

Table of Contents

Regional Comments	1
Nebraska Farm Business, Inc. Staff	2
Southeast Region Summary	
Table 1: Summary Information, 2009	3
Table 2A: Farm/Ranch Business Income, 2009	4
Table 2B: Farm/Ranch Business Expense, 2009	5
Table 3A: Gross Cash Farm Income, 2009	6
Table 3B: Gross Cash Farm Expense, 2009	7
Table 4: Inventory Changes & Depreciation, 2009	8-9
Table 5A: Profitability Analysis at Cost Value, 2009	10
Table 5B: Profitability Analysis at Market Value, 2009	11
Table 6: Liquidity & Repayment Capacity Measures, 2009	12
Table 7: Statement of Cash Flows, 2009	13
Table 8A: Balance Sheet - Assets at Cost Value, 2009	14
Table 8B: Balance Sheet - Liabilities at Cost Value, 2009	15
Table 9A: Balance Sheet - Assets at Market Value, 2009	16
Table 9B: Balance Sheet – Liabilities at Market Value, 2009	17
Financial Guidelines & Non-Farm Summary	
Table 10A: Financial Guidelines Measures, 2009	18
Table 10B: Compare Your Financial Guidelines, 2009	19
Graphs 1: Financial Ratios, 2009	20-22
Table 11A: Household and Personal Expenses, 2009	23
Table 11B: Family Living Summary Trend, 2009	24
Graphs 2: Family Living	25
Table 12: Operator Information and Non-Farm Summary, 2009	26
Graphs 3: Operator Information	27
Table 13: Crop Production, Marketing & Labor Summary, 2009	28
Whole Farm Comparisons	
Table 14: Size of Farm Sorted by Gross Cash Farm Income, 2009	29-30
Table 15: Comparison by Age of Operator, 2009	31-32
Table 16: Farms Sorted by Debt to Asset Ratio, 2009	33-34
Crop and Livestock Enterprise Analysis	
Table 17A: Crop Summary, 2009	35
Graphs 4: Crop Summary, 2009	36-40
Table 17B: Crop Summary, Cont. 2009	41
Table 18: Irrigated Corn on All Tenure Types, 2009	42
Table 19: Dryland Corn on All Tenure Types, 2009	43
Table 20: Dryland Corn on Owned Land, 2009	44
Table 21: Dryland Corn on Cash Rented Land, 2009	45
Table 22: Dryland Corn on Share Rented Land, 2009	46
Table 23: Irrigated Soybeans on All Tenure Types, 2009	47

Table 24:	Irrigated Soybeans on Share Rented Land, 2009	48
Table 25:	Dryland Soybeans on All Tenure Types, 2009	49
Table 26:	Dryland Soybeans on Owned Land, 2009	50
Table 27:	Dryland Soybeans on Cash Rented Land, 2009	51
Table 28:	Dryland Soybeans on Share Rented Land, 2009	52
Table 29:	Winter Wheat on All Tenure Types, 2009	53

Other Regional Averages

Table 30:	Northeast Nebraska Averages, 2009	54-55
Table 31:	South Central Nebraska Averages, 2009	56-57
Table 32:	Western Nebraska Averages, 2009	58-59

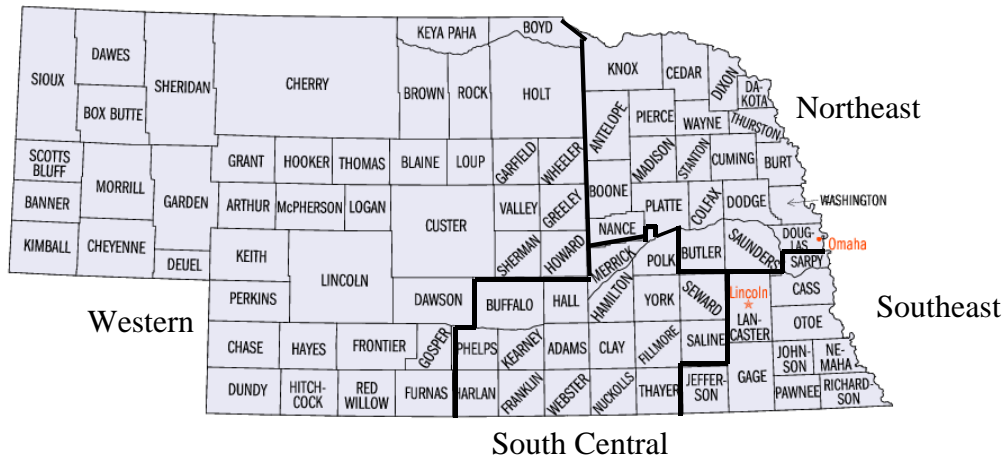
Appendix

Appendix I:	Financial Guideline Ratios	60-62
Appendix II:	Crop Enterprise Analysis Procedures and Measures	63-64
Appendix III:	Livestock Enterprise Analysis Procedures and Measure	65-66
Appendix IV:	Prices Used in the Analysis Report	67

Regional Comments

When driving across Nebraska, it doesn't take long to see the incredibly diverse landscape and farming practices. It also doesn't take long when working with production agriculture to know the profitability and financial outlook of operations are incredibly diverse across the state. In an effort to provide more detailed educational and resource materials, four books have been published that detail the average financial situation of members in each of the four regions. Each book contains details on one region followed by general information about the other three.

The counties are split into the following four regions:



These regions were selected for differences in farming practices such as irrigation potential versus dry land, special opportunities such as seed corn contracts, and other historical differences. The Western region covers a very large territory, and although there are vast differences within this area, it cannot be broken down any further due to limited number of operations. If you would like to order other books, please contact us at (402) 464-6324, or order from our website: www.nfbi.net.

Nebraska Farm Business, Inc. Staff



Tina Barrett
Director



Anthony Barrett
Farm Financial Consultant



Michelle Greenlee
Farm Financial Consultant



Cassidy Robinson
Farm Financial Consultant

Other Support Staff

Gary Bredensteiner, Farm Financial Consultant
Jim Stewart, Farm Financial Consultant
Keith Naber, Farm Financial Consultant
Carol Talcott, Assistant
Jan Mohrmann, Assistant
Bonita Schuster, Beatrice Office Manager

Rhonda Lehn, Clerical
Jill Ullman, Clerical
Loretta Naber, Clerical
Vicki Kempkes, Clerical
Tiffany Meyer, Student Worker
Kayla Peterson, Student Worker

Contact Information

Lincoln Office:
3815 Touzalin Ave. STE 105 1115
Lincoln, NE 68507 Beatrice,
Phone #: (402) 464-6324
Fax #: (402) 464-6355
Email: info@nfbi.net Email:

Beatrice Office:
West Scott
Ne 68310
Phone #: (402) 223-1384
Fax #: (402) 223-1370
info@nfbi.net

Table 1: Southeast - Summary Information, 2009

Farm Income

Gross Cash Farm Income	\$712,936
Inventory Change - Income Items	23,524
Gross Revenue	\$736,460
Cash Farm Operating Expenses	\$506,098
Interest Expense	14,340
Depreciation	54,723
Inventory Change - Expense Items	6,106
Total Farm Expense	\$581,267

Gain or Loss on Capital Sales \$3,773

Net Accrual Farm Income \$158,966

Net Worth Change

Net Farm Income	(+) \$158,966
Personal Income	(+) 38,398
Family Living/Owner Withdrawals	(-) 61,614
Income & Social Security Tax	(-) 26,494
Market Value Adjustment	(+) -24,262

Earned Net Worth Change (=) \$133,518

Ending Net Worth * \$1,671,247

*Please note land values are not adjusted so the Net Worth reported is a true, earned net worth.

Farm Financial Standards Measures

Liquidity

	<u>Beginning</u>	<u>Ending</u>
Current Ratio	2.92	3.46
Working Capital	\$281,487	\$335,175
Working Capital to Gross Income	38.2%	45.5%

Solvency (Market)

Debt to Asset Ratio	23%	21%
Debt to Equity Ratio	31%	26%

Profitability (Cost)

Rate of Return on Assets	11.1%
Rate of Return on Equity	13.9%
Operating Profit Margin	22.8%
EBITDA	\$222,405

Efficiency

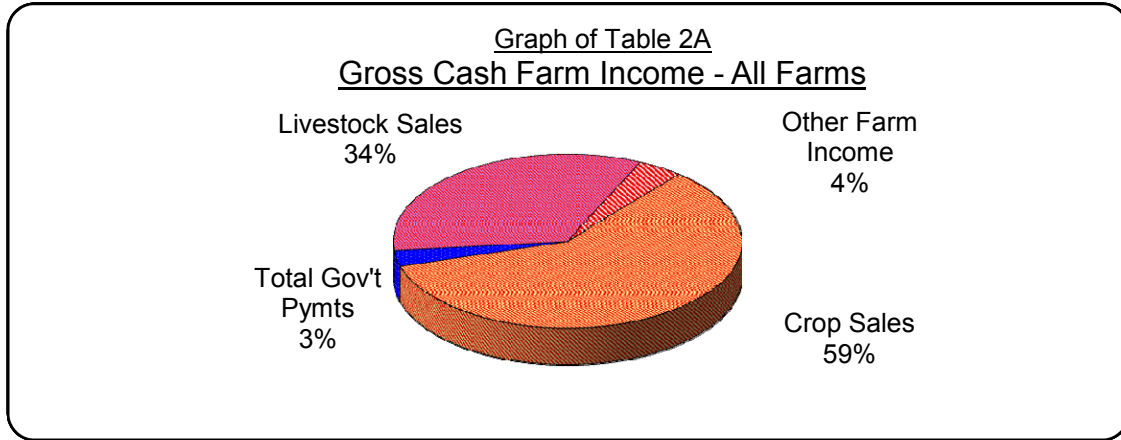
Asset Turnover Rate (Cost)	48.5%
Operating Expense Ratio	69.8%
Depreciation Ratio	7.4%
Interest Expense Ratio	2.2%
Net Farm Income Ratio	21.3%

Repayment Capacity

Replacement Margin	\$110,775
Term Debt Coverage Ratio	5.18
Replacement Coverage Ratio	3.11

Table 2A: Farm / Ranch Business Income, 2009

This chart shows the percentages of gross cash income of the "Average" Farm / Ranch Business. Refer to Page 6 for a detailed comparison of cash farm income.



Government Payments as a Percent of Net Farm Income

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>6 Year Average</u>
Government Payments Received	\$32,762	\$52,057	\$30,919	\$20,288	\$19,430	\$21,100	\$29,426
Net Farm Income	\$116,987	\$95,217	\$128,821	\$173,297	\$84,703	\$157,114	\$126,023
% of Net Farm	28.0%	54.7%	24.0%	11.7%	22.9%	13.4%	25.8%
Net Worth Change (Cost)*	\$107,065	\$82,765	\$112,583	\$154,421	-\$1,099	\$120,378	\$96,019
Government Payment as % of Net Worth Change	30.6%	62.9%	27.5%	13.1%	-1768.0%	17.5%	-269.4%

* Net Worth Change - Cost Value: Farm capital assets are reported at cost or remaining value. Non-farm assets are included here as well and generally reported at current value.

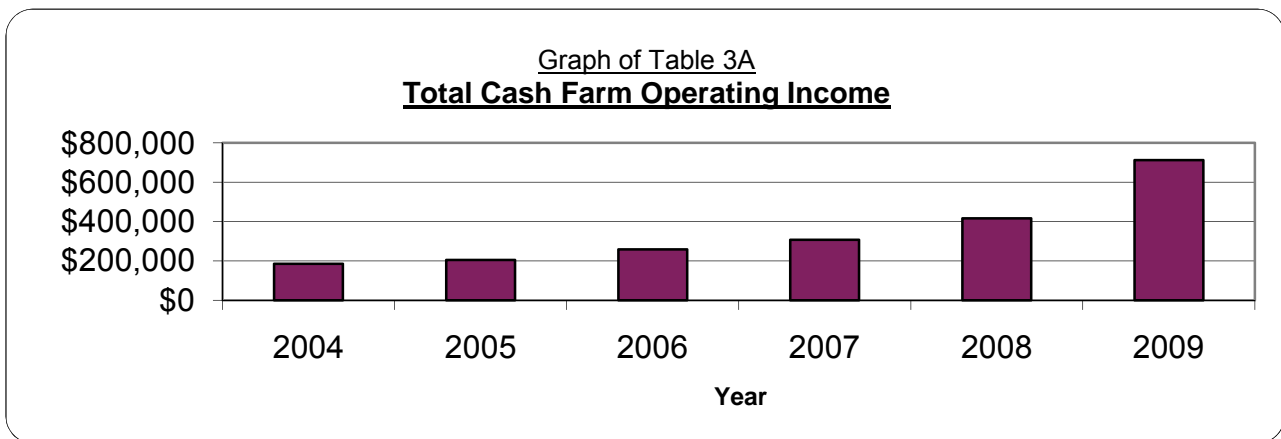
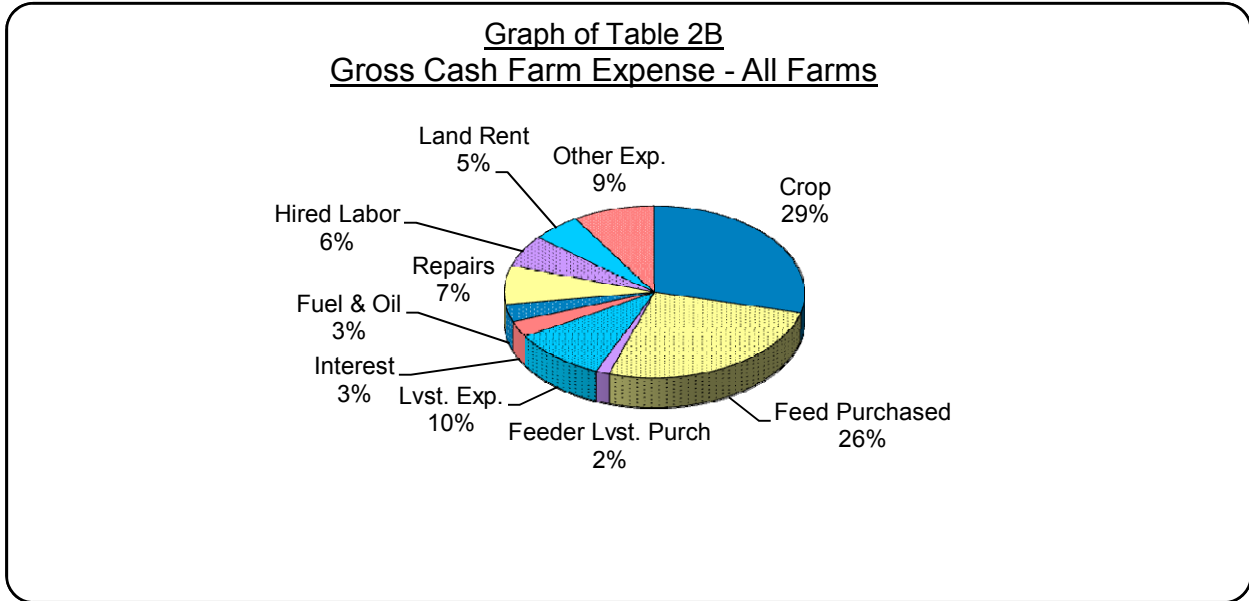


Table 2B: Farm / Ranch Business Expense, 2009

This chart shows the percentage in gross cash expenditures of the "Average" Farm / Ranch Business. Refer to Page 7 for a detailed comparison of cash farm expense.



The following table indicates percentage of gross income used for operating, depreciation, and interest expense. The remaining percent is net farm income.

	2004	2005	2006	2007	2008	2009	6 Year Average
Operating Expense	67.0%	70.4%	65.9%	65.5%	76.7%	69.8%	69.2%
Depreciation Expense	7.2%	8.0%	8.1%	6.3%	7.4%	7.4%	7.4%
Interest Expense	3.0%	3.0%	2.9%	2.6%	3.0%	2.2%	2.8%
Net Farm Income	22.9%	18.6%	23.0%	25.6%	13.4%	21.3%	20.8%

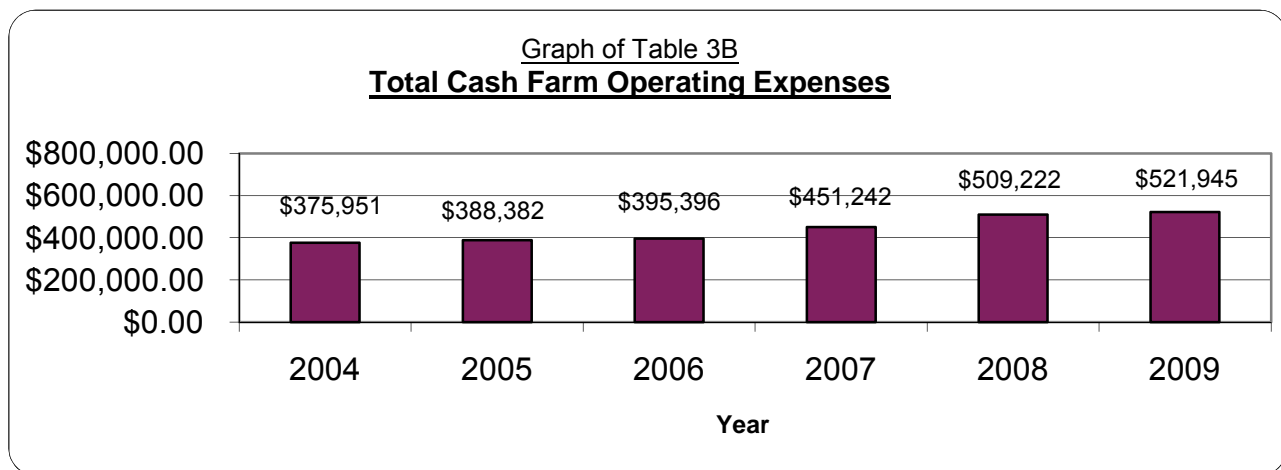


Table 3A: Gross Cash Farm Income, 2009

	Average Of <u>All Farms</u>	Average Of <u>Low 33%</u>	Average Of <u>High 33%</u>
Crop Income			
Corn	210,150	83,558	347,407
Seed Corn	0	0	0
Soybeans	186,671	42,389	358,004
Wheat	7,538	4,769	12,212
Hay Crops	11,116	1,718	29,908
Grain Sorghum	3,616	0	0
White Corn	0	0	0
Sugar Beets	0	0	0
Great Northern Beans	0	0	0
Miscellaneous Crop Income	3,636	0	7,179
Total Crop Income	\$422,727	\$132,434	\$754,710
Livestock and Product Income			
Beef Finishing	19,377	0	53,466
Beef Calves	5,616	9,563	2,688
Background Beef	634	2,083	0
Farrow-to-Finish, Hogs	2,953	0	0
Finish Feeder Pigs	124,587	0	358,187
Dairy, Milk	73,939	70,410	133,203
Cull Breeding Livestock	10,078	4,746	20,676
Contract Livestock Income	0	0	0
Miscellaneous Livestock Income	1,980	0	3,747
Total Livestock Income	\$239,164	\$86,802	\$571,967
Other Farm Income			
LDP Payments	0	0	0
Direct and CC Gov't Payments	12,617	2,774	21,634
CRP & Other Gov't Payments	8,483	9,200	13,460
Custom Work	7,450	4,637	9,452
Patronage Dividends, Cash	3,890	1,944	7,450
Insurance Income	8,159	2,275	17,352
Other Miscellaneous Farm Income	10,446	344	20,794
Total Other Farm Income	\$51,045	\$21,174	\$90,142
Total Gross Cash Farm Income	\$712,936	\$240,410	\$1,416,819

Table 3B: Gross Cash Farm Expenses, 2009

	Average Of All Farms	Average Of Low 33%	Average Of High 33%
Crop Expense			
Seed	51,061	20,242	75,293
Fertilizer	39,485	15,111	64,581
Crop Chemicals	30,665	12,478	49,961
Crop Insurance	9,864	2,950	14,673
Drying Fuel and Storage	2,596	1,323	4,611
Irrigation Energy	3,238	5,440	773
Irrigation Repairs	0	0	0
Crop Marketing	155	0	288
Crop Miscellaneous	4,215	2,542	5,906
CCC Buyback	8,952	0	25,736
Total Crop Expense	\$150,231	\$60,086	\$241,822
Livestock Expense			
Feeder Livestock Purchases	7,622	729	20,948
Purchased Feed	135,923	41,501	346,819
Breeding Fees	4,408	687	10,840
Veterinary	6,949	2,885	15,178
Livestock Supplies	4,864	3,503	9,478
Livestock Repairs	1,806	605	4,643
Livestock Leases	347	0	0
Grazing Fees	1,260	615	1,051
Livestock Marketing	3,128	1,817	6,943
Livestock Custom Hire	30,375	4,690	83,177
Total Livestock Expense	\$196,682	\$57,032	\$499,077
Other Farm Expense			
Interest	15,847	5,564	28,189
Fuel and Oil	16,830	7,953	26,382
Repairs	33,860	18,262	51,789
Building Repairs	4,162	3,434	8,694
Custom Hire	12,742	6,149	26,490
Hired Labor	30,933	11,561	62,404
Land Rent	27,573	9,957	42,819
Machinery and Building Lease	954	11	2,568
Real Estate Taxes	10,696	2,065	20,843
Personal Property Taxes	2,319	738	3,914
Farm Insurance	6,778	4,067	11,543
Utilities	6,369	3,342	9,469
Dues and Professional Fees	2,348	1,684	3,051
Miscellaneous	3,621	1,768	6,135
Total Other Cash Farm Expense	\$175,032	\$76,555	\$304,290
Total Gross Cash Operating Expense	\$521,945	\$193,673	\$1,045,189
Summary			
Gross Cash Farm Income (Table 3A)	\$712,936	\$240,410	\$1,416,819
- Total Cash Operating Expense	\$521,945	\$193,673	\$1,045,189
= Net Cash Farm Income	\$190,991	\$46,737	\$371,630

Table 4A: Inventory Changes & Depreciation, 2009

	Average Of <u>All Farms</u>	Average Of <u>Low 33%</u>	Average Of <u>High 33%</u>
Net Cash Farm Income	\$190,991	\$46,737	\$371,630
Crops and Feed			
Ending Inventory	259,798	135,451	393,937
Beginning Inventory	258,889	140,615	401,620
Inventory Change	909	-5,164	-7,683
Market Livestock			
Ending Inventory	62,202	10,149	160,879
Beginning Inventory	47,096	11,823	116,700
Inventory Change	15,106	-1,674	44,179
Accounts Receivable			
Ending Inventory	4,411	1,336	10,555
Beginning Inventory	3,633	2,111	6,560
Inventory Change	778	-775	3,995
Prepaid Expenses and Supplies			
Ending Inventory	50,662	20,602	78,841
Beginning Inventory	54,184	19,942	100,567
Inventory Change	-3,522	660	-21,726
Hedging Activities			
Ending Inventory	766	188	2,037
Withdrawals	498	0	1,431
Beginning Inventory	531	188	1,362
Deposits	696	0	1,619
Gain or Loss	37	0	487
Other Current Assets			
Ending Inventory	6,152	0	16,975
Beginning Inventory	3,134	1,087	2,250
Inventory Change	3,018	-1,087	14,725
Breeding Livestock			
Ending Inventory	5,917	5,948	4,872
Capital Sales	114	373	0
Beginning Inventory	3,408	2,162	3,246
Capital Purchases	2,989	2,246	2,752
Depreciation & Capital Adjustments	-366	1,913	-1,126
Other Capital Assets			
Ending Inventory	34,908	21,169	61,315
Capital Sales	585	0	1,681
Beginning Inventory	33,710	20,370	61,726
Capital Purchases	480	0	283
Depreciation & Capital Adjustments	1,303	799	987

Table 4B: Inventory Changes & Depreciation, 2009 (cont.)

	<u>Average Of All Farms</u>	<u>Average Of Low 33%</u>	<u>Average Of High 33%</u>
Accounts Payable			
Beginning Inventory	4,704	164	9,090
Ending Inventory	6,401	216	15,928
Inventory Change	-1,697	-52	-6,838
Accrued Interest			
Beginning Inventory	8,734	1,573	19,215
Ending Inventory	7,227	1,328	16,199
Inventory Change	1,507	245	3,016
Total Inventory Change	17,073	-5,135	30,016
Net Operating Profit	208,064	41,602	401,646
Machinery and Equipment			
Ending Inventory	151,696	30,560	289,238
Capital Sales	6,203	2,114	14,510
Beginning Inventory	133,735	35,883	238,896
Capital Purchases	71,423	9,287	157,060
Depreciation & Capital Adjustments	-47,259	-12,496	-92,208
Titled Vehicles			
Ending Inventory	6,103	3,705	7,642
Capital Sales	148	486	0
Beginning Inventory	7,598	4,864	9,206
Capital Purchases	377	500	303
Depreciation & Capital Adjustments	-1,724	-1,173	-1,867
Buildings and Improvements			
Ending Inventory	52,222	34,908	95,702
Capital Sales	0	0	0
Beginning Inventory	54,609	39,132	96,478
Capital Purchases	3,353	0	9,641
Depreciation & Capital Adjustments	-5,740	-4,224	-10,417
Total Depreciation & Capital Adjustments	-\$54,723	-\$17,893	-\$104,492
Net Farm Income from Operations	\$153,341	\$23,709	\$297,154
Gain or Loss on Capital Sales	\$3,773	\$0	\$9,831
Net Farm Income	\$157,114	\$23,709	\$306,985

Table 5A: Profitability Analysis At Cost Value, 2009

	Average Of All Farms	Average Of Low 33 %	Average Of High 33%
Profitability			
Net Farm Income from Operations	\$153,341	\$23,709	\$297,154
Rate of Return on Assets	11.1%	0.2%	12.1%
Rate of Return on Equity	13.9%	-1.5%	15.8%
Operating Profit Margin	22.8%	0.4%	26.1%
Asset Turnover Rate	48.5%	47.7%	46.3%
Farm Interest Expense	\$14,340	\$5,319	\$25,172
Value of Operator Labor & Mgt.	\$32,309	\$28,255	\$34,111
Return on Farm Assets	\$135,373	\$776	\$288,216
Average Farm Assets	\$1,222,888	\$404,898	\$2,389,745
Return on Farm Equity	\$121,033	-\$4,543	\$263,044
Average Farm Equity	\$868,175	\$303,223	\$1,665,100
Value of Farm Production	\$592,536	\$196,280	\$1,105,357

Net Farm Income Trend - All Farms

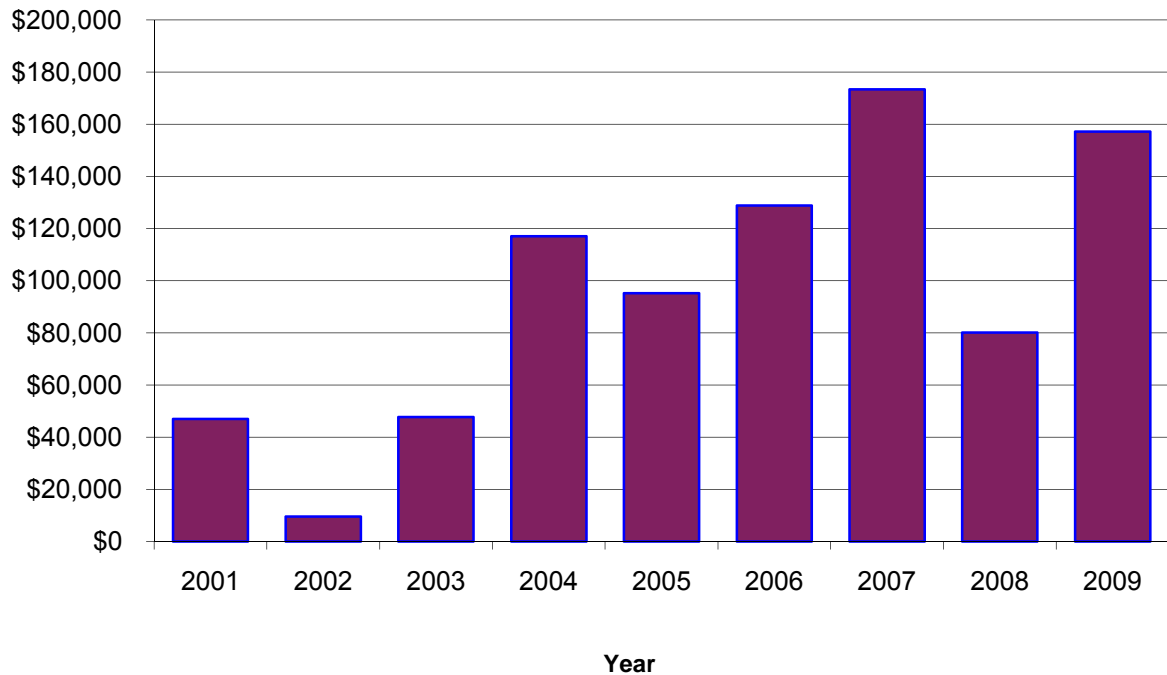


Table 5B: Profitability Analysis At Market Value, 2009

	Average Of All Farms	Average Of Low 33 %	Average Of High 33 %
Profitability			
Net Farm Income from Operations	\$160,225	\$25,732	\$313,228
Rate of Return on Assets	8.6%	0.5%	9.5%
Rate of Return on Equity	9.9%	-0.5%	11.2%
Operating Profit Margin	24.0%	1.4%	27.5%
Asset Turnover Rate	35.9%	31.2%	34.3%
Farm Interest Expense	\$14,340	\$5,319	\$25,172
Value of Operator Labor & Mgt	\$32,309	\$28,255	\$34,111
Return on Farm Assets	\$142,256	\$2,796	\$304,289
Average Farm Assets	\$1,648,639	\$620,016	\$3,219,537
Return on Farm Equity	\$127,916	-\$2,523	\$279,117
Average Farm Equity	\$1,293,925	\$518,340	\$2,494,892
Value of Farm Production	\$592,536	\$193,280	\$1,105,357

**Graph of Table 5B
Value of Farm Production**

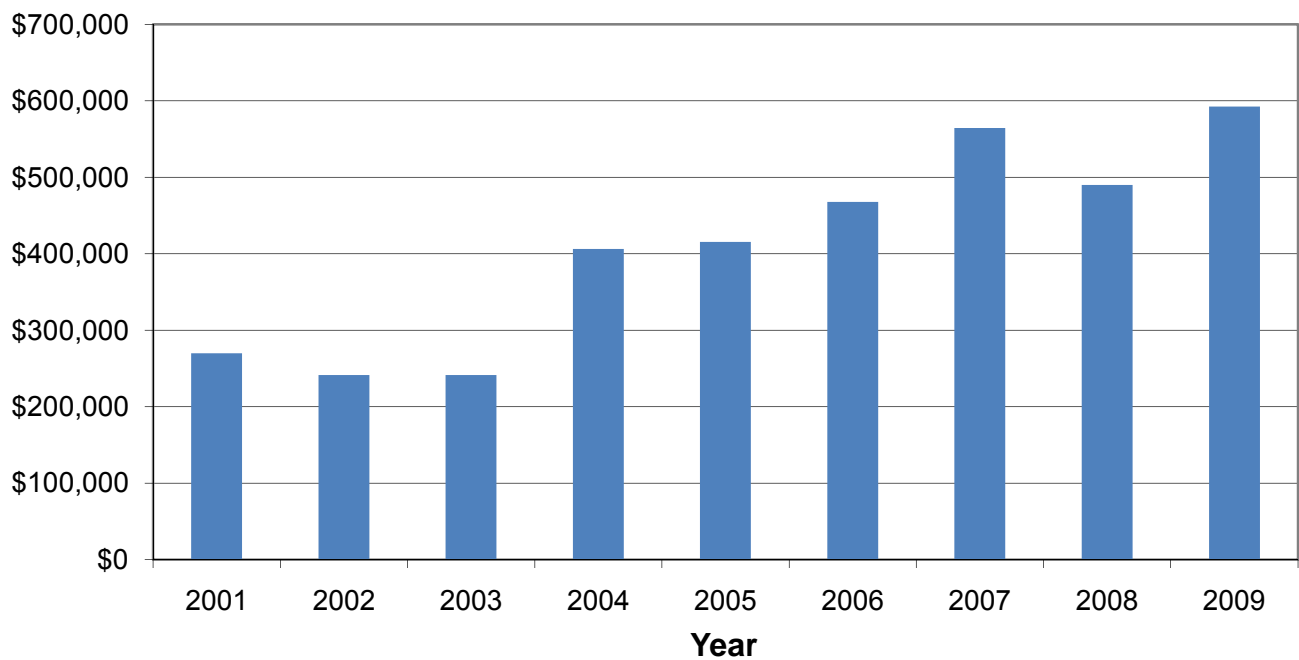


Table 6: Liquidity & Repayment Capacity Measures, 2009

	Average of <u>All Farms</u>	Average Of <u>Low 33%</u>	Average Of <u>High 33%</u>
Liquidity			
Current Ratio	3.46	4.33	2.84
Working Capital	335,175	157,829	530,763
Working Capital to Gross Inc.	45.5%	67.0%	36.0%
Current Assets	471,696	205,269	818,834
Current Liabilities	136,521	47,440	288,071
Gross Revenues (Accrual)	\$736,082	\$235,510	\$1,473,124
Repayment Capacity			
Net Farm Income From Operations	\$153,342	\$23,712	\$297,155
Depreciation (+)	54,723	17,893	104,491
Personal Income (+)	38,398	33,082	56,205
Family Living/Owner Withdrawals (-)	61,614	37,790	73,599
Payments on Personal Debt (-)	3,733	2,392	6,405
Income Taxes Paid (-)	28,543	7,341	57,888
Interest on Term Debt (+)	10,788	10,064	15,232
Capital Debt Repayment Capacity (=)	\$163,361	\$37,228	\$335,191
Scheduled Term Debt Payments (-)	31,543	15,500	60,017
Capital Debt Repayment Margin (=)	\$131,818	\$21,728	\$275,174
Cash Replacement Allowance (-)	21,043	12,748	31,121
Replacement Margin (=)	\$110,775	\$8,980	\$244,053
Term Debt Coverage Ratio	5.18	2.40	5.58
Replacement Coverage Ratio	3.11	1.32	3.68



Table 7: Statement of Cash Flows, 2009

		Average Of <u>All Farms</u>	Average Of <u>Low 33%</u>	Average Of <u>High 33%</u>
(A) Beginning Cash Balance (Farm & Non-Farm)		\$44,078	\$24,816	\$50,513
Cash Provided by Operating Activities				
Gross Cash Farm Income	(+)	712,936	240,410	1,416,819
Total Cash Farm Expense	(-)	521,945	193,673	1,045,189
Net Cash from Hedging Transactions	(+)	-198	0	-188
(B) Cash Provided By Operating	(=)	\$190,793	\$46,737	\$371,442
Cash Provided by Investing Activities				
Sale of Breeding Livestock	(+)	561	373	1,287
Sale of Machinery & Equipment	(+)	9,348	2,114	23,053
Sale of Titled Vehicles	(+)	327	486	0
Sale of Farm Land	(+)	8,209	0	7,350
Sale of Farm Buildings	(+)	0	0	0
Sale of Other Farm Assets	(+)	585	0	1,681
Sale of Non-Farm Assets	(+)	4,786	2,450	9,603
Purchase of Breeding Livestock	(-)	2,989	2,246	2,752
Purchase of Machinery & Equip.	(-)	71,423	9,287	157,060
Purchase of Titled Vehicles	(-)	377	500	303
Purchase of Farm Land	(-)	9,615	0	17,644
Purchase of Farm Buildings	(-)	3,353	0	9,641
Purchase of Other Farm Assets	(-)	480	0	283
Purchase of Non-Farm Assets	(-)	18,259	44,262	5,662
(C) Cash Provided by Investing Activities	(=)	-\$82,680	-\$50,872	-\$150,371
Cash Provided by Financing Activities				
Money Borrowed	(+)	538,211	169,342	1,279,214
Principle Payments	(-)	561,756	133,909	1,370,298
Personal Income	(+)	38,398	33,082	56,205
Family Living/Owner Withdrawals	(-)	61,614	37,790	73,599
Income and Social Security Tax	(-)	28,543	7,341	57,888
Capital Contribution	(-)	0	0	0
Capital Distribution	(-)	1,830	0	5,262
Dividends Paid	(-)	0	0	0
Cash Gifts and Inheritances	(+)	2,778	6,557	1,250
Gifts Given	(-)	3	9	0
(D) Net Cash Provided by Financing Activities	(=)	-\$74,359	\$29,932	-\$170,378
(E) Net Change In Cash Balance (B+C+D)		\$33,754	\$25,797	\$50,693
(F) Ending Cash Balance (A+E)		\$77,832	\$50,613	\$101,206

Table 8A: Balance Sheet - Assets at Cost Value, 2009

	Average Of All Farms		Average Of Low 33 %		Average Of High 33%	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Current Farm Assets						
Cash and Checking Accounts	32,183	66,120	12,317	37,543	46,729	96,249
Prepaid Expenses & Supplies	54,184	50,662	19,942	20,602	100,567	78,841
Growing Crops	2,772	411	1,087	0	1,398	656
Accounts Receivable	3,633	4,411	2,111	1,336	6,560	10,555
Hedging Accounts	531	766	188	188	1,362	2,037
Crops Held for Sale or Feed	254,548	264,139	140,615	135,451	391,836	403,721
Crops Under Government Loan	32,604	17,245	0	0	88,345	49,578
Market Livestock Held for Sale	47,096	62,202	11,823	10,149	116,700	160,879
Other Current Assets	362	5,741	0	0	852	16,319
Total Current Farm Assets	\$427,913	\$471,697	\$188,083	\$205,269	\$754,349	\$818,835
Intermediate Farm Assets						
Breeding Livestock	3,408	5,917	2,162	5,948	3,246	4,872
Machinery and Equipment	133,735	151,696	35,883	30,560	238,896	289,238
Titled Vehicles	7,598	6,103	4,864	3,705	9,206	7,642
Other Intermediate Assets	33,433	34,275	20,227	21,026	61,054	60,719
Total Intermediate Farm Assets	\$178,174	\$197,991	\$63,136	\$61,239	\$312,402	\$362,471
Long Term Farm Assets						
Farm Land	541,330	542,665	108,871	108,871	1,195,188	1,205,276
Buildings and Improvements	54,609	52,222	39,132	34,908	96,478	95,702
Other Long Term Assets	277	633	143	143	672	596
Total Long Term Farm Assets	\$596,216	\$595,520	\$148,146	\$143,922	\$1,292,338	\$1,301,574
Total Farm Assets	\$1,202,303	\$1,265,208	\$399,365	\$410,430	\$2,359,089	\$2,482,880
Non-Farm Assets	\$339,566	\$367,239	\$271,313	\$323,483	\$523,921	\$537,780
Total Farm & Non-Farm Assets	\$1,541,869	\$1,632,447	\$670,678	\$733,913	\$2,883,010	\$3,020,660

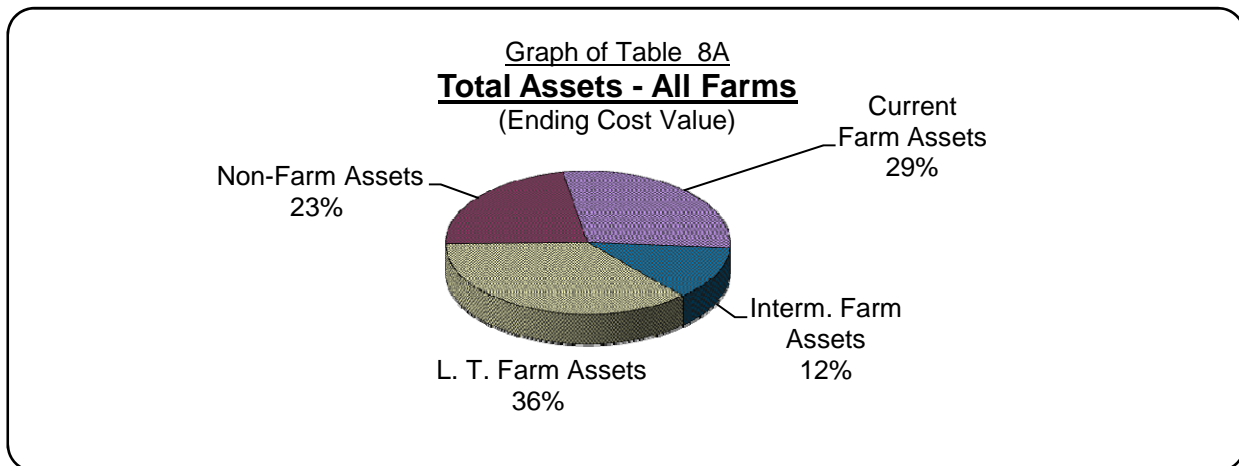


Table 8B: Balance Sheet - Liabilities at Cost Value, 2009

	Average Of All Farms		Average Of Low 33 %		Average Of High 33%	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Current Farm Liabilities						
Accrued Interest	8,760	7,249	1,573	1,328	19,290	16,261
Accounts Payable	4,704	6,401	164	216	9,090	15,928
Current Notes	96,328	93,159	27,493	35,235	224,526	193,030
Government Crop Loans	15,879	8,129	0	0	42,891	23,372
Principle Due on Term Debt	20,755	21,583	5,437	10,661	44,785	39,481
Total Current Farm Liabilities	\$146,426	\$136,521	\$34,667	\$47,440	\$340,582	\$288,072
Intermediate Farm Liabilities	\$68,739	\$48,061	\$23,334	\$14,200	\$154,644	\$110,203
Long Term Farm Liabilities	\$164,841	\$166,570	\$36,144	\$47,565	\$305,880	\$312,386
Total Farm Liabilities	\$380,006	\$351,152	\$94,145	\$109,205	\$801,106	\$710,661
Non-Farm Liabilities	48,173	47,227	18,195	38,955	81,783	65,890
Total Deferred Liabilities	N/A	N/A	N/A	N/A	N/A	N/A
Total Farm & Non-Farm Liabilities	\$428,179	\$398,379	\$112,340	\$148,160	\$882,889	\$776,551
Net Worth (Farm and Non-Farm)	\$1,113,690	\$1,234,068	\$558,338	\$585,753	\$2,000,121	\$2,244,109
Net Worth Change (Cost Value)		\$120,378		\$27,415		\$243,988

**Graph of Table 8B
Average Farm & Non-Farm Debt, 1995-2009**

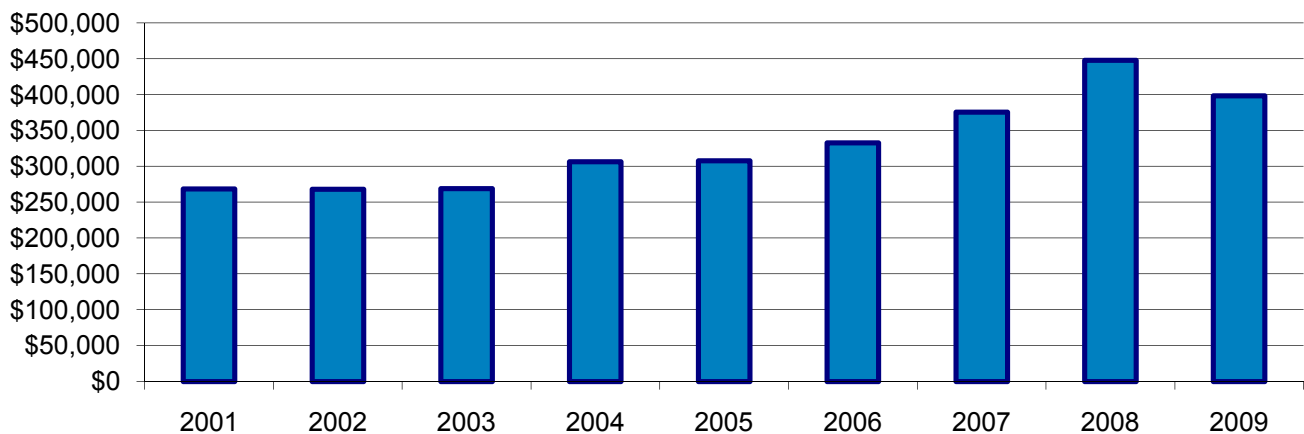


Table 9A: Balance Sheet - Assets at Market Value, 2009

	Average Of All Farms		Average Of Low 33 %		Average Of High 33%	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Current Farm Assets						
Cash and Checking Balance	32,183	66,120	12,317	37,543	46,729	96,249
Prepaid Expenses & Supplies	54,184	50,662	19,942	20,602	100,567	78,841
Growing Crops	2,772	411	1,087	0	1,398	656
Accounts Receivable	3,633	4,411	2,111	1,336	6,560	10,555
Hedging Accounts	531	766	188	188	1,362	2,037
Crops Held for Sale or Feed	254,548	264,139	140,615	135,451	391,836	403,721
Crops Under Government Loan	32,604	17,245	0	0	88,345	49,578
Market Livestock Held for Sale	47,096	62,202	11,823	10,149	116,700	160,879
Other Current Assets	362	5,741	0	0	852	16,319
Total Current Farm Assets	\$427,913	\$471,697	\$188,083	\$205,269	\$754,349	\$818,835
Intermediate Farm Assets						
Breeding Livestock	61,783	62,881	71,288	76,216	94,642	89,700
Machinery and Equipment	286,250	311,537	138,042	132,242	505,559	576,526
Titled Vehicles	7,917	7,340	11,429	10,736	675	608
Other Intermediate Assets	33,433	34,275	20,227	21,026	61,054	60,719
Total Intermediate Farm Assets	\$389,383	\$416,033	\$240,986	\$240,220	\$661,930	\$727,553
Long Term Farm Assets						
Farm Land	708,140	709,454	127,385	127,385	1,576,660	1,586,686
Buildings and Improvements	98,898	96,582	56,876	53,541	187,234	187,040
Other Long Term Assets	277	633	143	143	672	596
Total Long Term Farm Assets	\$807,315	\$806,669	\$184,404	\$181,069	\$1,764,566	\$1,774,322
Total Farm Assets	\$1,624,611	\$1,694,399	\$613,473	\$626,558	\$3,180,845	\$3,320,710
Non-Farm Assets	341,297	375,227	264,521	324,504	530,091	557,978
Total Farm & Non-Farm Assets	\$1,965,908	\$2,069,626	\$877,994	\$951,062	\$3,710,936	\$3,878,688

Graph of Table 9A
Total Assets - All Farms at End Market Value

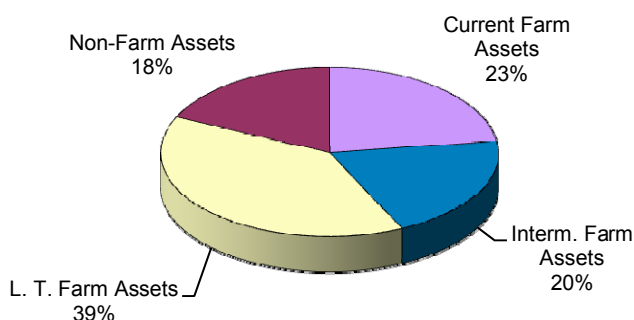


Table 9B: Balance Sheet - Liabilities at Market Value, 2009

	Average Of All Farms		Average Of Low 33 %		Average Of High 33%	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Current Farm Liabilities						
Accrued Interest	8,760	7,249	1,573	1,328	19,290	16,261
Accounts Payable	4,704	6,401	164	216	9,090	15,928
Current Notes	96,328	93,159	27,493	35,235	224,526	193,030
Government Crop Loans	15,879	8,129	0	0	42,891	23,372
Principle Due on Term Debt	20,755	21,583	5,437	10,661	44,785	39,481
Total Current Farm Liabilities	\$146,426	\$136,521	\$34,667	\$47,440	\$340,582	\$288,072
Intermediate Farm Liabilities	\$68,739	\$48,061	\$23,334	\$14,200	\$154,644	\$110,203
Long Term Farm Liabilities	\$164,841	\$166,570	\$36,144	\$47,565	\$305,880	\$312,386
Total Farm Liabilities	\$380,006	\$351,152	\$94,145	\$109,205	\$801,106	\$710,661
Non-Farm Liabilities	48,173	47,227	18,195	38,955	81,783	65,890
Total Deferred Liabilities	N/A	N/A	N/A	N/A	N/A	N/A
Total Farm & Non-Farm Liabilities	\$428,179	\$398,379	\$112,340	\$148,160	\$882,889	\$776,551
Net Worth (Farm and Non-Farm)	\$1,537,729	\$1,671,247	\$765,654	\$802,902	\$2,828,047	\$3,102,137
Net Worth Change (Market Value)		\$133,518		\$37,248		\$274,090
Ratio Analysis						
Current Farm Liabilities / Assets	34%	29%	18%	23%	45%	35%
Intermediate Farm Liab / Assets	18%	12%	10%	6%	23%	15%
Long Term Farm Liab / Assets	20%	21%	20%	26%	17%	18%
Total Debt to Asset Ratio	22%	19%	13%	16%	24%	20%

**Graph of Table 9B
Debt to Asset Ratio - Average Farms**

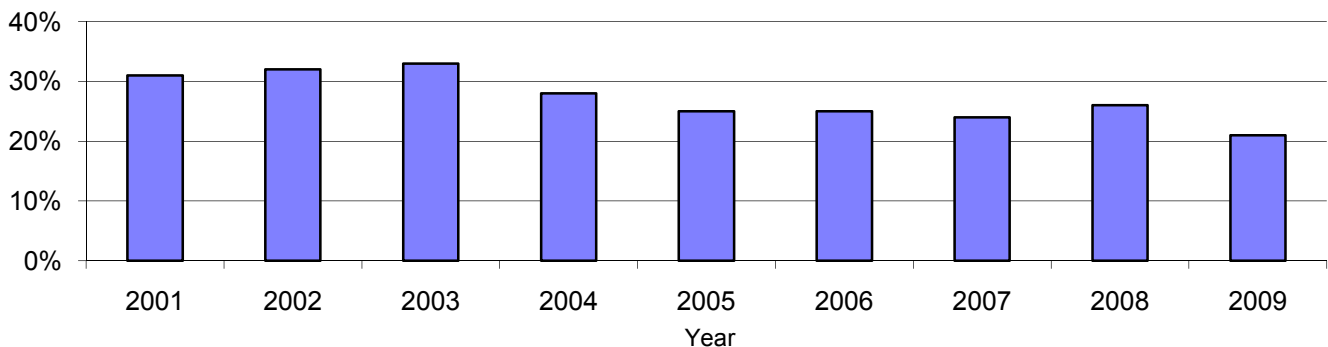


Table 10A: Financial Guideline Measures, 2009

	Average Of <u>All Farms</u>	Average Of <u>Low 33%</u>	Average Of <u>High 33%</u>
Liquidity			
Current Ratio	3.46	4.33	2.84
Working Capital	\$335,175	\$157,829	\$530,763
Working Capital to Gross Revenue	45.5%	67.0%	36.0%
Solvency (Market)			
Debt to Asset Ratio	21%	17%	21%
Farm Equity to Asset Ratio	79%	83%	79%
Farm Debt of Equity Ratio	26%	21%	27%
Profitability (Cost)			
Rate of Return on Assets	11.1%	0.2%	12.1%
Rate of Return on Equity	13.9%	-1.5%	15.8%
Operating Profit Margin	22.8%	0.4%	26.1%
Net Farm Income	\$157,114	\$23,709	\$306,985
EBIDTA	\$222,405	\$46,924	\$426,819
Repayment Capacity			
Capital Debt Repayment Capacity	\$163,362	\$37,229	\$335,192
Capital Debt Repayment Margin	\$131,818	\$21,728	\$275,174
Replacement Margin	\$110,775	\$8,980	\$244,053
Term Debt Coverage Ratio	5.18	2.40	5.58
Replacement Coverage Ratio	3.11	1.32	3.68
Efficiency			
Asset Turnover Rate (Cost)	48.5%	47.7%	46.3%
Operating Expense Ratio	69.8%	80.1%	71.0%
Depreciation Expense Ratio	7.4%	7.6%	7.1%
Interest Expense Ratio	2.2%	2.4%	1.9%
Net Farm Income Ratio	21.3%	10.1%	20.8%

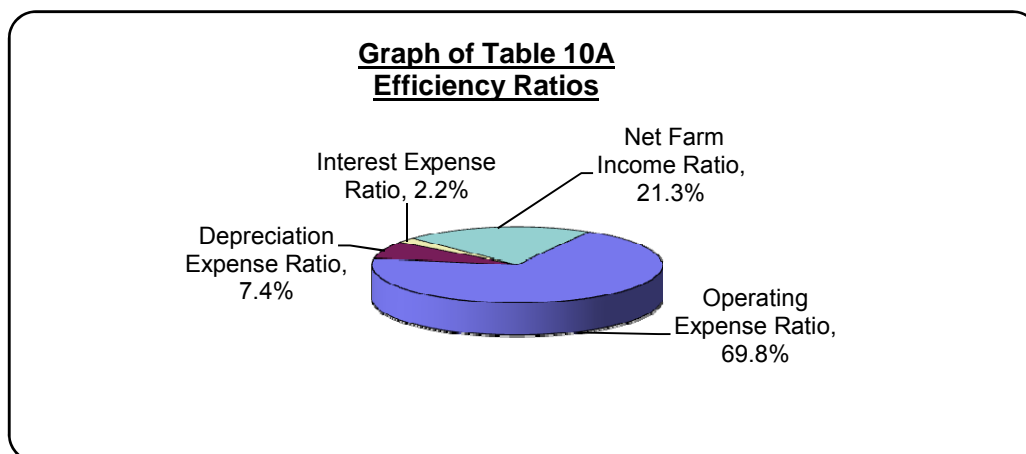
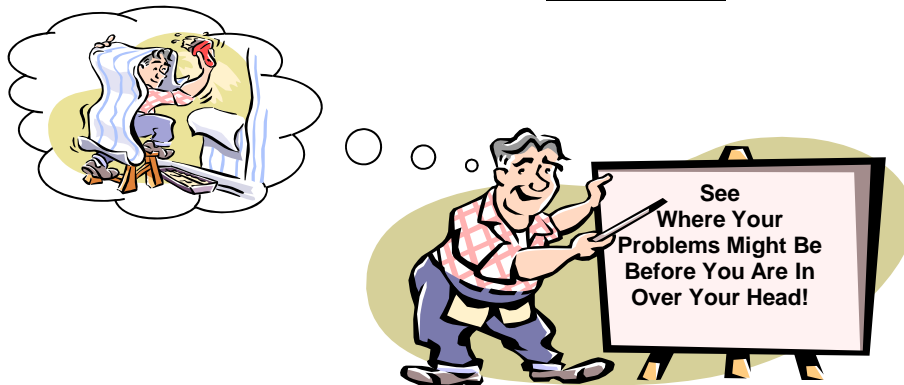


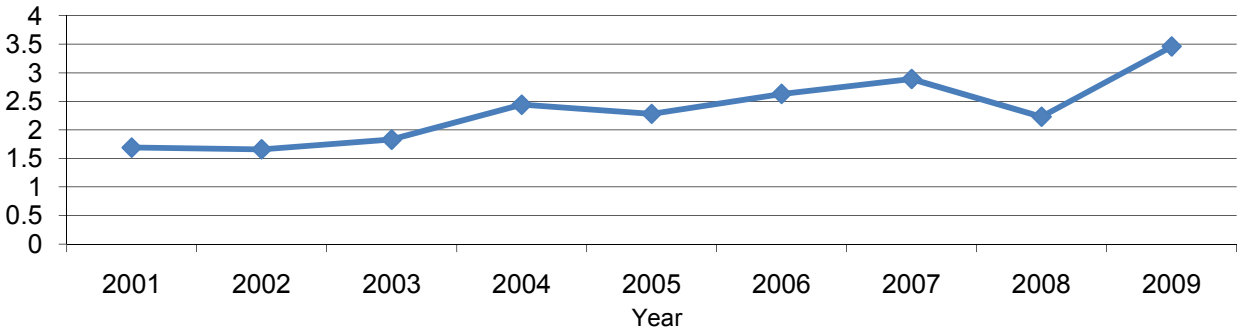
Table 10B: Compare Your Financial Guidelines, 2009

	Group Average	Your Results	Guideline or Range		
			Green	Yellow	Red
<u>Liquidity</u>					
Current Ratio	3.46	_____	> 1.7	1.1-1.7	< 1.1
Working Capital	\$335,175	_____	-	Positive	-
Working Capital to Gross Income	45.5%	_____	>25%	10-25%	< 10%
<u>Solvency (Market)</u>					
Farm Debt to Asset Ratio (Market)	21%	_____	< 30%	30%-60%	> 60%
Farm Equity to Asset Ratio (Market)	79%	_____	> 70%	40%-70%	< 40%
Farm Debt to Equity Ratio (Market)	26%	_____	< 43%	43%-150%	> 150%
<u>Profitability (Cost)</u>					
Rate of Return on Assets (Cost)	11.1%	_____	> 8%	4-8%	< 4%
Rate of Return on Equity (Cost)	13.9%	_____	>10%	3-10%	< 3%
Operating Profit Margin (Cost)	22.8%	_____	>25%	15-25%	<15%
Net Farm Income (Cost)	\$157,114	_____			
EBIDTA	\$222,405	_____			
<u>Repayment Capacity</u>					
Capital Debt Repayment Capacity	\$163,362	_____			
Capital Debt Repayment Margin	\$131,818	_____			
Replacement Margin	\$110,775	_____			
Term Debt Coverage Ratio	5.18	_____	>1.5	1.2-1.5	<1.2
Replacement Coverage Ratio	3.11	_____	>1.4	1.1-1.4	<1.1
<u>Efficiency</u>					
Asset Turnover Rate (Cost)	48.5%	_____	> 45%	30-45%	< 30%
Operating Expense Ratio	69.8%	_____	< 60%	60-80%	> 80%
Depreciation Expense Ratio	7.4%	_____	< 5%	5-15%	> 15%
Interest Expense Ratio	2.2%	_____	< 5%	5-10%	> 10%
Net Farm Income Ratio	21.3%	_____	> 20%	10-20%	< 10%

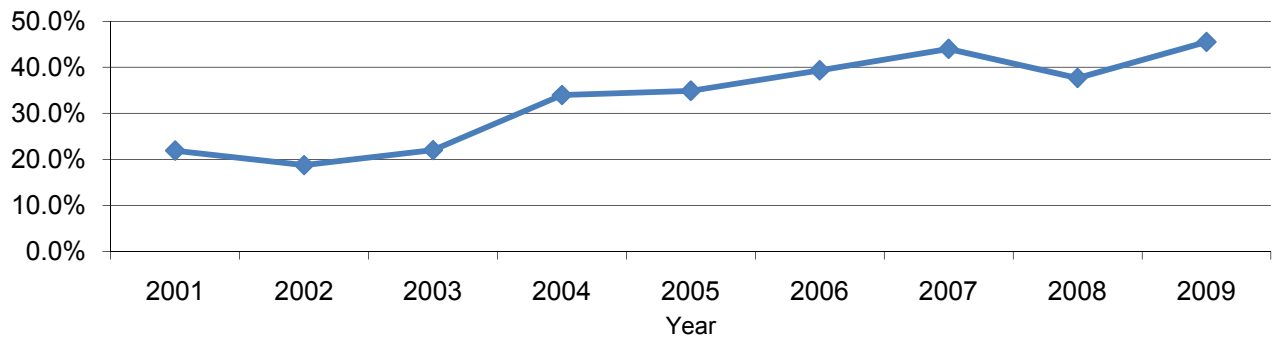


Graphs 1A: Financial Ratios, 2009

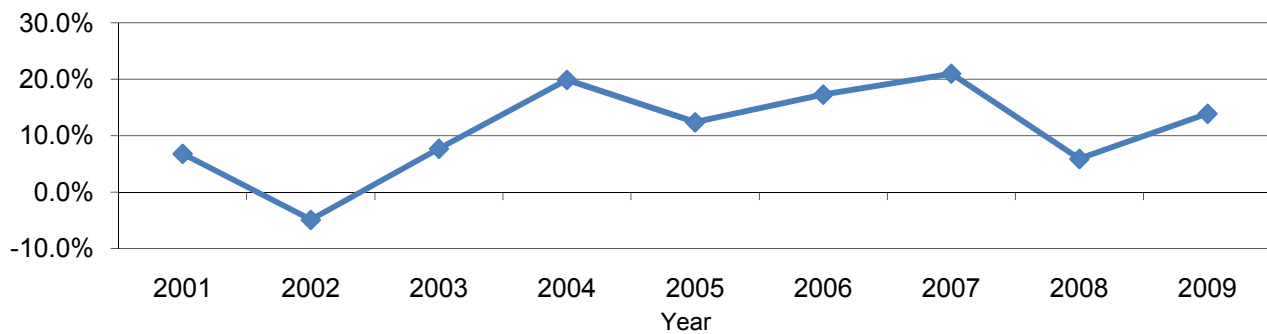
Current Ratio - Average Farms



Working Capital to Gross Income - Average Farms

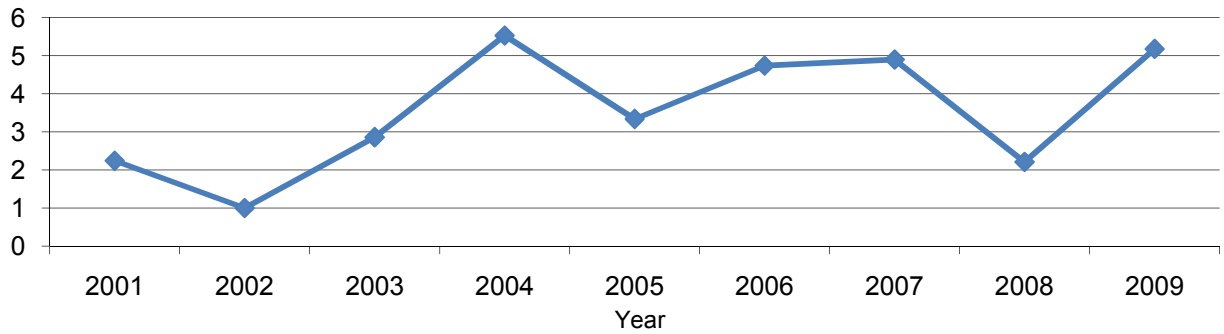


Rate of Return on Equity - Average Farms

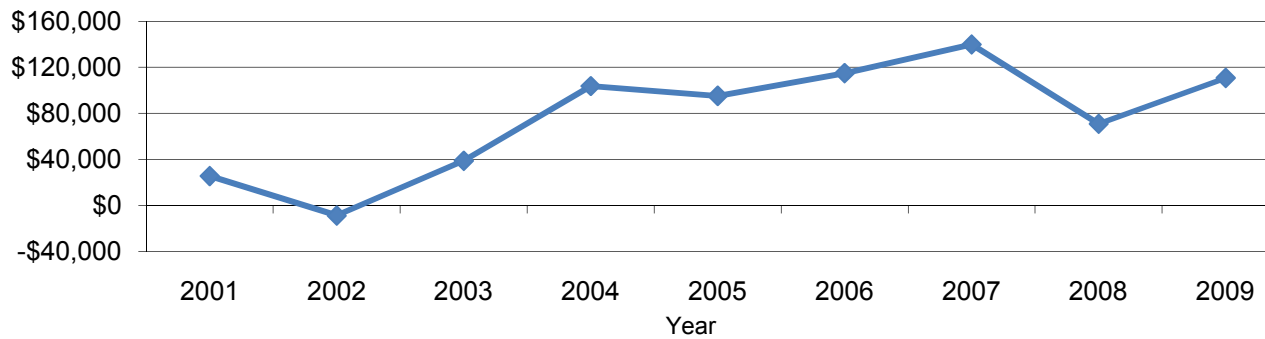


Graphs 1B: Financial Ratios, 2009

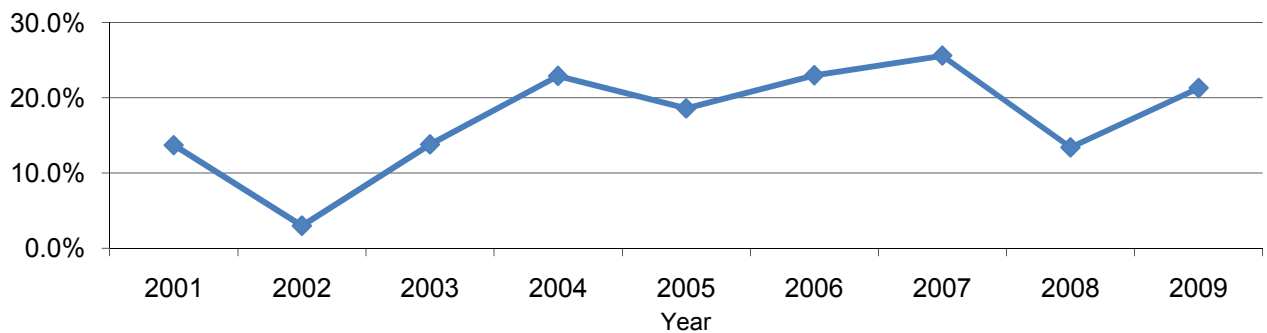
Term Debt Coverage Ratio - Average Farms



Capital Replacement Margin - Average Farms

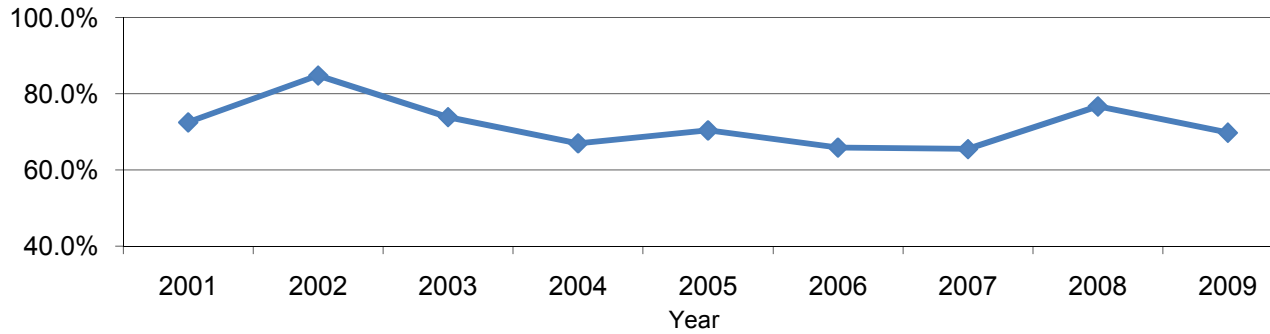


Net Farm Income Ratio - Average Farms

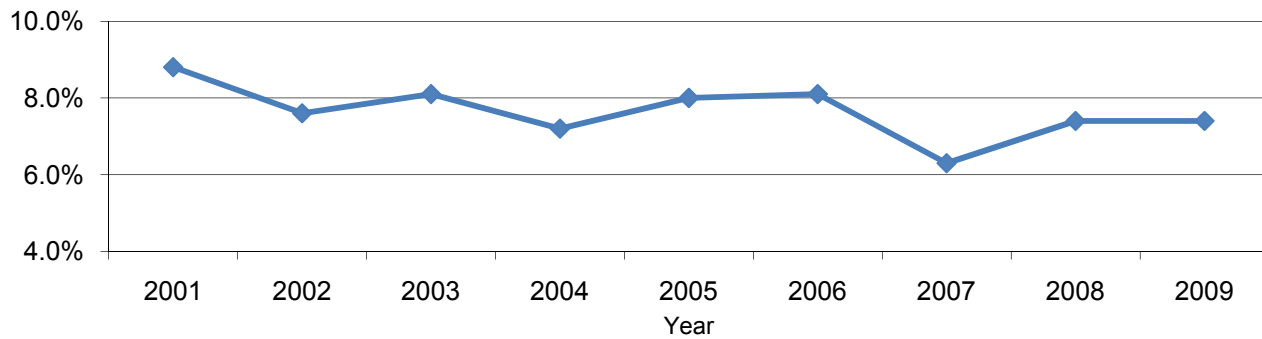


Graphs 1C: Financial Ratios, 2009

Operating Expense Ratio - Average Farms



Depreciation Expense Ratio - Average Farms



Interest Expense Ratio - Average Farms

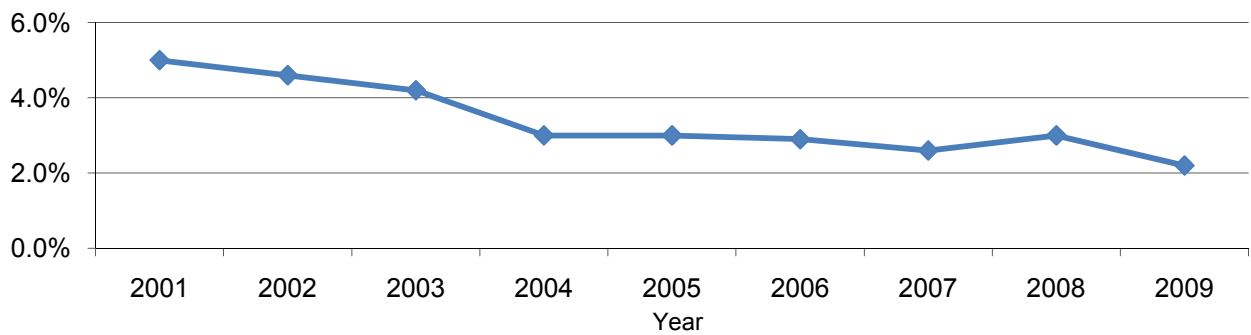


Table 11A: Household and Personal Expense, 2009

	Average Of All Farms
Average Family Size	3.6
Family Living Expense	
Food and Meals Expense	6,765
Medical Care	2,094
Health Insurance	1,271
Cash Donations	1,812
Household Supplies	3,582
Clothing	2,882
Personal Care	2,125
Child / Dependent Care	2,148
Alimony and Child Support	3,199
Gifts	2,031
Education	3,027
Recreation	1,831
Utilities (Household Share)	2,316
Non-Farm Vehicle Operating Expense	1,202
Household Real Estate Taxes	2,019
Dwelling Rent	0
Household Repairs	5,867
Non-Farm Interest	2,891
Disability / Long Term Care Insurance	306
Life Insurance Payments	3,256
Non-Farm Property Insurance	111
Miscellaneous	1,961
Total Cash Family Living Expense	\$52,696
Family Living from the Farm	228
Total Family Living Expense **	\$52,924
Other Non-Farm Expense	
Income Taxes	26,494
Furnishing & Appliance Purchases	1,571
Non-Farm Vehicle Purchases	1,400
Non-Farm Real Estate Purchases	30,400
Other Non-Farm Capital Purchases	0
Non-Farm Savings & Investments	625
Total Other Non-Farm Expense	\$60,490
Total Cash Family Living, Investment & Non-Farm Capital Purchases	\$113,186

** Includes only farms that provided detailed family living expenses.

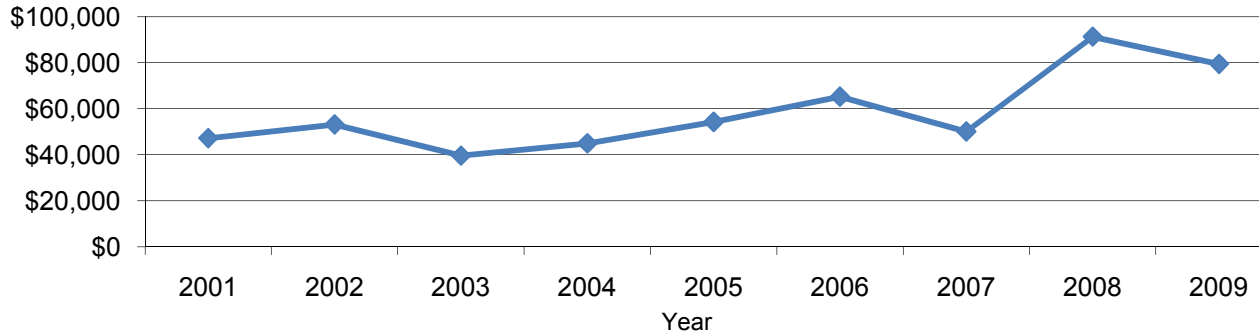
Table 11B: 1998 - 2009 Family Living Summary*

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Average Family Size	2.5	2.8	2.8	2.8	2.6	2.9	2.6	2.6	3.6
Expense Item									
Food & Meals	\$4,537	\$5,793	\$5,015	\$5,141	\$5,101	\$5,727	\$6,026	\$5,889	\$6,765
Medical Expenses (2001-2007 incl. Health Ins.)	\$2,828	\$4,668	\$3,212	\$5,366	\$6,498	\$5,658	\$6,128	\$4,853	\$2,094
Health Insurance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,720	\$1,271
Cash Donations	\$1,456	\$2,006	\$1,135	\$2,132	\$2,481	\$3,342	\$1,077	\$2,699	\$1,812
Minor Repairs & Supplies	\$1,930	\$1,745	\$2,322	\$1,536	\$1,714	\$2,712	\$1,328	\$3,209	\$9,449
Clothing	\$2,337	\$2,285	\$1,483	\$1,846	\$1,492	\$1,140	\$1,752	\$2,721	\$2,882
Personal Items	\$3,100	\$2,179	\$2,337	\$3,021	\$3,169	\$3,139	\$2,603	\$1,852	\$2,125
Gifts	\$3,292	\$2,664	\$2,156	\$2,516	\$7,395	\$4,969	\$2,958	\$8,847	\$2,031
Education	\$1,730	\$1,825	\$524	\$1,822	\$1,387	\$918	\$1,161	\$1,162	\$3,027
Recreation	\$2,863	\$2,313	\$2,370	\$2,092	\$1,930	\$2,562	\$1,695	\$4,054	\$1,831
Utilities & Fuel	\$1,467	\$1,864	\$1,466	\$1,877	\$1,911	\$1,695	\$1,970	\$2,285	\$2,316
Personal Auto	\$1,028	\$2,167	\$2,442	\$2,360	\$1,575	\$1,930	\$2,448	\$1,865	\$1,202
Home Improvements, Taxes & Rent	\$2,118	\$1,813	\$947	\$1,744	\$2,321	\$4,432	\$1,381	\$4,740	\$2,019
Personal Interest	\$694	\$456	\$922	\$993	\$896	\$1,547	\$1,019	\$2,377	\$2,891
Insurance (Life & Home)	\$2,126	\$2,168	\$2,101	\$2,710	\$2,651	\$3,107	\$3,267	\$3,220	\$3,673
Miscellaneous **		\$4,295	\$3,066	\$2,144	\$1,841	\$3,490	\$4,191	\$2,190	\$7,308
New Furniture & Equipment									\$1,571
TOTAL	\$31,506	\$38,241	\$31,498	\$37,300	\$42,362	\$46,368	\$39,004	\$54,683	\$54,267
Income, Soc. Sec. Taxes	\$15,476	\$14,853	\$8,080	\$7,059	\$11,841	\$18,813	\$10,941	\$36,412	\$26,494
TOTAL TAXES & F.L.	\$46,982	\$53,094	\$39,578	\$44,359	\$54,203	\$65,181	\$49,945	\$91,095	\$80,761

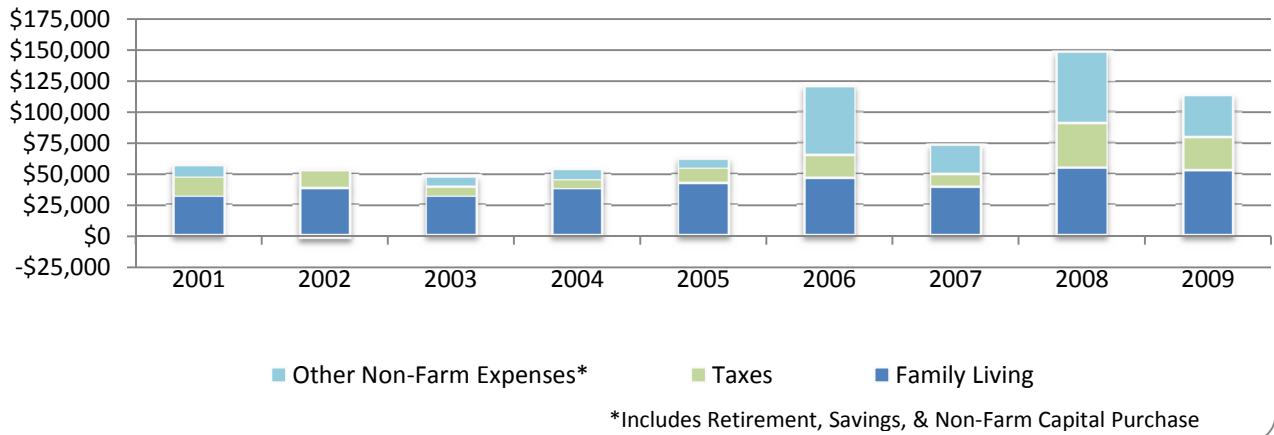
* 2001 to 2008 Includes data from both the NFBI and Nebraskaland Farm & Ranch Mangement Education Program.

Graphs 2: Family Living, 2009

Family Living & Taxes - Average Farms



Non-Farm Expenses - Average Farms



Medical Expense - Average Farms

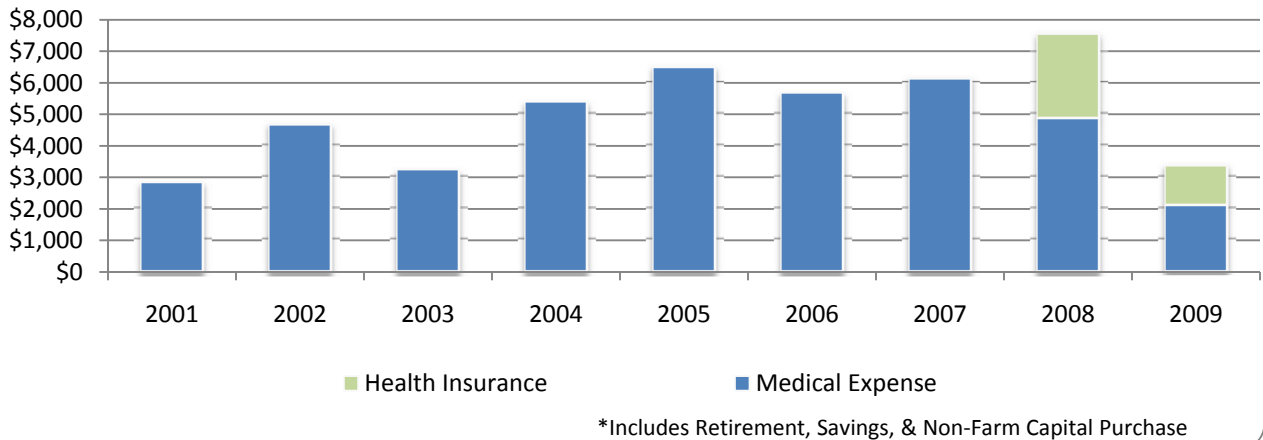
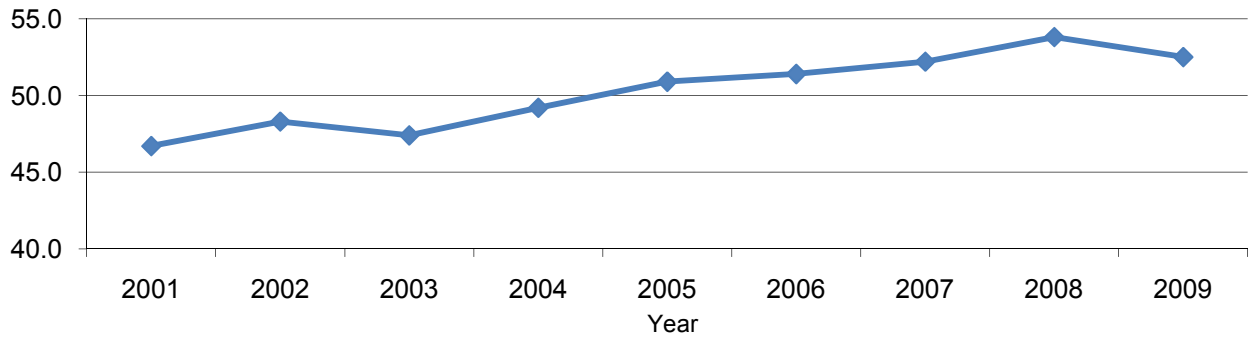


Table 12: Operator Information and Non-Farm Summary, 2009

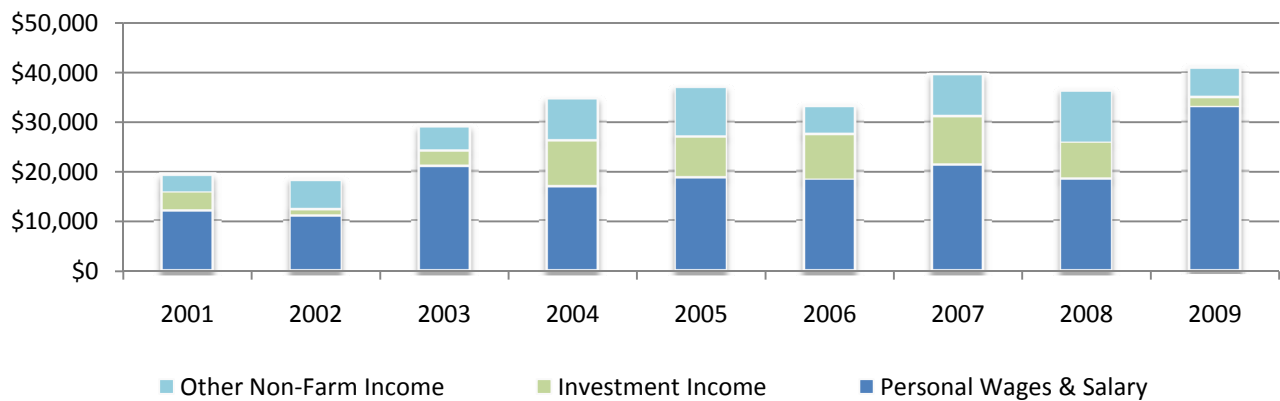
	Average Of <u>All Farms</u>	Average Of <u>Low 33%</u>	Average Of <u>High 33%</u>
Operator Information			
Average Number of Operators	1.1	1.1	1.0
Average Age of Operators	52.5	54.4	55.3
Average Number of Years Farming	31.0	34.0	35.9
Non-Farm Income			
Personal Wages & Salary	22,959	21,217	25,306
Personal Business Income	1,249	3,300	483
Personal Rental Income	8,898	3,708	21,688
Personal Interest Income	1,919	3,557	1,639
Personal Cash Dividends	6	0	0
Tax Refunds	1,094	1,089	2,189
Other Non-Farm Income	2,275	211	4,900
Gifts and Inheritances	2,778	6,557	1,250
Total Non-Farm Income	\$41,178	\$39,639	\$57,455
Non-Farm Assets (Market Value)			
Checking & Savings	11,713	13,072	4,958
Stocks & Bonds	52,933	93,100	64,432
Other Current Assets	2,917	2,937	5,815
Furniture & Appliances	5,350	2,679	2,625
Non-Farm Vehicles	12,177	10,019	9,821
Cash Value of Life Ins.	7,979	9,795	11,376
Retirement Accounts	102,578	84,429	140,930
Other Interm. Assets	12,447	0	29,768
Non-Farm Real Estate	102,810	88,942	151,555
Personal Business Investment	0	0	0
Other Long Term Assets	64,324	19,531	136,698
Total Non-Farm Assets	\$375,228	\$324,504	\$557,978
Non-Farm Liabilities			
Accrued Interest	364	586	454
Accounts Payable	300	0	488
Current Notes	0	0	0
Princ Due on Term Debt	2,508	2,735	3,429
Total Current Liabilities	3,172	3,321	4,371
Intermediate Liabilities	5,185	3,793	0
Long Term Liabilities	38,870	31,840	61,518
Total Non-Farm Liabilities	\$47,227	\$38,954	\$65,889
Non-Farm Net Worth	\$328,001	\$285,550	\$492,089
Non-Farm Debt to Asset Ratio	13%	12%	12%

Graphs 3: Operator Information, 2009

Operator Age - Average Farms

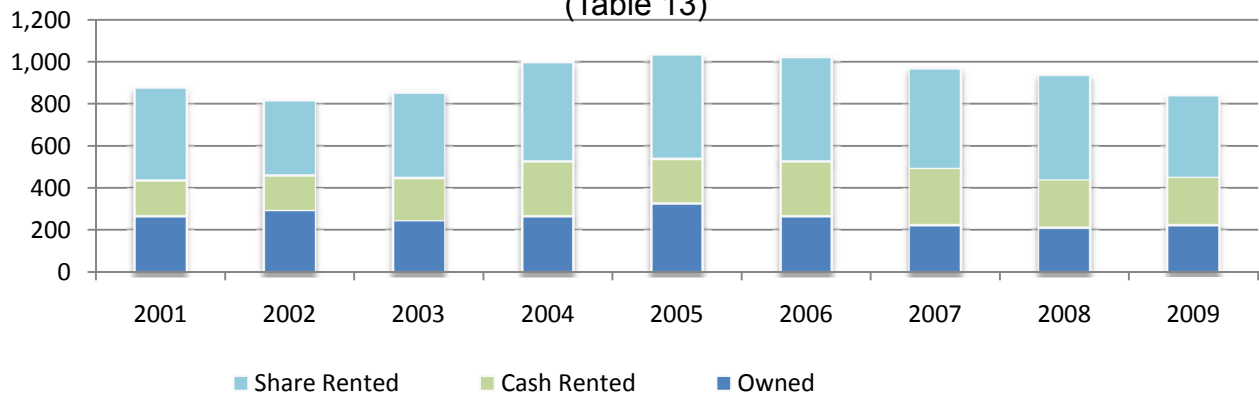


Personal Income - Average Farms



Crop Acres - Average Farms

(Table 13)

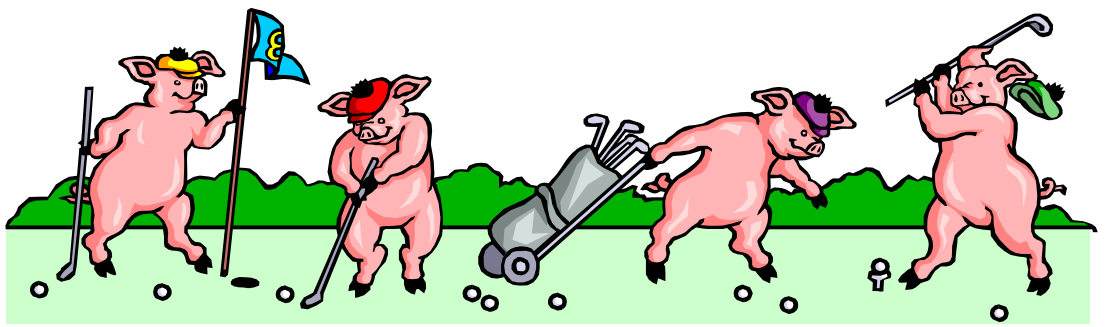


*Includes Retirement, Savings, & Non-Farm Capital Purchase

Table 13: Crop Production, Marketing & Labor Summary, 2009

	Average Of All Farms	Average Of Low 33%	Average Of High 33%
Acreage Summary			
Acres Owned	407	119	849
Crop Acres	844	404	1,239
Crop Acres Owned	224	10	456
Crop Acres Cash Rented	228	94	418
Crop Acres Share Rented	392	299	365
Pasture Acres	0	0	0
% Crop Acres Owned	27%	3%	37%
Average Price Received in Dollars (Cash Sales Only)			
Corn per bu.	\$3.64	\$3.60	\$3.68
Soybeans per bu.	\$9.53	\$9.63	\$9.54
Wheat, Winter per bu.	\$4.97		\$5.23
Average Yield Per Acre			
Corn (bu.)	158.42	152.99	168.82
Soybeans (bu.)	51.37	N/A	57.24
Sorghum, Grain (bu.)	113.49	N/A	N/A
Wheat, Winter (bu.)	54.38	N/A	N/A
Labor Analysis			
Total Unpaid Labor Hours*	2,402	1,897	2,600
Total Hired Labor Hours	1,818	985	3,534
Total Labor Hours per Farm	4,220	2,882	6,134
Unpaid Hours per Operator	2,210	1,660	2,600
Value of Farm Production / Hour	\$140.41	\$67.07	\$180.21
Net Farm Income / Unpaid Hour*	\$63.85	\$12.50	\$114.29

* Based on 2080 Hrs. Annually Per Full Time Operator



Whole Farm Comparisons

The following section contains the whole farm data sorted in different ways. No column was included if it represents less than 5 farms to maintain the confidentiality of the farms participating. It is very valuable to have different sorts available to compare farms that are struggling. For example, if a farm is experiencing a higher than average debt-to-asset ratio, it is helpful to examine other farms in the same age range to see if they are in line with others their age. Another way to be helpful is to compare by farm type. A livestock farm may have trouble comparing net farm income with the entire group, but maybe well above average among his peers.

FINBIN Farm Financial Database

We have included as much data as we can provide in this section. If you are looking for additional sorts you can try finding more data at <http://www.finbin.umn.edu>. All of our data is available for free there as well as many other states. This is a valuable resource, especially for the livestock operations in Nebraska. We do not have any dairy averages in Nebraska, but on the website, you can compare your information with other dairies your size by enlarging the query to include Minnesota.

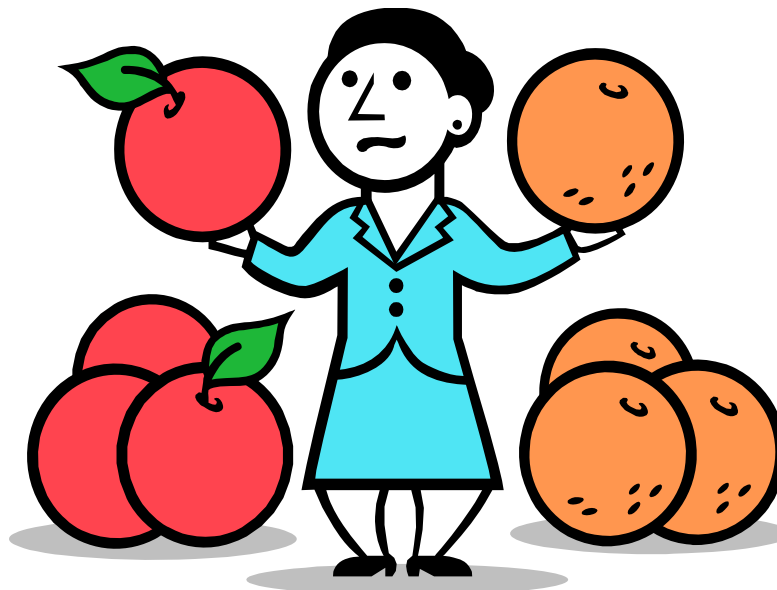


Table 1(: Size of Farm Sorted By Gross Cash Farm Income, 2009

	Avg. Of All Farms	250,001- 500,000	500,001- 1,000,000
Income Statement			
Gross Cash Farm Income	712,936	348,935	736,473
Total Cash Farm Expense	521,945	255,874	508,586
Net Cash Farm Income	190,991	93,061	227,887
Inventory Change	17,073	70,143	13,286
Depreciation and Capital Adj.	-54,723	-24,481	-69,743
Net Farm Income from Operations	\$153,341	\$138,723	\$171,430
Gain or Loss on Capital Sales	\$3,773	\$116	\$7,926
Net Farm Income	\$157,114	\$138,839	\$179,356
Median Net Farm Income	\$109,462	\$108,562	\$226,539

Profitability (Cost Value)

	11.1%	13.4%	9.3%
Rate of Return on Assets			
Rate of Return on Equity	13.9%	16.6%	11.6%
Operating Profit Margin	22.8%	29.4%	23.9%
Asset Turnover Rate	48.5%	45.6%	38.8%

Profitability (Market Value)

Rate of Return on Assets	8.6%	11.3%	6.5%
Rate of Return on Equity	9.9%	13.1%	7.2%
Operating Profit Margin	24.0%	29.7%	25.3%
Asset Turnover Rate	35.9%	37.9%	25.7%

Liquidity & Repayment (end of year)

Current Assets	471,696	328,800	551,931
Current Liabilities	136,521	91,842	129,577
Current Ratio	3.46	3.58	4.26
Working Capital	335,175	236,958	422,354
Working Capital to Gross Income	45.5%	58.0%	56.1%
Term Debt Coverage Ratio	5.18	5.10	5.84
Replacement Coverage Ratio	3.11	3.22	3.01

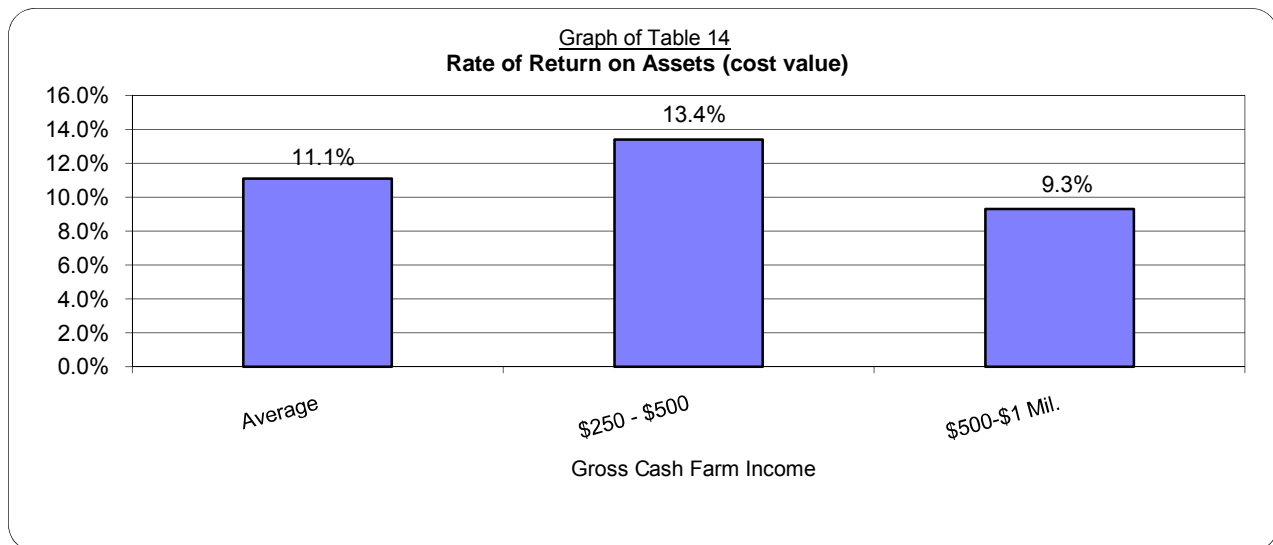


Table 1(: Size of Farm Sorted By Gross Cash Farm Income, 2009 (cont.)

	Average Of All Farms	250,001 - 500,000	500,001 1,000,000
Solvency (Cost Value)			
Ending Farm Assets	1,265,206	921,764	1,692,292
Ending Farm Liabilities	351,152	233,716	487,255
Ending Total Assets	1,632,445	1,160,425	2,254,087
Ending Total Liabilities	398,379	280,425	515,105
Ending Net Worth	1,234,066	880,000	1,738,982
Net Worth Change	120,378	126,803	135,714
Ending Farm Debt to Asset Ratio	28%	25%	29%
End Total Debt to Asset Ratio	24%	24%	23%
Solvency (Market Value)			
Ending Farm Assets	1,694,398	1,103,660	2,525,354
Ending Farm Liabilities	351,152	233,716	487,255
Ending Total Assets	2,069,626	1,343,237	3,116,986
Ending Total Liabilities	398,379	280,425	515,105
Ending Net Worth	1,671,247	1,062,812	2,601,881
Net Worth Change	133,518	125,018	167,719
Ending Farm Debt to Asset Ratio	21%	21%	19%
End Total Debt to Asset Ratio	19%	21%	17%
Non-Farm Information			
Net Non-Farm Income	38,398	47,350	53,146
Farms Reporting Living Expenses	5	1	2
Total Family Living Expense	52,925	0	0
Total Living, Invest, & Capital Purch	113,187	0	0
Crop Acres			
Total Acres Owned	407	309	349
Total Crop Acres	844	783	1,126
Total Crop Acres Owned	224	202	229
Total Crop Acres Cash Rented	228	83	514
Total Crop Acres Share Rented	392	498	383

Graph of Table 14
Debt To Asset Ratio at Market Value

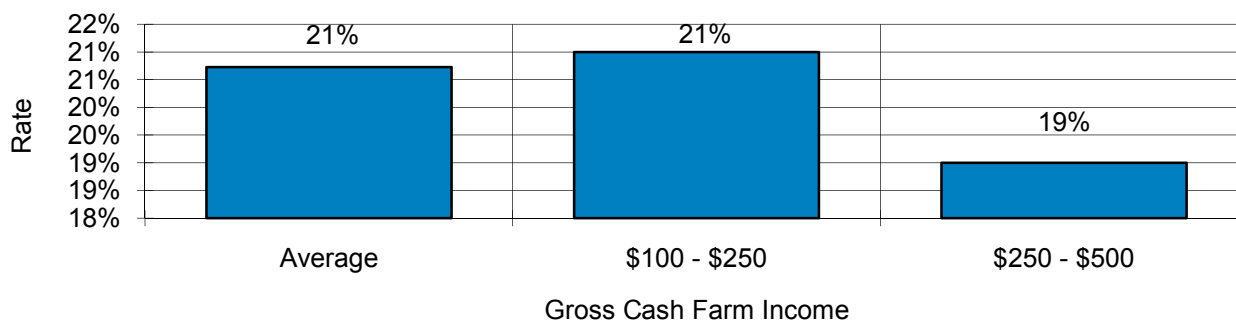


Table 1) : Comparison By Age of Operator, 2009

	Average Of All Farms	51-60	Over 60
Income Statement			
Gross Cash Farm Income	712,936	400,583	1,012,400
Total Cash Farm Expense	521,945	278,056	781,336
Net Cash Farm Income	190,991	122,527	231,064
Inventory Change	17,073	38,617	-8,476
Depreciation and Capital Adj.	-54,723	-\$30,090	-\$61,193
Net Farm Income from Operations	\$153,341	\$131,054	\$161,395
Gain or Loss on Capital Sales	3,773	4,454	500
Net Farm Income	157,114	135,508	161,895
Median Net Farm Income	109,462	108,110	161,527
Profitability (Cost Value)			
Rate of Return on Assets	11.1%	10.9%	9.4%
Rate of Return on Equity	13.9%	11.9%	11.3%
Operating Profit Margin	22.8%	24.4%	19.6%
Asset Turnover Rate	48.5%	44.7%	48.0%
Profitability (Market Value)			
Rate of Return on Assets	8.6%	8.0%	7.2%
Rate of Return on Equity	9.9%	8.2%	8.1%
Operating Profit Margin	24.0%	23.4%	20.0%
Asset Turnover Rate	35.9%	34.1%	36.1%
Liquidity & Repayment (end of year)			
Current Assets	471,696	334,637	582,652
Current Liabilities	136,521	83,323	152,757
Current Ratio	3.46	4.02	3.81
Working Capital	335,175	251,314	429,894
Working Capital to Gross Income	45.5%	57.6%	42.1%
Term Debt Coverage Ratio	5.18	9.82	5.73
Replacement Coverage Ratio	3.11	3.81	2.85

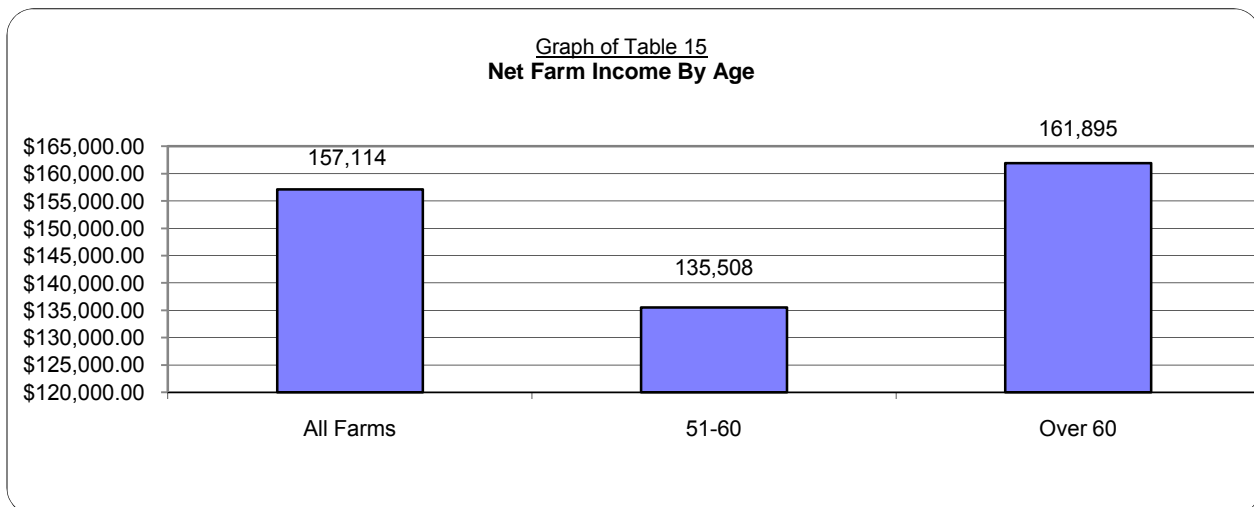


Table 1) : Comparison By Age of Operator, 2009 (cont.)

	Average For All Farms	51-60	Over 60
Solvency (Cost Value)			
Farm Assets	1,265,206	998,916	1,440,247
Farm Liabilities	351,152	171,348	273,098
Total Assets	1,632,445	1,236,399	1,945,538
Total Liabilities	398,379	194,710	329,492
Net Worth	1,234,066	1,041,689	1,616,046
Net Worth Change	120,378	114,614	109,644
Farm Debt to Asset Ratio	28%	17%	19%
Total Debt to Asset Ratio	24%	16%	17%
Solvency (Market Value)			
Farm Assets	1,694,398	1,293,177	1,918,299
Farm Liabilities	351,152	171,348	273,098
Total Assets	2,069,626	1,549,870	2,426,359
Total Liabilities	398,379	194,710	329,492
Net Worth	1,671,247	1,355,160	2,096,867
Net Worth Change	133,518	111,004	119,415
Farm Debt to Asset Ratio	21%	13%	14%
Total Debt to Asset Ratio	19%	13%	14%
Non-Farm Information			
Net Non-Farm Income	38,398	54,522	28,874
Farms Reporting Living Expenses	5	0	0
Total Family Living Expense	52,925	0	0
Total Living, Invest, & Capital Purch	113,187	0	0
Crop Acres			
Total Acres Owned	407	231	663
Total Crop Acres	844	760	615
Total Crop Acres Owned	224	177	265
Total Crop Acres Cash Rented	228	170	42
Total Crop Acres Share Rented	392	414	308

Graph of Table 15
Debt To Asset Ratio at Market Value

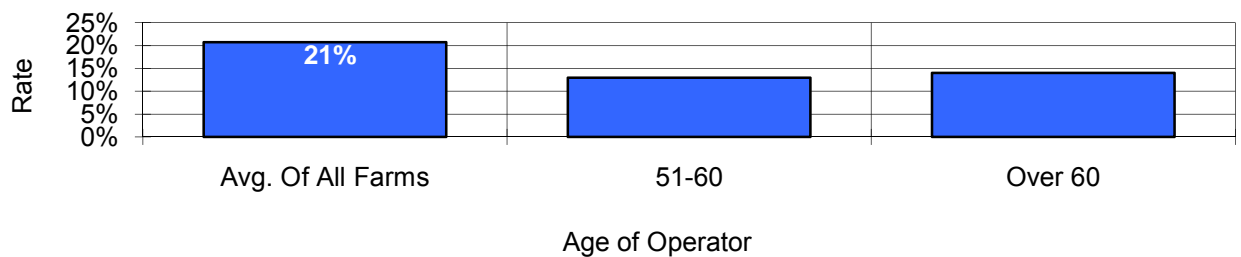


Table 1* : Farms Sorted by Debt to Asset Ratio, 2009

	<u>Average Of All Farms</u>	<u>Less than 20%</u>	<u>20% - 40%</u>
Income Statement			
Gross Cash Farm Income	712,936	411,701	1,351,237
Total Cash Farm Expense	521,945	247,527	1,103,353
Net Cash Farm Income	190,991	164,174	247,884
Inventory Change	17,073	4,306	26,241
Depreciation and Capital Adj.	-54,723	-38,286	-79,041
Net Farm Income from Operations	\$153,341	\$130,194	\$195,084
Gain or Loss on Capital Sales	3,773	2,598	2,229
Net Farm Income	\$157,114	\$132,792	\$197,313
Median Net Farm Income	\$109,462	\$105,450	\$186,963
Profitability (Cost Value)			
Rate of Return on Assets	11.1%	9.3%	10.8%
Rate of Return on Equity	13.9%	9.5%	16.9%
Operating Profit Margin	22.8%	25.5%	20.5%
Asset Turnover Rate	48.5%	36.6%	52.7%
Profitability (Market Value)			
Rate of Return on Assets	8.6%	6.8%	8.4%
Rate of Return on Equity	9.9%	6.8%	10.8%
Operating Profit Margin	24.0%	24.4%	22.7%
Asset Turnover Rate	35.9%	27.8%	36.7%
Liquidity & Repayment (end of year)			
Current Assets	471,696	412,283	645,830
Current Liabilities	136,521	26,475	287,870
Current Ratio	3.46	15.57	2.24
Working Capital	335,175	385,808	357,960
Working Capital to Gross Income	45.5%	94.3%	25.3%
Term Debt Coverage Ratio	5.18	12.80	4.00
Replacement Coverage Ratio	3.11	3.95	2.61

Graph of Table 16
Net Farm Income By Region

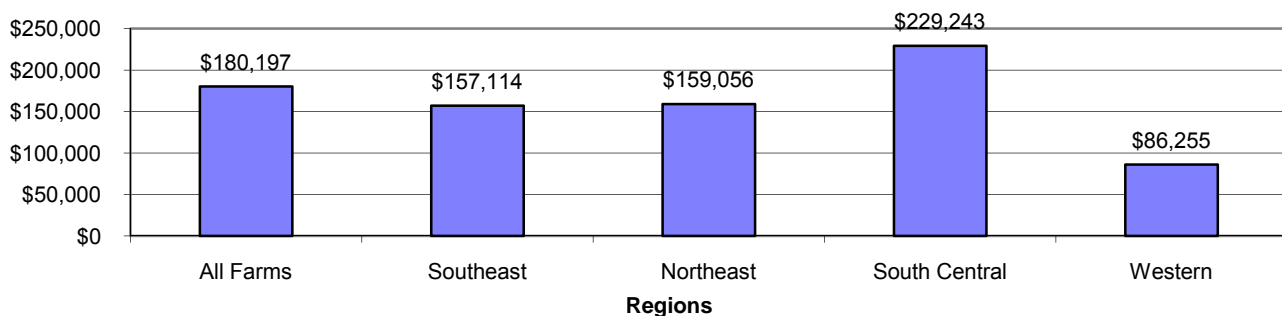


Table 1* : Farms Sorted by Debt to Asset Ratio, 2009 (cont.)

	Average Of All Farms	20% - 40%	40% - 60%
Solvency (Cost Value)			
Farm Assets	1,265,206	1,123,797	1,698,594
Farm Liabilities	351,152	51,658	701,813
Total Assets	1,632,445	1,654,836	1,897,605
Total Liabilities	398,379	70,422	789,114
Net Worth	1,234,066	1,584,414	1,108,491
Net Worth Change	120,378	131,310	84,819
Farm Debt to Asset Ratio	28%	5%	41%
End Total Debt to Asset Ratio	24%	4%	42%
Solvency (Market Value)			
Farm Assets	1,694,398	1,468,963	2,433,701
Farm Liabilities	351,152	51,658	701,813
Total Assets	2,069,626	2,014,280	2,632,712
Total Liabilities	398,379	70,422	789,114
Net Worth	1,671,247	1,943,858	1,843,598
Net Worth Change	133,518	140,927	100,962
Farm Debt to Asset Ratio	21%	4%	29%
Total Debt to Asset Ratio	19%	3%	30%
Non-Farm Information			
Net Non-Farm Income	38,398	50,068	21,737
Farms Reporting Living Expenses	5	2	2
Total Family Living Expense	52,925	0	0
Total Living, Invest, & Capital Purch	113,187	0	0
Crop Acres			
Total Acres Owned	407	406	547
Total Crop Acres	844	841	662
Total Crop Acres Owned	224	271	124
Total Crop Acres Cash Rented	228	142	254
Total Crop Acres Share Rented	392	428	284

Graph of Table 16
Net Worth Change (market value)

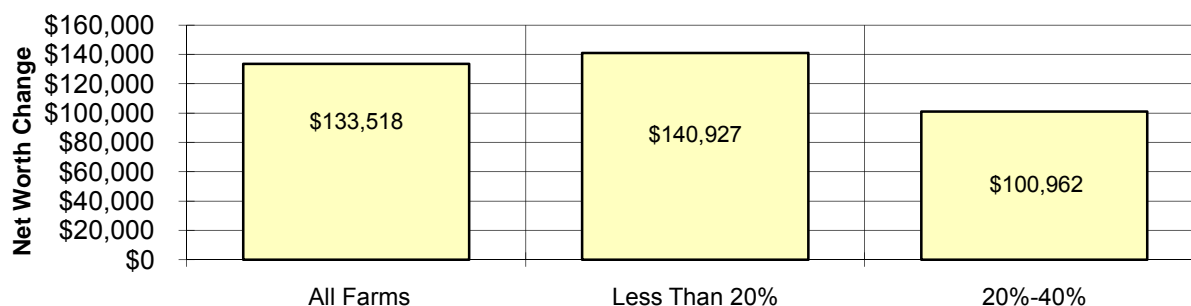
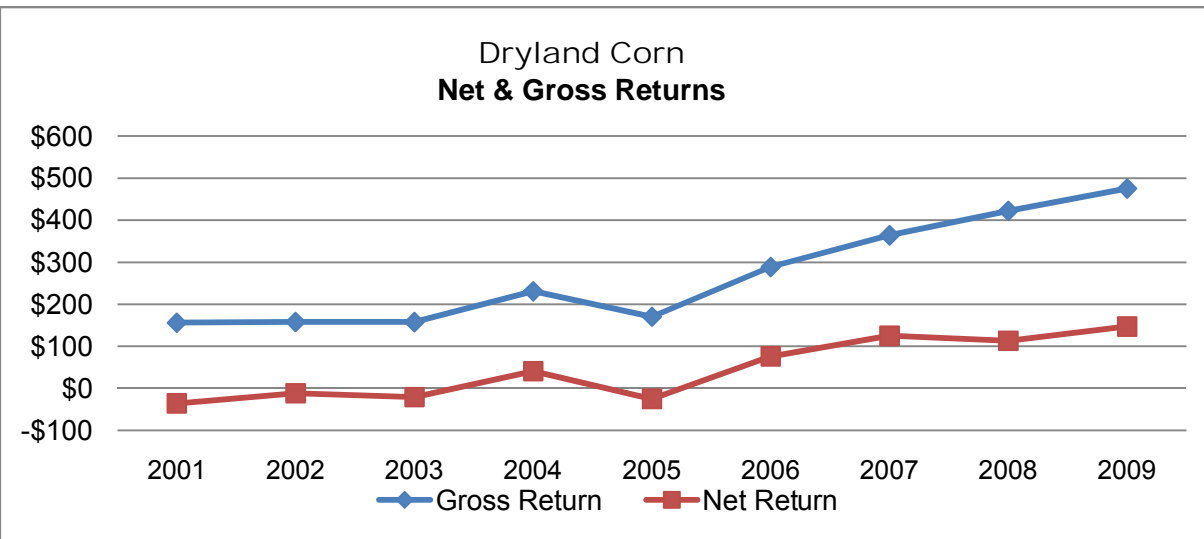
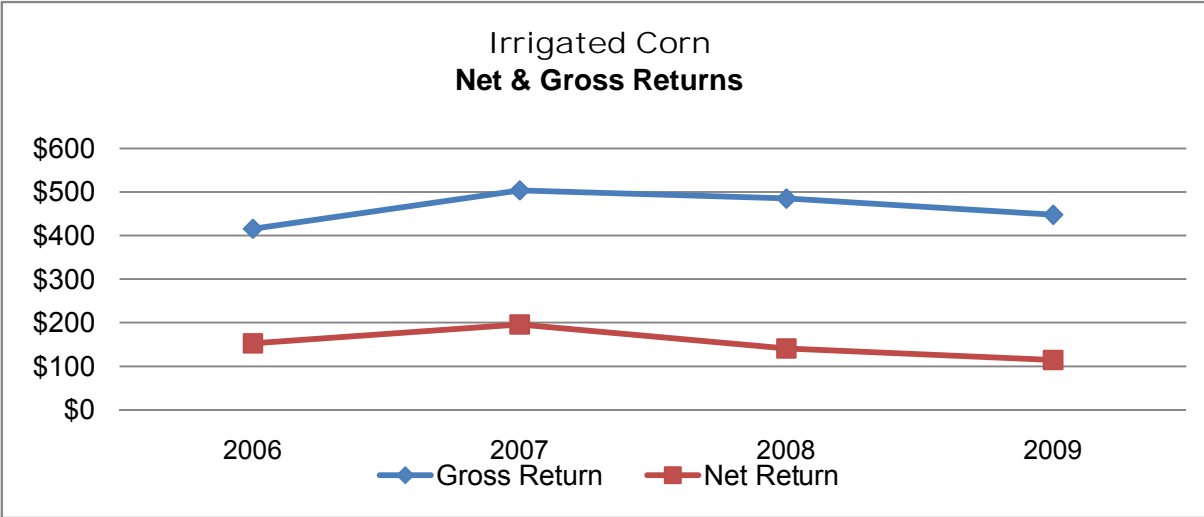


Table 1+A: Crop Summary, 2009

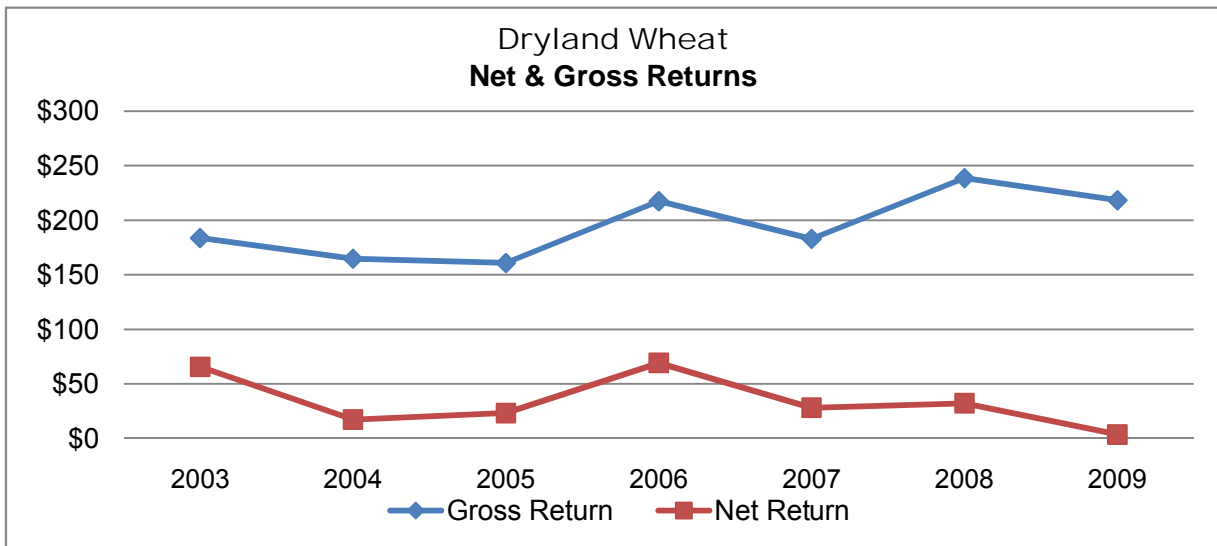
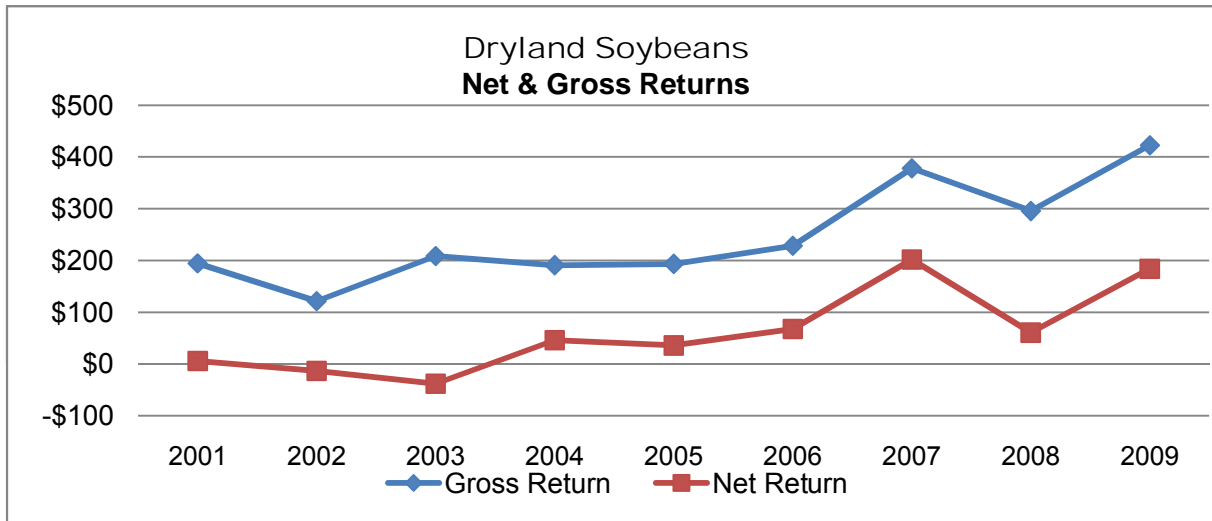
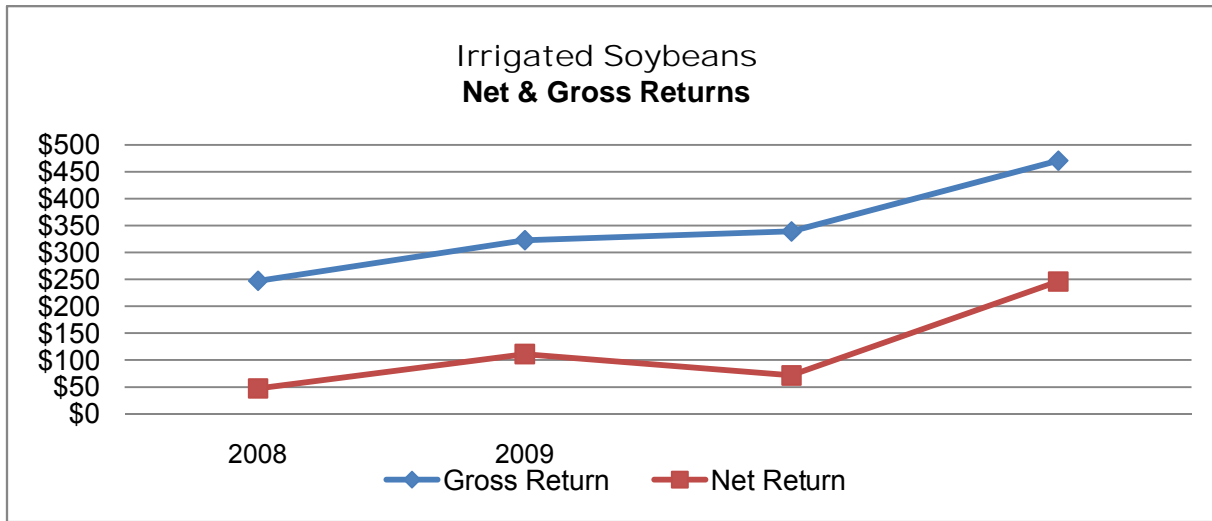
	Crops *				
	<u>Corn Irrigated</u>	<u>Corn Dryland</u>	<u>Soybeans Irrigated</u>	<u>Soybeans Dryland</u>	<u>Wheat</u>
Number of Farms	6	14	5	13	8
Gross Return	\$447.79	\$475.18	\$470.60	\$422.28	\$218.26
Total Listed Cash Expense	\$323.33	\$314.33	\$213.09	\$219.98	\$206.00
Opr. Labor & Mgt. Charge	\$30.84	\$23.21	\$30.21	\$19.15	\$11.69
Owned Land Equity Charge	\$10.27	\$13.72	\$11.70	\$18.28	\$8.73
Total Cost	\$364.44	\$351.26	\$255.00	\$257.41	\$226.42
Net Return Above All Costs	\$83.35	\$123.92	\$215.60	\$164.87	-\$8.16
Average Yield	193.61	158.42	69.56	51.37	54.38
Operator's Share of Yield	62.79%	80.22%	68.37%	83.82%	79.94%
Cash Cost per Bushel or Ton	\$514.94	\$391.83	\$311.67	\$262.44	\$257.69
Total Cost Per Bushel or Ton	\$580.41	\$437.87	\$372.97	\$307.10	\$283.24

* Includes all forms of land tenure and tillage practices.

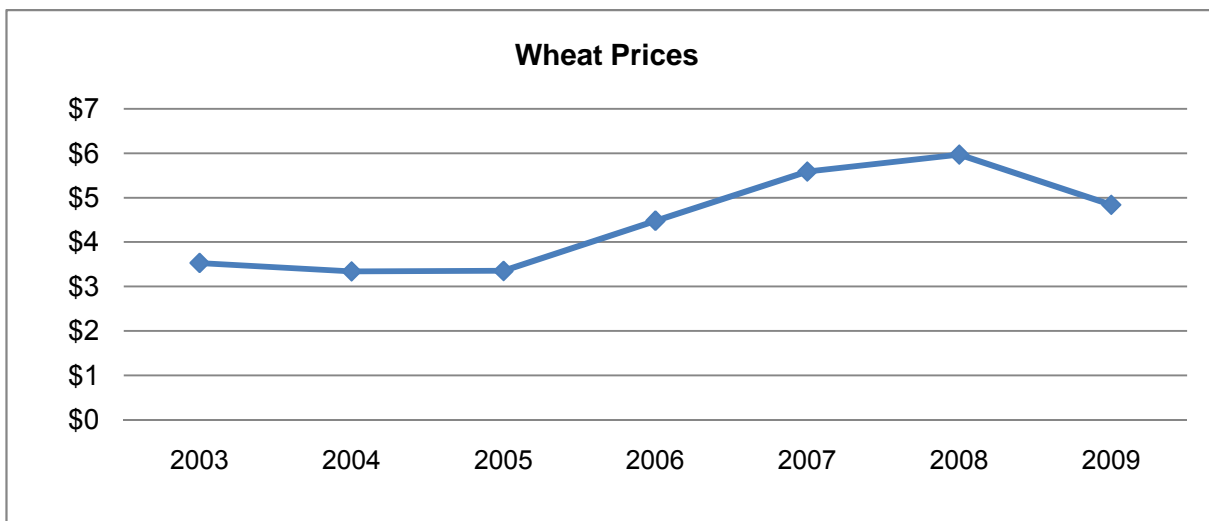
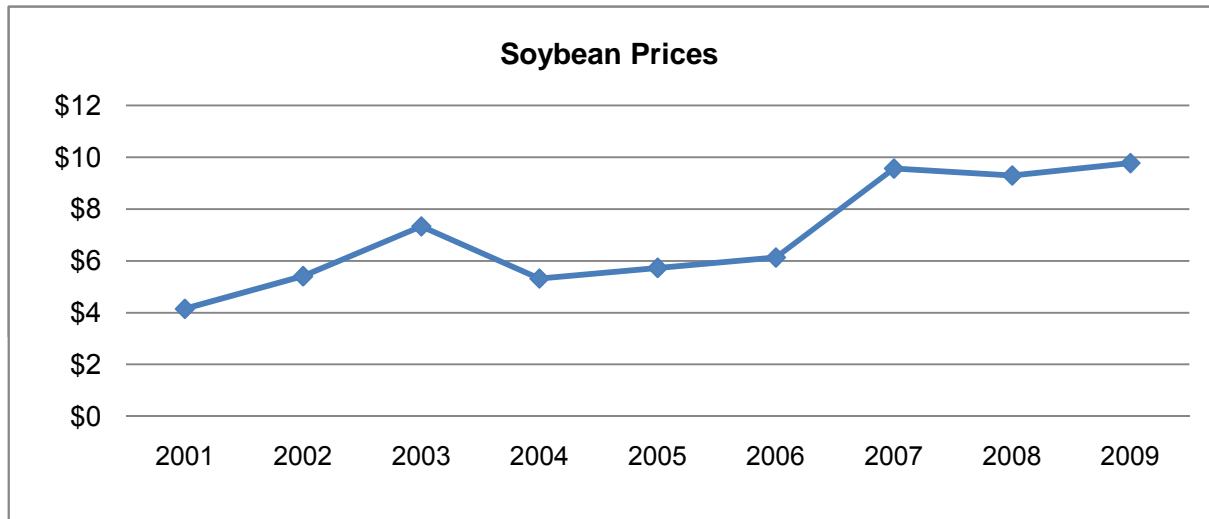
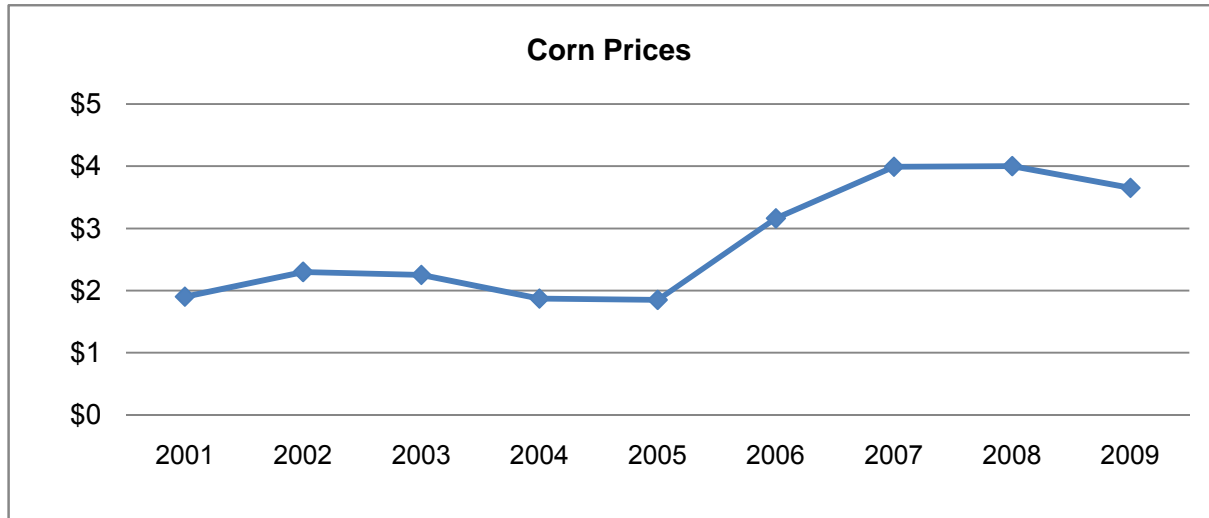
Graph 4: Crop Summary, 2009



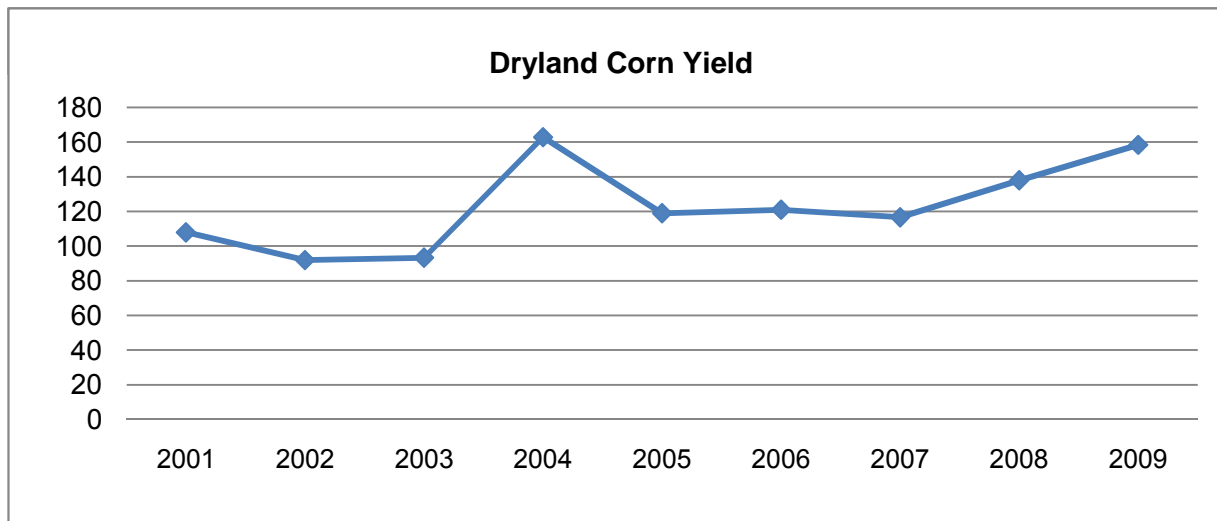
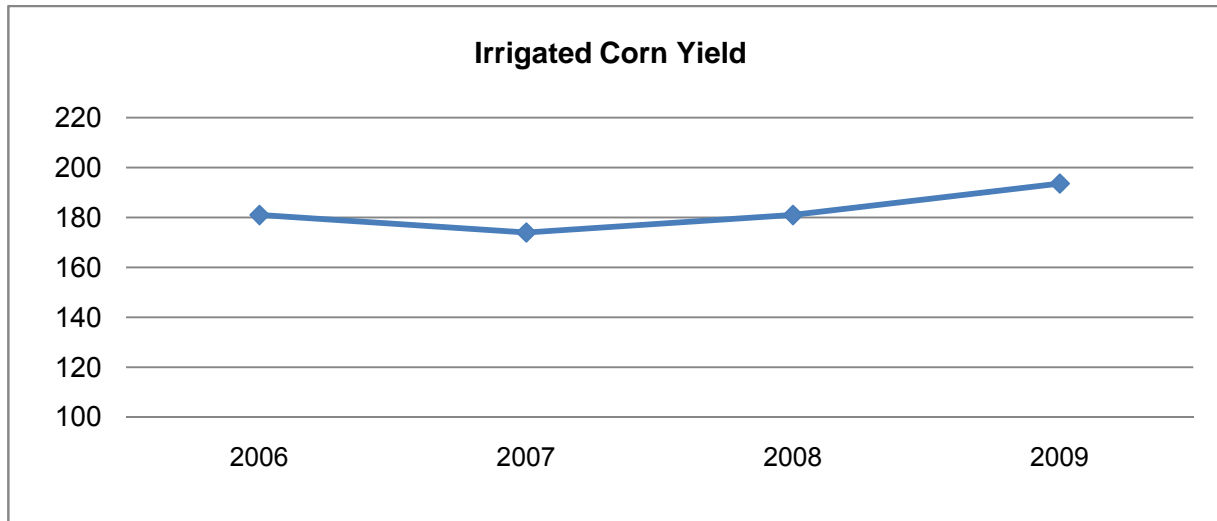
Graph 4A: Crop Summary, 2009



Graph 4B: Crop Summary, 2009



Graph 4C: Crop Summary, 2009



Graph 4D: Crop Summary, 2009

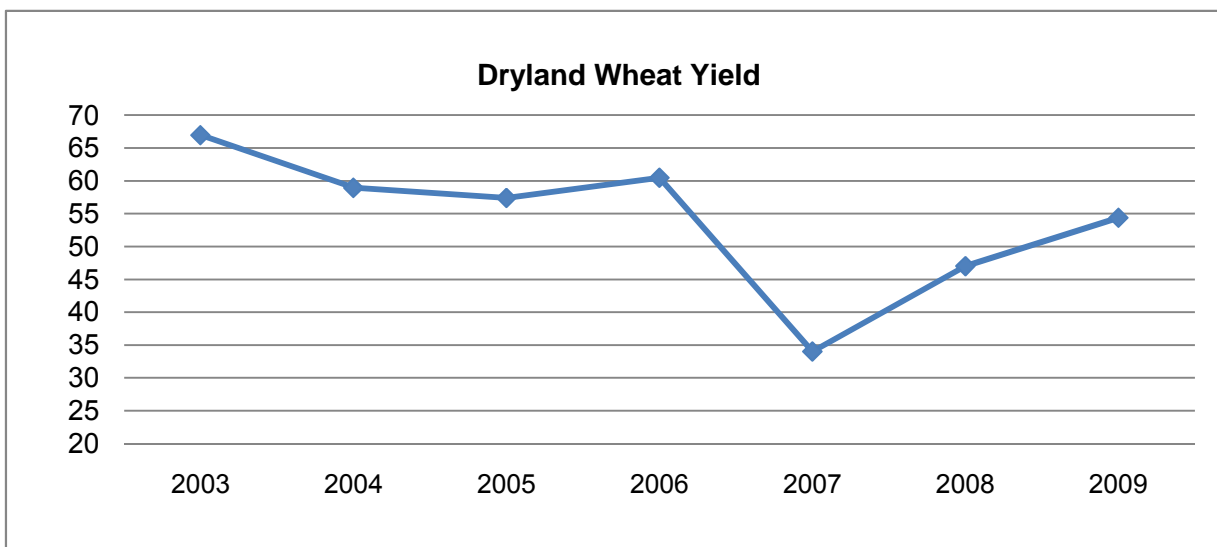
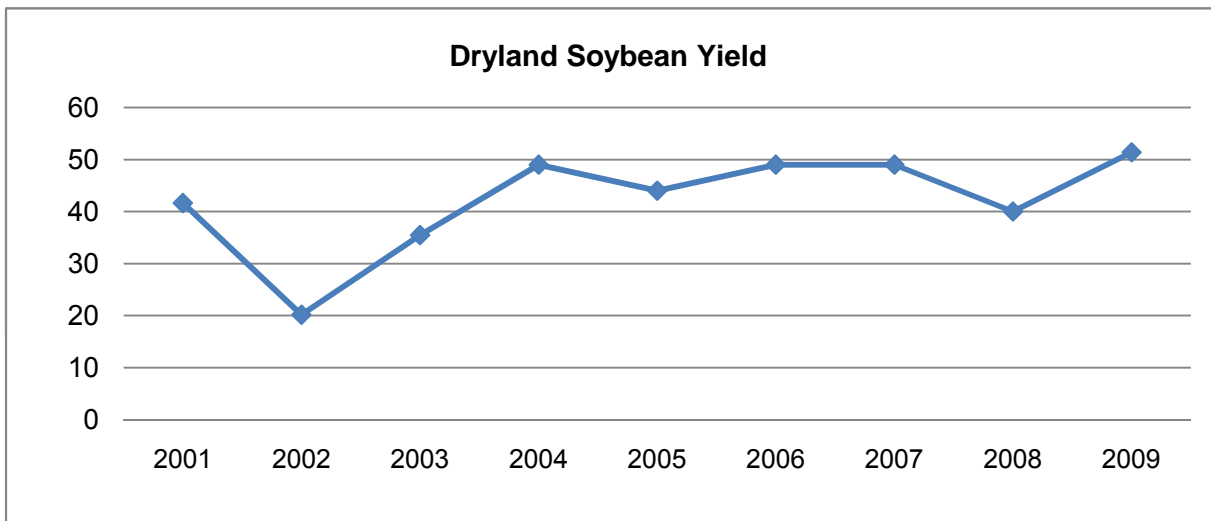
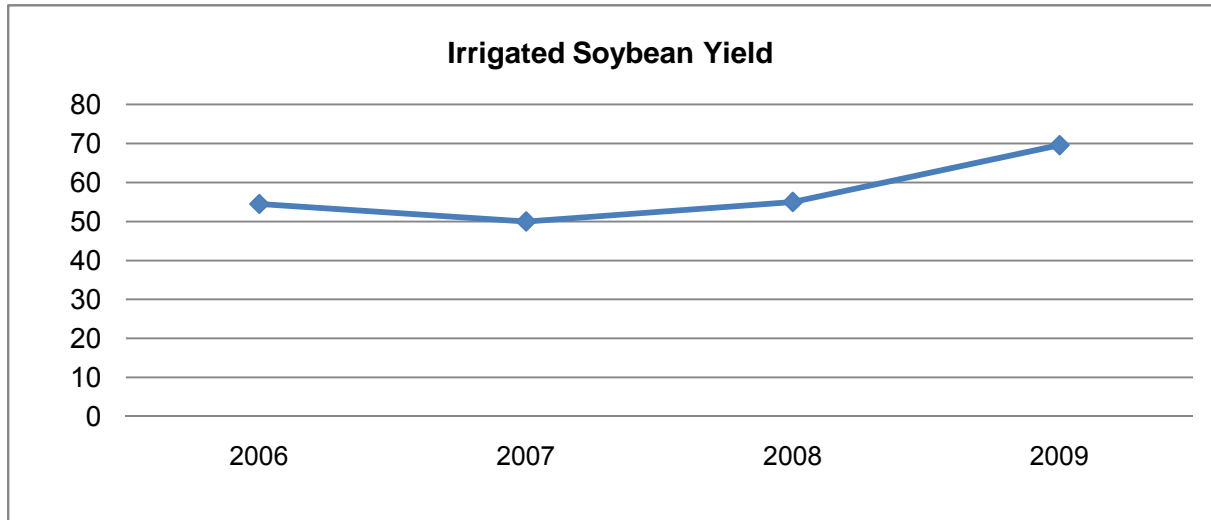


Table 1+B: Crop Summary, 2009

Long Term Evaluation - Yield
(9 yr. Average Data)
(bushels)

	<u>Corn Dryland</u>	<u>Soybeans Dryland</u>
Average Yield	123	42
High-Year(s) (bushels)	2004 163	2009 52
Low-Year(s) (bushels)	2002 29	2009 51

Long Term Evaluation - Net Return Above All Costs
(9yr. Average Data)
(dollars)

Average Net Return	\$45.44	\$61.22
High-Year (dollars)	2009 \$147	2007 \$202
Low-Year (dollars)	2001 (\$36)	2003 (\$38)

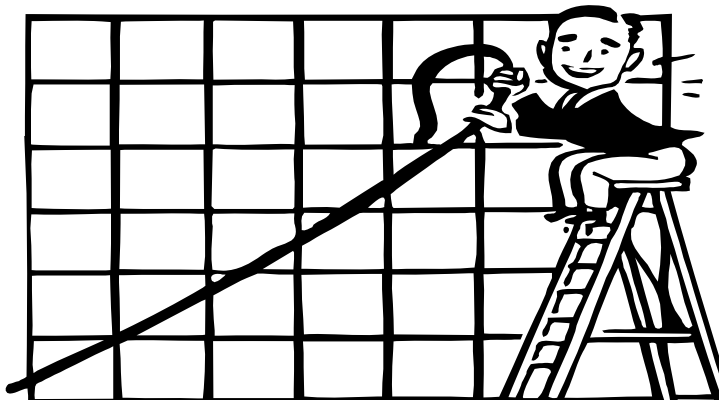


Table 1, : Irrigated Corn on All Tenure Types, 2009 *

	Average Of <u>All Farms</u>
Number of Fields	13
Number of Farms	6
Acres	106.66
Bushel Yield per Acre	193.61
Operator's Share of the Yield %	62.79%
Value per Bushel at Harvest	\$3.65
Total Product Return	<u>\$443.72</u>
Hedging Gain/Loss	0.28
Crop Insurance	3.79
Other Crop Income	
Gross Return	\$447.79
Direct Expenses	
Seed	52.42
Fertilizer	65.33
Crop Chemicals	21.52
Crop Insurance	9.72
Drying Fuel & Storage	5.90
Irrigation Energy	22.78
Irrigation Repairs	0.00
Operating Power & Crop Machinery	46.45
Building Repairs	7.00
Hired Labor	13.88
Utilities	4.66
Miscellaneous	11.99
Land Rent	4.81
Operating Interest	0.96
Total Direct Expenses	267.42
Return Over Direct Expenses	\$180.37
Allocated Expenses	
Machinery & Building Depreciation	52.02
Real Estate & Personal Property Taxes	8.32
Farm Insurance	3.89
Interest	1.95
Total Allocated Expenses	\$66.18
Total Listed Expenses	333.60
Net Return	\$114.19
Supplementary Management Information	
Total Direct Expense Per Bushel	2.20
Total Listed Expense Per Bushel	2.74
Net Return Per Bushel	\$0.91
Government Payments	5.41
Labor & Management Charge Per Acre	30.84
Net Return Inc'l Gov't Pmts and Labor & Mgmt	\$88.76
Machinery Cost Per Acre	\$93.72
Estimated Labor Hours Per Acre	3.03

* Includes an average of crops grown on Owned, Cash Rented, and Share Rented Land

Table % : Dryland Corn on All Tenure Types, 2009*

	Average Of All Farms	Average Of High 33%
Number of Fields	59	24
Number of Farms	14	5
Acres	81.77	90.85
Bushel Yield per Acre	158.42	168.82
Operator's Share of the Yield %	80.22%	82.33%
Value per Bushel at Harvest	\$3.71	\$3.73
Total Product Return	\$471.48	\$518.43
Hedging Gain/Loss	1.16	0.00
Crop Insurance	2.54	5.34
Other Crop Income	0.00	0.00
Gross Return	\$475.18	\$523.77
Direct Expenses		
Seed	55.47	57.23
Fertilizer	67.52	63.86
Crop Chemicals	30.93	37.72
Crop Insurance	10.91	9.15
Storage & Drying	3.38	3.08
Operating Power & Crop Machinery	46.76	54.39
Building Repairs	1.81	2.86
Hired Labor	7.83	4.04
Utilities	3.19	3.38
Miscellaneous	6.88	7.25
Land Rent	30.15	23.54
Operating Interest	1.42	0.68
Total Direct Expenses	\$266.25	\$267.18
Return Over Direct Expenses	\$208.93	\$256.59
Allocated Expenses		
Machinery & Building Depreciation	42.97	26.51
Real Estate & Personal Property Taxes	9.01	12.28
Farm Insurance	5.11	4.42
Interest	4.71	5.51
Total Allocated Expenses	\$61.80	\$48.72
Total Listed Expenses	\$328.05	\$315.90
Net Return	\$147.13	\$207.87
Supplementary Management Information		
Total Direct Expense Per Bushel	2.10	1.92
Total Listed Expense Per Bushel	2.58	2.27
Net Return Per Bushel	\$1.13	\$1.46
Government Payments	14.16	18.01
Labor & Management Charge Per Acre	23.21	26.67
Net Return Inc'l Gov't Pmts and Labor & Mgmt	\$138.08	\$199.21
Machinery Cost Per Acre	\$90.27	\$79.74
Estimated Labor Hours Per Acre	2.15	2.39

* Includes an average of crops grown on Owned, Cash Rented, and Share Rented Land

Table 2\$: Dryland Corn on Owned Land, 2009

	Average Of All Farms
Number of Fields	12
Number of Farms	6
Acres	81.68
Bushel Yield per Acre	163.93
Operator's Share of the Yield %	100.00%
Value per Bushel at Harvest	\$3.71
Total Product Return	\$608.18
Hedging Gain/Loss	1.62
Crop Insurance	11.88
Other Crop Income	0.00
Gross Return	\$621.68
Direct Expenses	
Seed	63.15
Fertilizer	77.33
Crop Chemicals	30.14
Crop Insurance	13.39
Drying & Storage	2.88
Operating Power & Crop Machinery	77.84
Building Repairs	3.28
Hired Labor	9.64
Utilities	5.23
Miscellaneous	13.26
Land Rent	0.00
Operating Interest	1.04
Total Direct Expenses	\$297.18
Return Over Direct Expenses	\$324.50
Allocated Expenses	
Machinery & Building Depreciation	35.98
Real Estate & Personal Property Taxes	32.50
Farm Insurance	6.57
Interest	11.64
Total Allocated Expenses	\$86.69
Total Listed Expenses	\$383.87
Net Return	\$237.81
Supplementary Management Information	
Total Direct Expense Per Bushel	1.81
Total Listed Expense Per Bushel	2.34
Net Return Per Bushel	\$1.37
Government Payments	15.82
Labor & Management Charge Per Acre	28.08
Net Return Inc'l Gov't Pmts and Labor & Mgmt	\$225.55
Machinery Cost Per Acre	\$114.00
Estimated Labor Hours Per Acre	2.46

Table 2% Dryland Corn on Cash Rented Land, 2009

	Average Of All Farms
Number of Fields	19
Number of Farms	8
Acres	73.47
Bushel Yield per Acre	157.24
Operator's Share of the Yield %	100.00%
Value per Bushel at Harvest	\$3.73
Total Product Return	\$586.51
Hedging Gain/Loss	1.98
Crop Insurance	0.34
Other Crop Income	
Gross Return	\$588.83
Direct Expenses	
Seed	65.22
Fertilizer	98.00
Crop Chemicals	35.59
Crop Insurance	10.87
Drying Fuel	4.27
Operating Power & Crop Machinery	35.29
Building Repairs	1.74
Hired Labor	3.19
Utilities	1.68
Miscellaneous	3.26
Land Rent	104.21
Operating Interest	2.53
Total Direct Expenses	\$365.85
Return Over Direct Expenses	\$222.98
Allocated Expenses	
Machinery & Building Depreciation	43.39
Real Estate & Personal Property Taxes	1.98
Farm Insurance	6.13
Interest	4.50
Total Allocated Expenses	\$56.00
Total Listed Expenses	\$421.85
Net Return	\$166.98
Supplementary Management Information	
Total Direct Expense Per Bushel	2.33
Total Listed Expense Per Bushel	2.68
Net Return Per Bushel	\$1.05
Government Payments	19.64
Labor & Management Charge Per Acre	22.49
Net Return Inc'l Gov't Pmts and Labor & Mgmt	\$164.13
Machinery Cost Per Acre	\$81.87
Estimated Labor Hours Per Acre	1.79

Table 2&: Dryland Corn on Share Rented Land, 2009*

	Average Of All Farms	Average Of High 33%
Number of Fields	25	12
Number of Farms	13	5
Acres	91.46	100.48
Bushel Yield per Acre	156.59	168.30
Operator's Share of the Yield %	57.79%	58.66%
Value per Bushel at Harvest	\$3.70	\$3.73
Total Product Return	\$334.83	\$368.24
Hedging Gain/Loss	0.55	0.00
Crop Insurance	0.06	0.00
Other Crop Income	0.00	0.00
Gross Return	\$335.44	\$368.24
Direct Expenses		
Seed	47.56	49.43
Fertilizer	44.73	48.36
Crop Chemicals	28.37	35.28
Crop Insurance	9.83	7.49
Drying & Storage	3.75	4.85
Operating Power & Crop Machinery	42.61	40.85
Building Repairs	1.24	2.04
Hired Labor	10.40	5.27
Utilities	3.27	2.41
Miscellaneous	5.10	3.91
Land Rent	0.00	0.00
Operating Interest	1.01	0.19
Total Direct Expenses	\$197.87	\$200.08
Return Over Direct Expenses	\$137.57	\$168.16
Allocated Expenses		
Machinery & Building Depreciation	47.84	37.59
Real Estate & Personal Property Taxes	1.66	1.09
Farm Insurance	3.97	3.90
Interest	1.29	0.86
Total Allocated Expenses	\$54.76	\$43.44
Total Listed Expenses	\$252.63	\$243.52
Net Return	\$82.81	\$124.72
Supplementary Management Information		
Total Direct Expense Per Bushel	2.19	2.03
Total Listed Expense Per Bushel	2.79	2.47
Net Return Per Bushel	\$0.91	\$1.26
Government Payments	9.93	14.27
Labor & Management Charge Per Acre	21.35	29.16
Net Return Inc'l Gov't Pmts and Labor & Mgmt	\$71.39	\$109.83
Machinery Cost Per Acre	\$88.40	\$77.52
Estimated Labor Hours Per Acre	2.26	2.39

* Operator's Share of Cost and Returns Divided by Total Acres

Table 2' : Irrigated Soybeans on All Tenure Types, 2009*

	Average Of All Farms
Number of Fields	12
Number of Farms	5
Acres	90.39
Bushel Yield per Acre	69.56
Operator's Share of the Yield %	68.37%
Value per Bushel at Harvest	\$9.77
Total Product Return	\$464.64
Hedging Gain/Loss	0.00
Crop Insurance	5.96
Other Crop Income	0.00
Gross Return	\$470.60
Direct Expenses	
Seed	49.20
Fertilizer	0.00
Crop Chemicals	17.00
Crop Insurance	9.17
Drying Fuel & Storage	1.82
Irrigation Energy	22.40
Irrigation Repairs	0.00
Operating Power & Crop Machinery	38.24
Building Repairs	5.66
Hired Labor	7.06
Utilities	4.05
Miscellaneous	10.63
Land Rent	4.54
Operating Interest	0.78
Total Direct Expenses	\$170.55
Return Over Direct Expenses	\$300.05
Allocated Expenses	
Machinery & Building Depreciation	39.40
Real Estate & Personal Property Taxes	9.00
Farm Insurance	3.14
Interest	2.70
Total Allocated Expenses	\$54.24
Total Listed Expenses	\$224.79
Net Return	\$245.81
Supplementary Management Information	
Total Direct Expense Per Bushel	3.59
Total Listed Expense Per Bushel	4.73
Net Return Per Bushel	\$5.04
Government Payments	5.98
Labor & Management Charge Per Acre	30.21
Net Return Inc'l Gov't Pmts and Labor & Mgmt	\$221.58
Machinery Cost Per Acre	\$75.12
Estimated Labor Hours Per Acre	2.45

* Includes an average of crops grown on Owned, Cash Rented, and Share Rented Land

Table 2(: Irrigated Soybeans on Share Rented Land, 2009*

	<u>Average Of All Farms</u>
Number of Fields	9
Number of Farms	5
Acres	82.83
Bushel Yield per Acre	65.70
Operator's Share of the Yield %	51.27%
Value per Bushel at Harvest	\$9.69
Total Product Return	\$326.40
Hedging Gain/Loss	0.00
Crop Insurance	7.28
Other Crop Income	0.00
Gross Return	\$333.68
Direct Expenses	
Seed	40.71
Fertilizer	0.00
Crop Chemicals	14.81
Crop Insurance	6.55
Drying & Storage	1.29
Irrigation Energy	23.75
Irrigation Repairs	0.00
Operating Power & Crop Machinery	39.49
Building Repairs	6.92
Hired Labor	1.40
Utilities	4.49
Miscellaneous	6.81
Land Rent	0.00
Operating Interest	0.80
Total Direct Expenses	\$147.02
Return Over Direct Expenses	\$186.66
Allocated Expenses	
Machinery & Building Depreciation	38.71
Real Estate & Personal Property Taxes	1.21
Farm Insurance	3.14
Interest	0.49
Total Allocated Expenses	\$43.55
Total Listed Expenses	\$190.57
Net Return	\$143.11
Supplementary Management Information	
Total Direct Expense Per Bushel	4.36
Total Listed Expense Per Bushel	5.66
Net Return Per Bushel	\$4.03
Government Payments	6.35
Labor & Management Charge Per Acre	31.84
Net Return Inc'l Gov't Pmts and Labor & Mgmt	\$117.62
Machinery Cost Per Acre	\$74.78
Estimated Labor Hours Per Acre	2.6

* Operator's Share of Cost and Returns Divided by Total Acres

Table 2) : Dryland Soybeans on All Tenure Types, 2009*

	Average Of All Farms	Average Of High 33%
Number of Fields	66	19
Number of Farms	13	5
Acres	77.23	99.38
Bushel Yield per Acre	51.37	57.24
Operator's Share of the Yield %	83.82%	87.37%
Value per Bushel at Harvest	\$9.74	\$9.84
Total Product Return	\$419.39	\$492.10
Hedging Gain/Loss	1.11	0.00
Crop Insurance	1.78	4.19
Other Crop Income	0.00	0.00
Gross Return	\$422.28	\$496.29
Direct Expenses		
Seed	47.52	48.34
Fertilizer	4.96	0.00
Crop Chemicals	23.38	23.43
Crop Insurance	7.08	6.86
Drying Fuel & Storage	0.25	0.00
Operating Power & Crop Machinery	40.56	48.45
Building Repairs	1.25	2.80
Hired Labor	6.99	4.28
Utilities	2.70	2.83
Miscellaneous	5.39	5.09
Land Rent	32.46	24.59
Operating Interest	1.08	0.27
Total Direct Expenses	\$173.62	\$166.94
Return Over Direct Expenses	\$248.66	\$329.35
Allocated Expenses		
Machinery & Building Depreciation	42.02	30.34
Real Estate & Personal Property Taxes	10.62	14.94
Farm Insurance	4.34	4.09
Interest	7.66	10.33
Total Allocated Expenses	\$64.64	\$59.70
Total Listed Expenses	\$238.26	\$226.64
Net Return	\$184.02	\$269.65
Supplementary Management Information		
Total Direct Expense Per Bushel	4.03	3.34
Total Listed Expense Per Bushel	5.53	4.53
Net Return Per Bushel	\$4.21	\$5.31
Government Payments	13.73	17.81
Labor & Management Charge Per Acre	19.15	22.67
Net Return Inc'l Gov't Pmts and Labor & Mgmt	\$178.60	\$264.79
Machinery Cost Per Acre	\$82.98	\$77.36
Estimated Labor Hours Per Acre	1.82	2.17

* Includes an average of crops grown on Owned, Cash Rented, and Share Rented Land

Table 2* : Dryland Soybeans on Owned Land, 2009

	Average Of All Farms
Number of Fields	16
Number of Farms	6
Acres	102.35
Bushel Yield per Acre	52.57
Operator's Share of the Yield %	100.00%
Value per Bushel at Harvest	\$9.82
Total Product Return	\$516.24
Hedging Gain/Loss	1.79
Crop Insurance	4.84
Other Crop Income	0.00
Gross Return	\$522.87
Direct Expenses	
Seed	51.98
Fertilizer	6.18
Crop Chemicals	28.33
Crop Insurance	8.69
Drying & Storage	0.31
Operating Power & Crop Machinery	50.19
Building Repairs	2.19
Hired Labor	9.93
Utilities	3.15
Miscellaneous	7.28
Land Rent	0.00
Operating Interest	0.81
Total Direct Expenses	\$169.04
Return Over Direct Expenses	\$353.83
Allocated Expenses	
Machinery & Building Depreciation	42.43
Real Estate & Personal Property Taxes	29.66
Farm Insurance	4.47
Interest	18.62
Total Allocated Expenses	\$95.18
Total Listed Expenses	\$264.22
Net Return	\$258.65
Supplementary Management Information	
Total Direct Expense Per Bushel	3.22
Total Listed Expense Per Bushel	5.03
Net Return Per Bushel	\$4.79
Government Payments	13.46
Labor & Management Charge Per Acre	20.47
Net Return Inc'l Gov't Pmts and Labor & Mgmt	\$251.64
Machinery Cost Per Acre	\$91.98
Estimated Labor Hours Per Acre	2.09

Table 2+: Dryland Soybeans on Cash Rented Land, 2009

	Average Of All Farms
Number of Fields	23
Number of Farms	8
Acres	65.90
Bushel Yield per Acre	50.78
Operator's Share of the Yield %	100.00%
Value per Bushel at Harvest	\$9.65
Total Product Return	\$490.03
Hedging Gain/Loss	0.49
Crop Insurance	0.67
Other Crop Income	0.00
Gross Return	\$491.19
Direct Expenses	
Seed	50.52
Fertilizer	4.75
Crop Chemicals	25.06
Crop Insurance	6.91
Drying Fuel	0.16
Operating Power & Crop Machinery	35.33
Building Repairs	1.35
Hired Labor	2.41
Utilities	1.93
Miscellaneous	2.76
Land Rent	109.16
Operating Interest	1.25
Total Direct Expenses	\$241.59
Return Over Direct Expenses	\$249.60
Allocated Expenses	
Machinery & Building Depreciation	37.79
Real Estate & Personal Property Taxes	1.77
Farm Insurance	5.23
Interest	3.30
Total Allocated Expenses	\$48.09
Total Listed Expenses	\$289.68
Net Return	\$201.51
Supplementary Management Information	
Total Direct Expense Per Bushel	4.76
Total Listed Expense Per Bushel	5.70
Net Return Per Bushel	\$3.95
Government Payments	20.97
Labor & Management Charge Per Acre	18.29
Net Return Inc'l Gov't Pmts and Labor & Mgmt	\$204.19
Machinery Cost Per Acre	\$75.29
Estimated Labor Hours Per Acre	1.42

Table 2, : Dryland Soybeans on Share Rented Land, 2009*

	Average Of All Farms	Average Of High 33%
Number of Fields	27	7
Number of Farms	12	5
Acres	72.01	51.67
Bushel Yield per Acre	50.81	56.22
Operator's Share of the Yield %	57.12%	58.30%
Value per Bushel at Harvest	\$9.76	\$9.68
Total Product Return	\$283.26	\$317.27
Hedging Gain/Loss	1.02	0.00
Crop Insurance	0.08	0.00
Other Crop Income	0.00	0.00
Gross Return	\$284.36	\$317.27
Direct Expenses		
Seed	41.43	37.31
Fertilizer	4.10	0.00
Crop Chemicals	17.89	26.47
Crop Insurance	5.85	4.93
Drying & Storage	0.29	0.00
Operating Power & Crop Machinery	36.50	31.24
Building Repairs	0.84	1.02
Hired Labor	8.08	1.37
Utilities	2.93	2.05
Miscellaneous	5.49	1.17
Land Rent	0.00	0.00
Operating Interest	1.18	0.36
Total Direct Expenses	\$124.58	\$105.92
Return Over Direct Expenses	\$159.78	\$211.35
Allocated Expenses		
Machinery & Building Depreciation	44.97	12.42
Real Estate & Personal Property Taxes	1.49	0.48
Farm Insurance	3.55	3.62
Interest	1.84	0.25
Total Allocated Expenses	\$51.85	\$16.77
Total Listed Expenses	\$176.43	\$122.69
Net Return	\$107.93	\$194.58
Supplementary Management Information		
Total Direct Expense Per Bushel	4.29	3.23
Total Listed Expense Per Bushel	6.08	3.74
Net Return Per Bushel	\$3.68	\$5.94
Government Payments	8.31	11.87
Labor & Management Charge Per Acre	18.70	21.32
Net Return Inc'l Gov't Pmts and Labor & Mgmt	\$97.54	\$185.13
Machinery Cost Per Acre	\$81.39	\$43.82
Estimated Labor Hours Per Acre	1.91	1.63

* Operator's Share of Cost and Returns Divided by Total Acres

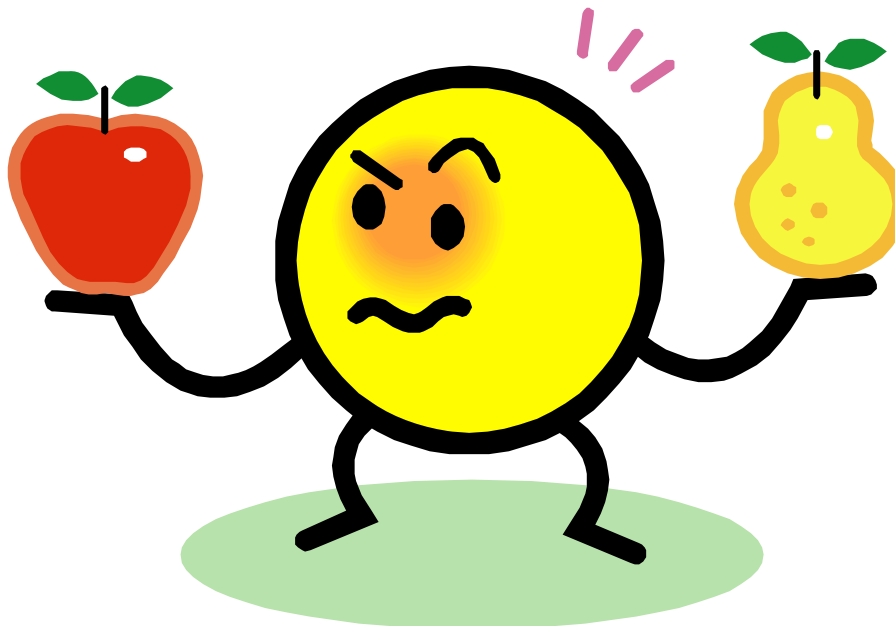
Table & : Winter Wheat on All Tenure Types, 2009*

	Average Of All Farms
Number of Fields	10
Number of Farms	8
Acres	106.39
Bushel Yield per Acre	54.38
Operator's Share of the Yield %	79.94%
Value per Bushel at Harvest	\$4.84
Total Product Return	\$210.40
Hedging Gain/Loss	0.00
Crop Insurance	6.45
Other Crop Income	1.41
Gross Return	\$218.26
Direct Expenses	
Seed	15.11
Fertilizer	46.23
Crop Chemicals	16.14
Crop Insurance	9.95
Drying Fuel	0.40
Irrigation Energy	0.00
Irrigation Repairs	0.00
Operating Power & Crop Machinery	27.25
Building Repairs	0.45
Hired Labor	6.96
Utilities	1.81
Miscellaneous	4.33
Land Rent	53.00
Operating Interest	0.53
Total Direct Expenses	\$182.16
Return Over Direct Expenses	\$36.10
Allocated Expenses	
Machinery & Building Depreciation	20.46
Real Estate & Personal Property Taxes	3.74
Farm Insurance	3.38
Interest	4.99
Total Allocated Expenses	\$32.57
Total Listed Expenses	\$214.73
Net Return	\$3.53
Supplementary Management Information	
Total Direct Expense Per Bushel	4.19
Total Listed Expense Per Bushel	4.94
Net Return Per Bushel	-\$0.10
Government Payments	16.11
Labor & Management Charge Per Acre	11.69
Net Return Inc'l Gov't Pmts and Labor & Mgmt	\$7.95
Machinery Cost Per Acre	\$47.82
Estimated Labor Hours Per Acre	1.20

* Operator's Share of Cost and Returns Divided by Total Acres

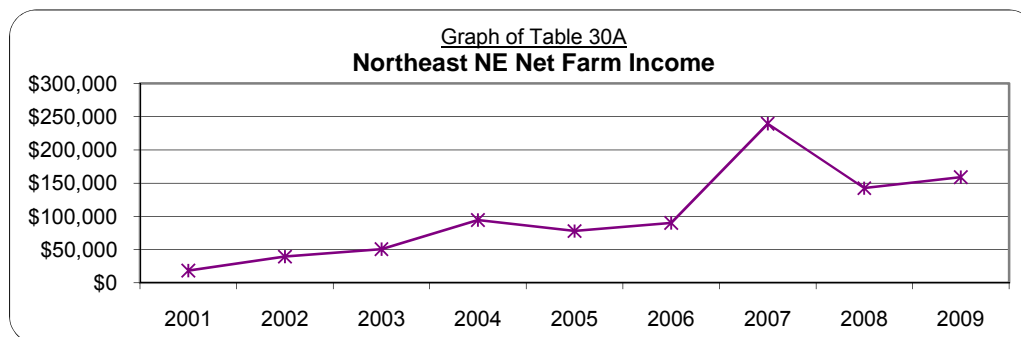
Regional Comparisons

Since dividing the State of Nebraska into 4 regions, we have been providing some general information about the other three regions in this book. You will find just how diverse the regions can be, varying from year to year. Each region has had the highest income at some point in the history of this study. It is also helpful in understanding the whole state averages to know what happened in each region by painting a broader picture.



HUY' \$. "Northeast Nebraska Averages, 2009

	Northeast Average of All Farms	Average of Low 33%	Average of High 33%
Cash Farm Income			
Total Crop Income	485,331	458,988	596,433
Total Livestock Income	187,538	399,761	26,457
Total Other Farm Income	45,968	46,048	49,186
Gross Cash Farm Income	\$718,837	\$904,797	\$672,076
Cash Farm Expense			
Total Crop Expense	194,882	197,706	217,862
Total Livestock Expense	149,432	365,111	9,733
Total Other Farm Expense	206,702	233,974	214,608
Gross Cash Farm Expense	\$551,016	\$796,791	\$442,203
Net Cash Farm Income	\$167,821	\$108,006	\$229,873
Total Inventory Change	44,738	9,791	98,338
Total Depreciation & Capital Adjustments	-55,904	-66,889	-48,899
Net Farm Income From Operations	\$156,655	\$50,908	\$279,312
Gain or Loss on Capital Sales	2,401	1,511	1,194
Net Farm Income	\$159,056	\$52,419	\$280,506
Personal Income	\$24,693	\$18,918	\$21,661
Balance Sheet at Market			
Current Farm Assets	665,010	779,902	751,910
Intermediate Farm Assets	410,941	473,359	372,102
Long Term Farm Assets	534,138	713,356	431,826
Non-Farm Assets	240,653	215,109	283,966
Total Assets	\$1,850,742	\$2,181,726	\$1,839,804
Current Farm Liabilities	190,042	276,381	100,942
Intermediate Farm Liabilities	104,067	70,360	115,223
Long Term Liabilities	132,445	190,724	115,574
Non Farm Liabilities	32,965	22,967	29,859
Total Liabilities	\$459,519	\$560,432	\$361,598
Net Worth	\$1,391,223	\$1,621,294	\$1,478,206
Net Worth Change (Market Value)	\$125,352	\$50,709	\$218,776

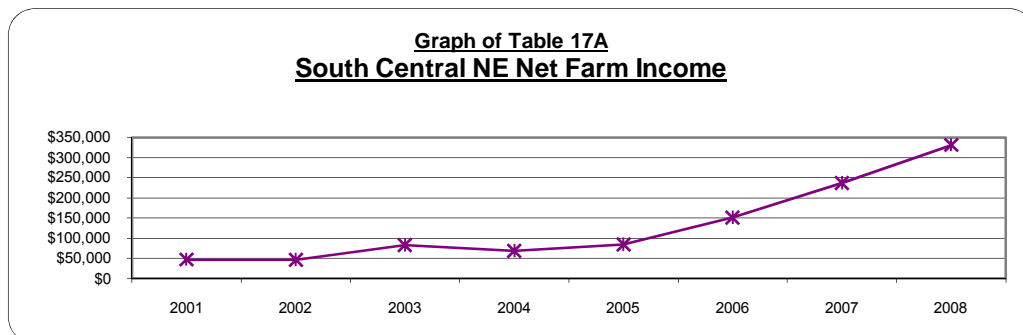


HU'Y' \$.''Northeast Nebraska Averages, 2009 (cont.)

	Average of All Farms	Average of Low 33%	Average of High 33%
Financial Guidelines			
Current Ratio	3.61	2.82	8.03
Working Capital	\$474,846	\$503,521	\$631,081
Working Capital to Gross Income	62.3%	54.2%	82.2%
Farm Debt to Asset Ratio (Market)	24%	27%	16%
Farm Equity to Asset Ratio (Market)	76%	73%	84%
Farm Debt to Equity Ratio (Market)	31%	38%	19%
Rate of Return on Farm Assets (Cost)	9.6%	3.6%	15.3%
Rate of Return on Farm Equity (Cost)	10.9%	1.2%	17.4%
Operating Profit Margin (Cost)	20.2%	8.6%	30.8%
Net Farm Income (Cost)	\$159,056	\$52,419	\$280,506
EBIDTA	\$238,421	\$158,225	\$345,798
Asset Turnover Rate (Cost)	47.3%	41.4%	49.5%
Operating Expense Ratio	68.7%	83.0%	54.9%
Depreciation Expense Ratio	7.3%	7.2%	6.4%
Interest Expense Ratio	3.2%	3.8%	2.2%
Net Farm Income Ratio	20.9%	5.6%	36.5%
Capital Debt Repayment Capacity	\$161,470	\$92,272	\$260,048
Capital Debt Repayment Margin	\$132,648	\$47,523	\$234,419
Replacement Margin	\$114,583	\$32,107	\$215,751
Term Debt Coverage Ratio	5.6	2.1	10.2
Replacement Coverage Ratio	3.4	1.5	5.9
Operator Information			
Average Number of Operators	1.2	1.1	1.1
Average Age of Operators	52.8	53.6	53.4
Average Number of Years Farming	30	32.6	27.9
Acresage Summary			
Total acres owned	354	297	414
Total crop acres	965	768	1,122
Crop acres owned	239	188	237
Crop acres cash rented	487	531	568
Crop acres share rented	239	50	317
Average Price Received In Dollars (Cash Sales Only)			
Corn, per bu.	\$3.73	\$3.51	\$3.87
Soybeans, per bu.	\$8.01	\$6.12	\$9.67
Wheat, Winter, per bu.	\$5.53	N/A	N/A
Average Yield Per Acre			
Corn (bu.)	168.19	158.64	170.44
Soybeans (bu.)	52.35	53.90	54.24
Hay, Alfalfa (ton)	4.54	N/A	N/A
Hay, Grass (ton)	2.18	N/A	N/A

HUY' % "South Central Nebraska Averages, 2009

	Average of All Farms	Average of Low 33%	Average of High 33%
Cash Farm Income			
Total Crop Income	720,810	285,902	1,161,699
Total Livestock Income	74,838	169,885	52,399
Total Other Farm Income	77,814	35,609	128,888
Gross Cash Farm Income	\$873,462	\$491,396	\$1,342,986
Cash Farm Expense			
Total Crop Expense	260,185	128,671	377,646
Total Livestock Expense	58,966	143,455	34,818
Total Other Farm Expense	265,679	165,772	384,291
Gross Cash Farm Expense	\$584,830	\$437,898	\$796,755
Net Cash Farm Income	\$288,632	\$53,498	\$546,231
Total Inventory Change	967	-1,242	13,477
Total Depreciation & Capital Adjustments	-64,795	-25,793	-103,153
Net Farm Income From Operations	\$224,804	\$26,463	\$456,555
Gain or Loss on Capital Sales	4,439	1,544	10,894
Net Farm Income	\$229,243	\$28,007	\$467,449
Personal Income	\$24,057	\$21,287	\$31,318
Balance Sheet at Market			
Current Farm Assets	621,951	302,282	952,109
Intermediate Farm Assets	515,594	281,078	799,843
Long Term Farm Assets	938,913	361,620	1,702,363
Non-Farm Assets	325,868	163,993	482,339
Total Assets	\$2,402,326	\$1,108,973	\$3,936,654
Current Farm Liabilities	225,365	162,236	278,754
Intermediate Farm Liabilities	120,447	72,412	181,971
Long Term Liabilities	298,283	133,673	452,724
Non-Farm Liabilities	49,467	42,039	40,969
Total Liabilities	\$693,562	\$410,360	\$954,418
Net Worth	\$1,708,764	\$698,613	\$2,982,236
Net Worth Change (Market Value)	\$141,182	\$15,621	\$301,192



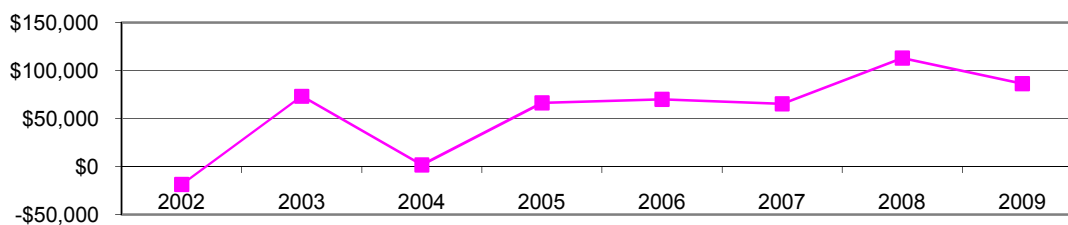
HUY' % "South Central Nebraska Averages, 2009 (cont.)

	Average of <u>All Farms</u>	Average of <u>Low 33%</u>	Average of <u>High 33%</u>
Financial Guidelines			
Current Ratio	2.76	1.86	3.42
Working Capital	\$396,586	\$140,045	\$673,356
Working Capital to Gross Income	45.7%	28.4%	50.1%
Farm Debt to Asset Ratio (Market)	31%	39%	26%
Farm Equity to Asset Ratio (Market)	69%	61%	74%
Farm Debt to Equity Ratio (Market)	45%	64%	36%
Rate of Return on Farm Assets (Cost)	12.2%	2.6%	15.5%
Rate of Return on Farm Equity (Cost)	16.4%	-0.7%	20.7%
Operating Profit Margin (Cost)	24.3%	5.0%	32.2%
Net Farm Income (Cost)	\$229,243	\$28,007	\$467,449
EBIDTA	\$323,851	\$73,763	\$606,230
Asset Turnover Rate (Cost)	50.4%	52.8%	48.3%
Operating Expense Ratio	62.7%	85.0%	54.9%
Depreciation Expense Ratio	7.5%	5.2%	7.7%
Interest Expense Ratio	4.1%	4.2%	3.7%
Net Farm Income Ratio	26.4%	5.7%	34.8%
Capital Debt Repayment Capacity	\$205,713	\$35,691	\$413,675
Capital Debt Repayment Margin	\$147,059	\$5,674	\$319,829
Replacement Margin	\$126,714	-\$9,824	\$290,866
Term Debt Coverage Ratio	3.51	1.19	4.41
Replacement Coverage Ratio	2.60	0.78	3.37
Operator Information			
Average Number of Operators	1.2	1.3	1.3
Average Age of Operators	50.4	53.1	51.4
Average Number of Years Farming	27.7	28.1	30.6
Acreage Summary			
Total Acres Owned	440	197	721
Total Crop Acres	1,167	531	1,808
Crop Acres Owned	366	132	602
Crop Acres Cash Rented	358	234	431
Crop Acres Share Rented	442	165	775
Average Price Received In Dollars (Cash Sales Only)			
Corn, per bu.	\$3.81	\$3.49	\$3.87
Soybeans, per bu.	\$9.61	\$9.37	\$9.78
Grain Sorghum, per bu.	\$3.29	N/A	N/A
Seed Corn, per bu.	\$5.74	N/A	\$6.33
Winter Wheat, per bu.	\$5.46	N/A	N/A
Average Yield Per Acre			
Corn, Irrigated (bu.)	217.52	206.73	223.13
Corn, Dryland (bu.)	146.00	117.97	153.38
Corn Seed, Irrigated (paid yield) (bu.)	264.11	N/A	238.87
Soybeans, Irrigated (bu.)	65.69	62.29	66.76
Soybeans, Dryland (bu.)	51.39	40.97	54.27

HUY'Y' & 'Western Nebraska Averages, 2009

	Western Average of <u>All Farms</u>
Cash Farm Income	
Total Crop Income	476,863
Total Livestock Income	534,768
Total Other Farm Income	124,721
Gross Cash Farm Income	\$1,136,352
Cash Farm Expense	
Total Crop Expense	341,272
Total Livestock Expense	356,821
Total Other Farm Expense	308,734
Gross Cash Farm Expense	\$1,006,827
Net Cash Farm Income	\$129,525
Total Inventory Change	-4,034
Total Depreciation & Capital Adjustments	-53,149
Net Farm Income From Operations	\$72,342
Gain or Loss on Capital Sales	\$13,913
Net Farm Income	\$86,255
Personal Income	\$25,715
Balance Sheet at Market	
Current Farm Assets	821,963
Intermediate Farm Assets	668,832
Long Term Farm Assets	1,323,102
Non-Farm Assets	153,137
Total Assets	\$2,967,034
Current Farm Liabilities	581,290
Intermediate Farm Liabilities	100,390
Long Term Liabilities	497,324
Non-Farm Liabilities	0
Total Liabilities	\$1,179,004
Net Worth	\$1,788,030
Net Worth Change (Market Value)	\$114,682

**Graph of Table 15A
Western Net Farm Income**



HU'Y' & 'Western Nebraska Averages, 2009 (cont.)

Western
Average of
All Farms

Financial Guidelines

Current Ratio	1.41
Working Capital	\$240,673
Working Capital to Gross Income	21.30%
Farm Debt to Asset Ratio (Market)	42%
Farm Equity to Asset Ratio (Market)	58%
Farm Debt to Equity Ratio (Market)	72%
Rate of Return on Farm Assets (Cost)	3.8%
Rate of Return on Farm Equity (Cost)	5.0%
Operating Profit Margin (Cost)	9.1%
Net Farm Income (Cost)	\$86,255
EBIDTA	\$163,879
Asset Turnover Rate (Cost)	42.0%
Operating Expense Ratio	85.5%
Depreciation Expense Ratio	4.7%
Interest Expense Ratio	5.3%
Net Farm Income Ratio	7.6%
Capital Debt Repayment Capacity	\$132,088
Capital Debt Repayment Margin	-\$75,000
Replacement Margin	-\$86,004
Term Debt Coverage Ratio	0.64
Replacement Coverage Ratio	0.61

Operator Information

Average Number of Operators	1.0
Average Age of Operators	50.7
Average Number of Years Farming	26.2

Acreage Summary

Total Acres Owned	2,464
Total Crop Acres	1,057
Crop Acres Owned	430
Crop Acres Cash Rented	240
Crop Acres Share Rented	387

Average Price Received In Dollars (Cash Sales Only)

Corn, per bu.	\$3.78
Winter Wheat, per bu.	\$5.13

Average Yield Per Acre

Corn (bu.)	112.63
Winter Wheat (bu.)	50.44

Farm Financial Ratios and Guidelines

Definitions

Calculations

From the Balance Sheet

Liquidity

Is the ability of your farm business to meet the financial obligations as they come due - to generate enough cash to pay your family living expenses and taxes, and make debt payments on time.

Current Ratio

Measures the extent to which current farm assets, if sold tomorrow, would pay off current farm liabilities.

Total Current Farm Assets
/ Total Current Farm Liabilities

Working Capital

Tells us the operating capital available in the short term from within the business.

Total Current Farm Assets
- Total Current Farm Liabilities

Working Capital to Gross Revenues

Measures operating capital available against the size of the business.

Working Capital
/ Gross Farm Income

Solvency

Is the ability of your business to pay all its debts if it were sold tomorrow. Solvency is important in evaluating the financial risk and borrowing capacity of the business.

Farm Debt-to-Asset Ratio

Is the bank's share of the business. It compares total farm debt to total farm assets. A higher ratio is an indicator of greater financial risk and lower borrowing capacity

Total Farm Liabilities
/ Total Farm Assets

Farm Equity-to-Asset Ratio

Is your share of the business. It compares farm equity to total farm assets. If you add the debt-to-asset ratio and the equity-to-asset ratio, you must get 100%

Total Farm Net Worth
/ Total Farm Assets

Farm Debt-to-Equity Ratio

Compares the bank's ownership to your ownership. It also indicates how much the owners have leveraged (i.e., multiplied) their equity in the business.

Total Farm Liabilities
/ Total Farm Equity

From the Income Statement

Profitability

Is the difference between the value of goods produced and the cost of the resources used in their production.

Net Farm Income

Represents return to your labor, your management and your equity that you have invested in the business. It is the reward for investing your unpaid family labor, management and money in the business instead of elsewhere. Anything left in the business, i.e., not taken out for family living and taxes, will increase your farm net worth.

Gross Cash Farm Income
- Total Cash Farm Expenses
+ / - Inventory changes
- Depreciation

Rate of Return on Farm Assets

Can be thought of as the average interest rates being earned on all (yours and creditors') investments in the farm. Unpaid labor and management are assigned a return before return on farm assets is calculated.

Net Farm Income
+ Farm Interest
- Value of Operator Labor & Mgt
= Return on Farm Assets
/ Average Farm Assets

Rate of Return on Farm Equity

Represents the interest rate being earned by your investment in the farm. This return can be compared to returns available if your equity were invested somewhere else, such as a certificate of deposit.

Net Farm Income
- Value of Operator Labor & Mgt
= Return on Farm Equity
/ Average Farm Net Worth

Operating Profit Margin

Shows the operating efficiency of the business. If expenses are low relative to the value of farm production, the business will have a healthy operating profit margin. A low profit margin can be caused by low product prices, high operating expenses, or inefficient production.

Return on Farm Assets
/ Value of Farm Production

Value of Farm Production =
Gross Cash Farm Income
+/- Inventory Changes
- Feeder Livestock Purchased
- Purchased Feed

EBITDA

Earnings Before Interest, Taxes, Depreciation, and Amortization. Measures earnings available for debt repayment.

Net Farm Income
+ Interest Expense
+ Depreciation & Amortization

From the Cash-Flow Statement

Repayment Capacity

Shows the borrower's (i.e., your) ability to repay term debts on time. It includes non-farm income and so it is not a measure of business performance alone.

Capital Debt Repayment Capacity

Measures the amount generated from farm and non-farm sources, to cover debt repayment and capital replacement.

Net Farm Income
+ Depreciation
+ Net Non-Farm Income
- Family Living & Income Taxes
+ Interest Expense on Term Loans

Capital Debt Repayment Margin

Is the Amount of money remaining after all operating expenses, taxes, family living costs, and scheduled debt payments have been made. It's really the money left, after paying all bills, that is available for purchasing or financing new machinery, equipment, land or livestock.

Capital Debt Repayment Capacity
- Scheduled principle & interest on term loans *

Replacement Margin

The amount of income remaining after paying principle and interest on term loans and unfunded (cash) capital purchases.

Capital Debt Repayment Capacity
- Unfunded (Cash) Capital Replacement Allowance

Term-Debt Coverage Ratio

Tells whether your business produced enough income to cover all intermediate and long-term debt payments. A ratio of less than 1.0 indicates that the business had to liquidate inventories, run up open accounts, borrow money, or sell assets to make scheduled payments.

Capital Debt Repayment Capacity
/ Scheduled principle & Interest on
Term Loans *

Replacement Margin Coverage Ratio

A Ratio Under 1.0 indicates that you did not generate enough income to cover term debt payments and unfunded capital purchases.

Capital Debt Repayment Capacity
/ (Scheduled principle & Interest
on Term Loans *
+ Unfunded Capital Replacement
Allowance)

From All the Financial Statements

Financial Efficiency

Shows how effectively your business uses assets to generate income. Past performance of the business could well indicate potential future accomplishments. It also answers the questions:

- ⇒ Are you using every available asset to its fullest potential?
- ⇒ What are the effects of production, purchasing, pricing, financing and marketing decisions on gross income?

Asset-Turnover Rate

Measures efficiency in using capital. You could think of it as capital productivity. Generating a high level of production with a low level of capital investment will give a high asset-turnover rate. If, on the other hand, the turnover is low you will want to explore methods to use the capital invested much more efficiently or sell some low-return investments. (It could mean getting rid of that swamp and ledge on the Back 40 an getting something that produces income.)

Value of Farm Production
/ Average Farm Assets

The last four ratios show how Gross Farm Income is used. The sum of the four equal 100% (of Gross Farm Income).

Operating Expense Ratio

Shows the proportion of farm income that is used to pay operating expenses, not including principle or interest.

Total Farm Operating Expenses
excluding Interest & Depreciation
/ Gross Farm Income

Depreciation Expense Ratio

Indicates how fast the business wears out capital. It tells what proportion of farm income is needed to maintain the capital used by the business.

Depreciation
/ Gross Farm Income

Interest Expense Ratio

Shows how much of gross income is used to pay for interest on borrowed capital

Farm Interest
/ Gross Farm Income

Net Farm Income Ratio

Compares profit to gross farm income. It shows how much is left after all farm expenses, except for unpaid labor and management, are paid

Net Farm Income
/ Gross Farm Income

* Includes payments on capital leases

Appendix II

Crop Enterprise Analysis Procedures and Measures

The Crop Enterprise Analysis tables show the profitability of each crop enterprise produced by five or more farms.

Gross Return is the average Yield multiplied by the Value per Unit plus any other production or income related to the crop. Value Per Unit for cash crops is the average sales price for crops sold before the end of the year and the average ending inventory value for crops remaining unsold. For feed crops, it is the estimated harvest-time value. LDP payments and other commodity-specific income are added to estimate the total value received for crop production.

Direct Expenses include expenses that are directly related to the production of the specific crop. Most direct expenses are directly assigned to production of the crop and simply divided by acres. Some, such as Fuel and Oil and Repairs, which are difficult to assign directly to specific fields or crops are determined by allocating the total annual expense across all enterprises using allocation factors entered for each crop.

Overhead Expenses are also determined by allocating the total annual expense across all enterprises using allocation factors entered for each crop.

Net Return per Acre is the Gross Return per Acre minus Total Direct and Overhead Expenses.

Net return with government payments is Net Return per Acre plus Government Payments. Government Payments includes only direct payments and counter-cyclical payments. Payments that are directly attached to production of the crop, such as LDP and disaster payments are included in Gross Return. Because direct government payments have been decoupled from actual production, these payments are generally allocated to all crops excluding vegetables and pasture. This is done for each farm by allocating the direct payments from the whole farm to these crops.

Net Return over Labor and Management is calculated by allocating the farmer's charge for unpaid labor and management across all enterprises and subtracting it from Net Return with Government Payments.

Cost of Production is calculated by dividing total expense for each category by the yield per acre. *Total Expense Less Government and Other Income* is total expense minus government payments, income from secondary products, and other income, divided by yield per acre.

Machinery Cost per Acre is the sum of fuel and oil, repairs, custom hire expense, machinery lease payments, machinery depreciation, and interest on intermediate debt divided by acres.

Estimated Labor Hours per Acre is calculated by allocating the farmer's estimate of total operator and hired labor hours for the year across all enterprises.

If fewer than five farms have a certain crop enterprise, that information is not reported. If there are fewer than 15 farms, the high and low groups are not reported.

Appendix III

Livestock Enterprise Analysis Procedures and Measures

The Livestock Enterprise Analysis tables show the profitability of each livestock enterprise produced by five or more farms.

Gross Margin includes product and livestock sales, cull sales, the value of offspring transferred out of the enterprise, the value of inventory change from beginning to end of year, and any other income assigned to the enterprise. Livestock purchases and the value of animals transferred in from other enterprises are subtracted.

Direct Expenses include expenses that are directly related to the specific livestock enterprise. Feed and most other direct expenses are directly assigned based on farm records. Some, such as Fuel and Oil and Repairs, which are difficult to assign directly to enterprises, are determined by allocating the total annual expense across all enterprises using allocation factors entered for each farm.

Overhead Expenses are also determined by allocating the total annual expense across all enterprises using allocation factors entered for each farm.

Net Return is the Gross Return minus Total Direct and Overhead Expenses.

Net Return over Labor and Management is calculated by allocating the farmer's charge for unpaid labor and management across all enterprises and subtracting it from Net Return.

Estimated Labor Hours is calculated by allocating the farmer's estimate of total operator and hired labor hours for the year across all enterprises.

Cost of Production is calculated by dividing the total expense for each category by Total Production. For grow/finish enterprises, the Purchases and Transfers In are included in direct expense. Cull sales, other offspring sales, and any other miscellaneous income are subtracted and replacement purchases and transfers in are added to arrive at the cost *With other revenue adjustments*. *With Labor and Management* is the cost with other revenue adjustments plus the producer's charge of operator's labor and management. This is the breakeven price for the primary product to provide a return for operator labor and management.

The last section of each livestock table contains both economic and technical efficiency measures. *Lbs. feed per lb. of gain* is the pounds of total feed divided by Total production. For grains, these pounds per bushel are used: corn, 56; oats, 32; barley, 48; grain sorghum, 56; wheat, 60; and millet, 48. For these forages, the units are converted to pounds and then adjusted by these factors: alfalfa haylage, 0.5; corn silage, 0.33; oatlage, 0.5; sorghum silage, 0.33 and small grain silage, 0.33.

The calving and weaning percentages are calculated as the number of calves which are calved and weaned, respectively, divided by the number of cows which are supposed to bear young.

If fewer than five farms have a certain livestock enterprise, that information is not reported. If there are fewer than 15 farms, the high and low groups are not reported.

Appendix IV
Prices Used In the Analysis Report

Item Inventory	Beginning	Feed	Crop Enterprise Production	Ending Inventory
<u>Grain:</u>				
All Corn/ bu.	3.75	5.00	Actual	3.72
Oats/ bu.	2.40	3.00	Actual	2.40
All Wheat/ bu.	5.70	7.50	Actual	4.59
Soybeans/ bu.	9.05	9.00	Actual	9.95
Grain Sorghum/ cwt.	2.90 3.00		Actual	4.33
<u>Silage:</u>				
Haylage/ t.	30.00	30.00	30.00	30.00
Corn Silage/ t.	30.00	30.00	30.00	30.00
Sorghum Silage/ t.	25.00	25.00	35.00	35.00
Oats & Wheat Silage/ t.	25.00		30.00	30.00
<u>Hay & Straw:</u>				
Praire, Mixed, Brome/ t.	70.00	72.50	75.00	75.00
Oat/Wheat Straw/ t.	55.00 52.50		50.00	50.00
Legume Hay/ t.	85.00	92.50	100.00	100.00
Frg. Sorgh. (Feed)/ t.	50.00	50.00	50.00	50.00
<u>Other:</u>				
Distillers Grain Wet/ t.	60.00	51.00	42.00	42.00
Corn Stalks/ t.	50.00	50.00	45.00	45.00
Milo Stalks/ t.	45.00	45.00	45.00	45.00
Bean Stubble/ t.	55.00 55.00		55.00	55.00

Actual prices estimated at actual selling price if sold or contracted, inventory price for balance. All feeds are valued on an as fed moisture basis. To correct for low-test weights on corn use:

Bu. x test weight/56 lbs.

Value of operator's labor is calculated by using this formula: Family Living Expenses minus Net Farm Income, with a minimum of \$30,000 for a full-time farm operator.