



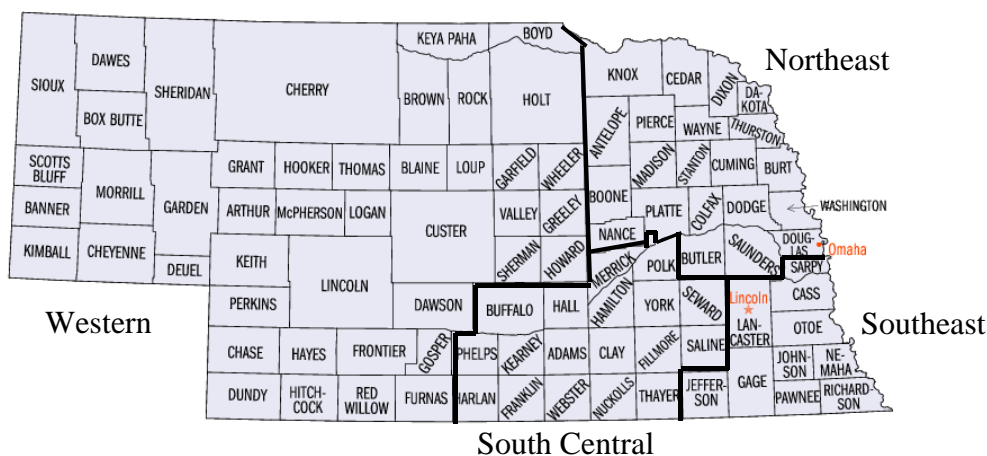




## Regional Comments

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](http://www.nfbi.net).

**Table 1A: Western - Gross Cash Farm Income, 2004**

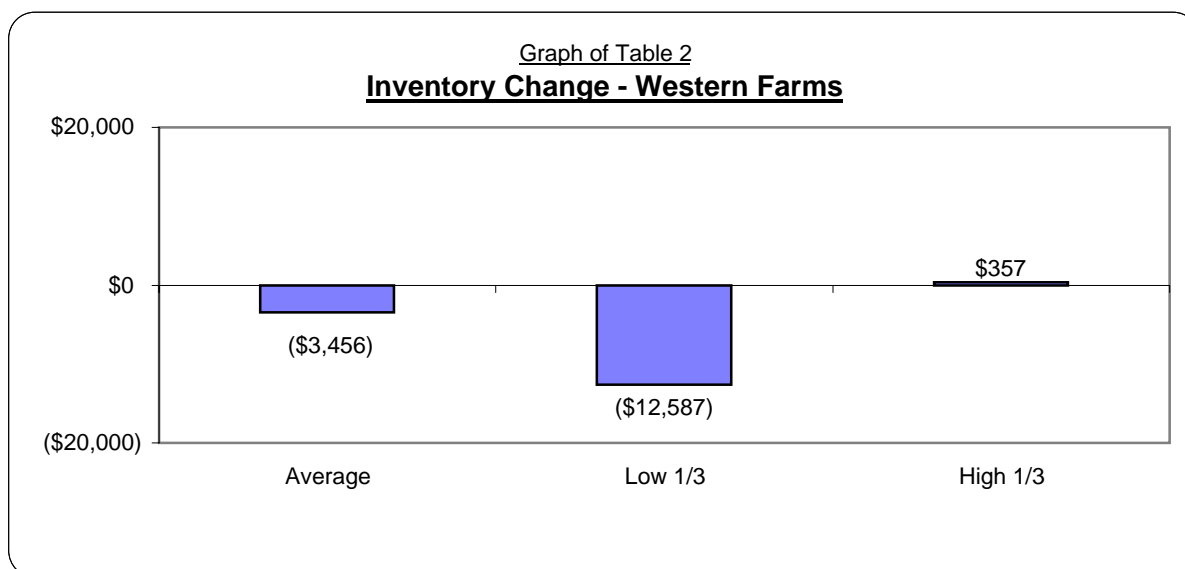
	Average Of <u>All Farms</u>	Average Of <u>Low 33%</u>	Average Of <u>High 33%</u>
<b>Crop Income</b>			
Corn	170,227	236,430	143,503
Millet	117	0	0
Soybeans	33,805	70,265	12,313
Wheat	38,097	47,751	20,751
Hay Crops	10,845	34,922	1,625
Grain Sorghum	1,687	4,915	0
White Corn	0	0	0
Sugar Beets	9,647	32,801	0
Dry Edible Beans	5,245	17,833	0
Miscellaneous Crop Income	4,600	4,824	4,427
<b>Total Crop Income</b>	<b>\$274,270</b>	<b>\$449,741</b>	<b>\$182,619</b>
<b>Livestock and Product Income</b>			
Beef Finishing	179,360	0	508,188
Beef Calves	148,091	74,837	144,639
Background Beef	2,197	0	0
Farrow-to-Finish, Hogs	0	0	0
Finish Feeder Pigs	0	0	0
Dairy, Milk	0	0	0
Cull Breeding Livestock	29,649	2,025	10,896
Miscellaneous Livestock Income	8,374	0	54
<b>Total Livestock Income</b>	<b>\$367,671</b>	<b>\$76,862</b>	<b>\$663,777</b>
<b>Other Farm Income</b>			
LDP Payments	6,821	1,736	9,556
Direct & CC Govt Payments	36,061	45,975	31,530
CRP & Other Gov't Payments	1608	1,135	2,221
Custom Work	15,621	38,439	596
Patronage Dividends, Cash	312	532	426
Insurance Income	15,870	14,539	2,651
Cash from Hedging Accounts	32,177	64,656	26,223
Contract Livestock Income	27,336	0	77,451
Other Miscellaneous Farm Income	26,155	23,486	43,088
<b>Total Other Farm Income</b>	<b>\$161,961</b>	<b>\$190,498</b>	<b>\$193,742</b>
<b>Gross Cash Farm Income</b>	<b>\$803,902</b>	<b>\$717,101</b>	<b>\$1,040,138</b>

**Table 1B: Western - Gross Cash Farm Expenses, 2004**

	Average Of All Farms	Average Of Low 33%	Average Of High 33%
<b>Crop Expense</b>			
Seed	38,775	48,373	45,669
Fertilizer	60,069	81,835	49,911
Crop Chemicals	30,515	41,332	23,821
Crop Insurance	12,946	15,532	9,916
Drying Fuel	297	0	331
Irrigation Energy	30,934	35,956	29,270
Irrigation Repairs	0	0	0
Crop Marketing	2,300	2,276	4,219
Crop Miscellaneous	8,657	4,367	15,826
<b>Total Crop Expense</b>	<b>\$184,493</b>	<b>\$229,671</b>	<b>\$178,963</b>
<b>Livestock Expense</b>			
Feeder Livestock Purchases	123,319	35,703	284,861
Purchased Feed	56,884	12,487	119,152
Breeding Fees	1,870	0	950
Veterinary	7,313	2,299	13,060
Livestock Supplies	3,415	394	7,676
Livestock Custom Hire	64	0	8
Livestock Leases	1,368	4,650	0
Grazing Fees	17,868	4,176	15,661
Livestock Marketing	9,007	9,484	4,231
Livestock Miscellaneous	\$0	\$0	\$0
<b>Total Livestock Expense</b>	<b>\$221,108</b>	<b>\$69,193</b>	<b>\$445,599</b>
<b>Other Farm Expense</b>			
Interest	48,638	66,005	36,673
Fuel and Oil	26,744	36,294	20,932
Repairs	39,063	57,216	34,421
Custom Hire	19,680	28,213	12,795
Hired Labor	37,220	35,614	46,193
Land Rent	63,984	106,821	36,540
Machinery and Building Lease	9,173	12,077	7,572
Real Estate Taxes	14,649	13,912	20,510
Personal Property Taxes	1,959	3,115	1,235
Farm Insurance	9,161	11,787	8,888
Utilities	7,444	8,807	7,162
Dues and Professional Fees	4,236	3,326	2,940
Hedging Account Deposits	23,445	46,886	14,154
Miscellaneous	15,409	9,830	9,800
<b>Total Other Cash Farm Expense</b>	<b>\$320,805</b>	<b>\$439,903</b>	<b>\$259,815</b>
<b>Total Cash Operating Expense</b>	<b>\$726,406</b>	<b>\$738,767</b>	<b>\$884,377</b>
<b>Summary</b>			
Gross Cash Farm Income (Table 1A)	\$803,902	\$717,101	\$1,040,138
- Total Cash Operating Expense	\$726,406	\$738,767	\$884,377
<b>= Net Cash Farm Income</b>	<b>\$77,496</b>	<b>(\$21,666)</b>	<b>\$155,761</b>

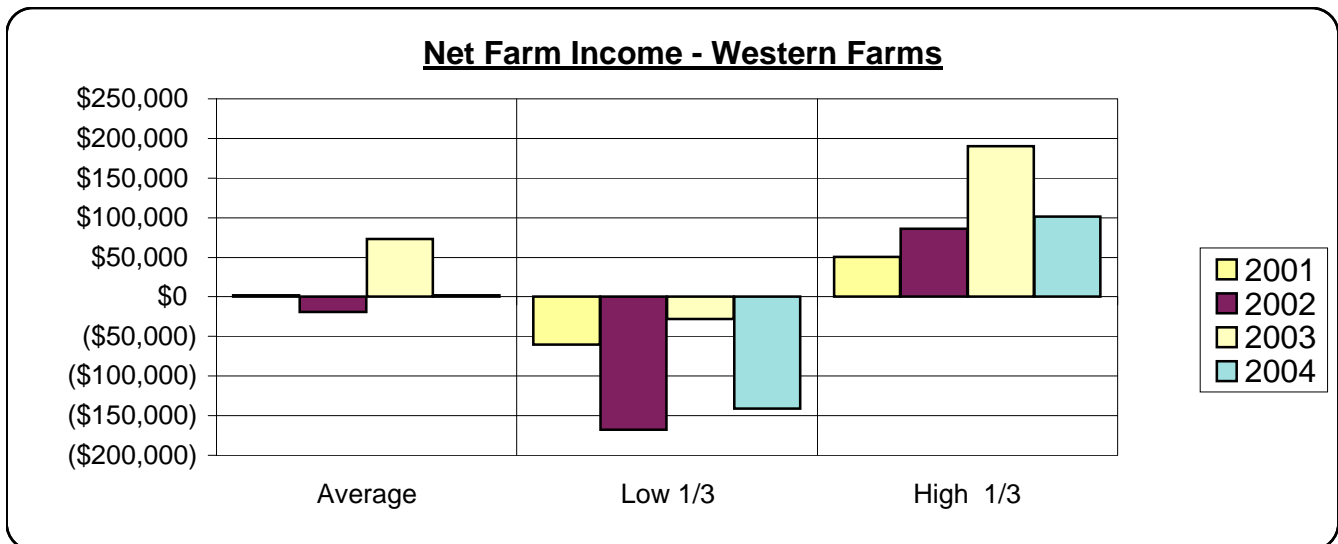
**Table 2: Western - Inventory Changes, 2004**

	<u>Average Of All Farms</u>	<u>Average Of Low 33%</u>	<u>Average Of High 33%</u>
<b>Net Cash Farm Income</b>	\$77,496	(\$21,666)	\$155,761
<b>Crops and Feed</b>			
Ending Inventory	136,089	133,003	216,914
Beginning Inventory	165,317	229,251	209,795
Inventory Change	(29,228)	(96,248)	7,119
<b>Market Livestock</b>			
Ending Inventory	264,386	116,780	447,188
Beginning Inventory	239,921	60,340	413,710
Inventory Change	24,465	56,440	33,478
<b>Accounts Receivable &amp; Other Current Assets</b>			
Ending Inventory	58,948	78,233	58,112
Beginning Inventory	57,062	52,586	83,505
Inventory Change	1,886	25,647	(25,393)
<b>Prepaid Expenses and Supplies</b>			
Ending Inventory	12,143	1,059	25,864
Beginning Inventory	13,217	1,729	33,919
Inventory Change	(1,074)	(670)	(8,055)
<b>Accounts Payable</b>			
Beginning Inventory	35,026	22,932	52,992
Ending Inventory	34,531	20,688	59,784
Inventory Change	495	2,244	(6,792)
<b>Total Inventory Change</b>	(\$3,456)	(\$12,587)	\$357
<b>Net Accrual Operating Income</b>	\$74,040	(\$34,253)	\$156,118



**Table 3: Western - Depreciation and Other Capital Adjustments, 2004**

	Average Of <u>All Farms</u>	Average Of <u>Low 33%</u>	Average Of <u>High 33%</u>
<b>Net Accrual Operating Income</b>	\$74,040	(\$34,253)	\$156,118
<b>Breeding Livestock</b>			
Ending Inventory	45,263	41,856	52,268
Capital Sales	15,997	5,440	1,446
Beginning Inventory	45,029	38,718	15,829
Capital Purchases	30,345	21,518	49,183
Depreciation & Capital Adjustments	(14,114)	(12,940)	(11,298)
<b>Machinery and Equipment</b>			
Ending Inventory	161,992	222,100	117,078
Capital Sales	1,915	845	539
Beginning Inventory	168,182	252,643	113,625
Capital Purchases	44,523	34,232	49,713
Depreciation & Capital Adjustments	(48,798)	(63,930)	(45,721)
<b>Buildings and Improvements</b>			
Ending Inventory	62,132	91,407	54,659
Capital Sales	0	0	0
Beginning Inventory	55,641	94,655	40,594
Capital Purchases	16,781	24,769	18,807
Depreciation & Capital Adjustments	(10,290)	(28,017)	(4,742)
<b>Other Capital Assets</b>			
Ending Inventory	39,698	37,534	29,332
Capital Sales	31,210	11,054	79,215
Beginning Inventory	68,077	48,442	97,197
Capital Purchases	2,061	1,686	4,435
Depreciation & Capital Adjustments	770	(1,540)	6,915
<b>Total Depreciation &amp; Capital Adjustments</b>	(\$72,432)	(\$106,427)	(\$54,846)
<b>Net Farm Income</b>	\$1,608	(\$140,680)	\$101,272



**Table 4: Western - Profitability Analysis At Cost Value, 2004**

	Average Of <u>All Farms</u>	Average Of <u>Low 33 %</u>	Average Of <u>High 33 %</u>
<b>Profitability</b>			
Net Farm Income	\$1,608	(\$140,680)	\$101,272
Labor and Mgt. Earnings	(\$27,578)	(\$159,464)	\$53,648
Rate of Return on Assets	1.7%	-7.9%	6.9%
Rate of Return on Equity	-5.0%	-57.9%	10.0%
Operating Profit Margin	3.8%	-15.6%	18.7%
Asset Turnover Rate	44.6%	50.5%	36.7%
Interest on Farm Net Worth	\$29,184	\$18,783	\$47,625
Farm Interest Expense	\$46,679	\$63,761	\$39,928
Operator Labor & Mgt.	\$25,176	\$23,200	\$21,667
Return on Farm Assets	\$23,109	(\$100,120)	\$119,534
Average Farm Assets	\$1,359,571	\$1,270,312	\$1,742,841
Return on Farm Equity	(\$23,570)	(\$163,882)	\$79,606
Average Farm Equity	\$473,940	\$283,283	\$793,752
Value of Farm Production	\$606,708	\$641,809	\$640,029

**Table 5: Western - Profitability Analysis At Market Value, 2004**

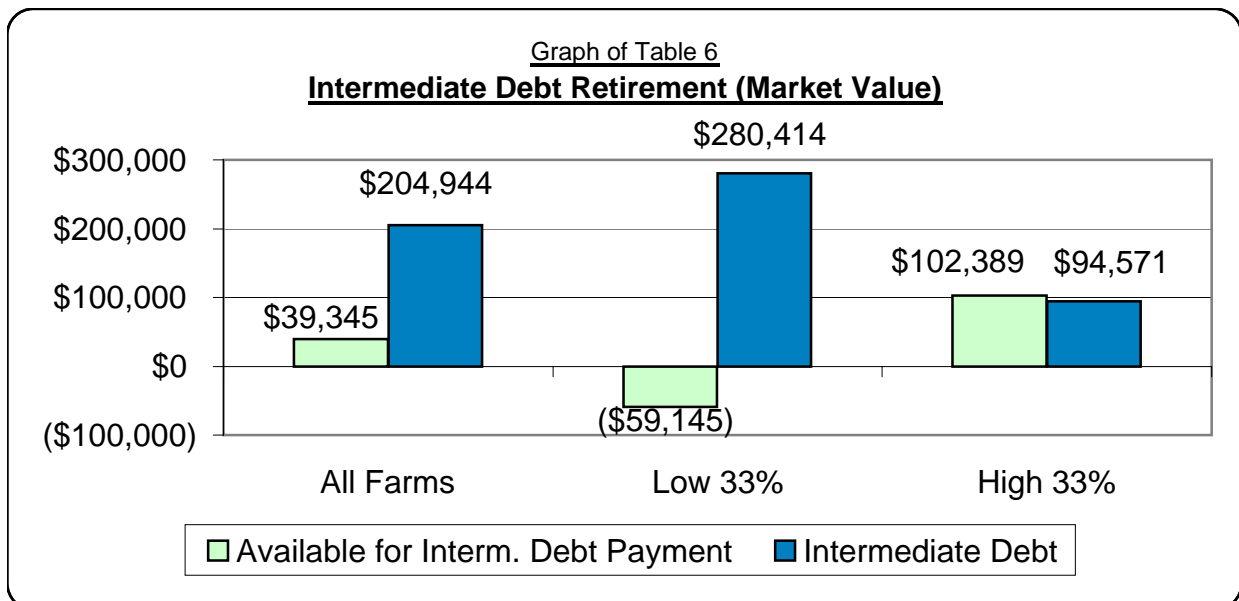
	Average Of <u>All Farms</u>	Average Of <u>Low 33 %</u>	Average Of <u>High 33 %</u>
<b>Profitability</b>			
Net Farm Income	\$28,426	(\$107,743)	\$140,280
Labor and Mgt. Earnings	(\$25,035)	(\$154,003)	\$67,335
Rate of Return on Assets	2.8%	-3.8%	7.3%
Rate of Return on Equity	0.4%	-17.0%	9.8%
Operating Profit Margin	8.2%	-10.5%	24.8%
Asset Turnover Rate	34.1%	36.5%	29.6%
Interest on Farm Net Worth	\$53,461	\$46,261	\$72,945
Farm Interest Expense	\$46,679	\$63,761	\$39,928
Operator Labor & Mgt.	\$25,176	\$23,200	\$21,667
Return on Farm Assets	\$49,928	(\$67,181)	\$158,542
Average Farm Assets	\$1,776,651	\$1,758,037	\$2,164,847
Return on Farm Equity	\$3,249	(\$130,943)	\$118,614
Average Farm Equity	\$891,019	\$771,008	\$1,215,758
Value of Farm Production	\$606,708	\$641,809	\$640,029

**Table 6: Western - Liquidity Analysis, 2004**

		Average of All Farms	Average Of Low 33%	Average Of High 33%
<b>Liquidity (Cash)</b>				
Net Cash Farm Income	(+)	77,496	(21,666)	155,761
Net Non-Farm Income	(+)	22,728	30,008	3,843
Family Living and Taxes	(-)	45,526	32,538	48,675
Real Estate Principal Payments	(-)	11,897	22,359	8,897
Cash Available for Intern. Debt	(=)	42,801	(46,555)	102,032
<b>Average Intermediate Debt</b>		<b>\$204,944</b>	<b>\$280,414</b>	<b>\$94,571</b>
Years to Turnover Intern. Debt		4.8	**	0.9
Expense as a % of Income		90%	103%	85%
Interest as a % of Income		6%	9%	4%

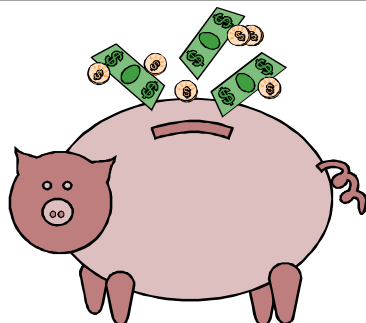
<b>Liquidity (Accrual)</b>				
Total Accrual Farm Income	(+)	801,026	702,939	1,055,339
Total Accrual Farm Expense	(-)	726,987	737,194	899,222
Net Accrual Operating Income	(=)	74,039	(34,255)	156,117
Net Non-Farm Income	(+)	22,728	30,008	3,843
Family Living and Taxes	(-)	45,526	32,538	48,675
Real Estate Principle Payments	(-)	11,897	22,359	8,897
Cash & Inventory for Intern. Debt	(=)	39,344	(59,144)	102,388
<b>Average Intermediate Debt</b>		<b>\$204,944</b>	<b>\$280,414</b>	<b>\$94,571</b>
Years to Turnover Intern. Debt		5.2	**	0.9
Expense as a % of Income		91%	105%	85%
Interest as a % of Income		6%	9%	4%

\*\* Income Insufficient to Meet Debt Servicing Requirements



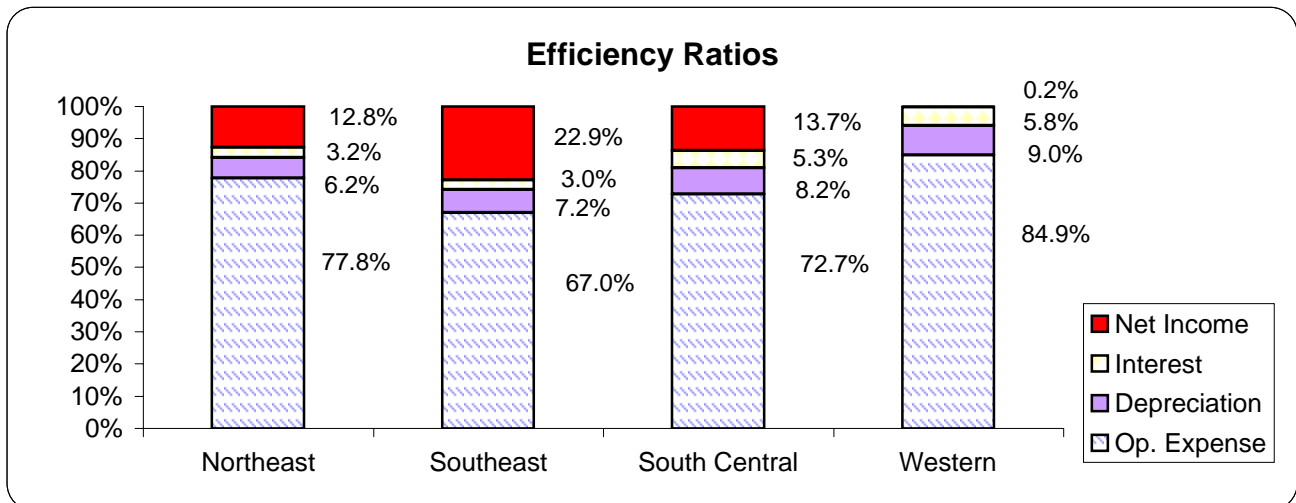
**Table 7: Western - Statement of Cash Flows, 2004**

		Average Of All Farms	Average Of Low 33%	Average Of High 33%
<b>(A) Beginning Cash Balance (Farm &amp; Non-farm)</b>		\$31,363	\$55,298	\$26,109
<b>Cash From Operating Activities</b>				
Gross Cash Farm Income	(+)	803,902	717,100	1,040,135
Net Non-farm Income	(+)	22,728	30,008	3,843
Total Cash Farm Expense	(-)	726,407	738,767	884,376
Apparent Family Living Expense	(-)	39,628	29,970	39,925
Income and Social Security Tax	(-)	4,577	2,568	8,750
<b>(B) Net Cash From Operating Activities</b>	(=)	\$56,018	(\$24,197)	\$110,927
<b>Cash From Investing Activities</b>				
Sale of Breeding Livestock	(+)	15,997	5,440	1,446
Sale of Machinery & Equipment	(+)	1,915	845	539
Sale of Farm Land	(+)	12,981	44,134	0
Sale of Farm Buildings	(+)	0	0	0
Sale of Other Farm Assets	(+)	31,210	11,054	79,215
Sale of Non-farm Assets	(+)	3,664	8,666	2,183
Purchase of Breeding Livestock	(-)	30,345	21,518	49,183
Purchase of Machinery & Equip.	(-)	44,524	34,233	49,713
Purchase of Farm Land	(-)	84,122	11,644	210,377
Purchase of Farm Buildings	(-)	16,781	24,769	18,807
Purchase of Other Farm Assets	(-)	2,061	1,686	4,435
Purchase of Non-farm Assets	(-)	11,521	0	14,098
<b>(C) Net Cash From Investing Activities</b>	(=)	(\$123,587)	(\$23,711)	(\$263,230)
<b>Cash From Financing Activities</b>				
Money Borrowed	(+)	751,053	643,244	733,428
Cash Gifts and Inheritances	(+)	14,254	-5	40,393
Principal Payments	(-)	713,466	593,350	649,560
Dividends Paid	(-)	1,321	0	0
Gifts Given	(-)	0	0	0
<b>(D) Net Cash From Financing Activities</b>	(=)	\$50,520	\$49,889	\$124,261
<b>(E) Net Change In Cash Balance (B+C+D)</b>		(\$17,049)	\$1,981	(\$28,042)
<b>(F) Ending Cash Balance (A-E)</b>		\$14,314	\$57,279	(\$1,933)



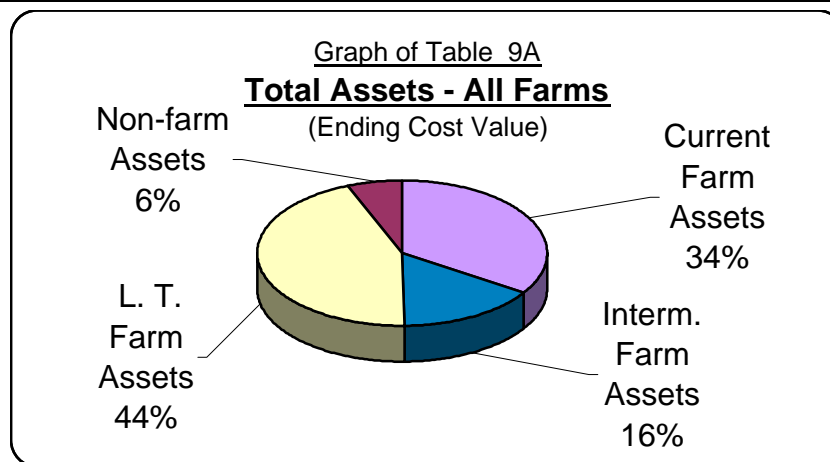
**Table 8: Western - Financial Guideline Measures, 2004**

	Average Of <u>All Farms</u>	Average Of <u>Low 33%</u>	Average Of <u>High 33%</u>
<b>Liquidity</b>			
Current Ratio	1.22	0.94	1.38
Working Capital	91,870	(31,806)	204,845
<b>Solvency (Market)</b>			
Farm Debt to Asset Ratio	51%	60%	44%
Farm Equity to Asset Ratio	49%	40%	56%
Farm Debt to Equity Ratio	104%	149%	78%
<b>Profitability (Cost)</b>			
Rate of Return on Farm Assets	1.7%	-7.9%	6.9%
Rate of Return on Farm Equity	-5.0%	-57.9%	10.0%
Operating Profit Margin	3.8%	-15.6%	18.7%
Net Farm Income	1,607	(140,682)	101,273
<b>Repayment Capacity</b>			
Term Debt Coverage Ratio	112%	-6%	332%
Capital Replacement Margin	7,025	(109,340)	83,955
<b>Efficiency</b>			
Asset Turnover Rate (Cost)	44.6%	50.5%	36.7%
Operating Expense Ratio	84.9%	95.8%	81.4%
Depreciation Expense Ratio	9.0%	15.1%	5.2%
Interest Expense Ratio	5.8%	9.1%	3.8%
Net Farm Income Ratio	0.2%	-20.0%	9.6%



**Table 9A: Western - Balance Sheet - Assets at Cost Value, 2004**

	Average Of All Farms		Average Of Low 33 %		Average Of High 33%	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
<b>Current Farm Assets</b>						
Cash and Checking Accounts	23,425	7,082	53,367	54,807	23,922	-3,243
Prepaid Expenses & Supplies	13,217	12,143	1,729	1,059	33,919	25,864
Growing Crops	16,631	17,184	4,600	4,920	14,094	12,862
Accounts Receivable	7,939	17,621	9,372	28,756	12,266	18,850
Hedging Accounts	30,717	24,085	38,614	44,557	52,118	26,401
Crops Held for Sale or Feed	158,485	134,000	215,898	133,003	209,795	216,914
Crops Under Government Loan	25,182	37,755	55,832	80,367	0	0
Market Livestock Held for Sale	239,921	264,386	60,340	116,780	413,710	447,188
Other Current Assets	1,775	59	0	0	5,028	0
<b>Total Current Farm Assets</b>	<b>\$517,292</b>	<b>\$514,315</b>	<b>\$439,752</b>	<b>\$464,249</b>	<b>\$764,852</b>	<b>\$744,836</b>
<b>Intermediate Farm Assets</b>						
Breeding Livestock	45,029	45,263	38,718	41,856	15,829	52,268
Machinery and Equipment	168,182	161,993	252,643	222,101	113,625	117,078
Other Intermediate Assets	29,035	25,978	46,576	34,150	24,709	29,166
<b>Total Intermediate Farm Assets</b>	<b>\$242,246</b>	<b>\$233,234</b>	<b>\$337,937</b>	<b>\$298,107</b>	<b>\$154,163</b>	<b>\$198,512</b>
<b>Long Term Farm Assets</b>						
Farm Land	508,159	587,377	468,572	463,541	622,518	832,895
Buildings and Improvements	55,641	62,132	94,655	91,407	40,594	54,659
Other Long Term Assets	39,042	13,720	1,866	3,384	72,488	167
<b>Total Long Term Farm Assets</b>	<b>\$602,842</b>	<b>\$663,229</b>	<b>\$565,093</b>	<b>\$558,332</b>	<b>\$735,600</b>	<b>\$887,721</b>
<b>Total Farm Assets</b>	<b>\$1,362,380</b>	<b>\$1,410,778</b>	<b>\$1,342,782</b>	<b>\$1,320,688</b>	<b>\$1,654,615</b>	<b>\$1,831,069</b>
Non-farm Assets	85,144	93,173	48,747	38,240	90,621	107,944
<b>Total Farm &amp; Non-farm Assets</b>	<b>\$1,447,524</b>	<b>\$1,503,951</b>	<b>\$1,391,529</b>	<b>\$1,358,928</b>	<b>\$1,745,236</b>	<b>\$1,939,013</b>

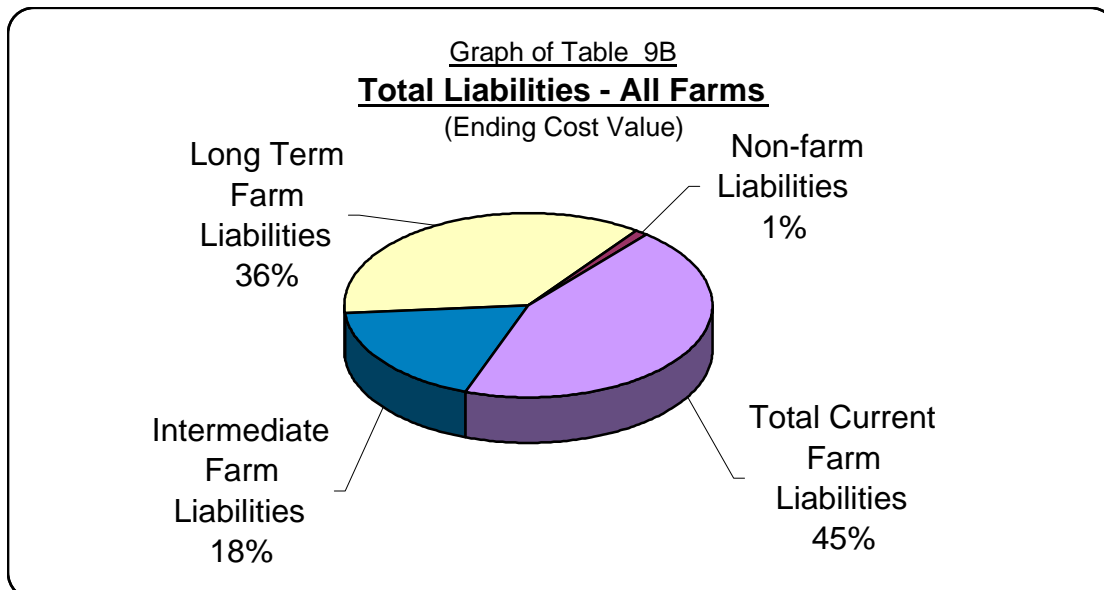


**Table 9B: Western - Balance Sheet - Liabilities at Cost Value, 2004**

	Average Of All Farms		Average Of Low 33 %		Average Of High 33%	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
<b>Current Farm Liabilities</b>						
Accrued Interest	19,166	17,161	22,932	20,688	12,881	16,135
Accounts Payable	15,863	17,368	0	0	40,112	43,649
Current Notes	311,889	309,912	327,014	345,009	449,296	440,891
Government Crop Loans	19,819	37,276	42,479	80,367	0	0
Principal Due on Term Debt	39,832	40,727	71,253	49,991	27,331	39,315
<b>Total Current Farm Liabilities</b>	<b>\$406,569</b>	<b>\$422,444</b>	<b>\$463,678</b>	<b>\$496,055</b>	<b>\$529,620</b>	<b>\$539,990</b>
<b>Intermediate Farm Liabilities</b>	<b>\$180,402</b>	<b>\$172,663</b>	<b>\$241,435</b>	<b>\$235,078</b>	<b>\$69,741</b>	<b>\$77,595</b>
<b>Long Term Farm Liabilities</b>	<b>\$298,420</b>	<b>\$344,780</b>	<b>\$299,732</b>	<b>\$360,924</b>	<b>\$305,514</b>	<b>\$375,718</b>
<b>Total Farm Liabilities</b>	<b>\$885,391</b>	<b>\$939,887</b>	<b>\$1,004,845</b>	<b>\$1,092,057</b>	<b>\$904,875</b>	<b>\$993,303</b>
Non-farm Liabilities	11,830	11,740	1,995	321	0	2,233
<b>Total Liabilities</b>	<b>\$897,221</b>	<b>\$951,627</b>	<b>\$1,006,840</b>	<b>\$1,092,378</b>	<b>\$904,875</b>	<b>\$995,536</b>
<b>Net Worth (Farm &amp; Non-farm)</b>	<b>\$550,302</b>	<b>\$552,324</b>	<b>\$384,688</b>	<b>\$266,549</b>	<b>\$840,359</b>	<b>\$943,476</b>
<b>Net Worth Change (Cost Value)</b>		<b>\$2,022</b>		<b>(\$118,139)</b>		<b>\$103,117</b>

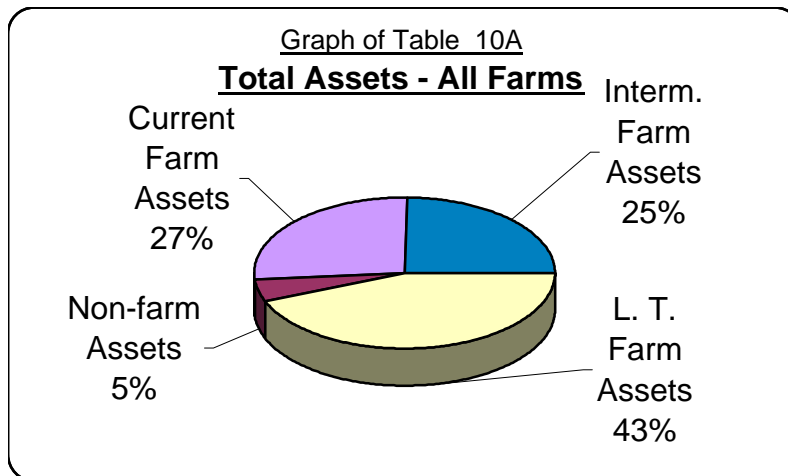
**Ratio Analysis**

Current Farm Liabilities / Assets	79%	82%	105%	107%	69%	72%
Curr. & Interm Farm Liab. / Asset:	77%	80%	91%	96%	65%	65%
Long Term Farm Liab. / Assets	50%	52%	53%	65%	42%	42%
Total Liabilities / Assets	62%	63%	72%	80%	52%	51%



**Table 10A: Western - Balance Sheet - Assets at Market Value, 2004**

	Average Of All Farms		Average Of Low 33 %		Average Of High 33%	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
<b>Current Farm Assets</b>						
Cash and Checking Balance	23,425	7,082	53,367	54,807	23,922	(3,243)
Prepaid Expenses & Supplies	13,217	12,143	1,729	1,059	33,919	25,864
Growing Crops	16,631	17,184	4,600	4,920	14,094	12,862
Accounts Receivable	7,939	17,621	9,372	28,756	12,266	18,850
Hedging Accounts	30,717	24,085	38,614	44,557	52,118	26,401
Crops Held for Sale or Feed	158,485	134,000	215,898	133,003	209,795	216,914
Crops Under Government Loan	25,182	37,755	55,832	80,367	0	0
Market Livestock Held for Sale	239,921	264,386	60,340	116,780	413,710	447,188
Other Current Assets	1,775	59	0	0	5,028	0
<b>Total Current Farm Assets</b>	<b>\$517,292</b>	<b>\$514,315</b>	<b>\$439,752</b>	<b>\$464,249</b>	<b>\$764,852</b>	<b>\$744,836</b>
<b>Intermediate Farm Assets</b>						
Breeding Livestock	122,078	119,277	73,950	80,750	75,881	104,049
Machinery and Equipment	315,990	332,275	468,283	452,412	254,297	299,780
Other Intermediate Assets	29,059	26,000	46,576	34,150	24,709	29,166
<b>Total Intermediate Farm Assets</b>	<b>\$467,127</b>	<b>\$477,552</b>	<b>\$588,809</b>	<b>\$567,312</b>	<b>\$354,887</b>	<b>\$432,995</b>
<b>Long Term Farm Assets</b>						
Farm Land	655,272	734,352	670,043	658,454	789,189	1,004,644
Buildings and Improvements	86,586	100,623	113,567	131,483	75,701	89,937
Other Long Term Assets	39,774	14,426	1,866	3,384	72,488	167
<b>Total Long Term Farm Assets</b>	<b>\$781,632</b>	<b>\$849,401</b>	<b>\$785,476</b>	<b>\$793,321</b>	<b>\$937,378</b>	<b>\$1,094,748</b>
<b>Total Farm Assets</b>	<b>\$1,766,051</b>	<b>\$1,841,268</b>	<b>\$1,814,037</b>	<b>\$1,824,882</b>	<b>\$2,057,117</b>	<b>\$2,272,579</b>
Non-farm Assets	85,144	93,173	48,747	38,240	90,621	107,944
<b>Total Farm &amp; Non-farm Assets</b>	<b>\$1,851,195</b>	<b>\$1,934,441</b>	<b>\$1,862,784</b>	<b>\$1,863,122</b>	<b>\$2,147,738</b>	<b>\$2,380,523</b>

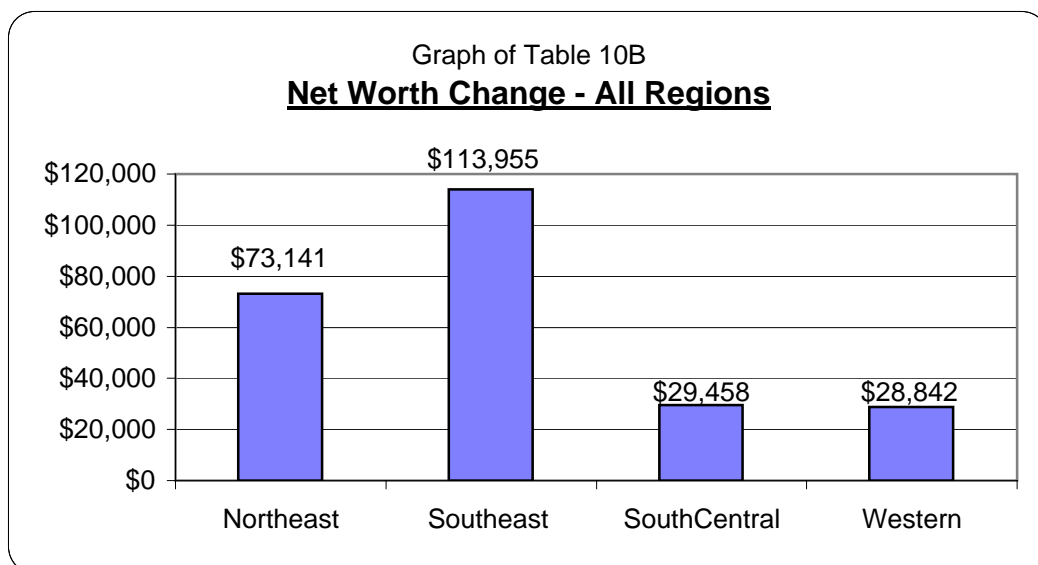


**Table 10B: Western - Balance Sheet - Liabilities at Market Value, 2004**

	Average Of All Farms		Average Of Low 33 %		Average Of High 33%	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
<b>Current Farm Liabilities</b>						
Accrued Interest	19,166	17,161	22,932	20,688	12,881	16,135
Accounts Payable	15,863	17,368	0	0	40,112	43,649
Current Notes	311,889	309,912	327,014	345,009	449,296	440,891
Government Crop Loans	19,819	37,276	42,479	80,367	0	0
Principal Due on Term Debt	39,832	40,727	71,253	49,991	27,331	39,315
<b>Total Current Farm Liabilities</b>	<b>\$406,569</b>	<b>\$422,444</b>	<b>\$463,678</b>	<b>\$496,055</b>	<b>\$529,620</b>	<b>\$539,990</b>
<b>Intermediate Farm Liabilities</b>	<b>\$180,402</b>	<b>\$172,663</b>	<b>\$241,435</b>	<b>\$235,078</b>	<b>\$69,741</b>	<b>\$77,595</b>
<b>Long Term Farm Liabilities</b>	<b>\$298,420</b>	<b>\$344,780</b>	<b>\$299,732</b>	<b>\$360,924</b>	<b>\$305,514</b>	<b>\$375,718</b>
<b>Total Farm Liabilities</b>	<b>\$885,391</b>	<b>\$939,887</b>	<b>\$1,004,845</b>	<b>\$1,092,057</b>	<b>\$904,875</b>	<b>\$993,303</b>
Non-farm Liabilities	11,830	11,740	1,995	321	0	2,233
<b>Total Deferred Liabilities</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>Total Farm &amp; Non-farm Liabilities</b>	<b>\$897,221</b>	<b>\$951,627</b>	<b>\$1,006,840</b>	<b>\$1,092,378</b>	<b>\$904,875</b>	<b>\$995,536</b>
<b>Net Worth (Farm and Non-farm)</b>	<b>\$953,971</b>	<b>\$982,813</b>	<b>\$855,944</b>	<b>\$770,744</b>	<b>\$1,242,861</b>	<b>\$1,384,986</b>
<b>Net Worth Change (Market Value)</b>		<b>\$28,842</b>		<b>(\$85,200)</b>		<b>\$142,125</b>

**Ratio Analysis**

Current Farm Liabilities / Assets	79%	82%	105%	107%	69%	72%
Curr. & Interm Farm Liab / Assets	60%	60%	69%	71%	54%	52%
Long Term Farm Liab. / Assets	38%	41%	38%	45%	33%	34%
Total Liabilities / Assets	48%	49%	54%	59%	42%	42%



**Table 11: Western - Household and Personal Expense, 2004**

	Average Of All Farms
<b>Average Family Size</b>	3.5
<b>Family Living Expense</b>	
Food and Meals Expense	6,128
Medical Care and Health Insurance	8,226
Cash Donations	1,757
Household Supplies	2,055
Clothing	1,327
Personal Care	736
Child / Dependent Care	441
Gifts	1,659
Education	1,387
Recreation	1,451
Utilities (Household Share)	1,446
Non-farm Vehicle Operating Expense	1,834
Household Real Estate Taxes	138
Dwelling Rent	18
Household Repairs	700
Non-farm Interest	721
Disability / Long Term Care Insurance	703
Life Insurance Payments	5,728
Nonfarm Property Insurance	363
Miscellaneous	6,466
<b>Total Cash Family Living Expense</b>	<b>\$43,284</b>
Family Living from the Farm	73
<b>Total Family Living Expense **</b>	<b>\$43,357</b>
<b>Other Non-farm Expense</b>	
Income Taxes	6363
Furnishing & Appliance Purchases	0
Non-farm Vehicle Purchases	182
Non-farm Real Estate Purchases	14098
Other Non-farm Capital Purchases	-241
Non-farm Savings & Investments	-2829
<b>Total Other Non-farm Expense</b>	<b>\$17,573</b>
<b>Total Cash Family Living, Investment &amp; Non-farm Capital Purchases</b>	<b>\$60,857</b>

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



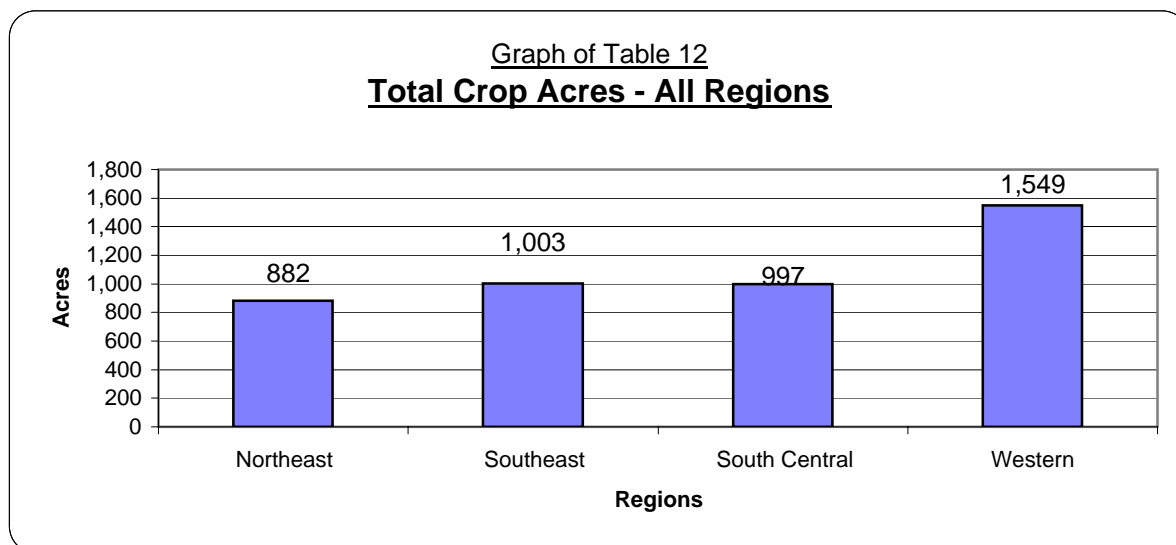
**Table 12: Western - Operator Information and Non-farm Summary, 2004**

	Average Of All Farms	Average Of Low 33%	Average Of High 33%
<b>Operator Information</b>			
Average Number of Operators	1.2	1	1.3
Average Age of Operators	55.2	53	58
Average Number of Years Farming	33.1	30	35.2
<b>Non-farm Income</b>			
Non-farm Wages & Salary	8,235	5,839	730
Non-farm Business Income	6,638	21,655	(43)
Non-farm Rental Income	575	810	0
Non-farm Interest Income	245	533	182
Non-farm Cash Dividends	106	305	9
Tax Refunds	0	0	0
Non-taxable Non-farm Income	0	0	0
Gifts and Inheritances	14,254	(5)	40,393
Other Non-farm Income	6,930	866	2,966
<b>Total Non-farm Income</b>	<b>\$36,983</b>	<b>\$30,003</b>	<b>\$44,237</b>
<b>Non-farm Assets (Market Value)</b>			
Checking & Savings	7,232	2,472	1,313
Stocks & Bonds	408	85	786
Other Current Assets	4,908	0	13,905
Furniture & Appliances	1,383	2,300	2,001
Non-farm Vehicles	7,524	16,640	422
Cash Value of Life Ins.	13,625	224	26,038
Retirement Accounts	24,625	10,014	54,295
Other Interm. Assets	2,682	0	0
Non-farm Real Estate	30,787	6,505	9,185
Other Long Term Assets	0	0	0
<b>Total Non-farm Assets</b>	<b>\$93,174</b>	<b>\$38,240</b>	<b>\$107,945</b>
<b>Non-farm Liabilities</b>			
Accrued Interest	32	0	0
Accounts Payable	0	0	0
Current Notes	1,028	0	2,233
Princ Due on Term Debt	0	0	0
Total Current Liabilities	1,060	0	2,233
Intermediate Liabilities	3,323	321	0
Long Term Liabilities	7,356	0	0
<b>Total Non Farm Liabilities</b>	<b>\$11,739</b>	<b>\$321</b>	<b>\$2,233</b>
<b>Nonfarm Net Worth</b>	<b>\$81,433</b>	<b>\$37,919</b>	<b>\$105,712</b>
<b>Nonfarm Debt to Asset Ratio</b>	<b>13%</b>	<b>1%</b>	<b>2%</b>

**Table 13: Western - Crop Production, Marketing & Labor Summary, 2004**

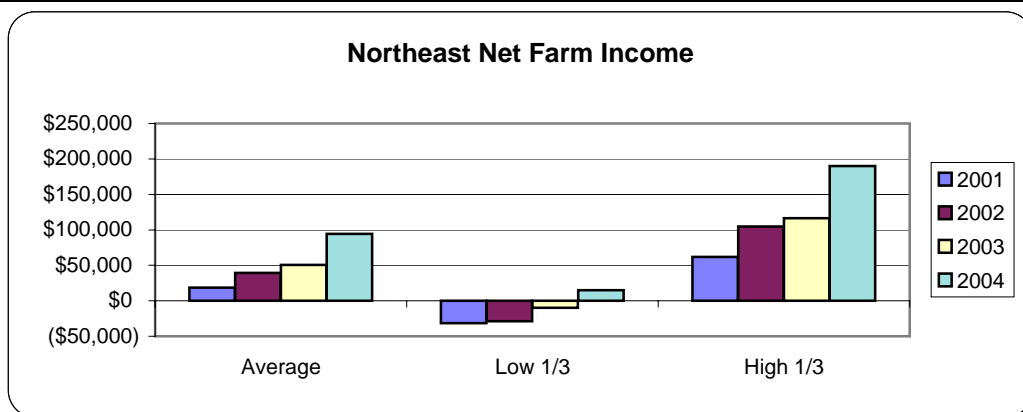
	<u>Average Of All Farms</u>	<u>Average Of Low 33%</u>	<u>Average Of High 33%</u>
<b>Acreage Summary</b>			
Acres Owned	2,755	1,904	3,738
Crop Acres	1,549	1,813	1,521
Crop Acres Owned	612	636	831
Crop Acres Cash Rented	535	1,067	75
Crop Acres Share Rented	402	109	616
Pasture Acres	4	0	11
% Crop Acres Owned	39.51%	35.08%	54.64%
<b>Average Price Received in Dollars (Cash Sales Only)</b>			
Corn per bu.	\$1.86	N/A	\$2.22
Soybeans per bu.	\$5.84	N/A	N/A
Wheat, Winter per bu.	\$3.30	N/A	N/A
Hay, Alfalfa per ton	N/A	N/A	N/A
<b>Average Yield Per Acre</b>			
Corn, Irrigated (bu.)	N/A	N/A	N/A
Winter Wheat (bu.)	38.21	N/A	40.01
Alfalfa, Hay (ton)	N/A	N/A	N/A
<b>Labor Analysis</b>			
Total Unpaid Labor Hours *	2,106	2,080	2,164
Total Hired Labor Hours	1,577	416	2,550
Total Labor Hours per Farm	3,683	2,496	4,714
Value of Farm Production / Hour	\$169.18	\$257.14	\$148.31
Net Farm Income / Unpaid Hour	(\$0.89)	(\$67.64)	\$50.85

\* Based on 2080 Hrs. Annually Per Full Time Operator



**Table 14A: Northeast Nebraska Averages, 2004**

	Northeast Average of <u>All Farms</u>	Average of <u>Low 33%</u>	Average of <u>High 33%</u>
<b>Cash Farm Income</b>			
Total Crop Income	188,476	120,687	185,440
Total Livestock Income	411,467	124,602	900,829
Total Other Farm Income	85,272	54,449	117,402
<b>Gross Cash Farm Income</b>	<b>\$685,215</b>	<b>\$299,738</b>	<b>\$1,203,671</b>
<b>Cash Farm Expense</b>			
Total Crop Expense	110,398	75,739	142,913
Total Livestock Expense	283,968	73,854	607,519
Total Other Farm Expense	210,870	109,421	310,991
<b>Gross Cash Farm Expense</b>	<b>\$605,236</b>	<b>\$259,014</b>	<b>\$1,061,423</b>
<b>Net Cash Farm Income</b>	<b>\$79,979</b>	<b>\$40,724</b>	<b>\$142,248</b>
<b>Total Inventory Change</b>	<b>\$60,030</b>	<b>(\$4,186)</b>	<b>\$133,699</b>
<b>Total Depreciation &amp; Capital Adjustments</b>	<b>-\$45,650</b>	<b>-\$21,658</b>	<b>-\$86,173</b>
<b>Net Farm Income</b>	<b>\$94,359</b>	<b>\$14,880</b>	<b>\$189,774</b>
<b>Non-Farm Income</b>	<b>\$11,677</b>	<b>\$18,088</b>	<b>\$4,853</b>
<b>Balance Sheet at Market</b>			
Current Farm Assets	431,010	220,025	696,374
Intermediate Farm Assets	344,812	193,524	541,211
Long Term Farm Assets	520,947	258,703	802,448
Non-Farm Assets	141,105	172,980	98,939
<b>Total Assets</b>	<b>\$1,437,874</b>	<b>\$845,232</b>	<b>\$2,138,972</b>
Current Farm Liabilities	251,074	176,182	349,350
Intermediate Farm Liabilities	66,586	70,955	68,143
Long Term Liabilities	202,978	75,171	365,101
Non Farm Liabilities	3,052	3,703	1,108
<b>Total Liabilities</b>	<b>\$523,690</b>	<b>\$326,011</b>	<b>\$783,702</b>
<b>Net Worth</b>	<b>\$914,184</b>	<b>\$519,221</b>	<b>\$1,355,270</b>
<b>Net Worth Change (Market Value)</b>	<b>\$73,141</b>	<b>\$18,493</b>	<b>\$168,024</b>

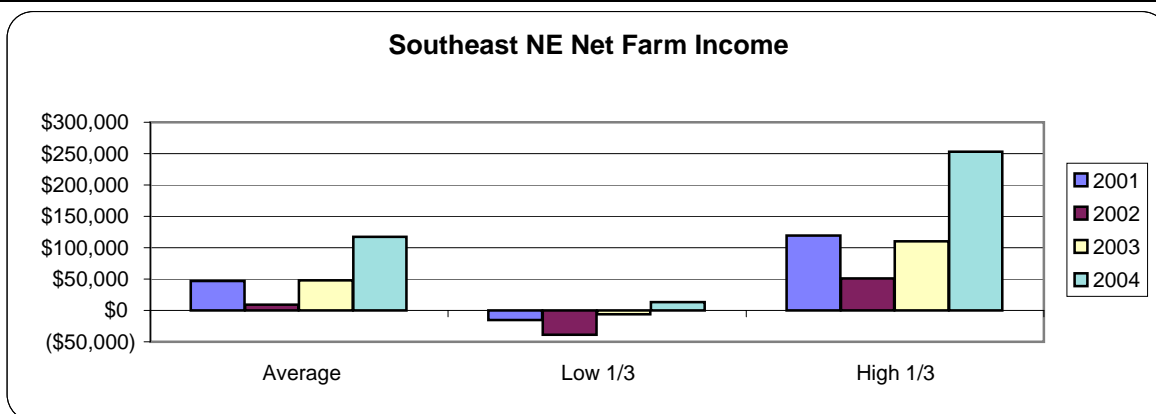


**Table 14B: Northeast Nebraska Averages, 2004 (cont.)**

	Northeast Average of <u>All Farms</u>	Average of <u>Low 33%</u>	Average of <u>High 33%</u>
<b>Financial Guidelines</b>			
Current Ratio	1.72	1.25	1.99
Working Capital	\$179,936	\$43,843	\$347,023
Debt to Asset Ratio (Market)	40%	48%	38%
Equity to Asset Ratio (Market)	60%	52%	62%
Debt to Equity Ratio (Market)	67%	92%	62%
Rate of Return on Assets (Cost)	9.5%	0.9%	12.6%
Rate of Return on Equity (Cost)	16.2%	-8.2%	22.6%
Operating Profit Margin (Cost)	16.9%	1.9%	21.9%
Net Farm Income (Cost)	\$94,359	\$14,880	\$189,774
Asset Turnover Rate (Cost)	56.2%	48.3%	57.4%
Operating Expense Ratio	77.8%	81.8%	76.5%
Depreciation Expense Ratio	6.2%	7.6%	6.5%
Interest Expense Ratio	3.2%	5.4%	2.6%
Net Farm Income Ratio	12.8%	5.2%	14.4%
<b>Operator Information</b>			
Average Number of Operators	1.3	1	1.8
Average Age of Operators	50.7	46.8	52.2
Average Number of Years Farming	27.4	23.7	29.3
<b>Acreage Summary</b>			
Total acres owned	313	135	459
Total crop acres	882	532	1,143
Crop acres owned	265	137	388
Crop acres cash rented	341	240	431
Crop acres share rented	276	155	323
Total Pasture Acres	1	0	0
<b>Average Price Received In Dollars (Cash Sales Only)</b>			
Corn, per bu.	\$2.39	\$2.16	\$2.46
Soybeans, per bu.	\$7.01	\$7.54	\$6.47
Alfalfa Hay, per ton	\$56.08	N/A	N/A
<b>Average Yield Per Acre</b>			
Corn, Irrigated (bu.)	190.67	187.36	198.67
Corn, Dryland (bu.)	153.79	114.21	189.37
Soybeans, Irrigated (bu.)	50.99	N/A	54.04
Soybeans, Dryland (bu.)	41.06	32.99	46.19
Alfalfa Hay (ton)	3.46	N/A	N/A
Hay, Grass (ton)	1.39	N/A	N/A

**Table 15A: Southeast Nebraska Averages, 2004**

	Southeast Average of <u>All Farms</u>	Average of <u>Low 33%</u>	Average of <u>High 33%</u>
<b>Cash Farm Income</b>			
Total Crop Income	185,645	76,644	244,795
Total Livestock Income	226,012	44,823	529,202
Total Other Farm Income	52,103	21,023	86,703
<b>Gross Cash Farm Income</b>	<b>\$463,760</b>	<b>\$142,490</b>	<b>\$860,700</b>
<b>Cash Farm Expense</b>			
Total Crop Expense	103,427	37,632	159,784
Total Livestock Expense	134,549	26,312	333,237
Total Other Farm Expense	137,975	59,147	208,435
<b>Gross Cash Farm Expense</b>	<b>\$375,951</b>	<b>\$123,091</b>	<b>\$701,456</b>
<b>Net Cash Farm Income</b>	<b>\$87,809</b>	<b>\$19,399</b>	<b>\$159,244</b>
<b>Total Inventory Change</b>	<b>65,770</b>	<b>3,405</b>	<b>164,211</b>
<b>Total Depreciation &amp; Capital Adjustments</b>	<b>(36,592)</b>	<b>(9,386)</b>	<b>(69,961)</b>
<b>Net Farm Income</b>	<b>\$116,987</b>	<b>\$13,418</b>	<b>\$253,494</b>
<b>Non-Farm Income</b>	<b>\$32,240</b>	<b>\$30,529</b>	<b>\$45,863</b>
<b>Balance Sheet at Market</b>			
Current Farm Assets	266,847	82,067	529,895
Intermediate Farm Assets	263,955	101,316	427,435
Long Term Farm Assets	499,983	229,245	777,095
Non Farm Assets	227,149	150,770	300,868
<b>Total Assets</b>	<b>\$1,257,934</b>	<b>\$563,398</b>	<b>\$2,035,293</b>
Current Farm Liabilities	109,405	51,833	171,920
Intermediate Farm Liabilities	52,485	49,775	64,798
Long Term Liabilities	127,159	111,666	138,769
Non Farm Liabilities	17,287	30,491	296
<b>Total Liabilities</b>	<b>\$306,336</b>	<b>\$243,765</b>	<b>\$375,783</b>
<b>Net Worth</b>	<b>\$951,598</b>	<b>\$319,633</b>	<b>\$1,659,510</b>
<b>Net Worth Change (Market Value)</b>	<b>\$113,955</b>	<b>\$39,484</b>	<b>\$235,285</b>

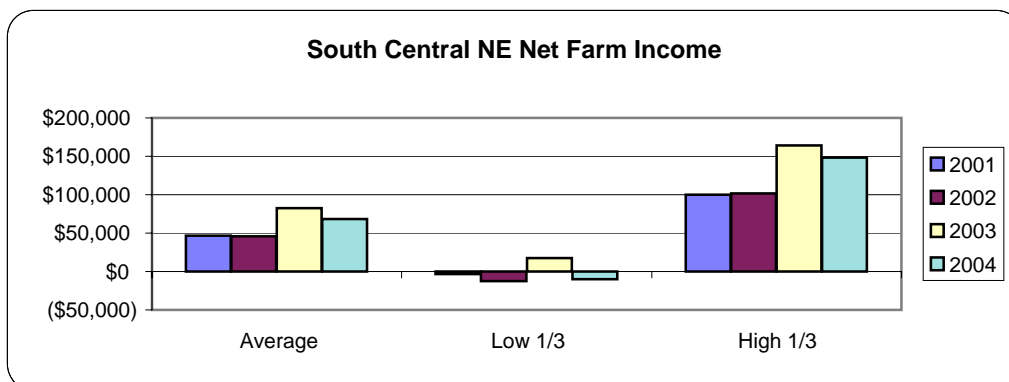


**Table 15B: Southeast Nebraska Averages, 2004 (cont.)**

	Southeast Average of <u>All Farms</u>	Average of <u>Low 33%</u>	Average of <u>High 33%</u>
<b>Financial Guidelines</b>			
Current Ratio	2.44	1.58	3.08
Working Capital	\$157,441	\$30,234	\$357,975
Debt to Asset Ratio (Market)	28%	52%	22%
Equity to Asset Ratio (Market)	72%	48%	78%
Debt to Equity Ratio (Market)	39%	107%	28%
Rate of Return on Assets (Cost)	14.6%	0.5%	18.7%
Rate of Return on Equity (Cost)	19.9%	-9.7%	23.9%
Operating Profit Margin (Cost)	25.0%	1.0%	31.7%
Net Farm Income (Cost)	\$116,987	\$13,418	\$253,494
Asset Turnover Rate (Cost)	58.4%	46.1%	59.0%
Operating Expense Ratio	67.0%	77.5%	65.1%
Depreciation Expense Ratio	7.2%	6.4%	7.1%
Interest Expense Ratio	3.0%	6.9%	2.0%
Net Farm Income Ratio	22.9%	9.2%	25.8%
<b>Operator Information</b>			
Average Number of Operators	1.1	1.0	1.3
Average Age of Operators	49.2	44.6	54.3
Average Number of Years Farming	27.1	20.7	32.8
<b>Acreage Summary</b>			
Total acres owned	364	116	584
Total crop acres	1,003	403	1,601
Crop acres owned	266	67	474
Crop acres cash rented	263	165	276
Crop acres share rented	474	170	851
Total Pasture Acres	19	44	14
<b>Average Price Received In Dollars (Cash Sales Only)</b>			
Corn, per bu.	\$2.25	\$2.10	\$2.25
Soybeans, per bu.	\$6.07	\$5.88	\$6.63
Grain Sorghum, per bu.	\$2.12	N/A	N/A
Wheat, Winter, per bu.	\$3.21	N/A	\$3.35
<b>Average Yield Per Acre</b>			
Corn, Dryland (bu.)	162.82	N/A	163.60
Soybeans, Dryland (bu.)	48.55	N/A	47.80
Wheat, Winter, Dryland (bu.)	58.94	N/A	N/A
Alfalfa Hay, Dryland (ton)	3.71	N/A	N/A

**Table 16A: South Central Nebraska Averages, 2004**

	South Central Average of All Farms	Average of Low 33%	Average of High 33%
<b>Cash Farm Income</b>			
Total Crop Income	303,830	247,513	377,980
Total Livestock Income	104,908	150,482	79,987
Total Other Farm Income	97,577	49,981	111,821
<b>Gross Cash Farm Income</b>	<b>\$506,315</b>	<b>\$447,976</b>	<b>\$569,788</b>
<b>Cash Farm Expense</b>			
Total Crop Expense	132,541	122,314	155,873
Total Livestock Expense	78,554	94,039	28,575
Total Other Farm Expense	179,883	159,348	208,512
<b>Gross Cash Farm Expense</b>	<b>\$390,978</b>	<b>\$375,701</b>	<b>\$392,960</b>
<b>Net Cash Farm Income</b>	<b>\$115,337</b>	<b>\$72,275</b>	<b>\$176,828</b>
<b>Total Inventory Change</b>	<b>(\$6,535)</b>	<b>(\$49,222)</b>	<b>\$26,912</b>
<b>Total Depreciation &amp; Capital Adjustments</b>	<b>(\$40,764)</b>	<b>(\$33,212)</b>	<b>(\$55,197)</b>
<b>Net Farm Income</b>	<b>\$68,038</b>	<b>(\$10,159)</b>	<b>\$148,543</b>
<b>Non-Farm Income</b>	<b>\$22,448</b>	<b>\$41,903</b>	<b>\$14,584</b>
<b>Balance Sheet at Market</b>			
Current Farm Assets	277,790	228,248	330,285
Intermediate Farm Assets	317,639	244,462	418,791
Long Term Farm Assets	632,092	418,491	947,494
Non Farm Assets	177,782	101,774	286,338
<b>Total Assets</b>	<b>\$1,405,303</b>	<b>\$992,975</b>	<b>\$1,982,908</b>
Current Farm Liabilities	189,100	162,528	176,183
Intermediate Farm Liabilities	83,129	78,746	105,850
Long Term Liabilities	224,003	183,133	263,935
Non Farm Liabilities	14,723	20,743	8,262
<b>Total Liabilities</b>	<b>\$510,955</b>	<b>\$445,150</b>	<b>\$554,230</b>
<b>Net Worth</b>	<b>\$894,348</b>	<b>\$547,825</b>	<b>\$1,428,678</b>
<b>Net Worth Change (Market Value)</b>	<b>\$29,458</b>	<b>(\$3,453)</b>	<b>\$76,474</b>



**Table 16B: South Central Nebraska Averages, 2004 (cont.)**

	South Central Average of All Farms	Average of Low 33%	Average of High 33%
<b>Financial Guidelines</b>			
Current Ratio	1.47	1.40	1.87
Working Capital	\$88,690	\$65,721	\$154,102
Debt to Asset Ratio (Market)	40%	48%	32%
Equity to Asset Ratio (Market)	60%	52%	68%
Debt to Equity Ratio (Market)	68%	91%	47%
Rate of Return on Assets (Cost)	7.1%	-3.2%	11.7%
Rate of Return on Equity (Cost)	8.7%	-16.4%	16.2%
Operating Profit Margin (Cost)	14.9%	-6.5%	25.1%
Net Farm Income (Cost)	\$68,036	(\$10,157)	\$148,541
Asset Turnover Rate (Cost)	48.0%	49.4%	46.6%
Operating Expense Ratio	72.7%	88.8%	61.0%
Depreciation Expense Ratio	8.2%	8.3%	9.3%
Interest Expense Ratio	5.3%	5.5%	4.5%
Net Farm Income Ratio	13.7%	-2.5%	25.1%
<b>Operator Information</b>			
Average Number of Operators	1.2	1.3	1.3
Average Age of Operators	46.3	48.2	46.4
Average Number of Years Farming	23.8	24.3	25
<b>Acreage Summary</b>			
Total acres owned	379	248	549
Total crop acres	997	831	1,185
Crop acres owned	275	141	389
Crop acres cash rented	319	370	329
Crop acres share rented	403	321	467
<b>Average Price Received In Dollars (Cash Sales Only)</b>			
Corn, per bu.	2.37	2.39	2.34
Soybeans, per bu.	6.18	6.15	6.02
Grain Sorghum, per bu.	2.12	2.06	1.99
Seed Corn, per bu.	2.87	N/A	3.17
Wheat, Winter, per bu.	3.27	N/A	N/A
<b>Average Yield Per Acre</b>			
Corn, Irrigated (bu.)	203.22	202.63	201.81
Corn, Dryland (bu.)	123.00	N/A	133.31
Corn Seed, Irrigated (bu.)	253.82	N/A	N/A
Soybeans, Irrigated (bu.)	59.66	59.34	59.67
Soybeans, Dryland (bu.)	36.98	27.13	42.74
Grain Sorghum, Drylan (bu.)	105.55	N/A	N/A

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