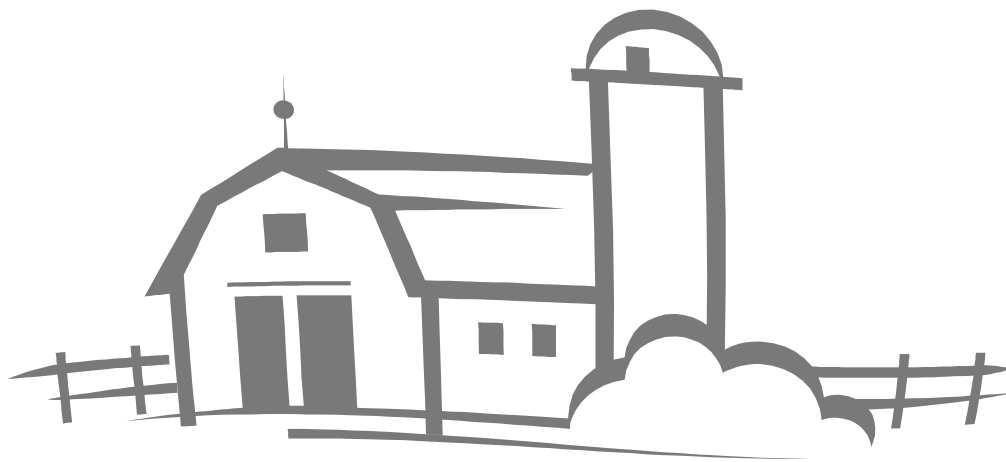


2003 Annual Report

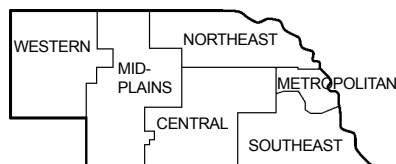
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Nebraska Farm/Ranch Business Management



Western Region

In cooperation with
**Nebraska Farm Business, Inc. and Nebraskaland Farm
& Ranch Management Education Program**



Nebraska Community Colleges

UNIVERSITY OF
Nebraska
Lincoln
University of Nebraska
Cooperative Extension

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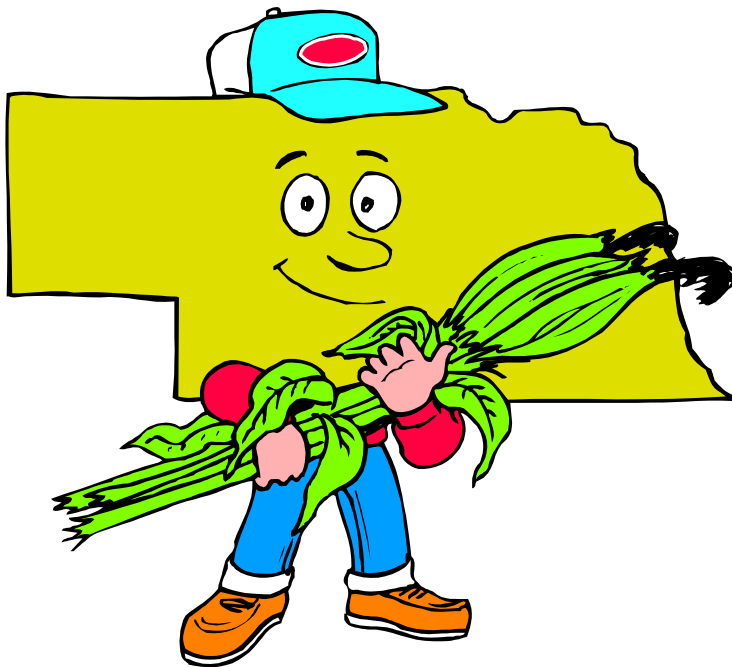
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(All historical data being presented in graphical form was collected from past Nebraska Farm Business averages.)

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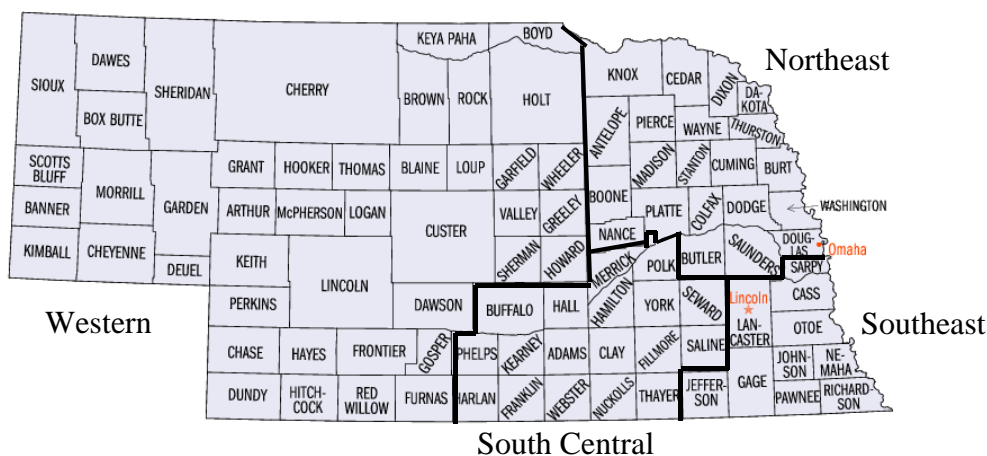
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Regional Comments

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 the average 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.

The four regional books' contents vary from one another. Because of the number of operations, the variety among those operations and whether or not they've chosen to participate in the enterprise analysis program, some regions contain more or less sorts by gross income, debt-to-asset ratio, age of operator, and individual enterprise reports. As much information as possible has been included without compromising the value of the data or the confidentiality of the producers participating. Remember, the Annual Report contains data from the whole state with a larger number of farms and for the reasons above contain the most information we can gather. These regional books contain no state average data. If you would like to order other books, please contact us at (402) 464-6324, or on our website: www.nfbi.net.

Table 1A: Western - Gross Cash Farm Income, 2003

	<u>Average Of 21 Farms</u>	<u>Average Of Low 33%</u>	<u>Average Of High 33%</u>
Crop Income			
Corn	196,678	162,881	317,090
Millet	838	632	1,727
Soybeans	27,253	4,433	65,712
Wheat	26,020	26,047	22,849
Hay Crops	7,767	1,093	8,551
Grain Sorghum	2,417	0	6,345
White Corn	0	0	0
Sugar Beets	10,350	0	27,169
Dry Edible Beans	4,997	11,657	4,374
Miscellaneous Crop Income	495	0	1,301
Total Crop Income	\$276,815	\$206,743	\$455,118
Livestock and Product Income			
Beef Finishing	132,351	0	347,514
Beef Calves	119,375	164,979	98,144
Background Beef	3,066	0	8,047
Farrow-to-Finish, Hogs	0	0	0
Finish Feeder Pigs	0	0	0
Dairy, Milk	0	0	0
Cull Breeding Livestock	26,071	16,773	38,292
Miscellaneous Livestock Income	8,260	0	21,649
Total Livestock Income	\$289,123	\$181,752	\$513,646
Other Farm Income			
Direct & CC Govt Payments	39,909	35,452	53,595
CRP & Other Gov't Payments	12,224	324	28,772
Custom Work	6,249	350	15,578
Patronage Dividends, Cash	861	538	1,319
Insurance Income	15,545	9,915	20,369
Cash from Hedging Accounts	12,076	1,995	29,333
Contract Livestock Income	12,033	0	31,586
Other Miscellaneous Farm Income	26,285	47,540	30,382
Total Other Farm Income	\$125,182	\$96,114	\$210,934
Gross Cash Farm Income	\$691,120	\$484,609	\$1,179,698

Table 1B: Western - Gross Cash Farm Expenses, 2003

	Average Of 21 Farms	Average Of Low 33%	Average Of High 33%
Crop Expense			
Seed	34,000	26,585	61,051
Fertilizer	44,953	42,619	59,366
Crop Chemicals	32,691	25,190	55,524
Crop Insurance	13,516	15,386	17,703
Drying Fuel	0	0	0
Irrigation Energy	25,336	28,262	38,791
Irrigation Repairs	0	0	0
Crop Marketing	2,038	899	3,503
Crop Miscellaneous	5,229	3,999	6,192
Total Crop Expense	\$157,763	\$142,940	\$242,130
Livestock Expense			
Feeder Livestock Purchases	96,700	5,300	227,959
Purchased Feed	40,058	34,975	60,498
Breeding Fees	1,747	1,541	3,431
Veterinary	7,052	9,522	9,476
Livestock Supplies	2,358	669	5,437
Livestock Custom Hire	957	1,767	0
Livestock Leases	3,015	10,348	154
Grazing Fees	11,464	26,004	4,462
Livestock Marketing	10,455	1,063	25,903
Livestock Miscellaneous	\$0	\$0	\$0
Total Livestock Expense	\$173,806	\$91,189	\$337,320
Other Farm Expense			
Interest	46,408	57,337	62,159
Fuel and Oil	21,174	15,887	32,046
Repairs	38,733	24,803	64,372
Custom Hire	13,756	15,693	15,699
Hired Labor	32,162	24,160	53,812
Land Rent	56,348	26,968	114,285
Machinery and Building Lease	12,514	5,799	26,523
Real Estate Taxes	10,809	15,439	9,702
Personal Property Taxes	1,597	1,638	2,065
Farm Insurance	7,710	4,869	10,713
Utilities	6,622	6,768	8,237
Dues and Professional Fees	3,932	4,243	3,917
Hedging Account Deposits	31,326	3,148	76,110
Miscellaneous	44,053	41,587	82,895
Total Other Cash Farm Expense	\$327,144	\$248,339	\$562,535
Total Cash Operating Expense	\$658,713	\$482,468	\$1,141,985
Summary			
Gross Cash Farm Income (Table 1A)	\$691,120	\$484,609	\$1,179,698
- Total Cash Operating Expense	\$658,713	\$482,468	\$1,141,985
= Net Cash Farm Income	\$32,407	\$2,141	\$37,713

Table 2: Western - Inventory Changes, 2003

	Average Of 21 Farms	Average Of Low 33%	Average Of High 33%
Net Cash Farm Income	\$32,407	\$2,141	\$37,713
Crops and Feed			
Ending Inventory	150,734	122,344	252,739
Beginning Inventory	112,560	110,465	162,014
Inventory Change	38,174	11,879	90,725
Market Livestock			
Ending Inventory	203,029	172,663	341,377
Beginning Inventory	156,329	148,453	237,290
Inventory Change	46,700	24,210	104,087
Accounts Receivable & Other Current Assets			
Ending Inventory	46,787	15,418	101,634
Beginning Inventory	34,427	18,118	65,594
Inventory Change	12,360	(2,700)	36,040
Prepaid Expenses and Supplies			
Ending Inventory	11,414	2,303	21,352
Beginning Inventory	9,638	1,721	19,156
Inventory Change	1,776	582	2,196
Accounts Payable			
Beginning Inventory	33,816	34,314	51,525
Ending Inventory	27,750	20,491	45,506
Inventory Change	6,066	13,823	6,019
Total Inventory Change	\$105,076	\$47,794	\$239,067
Net Accrual Operating Income	\$137,483	\$49,935	\$276,780

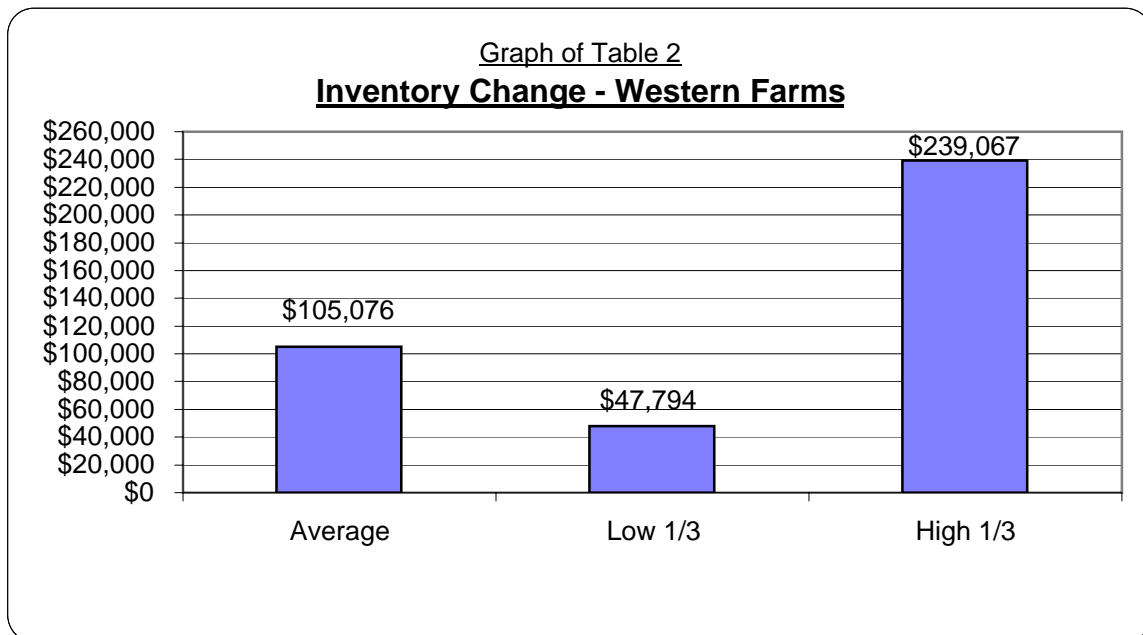


Table 3: Western - Depreciation and Other Capital Adjustments, 2003

	Average Of 21 Farms	Average Of Low 33%	Average Of High 33%
Net Accrual Operating Income	\$137,483	\$49,935	\$276,780
Breeding Livestock			
Ending Inventory	49,463	100,120	43,793
Capital Sales	7,867	18,464	6,802
Beginning Inventory	64,184	140,864	48,855
Capital Purchases	17,787	19,247	30,582
Depreciation & Capital Adjustments	(24,641)	(41,527)	(28,842)
Machinery and Equipment			
Ending Inventory	144,646	148,196	218,282
Capital Sales	5,980	1,117	13,950
Beginning Inventory	135,317	147,575	201,864
Capital Purchases	52,739	36,717	86,440
Depreciation & Capital Adjustments	(37,430)	(34,979)	(56,072)
Buildings and Improvements			
Ending Inventory	47,795	48,541	60,914
Capital Sales	0	0	0
Beginning Inventory	50,306	50,209	63,743
Capital Purchases	650	0	1,706
Depreciation & Capital Adjustments	(3,161)	(1,668)	(4,535)
Other Capital Assets			
Ending Inventory	55,889	127,077	38,083
Capital Sales	221	0	579
Beginning Inventory	42,962	87,490	35,860
Capital Purchases	12,344	39,425	207
Depreciation & Capital Adjustments	804	162	2,595
Total Depreciation & Capital Adjustments	(\$64,428)	(\$78,012)	(\$86,854)
Net Farm Income	\$73,055	(\$28,077)	\$189,926

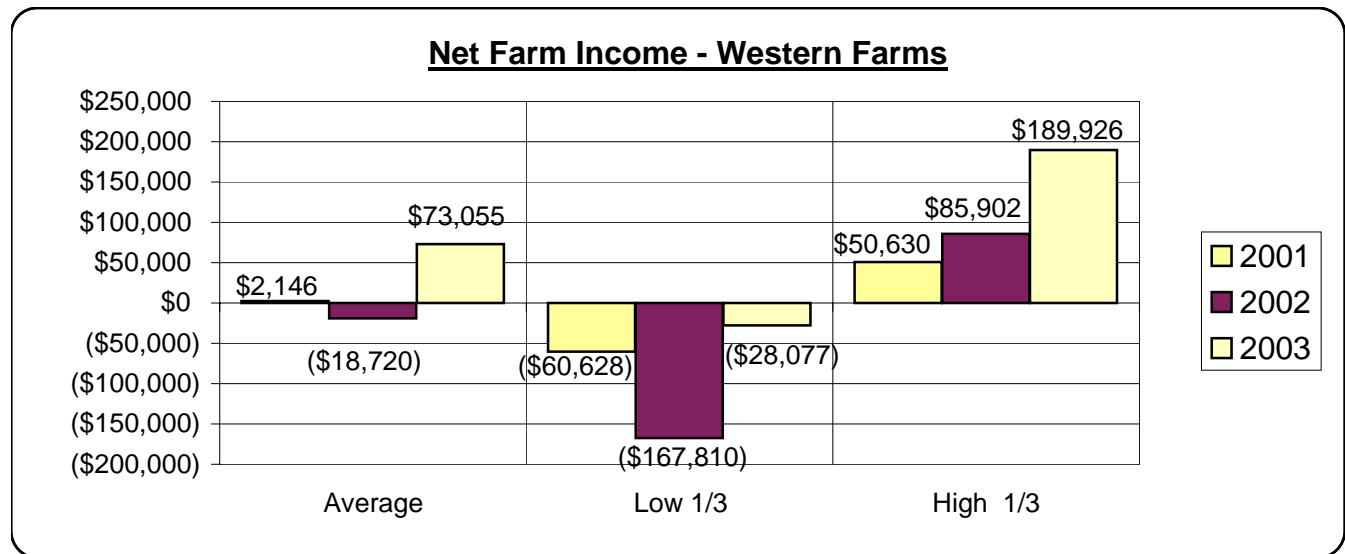


Table 4: Western - Profitability Analysis At Cost Value, 2003

	Average Of <u>21 Farms</u>	Average Of <u>Low 33 %</u>	Average Of <u>High 33 %</u>
Profitability			
Net Farm Income	\$73,055	(\$28,077)	\$189,926
Labor and Mgt. Earnings	\$45,298	(\$62,567)	\$158,598
Rate of Return on Assets	7.8%	-0.4%	14.5%
Rate of Return on Equity	10.4%	-9.6%	30.8%
Operating Profit Margin	14.5%	-1.3%	20.2%
Asset Turnover Rate	54.0%	33.3%	71.8%
Interest on Farm Net Worth	\$27,756	\$34,490	\$31,328
Farm Interest Expense	\$42,893	\$48,569	\$60,204
Operator Labor & Mgt.	\$25,333	\$26,000	\$29,250
Return on Farm Assets	\$90,613	(\$5,509)	\$220,880
Average Farm Assets	\$1,160,423	\$1,310,372	\$1,522,450
Return on Farm Equity	\$47,720	(\$54,077)	\$160,676
Average Farm Equity	\$459,534	\$564,089	\$522,137
Value of Farm Production	\$626,953	\$436,192	\$1,093,248

Table 5: Western - Profitability Analysis At Market Value, 2003

	Average Of <u>21 Farms</u>	Average Of <u>Low 33 %</u>	Average Of <u>High 33 %</u>
Profitability			
Net Farm Income	\$76,667	(\$19,659)	\$193,002
Labor and Mgt. Earnings	\$27,441	(\$82,688)	\$142,512
Rate of Return on Assets	6.2%	0.2%	12.2%
Rate of Return on Equity	6.3%	-4.3%	19.5%
Operating Profit Margin	15.0%	0.7%	20.5%
Asset Turnover Rate	41.2%	24.3%	59.4%
Interest on Farm Net Worth	\$49,226	\$63,029	\$50,491
Farm Interest Expense	\$42,893	\$48,569	\$60,204
Operator Labor & Mgt.	\$25,333	\$26,000	\$29,250
Return on Farm Assets	\$94,226	\$2,910	\$223,956
Average Farm Assets	\$1,521,327	\$1,796,761	\$1,841,826
Return on Farm Equity	\$51,334	(\$45,659)	\$163,752
Average Farm Equity	\$820,438	\$1,050,478	\$841,514
Value of Farm Production	\$626,953	\$436,192	\$1,093,248

Table 6: Western - Liquidity Analysis, 2003

		Average of 21 Farms	Average Of Low 33%	Average Of High 33%
Liquidity (Cash)				
Net Cash Farm Income	(+)	32,407	2,141	37,713
Net Non-Farm Income	(+)	14,249	21,332	5,067
Family Living and Taxes	(-)	37,814	41,475	48,418
Real Estate Principal Payments	(-)	13,604	6,733	23,439
Cash Available for Intern. Debt	(=)	(4,762)	(24,735)	(29,077)
Average Intermediate Debt		\$172,451	\$194,467	\$269,288
Years to Turnover Intern. Debt		**	**	**
Expense as a % of Income		95%	100%	97%
Interest as a % of Income		7%	12%	5%
Liquidity (Accrual)				
Total Accrual Farm Income	(+)	788,352	517,995	1,410,547
Total Accrual Farm Expense	(-)	650,868	468,060	1,133,768
Net Accrual Operating Income	(=)	137,484	49,935	276,779
Net Non-Farm Income	(+)	14,249	21,332	5,067
Family Living and Taxes	(-)	37,814	41,475	48,418
Real Estate Principle Payments	(-)	13,604	6,733	23,439
Cash & Inventory for Intern. Debt	(=)	100,315	23,059	209,989
Average Intermediate Debt		\$172,451	\$194,467	\$269,288
Years to Turnover Intern. Debt		1.7	8.4	1.3
Expense as a % of Income		83%	90%	80%
Interest as a % of Income		5%	9%	4%

** Income Insufficient to Meet Debt Servicing Requirements

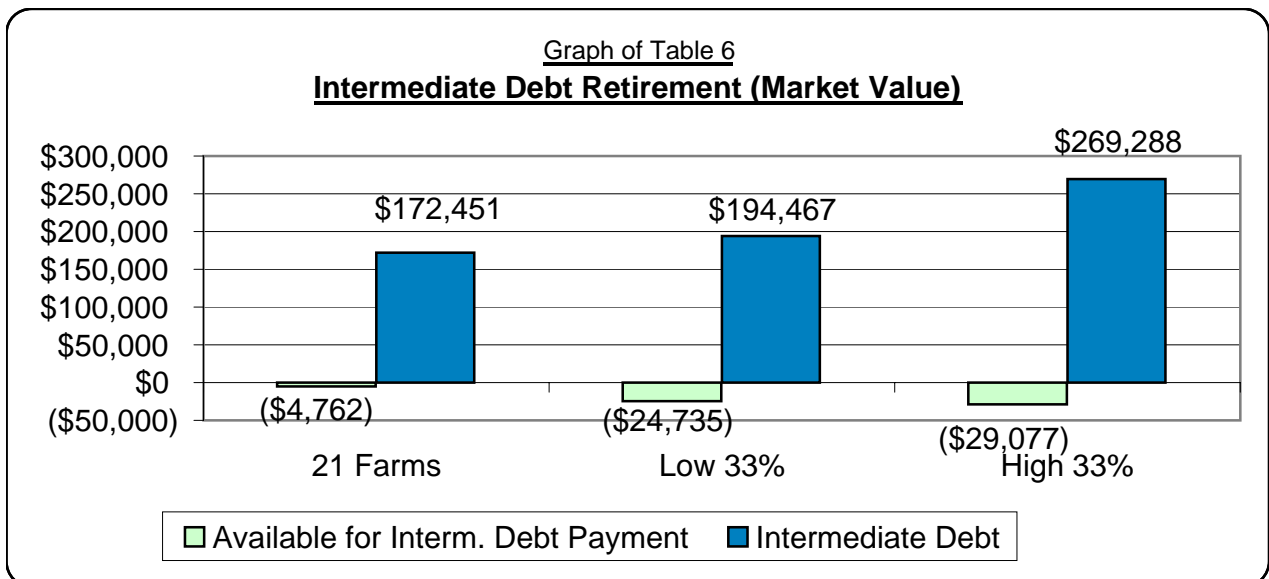


Table 7: Western - Statement of Cash Flows, 2003

		Average Of 21 Farms	Average Of Low 33%	Average Of High 33%
(A) Beginning Cash Balance (Farm & Non-farm)		\$27,677	\$60,783	\$14,754
Cash From Operating Activities				
Gross Cash Farm Income	(+)	691,119	484,605	1,179,695
Net Non-farm Income	(+)	14,249	21,332	5,067
Total Cash Farm Expense	(-)	658,710	482,465	1,141,983
Apparent Family Living Expense	(-)	34,214	38,002	45,387
Income and Social Security Tax	(-)	1,886	3,473	3,032
(B) Net Cash From Operating Activities	(=)	\$10,558	(\$18,003)	(\$5,640)
Cash From Investing Activities				
Sale of Breeding Livestock	(+)	7,867	18,464	6,802
Sale of Machinery & Equipment	(+)	5,980	1,117	13,950
Sale of Farm Land	(+)	0	0	0
Sale of Farm Buildings	(+)	0	0	0
Sale of Other Farm Assets	(+)	221	0	579
Sale of Non-farm Assets	(+)	3,186	7,195	2,966
Purchase of Breeding Livestock	(-)	17,787	19,247	30,582
Purchase of Machinery & Equip.	(-)	52,739	36,717	86,440
Purchase of Farm Land	(-)	0	0	0
Purchase of Farm Buildings	(-)	650	0	1,706
Purchase of Other Farm Assets	(-)	12,344	39,425	207
Purchase of Non-farm Assets	(-)	4,911	11,959	3,547
(C) Net Cash From Investing Activities	(=)	(\$71,177)	(\$80,572)	(\$98,185)
Cash From Financing Activities				
Money Borrowed	(+)	765,489	656,732	1,236,840
Cash Gifts and Inheritances	(+)	1,371	1,667	2,261
Principal Payments	(-)	699,713	582,902	1,132,458
Dividends Paid	(-)	1,714	0	0
Gifts Given	(-)	0	0	0
(D) Net Cash From Financing Activities	(=)	\$65,433	\$75,497	\$106,643
(E) Net Change In Cash Balance (B+C+D)		\$4,814	(\$23,078)	\$2,818
(F) Ending Cash Balance (A-E)		\$32,491	\$37,705	\$17,572

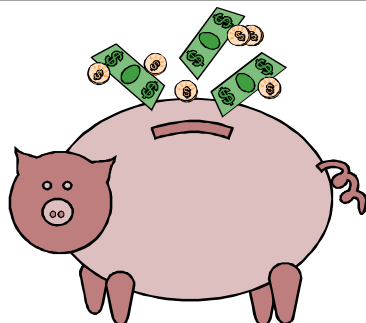


Table 8: Western - Financial Guideline Measures, 2003

	Average Of 21 Farms	Average Of Low 33%	Average Of High 33%
Liquidity			
Current Ratio	1.36	1.54	1.35
Working Capital	120,205	131,977	189,619
Solvency (Market)			
Farm Debt to Asset Ratio	47%	44%	54%
Farm Equity to Asset Ratio	53%	56%	46%
Farm Debt to Equity Ratio	88%	80%	115%
Profitability (Cost)			
Rate of Return on Farm Assets	7.8%	-0.4%	14.5%
Rate of Return on Farm Equity	10.4%	-9.6%	30.8%
Operating Profit Margin	14.5%	-1.3%	20.2%
Net Farm Income	73,054	(28,077)	189,926
Repayment Capacity			
Term Debt Coverage Ratio	230%	118%	301%
Capital Replacement Margin	66,134	9,643	148,683
Efficiency			
Asset Turnover Rate (Cost)	54.0%	33.3%	71.8%
Operating Expense Ratio	77.1%	81.0%	76.1%
Depreciation Expense Ratio	8.2%	15.1%	6.2%
Interest Expense Ratio	5.4%	9.4%	4.3%
Net Farm Income Ratio	9.3%	-5.4%	13.4%

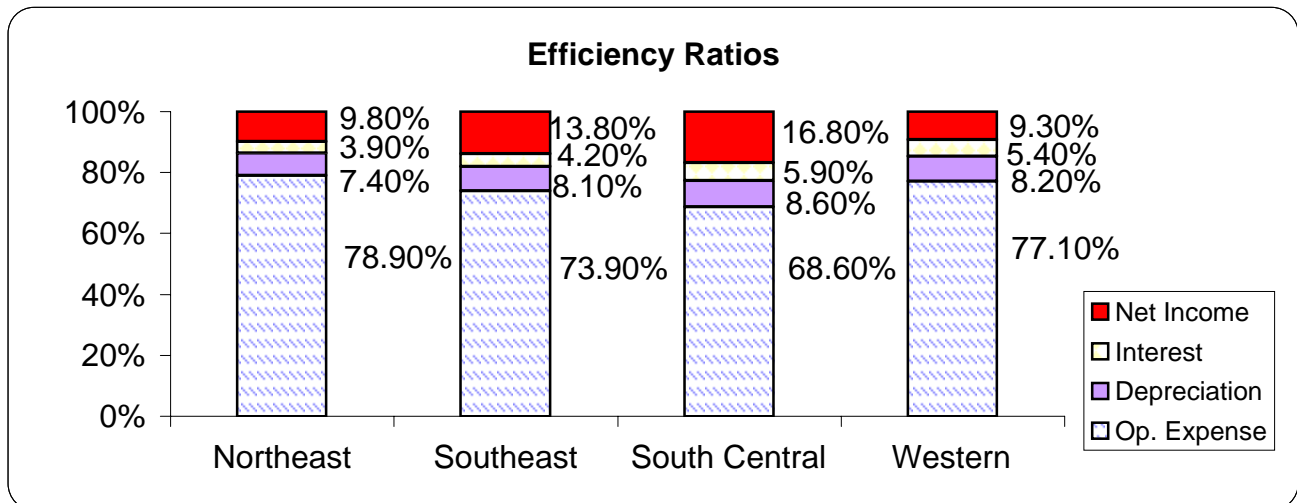


Table 9A: Western - Balance Sheet - Assets at Cost Value, 2003

	Average Of 21 Farms		Average Of Low 33 %		Average Of High 33%	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Current Farm Assets						
Cash and Checking Accounts	17,942	22,080	46,933	22,979	500	2,238
Prepaid Expenses & Supplies	9,638	11,414	1,721	2,303	19,156	21,352
Growing Crops	9,945	13,475	5,661	10,505	12,242	18,082
Accounts Receivable	5,347	6,770	8,832	1,612	5,953	15,537
Hedging Accounts	18,486	25,105	3,625	3,301	45,696	64,243
Crops Held for Sale or Feed	106,585	144,797	104,399	109,866	150,881	246,514
Crops Under Government Loan	39,608	23,235	39,261	55,300	74,525	19,518
Market Livestock Held for Sale	156,329	203,029	148,453	172,663	237,290	341,377
Other Current Assets	649	1,437	0	0	1,703	3,771
Total Current Farm Assets	\$364,529	\$451,342	\$358,885	\$378,529	\$547,946	\$732,632
Intermediate Farm Assets						
Breeding Livestock	64,184	49,463	140,864	100,120	48,855	43,793
Machinery and Equipment	135,318	144,645	147,575	148,197	201,864	218,282
Other Intermediate Assets	21,973	23,737	35,759	36,276	20,980	23,204
Total Intermediate Farm Assets	\$221,475	\$217,845	\$324,198	\$284,593	\$271,699	\$285,279
Long Term Farm Assets						
Farm Land	482,673	482,673	554,638	554,638	564,807	564,807
Buildings and Improvements	50,306	47,795	50,209	48,541	63,743	60,914
Other Long Term Assets	20,989	32,152	51,732	90,801	14,880	14,880
Total Long Term Farm Assets	\$553,968	\$562,620	\$656,579	\$693,980	\$643,430	\$640,601
Total Farm Assets	\$1,139,972	\$1,231,807	\$1,339,662	\$1,357,102	\$1,463,075	\$1,658,512
Non-farm Assets	75,637	79,846	83,568	85,749	100,905	109,932
Total Farm & Non-farm Assets	\$1,215,609	\$1,311,653	\$1,423,230	\$1,442,851	\$1,563,980	\$1,768,444

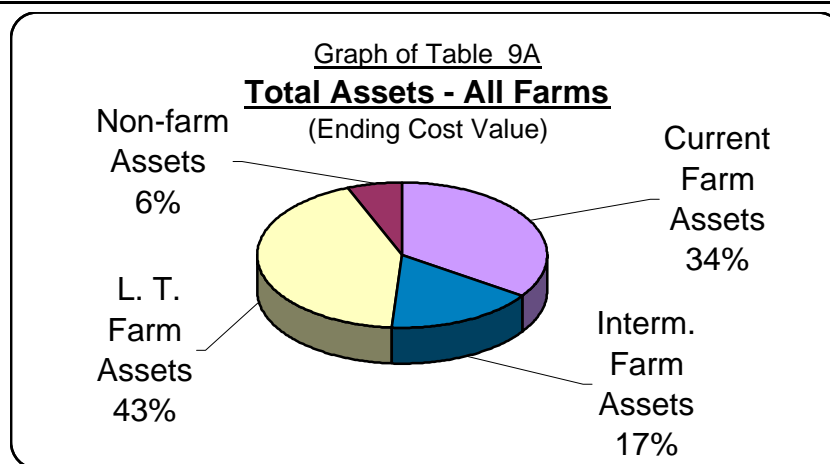


Table 9B: Western - Balance Sheet - Liabilities at Cost Value, 2003

	Average Of 21 Farms		Average Of Low 33 %		Average Of High 33%	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Current Farm Liabilities						
Accrued Interest	18,422	14,911	29,252	20,498	22,704	20,749
Accounts Payable	15,392	12,841	5,055	0	28,821	24,757
Current Notes	229,816	252,436	157,735	165,648	371,273	426,132
Government Crop Loans	33,633	18,489	33,195	42,808	63,392	16,428
Principal Due on Term Debt	30,087	32,460	20,066	17,598	48,769	54,948
Total Current Farm Liabilities	\$327,350	\$331,137	\$245,303	\$246,552	\$534,959	\$543,014
Intermediate Farm Liabilities	\$145,044	\$160,170	\$178,057	\$185,805	\$216,862	\$256,812
Long Term Farm Liabilities	\$233,189	\$255,820	\$325,028	\$387,838	\$265,442	\$260,221
Total Farm Liabilities	\$705,583	\$747,127	\$748,388	\$820,195	\$1,017,263	\$1,060,047
Non-farm Liabilities	10,724	11,804	24,308	22,084	6,424	11,905
Total Liabilities	\$716,307	\$758,931	\$772,696	\$842,279	\$1,023,687	\$1,071,952
Net Worth (Farm & Non-farm)	\$499,301	\$552,722	\$650,533	\$600,570	\$540,292	\$696,491
Net Worth Change (Cost Value)		\$53,421		(\$49,963)		\$156,199

Ratio Analysis

Current Farm Liabilities / Assets	90%	73%	68%	65%	98%	74%
Curr. & Interm Farm Liab. / Assets	81%	73%	62%	65%	92%	79%
Long Term Farm Liab. / Assets	42%	45%	50%	56%	41%	41%
Total Liabilities / Assets	59%	58%	54%	58%	65%	61%

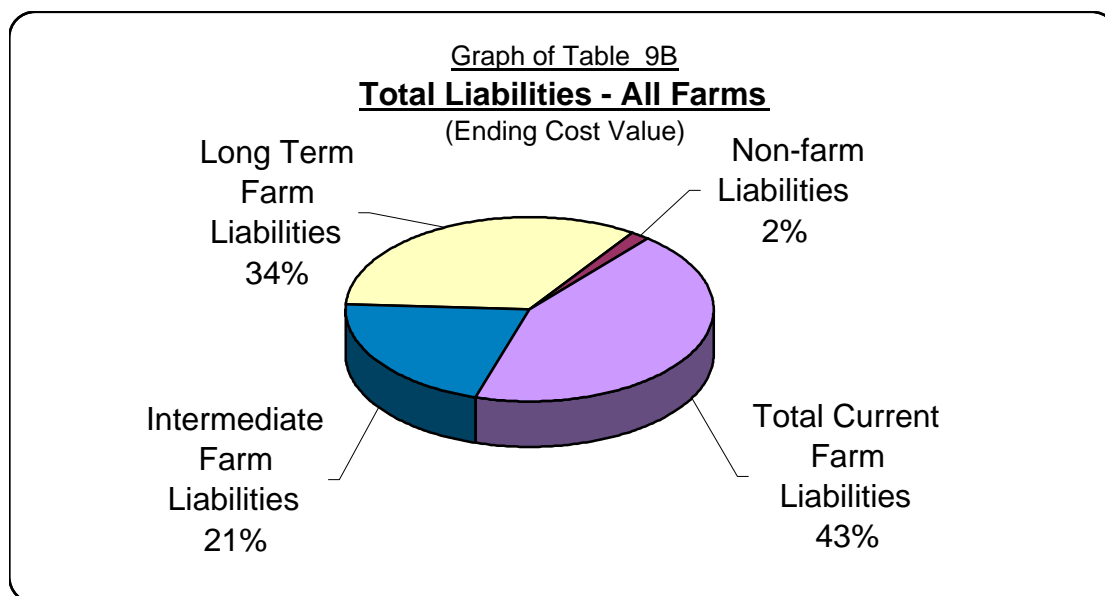


Table 10A: Western - Balance Sheet - Assets at Market Value, 2003

	Average Of 21 Farms		Average Of Low 33 %		Average Of High 33%	
	<u>Beginning</u>	<u>Ending</u>	<u>Beginning</u>	<u>Ending</u>	<u>Beginning</u>	<u>Ending</u>
Current Farm Assets						
Cash and Checking Balance	17,942	22,080	46,933	22,979	500	2,238
Prepaid Expenses & Supplies	9,638	11,414	1,721	2,303	19,156	21,352
Growing Crops	9,945	13,475	5,661	10,505	12,242	18,082
Accounts Receivable	5,347	6,770	8,832	1,612	5,953	15,537
Hedging Accounts	18,486	25,105	3,625	3,301	45,696	64,243
Crops Held for Sale or Feed	106,585	144,797	104,399	109,866	150,881	246,514
Crops Under Government Loan	39,608	23,235	39,261	55,300	74,525	19,518
Market Livestock Held for Sale	156,329	203,029	148,453	172,663	237,290	341,377
Other Current Assets	649	1,437	0	0	1,703	3,771
Total Current Farm Assets	\$364,529	\$451,342	\$358,885	\$378,529	\$547,946	\$732,632
Intermediate Farm Assets						
Breeding Livestock	135,845	121,596	282,982	245,019	95,743	90,724
Machinery and Equipment	262,283	274,819	271,850	276,973	350,610	372,610
Other Intermediate Assets	21,995	23,757	35,828	36,345	20,980	23,204
Total Intermediate Farm Assets	\$420,123	\$420,172	\$590,660	\$558,337	\$467,333	\$486,538
Long Term Farm Assets						
Farm Land	614,764	614,764	750,725	750,725	634,272	634,272
Buildings and Improvements	78,049	75,475	69,807	69,291	114,883	109,506
Other Long Term Assets	21,607	32,765	51,765	90,818	16,478	16,478
Total Long Term Farm Assets	\$714,420	\$723,004	\$872,297	\$910,834	\$765,633	\$760,256
Total Farm Assets	\$1,499,072	\$1,594,518	\$1,821,842	\$1,847,700	\$1,780,912	\$1,979,426
Non-farm Assets	75,471	79,846	82,985	85,749	100,905	109,932
Total Farm & Non-farm Assets	\$1,574,543	\$1,674,364	\$1,904,827	\$1,933,449	\$1,881,817	\$2,089,358

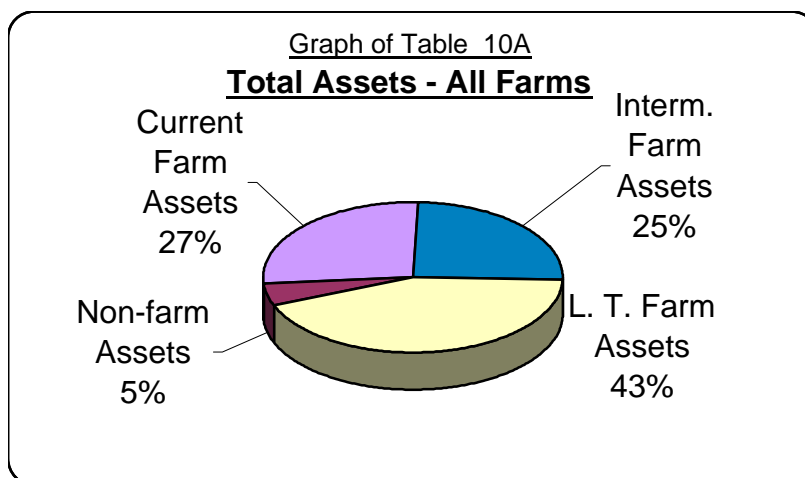


Table 10B: Western - Balance Sheet - Liabilities at Market Value, 2003

	Average Of 21 Farms		Average Of Low 33 %		Average Of High 33%	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Current Farm Liabilities						
Accrued Interest	18,422	14,911	29,252	20,498	22,704	20,749
Accounts Payable	15,392	12,841	5,055	0	28,821	24,757
Current Notes	229,816	252,436	157,735	165,648	371,273	426,132
Government Crop Loans	33,633	18,489	33,195	42,808	63,392	16,428
Principal Due on Term Debt	30,087	32,460	20,066	17,598	48,769	54,948
Total Current Farm Liabilities	\$327,350	\$331,137	\$245,303	\$246,552	\$534,959	\$543,014
Intermediate Farm Liabilities	\$145,044	\$160,170	\$178,057	\$185,805	\$216,862	\$256,812
Long Term Farm Liabilities	\$233,189	\$255,820	\$325,028	\$387,838	\$265,442	\$260,221
Total Farm Liabilities	\$705,583	\$747,127	\$748,388	\$820,195	\$1,017,263	\$1,060,047
Non-farm Liabilities	10,724	11,804	24,308	22,084	6,424	11,905
Total Deferred Liabilities	N/A	N/A	N/A	N/A	N/A	N/A
Total Farm & Non-farm Liabilities	\$716,307	\$758,931	\$772,696	\$842,279	\$1,023,687	\$1,071,952
Net Worth (Farm and Non-farm)	\$858,232	\$915,433	\$1,132,130	\$1,091,168	\$858,130	\$1,017,406
Net Worth Change (Market Value)		\$57,201		(\$40,962)		\$159,276

Ratio Analysis

Current Farm Liabilities / Assets	90%	73%	68%	65%	98%	74%
Curr. & Interm Farm Liab / Assets	60%	56%	45%	46%	74%	66%
Long Term Farm Liab. / Assets	33%	35%	37%	43%	35%	34%
Total Liabilities / Assets	45%	45%	41%	44%	54%	51%

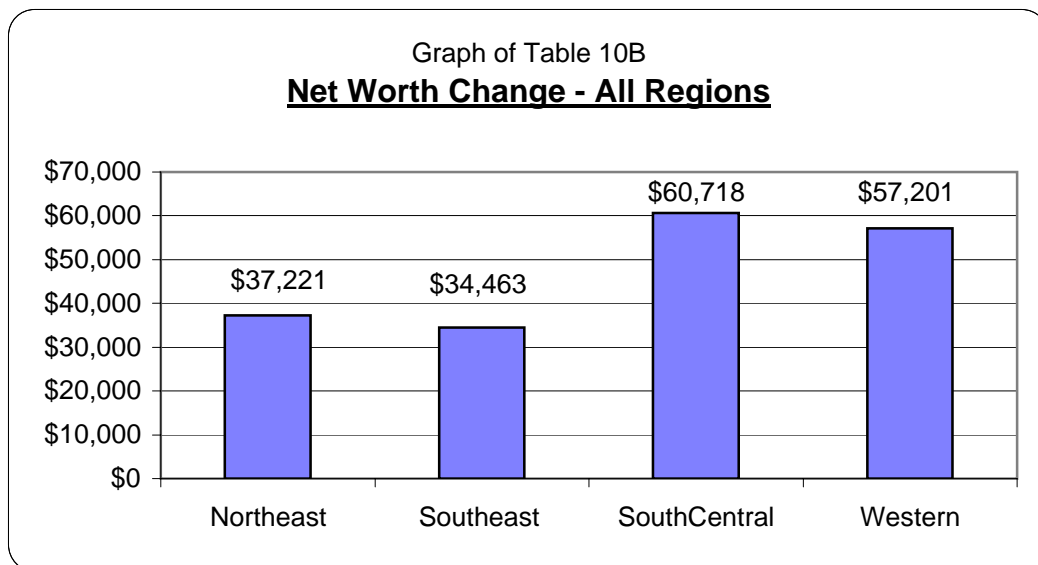


Table 11: Western - Household and Personal Expense, 2003

	Average Of 9 Farms
Average Family Size	2.7
Family Living Expense	
Food and Meals Expense	4,881
Medical Care and Health Insurance	6,840
Cash Donations	1,872
Household Supplies	1,089
Clothing	1,102
Personal Care	1,191
Child / Dependent Care	202
Gifts	2,423
Education	1,135
Recreation	1,315
Utilities (Household Share)	1,978
Non-farm Vehicle Operating Expense	1,400
Household Real Estate Taxes	61
Dwelling Rent	133
Household Repairs	566
Non-farm Interest	1174
Disability / Long Term Care Insurance	989
Life Insurance Payments	4,108
Nonfarm Property Insurance	104
Miscellaneous	5,755
Total Cash Family Living Expense	\$38,318
Family Living from the Farm	101
Total Family Living Expense **	\$38,419
Other Non-farm Expense	
Income Taxes	2635
Furnishing & Appliance Purchases	0
Non-farm Vehicle Purchases	1092
Non-farm Real Estate Purchases	7973
Other Non-farm Capital Purchases	167
Non-farm Savings & Investments	-4744
Total Other Non-farm Expense	\$7,123
Total Cash Family Living, Investment & Non-farm Capital Purchases	\$45,441

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



Table 12: Western - Operator Information and Non-farm Summary, 2003

	Average Of 21 Farms	Average Of Low 33%	Average Of High 33%
Operator Information			
Average Number of Operators	1.1	1.3	1.1
Average Age of Operators	53	58.2	51.5
Average Number of Years Farming	30.7	36	30.1
Non-farm Income			
Non-farm Wages & Salary	6,843	13,770	4,544
Non-farm Business Income	1,513	(8,366)	(1,228)
Non-farm Rental Income	226	0	(74)
Non-farm Interest Income	384	462	288
Non-farm Cash Dividends	114	2	127
Tax Refunds	382	390	711
Non-taxable Non-farm Income	0	0	0
Gifts and Inheritances	1,371	1,667	2,261
Other Non-farm Income	4,787	15,074	699
Total Non-farm Income	\$15,620	\$22,999	\$7,328
Non-farm Assets (Market Value)			
Checking & Savings	10,410	14,727	15,337
Stocks & Bonds	1,972	619	4,361
Other Current Assets	4,953	0	12,997
Furniture & Appliances	1,143	1,683	1,500
Non-farm Vehicles	7,100	7,717	10,896
Cash Value of Life Ins.	12,351	(796)	22,470
Retirement Accounts	21,428	6,849	35,114
Other Interm. Assets	2,371	7,790	382
Non-farm Real Estate	18,118	47,160	6,875
Other Long Term Assets	0	0	0
Total Non-farm Assets	\$79,846	\$85,749	\$109,932
Non-farm Liabilities			
Accrued Interest	30	99	0
Accounts Payable	0	0	0
Current Notes	(60)	0	(159)
Princ Due on Term Debt	310	0	813
Total Current Liabilities	280	99	655
Intermediate Liabilities	3,338	0	6,250
Long Term Liabilities	8,186	21,985	5,000
Total Non Farm Liabilities	\$11,804	\$22,084	\$11,905
Nonfarm Net Worth	\$68,043	\$63,665	\$98,028
Nonfarm Debt to Asset Ratio	15%	26%	11%

Table 13: Western - Crop Production, Marketing & Labor Summary, 2003

	<u>Average Of 21 Farms</u>	<u>Average Of Low 33%</u>	<u>Average Of High 33%</u>
Acreage Summary			
Acres Owned	2,255	4,265	1,401
Crop Acres	1,353	1,164	1,871
Crop Acres Owned	475	476	581
Crop Acres Cash Rented	475	342	769
Crop Acres Share Rented	403	346	522
Pasture Acres	3	11	0
% Crop Acres Owned	35.11%	40.89%	31.05%

Average Price Received in Dollars (Cash Sales Only)

Corn per bu.	\$2.53	N/A	\$2.70
Soybeans per bu.	\$6.22	N/A	N/A
Wheat, Winter per bu.	\$3.03	N/A	\$3.06
Hay, Alfalfa per ton	N/A	N/A	N/A

Average Yield Per Acre

Corn, Irrigated (bu.)	177.71	N/A	N/A
Winter Wheat (bu.)	N/A	N/A	N/A
Alfalfa, Hay (ton)	N/A	N/A	N/A

Labor Analysis

Total Unpaid Labor Hours *	2,022	2,080	2,080
Total Hired Labor Hours	731	416	1,486
Total Labor Hours per Farm	2,753	2,496	3,566
Value of Farm Production / Hour	\$248.02	\$175.49	\$343.43
Net Farm Income / Unpaid Hour	\$39.67	(\$15.77)	\$99.22

* Based on 2080 Hrs. Annually Per Full Time Operator

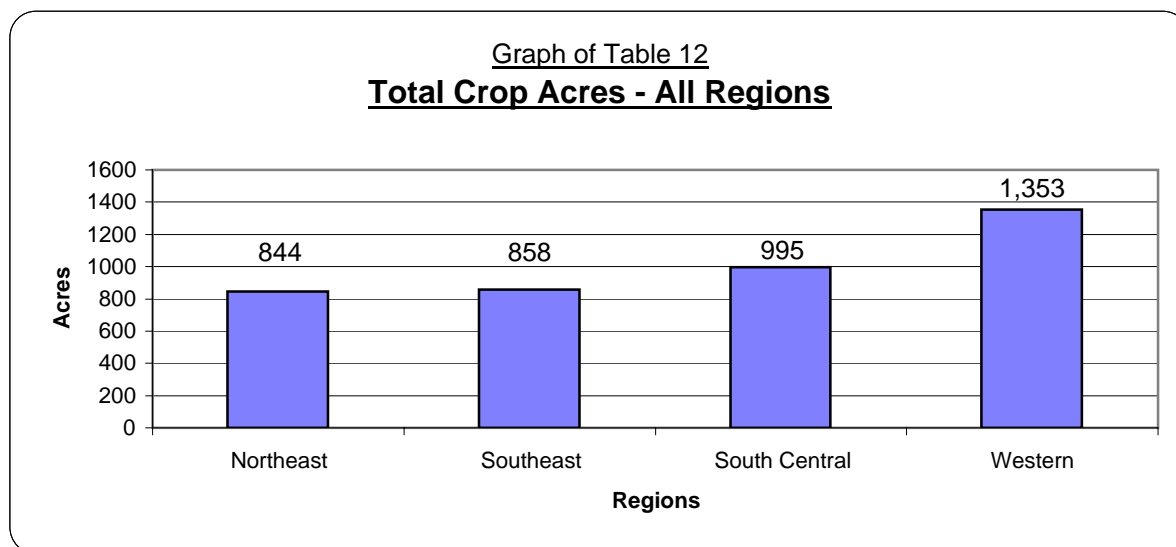


Table 14A: Northeast Nebraska Averages, 2003

	Northeast Average of 31 Farms	Average of Low 33%	Average of High 33%
Cash Farm Income			
Total Crop Income	162,451	179,185	176,191
Total Livestock Income	283,996	198,348	567,796
Total Other Farm Income	53,798	54,683	73,913
Gross Cash Farm Income	\$500,245	\$432,216	\$817,900
Cash Farm Expense			
Total Crop Expense	81,562	91,688	98,831
Total Livestock Expense	199,342	93,316	455,615
Total Other Farm Expense	148,274	155,151	195,031
Gross Cash Farm Expense	\$429,178	\$340,155	\$749,477
Net Cash Farm Income	\$71,067	\$92,061	\$68,423
Total Inventory Change	\$17,773	-\$65,869	\$99,667
Total Depreciation & Capital Adjustments	-\$38,093	-\$35,936	-\$51,747
Net Farm Income	\$50,747	(\$9,744)	\$116,343
Non-Farm Income	15,861	21,031	10,191
Balance Sheet at Market			
Current Farm Assets	303,977	201,264	535,039
Intermediate Farm Assets	253,072	282,481	273,989
Long Term Farm Assets	468,564	324,676	620,467
Non-Farm Assets	133,777	165,399	154,330
Total Assets	\$1,159,390	\$973,820	\$1,583,825
Current Farm Liabilities	178,008	161,288	299,659
Intermediate Farm Liabilities	62,351	68,401	45,041
Long Term Liabilities	132,716	99,500	165,013
Non Farm Liabilities	4,292	790	5,187
Total Liabilities	\$377,367	\$329,979	\$514,900
Net Worth	\$782,023	\$643,841	\$1,068,925
Net Worth Change (Market Value)	\$37,211	(\$37,085)	\$112,301

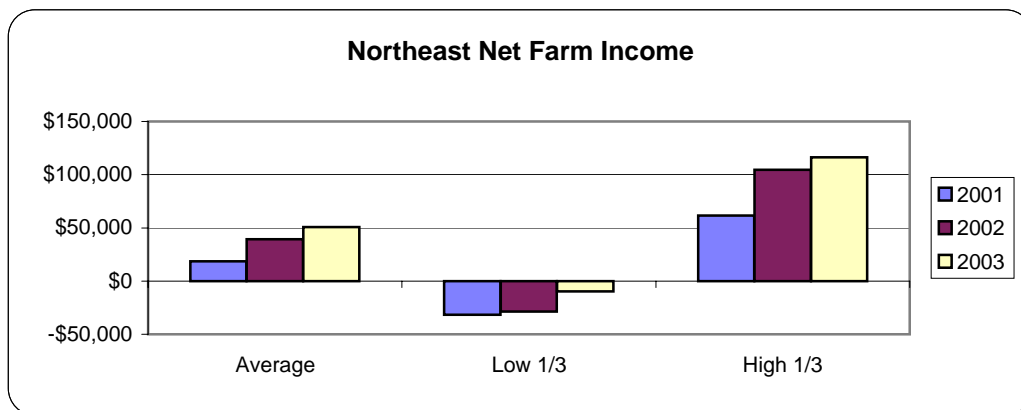


Table 14B: Northeast Nebraska Averages, 2003 (cont.)

	Northeast Average of 31 Farms	Average of Low 33%	Average of High 33%
Financial Guidelines			
Current Ratio	1.71	1.25	1.79
Working Capital	\$125,968	\$39,976	\$235,380
Debt to Asset Ratio (Market)	36%	41%	36%
Equity to Asset Ratio (Market)	64%	59%	64%
Debt to Equity Ratio (Market)	57%	69%	55%
Rate of Return on Assets (Cost)	5.2%	-3.5%	10.1%
Rate of Return on Equity (Cost)	5.0%	-17.4%	15.6%
Operating Profit Margin (Cost)	11.1%	-6.4%	20.7%
Net Farm Income (Cost)	\$50,749	-\$9,743	\$116,344
Asset Turnover Rate (Cost)	47.1%	55.6%	48.6%
Operating Expense Ratio	78.9%	87.1%	78.9%
Depreciation Expense Ratio	7.4%	9.7%	5.7%
Interest Expense Ratio	3.9%	5.8%	2.6%
Net Farm Income Ratio	9.8%	-2.6%	12.8%
Operator Information			
Average Number of Operators	1.3	1.5	1.5
Average Age of Operators	50.5	50	55.5
Average Number of Years Farming	26.9	27.4	31.8
Acreage Summary			
Total acres owned	300	211	378
Total crop acres	844	885	955
Crop acres owned	233	151	288
Crop acres cash rented	283	257	420
Crop acres share rented	328	477	247
Total Pasture Acres	0	0	0
Average Price Received In Dollars (Cash Sales Only)			
Corn, per bu.	\$2.27	\$2.22	\$2.29
Soybeans, per bu.	\$6.26	\$6.74	\$6.12
Alfalfa Hay, per ton	\$74.43	N/A	N/A
Average Yield Per Acre			
Corn, Irrigated (bu.)	173.30	N/A	N/A
Corn, Dryland (bu.)	99.30	N/A	N/A
Soybeans, Irrigated (bu.)	48.05	N/A	N/A
Soybeans, Dryland (bu.)	29.49	N/A	N/A
Alfalfa Hay (ton)	4.35	N/A	N/A
Hay, Grass (ton)	N/A	N/A	N/A

Table 15A: Southeast Nebraska Averages, 2003

	Southeast Average of 41 Farms	Average of Low 33%	Average of High 33%
Cash Farm Income			
Total Crop Income	106,077	69,362	167,939
Total Livestock Income	146,382	47,032	241,677
Total Other Farm Income	63,954	33,224	98,385
Gross Cash Farm Income	\$316,413	\$149,618	\$508,001
Cash Farm Expense			
Total Crop Expense	67,540	50,008	98,330
Total Livestock Expense	86,189	22,559	151,589
Total Other Farm Expense	106,494	58,156	154,826
Gross Cash Farm Expense	\$260,223	\$130,723	\$404,745
Net Cash Farm Income	\$56,190	\$18,895	\$103,256
Total Inventory Change	\$19,427	-\$11,332	\$55,736
Total Depreciation & Capital Adjustments	-\$27,967	-\$13,679	-\$48,428
Net Farm Income	\$47,650	(\$6,116)	\$110,564
Non-Farm Income	\$26,608	\$37,915	\$23,908
Balance Sheet at Market			
Current Farm Assets	154,325	94,495	281,214
Intermediate Farm Assets	234,429	154,375	291,896
Long Term Farm Assets	377,284	208,500	615,221
Non Farm Assets	166,345	179,732	238,567
Total Assets	\$932,383	\$637,102	\$1,426,898
Current Farm Liabilities	84,475	38,920	148,212
Intermediate Farm Liabilities	53,209	51,036	75,144
Long Term Liabilities	111,366	59,257	142,507
Non Farm Liabilities	19,591	31,440	9,151
Total Liabilities	\$268,641	\$180,653	\$375,014
Net Worth	\$663,742	\$456,449	\$1,051,884
Net Worth Change (Market Value)	\$34,463	(\$2,410)	\$87,818

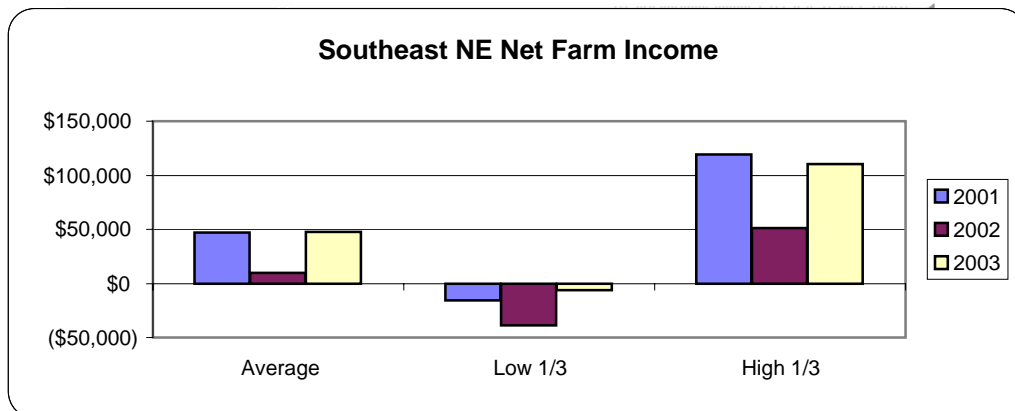


Table 15B: Southeast Nebraska Averages, 2003 (cont.)

	Southeast Average of 41 Farms	Average of Low 33%	Average of High 33%
Financial Guidelines			
Current Ratio	1.83	2.43	1.90
Working Capital	\$69,850	\$55,575	\$133,002
Debt to Asset Ratio (Market)	33%	33%	32%
Equity to Asset Ratio (Market)	67%	67%	68%
Debt to Equity Ratio (Market)	50%	48%	48%
Rate of Return on Assets (Cost)	6.9%	-5.0%	12.1%
Rate of Return on Equity (Cost)	7.7%	-14.1%	17.2%
Operating Profit Margin (Cost)	13.0%	-13.0%	21.9%
Net Farm Income (Cost)	\$47,651	(\$6,114)	\$110,564
Asset Turnover Rate (Cost)	52.8%	38.4%	55.3%
Operating Expense Ratio	73.9%	88.6%	69.2%
Depreciation Expense Ratio	8.1%	9.4%	8.4%
Interest Expense Ratio	4.2%	6.2%	3.4%
Net Farm Income Ratio	13.8%	-4.2%	19.1%
Operator Information			
Average Number of Operators	1.1	1.0	1.2
Average Age of Operators	47.4	47.8	49.8
Average Number of Years Farming	23.6	21.6	28.1
Acreage Summary			
Total acres owned	296	210	477
Total crop acres	858	525	1460
Crop acres owned	245	146	455
Crop acres cash rented	202	68	273
Crop acres share rented	410	311	732
Total Pasture Acres	47	13	108
Average Price Received In Dollars (Cash Sales Only)			
Corn, per bu.	\$2.20	\$2.20	\$2.21
Soybeans, per bu.	\$6.28	\$6.16	\$6.52
Alfalfa Hay, per ton	\$54.18	N/A	N/A
Wheat, Winter, per bu.	\$3.55	N/A	\$3.57
Average Yield Per Acre			
Corn, Dryland (bu.)	93.34	60.90	105.69
Soybeans, Dryland (bu.)	35.47	29.86	41.60
Wheat, Winter, Dryland (bu.)	66.95	N/A	N/A
Alfalfa Hay, Dryland (ton)	3.39	N/A	N/A

Table 16A: South Central Nebraska Averages, 2003

	South Central Average of <u>52 Farms</u>	Average of <u>Low 33%</u>	Average of <u>High 33%</u>
Cash Farm Income			
Total Crop Income	282,415	156,181	443,281
Total Livestock Income	100,219	106,023	82,063
Total Other Farm Income	93,634	46,649	102,547
Gross Cash Farm Income	\$476,268	\$308,853	\$627,891
Cash Farm Expense			
Total Crop Expense	119,858	83,401	166,728
Total Livestock Expense	80,064	59,933	37,789
Total Other Farm Expense	170,585	121,586	223,570
Gross Cash Farm Expense	\$370,507	\$264,920	\$428,087
Net Cash Farm Income	\$105,761	\$43,933	\$199,804
Total Inventory Change	\$18,867	-\$867	\$31,252
Total Depreciation & Capital Adjustments	-\$42,286	-\$25,327	-\$66,608
Net Farm Income	\$82,342	\$17,739	\$164,448
Non-Farm Income	\$15,325	\$11,968	\$14,813
Balance Sheet at Market			
Current Farm Assets	291,480	187,628	417,111
Intermediate Farm Assets	306,969	209,799	440,160
Long Term Farm Assets	660,172	463,201	1,048,478
Non Farm Assets	190,042	90,281	323,320
Total Assets	\$1,448,663	\$950,909	\$2,229,069
Current Farm Liabilities	173,525	147,906	193,133
Intermediate Farm Liabilities	\$74,698	\$81,529	\$80,772
Long Term Liabilities	\$217,639	\$202,589	\$272,721
Non Farm Liabilities	14,702	11,414	9,439
Total Liabilities	\$480,564	\$443,438	\$556,065
Net Worth	\$968,099	\$507,471	\$1,673,004
Net Worth Change (Market Value)	\$60,718	(\$7,674)	\$154,849

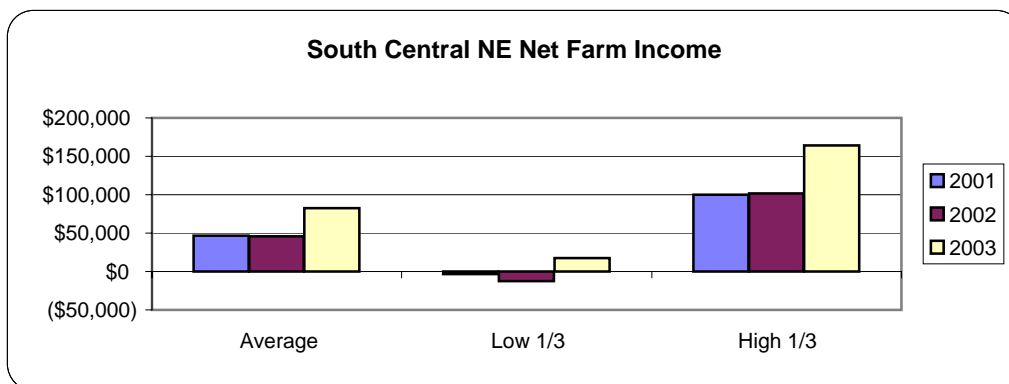


Table 16B: South Central Nebraska Averages, 2003 (cont.)

	South Central Average of 52 Farms	Average of Low 33%	Average of High 33%
Financial Guidelines			
Current Ratio	1.68	1.27	2.16
Working Capital	117,955	39,722	223,978
Debt to Asset Ratio (Market)	37%	50%	29%
Equity to Asset Ratio (Market)	63%	50%	71%
Debt to Equity Ratio (Market)	59%	101%	40%
Rate of Return on Assets (Cost)	9.2%	2.3%	12.4%
Rate of Return on Equity (Cost)	11.9%	-7.1%	15.9%
Operating Profit Margin (Cost)	19.8%	5.4%	27.8%
Net Farm Income (Cost)	82,344	17,739	164,445
Asset Turnover Rate (Cost)	46.3%	42.9%	44.6%
Operating Expense Ratio	68.6%	77.3%	58.9%
Depreciation Expense Ratio	8.6%	8.3%	10.3%
Interest Expense Ratio	5.9%	8.6%	5.3%
Net Farm Income Ratio	16.8%	5.8%	25.4%
Operator Information			
Average Number of Operators	1.2	1.4	1.2
Average Age of Operators	47.3	48.7	45.2
Average Number of Years Farming	24.9	25.2	24.3
Acreage Summary			
Total acres owned	413	284	616
Total crop acres	995	620	1,456
Crop acres owned	307	188	460
Crop acres cash rented	292	245	345
Crop acres share rented	396	187	651
Average Price Received In Dollars (Cash Sales Only)			
Corn, per bu.	2.21	2.18	2.21
Soybeans, per bu.	5.91	6.27	5.90
Grain Sorghum, per bu.	2.52	2.80	2.14
Seed Corn, per bu.	3.05	N/A	3.44
Wheat, Winter, per bu.	2.88	2.86	N/A
Average Yield Per Acre			
Corn, Irrigated (bu.)	202.99	188.42	221.35
Corn, Dryland (bu.)	54.13	N/A	54.02
Corn Seed, Irrigated (bu.)	546.46	N/A	N/A
Soybeans, Irrigated (bu.)	58.29	58.93	57.62
Soybeans, Dryland (bu.)	24.85	25.83	31.58
Grain Sorghum, Drylan (bu.)	64.34	N/A	N/A

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