

drastically different on soils with different characteristics. Leon or Immokalee series would be the predominant soil types.

The data are presented in a format which lists prices and quantities separately. Thus any user can adjust them to fit his own unique situation. When technology or circumstances demand a change in physical or dollar quantities, these adjustments can be made within the format of the existing budget. An enterprise budget so adjusted, can remain usable over a long time span.

The concept of residual returns to the various factors of production has been used in this report. This generally is done by deducting cash expenses from returns and crediting the residual to the unpaid resources which are used in producing the product.

After cash expenses are deducted, charges for "fixed" resources which have less well defined prices are deducted. When one resource is valued (priced), values of other resources must be considered to assure an appropriate evaluation of returns. For example, all of the returns over cash costs cannot be assigned to the land without considering labor, management and capital.

PRICES

Prices of inputs were obtained as list prices and adjusted to conform with prices paid by operations of this scale. Prices of cattle are not necessarily current prices, but are more nearly prices that could be expected as long-run averages. Anyone wishing to use these budgets can adjust prices to fit a particular time period or a particular situation.

ENTERPRISE BUDGETS

Definition and Explanation

An enterprise budget is a systematic listing of the physical inputs (resources) and outputs (yields) involved in the production of a product along with prices. Tables 1-5 are enterprise budgets for the five situations. There are references in these budgets to various supporting tables found in the Appendix. The Appendix Tables give detailed data from which the enterprise budgets were developed. Budget 1 (Table 1) will be fully explained. Since the format is the same for the following budgets, the others will be left to the interested readers' interpretations.

Revenue

Table 1 shows estimated revenue from sale of livestock. The 150 head of cows sold amounts to a culling rate of 15 percent. The 43 heifers sold represent 20 percent of the heifers retained as calves that were culled by pregnancy testing. Calves sold are the balance of the heifer calves which are not kept for replacements plus all of the steer calves.

Cash Expenses

The second set of items listed in Table 1 are the cash expenses. Pasture fertilization is shown for the acreage not renovated (960 acres).

One-fifth of the total area, or 240 acres, is renovated annually and is reported separately from the other 960 acres. Details of the renovation program are shown in Appendix Table 13. All other cash expenses are listed and explained in Table 1, or reference to an appendix table is made.

Return Over Specified Cash Expenses

When cash expenses, including an interest charge on these expenses, are deducted from total revenue the residual is a return over cash expenses. The designation of return over "specified" cash expenses is made because real estate taxes have not been included as a cash expense. Real estate taxes were purposely omitted due to the wide variations in land values and tax rates.

Other Expenses

These expenses are such items as depreciation, interest on investment, taxes and insurance on certain factors of production. They also include bull depreciation, fixed costs of machinery and equipment, buildings, fences and water control facilities and cost of establishing pasture.

Bull Depreciation

This charge is the estimated annual cost of replacements, including a death loss, to maintain the bull herd. This expense is included because all bulls are purchased. The depreciation on the cow herd is not shown here, since the value of cull cows was included as revenue and the cost of replacements was included in total costs.

Machinery and Equipment

Appendix Tables 1 and 2 show the machinery and equipment required for all situations. When other equipment is used in a particular situation