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# Resource Requirements for Different Levels of Income on Faulk County, South Dakota Farms and Ranches

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Bulletin 547 October 1968

# **RESOURCE REQUIREMENTS**

for Different Levels of Income on Faulk County Farms and Ranches

Economics Department Agricultural Experiment Station South Dakota State University, Brookings

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### HIGHLIGHTS

The purpose of this study was to determine the minimum resources (land, labor, cash or credit) required to earn \$3,000, \$5,000 or \$10,000 annual labor income in Faulk and nearby counties with comparable land.



Linear programming determined that some or all of the following crops should be included in the most profitable plans: corn, wheat, oats, flax, corn silage and alfalfa.

Fattening of purchased feeder calves was determined to be the most profitable enterprise. However, few ranchers include this enterprise, perhaps because of high risk. If a rancher restricts himself to a beef cow herd he would require 6,000 acres additional land to net the same income. If he neither buys calves or stockers for fattening nor raises hogs he will need 1,600 acres more land. If he doesn't buy calves or stockers for fattening he will need over 300 acres more land. Changing land values as they affect the acres required to earn various levels of labor income are as follows:

For \$3,000 --\$0 per acre land requires 578 acres; \$30 per acre land requires 728 acres; \$60 per acre land requires 1,016 acres; \$75 per acre land requires 1,370 acres. For \$5,000 --\$0 per acre land requires 836 acres; \$30 per acre land requires 1,001 acres; \$60 per acre land requires 2,279 acres. For \$10,000 --\$0 per acre land requires 1,564 acres; \$30 per acre land requires 2,131 acres; \$30 per acre land requires 3,280 acres; \$30 per acre land requires 3,280 acres; \$35 per acre land requires 4,843 acres.

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## RESOURCES REQUIRED FOR DIFFERENT LEVELS OF INCOME ON FAULK COUNTY, SOUTH DAKOTA FARMS AND RANCHES

Dwaine E. Umberger and Rex D. Helfinstine <sup>1</sup> <sup>2</sup> <sup>3</sup>

Nost farmers and ranchers in Faulk County, as well as in other counties, are interested in learning the minimum amount of resources (land, labor and cash or credit) needed to earn different incomes. This bulletin presents the results and implications of comprehensive and sneedy linear programming work that determined the minimum resources required by a farmer or rancher to earn a labor income of \$3,000, or 35,000 or \$10,000 per year in Faulk County. Later reports are planned to present the results of similar work for other areas of South Dakota.

Faulk County is a transition area between farms and ranches with each being interspersed with the other. Accordingly, the term ranch as used later, will refer to either farm or ranch.

Current developments in electronic computing allow us to readily compute the best way to organize given ranch resources for the highest profit or, alternatively, the minimum resources to earn a given income. Linear programming as a technique for solving ranch management problems means adaptation of electronic data processing to the budgeting process long used in solving ranch management problems. Both the computer and budgeting process involve trial and error methods of commaring alternatives to find the best plan. However, the sneed of electronic data processing allows comparison of almost unlimited alternatives rather than just for a few as in budgeting. This means greater assurance of obtaining the most profitable alternative.

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<sup>&</sup>lt;sup>2</sup>Umberger, Dwaine Edward, "Minimum Resource Requirements for Specified Levels of Income in Faulk County, South Dakota," South Dakota State University M.S. thesis. 1967.

<sup>&</sup>lt;sup>3</sup>Special acknowledgment is given to Professors John T. Sanderson and Wallace G. Aanderud of the Economics Department for advice and guidance on this study.

Linear programming requires a more precise mathematical statement of all requirements. Both methods require the same type of basic figures - labor, equipment, capital requirements for each enterprise, and production rates for each crop and livestock enterprise.

#### PRESENT AGRICULTURE

Faulk County, the specific area under study, is located in State Economic Area 2A (figure 1). This area includes Campbell, Edmunds, <u>Faulk</u>. Hand, Hughes, Hyde, McPherson, Potter, Sully, and Walworth Counties. Results of the study apply specifically to Faulk County, but may apply in a general way to other counties with similar soils and resources.

#### Present Farming

Major crops grown in Faulk County include wheat, oats, corn, and alfalfa. Land considered not suited for cultivation is used for native hay and pasture. Types of ranches range from primarily livestock to cash-grain, depending upon the relative proportion of cropland and preference of the operator.

Feeder cattle raising has been the chief livestock enternrise since it adapts itself to using both the native pasture and hay. Feed grains are used by some ranchers for fattening cattle or raising hogs or sheep.

The average size of ranch in Faulk County has been increasing since the 1930's. This may reflect the pressure to commensate for declining profits per unit from higher fixed investment in equipment. Higher fixed investment in equipment has arisen from substitution of equipment for labor as encouraged by improved technology and high labor costs. Ranchers find that unit costs may be reduced and total profits increased by enlarging their ranches. Changes in number of farms (ranches) and average size of farms in Faulk County are illustrated by the following U.S. Census figures:

Census Year	Number of Farms	Average size, acres
1890		237
1900		660
1910		476
1920		586
1930		575
1940	302	709
1950	766	784
1959	602	1005
1964	528	1138

#### Soils

Faulk County lies on an undulating glacial plain that becomes less undulating from west to east. <sup>4</sup> Claypan and poorly drained soils are found more frequently toward the western part of the County. This situation means that the proportion of cropland decreases as one travels from east to west.

Soil fertility on cropland, although generally adequate. may need replenishment with nitrogen fertilizer and organic matter. A few areas have a water erosion problem arising from slope and character of the soil.

#### Climate

Extreme change characterizes the weather in Faulk County. Temperatures have ranged from 20° to 40° below zero in winter to more than 100° in July and August. Winds up to 60 miles an hour are not uncommon. Hailstorms may wipe out a crop in minutes. At Faulkton, the county seat, 102 hailstorms of varying intensities have occurred in the 56-year period 1900 -1956. Annual precipitation at the Faulkton weather station has averaged nearly 18 incnes for the past 45 years. But the extreme variation in annual precipitation from 10 to more than 27 inches -- results in similar variation in crop yields.

#### **PRODUCTION REQUIREMENTS**

Determination of minimum ranch resources required to earn given income levels by linear programming necessitates that production and cost requirements for crops and livestock be mathematically specified. Assumptions, which are required to be made, may not describe precisely any one ranch in Faulk County. However, the physical and financial results from using such assumptions should be useful for indicating the level of profitability from alternative ranching systems.

#### Land

It was assumed that each acre of land was typical of Faulk County. This assumption allows one to determine the minimum acres of land required for different levels of living and use of the size ranch so determined for programming minimum

<sup>&</sup>lt;sup>4</sup>For more details see: Fred C. Westin et al, "Soils of South Dakota", Soil Survey Series Pamphlet No. 3, Agronomy Department, (Revised July 1967), South Dakota State University, Brookings, South Dakota, 1959.

other resources. Each acre was assumed to be made up as follows:

Cropland	43.4%
Class a (most favorable)	(10.4)
Class b (Subject to erosion)	(20.9)
Class c (Unfavorable soil conditions)	(9.5)
Class d (Excess water problems)	(2.6)
Native hay and pasture	12.5%
Range	39.8%
Other	4.3%
TOTAL	100.0%

#### Crops

Recommended cropping practices were assumed to be followed on the ranches under study. Average yields under this assumption were estimated by South Dakota State University agronomists for the average acre of crop land planted in Faulk County as follows:

Corn, bu.	23.7
Corn silage, T.	4.5
Oats, bu.	36.2
Barley, bu.	25.1
Wheat on cropland, bu.	16.1
Wheat on fallow, bu.	17.5
Flax, bu.	9.7
Alfalfa Hay, ton	1.3
Native Hay, ton	0.67
Native pasture. A.U.M.	0.55.

Other assumed figures and additional details for crops on average prices paid and received, costs of machinery and equipment, overhead costs and labor requirements are presented in appendix tables A-1, A-2, A-3 and A-4.

Crop enterprises considered in the analysis included wheat, corn grain, corn silage, oats, flax, barley and alfalfa hay. These crops were considered in rotations practiced in the area and recommended by agronomists at South Dakota State University. Continuous one-crop systems were not considered since they are not recommended nor practiced to any extent.

#### Livestock

Livestock enterprises considered included 11 different beef cattle or calf systems and one hog system. A 92% calf crop was assumed for the cowcalf enterprise with one-sixth of the cows replaced annually. Average annual sales were one-sixth of a 1,000-pound cull cow and 76% of a 430-pound calf, with calves weaned the latter part of October.

<sup>&</sup>lt;sup>5</sup>South Dakota Conservation Needs Committee, <u>South Dakota Soil</u> and Water Conservation Needs Inventory, May 1962.

Other livestock enterprises included feeding steer calves on alternative rations and weights for different lengths of time. A stocker enterprise wintered 430-pound calves on a ration of either silage or grain plus hay, followed by pasturing to a 700-pound weight in late summer. Four calf feeding systems involved obtaining 430-pound steer calves in October, wintering and feeding in drylot with or without silage to a 1,050-pound choice grade the following October. An alternative involved pasturing for 3 months and marketing as a 1,100 pound choice steer.

The hog enterprise included a gilt with 7.5 pigs weaned per litter, pigs farrowed in the spring and sold as 225-pound market hogs in the fall, with one gilt retained for replacement.

Further assumptions on costs, prices and production are given in appendix tables A-1, A-9, A-10, and A-11.

#### Basis of Analysis

Estimated future prices and costs used in the analysis are basic to the results one obtains. Those used in this study represent an estimate of future prices and are considered to be internally consistent.

Prices paid and received by ranchers in Faulk County were assumed to be as given in table 1.

#### DETERMINATION OF MINIMUM RESOURCES FOR DIFFERENT LABOR INCOMES

Land in Faulk County was considered to be the most limiting resource since ranchers have little opportunity to rent or buy additional land at prevailing prices. Accordingly the programming was set up to minimize land requirements but allow labor and capital to be used up to the level where returns equal costs. Important factors other than land in determining minimum resources required by a typical Faulk County rancher for earning labor incomes of \$3,000, \$5,000 or \$10,000 include income goals, level of management, production rates, available labor, costs and prices, and availability of other resources.<sup>6</sup>

Important assumptions in the analysis include:

- 1. Operators desire maximum labor income.
- Labor supply: operator furnishes up to 3,000 man-hours per year, additional labor may be hired at \$1.25 per hour.

<sup>6</sup>Labor income is defined as residual returns for operator labor and management after market rates have been paid for all other resources.

- 3. Managerial ability: adequate to allow adoption of improved practices.
- 4. Resource ownership: all assets, including land, machinery, equipment and livestock are fully owned with no rent or interest paid out.
- 5. Wheat acreage limited to county average allotments.

#### For Various Income Levels

Minimum resources required to earn \$3,000 labor income are indicated in tables 2 and 3. Land requirements are 1,016 acres; labor requirements 3,122 hours; and total capital requirements \$100,136. A labor income of \$3,000 required an annual gross income of \$34,109. The most profitable source of income, representing 91% of gross sales, was from feeding purchased calves.

Minimum resources for earning \$5,000 labor income are likewise shown in tables 2 and 3. Land requirements come to 1,613 acres; labor requirements to 4,269 hours; and capital requirements to \$155,546. This labor income of \$5,000 required an annual gross income of \$54,320 with 90% of gross sales accounted for by fat cattle.

Item	Unit	Price
Prices Paid:		(Dollars)
livestock.		
Yearling steer purchased (April) Yearling feeder steer bought (October) Steer Calf bought (October) Gilt (breeding Stock)	cwt. cwt. cwt. unit	23.26 23.08 25.28 60.00
Prices Received:		
Crop products:		
Wheat	bu	1 82
Dats	bu.	53
Barley	bu.	.55
Flax	bu.	2 75
Corn	bu.	1.09
livestock products:		
Choice steer sold (October)	cwt.	24.15
Choice steer sold (April)	cwt.	23.97
Yearling Stocker steer (October)	cwt.	23.08
Steer calf (October)	cwt.	25.28
Cull cow	cwt.	13.04
Market sows (farrowed once)	unit	54.57
Butcher hogs (late spring litter)	cwt.	15.82

Table 1. Assumed Average Prices Paid and Received by Farmers, Faulk County, South Dakota

Minimum resources necessary for earning a \$10,000 labor income are tabulated in tables 2 and 3. For this return 3,180 acres of land, 7,146 hours of labor and \$298,651 are required. This labor income required a \$98,766 gross income of which 80% was derived from fat cattle sales, 7% from hogs and 13% from wheat and flax sales.

Table 2. Land Use and Livestock as Programmed For Minimum Resource Requirements for Different Labor Incomes

	Level	of Labor 1	ncome
	\$3,000	\$5,000	\$10,000
Corn. acres	166	264	528
Oats. acres	106	168	224
Barley, acres	0	0	0
Wheat, acres	78	124	370
Flax, acres	25	39	80
Corn silage, acres	9	15	4
Alfalfa, acres	49	77	213
Fallow	9	14	5
Total, crop acres	442	701	1424
Native hay, acres	75	119	179
Rangeland, acres	464	738	1441
Other, acres	_35	55	136
Total, all land, acres	1016	1613	3180
Feed calves, drvlot, head	36	58	16
Feed calves, pasture, head	83	131	279
Gilt and litter, litters	0	0	21

Table 3. Financial Highlights of Programs for Minimum Resource Requirements for Different Labor Incomes

Investment	Level	of Labor	Income
	\$3,000	\$5,000	\$10,000
Land and Buildings, dol.	64,044	101,637	206,742
Machinery and Equipment, dol.	11,640	14,732	19,621
Operating capital, dol.	24,452	39,177	72,288
Total capital, dol.	100,136	155,546	298,651
Income and Expenses Gross Income, dol. Expenses, dol. <sup>a</sup> Land charges, dol. <sup>b</sup> Machinery costs, dol. Labor Income, dol.	34,109 25,583 3,352 3,246 3,000	54,320 40,039 5,323 3,958 5,000	98,766 71,925 10,824 6,017 10,000

<sup>a</sup> Includes operating and overhead expenses with 7% interest on capital

<sup>&</sup>lt;sup>b</sup> Assumes land value of \$60 per acre and 5.5% interest charge. Land charges and other interest charges are available for living expenses.

#### **General Considerations**

The most profitable cropping plans for the different income levels included all crops considered except barley. A small change in resource requirements. yield relationships, or prices, would allow barley to replace oats.

Specific cropping plans varied with land class and income level. Class "a" cropland had corn-wheat and corn silage-wheat rotations for the three income levels. Class "b" cropland rotations included corn-oats for the \$3,000 and \$5,000 levels, and corn-oats and corn-wheat for the \$10,000 level.

Class "c" cropland rotation included wheat-corn-flax and 3 years of alfalfa for the three income levels. The rotation on class "d" cropland included flax-wheat-fallow for all three levels. The wheat allotment restriction, representing the average allotment for the County, proved to be a restriction only at the \$10,000 income level. Other resources could be used more advantageously in alternate enterprises.

Labor requirements varied seasonally according to crop planting, cultivating and harvesting requirements. Operator labor was considered available by periods as follows:

1.	November 16 to March 15 -	508 hours
2.	March 16 to April 30 -	210 hours
3.	May 1 to July 15 -	493 hours
4.	July 16 to September 30 -	583 hours
5.	October 1 to November 15 -	306 hours.

It was profitable to hire additional labor during period 2 and 3 at the three income levels. In addition it was profitable to hire labor at higher income levels in other labor periods. The number of hours of labor to be hired during the different periods was as follows:

	Period	I	10	
		\$3,000	\$5,000	\$10,000
1.	November 16 - March 15	0	0	
2.	March 16 - April 30	128	320	793
3.	May 1 - July 15	229	654	1676
4.	July 16 - September 30	0	271	929
5.	October 1 - November 15	0	116	547
	TOTAL	357	1361	4095

Appendix table A-6 presents crop labor requirements and seasonal distribution.

#### Changing Livestock Enterprises As It Affects Resource Requirements

Previous programming results indicated generally that the most profitable ranch organization included the fattening of purchased feeder calves. However, few Faulk County ranchers fatten purchased feeder calves, according to a recent survey of a group of 40 ranchers in the county. Perhaps the explanation lies in the risks associated with cattle feeding. Either or both crop production and prices fluctuate from year-to-year resulting in unpredictable high, low or intermediate income. Large amounts of capital or credit are required to be available to an operator if he is to continue in business.

Many operators in Faulk County apparently tried to diversify their enterprises in order to reduce risk. The effects of likely changes in livestock enterprises upon minimum resources and net incomes were examined.

Three different organizations were programmed:

- An organization not allowing the purchase of feeder calves nor stockers (B);
- 2. An organization not allowing the purchasing of feeder calves nor
- stockers nor hog raising (C);
- An organization allowing only a beef cow herd as a livestock enterprise (D).

Programming results to attain a \$3,000 labor return for these different organizations, assuming a \$60 land price, are presented in tables 4 and 5. Land requirements increase from 1,016 acres for the basic organization to 1,349 for B, to 2,604 for C and to 6,109 for D. Total capital requirements increase from \$100,136 for the basic organization to \$133,358 for B, to \$217,451 for C, and to \$494,113 for D.

Implications of these results for Faulk County ranchers are important. If a rancher decides he will not buy calves or stockers for fattening (B), he will need approximately a half section more land to make the same \$3,000 income. If he decides he will neither buy calves or stockers for fattening nor raise hogs (C). he will need an additional 1,600 acres. On the other hand, if only a beef cow herd will be kept (D), more than 6,000 additional acres will be required to make \$3,000 net labor income. The cost of restricting the enterprises a rancher will consider is readily apparent.

Similar results and implications are apparent in programming minimum resources for a \$5,000 income (Tables 6 and 7). Land requirements (\$60 land) increase from 1,613 acres for the basic organization to 2,246 acres for B, to 4,760

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for C. to 11,164 for D. Increases in land requirements when enterorise choices are restricted are apparent.

Programmed results for \$3,000 and \$5,000 labor incomes are presented in tables 8, 9, 10 and 11.

#### Table 4. Programmed Land Use and Livestock with Different Livestock Organizations for Minimum Resources to Earn \$3,000 Labor Income (\$60 Land Price)

		Livestock	Organization	
	Basic	BJ	C <sup>2</sup>	D3
Corn, acres	166	243	308	721
Oats, acres	106	141	- 1	305
Barley, acres	0	0	130	0
Wheat, acres	78	103	294	690
Flax, acres	25	34	158	371
Corn silage, acres	9	-	- 1	-
Alfalfa, acres	49	64	124	292
Fallow	9	1	117	274
Total, crop acres	442	586	1,131	2,653
Native hay, acres	<b>7</b> 5	79	124	289
Rangeland, acres	464	627	1,238	2,907
Other, acres	35	57	111	260
Total, all land, acres	1,016	1,349	2,604	6,109
Beef cow and calf, head	0	34	67	204
Feed calves: drylot, silage, hea	ad 36	0	0	0
Feed calves: pasture, no silage		0.0	<b>C 1</b>	0
head	83	26	51	0
Gilt and litter, litters	0	50	U	0

Table 5. Financial Highlights of Programming Minimum Resource Requirements to Earn \$3,000 Labor Income with Different Livestock Organizations (\$60 Land Price)

		LIVESLOCK		
	Basic	BJ	c <sup>2</sup>	D <sup>3</sup>
Investment				
Land and Buildings, dol.	64,044	86,943	160,201	374,606
Machinery and Equipment, dol.	11,640	15,002	18,154	32,028
Operating capital, dol.	24,452	31,413	39,096	88,479
Total capital, dol.	100,136	133,358	217,451	494,113
Income and Expenses				
Gross Income, dol.	34,109	26,911	47,173	79,804
Expenses, dol.	25,583	14,462	30,634	47,640
Land charges, dol.	3,352	4,452	8,593	20,158
Machinery Costs, dol.	3,246	3,651	4,946	9,006
Labor Income, dol.	3,000	3,000	3,000	3.000

Livestock organization not allowing the purchase of feeder calves or stockers.

<sup>2</sup> Livestock organization not allowing the purchase of feeder calves or stockers nor hog raising.

 $<sup>^{1}</sup>$  Livestock organization allowing only a beef cow herd as a livestock enterprise.

Table 6.	Programmed Land Use and Livestock with Different Livestock
	Organizations for Minimum Resources to Earn \$5,000 Labor
	Income (\$60 Land Price)

		Livestoc	Livestock Organization		
	Basic	BI	C <sup>2</sup>	<sub>ل</sub> 3	
Corn, acres	264	388	562	1,319	
Oats, acres	168	235	238	558	
Barley, acres	0	0	0	0	
Wneat, acres	124	173	539	1,262	
Flax, acres	39	58	289	678	
Corn silage, acres	15	10.0		2.54	
Alfalfa, acres	77	107	227	533	
Fallow	14	15	214	501	
Total, crop acres	701	976	2,069	4,851	
Native may, acres	119	129	227	529	
Rangeland, acres	738	1,059	2,471	5,812	
Other, acres	55	97	205	430	
Total, all land, acres	1,613	2,246	4,760	11,164	
Beef cow and calf, head	0	57	123	372	
Feed calves: drylot, silage, hea	d 50	0	0	0	
Feed calves: pasture, no silage,	1.01	40		0	
head	131	43	93	0	
Gilt and litter, litters	0	110	0	0	

Table 7. Financial Highlights of Programming Minimum Resource Requirements to Earn \$5,000 Labor Income with Different Livestock Organizations (\$60 Land Price)

	Livestock Organization			
	Basic	BI	C <sup>2</sup>	D3
Investment				
Land and Buildings, dol.	101,637	146,928	292,854	684,597
Machinery and Equipment, dol.	14,732	16,378	27,920	49,480
Operating capital, dol.	39,177	61,632	73,630	163,888
Total capital, dol.	155,546	224,938	394,404	897,965
Income and Expenses				
Gross Income, dol.	54,320	52,259	67,740	145,862
Expenses, dol.	40,039	35,095	39,648	89,496
Land charges, dol.	5,323	7,412	15,706	36,841
Machinery Costs, dol.	3,958	4,752	7,386	14,525
Labor Income, dol.	5,000	5,000	5,000	5,000

Livestock organization not allowing the purchase of feeder calves or stockers.

 $<sup>^2\ {\</sup>rm Livestock}\ {\rm organization}\ {\rm not}\ {\rm allowing}\ {\rm the}\ {\rm purchase}\ {\rm of}\ {\rm feeder}\ {\rm calves}\ {\rm or}\ {\rm stockers}\ {\rm nor}\ {\rm hog}\ {\rm raising}.$ 

 $<sup>^{3}\ {\</sup>rm Livestock}\ {\rm organization}\ {\rm allowing}\ {\rm only}\ {\rm a}\ {\rm beef}\ {\rm cow}\ {\rm herd}\ {\rm as}\ {\rm a}\ {\rm livestock}\ {\rm enterprise}.$ 

Table 8.	Programmed	Land Use a	nd L	ivestock	with Dif	ferent	Livest	ock Organi	zations
	for Minimum	Resources	to I	Earn \$3,0	000 Labor	Income	(0 La	nd Price)	

		Livestock		
	Basic	BJ	C <sup>2</sup>	D <sup>3</sup>
Corn, acres	100	105	150	162
Oats, acres	91	95	59	64
Barley, acres	9	0	0	0
Wheat, acres	4	15	98	106
Flax, acres	4	15	21	23
Corn silage, acres	0	17	7.1	1.7
Alfalfa, acres	28	29	41	45
Fallow	15	5	8	8
Total, crop acres	251	264	377	408
Native hay, acres	66	39	59	45
Rangeland, acres	251	283	404	456
Other, acres	10	21	29	32
Total, all land, acres	578	607	869	941
Beef cow and calf, head	0	15	28	32
head	41	0	21	0
Feed calves: pasture, no silage, head	42	12	0	0
Gilt and litter, litters	0	37	0	0

Table 9. Financial Highlights of Programming Minimum Resource Requirements to Earn \$3,000 Labor Income with Different Livestock Organizations (O Land Price)

	Livestock	Organization	2
Basic	Б	C <sup>2</sup>	D <sup>3</sup>
2,133	36,420	52,140	54,460
9,260	11,185	11,310	11,230
15,431	17,373	14,961	12,896
26,829	68,843	80,058	81,851
21,940	14,656	13,589	12,911
17,204	8,998	7,526	6,758
0	0	0	0
2,375	2,658	3,063	3,753
3,000	3,000	3,000	3,000
	Basic 2,133 9,260 15,431 26,829 21,940 17,204 0 2,375 3,000	Livestock           Basic         B <sup>1</sup> 2,133         36,420           9,260         11,185           15,431         17,373           26,829         68,843           21,940         14,656           17,204         8,998           0         0           2,375         2,658           3,000         3,000	$\begin{array}{c c} Livestock \ 0rganization\\ \hline Basic & B^{T} & C^{2}\\ \hline 2,133 & 36,420 & 52,140\\ 9,260 & 11,185 & 11,310\\ 15,431 & 17,373 & 14,961\\ 26,829 & 68,843 & 80,058\\ \hline 21,940 & 14,656 & 13,589\\ 17,204 & 8,998 & 7,526\\ 0 & 0 & 0\\ 2,375 & 2,658 & 3,063\\ 3,000 & 3,000 & 3,000\\ \hline \end{array}$

<sup>1</sup>Livestock organization not allowing the purchase of feeder calves or stockers.

 $<sup>^2 {\</sup>rm Livestock}$  organization not allowing the purchase of feeder calves or stockers nor hog raising.

 $<sup>^{3}</sup>$ Livestock organization allowing only a beef cow herd as a livestock enterprise.

Table 10. Programmed Land Use with Different Livestock Organizations for Minimum Resources to Earn \$5,000 Labor Income (O Land Price)

	Livestock Organizatio			
	Basic	BJ	c <sup>2</sup>	$D^3$
Corn, acres	137	154	213	157
Oats, acres	87	140	84	66
Barley, acres	0	0	0	0
Wheat, acres	64	22	139	150
Flax, acres	7	22	30	81
Corn silage, acres	8	-	-	
Alfalfa, acres	40	43	58	63
Fallow	20	6	11	60
Total, crop acres	363	387	535	577
Native hay, acres	62	57	84	63
Rangeland, acres	395	415	573	632
Other acres	16	32	42	56
Total, all land, acres	836	891	1234	1328
Beef cow and calf, head	0	22	39	44
Feed calves: drylot, silage, head	30	0	0	0
Feed calves: drylot, no silage, h	ead0	0	30	0
Feed calves: pasture, no silage,				
head	68	17	0	0
Gilt and litter, litters	0	54	0	0

Table 11. Financial Highlights of Programming Minimum Resource Requirements to Earn \$5,000 Labor Income with Different Livestock Organizations (0 Land Price)

	Livestock organization		
Basic	BJ	c <sup>2</sup>	D3
2,519	53,460	74,040	79,680
10,650	11,525	12,900	12,750
19,630	25,892	21,245	17,642
32,799	96,508	110,498	110,812
28,154	21,496	19,296	17,642
20,101	13,409	10,899	8,850
0	0	0	0
3,053	3,087	3,397	3,501
5,000	5,000	5,000	5,000
	Basic 2,519 10,650 19,630 32,799 28,154 20,101 0 3,053 5,000	Livestock           Basic         B <sup>1</sup> 2,519         53,460           10,650         11,525           19,630         25,892           32,799         96,508           28,154         21,496           20,101         13,409           0         0           3,053         3,087           5,000         5,000	$\begin{array}{c ccccccccccccccccccccccccccccccccccc$

Livestock organization not allowing the purchase of feeder calves as stockers. <sup>2</sup>Livestock organization not allowing the purchase of feeder calves or stockers nor hog raising.

 $<sup>^{3}\</sup>ensuremath{\mathsf{Livestock}}$  organization allowing only a beef cow herd as a livestock enterprise.

#### Changing Land Prices As It Affects Resource Requirements

Previous analysis assumed an average land price of \$60 per acre. It may be of interest to determine the effects of different land prices upon minimum resource requirements. Land prices were assumed to be zero, \$30 and \$75 per acre for comparison with \$60. Zero land prices do not occur, but represent a situation of unencumbered ownership where the owner does not consider a return from land necessary.

Programming results show that for a \$3,000 labor income, land requirements are 578 acres with zero land value, 728 acres with \$30 land, 1,016 acres with \$60 land and 1,370 acres with \$75 land (table 12). Corn acreage similarly ranges from 100 to 224. Total capital requirements range from \$26,829 to \$154,537 (table 13).

For a \$5000 labor income land requirements are 836 acres with zero land value, 1,081 acres with \$30 land, 1,613 acres with \$60 land, and 2,279 acres with \$75 land (table 14). Acres of corn range from 137 to 387 (table 14). Total capital requirements vary from \$32,799 to \$247,261 (table 15).

In programming for a \$10,000 labor income land requirements were determined to be 1,564 acres with zero land value, 2,131 acres with \$30 land,

Table 12.	Programmed Land Use and Livestock	with Different Land Prices and
	for Minimum Resource Requirements	to Earn \$3000 Labor Income

		Land	Land Price Per Acre		
	\$0	\$30	\$60	\$ <b>7</b> 5	
Corn, acres	100	113	166	224	
Oats, acres	91	114	106	143	
Barley, acres	9	11	0	0	
Wheat, acres	4	6	78	106	
Flax, acres	4	6	25	22	
Corn silage, acres	0	13	9	13	
Alfalfa, acres	28	35	49	65	
Fallow	15	16	9	26	
Total, crop acres	251	314	442	599	
Native hay, acres	66	70	75	101	
Rangeland, acres	251	329	464	636	
Other, acres	10	15	35	34	
Total, all land, acres	5 <b>7</b> 8	728	1016	1370	
Feed calves, drylot, no silage,					
head	41	0	0	0	
Feed calves, drylot silage, head	0	50	36	49	
head	42	56	83	111	
	20				

3,280 acres with \$60 land and 4,843 acres with \$75 land (table 16). Acres of corn ranged from 255 to 836 (table 16). Capital requirements vary from \$57,201 to \$524,832 (table 17).

Table 13. Financial Highlights of Programming Minimum Resource Requirements to Earn \$3000 Labor Income with Different Land Prices

Land Price Per Acre			
\$0	\$30	\$60	\$75
2133	24,564	64,044	106,859
9260	9,850	11,640	14,602
15,431	20,394	24,452	33,076
26,829	54,808	100,136	154,537
21,940	27,900	34,109	46,143
17,204	20,887	25,583	33,828
0	1,201	3,352	5,651
2,375	2,813	3,246	3,664
3,000	3,000	3,000	3,000
	\$0 2133 9260 15,431 26,829 21,940 17,204 0 2,375 3,000	Land Pric           \$0         \$30           2133         24,564           9260         9,850           15,431         20,394           26,829         54,808           21,940         27,900           17,204         20,887           0         1,201           2,375         2,813           3,000         3,000	$\begin{array}{c ccccccccccccccccccccccccccccccccccc$

 $^{\rm a}$  Includes operating and overhead expenses with 7% interest in capital.

<sup>b</sup> Assumes 5.5% interest charge.

Table 14. Programmed Land use and Livestock with Different Land Prices and for Minimum Resource Requirements to Earn \$5000 Labor Income

	\$0	\$30	\$60	\$75
Corn, acres	137	172	264	387
Oats, acres	87	123	168	238
Barley, acres	0	10	0	0
Wheat, acres	64	73	124	177
Flax, acres	7	26	39	56
Corn silage, acres	8	11	15	6
Alfalfa, acres	40	52	77	109
Fallow	20	8	14	19
Total, crop acres	363	475	701	992
Native hay, acres	62	82	119	135
Rangeland, acres	395	486	738	1073
Other, acres	16	38	55	79
Total, all land, acres	836	1081	1613	2279
Feed calves, drylot, silage, head	30	43	50	22
head	68	87	131	192
Gilt and litters, litters	0	0	0	26
arro and receive, receive	U U	5	J.	20

Table 15. Financial Highlights of Programming Minimum Resource Requirements to Earn \$5000 Labor Income with Different Land Prices

	Land Price	es Per Acre	
\$0	\$30	\$60	\$75
2,519	35,771	101,637	178,489
10,650	11,850	14,732	15,382
19,630	26,647	39,177	53,490
32,799	74,268	155,546	247,261
28,154	36,966	54,320	71,019
20,101	6,851	40,039	51,744
0	1,784	5,323	9,401
3,053	3,331	3,958	4,874
5,000	5,000	5,000	5,000
	\$0 2,519 10,650 19,630 32,799 28,154 20,101 0 3,053 5,000	Land Price           \$0         \$30           2,519         35,771           10,650         11,850           19,630         26,647           32,799         74,268           28,154         36,966           20,101         6,851           0         1,784           3,053         3,331           5,000         5,000	$\begin{array}{c c} & \mbox{Land Prices Per Acre} \\ \$0 & $$30$ $$60$ \\ \hline $$2,519$ & $35,771$ & $101,637$ \\ 10,650$ & $11,850$ & $14,732$ \\ 19,630$ & $26,647$ & $39,177$ \\ 32,799$ & $74,268$ & $155,546$ \\ \hline $$28,154$ & $36,966$ & $54,320$ \\ $28,154$ & $36,966$ & $54,320$ \\ $20,101$ & $6,851$ & $40,039$ \\ $0$ & $1,764$ & $5,323$ \\ $3,053$ & $3,331$ & $3,958$ \\ $5,000$ & $5,000$ & $5,000$ \\ \hline \end{array}$

<sup>a</sup> Includes operating and overhead expenses with 7% interest on capital.

<sup>b</sup> Assumes 5.5% interest charge.

Table 16. Programmed Land Use and Livestock with Different Land Prices and for Minimum Resource Requirements to Earn \$10,000 Labor Income

		Land Pri	ce Per Acre	
	\$0	\$30	\$60	\$75
Corn, acres	255	349	628	836
Oats, acres	163	222	224	506
Barley, acres	0	0	0	0
Wheat, acres	120	163	370	371
Flax, acres	38	63	80	718
Corn silage, acres	15	19	4	0
Alfalfa, acres	75	102	213	213
Fallow	13	13	5	40
Total, crop acres	679	925	1424	2104
Native hay, acres	116	155	179	256
Rangeland, acres	715	946	1441	1735
Other, acres	54	79	136	168
Total, all land acres	1564	2131	3280	4843
Feed calves, drylot, silage, head Feed calves, pasture, no silage,	56	72	16	0
head	127	173	279	413
Gilt and litters, litters	0	2	21	74

Table 17. Financial Highlights of Programming Minimum Resource Requirements to Earn \$10,000 Labor Income with Different Land Prices

	Land Price	s Per Acre	
\$0	\$30	\$60	\$75
	70 007	006 740	
4,676	/0,38/	206,742	3/9,/35
14,705	14,928	19,621	30,824
37,820	52,041	72,288	714,273
57,201	137,356	298,651	524,832
52,667	71,344	98,766	146,871
39,046	53,234	71,925	108,962
0	3 515	10 824	19 976
2 621	1 505	6 017	7 076
3,021	4,595	0,017	7,970
10,000	10,000	10,000	10,000
	\$0 4,676 14,705 37,820 57,201 52,667 39,046 0 3,621 10,000	Land Price           \$0         \$30           4,676         70,387           14,705         14,928           37,820         52,041           57,201         137,356           52,667         71,344           39,046         53,234           0         3,515           3,621         4,595           10,000         10,000	Land Prices Per Acre           \$0         \$30         \$60           4,676         70,387         206,742           14,705         14,928         19,621           37,820         52,041         72,288           57,201         137,356         298,651           52,667         71,344         98,766           39,046         53,234         71,925           0         3,515         10,824           3,621         4,595         6,017           10,000         10,000         10,000

<sup>a</sup> Includes operating and overhead expenses with 7% interest in capital.

<sup>b</sup> Assumes 5.5% interest charge.

#### IMPLICATIONS FOR ADJUSTMENTS

It is evident from the programming results that ranchers in Faulk County may earn a \$3,000 return with somewhat less land than included on the average ranch in Faulk County (1,138 acres according to the 1964 census). However, in order for a rancher to earn a \$5,000 labor income, land requirements are nearly 600 acres above the average size. If \$10,000 is considered necessary labor income, land requirements would nearly triple over the \$3,000 level (tables 12, 13, 14, 15, 16, 17).

In general, the increase in minimum resources to obtain higher income levels requires nearly the same enterprise combination for the different levels. Particularly, there is little change from the \$3,000 to the \$5,000 level. At the \$10,000 income level with corn and wheat increased in relation to other crop enterprises, the hog enterprise becomes profitable to have in place of some of the dry-lot calf feeding.

It may be noted that the minimum resource ranch had a slightly higher percentage of crop acreage devoted to corn production, with corn replacing small grain. Perhaps, higher production of corn reflects the type of livestock enterprise included in the plan.

The greatest contrasts in organization of the minimum resource ranch compared with a typical ranch (as shown by the U.S. Census for Faulk County) are in the livestock enterprises. The programmed organization included only a livestock activity of buying calves and selling choice fat cattle. However, few ranchers in Faulk County presently include similar livestock enterprises. Perhaps, the reason may be that large amounts of capital and more managerial ability are required by the enterprise. Also, cattle feeding involves more risk than other livestock enterprises.

Perhaps, one reason cattle feeding is not prevalent in the area may be lack of capital or credit for carrying out such an enterprise. One observes that credit institutions are reluctant to loan money for cattle feeding when neither they nor the applicant has much knowledge of the profits and risks of cattle feeding. Still it would appear that livestock feeding by the better operators could be a desirable way to increase incomes.

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## APPENDIX

#### **Appendix Tables**

- Table A-1 Assumed Average Prices Paid and Received by Farmers, Faulk County, South Dakota
- Table A-2 Estimated Operating and Ownership Cost of Machine Complement, 1280 Acre Farm, Faulk County
- Table A-3 Assumed Per Acre Overhead Costs in the Model of this Study, Faulk County
- Table A-4 Assumed Nonallocated Annual Overhead Costs for a 1280 Acre Farm, Faulk County
- Table A-5 Estimated Average Yields Per Acre Using Recommended Cropping Practices, by Land Class, Faulk County
- Table A-6 Estimated Per Acre Labor Requirements and Seasonal Distribution for Selected Dryland Crops
- Table A-7 Average Dates for Selected Cropping Operations, Faulk County
- Table A-8 Assumed Per Acre Variable and Overhead Costs for Average Crop Yield, Faulk County
- Table A-9 Specified Variable Costs and Capital Requirements per Unit of Livestock Enterprises, Faulk County
- Table A-10 Resource Restrictions Used in Initial Tableau for Representative Farm Situation, Faulk County
- Table A-11 Description of Activities Considered for Representative Farm Situation, Faulk County

Item	Unit	Price
Prices Paid:		(Jollars)
Seeds:	bu	2 65
Barley	bu.	1.76
Date	bu.	1.70
Corn (hybrid)	bu.	12 90
Flax	bu.	3 50
Alfalfa	cwt	11 02
	CWL.	44.02
Livestock:		
rearing steer purchased (April)	CWt.	23.26
Yearling feeder steer bought (October)	cwt.	23.08
Steer Calf bought (Uctober)	cwt.	25.28
Gilt (breeding Stock)	unit	60.00
Labor	hour	1.25
Custom Rates:		
Combine, small grain	acre	3.50
Haystack moving	unit	6.00
Eucl and Lubricante:		
Gacoline	a2]	25
Matan ail	yal.	.25
Lubricant	yar. 16	1.20
Lubricant	10.	.22
Prices Received:		
Crop products:		
Wheat	bu.	1.82
Oats	bu.	.53
Barley	bu.	.81
Flax	bu.	2.75
Corn	bu.	1.09
Livestock products:		
Choice steer sold (October)	cwt.	24.15
Choice steer sold (April	cwt.	23.97
Yearling Stocker steer (October)	cwt.	23.08
Steer calf (October)	cwt.	25.28
Cull cow	cwt.	13.04
Market sows (farrowed once)	unit	54.57
Butcher hogs (late spring litter)	cwt.	15.82

#### Table A-1 Assumed Average Prices Paid and Received by Farmers, Faulk County, South Dakota

Machine	Years <sup>a</sup> Useful Life	Hours <sup>b</sup> Useful Life	Average <sup>C</sup> Annual Investment	Annual <sup>d</sup> Fixed Cost	Per Acre <sup>e</sup> Annual Fixed Cost	Per Acre <sup>f</sup> Variable Cost
	(Years)	(Hours)	(Dollar)	(Dollar)	(Dollar)	(Dollar)
Tractor, 4 plow	20	12,000	2,400	473	.387	.979
Tractor, 3 plow	20	12,000	1,825	359	.295	.929
Moldboard Plow, 4-14"	15	2,500	438	112	.330	.103
Tandem Disc, 12'	20	2,500	416	91	.139	.027
Spike Tooth Harrow, 5 Section	25	2,500	81	16	.013	.004
Press drill-Fert. attach.,10'6	" 20	1,200	765	168	.594	.038
Boom Type Sprayer, 30'	15	1,000	225	46	.006	.008
Corn Planter, 4R	20	1,200	630	124	.409	.051
Corn Cultivator, 4R	20	1,200	472	103	. 368	.036
Corn Picker, 2R	15	2,000	1,300	320	1.554	.187
Windrower-pto, 12'	18	2,500	450	104	.145	.080
Mower, 9'	18	2,000	292	67	.133	.095
Rake, Side Delivery	18	2,500	281	65	.123	.031
Loader and Attachments	15	2,500	540	136	.268	.225 <sup>9</sup>
Combine, pto. Total	15	2,000	1,600 11,715	380 2,564	1.171	.197

Table A-2 Estimated Operating and Ownership Cost of Machine Complement, 1280 Acre Farm, Faulk County

<sup>a</sup>Estimates based on survey of Faulk County Farmers and ASAE <u>1965 Agricultural Engineers Yearbook.</u> <sup>b</sup>Estimates from 1965 Agricultural Engineers Yearbook.

<sup>C</sup>Estimates based on Official 1965 Tractor and Farm Equipment Guide.

<sup>d</sup>Interest on investment, depreciation, insurance and taxes.

<sup>e</sup>Estimates assume machine used enough to wear out during its useful life, i.e. minimum cost estimates.

<sup>f</sup>Repair and service cost of machine only.

9Variable cost per hour.

Item	Cost
	(Dollars)
Interest on land <sup>a</sup>	3.30
Land Tax	.81
Insurance (liability)	.004
Depreciation and Maintenance, fences	.29
Total overhead cost per acre	44.04

## Table A-3 Assumed Per Acre Overhead Costs in the Model of this Study, Faulk County

 $^{\rm a}{\rm When}$  assumed land price is 60 dollars and interest rate is 5.5 percent.

WINDOWS IN CONTRACTOR OF TAXABLE PROPERTY OF T	And in case of the local division of the loc	
Item	Investment	Annual Cost
	(Dol	lars)
Machinery Fixed Costs: Machine Set Pick-up Truck, 1/2 ton Interest on investment Depreciation Gas, oil, and lubrication Repairs Insurance License Wagons (2) with hoist Fuel Tank (300 gal.) Tools and equipment	1350 430 90 300	1,145 <sup>a</sup> 98 330 265 80 60 20 92 8 50
Miscellaneous Telephone and electricity Tax service and bookkeeping supplies Insurance (liability and employee) Total specified overhead costs		175 50 52 2,227

Table A-4 Assumed Nonallocated Annual Overhead Costs for a 1280 Acre Farm, Faulk County

<sup>a</sup>Includes interest, insurance, and taxes from Table 14.

Item	Unit	Yie a	ld by La b	nd Class c	d	Weighted Average <sup>a</sup>
Crop:						
Corn	bu.	30	23	24	20	23.7
Corn Silage	cwt.	116	86	90	76	90.0
Oats	bu.	40	36	34	30	36.2
Barley	bu.	30	26	20	17	25.1
Wheat <sup>b</sup>	bu.	19	15.5	15	13	16.1
Wheat on fallow	bu.	21	17	16	14	17.5
Flax	bu.	11	9	10	9	9.7
Alfalfa Hay	bu.	1.6	1.3	1.1	1.3	1.3
Native Hay Est	imated yi	eld was	.67 Ton			
Native Pasture	Estimate	d yield	was .55	AUM		

Table A-5 Estimated Average Yields Per Acre Using Recommended Cropping Practices, By Land Class, Faulk County

 $^{\rm a}{\rm The}$  weighted average is the sum of the average yield for each land class times the percent that land class is of the total.

<sup>b</sup>Assumes wheat on row crop or small grain.

	Han-hours	Percent Distr	ibution of Lab	or by Periode	- 11 S. MAG 14 11 1
Crop	per acre <sup>a</sup> Total	March 16 to April 30	May I to July 15	July 16 to September 30	October 1 to November 15
Corn grain	2.74	0	62	0	38
Corn silage	2.25 <sup>C</sup>	0	76	24	0
Oats	1.65	32	10	58	0
Barley	1.65	32	10	58	0
Wheat	1.65	34	10	56	0
Flax	2.79.	19	35	46	0
Alfalfa hav	1.98 <sup>d</sup>	0	52	45	3
Native hav	1.04 <sup>d</sup>	0	0	96	4
Fallow	.81	0	0	100	0

Table A-6 Estimated Per Acre Labor Requirements and Seasonal Distribution for Selected Dryland Crops

<sup>a</sup>Tractor hours are approximately 10 percent lower.

<sup>b</sup>Distribution will vary if fall plowing is assumed.

<sup>C</sup>Does not include time for custom chopping and hauling.

<sup>d</sup>Does not include time for custom stack-moving.

Item		Date
Start field work		April 10
Start seeding spring wheat		April 16
Finish seeding spring wheat		May 10
Finish seeding oats and barley		May 17
Finish seeding flax		Hay 22
Plow for corn		May 17
Plant corn		May 24 to
		June 5
Small grain spraying		June 7
Row crop spraying		June 21
First row crop cultivation		June 14
Second row crop cultivation		July 12
Start summer fallow		June 14
First crop tame nay		June 14
Second crop tame hay		August 10
Harvest native hay		August 18
Swath spring wneat		August 10
Swath oats		August 5
Swath barley		August 6
Swath flax		August 20
Start cutting corn silage		September 14
Pick corn		October 1
Start fall field work		September 17
	and continue	into October

#### Table A-7 Average Dates for Selected Cropping Operations, Faulk County

Source: Compiled by Erwin Ullrich from records of the Crop and Livestock Reporting Service.

	Corn	Wheat Corn Corn after					- uan	Alfalfa	Native	
	grain	silage	Wheat	fallow	Oats	Barley	Flax	Fallow	hay	ha y
	1.1	2.51 0.00			(Dollars				1000	
Variable Costs:										
Tractor power	2.62	1.88	1.86	1.86	1.86	1.86	2.03	1.29	1.16	1.57
Repairs	. 75	.44	.51	. 51	.51	.51	. 57	.04	.54	. 25
Seed	1.81	1.81	2.65	2.65	2.05	2.20	2.62		1.10	
Chemical	2.45	2.45	. 36	. 36	.10	. 30	.28	. 36	.43	
Fertilizer	3.25	3.92	2.98	1.08	2.75	2.63	4.90		1.23	
Custom		6.00							1.25	1,20
Interest	.76	.94	.59	.45	.52	.53	.73	.05	.40	.14
Overhead Costs:										
Depreciation	2.69	1.61	2.03	2.03	2.00	2.00	2.37	. 30	. 98	.49
I. T. and S. <sup>a</sup>	.79	.45	. 64	.64	.64	.64	. 79	.06	. 36	.18
Total specified	.,,	1.10								
costs	15 12	19 60	11 62	9 58	10 53	10 67	14 29	1 10	7 45	2 83

Table A-8 Assumed Per Acre Variable and Overhead Costs for Average Crop Yield, Faulk County

<sup>a</sup>Insurance, Taxes and Shelter.

				Amount	per head		
Item	Beef cow	Stocker steer- silage	Feeder steer- drylot	Feeder steer- pasture	Drylot yearlings period l	Drylot yearlings period l and period 2	Gilt and litter
				Dollars			
Variable Costs:				126.00			
Supplementa	6.66	2.35	20.07	13.15	13.51	27,02	60.39
Veterinary	4.75	2.78	3 <b>.7</b> 8	3.78	3.78	7.56	7.00
Taxes	4.56	2.17	2.17	2.17	3.23	6.49	1.20
Fauinment	3 63	6.03	8.41	7.86	7.11	12.26	11.87
Total	21.40	14.33	30.70	26.96	26.63	51.33	30.46
Livestock	228.15	108.70	108.70	108.70	161.56	324.38	60.00
Building and	20 54	25 70	20 10	30 18	30 18	30 12	20 18
Equipment	39.54	140 72	160 50	165.85	218 57	405.89	241 26
Capital	209.09	140.75	103.00	103.05	210.37	,03.05	211,20

Table A-9 Specified Variable Costs and Capital Requirements per Unit of Livestock Enterprises, Faulk County

 ${}^{\rm A}$  Protein, salt, and mineral requirements are for silage feeding. When silage was not included in the ration, protein requirements were smaller.

<sup>b</sup>Capital is the sum of total variable costs, livestock investment and average buildings and equipment investment.

Table A-10	Resource Restrictions Used in Initial Tableau for	•
	Representative Farm Situation, Faulk County	

Item	Row	Unit	Initial Level
Class a land	RO 1	Acre	0.0
Class b land	R02	Acre	0.0
Class c land	R03	Acre	0.0
Class d land	R04	Acre	0.0
Native Hay	R05	Acre	0.0
Native Pasture	R06	AVM	0.0
Wheat Allotment	R07	Acre	0.0
Period One Labor	R08	Hour	508.0
Period Two Labor	R09	Hour	210.0
Period Three Labor	R10	Hour	493.0
Period Four Labor	R11	Hour	583.0
Period Five Labor	R12	Hour	306.0
Total Capital	R13	Dollar	0.0
Annual Capital	R14	Dollar	0.0
Hay to Harvest	R15	Ton	0.0
Feed Grain Transfer	R16	CWT. C. E.	0.0
Wheat Transfer	R17	Bushe1	0.0
Flax Transfer	R18	Bushel	0.0
Grain to Feed	R19	CWT. C. E.	0.0
Hay Equivalent	R20	CWT.	0.0
Silage	R21	CWT.	0.0
Calf Transfer	R22	Animal	0.0
Period One Yearling Transfer	R23	Animal	0.0
Period Two Yearling Transfer	R24	Animal	0.0
Livestock for Sale	R25	CWT.	0.0
Income Requirement	R26	Dollar	Varies

	Activity Description	Unit of Measure
Crop	land	
Clas	s a Lang Rotations	
Pup	Coru- uppat	Acre
P	Corn silage-wheat	Acre
P	Corn-parley	Acre
P	Corn silage-parley	Acre
P	Corn-oat	Acre
PUU	Wheat-oat-fallow	Acre
P.17	Wheat-wheat-fallow	Acre
Ρ.,	Flax-wneat-fallow	Acre
P	Barley-corn-oat-alfalfa (3 years)	Acre
P1	wheat-corn-barley-alfalfa (3 years)	Acre
Pii	Wheat-corn-corn silage-oat-alfalfa (3 years)	Acre
Piz	Wheat-corn-corn silage-oat-alfalfa (3 years)	Acre
Pis	<pre>.ineat-corn silage-corn-flax-alfalfa (3 years)</pre>	Acre
P14	Wheat-corn-flax-fallow	Acre
P15	wheat-corn-oat-fallow	Acre
Pib	Barley-corn-barley-alfalfa (3 years)	Acre
Piz	Barley-corn silage-barley-alfalfa (3 years)	Acre
Plö	Vat-corn-oat-alfalfa (3 years)	Acre
Clas	s b Land Rotations	
P1.,	Corn-wneat	Acre
P <sub>20</sub>	Corn-barley	Acre
Ppi	Corn silage - barley	Acre
P	Corn-oats	Acre
P23	wheat-wheat-fallow	Acre
P-24	Flax-wneat-fallow	Acre
P25	Wneat-corn-oat-alfalfa (3 years)	Acre
P26	Wneat-corn silage-oat-alfalfa (3 years)	Acre
P <sub>27</sub>	Flax-corn-oat-alfalfa (3 years)	Acre
P28	Barley-corn-oat-alfalfa (3 years)	Acre
P29	Corn silage-oat-alfalfa (3 years)	Acre
P30	Barley-corn-barley-alfalfa (3 years)	Acre
P31	Barley-corn silage-barley-alfalfa (3 years)	Acre
P32	Uat-corn-oats-alfalfa (3 years)	Acre
Clas	s c Land Rotations	
Paa	Wheat-corn-flax-alfalfa (3 vears)	Acre
P 31	Wheat-corn-oat-alfalfa (3 years)	Acre
Par	Flax-corn-oat-alfalfa (3 years)	Acre
P 36	Corn-oats-alfalfa (3 years)	Acre
P 37	Corn silage-oats-alfalfa (3 years)	Acre
P38	Wheat-corn silage-oat-alfalfa (3 years)	Acre
P 39	Wheat-oat-alfalfa (4 years)	Acre
P40	Wheat-oat-alfalfa (3 years)	Acre
P41	Oat-corn-oat-alfalfa (3 years)	Acre
P <sub>42</sub>	Oat-corn silage-oat-alfalfa (3 years)	Acre
P <sub>43</sub>	Barley-corn-barley-alfalfa (3 years)	Acre
Clas	s d Land Rotations	
Ρ	Wheat-wheat-fallow	Acre
' 44 P 45	Flax-wheat-fallow	Acre
45		nere

## Table A-11 Description of Activities Considered for Representative Fama Situation, Faulk County

#### Table A-11 continued.

	Activity Description	Unit of Measure			
Cropland (continued)					
۹ <sub>40</sub>	Wheat-corn-oat-alfalfa (3 years)	Acre			
P47	Flax-corn-oat-alfalfa (3 years)	Acre			
P 48	Barley-corn-oat-alfalfa (3 years)	Acre			
P <sup>49</sup> 50	Barley-corn silage-oats-alfalfa (3 years)	Acre			
51	Oat-alfalfa (3 years)	Acre			
52	Uat-corn-oat-alfalfa (3 years)	Acre			
53 D	Barlow-corn-barlow-alfalfa (3 years)	Acre			
P 54	Hative Hay	Acre			
Live	stock Enterprises				
P	Beef-cow and calf	Cow - Calf			
P 56	Stockers, silage-hay ration	Head			
P52	Stockers, grain-hay ration	Head			
P 59	Feed calves in drylot, silage-hay	Head			
P60	Feed calves in drylot, grain-hay	Head			
61	Feed calves on pasture, silage-hay	Head			
62	Feed yearlings: period one, silage-bay	Head			
P63	Feed yearlings: period one, no silage-hay	Head			
P <sub>65</sub>	Feed yearlings: period one and two,				
D	silage-hay	lwo head			
66	grain-hav	Two head			
P <sub>67</sub>	Gilt and one litter	Sow-litter			
Purc	hase and Sale of Livestock				
PGO	Sell feeder calf	Head			
P <sub>69</sub>	Buy feeder calf	Head			
P.70	Sell stocker	Head			
<sup>P</sup> 71	Buy period one yearing	Head			
72 P 72	Sell Livestock	Hundred weight			
73 Hire	Labor				
D	Hire period one labor	Hour			
P76	Hire period two labor	Hour			
P76	Hire period three labor	Hour			
P77	Hire period four labor	Hour			
78	Hire period five labor	Hour			
<sup>2</sup> 79	Borrow Capital	Dollar Corn equivalor			
80	Sell feed grain	Corn equivaler			
P81	Sell wheat	Bushel			
P83	Sell flax	Bushe 1			
84	Feed hay	Ton			
P <sub>85</sub>	Buy land	Acre			