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COLORADO REHABILITATION FARMS  
INCOME and EXPENSE, 1937

by

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Based upon WPA Project 3667

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In the fall of 1938 the Economics and Sociology Section of the Colorado Agricultural Experiment Station acted as the sponsoring agency in a cooperative project under the Works Progress Administration. The Colorado State College of Agriculture and Mechanic Arts furnished the space. The State land specialist's office aided by the loan of some necessary office equipment. The Farm Security Administration furnished record books and assisted in locating needed information. The Works Progress Administration furnished the employees and a supervisor. The actual work was done under project W. P. 3667.

Project description.- W.P. No. 3667, a study of farm and family living on Rural Rehabilitation farms as found by a study of (a) Colorado Farm Family Record books for 1937; (b) annual farm plan estimates for 1937; (c) Farm Security Administration client records.

Characteristics of records studied.- This study of Colorado farm records under the cooperative agreement followed in this project was made possible by the Colorado Director of Rural Rehabilitation, who furnished 261 record books for the 1937 year's business. Since these record books were in the nature of a by-product of rehabilitation activities, they lacked somewhat in the detail which might be expected from customary

record keeping. Many of these 1937 records were for part of a year. Although they were completed for the period covered it would be slightly misleading to include them with a summary of 12-month records. There were 155 records from 28 counties which were analyzed and summarized for this report. Additional data were secured from the office files of the Farm Security Administration to complete these records for farm area and investment. A further study was made of 371 replies to a special farm practice questionnaire secured by the Farm Security Administration from groups of farmers who attended meetings in 17 counties. These permitted of a "vote analysis" of intentions and farm practices. During the closing weeks of work on this project some 1938 farm record books were available and data for 2 counties were analyzed for comparative purposes.

Location and significance of records studied.- Table 1 lists the 28 counties from which 12-month records were used. In some instances a very small number of records were available. Averages for these counties are of questionable significance statistically. In fact, only 8 of the 28 counties had 10 or more farm records. This study is presented with a very definite feeling as to the limitations which arise from the conditions. However, the data have considerable value as will be mentioned.

Table 1 indicates another reason for caution in the use of these data. It has been prepared to compare all cash income and outgo. The last column, "Balance from year's

operation," shows whether the records include sufficient cash to permit all the reported expenditures. A minus (-) sign indicates that more money was paid out than was taken in by the operator. The original record did not include any statement as to cash on hand at the first of the year, consequently a minus sign does not in itself mean that the record is incorrect. It does mean that the record failed to record all the facts necessary to a complete understanding of the year's operations. In some instances (notably Conejos, Jefferson, Rio Grande and Saguache counties) the cash paid out exceeded the cash available by several hundred dollars. In these instances it is quite possible that receipts have been omitted from the record--or else these farm operators began the year with considerable available cash.

In this respect the average for all farms is misleading because available cash from one farm cancelled shortage on another with a very close balance for the 155 farms. In actual practice no man pays another's debts (if he can avoid it), hence no such cancellation took place between the farms concerned.

With these limitations in mind, table 1 shows some interesting conditions on these farms. Cash farm receipts were comparatively low. This is to be expected since these farmers were presumably in some financial embarrassment or they would never have appeared as clients of the Farm Security Administration. Low cash receipts are a very good indication

Table 1.- 1937 Colorado Summary, Source and Use of Cash, average per farm.

County	No. rec-ords	Cash Farm Receipts	Bor-owed	Total avail-able	Farm expense	Family expense	Payment on debts	Sub total	New Invest-ment	Total	Balance from year's operation
Adams	3	\$ 996.74	\$497.39	\$1494.13	\$ 629.26	\$ 352.61	\$ 267.63	\$1249.50	\$ 268.40	\$1517.90	\$ -23.77
Arapahoe	2	978.80	745.00	1623.80	419.69	358.08	426.52	1204.29	314.31	1518.60	105.20
Alamosa	3	1430.13	135.00	1565.13	755.46	466.44	219.58	1441.48	115.15	1556.63	8.50
Boulder	13	1423.16	316.65	1739.81	898.62	429.17	220.83	1548.62	183.85	1732.47	7.34
Chaffee	2	2316.43	282.50	2598.93	1015.90	334.13	1085.83	2435.86	242.54	2678.40	-79.47
Conejos	1	838.31	780.00	1618.31	690.00	425.29	456.46	1571.75	373.99	1945.74	-327.43
Costilla	1	1050.32	240.00	1290.32	756.54	479.18	40.05	1275.77	21.46	1297.23	-6.91
Guster	2	512.20	252.00	764.20	325.62	184.39	146.15	656.16	85.64	741.80	22.40
Delta	3	813.53	85.00	898.53	342.84	258.63	244.28	845.75	75.10	920.85	-22.32
Eagle	1	357.64	460.00	817.64	406.57	344.56	----	751.13	206.30	957.43	-139.79
Fremont	10	548.42	245.70	794.12	259.23	273.98	135.88	669.09	85.82	754.91	39.21
Jefferson	2	1549.77	333.50	1883.27	887.07	463.27	501.45	1851.79	506.33	2358.12	-474.85
La Plata	17	579.96	259.19	839.15	323.90	274.88	44.27	643.05	262.28	905.33	-66.18
Larimer	10	958.63	858.25	1816.88	810.53	366.74	245.58	1422.85	246.63	1669.48	147.40
Logan	13	746.97	760.53	1507.50	416.05	351.88	90.08	858.01	208.64	1066.65	440.85
Mesa	4	1189.85	483.11	1672.96	711.57	397.58	478.87	1588.02	84.64	1672.66	.30
Montezuma	2	328.88	45.00	373.88	146.76	176.64	31.41	354.81	57.26	412.07	-38.19
Montrose	2	661.99	293.00	954.99	231.90	351.48	107.50	690.88	54.93	745.81	209.18
Moffat	5	444.43	27.00	471.43	185.37	277.36	55.27	518.00	4.46	522.46	-51.03
Morgan	11	622.00	597.82	1219.82	721.88	299.94	124.74	1146.56	191.59	1338.15	-118.33
Phillips	3	850.83	558.89	1409.72	612.81	362.98	108.87	1084.66	390.70	1475.36	-65.64
Rio Grande	2	1420.73	----	1420.73	1259.52	628.96	11.20	1899.68	577.15	2476.83	-1056.10
Routt	10	938.39	144.20	1082.59	449.61	340.94	213.35	1003.90	105.20	1109.10	-26.51
Saguache	2	620.54	230.50	851.04	808.93	288.79	50.18	1147.90	99.75	1247.65	-396.61
Sedgwick	6	682.81	547.95	1230.76	726.73	379.41	83.91	1190.05	104.02	1294.07	-63.31
Washington	11	455.74	412.21	867.95	252.92	278.66	116.43	648.01	238.48	886.49	-18.54
Weld	9	618.99	131.89	750.88	367.17	344.49	67.56	779.22	43.80	823.02	-72.14
Yuma	3	1015.60	116.67	1132.27	775.44	369.61	69.56	1214.61	141.39	1336.00	-223.73
Total 28 counties											
Weighted av.155		806.75	381.09	1187.84	521.23	333.07	160.82	1015.12	174.98	1190.10	-2.26

of such a situation. It is important to keep this condition in mind because there may be a tendency to take averages for one group of farms and assume that they represent all farms. It might be reasonably correct to consider that these 155 farms represented all Farm Security Administration clients for Colorado for 1937, but it would not be reasonable to conclude that they represented all the farms in Colorado.

The column "Farm expense" in table 1 shows again that these farms operated on a small scale. The total reported farm expenses were not as great, for example, as the sugar beet contract labor alone on the average irrigated farm growing sugar beets.

The column "Family expense" includes the personal and household expenses of the farmer's family. For all farms this is about \$28 per month, which indicates a very modest scale of family living, even for farm families.

The "Payments on debts" were less than one half of the "Borrowed" funds. "New investments" and payments on debts, together account for nearly all the money borrowed. The cash farm receipts very nearly covered farm and family expenses.

All these comments deal with the average for all records. Each individual county shows conditions somewhat different from the average of all farms.

Size of farm.- The average size of the 155 farms (not shown in any table) was 272 acres of which 137 acres were in

crops. The record book did not provide for specific crop production information. Consequently, few men voluntarily entered such data. No analysis was made of the few records where such information was available.

Farm receipts.- Table 2 shows for each county the main sources of farm receipts. Livestock products (milk and eggs chiefly) were the most important source. About \$79 came from government payments other than loans. These are either AAA payments or some other direct contribution such as "grants" or "relief".

The variations in relative importance of the sources of receipts for separate counties reflect the difference in type of farming throughout Colorado. For example, crops were the chief source of income on the farms studied in Mesa, Rio Grande, and Delta counties. Different classes of livestock were the chief source of income in Chaffee and Larimer counties. Livestock products were the most common first choice. The relative importance of "Miscellaneous farm receipts" is partly due to the fact that some farmers combined items in their reports rather than because of the actual importance of these items.

Table 2. - Analysis of 1937 farm receipts: Averages by counties.

No. of farms	County	Crop	Livestock	Livestock products	Miscellaneous farm	Government	Total
3	Adams	\$313.74	\$ 39.90	\$400.46	\$223.33	\$ 19.31	\$996.74
2	Arapahoe	346.71	72.40	344.20	27.69	87.80	878.80
3	Alamosa	368.34	169.52	552.16	203.04	137.07	1430.13
13	Boulder	498.40	226.69	500.86	120.69	76.52	1423.16
2	Chaffee	389.29	1278.18	165.89	26.97	456.10	2316.43
1	Conejos	331.16	183.92	303.23	20.00	-----	838.31
1	Costilla	116.08	44.94	850.51	-----	38.79	1050.32
4	Custer	-----	101.90	344.33	56.22	9.75	512.20
3	Delta	298.88	119.73	287.96	106.96	-----	813.53
1	Eagle	184.91	13.76	83.97	15.00	60.00	357.64
10	Fremont	52.06	140.60	98.75	104.09	152.92	548.42
2	Jefferson	467.77	317.95	508.48	231.07	24.50	1549.77
17	La Plata	110.91	106.04	244.74	75.14	43.13	579.96
10	Larimer	157.72	335.28	224.09	163.58	77.96	958.63
13	Logan	188.36	118.71	227.12	97.20	115.58	746.97
4	Mesa	488.32	172.64	243.25	237.84	47.80	1189.85
2	Montezuma	39.50	40.00	61.40	50.48	137.50	328.88
2	Montrose	201.40	85.23	223.82	151.54	-----	661.99
5	Moffat	36.91	84.45	72.46	223.41	27.20	444.43
11	Morgan	130.60	127.80	170.81	88.27	104.52	622.00
3	Phillips	113.06	218.38	224.80	105.30	189.29	850.83
2	Rio Grande	533.65	15.79	189.67	38.13	66.74	843.98
10	Routt	225.11	47.94	262.73	389.68	12.93	938.39
2	Saguache	25.00	239.36	309.18	24.00	23.00	620.54
6	Sedgwick	105.53	119.32	237.90	101.53	118.53	682.81
11	Washington	72.81	63.10	166.17	104.57	49.09	455.74
9	Weld	62.23	69.81	286.33	109.47	91.15	618.99
3	Yuma	259.16	241.37	267.49	151.09	96.49	1015.60
Weighted average							
155 records		189.87	149.70	257.71	130.30	79.17	806.75

Farm expenses.- Table 3 lists the more important items of farm expense. Some combination of expenses was necessary in order to confine this table to available space. Truck or other power expense was put under the automobile column; insurance, interest, cash rent, and fees were added to taxes; all items not otherwise specified were placed in the miscellaneous column. Practically 25 percent of all farm expenses was for feed. In few counties was the labor expense more than \$100, indicating the "family farm" characteristic of these farms.

Cash family living expense.- Table 4 shows that nearly one half of the \$333.07 cash was spent for food. Studies in other areas indicate that from one fourth to one third of the cash expenditures normally go for food. (p. 58 Kirkpatrick, "The Farmer's Standard of Living." The Century Co., 1929) This varies obviously for different parts of the U. S. A. and for families with varying incomes. The high proportion spent for food on these farms further indicates the restricted scale of living. The combined reported expenses for health, recreation and education are well under \$50. One trip might cost that much--or one sickness. Obviously, these families have little money for anything but the "must" expenses, and apparently none too much for those.

Table 3.-- Analysis of 1937 cash farm expenses: Average by counties.

No. of farms	County	Feed	Other livestock expense	Labor	Repairs	Auto expense power	Seed and crop expense	Taxes, fees, ins., int., rent	Miscellaneous farm	Total
3	Adams	\$138.29	\$ ----	\$ 65.68	\$ 24.99	\$183.11	\$ 64.22	\$151.31	\$ 1.66	\$529.26
2	Arapahoe	16.48	4.35	66.12	41.03	131.82	92.08	61.79	6.02	419.69
3	Alamosa	189.96	1.67	56.95	49.49	140.39	75.87	177.54	63.59	755.46
13	Boulder	267.26	6.69	135.87	64.36	80.07	149.71	106.03	88.63	898.62
2	Chaffee	9.36	7.53	200.12	135.81	174.74	65.90	252.29	170.15	1015.90
1	Conejos	143.75	----	65.29	67.44	193.54	115.68	55.20	50.00	690.90
1	Costilla	474.89	----	35.50	9.70	142.27	41.00	50.00	3.18	756.54
4	Custer	75.16	----	.47	7.90	51.16	56.99	.56	133.38	325.62
3	Delta	51.75	----	83.17	17.50	43.18	53.47	70.77	23.00	342.84
1	Eagle	68.78	----	15.00	50.90	77.42	61.90	104.48	28.09	406.57
10	Fremont	91.17	1.80	14.40	10.11	36.07	33.63	56.48	12.17	259.23
2	Jefferson	244.22	15.35	26.24	10.02	72.36	177.40	131.95	209.53	887.07
17	La Plata	82.78	2.17	40.24	37.56	36.62	61.18	59.23	4.12	323.90
10	Larimer	309.97	14.20	82.36	35.02	126.34	102.03	9.55	131.06	810.53
13	Logan	110.04	3.09	20.78	28.95	107.20	86.70	17.14	42.15	416.05
4	Mesa	270.12	2.22	75.60	30.37	129.19	53.18	60.08	90.81	711.57
2	Montezuma	15.73	4.00	10.00	10.56	63.63	27.84	15.00	----	146.76
2	Montrose	17.03	9.36	10.50	53.52	68.57	40.11	23.61	9.20	231.90
5	Moffat	86.35	----	21.03	7.55	33.97	24.90	7.00	4.57	185.37
11	Morgan	130.04	4.61	230.28	57.77	148.91	86.96	36.37	26.94	721.88
3	Phillips	55.55	3.40	5.89	57.14	272.21	141.77	29.39	47.46	612.81
2	Rio Grande	79.21	.27	50.70	73.59	230.71	205.55	.83	16.20	657.06
10	Routt	37.21	3.16	76.72	19.69	82.65	107.08	42.74	80.36	449.61
2	Saguache	100.59	.52	110.47	50.59	107.08	244.68	168.64	26.36	808.93
6	Sedgwick	165.91	7.10	57.70	37.27	168.19	139.51	55.39	95.66	726.73
11	Washington	72.91	1.61	31.91	15.47	70.64	41.36	2.10	16.92	252.92
9	Weld	135.50	3.88	38.42	13.80	95.02	39.48	31.92	9.15	367.17
3	Yuma	88.03	1.78	55.12	50.92	126.59	22.85	153.09	277.06	775.44
Weighted average 155 records		130.19	3.96	66.49	34.34	97.33	82.00	53.42	48.14	521.23

Table 4.-- Analysis of 1937 cash family living expense: Average by counties.

No. of farms	County	Food	Clothing	Household operating	Health and insurance	Recreation and travel	Education, advancement, papers, and gifts.	Personal	Miscellaneous family	Total
3	Adams	\$188.52	\$ 60.30	\$ 44.83	\$ 39.28	\$ —	\$ 14.35	\$ 3.22	\$ 2.06	\$352.61
2	Arapahoe	132.28	64.99	58.93	3.15	6.25	35.88	2.98	53.62	358.08
3	Alamosa	189.72	91.71	55.71	55.06	12.90	38.21	5.28	17.85	466.44
13	Boulder	229.31	73.89	46.34	20.37	11.97	25.58	7.43	14.28	429.17
2	Chaffee	156.11	60.32	10.10	18.92	53.55	29.88	2.28	2.97	334.13
1	Conejos	40.48	13.25	238.60	66.95	5.00	1.60	---	59.41	425.29
1	Costilla	260.95	46.24	46.52	68.12	3.00	9.20	36.40	8.75	479.18
4	Custer	91.15	19.75	2.01	6.25	1.92	1.57	6.54	55.20	184.39
3	Delta	37.00	27.48	40.56	---	.67	---	---	152.92	258.63
1	Eagle	174.27	48.95	72.12	27.26	---	---	11.08	10.88	344.56
10	Fremont	147.61	42.35	25.95	16.91	4.53	5.53	7.64	23.46	273.98
2	Jefferson	99.10	28.10	18.88	.28	2.88	1.18	17.33	295.52	463.27
17	La Plata	116.20	59.06	34.00	23.15	9.11	9.04	13.82	10.50	274.88
10	Larimer	157.85	45.98	48.26	36.67	5.97	8.46	9.50	54.05	366.74
13	Logan	174.95	58.03	53.29	22.45	7.04	7.22	5.66	23.24	351.88
4	Mesa	136.15	79.12	88.43	27.40	4.68	14.98	5.40	41.42	397.58
2	Montezuma	116.56	32.84	8.04	.93	4.00	.55	4.58	9.14	176.64
2	Montrose	134.08	31.78	33.95	83.81	19.87	12.81	15.31	19.87	351.48
5	Moffat	147.75	32.25	28.94	19.67	6.31	6.60	9.69	26.15	277.36
11	Morgan	144.05	38.96	29.94	41.11	.95	4.71	6.41	33.81	299.94
3	Phillips	132.50	23.95	37.10	91.94	1.95	12.65	7.66	55.23	362.98
2	Rio Grande	199.55	118.64	46.22	31.12	---	13.85	.69	40.57	450.64
10	Routt	155.32	51.54	38.25	40.04	6.25	10.88	11.58	27.08	340.94
2	Saguache	107.79	57.44	36.01	55.07	1.84	13.83	9.93	6.88	288.79
6	Sedgwick	190.19	73.38	53.00	35.26	7.87	1.76	1.89	16.06	379.41
11	Washington	138.63	32.81	42.30	13.93	4.82	4.87	2.68	38.62	278.66
9	Weld	211.62	49.35	31.83	22.25	15.43	2.74	2.23	9.04	344.49
3	Yuma	236.94	96.32	27.17	.60	1.29	1.33	.98	4.98	369.61
Weighted average 155 records		157.18	52.54	40.65	27.39	7.17	9.65	7.26	29.38	333.07

Farm furnished family living expenses.- Some of the men who kept farm records also estimated the amount of farm produce used in the home. In some cases no values were listed. Where quantities only were available a set of uniform prices was arbitrarily used in order to secure an approximation as to the value of farm produce consumed at home. By this device it was possible to calculate a total for 96 farms scattered in 23 of the 28 counties. Table 5 shows the average value of family living furnished per farm for each county where such data were available. Using these 23 counties as a base, the simple average for the 23 counties was \$185.44 per farm. This is approximately \$15 per month. If this is added to the \$333.07 cash living in table 4, it shows \$518.51 as the total "living" outside of the value of the house. Since a value was not placed upon the farm house, it was impossible to estimate the value of house rent furnished. The \$518.51 might be compared directly with the cash wage paid to farm laborers. Whenever a man can secure more than \$43.20 per month, a house and some other privileges, as a farm laborer, it is apparent that he should be able to live as well as the average of these farmers. In fact, when all the hazards of independent farm operation, and the need for equipment investment and replacement are considered, there is very little in this analysis to justify the individual farmer in selecting private operation of a farm such as these in contrast to working for regular farm wages per month. However, this is not the entire story. If no such regular employment

Table 5.- 1937 Family living furnished by farm: Average per farm.

County	Number of farms reporting	County average
Adams	1	\$195.00
Arapahoe	6	\$156.29
Alamosa	2	181.26
Boulder	13	208.32
Conejos	1	146.61
Costilla	1	320.20
Delta	3	138.31
Eagle	1	230.51
Fremont	4	120.28
Jefferson	1	272.19
La Plata	10	143.15
Larimer	4	204.03
Logan	8	218.38
Mesa	3	202.49
Montezuma	1	77.30
Montrose	1	160.28
Morgan	7	140.41
Routt	5	218.82
Saguache	2	262.47
Sedgwick	4	175.74
Washington	7	149.94
Weld	7	190.97
Yuma	4	152.14
County average		185.44

could be secured, then it is apparent from these records that a man could keep his family together and make a living for less total cost to society as an independent farm operator than he could by sitting back and doing nothing and trusting to the government for his entire support.

Farm practices.- As previously indicated, 371 farmers answered a questionnaire concerning their plans as to farm practices. Five closely written pages were required to list all the points included in this phase of the study. A few of these replies will indicate the views which these farmers have concerning their present (1937) farming methods.

<u>Item</u>	<u>Yes</u>	<u>No</u>
Do you plan to change the method of feeding horses?	81	236
Are you keeping egg production records?	301	60
Do you plan to increase the number of cattle?	301	45
Will your farm, under normal conditions, produce a living?	360	11
Do you plan to raise more feed crops?	282	17
Do you plan to use a crop rotation in the future?	281	16
If you are a renter, did you discuss your plans with landlord?	251	53
Will your plans require new types of machinery?	169	107
Have you checked the milk production of cows?	165	198

1938 Records.- Table 6 gives, for 1938, a comparative summary of the records from La Plata and Montezuma counties. These records should be compared with the 1937 data for the same counties.

Table 6.- Analysis of 1938 farm records, two counties.

	La Plata County	Montezuma County
Number of records	19	7
Farm Receipts: Average per farm		
Crop	\$101.07	\$228.72
Livestock	179.95	70.24
Livestock products	257.48	107.68
Miscellaneous farm	83.23	105.97
Government payments, except loans	33.18	70.02
Total receipts	<u>\$654.91</u>	<u>\$582.63</u>
Farm Expenses: Average per farm		
Feed	\$ 59.49	\$ 23.21
Other livestock expense	5.27	.07
Labor	45.55	53.32
Repairs	33.74	10.88
Auto expense and power	71.02	50.55
Seed and crop expense	102.29	35.54
Taxes, rent, insurance, fees	96.90	3.15
Miscellaneous farm	23.86	12.49
Total farm expense	<u>\$438.12</u>	<u>\$189.21</u>
Cash Farm Living Expenses: Average per farm		
Food	\$121.90	\$124.84
Clothing	52.18	39.27
Household operating	33.16	12.85
Health and insurance	28.95	13.28
Recreation and travel	3.69	.70
Education, advancement, gifts	14.71	13.73
Personal	12.89	3.89
Miscellaneous family	22.53	14.62
Total family living expense	<u>\$290.01</u>	<u>\$223.18</u>
Cash borrowed	\$621.75	\$280.71
Payment on debts	195.86	102.08
New investments	432.74	157.86
Subtotal	<u>\$628.60</u>	<u>\$259.94</u>
Difference between all cash outgo and all available cash	-\$80.07	\$191.01