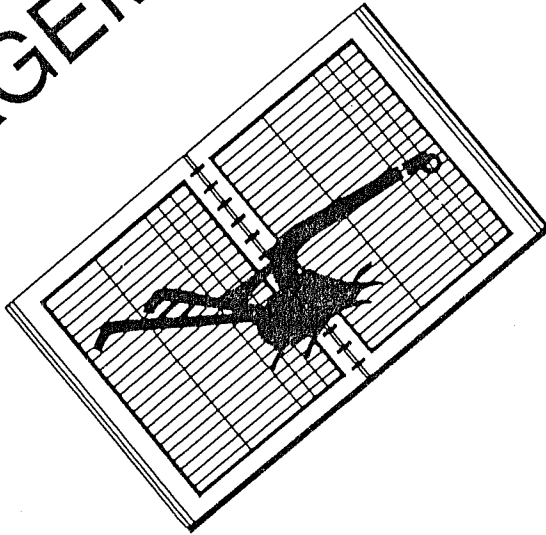


# FARM BUSINESS MANAGEMENT



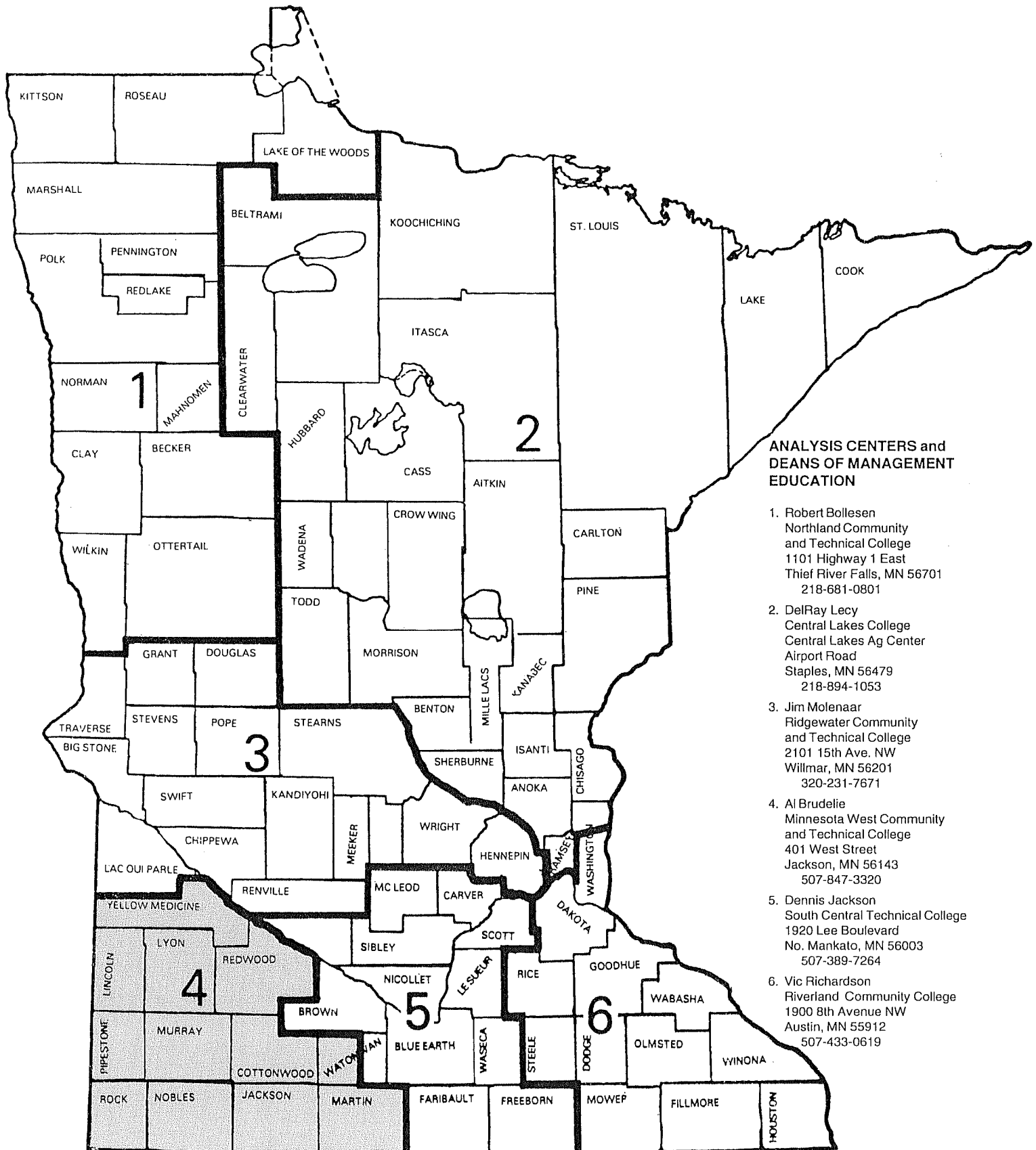
## **1997 Annual Report Southwestern Minnesota March 1998**

AN ADULT  
EDUCATIONAL  
PROGRAM

Minnesota State Colleges and Universities

MINNESOTA WEST COMMUNITY  
AND TECHNICAL COLLEGE

# MANAGEMENT EDUCATION REGIONAL AREAS



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**1997 ANNUAL AGRICULTURE FARM MANAGEMENT EDUCATION  
PROGRAM REPORT OF SOUTHWESTERN MINNESOTA**

*Al Bruderie  
Dean of Management Education*

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## *Introduction*

Farm Business Management Education has been a part of agriculture education programs in Minnesota schools since 1952. From the early cooperative efforts of the State Department of Education and the Department of Agriculture Education (University of Minnesota), the program has expanded to serve over 5,000 farm families each year in six Farm Management areas. Programs are now administered and managed by the Minnesota State Colleges and Universities through the local Technical Colleges.

The Farm Business Management Program is an educational program that is designed to help farm families achieve their farm business and family goals. This is done through improved organization and efficiency of their farm operations. This purpose has not changed over the years.

To accomplish these purposes, programs have been organized to conform to the following guidelines:

- Farm families enroll in a specific management course
- Each course has a specific objective and units of instruction to meet the objective
- Courses are offered in sequence and farmers are expected to enroll in the first of the sequence
- There is continuity to each course. Each leads to the next course in the sequence
- Instruction occurs both in the classroom and on the farm with the farm family

Programs organize their course around the same central theme. They are:

- Level 1 - Introduction to Farm System Management
- Level 2 - Farm System Analysis and Evaluation
- Level 3 - Interpreting and Modifying Farm System Management Plans
- Level 4 - Farm System Trends and Projections
- Level 5 - Integrating Current Information into Farm System Plans
- Level 6 - Examining the Context of Farm System Management Plans

The programs became course/credit based in fiscal year '92. Each individual enrollee completes a needs assessment with the instructor, after which the enrollee registers for classes and course work to meet these needs. A typical farm business enrollee registers for 15 credits per year. The purpose of this effort is to more adequately address the needs of the individual farmer, making enrollment even more beneficial.

Like most educational programs, students benefit from the instruction in relation to how much effort they put into study. Some farmers 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 their analysis.

***SOUTHWEST MINNESOTA  
FARM MANAGEMENT EDUCATION PROGRAMS***

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| <b><i><u>Class Location</u></i></b> | <b><i><u>Instructor</u></i></b> |
|-------------------------------------|---------------------------------|
| Canby . . . . .                     | Dennis Schentzel                |
| Fulda . . . . .                     | Dennis Selberg                  |
| Heron Lake/Okabena . . . . .        | Dick Amendt                     |
| Jackson . . . . .                   | Dick Amendt                     |
| Lakefield . . . . .                 | Harry Gerdes                    |
| Lamberton . . . . .                 | Douglas Kizer                   |
| Luverne . . . . .                   | Jim Ouverson                    |
| Marshall . . . . .                  | Steve Grosland                  |
|                                     | Dennis Schroeder                |
| Mt. Lake . . . . .                  | Leland Thiesen                  |
| Pipestone . . . . .                 | Dave Larson                     |
| Slayton . . . . .                   | Bob Hartman                     |
| St. James . . . . .                 | Richard Spitzner                |
| Truman . . . . .                    | Cliff Vrieze                    |
| Tyler . . . . .                     | Paul Bartz                      |
| Welcome . . . . .                   | Larry Griffin                   |
|                                     | Bob Roesler                     |
| Worthington . . . . .               | Rolf Mahlberg                   |

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The Analysis of the records and preparation of the report for the Southwest area is done under the direction of Al Bruderie, Dean of Management Education, at Minnesota West Community and Technical College, Jackson Campus. Directing in a supervisory capacity is John Murray, Director of Management Programs, Minnesota State Colleges and Universities. Special acknowledgments go to The Center for Farm Financial Management, Department of Agricultural Economics, University of Minnesota. Clerical assistance for the preparation of this report was by Suzanne Lovell.

Size Of Farm Report, 1997  
Farm Management Education  
Minnesota West Community & Technical College  
(Farms Sorted By Gross Cash Farm Income)

|                                       | Average For<br>All Farms | 0 -<br>40,000 | 40,001 -<br>100,000 | 100,001 -<br>200,000 | 200,001 -<br>500,000 | 500,001 + |
|---------------------------------------|--------------------------|---------------|---------------------|----------------------|----------------------|-----------|
| Number of farms                       | 427                      | 12            | 46                  | 155                  | 171                  | 43        |
| <b>Income Statement</b>               |                          |               |                     |                      |                      |           |
| Gross cash farm income                | 279296                   | 26836         | 70704               | 149422               | 294532               | 980460    |
| Total cash farm expense               | 232079                   | 31530         | 57198               | 120956               | 234094               | 867672    |
| Net cash farm income                  | 47218                    | -4695         | 13507               | 28467                | 60438                | 112788    |
| Inventory change                      | 5799                     | 4868          | -2250               | 317                  | 4449                 | 39800     |
| Depreciation and capital adjustment   | -19837                   | -3187         | -4408               | -10922               | -22526               | -62429    |
| Net farm income                       | 33181                    | -3013         | 6849                | 17862                | 42361                | 90159     |
| <b>Profitability (market)</b>         |                          |               |                     |                      |                      |           |
| Labor and management earnings         | 25922                    | -5027         | -1092               | 10704                | 34342                | 84827     |
| Rate of return on assets              | 6 %                      | -2 %          | 1 %                 | 4 %                  | 7 %                  | 8 %       |
| Rate of return on equity              | 6 %                      | -25 %         | -6 %                | 1 %                  | 8 %                  | 12 %      |
| Operating profit margin               | 19 %                     | -10 %         | 4 %                 | 13 %                 | 20 %                 | 25 %      |
| Asset turnover rate                   | 33 %                     | 22 %          | 26 %                | 30 %                 | 34 %                 | 34 %      |
| <b>Liquidity</b>                      |                          |               |                     |                      |                      |           |
| Term debt coverage ratio              | 143 %                    | 45 %          | 123 %               | 98 %                 | 149 %                | 183 %     |
| Expense as a percent of income        | 81 %                     | 99 %          | 83 %                | 80 %                 | 78 %                 | 85 %      |
| Interest as a percent of income       | 8 %                      | 21 %          | 13 %                | 10 %                 | 8 %                  | 6 %       |
| <b>Solvency (market)</b>              |                          |               |                     |                      |                      |           |
| Number of sole proprietors            | 398                      | 12            | 45                  | 150                  | 157                  | 34        |
| Ending farm assets                    | 637676                   | 180457        | 246670              | 446897               | 720265               | 1776860   |
| Ending farm liabilities               | 365144                   | 141195        | 134408              | 260079               | 400937               | 1047818   |
| Ending total assets                   | 724937                   | 235193        | 311973              | 529209               | 810311               | 1913639   |
| Ending total liabilities              | 378926                   | 146934        | 139818              | 271825               | 415013               | 1083147   |
| Ending net worth                      | 346011                   | 88259         | 172155              | 257384               | 395298               | 830492    |
| Net worth change                      | 24716                    | 5855          | 12436               | 9727                 | 30350                | 87743     |
| Ending farm debt to asset ratio       | 57 %                     | 78 %          | 54 %                | 58 %                 | 56 %                 | 59 %      |
| Beg total debt to asset ratio         | 52 %                     | 50 %          | 44 %                | 50 %                 | 51 %                 | 57 %      |
| End total debt to asset ratio         | 52 %                     | 62 %          | 45 %                | 51 %                 | 51 %                 | 57 %      |
| <b>Nonfarm Information</b>            |                          |               |                     |                      |                      |           |
| Farms reporting living expenses       | 286                      | 7             | 30                  | 101                  | 121                  | 27        |
| Total family living expense           | 32517                    | 16318         | 23847               | 29354                | 35026                | 46942     |
| Total living, invest, & capital purch | 47451                    | 37109         | 29961               | 39276                | 53787                | 71748     |
| Net nonfarm income                    | 15801                    | 22998         | 22970               | 16690                | 13678                | 11359     |
| <b>Crop Acres</b>                     |                          |               |                     |                      |                      |           |
| Total acres owned                     | 165                      | 94            | 91                  | 135                  | 181                  | 307       |
| Total crop acres                      | 556                      | 184           | 227                 | 424                  | 680                  | 989       |
| Total crop acres owned                | 150                      | 55            | 72                  | 127                  | 167                  | 275       |
| Total crop acres cash rented          | 320                      | 98            | 89                  | 224                  | 406                  | 632       |
| Total crop acres share rented         | 86                       | 31            | 67                  | 74                   | 107                  | 82        |

Age Of Operator Report, 1997  
Farm Management Education  
Minnesota West Community & Technical College

|                                       | Average For<br>All Farms | Under 31 | 31 - 40 | 41 - 50 | 51 - 60 | Over 60 |
|---------------------------------------|--------------------------|----------|---------|---------|---------|---------|
| Number of farms                       | 391                      | 37       | 122     | 154     | 58      | 20      |
| Income Statement                      |                          |          |         |         |         |         |
| Gross cash farm income                | 280627                   | 172183   | 265038  | 315145  | 290440  | 282090  |
| Total cash farm expense               | 231565                   | 141776   | 213739  | 265095  | 237269  | 231698  |
| Net cash farm income                  | 49061                    | 30407    | 51299   | 50050   | 53171   | 50392   |
| Inventory change                      | 5756                     | 560      | 8253    | 4762    | 4464    | 11549   |
| Depreciation and capital adjustment   | -20566                   | -14362   | -21381  | -22028  | -18480  | -21878  |
| Net farm income                       | 34251                    | 16605    | 38171   | 32784   | 39155   | 40063   |
| Profitability (market)                |                          |          |         |         |         |         |
| Labor and management earnings         | 27373                    | 16974    | 34389   | 22404   | 36049   | 16909   |
| Rate of return on assets              | 6 %                      | 6 %      | 8 %     | 6 %     | 7 %     | 5 %     |
| Rate of return on equity              | 7 %                      | 2 %      | 10 %    | 5 %     | 8 %     | 5 %     |
| Operating profit margin               | 19 %                     | 13 %     | 20 %    | 17 %    | 27 %    | 21 %    |
| Asset turnover rate                   | 33 %                     | 45 %     | 39 %    | 32 %    | 26 %    | 26 %    |
| Liquidity                             |                          |          |         |         |         |         |
| Term debt coverage ratio              | 144 %                    | 123 %    | 168 %   | 131 %   | 131 %   | 189 %   |
| Expense as a percent of income        | 81 %                     | 82 %     | 78 %    | 83 %    | 80 %    | 79 %    |
| Interest as a percent of income       | 8 %                      | 9 %      | 8 %     | 8 %     | 8 %     | 9 %     |
| Solvency (market)                     |                          |          |         |         |         |         |
| Number of sole proprietors            | 367                      | 35       | 115     | 144     | 54      | 19      |
| Ending farm assets                    | 647995                   | 334967   | 554153  | 696082  | 838256  | 887432  |
| Ending farm liabilities               | 371630                   | 243020   | 336351  | 404150  | 421572  | 433669  |
| Ending total assets                   | 736189                   | 382204   | 622609  | 776118  | 979258  | 1082279 |
| Ending total liabilities              | 385647                   | 258684   | 352662  | 415509  | 435837  | 450207  |
| Ending net worth                      | 350542                   | 123521   | 269947  | 360610  | 543421  | 632072  |
| Net worth change                      | 25569                    | 12429    | 27374   | 20255   | 35386   | 51215   |
| Ending farm debt to asset ratio       | 57 %                     | 73 %     | 61 %    | 58 %    | 50 %    | 49 %    |
| Beg total debt to asset ratio         | 52 %                     | 63 %     | 56 %    | 53 %    | 45 %    | 44 %    |
| End total debt to asset ratio         | 52 %                     | 68 %     | 57 %    | 54 %    | 45 %    | 42 %    |
| Nonfarm Information                   |                          |          |         |         |         |         |
| Farms reporting living expenses       | 271                      | 25       | 89      | 106     | 38      | 13      |
| Total family living expense           | 33138                    | 26696    | 31791   | 35356   | 35676   | 29258   |
| Total living, invest, & capital purch | 48120                    | 38149    | 46047   | 50330   | 51847   | 52567   |
| Net nonfarm income                    | 15540                    | 10872    | 15670   | 17792   | 12238   | 15611   |
| Crop Acres                            |                          |          |         |         |         |         |
| Total acres owned                     | 171                      | 74       | 126     | 177     | 263     | 316     |
| Total crop acres                      | 560                      | 390      | 508     | 650     | 538     | 563     |
| Total crop acres owned                | 152                      | 60       | 111     | 160     | 237     | 271     |
| Total crop acres cash rented          | 324                      | 277      | 334     | 372     | 245     | 212     |
| Total crop acres share rented         | 84                       | 53       | 63      | 118     | 56      | 80      |

Type Of Farm Report, 1997  
Farm Management Education  
Minnesota West Community & Technical College

|                                       | Average For<br>All Farms | Crop   | Dairy  | Hog     | Crop and<br>Dairy | Crop and<br>Hog | Crop and<br>Beef | Other  |
|---------------------------------------|--------------------------|--------|--------|---------|-------------------|-----------------|------------------|--------|
| <b>Number of farms</b>                | 427                      | 211    | 9      | 32      | 15                | 61              | 33               | 61     |
| <b>Income Statement</b>               |                          |        |        |         |                   |                 |                  |        |
| Gross cash farm income                | 279296                   | 195908 | 318235 | 691263  | 240248            | 322381          | 305000           | 262662 |
| Total cash farm expense               | 232079                   | 153952 | 291573 | 609946  | 202368            | 265383          | 272200           | 208255 |
| Net cash farm income                  | 47218                    | 41956  | 26661  | 81317   | 37880             | 56999           | 32800            | 54407  |
| Inventory change                      | 5799                     | 2241   | 19065  | 26488   | -1346             | 4942            | 19483            | 2738   |
| Depreciation and capital adjustment   | -19837                   | -14802 | -13321 | -40903  | -12117            | -27282          | -13851           | -25141 |
| Net farm income                       | 33181                    | 29395  | 32405  | 66902   | 24417             | 34659           | 38432            | 32004  |
| <b>Profitability (market)</b>         |                          |        |        |         |                   |                 |                  |        |
| Labor and management earnings         | 25922                    | 22887  | 26392  | 63478   | 13279             | 27798           | 28437            | 23071  |
| Rate of return on assets              | 6 %                      | 6 %    | 9 %    | 9 %     | 5 %               | 6 %             | 6 %              | 6 %    |
| Rate of return on equity              | 19 %                     | 6 %    | 10 %   | 13 %    | 2 %               | 6 %             | 7 %              | 6 %    |
| Operating profit margin               | 33 %                     | 18 %   | 22 %   | 25 %    | 13 %              | 19 %            | 22 %             | 19 %   |
| Asset turnover rate                   |                          | 33 %   | 41 %   | 35 %    | 40 %              | 33 %            | 28 %             | 33 %   |
| <b>Liquidity</b>                      |                          |        |        |         |                   |                 |                  |        |
| Term debt coverage ratio              | 143 %                    | 130 %  | 203 %  | 189 %   | 92 %              | 140 %           | 157 %            | 149 %  |
| Expense as a percent of income        | 81 %                     | 77 %   | 86 %   | 85 %    | 85 %              | 81 %            | 84 %             | 78 %   |
| Interest as a percent of income       | 8 %                      | 10 %   | 7 %    | 5 %     | 9 %               | 7 %             | 6 %              | 8 %    |
| <b>Solvency (market)</b>              |                          |        |        |         |                   |                 |                  |        |
| Number of sole proprietors            | 398                      | 198    | 8      | 29      | 12                | 58              | 30               | 58     |
| Ending farm assets                    | 637676                   | 579431 | 547363 | 1092555 | 437632            | 666322          | 677365           | 593922 |
| Ending farm liabilities               | 365144                   | 333089 | 282233 | 676006  | 323291            | 370754          | 361388           | 319260 |
| Ending total assets                   | 724937                   | 668809 | 585004 | 1206254 | 479847            | 757923          | 773710           | 673839 |
| Ending total liabilities              | 378926                   | 345408 | 287853 | 698288  | 344596            | 382163          | 376830           | 335855 |
| Ending net worth                      | 346011                   | 323401 | 297152 | 507966  | 135250            | 375761          | 396880           | 337984 |
| Net worth change                      | 24716                    | 23404  | 22711  | 54387   | 1003              | 23186           | 36081            | 19204  |
| Ending farm debt to asset ratio       | 57 %                     | 57 %   | 52 %   | 62 %    | 74 %              | 56 %            | 53 %             | 54 %   |
| Beg total debt to asset ratio         | 52 %                     | 51 %   | 46 %   | 59 %    | 68 %              | 49 %            | 48 %             | 49 %   |
| End total debt to asset ratio         | 52 %                     | 52 %   | 49 %   | 58 %    | 72 %              | 50 %            | 49 %             | 50 %   |
| <b>Nonfarm Information</b>            |                          |        |        |         |                   |                 |                  |        |
| Farms reporting living expenses       | 286                      | 148    | 4      | 23      | 6                 | 40              | 23               | 41     |
| Total family living expense           | 32517                    | 31096  | -      | 41815   | 30454             | 34357           | 31088            | 32706  |
| Total living, invest, & capital purch | 47451                    | 44951  | -      | 58557   | 34219             | 52992           | 46882            | 49408  |
| Net nonfarm income                    | 15801                    | 16451  | 6756   | 11896   | 11627             | 15209           | 17111            | 16931  |
| <b>Crop Acres</b>                     |                          |        |        |         |                   |                 |                  |        |
| Total acres owned                     | 165                      | 154    | 100    | 146     | 104               | 184             | 254              | 170    |
| Total crop acres                      | 556                      | 607    | 255    | 407     | 527               | 547             | 596              | 496    |
| Total crop acres owned                | 150                      | 149    | 81     | 123     | 133               | 154             | 200              | 146    |
| Total crop acres cash rented          | 320                      | 360    | 153    | 247     | 324               | 290             | 301              | 285    |
| Total crop acres share rented         | 86                       | 98     | 21     | 37      | 70                | 102             | 96               | 65     |



County Report, 1997  
Statewide Financial Database  
Minnesota State Colleges & Universities

|                                       | Average For<br>All Farms | Martin<br>Watonwan | Cottonwood<br>Jackson<br>Lyon<br>Redwood | Lincoln<br>Murray<br>Nobles<br>Pipestone<br>Rock<br>Yellow Medi |
|---------------------------------------|--------------------------|--------------------|------------------------------------------|-----------------------------------------------------------------|
| Number of farms                       | 422                      | 139                | 139                                      | 144                                                             |
| Income Statement                      |                          |                    |                                          |                                                                 |
| Gross cash farm income                | 279221                   | 378084             | 236628                                   | 224904                                                          |
| Total cash farm expense               | 231982                   | 316595             | 194951                                   | 186051                                                          |
| Net cash farm income                  | 47239                    | 61490              | 41677                                    | 38853                                                           |
| Inventory change                      | 5902                     | 14569              | 787                                      | 2472                                                            |
| Depreciation and capital adjustment   | -19879                   | -30215             | -16406                                   | -13255                                                          |
| Net farm income                       | 33262                    | 45844              | 26058                                    | 28071                                                           |
| Profitability (market)                |                          |                    |                                          |                                                                 |
| Labor and management earnings         | 25709                    | 46767              | 12247                                    | 18378                                                           |
| Rate of return on assets              | 6 %                      | 8 %                | 5 %                                      | 5 %                                                             |
| Rate of return on equity              | 6 %                      | 12 %               | 3 %                                      | 5 %                                                             |
| Operating profit margin               | 19 %                     | 22 %               | 16 %                                     | 17 %                                                            |
| Asset turnover rate                   | 33 %                     | 36 %               | 30 %                                     | 32 %                                                            |
| Liquidity                             |                          |                    |                                          |                                                                 |
| Term debt coverage ratio              | 143 %                    | 138 %              | 155 %                                    | 144 %                                                           |
| Expense as a percent of income        | 81 %                     | 80 %               | 82 %                                     | 81 %                                                            |
| Interest as a percent of income       | 8 %                      | 8 %                | 9 %                                      | 7 %                                                             |
| Solvency (market)                     |                          |                    |                                          |                                                                 |
| Number of sole proprietors            | 393                      | 128                | 127                                      | 138                                                             |
| Ending farm assets                    | 636273                   | 829043             | 586492                                   | 503286                                                          |
| Ending farm liabilities               | 364081                   | 533648             | 304220                                   | 261890                                                          |
| Ending total assets                   | 723527                   | 936801             | 666477                                   | 578210                                                          |
| Ending total liabilities              | 377939                   | 559813             | 311781                                   | 270128                                                          |
| Ending net worth                      | 345588                   | 376988             | 354696                                   | 308082                                                          |
| Net worth change                      | 24499                    | 39441              | 16739                                    | 17781                                                           |
| Ending farm debt to asset ratio       | 57 %                     | 64 %               | 52 %                                     | 52 %                                                            |
| Beg total debt to asset ratio         | 52 %                     | 60 %               | 46 %                                     | 45 %                                                            |
| End total debt to asset ratio         | 52 %                     | 60 %               | 47 %                                     | 47 %                                                            |
| Nonfarm Information                   |                          |                    |                                          |                                                                 |
| Farms reporting living expenses       | 282                      | 119                | 100                                      | 63                                                              |
| Total family living expense           | 32438                    | 38053              | 27381                                    | 29858                                                           |
| Total living, invest, & capital purch | 47366                    | 52050              | 44246                                    | 43472                                                           |
| Net nonfarm income                    | 15774                    | 12620              | 20032                                    | 14708                                                           |
| Crop Acres                            |                          |                    |                                          |                                                                 |
| Total acres owned                     | 165                      | 156                | 157                                      | 180                                                             |
| Total crop acres                      | 556                      | 637                | 504                                      | 527                                                             |
| Total crop acres owned                | 150                      | 148                | 148                                      | 153                                                             |
| Total crop acres cash rented          | 320                      | 439                | 256                                      | 265                                                             |
| Total crop acres share rented         | 86                       | 50                 | 99                                       | 109                                                             |

FARM INCOME STATEMENT, 1997  
Farm Management Education  
Minnesota West Community & Technical College  
(Farms sorted by Net Farm Income)

|                           | Average Of<br>All Farms | Average Of<br>Low 20% | Average Of<br>High 20% |
|---------------------------|-------------------------|-----------------------|------------------------|
| Number of Farms           | 427                     | 85                    | 85                     |
| CASH FARM INCOME          |                         |                       |                        |
| Corn                      | 63370                   | 46839                 | 105687                 |
| Corn Silage               | 16                      | -                     | -                      |
| Alfalfa Hay               | 502                     | 727                   | 537                    |
| Grass Hay                 | 105                     | 99                    | 146                    |
| Mixed Hay                 | 92                      | 197                   | 98                     |
| Oats                      | 118                     | 68                    | 159                    |
| Peas                      | 232                     | -                     | 598                    |
| Field Peas                | 21                      | -                     | 106                    |
| Rye                       | 10                      | -                     | 35                     |
| Soybeans                  | 67401                   | 52253                 | 106242                 |
| Soybeans Seed             | 424                     | -                     | 1437                   |
| Straw                     | 39                      | 3                     | 33                     |
| Sweet Corn                | 200                     | 155                   | 589                    |
| Spring Wheat              | 437                     | 93                    | 935                    |
| White Corn                | 59                      | 297                   | -                      |
| Rented Out                | 20                      | -                     | 99                     |
| Miscellaneous crop income | 17                      | 37                    | 29                     |
| Beef Calves               | 834                     | 332                   | 2233                   |
| Custom Fed Beef           | 1381                    | 1527                  | -                      |
| Background Beef           | 1065                    | 1465                  | 2617                   |
| Finish Beef Calves        | 8744                    | 3335                  | 9605                   |
| Finish Yrlg Steers        | 10052                   | 30504                 | 5817                   |
| Milk                      | 10937                   | 17174                 | 13375                  |
| Dairy Calves              | 382                     | 761                   | -                      |
| Dairy Heifers (for sale)  | 853                     | 1183                  | 770                    |
| Dairy Replacement Heifers | 171                     | 448                   | -                      |
| Dairy Steers              | 1895                    | 1709                  | 2309                   |
| Raised Hogs               | 38370                   | 36971                 | 85463                  |
| Feeder Pigs               | 776                     | 1028                  | 1635                   |
| Finish Feeder Pigs        | 20638                   | 28243                 | 37777                  |
| Foals                     | 12                      | -                     | -                      |
| Fdr Lambs                 | 38                      | -                     | -                      |
| Lamb Finishing            | 689                     | -                     | -                      |
| Mkt Lambs                 | 419                     | 545                   | 238                    |
| Turkeys                   | 1027                    | -                     | 5158                   |
| Aquaculture               | 2907                    | -                     | 14602                  |
| Contractee Hogs           | 865                     | 104                   | 280                    |
| Weaning Pigs              | 1361                    | 365                   | 1214                   |
| Weaning to Finish         | 11361                   | 925                   | 54494                  |
| Cull breeding livestock   | 777                     | 506                   | 849                    |
| Misc. livestock income    | 342                     | 201                   | 321                    |
| Deficiency payments       | 9038                    | 7483                  | 15268                  |
| CRP payments              | 151                     | 147                   | 285                    |
| Other government payments | 1526                    | 576                   | 2540                   |
| Custom work income        | 6492                    | 2154                  | 11093                  |
| Patronage dividends, cash | 1332                    | 820                   | 2444                   |
| Insurance income          | 4134                    | 1609                  | 6886                   |
| Cash from hedging accts   | 1455                    | 643                   | 3435                   |
| Other farm income         | 6211                    | 5655                  | 10879                  |
| Gross Cash Farm Income    | 279296                  | 247180                | 508320                 |

FARM INCOME STATEMENT, 1997 (Continued)  
Farm Management Education  
Minnesota West Community & Technical College  
(Farms sorted by Net Farm Income)

CASH EXPENSES

|                                                   | Average Of<br>All Farms | Average Of<br>Low 20% | Average Of<br>High 20% |
|---------------------------------------------------|-------------------------|-----------------------|------------------------|
| Number of Farms                                   | 427                     | 85                    | 85                     |
| <b>CASH FARM EXPENSE</b>                          |                         |                       |                        |
| Seed                                              | 13681                   | 10996                 | 21654                  |
| Fertilizer                                        | 16052                   | 12074                 | 26344                  |
| Crop chemicals                                    | 14390                   | 11513                 | 24448                  |
| Crop insurance                                    | 5003                    | 4238                  | 7689                   |
| Drying fuel                                       | 1542                    | 1293                  | 2454                   |
| Irrigation energy                                 | 4                       | -                     | -                      |
| Crop marketing                                    | 833                     | 278                   | 2482                   |
| Crop miscellaneous                                | 1558                    | 1043                  | 2503                   |
| Feeder livestock purchase                         | 25381                   | 40644                 | 35445                  |
| Purchased feed                                    | 42914                   | 49236                 | 91742                  |
| Breeding fees                                     | 806                     | 596                   | 1801                   |
| Veterinary                                        | 2662                    | 3210                  | 5204                   |
| Livestock supplies                                | 1851                    | 2029                  | 4169                   |
| Livestock leases                                  | 249                     | 251                   | 392                    |
| Grazing fees                                      | 35                      | -                     | 48                     |
| Livestock marketing                               | 597                     | 413                   | 909                    |
| Interest                                          | 21178                   | 22959                 | 28836                  |
| Fuel & oil                                        | 6713                    | 6343                  | 10473                  |
| Repairs                                           | 10058                   | 9062                  | 15520                  |
| Custom hire                                       | 4046                    | 4277                  | 5692                   |
| Hired labor                                       | 6358                    | 6911                  | 16622                  |
| Land rent                                         | 29539                   | 20834                 | 50120                  |
| Machinery & bldg leases                           | 5790                    | 5546                  | 12767                  |
| Real estate taxes                                 | 2612                    | 2574                  | 4612                   |
| Farm insurance                                    | 2493                    | 2339                  | 4262                   |
| Utilities                                         | 3446                    | 3436                  | 5436                   |
| Dues & professional fees                          | 402                     | 208                   | 592                    |
| Hedging account deposits                          | 1563                    | 929                   | 2723                   |
| Miscellaneous                                     | 10324                   | 10890                 | 14708                  |
| Total cash expense                                | 232079                  | 234123                | 399645                 |
| Net cash farm income                              | 47218                   | 13058                 | 108675                 |
| <b>INVENTORY CHANGES</b>                          |                         |                       |                        |
| Crops and feed                                    | -989                    | -10408                | 13716                  |
| Market livestock                                  | 1301                    | -2407                 | 5243                   |
| Accounts receivable                               | 533                     | -683                  | 3519                   |
| Prepaid expenses and supplies                     | 4201                    | 708                   | 11543                  |
| Accounts payable                                  | 753                     | -2021                 | 3119                   |
| Total inventory change                            | 5799                    | -14811                | 37140                  |
| Net operating profit                              | 53017                   | -1753                 | 145814                 |
| <b>DEPRECIATION AND OTHER CAPITAL ADJUSTMENTS</b> |                         |                       |                        |
| Breeding livestock                                | -1215                   | -2022                 | -2193                  |
| Machinery and equipment                           | -13426                  | -11875                | -22425                 |
| Buildings and improvements                        | -5685                   | -4836                 | -12167                 |
| Other farm capital                                | 489                     | -616                  | 1864                   |
| Total depr. and other capital adj                 | -19837                  | -19349                | -34920                 |
| Net farm income                                   | 33181                   | -21102                | 110894                 |

# PROFITABILITY AND LIQUIDITY ANALYSIS, 1997

Farm Management Education  
(Farms sorted by Net Farm Income)

|                                 | Avg. Of<br>All Farms | Avg. Of<br>Low 20 % | Avg. Of<br>High 20 % | Avg. Of<br>All Farms | Avg. Of<br>Low 20 % | Avg. Of<br>High 20 % |
|---------------------------------|----------------------|---------------------|----------------------|----------------------|---------------------|----------------------|
| Number of Farms                 | 359                  | 66                  | 72                   | 427                  | 85                  | 85                   |
| PROFITABILITY                   | ----- Cost -----     |                     |                      | ----- Market -----   |                     |                      |
| Net farm income                 | 34736                | -19530              | 112911               | 42842                | -8567               | 124146               |
| Labor and management earnings   | 23709                | -25414              | 85549                | 25922                | -20904              | 89428                |
| Rate of return on assets        | 6.7 %                | -3.9 %              | 11.9 %               | 6.3 %                | -0.2 %              | 10.2 %               |
| Rate of return on equity        | 5.3 %                | -48.7 %             | 16.1 %               | 6.5 %                | -12.7 %             | 14.8 %               |
| Operating profit margin         | 14.3 %               | -9.7 %              | 24.8 %               | 19.1 %               | -0.8 %              | 28.6 %               |
| Asset turnover rate             | 47.1 %               | 39.8 %              | 47.8 %               | 33.0 %               | 25.2 %              | 35.8 %               |
| Interest on farm net worth      | 11027                | 5884                | 27363                | 16920                | 12337               | 34719                |
| Farm interest expense           | 22060                | 23713               | 29473                | 22003                | 24855               | 29243                |
| Value of operator lbr and mgmt. | 25737                | 18542               | 40620                | 24582                | 17424               | 38783                |
| Return on farm assets           | 31060                | -14360              | 101765               | 40263                | -1136               | 114606               |
| Average farm assets             | 460425               | 371443              | 856677               | 638289               | 562423              | 1120442              |
| Return on farm equity           | 9000                 | -38073              | 72292                | 18260                | -25991              | 85364                |
| Average farm equity             | 171164               | 78207               | 449783               | 281354               | 204570              | 578439               |
| Value of farm production        | 216808               | 147740              | 409687               | 210631               | 141781              | 401417               |

|                                 | Average Of<br>All Farms | Average Of<br>Low 20 % | Average Of<br>High 20 % |
|---------------------------------|-------------------------|------------------------|-------------------------|
| Number of Farms                 | 427                     | 85                     | 85                      |
| LIQUIDITY (Cash)                |                         |                        |                         |
| Net cash farm income            | 47218                   | 13058                  | 108675                  |
| Net nonfarm income              | 15801                   | 21120                  | 12519                   |
| Family living and taxes         | 37989                   | 30155                  | 55647                   |
| Real estate principal payments  | 7545                    | 5824                   | 11831                   |
| Cash available for interm. debt | 17485                   | -1802                  | 53715                   |
| Average intermediate debt       | 66705                   | 71959                  | 90997                   |
| Years to turnover interm. debt  | 3.8                     | **                     | 1.7                     |
| Expense as a % of income        | 83 %                    | 95 %                   | 79 %                    |
| Interest as a % of income       | 8 %                     | 9 %                    | 6 %                     |

|                                 |        |        |        |
|---------------------------------|--------|--------|--------|
| LIQUIDITY (Accrual)             |        |        |        |
| Total accrual farm income       | 280141 | 233683 | 530798 |
| Total accrual farm expense      | 227124 | 235436 | 384983 |
| Net accrual operating income    | 53017  | -1753  | 145814 |
| Net nonfarm income              | 15801  | 21120  | 12519  |
| Family living and taxes         | 37989  | 30155  | 55647  |
| Real estate principal payments  | 7545   | 5824   | 11831  |
| Available for intermediate debt | 23284  | -16613 | 90855  |
| Average intermediate debt       | 66705  | 71959  | 90997  |
| Years to turnover interm. debt  | 2.9    | **     | 1.0    |
| Expense as a % of income        | 81 %   | 101 %  | 73 %   |
| Interest as a % of income       | 8 %    | 11 %   | 6 %    |

\*\* Income insufficient to meet debt servicing requirements

## Explanation of Terms

**Farm Management is:** The utilization of the resources of land, labor and capital in such a way to maximize the return of the scarcest resource, consistent with family and business goals.

**Accuracy Checks.** Accuracy checks determine the financial checks of the business. In the 80's it could be said that less than a 2% error in the cash check was fine. Today however, with the wide use of farm computers and software, the cash and liabilities should check to the dollar.

**Net Cash Income.** Net cash income minus cash farm expenses. This is the cash the farm contributed towards: family living, principal payments, savings and reinvesting in the business.

**Net Operating Profit.** Net operating profit is calculated by taking net cash income and adding the net inventory change (+ or -) for the year.

**Cash Expense as a Percent of Income.** Cash expense as a percent of income shows the percent of gross income used for farm expenses. The remainder is available for family living, savings, taxes, principal payments and to reinvest in the business.

**Net Farm Income.** Net farm income is calculated by subtracting total depreciation and capital adjustments from net operating profit.

**Current Percent in Debt.** Current percent in debt simply divides the sum of all current liabilities by the sum of all current assets. This shows the very short term solvency position of the business.

**Current and Intermediate Percent in Debt.** Current and intermediate percent in debt is the sum of all current and intermediate liabilities divided by the sum of all current and intermediate assets. This is an important measure to monitor from one year to another, as future cashflow problems may well be forecast by a declining short term position.

**Total Percent in Debt.** Total percent in debt is the sum of all liabilities (farm and nonfarm) divided by the sum of all assets (farm and nonfarm). A ratio of 50% indicates the amount of debt equal to the amount of equity you have in the business. Your debt percentage can be important in assessing the risk position of the farm business.

**Rate of Return on Assets.** Rate of return on assets is the interest rate earned on money invested in the business.

**Rate on Return on Equity.** Rate of return on equity is the interest rate your equity earned.

**Operating Profit Margin.** Operating profit margin is a measure of operating efficiency. Return on farm assets/value of farm production.

**Asset Turnover Rate.** Asset turnover rate is a measure of capital efficiency. Value of farm production/average farm investment.

**Debt Turnover.** Years to turnover intermediate debt gives you a benchmark for progress. If it is taking you longer than 7 to 10 years to turn over your intermediate debt, the farm has low profitability or too much debt.

**Term Debt Coverage Ratio.** Term debt coverage ratio looks at your operating to see if the operating generates enough cash to cover principal and interest payments on intermediate and long term debt.

**Interest as a Percent of Income.** Interest as a percent of income ratio indicates the percent of farm income required to cover interest costs.

**Profitability.** Profitability measures the dollar amount the farm has produced for resources contributed.

**Liquidity.** Liquidity measures the ability of a business to meet financial obligation such as: family living, taxes and debt payments.

**Solvency.** Solvency measures the ability of the business to pay off all debts if liquidated.

BALANCE SHEET AT COST VALUES, 1997  
 Farm Management Education  
 (Farms sorted by Net Farm Income)

| Number of Farms                   | Average Of<br>All Farms |        | Average Of<br>Low 20 % |        | Average Of<br>High 20 % |        |
|-----------------------------------|-------------------------|--------|------------------------|--------|-------------------------|--------|
|                                   | 337                     |        | 64                     |        | 64                      |        |
|                                   | Beginning               | Ending | Beginning              | Ending | Beginning               | Ending |
| <b>ASSETS</b>                     |                         |        |                        |        |                         |        |
| Current Farm Assets               |                         |        |                        |        |                         |        |
| Cash and checking balance         | 2997                    | 1485   | 2876                   | 4153   | 9312                    | 1900   |
| Prepaid expenses & supplies       | 11695                   | 15611  | 8933                   | 9858   | 23653                   | 34891  |
| Growing crops                     | 16                      | 12     | 84                     | -      | -                       | -      |
| Accounts receivable               | 4836                    | 5116   | 8084                   | 7376   | 6217                    | 9219   |
| Hedging accounts                  | 698                     | 763    | 675                    | 747    | 1151                    | 1423   |
| Crops held for sale or feed       | 87991                   | 86248  | 62230                  | 51764  | 160149                  | 171163 |
| Crops under government loan       | 12533                   | 13098  | 7645                   | 7186   | 20253                   | 24941  |
| Market livestock held for sale    | 32484                   | 34958  | 28688                  | 26060  | 65284                   | 73872  |
| Other current assets              | 660                     | 795    | 364                    | 251    | 1074                    | 1767   |
| Total current farm assets         | 153910                  | 158087 | 119579                 | 107394 | 287093                  | 319176 |
| Intermediate Farm Assets          |                         |        |                        |        |                         |        |
| Breeding livestock                | 8468                    | 8225   | 10082                  | 9306   | 16648                   | 15657  |
| Machinery and equipment           | 53772                   | 64505  | 48301                  | 55316  | 93586                   | 114501 |
| Other intermediate assets         | 6359                    | 6583   | 7280                   | 7050   | 12969                   | 13812  |
| Total intermediate farm assets    | 68598                   | 79313  | 65663                  | 71671  | 123203                  | 143970 |
| Long-Term Farm Assets             |                         |        |                        |        |                         |        |
| Farm land                         | 127890                  | 139166 | 117845                 | 129868 | 228391                  | 236377 |
| Buildings and improvements        | 51595                   | 64950  | 43416                  | 53507  | 101035                  | 122809 |
| Other long-term assets            | 13455                   | 14716  | 9111                   | 9226   | 23324                   | 25168  |
| Total long-term farm assets       | 192941                  | 218833 | 170371                 | 192601 | 352751                  | 384354 |
| Total Farm Assets                 | 415449                  | 456233 | 355614                 | 371666 | 763047                  | 847501 |
| Total Nonfarm Assets              | 68471                   | 77129  | 49353                  | 57026  | 110846                  | 124444 |
| Total Assets                      | 483920                  | 533361 | 404967                 | 428692 | 873893                  | 971944 |
| <b>LIABILITIES</b>                |                         |        |                        |        |                         |        |
| Current Farm Liabilities          |                         |        |                        |        |                         |        |
| Accrued interest                  | 5701                    | 6846   | 6036                   | 8516   | 7926                    | 9040   |
| Accounts payable                  | 8510                    | 7562   | 8165                   | 8619   | 16435                   | 13982  |
| Current notes                     | 60512                   | 69805  | 56020                  | 68477  | 86293                   | 87380  |
| Government crop loans             | 6677                    | 7669   | 2392                   | 1961   | 12443                   | 17560  |
| Principal due on term debt        | 16433                   | 20126  | 15754                  | 20570  | 24665                   | 29128  |
| Total current farm liabilities    | 97856                   | 112038 | 88390                  | 108145 | 147781                  | 157111 |
| Intermediate Farm Liabilities     | 52739                   | 56132  | 49433                  | 60948  | 80175                   | 82204  |
| Long-term Farm Liabilities        | 112847                  | 131295 | 127951                 | 145020 | 158824                  | 180138 |
| Total Farm Liabilities            | 263442                  | 299465 | 265774                 | 314113 | 386780                  | 419454 |
| Total Nonfarm Liabilities         | 10381                   | 10449  | 7946                   | 8637   | 14289                   | 12919  |
| Total Liabilities                 | 273823                  | 309913 | 273720                 | 322750 | 401069                  | 432373 |
| Net Worth (farm and nonfarm)      | 210097                  | 223448 | 131247                 | 105942 | 472823                  | 539571 |
| Net Worth Change                  |                         | 13351  |                        | -25305 |                         | 66748  |
| <b>RATIO ANALYSIS</b>             |                         |        |                        |        |                         |        |
| Current Farm Liabilities / Assets | 64 %                    | 71 %   | 74 %                   | 101 %  | 51 %                    | 49 %   |
| Curr. & Interm Farm Liab / Assets | 68 %                    | 71 %   | 74 %                   | 94 %   | 56 %                    | 52 %   |
| Long Term Farm Liab. / Assets     | 58 %                    | 60 %   | 75 %                   | 75 %   | 45 %                    | 47 %   |
| Total Liabilities / Assets        | 57 %                    | 58 %   | 68 %                   | 75 %   | 46 %                    | 44 %   |

BALANCE SHEET AT MARKET VALUES, 1997  
Farm Management Education  
(Farms sorted by Net Farm Income)

| Number of Farms                     | Average Of<br>All Farms |        | Average Of<br>Low 20 % |        | Average Of<br>High 20 % |         |
|-------------------------------------|-------------------------|--------|------------------------|--------|-------------------------|---------|
|                                     | 398                     |        | 81                     |        | 75                      |         |
|                                     | Beginning               | Ending | Beginning              | Ending | Beginning               | Ending  |
| <b>ASSETS</b>                       |                         |        |                        |        |                         |         |
| Current Farm Assets                 |                         |        |                        |        |                         |         |
| Cash and checking balance           | 2735                    | 1258   | 4473                   | 4016   | 7803                    | 1565    |
| Prepaid expenses & supplies         | 11007                   | 14701  | 8127                   | 9037   | 22503                   | 32971   |
| Growing crops                       | 100                     | 13     | 67                     | 11     | 459                     | -       |
| Accounts receivable                 | 4416                    | 4828   | 6873                   | 6386   | 5411                    | 8848    |
| Hedging accounts                    | 611                     | 656    | 574                    | 600    | 982                     | 1214    |
| Crops held for sale or feed         | 86477                   | 85167  | 63981                  | 53816  | 155113                  | 166611  |
| Crops under government loan         | 12615                   | 13279  | 8458                   | 8184   | 22664                   | 27561   |
| Market livestock held for sale      | 33825                   | 35837  | 41138                  | 38921  | 62293                   | 69972   |
| Other current assets                | 584                     | 695    | 336                    | 198    | 922                     | 1511    |
| Total current farm assets           | 152371                  | 156432 | 134026                 | 121168 | 278150                  | 310254  |
| Intermediate Farm Assets            |                         |        |                        |        |                         |         |
| Breeding livestock                  | 14178                   | 14459  | 13866                  | 16117  | 21578                   | 21307   |
| Machinery and equipment             | 133504                  | 149149 | 121376                 | 132435 | 219470                  | 248625  |
| Other intermediate assets           | 8572                    | 8633   | 8469                   | 9568   | 15249                   | 15421   |
| Total intermediate farm assets      | 156254                  | 172242 | 143712                 | 158120 | 256296                  | 285354  |
| Long-Term Farm Assets               |                         |        |                        |        |                         |         |
| Farm land                           | 193058                  | 207669 | 192006                 | 204109 | 320580                  | 333213  |
| Buildings and improvements          | 71563                   | 85052  | 60779                  | 72801  | 139837                  | 164684  |
| Other long-term assets              | 15360                   | 16281  | 8757                   | 8590   | 32026                   | 35500   |
| Total long-term farm assets         | 279981                  | 309002 | 261542                 | 285500 | 492443                  | 533397  |
| Total Farm Assets                   | 588606                  | 637676 | 539279                 | 564788 | 1026889                 | 1129005 |
| Total Nonfarm Assets                | 77751                   | 87261  | 66060                  | 75895  | 123148                  | 139424  |
| Total Assets                        | 666356                  | 724937 | 605339                 | 640683 | 1150037                 | 1268429 |
| <b>LIABILITIES</b>                  |                         |        |                        |        |                         |         |
| Current Farm Liabilities            |                         |        |                        |        |                         |         |
| Accrued interest                    | 6176                    | 7048   | 6931                   | 8971   | 8218                    | 8765    |
| Accounts payable                    | 8457                    | 6996   | 8541                   | 8293   | 16345                   | 12826   |
| Current notes                       | 64381                   | 73565  | 70046                  | 83661  | 90903                   | 92535   |
| Government crop loans               | 6893                    | 7911   | 3321                   | 3172   | 13953                   | 19253   |
| Principal due on term debt          | 16405                   | 19865  | 14877                  | 19435  | 24742                   | 29278   |
| Total current farm liabilities      | 102336                  | 115415 | 103734                 | 123534 | 154178                  | 162675  |
| Intermediate Farm Liabilities       | 53061                   | 56550  | 53692                  | 61581  | 76253                   | 78659   |
| Long-term Farm Liabilities          | 113148                  | 129677 | 127691                 | 146327 | 161357                  | 175907  |
| Total Farm Liabilities              | 268546                  | 301643 | 285116                 | 331442 | 391788                  | 417241  |
| Total Nonfarm Liabilities           | 9960                    | 10123  | 7151                   | 7666   | 12799                   | 11783   |
| Total Deferred Liabilities          | 66556                   | 67160  | 46074                  | 43502  | 134556                  | 143082  |
| Total Liabilities                   | 345062                  | 378926 | 338340                 | 382611 | 539143                  | 572106  |
| Net Worth (farm and nonfarm)        | 321295                  | 346011 | 266999                 | 258072 | 610894                  | 696323  |
| Net Worth Change                    |                         | 24716  |                        | -8927  |                         | 85429   |
| <b>RATIO ANALYSIS</b>               |                         |        |                        |        |                         |         |
| Current Farm Liabilities / Assets   | 67 %                    | 74 %   | 77 %                   | 102 %  | 55 %                    | 52 %    |
| Curr. & Inter Farm Liab. / Assets   | 50 %                    | 52 %   | 57 %                   | 66 %   | 43 %                    | 41 %    |
| Long Term Farm Liabilities / Assets | 40 %                    | 42 %   | 49 %                   | 51 %   | 33 %                    | 33 %    |
| Total Liabilities / Assets          | 52 %                    | 52 %   | 56 %                   | 60 %   | 47 %                    | 45 %    |

CROP PRODUCTION AND MARKETING SUMMARY, 1997  
Farm Management Education  
Minnesota West Community & Technical College  
(Farms sorted by Net Farm Income)

|                                          | Average Of<br>All Farms | Average Of<br>Low 20% | Average Of<br>High 20% |
|------------------------------------------|-------------------------|-----------------------|------------------------|
| Number of Farms                          | 427                     | 85                    | 85                     |
| ACREAGE SUMMARY                          |                         |                       |                        |
| Total Acres Owned                        | 165                     | 147                   | 261                    |
| Total Crop Acres                         | 556                     | 441                   | 890                    |
| Crop Acres Owned                         | 150                     | 143                   | 234                    |
| Crop Acres Cash Rented                   | 320                     | 230                   | 512                    |
| Crop Acres Share Rented                  | 86                      | 68                    | 144                    |
| Total Pasture Acres                      | 3                       | 3                     | 2                      |
| AVERAGE PRICE RECEIVED (Cash Sales Only) |                         |                       |                        |
| Corn per bu.                             | 2.42                    | 2.35                  | 2.51                   |
| Soybeans per bu.                         | 7.01                    | 7.04                  | 7.09                   |
| Peas per lb.                             | 0.09                    | -                     | -                      |
| Wheat, Spring per bu.                    | 3.87                    | -                     | 4.10                   |
| Oats per bu.                             | 1.74                    | 1.47                  | 1.90                   |
| Hay, Alfalfa per ton                     | 84.13                   | 91.47                 | 74.91                  |
| Sweet Corn per ton                       | 46.55                   | -                     | -                      |
| Hay, Grass per ton                       | 27.71                   | -                     | -                      |
| Hay, Mixed per ton                       | 53.61                   | -                     | -                      |
| Straw per ton                            | 57.79                   | -                     | -                      |
| AVERAGE YIELD PER ACRE                   |                         |                       |                        |
| Soybeans (bu.)                           | 41.56                   | 39.92                 | 43.39                  |
| Corn (bu.)                               | 129.67                  | 123.63                | 137.01                 |
| Custom Work (\$)                         | 42.73                   | -                     | 75.11                  |
| Corn Silage (ton)                        | 15.53                   | 14.96                 | 14.58                  |
| Hay, Alfalfa (ton)                       | 3.53                    | 2.87                  | 3.57                   |
| Wheat, Spring (bu.)                      | 32.12                   | -                     | 35.15                  |
| Oats (bu.)                               | 69.35                   | 62.96                 | 72.15                  |
| CRP (\$)                                 | 62.26                   | 69.99                 | -                      |
| Pasture (aum)                            | 1.99                    | -                     | -                      |
| Hay, Grass (ton)                         | 2.01                    | -                     | 1.71                   |



STATEMENT OF CASH FLOWS, 1997  
 Farm Management Education  
 Minnesota West Community & Technical College  
 (Farms sorted by Net Farm Income)

|                                             | Average Of<br>All Farms | Average Of<br>Low 20% | Average Of<br>High 20% |
|---------------------------------------------|-------------------------|-----------------------|------------------------|
| Number of Farms                             | 427                     | 85                    | 85                     |
| (a) Beginning cash balance (farm & nonfarm) | 5906                    | 6630                  | 13893                  |
| CASH FROM OPERATING ACTIVITIES              |                         |                       |                        |
| Gross cash farm income                      | 279296                  | 247180                | 508320                 |
| Net nonfarm income (+)                      | 15801                   | 21120                 | 12519                  |
| Total cash farm expense (-)                 | 232079                  | 234123                | 399645                 |
| Apparent family living expense (-)          | 32097                   | 27317                 | 42507                  |
| Income and social security tax (-)          | 5814                    | 2831                  | 12942                  |
| (b) Cash from operations (=)                | 25108                   | 4029                  | 65744                  |
| CASH FROM INVESTING ACTIVITIES              |                         |                       |                        |
| Sale of breeding livestock                  | 3281                    | 2958                  | 5672                   |
| Sale of machinery & equipment (+)           | 1762                    | 1526                  | 3165                   |
| Sale of farm land (+)                       | 1711                    | 5893                  | 2350                   |
| Sale of farm buildings (+)                  | 428                     | 99                    | 1402                   |
| Sale of other farm assets (+)               | 1258                    | 1505                  | 2664                   |
| Sale of nonfarm assets (+)                  | 1746                    | 1225                  | 1660                   |
| Purchase of breeding livestock (-)          | 4319                    | 5145                  | 6300                   |
| Purchase of machinery & equip. (-)          | 26272                   | 20963                 | 48150                  |
| Purchase of farm land (-)                   | 14242                   | 16450                 | 11073                  |
| Purchase of farm buildings (-)              | 17787                   | 14009                 | 31845                  |
| Purchase of other farm assets (-)           | 2190                    | 2361                  | 3176                   |
| Purchase of nonfarm assets (-)              | 8081                    | 5459                  | 14340                  |
| (c) Cash from investing activities (=)      | -62705                  | -51182                | -97971                 |
| CASH FROM FINANCING ACTIVITIES              |                         |                       |                        |
| Money borrowed                              | 194313                  | 200035                | 282099                 |
| Cash gifts and inheritances (+)             | 2667                    | 2497                  | 2336                   |
| Principal payments (-)                      | 160151                  | 155471                | 255978                 |
| Dividends paid (-)                          | 78                      | 7                     | 198                    |
| Gifts given (-)                             | 235                     | 128                   | 679                    |
| (d) Cash from financing activities (=)      | 36516                   | 46926                 | 27579                  |
| (e) Net change in cash balance (b+c+d)      | -1081                   | -227                  | -4647                  |
| Ending cash balance (farm & nonfarm)        | 4825                    | 6403                  | 9246                   |

FINANCIAL GUIDELINES MEASURES, 1997  
 Farm Management Education  
 Minnesota West Community & Technical College  
 (Farms sorted by Net Farm Income)

|                               | Average For<br>All Farms |         | Average For<br>Low 20 % |         | Average For<br>High 20 % |         |
|-------------------------------|--------------------------|---------|-------------------------|---------|--------------------------|---------|
| Number of Farms               | 427                      |         | 85                      |         | 85                       |         |
| LIQUIDITY                     | Beginning                | Ending  | Beginning               | Ending  | Beginning                | Ending  |
| Current ratio                 | 1.53                     | 1.40    | 1.32                    | 1.00    | 1.87                     | 1.94    |
| Working capital               | 55940                    | 46870   | 32702                   | -531    | 137744                   | 158643  |
| SOLVENCY (Market)             | Beginning                | Ending  | Beginning               | Ending  | Beginning                | Ending  |
| Farm debt to asset ratio      | 56 %                     | 56 %    | 61 %                    | 67 %    | 49 %                     | 47 %    |
| Farm equity to asset ratio    | 44 %                     | 44 %    | 39 %                    | 33 %    | 51 %                     | 53 %    |
| Farm debt to equity ratio     | 125 %                    | 128 %   | 158 %                   | 199 %   | 97 %                     | 89 %    |
| PROFITABILITY                 | Cost                     | Market  | Cost                    | Market  | Cost                     | Market  |
| Rate of return on farm assets | 6.7 %                    | 6.3 %   | -3.9 %                  | -0.2 %  | 11.9 %                   | 10.2 %  |
| Rate of return on farm equity | 5.3 %                    | 6.5 %   | -48.7 %                 | -12.7 % | 16.1 %                   | 14.8 %  |
| Operating profit margin       | 14.3 %                   | 19.1 %  | -9.7 %                  | -0.8 %  | 24.8 %                   | 28.6 %  |
| Net farm income               | 34736                    | 42842   | -19530                  | -8567   | 112911                   | 124146  |
| REPAYMENT CAPACITY            | Cash                     | Accrual | Cash                    | Accrual | Cash                     | Accrual |
| Term debt coverage ratio      | 123 %                    | 143 %   | 56 %                    | 3 %     | 194 %                    | 283 %   |
| Capital replacement margin    | 6745                     | 12544   | -12105                  | -26916  | 38793                    | 75933   |
| EFFICIENCY                    |                          |         |                         |         |                          |         |
| Asset turnover rate (market)  | 33.0 %                   |         | 25.2 %                  |         | 35.8 %                   |         |
| Operating expense ratio       | 73.2 %                   |         | 90.1 %                  |         | 67.0 %                   |         |
| Depreciation expense ratio    | 7.1 %                    |         | 8.3 %                   |         | 6.6 %                    |         |
| Interest expense ratio        | 7.9 %                    |         | 10.6 %                  |         | 5.5 %                    |         |
| Net farm income ratio         | 11.8 %                   |         | -9.0 %                  |         | 20.9 %                   |         |

LABOR ANALYSIS

|                                 | Average For<br>All Farms | Average For<br>Low 20 % | Average For<br>High 20 % |
|---------------------------------|--------------------------|-------------------------|--------------------------|
| Number of Farms                 | 227                      | 31                      | 52                       |
| Total unpaid labor hours        | 2512                     | 2167                    | 3036                     |
| Total hired labor hours         | 693                      | 731                     | 2028                     |
| Total labor hours per farm      | 3205                     | 2899                    | 5064                     |
| Value of farm production / hour | 70.55                    | 51.97                   | 86.14                    |
| Net farm income / unpaid hour   | 16.28                    | -8.28                   | 39.12                    |

HOUSEHOLD AND PERSONAL EXPENSES, 1997  
 Farm Management Education  
 Minnesota West Community & Technical College  
 (Farms sorted by Net Farm Income)

|                                                                 | Average For<br>All Farms | Average For<br>Low 20% | Average For<br>High 20% |
|-----------------------------------------------------------------|--------------------------|------------------------|-------------------------|
| Number of Sole Proprietors                                      | 232                      | 40                     | 47                      |
| Average family size                                             | 3.5                      | 3.5                    | 3.8                     |
| FAMILY LIVING EXPENSES                                          |                          |                        |                         |
| Food and meals expense                                          | 5548                     | 4904                   | 6952                    |
| Medical care and health insurance                               | 3835                     | 2781                   | 5359                    |
| Cash donations                                                  | 1143                     | 1105                   | 2078                    |
| Household supplies                                              | 3955                     | 3838                   | 4892                    |
| Clothing                                                        | 1934                     | 1595                   | 2962                    |
| Personal care                                                   | 3430                     | 2716                   | 4631                    |
| Child / Dependent care                                          | 661                      | 908                    | 469                     |
| Gifts                                                           | 1609                     | 1329                   | 2247                    |
| Education                                                       | 960                      | 722                    | 1315                    |
| Recreation                                                      | 2155                     | 1108                   | 3798                    |
| Utilities (household share)                                     | 1490                     | 1418                   | 1452                    |
| Nonfarm vehicle operating expense                               | 2483                     | 2469                   | 2714                    |
| Household real estate taxes                                     | 95                       | 31                     | 200                     |
| Dwelling rent                                                   | 273                      | 381                    | 121                     |
| Household repairs                                               | 950                      | 943                    | 1085                    |
| Nonfarm interest                                                | 502                      | 590                    | 317                     |
| Life insurance payments                                         | 1576                     | 1560                   | 2200                    |
| Total cash family living expense                                | 32602                    | 28399                  | 42795                   |
| Family living from the farm                                     | 209                      | 334                    | 291                     |
| Total family living                                             | 32811                    | 28733                  | 43086                   |
| OTHER NONFARM EXPENDITURES                                      |                          |                        |                         |
| Income taxes                                                    | 6717                     | 2863                   | 14247                   |
| Furnishing & appliance purchases                                | 636                      | 211                    | 1128                    |
| Nonfarm vehicle purchases                                       | 2358                     | 1791                   | 3517                    |
| Nonfarm real estate purchases                                   | 1542                     | 63                     | 3742                    |
| Other nonfarm capital purchases                                 | 1176                     | 1440                   | 2373                    |
| Nonfarm savings & investments                                   | 1651                     | 119                    | 6056                    |
| Total other nonfarm expenditures                                | 14080                    | 6488                   | 31062                   |
| Total cash family living,<br>investment & nonfarm capital purch | 46681                    | 34886                  | 73857                   |
| PARTNERSHIPS                                                    |                          |                        |                         |
| Number of partnerships                                          | 17                       |                        |                         |
| Number of operators per partnership                             | 1.8                      |                        |                         |
| Average owner withdrawals per farm                              | 32733                    |                        |                         |
| Average withdrawals per operator                                | 18396                    |                        |                         |

OPERATOR INFORMATION & NONFARM SUMMARY, 1997  
 Farm Management Education  
 Minnesota West Community & Technical College  
 (Farms sorted by Net Farm Income)

|                                 | Average Of<br>All Farms | Average Of<br>Low 20% | Average Of<br>High 20% |
|---------------------------------|-------------------------|-----------------------|------------------------|
| Number of Farms                 | 427                     | 85                    | 85                     |
| OPERATOR INFORMATION            |                         |                       |                        |
| Average number of operators     | 1.1                     | 1.1                   | 1.2                    |
| Average age of operators        | 43.3                    | 43.5                  | 44.7                   |
| Average number of years farming | 20.6                    | 20.8                  | 22.2                   |
| NONFARM INCOME                  |                         |                       |                        |
| Nonfarm wages & salary          | 11027                   | 14521                 | 7292                   |
| Nonfarm business income         | 1520                    | 3568                  | 1612                   |
| Nonfarm rental income           | 386                     | 597                   | 617                    |
| Nonfarm interest income         | 286                     | 490                   | 429                    |
| Nonfarm cash dividends          | 169                     | 116                   | 135                    |
| Tax refunds                     | 550                     | 761                   | 268                    |
| Gifts and inheritances          | 2667                    | 2497                  | 2336                   |
| Other nonfarm income            | 1864                    | 1067                  | 2166                   |
| Total nonfarm income            | 18468                   | 23617                 | 14854                  |

|                           | Average For All Farms |        |
|---------------------------|-----------------------|--------|
|                           | Beginning             | Ending |
| NONFARM ASSETS (Mkt)      |                       |        |
| Checking & savings        | 2506                  | 2372   |
| Stocks & bonds            | 6666                  | 7712   |
| Other current assets      | 3582                  | 3658   |
| Furniture & appliances    | 9936                  | 10270  |
| Nonfarm vehicles          | 9479                  | 10484  |
| Cash value of life ins.   | 6877                  | 7744   |
| Retirement accounts       | 12837                 | 15775  |
| Other intermediate assets | 4807                  | 5296   |
| Nonfarm real estate       | 9827                  | 11487  |
| Other long term assets    | 7551                  | 8265   |
| Total nonfarm assets      | 74068                 | 83063  |

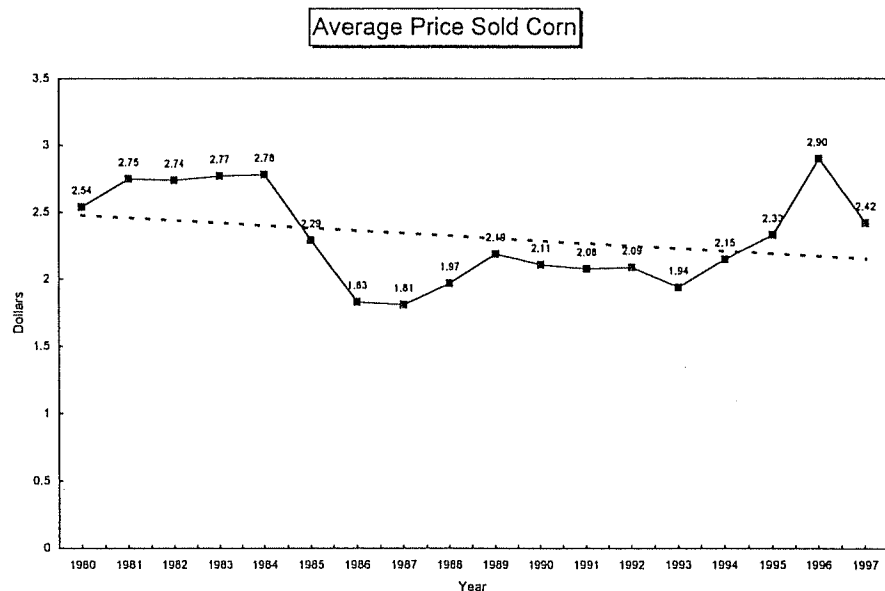
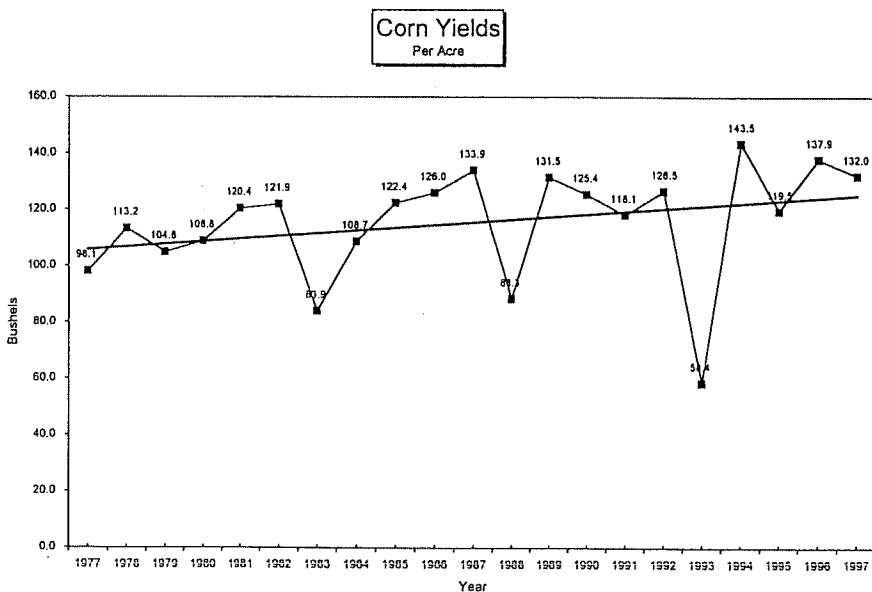
## Individual Crop Enterprise Analysis

The individual crop analysis table shows acres, yield, value per unit, (usually the value per unit at harvest time) and the gross return per acre for each crop raises by a particular farmer the last crop year.

Cost such as fertilizer, chemicals, seed, crop drying expenses, hired labor and custom hire are costs that are assigned to each individual crop in the account book or computerized record system. These costs are shown in the crop enterprise analysis as *Direct Costs*.

Other costs, called *Overhead Costs*, are divided out by formula. Overhead costs are assigned to each enterprise.

There are a couple of subtle differences between the Owned Land and Cash Rented Land tables. Naturally, on cash rented land, the actual cost of renting the land is reported in the direct cost section. On the owned land the land cost is divided into two different lines in the overhead cost section. These are the real-estate taxes and interest on long term debt lines.



Crop Enterprise Analysis, 1997  
Farm Management Education  
Minnesota West Community & Technical College  
(Farms sorted according to Return to Overhead per Acre)

CORN ON OWNED LAND

|                                      | Average Of<br><u>All Farms</u> | Average Of<br><u>Low 20%</u> | Average Of<br><u>High 20%</u> |
|--------------------------------------|--------------------------------|------------------------------|-------------------------------|
| Number of fields                     | 273                            | 50                           | 53                            |
| Number of farms                      | 252                            | 50                           | 50                            |
| Acres                                | 102.43                         | 88.75                        | 138.99                        |
| Yield per acre (bushel)              | 130.99                         | 96.71                        | 155.04                        |
| Operators share of yield %           | 100.00                         | 100.00                       | 100.00                        |
| Value per bushel                     | 2.36                           | 2.35                         | 2.39                          |
| Total product return per acre        | 309.69                         | 227.32                       | 370.24                        |
| Miscellaneous income per acre        | 3.36                           | 8.31                         | 4.10                          |
| Gross return per acre                | 313.05                         | 235.63                       | 374.33                        |
| Direct expenses per acre             |                                |                              |                               |
| Seed                                 | 31.39                          | 32.91                        | 31.21                         |
| Fertilizer                           | 50.90                          | 47.54                        | 49.67                         |
| Crop chemicals                       | 27.42                          | 31.32                        | 26.19                         |
| Crop insurance                       | 7.41                           | 8.81                         | 5.58                          |
| Drying fuel                          | 5.46                           | 6.75                         | 4.64                          |
| Fuel & oil                           | 10.78                          | 11.82                        | 10.48                         |
| Repairs                              | 16.71                          | 17.65                        | 16.40                         |
| Repair, machinery                    | 8.87                           | 12.73                        | 4.13                          |
| Custom hire                          | 3.34                           | 3.93                         | 2.20                          |
| Machinery & bldg leases              | 1.54                           | 1.20                         | 3.17                          |
| Operating interest                   | 12.43                          | 19.53                        | 7.06                          |
| Miscellaneous                        | 2.34                           | 1.42                         | 4.83                          |
| Total direct expenses per acre       | 178.60                         | 195.62                       | 165.57                        |
| Return over direct expenses per acre | 134.46                         | 40.01                        | 208.76                        |
| Overhead expenses per acre           |                                |                              |                               |
| Hired labor                          | 5.24                           | 5.21                         | 5.73                          |
| Machinery & bldg leases              | 1.40                           | 0.77                         | 1.60                          |
| RE & pers. property taxes            | 14.44                          | 12.21                        | 16.60                         |
| Farm insurance                       | 3.42                           | 3.97                         | 2.76                          |
| Utilities                            | 3.34                           | 4.36                         | 2.49                          |
| Interest                             | 50.87                          | 42.02                        | 50.52                         |
| Mach & bldg depreciation             | 28.97                          | 19.23                        | 40.16                         |
| Miscellaneous                        | 5.64                           | 7.59                         | 4.60                          |
| Total overhead expenses per acre     | 113.54                         | 95.37                        | 124.45                        |
| Total listed expenses per acre       | 292.14                         | 290.99                       | 290.02                        |
| Net return per acre                  | 20.92                          | -55.36                       | 84.31                         |
| Total direct expense per bushel      | 1.36                           | 2.02                         | 1.07                          |
| Total listed expense per bushel      | 2.23                           | 3.01                         | 1.87                          |
| Net return per bushel                | 0.16                           | -0.57                        | 0.54                          |
| Breakeven yield per acre             | 122.14                         | 120.26                       | 119.73                        |
| Est. labor hours per acre            | 2.05                           | 1.79                         | 2.33                          |
| Net return including govt. payments  | 32.68                          | -52.97                       | 105.06                        |
| Lbr & mgt charge per acre            | 36.99                          | 41.65                        | 33.97                         |
| Net return over lbr & mgt            | -4.31                          | -94.63                       | 71.09                         |

Crop Enterprise Analysis, 1997  
Farm Management Education  
Minnesota West Community & Technical College  
(Farms sorted according to Return to Overhead per Acre)

CORN ON CASH RENTED LAND

|                                      | Average Of<br><u>All Farms</u> | Average Of<br><u>Low 20%</u> | Average Of<br><u>High 20%</u> |
|--------------------------------------|--------------------------------|------------------------------|-------------------------------|
| Number of fields                     | 432                            | 77                           | 88                            |
| Number of farms                      | 334                            | 67                           | 67                            |
| Acres                                | 140.13                         | 107.23                       | 193.67                        |
| Yield per acre (bushel)              | 131.99                         | 100.91                       | 148.70                        |
| Operators share of yield %           | 100.00                         | 100.00                       | 100.00                        |
| Value per bushel                     | 2.37                           | 2.35                         | 2.39                          |
| Other product return per acre        | 0.03                           | 0.17                         | 0.00                          |
| Total product return per acre        | 312.56                         | 237.66                       | 356.09                        |
| Miscellaneous income per acre        | 5.67                           | 15.85                        | 7.67                          |
| Gross return per acre                | 318.23                         | 253.51                       | 363.76                        |
| Direct expenses per acre             |                                |                              |                               |
| Seed                                 | 31.85                          | 32.29                        | 31.14                         |
| Fertilizer                           | 52.49                          | 53.73                        | 47.64                         |
| Crop chemicals                       | 27.01                          | 28.07                        | 26.13                         |
| Crop insurance                       | 7.01                           | 7.97                         | 5.56                          |
| Drying fuel                          | 5.38                           | 5.72                         | 5.07                          |
| Fuel & oil                           | 9.82                           | 9.58                         | 9.09                          |
| Repairs                              | 14.73                          | 16.27                        | 12.73                         |
| Repair, machinery                    | 7.83                           | 9.24                         | 5.35                          |
| Custom hire                          | 3.44                           | 4.89                         | 2.12                          |
| Land rent                            | 91.27                          | 80.39                        | 94.67                         |
| Machinery & bldg leases              | 1.63                           | 2.35                         | 1.70                          |
| Operating interest                   | 11.42                          | 15.41                        | 8.35                          |
| Miscellaneous                        | 2.07                           | 1.31                         | 2.58                          |
| Total direct expenses per acre       | 265.96                         | 267.21                       | 252.15                        |
| Return over direct expenses per acre | 52.26                          | -13.70                       | 111.61                        |
| Overhead expenses per acre           |                                |                              |                               |
| Hired labor                          | 4.18                           | 2.11                         | 6.89                          |
| Machinery & bldg leases              | 2.90                           | 1.47                         | 2.11                          |
| Farm insurance                       | 2.76                           | 2.51                         | 2.68                          |
| Utilities                            | 2.72                           | 3.26                         | 2.33                          |
| Interest                             | 6.50                           | 6.88                         | 6.34                          |
| Mach & bldg depreciation             | 24.91                          | 19.13                        | 29.96                         |
| Miscellaneous                        | 4.53                           | 4.32                         | 4.40                          |
| Total overhead expenses per acre     | 48.50                          | 39.67                        | 54.72                         |
| Total listed expenses per acre       | 314.47                         | 306.88                       | 306.86                        |
| Net return per acre                  | 3.76                           | -53.37                       | 56.90                         |
| Total direct expense per bushel      | 2.02                           | 2.65                         | 1.70                          |
| Total listed expense per bushel      | 2.38                           | 3.04                         | 2.06                          |
| Net return per bushel                | 0.03                           | -0.53                        | 0.38                          |
| Breakeven yield per acre             | 130.40                         | 123.59                       | 124.94                        |
| Est. labor hours per acre            | 1.98                           | 1.43                         | 2.26                          |
| Net return including govt. payments  | 15.96                          | -46.16                       | 69.69                         |
| Lbr & mgt charge per acre            | 32.49                          | 29.44                        | 29.75                         |
| Net return over lbr & mgt            | -16.54                         | -75.60                       | 39.94                         |

Crop Enterprise Analysis, 1997  
Farm Management Education  
Minnesota West Community & Technical College  
(Farms sorted according to Return to Overhead per Acre)

SOYBEANS ON OWNED LAND

|                                      | <u>Average Of<br/>All Farms</u> | <u>Average Of<br/>Low 20%</u> | <u>Average Of<br/>High 20%</u> |
|--------------------------------------|---------------------------------|-------------------------------|--------------------------------|
| Number of fields                     | 275                             | 57                            | 54                             |
| Number of farms                      | 252                             | 50                            | 50                             |
| Acres                                | 99.24                           | 93.46                         | 96.70                          |
| Yield per acre (bushel)              | 41.65                           | 33.26                         | 47.66                          |
| Operators share of yield %           | 100.00                          | 100.00                        | 100.00                         |
| Value per bushel                     | 6.47                            | 6.45                          | 6.48                           |
| Total product return per acre        | 269.64                          | 214.38                        | 308.71                         |
| Miscellaneous income per acre        | 5.01                            | 10.15                         | 6.62                           |
| Gross return per acre                | 274.65                          | 224.53                        | 315.32                         |
| Direct expenses per acre             |                                 |                               |                                |
| Seed                                 | 15.24                           | 17.09                         | 13.65                          |
| Fertilizer                           | 1.83                            | 2.85                          | 0.81                           |
| Crop chemicals                       | 28.11                           | 30.82                         | 23.88                          |
| Crop insurance                       | 12.64                           | 14.62                         | 11.21                          |
| Fuel & oil                           | 8.72                            | 9.55                          | 7.72                           |
| Repairs                              | 13.28                           | 13.16                         | 12.56                          |
| Repair, machinery                    | 7.86                            | 9.92                          | 8.14                           |
| Custom hire                          | 3.02                            | 5.92                          | 0.50                           |
| Machinery & bldg leases              | 0.96                            | 0.76                          | 0.20                           |
| Operating interest                   | 10.40                           | 15.77                         | 7.07                           |
| Miscellaneous                        | 1.55                            | 2.86                          | 1.36                           |
| Total direct expenses per acre       | 103.61                          | 123.31                        | 87.11                          |
| Return over direct expenses per acre | 171.05                          | 101.22                        | 228.22                         |
| Overhead expenses per acre           |                                 |                               |                                |
| Hired labor                          | 4.59                            | 2.39                          | 7.85                           |
| Machinery & bldg leases              | 1.13                            | 0.27                          | 1.74                           |
| RE & pers. property taxes            | 14.19                           | 12.68                         | 15.63                          |
| Farm insurance                       | 2.95                            | 3.90                          | 2.71                           |
| Utilities                            | 2.73                            | 3.35                          | 2.38                           |
| Interest                             | 45.86                           | 43.30                         | 46.52                          |
| Mach & bldg depreciation             | 23.83                           | 22.84                         | 23.84                          |
| Miscellaneous                        | 4.90                            | 4.45                          | 6.15                           |
| Total overhead expenses per acre     | 100.18                          | 93.19                         | 106.83                         |
| Total listed expenses per acre       | 203.78                          | 216.50                        | 193.93                         |
| Net return per acre                  | 70.87                           | 8.03                          | 121.39                         |
| Total direct expense per bushel      | 2.49                            | 3.71                          | 1.83                           |
| Total listed expense per bushel      | 4.89                            | 6.51                          | 4.07                           |
| Net return per bushel                | 1.70                            | 0.24                          | 2.55                           |
| Breakeven yield per acre             | 30.70                           | 32.01                         | 28.92                          |
| Est. labor hours per acre            | 1.50                            | 1.67                          | 1.56                           |
| Net return including govt. payments  | 78.14                           | 14.40                         | 131.18                         |
| Lbr & mgt charge per acre            | 28.62                           | 30.86                         | 26.46                          |
| Net return over lbr & mgt            | 49.52                           | -16.46                        | 104.72                         |



Crop Enterprise Analysis, 1997  
Farm Management Education  
Minnesota West Community & Technical College  
(Farms sorted according to Return to Overhead per Acre)

SOYBEANS ON CASH RENTED LAND

|                                      | Average Of<br>All Farms | Average Of<br>Low 20% | Average Of<br>High 20% |
|--------------------------------------|-------------------------|-----------------------|------------------------|
| Number of fields                     | 422                     | 81                    | 83                     |
| Number of farms                      | 326                     | 65                    | 65                     |
| Acres                                | 149.17                  | 118.82                | 136.26                 |
| Yield per acre (bushel)              | 41.66                   | 32.06                 | 46.49                  |
| Operators share of yield %           | 100.00                  | 100.00                | 100.00                 |
| Value per bushel                     | 6.48                    | 6.46                  | 6.51                   |
| Total product return per acre        | 269.94                  | 206.96                | 302.73                 |
| Miscellaneous income per acre        | 5.79                    | 15.64                 | 6.32                   |
| Gross return per acre                | 275.72                  | 222.60                | 309.05                 |
| Direct expenses per acre             |                         |                       |                        |
| Seed                                 | 15.38                   | 16.94                 | 14.50                  |
| Fertilizer                           | 1.86                    | 3.57                  | 1.92                   |
| Crop chemicals                       | 27.62                   | 32.03                 | 25.62                  |
| Crop insurance                       | 12.77                   | 13.39                 | 8.20                   |
| Fuel & oil                           | 8.31                    | 8.66                  | 7.43                   |
| Repairs                              | 11.96                   | 12.18                 | 9.73                   |
| Repair, machinery                    | 6.80                    | 7.78                  | 7.30                   |
| Custom hire                          | 2.89                    | 3.47                  | 1.23                   |
| Land rent                            | 91.88                   | 84.08                 | 85.32                  |
| Machinery & bldg leases              | 1.63                    | 1.64                  | 0.31                   |
| Operating interest                   | 9.41                    | 12.62                 | 5.61                   |
| Miscellaneous                        | 1.99                    | 1.85                  | 1.58                   |
| Total direct expenses per acre       | 192.49                  | 198.20                | 168.74                 |
| Return over direct expenses per acre | 83.23                   | 24.40                 | 140.31                 |
| Overhead expenses per acre           |                         |                       |                        |
| Hired labor                          | 3.17                    | 1.33                  | 4.49                   |
| Machinery & bldg leases              | 2.09                    | 1.12                  | 1.97                   |
| Farm insurance                       | 2.24                    | 2.01                  | 2.18                   |
| Utilities                            | 2.21                    | 2.40                  | 2.07                   |
| Interest                             | 5.28                    | 5.87                  | 3.47                   |
| Mach & bldg depreciation             | 20.09                   | 15.43                 | 19.23                  |
| Miscellaneous                        | 3.65                    | 4.31                  | 3.42                   |
| Total overhead expenses per acre     | 38.72                   | 32.48                 | 36.83                  |
| Total listed expenses per acre       | 231.21                  | 230.68                | 205.57                 |
| Net return per acre                  | 44.51                   | -8.08                 | 103.48                 |
| Total direct expense per bushel      | 4.62                    | 6.18                  | 3.63                   |
| Total listed expense per bushel      | 5.55                    | 7.20                  | 4.42                   |
| Net return per bushel                | 1.07                    | -0.25                 | 2.23                   |
| Breakeven yield per acre             | 34.79                   | 33.31                 | 30.60                  |
| Est. labor hours per acre            | 1.70                    | 1.49                  | 2.16                   |
| Net return including govt. payments  | 54.45                   | -1.93                 | 110.40                 |
| Lbr & mgt charge per acre            | 27.96                   | 27.87                 | 27.38                  |
| Net return over lbr & mgt            | 26.50                   | -29.80                | 83.02                  |

Crop Enterprise Analysis, 1997  
Farm Management Education  
Minnesota West Community & Technical College  
(Farms sorted according to Return to Overhead per Acre)

CORN SILAGE ON OWNED LAND

|                                      | Average Of<br>All Farms | Average Of<br>Low 20% | Average Of<br>High 20% |
|--------------------------------------|-------------------------|-----------------------|------------------------|
| Number of fields                     | 35                      | 7                     | 7                      |
| Number of farms                      | 35                      | 7                     | 7                      |
| Acres                                | 32.67                   | 42.71                 | 34.17                  |
| Yield per acre (ton)                 | 16.26                   | 13.85                 | 18.87                  |
| Operators share of yield %           | 100.00                  | 100.00                | 100.00                 |
| Value per ton                        | 17.14                   | 16.36                 | 17.35                  |
| Total product return per acre        | 278.81                  | 226.52                | 327.45                 |
| Miscellaneous income per acre        | 28.68                   | 0.00                  | 80.50                  |
| Gross return per acre                | 307.49                  | 226.52                | 407.95                 |
| Direct expenses per acre             |                         |                       |                        |
| Seed                                 | 27.86                   | 30.07                 | 24.24                  |
| Fertilizer                           | 31.91                   | 37.11                 | 23.23                  |
| Crop chemicals                       | 32.57                   | 38.72                 | 24.96                  |
| Crop insurance                       | 6.03                    | 3.71                  | 5.02                   |
| Drying fuel                          | 0.17                    | 0.28                  | 0.48                   |
| Fuel & oil                           | 13.11                   | 13.22                 | 9.08                   |
| Repairs                              | 18.94                   | 11.63                 | 19.08                  |
| Repair, machinery                    | 5.80                    | 7.07                  | 10.36                  |
| Custom hire                          | 3.41                    | 2.12                  | 8.71                   |
| Repair, buildings                    | 0.35                    | 0.94                  | 0.39                   |
| Repair, irrigation equip             | 0.03                    | 0.00                  | 0.04                   |
| Hired labor                          | 0.11                    | 0.00                  | 0.52                   |
| Machinery & bldg leases              | 0.08                    | 0.32                  | 0.00                   |
| Marketing                            | 0.00                    | 0.00                  | 0.00                   |
| Operating interest                   | 11.66                   | 8.17                  | 6.47                   |
| Miscellaneous                        | 0.83                    | 2.73                  | 0.00                   |
| Total direct expenses per acre       | 152.86                  | 156.09                | 132.57                 |
| Return over direct expenses per acre | 154.62                  | 70.43                 | 275.37                 |
| Overhead expenses per acre           |                         |                       |                        |
| Custom hire                          | 0.00                    | 0.00                  | 0.00                   |
| Hired labor                          | 10.23                   | 6.97                  | 15.71                  |
| Machinery & bldg leases              | 2.68                    | 3.54                  | 0.00                   |
| RE & pers. property taxes            | 8.27                    | 8.24                  | 6.24                   |
| Farm insurance                       | 4.75                    | 3.36                  | 4.04                   |
| Utilities                            | 3.42                    | 2.84                  | 2.82                   |
| Dues & professional fees             | 0.50                    | 0.43                  | 0.81                   |
| Interest                             | 41.85                   | 57.31                 | 46.95                  |
| Mach & bldg depreciation             | 18.27                   | 14.30                 | 20.33                  |
| Miscellaneous                        | 4.21                    | 4.66                  | 3.19                   |
| Total overhead expenses per acre     | 94.19                   | 101.67                | 100.10                 |
| Total listed expenses per acre       | 247.06                  | 257.75                | 232.68                 |
| Net return per acre                  | 60.43                   | -31.23                | 175.27                 |
| Total direct expense per ton         | 9.40                    | 11.27                 | 7.03                   |
| Total listed expense per ton         | 15.19                   | 18.61                 | 12.33                  |
| Net return per ton                   | 3.72                    | -2.26                 | 9.29                   |
| Breakeven yield per acre             | 12.74                   | 15.76                 | 8.77                   |
| Est. labor hours per acre            | 3.05                    | 0.00                  | 5.16                   |
| Net return including govt. payments  | 64.73                   | -31.23                | 180.03                 |
| Lbr & mgt charge per acre            | 25.98                   | 20.90                 | 25.82                  |
| Net return over lbr & mgt            | 38.75                   | -52.13                | 154.21                 |

Crop Enterprise Analysis, 1997  
Farm Management Education  
Minnesota West Community & Technical College  
(Farms sorted according to Return to Overhead per Acre)

CORN SILAGE ON CASH RENTED LAND

|                                      | Average Of<br>All Farms | Average Of<br>Low 20% | Average Of<br>High 20% |
|--------------------------------------|-------------------------|-----------------------|------------------------|
| Number of fields                     | 44                      | 9                     | 9                      |
| Number of farms                      | 44                      | 9                     | 9                      |
| Acres                                | 28.55                   | 31.89                 | 36.11                  |
| Yield per acre (ton)                 | 14.39                   | 9.84                  | 15.48                  |
| Operators share of yield %           | 100.00                  | 100.00                | 100.00                 |
| Value per ton                        | 17.21                   | 17.54                 | 17.47                  |
| Total product return per acre        | 247.55                  | 172.49                | 270.45                 |
| Miscellaneous income per acre        | 28.67                   | 0.00                  | 74.01                  |
| Gross return per acre                | 276.23                  | 172.49                | 344.46                 |
| Direct expenses per acre             |                         |                       |                        |
| Seed                                 | 30.43                   | 29.67                 | 30.31                  |
| Fertilizer                           | 42.74                   | 52.24                 | 33.38                  |
| Crop chemicals                       | 29.32                   | 32.94                 | 28.76                  |
| Crop insurance                       | 7.71                    | 8.44                  | 7.17                   |
| Drying fuel                          | 0.23                    | 0.56                  | 0.00                   |
| Fuel & oil                           | 11.22                   | 12.10                 | 10.40                  |
| Repairs                              | 16.23                   | 18.77                 | 21.61                  |
| Repair, machinery                    | 10.10                   | 10.14                 | 1.57                   |
| Custom hire                          | 6.15                    | 11.91                 | 4.08                   |
| Repair, buildings                    | 0.22                    | 0.09                  | 0.00                   |
| Repair, irrigation equip             | 0.16                    | 0.00                  | 0.00                   |
| Hired labor                          | 0.19                    | 0.00                  | 0.00                   |
| Land rent                            | 71.32                   | 72.91                 | 51.64                  |
| Machinery & bldg leases              | 0.33                    | 0.00                  | 0.00                   |
| Marketing                            | 0.04                    | 0.00                  | 0.00                   |
| Operating interest                   | 8.98                    | 12.00                 | 7.26                   |
| Miscellaneous                        | 0.57                    | 2.23                  | 0.00                   |
| Total direct expenses per acre       | 235.92                  | 263.99                | 196.18                 |
| Return over direct expenses per acre | 40.31                   | -91.50                | 148.28                 |
| Overhead expenses per acre           |                         |                       |                        |
| Custom hire                          | 0.04                    | 0.00                  | 0.00                   |
| Hired labor                          | 6.20                    | 4.75                  | 9.10                   |
| Machinery & bldg leases              | 1.17                    | 2.95                  | 2.47                   |
| Farm insurance                       | 3.14                    | 3.46                  | 3.17                   |
| Utilities                            | 3.51                    | 2.62                  | 3.86                   |
| Dues & professional fees             | 0.56                    | 0.60                  | 0.80                   |
| Interest                             | 6.63                    | 6.48                  | 7.06                   |
| Mach & bldg depreciation             | 20.23                   | 17.68                 | 13.21                  |
| Miscellaneous                        | 2.79                    | 3.43                  | 1.51                   |
| Total overhead expenses per acre     | 44.28                   | 41.96                 | 41.16                  |
| Total listed expenses per acre       | 280.20                  | 305.96                | 237.34                 |
| Net return per acre                  | -3.97                   | -133.46               | 107.12                 |
| Total direct expense per ton         | 16.40                   | 26.84                 | 12.67                  |
| Total listed expense per ton         | 19.47                   | 31.11                 | 15.33                  |
| Net return per ton                   | -0.28                   | -13.57                | 6.92                   |
| Breakeven yield per acre             | 14.62                   | 17.45                 | 9.35                   |
| Est. labor hours per acre            | 2.42                    | 1.06                  | 3.69                   |
| Net return including govt. payments  | 0.17                    | -126.50               | 112.52                 |
| Lbr & mgt charge per acre            | 26.77                   | 23.73                 | 23.35                  |
| Net return over lbr & mgt            | -26.60                  | -150.23               | 89.17                  |

Crop Enterprise Analysis, 1997  
Farm Management Education  
Minnesota West Community & Technical College  
(Farms sorted according to Return to Overhead per Acre)

OATS ON OWNED LAND

|                                      | Average Of<br>All Farms | Average Of<br>Low 20% | Average Of<br>High 20% |
|--------------------------------------|-------------------------|-----------------------|------------------------|
| Number of fields                     | 23                      | 5                     | 5                      |
| Number of farms                      | 23                      | 5                     | 5                      |
| Acres                                | 17.19                   | 21.80                 | 20.26                  |
| Yield per acre (bushel)              | 70.53                   | 52.36                 | 82.88                  |
| Operators share of yield %           | 100.00                  | 100.00                | 100.00                 |
| Value per bushel                     | 1.72                    | 1.72                  | 1.75                   |
| Total product return per acre        | 120.98                  | 90.22                 | 145.04                 |
| Miscellaneous income per acre        | 45.38                   | 26.61                 | 89.16                  |
| Gross return per acre                | 166.36                  | 116.83                | 234.21                 |
| Direct expenses per acre             |                         |                       |                        |
| Seed                                 | 9.03                    | 11.13                 | 9.04                   |
| Fertilizer                           | 10.07                   | 18.38                 | 10.26                  |
| Crop chemicals                       | 1.14                    | 0.61                  | 1.23                   |
| Crop insurance                       | 1.59                    | 1.83                  | 0.48                   |
| Fuel & oil                           | 6.39                    | 5.18                  | 5.21                   |
| Repairs                              | 10.98                   | 11.52                 | 8.01                   |
| Repair, machinery                    | 4.21                    | 1.05                  | 3.48                   |
| Custom hire                          | 3.38                    | 7.71                  | 0.00                   |
| Repair, buildings                    | 0.39                    | 0.44                  | 0.00                   |
| Hired labor                          | 0.21                    | 0.77                  | 0.00                   |
| Machinery & bldg leases              | 0.03                    | 0.00                  | 0.00                   |
| Operating interest                   | 6.43                    | 11.27                 | 4.05                   |
| Total direct expenses per acre       | 53.84                   | 69.88                 | 41.78                  |
| Return over direct expenses per acre | 112.52                  | 46.95                 | 192.43                 |
| Overhead expenses per acre           |                         |                       |                        |
| Hired labor                          | 3.51                    | 0.00                  | 2.67                   |
| Machinery & bldg leases              | 0.02                    | 0.06                  | 0.00                   |
| RE & pers. property taxes            | 9.68                    | 9.50                  | 9.57                   |
| Farm insurance                       | 1.92                    | 2.15                  | 1.17                   |
| Utilities                            | 1.40                    | 0.80                  | 1.29                   |
| Dues & professional fees             | 0.19                    | 0.00                  | 0.12                   |
| Interest                             | 15.01                   | 7.15                  | 18.38                  |
| Mach & bldg depreciation             | 12.62                   | 5.29                  | 12.26                  |
| Miscellaneous                        | 2.62                    | 3.52                  | 2.57                   |
| Total overhead expenses per acre     | 46.97                   | 28.47                 | 48.03                  |
| Total listed expenses per acre       | 100.82                  | 98.35                 | 89.81                  |
| Net return per acre                  | 65.55                   | 18.48                 | 144.40                 |
| Total direct expense per bushel      | 0.76                    | 1.33                  | 0.50                   |
| Total listed expense per bushel      | 1.43                    | 1.88                  | 1.08                   |
| Net return per bushel                | 0.93                    | 0.35                  | 1.74                   |
| Breakeven yield per acre             | 32.32                   | 41.63                 | 0.37                   |
| Est. labor hours per acre            | 1.27                    | 0.41                  | 1.10                   |
| Net return including govt. payments  | 67.58                   | 22.50                 | 144.40                 |
| Lbr & mgt charge per acre            | 18.12                   | 18.37                 | 14.61                  |
| Net return over lbr & mgt            | 49.47                   | 4.13                  | 129.79                 |

Crop Enterprise Analysis, 1997  
Farm Management Education  
Minnesota West Community & Technical College  
(Farms sorted according to Return to Overhead per Acre)

OATS ON CASH RENTED LAND

|                                      | Average Of<br>All Farms | Average Of<br>Low 20% | Average Of<br>High 20% |
|--------------------------------------|-------------------------|-----------------------|------------------------|
| Number of fields                     | 31                      | 6                     | 6                      |
| Number of farms                      | 29                      | 6                     | 6                      |
| Acres                                | 13.74                   | 13.02                 | 13.00                  |
| Yield per acre (bushel)              | 66.14                   | 46.94                 | 76.95                  |
| Operators share of yield %           | 100.00                  | 100.00                | 100.00                 |
| Value per bushel                     | 1.69                    | 1.64                  | 1.61                   |
| Total product return per acre        | 111.73                  | 76.87                 | 124.08                 |
| Miscellaneous income per acre        | 51.51                   | 53.62                 | 102.85                 |
| Gross return per acre                | 163.25                  | 130.49                | 226.93                 |
| Direct expenses per acre             |                         |                       |                        |
| Seed                                 | 13.51                   | 15.51                 | 8.60                   |
| Fertilizer                           | 10.34                   | 12.45                 | 9.79                   |
| Crop chemicals                       | 3.05                    | 4.98                  | 1.83                   |
| Crop insurance                       | 0.98                    | 1.76                  | 1.49                   |
| Fuel & oil                           | 7.24                    | 5.88                  | 8.16                   |
| Repairs                              | 11.05                   | 23.53                 | 8.64                   |
| Repair, machinery                    | 4.62                    | 0.21                  | 3.43                   |
| Custom hire                          | 1.98                    | 2.16                  | 2.06                   |
| Repair, buildings                    | 0.13                    | 0.06                  | 0.34                   |
| Repair, irrigation equip             | 0.01                    | 0.01                  | 0.05                   |
| Hired labor                          | 0.62                    | 0.00                  | 1.03                   |
| Land rent                            | 74.97                   | 90.29                 | 64.28                  |
| Machinery & bldg leases              | 0.48                    | 2.48                  | 0.00                   |
| Marketing                            | 0.45                    | 0.74                  | 0.00                   |
| Operating interest                   | 5.19                    | 9.13                  | 3.26                   |
| Miscellaneous                        | 0.15                    | 0.04                  | 0.32                   |
| Total direct expenses per acre       | 134.76                  | 169.21                | 113.28                 |
| Return over direct expenses per acre | 28.49                   | -38.71                | 113.65                 |
| Overhead expenses per acre           |                         |                       |                        |
| Custom hire                          | 0.01                    | 0.05                  | 0.00                   |
| Hired labor                          | 2.67                    | 2.62                  | 3.90                   |
| Machinery & bldg leases              | 0.82                    | -0.40                 | 3.49                   |
| Farm insurance                       | 1.11                    | 1.23                  | 1.09                   |
| Utilities                            | 2.00                    | 1.86                  | 1.38                   |
| Dues & professional fees             | 0.24                    | 0.28                  | 0.00                   |
| Interest                             | 3.13                    | 2.86                  | 2.33                   |
| Mach & bldg depreciation             | 8.87                    | 2.87                  | 6.69                   |
| Miscellaneous                        | 1.75                    | 2.22                  | 1.47                   |
| Total overhead expenses per acre     | 20.60                   | 13.58                 | 20.34                  |
| Total listed expenses per acre       | 155.36                  | 182.79                | 133.63                 |
| Net return per acre                  | 7.89                    | -52.30                | 93.30                  |
| Total direct expense per bushel      | 2.04                    | 3.60                  | 1.47                   |
| Total listed expense per bushel      | 2.35                    | 3.89                  | 1.74                   |
| Net return per bushel                | 0.12                    | -1.11                 | 1.21                   |
| Breakeven yield per acre             | 61.47                   | 78.88                 | 19.09                  |
| Est. labor hours per acre            | 0.79                    | 0.35                  | 0.60                   |
| Net return including govt. payments  | 10.43                   | -49.51                | 97.79                  |
| Lbr & mgt charge per acre            | 16.50                   | 10.77                 | 13.74                  |
| Net return over lbr & mgt            | -6.07                   | -60.28                | 84.05                  |

Crop Enterprise Analysis, 1997  
Farm Management Education  
Minnesota West Community & Technical College  
(Farms sorted according to Return to Overhead per Acre)

ALFALFA HAY ON OWNED LAND

|                                      | Average Of<br>All Farms | Average Of<br>Low 20% | Average Of<br>High 20% |
|--------------------------------------|-------------------------|-----------------------|------------------------|
| Number of fields                     | 42                      | 8                     | 8                      |
| Number of farms                      | 42                      | 8                     | 8                      |
| Acres                                | 22.50                   | 21.16                 | 22.05                  |
| Yield per acre (ton)                 | 3.42                    | 0.96                  | 5.36                   |
| Operators share of yield %           | 100.00                  | 100.00                | 100.00                 |
| Value per ton                        | 91.13                   | 82.04                 | 89.97                  |
| Total product return per acre        | 311.29                  | 78.58                 | 481.81                 |
| Miscellaneous income per acre        | 1.39                    | 7.28                  | 0.45                   |
| Gross return per acre                | 312.67                  | 85.86                 | 482.26                 |
| Direct expenses per acre             |                         |                       |                        |
| Seed                                 | 10.12                   | 21.98                 | 6.62                   |
| Fertilizer                           | 26.07                   | 13.95                 | 26.05                  |
| Crop chemicals                       | 1.71                    | 5.00                  | 0.00                   |
| Crop insurance                       | 0.40                    | 2.23                  | 0.00                   |
| Fuel & oil                           | 12.41                   | 11.28                 | 9.97                   |
| Repairs                              | 18.45                   | 18.31                 | 4.19                   |
| Repair, machinery                    | 8.14                    | 12.22                 | 14.95                  |
| Custom hire                          | 4.99                    | 7.11                  | 16.20                  |
| Repair, buildings                    | 1.21                    | 4.40                  | 0.65                   |
| Repair, irrigation equip             | 0.02                    | 0.00                  | 0.00                   |
| Hired labor                          | 0.87                    | 0.00                  | 0.64                   |
| Machinery & bldg leases              | 0.10                    | 0.00                  | 0.53                   |
| Operating interest                   | 11.26                   | 7.17                  | 4.89                   |
| Miscellaneous                        | 0.84                    | 1.18                  | 0.89                   |
| Total direct expenses per acre       | 96.60                   | 104.84                | 85.60                  |
| Return over direct expenses per acre | 216.08                  | -18.98                | 396.66                 |
| Overhead expenses per acre           |                         |                       |                        |
| Hired labor                          | 5.74                    | 5.88                  | 1.88                   |
| Machinery & bldg leases              | 1.42                    | 1.40                  | 0.33                   |
| RE & pers. property taxes            | 10.75                   | 9.54                  | 17.14                  |
| Farm insurance                       | 3.40                    | 3.46                  | 2.64                   |
| Utilities                            | 4.15                    | 4.53                  | 2.21                   |
| Dues & professional fees             | 0.74                    | 1.34                  | 0.27                   |
| Interest                             | 26.89                   | 29.96                 | 17.23                  |
| Mach & bldg depreciation             | 18.19                   | 22.23                 | 23.93                  |
| Miscellaneous                        | 4.14                    | 4.40                  | 4.84                   |
| Total overhead expenses per acre     | 75.42                   | 82.74                 | 70.47                  |
| Total listed expenses per acre       | 172.02                  | 187.58                | 156.06                 |
| Net return per acre                  | 140.66                  | -101.72               | 326.20                 |
| Total direct expense per ton         | 28.28                   | 109.47                | 15.98                  |
| Total listed expense per ton         | 50.36                   | 195.85                | 29.14                  |
| Net return per ton                   | 41.18                   | -106.20               | 60.91                  |
| Breakeven yield per acre             | 1.87                    | 2.20                  | 1.73                   |
| Est. labor hours per acre            | 2.38                    | 0.61                  | 3.31                   |
| Net return including govt. payments  | 140.77                  | -101.72               | 326.20                 |
| Lbr & mgt charge per acre            | 25.90                   | 21.17                 | 26.75                  |
| Net return over lbr & mgt            | 114.87                  | -122.89               | 299.45                 |

Crop Enterprise Analysis, 1997  
Farm Management Education  
Minnesota West Community & Technical College  
(Farms sorted according to Return to Overhead per Acre)

ALFALFA HAY ON CASH RENTED LAND

|                                      | Average Of<br>All Farms | Average Of<br>Low 20% | Average Of<br>High 20% |
|--------------------------------------|-------------------------|-----------------------|------------------------|
| Number of fields                     | 63                      | 12                    | 13                     |
| Number of farms                      | 57                      | 11                    | 11                     |
| Acres                                | 25.08                   | 18.49                 | 18.00                  |
| Yield per acre (ton)                 | 3.44                    | 1.39                  | 5.04                   |
| Operators share of yield %           | 100.00                  | 100.00                | 100.00                 |
| Value per ton                        | 83.12                   | 80.90                 | 91.30                  |
| Total product return per acre        | 286.27                  | 112.74                | 460.34                 |
| Miscellaneous income per acre        | 1.02                    | 4.91                  | 0.00                   |
| Gross return per acre                | 287.29                  | 117.65                | 460.34                 |
| Direct expenses per acre             |                         |                       |                        |
| Seed                                 | 12.61                   | 10.45                 | 10.72                  |
| Fertilizer                           | 16.44                   | 15.86                 | 13.41                  |
| Crop chemicals                       | 3.22                    | 6.57                  | 3.39                   |
| Crop insurance                       | 0.50                    | 2.76                  | 0.00                   |
| Fuel & oil                           | 10.48                   | 10.36                 | 10.57                  |
| Repairs                              | 18.67                   | 17.82                 | 17.56                  |
| Repair, machinery                    | 7.81                    | 10.96                 | 9.01                   |
| Custom hire                          | 6.60                    | 0.81                  | 14.69                  |
| Repair, buildings                    | 0.80                    | 4.78                  | 0.02                   |
| Repair, irrigation equip             | 0.06                    | 0.00                  | 0.00                   |
| Hired labor                          | 0.58                    | 0.00                  | 0.18                   |
| Land rent                            | 64.83                   | 70.40                 | 55.79                  |
| Machinery & bldg leases              | 0.44                    | 1.54                  | 0.50                   |
| Operating interest                   | 8.27                    | 10.12                 | 10.36                  |
| Miscellaneous                        | 0.49                    | 0.00                  | 0.50                   |
| Total direct expenses per acre       | 151.79                  | 162.43                | 146.71                 |
| Return over direct expenses per acre | 135.50                  | -44.78                | 313.64                 |
| Overhead expenses per acre           |                         |                       |                        |
| Custom hire                          | 0.00                    | 0.00                  | 0.00                   |
| Hired labor                          | 8.68                    | 6.47                  | 3.30                   |
| Machinery & bldg leases              | 0.75                    | -0.23                 | 2.10                   |
| Farm insurance                       | 3.07                    | 4.15                  | 2.48                   |
| Utilities                            | 3.35                    | 5.97                  | 2.57                   |
| Dues & professional fees             | 0.64                    | 0.12                  | 1.35                   |
| Interest                             | 7.10                    | 12.25                 | 5.88                   |
| Mach & bldg depreciation             | 22.14                   | 17.56                 | 19.33                  |
| Miscellaneous                        | 3.44                    | 6.31                  | 2.36                   |
| Total overhead expenses per acre     | 49.18                   | 52.61                 | 39.38                  |
| Total listed expenses per acre       | 200.96                  | 215.04                | 186.08                 |
| Net return per acre                  | 86.33                   | -97.39                | 274.26                 |
| Total direct expense per ton         | 44.07                   | 116.56                | 29.10                  |
| Total listed expense per ton         | 58.35                   | 154.32                | 36.90                  |
| Net return per ton                   | 25.07                   | -69.89                | 54.39                  |
| Breakeven yield per acre             | 2.41                    | 2.60                  | 2.04                   |
| Est. labor hours per acre            | 3.20                    | 2.82                  | 1.48                   |
| Net return including govt. payments  | 88.53                   | -94.30                | 274.26                 |
| Lbr & mgt charge per acre            | 29.42                   | 29.21                 | 32.82                  |
| Net return over lbr & mgt            | 59.11                   | -123.51               | 241.44                 |

Crop Enterprise Analysis, 1997  
 Statewide Database of Farms  
 Farm Management Education  
 Minnesota West Community & Technical College  
 (Farms sorted according to Return to Overhead per Acre)

SPRING WHEAT ON OWNED LAND

|                                      | <u>Average Of</u><br><u>All Farms</u> | <u>Average Of</u><br><u>Low 20%</u> | <u>Average Of</u><br><u>High 20%</u> |
|--------------------------------------|---------------------------------------|-------------------------------------|--------------------------------------|
| Number of fields                     | 435                                   | 72                                  | 84                                   |
| Number of farms                      | 336                                   | 67                                  | 67                                   |
| Acres                                | 125.24                                | 150.21                              | 43.12                                |
| Yield per acre (bushel)              | 32.76                                 | 25.46                               | 42.70                                |
| Operators share of yield %           | 100.00                                | 100.00                              | 100.00                               |
| Value per bushel                     | 3.64                                  | 3.50                                | 3.86                                 |
| Other product return per acre        | 0.12                                  | 0.00                                | 1.46                                 |
| Total product return per acre        | 119.21                                | 89.17                               | 166.14                               |
| Miscellaneous income per acre        | 10.90                                 | 9.79                                | 21.93                                |
| Gross return per acre                | 130.11                                | 98.97                               | 188.08                               |
| Direct expenses per acre             |                                       |                                     |                                      |
| Seed                                 | 11.70                                 | 11.05                               | 12.00                                |
| Fertilizer                           | 28.88                                 | 32.17                               | 26.77                                |
| Crop chemicals                       | 17.60                                 | 18.98                               | 10.50                                |
| Crop insurance                       | 6.97                                  | 7.55                                | 4.49                                 |
| Fuel & oil                           | 7.30                                  | 7.95                                | 6.16                                 |
| Repairs                              | 8.65                                  | 7.31                                | 7.95                                 |
| Repair, machinery                    | 3.25                                  | 4.70                                | 4.03                                 |
| Custom hire                          | 2.44                                  | 4.00                                | 1.87                                 |
| Machinery & bldg leases              | 0.28                                  | 0.00                                | 0.11                                 |
| Operating interest                   | 3.85                                  | 5.15                                | 3.18                                 |
| Miscellaneous                        | 0.56                                  | 0.44                                | 0.63                                 |
| Total direct expenses per acre       | 91.47                                 | 99.31                               | 77.69                                |
| Return over direct expenses per acre | 38.63                                 | -0.34                               | 110.39                               |
| Overhead expenses per acre           |                                       |                                     |                                      |
| Hired labor                          | 4.17                                  | 3.92                                | 5.36                                 |
| Machinery & bldg leases              | 1.35                                  | 0.76                                | 1.66                                 |
| RE & pers. property taxes            | 9.61                                  | 9.79                                | 11.85                                |
| Farm insurance                       | 2.72                                  | 2.76                                | 2.82                                 |
| Utilities                            | 1.88                                  | 2.26                                | 1.69                                 |
| Interest                             | 26.47                                 | 27.22                               | 31.19                                |
| Mach & bldg depreciation             | 9.89                                  | 9.52                                | 10.05                                |
| Miscellaneous                        | 4.13                                  | 4.16                                | 3.57                                 |
| Total overhead expenses per acre     | 60.23                                 | 60.38                               | 68.19                                |
| Total listed expenses per acre       | 151.70                                | 159.69                              | 145.88                               |
| Net return per acre                  | -21.59                                | -60.72                              | 42.20                                |
| Total direct expense per bushel      | 2.79                                  | 3.90                                | 1.82                                 |
| Total listed expense per bushel      | 4.63                                  | 6.27                                | 3.42                                 |
| Net return per bushel                | -0.66                                 | -2.39                               | 0.99                                 |
| Breakeven yield per acre             | 38.70                                 | 42.79                               | 31.76                                |
| Est. labor hours per acre            | 1.94                                  | 1.90                                | 1.81                                 |
| Net return including govt. payments  | -8.06                                 | -43.64                              | 53.05                                |
| Lbr & mgt charge per acre            | 14.00                                 | 14.54                               | 14.04                                |
| Net return over lbr & mgt            | -22.06                                | -58.18                              | 39.01                                |



# Costs and Returns from Livestock Enterprises

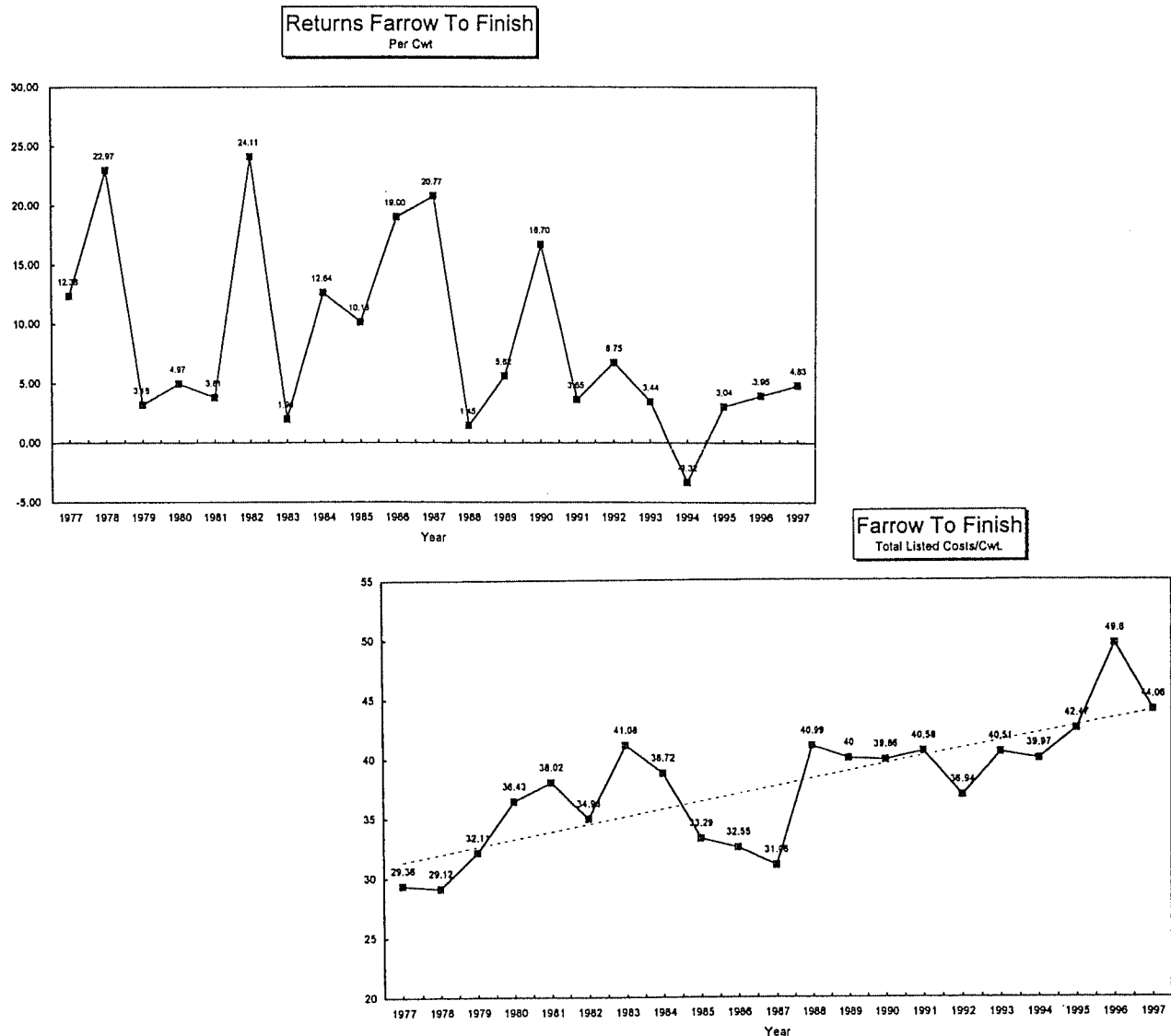
Productive livestock enterprises are an important part of many farm businesses in Minnesota. Farms involved in this report may have one or more livestock enterprise. The following tables pertain to these livestock enterprises.

Direct costs are costs that can be charged to a specific enterprise such as feed, breeding fees, vet, etc.

Direct costs are costs that are easy to identify in the farm and are listed in each of the tables as other direct costs.

Overhead costs include interest charges to the enterprise, allocated charges for hired labor, utilities, machinery, livestock equipment and building depreciation costs. These costs are to each livestock enterprise that the farmer assigned.

Each enterprise table included other management information. This information can provide clues indicating the strengths and weaknesses of each enterprise.



Livestock Enterprise Analysis, 1997  
Statewide Livestock Database  
Minnesota West Community & Technical College  
(Farms sorted according to Return to Overhead per unit produced)

Beef Cow-Calf -- Average per Cow

| Number of farms              | Average For<br>All Farms |        | Average For<br>Low 20% |         | Average For<br>High 20% |        |
|------------------------------|--------------------------|--------|------------------------|---------|-------------------------|--------|
|                              | 198                      |        | 40                     |         | 40                      |        |
|                              | Quantity                 | Value  | Quantity               | Value   | Quantity                | Value  |
| Beef Calves sold (lb)        | 339.59                   | 260.40 | 172.96                 | 126.79  | 463.37                  | 369.61 |
| Transferred out (lb)         | 133.99                   | 101.44 | 162.08                 | 129.71  | 88.12                   | 65.76  |
| Cull sales (lb)              | 147.76                   | 60.27  | 128.17                 | 63.14   | 157.56                  | 68.32  |
| Butchered (lb)               | 7.72                     | 4.12   | 9.06                   | 5.08    | 8.19                    | 4.59   |
| Less purchased (lb)          | -126.75                  | -74.52 | -86.00                 | -49.85  | -161.49                 | -95.91 |
| Less transferred in (lb)     | -40.17                   | -26.10 | -28.19                 | -22.80  | -38.55                  | -22.35 |
| Inventory change (lb)        | 378.19                   | 88.65  | -134.72                | -18.02  | 63.99                   | 155.95 |
| Total production (lb)        | 840.32                   | 414.25 | 223.35                 | 234.06  | 581.18                  | 545.96 |
| Other income                 |                          | 6.85   |                        | 0.00    |                         | 17.77  |
| Gross return                 |                          | 421.10 |                        | 234.06  |                         | 563.73 |
| Direct expenses              |                          |        |                        |         |                         |        |
| Barley (bu.)                 | 0.24                     | 0.36   | 0.00                   | 0.00    | 0.03                    | 0.06   |
| Corn (bu.)                   | 5.34                     | 12.62  | 7.05                   | 15.85   | 4.19                    | 10.39  |
| Corn Silage (lb.)            | 3083.82                  | 30.94  | 5522.74                | 55.18   | 3302.02                 | 33.25  |
| Hay, Alfalfa (lb.)           | 1494.77                  | 48.60  | 1864.52                | 75.72   | 641.36                  | 16.21  |
| Hay, Grass & Other (lb.)     | 5027.75                  | 112.21 | 3289.72                | 97.87   | 6107.49                 | 131.14 |
| Haylage, Alfalfa (lb.)       | 52.57                    | 0.93   | 0.00                   | 0.00    | 0.00                    | 0.00   |
| Haylage, Grass & Other (lb.) | 302.59                   | 2.78   | 0.00                   | 0.00    | 174.94                  | 1.66   |
| Oatlage (lb.)                | 118.56                   | 1.06   | 64.96                  | 1.04    | 106.00                  | 0.91   |
| Oats (bu.)                   | 1.33                     | 1.96   | 0.26                   | 0.42    | 1.87                    | 2.80   |
| Pasture (aum)                | 3.03                     | 24.89  | 1.97                   | 19.20   | 3.05                    | 24.95  |
| Stover (lb.)                 | 222.08                   | 2.43   | 135.12                 | 1.90    | 150.41                  | 1.24   |
| Complete Ration (lb.)        | 127.39                   | 10.64  | 63.07                  | 7.64    | 110.46                  | 6.89   |
| Creep / Starter (lb.)        | 4.00                     | 0.28   | 13.64                  | 1.00    | 1.07                    | 0.09   |
| Protein Vit Minerals (lb.)   | 238.51                   | 20.13  | 127.73                 | 20.07   | 406.69                  | 20.43  |
| Other feed stuffs            |                          | 4.03   |                        | 6.78    |                         | 8.84   |
| Breeding fees                |                          | 3.39   |                        | 5.11    |                         | 3.52   |
| Veterinary                   |                          | 23.04  |                        | 18.88   |                         | 24.92  |
| Livestock supplies           |                          | 7.04   |                        | 7.40    |                         | 5.61   |
| Fuel & oil                   |                          | 8.87   |                        | 8.85    |                         | 8.72   |
| Repairs                      |                          | 12.16  |                        | 7.59    |                         | 14.31  |
| Repair, machinery            |                          | 5.78   |                        | 7.34    |                         | 1.89   |
| Repair, livestock equip      |                          | 1.84   |                        | 4.58    |                         | 0.21   |
| Custom hire                  |                          | 1.83   |                        | 0.62    |                         | 2.07   |
| Repair, buildings            |                          | 2.27   |                        | 2.16    |                         | 0.38   |
| Livestock leases             |                          | 0.97   |                        | 2.27    |                         | 0.00   |
| Utilities                    |                          | 0.36   |                        | 0.00    |                         | 1.03   |
| Hauling and trucking         |                          | 1.03   |                        | 1.48    |                         | 1.22   |
| Marketing                    |                          | 5.57   |                        | 1.50    |                         | 8.49   |
| Operating interest           |                          | 10.77  |                        | 4.53    |                         | 10.58  |
| Total direct expenses        |                          | 358.78 |                        | 374.99  |                         | 341.79 |
| Return over direct expense   |                          | 62.32  |                        | -140.93 |                         | 221.94 |
| Overhead expenses            |                          |        |                        |         |                         |        |
| Custom hire                  |                          | 0.55   |                        | 0.04    |                         | 0.67   |
| Hired labor                  |                          | 8.17   |                        | 3.74    |                         | 9.98   |
| Machinery & bldg leases      |                          | 1.30   |                        | 0.80    |                         | 1.55   |
| RE & pers. property taxes    |                          | 4.74   |                        | 5.01    |                         | 3.83   |
| Farm insurance               |                          | 6.41   |                        | 7.59    |                         | 4.73   |
| Utilities                    |                          | 10.25  |                        | 11.18   |                         | 9.18   |
| Dues & professional fees     |                          | 1.40   |                        | 1.69    |                         | 0.71   |
| Interest                     |                          | 31.64  |                        | 24.31   |                         | 40.95  |
| Mach & bldg depreciation     |                          | 20.19  |                        | 30.56   |                         | 13.75  |
| Miscellaneous                |                          | 7.21   |                        | 6.53    |                         | 7.09   |
| Total overhead expenses      |                          | 91.87  |                        | 91.44   |                         | 92.42  |
| Total listed expenses        |                          | 450.65 |                        | 466.43  |                         | 434.21 |
| Net return                   |                          | -29.55 |                        | -232.37 |                         | 129.52 |
| Est. labor hours per unit    |                          | 11.54  |                        | 11.36   |                         | 10.95  |
| Labor & management charge    |                          | 63.78  |                        | 64.83   |                         | 53.16  |
| Net return over lbr & mgt    |                          | -93.33 |                        | -297.21 |                         | 76.36  |
| Other Information            |                          |        |                        |         |                         |        |
| Number of cows               |                          | 62.1   |                        | 38.5    |                         | 93.7   |
| Pregnancy percentage         |                          | 95.0   |                        | 92.3    |                         | 95.5   |
| Pregnancy loss percentage    |                          | 3.1    |                        | 0.9     |                         | 3.7    |
| Culling percentage           |                          | 12.8   |                        | 12.0    |                         | 14.6   |
| Calving percentage           |                          | 92.0   |                        | 91.5    |                         | 92.0   |
| Weaning percentage           |                          | 85.1   |                        | 83.6    |                         | 83.5   |
| Calves sold per cow          |                          | 0.83   |                        | 0.84    |                         | 0.85   |
| Calf death loss percent      |                          | 9.3    |                        | 8.8     |                         | 11.8   |
| Average weaning weight       |                          | 518    |                        | 483     |                         | 505    |
| Lbs weaned/exposed female    |                          | 441    |                        | 404     |                         | 422    |
| Feed cost per cow            |                          | 273.87 |                        | 302.67  |                         | 258.86 |
| Avg wgt/Beef Calf sold       |                          | 616    |                        | 540     |                         | 662    |
| Avg price / cwt              |                          | 76.68  |                        | 73.31   |                         | 79.77  |

Livestock Enterprise Analysis, 1997  
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Minnesota West Community & Technical College  
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Beef, Finish Beef Calves -- Average per Cwt Produced

| Number of farms              | Average For<br>All Farms |        | Average For<br>Low 20% |         | Average For<br>High 20% |        |
|------------------------------|--------------------------|--------|------------------------|---------|-------------------------|--------|
|                              | 39                       |        | 8                      |         | 8                       |        |
|                              | Quantity                 | Value  | Quantity               | Value   | Quantity                | Value  |
| Finish Beef sold (lb)        | 175.42                   | 113.87 | 189.08                 | 124.96  | 164.11                  | 115.86 |
| Transferred out (lb)         | 5.20                     | 3.45   | 9.43                   | 5.17    | 6.38                    | 5.05   |
| Cull sales (lb)              | 0.47                     | 0.15   | 0.00                   | 0.00    | 3.21                    | 1.00   |
| Butchered (lb)               | 1.21                     | 0.77   | 0.61                   | 0.43    | 1.66                    | 1.09   |
| Less purchased (lb)          | -77.95                   | -60.20 | -143.34                | -115.37 | -64.09                  | -49.86 |
| Less transferred in (lb)     | -23.98                   | -18.29 | -18.98                 | -14.23  | -21.93                  | -17.48 |
| Inventory change (lb)        | 19.64                    | 20.02  | 63.19                  | 47.80   | 10.66                   | 24.37  |
| Total production (lb)        | 100.00                   | 59.76  | 100.00                 | 48.75   | 100.00                  | 80.03  |
| Other income                 |                          | 0.01   |                        | 0.00    |                         | 0.00   |
| Gross return                 |                          | 59.77  |                        | 48.75   |                         | 80.03  |
| Direct expenses              |                          |        |                        |         |                         |        |
| Corn (bu.)                   | 9.81                     | 23.27  | 11.25                  | 28.19   | 8.98                    | 20.87  |
| Corn Silage (lb.)            | 546.34                   | 5.37   | 670.41                 | 6.44    | 526.97                  | 5.10   |
| Corn, Ear (lb.)              | 17.26                    | 0.33   | 126.77                 | 2.44    | 0.00                    | 0.00   |
| Hay, Alfalfa (lb.)           | 64.83                    | 2.25   | 118.98                 | 4.76    | 95.31                   | 2.46   |
| Hay, Grass & Other (lb.)     | 31.76                    | 0.82   | 88.87                  | 1.87    | 21.26                   | 0.60   |
| Haylage, Alfalfa (lb.)       | 50.67                    | 0.84   | 0.00                   | 0.00    | 11.66                   | 0.26   |
| Haylage, Grass & Other (lb.) | 12.19                    | 0.21   | 0.00                   | 0.00    | 25.42                   | 0.70   |
| Oatlage (lb.)                | 23.47                    | 0.21   | 137.48                 | 1.29    | 11.43                   | 0.08   |
| Oats (bu.)                   | 0.04                     | 0.06   | 0.00                   | 0.00    | 0.00                    | 0.00   |
| Stover (lb.)                 | 4.66                     | 0.07   | 2.82                   | 0.06    | 0.00                    | 0.00   |
| Complete Ration (lb.)        | 20.94                    | 0.65   | 0.00                   | 0.00    | 142.57                  | 4.33   |
| Protein Vit Minerals (lb.)   | 51.40                    | 7.90   | 43.18                  | 6.92    | 31.01                   | 8.89   |
| Veterinary                   |                          | 1.50   |                        | 1.46    |                         | 1.90   |
| Livestock supplies           |                          | 0.63   |                        | 2.06    |                         | 0.49   |
| Fuel & oil                   |                          | 0.92   |                        | 1.44    |                         | 1.62   |
| Repairs                      |                          | 1.33   |                        | 2.94    |                         | 2.37   |
| Repair, machinery            |                          | 0.48   |                        | 0.03    |                         | 0.29   |
| Repair, livestock equip      |                          | 0.67   |                        | 0.47    |                         | 0.18   |
| Custom hire                  |                          | 0.27   |                        | 1.95    |                         | 0.00   |
| Repair buildings             |                          | 0.35   |                        | 0.10    |                         | 0.85   |
| Hired labor                  |                          | 0.03   |                        | 0.22    |                         | 0.00   |
| Machinery & bldg leases      |                          | 0.24   |                        | 0.37    |                         | 0.04   |
| Hauling and trucking         |                          | 0.81   |                        | 0.14    |                         | 0.00   |
| Marketing                    |                          | 0.19   |                        | 0.05    |                         | 0.29   |
| Bedding                      |                          | 0.03   |                        | 0.00    |                         | 0.00   |
| Operating interest           |                          | 3.67   |                        | 8.06    |                         | 1.79   |
| Total direct expenses        |                          | 53.09  |                        | 71.29   |                         | 53.11  |
| Return over direct expense   |                          | 6.68   |                        | -22.54  |                         | 26.92  |
| Overhead expenses            |                          |        |                        |         |                         |        |
| Hired labor                  |                          | 0.38   |                        | 0.02    |                         | 0.49   |
| Machinery & bldg leases      |                          | 0.46   |                        | 0.12    |                         | 0.10   |
| RE & pers. property taxes    |                          | 0.55   |                        | 0.40    |                         | 0.47   |
| Farm insurance               |                          | 0.66   |                        | 0.92    |                         | 0.85   |
| Utilities                    |                          | 0.87   |                        | 1.60    |                         | 1.41   |
| Dues & professional fees     |                          | 0.19   |                        | 0.06    |                         | 0.70   |
| Interest                     |                          | 1.63   |                        | 1.28    |                         | 5.63   |
| Mach & bldg depreciation     |                          | 2.29   |                        | 5.11    |                         | 1.58   |
| Miscellaneous                |                          | 1.03   |                        | 1.12    |                         | 1.04   |
| Total overhead expenses      |                          | 8.06   |                        | 10.64   |                         | 12.29  |
| Total listed expenses        |                          | 61.15  |                        | 81.93   |                         | 65.40  |
| Net return                   |                          | -1.38  |                        | -33.18  |                         | 14.63  |
| Est. labor hours per unit    |                          | 0.63   |                        | 0.93    |                         | 1.07   |
| Labor & management charge    |                          | 6.32   |                        | 8.46    |                         | 6.71   |
| Net return over lbr & mgt    |                          | -7.70  |                        | -41.64  |                         | 7.92   |
| Other Information            |                          |        |                        |         |                         |        |
| No. purchased or trans in    |                          | 105    |                        | 111     |                         | 79     |
| Number sold or trans out     |                          | 94     |                        | 79      |                         | 71     |
| Percentage death loss        |                          | 0.9    |                        | 0.7     |                         | 2.0    |
| Avg. daily gain (lbs)        |                          | 2.40   |                        | 1.68    |                         | 1.86   |
| Lbs of conc / lb of gain     |                          | 6.41   |                        | 8.05    |                         | 6.76   |
| Lbs of feed / lb of gain     |                          | 9.60   |                        | 12.84   |                         | 9.91   |
| Feed cost per cwt of gain    |                          | 42.00  |                        | 52.01   |                         | 43.29  |
| Feed cost per head           |                          | 250.63 |                        | 234.31  |                         | 250.91 |
| Average purchase weight      |                          | 586    |                        | 586     |                         | 450    |
| Average sales weight         |                          | 1164   |                        | 1001    |                         | 1045   |
| Avg purch price / cwt        |                          | 77.23  |                        | 80.49   |                         | 77.79  |
| Avg sales price / cwt        |                          | 64.91  |                        | 66.09   |                         | 70.60  |

Livestock Enterprise Analysis, 1997  
 Statewide Livestock Database  
 Minnesota West Community & Technical College  
 (Farms sorted according to Return to Overhead per unit produced)

All Beef Finish Yearlings -- Average per Cwt Produced

| Number of farms              | Average For<br>All Farms |        | Average For<br>Low 20% |         | Average For<br>High 20% |        |
|------------------------------|--------------------------|--------|------------------------|---------|-------------------------|--------|
|                              | 39                       |        | 8                      |         | 8                       |        |
|                              | Quantity                 | Value  | Quantity               | Value   | Quantity                | Value  |
| Fin Yrlg Str sold (lb)       | 222.23                   | 144.01 | 305.53                 | 200.83  | 178.84                  | 118.32 |
| Transferred out (lb)         | 1.16                     | 0.85   | 2.49                   | 1.87    | 0.00                    | 0.00   |
| Butchered (lb)               | 1.06                     | 0.68   | 0.50                   | 0.28    | 0.19                    | 0.11   |
| Less purchased (lb)          | -113.47                  | -88.06 | -165.05                | -124.17 | -69.96                  | -55.97 |
| Less transferred in (lb)     | -1.86                    | -1.37  | -2.44                  | -1.91   | -0.25                   | -0.17  |
| Inventory change (lb)        | -9.13                    | -0.57  | -41.03                 | -25.67  | -8.82                   | 7.05   |
| Total production (lb)        | 100.00                   | 55.54  | 100.00                 | 51.23   | 100.00                  | 69.34  |
| Other income                 |                          | 0.00   |                        | 0.00    |                         | 0.00   |
| Gross return                 |                          | 55.54  |                        | 51.23   |                         | 69.34  |
| Direct expenses              |                          |        |                        |         |                         |        |
| Barley (bu.)                 | 0.01                     | 0.03   | 0.00                   | 0.01    | 0.08                    | 0.14   |
| Corn (bu.)                   | 9.58                     | 22.12  | 9.69                   | 22.19   | 8.66                    | 20.52  |
| Corn Silage (lb.)            | 424.21                   | 4.10   | 644.47                 | 6.38    | 331.38                  | 2.38   |
| Corn, Ear (lb.)              | 133.16                   | 2.94   | 388.36                 | 9.87    | 0.00                    | 0.00   |
| Hay, Alfalfa (lb.)           | 51.27                    | 1.71   | 37.43                  | 1.08    | 99.58                   | 3.03   |
| Hay, Grass & Other (lb.)     | 14.70                    | 0.47   | 21.44                  | 0.52    | 3.36                    | 0.11   |
| Haylage, Alfalfa (lb.)       | 30.32                    | 0.59   | 23.91                  | 0.70    | 15.14                   | 0.45   |
| Haylage, Grass & Other (lb.) | 14.11                    | 0.25   | 1.15                   | 0.00    | 0.00                    | 0.00   |
| Oatlage (lb.)                | 6.08                     | 0.05   | 8.25                   | 0.08    | 0.00                    | 0.00   |
| Oats (bu.)                   | 0.07                     | 0.11   | 0.07                   | 0.14    | 0.10                    | 0.16   |
| Pasture (aum)                | 0.00                     | 0.02   | 0.00                   | 0.00    | 0.00                    | 0.00   |
| Complete Ration (lb.)        | 76.84                    | 2.41   | 225.02                 | 6.85    | 68.18                   | 2.58   |
| Protein Vit Minerals (lb.)   | 51.03                    | 7.50   | 45.59                  | 6.89    | 49.23                   | 8.24   |
| Veterinary                   |                          | 1.54   |                        | 2.72    |                         | 0.91   |
| Livestock supplies           |                          | 1.09   |                        | 2.91    |                         | 0.12   |
| Fuel & oil                   |                          | 0.81   |                        | 0.92    |                         | 0.83   |
| Repairs                      |                          | 0.49   |                        | 0.19    |                         | 0.48   |
| Repair, machinery            |                          | 0.95   |                        | 1.46    |                         | 1.90   |
| Repair, livestock equip      |                          | 0.40   |                        | 0.52    |                         | 0.50   |
| Custom hire                  |                          | 0.21   |                        | 0.30    |                         | 0.00   |
| Repair, buildings            |                          | 0.68   |                        | 0.22    |                         | 0.57   |
| Hauling and trucking         |                          | 0.16   |                        | 0.24    |                         | 0.08   |
| Marketing                    |                          | 0.41   |                        | 0.52    |                         | 0.31   |
| Operating interest           |                          | 3.19   |                        | 5.27    |                         | 3.23   |
| Total direct expenses        |                          | 52.22  |                        | 69.98   |                         | 46.56  |
| Return over direct expense   |                          | 3.32   |                        | -18.75  |                         | 22.78  |
| Overhead expenses            |                          |        |                        |         |                         |        |
| Custom hire                  |                          | 0.01   |                        | 0.00    |                         | 0.07   |
| Hired labor                  |                          | 0.98   |                        | 0.92    |                         | 0.89   |
| Machinery & bldg leases      |                          | 0.50   |                        | 0.40    |                         | 0.17   |
| RE & pers. property taxes    |                          | 0.49   |                        | 0.21    |                         | 1.39   |
| Farm insurance               |                          | 0.46   |                        | 0.55    |                         | 0.62   |
| Utilities                    |                          | 0.67   |                        | 0.84    |                         | 0.50   |
| Dues & professional fees     |                          | 0.04   |                        | 0.06    |                         | 0.06   |
| Interest                     |                          | 1.29   |                        | 1.31    |                         | 0.87   |
| Mach & bldg depreciation     |                          | 1.82   |                        | 1.91    |                         | 1.38   |
| Miscellaneous                |                          | 0.66   |                        | 0.66    |                         | 0.64   |
| Total overhead expenses      |                          | 6.93   |                        | 6.87    |                         | 6.60   |
| Total listed expenses        |                          | 59.15  |                        | 76.85   |                         | 53.16  |
| Net return                   |                          | -3.61  |                        | -25.62  |                         | 16.18  |
| Est. labor hours per unit    |                          | 0.34   |                        | 0.17    |                         | 0.66   |
| Labor & management charge    |                          | 4.42   |                        | 4.01    |                         | 8.55   |
| Net return over lbr & mgt    |                          | -8.03  |                        | -29.64  |                         | 7.63   |
| Other Information            |                          |        |                        |         |                         |        |
| No. purchased or trans in    |                          | 181    |                        | 340     |                         | 101    |
| Number sold or trans out     |                          | 194    |                        | 389     |                         | 115    |
| Percentage death loss        |                          | 1.3    |                        | 1.5     |                         | 0.6    |
| Avg. daily gain (lbs)        |                          | 1.84   |                        | 1.19    |                         | 1.97   |
| Lbs of conc / lb of gain     |                          | 7.82   |                        | 12.04   |                         | 6.09   |
| Lbs of feed / lb of gain     |                          | 10.14  |                        | 14.93   |                         | 8.30   |
| Feed cost per cwt of gain    |                          | 42.29  |                        | 54.73   |                         | 37.62  |
| Feed cost per head           |                          | 213.32 |                        | 210.90  |                         | 209.65 |
| Average purchase weight      |                          | 675    |                        | 750     |                         | 516    |
| Average sales weight         |                          | 1219   |                        | 1207    |                         | 1152   |
| Avg purch price / cwt        |                          | 77.61  |                        | 75.23   |                         | 80.01  |
| Avg sales price / cwt        |                          | 64.80  |                        | 65.73   |                         | 66.16  |

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Dairy -- Average per Cow

|                            | Average For<br>All Farms |         | Average For<br>Low 20% |         | Average For<br>High 20% |         |
|----------------------------|--------------------------|---------|------------------------|---------|-------------------------|---------|
|                            | 688                      |         | 138                    |         | 138                     |         |
| Number of farms            | Quantity                 | Value   | Quantity               | Value   | Quantity                | Value   |
| Milk sold (lb)             | 17776.38                 | 2358.47 | 15045.55               | 1960.64 | 20054.10                | 2689.97 |
| Milk used in home (lb)     | 21.23                    | 2.74    | 22.86                  | 2.67    | 18.10                   | 2.53    |
| Milk fed to animals (lb)   | 97.78                    | 11.16   | 73.92                  | 8.91    | 99.38                   | 10.15   |
| Dairy Calves sold (hd)     | 0.05                     | 16.30   | 0.08                   | 10.41   | 0.07                    | 23.32   |
| Transferred out (hd)       | 0.49                     | 50.39   | 0.46                   | 35.11   | 0.60                    | 58.21   |
| Cull sales (hd)            | 0.29                     | 119.23  | 0.32                   | 130.98  | 0.28                    | 115.70  |
| Butchered (hd)             | 0.01                     | 3.98    | 0.01                   | 5.01    | 0.01                    | 3.84    |
| Less purchased (hd)        | -0.09                    | -82.55  | -0.12                  | -108.64 | -0.07                   | -53.87  |
| Less transferred in (hd)   | -0.31                    | -287.44 | -0.26                  | -245.48 | -0.34                   | -302.26 |
| Inventory change (hd)      | 0.01                     | 20.41   | -0.06                  | -81.79  | 0.04                    | 93.93   |
| Total production           |                          | 2212.69 |                        | 1717.83 |                         | 2641.54 |
| Other income               |                          | 7.57    |                        | 4.59    |                         | 5.90    |
| Gross return               |                          | 2220.26 |                        | 1722.42 |                         | 2647.44 |
| Direct expenses            |                          |         |                        |         |                         |         |
| Barley (bu.)               | 2.14                     | 4.36    | 3.00                   | 5.74    | 1.06                    | 2.31    |
| Corn (bu.)                 | 80.24                    | 190.44  | 80.14                  | 185.68  | 77.87                   | 186.18  |
| Corn Silage (lb.)          | 13333.30                 | 128.67  | 19726.69               | 153.47  | 11115.19                | 115.42  |
| Hay, Alfalfa (lb.)         | 3694.59                  | 176.30  | 3895.48                | 203.11  | 3577.35                 | 165.52  |
| Hay, Grass & Other (lb.)   | 536.28                   | 18.55   | 964.39                 | 33.85   | 265.30                  | 8.30    |
| Haylage, Alfalfa (lb.)     | 4595.15                  | 109.37  | 3643.49                | 90.88   | 4645.46                 | 111.02  |
| Oats (bu.)                 | 2.36                     | 3.55    | 2.86                   | 4.45    | 1.53                    | 2.32    |
| Complete Ration (lb.)      | 1175.95                  | 93.21   | 900.06                 | 95.20   | 1668.02                 | 122.04  |
| Protein Vit Minerals (lb.) | 2249.17                  | 343.70  | 1934.59                | 312.77  | 2344.10                 | 343.33  |
| Other feed stuffs          |                          | 35.78   |                        | 40.92   |                         | 34.86   |
| Breeding fees              |                          | 22.68   |                        | 18.99   |                         | 26.44   |
| Veterinary                 |                          | 74.64   |                        | 69.91   |                         | 76.65   |
| BST                        |                          | 3.61    |                        | 0.00    |                         | 7.96    |
| Livestock supplies         |                          | 100.47  |                        | 99.42   |                         | 99.84   |
| DHIA                       |                          | 11.61   |                        | 11.68   |                         | 11.53   |
| Fuel & oil                 |                          | 22.54   |                        | 25.22   |                         | 21.87   |
| Repairs                    |                          | 36.75   |                        | 34.01   |                         | 35.40   |
| Repair, machinery          |                          | 17.00   |                        | 14.50   |                         | 17.30   |
| Repair, livestock equip    |                          | 21.92   |                        | 22.91   |                         | 21.89   |
| Custom hire                |                          | 17.47   |                        | 11.43   |                         | 18.43   |
| Repair, buildings          |                          | 11.16   |                        | 11.41   |                         | 9.95    |
| Hired labor                |                          | 9.87    |                        | 28.13   |                         | 1.26    |
| Machinery & bldg leases    |                          | 8.23    |                        | 16.49   |                         | 8.18    |
| Hauling and trucking       |                          | 26.50   |                        | 28.06   |                         | 25.45   |
| Marketing                  |                          | 31.57   |                        | 30.81   |                         | 31.67   |
| Bedding                    |                          | 3.12    |                        | 2.17    |                         | 4.12    |
| Operating interest         |                          | 12.58   |                        | 19.24   |                         | 7.40    |
| Total direct expenses      |                          | 1535.63 |                        | 1570.46 |                         | 1516.62 |
| Return over direct expense |                          | 684.62  |                        | 151.97  |                         | 1130.82 |
| Overhead expenses          |                          |         |                        |         |                         |         |
| Hired labor                |                          | 93.33   |                        | 42.89   |                         | 140.13  |
| Machinery & bldg leases    |                          | 17.78   |                        | 17.46   |                         | 18.39   |
| RE & pers. property taxes  |                          | 9.60    |                        | 10.36   |                         | 10.13   |
| Farm insurance             |                          | 20.21   |                        | 22.84   |                         | 20.53   |
| Utilities                  |                          | 56.38   |                        | 53.90   |                         | 56.29   |
| Dues & professional fees   |                          | 4.75    |                        | 5.31    |                         | 6.76    |
| Interest                   |                          | 108.61  |                        | 102.12  |                         | 112.62  |
| Mach & bldg depreciation   |                          | 89.69   |                        | 69.38   |                         | 115.36  |
| Miscellaneous              |                          | 19.87   |                        | 17.49   |                         | 22.51   |
| Total overhead expenses    |                          | 420.21  |                        | 341.75  |                         | 502.73  |
| Total listed expenses      |                          | 1955.84 |                        | 1912.21 |                         | 2019.35 |
| Net return                 |                          | 264.41  |                        | -189.78 |                         | 628.09  |
| Est. labor hours per unit  |                          | 39.24   |                        | 39.86   |                         | 38.67   |
| Labor & management charge  |                          | 190.88  |                        | 192.00  |                         | 186.32  |
| Net return over lbr & mgt  |                          | 73.54   |                        | -381.79 |                         | 441.78  |
| Other Information          |                          |         |                        |         |                         |         |
| Avg. number of Cows        |                          | 67.3    |                        | 58.0    |                         | 80.1    |
| Milk produced per Cow      |                          | 17895   |                        | 15142   |                         | 20172   |
| Percent butterfat in milk  |                          | 3.6     |                        | 4.1     |                         | 3.3     |
| Culling percentage         |                          | 29.3    |                        | 32.0    |                         | 28.2    |
| Percent of barn capacity   |                          | 104.0   |                        | 97.8    |                         | 107.4   |
| Lbs. milk/lb grain & conc. |                          | 2.1     |                        | 1.9     |                         | 2.3     |
| Feed cost per cwt of milk  |                          | 6.17    |                        | 7.44    |                         | 5.41    |
| Feed cost per Cow          |                          | 1103.93 |                        | 1126.08 |                         | 1091.29 |
| Avg. milk price per cwt.   |                          | 13.27   |                        | 13.03   |                         | 13.41   |

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Dairy and Repl Heifers -- Average per Cow

| Number of farms            | Average For<br>All Farms |         | Average For<br>Low 20% |         | Average For<br>High 20% |         |
|----------------------------|--------------------------|---------|------------------------|---------|-------------------------|---------|
|                            | 602                      |         | 120                    |         | 120                     |         |
|                            | Quantity                 | Value   | Quantity               | Value   | Quantity                | Value   |
| Milk sold (lb)             | 17746.84                 | 2347.97 | 14945.40               | 1938.88 | 20005.15                | 2677.55 |
| Milk used in home (lb)     | 23.06                    | 2.98    | 23.78                  | 2.75    | 22.58                   | 2.91    |
| Milk fed to animals (lb)   | 101.04                   | 11.41   | 109.93                 | 13.52   | 87.86                   | 11.83   |
| Dairy Calves sold (hd)     | 0.41                     | 107.86  | 0.37                   | 90.80   | 0.43                    | 133.92  |
| Transferred out (hd)       | 0.90                     | 373.56  | 0.93                   | 310.04  | 0.93                    | 429.18  |
| Cull sales (hd)            | 0.34                     | 128.72  | 0.34                   | 130.27  | 0.34                    | 136.81  |
| Butchered (hd)             | 0.02                     | 7.68    | 0.02                   | 8.16    | 0.02                    | 9.25    |
| Less purchased (hd)        | -0.14                    | -97.49  | -0.13                  | -92.61  | -0.17                   | -109.76 |
| Less transferred in (hd)   | -0.85                    | -353.83 | -0.86                  | -313.17 | -0.88                   | -399.40 |
| Inventory change (hd)      | 0.01                     | 35.56   | -0.12                  | -74.13  | 0.12                    | 187.39  |
| Total production           |                          | 2564.42 |                        | 2014.52 |                         | 3079.67 |
| Other income               |                          | 10.95   |                        | 6.72    |                         | 9.45    |
| Gross return               |                          | 2575.37 |                        | 2021.24 |                         | 3089.12 |
| Direct expenses            |                          |         |                        |         |                         |         |
| Barley (bu.)               | 2.77                     | 5.46    | 4.74                   | 9.38    | 1.32                    | 2.90    |
| Corn (bu.)                 | 98.16                    | 233.94  | 104.73                 | 247.02  | 98.60                   | 238.54  |
| Corn Silage (lb.)          | 19315.41                 | 198.27  | 21565.26               | 231.00  | 18270.50                | 186.20  |
| Hay, Alfalfa (lb.)         | 5181.05                  | 237.23  | 5893.67                | 292.90  | 5014.05                 | 219.88  |
| Hay, Grass & Other (lb.)   | 1381.30                  | 42.86   | 1670.53                | 52.31   | 934.95                  | 24.92   |
| Haylage, Alfalfa (lb.)     | 5554.89                  | 131.74  | 4425.68                | 111.88  | 6067.63                 | 150.69  |
| Oats (bu.)                 | 5.07                     | 7.74    | 6.45                   | 10.08   | 3.97                    | 6.24    |
| Pasture (aum)              | 0.79                     | 5.84    | 0.70                   | 8.29    | 1.22                    | 3.37    |
| Complete Ration (lb.)      | 1131.56                  | 94.19   | 575.55                 | 57.80   | 1012.25                 | 91.75   |
| Milk (lb.)                 | 48.09                    | 5.98    | 70.96                  | 10.16   | 25.67                   | 3.19    |
| Protein Vit Minerals (lb.) | 2542.95                  | 399.14  | 2339.51                | 389.13  | 2824.75                 | 430.26  |
| Other feed stuffs          |                          | 42.78   |                        | 36.36   |                         | 40.29   |
| Breeding fees              |                          | 27.71   |                        | 20.61   |                         | 34.33   |
| Veterinary                 |                          | 83.56   |                        | 76.46   |                         | 92.73   |
| Livestock supplies         |                          | 115.66  |                        | 117.23  |                         | 118.50  |
| DHIA                       |                          | 12.43   |                        | 11.62   |                         | 13.69   |
| Fuel & oil                 |                          | 26.37   |                        | 30.46   |                         | 26.12   |
| Repairs                    |                          | 42.36   |                        | 38.72   |                         | 42.14   |
| Repair, machinery          |                          | 20.62   |                        | 19.68   |                         | 19.01   |
| Repair, livestock equip    |                          | 28.54   |                        | 31.58   |                         | 32.77   |
| Custom hire                |                          | 23.42   |                        | 20.65   |                         | 16.33   |
| Repair, buildings          |                          | 13.57   |                        | 14.06   |                         | 14.77   |
| Hired labor                |                          | 11.27   |                        | 27.33   |                         | 1.66    |
| Machinery & bldg leases    |                          | 9.27    |                        | 14.43   |                         | 12.17   |
| Hauling and trucking       |                          | 28.77   |                        | 25.01   |                         | 28.35   |
| Marketing                  |                          | 32.19   |                        | 31.34   |                         | 33.80   |
| Operating interest         |                          | 12.02   |                        | 19.78   |                         | 8.99    |
| Total direct expenses      |                          | 1892.92 |                        | 1955.28 |                         | 1893.59 |
| Return over direct expense |                          | 682.45  |                        | 65.96   |                         | 1195.53 |
| Overhead expenses          |                          |         |                        |         |                         |         |
| Hired labor                |                          | 96.12   |                        | 51.81   |                         | 120.86  |
| Machinery & bldg leases    |                          | 18.57   |                        | 14.84   |                         | 20.08   |
| RE & pers. property taxes  |                          | 11.84   |                        | 12.15   |                         | 12.47   |
| Farm insurance             |                          | 23.99   |                        | 25.88   |                         | 24.05   |
| Utilities                  |                          | 66.06   |                        | 59.87   |                         | 67.02   |
| Dues & professional fees   |                          | 5.54    |                        | 4.74    |                         | 9.99    |
| Interest                   |                          | 115.12  |                        | 114.32  |                         | 108.28  |
| Mach & bldg depreciation   |                          | 107.26  |                        | 78.57   |                         | 148.89  |
| Miscellaneous              |                          | 23.45   |                        | 24.91   |                         | 23.52   |
| Total overhead expenses    |                          | 467.96  |                        | 387.09  |                         | 535.15  |
| Total listed expenses      |                          | 2360.88 |                        | 2342.37 |                         | 2428.73 |
| Net return                 |                          | 214.49  |                        | -321.13 |                         | 660.38  |
| Est. labor hours per unit  |                          | 47.35   |                        | 42.88   |                         | 45.68   |
| Labor & management charge  |                          | 228.80  |                        | 223.86  |                         | 241.05  |
| Net return over lbr & mgt  |                          | -14.31  |                        | -545.00 |                         | 419.33  |
| Other Information          |                          |         |                        |         |                         |         |
| Avg. number of Cows        |                          | 64.5    |                        | 58.1    |                         | 73.0    |
| Milk produced per Cow      |                          | 17871   |                        | 15079   |                         | 20116   |
| Percent butterfat in milk  |                          | 3.7     |                        | 4.1     |                         | 3.5     |
| Culling percentage         |                          | 34.1    |                        | 34.2    |                         | 34.4    |
| Percent of barn capacity   |                          | 104.1   |                        | 98.8    |                         | 106.5   |
| Lbs. milk/lb grain & conc. |                          | 1.8     |                        | 1.6     |                         | 2.1     |
| Feed cost per cwt of milk  |                          | 7.86    |                        | 9.66    |                         | 6.95    |
| Feed cost per Cow          |                          | 1405.16 |                        | 1456.33 |                         | 1398.22 |
| Avg. milk price per cwt.   |                          | 13.23   |                        | 12.97   |                         | 13.38   |

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Hogs, Farrow To Finish -- Average per Cwt Produced

| Number of farms            | Average For<br>All Farms |       | Average For<br>Low 20% |        | Average For<br>High 20% |       |
|----------------------------|--------------------------|-------|------------------------|--------|-------------------------|-------|
|                            | 164                      |       | 33                     |        | 33                      |       |
|                            | Quantity                 | Value | Quantity               | Value  | Quantity                | Value |
| Raised Hogs sold (lb)      | 92.49                    | 50.10 | 93.37                  | 49.63  | 89.31                   | 48.95 |
| Transferred out (lb)       | 0.31                     | 0.21  | 0.25                   | 0.21   | 0.25                    | 0.17  |
| Cull sales (lb)            | 5.51                     | 2.19  | 7.26                   | 2.81   | 4.75                    | 2.06  |
| Butchered (lb)             | 0.24                     | 0.13  | 0.16                   | 0.09   | 0.12                    | 0.06  |
| Less purchased (lb)        | -2.60                    | -2.81 | -2.43                  | -2.80  | -2.30                   | -2.49 |
| Less transferred in (lb)   | -0.18                    | -0.10 | -0.25                  | -0.15  | -0.20                   | -0.13 |
| Inventory change (lb)      | 4.23                     | -0.84 | 1.64                   | -4.26  | 8.07                    | 2.58  |
| Total production (lb)      | 100.00                   | 48.87 | 100.00                 | 45.54  | 100.00                  | 51.21 |
| Other income               |                          | 0.02  |                        | 0.02   |                         | 0.06  |
| Gross return               |                          | 48.89 |                        | 45.55  |                         | 51.26 |
| Direct expenses            |                          |       |                        |        |                         |       |
| Barley (bu.)               | 0.01                     | 0.02  | 0.02                   | 0.05   | 0.01                    | 0.02  |
| Corn (bu.)                 | 4.26                     | 9.97  | 5.92                   | 13.77  | 3.71                    | 8.66  |
| Oats (bu.)                 | 0.01                     | 0.02  | 0.05                   | 0.09   | 0.00                    | 0.01  |
| Complete Ration (lb.)      | 56.18                    | 4.50  | 8.90                   | 1.68   | 93.47                   | 6.76  |
| Creep / Starter (lb.)      | 0.76                     | 0.33  | 0.09                   | 0.03   | 0.47                    | 0.14  |
| Milk (lb.)                 | 0.08                     | 0.08  | 0.00                   | 0.00   | 0.04                    | 0.04  |
| Protein Vit Minerals (lb.) | 79.69                    | 13.37 | 165.98                 | 22.52  | 53.96                   | 9.67  |
| Other feed stuffs          |                          | 0.13  |                        | 0.35   |                         | 0.24  |
| Breeding fees              |                          | 0.37  |                        | 0.07   |                         | 0.50  |
| Veterinary                 |                          | 1.13  |                        | 1.51   |                         | 0.99  |
| Livestock supplies         |                          | 0.73  |                        | 1.03   |                         | 0.66  |
| Fuel & oil                 |                          | 0.54  |                        | 0.76   |                         | 0.59  |
| Repairs                    |                          | 0.89  |                        | 1.19   |                         | 0.84  |
| Repair, machinery          |                          | 0.23  |                        | 0.22   |                         | 0.15  |
| Repair, livestock equip    |                          | 0.25  |                        | 0.32   |                         | 0.27  |
| Custom hire                |                          | 1.20  |                        | 0.46   |                         | 0.50  |
| Repair, buildings          |                          | 0.18  |                        | 0.21   |                         | 0.09  |
| Hired labor                |                          | 0.10  |                        | 0.05   |                         | 0.05  |
| Machinery & bldg leases    |                          | 1.02  |                        | 1.72   |                         | 0.49  |
| Livestock leases           |                          | 0.03  |                        | 0.00   |                         | 0.01  |
| Utilities                  |                          | 0.06  |                        | 0.11   |                         | 0.06  |
| Hauling and trucking       |                          | 0.05  |                        | 0.01   |                         | 0.01  |
| Marketing                  |                          | 0.10  |                        | 0.11   |                         | 0.08  |
| Operating interest         |                          | 0.53  |                        | 1.14   |                         | 0.41  |
| Total direct expenses      |                          | 35.86 |                        | 47.49  |                         | 31.27 |
| Return over direct expense |                          | 13.02 |                        | -1.94  |                         | 19.99 |
| Overhead expenses          |                          |       |                        |        |                         |       |
| Repair, machinery          |                          | 0.02  |                        | 0.00   |                         | 0.01  |
| Repair, livestock equip    |                          | 0.06  |                        | 0.00   |                         | 0.00  |
| Repair, buildings          |                          | 0.04  |                        | 0.00   |                         | 0.05  |
| Hired labor                |                          | 1.74  |                        | 1.90   |                         | 2.11  |
| Machinery & bldg leases    |                          | 0.68  |                        | 0.18   |                         | 1.07  |
| RE & pers. property taxes  |                          | 0.18  |                        | 0.25   |                         | 0.13  |
| Farm insurance             |                          | 0.42  |                        | 0.46   |                         | 0.41  |
| Utilities                  |                          | 0.89  |                        | 0.83   |                         | 0.90  |
| Dues & professional fees   |                          | 0.06  |                        | 0.02   |                         | 0.09  |
| Interest                   |                          | 1.65  |                        | 1.94   |                         | 1.93  |
| Mach & bldg depreciation   |                          | 1.91  |                        | 1.26   |                         | 2.24  |
| Miscellaneous              |                          | 0.53  |                        | 1.14   |                         | 0.50  |
| Total overhead expenses    |                          | 8.20  |                        | 7.98   |                         | 9.47  |
| Total listed expenses      |                          | 44.06 |                        | 55.46  |                         | 40.74 |
| Net return                 |                          | 4.83  |                        | -9.91  |                         | 10.52 |
| Est. labor hours per unit  |                          | 0.41  |                        | 0.63   |                         | 0.36  |
| Labor & management charge  |                          | 3.30  |                        | 4.32   |                         | 3.45  |
| Net return over lbr & mgt  |                          | 1.53  |                        | -14.23 |                         | 7.07  |
| Other Information          |                          |       |                        |        |                         |       |
| Average number of sows     | 120.4                    |       | 69.4                   |        | 169.2                   |       |
| Litters farrowed           | 229                      |       | 113                    |        | 337                     |       |
| Litters per sow            | 1.90                     |       | 1.62                   |        | 1.99                    |       |
| Litters per crate          | 9.28                     |       | 6.18                   |        | 11.71                   |       |
| Pigs born per litter       | 9.77                     |       | 9.35                   |        | 10.02                   |       |
| Pigs weaned per litter     | 8.61                     |       | 8.10                   |        | 8.92                    |       |
| Pigs weaned per sow        | 16.13                    |       | 12.96                  |        | 17.38                   |       |
| Number sold per litter     | 7.68                     |       | 6.49                   |        | 7.65                    |       |
| Lbs of feed / lb of gain   | 3.77                     |       | 5.12                   |        | 3.58                    |       |
| Feed cost / cwt. of gain   | 28.43                    |       | 38.54                  |        | 25.56                   |       |
| Feed cost per litter       | 566.04                   |       | 647.85                 |        | 525.85                  |       |
| Avg wgt/Raised Hog sold    | 240                      |       | 242                    |        | 240                     |       |
| Avg price / cwt            | 54.17                    |       | 53.16                  |        | 54.81                   |       |

Livestock Enterprise Analysis, 1997  
Statewide Livestock Database  
Minnesota West Community & Technical College  
(Farms sorted according to Return to Overhead per unit produced)

Hogs, Feeder Pig Prod -- Average per Litter

| Number of farms            | Average For<br>All Farms |        | Average For<br>Low 20% |        | Average For<br>High 20% |        |
|----------------------------|--------------------------|--------|------------------------|--------|-------------------------|--------|
|                            | 56                       |        | 11                     |        | 11                      |        |
|                            | Quantity                 | Value  | Quantity               | Value  | Quantity                | Value  |
| Feeder Pigs sold (hd)      | 4.84                     | 222.38 | 0.82                   | 39.97  | 5.70                    | 302.22 |
| Transferred out (hd)       | 3.49                     | 157.27 | 7.18                   | 260.31 | 2.69                    | 139.39 |
| Cull sales (hd)            | 0.24                     | 41.74  | 0.26                   | 50.22  | 0.33                    | 53.88  |
| Butchered (hd)             | 0.00                     | 0.40   | 0.00                   | 0.42   | 0.00                    | 0.21   |
| Less purchased (hd)        | -0.16                    | -38.26 | -0.21                  | -41.17 | -0.15                   | -41.22 |
| Less transferred in (hd)   | -0.18                    | -20.72 | -0.10                  | -13.72 | -0.30                   | -32.92 |
| Inventory change (hd)      | 0.20                     | 4.42   | -0.12                  | -1.95  | 0.11                    | 18.61  |
| Total production (hd)      | 0.00                     | 367.23 | 0.00                   | 294.09 | 0.00                    | 440.16 |
| Other income               |                          | 0.08   |                        | 0.00   |                         | 0.14   |
| Gross return               |                          | 367.31 |                        | 294.09 |                         | 440.30 |
| Direct expenses            |                          |        |                        |        |                         |        |
| Barley (bu.)               | 0.19                     | 0.34   | 0.77                   | 1.47   | 0.19                    | 0.35   |
| Corn (bu.)                 | 19.00                    | 46.32  | 11.89                  | 28.12  | 25.19                   | 56.22  |
| Hay, Alfalfa (lb.)         | 0.23                     | 0.01   | 0.00                   | 0.00   | 0.00                    | 0.00   |
| Oats (bu.)                 | 0.25                     | 0.44   | 0.33                   | 0.56   | 0.00                    | 0.00   |
| Complete Ration (lb.)      | 293.27                   | 34.45  | 700.17                 | 68.71  | 375.53                  | 29.53  |
| Creep / Starter (lb.)      | 1.64                     | 0.48   | 10.92                  | 2.00   | 0.00                    | 0.00   |
| Milk (lb.)                 | 0.56                     | 0.39   | 2.27                   | 0.11   | 1.11                    | 1.42   |
| Milk Replacer (lb.)        | 0.02                     | 0.02   | 0.00                   | 0.00   | 0.00                    | 0.00   |
| Protein Vit Minerals (lb.) | 385.84                   | 74.15  | 306.79                 | 67.16  | 348.27                  | 56.73  |
| Breeding fees              |                          | 8.50   |                        | 8.85   |                         | 7.61   |
| Veterinary                 |                          | 16.77  |                        | 18.19  |                         | 18.61  |
| Livestock supplies         |                          | 12.67  |                        | 11.10  |                         | 16.79  |
| Fuel & oil                 |                          | 4.71   |                        | 4.06   |                         | 5.59   |
| Repairs                    |                          | 6.78   |                        | 17.36  |                         | 6.61   |
| Repair, machinery          |                          | 4.99   |                        | 2.81   |                         | 4.47   |
| Repair, livestock equip    |                          | 3.90   |                        | 1.62   |                         | 4.93   |
| Custom hire                |                          | 3.14   |                        | 5.21   |                         | 0.25   |
| Repair, buildings          |                          | 2.96   |                        | 0.60   |                         | 2.66   |
| Hired labor                |                          | 4.56   |                        | 33.81  |                         | 0.00   |
| Machinery & bldg leases    |                          | 2.61   |                        | 0.00   |                         | 5.95   |
| Livestock leases           |                          | 0.15   |                        | 0.00   |                         | 0.00   |
| Utilities                  |                          | 0.35   |                        | 0.00   |                         | 0.00   |
| Hauling and trucking       |                          | 0.21   |                        | 0.19   |                         | 0.19   |
| Marketing                  |                          | 0.66   |                        | 0.29   |                         | 0.59   |
| Operating interest         |                          | 3.24   |                        | 2.00   |                         | 3.74   |
| Total direct expenses      |                          | 232.82 |                        | 274.21 |                         | 222.23 |
| Return over direct expense |                          | 134.49 |                        | 19.88  |                         | 218.07 |
| Overhead expenses          |                          |        |                        |        |                         |        |
| Hired labor                |                          | 25.58  |                        | 2.26   |                         | 46.49  |
| Machinery & bldg leases    |                          | 22.44  |                        | 0.08   |                         | 7.44   |
| RE & pers. property taxes  |                          | 1.81   |                        | 2.94   |                         | 1.92   |
| Farm insurance             |                          | 4.06   |                        | 3.93   |                         | 4.90   |
| Utilities                  |                          | 9.61   |                        | 7.91   |                         | 10.73  |
| Dues & professional fees   |                          | 0.42   |                        | 1.46   |                         | 0.37   |
| Interest                   |                          | 16.64  |                        | 4.77   |                         | 13.31  |
| Mach & bldg depreciation   |                          | 24.02  |                        | 20.23  |                         | 32.56  |
| Miscellaneous              |                          | 4.12   |                        | 1.96   |                         | 5.10   |
| Total overhead expenses    |                          | 108.71 |                        | 45.55  |                         | 122.82 |
| Total listed expenses      |                          | 341.53 |                        | 319.77 |                         | 345.04 |
| Net return                 |                          | 25.78  |                        | -25.67 |                         | 95.26  |
| Est. labor hours per unit  |                          | 6.32   |                        | 4.44   |                         | 8.88   |
| Labor & management charge  |                          | 33.85  |                        | 47.05  |                         | 31.15  |
| Net return over lbr & mgt  |                          | -8.07  |                        | -72.73 |                         | 64.11  |
| Other Information          |                          |        |                        |        |                         |        |
| Average number of sows     |                          | 168.4  |                        | 113.5  |                         | 156.3  |
| Litters farrowed           |                          | 339    |                        | 232    |                         | 331    |
| Litters per sow            |                          | 2.01   |                        | 2.05   |                         | 2.11   |
| Litters per crate          |                          | 10.40  |                        | 9.61   |                         | 9.75   |
| Pigs born per litter       |                          | 9.99   |                        | 10.72  |                         | 10.01  |
| Pigs weaned per litter     |                          | 8.85   |                        | 8.65   |                         | 9.00   |
| Pigs weaned per sow        |                          | 17.54  |                        | 18.17  |                         | 18.23  |
| Number sold per litter     |                          | 4.84   |                        | 0.82   |                         | 5.70   |
| Feed cost per litter       |                          | 156.60 |                        | 168.12 |                         | 144.25 |
| Avg wgt/Feeder Pig sold    |                          | 41     |                        | 38     |                         | 51     |
| Avg price / head           |                          | 45.93  |                        | 49.00  |                         | 53.01  |



Livestock Enterprise Analysis, 1997  
Statewide Livestock Database  
Minnesota West Community & Technical College  
(Farms sorted according to Return to Overhead per unit produced)

Hogs, Finish Feeder Pigs -- Average per Cwt Produced

| Number of farms            | Average For<br>All Farms |        | Average For<br>Low 20% |        | Average For<br>High 20% |        |
|----------------------------|--------------------------|--------|------------------------|--------|-------------------------|--------|
|                            | 169                      |        | 34                     |        | 34                      |        |
|                            | Quantity                 | Value  | Quantity               | Value  | Quantity                | Value  |
| Finish Hogs sold (lb)      | 113.12                   | 60.43  | 101.56                 | 53.43  | 116.64                  | 62.66  |
| Transferred out (lb)       | 1.78                     | 1.10   | 1.62                   | 0.81   | 3.16                    | 2.04   |
| Cull sales (lb)            | 0.14                     | 0.06   | 0.00                   | 0.00   | 0.46                    | 0.21   |
| Butchered (lb)             | 0.21                     | 0.11   | 0.74                   | 0.37   | 0.10                    | 0.05   |
| Less purchased (lb)        | -14.88                   | -18.72 | -20.37                 | -29.09 | -11.77                  | -13.13 |
| Less transferred in (lb)   | -7.62                    | -7.86  | -3.92                  | -3.82  | -10.07                  | -9.15  |
| Inventory change (lb)      | 7.25                     | 0.65   | 20.37                  | 3.99   | 1.48                    | -0.15  |
| Total production (lb)      | 100.00                   | 35.76  | 100.00                 | 25.68  | 100.00                  | 42.52  |
| Other income               |                          | 0.05   |                        | 0.00   |                         | 0.01   |
| Gross return               |                          | 35.81  |                        | 25.68  |                         | 42.54  |
| Direct expenses            |                          |        |                        |        |                         |        |
| Barley (bu.)               | 0.02                     | 0.04   | 0.13                   | 0.25   | 0.00                    | 0.00   |
| Corn (bu.)                 | 3.36                     | 8.03   | 4.95                   | 11.83  | 3.69                    | 8.80   |
| Oats (bu.)                 | 0.01                     | 0.02   | 0.10                   | 0.15   | 0.00                    | 0.00   |
| Complete Ration (lb.)      | 76.45                    | 6.71   | 0.38                   | 0.15   | 61.57                   | 5.19   |
| Creep / Starter (lb.)      | 0.08                     | 0.04   | 0.00                   | 0.00   | 0.00                    | 0.00   |
| Milk (lb.)                 | 0.07                     | 0.09   | 0.15                   | 0.02   | 0.03                    | 0.06   |
| Protein Vit Minerals (lb.) | 50.73                    | 8.56   | 90.08                  | 16.25  | 45.30                   | 7.29   |
| Other feed stuffs          |                          | 0.17   |                        | 0.00   |                         | 0.00   |
| Veterinary                 |                          | 0.53   |                        | 0.51   |                         | 0.56   |
| Livestock supplies         |                          | 0.36   |                        | 0.45   |                         | 0.31   |
| Fuel & oil                 |                          | 0.25   |                        | 0.49   |                         | 0.37   |
| Repairs                    |                          | 0.49   |                        | 0.70   |                         | 0.60   |
| Repair, machinery          |                          | 0.17   |                        | 0.39   |                         | 0.14   |
| Repair, livestock equip    |                          | 0.17   |                        | 0.36   |                         | 0.22   |
| Custom hire                |                          | 0.57   |                        | 0.24   |                         | 0.59   |
| Repair, buildings          |                          | 0.21   |                        | 0.92   |                         | 0.16   |
| Hired labor                |                          | 0.19   |                        | 0.00   |                         | 0.00   |
| Machinery & bldg leases    |                          | 0.68   |                        | 0.45   |                         | 0.01   |
| Livestock leases           |                          | 0.02   |                        | 0.00   |                         | 0.00   |
| Utilities                  |                          | 0.02   |                        | 0.01   |                         | 0.01   |
| Hauling and trucking       |                          | 0.15   |                        | 0.15   |                         | 0.12   |
| Marketing                  |                          | 0.24   |                        | 0.33   |                         | 0.30   |
| Operating interest         |                          | 0.49   |                        | 1.19   |                         | 0.29   |
| Total direct expenses      |                          | 28.21  |                        | 34.89  |                         | 25.02  |
| Return over direct expense |                          | 7.60   |                        | -9.21  |                         | 17.51  |
| Overhead expenses          |                          |        |                        |        |                         |        |
| Hired labor                |                          | 0.52   |                        | 0.52   |                         | 0.99   |
| Machinery & bldg leases    |                          | 0.70   |                        | 0.88   |                         | 1.17   |
| RE & pers. property taxes  |                          | 0.11   |                        | 0.13   |                         | 0.13   |
| Farm insurance             |                          | 0.25   |                        | 0.31   |                         | 0.27   |
| Utilities                  |                          | 0.44   |                        | 0.81   |                         | 0.51   |
| Dues & professional fees   |                          | 0.03   |                        | 0.11   |                         | 0.02   |
| Interest                   |                          | 1.23   |                        | 1.78   |                         | 1.41   |
| Mach & bldg depreciation   |                          | 1.59   |                        | 1.43   |                         | 1.92   |
| Miscellaneous              |                          | 0.34   |                        | 0.70   |                         | 0.34   |
| Total overhead expenses    |                          | 5.22   |                        | 6.68   |                         | 6.78   |
| Total listed expenses      |                          | 33.43  |                        | 41.57  |                         | 31.80  |
| Net return                 |                          | 2.38   |                        | -15.89 |                         | 10.74  |
| Est. labor hours per unit  |                          | 0.23   |                        | 0.39   |                         | 0.28   |
| Labor & management charge  |                          | 2.12   |                        | 3.60   |                         | 2.60   |
| Net return over lbr & mgt  |                          | 0.26   |                        | -19.49 |                         | 8.14   |
| Other Information          |                          |        |                        |        |                         |        |
| No. purchased or trans in  |                          | 1848   |                        | 732    |                         | 1686   |
| Number sold or trans out   |                          | 1618   |                        | 509    |                         | 1516   |
| Percentage death loss      |                          | 3.2    |                        | 4.9    |                         | 2.0    |
| Avg. daily gain (lbs)      |                          | 1.38   |                        | 0.90   |                         | 1.46   |
| Lbs of conc / lb of gain   |                          | 3.18   |                        | 3.77   |                         | 3.13   |
| Lbs of feed / lb of gain   |                          | 3.18   |                        | 3.77   |                         | 3.13   |
| Feed cost per cwt of gain  |                          | 23.66  |                        | 28.70  |                         | 21.34  |
| Feed cost per head         |                          | 49.34  |                        | 58.11  |                         | 43.49  |
| Average purchase weight    |                          | 41     |                        | 38     |                         | 36     |
| Average sales weight       |                          | 248    |                        | 240    |                         | 245    |
| Avg purch price / head     |                          | 51.63  |                        | 53.61  |                         | 40.04  |
| Avg sales price / cwt      |                          | 53.42  |                        | 52.60  |                         | 53.72  |

Livestock Enterprise Analysis, 1997  
Statewide Livestock Database  
Minnesota West Community & Technical College  
(Farms sorted according to Return to Overhead per head)

Hogs, Contractee -- Average per Pig

|                               | Average For<br>All Farms |       | Average For<br>Low 20% |        | Average For<br>High 20% |        |
|-------------------------------|--------------------------|-------|------------------------|--------|-------------------------|--------|
| Number of farms               | 33                       |       | 7                      |        | 7                       |        |
|                               | Quantity                 | Value | Quantity               | Value  | Quantity                | Value  |
| ContracteeHg sold (hd)        | 0.26                     | 2.31  | 0.22                   | 2.16   | 0.24                    | 1.59   |
| Total production (hd)         | 0.00                     | 2.31  | 0.00                   | 2.16   | 0.00                    | 1.59   |
| Other income                  |                          | 10.98 |                        | 5.59   |                         | 14.35  |
| Gross return                  |                          | 13.29 |                        | 7.75   |                         | 15.94  |
| Direct expenses               |                          |       |                        |        |                         |        |
| Livestock supplies            |                          | 0.10  |                        | 0.35   |                         | 0.09   |
| Fuel & oil                    |                          | 0.37  |                        | 0.31   |                         | 0.21   |
| Repairs                       |                          | 0.25  |                        | 0.42   |                         | 0.21   |
| Repair, machinery             |                          | 0.04  |                        | 0.02   |                         | 0.03   |
| Repair, livestock equip       |                          | 0.16  |                        | 0.17   |                         | 0.18   |
| Custom hire                   |                          | 0.12  |                        | 0.00   |                         | 0.00   |
| Repair, buildings             |                          | 0.20  |                        | 0.51   |                         | 0.22   |
| Hired labor                   |                          | 0.04  |                        | 0.03   |                         | 0.00   |
| Machinery & bldg leases       |                          | 0.24  |                        | 0.02   |                         | 0.00   |
| Utilities                     |                          | 0.20  |                        | 0.00   |                         | 0.36   |
| Operating interest            |                          | 0.05  |                        | 0.30   |                         | 0.02   |
| Total direct expenses         |                          | 1.79  |                        | 2.13   |                         | 1.33   |
| Return over direct expense    |                          | 11.49 |                        | 5.61   |                         | 14.62  |
| Overhead expenses             |                          |       |                        |        |                         |        |
| Hired labor                   |                          | 0.09  |                        | 0.02   |                         | 0.16   |
| Machinery & bldg leases       |                          | 0.48  |                        | -0.02  |                         | 0.04   |
| RE & pers. property taxes     |                          | 0.20  |                        | 0.09   |                         | 0.09   |
| Farm insurance                |                          | 0.27  |                        | 0.46   |                         | 0.31   |
| Utilities                     |                          | 0.48  |                        | 0.81   |                         | 0.47   |
| Dues & professional fees      |                          | 0.03  |                        | 0.06   |                         | 0.05   |
| Interest                      |                          | 3.82  |                        | 2.69   |                         | 4.78   |
| Mach & bldg depreciation      |                          | 3.84  |                        | 1.71   |                         | 5.33   |
| Miscellaneous                 |                          | 0.29  |                        | 0.87   |                         | 0.10   |
| Total overhead expenses       |                          | 9.49  |                        | 6.70   |                         | 11.34  |
| Total listed expenses         |                          | 11.28 |                        | 8.84   |                         | 12.67  |
| Net return                    |                          | 2.00  |                        | -1.09  |                         | 3.28   |
| Est. labor hours per unit     |                          | 0.19  |                        | 0.44   |                         | 0.19   |
| Labor & management charge     |                          | 1.97  |                        | 1.93   |                         | 2.08   |
| Net return over lbr & mgt     |                          | 0.04  |                        | -3.02  |                         | 1.20   |
| Other Information             |                          |       |                        |        |                         |        |
| Number of pigs                |                          | 4223  |                        | 965    |                         | 7430   |
| Pigs per pig space (per year) |                          | 2.64  |                        | 1.61   |                         | 2.60   |
| Pigs per 100 sq. ft. (per yr) |                          | 35.61 |                        | 18.05  |                         | 42.57  |
| Net return per 100 sq. ft.    |                          | 71.38 |                        | -19.67 |                         | 139.48 |
| Net return per labor hour     |                          | 10.60 |                        | -2.48  |                         | 17.45  |
| Square feet per pig space     |                          | 7.41  |                        | 8.93   |                         | 6.11   |

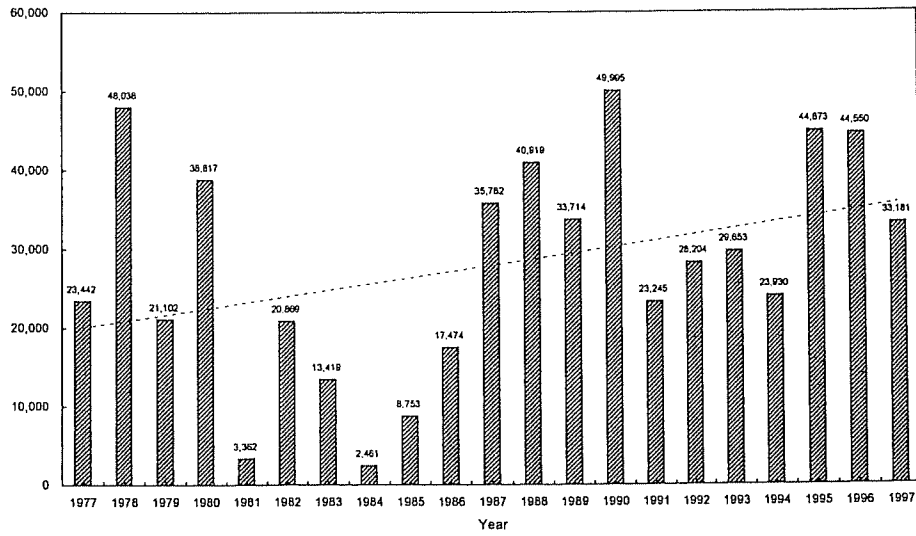
Livestock Enterprise Analysis, 1997  
 Statewide Livestock Database  
 Minnesota West Community & Technical College  
 Sheep, Market Lamb Prod -- Average per Ewe

|                            | Average For<br>All Farms |        |
|----------------------------|--------------------------|--------|
| Number of farms            | 16                       |        |
|                            | Quantity                 | Value  |
| Lambs sold (lb)            | 13.34                    | 5.13   |
| Mkt Lambs sold (lb)        | 157.20                   | 134.54 |
| Transferred out (lb)       | 2.43                     | 1.62   |
| Cull sales (lb)            | 74.02                    | 18.42  |
| Butchered (lb)             | 0.30                     | 0.27   |
| Less purchased (lb)        | -65.10                   | -36.54 |
| Less transferred in (lb)   | -2.12                    | -1.36  |
| Inventory change (lb)      | -14.02                   | -5.49  |
| Total production           |                          | 116.60 |
| Other income               |                          | 0.00   |
| Gross return               |                          | 116.60 |
| Direct expenses            |                          |        |
| Corn (bu.)                 | 10.53                    | 25.17  |
| Corn Silage (lb.)          | 110.50                   | 0.94   |
| Hay, Alfalfa (lb.)         | 849.22                   | 43.02  |
| Hay, Grass & Other (lb.)   | 132.84                   | 3.96   |
| Pasture (aum)              | 0.19                     | 3.70   |
| Milk Replacer (lb.)        | 0.00                     | 0.13   |
| Protein Vit Minerals (lb.) | 117.97                   | 18.89  |
| Other feed stuffs          |                          | 0.10   |
| Breeding fees              |                          | 0.24   |
| Veterinary                 |                          | 4.16   |
| Livestock supplies         |                          | 3.21   |
| Fuel & oil                 |                          | 2.95   |
| Repairs                    |                          | 4.73   |
| Repair, machinery          |                          | 0.71   |
| Repair, livestock equip    |                          | 0.44   |
| Custom hire                |                          | 6.11   |
| Repair, buildings          |                          | 0.51   |
| Hired labor                |                          | 0.34   |
| Hauling and trucking       |                          | 0.20   |
| Marketing                  |                          | 0.11   |
| Operating interest         |                          | 1.97   |
| Total direct expenses      |                          | 121.60 |
| Return over direct expense |                          | -5.01  |
| Overhead expenses          |                          |        |
| Hired labor                |                          | 2.32   |
| RE & pers. property taxes  |                          | 1.49   |
| Farm insurance             |                          | 2.00   |
| Utilities                  |                          | 5.86   |
| Dues & professional fees   |                          | 0.14   |
| Interest                   |                          | 6.07   |
| Mach & bldg depreciation   |                          | 5.54   |
| Miscellaneous              |                          | 2.02   |
| Total overhead expenses    |                          | 25.43  |
| Total listed expenses      |                          | 147.03 |
| Net return                 |                          | -30.44 |
| Est. labor hours per unit  |                          | 3.04   |
| Labor & management charge  |                          | 25.31  |
| Net return over lbr & mgt  |                          | -55.74 |
| Other Information          |                          |        |
| Number of ewes             |                          | 79.2   |
| Pregnancy percentage       |                          | 90.5   |
| Pregnancy loss percentage  |                          | -4.1   |
| Female turnover rate       |                          | 44.99  |
| Lambs born / ewe exposed   |                          | 1.41   |
| Lambs born / ewe lambing   |                          | 1.50   |
| Lambs weaned/ewe exposed   |                          | 1.31   |
| Lambs sold per ewe         |                          | 1.33   |
| Lamb dth loss (died/born)  |                          | 13.0   |
| Average weaning weight     |                          | 47     |
| Lbs weaned/exposed female  |                          | 62     |
| Feed cost per ewe          |                          | 95.90  |
| Avg wgt/Mkt Lamb sold      |                          | 120    |
| Avg price / cwt            |                          | 85.59  |

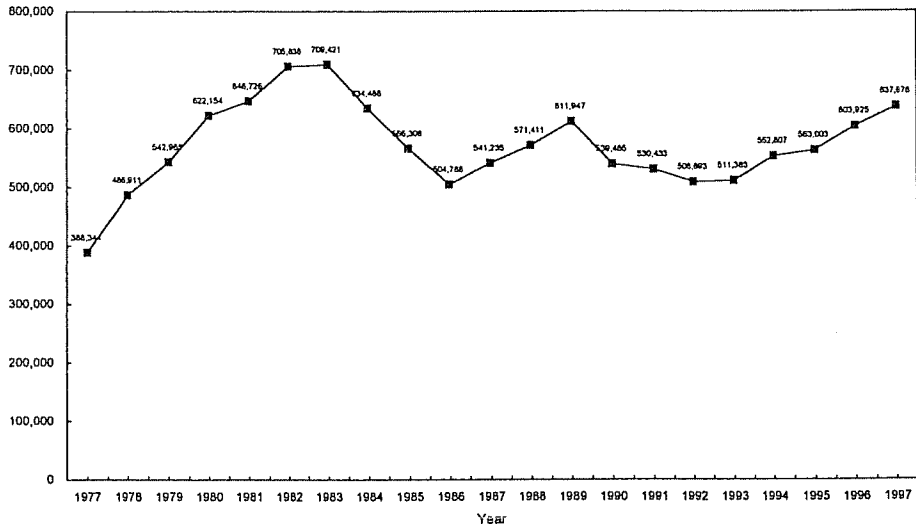
## MONEY SPENT BY THE AVERAGE MINNESOTA FARMER

| FARM:                                                                                  | 1993            | 1994            | 1995            | 1996            | 1997            |
|----------------------------------------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <hr/>                                                                                  |                 |                 |                 |                 |                 |
| <b><u>To Other Farmers for:</u></b>                                                    |                 |                 |                 |                 |                 |
| • Livestock                                                                            | 28,732          | 23,775          | 27,036          | 22,095          | 25,416          |
| • Custom Work                                                                          | 2,322           | 3,219           | 3,511           | 3,541           | 4,046           |
| <br><b><u>To Agri-Business for:</u></b>                                                |                 |                 |                 |                 |                 |
| • Feed, Livestock Supplies & Vet                                                       | 39,512          | 43,127          | 37,158          | 43,125          | 49,114          |
| • Crop Expense                                                                         | 30,343          | 37,852          | 39,830          | 48,933          | 53,063          |
| • Fuel and Repairs                                                                     | 17,455          | 21,364          | 19,991          | 20,540          | 16,771          |
| • General Farm Expense                                                                 | 5,915           | 4,840           | 6,904           | 8,965           | 14,782          |
| Hired Labor                                                                            | 4,764           | 5,807           | 5,152           | 5,526           | 6,358           |
| Utilities                                                                              | 2,923           | 3,232           | 3,119           | 3,157           | 3,446           |
| Interest                                                                               | 14,271          | 15,221          | 19,405          | 19,737          | 21,178          |
| Lease Payments                                                                         | 21,982          | 27,564          | 29,057          | 35,335          | 35,329          |
| Real Estate                                                                            | 2,220           | 2,352           | 2,539           | 2,533           | 2,612           |
| <br><b><u>Capital Purchases:</u></b>                                                   |                 |                 |                 |                 |                 |
| • Machinery                                                                            | 13,294          | 17,642          | 17,686          | 22,038          | 26,272          |
| • Building and Improvements                                                            | 7,297           | 11,167          | 9,037           | 11,983          | 17,787          |
| • Other                                                                                | 2,166           | 3,009           | 5,570           | 3,503           | 2,190           |
| <br><b><u>Personal:</u></b>                                                            |                 |                 |                 |                 |                 |
| • Food & Meals Bought                                                                  | 4,770           | 5,304           | 5,230           | 5,307           | 5,548           |
| • Medical Care & Insurance                                                             | 3,683           | 3,975           | 3,884           | 4,050           | 3,835           |
| • Education, Recreation, Gifts                                                         | 2,980           | 3,428           | 3,855           | 4,386           | 4,724           |
| • Capital Purchases                                                                    | 2,800           | 5,599           | 5,216           | 7,641           | 5,712           |
| • Taxes                                                                                | 4,338           | 3,898           | 3,919           | 5,633           | 6,717           |
| • Other (excluding debt payment)                                                       | 14,902          | 15,334          | 16,453          | 14,303          | 18,494          |
| <br><b>Total money spent by one farmer<br/>within this community and service area.</b> |                 |                 |                 |                 |                 |
|                                                                                        | <b>*231,343</b> | <b>*257,709</b> | <b>*264,552</b> | <b>*292,331</b> | <b>*323,394</b> |

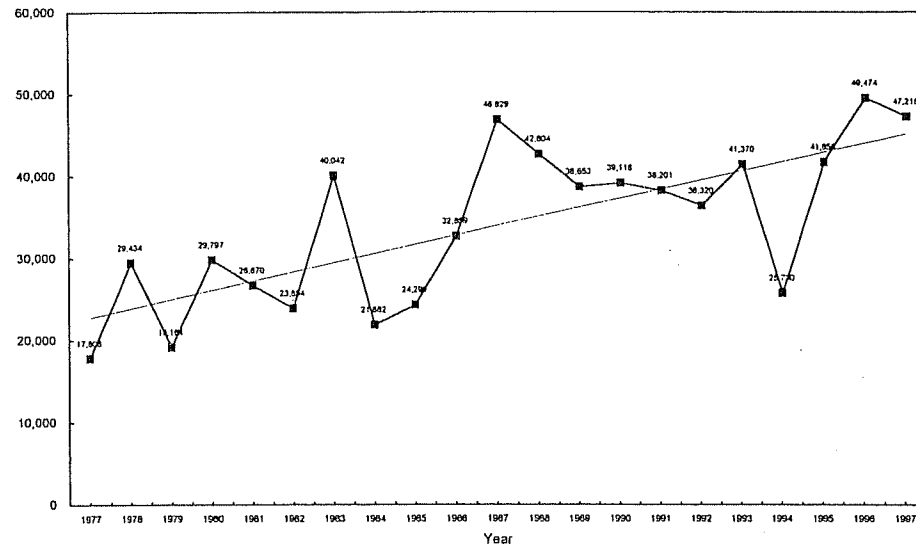
### Operator's Net Farm Income In Southwest Mn



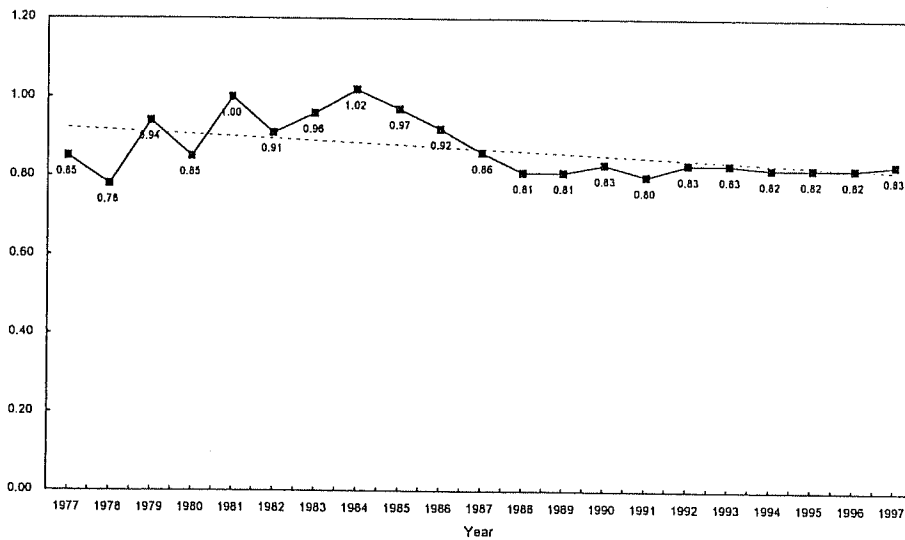
### Year End Farm Assets Per Farm Market Value



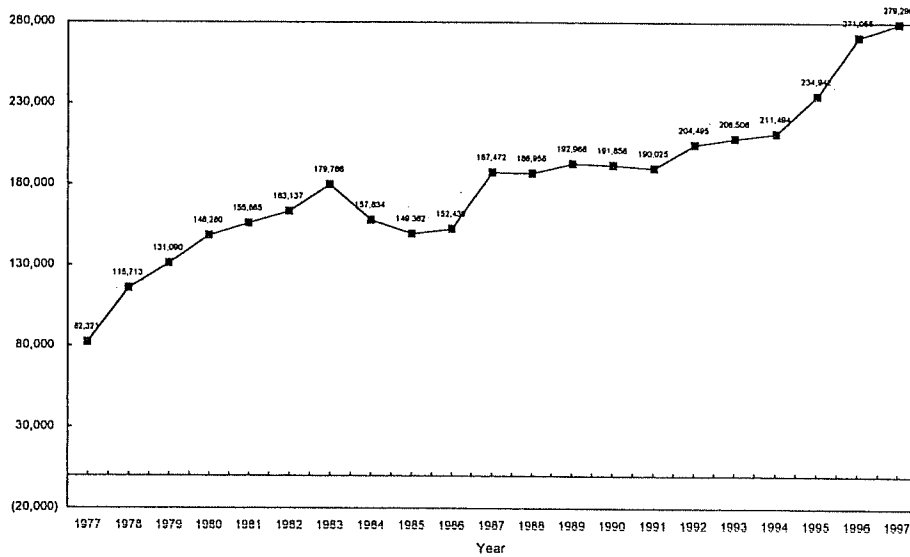
### Net Cash Income



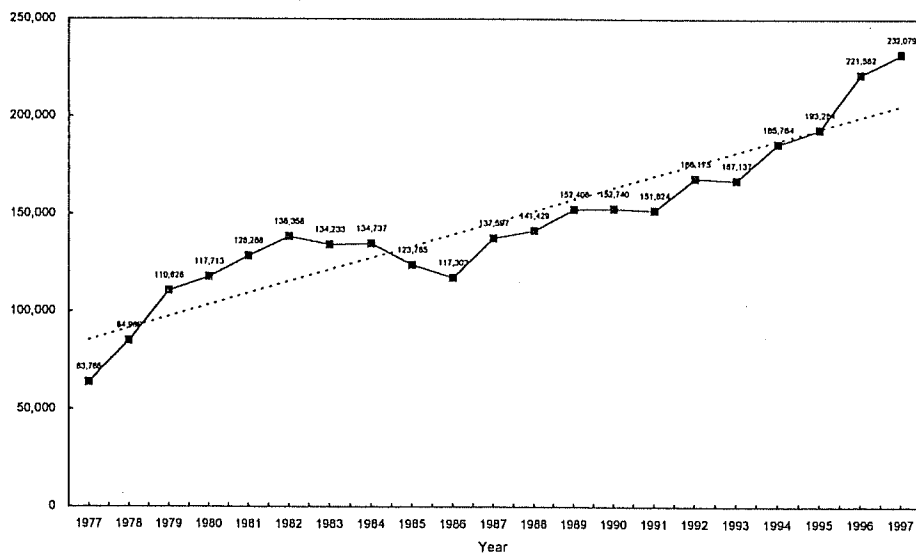
### Farm Expenses/ Dollar of Income Average Farms



### Cash Farm Sales



### Cash Farm Expenses



# SOUTHWEST MINNESOTA FARM BUSINESS MANAGEMENT PROGRAMS

