

2013 Iowa Farm Costs and Returns

Ag Decision Maker

File C1-10

The farm record data utilized in this report were obtained from the Iowa Farm Business Association annual summary. The average of all farms in each table represents a weighted average of the values for each size group listed. Weighting factors are based on the number of farms in each size group in the state, as computed from the most recent Census of Agriculture. Only farms with sales of \$100,000 or more were counted in making the weighting. Thus, overall averages should be representative of full-time Iowa farms.

All records were kept on the accrual, or inventory, basis. On rented farms, only operator income and expenses were recorded. Data for ending assets and liabilities represent those of the operator only, and do not include the value of rented land.

Definition of Terms Used

Net farm income, cash - total sales and other cash income minus cash expenses, including purchases of livestock and feed. Does not include principal borrowed or repaid, sales and purchases of capital assets or nonfarm income and expenses.

Net farm income, accrual - cash net income adjusted for inventory changes and accrued expenses. Represents a return to unpaid labor, net worth (equity), management and profit.

Value of farm production - value of crops produced (at market price), livestock production (net of feed and purchased livestock), inventory value gain or loss and miscellaneous income. This measures the total production per farm.

Management return - accrual net farm income less 4 percent interest on value of equity (net worth) and wages for operator and family labor. The wage rate used for operator labor was \$2,500 per month. For family labor, the rate was \$1,050 per month.

Inventory value gain or loss - change in value of crops or livestock sold due to differences in opening inventory price and final sale price.

Livestock returns per \$100 feed fed - value of livestock production minus livestock purchases, divided by value of feed fed, multiplied by 100.

Machinery cost per crop acre - total of machinery repairs, fuel, custom machine hire, utilities, machinery depreciation and auto expense, less 75 percent of all custom hire income received, divided by crop acres. Depreciation is estimated at 10 percent of current value of the machinery. Interest is not included.

Return to owned assets - net farm income, plus interest expense, minus value of operator and family labor, divided by total farm assets owned.

Return to equity - net farm income minus value of operator and family labor, divided by net worth.

Operating profit margin ratio - net farm income, plus interest expense, minus value of operator and family labor, divided by value of farm production.

Working capital - current assets minus current liabilities.

The data for this report were collected by Iowa Farm Business Association consultants and compiled by Iowa State University Extension and Outreach.



FM 1789 Revised December 2014

Iowa Farm Costs and Returns 2009-2013

The following summary is intended to provide a general picture of costs and returns to well-managed, full-time Iowa farms. The values presented are averages; however, results vary widely from one farm to the next.

Investments in land and improvements, and machinery and equipment in 2013 pushed total farm assets and farm net worth up by \$130,374 and \$74,628, respectively, from 2012 levels. The average farm net worth per acre farmed increased by 4 percent. However, farm financial results indicate an overall decline in profitability in 2013. Accrual net farm income averaged \$71,595, less than one-third its value in 2012. Crop inventory losses and declines in crop production value offset increases in livestock income less feed, resulting in a lower value of farm production. Only the average corn yield and the average livestock return per \$100 feed fed from the list of financial efficiency factors improved in 2013. The debt-to-asset ratio increased in 2013 but it remains below its 2009 level.

Table 1. Comparison by Years

	2013	2012 ^{1/}	2011	2010	2009
Financial Returns					
Net farm income-accrual	\$71,595	\$243,072	\$187,340	\$140,991	\$114,716
Return to management	-32,564	147,071	121,457	76,655	52,151
Net farm income-cash	184,949	214,411	127,737	128,642	121,202
Resources Used					
Acres per farm	662	631	530	600	645
Labor months	16	15	13	15	15
Livestock, feed, supplies	\$608,170	\$645,734	\$444,517	\$443,654	\$403,303
Machinery and equipment	409,991	343,356	242,080	259,174	243,720
Land and improvement	1,190,214	1,088,910	825,666	830,453	772,236
Total farm assets	\$2,208,375	\$2,078,000	\$1,512,264	\$1,533,281	\$1,419,258
Farm net worth	\$1,765,312	\$1,690,684	\$1,131,715	\$1,238,211	\$1,111,854
Sources of Income					
Livestock income less feed	\$39,073	\$13,277	\$24,869	\$27,782	\$22,329
Crop production	562,763	577,676	370,467	371,089	366,475
Miscellaneous	43,046	39,626	29,606	28,768	19,904
Crop inventory gain or loss	-92,610	42,487	66,217	31,362	34,369
Value of farm production	\$552,272	\$673,066	\$491,158	\$459,001	\$443,077
Expenses					
Operating	\$273,314	\$268,190	\$189,062	\$193,473	\$194,721
Fixed	210,532	186,105	129,392	135,752	131,633
Efficiency					
Corn yield (bu. per acre)	169	149	172	174	183
Average sale price for corn, per bushel	\$6.35	\$6.45	\$5.58	\$3.69	\$3.80
Crop value per acre	\$821	\$882	\$671	\$584	\$562
Machinery cost per crop acre	\$150	\$149	\$135	\$118	\$109
Livestock returns per \$100 feed fed	\$145	\$102	\$135	\$149	\$118
Value of farm production per person	\$453,197	\$588,093	\$447,424	\$397,576	\$389,276
Value of farm production per \$1 expense	\$1.19	\$1.68	\$1.71	\$1.52	\$1.43
Value of farm production per \$1 assets	\$0.23	\$0.31	\$0.30	\$0.28	\$0.29
% return to owned assets (ROA)	2.2%	10.6%	10.6%	7.6%	7.4%
% return to equity capital (ROI)	1.8%	11.8%	11.8%	8.1%	7.9%
Financial					
Debt-to-asset ratio	0.17	0.16	0.16	0.17	0.19
Current asset-to-debt ratio	4.92	7.08	5.51	4.69	3.83
Farm net worth per acre farmed	\$2,881	\$2,765	\$2,681	\$2,142	\$1,786

^{1/} Revised using weights from the 2012 Census of Agriculture.

Assets and Liabilities

A breakdown of farm assets and liabilities by value of gross sales per farm is shown in Table 2 below. Both assets and debts increase with farm size. The total debt-to-asset ratio also increases with farm size, indicating that larger farms utilized relatively more credit.

Table 2. Assets and Liabilities by Size of Farm, End of Year Values

	Average	Total Value of Gross Sales			
		\$100,000 to \$199,999	\$200,000 to \$399,999	\$400,000 to \$799,999	\$800,000 and above
Farm Assets					
Feeding livestock	\$89,675	\$4,882	\$11,152	\$31,580	\$261,685
Corn	221,578	50,019	122,790	215,122	418,344
Soybeans	115,285	24,486	79,362	116,997	200,832
Other feed	12,466	2,842	4,545	9,578	27,807
Supplies, prepaid expenses	169,166	40,399	95,419	158,795	321,481
Total short-term assets	\$608,170	\$122,628	\$313,268	\$532,071	\$1,230,149
Breeding livestock	\$22,316	\$5,065	\$16,819	\$20,579	\$39,290
Machinery, equipment	387,674	89,089	190,098	407,084	724,481
Total intermediate assets	\$409,991	\$94,154	\$206,917	\$427,663	\$763,771
Land and improvements	\$1,190,214	\$526,054	\$794,071	\$1,117,895	\$2,006,231
Total assets	\$2,208,375	\$742,836	\$1,314,256	\$2,077,629	\$4,000,151
Farm Liabilities					
Operating notes, accounts payable	\$145,858	\$14,910	\$51,346	\$126,506	\$325,350
Intermediate and long-term due	5,760	673	1,580	5,494	12,731
FSA marketing loans	2,557	1,292	1,370	3,293	3,694
Total short-term debt	\$154,175	\$16,875	\$54,296	\$135,293	\$341,775
Intermediate-term debt	\$67,729	\$5,920	\$26,345	\$68,655	\$140,646
Long-term debt	\$221,158	\$42,496	\$120,941	\$181,117	\$453,762
Total liabilities	\$443,063	\$65,291	\$201,582	\$385,065	\$936,183
Farm Net Worth					
Net worth change from last year	\$14,438	\$8,070	\$826	\$29,149	\$16,795
Working capital	\$453,995	\$105,753	\$258,972	\$396,779	\$888,374
Current asset-to-debt ratio	4.92	7.27	5.77	3.97	3.60
Working capital per \$1 of gross revenue	\$0.78	\$0.86	\$0.94	\$0.74	\$0.57
Total debt-to-asset ratio	0.17	0.09	0.15	0.19	0.23
Total acres farmed	662	167	404	680	1,173
Months of labor used	16	7	11	14	27
Farm net worth per acre farmed	\$2,881	\$4,057	\$2,754	\$2,489	\$2,612

Income and Expenses

A summary of operating and fixed expenses by size of farm is shown in Table 3. All expenses increase with farm size. Crop expenses include seed, fertilizer, pesticides and other expenses related to crop production. The average farm had over \$228,000 available for replacement of capital assets, expansion, savings, living expenses and income taxes.

Table 3. Summary of Cash Income and Expenses by Size of Farm

	Average	Total Value of Gross Sales			
		\$100,000 to \$199,999	\$200,000 to \$399,999	\$400,000 to \$799,999	\$800,000 and above
Income					
Livestock sales	\$202,116	\$8,613	\$18,984	\$40,535	\$624,101
Crop sales	456,032	112,067	260,518	457,584	835,319
Other cash income	94,512	14,860	39,095	79,908	204,467
Total cash income	\$752,659	\$135,540	\$318,597	\$578,027	\$1,663,887
Expenses					
Machinery and equipment repairs	\$23,351	\$6,449	\$13,163	\$24,427	\$41,586
Fuel and oil	20,488	3,582	9,823	19,474	41,011
Machine hire	11,295	4,849	7,555	10,271	19,414
Auto and truck expense	8,275	2,468	4,676	6,238	16,790
Utilities	7,587	2,630	4,172	6,708	14,373
Labor hired	18,164	845	4,816	10,680	47,058
Livestock expense	14,967	598	1,712	4,005	45,076
Crop expense	158,272	37,660	92,853	154,511	292,460
Miscellaneous	10,916	2,507	4,768	7,436	24,522
Total cash operating expense	\$273,314	\$61,588	\$143,538	\$243,748	\$542,290
Cash rent	\$99,587	\$12,668	\$33,840	\$91,638	\$216,898
Property taxes	7,031	3,795	5,098	7,004	10,716
Insurance	21,972	6,209	11,190	21,392	41,497
Building repairs	7,942	2,258	4,386	7,846	14,598
Interest	18,149	4,479	9,414	16,013	36,023
Total cash fixed expense	\$154,681	\$29,409	\$63,928	\$143,892	\$319,732
Feed purchased	\$63,134	\$1,737	\$4,354	\$14,240	\$195,468
Livestock purchased	76,581	2,095	2,920	14,912	241,248
Total cash expenses	\$567,710	\$94,829	\$214,740	\$416,793	\$1,298,738
Cash net farm income	\$184,949	\$40,711	\$103,857	\$161,234	\$365,149
Loans received minus loans repaid	\$17,542	\$2,105	\$19,614	\$15,760	\$26,961
Net farm cash flow	\$202,491	\$42,816	\$123,471	\$176,994	\$392,110
Nonfarm income	\$25,775	\$27,534	\$23,872	\$31,297	\$21,341
Net cash available	\$228,266	\$70,350	\$147,343	\$208,291	\$413,451

A more accurate measure of net farm income is achieved by netting out changes in the values of beginning and ending inventories, subtracting a depreciation charge for farm assets, and including accrued income and expenses. A summary of income and expenses using accrual accounting is shown in Table 4. The average accrual net farm income ranged from \$15,758 for the smallest farms to \$141,572 for the largest. Return to management, after subtracting a return to unpaid labor and equity capital invested, was negative for all farm sizes and averaged -\$32,564.

Table 4. Summary of Accrual Income and Expenses by Size of Farm

	Average	Total Value of Gross Sales			
		\$100,000 to \$199,999	\$200,000 to \$399,999	\$400,000 to \$799,999	\$800,000 and above
Income					
Total cash income	\$752,659	\$135,540	\$318,597	\$578,027	\$1,663,887
Accrued income	-17,659	-8,738	-36,469	-24,069	-1,361
Change in crop and livestock inventories	-39,844	-3,632	-5,680	-15,531	-113,392
Total accrual income (gross revenue)	\$695,156	\$123,170	\$276,448	\$538,427	\$1,549,134
Total cash expenses					
Total cash expenses	\$567,710	\$94,829	\$214,740	\$416,793	\$1,298,738
Depreciation	55,852	12,583	25,980	55,212	108,824
Total accrual expenses	\$623,562	\$107,412	\$240,720	\$472,005	\$1,407,562
Accrual net farm income	\$71,595	\$15,758	\$35,728	\$66,422	\$141,572
Charge for unpaid labor	27,980	16,375	25,593	29,889	35,509
Charge for equity capital (4%)	76,179	31,836	48,007	72,549	131,054
Return to management	-\$32,564	-\$32,453	-\$37,872	-\$36,016	-\$24,991

The value of all crops and livestock produced on the farm is shown in Table 5. Losses from declining crop prices after the beginning of the year are shown separately and averaged \$92,610. On average, 12 percent of the value of production was left as net farm income after all expenses were paid.

Table 5. Value of Farm Production by Size of Farm

	Average	Total Value of Gross Sales			
		\$100,000 to \$199,999	\$200,000 to \$399,999	\$400,000 to \$799,999	\$800,000 and above
Value of livestock production					
Value of livestock production	\$223,917	\$9,528	\$17,404	\$42,712	\$696,505
Feed fed	184,844	5,063	11,781	30,347	583,333
Livestock production minus feed cost	39,073	4,465	5,623	12,365	113,172
Value of crop production					
Value of crop production	562,763	127,726	291,744	532,740	1,091,529
Miscellaneous income	43,046	7,407	17,803	34,745	94,214
Crop inventory and marketing loss	-92,610	-20,008	-47,384	-70,833	-195,931
Value of farm production	\$552,272	\$119,590	\$267,786	\$509,017	\$1,102,984
Allocation of gross revenue					
Operating expense	76%	73%	74%	74%	82%
Interest expense	3%	4%	3%	3%	2%
Depreciation expense	9%	10%	9%	10%	7%
Net farm income	12%	13%	13%	12%	9%
	100%	100%	100%	100%	100%

Efficiency Factors

Efficiency can be measured in many ways. Several efficiency factors are shown in Table 6 for four farm size groups. The value of farm production per unit of labor increases with farm size, but dollar of production per dollar of expense was similar for all size groups. Return on equity showed an average rate of 1.8 percent, while the return on owned assets averaged 2.2 percent.

Table 6. Overall Efficiency Factors by Size of Farm

	Average	Total Value of Gross Sales			
		\$100,000 to \$199,999	\$200,000 to \$399,999	\$400,000 to \$799,999	\$800,000 and above
Crops					
Acres in crops	652	165	398	664	1,161
Crop value per acre	\$821	\$774	\$733	\$803	\$940
Crop acres per person	464	283	434	561	516
Machinery cost per crop acre	\$150	\$166	\$145	\$161	\$134
Machinery investment per crop acre	\$475	\$412	\$439	\$551	\$477
Livestock					
Livestock returns per \$100 feed fed	\$145	\$188	\$148	\$137	\$124
Financial					
Value of farm production per person	\$453,197	\$296,211	\$340,495	\$465,566	\$635,871
Value of farm production per \$1 expense	\$1.19	\$1.23	\$1.19	\$1.18	\$1.18
Value of farm production per \$1 assets	\$0.23	\$0.16	\$0.20	\$0.24	\$0.28
% return to owned assets (ROA)	2.2%	0.5%	1.5%	2.4%	3.6%
% return to equity capital (ROI)	1.8%	-0.1%	0.9%	2.1%	3.5%
Operating profit margin ratio	8.9%	3.2%	7.3%	9.9%	12.9%
Average interest rate on debt	4.7%	6.9%	4.7%	4.2%	3.8%

High-, Middle- and Low-profit Farms

Profits vary greatly among farms. In Table 7, farms were ranked by return to management and sorted into three groups. The high third group is the most livestock intensive group (highest livestock sales and returns), while the low third group is the most crop intensive group (highest crop sales and crop value per acre). The middle third group is characterized as having the smallest average number of acres in crop production and the smallest livestock sales. The low third group had the highest machinery investments per crop acre and the highest operating expense, averaging a negative return to management of \$156,541. However, its debt-to-asset ratio is the lowest of the three groups. The return to management was also negative for the middle group, and only positive for the high third group.

Table 7. Comparison of High- and Low-profit Farms, Ranked by Return to Management ^{1/}

	High Third	Middle Third	Low Third	Your Farm
Farm Income				
Crop sales	\$542,836	\$466,576	\$643,267	_____
Livestock sales	408,210	115,675	268,325	_____
Other income	81,952	67,602	48,941	_____
Accrued income	89,590	-40,562	-97,589	_____
Gross revenue	\$1,122,588	\$609,291	\$862,944	_____
Operating expenses	\$368,009	\$258,825	\$370,624	_____
Fixed expenses	270,289	201,560	309,948	_____
Feed purchased	129,940	36,128	82,728	_____
Livestock purchased	152,175	46,093	105,083	_____
Total expenses	\$920,413	\$542,606	\$868,383	_____
Accrual Net Farm Income	\$202,175	\$66,685	-\$5,439	_____
Operator and family labor charge	\$30,758	\$29,544	\$31,222	_____
Charge for equity capital	76,660	69,554	119,880	_____
Return to Management	\$94,757	-\$32,413	-\$156,541	_____
Crops				
Acres in crops	1,129	792	976	_____
Crop value per acre	\$641	\$687	\$803	_____
Crop acres per person	616	535	780	_____
Machinery cost per crop acre	\$128	\$154	\$161	_____
Machinery investment per crop acre	\$420	\$473	\$578	_____
Livestock				
Livestock returns/\$100 feed fed	\$135	\$120	\$121	_____
Value of Farm Production - Sources (%)				
Crops	87%	101%	118%	_____
Livestock	12%	7%	5%	_____
Miscellaneous income	9%	8%	6%	_____
Crop inventory gain or loss	-8%	-17%	-28%	_____
Financial				
Value of farm production per person	\$584,215	\$439,903	\$479,899	_____
Value of farm production per \$1 expense	\$1.39	\$1.16	\$0.99	_____
Value of farm production per \$1 assets	0.33	0.24	0.20	_____
% return to owned assets	7.8%	1.5%	-0.3%	_____
% return to equity	9.3%	0.1%	-1.3%	_____
Operating profit margin ratio	0.23	0.13	-0.02	_____
Debt-to-asset ratio	0.28	0.19	0.17	_____
Allocation of Value of Gross Revenue				
Operating expense	70%	80%	85%	_____
Interest expense	3%	3%	4%	_____
Depreciation expense	9%	4%	12%	_____
Net farm income	18%	13%	-1%	_____

^{1/} Values have not been adjusted for size of business.

Crop Production

Details of crop production income and expenses per acre are summarized in Table 8. Acres rented under a share lease are reduced to reflect only the tenant's share of total costs, so that expenses per acre are comparable to expenses on owned or cash rented acres.

Some expenses, such as cash rent, did not occur on all farms or on all acres, but are shown as the average cost over all acres. Total economic costs include a 4 percent opportunity cost charge for the farm net worth capital, a depreciation charge, and a charge for operator and family labor.

Table 8. Crop Production

	All Corn	Soybeans	Alfalfa Hay	Oats ^{1/}
Acres, operator share	329	250	22	31
Yield, bushels or tons per acre	169	47	4	79
Selling price per bushel or ton	\$6.35	\$13.92	\$152.49	\$4.17
Crop value per acre	\$830	\$610	\$688	\$283
Crop Expenses				
Seed per acre	\$114.71	\$57.44	\$15.20	\$34.77
Fertilizer and lime	183.11	39.27	56.77	28.66
Herbicide	41.34	37.03	0.65	3.31
Insecticide	6.40	7.59	1.60	0.00
Drying and storage	17.33	2.08	0.00	0.00
Machinery, fuel, repairs, machine hire	91.27	83.31	85.53	13.11
Utilities	10.57	9.41	7.60	1.33
Insurance	34.04	32.38	14.82	2.14
Hired labor	9.52	9.16	11.06	9.50
Interest	25.31	23.67	14.26	1.91
Cash rent	133.89	123.07	50.55	1.36
Property taxes and building repairs	24.01	22.54	17.18	1.84
Other crop expenses	19.57	16.76	11.09	2.04
Total cash crop expenses	\$711.08	\$463.71	\$286.31	\$99.97
Machinery depreciation	\$61.14	\$58.63	\$42.62	\$8.50
Building depreciation	14.32	12.81	10.10	0.57
Charge for equity capital	115.59	121.15	107.45	16.11
Unpaid labor value	50.12	48.96	53.20	3.23
Total economic cost per acre	\$952.26	\$705.26	\$499.68	\$128.38
Total economic cost per bushel or ton	\$5.62	\$15.01	\$139.22	\$1.64
Total cash flow needed per acre	\$711.08	\$463.71	\$286.31	\$99.97
Total cash flow needed per bushel or ton	\$4.20	\$9.84	\$81.47	\$1.27

^{1/}Figures based on reports from 6 farms only.

Trends

Table 9 illustrates trends in production and financial efficiency over the past 10 years. Livestock income per \$100 feed fed has shown a cyclical pattern throughout the period. The average in 2013 of \$145 was close to the 10-year average of \$149.

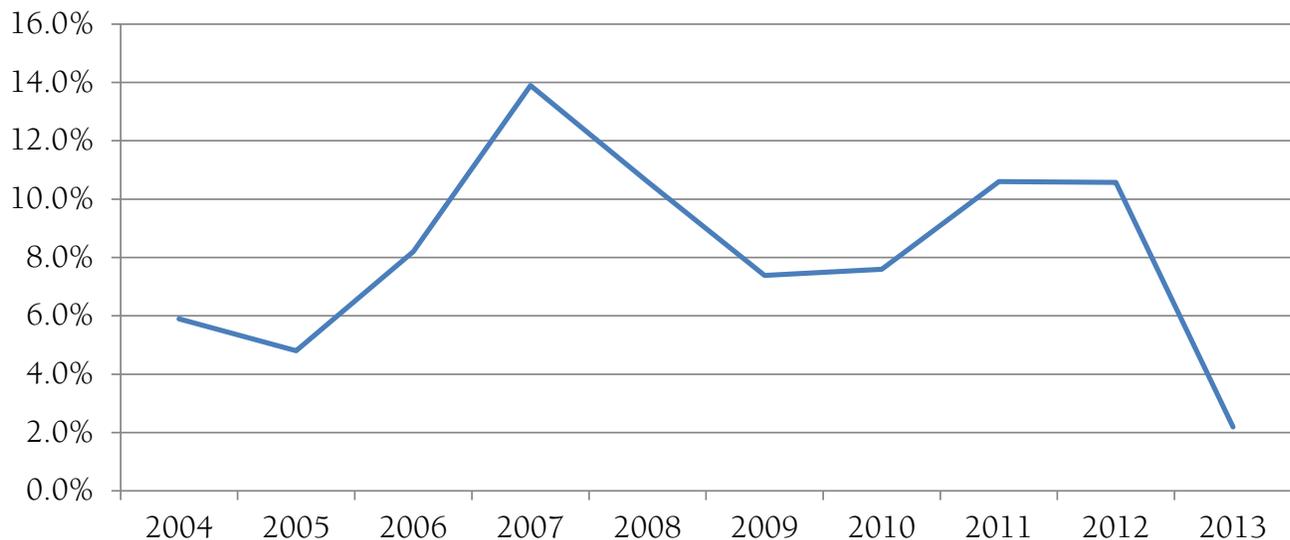
The average corn yield of 169 was close to the 10-year average of 171 bu./acre. The value of farm production per dollar of expense, \$1.19 was the lowest in the 10-year period, as was the percent return to owned assets at 2.2 percent.

Table 9. Trends in Production and Financial Efficiency on Iowa Farms

Year	Livestock Income per \$100 Feed Fed	Corn Yield Bushels per Acre	Value of Farm Production per \$1 Expense	Crop Value per Acre	Percent Return to Owned Assets
2004	\$186	181	\$1.32	\$322	5.9%
2005	203	165	1.27	335	4.8%
2006	178	166	1.47	454	8.2%
2007	147	171	1.57	576	13.9%
2008	124	179	1.39	541	10.6%
2009	118	183	1.43	562	7.4%
2010	149	174	1.52	584	7.6%
2011	135	172	1.71	671	10.6%
2012 ^{1/}	102	149	1.68	882	10.6%
2013	145	169	1.19	821	2.2%
10-year average	\$149	171	\$1.45	\$575	8.2%

^{1/} Revised using weights from the 2012 Census of Agriculture.

Percent Return to Owned Assets



Costs and Returns of Specialized Farms

Table 10 summarizes the average accrual livestock income per \$100 feed fed over the past 10 years for farms specializing in farrow to finish hog production, beef feeding, dairy, and beef raising. Beef raising farms were the most profitable farm type in 2013, but all farm types had ratios far below their 10-year averages.

Table 11 shows the percent return to owned assets for specialized farms. This is calculated by adding interest expense to the net farm income for the farm, subtracting a charge for operator and family labor, and dividing by the value of total farm assets owned. Beef feeding farms had the highest return to capital in 2013 with an average of 4.3 percent, followed by dairy farms with a return of 3.6 percent. All farms had a return to owned assets that was well below their 10-year average.

Table 10. Livestock Income per \$100 Feed Fed for Specialized Farms

Year	Farrow to Finish	Beef Feeding	Dairy	Beef Raising
2004	\$201	\$185	\$220	\$198
2005	206	190	227	222
2006	180	149	200	160
2007	139	131	249	164
2008	116	127	155	113
2009	122	128	148	115
2010	158	145	138	151
2011	159	143	168	156
2012	121	114	N/A	111
2013	139	139	N/A	143
10-year average	\$154	\$145	N/A	\$153

Table 11. Return to Owned Assets for Specialized Farms

Year	Percent Return to Owned Assets				
	Farrow to Finish	Beef Feeding	Cash Grain	Dairy	Beef Raising
2004	12.5%	8.2%	7.9%	11.8%	5.8%
2005	11.1%	5.9%	7.5%	9.6%	7.2%
2006	12.3%	8.7%	14.4%	10.5%	8.1%
2007	11.7%	13.0%	15.7%	14.6%	12.6%
2008	5.9%	8.9%	7.1%	12.2%	6.8%
2009	4.6%	7.4%	9.9%	7.8%	6.9%
2010	8.8%	10.0%	N/A	6.1%	7.6%
2011	13.2%	14.6%	N/A	12.6%	12.6%
2012	11.6%	11.0%	N/A	7.8%	10.3%
2013	3.4%	4.3%	N/A	3.6%	2.8%
10-year average	9.5%	9.2%	N/A	9.7%	8.1%

Table 12 summarizes resources, production, income, expenses and efficiency for farms specializing in farrow to finish, beef feeding, dairy and beef raising. These data were not corrected for farm size, so they are not comparable to the data in Tables 1 to 9.

Table 12. Characteristics of Specialized Farms

	Farrow to Finish	Beef Feeding	Dairy	Beef Raising
Resources Used				
Labor months	29	27	62	16
Current assets	\$831,225	\$1,172,160	\$671,490	\$671,868
Machinery	518,805	576,509	492,167	438,154
Breeding stock	47,418	31,199	301,277	66,389
Land and buildings	1,275,255	1,551,754	1,568,708	1,186,592
Total farm assets	\$2,672,703	\$3,331,622	\$3,033,642	\$2,363,003
Total farm liabilities	556,737	1,028,288	873,568	556,364
Farm net worth	\$2,115,966	\$2,303,334	\$2,160,074	\$1,806,639
Gross Revenue	\$1,076,270	\$1,532,788	\$1,041,990	\$776,714
Sources of Farm Production				
Total livestock increase	\$483,048	\$554,863	N/A	\$192,907
Less feed fed to livestock	346,569	398,008	N/A	135,288
Livestock increase over feed fed	\$136,479	\$156,855	\$359,560	\$57,619
Crop production	697,555	802,294	497,257	604,189
Miscellaneous	38,604	114,874	69,615	42,460
Crop inventory gain or loss	-119,265	-119,368	-44,650	-94,040
Value of farm production	\$753,373	\$954,655	\$881,782	\$610,228
Expenses				
Operating	\$364,835	\$469,569	\$564,075	\$293,792
Fixed	284,655	344,680	192,816	234,841
Financial Returns				
Net farm income, accrual	\$103,883	\$140,406	\$124,891	\$81,595
Charge for operator, family labor	34,625	33,367	45,313	33,176
Charge for equity capital	89,442	97,894	89,593	75,426
Return to management	-\$20,184	\$9,145	-\$10,015	-\$27,007
Efficiency				
Machinery and power cost/crop acre	\$135	\$140	\$208	\$148
Livestock increase/\$100 feed fed	139	139	N/A	143
Value of farm production per person	\$414,498	\$522,477	\$252,012	\$462,957
Value of farm production per \$1 expense	\$1.16	\$2.40	\$1.17	\$1.20
Value of farm production per \$1 assets	\$0.28	\$0.29	\$0.29	\$0.26
Return on owned assets	3.4%	4.3%	3.6%	2.8%
Return on equity	3.3%	4.6%	3.7%	2.5%
Financial Ratios				
Debt-to-asset ratio	0.21	0.31	0.29	0.24
Current asset-to-debt ratio	4.65	2.86	5.10	3.59
Working capital	\$652,467	\$762,850	\$539,789	\$484,719
Working capital per \$1 of gross revenue	0.61	0.50	0.52	0.62

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