



*South Dakota*  
center for  
**FARM/RANCH  
MANAGEMENT**

# 2018 South Dakota Annual Report



Mitchell Technical Institute

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Farm Business Management Program

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## My Financial Scorecard

	2018 Average of SD Farms	Your Farm 2018	Strong	Vulnerable
<b>Liquidity</b>				
Current Ratio	1.32		1.7	1.1
Working Capital	\$ 160,884			
Working Cap to Gross Revenue	16.40%		25%	10%
<b>Solvency (Market)</b>				
Farm Debt/Asset Ratio	0.42		30%	60%
Farm Equity/Asset Ratio	0.58		70%	40%
Farm Debt/Equity Ratio	0.71		0.43	1.5
<b>Profitability (Cost)</b>				
Rate of Return on Farm Assets	2.30%		8%	4%
Rate of Return on Farm Equity	0.60%		10%	3%
Operating Profit Margin	8.00%		25%	15%
Net Farm Income	\$ 78,075			
EBITDA	\$ 203,829			
<b>Repayment Capacity (Accrual)</b>				
Capital Debt Repay Capacity	\$ 141,011			
Capital Debt Repay Margin	\$ 38,618			
Replacement Margin	\$ 8,604			
Term-Debt Coverage Ratio	1.38		1.5	1.2
Replacement Margin Coverage Ratio	1.06		1.4	1.1
<b>Financial Efficiency</b>				
Asset Turnover Ratio (Cost)	28.90%		45%	30%
Operating Expense Ratio	79.50%		60%	80%
Depreciation Expense Ratio	7.20%		5%	15%
Interest Expense Ratio	5.60%		5%	10%
Net Farm Income Ratio	7.90%		20%	10%

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Dear Friend of Farm Business Management,

The South Dakota Center for Farm/Ranch Management would like you to have a copy of the 2018 South Dakota Annual Report.

The Farm/Ranch Business Management program at Mitchell Technical Institute, also known as The South Dakota Center for Farm/Ranch Management has curriculum to assist farmers and ranchers in developing business/management skills needed to understand data collected from an accrual accounting system and how to use the data to make changes to individual enterprises. Participating farmers and ranchers enroll on an annual basis over three years completing six progressing courses, but may exit at any time or participate longer as curriculum is updated and the educational needs of the producer change. To assist the producer in developing a comprehensive, customized record keeping system, each member is given the opportunity to attend classes and receive individualized instruction. Information provided by participants to create a complete financial analysis is kept STRICTLY CONFIDENTIAL between the program instructor and participant. The analysis created at the end of the fiscal year with data provided by participants provides valuable benchmarking opportunities for the producer to evaluate individual aspects of their farm/ranch operation. Each of the enterprises of the farm/ranch can be individually reviewed to determine areas, which can be identified for improvement. Classes and individualized instruction can be planned to assist the participant in developing improved management skills.

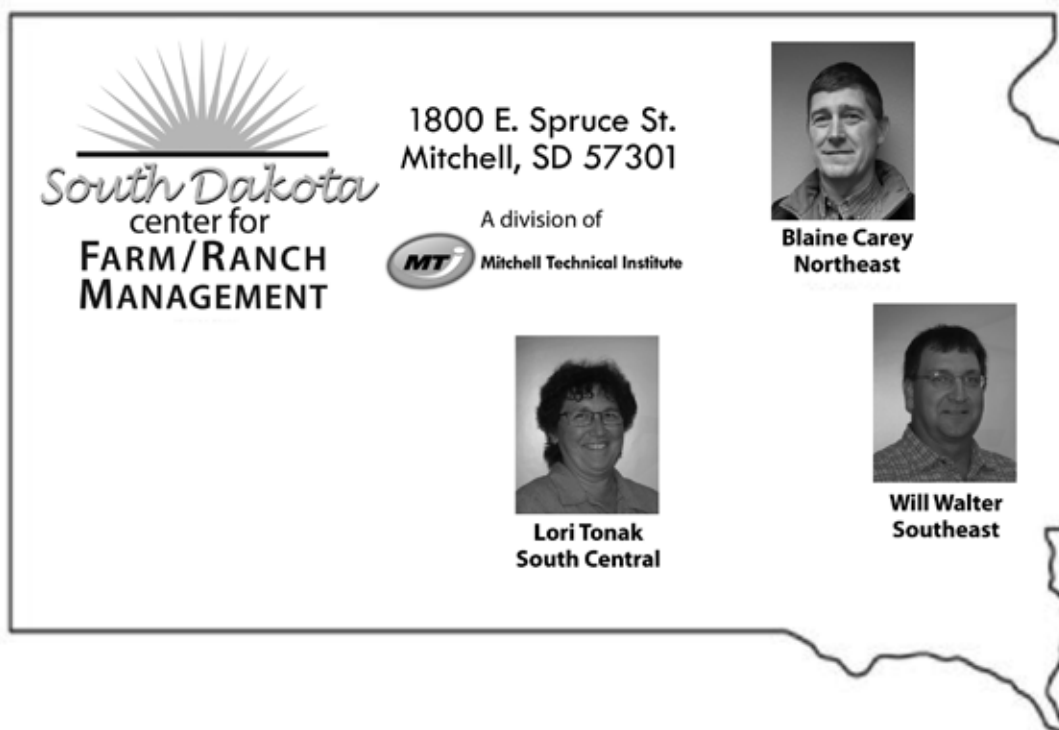
As you look over the 2018 Annual Report, understand that this is a summary of data compiled by each individual farmer/rancher enrolled in the Farm Management Program. This Annual Report is the only available compilation of actual South Dakota farm and ranch data. Each producer will receive a thorough report with financial and enterprise data from his/her own operation. In addition to the South Dakota Annual Report, all compiled farm data is included in the National Farm Benchmarking Database and can be accessed at [www.fnbin.umn.edu](http://www.fnbin.umn.edu).

The information contained in this report was obtained by summarizing financial data offered voluntarily by program participants who submitted records for 2018. The data is compiled and reviewed, but not audited by the instructors of the South Dakota Center for Farm/Ranch Management. The data processing was accomplished through the FINPACK analysis software and RankEm Central, products of the Center for Farm Financial Management at the University of Minnesota.

With instructors located across the state, producers can join the program at any time. Please contact the instructor closest to you for more information.

Best Regards,

South Dakota Center for Farm/Ranch Management



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## Definitions and Explanation of Reports

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### **Farm Income Statement**

This statement is a summary of income, expenses, or resultant profit or loss from farming operations during the calendar year. Cash Income from crop sales can come from sources such as cash sales, crop insurance income, or income from government payments. Livestock cash income can come from the sale of raised or purchased breeding or feeder animals as well as the sale of byproducts.

Cash expenses are expenses that were paid for during the calendar year.

The difference between "Gross Cash Farm Income" and "Total Cash Expense" is the "Net Cash Farm Income." This is the net farm income on a cash basis.

The last two sections of the income statement deal with the non-cash changes in the farming operation. The "Inventory Changes" and "Depreciation" sections are used to convert the cash income statement (Net Cash Farm Income) derived from the first two sections into an accrual income statement. The final adjustment is for "Gain or loss on capital sales." The bottom line, labeled "Net Farm Income," represents the return to the operator's unpaid labor, management, and equity capital (net worth). It represents the return to all of the resources that are owned by the farm and hence, not purchased or paid a wage.

### **Depreciation**

This is the detailed statement of depreciation and other capital adjustments that is summarized in the income statement. It includes beginning and ending inventories, and factors in capital sales and purchases.

- "Book" or "Cost" depreciation is a mathematical calculation used to create a consistent adjustment of asset values to be charged as an expense when factoring accrual income and expense. It factors in the original "cost" of the asset and is adjusted annually based on the useful life of the asset. The amount of depreciation charged to an asset each year represents the amount of that asset that was "used up." The "cost" value of the asset is net of the accumulated depreciation recorded against it.
- **Tax Depreciation** is a non-cash expense amount that is recorded on a tax return within IRS guidelines. The IRS has both standard and accelerated options for depreciating a capital asset.

## Profitability Measures

This table shows profitability when capital assets are valued at cost. Various measures of performance are calculated. In the previous tables no opportunity costs are used. In this table, opportunity costs for labor, capital, and management are used. The measures and their components are described below.

- **Rate of return on assets** is the Return on farm assets divided by average farm assets.
- **Rate of return on equity** is the Return of farm equity divided by average farm equity.
- **Operating profit margin** is the Return on farm assets divided by value of farm production.
- **Asset turnover rate** is the Value of farm production divided by average farm assets.
- **Farm interest expense** is the accrual interest cost, usually it will be different from the cash interest expense.
- **Value of operator's labor and management** is an opportunity cost for unpaid operator's labor and management that is used in the calculation of several financial performance measures. A value of \$25,000 per full time operator plus 5% of value of farm production is used.
- **Return of farm assets** is calculated by adding farm interest expense to net farm income and then subtracting the value of operator's labor and management.
- **Average farm assets** is the average of beginning and ending farm net worth.
- **Return on farm equity** is calculated by subtracting the value of operator's labor and management from net farm income.
- **Average farm equity** is the average of beginning and ending farm net worth.
- **Value of farm production** is gross cash farm income minus purchased feed and feeder livestock and adjusted for inventory changes in crops, market livestock, accounts receivable and breeding livestock.

## Liquidity & Repayment Capacity Measures

The table shows several measures of liquidity and repayment capacity. Calculation of repayment capacity takes net farm income from operations and adds back the non-cash expense of depreciation and personal income. Family living expenses, personal debt payments and income taxes paid are subtracted to determine the capital debt repayment capacity.

## Balance Sheets

The ending balance sheet statements and solvency measures are presented for sole proprietors only. Current assets are actual values, intermediate and long-term assets that are depreciable are valued at cost remaining (amount remaining to be depreciated, plus salvage value). Raised breeding livestock is valued at conservative market replacement costs. Land is valued at cost or conservative market value. In balance sheet at market values, the intermediate and long term assets are listed at market value as opposed to cost value.

## Statement of Cash Flows

This statement organizes cash inflows and outflows by the following three categories: Operating activities, investing activities, and financing activities.

## **Financial Standards Measures**

The Farm Financial Standards Task Force recommended the use of these financial measures to evaluate a farm's financial position and financial performance. These measures are grouped by: Liquidity, Solvency, Profitability, Repayment Capacity, and Efficiency.

### **Liquidity**

Liquidity is the ability of the farm business to meet financial obligations in a timely manner, without disrupting normal business operations.

- **Current Ratio:** The current ratio measures the value of current assets relative to current liabilities. It measures the extent current farm assets, if liquidated, would cover liabilities that are due during the next 12 months. The higher the ratio, the more liquid the operation is.
- **Working Capital:** Working capital is the difference between current assets and current liabilities. It is essentially the amount of current assets owned. It approximates the amount of capital available to purchase crop and livestock inputs as well as potential capital purchases. The amount of working capital considered adequate depends on the size of the operation. Positive and growing working capital is desired.
- **Working Capital to Gross Revenues:** Measures operating capital available relative to the size of the business.

### **Solvency**

Solvency is important in evaluating the risk position of the farm and family and in considering future borrowing capacity. Solvency measures the ability of the business to pay off all debts if liquidated.

- **Farm Debt to Asset Ratio:** The farm debt to asset ratio measures the financial position or solvency of the farm or ranch by comparing the total liabilities to the total assets. It measures the portion of the farm assets that have debt against them. A higher ratio is considered an indicator of greater financial risk.
- **Farm Equity to Asset Ratio:** The farm equity to asset ratio measures the farm equity relative to the value of the farm assets. It measures the proportion of the farm assets financed by the owner's equity whereas the debt to asset ratio measured the proportion of farm assets financed by debts.
- **Farm Debt to Equity Ratio:** The farm debt to equity ratio measures the amount of farm debt relative to the amount of farm equity. It measures the amount of debt the farm has for every dollar of equity.

### **Profitability**

Profitability is the measure of the value of goods produced by the business in relation to the cost of resources used in the production. Profitability calculated on a cost basis does not consider changes in market valuation of capital assets such as machinery and breeding livestock.

- **Rate of Return on Assets:** Rate of return on assets measures the amount of return received by your farm assets. It could be compared to the interest rate earned in an investment account. If assets are valued at market value, the rate of return on investment can be looked at as the "opportunity cost" of investing money in the farm instead of alternative investments. If assets are valued at cost (cost less depreciation), the rate of return represents the actual return on the average dollar invested in the business.

- **Rate of Return on Equity:** Rate of return on equity measures the amount of return received by your farm equity. If assets are valued at market value, this return can be compared with returns available if the assets were liquidated and invested in alternative investments. If assets are valued at cost, this represents the actual return to the amount of equity capital you have invested in the farm business.
  - o If your return on assets is higher than your average interest rate, your return on equity will be still higher, reflecting the fact that there are residual returns to equity capital after paying all interest expense. This is positive use of financial leverage. If your return on assets is lower than your average interest rate, your return on equity will be still lower, reflecting the fact that borrowed capital did not earn enough to pay its interest cost. This is negative financial leverage. Profitability becomes a key concern when substantial debt capital is used in the business.
- **Operating Profit Margin:** The operating profit margin is a measure of the profit margin from the use of farm assets. It measures how effectively you are using assets relative to the value of output produced. Low prices, high operating expenses, or production problems are all possible causes of a low operating profit margin.
- **Net Farm Income:** Net farm income represents the returns to labor, management, and equity capital invested in the business. Without income from other sources, or appreciation of capital asset values, net farm income must cover family living expenses and taxes, or net worth will decrease.
- **EBITDA:** This factor stands for: Earnings Before Interest, Taxes, Depreciation and Amortization. This represents a measure of earnings available for debt replacement.

### **Repayment Capacity**

Repayment capacity shows the borrower's ability to repay term debts (longer than one year) on time. This includes non-farm income, and is therefore 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.
- **Capital Debt Repayment Margin:** The amount of money remaining after all operating expenses, taxes, family living costs, and scheduled debt payments have been made. It is the money left, after paying all expenses, which is available for purchasing/financing new machinery, equipment, land or livestock.
- **Replacement Margin:** The replacement margin is the amount of income remaining after paying principal and interest on term loans and unfunded (cash) capital purchases.
- **Term Debt Coverage Ratio:** The term debt coverage ratio measures the ability of the business to cover all term debt payments. A number less than 1 indicates that the business, plus non-farm income, is not generating sufficient cash to meet all of the debt payments, after family living expenses and taxes have been paid. A number greater than 1 indicates the business is generating sufficient cash to pay all term debt obligations with some surplus margin remaining. 1.25 is often seen as the minimum acceptable ratio by most financial institutions.
- **Replacement Margin Coverage Ratio:** This represents the ability to cover term debt and unfunded capital purchases. A ratio under 1.0 indicated that you did not generate enough income to cover term debt payments and unfunded capital purchases

## **Efficiency**

These measures reflect the relationships between expense and income items to revenue and the efficiency of the farm business with regard to the use of cash and capital assets.

- **Asset Turnover:** Asset turnover is a measure of how efficiently assets are used in the business. A farm with good operating profit margin and asset turnover will show a strong rate of return of farm assets. If operating profit margin is low, the asset turnover rate must be strong, or vice versa, to maintain the rate of return on assets.
- **Operating Expense Ratio:** This ratio indicates the percent of the gross farm income, which is used to pay the operating expenses. Operating expenses do not include interest or depreciation expense.
- **Depreciation Expense Ratio:** This ratio indicates the percent of the gross farm income, which is used to cover the depreciation expense.
- **Interest Expense Ratio:** This ratio indicates the percent of the gross farm income, which is used to pay farm interest expenses.
- **Net Farm Income Ratio:** The ratio indicates the percent

## **Crop Production and Marketing Summary**

This table contains three sections. The first section reports averages for total acres owned, crop land by tenure and total pasture acres. The next two sections show average price received and average yields for major crops. These tables are sorted on the basis of "Net farm income."

## **Household and Personal Expenses**

For those farms that keep records, the household and personal expenses are summarized. The farms are grouped in the same ranking as in the Income Statement. Since not all farms keep these records, the number of farms in the low profit and high profit groups may be different. Averages are determined by the number of farms keeping these records. The Statement of Cash Flows presents calculated family living and includes all farms. Income tax paid is also shown in the Statement of Cash Flows and includes all farms.

## **Operator and Labor Information**

This table reports the average for the number of operators per farm, the operator's age, and the number of years farming.

## **Nonfarm Summary**

This table also reports nonfarm income. The figure reported is the average over all farms not just those reporting nonfarm income.

## South Dakota Farm Income Shows Increase in 2018

In 2018, farms and ranches enrolled in the South Dakota Center for Farm/Ranch Management program experienced a rise in net farm income from 2017, according to data compiled for analysis. The median net farm income in 2018 was \$53,888 compared to \$26,209 in 2017. This information is based on averages and there are certainly farms and ranches with higher and lower returns. **The financial and enterprise summary reports are sorted by net farm income and net return respectively**. The values represent the average, low and high net return when enough replications exist.

The net farm income of 2018 is the highest since 2014 when the median net farm income was \$115,564. The farms in the 2018 report are certainly not all the same that were represented in 2014 but data indicates that farm losses from recent years may have slowed and are trending upward. Farms and ranches are continuing on the right track to controlling costs and enhancing income from what resources are available. Increased profitability (on average) of the major crops of corn and soybeans, as well as alfalfa and winter wheat contributed to the increase in net farm income. This was attained by higher yields with similar costs per acre. The value of corn was also slightly higher at the field level in 2018. The average field of corn yielded 173 bu/acre and produced a net return of \$102/acre. Soybean fields with an average yield of 54 bu/acre plus a Market Facilitation Program payment provided an average profitability of \$113/acre. This is encouraging to a South Dakota economy dependent on agriculture. The negative profitability in the beef cow/calf enterprise can be targeted to lower gross income, higher feed costs and higher overhead expenses. The backgrounding beef enterprises showed a net return of \$19.87/head.

2018's average farm gross cash income of \$933,184 less \$842,789 average cash expense, equals a net cash farm income of \$90,395. This is a drop from \$117,287 net farm income in 2017. Net *cash* farm income does not factor in changes in inventory, depreciation, or capital sales and purchases; rather, it is simply the cash farm income less cash farm expenses. The program farms in 2018 had inventory changes amounting to an increase of \$55,396 compared to the 2017 average gain of just \$5,693. **Net farm income** is the number used to measure a farm or ranch's true profitability by including the above accrual changes.

The average age of participating operators was 44.5 years old, with 20.3 years farming experience. Cash family living expenses reported for a family size averaging 3.7 members was \$64,351. In 2017 that average was \$63,409. Farm families showed an average of \$36,065 in non-farm income, up from \$20,602 in 2017. Since cash family living expenses and debt service must come from the net farm income amount, it can be assumed that off farm income and/or a draw of equity is supporting the farm/ranch household.

The increase in average net worth in 2018 was \$53,980. This equates to only 3%, but anything positive has been welcome for operators after the past few years. The liquidity measures show a slight decline from an already low perch a year ago with an average working capital of \$160,884 and a 1.32 current ratio. Working capital to gross income decreased from 21.2% in 2017 to 16.4% in 2018. All of the liquidity measures are in the cautionary status for the "average" net income group. This would indicate that there are several in the vulnerable status which is not a secret. Capital debt repayment margin was \$38,618 representing a term debt coverage ratio of 1.38.

We appreciate your use and review of this annual report. Contact the SD Center for Farm and Ranch Management with any questions.

William Walter, Program Director  
South Dakota Center for Farm/Ranch Management at Mitchell Technical Institute

**Financial Standards Measures**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>High 20%</u>
Number of farms	77	15	16
<b>Liquidity</b>			
Current ratio	1.32	1.16	1.53
Working capital	160,884	121,521	317,761
Working capital to gross inc	16.4 %	10.5 %	18.8 %
<b>Solvency (market)</b>			
Farm debt to asset ratio	42 %	49 %	33 %
Farm equity to asset ratio	58 %	51 %	67 %
Farm debt to equity ratio	0.71	0.97	0.49
<b>Profitability (cost)</b>			
Rate of return on farm assets	2.3 %	-4.9 %	8.6 %
Rate of return on farm equity	0.6 %	-13.9 %	11.2 %
Operating profit margin	8.0 %	-25.0 %	23.5 %
Net farm income	78,075	-202,890	381,032
EBITDA	203,829	-7,626	548,137
<b>Repayment Capacity</b>			
Capital debt repayment capacity	141,011	-47,234	427,765
Capital debt repayment margin	38,618	-232,191	298,110
Replacement margin	8,604	-282,057	249,438
Term debt coverage ratio	1.38	-0.26	3.30
Replacement coverage ratio	1.06	-0.20	2.40
<b>Efficiency</b>			
Asset turnover rate (cost)	28.9 %	19.8 %	36.8 %
Operating expense ratio	79.5 %	100.6 %	67.6 %
Depreciation expense ratio	7.2 %	8.3 %	6.4 %
Interest expense ratio	5.6 %	7.8 %	3.7 %
Net farm income ratio	7.9 %	-16.4 %	22.5 %

**Financial Summary**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>High 20%</u>
Number of farms	77	15	16
<b>Income Statement</b>			
Gross cash farm income	933,184	1,266,264	1,437,217
Total cash farm expense	842,789	1,264,286	1,224,313
Net cash farm income	90,396	1,978	212,904
Inventory change	55,396	-99,718	272,560
Depreciation	-70,295	-95,341	-107,834
Net farm income from operations	75,497	-193,080	377,630
Gain or loss on capital sales	1,565	3,717	3,403
Average net farm income	77,062	-189,364	381,032
Median net farm income	53,888	-102,758	311,487
<b>Profitability (cost)</b>			
Rate of return on assets	2.3 %	-4.9 %	8.6 %
Rate of return on equity	0.6 %	-13.9 %	11.2 %
Operating profit margin	7.7 %	-20.3 %	23.5 %
Asset turnover rate	30.2 %	24.3 %	36.8 %
<b>Profitability (market)</b>			
Rate of return on assets	1.9 %	-4.2 %	7.4 %
Rate of return on equity	0.3 %	-11.9 %	8.9 %
Operating profit margin	7.5 %	-21.1 %	23.9 %
Asset turnover rate	25.6 %	19.9 %	30.9 %
<b>Liquidity &amp; Repayment (end of year)</b>			
Current assets	665,324	901,400	916,692
Current liabilities	504,440	779,879	598,931
Current ratio	1.32	1.16	1.53
Working capital	160,884	121,521	317,761
Change in working capital	51,567	-6,909	201,712
Working capital to gross inc	16.4 %	10.5 %	18.8 %
Term debt coverage ratio	1.38	-0.26	3.30
Replacement coverage ratio	1.06	-0.20	2.40
Term debt to EBITDA	3.75	-52.64	1.47
<b>Solvency (end of year at cost)</b>			
Number of farms	76	14	16
Total assets	3,001,324	4,009,037	4,234,188
Total liabilities	1,330,920	2,043,069	1,532,262
Net worth	1,670,404	1,965,969	2,701,926
Net worth change	63,599	-194,274	288,834
Farm debt to asset ratio	46 %	51 %	38 %
Total debt to asset ratio	44 %	51 %	36 %
Change in earned net worth %	4 %	-9 %	12 %
<b>Solvency (end of year at market)</b>			
Number of farms	77	15	16
Total assets	3,467,430	4,724,412	4,969,095
Total liabilities	1,393,646	2,262,388	1,584,008
Net worth	2,073,784	2,462,024	3,385,087
Total net worth change	53,980	-228,524	295,944
Farm debt to asset ratio	42 %	49 %	33 %
Total debt to asset ratio	40 %	48 %	32 %
Change in total net worth %	3 %	-8 %	10 %
<b>Crop Acres</b>			
Total crop acres	663	304	950
Total crop acres owned	153	39	398
Total crop acres cash rented	441	238	501
Total crop acres share rented	69	27	51
Machinery value per crop acre	439	547	591

**Financial Summary**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Age of Operator)**

	<u>Avg. Of All Farms</u>	<u>Less Than 31</u>	<u>31 - 40</u>	<u>41 - 50</u>	<u>51 - 60</u>	<u>Over 60</u>
Number of farms	77	11	23	19	15	9
<b>Income Statement</b>						
Gross cash farm income	933,184	436,174	633,757	1,153,400	1,148,348	1,482,339
Total cash farm expense	842,789	358,279	589,965	1,038,356	1,008,893	1,391,365
Net cash farm income	90,396	77,895	43,792	115,044	139,455	90,974
Inventory change	55,396	79,941	14,604	46,898	61,687	137,095
Depreciation	-70,295	-21,815	-44,595	-87,752	-100,259	-108,431
Net farm income from operations	75,497	136,020	13,801	74,190	100,883	119,637
Gain or loss on capital sales	1,565	-	570	2,708	3,779	-84
Average net farm income	77,062	136,020	14,371	76,898	104,662	119,553
Median net farm income	53,888	73,603	28,626	57,390	14,778	168,586
<b>Profitability (cost)</b>						
Rate of return on assets	2.3 %	12.1 %	0.3 %	2.1 %	1.7 %	5.4 %
Rate of return on equity	0.6 %	22.3 %	-3.8 %	0.1 %	0.4 %	5.7 %
Operating profit margin	7.7 %	17.5 %	1.1 %	7.8 %	7.2 %	10.7 %
Asset turnover rate	30.2 %	68.7 %	27.4 %	27.3 %	24.2 %	50.6 %
<b>Profitability (market)</b>						
Rate of return on assets	1.9 %	12.1 %	0.5 %	2.0 %	1.4 %	2.6 %
Rate of return on equity	0.3 %	22.1 %	-3.1 %	0.2 %	0.1 %	1.5 %
Operating profit margin	7.5 %	17.7 %	1.9 %	8.0 %	6.7 %	9.2 %
Asset turnover rate	25.6 %	68.2 %	26.2 %	24.8 %	20.9 %	28.0 %
<b>Liquidity &amp; Repayment (end of year)</b>						
Current assets	665,324	306,069	419,156	801,292	917,424	1,026,294
Current liabilities	504,440	234,520	306,481	590,370	786,727	688,352
Current ratio	1.32	1.31	1.37	1.36	1.17	1.49
Working capital	160,884	71,549	112,676	210,922	130,697	337,941
Change in working capital	51,567	53,804	-7,764	43,839	127,097	90,888
Working capital to gross inc	16.4 %	13.9 %	17.2 %	17.8 %	10.7 %	21.7 %
Term debt coverage ratio	1.38	5.01	1.05	1.27	1.33	1.38
Replacement coverage ratio	1.06	3.82	0.92	0.92	1.02	1.04
Term debt to EBITDA	3.75	0.57	5.94	4.36	3.72	3.28
<b>Solvency (end of year at cost)</b>						
Number of farms	76	11	23	19	15	8
Total assets	3,001,324	901,011	2,053,293	3,976,156	4,481,286	3,524,690
Total liabilities	1,330,920	588,246	993,278	1,758,769	1,860,084	1,314,497
Net worth	1,670,404	312,766	1,060,015	2,217,387	2,621,202	2,210,193
Net worth change	63,599	88,569	76,387	33,936	56,151	76,917
Farm debt to asset ratio	46 %	67 %	50 %	45 %	43 %	39 %
Total debt to asset ratio	44 %	65 %	48 %	44 %	42 %	37 %
Change in earned net worth %	4 %	40 %	8 %	2 %	2 %	4 %
<b>Solvency (end of year at market)</b>						
Number of farms	77	11	23	19	15	9
Total assets	3,467,430	906,109	2,141,249	4,377,686	5,151,137	5,259,230
Total liabilities	1,393,646	588,246	993,278	1,802,345	1,860,084	1,760,982
Net worth	2,073,784	317,864	1,147,971	2,575,341	3,291,054	3,498,248
Total net worth change	53,980	89,121	80,505	36,817	51,587	-16,534
Farm debt to asset ratio	42 %	67 %	48 %	42 %	37 %	35 %
Total debt to asset ratio	40 %	65 %	46 %	41 %	36 %	33 %
Change in total net worth %	3 %	39 %	8 %	1 %	2 %	0 %
<b>Crop Acres</b>						
Total crop acres	663	406	374	821	688	1,345
Total crop acres owned	153	-	41	298	185	269
Total crop acres cash rented	441	365	262	494	400	951
Total crop acres share rented	69	41	72	28	103	126
Machinery value per crop acre	439	179	274	534	548	438

**Summary Farm Income Statement**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>High 20%</u>
Number of farms	77	15	16
Crop sales	433,929	493,609	818,463
Crop inventory change	68,068	35,819	152,697
Gross crop income	501,997	529,428	971,160
Livestock sales	286,105	401,462	301,060
Livestock inventory change	-7,505	-88,428	65,719
Gross livestock income	278,600	313,033	366,779
Government payments	69,915	70,126	107,047
Other cash farm income	143,236	301,068	210,646
Change in accounts receivable	8,502	35,995	11,058
Gain or loss on hedging accounts	3,479	-3,819	4,600
Change in other assets	-305	-3,737	951
Gain or loss on breeding lvst	-23,974	-87,599	19,467
Gross farm income	981,449	1,154,494	1,691,709
Cash operating expenses	785,246	1,165,988	1,161,490
Change in prepaids and supplies	-4,663	-23,117	-7
Change in growing crops	-713	1,098	830
Change in accounts payable	397	17,643	-18,741
Depreciation	70,295	95,341	107,834
Total operating expense	850,562	1,256,953	1,251,406
Interest paid	57,542	98,298	62,823
Change in accrued interest	-2,151	-7,676	-149
Total interest expense	55,391	90,622	62,674
Total expenses	905,953	1,347,575	1,314,079
Net farm income from operations	75,497	-193,080	377,630
Gain or loss on capital sales	1,565	3,717	3,403
Netfarm income	77,062	-189,364	381,032

**Summary Farm Income Statement**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Age of Operator)**

	<u>Avg. Of All Farms</u>	<u>Less Than 31</u>	<u>31 - 40</u>	<u>41 - 50</u>	<u>51 - 60</u>	<u>Over 60</u>
Number of farms	77	11	23	19	15	9
Crop sales	433,929	244,524	240,499	696,286	538,347	431,849
Crop inventory change	68,068	74,339	28,094	100,534	53,693	117,981
Gross crop income	501,997	318,863	268,593	796,820	592,040	549,831
Livestock sales	286,105	148,799	227,173	220,891	408,625	538,000
Livestock inventory change	-7,505	-5,447	-5,540	-43,110	18,399	16,953
Gross livestock income	278,600	143,353	221,632	177,780	427,024	554,954
Government payments	69,915	21,800	46,590	93,372	92,960	100,395
Other cash farm income	143,236	21,050	119,495	142,851	108,416	412,095
Change in accounts receivable	8,502	7,200	13,036	6,085	-7,000	29,442
Gain or loss on hedging accounts	3,479	2,218	2,179	1,515	5,681	8,817
Change in other assets	-305	84	-899	270	-362	-379
Gain or loss on breeding lvtst	-23,974	1,593	-15,470	-32,256	-1,749	-96,516
Gross farm income	981,449	516,162	655,156	1,186,438	1,217,010	1,558,639
Cash operating expenses	785,246	333,034	551,167	954,932	937,288	1,324,527
Change in prepaids and supplies	-4,663	-16,174	-3,751	5,926	11,242	-41,792
Change in growing crops	-713	73	-375	198	-2,998	-656
Change in accounts payable	397	14,380	9,440	-14,638	7,014	-19,089
Depreciation	70,295	21,815	44,595	87,752	100,259	108,431
Total operating expense	850,562	353,128	601,076	1,034,170	1,052,804	1,371,421
Interest paid	57,542	25,245	38,798	83,424	71,606	66,838
Change in accrued interest	-2,151	1,768	1,481	-5,346	-8,283	742
Total interest expense	55,391	27,014	40,279	78,078	63,323	67,580
Total expenses	905,953	380,142	641,355	1,112,248	1,116,127	1,439,001
Net farm income from operations	75,497	136,020	13,801	74,190	100,883	119,637
Gain or loss on capital sales	1,565	-	570	2,708	3,779	-84
Net farm income	77,062	136,020	14,371	76,898	104,662	119,553

**Profitability Measures**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>High 20%</u>
Number of farms	77	15	16
<b>Profitability (assets valued at cost)</b>			
Net farm income from operations	78,585	-195,500	377,630
Rate of return on assets	2.3 %	-4.9 %	8.6 %
Rate of return on equity	0.6 %	-13.9 %	11.2 %
Operating profit margin	8.0 %	-25.0 %	23.5 %
Asset turnover rate	28.9 %	19.8 %	36.8 %
Farm interest expense	53,436	82,524	62,674
Value of operator lbr and mgmt.	69,676	82,880	115,964
Return on farm assets	62,344	-195,856	324,339
Average farm assets	2,692,574	3,958,785	3,757,689
Return on farm equity	8,909	-278,380	261,666
Average farm equity	1,475,028	2,008,654	2,326,057
Value of farm production	779,491	782,227	1,382,761

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>High 20%</u>
Number of farms	77	15	16
<b>Profitability (assets valued at market)</b>			
Net farm income from operations	76,120	-190,586	383,897
Rate of return on assets	1.9 %	-4.2 %	7.4 %
Rate of return on equity	0.3 %	-11.9 %	8.9 %
Operating profit margin	7.5 %	-21.1 %	23.9 %
Asset turnover rate	25.6 %	19.9 %	30.9 %
Farm interest expense	55,391	90,622	62,674
Value of operator lbr and mgmt.	71,250	90,079	115,964
Return on farm assets	60,261	-190,044	330,606
Average farm assets	3,128,214	4,528,417	4,476,214
Return on farm equity	4,870	-280,665	267,933
Average farm equity	1,850,409	2,365,885	2,999,499
Value of farm production	802,354	899,411	1,382,761

**Liquidity & Repayment Capacity Measures**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>High 20%</u>
Number of farms	77	15	16
<b>Liquidity</b>			
Current ratio	1.32	1.16	1.53
Working capital	160,884	121,521	317,761
Working capital to gross inc	16.4 %	10.5 %	18.8 %
Current assets	665,324	901,400	916,692
Current liabilities	504,440	779,879	598,931
Gross revenues (accrual)	981,449	1,154,494	1,691,709
<b>Repayment capacity</b>			
Net farm income from operations	75,497	-193,080	377,630
Depreciation	70,295	95,341	107,834
Personal income	36,065	63,938	14,290
Family living/owner withdrawals	-68,536	-68,363	-106,426
Cash discrepancy	0	-	0
Payments on personal debt	-4,064	-3,233	-4,393
Income taxes paid	-1,142	-820	-2,692
Interest on term debt	32,896	58,984	41,521
Capital debt repayment capacity	141,011	-47,234	427,765
Scheduled term debt payments	-102,393	-184,957	-129,655
Capital debt repayment margin	38,618	-232,191	298,110
Cash replacement allowance	-30,013	-49,866	-48,672
Replacement margin	8,604	-282,057	249,438
Term debt coverage ratio	1.38	-0.26	3.30
Replacement coverage ratio	1.06	-0.20	2.40

**Balance Sheet at Market Values**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Farm Income)**

	Avg. Of All Farms		Low 20%		High 20%	
Number of farms	77		15		16	
	<u>Beginning</u>	<u>Ending</u>	<u>Beginning</u>	<u>Ending</u>	<u>Beginning</u>	<u>Ending</u>
<b>Assets</b>						
<b>Current Farm Assets</b>						
Cash and checking balance	14,141	22,787	29,458	44,608	200	10,765
Prepaid expenses & supplies	44,452	49,116	55,475	78,592	78,122	78,129
Growing crops	6,381	7,094	4,938	3,840	11,203	10,373
Accounts receivable	41,066	49,567	85,976	121,971	82,974	94,032
Hedging accounts	3,789	5,618	3,862	1,431	7,009	10,307
Crops held for sale or feed	281,443	349,511	459,693	495,513	326,677	479,374
Crops under government loan	0	0	0	0	0	0
Market livestock held for sale	186,739	179,234	240,374	151,946	165,454	231,173
Other current assets	2,241	2,396	3,468	3,500	2,520	2,539
<b>Total current farm assets</b>	<b>580,251</b>	<b>665,324</b>	<b>883,246</b>	<b>901,400</b>	<b>674,158</b>	<b>916,692</b>
<b>Intermediate Farm Assets</b>						
Breeding livestock	238,269	228,703	461,667	371,958	189,912	213,048
Machinery and equipment	489,296	494,178	770,352	801,839	814,372	817,880
Titled vehicles	112,758	106,451	207,403	187,041	127,615	129,487
Other intermediate assets	10,514	12,426	10,683	11,902	11,705	13,246
<b>Total intermediate farm assets</b>	<b>850,837</b>	<b>841,757</b>	<b>1,450,105</b>	<b>1,372,740</b>	<b>1,143,604</b>	<b>1,173,661</b>
<b>Long Term Farm Assets</b>						
Farm land	1,391,354	1,483,265	1,789,581	1,789,581	2,148,868	2,284,326
Buildings and improvements	191,050	192,651	340,439	347,357	268,176	275,209
Other long-term assets	29,078	30,861	92,948	89,437	29,023	38,711
<b>Total long-term farm assets</b>	<b>1,611,482</b>	<b>1,706,777</b>	<b>2,222,969</b>	<b>2,226,375</b>	<b>2,446,067</b>	<b>2,598,246</b>
<b>Total Farm Assets</b>	<b>3,042,570</b>	<b>3,213,858</b>	<b>4,556,320</b>	<b>4,500,515</b>	<b>4,263,829</b>	<b>4,688,599</b>
<b>Total Nonfarm Assets</b>	<b>261,952</b>	<b>253,572</b>	<b>285,196</b>	<b>223,897</b>	<b>268,854</b>	<b>280,496</b>
<b>Total Assets</b>	<b>3,304,522</b>	<b>3,467,430</b>	<b>4,841,516</b>	<b>4,724,412</b>	<b>4,532,682</b>	<b>4,969,095</b>
<b>Liabilities</b>						
<b>Current Farm Liabilities</b>						
Accrued interest	22,975	20,824	46,232	38,556	22,105	21,956
Accounts payable	32,341	32,739	44,533	62,175	40,801	22,059
Current notes	346,120	381,590	538,078	563,223	407,070	467,695
Government crop loans	0	0	0	0	0	0
Principal due on term debt	69,497	69,288	125,973	115,925	88,134	87,222
<b>Total current farm liabilities</b>	<b>470,934</b>	<b>504,440</b>	<b>754,816</b>	<b>779,879</b>	<b>558,109</b>	<b>598,931</b>
<b>Total intermediate farm liab</b>	<b>131,859</b>	<b>134,063</b>	<b>220,616</b>	<b>239,496</b>	<b>156,144</b>	<b>143,350</b>
<b>Total long term farm liabilities</b>	<b>609,933</b>	<b>685,644</b>	<b>1,129,893</b>	<b>1,200,364</b>	<b>650,342</b>	<b>756,388</b>
<b>Total farm liabilities</b>	<b>1,212,727</b>	<b>1,324,147</b>	<b>2,105,325</b>	<b>2,219,739</b>	<b>1,364,595</b>	<b>1,498,669</b>
<b>Total nonfarm liabilities</b>	<b>64,008</b>	<b>58,746</b>	<b>45,643</b>	<b>42,649</b>	<b>40,525</b>	<b>33,593</b>
<b>Total liab excluding deferreds</b>	<b>1,276,735</b>	<b>1,382,893</b>	<b>2,150,968</b>	<b>2,262,388</b>	<b>1,405,120</b>	<b>1,532,262</b>
<b>Total deferred liabilities</b>	<b>7,983</b>	<b>10,753</b>	<b>0</b>	<b>0</b>	<b>38,420</b>	<b>51,746</b>
<b>Total liabilities</b>	<b>1,284,718</b>	<b>1,393,646</b>	<b>2,150,968</b>	<b>2,262,388</b>	<b>1,443,540</b>	<b>1,584,008</b>
<b>Net worth (farm and nonfarm)</b>	<b>2,019,804</b>	<b>2,073,784</b>	<b>2,690,548</b>	<b>2,462,024</b>	<b>3,089,143</b>	<b>3,385,087</b>
<b>Net worth excluding deferreds</b>	<b>2,027,787</b>	<b>2,084,536</b>	<b>2,690,548</b>	<b>2,462,024</b>	<b>3,127,562</b>	<b>3,436,833</b>
<b>Net worth change</b>		<b>53,980</b>		<b>-228,524</b>		<b>295,944</b>
<b>Percent net worth change</b>		<b>3 %</b>		<b>-8 %</b>		<b>10 %</b>
<b>Ratio Analysis</b>						
Current farm liabilities / assets	81 %	76 %	85 %	87 %	83 %	65 %
Intermediate farm liab. / assets	15 %	16 %	15 %	17 %	14 %	12 %
Long term farm liab. / assets	38 %	40 %	51 %	54 %	27 %	29 %
Total debt to asset ratio	39 %	40 %	44 %	48 %	32 %	32 %
Debt to assets excl deferreds	39 %	40 %	44 %	48 %	31 %	31 %

**Balance Sheet at Cost Values**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of</u> <u>All Farms</u>		<u>Low 20%</u>		<u>High 20%</u>	
Number of farms	77		15		16	
	<u>Beginning</u>	<u>Ending</u>	<u>Beginning</u>	<u>Ending</u>	<u>Beginning</u>	<u>Ending</u>
<b>Assets</b>						
<b>Current Farm Assets</b>						
Cash and checking balance	13,915	21,770	29,325	40,648	200	10,765
Prepaid expenses & supplies	44,129	45,891	54,509	63,191	78,122	78,129
Growing crops	6,465	7,188	5,291	4,114	11,203	10,373
Accounts receivable	40,585	44,786	86,574	101,188	82,974	94,032
Hedging accounts	3,839	5,692	4,138	1,533	7,009	10,307
Crops held for sale or feed	265,809	329,328	387,558	396,376	326,677	479,374
Crops under government loan	0	0	0	0	0	0
Market livestock held for sale	189,196	181,593	257,544	162,799	165,454	231,173
Other current assets	2,270	2,427	3,716	3,750	2,520	2,539
Total current farm assets	566,208	638,675	828,655	773,599	674,158	916,692
<b>Intermediate Farm Assets</b>						
Breeding livestock	189,559	189,138	255,496	198,812	180,990	208,724
Machinery and equipment	453,017	453,817	693,289	726,288	784,707	768,151
Titled vehicles	102,363	95,387	195,687	176,462	112,048	109,379
Other intermediate assets	10,271	12,009	9,571	9,781	11,705	13,246
Total intermediate farm assets	755,210	750,351	1,154,043	1,111,344	1,089,449	1,099,500
<b>Long Term Farm Assets</b>						
Farm land	1,086,547	1,179,658	1,642,148	1,642,148	1,509,310	1,644,769
Buildings and improvements	172,794	175,022	280,144	290,077	253,159	260,656
Other long-term assets	29,445	31,237	99,588	95,825	29,023	38,660
Total long-term farm assets	1,288,786	1,385,917	2,021,879	2,028,050	1,791,493	1,944,085
Total Farm Assets	2,610,204	2,774,944	4,004,577	3,912,993	3,555,100	3,960,277
Total Nonfarm Assets	225,142	226,380	107,456	96,044	263,112	273,911
Total Assets	2,835,346	3,001,324	4,112,033	4,009,037	3,818,212	4,234,188
<b>Liabilities</b>						
<b>Current Farm Liabilities</b>						
Accrued interest	21,519	18,971	39,989	29,760	22,105	21,956
Accounts payable	32,469	32,872	46,098	65,001	40,801	22,059
Current notes	334,693	363,033	489,753	475,463	407,070	467,695
Government crop loans	0	0	0	0	0	0
Principal due on term debt	66,559	66,779	114,056	105,638	88,134	87,222
Total current farm liabilities	455,240	481,655	689,897	675,863	558,109	598,931
Total intermediate farm liabs	131,697	133,276	226,072	242,757	156,144	143,350
Total long term farm liabilities	576,754	656,470	986,919	1,078,754	650,342	756,388
Total farm liabilities	1,163,691	1,271,401	1,902,888	1,997,374	1,364,595	1,498,669
Total nonfarm liabilities	64,850	59,519	48,903	45,695	40,525	33,593
Total liabilities	1,228,541	1,330,920	1,951,791	2,043,069	1,405,120	1,532,262
Net worth (farm and nonfarm)	1,606,805	1,670,404	2,160,242	1,965,969	2,413,092	2,701,926
Net worth change		63,599		-194,274		288,834
Percent net worth change		4 %		-9 %		12 %
<b>Ratio Analysis</b>						
Current farm liabilities / assets	80 %	75 %	83 %	87 %	83 %	65 %
Intermediate farm liab. / assets	17 %	18 %	20 %	22 %	14 %	13 %
Long term farm liab. / assets	45 %	47 %	49 %	53 %	36 %	39 %
Total debt to asset ratio	43 %	44 %	47 %	51 %	37 %	36 %

**Statement Of Cash Flows**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>High 20%</u>
Number of farms	77	15	16
Beginning cash (farm & nonfarm)	25,254	33,242	11,732
<b>Cash Provided By Operating Activities</b>			
Gross cash farm income	933,184	1,266,264	1,437,217
Total cash farm expense	-842,789	-1,264,286	-1,224,313
Net cash from hedging transactions	1,650	-1,388	1,302
Cash provided by operating	92,045	590	214,206
<b>Cash Provided By Investing Activities</b>			
Sale of breeding livestock	11,764	35,434	20,335
Sale of machinery & equipment	8,914	6,867	23,885
Sale of titled vehicles	2,828	9,405	2,669
Sale of farm land	-	-	-
Sale of farm buildings	-	-	-
Sale of other farm assets	469	-	-
Sale of nonfarm assets	8,828	23,921	1,000
Purchase of breeding livestock	-27,812	-31,575	-28,603
Purchase of machinery & equip.	-56,334	-101,019	-83,859
Purchase of titled vehicles	-10,161	-7,260	-17,443
Purchase of farm land	-91,902	-	-135,458
Purchase of farm buildings	-9,338	-17,937	-17,955
Purchase of other farm assets	-4,414	-453	-10,246
Purchase of nonfarm assets	-12,824	-1,005	-22,105
Cash provided by investing	-179,982	-83,624	-267,780
<b>Cash Provided By Financing Activities</b>			
Money borrowed	519,607	501,820	819,293
Principal payments	-410,938	-400,350	-670,359
Personal income	36,065	63,938	14,290
Family living/owner withdrawals	-68,536	-68,363	-106,426
Income and social security tax	-1,142	-820	-2,692
Capital contributions	-	-	-
Capital distributions	-	-	-
Dividends paid	-	-	-
Cash gifts and inheritances	19,814	-	5,641
Gifts given	-63	-5	-1
Other cash flows	-	-	-
Cash provided by financing	94,808	96,219	59,746
Net change in cash balance	6,871	13,186	6,172
Ending cash (farm & nonfarm)	32,125	46,428	17,904
Discrepancy	0	-	0

**Statement Of Cash Flows**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Age of Operator)**

	<u>Avg. Of All Farms</u>	<u>Less Than 31</u>	<u>31 - 40</u>	<u>41 - 50</u>	<u>51 - 60</u>	<u>Over 60</u>
Number of farms	77	11	23	19	15	9
Beginning cash (farm & nonfarm)	25,254	23,058	46,280	5,599	28,120	10,918
<b>Cash Provided By Operating Activities</b>						
Gross cash farm income	933,184	436,174	633,757	1,153,400	1,148,348	1,482,339
Total cash farm expense	-842,789	-358,279	-589,965	-1,038,356	-1,008,893	-1,391,365
Net cash from hedging transactions	1,650	-4,131	2,208	2,306	3,497	2,825
Cash provided by operating	92,045	73,764	45,999	117,350	142,952	93,799
<b>Cash Provided By Investing Activities</b>						
Sale of breeding livestock	11,764	-	6,463	20,900	21,691	3,852
Sale of machinery & equipment	8,914	5,020	4,597	19,895	5,220	7,684
Sale of titled vehicles	2,828	182	6,579	2,247	1,333	194
Sale of farm land	-	-	-	-	-	-
Sale of farm buildings	-	-	-	-	-	-
Sale of other farm assets	469	-	121	-	-	3,706
Sale of nonfarm assets	8,828	404	3,686	1,470	23,311	23,663
Purchase of breeding livestock	-27,812	-8,815	-29,418	-25,465	-36,063	-38,133
Purchase of machinery & equip.	-56,334	-41,190	-35,300	-68,758	-75,932	-69,699
Purchase of titled vehicles	-10,161	-1,945	-11,963	-12,633	-9,779	-11,014
Purchase of farm land	-91,902	-210,241	-106,949	-121,263	-	-
Purchase of farm buildings	-9,338	-1,456	-5,503	-9,233	-15,964	-17,957
Purchase of other farm assets	-4,414	-	-1,761	-358	-10,493	-15,016
Purchase of nonfarm assets	-12,824	-2,221	-20,966	-19,157	-6,998	-1,316
Cash provided by investing	-179,982	-260,264	-190,414	-212,355	-103,675	-114,035
<b>Cash Provided By Financing Activities</b>						
Money borrowed	519,607	397,219	366,426	725,179	585,270	517,233
Principal payments	-410,938	-153,463	-289,097	-577,209	-570,610	-419,863
Personal income	36,065	19,674	59,376	28,239	27,136	27,932
Family living/owner withdrawals	-68,536	-65,633	-61,272	-76,058	-64,707	-81,146
Income and social security tax	-1,142	-120	-690	-611	-2,672	-2,117
Capital contributions	-	-	-	-	-	-
Capital distributions	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-
Cash gifts and inheritances	19,814	909	61,574	4,750	613	-
Gifts given	-63	-	-124	-5	-	-208
Other cash flows	-	-	-	-	-	-
Cash provided by financing	94,808	198,587	136,192	104,284	-24,969	41,831
Net change in cash balance	6,871	12,087	-8,223	9,278	14,308	21,595
Ending cash (farm & nonfarm)	32,125	35,145	38,057	14,878	42,428	32,513
Discrepancy	0	-	0	-	-	0

**Farm Income Statement**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>High 20%</u>
Number of farms	77	15	16
<b>Cash Farm Income</b>			
Corn	158,730	240,304	201,088
Corn Silage	1,498	6,909	241
Grass Seed, Annual Rye	565	-	-
Grass Seed, Brome	279	-	-
Grass Seed, Perennial Rye	282	-	-
Hay, Alfalfa	58,247	4,168	273,481
Hay, Mixed	10,139	29,021	3,472
Hay, Small Grain	178	-	-
Oats	1,973	3,055	1,853
Rye	738	3,578	-
Rye Silage	554	-	-
Sorghum, Grain	6,455	-	30,577
Soybeans	154,967	154,326	246,613
Sunflowers	6,113	18,317	-
Sunflowers, Confectionary	297	-	-
Wheat, Spring	11,338	29,895	18,444
Wheat, Winter	17,193	-	37,677
Oats, Organic	499	-	-
Vegetables, Assorted	665	3,413	-
Miscellaneous crop income	3,235	621	5,019
Beef Bulls	4,345	-	-
Beef Cow-Calf, Beef Calves	43,262	120,882	21,405
Beef Replacement Heifers	17,970	65,354	1,877
Beef Backgrounding	90,750	70,487	125,769
Beef Finishing	93,201	137,888	62,361
Beef Finish Yearlings	15,177	-	79
Hogs, Farrow To Finish, Raised Hog	732	-	-
Sheep, Feeder Lamb Prod, Fdr Lambs	121	337	-
Sheep, Market Lamb Prod, Mkt Lambs	954	1,680	-
Hogs, Weaning to Finish	18,612	-	89,569
Horses, Grow and Develop	78	400	-
Cull breeding livestock	21,690	42,516	13,200
Misc. livestock income	3,579	10,672	207
Crop government payments	24,975	17,558	44,342
CRP payments	1,760	2,523	2,888
Livestock govt payments	591	-	572
Other government payments	42,588	50,045	59,246
Custom work income	51,936	113,813	117,361
Patronage dividends, cash	2,696	2,324	3,919
Crop insurance income	32,666	91,809	41,316
Property insurance income	870	1,100	2,466
Sale of resale items	2,659	-	7,756
Livestock insurance inc	516	246	1,613
Contract livestock income	3,175	11,476	-
Other farm income	24,336	31,544	22,810
<b>Gross Cash Farm Income</b>	<b>933,184</b>	<b>1,266,264</b>	<b>1,437,217</b>

**Farm Income Statement (continued)**  
**South Dakota Center for farm/Ranch Management**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>High 20%</u>
Number of farms	77	15	16
<b>Cash Farm Expense</b>			
Seed and plants	78,199	126,517	97,914
Fertilizer	57,508	80,361	72,427
Crop chemicals	51,486	74,533	79,981
Crop insurance	15,201	12,857	23,818
Drying expense	204	269	370
Storage	98	81	395
Irrigation energy	262	1,056	-
Packaging and supplies	3,418	842	15,398
Crop miscellaneous	4,813	5,491	5,064
Crop consultants	1,789	2,519	4,207
Feeder livestock purchase	90,915	134,334	108,202
Purchased feed	63,975	120,749	84,257
Breeding fees	1,813	4,175	355
Veterinary	12,980	20,658	14,825
Livestock supplies	2,940	5,659	3,311
Contract production exp.	281	-	-
Livestock insurance	302	824	-
Bedding	291	-	1,402
Livestock consultants	69	-	104
Interest	57,542	98,298	62,823
Supplies	129	-	-
Fuel & oil	41,584	55,880	71,761
Repairs	24,014	25,067	56,960
Repair, machinery	34,153	55,094	41,250
Repair, livestock equip	1,465	725	2,080
Custom hire	22,791	37,046	23,281
Repair, buildings	4,958	6,951	8,339
Hired labor	33,837	49,490	75,505
Land rent	133,625	208,891	155,071
Machinery leases	7,513	7,497	12,543
Building leases	645	539	2,344
Real estate taxes	8,584	11,161	13,027
Farm insurance	15,101	27,775	22,805
Utilities	12,203	19,336	13,877
Hauling and trucking	1,783	2,795	1,685
Marketing	2,182	1,298	4,010
Dues & professional fees	5,462	8,053	8,450
Purchase of resale items	24,205	-	116,489
Miscellaneous	24,469	57,463	19,983
Total cash expense	842,789	1,264,286	1,224,313
Net cash farm income	90,396	1,978	212,904
<b>Inventory Changes</b>			
Prepays and supplies	4,663	23,117	7
Accounts receivable	8,502	35,995	11,058
Hedging accounts	3,479	-3,819	4,600
Other current assets	868	-1,067	-811
Crops and feed	68,068	35,819	152,697
Market livestock	-7,505	-88,428	65,719
Breeding livestock	-23,974	-87,599	19,467
Other assets	-460	-3,769	932
Accounts payable	-397	-17,643	18,741
Accrued interest	2,151	7,676	149
Total inventory change	55,396	-99,718	272,560
Net operating profit	145,791	-97,739	485,464
<b>Depreciation</b>			
Machinery and equipment	-47,763	-66,223	-79,004
Titled vehicles	-14,940	-18,133	-18,372
Buildings and improvements	-7,592	-10,985	-10,458
Total depreciation	-70,295	-95,341	-107,834
Net farm income from operations	75,497	-193,080	377,630
Gain or loss on capital sales	1,565	3,717	3,403
Net farm income	77,062	-189,364	381,032

**Operator and Labor Information**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>High 20%</u>
Number of farms	77	15	16
<b>Operator Information</b>			
Average number of operators	1.2	1.4	1.3
Average age of operators	44.5	49.7	45.5
Average number of years farming	20.3	27.5	18.6
<b>Results Per Operator</b>			
Working capital	133,205	86,801	242,103
Total assets (market)	2,870,883	3,374,580	3,785,977
Total liabilities	1,153,879	1,615,991	1,206,863
Net worth (market)	1,717,004	1,758,589	2,579,114
Net worth excl deferred liabs	1,725,907	1,758,589	2,618,540
Gross farm income	812,598	824,639	1,288,921
Total farm expense	750,090	962,553	1,001,203
Net farm income from operations	62,508	-137,915	287,718
Net nonfarm income	29,861	45,670	10,888
Family living & tax withdrawals	57,690	49,416	83,137
Total acres owned	555.7	371.7	818.3
Total crop acres	549.3	217.4	724.0
Crop acres owned	127.0	28.0	303.2
Crop acres cash rented	365.4	169.9	382.0
Crop acres share rented	57.0	19.4	38.8
Total pasture acres	399.5	63.5	198.7
<b>Labor Analysis</b>			
Number of farms	77	15	16
Total unpaid labor hours	2,421	2,857	2,341
Total hired labor hours	1,964	2,680	4,263
Total labor hours per farm	4,384	5,537	6,603
Unpaid hours per operator	2,004	2,041	1,783
Value of farm production / hour	183.01	162.43	209.41
Net farm income / unpaid hour	31.19	-67.57	161.34
Average hourly hired labor wage	23.79	26.17	27.61

**Inventory Changes**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>High 20%</u>
Number of farms	77	15	16
Net cash farm income	90,396	1,978	212,904
<b>Crops and Feed</b>			
Ending inventory	349,511	495,513	479,374
Beginning inventory	281,443	459,693	326,677
Inventory change	68,068	35,819	152,697
<b>Market Livestock</b>			
Ending inventory	179,234	151,946	231,173
Beginning inventory	186,739	240,374	165,454
Inventory change	-7,505	-88,428	65,719
<b>Accts Receivable</b>			
Ending inventory	49,567	121,971	94,032
Beginning inventory	41,066	85,976	82,974
Inventory change	8,502	35,995	11,058
<b>Prepaid Expenses and Supplies</b>			
Ending inventory	49,116	78,592	78,129
Beginning inventory	44,452	55,475	78,122
Inventory change	4,663	23,117	7
<b>Hedging Activities</b>			
Ending inventory	5,618	1,431	10,307
Withdrawals	7,929	1,660	10,519
Beginning inventory	3,789	3,862	7,009
Deposits	6,279	3,048	9,216
Gain or loss	3,479	-3,819	4,600
<b>Other Current Assets</b>			
Ending inventory	9,490	7,340	12,912
Beginning inventory	8,622	8,407	13,723
Inventory change	868	-1,067	-811
<b>Breeding Livestock</b>			
Ending inventory	215,812	335,092	208,724
Capital sales	11,764	35,434	20,335
Beginning inventory	223,737	426,549	180,990
Capital purchases	27,812	31,575	28,603
Depreciation, capital adjust	-23,974	-87,599	19,467
<b>Other Capital Assets</b>			
Ending inventory	42,685	98,566	51,906
Capital sales	469	-	-
Beginning inventory	39,200	101,881	40,728
Capital purchases	4,414	453	10,246
Depreciation, capital adjust	-460	-3,769	932
<b>Accounts Payable</b>			
Beginning inventory	32,341	44,533	40,801
Ending inventory	32,739	62,175	22,059
Inventory change	-397	-17,643	18,741
<b>Accrued Interest</b>			
Beginning inventory	22,975	46,232	22,105
Ending inventory	20,824	38,556	21,956
Inventory change	2,151	7,676	149
Total inventory change	55,396	-99,718	272,560
Net operating profit	145,791	-97,739	485,464

**Depreciation**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>High 20%</u>
Number of farms	77	15	16
Net operating profit	145,791	-97,739	485,464
<b>Machinery and Equipment</b>			
Ending inventory	466,619	773,842	768,151
Capital sales	7,630	3,220	21,411
Beginning inventory	465,679	742,266	784,707
Capital purchases	56,334	101,019	83,859
Depreciation, capital adjust.	-47,763	-66,223	-79,004
<b>Titled Vehicles</b>			
Ending inventory	108,385	237,779	109,379
Capital sales	2,548	9,335	1,740
Beginning inventory	103,974	197,738	112,048
Capital purchases	10,161	7,260	17,443
Depreciation, capital adjust.	-14,940	-18,133	-18,372
<b>Buildings and Improvements</b>			
Ending inventory	175,248	283,571	260,656
Capital sales	-	-	-
Beginning inventory	185,239	336,867	253,159
Capital purchases	9,338	17,937	17,955
Depreciation, capital adjust.	-7,592	-10,985	-10,458
Total depreciation, capital adj.	-70,295	-95,341	-107,834
Net farm income from operations	75,497	-193,080	377,630
Gain or loss on capital sales	1,565	3,717	3,403
Net farm income	77,062	-189,364	381,032

**Nonfarm Summary**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>High 20%</u>
Number of farms	77	15	16
<b>Nonfarm Income</b>			
Personal wages & salary	14,630	15,576	7,370
Net nonfarm business income	8,456	38,556	1,306
Personal rental income	1,195	685	-
Personal interest income	37	121	3
Personal cash dividends	8	5	-
Tax refunds	1,459	1,987	398
Other nonfarm income	10,279	7,007	5,213
Total nonfarm income	36,065	63,938	14,290
Gifts and inheritances	19,814	-	5,641
<b>Nonfarm Assets (market)</b>			
Checking & savings	9,338	1,821	7,138
Stocks & bonds	21,679	105,349	502
Other current assets	3,475	11,333	6,101
Furniture & appliances	3,001	3,238	2,969
Nonfarm vehicles	12,836	2,173	14,528
Cash value of life ins.	16,423	47,810	10,970
Retirement accounts	40,153	10,293	82,136
Other intermediate assets	676	667	938
Nonfarm real estate	135,149	41,213	113,116
Personal bus. investment	1,747	-	-
Other long term assets	9,094	-	42,098
Total nonfarm assets	253,572	223,897	280,496
<b>Nonfarm Liabilities</b>			
Accrued interest	332	50	593
Accounts payable	760	-	3,659
Current notes	2,027	5,349	-
Princ due on term debt	4,494	3,371	4,262
Total current liabilities	7,744	8,770	9,138
Intermediate liabilities	4,420	820	3,981
Long term liabilities	46,583	33,059	20,474
Total nonfarm liabilities	58,746	42,649	33,593
Nonfarm net worth	194,826	181,248	246,903
Nonfarm debt to asset ratio	23 %	19 %	12 %

**Household and Personal Expenses**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>
Number of farms	24
Average family size	3.7
<b>Family Living Expenses</b>	
Food and meals expense	9,640
Medical care	5,481
Health insurance	6,621
Cash donations	1,792
Household supplies	4,373
Clothing	2,285
Personal care	4,833
Child / Dependent care	451
Alimony and child support	600
Gifts	1,462
Education	1,479
Recreation	4,129
Utilities (household share)	1,875
Personal vehicle operating exp	1,725
Household real estate taxes	1,027
Dwelling rent	300
Household repairs	3,599
Personal interest	4,692
Disability / Long term care ins	-
Life insurance payments	4,654
Personal property insurance	279
Miscellaneous	2,855
Total cash family living expense	64,151
Family living from the farm	200
Total family living	64,351
<b>Other Nonfarm Expenditures</b>	
Income taxes	1,297
Furnishing & appliance purchases	208
Nonfarm vehicle purchases	3,789
Nonfarm real estate purchases	17,163
Other nonfarm capital purchases	-
Nonfarm savings & investments	3,003
Total other nonfarm expenditures	25,460
Total cash family living investment & nonfarm capital purch	89,611

**Crop Production and Marketing Summary**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>High 20%</u>
Number of farms	77	15	16
<b>Acreage Summary</b>			
Total acres owned	671	520	1,074
Total crop acres	663	304	950
Crop acres owned	153	39	398
Crop acres cash rented	441	238	501
Crop acres share rented	69	27	51
Total pasture acres	482	89	261
Percent crop acres owned	23 %	13 %	42 %
Mach invest/crop acre cost	397	518	535
Mach invest/crop acre market	439	547	591
<b>Average Price Received (Cash Sales Only)</b>			
Soybeans per bushel	8.32	-	8.34
Corn per bushel	3.12	-	3.07
Wheat, Winter per bushel	5.19	-	-
Hay, Alfalfa per ton	110.16	-	-
<b>Average Yield Per Acre</b>			
Soybeans (bushel)	53.99	52.75	55.86
Corn (bushel)	172.71	167.35	194.70
Hay, Grass (ton)	1.57	-	1.83
Hay, Alfalfa (ton)	3.41	-	3.53
Hay, Small Grain (ton)	1.51	-	-
Corn Silage (ton)	13.59	-	-
Pasture, Range (aum)	0.654	-	-
Oats (bushel)	68.56	-	-
Hay, Native Grass (ton)	1.40	-	-
Oatlage (ton)	6.38	-	-

**Crop Enterprise Analysis**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Return)**

**Corn on Owned Land**

	<u>Avg. Of All Farms</u>
Number of farms	16
Acres	209.92
Yield per acre (bu.)	180.63
Operators share of yield %	100.00
Value per bu.	3.21
Other product return per acre	8.63
Total product return per acre	588.89
Crop insurance per acre	1.58
Other crop income per acre	0.43
Gross return per acre	590.90
<b>Direct Expenses</b>	
Seed and plants	82.37
Fertilizer	83.07
Crop chemicals	37.47
Crop insurance	17.34
Fuel & oil	24.25
Repairs	33.71
Repair, machinery	18.07
Custom hire	3.32
Repair, buildings	1.61
Operating interest	4.66
Miscellaneous	3.62
Total direct expenses per acre	309.49
Return over direct exp per acre	281.40
<b>Overhead Expenses</b>	
Custom hire	6.60
Hired labor	26.78
Machinery leases	9.89
RE & pers. property taxes	17.06
Farm insurance	11.10
Utilities	8.84
Dues & professional fees	2.72
Interest	19.43
Mach & bldg depreciation	53.99
Miscellaneous	12.59
Total overhead expenses per acre	168.99
Total dir & ovhd expenses per acre	478.49
Net return per acre	112.41
Government payments	5.63
Net return with govt pmts	118.04
Labor & management charge	43.73
Net return over lbr & mgt	74.31
<b>Cost of Production</b>	
Total direct expense per bu.	1.71
Total dir & ovhd exp per bu.	2.65
Less govt & other income	2.56
With labor & management	2.80
Net value per unit	3.21
Machinery cost per acre	146.68
Est. labor hours per acre	2.48

**Crop Enterprise Analysis**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Return)**

**Corn on Cash Rent**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>High 20%</u>
Number of farms	25	5	5
Acres	314.77	254.42	305.04
Yield per acre (bu.)	172.48	120.74	192.33
Operators share of yield %	100.00	100.00	100.00
Value per bu.	3.18	3.31	3.20
Other product return per acre	23.52	29.20	39.77
Total product return per acre	572.85	428.43	656.11
Crop insurance per acre	4.19	4.09	0.67
Other crop income per acre	5.20	0.85	21.78
Gross return per acre	582.24	433.37	678.57
<b>Direct Expenses</b>			
Seed and plants	78.44	67.93	77.45
Fertilizer	84.55	80.00	79.82
Crop chemicals	31.76	32.13	29.65
Crop insurance	20.37	20.88	26.55
Fuel & oil	15.73	18.08	18.17
Repairs	10.50	20.46	13.14
Repair, machinery	14.06	8.33	22.83
Custom hire	13.12	5.74	6.67
Repair, buildings	1.97	0.21	4.64
Land rent	112.14	110.88	75.28
Operating interest	7.78	13.51	9.47
Miscellaneous	2.90	1.74	0.47
Total direct expenses per acre	393.32	379.90	364.13
Return over direct exp per acre	188.92	53.47	314.44
<b>Overhead Expenses</b>			
Custom hire	2.42	0.90	6.15
Hired labor	9.26	12.97	10.81
Machinery leases	3.07	0.86	3.29
Building leases	0.14	0.65	-
Farm insurance	4.58	6.34	6.04
Utilities	5.49	4.37	2.69
Dues & professional fees	1.64	1.46	2.55
Interest	1.92	2.66	2.02
Mach & bldg depreciation	30.47	34.13	43.33
Miscellaneous	7.97	7.03	3.96
Total overhead expenses per acre	66.94	71.37	80.85
Total dir & ovhd expenses per acre	460.26	451.27	444.97
Net return per acre	121.98	-17.90	233.59
Government payments	9.31	10.40	9.08
Net return with govt pmts	131.29	-7.50	242.67
Labor & management charge	33.68	41.58	36.25
Net return over lbr & mgt	97.61	-49.08	206.42
<b>Cost of Production</b>			
Total direct expense per bu.	2.28	3.15	1.89
Total dir & ovhd exp per bu.	2.67	3.74	2.31
Less govt & other income	2.42	3.37	1.94
With labor & management	2.62	3.71	2.13
Net value per unit	3.18	3.31	3.20
Machinery cost per acre	90.10	90.78	113.56
Est. labor hours per acre	1.80	2.05	1.72

**Crop Enterprise Analysis**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Return)**

**Corn on Share Rent**

	<u>Avg. Of All Farms</u>
Number of farms	9
Acres	206.23
Yield per acre (bu.)	158.14
Operators share of yield %	58.07
Value per bu.	3.27
Other product return per acre	6.86
Total product return per acre	306.84
Other crop income per acre	0.19
Gross return per acre	307.02
<b>Direct Expenses</b>	
Seed and plants	68.11
Fertilizer	62.14
Crop chemicals	25.91
Crop insurance	10.95
Fuel & oil	18.62
Repairs	9.58
Repair, machinery	23.58
Custom hire	3.98
Repair, buildings	2.66
Operating interest	5.78
Miscellaneous	0.56
Total direct expenses per acre	231.87
Return over direct exp per acre	75.15
<b>Overhead Expenses</b>	
Custom hire	0.44
Hired labor	10.75
Machinery leases	0.68
Farm insurance	7.28
Utilities	5.87
Dues & professional fees	1.52
Interest	1.54
Mach & bldg depreciation	51.38
Miscellaneous	12.53
Total overhead expenses per acre	91.99
Total dir & ovhd expenses per acre	323.85
Net return per acre	-16.83
Government payments	0.51
Net return with govt pmts	-16.32
Labor & management charge	41.49
Net return over lbr & mgt	-57.81
<b>Cost of Production</b>	
Total direct expense per bu.	2.53
Total dir & ovhd exp per bu.	3.53
Less govt & other income	3.44
With labor & management	3.90
Net value per unit	3.27
Machinery cost per acre	102.81
Est. labor hours per acre	2.14

**Crop Enterprise Analysis**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Return)**

**Corn Silage on Cash Rent**

	<u>Avg. Of All Farms</u>
Number of farms	5
Acres	113.19
Yield per acre (ton)	13.34
Operators share of yield %	100.00
Value per ton	33.69
Other product return per acre	5.28
Total product return per acre	454.74
Crop insurance per acre	9.70
Other crop income per acre	0.07
Gross return per acre	464.51
<b>Direct Expenses</b>	
Seed and plants	62.32
Fertilizer	79.71
Crop chemicals	38.48
Crop insurance	16.90
Fuel & oil	10.53
Repairs	6.21
Repair, machinery	7.51
Custom hire	46.87
Repair, buildings	0.65
Land rent	83.27
Operating interest	11.81
Miscellaneous	3.12
Total direct expenses per acre	367.38
Return over direct exp per acre	97.14
<b>Overhead Expenses</b>	
Custom hire	0.51
Hired labor	10.12
Machinery leases	0.35
Building leases	0.30
Farm insurance	2.50
Utilities	3.41
Dues & professional fees	1.33
Interest	2.19
Mach & bldg depreciation	20.40
Miscellaneous	8.40
Total overhead expenses per acre	49.50
Total dir & ovhd expenses per acre	416.88
Net return per acre	47.64
Government payments	22.26
Net return with govt pmts	69.90
Labor & management charge	14.76
Net return over lbr & mgt	55.13
<b>Cost of Production</b>	
Total direct expense per ton	27.54
Total dir & ovhd exp per ton	31.25
Less govt & other income	28.45
With labor & management	29.56
Net value per unit	33.69
Machinery cost per acre	94.31
Est. labor hours per acre	1.12

**Crop Enterprise Analysis**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Return)**

**Soybeans on Owned Land**

	<u>Avg. Of All Farms</u>
Number of farms	13
Acres	248.51
Yield per acre (bu.)	57.50
Operators share of yield %	100.00
Value per bu.	7.96
Total product return per acre	457.42
Crop insurance per acre	0.44
Other crop income per acre	37.73
Gross return per acre	495.59
<b>Direct Expenses</b>	
Seed and plants	56.62
Fertilizer	18.12
Crop chemicals	48.35
Crop insurance	13.05
Fuel & oil	18.70
Repairs	28.86
Repair, machinery	13.27
Custom hire	0.99
Repair, buildings	0.88
Operating interest	4.62
Miscellaneous	4.41
Total direct expenses per acre	207.87
Return over direct exp per acre	287.72
<b>Overhead Expenses</b>	
Custom hire	3.63
Hired labor	23.97
Machinery leases	6.67
Building leases	0.13
RE & pers. property taxes	18.19
Farm insurance	8.22
Utilities	7.18
Dues & professional fees	2.02
Interest	14.55
Mach & bldg depreciation	48.93
Miscellaneous	9.62
Total overhead expenses per acre	143.12
Total dir & ovhd expenses per acre	350.99
Net return per acre	144.59
Government payments	2.77
Net return with govt pmts	147.36
Labor & management charge	37.11
Net return over lbr & mgt	110.25
<b>Cost of Production</b>	
Total direct expense per bu.	3.62
Total dir & ovhd exp per bu.	6.10
Less govt & other income	5.39
With labor & management	6.04
Net value per unit	7.96
Machinery cost per acre	118.48
Est. labor hours per acre	2.03

**Crop Enterprise Analysis**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Return)**

**Soybeans on Cash Rent**

	<u>Avg. Of All Farms</u>	<u>High 20%</u>
Number of farms	24	5
Acres	411.63	777.54
Yield per acre (bu.)	53.64	56.10
Operators share of yield %	100.00	100.00
Value per bu.	7.91	7.93
Other product return per acre	0.32	-
Total product return per acre	424.74	444.78
Crop insurance per acre	3.58	-
Other crop income per acre	61.98	92.06
Gross return per acre	490.31	536.84
<b>Direct Expenses</b>		
Seed and plants	57.26	55.34
Fertilizer	17.27	13.85
Crop chemicals	46.65	42.28
Crop insurance	16.12	15.85
Fuel & oil	13.90	12.82
Repairs	10.50	7.85
Repair, machinery	13.01	13.65
Custom hire	7.83	0.81
Repair, buildings	1.73	3.36
Land rent	119.56	106.51
Operating interest	5.44	4.67
Miscellaneous	1.53	1.87
Total direct expenses per acre	310.80	278.86
Return over direct exp per acre	179.51	257.98
<b>Overhead Expenses</b>		
Custom hire	2.53	2.80
Hired labor	9.35	10.27
Machinery leases	3.06	2.18
Farm insurance	4.39	4.10
Utilities	4.88	3.17
Dues & professional fees	1.52	1.38
Interest	1.53	1.31
Mach & bldg depreciation	27.90	30.42
Miscellaneous	6.99	8.10
Total overhead expenses per acre	62.15	63.73
Total dir & ovhd expenses per acre	372.96	342.59
Net return per acre	117.36	194.25
Government payments	8.62	18.08
Net return with govt pmts	125.98	212.33
Labor & management charge	29.27	23.20
Net return over lbr & mgt	96.71	189.13
<b>Cost of Production</b>		
Total direct expense per bu.	5.79	4.97
Total dir & ovhd exp per bu.	6.95	6.11
Less govt & other income	5.56	4.14
With labor & management	6.11	4.56
Net value per unit	7.91	7.93
Machinery cost per acre	79.27	71.08
Est. labor hours per acre	1.50	1.40

**Crop Enterprise Analysis**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Return)**

**Soybeans on Share Rent**

	<u>Avg. Of All Farms</u>
Number of farms	8
Acres	293.50
Yield per acre (bu.)	50.45
Operators share of yield %	58.53
Value per bu.	7.89
Other product return per acre	1.96
Total product return per acre	234.90
Crop insurance per acre	2.86
Other crop income per acre	22.88
Gross return per acre	260.64
<b>Direct Expenses</b>	
Seed and plants	49.52
Fertilizer	21.24
Crop chemicals	36.81
Crop insurance	10.51
Fuel & oil	15.83
Repairs	7.06
Repair, machinery	18.98
Custom hire	5.75
Repair, buildings	3.54
Operating interest	3.59
Miscellaneous	0.03
Total direct expenses per acre	172.87
Return over direct exp per acre	87.77
<b>Overhead Expenses</b>	
Custom hire	0.75
Hired labor	8.60
Machinery leases	0.60
Farm insurance	6.35
Utilities	5.40
Dues & professional fees	1.13
Interest	1.00
Mach & bldg depreciation	47.62
Miscellaneous	10.74
Total overhead expenses per acre	82.18
Total dir & ovhd expenses per acre	255.05
Net return per acre	5.59
Government payments	1.50
Net return with govt pmts	7.08
Labor & management charge	34.44
Net return over lbr & mgt	-27.36
<b>Cost of Production</b>	
Total direct expense per bu.	5.85
Total dir & ovhd exp per bu.	8.64
Less govt & other income	7.65
With labor & management	8.82
Net value per unit	7.89
Machinery cost per acre	89.72
Est. labor hours per acre	1.91

**Crop Enterprise Analysis**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Return)**

**Wheat, Winter on Owned Land**

	<u>Avg. Of All Farms</u>
Number of farms	8
Acres	121.61
Yield per acre (bu.)	61.40
Operators share of yield %	100.00
Value per bu.	5.39
Other product return per acre	21.21
Total product return per acre	352.05
Other crop income per acre	0.72
Gross return per acre	352.77
<b>Direct Expenses</b>	
Seed and plants	19.52
Fertilizer	51.32
Crop chemicals	36.27
Cover crop expense	2.58
Crop insurance	10.59
Fuel & oil	19.56
Repairs	28.28
Repair, machinery	10.40
Custom hire	6.85
Repair, buildings	1.64
Hired labor	4.56
Operating interest	3.90
Miscellaneous	3.39
Total direct expenses per acre	198.86
Return over direct exp per acre	153.91
<b>Overhead Expenses</b>	
Custom hire	5.23
Hired labor	21.64
Machinery leases	3.82
RE & pers. property taxes	11.79
Farm insurance	9.58
Utilities	6.78
Dues & professional fees	2.01
Interest	15.96
Mach & bldg depreciation	39.06
Miscellaneous	11.79
Total overhead expenses per acre	127.66
Total dir & ovhd expenses per acre	326.53
Net return per acre	26.25
Government payments	4.61
Net return with govt pmts	30.86
Labor & management charge	30.12
Net return over lbr & mgt	0.74
<b>Cost of Production</b>	
Total direct expense per bu.	3.24
Total dir & ovhd exp per bu.	5.32
Less govt & other income	4.89
With labor & management	5.38
Net value per unit	5.39
Machinery cost per acre	114.44
Est. labor hours per acre	1.70

**Crop Enterprise Analysis**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Return)**

**Wheat, Winter on Cash Rent**

	<u>Avg. Of All Farms</u>
Number of farms	10
Acres	208.31
Yield per acre (bu.)	54.54
Operators share of yield %	100.00
Value per bu.	5.25
Other product return per acre	18.68
Total product return per acre	304.86
Crop insurance per acre	4.90
Other crop income per acre	11.41
Gross return per acre	321.18
<b>Direct Expenses</b>	
Seed and plants	22.68
Fertilizer	62.67
Crop chemicals	29.97
Crop insurance	9.94
Fuel & oil	10.75
Repairs	13.23
Repair, machinery	6.49
Custom hire	8.52
Repair, buildings	1.22
Land rent	88.84
Operating interest	4.20
Miscellaneous	4.45
Total direct expenses per acre	262.97
Return over direct exp per acre	58.21
<b>Overhead Expenses</b>	
Custom hire	1.35
Hired labor	14.08
Machinery leases	3.31
Farm insurance	3.53
Utilities	3.66
Dues & professional fees	1.45
Interest	0.71
Mach & bldg depreciation	20.95
Miscellaneous	8.93
Total overhead expenses per acre	57.98
Total dir & ovhd expenses per acre	320.95
Net return per acre	0.23
Government payments	13.59
Net return with govt pmts	13.82
Labor & management charge	13.74
Net return over lbr & mgt	0.08
<b>Cost of Production</b>	
Total direct expense per bu.	4.82
Total dir & ovhd exp per bu.	5.88
Less govt & other income	4.99
With labor & management	5.25
Net value per unit	5.25
Machinery cost per acre	64.86
Est. labor hours per acre	1.16

**Crop Enterprise Analysis**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Return)**

**Oats on Owned Land, Cash Rent**

	<b>Avg. Of All Farms</b>
Number of farms	5
Acres	87.80
Yield per acre (bu.)	68.56
Operators share of yield %	100.00
Value per bu.	2.32
Other product return per acre	49.86
Total product return per acre	208.64
Gross return per acre	208.64
<b>Direct Expenses</b>	
Seed and plants	11.90
Fertilizer	24.54
Crop chemicals	7.18
Crop insurance	6.46
Fuel & oil	18.99
Repairs	9.94
Repair, machinery	10.49
Custom hire	12.97
Repair, buildings	2.32
Land rent	26.94
Operating interest	8.67
Total direct expenses per acre	140.39
Return over direct exp per acre	68.24
<b>Overhead Expenses</b>	
Custom hire	8.23
Hired labor	5.49
Machinery leases	3.66
RE & pers. property taxes	3.19
Farm insurance	7.74
Utilities	4.14
Dues & professional fees	1.26
Interest	12.65
Mach & bldg depreciation	22.22
Miscellaneous	9.14
Total overhead expenses per acre	77.72
Total dir & ovhd expenses per acre	218.11
Net return per acre	-9.47
Government payments	6.28
Net return with govt pmts	-3.19
Labor & management charge	17.48
Net return over lbr & mgt	-20.67
<b>Cost of Production</b>	
Total direct expense per bu.	2.05
Total dir & ovhd exp per bu.	3.18
Less govt & other income	2.36
With labor & management	2.62
Net value per unit	2.32
Machinery cost per acre	91.52
Est. labor hours per acre	1.32

**Crop Enterprise Analysis**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Return)**

**Hay, Alfalfa on Owned Land, Cash Rent, Share Rent**

	<u>Avg. Of All Farms</u>
Number of farms	15
Acres	112.55
Yield per acre (ton)	3.41
Operators share of yield %	78.48
Value per ton	108.82
Other product return per acre	2.37
Total product return per acre	293.21
Other crop income per acre	0.67
Gross return per acre	293.89
<b>Direct Expenses</b>	
Seed and plants	3.27
Fertilizer	3.48
Crop chemicals	0.50
Crop insurance	1.08
Fuel & oil	18.77
Repairs	9.16
Repair, machinery	19.83
Custom hire	0.61
Repair, buildings	2.72
Land rent	46.30
Operating interest	5.90
Miscellaneous	0.57
Total direct expenses per acre	112.20
Return over direct exp per acre	181.69
<b>Overhead Expenses</b>	
Custom hire	4.90
Hired labor	6.22
Machinery leases	0.65
RE & pers. property taxes	1.16
Farm insurance	5.56
Utilities	6.26
Dues & professional fees	1.97
Interest	2.03
Mach & bldg depreciation	29.60
Miscellaneous	5.91
Total overhead expenses per acre	64.25
Total dir & ovhd expenses per acre	176.45
Net return per acre	117.44
Government payments	13.36
Net return with govt pmts	130.79
Labor & management charge	36.84
Net return over lbr & mgt	93.96
<b>Cost of Production</b>	
Total direct expense per ton	41.98
Total dir & ovhd exp per ton	66.02
Less govt & other income	59.88
With labor & management	73.67
Net value per unit	108.82
Machinery cost per acre	81.19
Est. labor hours per acre	2.41

**Crop Enterprise Analysis**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Return)**

**Hay, Grass on Owned Land, Cash Rent, Share Rent**

	<u>Avg. Of All Farms</u>
Number of farms	11
Acres	159.05
Yield per acre (ton)	1.57
Operators share of yield %	92.13
Value per ton	93.01
Other product return per acre	3.20
Total product return per acre	137.48
Other crop income per acre	5.98
Gross return per acre	143.46
<b>Direct Expenses</b>	
Fertilizer	5.25
Fuel & oil	9.51
Repairs	5.15
Repair, machinery	6.01
Custom hire	0.42
Repair, buildings	1.02
Land rent	38.99
Operating interest	3.56
Miscellaneous	0.01
Total direct expenses per acre	69.92
Return over direct exp per acre	73.54
<b>Overhead Expenses</b>	
Custom hire	1.51
Hired labor	4.62
Machinery leases	2.26
RE & pers. property taxes	1.25
Farm insurance	2.32
Utilities	2.53
Dues & professional fees	0.84
Interest	5.47
Mach & bldg depreciation	14.92
Miscellaneous	5.70
Total overhead expenses per acre	41.42
Total dir & ovhd expenses per acre	111.34
Net return per acre	32.12
Government payments	8.11
Net return with govt pmts	40.23
Labor & management charge	12.93
Net return over lbr & mgt	27.30
<b>Cost of Production</b>	
Total direct expense per ton	48.43
Total dir & ovhd exp per ton	77.12
Less govt & other income	65.14
With labor & management	74.10
Net value per unit	93.01
Machinery cost per acre	39.86
Est. labor hours per acre	0.87

**Crop Enterprise Analysis**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Return)**

**Pasture on Owned Land**

	<u>Avg. Of All Farms</u>
Number of farms	10
Acres	216.80
Yield per acre (aum)	1.70
Operators share of yield %	100.00
Value per aum	39.95
Other product return per acre	0.13
Total product return per acre	68.22
Gross return per acre	68.22
<b>Direct Expenses</b>	
Fertilizer	4.83
Crop chemicals	3.42
Crop insurance	0.59
Fuel & oil	1.77
Repairs	0.57
Repair, machinery	2.21
Custom hire	1.85
Repair, buildings	0.19
Operating interest	0.78
Miscellaneous	0.01
Total direct expenses per acre	16.24
Return over direct exp per acre	51.98
<b>Overhead Expenses</b>	
Hired labor	1.03
RE & pers. property taxes	10.44
Farm insurance	0.56
Utilities	0.69
Interest	4.17
Mach & bldg depreciation	3.43
Miscellaneous	2.38
Total overhead expenses per acre	22.71
Total dir & ovhd expenses per acre	38.95
Net return per acre	29.27
Government payments	-
Net return with govt pmts	29.27
Labor & management charge	4.05
Net return over lbr & mgt	25.23
<b>Cost of Production</b>	
Total direct expense per aum	9.53
Total dir & ovhd exp per aum	22.85
Less govt & other income	22.78
With labor & management	25.15
Net value per unit	39.95
Machinery cost per acre	9.95
Est. labor hours per acre	0.21

**Crop Enterprise Analysis**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Return)**

**Pasture on Cash Rent**

	<b>Avg. Of All Farms</b>
Number of farms	18
Acres	1,110.79
Yield per acre (aum)	1.12
Operators share of yield %	100.00
Value per aum	38.32
Other product return per acre	0.36
Total product return per acre	43.37
Gross return per acre	43.37
<b>Direct Expenses</b>	
Fertilizer	1.49
Fuel & oil	1.24
Repairs	0.49
Repair, machinery	0.97
Repair, buildings	0.11
Land rent	30.65
Operating interest	0.56
Miscellaneous	0.89
Total direct expenses per acre	36.41
Return over direct exp per acre	6.96
<b>Overhead Expenses</b>	
Hired labor	0.66
Machinery leases	0.63
Utilities	0.25
Mach & bldg depreciation	1.49
Miscellaneous	1.59
Total overhead expenses per acre	4.62
Total dir & ovhd expenses per acre	41.03
Net return per acre	2.34
Government payments	-
Net return with govt pmts	2.34
Labor & management charge	1.29
Net return over lbr & mgt	1.05
<b>Cost of Production</b>	
Total direct expense per aum	32.44
Total dir & ovhd exp per aum	36.56
Less govt & other income	36.24
With labor & management	37.39
Net value per unit	38.32
Machinery cost per acre	5.26
Est. labor hours per acre	0.11

**Livestock Enterprise Analysis**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Return)**

**Beef Cow-Calf -- Average Per Cow**

	<u>Avg. Of All Farms</u>	
Number of farms	14	
	Quantity	Value
Beef Calves sold (lb)	88.8	150.24
Transferred out (lb)	393.2	665.00
Cull sales (lb)	115.4	178.94
HedgeAcctIncome		-
LvstInsIncome		-
LvstGovtPayments		3.65
Otherincome		0.84
Purchased (lb)	-6.8	-171.10
Transferred in (lb)	-52.4	-91.85
Inventory change (lb)	0.8	-6.40
Gross margin		729.32
<b>Direct Expenses</b>		
Protein Vit Minerals (lb.)	77.0	19.68
Aftermath Grazing (aum)	1.1	36.96
Corn (bu.)	5.6	17.81
Corn Silage (lb.)	2,884.9	49.27
Hay, Alfalfa (lb.)	1,518.4	83.04
Hay, Grass (lb.)	1,870.2	81.45
Pasture (aum)	4.5	166.23
Straw (lb.)	350.0	8.75
Pasture, Range (aum)	0.8	28.02
Other feed stuffs (lb)	498.4	19.31
Veterinary		25.97
Supplies		34.31
Fuel & oil		18.60
Repair, machinery		19.23
Custom hire		7.44
Repair, buildings		5.60
Operating interest		18.70
Total direct expenses		640.37
Return over direct expense		88.95
<b>Overhead Expenses</b>		
Hired labor		22.20
Utilities		11.77
Interest		10.55
Mach & bldg depreciation		41.88
Miscellaneous		43.28
Total overhead expenses		129.68
Total dir & ovhd expenses		770.04
Net return		-40.73
Labor & management charge		48.53
Net return over lbr & mgt		-89.26
<b>Cost of Production Per Cwt. Produced</b>		
Total direct expense per unit		118.74
Total dir & ovhd expense per unit		142.79
With other revenue adjustments		158.96
With labor and management		167.96
Est. labor hours per unit		2.82
<b>Other Information</b>		
Number of cows		194.8
Pregnancy percentage		97.2
Pregnancy loss percentage		3.5
Culling percentage		17.8
Calving percentage		93.8
Weaning percentage		88.9
Calves sold per cow		0.90
Calf death loss percent		6.4
Cow death loss percent		2.2
Cows per FTE		992.8
Average weaning weight		538
Lb. weaned/exposed female		478
Feed cost per cow		510.51
Avg wgt/ Beef Calves sold		574
Avg price / cwt.		169.19

**Livestock Enterprise Analysis**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Return)**

**Beef Backgrounding -- Average Per Cwt. Produced**

	<u>Avg. Of</u> <u>All Farms</u>	
Number of farms	11	
	Quantity	Value
Backgnd Beef sold (lb)	220.72	311.10
Transferred out (lb)	62.92	90.41
HedgeAcctIncome		-
LvstInsIncome		-
LvstGovtPayments		-
Other income		0.41
Purchased (lb)	-26.62	-46.19
Transferred in (lb)	-178.14	-301.94
Inventory change (lb)	20.76	37.76
Gross margin		91.56
<b>Direct Expenses</b>		
Protein Vit Minerals (lb.)	7.56	2.71
Corn (bu.)	3.80	12.08
Corn Silage (lb.)	405.70	7.13
Hay, Alfalfa (lb.)	200.67	11.04
Hay, Grass (lb.)	211.79	8.72
DDGS, dry (lb.)	54.13	2.21
Corn snaplage (lb.)	16.61	0.58
Other feed stuffs (lb)	144.12	5.19
Veterinary		2.90
Supplies		2.44
Fuel & oil		2.58
Repairs		1.20
Repair, machinery		2.15
Repair, buildings		0.57
Operating interest		1.37
Total direct expenses		62.86
Return over direct expense		28.70
<b>Overhead Expenses</b>		
Hired labor		2.91
RE & pers. property taxes		0.74
Utilities		1.28
Interest		2.75
Mach & bldg depreciation		5.56
Miscellaneous		4.51
Total overhead expenses		17.75
Total dir & ovhd expenses		80.62
Net return		10.94
Labor & management charge		6.51
Net return over lbr & mgt		4.44
<b>Cost of Production Per Cwt. Produced</b>		
Total direct expense per unit		131.44
Total dir & ovhd expense per unit		137.70
With other revenue adjustments		137.70
With labor and management		139.99
Est. labor hours per unit		0.35
<b>Other Information</b>		
No. purchased or trans in		242
Number sold or trans out		221
Percentage death loss		0.4
Avg. daily gain (lb.)		1.71
Lb. of conc / lb. of gain		3.49
Lb. of feed / lb. of gain		9.40
Feed cost per cwt. of gain		49.66
Feed cost per head		90.18
Hired labor per head		5.28
Average purchase weight		534
Avg wgt / Backgnd Beef sold		815
Avg purch price / cwt.		173.48
Avg sales price / cwt.		140.95

**Livestock Enterprise Analysis**  
**South Dakota Center for Farm/Ranch Management**  
**(Farms Sorted By Net Return)**

**Beef Backgrounding -- Average Per Head**

	<u>Avg. Of All Farms</u>	
Number of farms	11	
	Quantity	Value
Backgnd Beef sold (lb)	400.8	564.87
Transferred out (lb)	114.2	164.16
HedgeAcctIncome		-
LvstInsIncome		-
LvstGovtPayments		-
Other income		0.75
Purchased (lb)	-48.3	-83.86
Transferred in (lb)	-323.5	-548.24
Inventory change (lb)	37.7	68.57
Gross margin		166.25
<b>Direct Expenses</b>		
Protein Vit Minerals (lb.)	13.7	4.92
Corn (bu.)	6.9	21.93
Corn Silage (lb.)	736.6	12.95
Hay, Alfalfa (lb.)	364.4	20.04
Hay, Grass (lb.)	384.6	15.84
DDGS, dry (lb.)	98.3	4.02
DDGS, wet (lb.)	42.7	1.84
Corn snaplage (lb.)	30.2	1.06
Other feed stuffs (lb)	218.9	7.59
Veterinary		5.26
Supplies		4.44
Fuel & oil		4.68
Repairs		2.17
Repair, machinery		3.91
Repair, buildings		1.03
Operating interest		2.48
Total direct expenses		114.14
Return over direct expense		52.11
<b>Overhead Expenses</b>		
Hired labor		5.28
RE & pers. property taxes		1.34
Utilities		2.33
Interest		5.00
Mach & bldg depreciation		10.09
Miscellaneous		8.20
Total overhead expenses		32.24
Total dir & ovhd expenses		146.38
Net return		19.87
Labor & management charge		11.81
Net return over lbr & mgt		8.06
<b>Cost of Production Per Cwt. Produced</b>		
Total direct expense per unit		131.44
Total dir & ovhd expense per unit		137.70
With other revenue adjustments		137.70
With labor and management		139.99
Est. labor hours per unit		0.64
<b>Other Information</b>		
No. purchased or trans in		242
Number sold or trans out		221
Percentage death loss		0.4
Avg. daily gain (lb.)		1.71
Lb. of conc / lb. of gain		3.49
Lb. of feed / lb. of gain		9.40
Feed cost per cwt. of gain		49.66
Feed cost per head		90.18
Hired labor per head		5.28
Average purchase weight		534
Avg wgt / Backgnd Beef sold		815
Avg purch price / cwt.		173.48
Avg sales price / cwt.		140.95



Center for  
**Farm/Ranch  
 Management**

**REGIONAL AVERAGE INPUT PRICES FOR 2018**

DESCRIPTION	BEGINNING INVENTORY			2018 AVERAGE PRICES			ENDING INVENTORY		
	C	SE	NE	C	SE	NE	C	SE	NE
SPRING WHEAT	5.84	5.80	5.80	5.46	5.35	5.35	5.04	4.90	4.90
WINTER WHEAT	4.69	4.70	4.70	5.01	4.75	4.75	4.66	4.80	4.80
CORN	2.93	2.95	2.95	3.16	3.20	3.20	3.19	3.25	3.25
SOYBEANS	8.70	8.70	8.70	8.24	8.30	8.30	7.66	7.75	7.75
OATS	2.21	2.30	2.30	2.13	2.40	2.40	2.23	2.50	2.50
SORGHUM (MILO)	2.78	2.88		3.13			3.01	2.88	2.88
SUNFLOWERS/CWT.	15.57						15.37		
MILLET							10.00		
ALFALFA	110	100	100	110	100	100	110	110	110
GRASS HAY	95	90	90	95	90	90	95	90	90
OATS HAY	75	70	70	75	75	75	75	75	75
CORN SILAGE	30	30	30	35	35	35	30	35	35
CORN EARLAGE	70	70	70	70	75	75	70	75	75
SORGHUM SILAGE	30	30	30	30	30	30	30	30	30
ALFALFA HAYLAGE	50	45	45	50	55	55	50	55	55
OAT SILAGE	30	25	25	30	30	30	30	30	30
STRAW	50	50	50	50	60	60	50	60	60
STOVER	50	50	50	50	50	50	50	50	50
GRAZING (AUM)				40	40	40			

These prices are for standard quality. They should be used as a standard in setting individual prices.

*C = Central SD*

*SE = South East SD*

*NE = North East SD*

**Financial Trends of Participant Farms Completing an Analysis**

**Farms Sorted by Net Farm Income**

		2012	2013	2014	2015	2016	2017	2018	7 Year Avg
<b>Household Expenses</b>	High	66,542	106,806	150,564	95,963	105,333	104,248	80,008	101,352
Cash Living &	Avg	62,940	87,246	84,719	83,335	87,199	72,937	64,351	77,532
Operating Exp	Low	56,126	68,660	74,424	68,629	155,377	69,929	71,949	80,728
<b>Cash Operating Income</b>									
Total Market	High	1,031,578	1,084,786	1,502,789	729,241	388,392	467,850	301,060	786,528
Livestock Sales	Avg	488,236	455,517	579,451	499,429	496,485	245,118	286,105	435,763
	Low	198,085	349,319	597,803	1,085,418	988,668	152,998	401,462	539,108
Total Crop Sales	High	624,776	824,135	395,199	655,370	641,558	476,868	818,463	633,767
	Avg	379,619	430,828	333,331	353,521	371,920	331,805	433,929	376,422
	Low	173,771	285,578	305,629	369,036	432,376	369,262	493,609	347,037
Total Other Income	High	345,435	428,695	480,462	247,743	229,343	166,878	317,693	316,607
	Avg	215,898	157,777	219,438	164,046	178,271	146,481	213,151	185,009
	Low	122,972	80,561	139,769	238,838	269,822	224,760	371,194	206,845
Cash Operating	High	2,001,789	1,631,847	2,145,087	1,737,737	1,259,293	1,179,904	1,437,217	1,627,553
Income	Avg	1,083,783	1,061,552	1,065,109	991,559	1,046,676	760,254	933,184	991,731
	Low	494,828	1,466,696	1,039,489	1,573,938	1,690,867	780,702	1,266,264	1,187,541
Interest Pd % Cash	High	3.01	3.28	2.60	2.20	2.90	3.70	3.70	3.06
Oper Inc	Avg	3.81	4.00	3.00	3.34	4.30	5.10	5.60	4.16
	Low	5.99	2.24	4.00	3.31	7.00	7.20	7.80	5.36
<b>Cash Operating Expenses</b>									
Cash Operating	High	1,711,441	1,184,121	1,770,859	1,373,961	832,164	938,868	1,224,313	1,290,818
Expenses	Avg	888,958	870,865	874,484	854,217	738,799	607,382	842,789	811,071
	Low	378,224	1,360,410	969,727	1,580,214	897,750	614,250	1,264,286	1,009,266
Net Cash Income	High	290,348	447,726	318,115	219,822	215,432	195,796	212,904	271,449
	Avg	194,795	190,687	159,805	129,683	127,798	117,287	90,396	144,350
	Low	116,604	106,286	31,668	60,927	71,827	121,799	1,978	73,013
<b>Net Farm Profit or Loss (Accrual)</b>									
	High	502,627	487,914	477,499	243,685	182,238	255,010	381,032	361,429
	Avg	236,437	141,973	168,361	38,898	13,408	53,708	77,062	104,264
	Low	41,654	(91,407)	(15,445)	(172,002)	(211,613)	(97,455)	(189,364)	(105,090)
<b>Rate of Return to Farm Equity</b>									
	High	17.80	12.70	13.50	7.10	5.80	8.80	11.20	10.99
	Avg	13.20	5.70	6.80	(1.20)	(4.60)	(0.40)	0.60	2.87
	Low	2.70	(7.80)	(7.80)	(14.10)	(21.60)	(7.20)	(13.90)	(9.96)
<b>Farm Equity to Asset Ratio</b>									
	High	68%	69%	70%	73%	74%	67%	67%	70%
	Avg	68%	68%	71%	69%	64%	65%	58%	66%
	Low	66%	66%	63%	57%	46%	70%	51%	60%

### Financial Trends of Participant Farms Completing an Analysis

		2012	2013	2014	2015	2016	2017	2018	7 Year Avg
Total Acres	High	1,588.00	2,606.00	2,943.00	3,149.00	1,712.00	1,403.00	1,211.00	2,087.43
Operated	Avg	998.00	1,724.00	1,872.00	1,472.00	1,271.00	1,166.00	1145	1,378.29
	Low	545.00	2,137.00	1,277.00	1,566.00	1,307.00	1,769.00	393	1,284.86
Total Farm Assets	High	4,022,238	5,818,552	5,178,244	4,109,974	3,719,249	3,807,091	4,688,599	4,477,706.71
	Avg	2,381,442	3,090,474	2,997,686	2,860,132	3,023,299	2,777,480	3,213,858	2,906,338.71
	Low	1,237,890	3,274,681	2,609,276	3,476,124	4,207,695	3,609,224	4,500,515	3,273,629.29
Total Operator Assets	High	4,365,066	6,339,307	5,400,681	4,250,134	4,013,621	4,021,005	4,969,095	4,765,558.43
	Avg	2,632,641	3,350,268	3,228,096	3,007,264	3,206,150	3,025,493	3,467,430	3,131,048.86
	Low	1,389,286	3,529,735	2,778,901	3,593,520	4,322,361	4,044,228	4,724,412	3,483,206.14
Total Liabilities	High	1,416,264	1,854,914	1,584,292	1,107,611	100,152	1,275,457	1,584,008	1,274,671.14
	Avg	862,578	1,024,944	915,170	930,529	1,121,317	1,039,095	1,393,646	1,041,039.86
	Low	520,033	1,132,121	1,021,629	1,514,920	2,313,674	1,275,132	2,262,388	1,434,271.00
		2012	2013	2014	2015	2016	2017	2018	
Total Operator Equity	High	2,948,802	4,484,393	3,816,389	3,142,523	3,013,469	2,745,549	3,436,833	3,369,708
	Avg	1,770,063	2,325,324	2,312,926	2,076,735	2,084,833	1,986,398	2,084,536	2,091,545
	Low	869,253	2,397,614	1,757,272	2,078,600	2,008,688	2,769,096	2,462,024	2,048,935
Current Ratio	High	3.14	2.79	1.92	2.21	1.91	1.78	1.53	2.18
	Avg	2.64	1.96	1.94	1.71	1.50	1.40	1.32	1.78
	Low	1.66	1.56	1.53	1.34	1.01	1.24	1.16	1.36
		2012	2013	2014	2015	2016	2017	2018	
Working Capital	High	1,080,734	993,161	752,144	765,317	496,714	435,367	317,761	691,600
	Avg	504,207	400,977	417,964	328,129	256,745	166,159	160,884	319,295
	Low	125,746	326,416	304,313	300,007	6,305	88,663	121,521	181,853
		2012	2013	2014	2015	2016	2017	2018	
Return on Farm Assets	High	13.20	9.70	10.40	5.90	5.10	7.00	8.60	8.56
	Avg	10.20	5.10	5.90	0.70	(1.10)	1.50	2.30	3.51
	Low	3.90	(3.20)	(2.50)	(5.90)	(7.10)	(3.20)	(4.90)	(3.27)
		2012	2013	2014	2015	2016	2017	2018	
Return on Farm Equity	High	17.80	12.70	13.50	7.10	5.80	8.80	11.20	10.99
	Avg	13.20	5.70	6.80	(1.20)	(4.60)	(0.40)	0.60	2.87
	Low	2.70	(7.80)	(7.80)	(14.10)	(21.60)	(7.20)	(13.90)	(9.96)
Operating Profit Margin Ratio	High	34.50	29.60	37.60	15.50	15.40	21.10	23.50	25.31
	Avg	29.00	16.90	19.90	2.40	(4.70)	5.50	8.00	11.00
	Low	14.30	(17.10)	(8.40)	(29.30)	(39.50)	(17.30)	(25.00)	(17.47)
Asset Turnover Ratio	High	38.20	32.80	27.60	38.00	28.10	33.30	36.80	33.54
	Avg	35.20	30.00	29.60	27.20	24.30	27.10	28.90	28.90
	Low	27.60	18.60	29.20	20.10	19.60	18.70	19.80	21.94

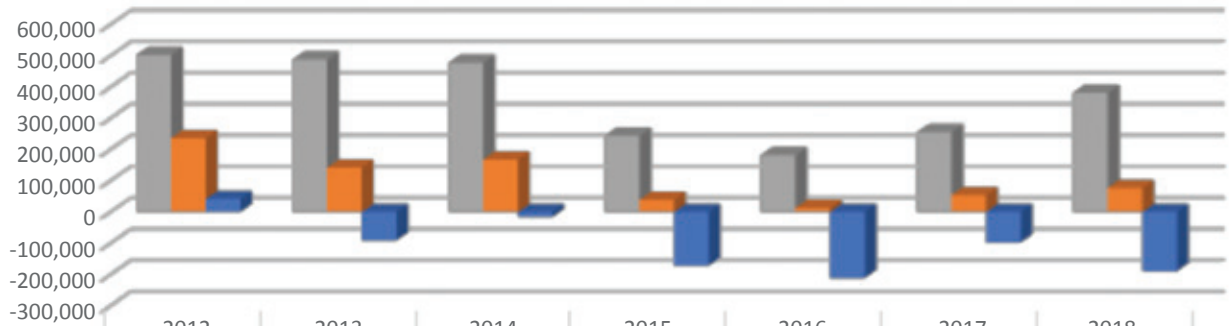
**Summary of Items from the Crop Analysis  
(Average of All Farms)**

<b>Yield Per Acre</b>		<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>7 Year Avg.</b>
Oats	Bu.		97.32	120.78	99.85	98.81	102.4	68.56	97.95
Spring Wheat	Bu.	66.7	57.11	63.9	56.43	70.82		59.14	62.35
Winter Wheat	Bu.	75.9	52.09	70.2	63.5	83.97	57.37	57.04	65.72
Corn	Bu.	87.1	154.2	155.08	164.38	147.02	143.39	167	145.45
Soybeans	Bu.	27.3	43.48	49.7	48.91	51.54	43.6	53.98	45.50
Alfalfa	Alfalfa	2.4	3.63	2.79	2.38	2.78	2.65	3.41	2.86
Grass Hay	Grass	1.3	1.44	1.59	1.33	1.97	1.69	1.57	1.56
Corn Silage	Ton	7.1	17.58	16.61	17.51	11.67	9.41	14.39	13.47
Pasture	AUM	1.5	0.78	1.25	1.27	1.62	1.35	1.23	1.29
Pasture, Range	AUM					0.37	0.54		0.46
<b>Direct Cost Per Acre</b>									
		<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>7 Year Avg.</b>
Oats	\$		204.24	212.02	137.35	191.61		140.39	177.12
Spring Wheat	\$	355.04	289.57	296.2	227.09	295.82			292.74
Winter Wheat	\$	318.74	267.14	260.87	280.74	273.88	245.86	240.53	269.68
Corn	\$	450.09	414.77	390.23	396.15	376.4	341.06	336.88	386.51
Soybeans	\$	299.5	281.69	262.11	256.05	254.55	243.72	265.21	266.12
Alfalfa	\$	242.28	190.99	159.04	131.56	148.94	140.84	112.2	160.84
Grass Hay	\$	148.5	54.47	63.18	72.54	83.36	81	69.92	81.85
Corn Silage	\$	455.04	403.19	391.65	367.16	320.13	333.12	361.15	375.92
Pasture	\$	54.96	17.92	28.77	29.05	36.18	31.46	40.66	34.14
Pasture, Range	\$					6.39			6.39
<b>Allocated Cost Per Acre</b>									
		<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>7 Year Avg.</b>
Oats	\$		61.95	49.64	35.57	46.52		77.72	54.28
Spring Wheat	\$	76.93	44.1	70.79	53.53	55.55			60.18
Winter Wheat	\$	48.57	41.85	65.19	79.86	63.45	77.32	86.66	66.13
Corn	\$	87.8	85.52	104.76	103.68	98.52	93.16	100.58	96.29
Soybeans	\$	73.13	67.13	75.28	83.02	84.57	79.46	82.77	77.91
Alfalfa	\$	90.78	102.14	104.59	112.52	82.58	99.61	64.25	93.78
Grass Hay	\$	47.38	39.83	56.18	65.22	53.06	56.8	41.42	51.41
Corn Silage	\$	110.8	146.56	148.9	117.05	127.03	101.28	80.94	118.94
Pasture	\$	6.86	9.12	9.35	13.54	13.43	11.18	10.84	10.62
Pasture, Range	\$					2.4			2.40
<b>Total Cost Per Acre</b>									
		<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>7 Year Avg.</b>
Oats	\$		266.2	261.66	172.92	238.13		218.11	231.40
Spring Wheat	\$	431.97	333.66	366.99	280.62	351.37			352.92
Winter Wheat	\$	367.31	308.99	326.06	360.6	337.33	323.18	327.19	335.81
Corn	\$	537.89	500.29	494.99	499.84	474.92	434.21	437.46	482.80
Soybeans	\$	372.63	310.34	337.39	339.07	339.13	323.18	347.98	338.53
Alfalfa	\$	333.06	293.13	263.63	244.08	231.53	240.45	176.45	254.62
Grass Hay	\$	195.88	94.3	119.36	137.76	136.43	137.8	111.34	133.27
Corn Silage	\$	565.84	549.76	540.55	484.21	400.9	434.4	430.79	486.64
Pasture	\$	61.82	27.04	38.12	42.59	49.61	42.64	51.5	44.76
Pasture, Range	\$					8.79			8.79
<b>Return Over All Listed Cost Per Acre</b>									
		<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>7 Year Avg.</b>
Oats	\$		141.67	86.65	9.68	-4.09		-3.19	46.14
Spring Wheat	\$	148.67	34.43	23.73	-16.68	3.3			38.69
Winter Wheat	\$	309.05	114.4	83.48	99.36	2.08	-32.13	11.09	83.90
Corn	\$	304.81	107.69	18.78	25.01	-20.75	-7.11	87.02	73.64
Soybeans	\$	116.91	189.87	64.07	40.38	98.53	37.31	108.39	93.64
Alfalfa	\$	85.72	326.91	39.9	52.17	14.51	9.83	130.79	94.26
Grass Hay	\$	-32.54	56.2	8.28	-17.27	15.58	-7.76	40.23	8.96
Corn Silage	\$	378.86	151.83	51.78	143.99	84.05	-15.34	10.9	115.15
Pasture	\$	-8.09	3.65	9.11	6.02	11.88	6.6	6.16	5.05
Pasture, Range	\$					6.03			6.03

**Summary of Items from the Livestock Analysis  
(Average of All Farms)**

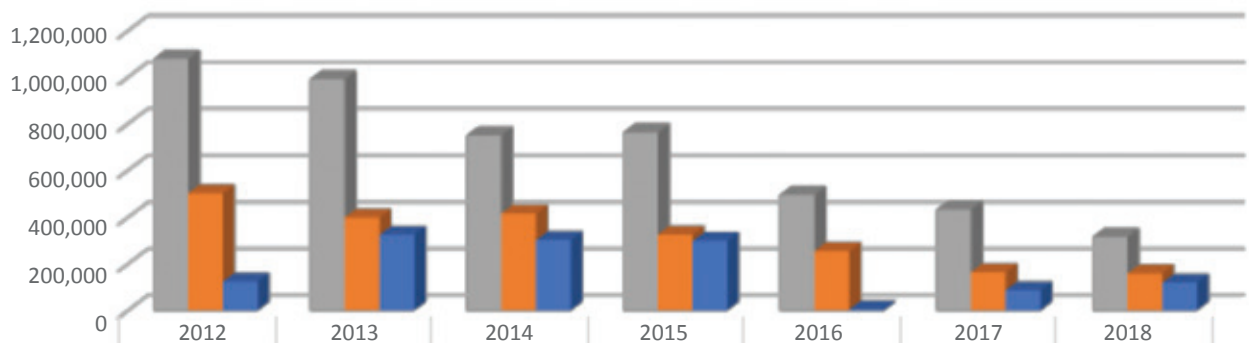
<b>Total Value Produced</b>		<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>7 Yr Avg</b>
Hogs, Finishing	\$/Cwt.	61.74	74.69	108.37	44.928	41.24	46.34	57.76	62.15
Beef Cow-Calf	\$/Cow	713	800.69	1336.41	907.27	587.57	780.65	729.32	836.42
Beef Backgrounding	\$/Cwt.	118.33	140.37	177.18	58.58	66.23	104.44	91.56	108.10
Beef Finishing	\$/Cwt.	122.33	117.1	147.74	40.86	90.27	102.48	61.56	97.48
Dairy Cows	\$/Cow	2890							2890.24
Dairy Cattle, Milk Prod	\$/Cwt.	17							17.00
<b>Feed Cost Per Unit</b>		<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>7 Yr Avg</b>
Hogs, Finishing	\$/Cwt.	50.65	40.78	28.28	23.24	30.83	23.55	31.96	32.76
Beef Cow-Calf	\$/Cow	498.4	518.86	447.22	501.52	496.69	482.56	510.51	493.68
Beef Backgrounding	\$/Cwt.	78.6	87.45	68	47.78	66.73	61.24	49.66	65.64
Beef Finishing	\$/Cwt.	95.21	93.15	54.12	64.98	54.08	43.57	58.56	66.24
Dairy Cows	\$/Cow	2181							2180.73
Dairy Cattle, Milk Prod	\$/Cwt.	12.82							12.82
<b>Other Direct Cost Per Unit</b>		<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>7 Yr Avg</b>
Hogs, Finishing	\$/Cwt.	4.64	14.11	18.18	7.96	5.36	12.99	4.45	9.67
Beef Cow-Calf	\$/Cow	154.34	136.74	150.45	127.66	101.97	138.15	129.86	134.17
Beef Backgrounding	\$/Cwt.	14.46	16.92	24.53	20.4	14.82	20.45	13.2	17.83
Beef Finishing	\$/Cwt.	11.29	13.65	12.1	11.82	13.59	10.17	17.56	12.88
Dairy Cows	\$/Cow	741							741.32
Dairy Cattle, Milk Prod	\$/Cwt.	4.36							4.36
<b>Allocated Cost Per Unit</b>		<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>7 Yr Avg</b>
Hogs, Finishing	\$/Cwt.	4.74	4	5.88	5.52	6.7	6.39	5.24	5.50
Beef Cow-Calf	\$/Cow	87.31	108.47	142.2	125.86	95.14	105.14	129.68	113.40
Beef Backgrounding	\$/Cwt.	8.61	9.93	21.23	23.42	13.05	14.02	17.75	15.43
Beef Finishing	\$/Cwt.	9.93	7.79	13.93	10.12	8.83	7.33	10.22	9.74
Dairy Cows	\$/Cow	366							365.87
Dairy Cattle, Milk Prod	\$/Cwt.	2.15							2.15
<b>Total Cost Per Unit</b>		<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>7 Yr Avg</b>
Hogs, Finishing	\$/Cwt.	60.03	58.89	52.34	36.78	42.89	42.93	41.65	47.93
Beef Cow-Calf	\$/Cow	740.05	764.07	739.87	755.04	693.81	725.85	770.04	741.25
Beef Backgrounding	\$/Cwt.	101.67	126.83	113.75	91.6	94.61	95.71	80.62	100.68
Beef Finishing	\$/Cwt.	116.43	114.59	80.16	86.92	76.96	61.06	86.34	88.92
Dairy Cows	\$/Cow	3288							3287.92
Dairy Cattle, Milk Prod	\$/Cwt.	19.33							19.33
<b>Return Over All Listed Costs</b>		<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>7 Yr Avg</b>
Hogs, Finishing	\$/Cwt.	1.71	15.8	56.03	8.15	-1.65	3.42	-3.32	11.45
Beef Cow-Calf	\$/Cow	-27.05	36.63	596.55	152.23	-106.23	54.81	-40.73	95.17
Beef Backgrounding	\$/Cwt.	16.66	26.07	52.32	-44.85	-28.37	8.73	10.94	5.93
Beef Finishing	\$/Cwt.	5.9	2.52	67.58	-49.87	2.46	41.42	-24.78	6.46
Dairy Cows	\$/Cow	-397.68							-397.68
Dairy Cattle, Milk Prod	\$/Cwt.	2.34							2.34

### Net Farm Profit / (Loss)



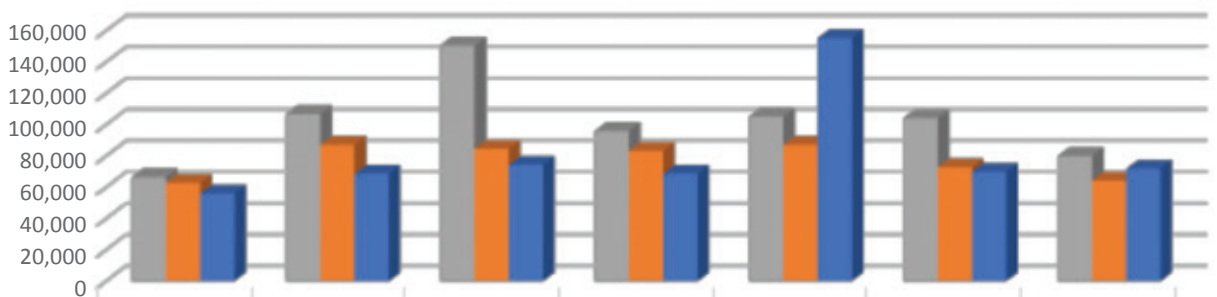
	2012	2013	2014	2015	2016	2017	2018
■ High	502,627	487,914	477,499	243,685	182,238	255,010	381,032
■ Avg	236,437	141,973	168,361	38,898	13,408	53,708	77,062
■ Low	41,654	-91,407	-15,445	-172,002	-211,613	-97,455	-189,364

### Working Capital



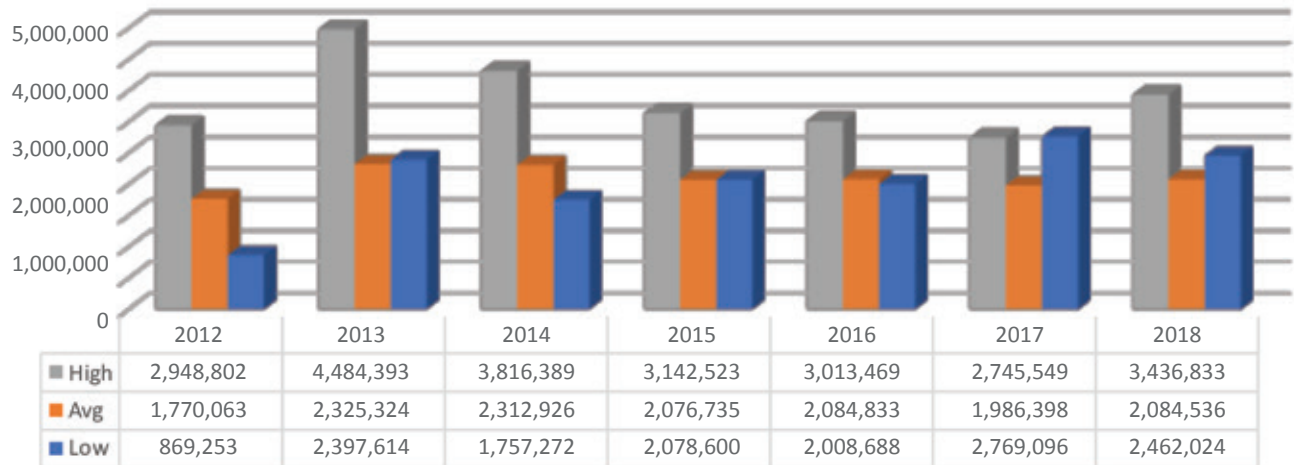
	2012	2013	2014	2015	2016	2017	2018
■ High	1,080,734	993,161	752,144	765,317	496,714	435,367	317,761
■ Avg	504,207	400,977	417,964	328,129	256,745	166,159	160,884
■ Low	125,746	326,416	304,313	300,007	6,305	88,663	121,521

### Family Living Expenses Sorted by Net Farm Income

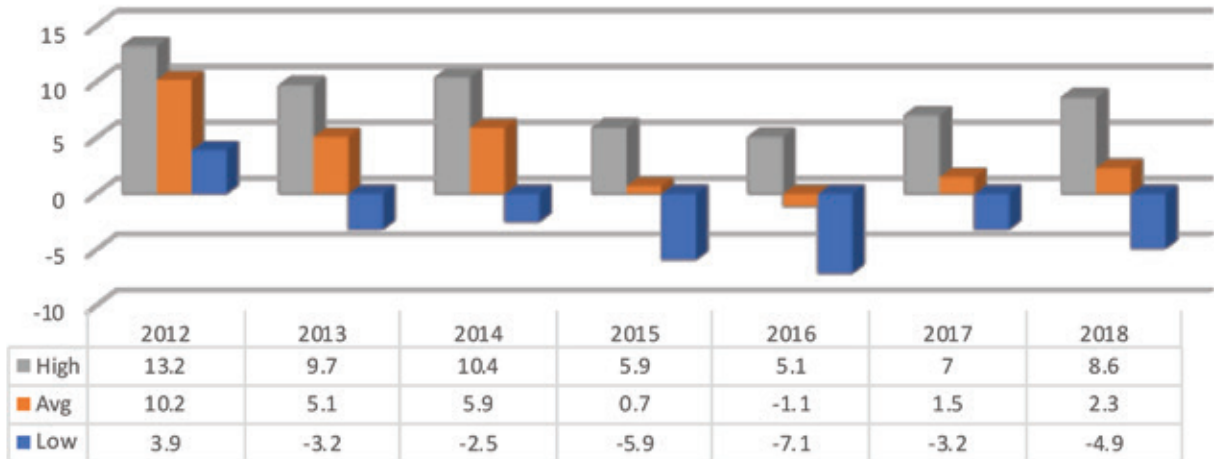


	2012	2013	2014	2015	2016	2017	2018
■ High	66,542	106,806	150,564	95,963	105,333	104,248	80,008
■ Avg	62,940	87,246	84,719	83,335	87,199	72,937	64,351
■ Low	56,126	68,660	74,424	68,629	155,377	69,929	71,949

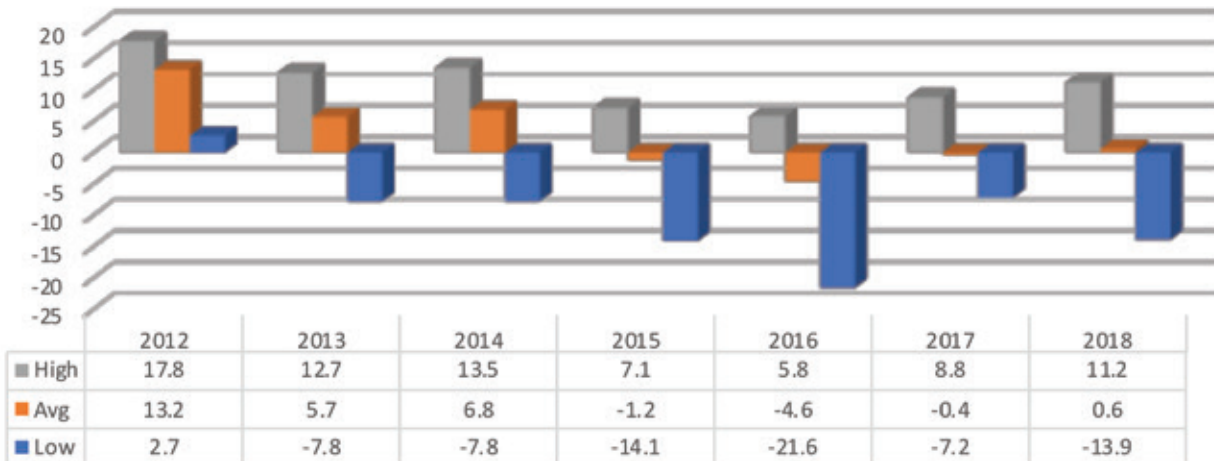
### Total Operator Equity



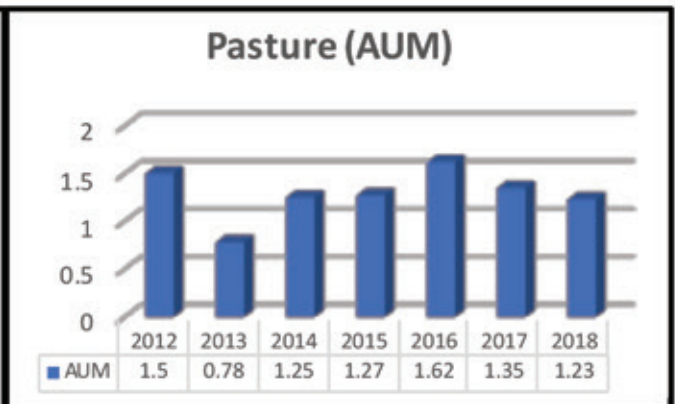
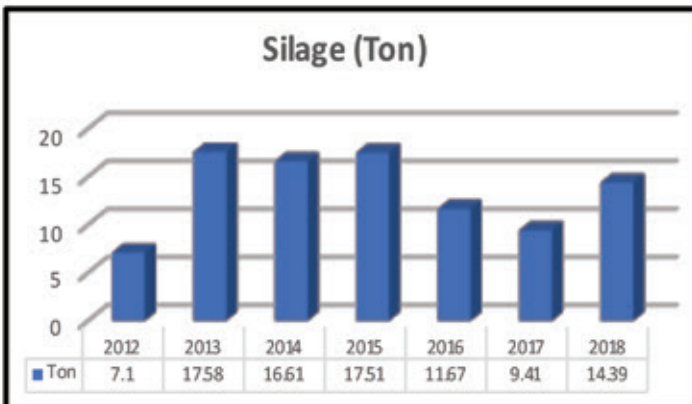
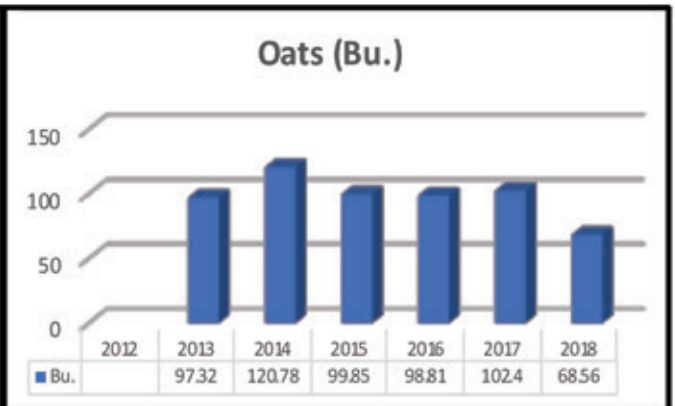
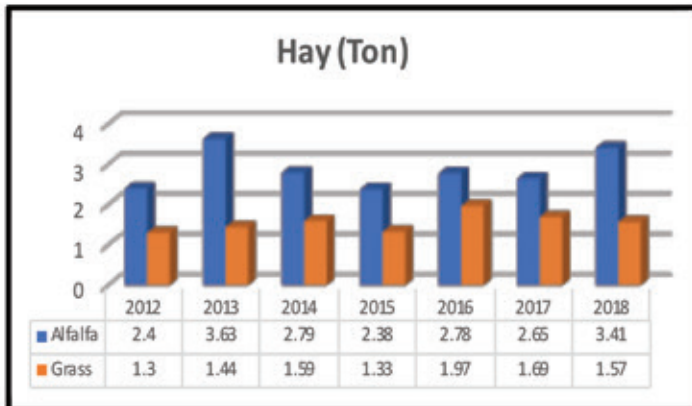
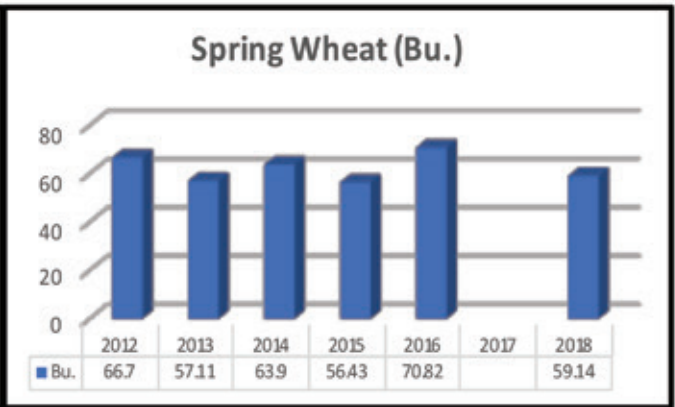
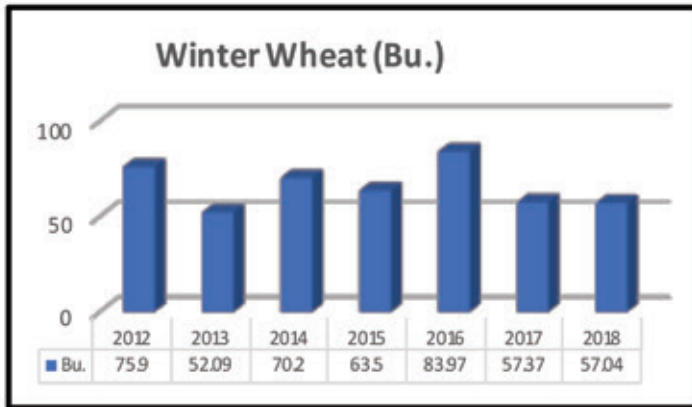
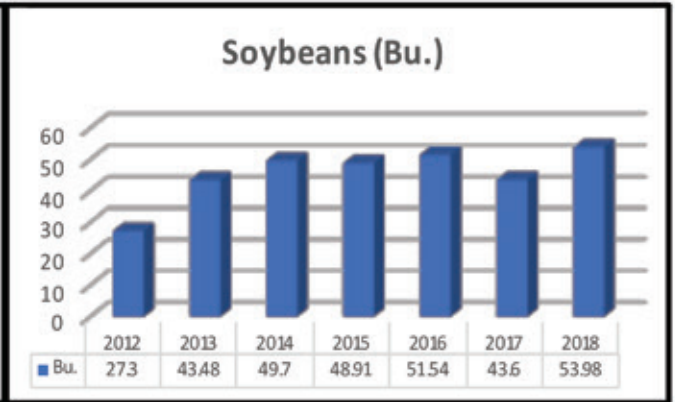
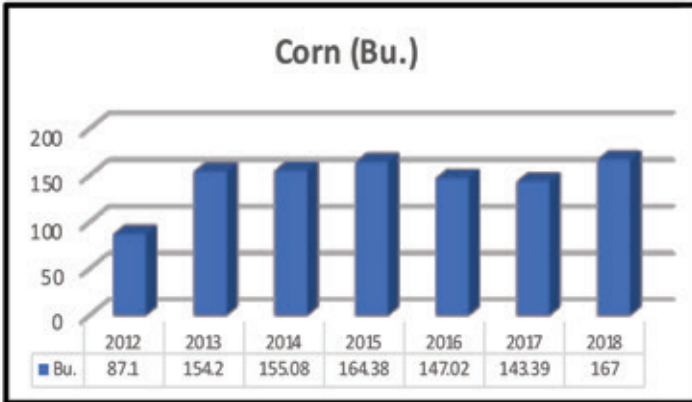
### Return on Farm Assets



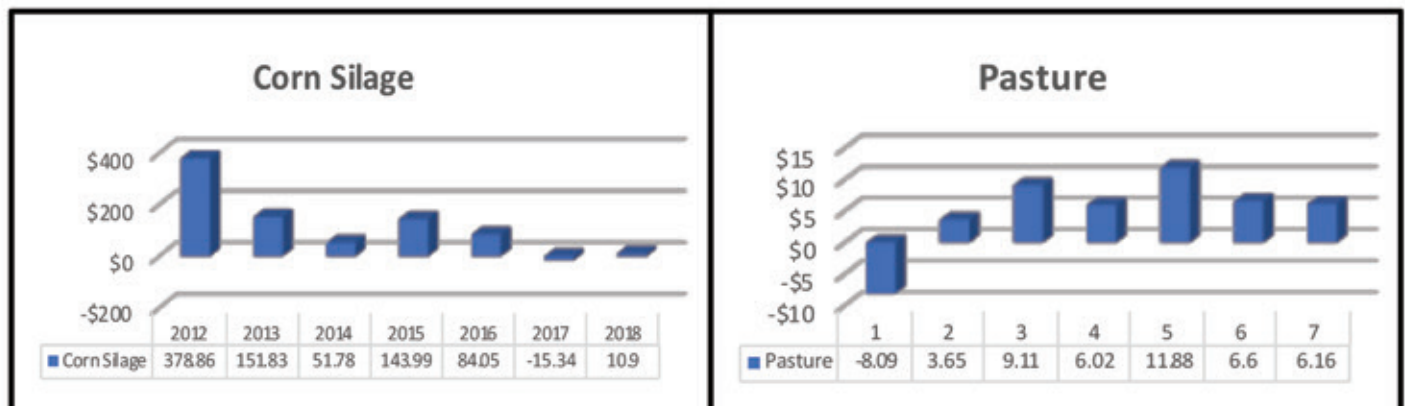
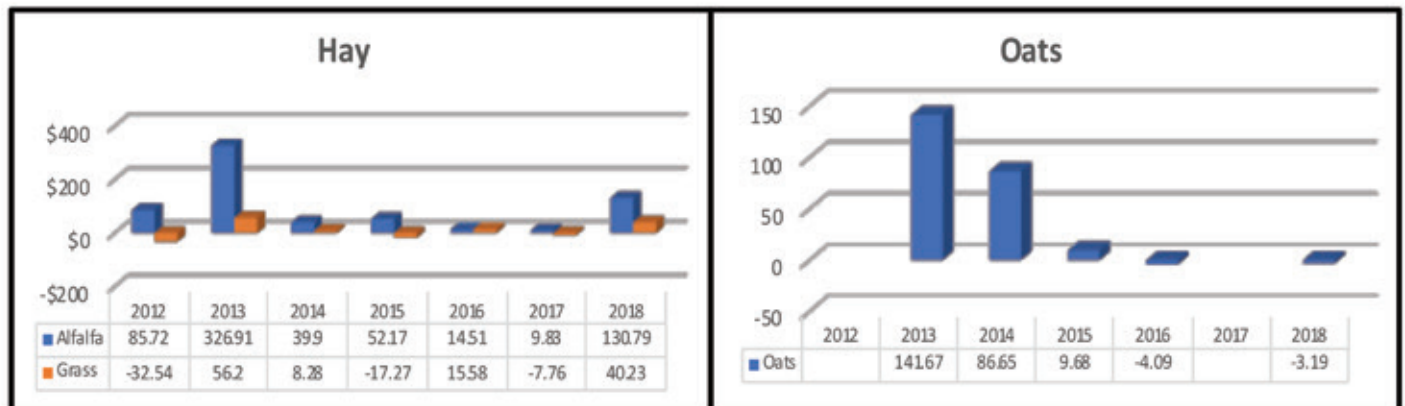
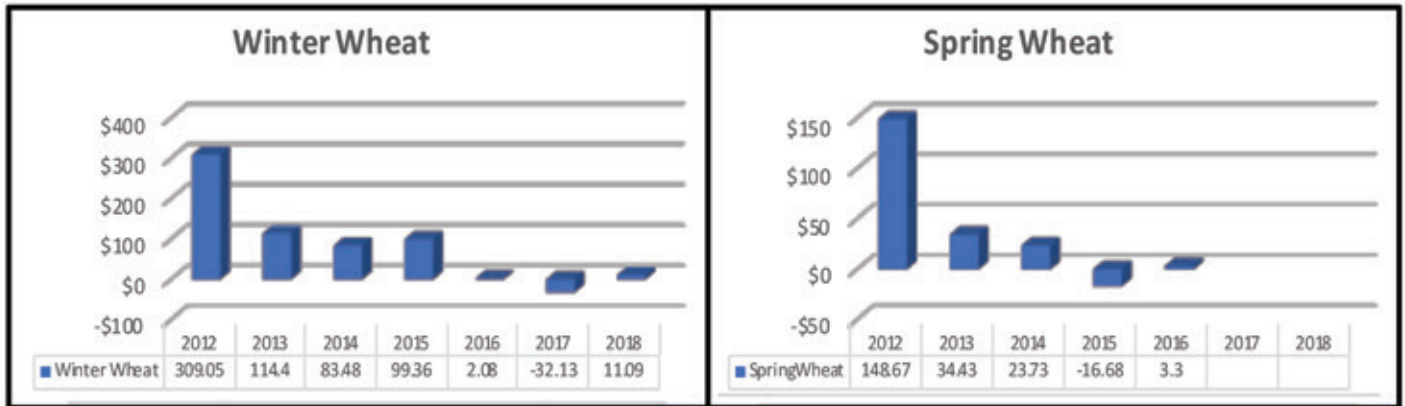
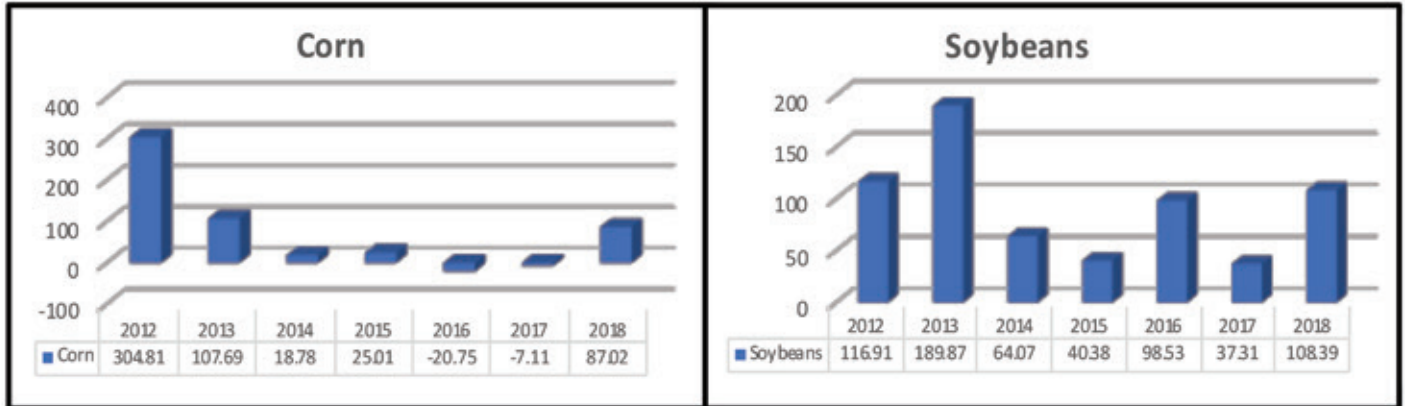
### Return on Farm Equity



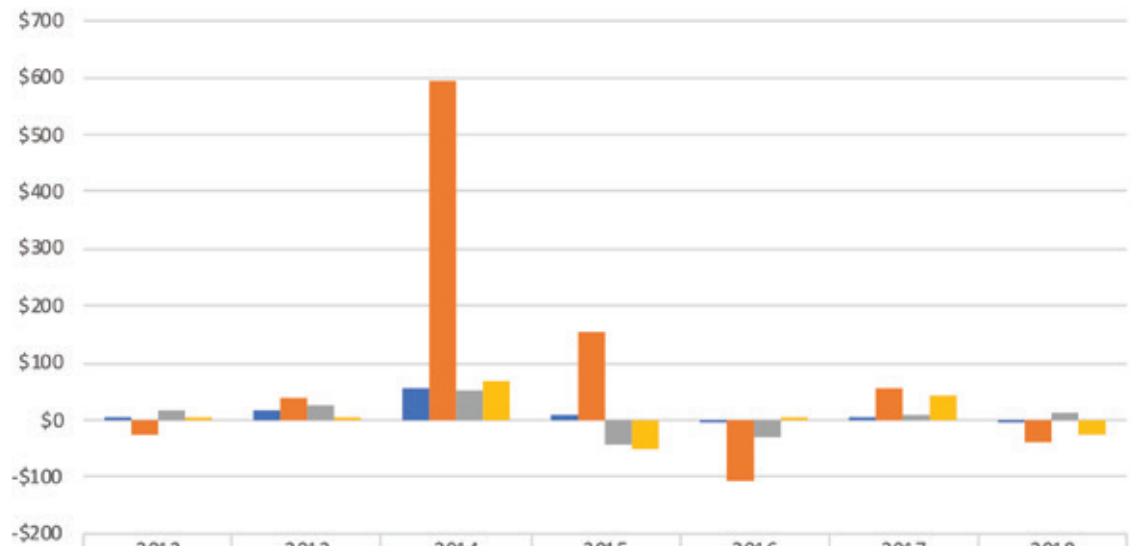
# Crop Yield History



## Return Over All Costs / Per Acre

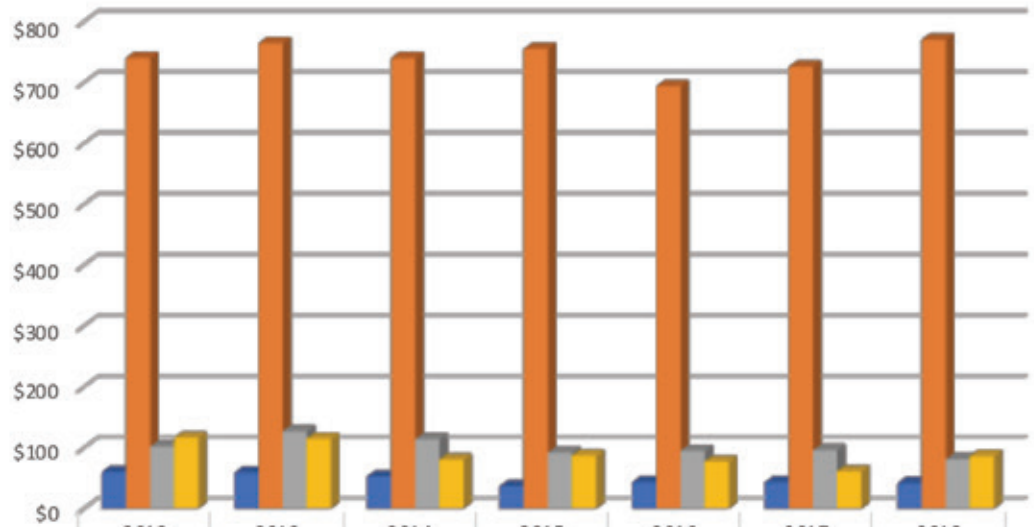


## Livestock - Net Return Per Unit



	2012	2013	2014	2015	2016	2017	2018
Hogs, Finishing \$/Cwt.	1.71	15.8	56.03	8.148	-1.65	3.42	-3.32
Beef Cow-Calf \$/Cow	-27.05	36.63	596.55	152.23	-106.23	54.81	-40.73
Beef Backgrounding \$/Cwt.	16.66	26.07	52.32	-44.85	-28.37	8.73	10.94
Beef Finishing \$/Cwt.	5.9	2.52	67.58	-49.87	2.46	41.42	-24.78

## Livestock - Total Cost Per Unit



	2012	2013	2014	2015	2016	2017	2018
Hogs, Finishing \$/Cwt.	60.03	58.89	52.34	36.78	42.89	42.93	41.65
Beef Cow-Calf \$/Cow	740.05	764.07	739.87	755.04	698.81	725.85	770.04
Beef Backgrounding \$/Cwt.	101.67	126.83	113.75	91.6	94.61	95.71	80.62
Beef Finishing \$/Cwt.	116.43	114.59	80.16	86.92	76.96	61.06	86.34





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