of Hogs Produced	174,904	88,584	35,041
	Per CWT	Per CWT	Per CWT
3. Net Value Produced	\$ 35.38	43.78	30.12
4. Other Miscellaneous Hog Income	0.03		
5. Total Value Produced	\$ 35.41 *	43.78 *	30.12 *
6. Pounds of Feed Fed			
7. Corn	272.0	249.7	251.8
8. Small Grain	2.1	4.8	5.3
9. Complete Ration	18.9	2.6	86.8
10. Protein, Salt, Mineral + Milk	73.2	74.1	78.5
11. Total Concentrate	366.2	331.2	422.4
12. Forages			
13. Feed Cost			
14. Grains	8.77	8.02	8.73
15. Complete Ration	1.30	3.33	5.28
16. Protein, Salt, Mineral + Milk	10.19	9.65	11.65
17. Forages			
18. Pasture			
19. Total Feed Costs	\$ 20.26	21.00	25.66
20. Return Over Feed Costs	\$ 15.15 *	22.78 *	4.46 *
21. Other Direct Costs			
22. Miscellaneous Livestock Expense	0.50	0.65	0.26
23. Veterinary Expense	0.44	0.60	0.20
24. Custom Hauling, Grinding, Marketing Etc.	0.30	0.20	0.43
25. Special Hired Labor	0.11	0.64	0.24
26. Total Other Direct Costs	\$ 1.35	2.09	1.13
27. Return Over Feed + Other Direct Costs	\$ 13.80 *	20.69 *	3.33 *
28. Allocated Costs			
29. Power + Machinery Costs (PCAF 1.00)	0.46	0.48	0.31
30. Livestock Equipment Costs (ECAAF 5)	0.84	1.87	0.39
31. Building + Fences (BCAF 5)	0.95	1.04	1.08
32. Total Allocated Costs	2.25	3.39	1.78
33. Return Over All Listed Costs	11.55 *	17.30 *	1.55 *
34. Supplementary Management Information			
35. Return For \$100 Feed Fed	174.63	230.43	117.38
36. Price Received Per CWT.	51.78	54.85	49.16
37. Average Weight of Pigs Sold	233.4	214.8	239.9
38. Average Price Paid Per Pig Bought	54.28	48.19	51.60
39. Average Weight Per Pig Bought	52.3	49.5	54.7
40. Number of Pigs Purchased	460	117	348
41. No. Pigs Transferred In	278	291	
42. Average Weight of Pigs Transferred In	47.2	49.3	
43. Pounds of Pork Purchased	24,039	5,796	19,036
44. Percent Death Loss	2.5	2.2	5.5
45. Price Per CWT. Concentrate Fed	5.53	5.80	6.07
46. Price Per CWT. Protein, Salt, + Mineral	13.92	13.02	14.84
47. Effective Daily Gain - Pounds/Pig/Day	1.52	1.62	1.17
48. Total Listed Cost Per CWT Produced	23.86 *	26.48 *	28.57 *
49. Utilities + Other General Farm Expense	1630.78	1294.59	1,760.48
50. Interest Allocation			

Table 11A 6470 - Hogs, Farrow to Finish - 1987

	Average 80	High 17	Low 17
1. Pounds of Hogs Produced	235,876	332,241	165,359
2. Net Value Produced	\$ 51.81	60.23	43.86
3. Other Miscellaneous Hog Income	0.02	0.07	
4. Total Value Produced	\$ 51.83 *	60.30 *	43.86 *
5. Pounds of Feed Fed			
6. Corn	258.4	200.6	285.5
7. Small Grain	3.4	1.2	2.4
8. Complete Ration	56.2	120.4	30.8
9. Protein, Salt, Mineral + Milk	78.0	58.5	88.8
10. Total Concentrates	396.0	380.7	407.5
11. Forages	0.3	0.2	
12. Feed Cost			
13. Grains	6.87	5.08	7.88
14. Complete Ration	3.58	6.89	2.73
15. Protein, Salt, Mineral + Milk	11.39	8.09	14.39
16. Forages			
17. Pasture			
18. Total Feed Costs	\$ 21.84	20.06	25.00
19. Return Over Feed Costs	\$ 29.99 *	40.24 *	18.86 *
20. Other Direct Costs			
21. Miscellaneous Livestock Expense	1.03	1.30	1.35
22. Veterinary Expense	1.36	1.63	0.94
23. Custom Hauling, Grinding, Marketing Etc.	0.60	0.22	0.32
24. Special Hired Labor	0.74	1.90	0.40
25. Total Other Direct Costs	\$ 3.73	5.06	3.00
26. Return Over Feed + Other Direct Costs	\$ 26.26 *	35.18 *	15.86 *
27. Allocated Costs			
28. Power + Machinery Costs (PCAF 1.00)	1.19	1.20	1.31
29. Livestock Equipment Costs (ECAF 5)	2.58	2.65	5.23
30. Building + Fences (BCAF 5)	1.80	2.22	1.25
31. Total Allocated Costs	\$ 5.49	6.35	7.37
32. Return Over All Listed Costs	\$ 20.77 *	28.83 *	8.49 *
33. Supplementary Management Information			
34. Return For \$100 Feed Fed	237.38	300.70	175.45
35. Price Received Per CWT All Animals	54.16	60.54	49.78
36. Price Received Per CWT Sold Mkt. Only	54.43	59.39	50.17
37. Number of Litters Farrowed	134	232	72
37A. Litters Per Bearing Female Per Year	1.8	2.0	1.7
38. Number of Pigs Born Per Litter	10.3	10.4	9.2
39. Number of Pigs Weaned Per Litter	8.5	8.7	7.4
39A. Number of Pigs Produced per Litter	8.6	8.6	9.0
40. Percent Death Loss	13.0	12.3	11.1
41. Average Weight of All Hogs Sold	239.2	243.2	238.5
42. Average Weight of Market Hogs Sold	232.1	231.4	232.2
43. Price Per CWT Concentrate Fed	5.51	5.27	6.13
44. Price Per Cwt Protein, Salt + Mineral	14.60	13.83	16.19
45. Pounds of Pork Purchased	5,879	8,893	3,525
46. Total Listed Costs Per Cwt Produced	\$ 31.06 *	31.47 *	35.37 *
47. Utilities + General Farm Expense	9213	14454	3833
48. Interest Allocation			

COSTS AND RETURNS FROM LIVESTOCK ENTERPRISES

Productive livestock enterprises are an important part of the Farm Business in all but a few of the farms involved in this report. Table 11 through 17A pertain to the major Livestock Enterprises.

Since feed is the largest single item of cost for all classes of livestock, return above feed costs has been used to classify farms into high and low average groups.

Other cash cost items that are relatively easy to identify and classify in the record book are listed in each of the tables as other direct costs to livestock enterprises. The return over feed and supplemental cost, therefore, is not a new return, but rather the amount available after paying for the feed and those cost items listed to cover outlay for the costs of buildings, machinery, equipment, labor, taxes, insurance, interest, and other fixed costs.

In calculating the total return for the enterprise, the inventory change, purchase and sale of livestock, value of animals, butchered, products sold, and products used in the home are considered in order to arrive at the total income or total return for the enterprise. The total is divided by the net quantity produced or the number of head to arrive at a per unit figure for comparison.

Feed costs are determined from feed records kept by the farm operator. Purchase price is used for all feed purchased from off the farm. An average price is charged for each kind of farm grown feed. Farm grown feed prices are listed below.

The items listed as supplementary management information provide further clues to the reasons for high, low or average livestock returns.

All livestock costs and returns for livestock enterprises are computed as return per head or per hundred weight produced.

AVERAGE PRICES USED FOR 1987 FARM GROWN FEEDS

GRAINS	OTHER ROUGHAGES	PASTURE
CORN \$1.40 PER BU.	CORN SILAGE \$15.00 PER TON	COWS \$9.00 PER HEAD/MO
OATS \$1.40 PER BU.	GRASS SILAGE \$13.00 PER TON	YOUNG CATTLE . . . \$4.50 PER HEAD/MO
	LEGUME HAYLAGE \$25.00 PER TON	HOGS \$1.00 PER HEAD/MO
	OATS STRAW \$1.00 PER BALE	SHEEP \$1.25 PER HEAD/MO
	CORN STACKS \$10.00 PER TON	LAMBS \$.90 PER HEAD/MO
HAY		

ALFALFA \$55.00 PER TON		
MIXED HAY \$45.00 PER TON		
WILD HAY \$35.00 PER TON		

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.

WORK UNITS FOR EACH CLASS OF LIVESTOCK & EACH ACRE OF CROP

ITEM	NO. OF WORK UNITS	ITEM	NO. OF WORK UNITS	ITEM	NO. OF WORK UNITS
DAIRY COW	7.0/COW	BARLEY, WHEAT	.30/ACRE	SUGARBEETS	2.00/ACRE
OTHER DAIRY CATTLE	1.2/HEAD	OATS	.30/ACRE	OTHER LEGUME HAY	.40/ACRE
BEEF BREEDING COWS	1.5/HEAD	RYE, FLAX	.30/ACRE	MIXED HAY	.40/ACRE
BEEF FEEDERS	.12/CWT.	CANNING PEAS	.40/ACRE	TAME GRASS HAY	.20/ACRE
HOGS - COMPLETE	.12/CWT.	OATS SILAGE	.40/ACRE	ANNUAL HAY	.30/ACRE
HOGS - FINISHING	.06/CWT.	CORN FOR SEED	.60/ACRE	TILLABLE LAND IDLE	.05/ACRE
HOGS - WEAN. PIGS	1.4/LITTER	CORN FOR GRAIN	.55/ACRE	SET ASIDE ACRES	.05/ACRE
SHEEP, FARM FLOCK	.60/HEAD	CANNING CORN	.50/ACRE	SOYBEANS FOR SEED	.50/ACRE
LAMBS, FEEDER	.30/CWT.	SOYBEANS	.45/ACRE	SORGHUM FOR GRAIN	.50/ACRE
CHICKEN, LAYING FLOCK	5.0/100	CORN SILAGE	.60/ACRE	LABOR OFF THE FARM	1.0/\$40
BROILERS	.20/CWT.	ALFALFA HAY	.60/ACRE		

ANIMAL UNITS

One animal unit represents; one dairy cow or bull, two other dairy cattle, 1.25 beef cows or bulls, one feeder steer or heifer, 3.33 other beef cattle, 7 sheep, 14 lambs, 2.50 hogs, 5 pigs, 50 hens, or 1,100 lbs. of turkey produced.

OTHER NON-CASH COSTS

Unpaid Family Labor . . . \$25.00/DAY	Board Furnished Hired Labor. . . \$6.00/DAY	Interest on Farm Capital. . . 7%
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Table 10 - Crop Data For Alfalfa Hay - 1987

	Average 135	High 30	Low 30
1. Acres	24.2	27.6	22.5
	Per Acre	Per Acre	Per Acre
2. Yield	4.7	7.1	2.8
3. Value Per Production Unit	50.81	49.88	49.23
4. Crop Product Return	\$ 237.27	354.20	140.04
5. Other Crop Income	0.50		2.58
6. Total Crop Return	\$ 237.77 *	354.20 *	142.62 *
7. Direct Costs			
8. Fertilizer	13.39	13.62	9.78
9. Chemicals	0.41		0.22
10. Seed	5.12	2.21	3.60
10A. Crop Drying			
10B. Other Expense	2.15	1.20	2.31
11. Special Hired Labor	0.70		1.96
12. Custom Work Hired	6.40	2.50	10.89
13. Irrigation Operation			
14. Total Direct Costs	\$ 28.17	19.53	28.76
15. Return Over Direct Costs	\$ 209.60 *	334.67 *	113.86 *
16. Allocated Costs (Direct + Fixed)			
17. Farm Power + Machinery - Ownership	23.55	17.03	24.00
18. Farm Power + Machinery - Operation	36.36	33.77	39.82
19. Irrig. Equip Ownership (Manual Alloc)			
20. Land Costs	63.06	67.17	56.84
21. Miscellaneous Costs	0.50		0.22
22. *Interest on Mach. + Equip. Investment	6.61	4.35	5.78
23. Total Allocated Costs	\$ 130.08	122.32	126.66
24. Return Over All Listed Costs	\$ 79.52 *	212.35 *	(12.80) *
25. Supplementary Management Information			
26. Work Units Assigned Per Acre	0.60	0.60	0.60
27. Power Costs Allocation Factor	1.00	1.00	1.00
28. Total Listed Cost/Unit of Production	33.89	19.97	54.64
29. Return Over Listed Costs Per Unit	17.03	29.90	(4.50)
30. Breakeven Yield/Units of Production	3.11	2.84	3.16
30A. Estimated Total Machine Costs/Acre	70.80	56.81	76.86
31. Total Listed Costs Per Acre	\$ 158.25 *	141.85 *	155.42 *
32. Other Possible Costs Not Listed			
33. Utilities + Other General Farm Expenses	217.80	210.30	167.40
33A. Buildings, Fences + Tiling Costs	_____	_____	_____
34. Interest Allocation	_____	_____	_____
35. Other Costs Not Listed	_____	_____	_____
36. Total Costs	_____	_____	_____

*Does not include interest on investment of irrigation equipment
 Lines 13,17,18, + 22 were allocated to this crop by special formula

Table 10 - Crop Data For Soybeans - 1987

	Average 300	High 96	Low 96
1. Acres	131.1	141.9	109.2
	Per Acre	Per Acre	Per Acre
2. Yield	43.0	51.9	32.6
3. Value Per Production Unit	4.82	4.94	4.62
4. Crop Product Return	\$ 207.28	256.16	150.79
5. Other Crop Income**	1.06	0.57	1.31
6. Total Crop Return	\$ 208.34 *	256.73 *	152.10 *
7. Direct Costs			
8. Fertilizer	1.99	2.69	0.92
9. Chemicals	13.81	12.56	14.60
10. Seed	9.02	8.64	8.37
10A. Crop Drying			
10B. Other Expense	6.85	8.94	5.77
11. Special Hired Labor	1.88	1.87	0.94
12. Custom Work Hired	1.98	1.47	2.65
13. Irrigation Operation			
14. Total Direct Costs	\$ 35.53	36.17	33.25
15. Return Over Direct Costs	\$ 172.81 *	220.56 *	118.85 *
16. Allocated Costs (Direct + Fixed)			
17. Farm Power + Machinery - Ownership	18.46	19.65	18.07
18. Farm Power + Machinery - Operation	23.76	22.14	25.72
19. Irrig. Equip Ownership (Manual Alloc)			
20. Land Costs	70.18	77.10	61.48
21. Miscellaneous Costs	0.39	0.27	0.40
22. *Interest on Mach. + Equip. Investment	5.12	5.61	4.16
23. Total Allocated Costs	\$ 117.91	124.77	109.83
24. Return Over All Listed Costs	\$ 54.90 *	95.79 *	9.02 *
25. Supplementary Management Information			
26. Work Units Assigned Per Acre	0.45	0.45	0.45
27. Power Costs Allocation Factor	1.00	1.00	1.00
28. Total Listed Cost/Unit of Production	3.57	3.10	4.38
29. Return Over Listed Costs Per Unit	1.28	1.85	0.28
30. Breakeven Yield/Units of Production	31.82	32.58	30.97
30A. Estimated Total Machine Costs/Acre	48.66	48.39	49.72
31. Total Listed Costs Per Acre	\$ 153.44 *	160.94 *	143.08 *
32. Other Possible Costs Not Listed			
33. Utilities + Other General Farm Expenses	1,137.90	1,530.20	663.30
33A. Buildings, Fences, + Tiling Costs			
34. Interest Allocation			
35. Other Costs Not Listed			
36. Total Costs			

*Does not include interest on investment of irrigation equipment

**Line 5 includes value of crop residue, straw, insurance loss payments, and disaster aid payments.

LINES 13,17,18, + 22 were allocated to this crop by special formula

Table 10 - Crop Data For Corn For Grain - 1987

	Average 300	High 96	Low 96
1. Acres	106.9	116.3	76.0
2. Yield	Per Acre 133.9	Per Acre 158.0	Per Acre 99.3
3. Value Per Production Unit	1.62	1.65	1.55
4. Crop Product Return	\$ 216.92	260.72	153.88
5. Other Crop Income**	2.86	12.81	
6. Total Crop Return	\$ 219.78 *	273.53 *	153.88 *
7. Direct Costs			
8. Fertilizer	32.66	37.33	27.09
9. Chemicals	14.70	15.42	14.29
10. Seed	20.15	21.53	18.76
10A. Crop Drying	4.84	3.90	4.67
10B. Other Expense	3.73	4.25	3.38
11. Special Hired Labor	1.32	1.40	0.63
12. Custom Work Hire	2.90	3.66	2.58
13. Irrigation Operation			
14. Total Direct Costs	\$ 80.30	87.49	71.40
15. Return Over Direct Costs	\$ 139.48 *	186.04 *	82.48 *
16. Allocated Costs (Direct + Fixed)			
17. Farm Power + Machinery - Ownership	22.57	25.28	23.30
18. Farm Power + Machinery - Operation	29.71	31.26	32.88
19. Irrig. Equip Ownership (Manual Alloc)			
20. Land Costs	69.35	74.57	54.67
21. Miscellaneous Costs	1.06	1.20	1.18
22. *Interest on Mach. + Equip. Investment	6.36	6.47	6.16
23. Total Allocated Costs	\$ 129.05	138.78	118.19
24. Return Over All Listed Costs	\$ 10.43 *	47.26 *	(35.71) *
25. Supplementary Management Information			
26. Work Units Assigned Per Acre	0.55	0.55	0.55
27. Power Costs Allocation Factor	1.00	1.00	1.00
28. Total Listed Cost/Unit of Production	1.56	1.43	1.91
29. Return Over Listed Costs Per Unit	0.08	0.30	(0.36)
30. Breakeven Yield/Units of Production	129.23	137.13	122.33
30A. Estimated Total Machine Costs/Acre	60.57	65.45	64.06
31. Total Listed Costs Per Acre	\$ 209.35 *	226.27 *	189.59 *
32. Other Possible Costs Not Listed			
33. Utilities + Other General Farm Expenses	1,200.00	1,646.70	532.40
33A. Buildings, Fences + Tiling Costs			
34. Interest Allocation			
35. Other Costs Not Listed			
36. Total Costs			

*Does not include interest on investment of irrigation equipment

**Line 5 includes value of crop residue, corn stalks, insurance loss payments, and disaster aid payments.

LINES 13,17,18, + 22 were allocated to this crop by special formula

Table 10 - Crop Data For Spring Wheat, Canning Peas, & Sugarbeets 1987

	Canning Peas 5 Farms	Wheat 105 Farms	Sugarbeets 15 Farms
1. Acres	31.4	44.7	178.1
	Per Acre	Per Acre	Per Acre
2. Yield	249.4	44.6	20.9
3. Value Per Production Unit	1.00	2.59	37.08
4. Crop Product Return	\$ 249.40	115.53	775.74
5. Other Crop Income**		6.76	
6. Total Crop Return	\$ 249.40 *	122.29 *	775.74 *
7. Direct Costs			
8. Fertilizer	7.55	16.35	41.92
9. Chemicals	7.93	3.00	38.96
10. Seed		8.43	9.70
10A. Crop Drying			
10B. Other Expense	3.28	1.01	1.24
11. Special Hired Labor	0.32	0.49	53.90
12. Custom Work Hired	1.59	2.86	34.88
13. Irrigation Operation			
14. Total Direct Costs	\$ 20.67	32.14	180.60
15. Return Over Direct Costs	\$ 228.73 *	90.15 *	595.14 *
16. Allocated Costs (Direct + Fixed)			
17. Farm Power + Machinery - Ownership	8.34	13.53	50.52
18. Farm Power + Machinery - Operation	20.25	15.41	95.37
19. Irrig. Equip. Ownership (Manual Alloc)			
20. Land Costs	71.15	65.28	75.02
21. Miscellaneous Costs		0.11	
22. *Interest on Mach. + Equip. Investment	2.17	3.40	14.95
23. Total Allocated Costs	\$ 101.91	97.73	235.86
24. Return Over All Listed Costs	\$ 126.82 *	(7.58) *	359.28 *
25. Supplementary Management Information			
26. Work Units Assigned Per Acre	0.40	0.30	2.00
27. Power Costs Allocation Factor	1.00	1.00	1.00
28. Total Listed Cost/Unit of Production	0.82	2.91	19.91
29. Return Over Listed Costs Per Unit	0.36	(0.17)	17.17
30. Breakeven Yield/Units of Production	122.58	50.15	11.23
30A. Estimated Total Machine Costs/Acre	31.82	34.26	184.11
31. Total Listed Costs Per Acre	\$ 122.58 *	129.87 *	416.46 *
32. Other Possible Costs Not Listed			
33. Utilities +Other General Farm Expenses	195.90	209.20	4,180.30
33A. Buildings, Fences + Tiling Costs			
34. Interest Allocation			
35. Other Costs Not Listed			
36. Total Costs			

*Does not include interest on investment of irrigation equipment

**Line 5 includes value of crop residue, straw, insurance loss payments and disaster aid payments.

Lines 13,17,18, + 22 were allocated to this crop by special formula

Table 10 - Crop Data For Oats, Feed - 1987

	Average 125	High 25	Low 25
1. Acres	18.8	17.6	18.6
	Per Acre	Per Acre	Per Acre
2. Yield	66.1	94.1	37.2
3. Value Per Production Unit	1.48	1.49	1.50
4. Crop Product Return	\$ 97.87	140.17	55.81
5. Other Crop Income**	21.01	17.33	24.78
6. Total Crop Return	\$ 118.88 *	157.50 *	80.59 *
7. Direct Costs			
8. Fertilizer	8.24	7.90	6.51
9. Chemicals	1.81	1.14	0.91
10. Seed	8.40	9.55	7.04
10A. Crop Drying			
10B. Other Expense	1.22	0.57	1.45
11. Special Hired Labor	0.48	0.45	0.48
12. Custom Work Hired	4.41	3.58	5.16
13. Irrigation Operation			
14. Total Direct Costs	\$ 24.56	23.19	21.55
15. Return Over Direct Costs	\$ 94.32 *	134.31 *	59.04 *
16. Allocated Costs (Direct + Fixed)			
17. Farm Power + Machinery - Ownership	14.15	13.64	11.72
18. Farm Power + Machinery - Operation	18.09	19.72	19.19
19. Irrig. Equip Ownership (Manual Alloc)			
20. Land Costs	59.89	66.36	54.46
21. Miscellaneous Costs	0.16		0.05
22. *Interest on Mach. + Equip. Investment	3.46	3.86	3.28
23. Total Allocated Costs	\$ 95.75	103.58	88.70
24. Return Over All Listed Costs	\$ (1.43) *	30.73 *	(29.66) *
25. Supplementary Management Information			
26. Work Units Assigned Per Acre	0.30	0.30	0.30
27. Power Costs Allocation Factor	1.00	1.00	1.00
28. Total Listed Cost/Unit of Production	1.82	1.35	2.96
29. Return Over Listed Costs Per Unit	(0.02)	0.33	(0.80)
30. Breakeven Yield/Units of Production	81.30	85.11	73.51
30A. Estimated Total Machine Costs/Acre	38.63	39.61	37.63
31. Total Listed Costs Per Acre	\$ 120.31 *	126.77 *	110.25 *
32. Other Possible Costs Not Listed			
33. Utilities + Other General Farm Expenses	73.90	100.30	55.80
33A. Buildings, Fences + Tiling Costs			
34. Interest Allocation			
35. Other Costs Not Listed			
36. Total Costs			

*Does not include interest on investment of irrigation equipment

**Line 5 includes value of crop residue, straw, insurance loss payments and disaster aid payments.

LINES 13,17,18, + 22 were allocated to this crop by special formula

TABLE 9 - CROP DATA FOR MAJOR CROPS, DISTRIBUTION OF ACRES & YIELDS - 1987

Crop	ACRES		
	Average of 300 Farms	60 Most Profitable Farms	60 Least Profitable Farms
Total Small Grain + Canning Peas	23.2 *	30.1 *	29.1 *
Total Row Crop	338.2 *	569.5 *	223.0 *
Total Legumes, Including Seed	11.5 *	10.6 *	11.6 *
Total Other Hay	0.7 *	0.0 *	0.1 *
Total Silage + Fodder	6.9 *	10.4 *	4.6 *
Total Tillable Pasture	0.1 *	*	0.0 *
Total Fallow + Idle Land	71.9 *	118.4 *	61.4 *
Total Tillable Land	452.5 *	738.9 *	329.8 *
Total Non-Tillable Hay/Pasture	1.4 *	0.1 *	2.4 *
Wild Hay Not Harvested (Non-Tillable)	2.4	0.5	0.6
Pasture Not Harvested	8.5	4.9	9.9
Roads + Waste	9.9	6.7	6.9
Farmstead	9.0	7.3	10.5
TOTAL LAND NOT HARVESTED	29.8 *	19.4 *	27.9 *
TOTAL NON-TILLABLE LAND	31.2 *	19.5 *	30.3 *
TOTAL LAND IN FARM OR RANCH	483.7 *	758.4 *	360.1 *

SUPPLEMENTARY MANAGEMENT INFORMATION

	300 Average All Farms	60 High Earnings Farms	60 Low Earnings Farms
Percent Land Tillable	93.8	97.4	91.6
Percent land in High Return Crops	96.4	98.2	93.4
*Fertilizer Cost per Acre	16.39	17.01	16.89
*Crop Chemicals per Acre	13.57	14.37	12.44
*Seed and Other Costs per Acre	20.11	18.87	20.79
*Gas, Diesel + Lubricants per Acre	12.41	12.23	14.09
*Repair and Maintenance Cost per Acre	21.19	19.97	23.93

* Tillable land minus tillable pasture, fallow and idle land.

YIELDS

	Number of Farms Growing	Crop Rank	Average Yield All Growers	20% High Yield	20% Low Yield
Corn	300	A	133.9	158.0	99.3
Soybeans	300	A	43.0	51.9	32.6
Alfalfa Hay	135	A	4.7	7.1	2.8
Corn Silage	60	B	16.7	22.5	12.2
Spring Wheat	105	B	44.6	57.7	29.0
Oats	106	D	66.1	94.1	37.2

Table 8 - Measures of Farm Organization and Management Efficiency - 1987

Items	Average 300	High 60	Low 60
1. Return to Operators Labor & Management	\$ 32,806	154,858	(91,875)
2. Crop Yield Index	100.0	105.9	90.0
3. % Tillable Land in High Return Crops	96.4	98.2	93.4
4. Gross Return per Tillable Acre	\$ 217.90	204.04	153.71
5. Return per \$100 Feed Fed Productive Livestock Index	100.0	85.0	109.8
6. *Livestock Units per 100 Acres	21.51	21.56	18.05
7. Size of Business - Work Units	407.56	736.13	266.02
8. Work Units per Worker	308.76	481.13	237.52
9. Power, Machinery, Equipment, Building Expense per Work Unit	\$ 100.69	72.9	116.55
10. Farm Capital Investment per Worker	\$ 410,027	520,687	410,295

30. Number of Animal Units	97.69	159.34	59.53
31. Work Units			
32. Crops	211.37	363.37	140.35
33. Productive Livestock	185.09	358.37	123.19
34. Other Productive Livestock	11.1	14.40	2.48
35. Expenses Per Work Unit			
36. Tractor & Crop Machinery Expenses	\$ 55.12	38.15	68.97
37. Farm Share of Auto & Truck	\$ 11.38	6.79	12.66
38. Farm Share of Electric Expense	\$ 5.45	4.78	4.90
39. Livestock Equipment Expense	\$ 11.52	12.73	8.67
40. Building, Fence & Tiling Expense	\$ 17.22	10.46	21.34
40A. Other exp/Work Units (Inc. Custom Ent)			
40B. General Farm Telephone/Other Utilities Except Electricity	\$ 10.00	9.29	11.68
40C. Hired Labor	\$ 11.07	14.09	8.45
41.** Tractor & Crop Machinery Expense per Crop Acre	\$ 41.81	38.00	53.92
42. Farm Power & Machinery Cost Allocation To Livestock	\$ 1,945.65	3,985.41	1,621.44
43. Bldg., Fence & Tiling Cost Allocated to Crops BCAF (5)	\$ 3,710.00	4,527.00	2,695.00
44. *Acres Include All Tillable Land, Non-Tillable Hay & Pasture			
45. **Acres Include all Tillable Land Plus Acres in Non-Tillable Hay			

MEASURES OF FARM ORGANIZATION AND MANAGEMENT EFFICIENCY

The following explanations and definitions are for use in interpreting Table 8 and the Thermometer Chart on page 13.

1. RET TO LABOR & MGT - A measure of the relative financial return for the operator's labor taking into account all income and expense, cash and non-cash, including a charge for the use of farm capital. This is based on the whole farm business and is found in Table 2 and Table 3.
2. CROP YIELD INDEX - A measure of the crop yield level for all crops produced expressed as a percentage of the average.
3. PERCENT OF TILLABLE LAND IN HIGH RETURN CROPS - A measure of crop selection based on a rating of individual crops. Crop ratings take into account such things as dollar return, effect on soil, TDN yield, labor required, etc. Ratings can be found on Table 9.
4. GROSS RETURN PER ACRE - An additional measure of crop selection based on total production times an average price for the crops.
5. RETURN PER \$100 FEED FED TO PRODUCTIVE LIVESTOCK - Measures the general level of efficiency for all livestock. It is expressed as a percentage of the average and combines the individual livestock indexes into one figure.
6. LIVESTOCK UNITS PER 100 ACRES - A measure of livestock density or population. Unit values are assigned to the various classes of livestock.
7. SIZE OF BUSINESS - WORK UNITS - A measure of the total work load. A work unit represents the average accomplishment of a worker in one 10 hour day. Work Unit values are assigned to each class of livestock, each crop, and to other tasks utilizing farm labor.
8. WORK UNITS PER WORKER - MEASURES LABOR EFFICIENCY - It is the total work units divided by the number of workers including the operator, hired labor, and family labor.
9. POWER, MACHINERY, EQUIPMENT AND BUILDING EXPENSE PER WORK UNIT - A measure of expense control. It is the total cost of items listed in Table 3 divided by the number of work units.
10. FARM CAPITAL INVESTMENT PER WORKER - Indicates size of business. Useful in comparing a farm business to other industries or businesses.

Other items listed on Table 8 are related to the above measures and serve to further define and describe the efficiency level of a farm business.

Note should be taken that items listed in Table 8 and the Thermometer Chart are to be considered in light of the individual farm and farm operator. Although in general, an above-average level for each factor listed would indicate above average earnings, this may not be true when individual farms are considered. The inter-relationship of factors varies from farm to farm.

THERMOMETER CHART

Using your figures from page 15, locate your standing with respect to the various measures of farm organization and management efficiency. The averages for farms included in this summary are located between the dotted lines across the center of the chart.

Return To Labor & Mgt.	Index Of Crop Yield	Gross Return Per Acre	Index Return Per \$100 feed fed	Lvstk Units Per Acre	Work Units Per Worker	Build & Equip Expense Per W.U.
155,000	124	260	132	38	830	485
140,000	121	255	128	36	780	468
125,000	118	250	124	34	730	445
110,000	115	245	120	32	680	425
95,000	112	240	116	30	630	405
80,000	109	235	112	28	580	385
65,000	106	230	108	26	530	365
50,000	103	225	104	24	480	335
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33,000	100	220	100	22	410	310
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15,000	97	215	96	20	380	300
000	94	210	92	18	330	285
-15,000	91	205	88	16	280	265
-30,000	88	200	84	14	230	245
-45,000	85	195	80	12	180	225
-60,000	82	190	76	10	130	205

Table 6B - Operator's Share of Cash Expenses - 1987

Items	Average 300	High 60	Low 60
1. Purchase of Livestock			
2. Dairy Cows	\$ 121		101
3. Other Dairy Cattle	204		59
4. Beef Breeding Cattle	201	287	353
5. Beef Feeder Cattle	10,698	26,312	3,229
6. Hogs Complete & Mixed	2,018	6,850	1,551
7. Hogs Finishing	3,338	2,003	3,094
8. Hogs Producing Weaning Pigs	695	1,143	59
9. Sheep & Goats	78	8	74
10. Sheep, Feeder Lambs			
11. Chickens (Including Hens & Broilers)	91		4
12. Turkeys			
13. Other Productive Livestock	22		81
14. Miscellaneous Livestock Expense	4,004	7,630	2,311
14A. Purch of Crops/Supplies Purch for Resale	9,740	17,331	4,876
15. Feed Bought	24,776	48,217	16,717
16. Fertilizer	6,868	11,365	4,470
17. Chemicals	5,128	9,084	3,380
18. Other Crop Expense	8,760	13,941	7,019
19. Irrigation Operation Expense			
20. Custom Work Ent. Costs, Incl. Labor	189	381	
21. Custom Work Hired	3,079	6,775	2,308
22. Repair & Upkeep of Livestock Equip.	1,500	3,176	807
23. Repair & Upkeep of Farm Real Estate	1,516	2,503	891
24. Gas, Diesel + Lubricants (F S)	4,680	7,493	3,565
25. Repair of Mach, Tractor, Truck & Auto	7,993	13,738	5,402
26. Repair & Upkeep of Irrigation Equip.			
27. Repairs - Custom Work Enterprise	104	151	138
28. Wages of Hired Labor	4,483	9,964	2,198
29. Personal Property & Real Estate Taxes	1,220	2,333	772
30. Cash Rent	17,239	30,693	9,396
31. General Farm Expense	3,650	6,750	3,401
32. Telephone Expense (Farm Share)	400	485	362
33. Electricity Expense (Farm Share)	1,858	3,410	1,251
34. Interest Actually Paid	12,944	25,030	8,568
35. Total Cash Operating Expense	\$ 137,597 *	257,053 *	86,437 *
36. Power & Mach. Bought (Farm Share)	12,237	16,068	9,190
37. Irrigation Equipment Bought			
38. Custom Work Equipment Bought	15	61	
39. Livestock Equipment Bought	1,926	1,831	1,460
40. New Real Estate - Buildings/Improvements	4,263	5,582	3,137
40A. New Real Estate - Land	7,569	22,672	5,251
41. Total Farm Purchases (33) Thru (38A)	\$ 163,607 *	303,267 *	105,475 *
42. Decrease in Farm Capital			70,184
43. Interest on Farm Capital (7% Chg)	6,793	7,466	8,670
44. Unpaid Family Labor	108	54	25
45. Board Furnished Hired Labor	11		
46. Total Farm Expense (41) Thru (45)	\$ 170,519 *	310,787 *	184,354 *
47. Return to Oper. Labor & Mgmt-Single Opert. (6A/40) - (46)	\$ 28,881 *	136,875 *	(76,959) *
48. Return to Capital & Family Labor (47)+(44)+(43)	\$ 35,782	144,395	(68,264)

Return to Capital and Family Labor, Line 48 of this page represents the amount available for debt service, living expenses and savings.

Table 6A - Operator's Share of Cash Receipts - 1987

Items	Average 300	High 60	Low 60
1. Sale of Livestock & Livestock Products			
2. Dairy Cows	\$ 1,257	1,086	640
3. Dairy Products	8,573	12,778	3,894
4. Other Dairy Cattle	1,212	137	600
5. Beef Breeding Cattle	505	305	54
6. Beef Feeder Cattle	18,482	40,790	7,288
7. Hogs Complete & Mixed	34,843	75,942	19,469
8. Hogs Finishing	9,825	8,501	10,960
9. Hogs Producing Weaning Pigs	3,894	7,119	2,542
10. Sheep, Goats & Wool, Farm Flock	496	281	795
11. Sheep & Wool, Feeder Lambs			
12. Chickens (Including Hens & Broilers)	251		
13. Turkeys			
14. Eggs	328		28
15. Other Productive Livestock	29		131
16. Other Miscellaneous Livestock Income	48	41	71
17. Total Sales of Productive Livestock	\$ 79,743 *	146,980 *	46,472 *
18. Sale of Crops			
19. Wheat	1,724	3,140	1,376
20. Other Small Grains	432	132	401
21. Corn	30,126	57,689	18,403
22. Soybeans	25,877	40,409	17,549
22A. Sunflowers			
23. Other Row Crops	5,055	16,220	
24. Legumes & Other Forage	432	73	586
25. Grass Seed			
26. Fruit & Nuts			
27. Vegetable Roadside Market & Specialty			
28. Nursery, Timber & Other			
29. Set Aside Acres-Government Payments	21,461	37,989	11,707
29A. Pik Acres			
29B. Sale of Crops+Supplies Purch for Resale	5,654	9,680	2,654
30. Total Sales From Crops + Supplies	\$ 90,761 *	165,332 *	52,676 *
31. Cap. Assets Sold (Auto/Trk/Mach.)	472	663	275
31A. Cap. Assets Sold (Bldgs & Improvements)	299	329	
31B. Cap. Assets Sold (Land)	2,277	11,106	81
32. Gas Tax Refund			
33. Income From Work Off the Farm	1,573	2,478	1,442
34. Custom Work Enterprise Income	1,084	3,211	482
35. Patronage Refunds	626	682	475
36. Miscellaneous Farm Income	10,637	36,019	5,256
37. Total Farm Sales	\$ 187,472 *	366,800 *	107,159 *
38. Increase in Farm Capital	11,637	80,517	
39. Family Living From the Farm	291	345	236
40. Total Farm Receipts (37)+(38)+(39)	\$ 199,400 *	447,662 *	107,395 *
41. Adjusted Total Farm Sales (37) - (31)	184,424	354,702	106,803
42. Total Cash Farm Operating Expense	137,596	257,052	86,438
43. Net Cash Operating Income	\$ 46,829 *	97,649 *	20,364 *

Table 6A is derived the same way as Table 2A with the exception that landlord's share of the farm business is not included. For the owner-operator, Table 2A and 6A are the same.

Table 5 - Statement of Financial Position - 1987
For Those Operators With a Complete Record of Assets & Liabilities

Items	60 High Profit Farms		60 Low Profit Farms	
	Jan. 1	Dec. 31	Jan. 1	Dec. 31
1. Total Productive Livestock	\$ 62,297	73,421	\$ 22,206	20,419
2. Crop, Seed & Feed	88,695	128,275	31,040	36,224
3. Total Power, Machinery & Equipment	59,549	65,985	28,159	28,306
4. Bare Land	155,902	180,496	180,383	97,768
5. Buildings, Fences, Etc.	57,026	56,800	24,943	23,068
6. Total Farm Capital	\$ 423,469	504,977 *	\$ 286,731	205,785 *
7. Non-Farm Assets	27,724	32,983	22,870	24,158
7A. Cash On Hand & In Bank	11,507	7,454	5,609	3,561
7B. Non Farm Real Estate	349	252	845	844
8. Dwelling	16,050	19,756	17,302	17,708
9. Total Assets	\$ 479,099	565,423 *	\$ 333,357	252,056 *
10. Real Estate Mortgages	165,898	135,250	54,993	58,452
11. Chattel Mortgages	100,487	93,435	54,863	53,238
12. Notes	45,523	44,775	6,653	9,129
13. Accounts Payable	1,758	1,406	1,156	611
14. Total Liabilities	\$ 313,666	274,866 *	\$ 117,665	121,430 *
15. Farmers Net Worth	\$ 165,433	290,557 *	\$ 215,692	130,626 *
16. Gain (or Loss) in Net Worth		\$ 125,124 *		\$ (85,066) *
	* * * * *	* * * * *	* * * * *	
17. Supplementary Management Information				
18. Return to Operators Labor & Mgmt. (6B/47)	136,875		(76,959)	
19. Return to Capital & Family Labor (6B/48)	144,395		(68,264)	
20. Non-Farm Income				
21. Outside Investment Income	989		546	
22. Other Personal Income & Income Tax Refund	5,845		10,315	
22A. Sale of (P.S.) Dwelling, Auto & Truck	42			
23. Total Non-Farm Income	6,876		10,861	
24. Total Family Farm & Non-Farm Income	151,271		(57,403)	
25. Total Money Borrowed (Business + Personal)	148,727		51,599	
26. Total Paid on Debt (Principal-Business Only)	187,402		47,746	
27. Total Cash/Noncash Expense/Pers. Use (4/23C)	34,778		19,126	
28. Ratio: Total Farm-Expenses To Receipts (O.S.)	0.694		1.717	
	Jan. 1	Dec. 31	Jan. 1	Dec. 31
29. Ratio: Total-Assets to Liabilities	1.527	2.057	2.833	2.076
30. Ratio: Non-Real Estate-Assets to Liab.	1.690	2.207	1.753	1.789
31. Ratio: Real Estate-Assets to Liab.	1.382	1.902	4.064	2.385
32. Ratio: Net Worth to Total Liabilities	0.527	1.057	1.833	1.076
33. *Ratio: Cash Oper. Exp to adj Total Farm Sales (O.S.)		0.702		0.809
34. Ratio: Total Farm Recpts to Ave Farm Capital (W.F.)		0.601		0.294
35. Ratio: Total Farm Recpts to Ave Farm Capital (O.S.)		0.992		0.480
36. Inventoried Value of Farm Per Owned Acre		1,472		1,424
37. Inventoried Value of Farm Per Tillable Acre		1,457		1,452
38. Debt (All Sources) Per Acre Owned		1,574		1,248
*Adjusted Farm Sales Does Not Include Sale of Capital Assets				

The Net Worth statement presents a picture of the financial structure of the operator's share of the farm business at the beginning and end of the year. The gain or loss in net worth is a dollar measure of progress. This statement accurately kept, over a period of years is one of the best measures of financial progress.

The supplementary information listed in table 5 is helpful in studying the financial structure of the farm.

*The ratio of total farm expense to total farm receipts (line 28) is a way of expressing the so-called margin. It answers the question, "How many dollars does it cost me to take in \$100?"

**The ratio of assets to liabilities (line 29) indicates the degree of solvency at the beginning and end of the year. This ratio is often referred to as the "Net Capital Ratio". It answers the question: "How many dollars of total assets do I have to cover each dollar of debt?"

Table 5 - Statement of Financial Position - 1987
For Those Operators With a Complete Record of Assets & Liabilities

Items	Average 300	
	Jan. 1	Dec. 31
1. Total Productive Livestock	\$ 36,068	38,593
2. Crop, Seed & Feed	51,114	66,583
3. Total Power, Machinery & Equipment	37,405	40,742
4. Bare Land	120,052	110,536
5. Buildings, Fences, Etc.	31,500	31,334
6. Total Farm Capital	\$ 276,139	287,788 *
7. Non-Farm Assets	24,021	27,028
7A. Cash On Hand & In Bank	6,636	6,216
7B. Non Farm Real Estate	1,537	1,599
8. Dwelling	15,576	16,734
9. Total Assets	\$ 323,909	339,365 *
10. Real Estate Mortgages	89,338	83,937
11. Chattel Mortgages	61,532	58,931
12. Notes	22,919	23,718
13. Accounts Payable	1,369	1,174
14. Total Liabilities	\$ 175,158	167,760 *
15. Farmers Net Worth	\$ 148,751	171,605 *
16. Gain (or Loss) in Net Worth		\$ 22,854 *
* * * * *		
17. Supplementary Management Information		
18. Return to Operators Labor & Mgmt. (6B/47)	\$ 28,881	
19. Return to Capital & Family Labor (6b/48)	35,782	
20. Non-Farm Income		
21. Outside Investment Income	873	
22. Other Personal Income & Income Tax Refund	7,952	
22A. Sale of (P.S.) Dwelling, Auto & Truck	33	
23. Total Non-Farm Income	\$ 8,858	
24. Total Family Farm & Non-Farm Income	\$ 44,640	
25. Total Money Borrowed (Business + Personal)	77,330	
26. Total Paid on Debt (Principal-Business Only)	84,302	
27. Total Cash/Noncash Expense/Pers. Use (4/23C)	24,923	
28. Ratio:Total Farm-Expenses To Receipts (O.S.)	0.855	
	Jan. 1	Dec. 31
29. Ratio: Total-Assets to Liabilities	1.849	2.023
30. Ratio: Non-Real Estate-Assets to Liab.	1.809	2.137
31. Ratio: Real Estate-Assets to Liab.	1.888	1.909
32. Ratio: Net Worth to Total Liabilities	0.849	1.023
33. *Ratio: Cash Oper. Exp to adj Total Farm Sales (O.S.)		0.736
34. Ratio: Total Farm Recpts to Ave Farm Capital (W.F.)		0.430
35. Ratio: Total Farm Recpts to Ave Farm Capital (O.S.)		0.790
36. Inventoried Value of Farm Per Owned Acre		1,356
37. Inventoried Value of Farm Per Tillable Acre		1,467
38. Debt (All Sources) Per Acre Owned		1,434
*Adjusted Farm Sales Does Not Include Sale of Capital Assets		

Table 4 - Household and Personal Expenses - 1987

Items		Average of 200 FARMS	Per Adult Equivalent
1. Number of Persons - Family		4	
2. Number of Adult Equivalent - Family		2.8	
3. Church & Welfare	\$	1,053	376.07
4. Medical Care & Health Insurance		2,307	823.93
5. Food & Meals Bought		4,748	1695.71
6. Operating Expense & Supplies		2,050	732.14
7. Furnishings & Equipment		1,266	452.14
8. Clothing & Clothing Materials		1,376	491.43
9. Personal Care & Spending		2,109	753.21
10. Education		462	165.00
11. Recreation		1,068	381.43
12. Gifts & Special Events		856	305.71
12A. Personal Interest		100	35.71
13. Personal Share Truck & Auto Expense		1,081	386.07
14. Operator Share Upkeep on Dwelling		712	254.29
14A. Cash Rent (Personal)		12	4.29
15. Personal Share Telephone & Elec. Exp		661	236.07
15A. Personal Share - General Farm Expense		48	17.14
16. Total Cash Living Expense	\$	19,909	7,110.34 *
17. Personal Share New Truck & Auto		1,155	412.50
18. New Dwelling Bought		536	191.43
19. Taxes & Other Deductions		3,267	1,166.79
20. Life Insurance		1,585	566.07
21. Total Household & Personal	\$	26,452	9,447.14 *
22. Total Family Living		317	113.21
23. Total Cash & Non-Cash Expenses	\$	26,769	9,560.36 *
23A. Paid on Personal Debt		175	62.50
23B. Savings + Investments (Excl. Life Ins)		157	56.07
23C. Total Cash/Noncash Funds for Pers. Use	\$	27,102	
Family Living From The Farm			
	Quantity		Operator Share
26. Milk & Cream (Quarts)	73		16
27. Beef + Buffalo (Pounds)	283		202
28. Pork (Pounds)	230		96
29. Lamb, Mutton, Goat (Pounds)	1		1
30. Poultry, All Fowl (Pounds)	1		1
32. Vegetables, Fruits & Other Prod. + Fuel			1
33. Total Family Living From the Farm			\$ 317 *

Household and personal accounts are important if the family is to manage their financial affairs wisely. The household and personal expenses and receipts are presented in Table 4. *These families spent an average of \$1,406 per month for cash living expense (line 16) and a total of \$1,650 per month for total personal and household expense (Line 21).

**Table 4 includes 204 farm families who kept complete household and personal records.

Table 3 - Enterprise Statement For Whole Farm - 1987

Items	Average 300	High 60	Low 60
1. Returns & Net Increases			
2. Productive Livestock			
3. Dairy Cows	\$ 8,015	6,085	5,026
4. Other Dairy Cattle	2,734	2,917	1,456
5. Beef Breeding Cattle	1,091	1,357	1,486
6. Feeder Cattle	7,463	13,721	7,327
7. Hogs, Complete & Mixed	36,003	87,777	16,783
8. Hogs Finishing Enterprise	5,795	4,817	6,498
9. Producing Weaning Pigs	4,992	12,992	3,631
10. Sheep & Goats	554	86	869
11. Sheep, Feeder Lambs			
12. Chickens (Including Hens & Broilers)	602		
13. Turkeys			
14. Other Productive Livestock	40		187
15. Total All Productive Livestock	\$ 67,289 *	129,752 *	43,263 *
16. Value of Feed Fed to Livestock (Minus)	32,449	65,819	20,425
17. Return Over Feed From Livestock	34,841	63,934	22,836
18. Crop, Seed & Feed	93,043	183,057	43,288
18A. Crops + Supplies Purch For Resale (Net)	(4,209)	(6,728)	(4,261)
19. Patronage Refunds	628	677	512
20. Miscellaneous Farm Income	10,642	35,101	4,711
21. Custom Work Enterprises	630	1,874	183
22. Total Returns & Net Increases	\$ 135,575 *	277,915 *	67,269 *
23. Expenses & Net Decreases			
24. Truck & Auto (Farm Share)	\$ 3,910	4,995	3,266
25. Tractors & Crop Machinery	18,927	28,081	17,783
26. Irrigation Equipment			
27. Electricity	1,882	3,521	1,277
28. Livestock Equipment	3,959	9,370	2,238
29. Buildings, Fences & Tiling	5,912	7,699	5,507
30. Bare Land	14,402	(14,215)	86,585
31. Miscellaneous Livestock Expense	4,072	7,653	2,499
32. Labor-Paid, Unpaid, (Excl Custom Work labor)	4,131	9,568	2,316
33. Labor Charge for Other Operator(s)	509	386	551
34. Property Tax	2,959	3,390	1,851
35. General Farm Expense	3,674	6,412	2,770
35A. Telephone Expense	402	429	337
36. Interest on Farm Capital (7% Chg)	38,027	55,766	32,167
37. Total Expenses & Net Decreases	\$ 102,766 *	123,055 *	159,147 *
38. Return to Operator & Mgt. (Single Operator)	\$ 32,809	154,860	(91,878)
39. Number of Farm Operators	1	1	1
40. Full Time Operators Equivalents	1.11	1.23	1.07
41. Rtrn to Opr Labor & Mgt/Full Time Opr.	30,014	126,215	(85,350)

Table 3 combines Table 1, 2A & 3. Cash receipts and expenses are adjusted for changes in inventory for each enterprise and for each category of expense in order to show net increases and net decreases. The resulting return to operators labor and management is the same as those on page 6 Line 46.

Table 2B - Whole Farm Summary of Cash Expenses - 1987

Items	Average 300	High 60	Low 60
1. Purchase of Livestock			
2. Dairy Cows	\$ 121	35	157
3. Other Dairy Cattle	204	565	88
4. Beef Breeding Cattle	201	292	209
5. Beef Feeder Cattle	10,791	24,192	10,456
6. Hogs Complete & Mixed	2,048	6,573	1,375
7. Hogs Finishing	3,543	2,458	3,299
8. Hogs Producing Weaning Pigs	695	1,541	739
9. Sheep & Goats	78	11	74
10. Sheep, Feeder Lambs			
11. Chickens (Including Hens & Broilers)	91		
12. Turkeys			
13. Other Productive Livestock	22		81
14. Miscellaneous Livestock Expense	4,072	7,653	2,499
14A. Purch of Crops/Supplies Purch for Resale	9,864	11,531	5,745
15. Feed Bought	25,362	51,307	16,707
16. Fertilizer	7,250	11,869	5,056
17. Chemicals	5,376	9,205	3,581
18. Other Crop Expense	9,006	13,973	7,009
19. Irrigation Operation Expense			
20. Custom Work Ent. Costs, Incl. Labor	189	229	
21. Custom Work Hired	3,096	6,229	1,703
22. Repair & Upkeep of Livestock Equip.	1,518	3,422	890
23. Repair & Upkeep of Farm Real Estate	1,527	2,797	758
24. Gas, Diesel + Lubricants Bought (F S)	4,714	7,580	3,775
25. Repair of Mach, Tractor, Truck & Auto	8,067	12,394	6,422
26. Repair & Upkeep of Irrigation Equip.			
27. Repairs - Custom Work Enterprise	104	151	90
28. Wages of Hired Labor	4,512	10,375	2,249
29. Personal Property & Real Estate Taxes	2,959	3,390	1,851
30. General Farm Expense	3,674	6,412	2,770
31. Telephone Expense (Farm Share)	402	429	337
32. Electricity Expense (Farm Share)	1,872	3,521	1,264
33. Total Cash Operating Expense	\$ 111,358 *	198,134 *	79,184 *
34. Power & Mach. Bought (Farm Share)	12,320	21,765	9,449
35. Irrigation Equipment Bought			
36. Custom Work Equipment Bought	15		
37. Livestock Equipment Bought	1,927	3,734	1,574
38. New Real Estate - Buildings/Improvements	4,265	7,554	2,950
38A. New Real Estate - Land	7,569	21,469	1,394
39. Total Farm Purchases (33) Thru (38A)	\$ 137,454 *	252,656 *	94,551 *
40. Decrease in Farm Capital			86,644
41. Interest on Farm Capital (7% Chg)	37,886	55,766	30,763
42. Unpaid Family Labor	108	54	34
43. Labor Charge Partner & Other Operators	509	386	551
44. Board Furnished Hired Labor	11		
45. Total Farm Expense (39) thru (44)	\$ 175,968 *	308,862 *	212,543 *
46. Return to Oper. Labor & Mgmt-Single Opert. (W.F.) (2A/40) - (45)	32,942 *	154,856 *	(90,477) *
47. Number of Operators	1	1	1
48. Full Time Operators Equivalent	1.11	1.23	1.07
49. Return to Operator Labor & Mgt/Full Time Operator Equivalent	30,014	126,215	(85,350)

Table 2A - Whole Farm Summary of Cash Receipts - 1987

Items	Average 300	High 60	Low 60
1. Sale of Livestock & Livestock Products			
2. Dairy Cows	\$ 1,272	3,164	824
3. Dairy Products	8,573	7,312	5,935
4. Other Dairy Cattle	1,212	1,714	947
5. Beef Breeding Cattle	584	1,128	1,218
6. Beef Feeder Cattle	18,809	36,086	20,406
7. Hogs Complete & Mixed	36,612	87,800	18,113
8. Hogs Finishing	10,324	9,156	11,850
9. Hogs Producing Weaning Pigs	3,962	10,907	1,986
10. Sheep, Goats & Wool, Farm Flock	503	87	752
11. Sheep & Wool, Feeder Lambs			
12. Chickens (Including Hens & Broilers)	251		
13. Turkeys			
14. Eggs	328		
15. Other Productive Livestock	29		131
16. Other Miscellaneous Livestock Income	48		71
17. Total Sales of Productive Livestock	\$ 82,507 *	157,354 *	62,233 *
18. Sale of Crops			
19. Wheat	1,829	4,279	1,931
19A. Durum			
20. Other Small Grains	456	54	518
21. Corn	32,662	61,032	17,029
22. Soybeans	28,839	46,991	17,390
22A. Sunflowers			
23. Other Row Crops	5,055	15,492	
24. Legumes & Other Forage	457	299	715
25. Grass Seed			
26. Fruit & Nuts			
27. Vegetable Roadside Market & Specialty			
28. Nursery, Timber & Other			
29. Set Aside Acres-Government Payments	22,976	38,398	13,195
29A. Pik Acres			
29B. Sale of Crops+Supplies Purch for Resale	5,654	4,803	1,484
30. Total Sales From Crops	\$ 97,928 *	171,348 *	52,262 *
31. Cap. Assets Sold (Auto/Trk/Mach)	472	489	346
31A. Cap. Assets Sold (Buildings & Improv.)	299	293	
31B. Cap. Assets Sold (Land)	3,941	19,039	526
32. Gas Tax Refund			
33. Income From Work Off the Farm	1,573	2,384	837
34. Custom Work Enterprise Income	1,084	2,254	350
35. Patronage Refunds	628	677	512
36. Miscellaneous Farm Income	10,642	35,101	4,711
37. Total Farm Sales	\$ 199,074 *	388,939 *	121,777 *
38. Increase in Farm Capital	9,542	74,471	
39. Family Living From the Farm	294	308	289
40. Total Farm Receipts	\$ 208,910 *	463,718 *	122,066 *

*Operators labor and management earnings, Page 6, Line 46, represent the return to the operator after all expenses are deducted. The calculation is determined by subtracting Table 2B Line 45 From Line 40 Table 2A.

Table 1- Summary of Farm Inventories* - 1987

Items	60 FARMS HIGH PROFIT		60 FARMS LOW PROFIT	
	Jan. 1	Dec. 31	Jan. 1	Dec. 31
1. Size of Farm - Total Acres	758.4		352.6	
2. - Tillable Acres	738.9		321.3	
3. Work Units - Crops	363.37		136.49	
4. - Livestock	358.37		116.33	
5. - Other	14.40		2.48	
6. Total Size of Business in Work Units	736.13		255.30	
7. Number of Workers	1.53		1.10	
8. Farm Capital Investment Per Worker	\$ 520,687		\$ 399,518	
8A Farm Capital Investment Per Work Unit	\$ 1,082		\$ 1,721	
	Jan. 1	Dec. 31	Jan. 1	Dec. 31
9. Productive Livestock				
10. Dairy Cows	6,380	2,607	2,964	2,100
11. Other Dairy Cattle	3,544	4,444	2,061	1,903
12. Beef Breeding Cattle	1,456	1,977	2,137	2,468
13. Beef Feeder Cattle	15,205	17,110	5,704	3,343
14. Hogs	39,060	47,254	12,317	12,585
15. Sheep (Including Feeders) & Goats	92	102	436	553
16. Poultry - All Types				
17. Other Livestock			98	236
18. Total Productive Livestock	\$ 65,737	73,494 *	\$ 25,717	23,188 *
19. Crop, Seed & Feed	84,614	121,659	31,349	35,151
20. Power, Machinery & Equipment				
21. Auto & Truck (Farm Share)	6,158	6,355	2,815	3,457
22. Power & Machinery	43,333	53,243	26,338	24,652
23. Irrigation Equipment				
24. Custom Work Equipment			669	586
25. Livestock Equipment	6,729	7,285	3,030	3,235
26. Total Power, Machinery & Equipment	\$ 56,220	66,883 *	\$ 32,852	31,930 *
27. Land	500,539	517,184	368,004	282,293
28. Buildings-Fences-Etc.	52,308	54,668	25,016	23,439
29. Total Farm Capital	\$ 759,418	833,888 *	\$ 482,938	396,001 *
30. Increase or Decrease In Total Farm Capital		\$ 74,470 *		\$ (86,937) *

Machinery, Equipment, and Building values reflect cost less depreciation. Land is valued at a conservative market value.

Market livestock, crops for sale or feed are valued at market price at time of inventory. Purchased and raised breeding livestock is valued at time it's put into useful production and carries same value for its useful life.

Work units provide a measure of work load and size of the farm business. Some clue to the farm organization is indicated by the distribution of work between crops and livestock.

The number of workers listed on line 7 includes the operator(s), hired labor, and unpaid family labor as well as the labor portion of custom work hired.

Table 1- Summary of Farm Inventories* - 1987

Items	Averages of 300 Farms	
1. Size of Farm - Total Acres	481.7	
2. - Tillable Acres	451.5	
3. Work Units - Crops	211.37	
4. - Livestock	185.09	
5. - Other	11.10	
6. Total Size of Business in Work Units	407.56	
7. Number of Workers	1.32	
8. Farm Capital Investment Per Worker	\$ 410,027	
8A Farm Capital Investment Per Work Unit	\$ 1,328	
	Jan. 1	Dec. 31
9. Productive Livestock		
10. Dairy Cows	4,431	3,700
11. Other Dairy Cattle	2,874	3,418
12. Beef Breeding Cattle	1,525	1,825
13. Beef Feeder Cattle	8,758	8,558
14. Hogs	18,948	21,008
15. Sheep (Including Feeders) & Goats	343	454
16. Poultry - All Types	41	154
17. Other Livestock	33	66
18. Total Productive Livestock	\$ 36,955	39,183 *
19. Crop, Seed & Feed	51,711	66,941
20. Power, Machinery & Equipment		
21. Auto & Truck (Farm Share)	3,502	4,375
22. Power & Machinery	29,778	31,976
23. Irrigation Equipment		
24. Custom Work Equipment	501	345
25. Livestock Equipment	4,715	4,874
26. Total Power, Machinery & Equipment	\$ 38,496	41,570 *
27. Land	376,914	366,212
28. Buildings-Fences-Etc.	32,454	32,034
29. Total Farm Capital	\$ 536,530	545,940 *
30. Increase or Decrease In Total Farm Capital		\$ 9,410 *

*Table 1 on this page lists the categories of Farm Capital for the averages of 300 farms. Page 4 lists the same information for the 60 most profitable and 60 least profitable farm businesses. Table 1 includes the landlord's share of the investment for rented farms.

Other measures of farm size listed in lines 1 through 8 are helpful in describing the farms included in this report.

Size as measured by acres for individual farms varied from 80 to over 2000 acres. However, the majority of the farms fell in the range of 400 to 640 acres.

Of course, some farmers may have benefited more, and some less, depending upon how seriously they studied the results of their business analysis and the kind of decisions they made as a result of the study.

The summary of farm records for the Jackson area (Southwest Minnesota) shows the results of the farm businesses enrolled in management education programs in 1987. Study the results carefully so you can use this information to improve agriculture in your area and your business.

Below is a listing of the schools involved and the instructors responsible for these programs.

Class Location	Instructor
Brewster	Gerald McConkey
Canby	Dale Schoberg
	Dennis Schentzel
Fulda	Mel Faltinson
Heron Lake/Okabena	Dick Amendt
Jackson	Charles Asman
	Doug O'Neil
Granite Falls	M.E. Resvick
	Neale Deters
Lakefield	Harry Gerdes
Luverne	James Ouverson
Marshall	Dennis Schroeder
	James Molenaar
Mt. Lake	Leland Thiesen
Pipestone	David Larson
	Dwayne Eisfeld
Slayton	Chuck Lucht
St. James	Richard Spitzner
Truman	Cliff Vrieze
	Robert Roesler
Tyler H.V.C.C.	Paul Bartz
Wabasso	John Clark
Worthington	Wayne Flynn
	Rolf Mahlberg

The analysis of the records and preparation of the report for the Southwest area is done under the direction of Al Brudellie, Area Coordinator, at the Southwestern Technical Institute (Jackson Campus). Directing in a supervisory capacity are Marlin Wacholz, Director, Southwestern Technical Institute; Dennis Finstad, Campus Director; John Murray, Education Specialist, State Board of Vocational Technical Education; and Dr. Edgar Persons, Chairman of the University of Minnesota Agricultural Education Division. Data processing was done by Specialized Data System, Inc., Madison, Wisconsin. Special acknowledgments to Terri Pelzel, and Sue Lovell for their part in the preparation of this report.

INTRODUCTION

Adult Farm Business Management Education programs have been part of the Public School Vocational Agriculture offerings since 1952. From the early cooperative efforts of the State Department of Education, Department of Agricultural Education (University of Minnesota) and the Department of Agricultural Economics (University of Minnesota), the program has expanded to serve over 4,500 farm families in six regional farm management areas. Programs are now managed by the Minnesota State Board of Vocational Technical Education, through TI's and local school districts.

From the very beginning the purpose of the Farm Business Management education part of the adult agricultural program was to help farm families achieve their farm business and family goals through improved management, organization and efficiency of their farm business. The purpose has not changed.

To accomplish the purpose, programs have been organized to generally conform to the following guidelines:

1. Farmers enroll in a specific farm management course.
2. Each course has a specific major objective and specific units of instruction to meet the objective.
3. Courses are offered in sequence, and farmers are expected to enroll in the first course and follow the sequence. They may continue enrollment in the advanced courses as long as they desire.
4. There is continuity between the courses: Each one leads to the other.
5. Part of the instruction is done on the farm with the individual farm family.

Most programs organize their course around the same central themes. They are:

- Year 1 - Farm business records and accounts.
- Year 2 - Farm business analysis and evaluation.
- Year 3 - Farm business organization.

Advanced (For students who have completed years 1, 2, and 3). In the advanced series of classes and on-farm-instructional visits, the major emphasis is on evaluating the business, examining alternatives, and continuing the reorganization of the resources used in the business.

Like most education programs, enrollees benefit from the instruction in relation to how much effort they put into study. There have been some research studies that show on the average, enrollees get some exciting results.

1987 ANNUAL VOCATIONAL AGRICULTURE FARM BUSINESS MANAGEMENT EDUCATION
PROGRAM REPORT OF SOUTHWESTERN MINNESOTA

AL BRUDELIE
AREA PROGRAM COORDINATOR

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