Wayne accepting camp applications

HONESDALE — The 1983 Wayne County Conservation Camp is scheduled for June 26 to July 2, at Lacawac Sanctuary, located near Lake Wallenpaupack.

The purpose of this camp is to offer outdoor educational programs that are designed to acquaint the student with wildlife, ecology, aquatic studies forestry, farm practices, conservation and related studies.

The Wayne County Conservation Camp is a "hands-on" program designed to teach the student about stream improvement, land use, water quality, and most importantly — awareness. Students will hopefully acquire an understanding and respect for our environment and teach others to do the same.

Some of the programs and topics planned for the 1983 Wayne County Conservation Camp include: a visit to an area trout hatchery, fish shocking and stream improvement on the Dyberry Creek, propagation and grafting of fruit trees, bird study, trapshooting and black powder shooting, archery, trapping and releasing small mammals, rattle snake demonstration, soil and forestry program, land use evaluation, black bear program and more.

Any boy or girl between the ages of 13 and 15 with a keen interest in wildlife, acquatic studies, conservation and forestry is encouraged to fill out an application. Only 16 students will be accepted at this Wayne County Conservation Camp. If more than 16 apply, a screening committee will interview prospective camp students.

Cost per student for this week-long camp is $25.00. The balance of the camp fee will be paid by a sponsoring organization here in Wayne County.

Interested Wayne County teens should contact the Wayne County Extension Service at 253-5970, extension 114, or Lacawac Sanctuary at 689-9494 for additional information and camp applications.

Production costs

(Continued from Page E20)

portunity costs of the owner's labor, and that of his or her family that is unpaid, might also be included. The matter of whether the owner's management and equity ought to be included in production costs will remain open at this point, but will be discussed more fully in a later section of this bulletin.

A THEORETICAL CLASSIFICATION OF RETURNS

Which returns should in included in cost of production estimates is not much easier to ascertain than is the matter of which costs ought to be included. As with costs, a classification of returns can be developed which may facilitate the discussion to follow:

1. Cash
 a. sales of farm products
 b. other cash income
2. Non-cash
 a. appreciation in value of capital assets
 b. increases of value of inventories
 c. value of farm products consumed in the farm house
 d. rental value of the farm dwelling (if the costs of the home are not otherwise separated from those of the farm business) and
 e. the pro-rata shares of other items shown as farm expenses that also are used for family living.

The major farm product sold for cash by dairy farmers is, of course, milk. Cull and surplus dairy beef and veal also are important sources of cash receipts to most dairymen. Beyond these items there is a good bit of variation as to the amounts and kinds of other farm products sold. Other livestock enterprises may be present on dairy farms, as well as one or more crops. The crops may be grown specifically for sale, or their sales may simply be the excess of production over the feed needs of the dairy herd. Among sources of other cash income might be the sale or return of purchased non-capital items such as parts, supplies, seeds, and the like.

Among the several possible non-cash returns listed, the first appreciation in value of capital assets, is most commonly accounted for as capital or ordinary gains when sold. The net gain, after taxes, is then income to the farmer. It does not matter whether the gain is due to general price inflation, overstated depreciation, or changes in the value of an asset because of fundamental changes in the supply and/or demand affecting the asset. It would be better if any appreciation that is eventually realized were to be spread over the entire time it is generated rather than in the year in which the asset is disposed of, income averaging for income tax purposes not withstanding. Usually the amount of appreciation cannot be determined until the asset is sold or traded, however, and we are caught in an accounting dilemma.

The rationale for including changes in the value of inventories was developed under the discussion costs. Clearly, if the total value increases, the increase should be included on the returns side of the accounting ledger.

VARYING VALUES

The value of farm products consumed by the farm family are returns to the farm business unless the value of all the resources used to produce those products have already been subtracted out or excluded from the costs side of the account book. In practice, it is difficult to do this accurately, so the alternative of including the value of the products as returns or offsets to costs frequently is followed. Such products are easy to imagine. Milk, beef and home-grown fruits and vegetables are common examples, although as a percentage of all farm sales they may be quite small.

The rental value of the farm home is an much the same status as farm products consumed by the farm family. When a farm is purchased, separate mortgages for the house and all other real estate are seldom obtained, although the interest on the mortgage should be pro-rated between the home and the farm business properties. When improvements to the house are made, the cost of materials and labor for those improvements may not always be fuly excluded from farm expenses. To the extent they are not, of course, farm production costs are overstated.

The final items of non-cash returns (e, above), the pro-rata shares of other items shown as farm expenses that also are used for family living, are probably the most difficult to estimate. The difficulty lies in the fact that it is sometimes very hard to make or keep an accurate, separate accounting of the acutal employment of jointly used items between business and non-business uses. Charging too little to the farm business would understate production costs, while charging too much would have the effect of overstating costs of production.

It might reasonably be argued that the sum of all such possible misallocations is so small as to be of little consequence, one way or the other. Whether or not this is generally true can only be determined through empirical investigation. A number of possible examples of such items can be suggested: Utilities, unless separately metered; a riding horse used both to chase cows and for family recreation; farm-stored and dispensed gasoline; building materials and tools available for repairs of both the farm house and other farm buildings; and tractors or other machinery used for farm chores and in establishing or caring for farm home lawns and gardens. The list could go on, but presumably the point is now made: It is possible to incorporate some of the expenses of family living into farm costs and vice-versa. If, however, any bias in one direction or the other exists, a knowledge of human nature would seem to suggest it would be toward overstating rather than understanding farm costs.

NEXT WEEK:
ACCOUNTING PROCEDURES FOR ESTABLISHING VALUES FOR COSTS AND RETURNS