

Top Efficient

2009 Nebraska Farm & Ranch Annual Report



NFB Nebraska Farm
Business, Inc.

UNIVERSITY OF
Nebraska
Lincoln
EXTENSION
Know how. Know now.

Table of Contents

History & Observations	1
Nebraska Farm Business, Inc. Staff	2
Whole Farm 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 Expenses, 2009	7
Table 4A: Inventory Changes & Depreciation, 2009	8
Table 4B: Inventory Changes & Depreciation, 2009 (cont.)	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 8: Balance Sheet - Cost Value, 2009	14-15
Table 9: Balance Sheet - Market Value, 2009	16-17
Financial Guidelines & Non-Farm Summary	
Table 10A: Financial Guidelines, 2009	18
Table 10B: Compare Your Financial Guidelines, 2009	19
Graph 1: Financial Ratio Graphs, 2009	20-22
Table 11: Household and Personal Expenses, 2009	23
Table 12: Operator Information & Non-Farm Summary, 2009	24
Graph 2: Operator Graphs, 2009	25
Table 13: Crop Production, Marketing & Labor Summary, 2009	26
Crop & Livestock Enterprise Analysis	
Table 14: Crop Summary	27
Table 15: Irrigated Corn on All Tenure Types, 2009	28
Table 16: Irrigated Corn on Owned Land, 2009	29
Table 17: Irrigated Corn on Cash Rented Land, 2009	30
Table 18: Irrigated Corn on Share Rented Land, 2009	31
Table 19: Dryland Corn on All Tenure Types, 2009	32
Table 20: Dryland Corn on Owned Land, 2009	33
Table 21: Dryland Corn on Cash Rented Land, 2009	34
Table 22: Dryland Corn on Share Rented Land, 2009	35
Table 23: Irrigated Soybeans on All Tenure Types, 2009	36
Table 24: Irrigated Soybeans on Owned Land, 2009	37
Table 25: Irrigated Soybeans on Share Rented Land, 2009	38
Table 26: Dryland Soybeans on All Tenure Types, 2009	39
Table 27: Dryland Soybeans on Owned Land, 2009	40
Table 28: Dryland Soybeans on Cash Rented Land, 2009	41
Table 29: Dryland Soybeans on Share Rented Land, 2009	42

(Table of Contents, cont.)

Top Efficient Farms - 2000 thru 2009 Trend Data

Table 30:	Gross Farm Income Trend	43
Table 31:	Net Farm Income Trend	44
Table 32:	Net Farm Income as a % of Gross Trend	45
Table 33:	Operating Expense Ratio Trend	46
Table 34:	Interest Expense Ratio Trend	47
Table 35:	Family Living Expense Trend	48
Table 36:	Net Worth Trend	49
Table 37:	Corn Price Received Trend	50
Table 38:	Dryland Corn Yield Comparison Trend	51

Appendix

Appendix 1:	Financial Guideline Ratios	52-53
Appendix 2:	Crop Enterprise Analysis Procedures and Measures	54-55
Appendix 3:	Livestock Enterprise Analysis Procedures and Measures	56-57
Appendix 4:	Prices Used in the Analysis Report	58

History

In 2004, we modified a study of farms in Nebraska that started as an effort to answer if a small farm could really survive in today's economy. We found that not only could a small farm survive, it could also out perform the average's profitability. Knowing that efficiency wasn't only attainable by small operations, we expanded that study to include any size operation that was consistently efficient.

To select these "efficient" farms, we gathered all the operations that attained a Net Farm Income Ratio of greater than 20% for a three year period. The Net Farm Income Ratio shows what percent of gross income is retained as net income or how many cents of each dollar brought in that is kept. The farms included remain the same each year to provide consistency in the data. Due to retirement or other reasons, some farms must be replaced by new farms that have either joined the program or achieved the same efficiency measures.

Here are a few observations about the data for these efficient farms:

1. Due to the calculation of the Net Farm Income Ratio, there is not a large representation of livestock operations, especially those in a purchased feeder operation. This does not mean that you can not be efficient if you are a livestock operation, but that we were unable to make equivalent numerical comparisons with those operations.
2. The farms are spread across the state and are consistent with the versatility of all the farms included.
3. Starting in 2005, we added enterprise information to look more closely at just how these farms maintain the efficiency level. This per acre information is much easier to compare "apples to apples"
4. One difference that has been obvious from the beginning is the amount of debt carried by these operations. This difference is another one highlighted by the enterprise analysis.

2009 Observations

The record setting high incomes since 2007 have added interesting observations about this study. Years with soaring crop prices should bring higher returns to those operations taking more risk (more owned and cash rented ground, more aggressive marketing). Instead the group included in our Top Efficient Farms continued to widen the gap each year in profitability between themselves and the entire State.

One of the contributing factors to this is certainly the fact that the major livestock operations are included in the whole state, but are not included in this Top Efficient Group. The high crop prices have certainly shown stress in a livestock market already hurt by commodity prices of their own.

We hope you find value in this study and can use the information presented to help your operation or ones that you work with. These farms are showing that bigger is not always better and that a very good income can be made from much less work and management.

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
Lincoln, NE 68507
Phone #: (402) 464-6324
Fax #: (402) 464-6355
Email: info@nfbi.net

Beatrice Office:
1115 West Scott
Beatrice, Ne 68310
Phone #: (402) 223-1384
Fax #: (402) 223-1370
Email: info@nfbi.net

Table 1: Top Efficient - Summary Information, 2009

Farm Income

Cash Farm Income	823,990
Accrual Adjustments to Income	26,231
Gross Farm Income	\$850,221
Cash Operating Expenses	449,936
Accrual Adjustments to Expenses	-3,793
Depreciation	72,288
Total Operating Expense	<u>\$518,431</u>
Interest Paid	23,398
Change in Accrued Interest	<u>-577</u>
Total Interest Expense	22,820
Total Expenses	\$541,251
Net Farm Income from Operations	\$308,970
Gain or Loss on Capital Sales	\$5,004
Net Accrual Farm Income	\$313,974

Net Worth Change

Net Farm Income	(+) \$313,974
Personal Income	(+) 24,478
Family Living/Owner Withdrawals	(-) 68,465
Income & Social Security Tax	(-) 35,912
Market Value Adjustment	(+) 18,616
Earned Net Worth Change	(=) \$215,459
Ending Net Worth *	\$2,273,453

*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	6.34	5.86
Working Capital	\$608,840	\$620,237
Working Capital to Gross Income	71.6%	73.0%

Solvency (Market)

Debt to Asset Ratio	20%	20%
Debt to Equity Ratio	25%	25%

Repayment Capacity

Replacement Margin	\$213,390
Term Debt Coverage Ratio	6.48
Replacement Coverage Ratio	4.16

Profitability (Cost)

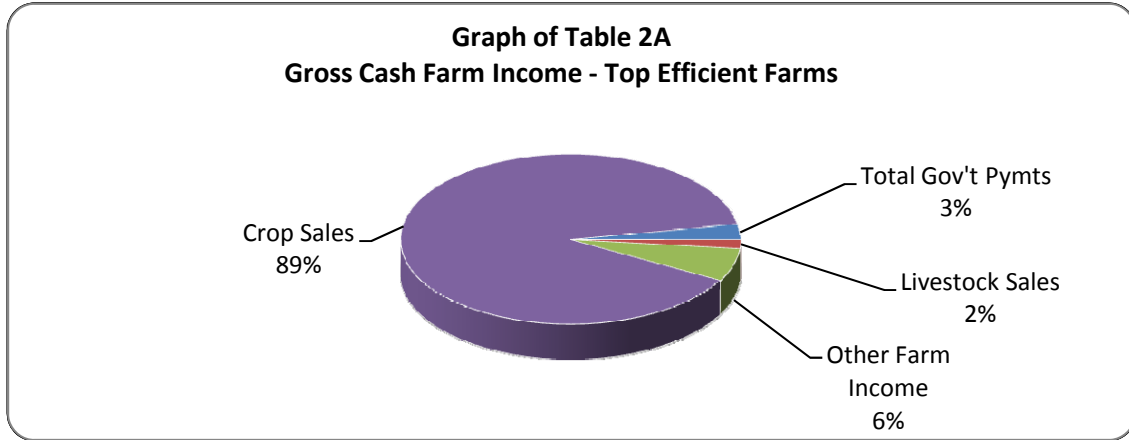
Rate of Return on Assets	15.4%
Rate of Return on Equity	18.7%
Operating Profit Margin	32.7%
EBITDA	\$404,080

Efficiency

Asset Turnover Rate (Cost)	47.2%
Operating Expense Ratio	52.5%
Depreciation Ratio	8.5%
Interest Expense Ratio	2.8%
Net Farm Income Ratio	36.9%

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	\$34,560	\$64,296	\$43,652	\$24,182	\$26,510	\$22,944	\$36,024
Net Farm Income	\$123,313	\$112,900	\$164,761	\$291,028	\$317,951	\$313,974	\$220,655
% of Net Farm	28.0%	56.9%	26.5%	8.3%	8.3%	7.3%	22.6%
Net Worth Change (Cost)*	\$75,283	\$71,801	\$151,253	\$271,392	\$226,619	\$200,999	\$166,225
Government Payment as % of Net Worth Change	45.9%	89.5%	28.9%	8.9%	11.7%	11.4%	32.7%

* 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.

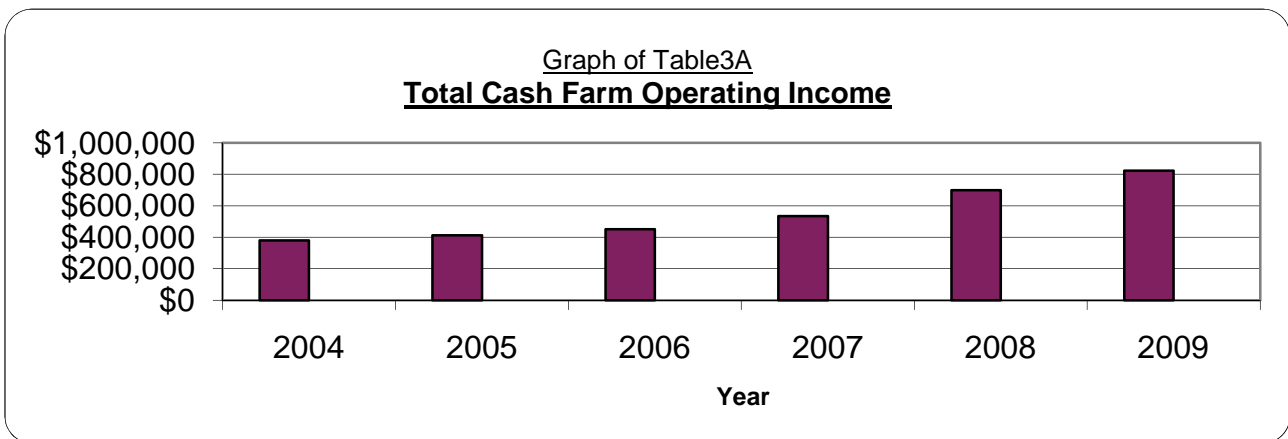
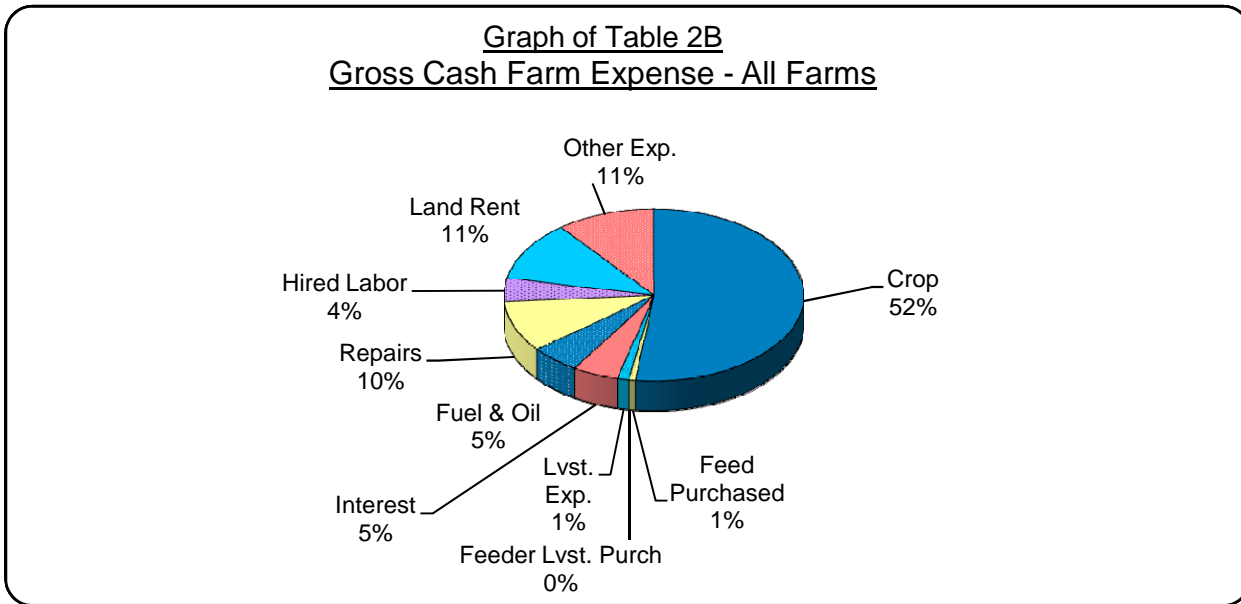


Table 2B: Farm / Ranch Business Expense, 2009

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.

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>6 Year Average</u>
Operating Expense	55.7%	60.6%	58.3%	46.9%	50.8%	52.5%	54.1%
Depreciation Expense	9.8%	9.9%	7.6%	8.4%	7.2%	8.5%	8.6%
Interest Expense	2.7%	2.7%	2.7%	2.5%	2.5%	2.8%	2.7%
Net Farm Income	31.8%	26.8%	31.4%	42.2%	39.6%	36.9%	34.8%

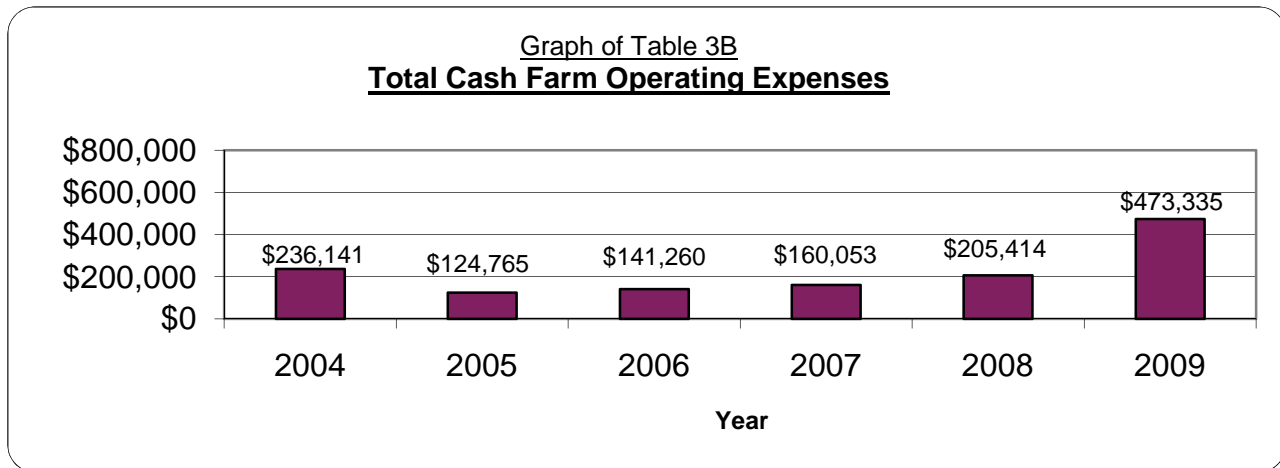


Table 3A: Gross Cash Farm Income, 2009

	Average Of <u>All Farms</u>	Average Of <u>Low 33%</u>	Average Of <u>High 33%</u>
Crop Income			
Corn	298,786	190,136	425,012
Seed Corn	195,987	77,433	360,751
Soybeans	231,913	139,084	323,126
Wheat	7,443	0	17,637
Hay Crops	1,457	0	619
Grain Sorghum	0	0	0
White Corn	0	0	0
Sugar Beets	0	0	0
Great Northern Beans	0	0	0
Miscellaneous Crop Income	670	26	0
Total Crop Income	\$736,256	\$406,679	\$1,127,145
Livestock and Product Income			
Beef Finishing	0	0	0
Beef Calves	8,663	0	7,674
Background Beef	392	0	1,120
Farrow-to-Finish, Hogs	3,396	11,321	0
Finish Feeder Pigs	0	0	0
Dairy, Milk	0	0	0
Cull Breeding Livestock	1,238	974	0
Contract Livestock Income	0	0	0
Miscellaneous Livestock Income	0	0	0
Total Livestock Income	\$13,689	\$12,295	\$8,794
Other Farm Income			
LDP Payments	0	0	0
Direct and CC Gov't Payments	20,462	12,682	29,422
CRP & Other Gov't Payments	2,482	3,410	2,383
Custom Work	11,600	2,389	20,107
Patronage Dividends, Cash	3,371	2,987	4,499
Insurance Income	28,540	7,879	17,428
Other Miscellaneous Farm Income	7,590	2,380	9,243
Total Other Farm Income	\$74,045	\$31,727	\$83,082
Total Gross Cash Farm Income	\$823,990	\$450,701	\$1,219,021

Table 3B: Gross Cash Farm Expenses, 2009

	Average Of All Farms	Average Of Low 33%	Average Of High 33%
Crop Expense			
Seed	60,436	45,235	85,525
Fertilizer	69,956	54,138	84,874
Crop Chemicals	44,435	28,873	54,237
Crop Insurance	16,877	14,059	17,191
Drying Fuel and Storage	17,675	2,072	42,192
Irrigation Energy	14,589	7,152	19,788
Irrigation Repairs	6,358	1,279	14,604
Crop Marketing	1,752	2,615	0
Crop Miscellaneous	13,690	2,975	34,361
CCC Buyback	0	0	0
Total Crop Expense	\$245,768	\$158,398	\$352,772
Livestock Expense			
Feeder Livestock Purchases	75	250	0
Purchased Feed	3,317	4,005	388
Breeding Fees	428	1,428	0
Veterinary	584	859	307
Livestock Supplies	1,793	341	1,195
Livestock Repairs	193	0	50
Livestock Leases	399	1,329	0
Grazing Fees	2,246	0	294
Livestock Marketing	0	0	0
Livestock Custom Hire	209	0	0
Total Livestock Expense	\$9,244	\$8,212	\$2,234
Other Farm Expense			
Interest	23,398	9,855	32,657
Fuel and Oil	25,470	19,476	35,728
Repairs	40,968	21,597	62,853
Building Repairs	4,412	174	10,265
Custom Hire	7,159	4,430	3,546
Hired Labor	20,653	6,851	39,682
Land Rent	53,104	6,327	102,579
Machinery and Building Lease	3,765	976	3,886
Real Estate Taxes	14,528	9,923	20,215
Personal Property Taxes	3,823	1,267	6,611
Farm Insurance	6,774	5,627	7,025
Utilities	5,359	4,660	6,098
Dues and Professional Fees	3,939	2,540	5,687
Miscellaneous	4,971	2,767	10,132
Total Other Cash Farm Expense	\$218,323	\$96,470	\$346,964
Total Gross Cash Operating Expense	\$473,335	\$263,080	\$701,970
Summary			
Gross Cash Farm Income (Table 3A)	\$823,990	\$450,701	\$1,219,021
- Total Cash Operating Expense	\$473,335	\$263,080	\$701,970
= Net Cash Farm Income	\$350,655	\$187,621	\$517,051

Table 4A: Inventory Changes & Depreciation, 2009

	<u>Average Of All Farms</u>	<u>Average Of Low 33%</u>	<u>Average Of High 33%</u>
Net Cash Farm Income	\$350,655	\$187,621	\$517,051
Crops and Feed			
Ending Inventory	597,477	349,497	831,757
Beginning Inventory	562,214	362,548	750,086
Inventory Change	35,263	-13,051	81,671
Market Livestock			
Ending Inventory	6,565	427	3,171
Beginning Inventory	5,279	0	2,148
Inventory Change	1,286	427	1,023
Accounts Receivable			
Ending Inventory	1,911	0	2,857
Beginning Inventory	14,874	6,554	0
Inventory Change	-12,963	-6,554	2,857
Prepaid Expenses and Supplies			
Ending Inventory	49,546	53,536	65,887
Beginning Inventory	48,957	56,405	64,950
Inventory Change	589	-2,869	937
Hedging Activities			
Ending Inventory	18,233	12,684	9,080
Withdrawals	14,953	2,000	27,147
Beginning Inventory	7,547	1,422	17,455
Deposits	28,841	17,050	13,618
Gain or Loss	-3,202	-3,788	5,154
Other Current Assets			
Ending Inventory	581	513	1,221
Beginning Inventory	972	937	1,974
Inventory Change	-391	-424	-753
Breeding Livestock			
Ending Inventory	7,323	1,314	12,630
Capital Sales	975	0	2,338
Beginning Inventory	5,762	1,558	9,017
Capital Purchases	8,269	711	17,724
Depreciation & Capital Adjustments	-5,733	-955	-11,773
Other Capital Assets			
Ending Inventory	42,612	24,008	31,425
Capital Sales	4,657	0	13,304
Beginning Inventory	27,710	19,126	21,763
Capital Purchases	7,804	12	2,286
Depreciation & Capital Adjustments	11,755	4,870	20,680

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	7,041	300	17,157
Ending Inventory	3,620	0	5,731
Inventory Change	3,421	300	11,426
Accrued Interest			
Beginning Inventory	11,419	2,865	12,052
Ending Inventory	10,842	4,571	12,252
Inventory Change	577	-1,706	-200
Total Inventory Change	30,602	-23,750	111,022
Net Operating Profit	381,257	163,871	628,073
Machinery and Equipment			
Ending Inventory	251,686	135,408	447,580
Capital Sales	1,752	562	1,686
Beginning Inventory	167,800	69,965	302,120
Capital Purchases	147,722	96,820	255,838
Depreciation & Capital Adjustments	-62,084	-30,815	-108,692
Titled Vehicles			
Ending Inventory	16,197	6,378	28,661
Capital Sales	0	0	0
Beginning Inventory	11,168	5,937	20,636
Capital Purchases	8,916	3,217	12,767
Depreciation & Capital Adjustments	-3,887	-2,776	-4,742
Buildings and Improvements			
Ending Inventory	52,373	20,991	91,199
Capital Sales	666	0	1,903
Beginning Inventory	42,587	17,136	80,188
Capital Purchases	16,768	6,143	21,831
Depreciation & Capital Adjustments	-6,316	-2,288	-8,917
Total Depreciation & Capital Adjustments	-\$72,287	-\$35,879	-\$122,351
Net Farm Income from Operations	\$308,970	\$127,992	\$505,722
Gain or Loss on Capital Sales	\$5,004	\$1,580	\$11,224
Net Farm Income	\$313,974	\$129,572	\$516,946

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	\$308,970	\$127,992	\$505,722
Rate of Return on Assets	15.4%	9.5%	18.6%
Rate of Return on Equity	18.7%	10.9%	22.9%
Operating Profit Margin	32.7%	20.4%	36.2%
Asset Turnover Rate	47.2%	46.7%	51.4%
Farm Interest Expense	\$22,820	\$11,561	\$32,857
Value of Operator Labor & Mgt.	\$54,871	\$52,320	\$61,663
Return on Farm Assets	\$276,921	\$87,236	\$476,915
Average Farm Assets	\$1,794,384	\$914,768	\$2,564,040
Return on Farm Equity	\$254,101	\$75,675	\$444,058
Average Farm Equity	\$1,361,705	\$696,753	\$1,936,495
Value of Farm Production	\$846,830	\$427,392	\$1,317,742

Net Farm Income Trend - All Farms

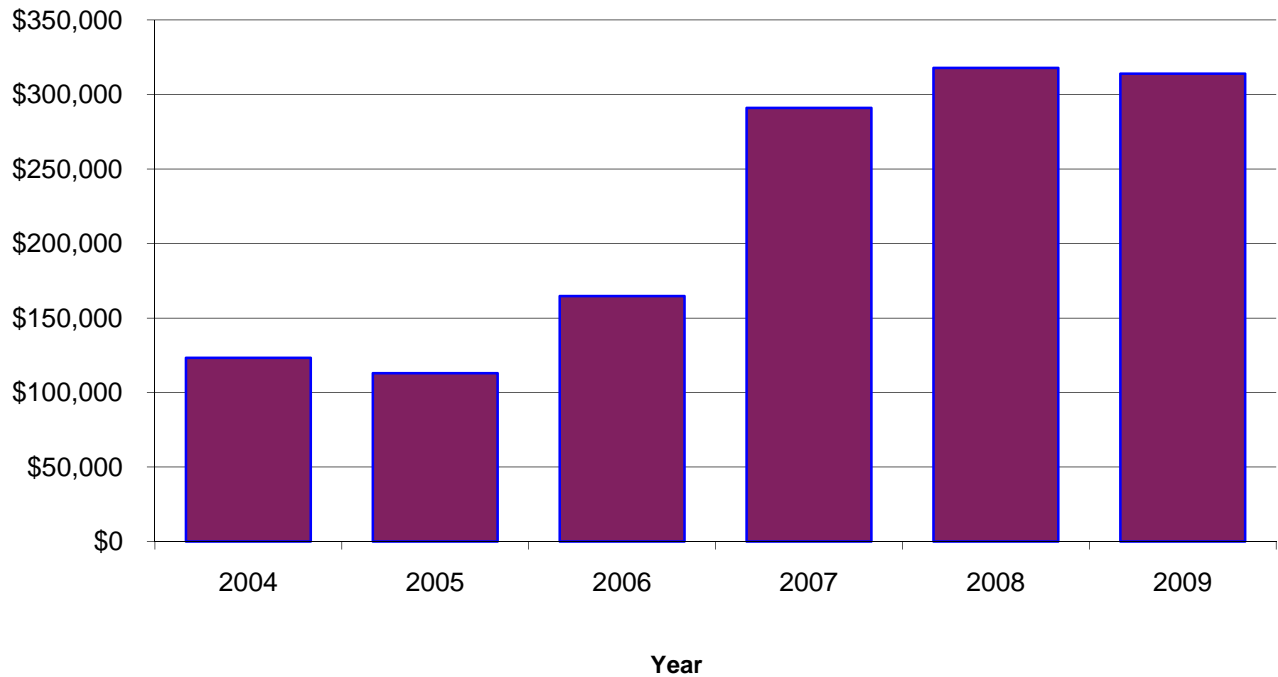


Table 5B: Profitability Analysis At Market Value, 2009

	Average Of All Farms	Average Of Low 33 %	Average Of High 33 %
Profitability			
Net Farm Income from Operations	\$316,174	\$129,731	\$512,148
Rate of Return on Assets	13.1%	7.9%	15.5%
Rate of Return on Equity	15.1%	8.5%	18.1%
Operating Profit Margin	33.6%	20.8%	36.7%
Asset Turnover Rate	39.1%	37.9%	42.4%
Farm Interest Expense	\$22,820	\$11,561	\$32,857
Value of Operator Labor & Mgt	\$54,871	\$52,320	\$61,663
Return on Farm Assets	\$284,123	\$88,972	\$483,342
Average Farm Assets	\$2,165,079	\$1,128,404	\$3,110,874
Return on Farm Equity	\$261,303	\$77,411	\$450,485
Average Farm Equity	\$1,732,400	\$910,389	\$2,483,328
Value of Farm Production	\$846,830	\$427,392	\$1,317,742

**Graph of Table 5B
Value of Farm Production - All Farms**

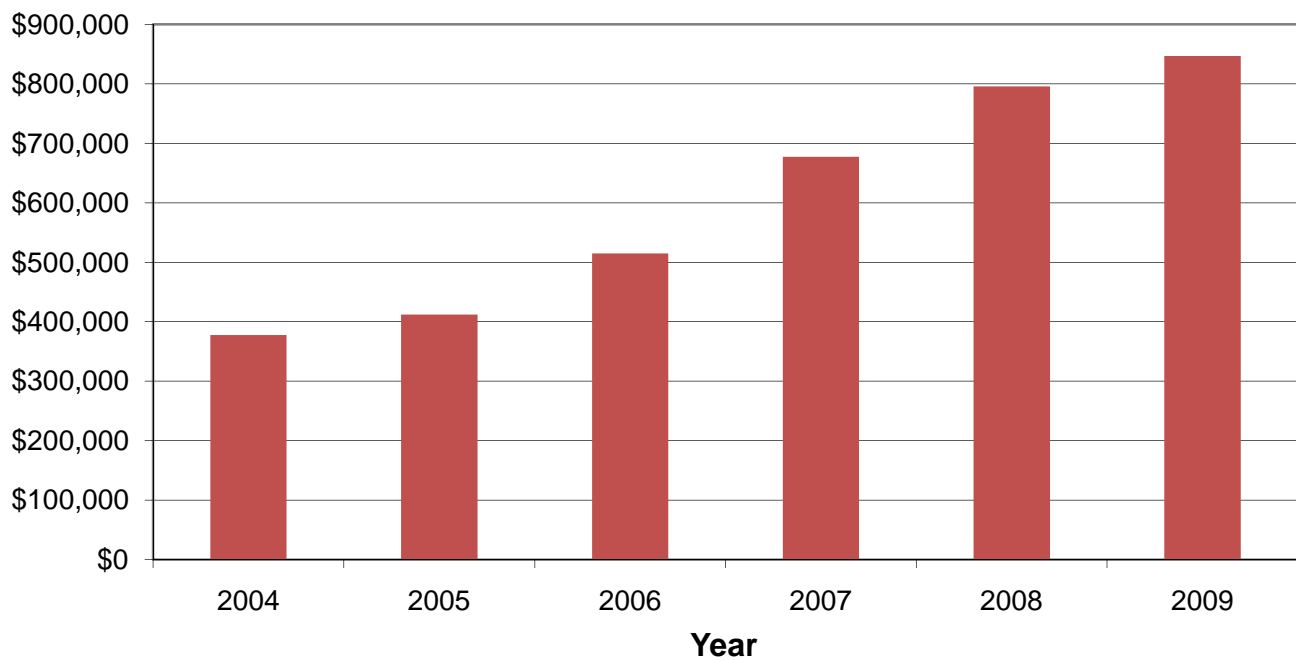


Table 6: Liquidity & Repayment Capacity Measures, 2009

	Average of <u>All Farms</u>	Average Of <u>Low 33%</u>	Average Of <u>High 33%</u>
Liquidity			
Current Ratio	5.86	3.85	5.24
Working Capital	620,237	319,994	818,490
Working Capital to Gross Inc.	73.0%	74.1%	62.1%
Current Assets	747,737	432,160	1,011,708
Current Liabilities	127,500	112,166	193,218
Gross Revenues (Accrual)	\$850,222	\$431,647	\$1,318,130
Repayment Capacity			
Net Farm Income From Operations	\$308,970	\$127,992	\$505,722
Depreciation (+)	72,287	35,879	122,351
Personal Income (+)	24,478	12,286	20,864
Family Living/Owner Withdrawals (-)	68,465	65,419	74,892
Payments on Personal Debt (-)	3,157	6,441	2,523
Income Taxes Paid (-)	68,414	28,611	119,060
Interest on Term Debt (+)	15,272	6,369	15,218
Capital Debt Repayment Capacity (=)	\$280,971	\$82,055	\$467,680
Scheduled Term Debt Payments (-)	43,338	22,716	58,257
Capital Debt Repayment Margin (=)	\$237,633	\$59,339	\$409,423
Cash Replacement Allowance (-)	24,246	16,779	29,598
Replacement Margin (=)	\$213,387	\$42,560	\$379,825
Term Debt Coverage Ratio	6.48	3.61	8.03
Replacement Coverage Ratio	4.16	2.08	5.32



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)		\$159,081	\$73,831	\$206,488
Cash Provided by Operating Activities				
Gross Cash Farm Income	(+) 823,990	450,701	1,219,021	
Total Cash Farm Expense	(-) 473,335	263,080	701,970	
Net Cash from Hedging Transactions	(+) -13,888	-15,050	13,530	
(B) Cash Provided By Operating	(=) \$336,767	\$172,571	\$530,581	
Cash Provided by Investing Activities				
Sale of Breeding Livestock	(+) 4,968	0	13,562	
Sale of Machinery & Equipment	(+) 2,763	2,142	1,686	
Sale of Titled Vehicles	(+) 0	0	0	
Sale of Farm Land	(+) 0	0	0	
Sale of Farm Buildings	(+) 666	0	1,903	
Sale of Other Farm Assets	(+) 4,657	0	13,304	
Sale of Non-Farm Assets	(+) 33,754	4,976	88,535	
Purchase of Breeding Livestock	(-) 8,269	711	17,724	
Purchase of Machinery & Equip.	(-) 147,722	96,820	255,838	
Purchase of Titled Vehicles	(-) 8,916	3,217	12,767	
Purchase of Farm Land	(-) 86,491	0	247,116	
Purchase of Farm Buildings	(-) 16,768	6,143	21,831	
Purchase of Other Farm Assets	(-) 7,804	12	2,286	
Purchase of Non-Farm Assets	(-) 72,299	22,552	169,757	
(C) Cash Provided by Investing Activities	(=) -\$301,461	-\$122,337	-\$608,329	
Cash Provided by Financing Activities				
Money Borrowed	(+) 224,486	199,776	328,860	
Principle Payments	(-) 161,789	135,882	150,181	
Personal Income	(+) 24,478	12,286	20,864	
Family Living/Owner Withdrawals	(-) 68,465	65,419	74,892	
Income and Social Security Tax	(-) 68,414	28,611	119,060	
Capital Contribution	(-) 0	0	0	
Capital Distribution	(-) 0	0	0	
Dividends Paid	(-) 2,671	0	5,286	
Cash Gifts and Inheritances	(+) 1,367	10	3,897	
Gifts Given	(-) 1,693	0	4,836	
(D) Net Cash Provided by Financing Activities	(=) -\$52,701	-\$17,840	-\$634	
(E) Net Change In Cash Balance (B+C+D)		-\$17,395	\$32,394	-\$78,382
(F) Ending Cash Balance (A+E)		\$141,686	\$106,225	\$128,106

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	81,878	72,347	-14,048	11,910	138,581	97,735
Prepaid Expenses & Supplies	48,957	49,546	56,405	53,536	64,950	65,887
Growing Crops	556	341	687	263	1,000	750
Accounts Receivable	14,874	1,911	6,554	0	0	2,857
Hedging Accounts	7,547	18,233	1,422	12,684	17,455	9,080
Crops Held for Sale or Feed	561,136	598,555	358,954	353,090	750,086	831,757
Crops Under Government Loan	2,156	0	7,188	0	0	0
Market Livestock Held for Sale	5,279	6,565	0	427	2,148	3,171
Other Current Assets	416	240	250	250	974	471
Total Current Farm Assets	\$722,799	\$747,738	\$417,412	\$432,160	\$975,194	\$1,011,708
Intermediate Farm Assets						
Breeding Livestock	5,762	7,323	1,558	1,314	9,017	12,630
Machinery and Equipment	167,800	251,686	69,965	135,408	302,120	447,580
Titled Vehicles	11,168	16,197	5,937	6,378	20,636	28,661
Other Intermediate Assets	23,391	31,293	19,126	24,008	20,281	29,943
Total Intermediate Farm Assets	\$208,121	\$306,499	\$96,586	\$167,108	\$352,054	\$518,814
Long Term Farm Assets						
Farm Land	703,262	789,752	339,072	339,072	924,421	1,171,537
Buildings and Improvements	42,587	52,373	17,136	20,991	80,188	91,199
Other Long Term Assets	4,319	11,319	0	0	1,482	1,482
Total Long Term Farm Assets	\$750,168	\$853,444	\$356,208	\$360,063	\$1,006,091	\$1,264,218
Total Farm Assets	\$1,681,088	\$1,907,681	\$870,206	\$959,331	\$2,333,339	\$2,794,740
Non-Farm Assets	450,182	483,174	230,850	252,157	745,882	789,376
Total Farm & Non-Farm Assets	\$2,131,270	\$2,390,855	\$1,101,056	\$1,211,488	\$3,079,221	\$3,584,116

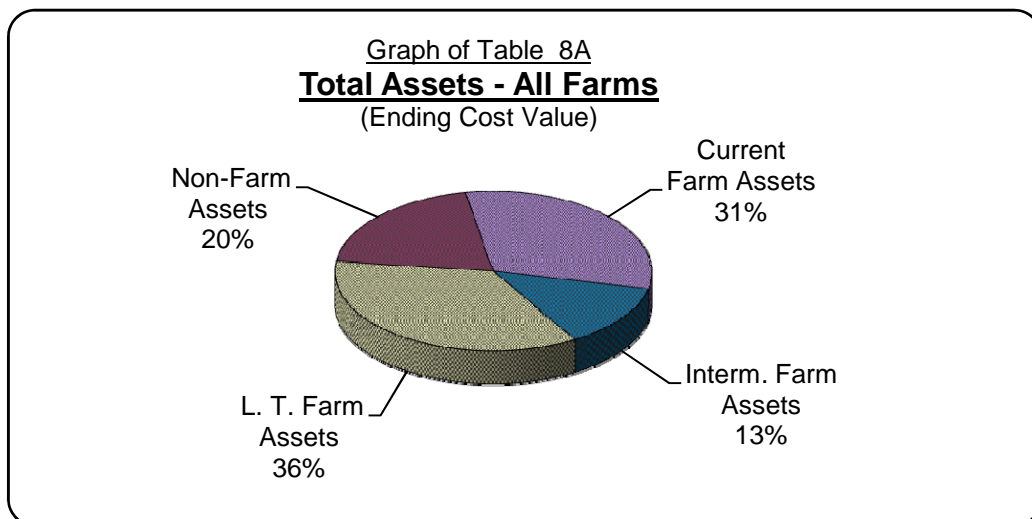


Table 8B: Balance Sheet - Liabilities at Cost Value, 2009

	Average Of All Farms		Average Of Low 33 %		Average Of High 33%	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Current Farm Liabilities						
Accrued Interest	11,419	10,842	2,865	4,571	12,052	12,252
Accounts Payable	7,041	3,620	300	0	17,157	5,731
Current Notes	66,329	79,879	45,865	91,424	94,563	123,427
Government Crop Loans	1,104	0	3,680	0	0	0
Principle Due on Term Debt	28,066	33,160	16,347	16,171	43,039	51,808
Total Current Farm Liabilities	\$113,959	\$127,501	\$69,057	\$112,166	\$166,811	\$193,218
Intermediate Farm Liabilities	\$73,444	\$122,253	\$19,138	\$51,227	\$154,714	\$255,889
Long Term Farm Liabilities	\$218,435	\$209,767	\$95,825	\$88,617	\$231,102	\$253,357
Total Farm Liabilities	\$405,838	\$459,521	\$184,020	\$252,010	\$552,627	\$702,464
Non-Farm Liabilities	33,239	38,142	56,196	53,516	36,263	53,527
Total Deferred Liabilities	N/A	N/A	N/A	N/A	N/A	N/A
Total Farm & Non-Farm Liabilities	\$439,077	\$497,663	\$240,216	\$305,526	\$588,890	\$755,991
Net Worth (Farm and Non-Farm)	\$1,692,193	\$1,893,192	\$860,840	\$905,962	\$2,490,331	\$2,828,125
Net Worth Change (Cost Value)		\$200,999		\$45,122		\$337,794

**Graph of Table 8B
Average Farm & Non-Farm Debt, 2004-2009**

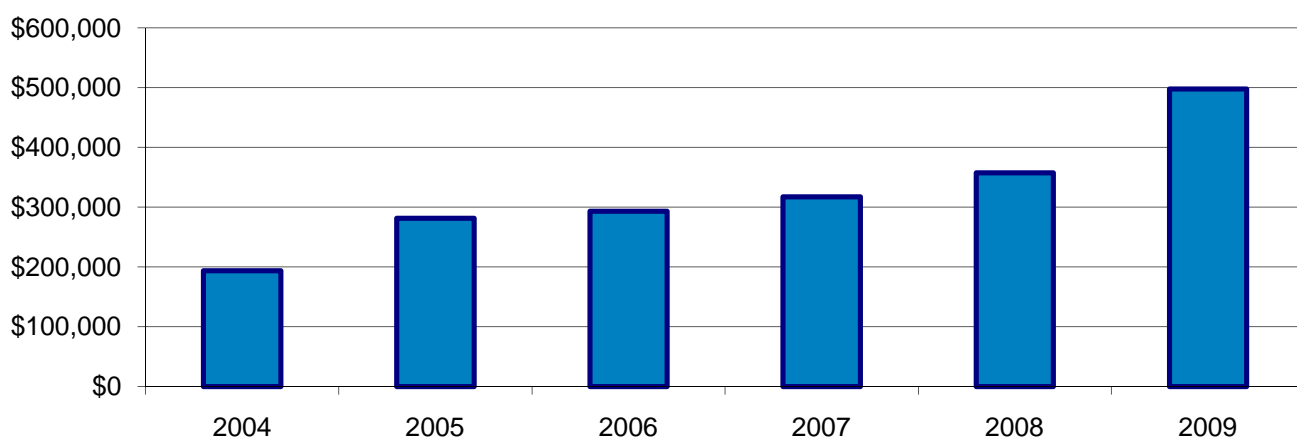


Table 9A: Balance Sheet - Assets at Market Value, 2009

	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	81,878	72,347	-14,048	11,910	138,581	97,735
Prepaid Expenses & Supplies	48,957	49,546	56,405	53,536	64,950	65,887
Growing Crops	556	341	687	263	1,000	750
Accounts Receivable	14,874	1,911	6,554	0	0	2,857
Hedging Accounts	7,547	18,233	1,422	12,684	17,455	9,080
Crops Held for Sale or Feed	561,136	598,555	358,954	353,090	750,086	831,757
Crops Under Government Loan	2,156	0	7,188	0	0	0
Market Livestock Held for Sale	5,279	6,565	0	427	2,148	3,171
Other Current Assets	416	240	250	250	974	471
Total Current Farm Assets	\$722,799	\$747,738	\$417,412	\$432,160	\$975,194	\$1,011,708
Intermediate Farm Assets						
Breeding Livestock	14,542	17,128	3,633	3,436	13,000	14,357
Machinery and Equipment	341,171	429,433	203,819	270,938	485,706	637,754
Titled Vehicles	25,182	30,278	22,468	23,116	29,950	38,264
Other Intermediate Assets	23,391	31,293	19,126	24,008	20,281	29,943
Total Intermediate Farm Assets	\$404,286	\$508,132	\$249,046	\$321,498	\$548,937	\$720,318
Long Term Farm Assets						
Farm Land	836,393	922,884	365,196	365,196	1,225,029	1,472,145
Buildings and Improvements	80,385	91,904	51,321	54,982	126,316	139,134
Other Long Term Assets	4,319	11,319	0	0	1,482	1,482
Total Long Term Farm Assets	\$921,097	\$1,026,107	\$416,517	\$420,178	\$1,352,827	\$1,612,761
Total Farm Assets	\$2,048,182	\$2,281,977	\$1,082,975	\$1,173,836	\$2,876,958	\$3,344,787
Non-Farm Assets	448,889	489,139	230,850	252,157	732,913	793,315
Total Farm & Non-Farm Assets	\$2,497,071	\$2,771,116	\$1,313,825	\$1,425,993	\$3,609,871	\$4,138,102

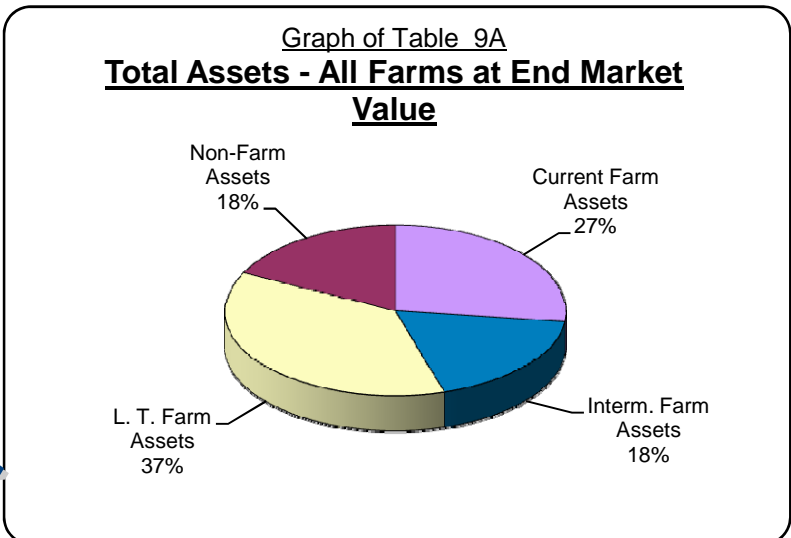


Table 9B: Balance Sheet - Liabilities at Market Value, 2009

	Average Of All Farms		Average Of Low 33 %		Average Of High 33%	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Current Farm Liabilities						
Accrued Interest	11,419	10,842	2,865	4,571	12,052	12,252
Accounts Payable	7,041	3,620	300	0	17,157	5,731
Current Notes	66,329	79,879	45,865	91,424	94,563	123,427
Government Crop Loans	1,104	0	3,680	0	0	0
Principle Due on Term Debt	28,066	33,160	16,347	16,171	43,039	51,808
Total Current Farm Liabilities	\$113,959	\$127,501	\$69,057	\$112,166	\$166,811	\$193,218
Intermediate Farm Liabilities	\$73,444	\$122,253	\$19,138	\$51,227	\$154,714	\$255,889
Long Term Farm Liabilities	\$218,435	\$209,767	\$95,825	\$88,617	\$231,102	\$253,357
Total Farm Liabilities	\$405,838	\$459,521	\$184,020	\$252,010	\$552,627	\$702,464
Non-Farm Liabilities	33,239	38,142	56,196	53,516	36,263	53,527
Total Deferred Liabilities	N/A	N/A	N/A	N/A	N/A	N/A
Total Farm & Non-Farm Liabilities	\$439,077	\$497,663	\$240,216	\$305,526	\$588,890	\$755,991
Net Worth (Farm and Non-Farm)	\$2,057,994	\$2,273,453	\$1,073,609	\$1,120,467	\$3,020,981	\$3,382,111
Net Worth Change (Market Value)		\$215,459		\$46,858		\$361,130
Ratio Analysis						
Current Farm Liabilities / Assets	16%	17%	17%	26%	17%	19%
Intermediate Farm Liab / Assets	18%	24%	8%	16%	28%	36%
Long Term Farm Liab / Assets	24%	20%	23%	21%	17%	16%
Total Debt to Asset Ratio	18%	18%	18%	21%	16%	18%

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

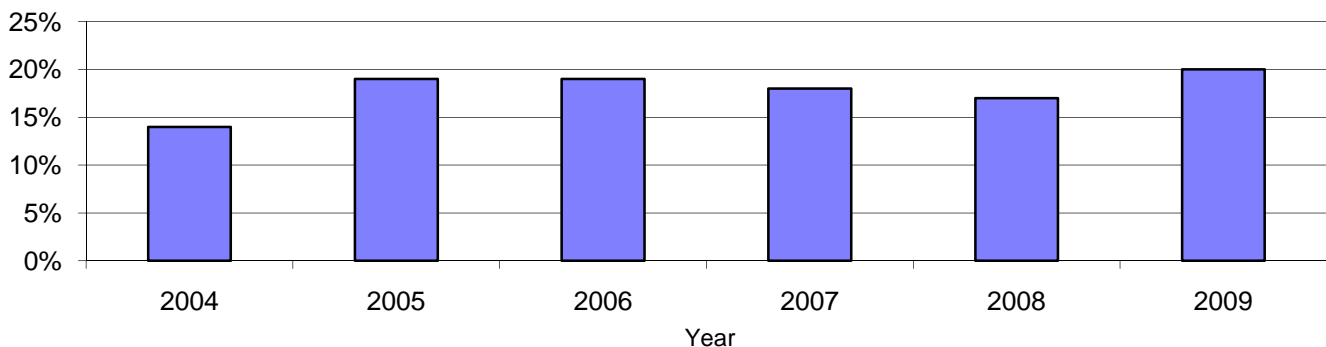


Table 10A: Financial Guideline Measures, 2009

	Average Of <u>All Farms</u>	Average Of <u>Low 33%</u>	Average Of <u>High 33%</u>
Liquidity			
Current Ratio	5.86	3.85	5.24
Working Capital	\$620,237	\$319,994	\$818,490
Working Capital to Gross Revenue	73.0%	74.1%	62.1%
Solvency (Market)			
Debt to Asset Ratio	20%	21%	21%
Farm Equity to Asset Ratio	80%	79%	79%
Farm Debt to Equity Ratio	0.25	0.27	0.27
Profitability (Cost)			
Rate of Return on Assets	15.4%	9.5%	18.6%
Rate of Return on Equity	18.7%	10.9%	22.9%
Operating Profit Margin	32.7%	20.4%	36.2%
Net Farm Income	\$313,974	\$129,572	\$516,946
EBIDTA	\$404,080	\$175,434	\$660,929
Repayment Capacity			
Capital Debt Repayment Capacity	\$280,974	\$82,057	\$467,678
Capital Debt Repayment Margin	\$237,636	\$59,340	\$409,421
Replacement Margin	\$213,390	\$42,561	\$379,822
Term Debt Coverage Ratio	6.48	3.61	8.03
Replacement Coverage Ratio	4.16	2.08	5.32
Efficiency			
Asset Turnover Rate (Cost)	47.2%	46.7%	51.4%
Operating Expense Ratio	52.5%	59.4%	49.9%
Depreciation Expense Ratio	8.5%	8.3%	9.3%
Interest Expense Ratio	2.8%	2.3%	2.5%
Net Farm Income Ratio	36.9%	30.0%	39.2%

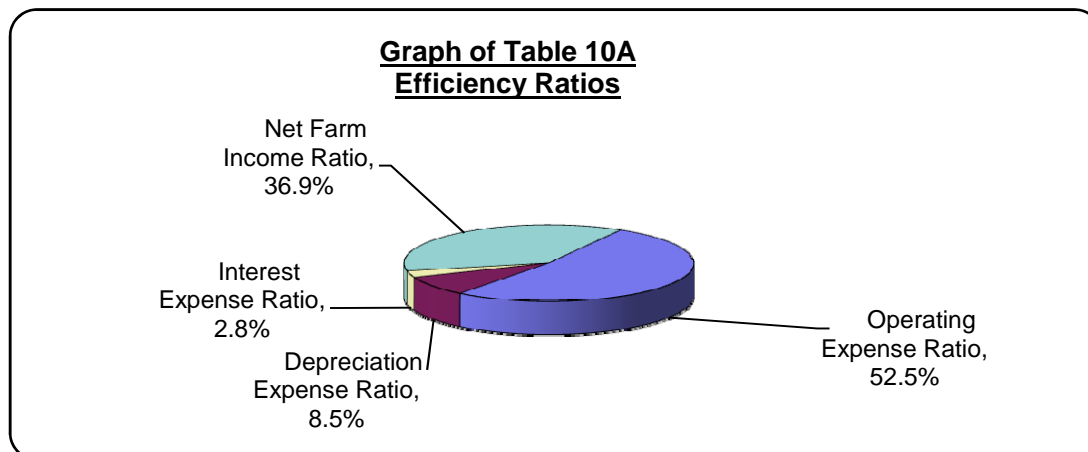


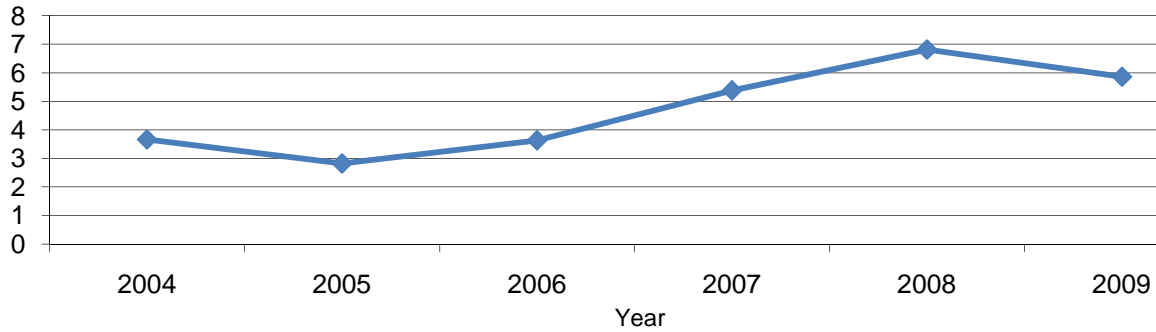
Table 10B: Compare Your Financial Guidelines 2009

	Group Average	Your Results	Guideline or Range		
			Green	Yellow	Red
<u>Liquidity</u>					
Current Ratio	5.86	_____	> 1.7	1.1-1.7	< 1.1
Working Capital	\$620,237	_____	-	Positive	-
Working Capital to Gross Income	73.0%	_____	>25%	10-25%	< 10%
<u>Solvency (Market)</u>					
Farm Debt to Asset Ratio (Market)	20%	_____	< 30%	30%-60%	> 60%
Farm Equity to Asset Ratio (Market)	80%	_____	> 70%	40%-70%	< 40%
Farm Debt to Equity Ratio (Market)	25%	_____	< 43%	43%-150%	> 150%
<u>Profitability (Cost)</u>					
Rate of Return on Assets (Cost)	15.4%	_____	> 8%	4-8%	< 4%
Rate of Return on Equity (Cost)	18.7%	_____	>10%	3-10%	< 3%
Operating Profit Margin (Cost)	32.7%	_____	>25%	15-25%	<15%
Net Farm Income (Cost)	\$313,974	_____			
EBIDTA	\$404,080	_____			
<u>Repayment Capacity</u>					
Capital Debt Repayment Capacity	\$280,974	_____			
Capital Debt Repayment Margin	\$237,636	_____			
Replacement Margin	\$213,390	_____			
Term Debt Coverage Ratio	6.48	_____	>1.5	1.2-1.5	<1.2
Replacement Coverage Ratio	4.16	_____	>1.4	1.1-1.4	<1.1
<u>Efficiency</u>					
Asset Turnover Rate (Cost)	47.2%	_____	> 45%	30-45%	< 30%
Operating Expense Ratio	52.5%	_____	< 60%	60-80%	> 80%
Depreciation Expense Ratio	8.5%	_____	< 5%	5-15%	> 15%
Interest Expense Ratio	2.8%	_____	< 5%	5-10%	> 10%
Net Farm Income Ratio	36.9%	_____	> 20%	10-20%	< 10%

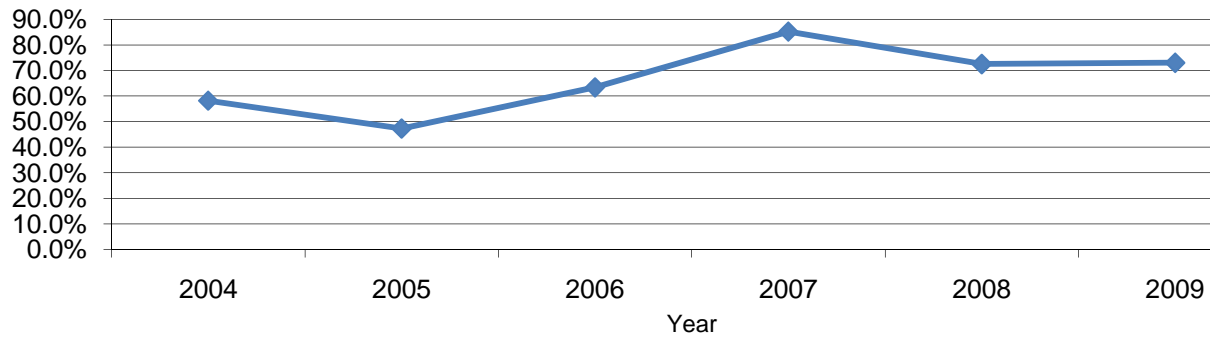


Graphs 1A: Financial Ratios, 2009

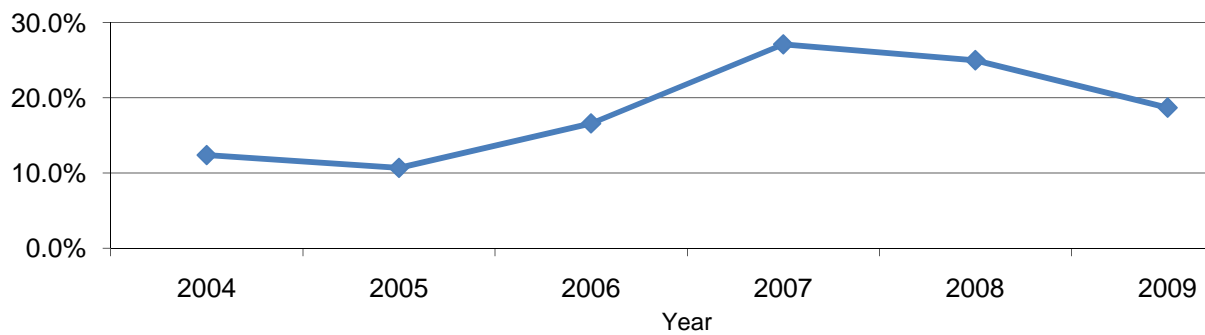
Current Ratio - Average Farms



Working Capital to Gross Income- Average Farms

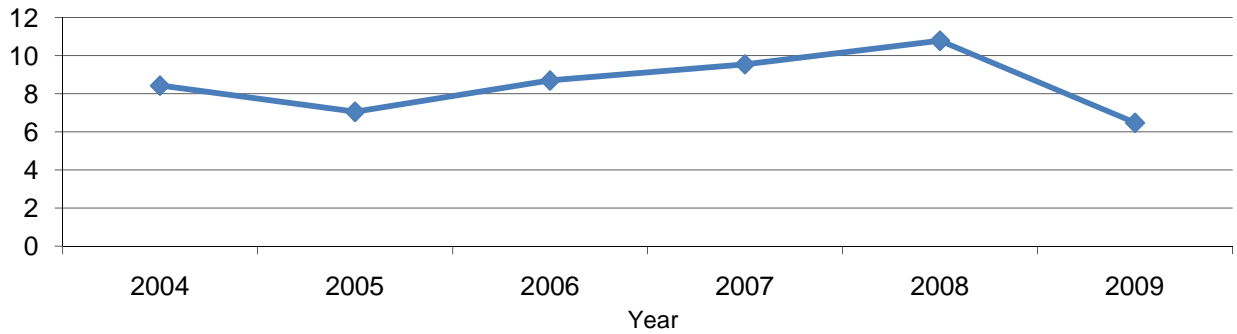


Rate of Return on Equity-Average Farms

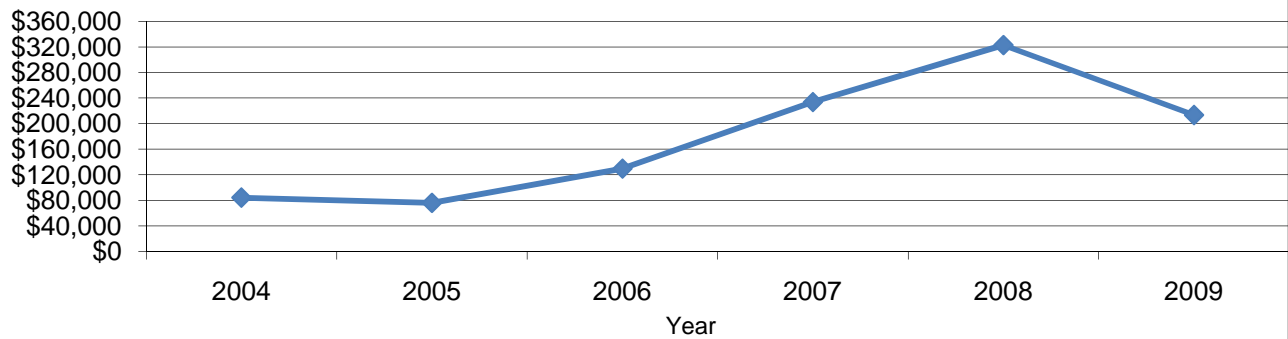


Graphs 1B: Financial Ratios, 2009

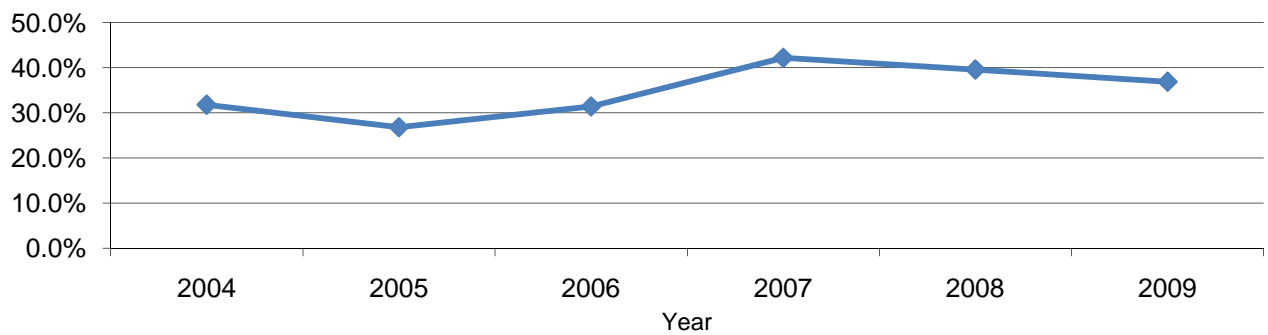
Term Debt Coverage Ratio- Average Farms



Capital Replacement Margin- Average Farms

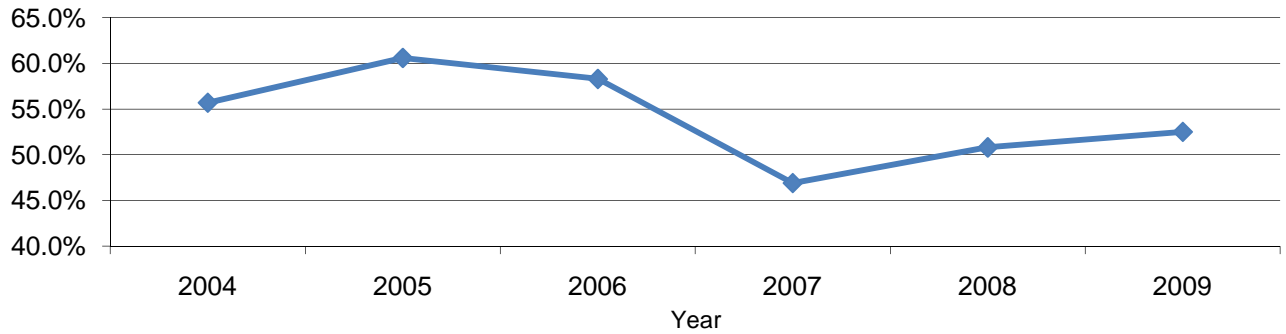


Net Farm Income Ratio- Average Farms

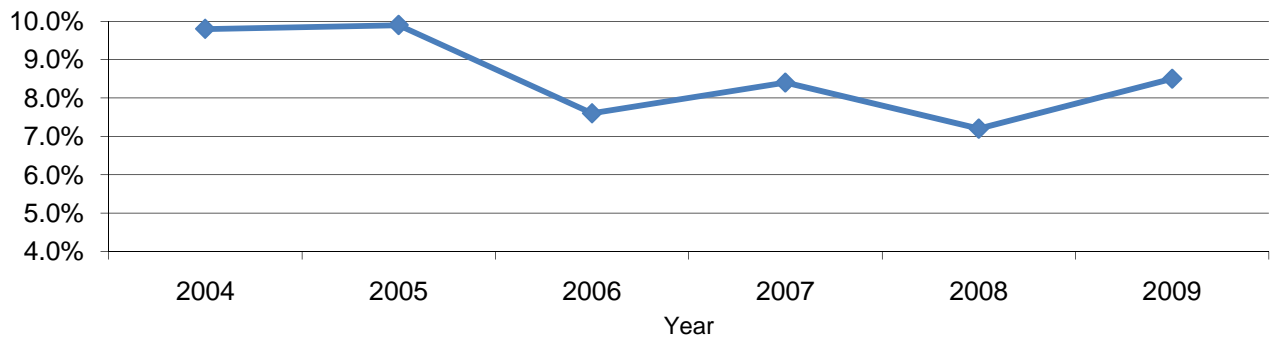


Graphs 1C: Financial Ratios, 2009

Operating Expense Ratio- Average Farms



Depreciation Expense Ratio-Average Farms



Interest Expense Ratio-Average Farms

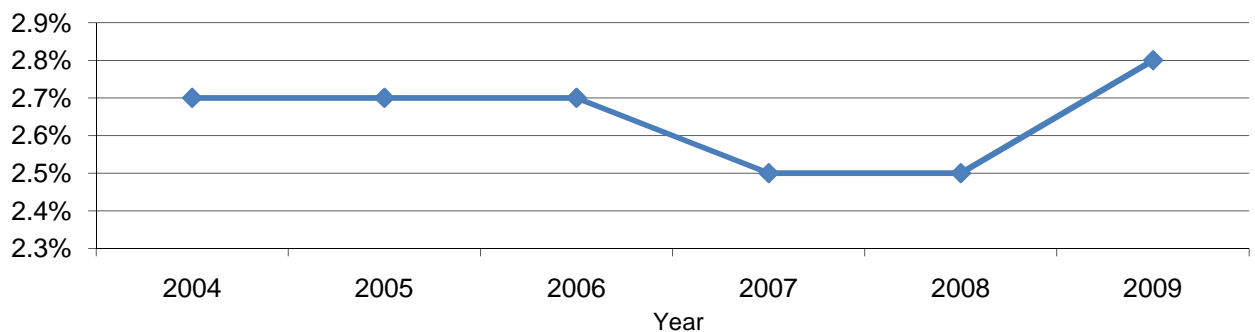


Table 11: Household and Personal Expense, 2009

	Average Of All Farms
Average Family Size	4.0
Family Living Expense	
Food and Meals Expense	6,546
Medical Care	4,754
Health Insurance	3,224
Cash Donations	3,847
Household Supplies	3,404
Clothing	2,616
Personal Care	2,145
Child / Dependent Care	2,667
Alimony and Child Support	0
Gifts	1,853
Education	836
Recreation	4,922
Utilities (Household Share)	1,349
Non-Farm Vehicle Operating Expense	361
Household Real Estate Taxes	1,036
Dwelling Rent	0
Household Repairs	463
Non-Farm Interest	3,202
Disability / Long Term Care Insurance	220
Life Insurance Payments	4,490
Non-Farm Property Insurance	294
Miscellaneous	5,201
Total Cash Family Living Expense	\$53,430
Family Living from the Farm	0
Total Family Living Expense **	\$53,430
Other Non-Farm Expense	
Income Taxes	35,912
Furnishing & Appliance Purchases	736
Non-Farm Vehicle Purchases	2,000
Non-Farm Real Estate Purchases	0
Other Non-Farm Capital Purchases	0
Non-Farm Savings & Investments	36,387
Total Other Non-Farm Expense	\$75,035
Total Cash Family Living, Investment & Non-Farm Capital Purchases	\$128,465

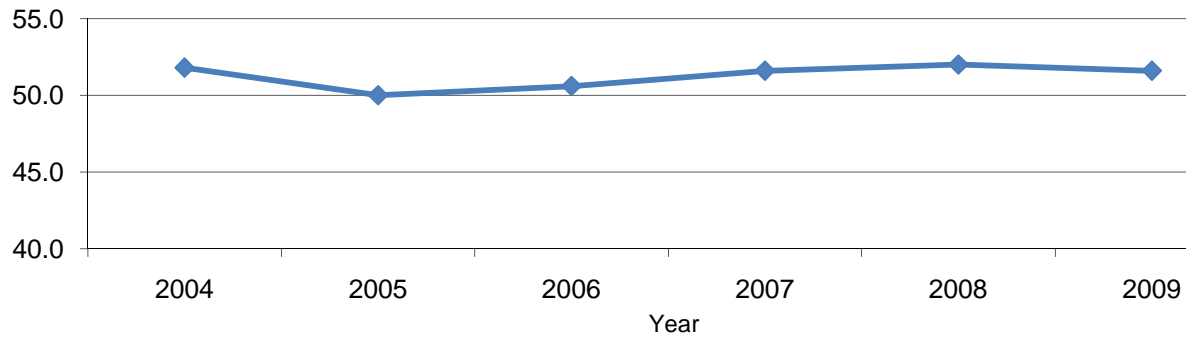
** Includes only farms that provided detailed family living expenses.

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

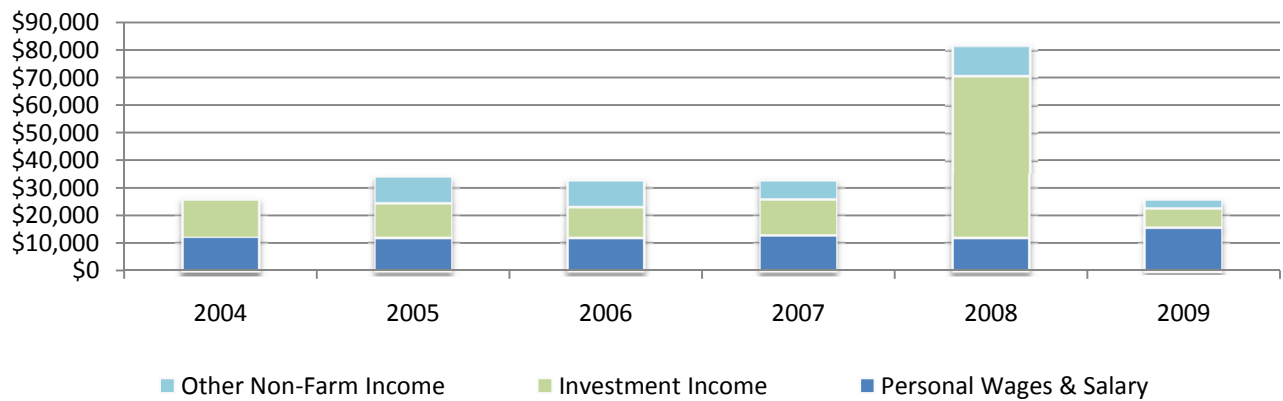
	Average Of All Farms	Average Of Low 33%	Average Of High 33%
Operator Information			
Average Number of Operators	1.1	1.0	1.1
Average Age of Operators	51.6	50.5	45.7
Average Number of Years Farming	29.4	26.8	25.6
Non-Farm Income			
Personal Wages & Salary	15,664	13,452	13,715
Personal Business Income	0	0	0
Personal Rental Income	4,807	475	1,624
Personal Interest Income	1,600	312	2,585
Personal Cash Dividends	589	272	1,449
Tax Refunds	458	0	1,298
Other Non-Farm Income	1,361	-2,224	193
Gifts and Inheritances	1,367	10	3,897
Total Non-Farm Income	\$25,846	\$12,297	\$24,761
Non-Farm Assets (Market Value)			
Checking & Savings	69,342	94,320	30,369
Stocks & Bonds	38,997	79	111,351
Other Current Assets	138,289	6,998	335,827
Furniture & Appliances	1,636	0	3,143
Non-Farm Vehicles	9,794	9,620	8,051
Cash Value of Life Ins.	5,123	3,892	4,532
Retirement Accounts	91,526	54,180	102,598
Other Interm. Assets	20,479	4,214	47,071
Non-Farm Real Estate	103,395	78,855	133,206
Personal Business Investment	0	0	0
Other Long Term Assets	10,559	0	17,167
Total Non-Farm Assets	\$489,140	\$252,158	\$793,315
Non-Farm Liabilities			
Accrued Interest	251	400	341
Accounts Payable	195	0	0
Current Notes	0	0	0
Princ Due on Term Debt	3,419	3,288	6,538
Total Current Liabilities	3,865	3,688	6,879
Intermediate Liabilities	10,027	0	28,648
Long Term Liabilities	24,249	49,829	18,000
Total Non-Farm Liabilities	\$38,141	\$53,517	\$53,527
Non-Farm Net Worth	\$450,999	\$198,641	\$739,788
Non-Farm Debt to Asset Ratio	8%	21%	7%

Graphs 2: Operator Information, 2009

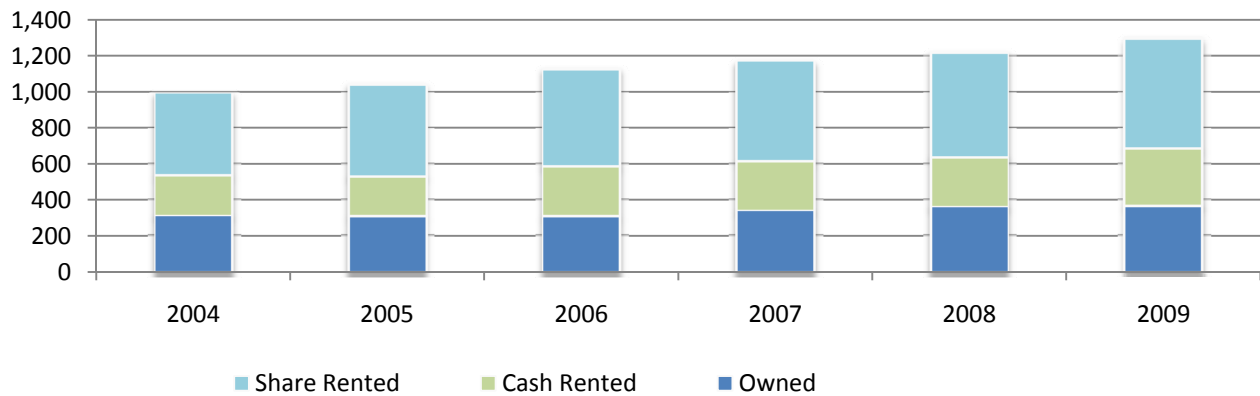
Operator Age-Average Farms



Personal Income-Average Farms



Crop Acres-Average Farms



*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	516	357	763
Crop Acres	1,303	821	1,838
Crop Acres Owned	369	260	488
Crop Acres Cash Rented	317	121	502
Crop Acres Share Rented	617	439	847
Pasture Acres	0	0	0
% Crop Acres Owned	28%	32%	27%
Average Price Received in Dollars (Cash Sales Only)			
Corn per bu.	\$3.80	\$3.79	\$3.82
Corn Seed bu.	\$9.41	N/A	\$15.10
Soybeans per bu.	\$9.78	\$9.45	\$10.53
Wheat, Winter per bu.	\$5.23	N/A	N/A
Average Yield Per Acre			
Corn, Dryland (bu.)	160.17	N/A	N/A
Corn, Irrigated (bu.)	217.27	N/A	N/A
Soybeans, Dryland (bu.)	53.59	N/A	N/A
Soybeans, Irrigated (bu.)	64.43	N/A	N/A
Labor Analysis			
Total Unpaid Labor Hours*	2,393	2,080	2,380
Total Hired Labor Hours	1,149	486	2,135
Total Labor Hours per Farm	3,542	2,566	4,515
Unpaid Hours per Operator	2,226	2,080	2,221
Value of Farm Production / Hour	\$239.10	\$166.57	\$291.83
Net Farm Income / Unpaid Hour*	\$129.11	\$61.54	\$212.49

* Based on 2080 Hrs. Annually Per Full Time Operator

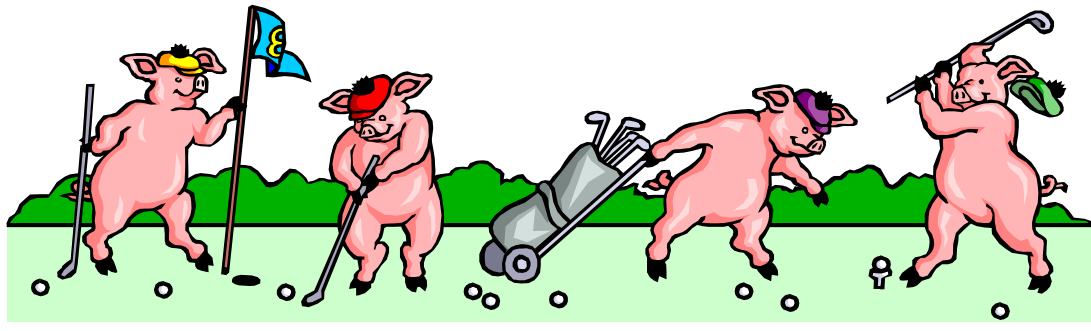


Table 14: Crop Summary, 2009

	Crops *			
	<u>Corn Irrigated</u>	<u>Corn Dryland</u>	<u>Soybeans Irrigated</u>	<u>Soybeans Dryland</u>
Number of Farms	11	13	11	12
Gross Return	\$638.38	\$440.14	\$479.87	\$424.71
Total Listed Cash Expense	\$480.93	\$328.84	\$290.60	\$217.50
Opr. Labor & Mgt. Charge	\$40.86	\$43.01	\$36.84	\$38.16
Owned Land Equity Charge	\$30.15	\$14.92	\$25.30	\$15.96
Total Cost	\$551.94	\$386.77	\$352.74	\$271.62
Net Return Above All Costs	\$86.44	\$53.37	\$127.13	\$153.09
Average Yield	217.27	160.17	64.43	53.59
Operator's Share of Yield	163.91	117.36	47.33	43.03
Cash Cost per Bushel or Ton	\$2.93	\$2.80	\$6.14	\$5.05
Total Cost Per Bushel or Ton	\$3.37	\$3.30	\$7.45	\$6.31

* Includes all forms of land tenure and tillage practices.
Top Efficient Farms, 2009

Table 15: Irrigated Corn on All Tenure Types, 2009 *

	Average of Efficient Farms	Average Of All Farms	Difference
Number of Fields	44	253	
Number of Farms	11	55	
Acres	120.13	103.37	
Bushel Yield per Acre	217.27	206.51	10.76
Operator's Share of the Yield %	75.44%	80.49%	-5%
Value per Bushel at Harvest	\$3.83	\$3.73	\$0.10
Total Product Return	\$627.77	\$620.00	7.77
Hedging Gain/Loss	2.12	-2.24	4.36
Crop Insurance	8.49	15.33	-6.84
Other Crop Income	0.00	0.26	-0.26
Gross Return	\$638.38	\$633.35	5.03
Direct Expenses			
Seed	61.81	59.52	2.29
Fertilizer	113.05	117.40	-4.35
Crop Chemicals	29.79	37.78	-7.99
Crop Insurance	13.31	18.52	-5.21
Drying Fuel & Storage	13.20	9.67	3.53
Irrigation Energy	19.73	25.18	-5.45
Irrigation Repairs	11.45	8.69	2.76
Operating Power & Crop Machinery	70.45	74.87	-4.42
Building Repairs	4.00	3.06	0.94
Hired Labor	15.87	10.97	4.90
Utilities	4.11	3.59	0.52
Miscellaneous	9.17	12.42	-3.25
Land Rent	35.14	56.78	-21.64
Operating Interest	6.23	7.07	-0.84
Total Direct Expenses	\$407.31	\$445.52	-\$38.21
Return Over Direct Expenses	\$231.07	\$187.83	\$43.24
Allocated Expenses			
Machinery & Building Depreciation	68.00	51.37	16.63
Real Estate & Personal Property Taxes	10.96	10.32	0.64
Farm Insurance	5.62	6.19	-0.57
Interest	19.19	20.64	-1.45
Total Allocated Expenses	\$103.77	\$88.52	\$15.25
Total Listed Expenses	\$511.08	\$534.04	-\$22.96
Net Return	\$127.30	\$99.31	\$27.99
Supplementary Management Information			
Total Direct Expense Per Bushel	2.48	2.68	-0.20
Total Listed Expense Per Bushel	3.12	3.21	-0.09
Net Return Per Bushel	\$0.71	\$0.52	\$0.19
Government Payments	18.22	17.14	1.08
Labor & Management Charge Per Acre	40.86	39.19	1.67
Net Return Inc'l Gov't Pmts and Labor & Mgmt	\$104.66	\$77.26	\$27.40
Machinery Cost per Acre	\$137.79	\$125.69	\$12.10
Estimated Labor Hours Per Acre	2.48	2.09	0.39

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

Table 16: Irrigated Corn on Owned Land, 2009

	Average of Efficient Farms	Average Of All Farms	Difference
Number of Fields	13	64	
Number of Farms	8	39	
Acres	83.61	104.64	
Bushel Yield per Acre	202.24	202.73	-0.49
Operator's Share of the Yield %	100.00%	100.00%	0.00
Value per Bushel at Harvest	\$3.82	\$3.77	\$0.05
Total Product Return	\$772.56	\$764.29	\$8.26
Hedging Gain/Loss	-2.12	-2.99	0.87
Crop Insurance	11.72	7.29	4.43
Other Crop Income	0.00	0.45	-0.45
Gross Return	\$782.16	\$769.04	13.11
Direct Expenses			
Seed	69.31	68.75	0.56
Fertilizer	132.15	143.10	-10.95
Crop Chemicals	34.08	42.28	-8.20
Crop Insurance	19.92	24.18	-4.26
Drying Fuel & Storage	15.90	12.71	3.19
Irrigation Energy	19.91	29.80	-9.89
Irrigation Repairs	13.66	12.30	1.36
Operating Power & Crop Machinery	73.51	81.33	-7.82
Building Repairs	2.74	2.14	0.60
Hired Labor	8.56	9.46	-0.90
Utilities	5.94	4.14	1.80
Miscellaneous	8.94	12.35	-3.41
Land Rent	0.00	0.00	0.00
Operating Interest	7.37	9.27	-1.90
Total Direct Expenses	\$411.99	\$451.81	-\$39.82
Return Over Direct Expenses	\$370.17	\$317.23	\$52.93
Allocated Expenses			
Machinery & Building Depreciation	65.01	52.29	12.72
Real Estate & Personal Property Taxes	36.48	30.99	5.49
Farm Insurance	6.93	7.10	(0.17)
Interest	61.16	63.54	(2.38)
Total Allocated Expenses	\$169.58	\$153.92	\$15.66
Total Listed Expenses	\$581.57	\$605.73	-\$24.16
Net Return	\$200.59	\$163.31	\$37.27
Supplementary Management Information			
Total Direct Expense Per Bushel	2.04	2.23	-0.19
Total Listed Expense Per Bushel	2.88	2.99	-0.11
Net Return Per Bushel	\$0.94	\$0.78	\$0.16
Government Payments	23.52	20.02	3.50
Labor & Management Charge Per Acre	49.71	36.42	13.29
Net Return Inc'l Gov't Pmts and Labor & Mgmt	\$174.40	\$146.91	\$27.48
Machinery Cost per Acre	\$133.26	\$131.71	\$1.55
Estimated Labor Hours Per Acre	2.47	1.97	0.50

Table 17: Irrigated Corn on Cash Rented Land, 2009

	Average of Efficient Farms	Average Of All Farms	Difference
Number of Fields	9	93	
Number of Farms	5	34	
Acres	140.08	92.97	47.11
Bushel Yield per Acre	215.06	207.84	7.22
Operator's Share of the Yield %	100.00%	100.00%	0.00
Value per Bushel at Harvest	\$3.84	\$3.70	\$0.14
Total Product Return	\$825.83	\$769.01	\$56.82
Hedging Gain/Loss	2.64	-2.56	5.20
Crop Insurance	8.98	31.64	-22.66
Other Crop Income	0.00	0.37	-0.37
Gross Return	\$837.45	\$798.46	38.99
Direct Expenses			
Seed	76.23	68.05	8.18
Fertilizer	161.27	143.87	17.40
Crop Chemicals	37.75	50.75	-13.00
Crop Insurance	12.35	23.36	-11.01
Drying Fuel	14.70	11.11	3.59
Irrigation Energy	25.36	27.41	-2.05
Irrigation Repairs	16.42	7.24	9.18
Operating Power & Crop Machinery	64.30	74.52	-10.22
Building Repairs	3.49	3.16	0.33
Hired Labor	16.90	11.22	5.68
Utilities	3.22	3.36	-0.14
Miscellaneous	9.76	13.26	-3.50
Land Rent	147.33	171.74	-24.41
Operating Interest	4.00	7.38	-3.38
Total Direct Expenses	\$593.08	\$616.43	-\$23.35
Return Over Direct Expenses	\$244.37	\$182.03	\$62.34
Allocated Expenses			
Machinery & Building Depreciation	68.98	57.45	11.53
Real Estate & Personal Property Taxes	3.13	2.44	0.69
Farm Insurance	5.39	6.13	-0.74
Interest	5.43	5.82	-0.39
Total Allocated Expenses	\$82.93	\$71.84	\$11.09
Total Listed Expenses	\$676.01	\$688.27	-\$12.26
Net Return	\$161.44	\$110.19	\$51.25
Supplementary Management Information			
Total Direct Expense Per Bushel	2.76	2.97	-0.21
Total Listed Expense Per Bushel	3.14	3.31	-0.17
Net Return Per Bushel	\$0.70	\$0.39	\$0.31
Government Payments	\$20.94	\$22.03	-\$1.09
Labor & Management Charge Per Acre	43.28	48.73	-5.45
Net Return Inc'l Gov't Pmts and Labor & Mgmt	\$139.10	\$83.49	\$55.61
Machinery Cost Per Acre	\$130.35	\$132.05	-\$1.70
Estimated Labor Hours Per Acre	2.44	2.18	0.26

Table 18: Irrigated Corn on Share Rented Land, 2009

	Average of Efficient Farms	Average Of All Farms	Difference
Number of Fields	21	91	
Number of Farms	9	34	
Acres	133.57	114.57	19.00
Bushel Yield per Acre	223.25	206.92	16.33
Operator's Share of the Yield %	54.95%	51.97%	0.03
Value per Bushel at Harvest	\$3.83	\$3.73	\$0.10
Total Product Return	\$469.85	\$401.11	\$68.74
Hedging Gain/Loss	3.62	-1.58	5.20
Crop Insurance	7.42	7.53	-0.11
Other Crop Income	0.00	0.05	-0.05
Gross Return	\$480.89	\$407.11	73.78
Direct Expenses			
Seed	50.49	45.66	4.83
Fertilizer	80.57	78.76	1.81
Crop Chemicals	23.71	24.32	-0.61
Crop Insurance	11.82	11.33	0.49
Drying Fuel & Storage	10.36	6.05	4.31
Irrigation Energy	17.25	20.72	-3.47
Irrigation Repairs	8.82	7.53	1.29
Operating Power & Crop Machinery	72.68	71.49	1.19
Building Repairs	4.87	3.54	1.33
Hired Labor	18.13	11.88	6.25
Utilities	3.77	3.32	0.45
Miscellaneous	8.93	12.00	-3.07
Land Rent	0.00	0.00	0.00
Operating Interest	7.08	5.56	1.52
Total Direct Expenses	\$318.48	\$302.16	\$16.32
Return Over Direct Expenses	\$162.41	\$104.95	\$57.46
Allocated Expenses			
Machinery & Building Depreciation	70.40	46.16	24.24
Real Estate & Personal Property Taxes	5.07	2.91	2.16
Farm Insurance	5.27	5.59	-0.32
Interest	8.24	5.13	3.11
Total Allocated Expenses	\$88.98	\$59.79	\$29.19
Total Listed Expenses	\$407.46	\$361.95	\$45.51
Net Return	\$73.43	\$45.16	\$28.27
Supplementary Management Information			
Total Direct Expense Per Bushel	2.60	2.81	-0.21
Total Listed Expense Per Bushel	3.32	3.37	-0.04
Net Return Per Bushel	\$0.51	\$0.36	\$0.14
Government Payments	15.19	11.40	3.79
Labor & Management Charge Per Acre	36.97	32.91	4.06
Net Return Inc'l Gov't Pmts and Labor & Mgmt	\$51.65	\$23.65	\$28.00
Machinery Cost Per Acre	\$144.98	\$117.60	\$27.38
Estimated Labor Hours Per Acre	2.51	2.09	0.42

Table 19: Dryland Corn on All Tenure Types, 2009*

	Average Of Efficient Farms	Average Of All Farms	Difference
Number of Fields	52	280	
Number of Farms	13	60	
Acres	70.97	50.81	
Bushel Yield per Acre	160.17	152.94	7.23
Operator's Share of the Yield %	73.27%	83.58%	-10.31%
Value per Bushel at Harvest	\$3.74	\$3.70	\$0.04
Total Product Return	\$438.91	\$472.96	-\$34.05
Hedging Gain/Loss	-0.03	-0.61	0.58
Crop Insurance	1.26	5.77	-4.51
Other Crop Income	0.00	0.69	-0.69
Gross Return	\$440.14	\$478.81	-\$38.67
Direct Expenses			
Seed	52.80	54.83	-2.03
Fertilizer	81.95	86.79	-4.84
Crop Chemicals	28.03	32.60	-4.57
Crop Insurance	8.36	14.88	-6.52
Drying Fuel & Storage	6.72	6.13	0.59
Operating Power & Crop Machinery	57.30	56.56	0.74
Building Repairs	3.59	2.89	0.70
Hired Labor	8.93	8.25	0.68
Utilities	3.40	3.59	-0.19
Miscellaneous	5.24	7.50	-2.26
Land Rent	18.39	38.56	-20.17
Operating Interest	2.47	4.53	-2.06
Total Direct Expenses	\$277.18	\$317.11	-\$39.93
Return Over Direct Expenses	\$162.96	\$161.70	\$1.26
Allocated Expenses			
Machinery & Building Depreciation	46.82	40.99	5.83
Real Estate & Personal Property Taxes	8.40	9.84	-1.44
Farm Insurance	4.84	5.57	-0.73
Interest	6.52	9.77	-3.25
Total Allocated Expenses	\$66.58	\$66.17	\$0.41
Total Listed Expenses	\$343.76	\$383.28	-\$39.52
Net Return	\$96.38	\$95.53	\$0.85
Supplementary Management Information			
Total Direct Expense Per Bushel	2.36	2.48	-0.12
Total Listed Expense Per Bushel	2.93	3.00	-0.07
Net Return Per Bushel	\$0.81	\$0.70	\$0.11
Government Payments	14.41	15.97	-1.56
Labor & Management Charge Per Acre	43.01	37.30	5.71
Net Return Inc'l Gov't Pmts and Labor & Mgmt	\$67.78	\$74.20	-\$6.42
Machinery Cost Per Acre	\$104.42	\$98.36	\$6.06
Estimated Labor Hours Per Acre	2.52	2.21	0.31

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

Table 20: Dryland Corn on Owned Land, 2009

	Average Of Efficient Farms	Average Of All Farms	Difference
Number of Fields	7	78	
Number of Farms	5	35	
Acres	82.47	49.81	
Bushel Yield per Acre	152.92	146.16	6.76
Operator's Share of the Yield %	100.00%	100.00%	0.00%
Value per Bushel at Harvest	\$3.73	\$3.71	\$0.02
Total Product Return	\$570.39	\$542.25	\$28.14
Hedging Gain/Loss	0.00	-0.76	0.76
Crop Insurance	0.50	6.29	-5.79
Other Crop Income	0.00	0.58	-0.58
Gross Return	\$570.89	\$548.36	\$22.53
Direct Expenses			
Seed	50.50	57.79	-7.29
Fertilizer	84.16	95.38	-11.22
Crop Chemicals	31.22	37.53	-6.31
Crop Insurance	8.72	19.51	-10.79
Drying Fuel & Storage	3.98	4.91	-0.93
Operating Power & Crop Machinery	55.34	65.55	-10.21
Building Repairs	2.81	3.71	-0.90
Hired Labor	3.31	10.02	-6.71
Utilities	4.47	4.62	-0.15
Miscellaneous	3.32	9.98	-6.66
Land Rent	0.00	0.00	0.00
Operating Interest	0.94	5.92	-4.98
Total Direct Expenses	\$248.77	\$314.92	-\$66.15
Return Over Direct Expenses	\$322.12	\$233.44	\$88.68
Allocated Expenses			
Machinery & Building Depreciation	35.81	37.30	-1.49
Real Estate & Personal Property Taxes	31.07	28.89	2.18
Farm Insurance	4.29	6.31	-2.02
Interest	18.60	23.08	-4.48
Total Allocated Expenses	\$89.77	\$95.58	-\$5.81
Total Listed Expenses	\$338.54	\$410.50	-\$71.96
Net Return	\$232.35	\$137.86	\$94.49
Supplementary Management Information			
Total Direct Expense Per Bushel	1.63	2.15	-0.53
Total Listed Expense Per Bushel	2.21	2.81	-0.59
Net Return Per Bushel	\$1.52	\$0.90	\$0.61
Government Payments	19.08	19.14	-0.06
Labor & Management Charge Per Acre	49.88	36.24	13.64
Net Return Inc'l Gov't Pmts and Labor & Mgmt	\$201.55	\$120.76	\$80.79
Machinery Cost Per Acre	\$88.98	\$101.98	-\$13.00
Estimated Labor Hours Per Acre	2.28	2.34	-0.06

Table 21: Dryland Corn on Cash Rented Land, 2009

	Average Of Efficient Farms	Average Of All Farms	Difference
Number of Fields	10	106	
Number of Farms	5	37	
Acres	61.76	43.73	
Bushel Yield per Acre	169.19	156.02	13.17
Operator's Share of the Yield %	100.00%	100.00%	0.00%
Value per Bushel at Harvest	\$3.74	\$3.70	\$0.04
Total Product Return	\$632.77	\$577.27	\$55.50
Hedging Gain/Loss	-0.21	-0.09	-0.12
Crop Insurance	1.05	8.33	-7.28
Other Crop Income	0.00	1.43	-1.43
Gross Return	\$633.61	\$586.94	\$46.67
Direct Expenses			
Seed	51.24	61.20	-9.96
Fertilizer	147.74	114.03	33.71
Crop Chemicals	35.74	39.25	-3.51
Crop Insurance	12.73	17.46	-4.73
Drying Fuel & Storage	9.20	8.97	0.23
Operating Power & Crop Machinery	59.18	53.77	5.41
Building Repairs	3.01	1.63	1.38
Hired Labor	8.72	4.77	3.95
Utilities	4.66	3.16	1.50
Miscellaneous	7.17	6.45	0.72
Land Rent	109.87	118.38	-8.51
Operating Interest	1.78	4.34	-2.56
Total Direct Expenses	\$451.04	\$433.41	\$17.63
Return Over Direct Expenses	\$182.57	\$153.53	\$29.04
Allocated Expenses			
Machinery & Building Depreciation	49.33	43.87	5.46
Real Estate & Personal Property Taxes	2.52	2.21	0.31
Farm Insurance	7.00	5.71	1.29
Interest	1.78	4.93	-3.15
Total Allocated Expenses	\$60.63	\$56.72	\$3.91
Total Listed Expenses	\$511.67	\$490.13	\$21.54
Net Return	\$121.94	\$96.81	\$25.13
Supplementary Management Information			
Total Direct Expense Per Bushel	2.67	2.78	-0.11
Total Listed Expense Per Bushel	3.02	3.14	-0.12
Net Return Per Bushel	\$0.72	\$0.56	\$0.16
Government Payments	16.55	18.63	-2.08
Labor & Management Charge Per Acre	60.80	39.59	21.21
Net Return Inc'l Gov't Pmts and Labor & Mgmt	\$77.69	\$75.85	\$1.84
Machinery Cost Per Acre	\$108.47	\$98.67	\$9.80
Estimated Labor Hours Per Acre	3.28	2.24	1.04

Table 22: Dryland Corn on Share Rented Land, 2009

	Average Of Efficient Farms	Average Of All Farms	Difference
Number of Fields	31	92	
Number of Farms	12	42	
Acres	75.04	60.20	14.84
Bushel Yield per Acre	159.54	154.89	4.65
Operator's Share of the Yield %	57.43%	58.34%	-0.91%
Value per Bushel at Harvest	\$3.74	\$3.70	\$0.04
Total Product Return	\$342.67	\$334.34	\$8.33
Hedging Gain/Loss	0.01	-0.95	0.96
Crop Insurance	1.59	3.43	-1.84
Other Crop Income	0.00	0.17	-0.17
Gross Return	\$344.27	\$336.99	\$7.28
Direct Expenses			
Seed	54.75	47.90	6.85
Fertilizer	64.64	58.41	6.23
Crop Chemicals	24.88	23.59	1.29
Crop Insurance	6.83	9.57	-2.74
Drying Fuel & Storage	7.11	5.23	1.88
Operating Power & Crop Machinery	59.02	53.64	5.38
Building Repairs	4.09	2.88	1.21
Hired Labor	10.94	10.13	0.81
Utilities	2.92	3.25	-0.33
Miscellaneous	5.44	6.50	-1.06
Land Rent	0.00	0.00	0.00
Operating Interest	3.21	3.86	-0.65
Total Direct Expenses	\$243.83	\$224.96	\$18.87
Return Over Direct Expenses	\$100.44	\$112.03	-\$11.59
Allocated Expenses			
Machinery & Building Depreciation	51.28	42.00	9.28
Real Estate & Personal Property Taxes	2.76	2.26	0.50
Farm Insurance	4.50	4.99	-0.49
Interest	4.24	4.36	-0.12
Total Allocated Expenses	\$62.78	\$53.61	\$9.17
Total Listed Expenses	\$306.61	\$278.57	\$28.04
Net Return	\$37.66	\$58.42	-\$20.76
Supplementary Management Information			
Total Direct Expense Per Bushel	2.66	2.49	0.17
Total Listed Expense Per Bushel	3.35	3.08	0.26
Net Return Per Bushel	\$0.39	\$0.62	-\$0.22
Government Payments	12.53	11.51	1.02
Labor & Management Charge Per Acre	37.81	36.46	1.35
Net Return Inc'l Gov't Pmts and Labor & Mgmt	\$12.38	\$33.47	-\$21.09
Machinery Cost Per Acre	\$111.32	\$97.11	\$14.21
Estimated Labor Hours Per Acre	2.42	2.11	0.31

Table 23: Irrigated Soybeans on All Tenure Types, 2009*

	Average Of Efficient Farms	Average Of All Farms	Difference
Number of Fields	48	219	
Number of Farms	11	55	
Acres	96.61	92.03	
Bushel Yield per Acre	64.43	65.14	-0.71
Operator's Share of the Yield %	73.46%	79.06%	-5.60%
Value per Bushel at Harvest	\$9.99	\$9.54	\$0.45
Total Product Return	\$472.83	\$491.31	-\$18.48
Hedging Gain/Loss	0.93	0.62	0.31
Crop Insurance	6.11	7.64	-1.53
Other Crop Income	0.00	0.11	-0.11
Gross Return	\$479.87	\$499.68	-\$19.81
Direct Expenses			
Seed	48.04	47.18	0.86
Fertilizer	4.05	9.78	-5.73
Crop Chemicals	30.05	34.55	-4.50
Crop Insurance	16.54	16.98	-0.44
Drying Fuel & Storage	1.11	1.43	-0.32
Irrigation Energy	14.01	21.73	-7.72
Irrigation Repairs	4.45	6.13	-1.68
Operating Power & Crop Machinery	56.47	67.52	-11.05
Building Repairs	2.81	2.84	-0.03
Hired Labor	12.32	9.85	2.47
Utilities	3.39	3.48	-0.09
Miscellaneous	9.44	11.28	-1.84
Land Rent	23.21	46.28	-23.07
Operating Interest	5.13	6.61	-1.48
Total Direct Expenses	\$231.02	\$285.64	-\$54.62
Return Over Direct Expenses	\$248.85	\$214.04	\$34.81
Allocated Expenses			
Machinery & Building Depreciation	54.66	45.01	9.65
Real Estate & Personal Property Taxes	11.11	10.66	0.45
Farm Insurance	4.92	5.16	-0.24
Interest	14.19	17.59	-3.40
Total Allocated Expenses	\$84.88	\$78.42	\$6.46
Total Listed Expenses	\$315.90	\$364.06	-\$48.16
Net Return	\$163.97	\$135.62	\$28.35
Supplementary Management Information			
Total Direct Expense Per Bushel	4.88	5.55	-0.67
Total Listed Expense Per Bushel	6.67	7.07	-0.39
Net Return Per Bushel	\$3.32	\$2.47	\$0.84
Government Payments	18.60	16.98	1.62
Labor & Management Charge Per Acre	36.84	41.57	-4.73
Net Return Inc'l Gov't Pmts and Labor & Mgn	\$145.73	\$111.03	\$34.70
Machinery Cost Per Acre	\$111.19	\$111.92	-\$0.73
Estimated Labor Hours Per Acre	2.26	2.00	0.26

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

Table 24: Irrigated Soybeans on Owned Land, 2009

	Average of Efficient Farms	Average Of All Farms	Difference
Number of Fields	13	47	
Number of Farms	7	32	
Acres	62.99	97.89	
Bushel Yield per Acre	63.61	67.05	-3.44
Operator's Share of the Yield %	100.00%	100.00%	0.00%
Value per Bushel at Harvest	\$9.93	\$9.45	\$0.48
Total Product Return	\$631.65	\$633.62	-\$1.98
Hedging Gain/Loss	0.77	2.81	-2.04
Crop Insurance	19.92	5.48	14.44
Other Crop Income	0.00	0.00	0.00
Gross Return	\$652.34	\$641.91	\$10.42
Direct Expenses			
Seed	46.72	52.90	-6.18
Fertilizer	7.19	9.98	-2.79
Crop Chemicals	39.42	40.46	-1.04
Crop Insurance	20.57	20.69	-0.12
Drying Fuel & Storage	2.88	1.54	1.34
Irrigation Energy	16.79	23.89	-7.10
Irrigation Repairs	5.26	8.24	-2.98
Operating Power & Crop Machinery	62.16	70.67	-8.51
Building Repairs	1.74	2.82	-1.08
Hired Labor	6.80	11.64	-4.84
Utilities	4.63	3.80	0.83
Miscellaneous	10.44	11.31	-0.87
Land Rent	0.00	0.00	0.00
Operating Interest	4.29	5.71	-1.42
Total Direct Expenses	\$228.89	\$263.65	-\$34.76
Return Over Direct Expenses	\$423.45	\$378.26	\$45.18
Allocated Expenses			
Machinery & Building Depreciation	52.54	51.00	1.54
Real Estate & Personal Property Taxes	42.45	33.66	8.79
Farm Insurance	6.46	6.05	0.41
Interest	52.31	55.57	-3.26
Total Allocated Expenses	\$153.76	\$146.28	\$7.48
Total Listed Expenses	\$382.65	\$409.93	-\$27.28
Net Return	\$269.69	\$231.98	\$37.70
Supplementary Management Information			
Total Direct Expense Per Bushel	3.60	3.93	-0.33
Total Listed Expense Per Bushel	6.02	6.11	-0.10
Net Return Per Bushel	\$3.91	\$3.34	\$0.58
Government Payments	22.33	19.59	2.74
Labor & Management Charge Per Acre	40.22	41.40	-1.18
Net Return Inc'l Gov't Pmts and Labor & Mgmt	\$251.80	\$210.17	\$41.62
Machinery Cost Per Acre	\$109.35	\$115.79	-\$6.44
Estimated Labor Hours Per Acre	2.36	1.84	0.52

Table 25: Irrigated Soybeans on Share Rented Land, 2009

	Average of Efficient Farms	Average Of All Farms	Difference
Number of Fields	25	95	
Number of Farms	11	37	
Acres	112.82	94.90	
Bushel Yield per Acre	65.05	65.25	-0.20
Operator's Share of the Yield %	56.77%	54.30%	2.47%
Value per Bushel at Harvest	\$10.13	\$9.66	\$0.47
Total Product Return	\$374.09	\$342.26	\$31.83
Hedging Gain/Loss	2.35	-0.58	2.93
Crop Insurance	3.59	9.96	-6.37
Other Crop Income	0.00	0.05	-0.05
Gross Return	\$380.03	\$351.69	\$28.34
Direct Expenses			
Seed	41.90	39.11	2.79
Fertilizer	4.58	8.91	-4.33
Crop Chemicals	23.78	26.66	-2.88
Crop Insurance	13.73	12.44	1.29
Drying Fuel & Storage	0.55	0.58	-0.03
Irrigation Energy	10.29	18.89	-8.60
Irrigation Repairs	5.40	5.60	-0.20
Operating Power & Crop Machinery	59.73	65.96	-6.23
Building Repairs	3.32	2.96	0.36
Hired Labor	12.74	9.08	3.66
Utilities	3.51	2.98	0.53
Miscellaneous	8.22	10.20	-1.98
Land Rent	0.00	0.00	0.00
Operating Interest	5.63	5.06	0.57
Total Direct Expenses	\$193.38	\$208.43	-\$15.05
Return Over Direct Expenses	\$186.65	\$143.26	\$43.39
Allocated Expenses			
Machinery & Building Depreciation	55.05	39.82	15.23
Real Estate & Personal Property Taxes	3.66	2.35	1.31
Farm Insurance	4.91	4.30	0.61
Interest	5.84	4.37	1.47
Total Allocated Expenses	\$69.46	\$50.84	\$18.62
Total Listed Expenses	\$262.84	\$259.27	\$3.57
Net Return	\$117.19	\$92.42	\$24.77
Supplementary Management Information			
Total Direct Expense Per Bushel	5.24	5.88	-0.65
Total Listed Expense Per Bushel	7.12	7.32	-0.20
Net Return Per Bushel	\$3.01	\$2.34	\$0.67
Government Payments	16.59	13.34	3.25
Labor & Management Charge Per Acre	35.22	33.82	1.40
Net Return Inc'l Gov't Pmts and Labor & Mgmt	\$98.56	\$71.94	\$26.62
Machinery Cost Per Acre	\$116.29	\$106.23	\$10.06
Estimated Labor Hours Per Acre	2.25	1.77	0.48

Table 26: Dryland Soybeans on All Tenure Types, 2009

	Average Of Efficient Farms	Average Of All Farms	Difference
Number of Fields	57	239	
Number of Farms	12	55	
Acres	60.91	50.60	
Bushel Yield per Acre	53.59	51.64	1.95
Operator's Share of the Yield %	80.30%	83.22%	-2.92%
Value per Bushel at Harvest	\$9.87	\$9.73	\$0.14
Total Product Return	\$424.73	\$418.14	\$6.59
Hedging Gain/Loss	-0.53	0.28	-0.81
Crop Insurance	0.51	4.31	-3.80
Other Crop Income	0.00	0.00	0.00
Gross Return	\$424.71	\$422.73	\$1.98
Direct Expenses			
Seed	45.15	47.00	-1.85
Fertilizer	0.00	4.30	-4.30
Crop Chemicals	23.21	26.26	-3.05
Crop Insurance	7.88	10.36	-2.48
Drying Fuel & Storage	2.38	1.49	0.89
Operating Power & Crop Machinery	50.22	49.30	0.92
Building Repairs	2.57	2.07	0.50
Hired Labor	5.56	6.11	-0.55
Utilities	3.26	3.18	0.08
Miscellaneous	5.16	5.82	-0.66
Land Rent	29.59	42.65	-13.06
Operating Interest	0.83	3.08	-2.25
Total Direct Expenses	\$175.81	\$201.62	-\$25.81
Return Over Direct Expenses	\$248.90	\$221.11	\$27.79
Allocated Expenses			
Machinery & Building Depreciation	37.04	37.13	-0.09
Real Estate & Personal Property Taxes	9.49	9.16	0.33
Farm Insurance	4.65	4.85	-0.20
Interest	6.47	6.81	-0.34
Total Allocated Expenses	\$57.65	\$57.95	-\$0.30
Total Listed Expenses	\$233.46	\$259.57	-\$26.11
Net Return	\$191.25	\$163.16	\$28.09
Supplementary Management Information			
Total Direct Expense Per Bushel	4.09	4.69	-0.61
Total Listed Expense Per Bushel	5.43	6.04	-0.61
Net Return Per Bushel	\$4.44	\$3.69	\$0.75
Government Payments	14.49	14.57	-0.08
Labor & Management Charge Per Acre	38.16	33.55	4.61
Net Return Inc'l Gov't Pmts and Labor & Mgmt	\$167.58	\$144.18	\$23.40
Machinery Cost Per Acre	\$86.15	\$87.12	-\$0.97
Estimated Labor Hours Per Acre	2.21	1.89	0.32

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

Table 27: Dryland Soybeans on Owned Land, 2009

	Average Of Efficient Farms	Average Of All Farms	Difference
Number of Fields	10	51	
Number of Farms	5	25	
Acres	95.38	57.80	
Bushel Yield per Acre	52.39	51.40	0.99
Operator's Share of the Yield %	100.00%	100.00%	0.00%
Value per Bushel at Harvest	\$9.78	\$9.74	\$0.04
Total Product Return	\$512.37	\$500.64	\$11.74
Hedging Gain/Loss	-0.57	0.65	-1.22
Crop Insurance	0.00	4.17	-4.17
Other Crop Income	0.00	0.00	0.00
Gross Return	\$511.80	\$505.46	\$6.35
Direct Expenses			
Seed	45.52	51.53	-6.01
Fertilizer	0.00	4.25	-4.25
Crop Chemicals	22.72	29.78	-7.06
Crop Insurance	4.91	10.61	-5.70
Drying Fuel & Storage	0.86	1.08	-0.22
Operating Power & Crop Machinery	48.42	52.76	-4.34
Building Repairs	2.88	1.87	1.01
Hired Labor	3.90	7.88	-3.98
Utilities	2.97	3.43	-0.46
Miscellaneous	3.66	6.66	-3.00
Land Rent	0.00	0.00	0.00
Operating Interest	0.00	2.37	-2.37
Total Direct Expenses	\$135.84	\$172.22	-\$36.38
Return Over Direct Expenses	\$375.96	\$333.24	\$42.73
Allocated Expenses			
Machinery & Building Depreciation	37.02	37.71	-0.69
Real Estate & Personal Property Taxes	30.20	31.50	-1.30
Farm Insurance	4.15	5.00	-0.85
Interest	18.99	15.58	3.41
Total Allocated Expenses	\$90.36	\$89.79	\$0.57
Total Listed Expenses	\$226.20	\$262.01	-\$35.81
Net Return	\$285.60	\$243.45	\$42.16
Supplementary Management Information			
Total Direct Expense Per Bushel	2.59	3.35	-0.76
Total Listed Expense Per Bushel	4.32	5.10	-0.78
Net Return Per Bushel	\$5.46	\$4.64	\$0.82
Government Payments	\$15.80	\$15.24	\$0.56
Labor & Management Charge Per Acre	29.22	28.08	1.14
Net Return Inc'l Gov't Pmts and Labor & Mgr	\$272.18	\$230.61	\$41.58
Machinery Cost Per Acre	\$82.91	\$89.57	-\$6.66
Estimated Labor Hours Per Acre	2.01	2.04	-0.03

Table 28: Dryland Soybeans on Cash Rented Land, 2009

	Average Of Efficient Farms	Average Of All Farms	Difference
Number of Fields	15	86	
Number of Farms	9	37	
Acres	64.21	52.20	12.01
Bushel Yield per Acre	52.79	51.02	1.77
Operator's Share of the Yield %	100.00%	100.00%	0.00%
Value per Bushel at Harvest	\$9.92	\$9.68	\$0.24
Total Product Return	\$523.68	\$493.87	\$29.80
Hedging Gain/Loss	-0.63	0.23	-0.86
Crop Insurance	0.32	4.59	-4.27
Other Crop Income	0.00	0.00	0.00
Gross Return	\$523.37	\$498.69	\$24.67
Direct Expenses			
Seed	45.66	50.99	-5.33
Fertilizer	0.00	4.84	-4.84
Crop Chemicals	29.70	29.90	-0.20
Crop Insurance	12.18	12.98	-0.80
Drying Fuel & Storage	5.02	1.67	3.35
Operating Power & Crop Machinery	53.56	47.80	5.76
Building Repairs	2.18	2.15	0.03
Hired Labor	5.15	4.57	0.58
Utilities	4.19	3.08	1.11
Miscellaneous	6.86	5.32	1.54
Land Rent	106.65	114.90	-8.25
Operating Interest	0.77	3.29	-2.52
Total Direct Expenses	\$271.92	\$281.49	-\$9.57
Return Over Direct Expenses	\$251.45	\$217.20	\$34.24
Allocated Expenses			
Machinery & Building Depreciation	37.48	36.54	0.94
Real Estate & Personal Property Taxes	1.59	1.92	-0.33
Farm Insurance	5.63	4.90	0.73
Interest	0.76	3.51	-2.75
Total Allocated Expenses	\$45.46	\$46.87	-\$1.41
Total Listed Expenses	\$317.38	\$328.36	-\$10.98
Net Return	\$205.99	\$170.33	\$35.65
Supplementary Management Information			
Total Direct Expense Per Bushel	5.15	5.52	-0.37
Total Listed Expense Per Bushel	6.01	6.44	-0.42
Net Return Per Bushel	\$3.91	\$3.24	\$0.66
Government Payments	17.62	18.61	-0.99
Labor & Management Charge Per Acre	51.03	34.92	16.11
Net Return Inc'l Gov't Pmts and Labor & Mgmt	\$172.58	\$154.02	\$18.55
Machinery Cost Per Acre	\$89.22	\$85.03	\$4.19
Estimated Labor Hours Per Acre	2.40	1.84	0.56

Table 29: Dryland Soybeans on Share Rented Land, 2009

	Average Of Efficient Farms	Average Of All Farms	Difference
Number of Fields	31	99	
Number of Farms	10	41	
Acres	49.96	46.49	
Bushel Yield per Acre	54.80	52.33	2.47
Operator's Share of the Yield %	56.81%	56.77%	0.04%
Value per Bushel at Harvest	\$9.90	\$9.78	\$0.12
Total Product Return	\$308.21	\$290.54	\$17.66
Hedging Gain/Loss	-0.42	-0.16	-0.26
Crop Insurance	0.94	4.17	-3.23
Other Crop Income	0.00	0.00	0.00
Gross Return	\$308.73	\$294.55	\$14.17
Direct Expenses			
Seed	44.58	40.23	4.35
Fertilizer	0.00	3.85	-3.85
Crop Chemicals	19.40	20.40	-1.00
Crop Insurance	7.06	7.59	-0.53
Drying Fuel & Storage	1.64	0.77	0.87
Operating Power & Crop Machinery	49.16	48.42	0.74
Building Repairs	2.62	2.05	0.57
Hired Labor	6.86	6.55	0.31
Utilities	2.84	3.13	-0.29
Miscellaneous	5.09	6.26	-1.17
Land Rent	0.00	0.00	0.00
Operating Interest	1.33	3.31	-1.98
Total Direct Expenses	\$140.58	\$142.56	-\$1.98
Return Over Direct Expenses	\$168.15	\$151.99	\$16.15
Allocated Expenses			
Machinery & Building Depreciation	36.85	37.49	-0.64
Real Estate & Personal Property Taxes	1.53	1.70	-0.17
Farm Insurance	4.33	4.71	-0.38
Interest	2.24	3.82	-1.58
Total Allocated Expenses	\$44.95	\$47.72	-\$2.77
Total Listed Expenses	\$185.53	\$190.28	-\$4.75
Net Return	\$123.20	\$104.27	\$18.92
Supplementary Management Information			
Total Direct Expense Per Bushel	4.52	4.80	-0.28
Total Listed Expense Per Bushel	5.96	6.41	-0.45
Net Return Per Bushel	\$3.94	\$3.37	\$0.57
Government Payments	11.72	10.19	1.53
Labor & Management Charge Per Acre	35.71	35.69	0.02
Net Return Inc'l Gov't Pmts and Labor & Mgmt	\$99.21	\$78.77	\$20.43
Machinery Cost Per Acre	\$86.23	\$87.37	-\$1.14
Estimated Labor Hours Per Acre	2.22	1.84	0.38

Table 30: Gross Farm Income Trend, 2000-2008

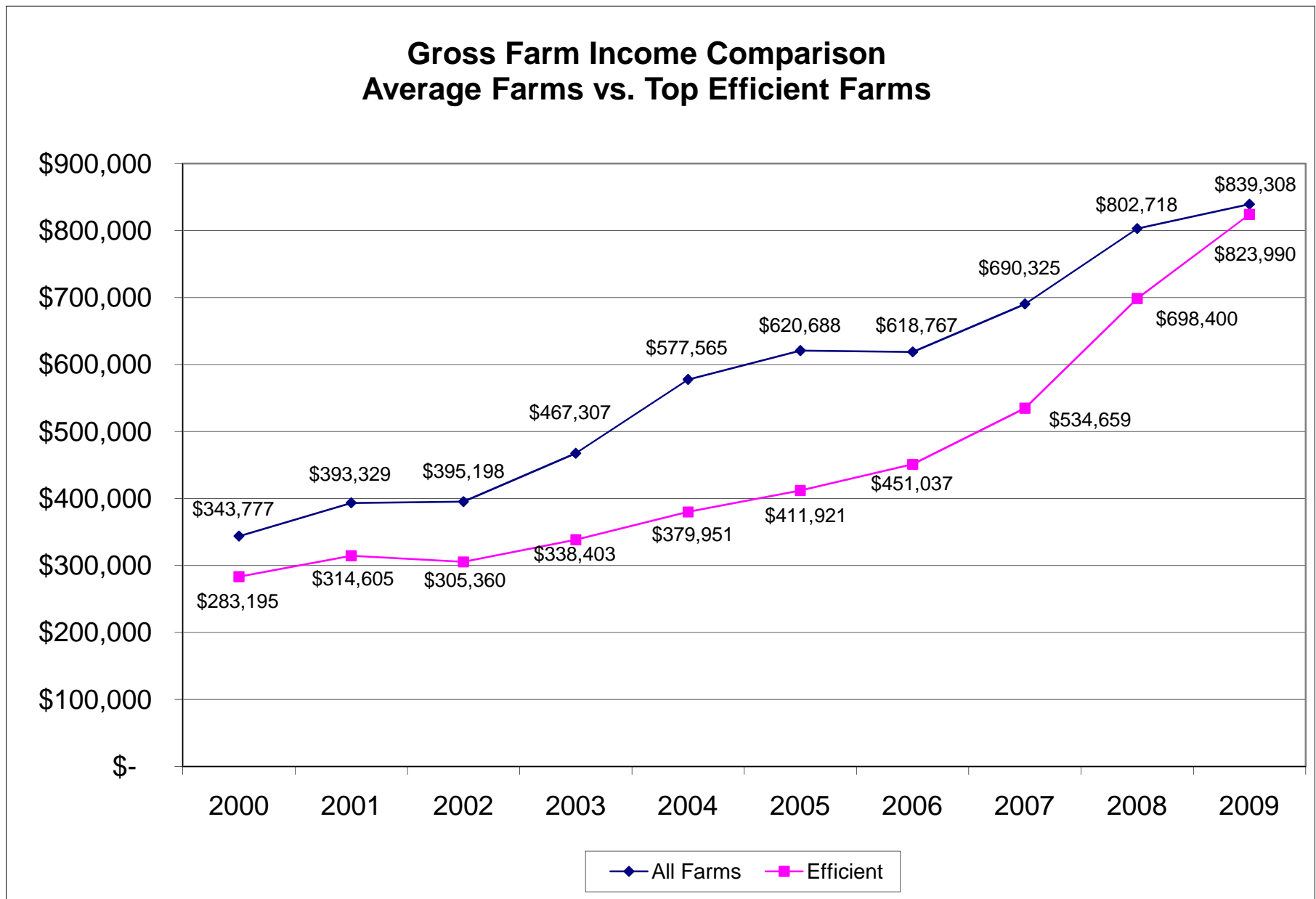


Table 31: Net Farm Income Trend, 2000-2008

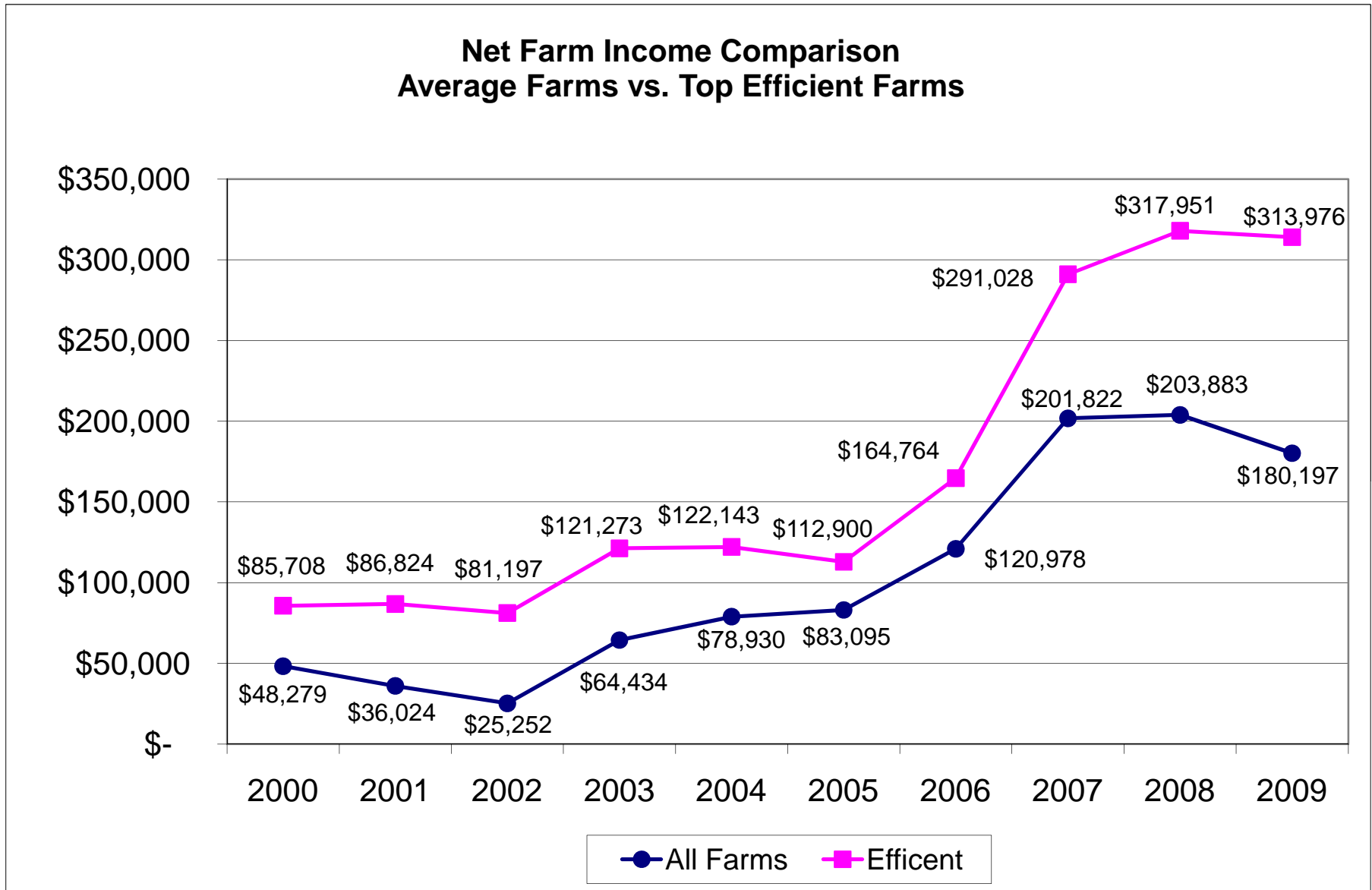


Table 32: Net Farm Income as a % of Gross Trend, 2000-2009

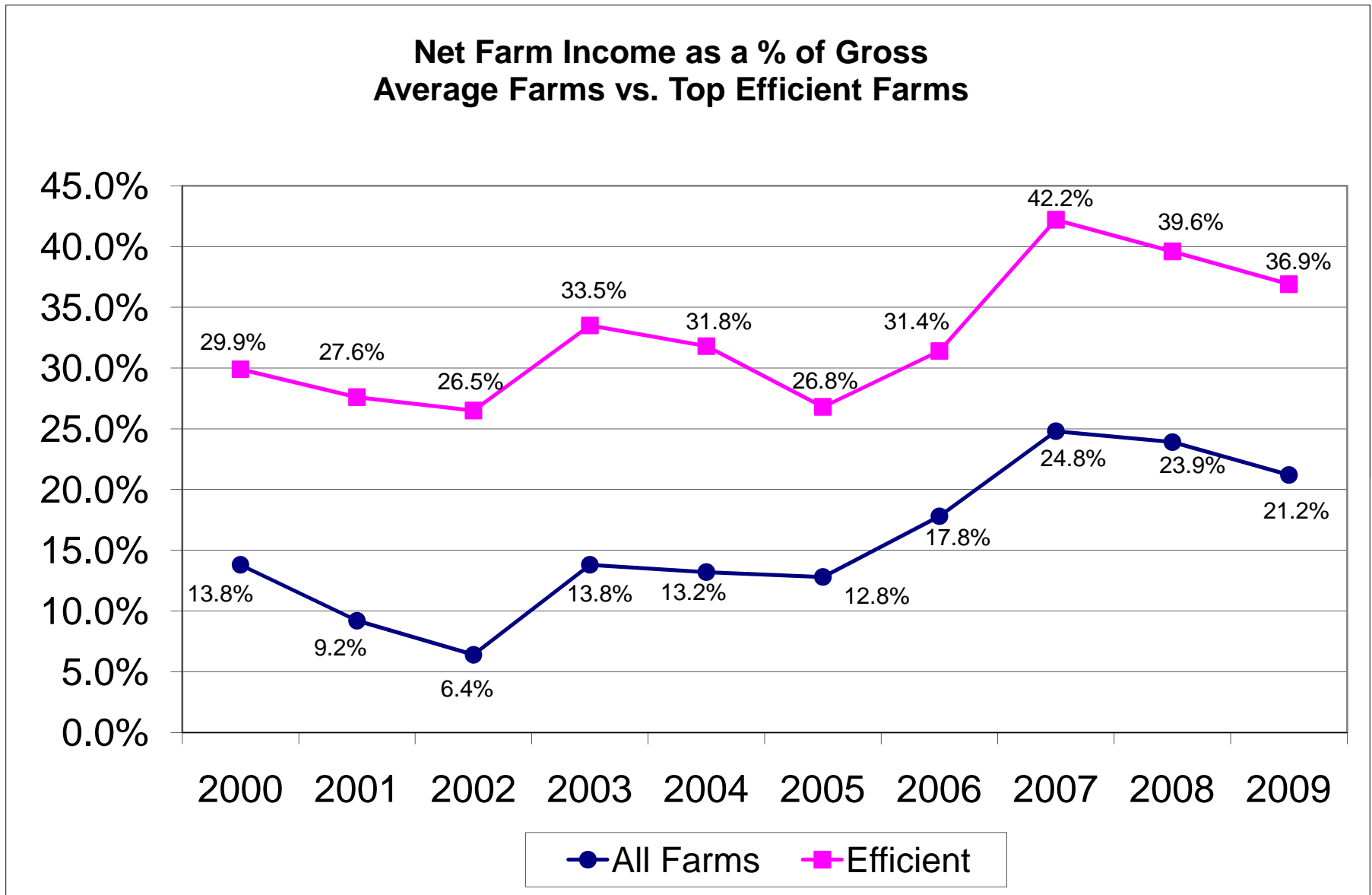


Table 33: Operating Expense Ratio Trend, 2000-2009

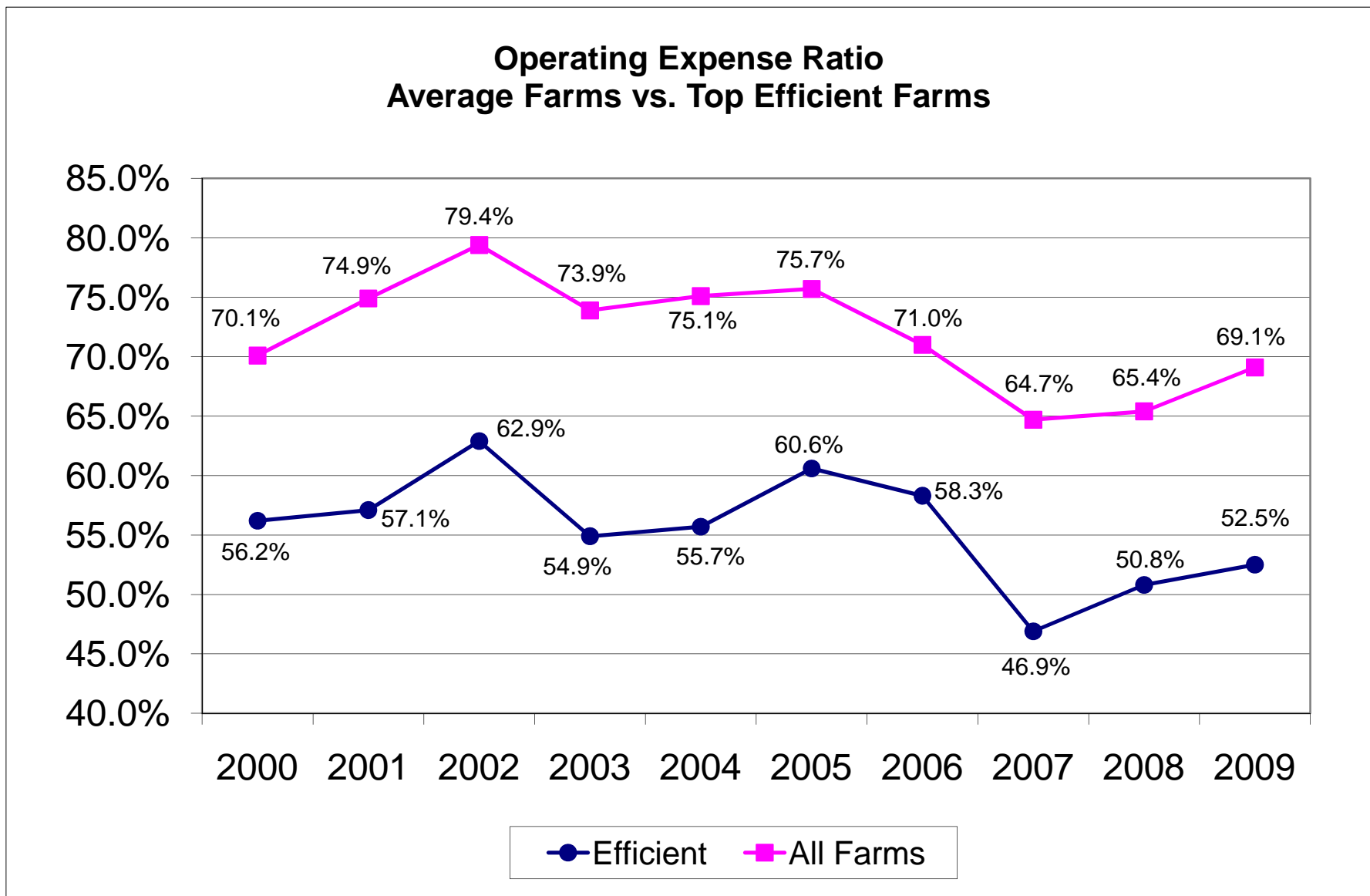


Table 34: Interest Expense Ratio Trend, 2000-2009

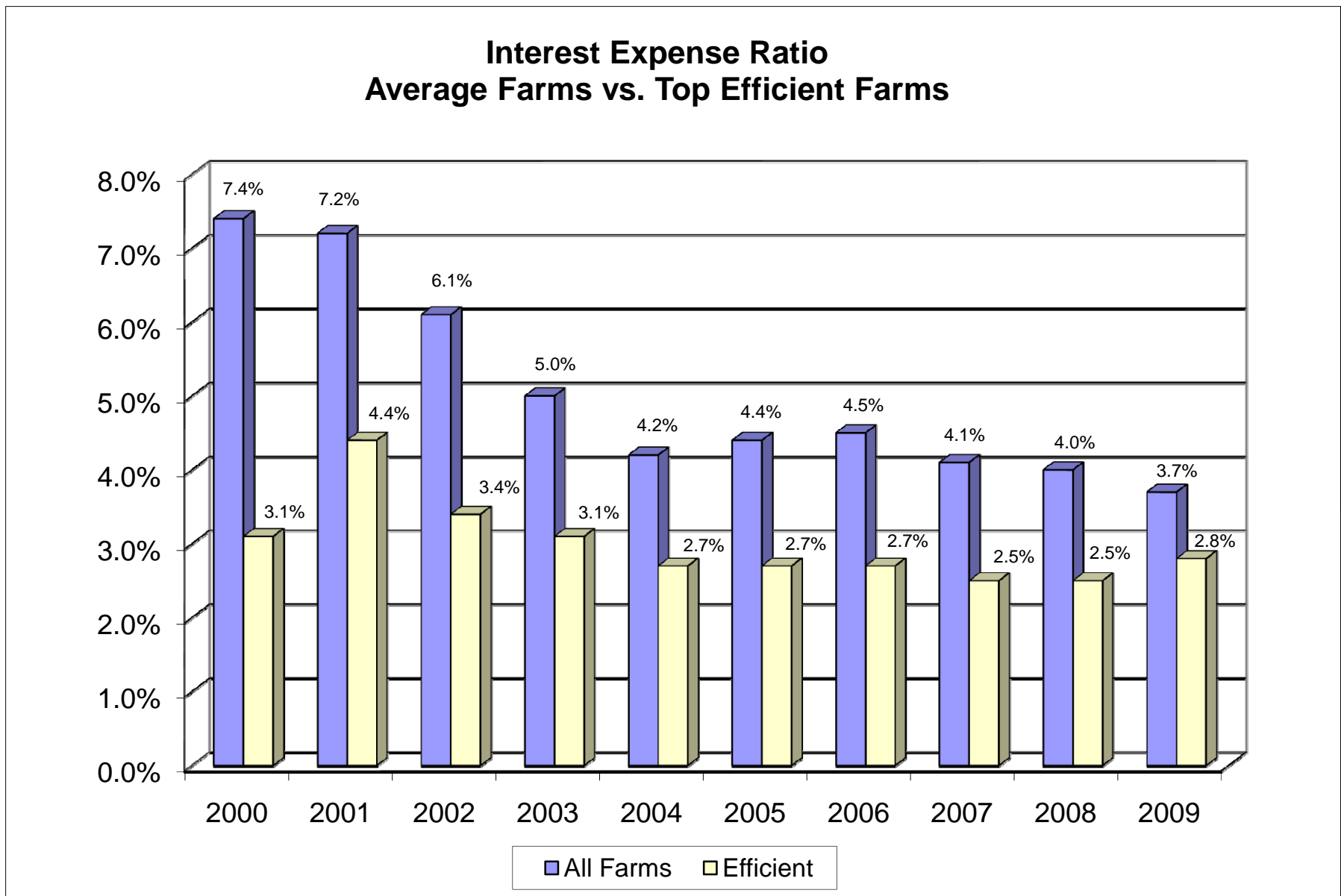


Table 35: Family Living Expense Trend, 2000-2009

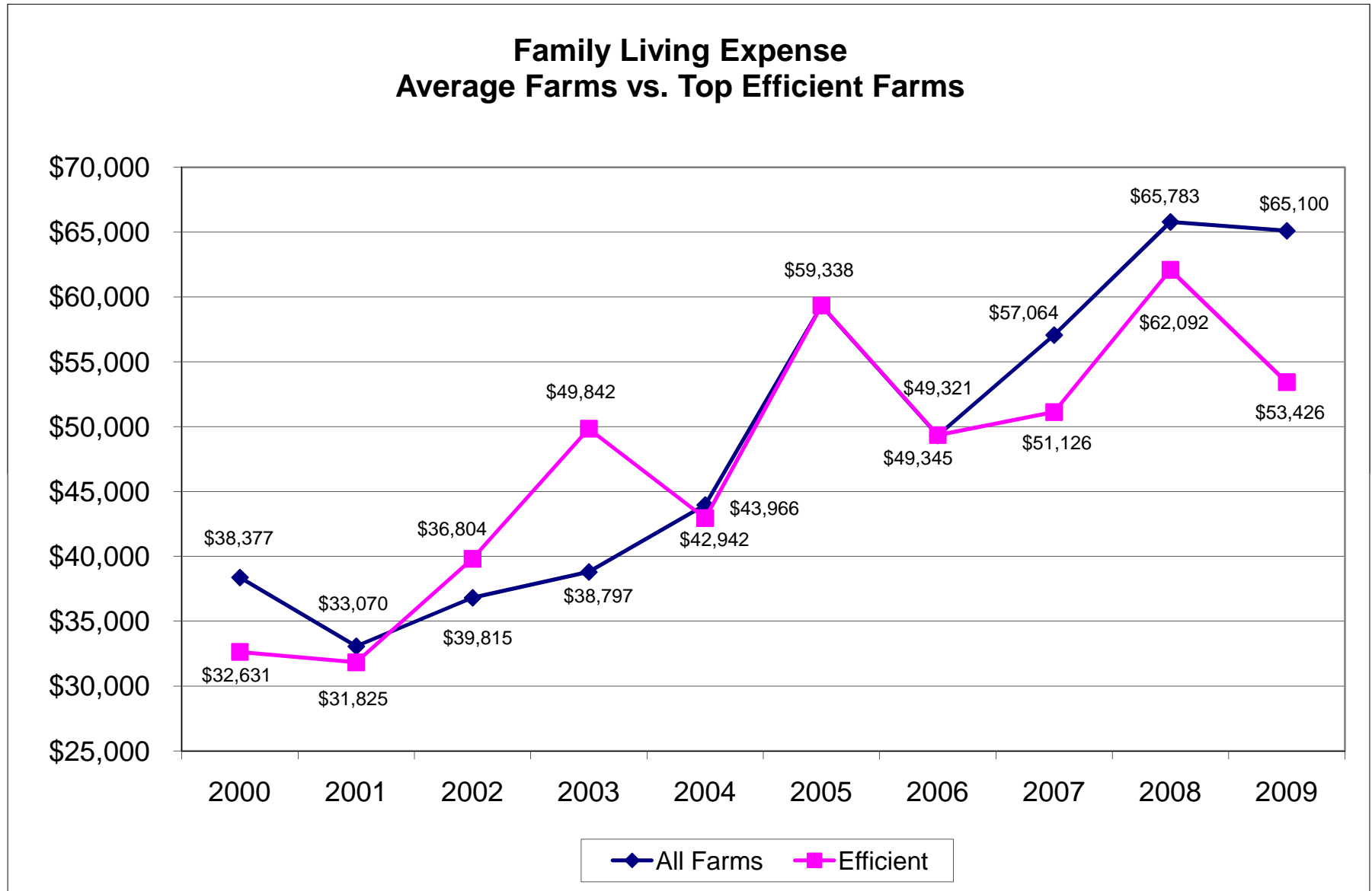


Table 36: Net Worth Trend, 2000-2009

**Net Worth Comparison
Average Farms vs. Top Efficient Farms**

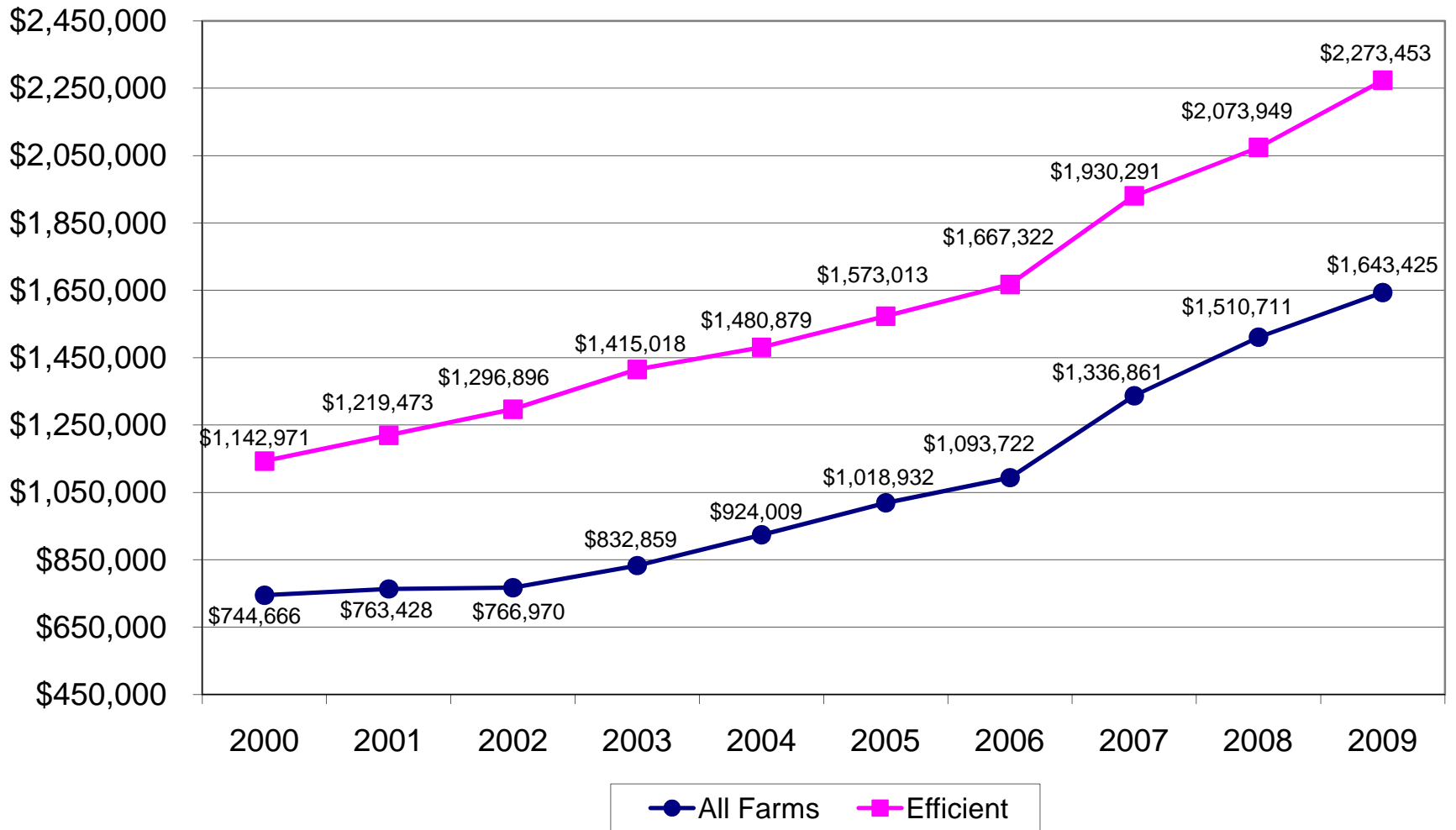


Table 37: Corn Price Received Trend, 2000-2009

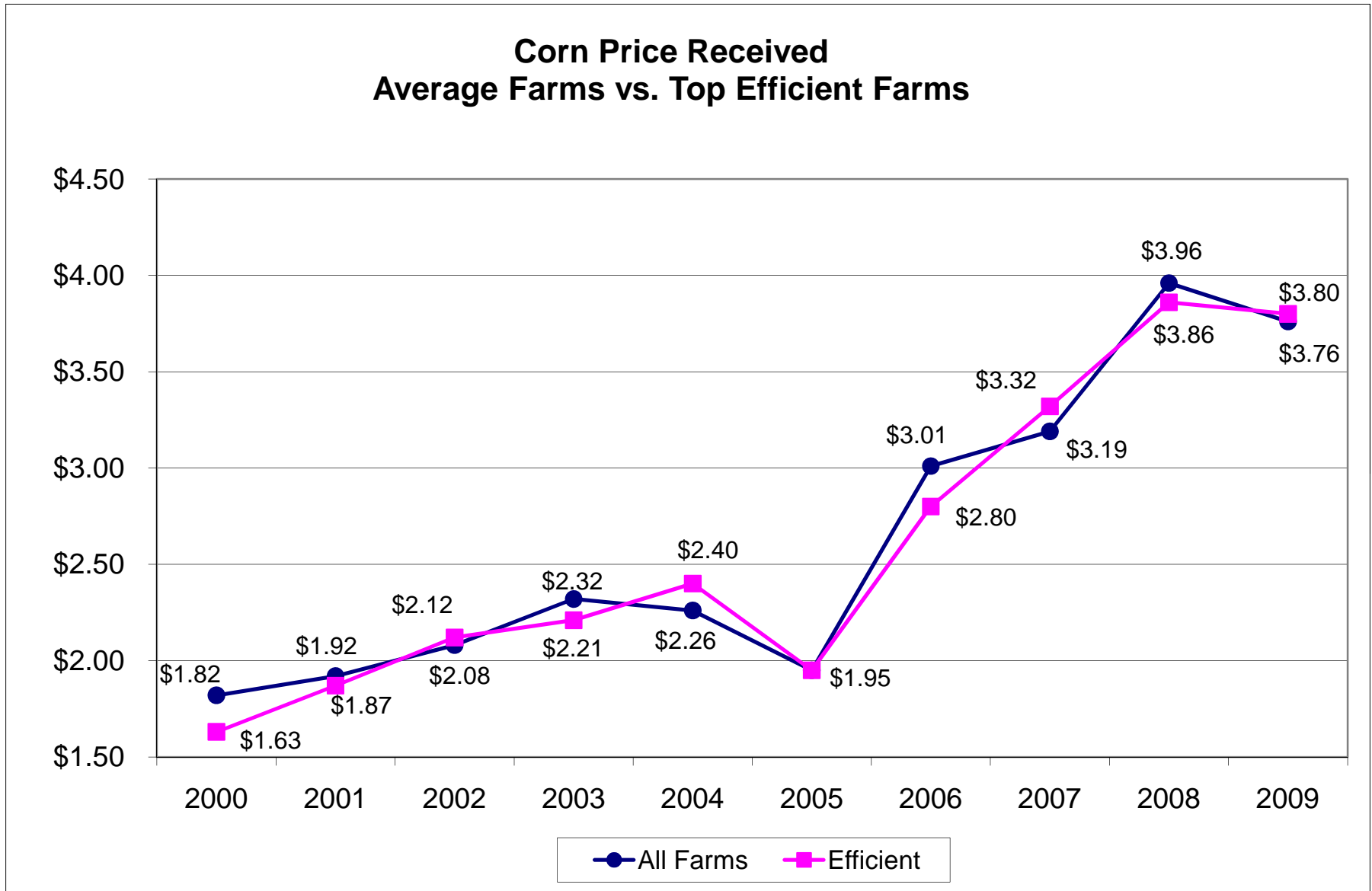
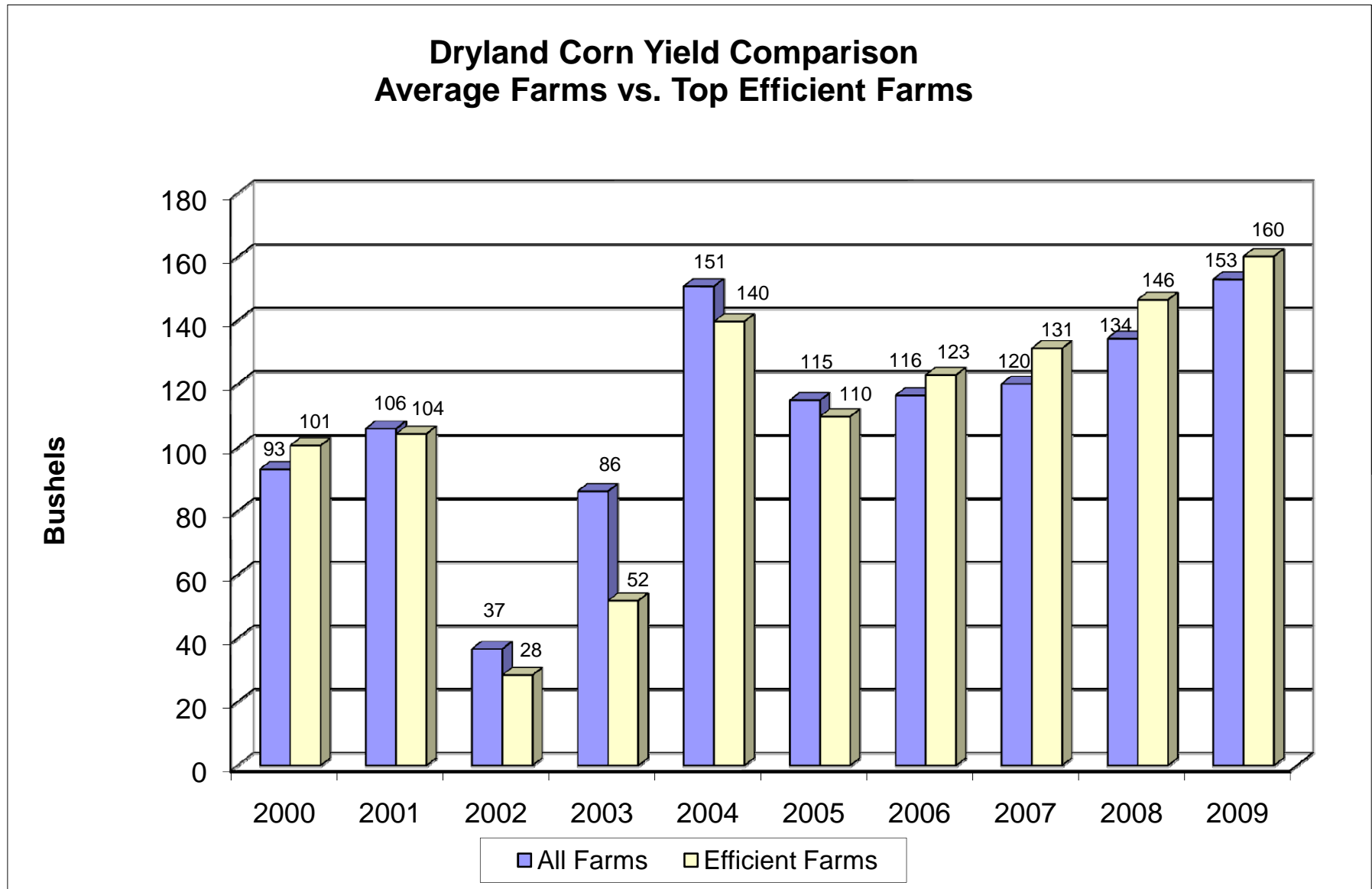


Table 38: Yield Comparison, 2000-2009



Appendix I

Farm Financial Ratios and Guidelines

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 leverages (i.e., multiplied) their equity in the business.

Total Farm Liabilities
/ Total Farm Equity

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 **B**efore **I**nterest, **T**axes, **D**epreciation, and **A**mortization.
Measures earnings available for debt repayment.

Net Farm Income
+ Interest Expense
+ Depreciation & Amortization

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)

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	Beginning Inventory	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.

Know how. Know now.



Extension is a Division of the Institute of Agriculture and Natural Resources at the University of Nebraska–Lincoln cooperating with the Counties and the United States Department of Agriculture.

University of Nebraska–Lincoln Extension educational programs abide with the nondiscrimination policies of the University of Nebraska–Lincoln and the United States Department of Agriculture.