



Missouri

2018

Farm Business Management Analysis Record Summary

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Agricultural Education and Leadership
Division of Applied Social Sciences
College of Agriculture, Food and Natural Resources
University of Missouri - Columbia

EXECUTIVE SUMMARY
2018 ANNUAL REPORT OF MISSOURI
FARM BUSINESS MANAGEMENT ANALYSIS PROGRAM

By
Bruce Fowler, Missouri FBMA Specialist

The average net farm income (NFI) for the 115 farms included in the 2018 annual report of the Missouri Farm Business Management Analysis Program was \$58,039. As is the case every year, there was a wide range in income among program participants. The lowest 20% of the farms (23) showed an average NFI of -\$67,538, while the highest 20% (23) averaged \$245,073. Of the 115 farms, 25 had a negative net farm income.

Median net farm income, or the income earned by the middle farm, was \$33,060.

2018 Distribution of Net Farm Income (Cost)
(NFI from all farms are included in the Median and Average figures.)

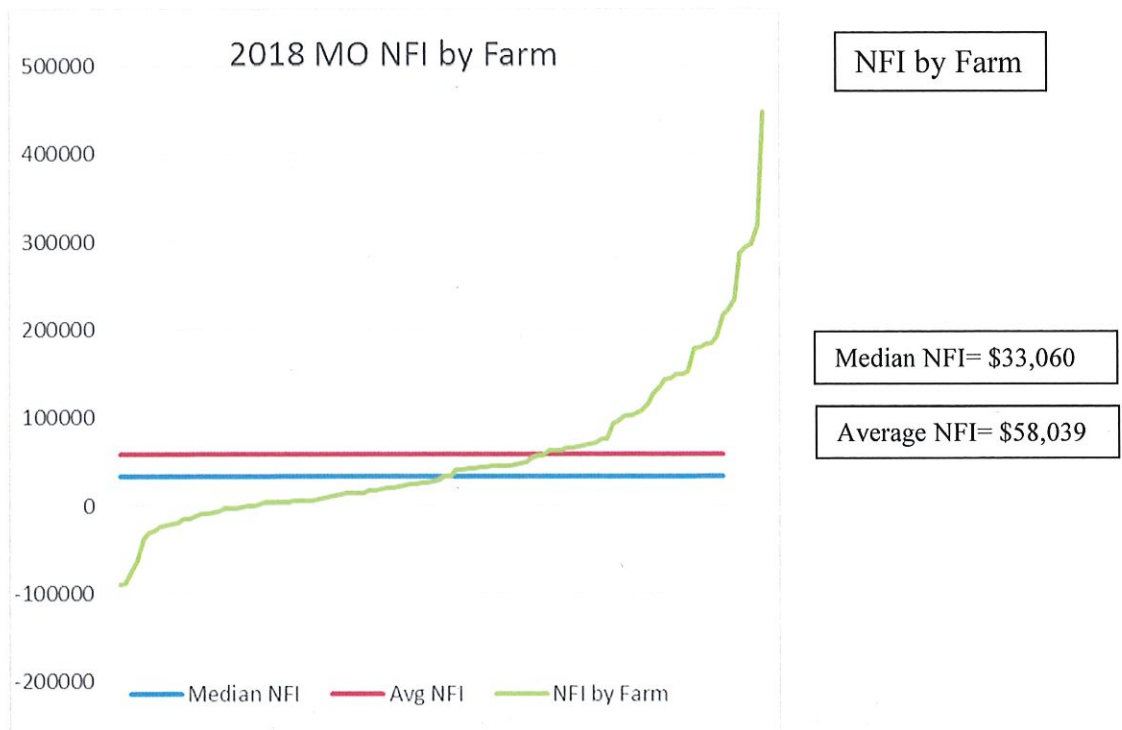


Figure 1

Highlights

- The average age of the operator on the 115 FBMA farms was 53.3 years, with a range from 94 years old down to 20 years old. The average years in farming was 29.9 years, with a range from 75 years to 2 years.
- The net farm income/unpaid labor hour averaged \$37.42 and ranged from -\$50.50 in the low profit group to \$118.49 in the high profit group. This figure is used for comparison to a per-hour wage in non-farm occupations. Average hourly hired labor wage paid was \$20.34.

- Government payments (including CRP, but not crop insurance proceeds) averaged \$30,385, representing approximately 5.15% of the gross cash farm income. This is nearly double the 2.99% that government payments were of 2017 GFCI.
- The relationship of farm income and expense sources as compared to gross farm income and total farm expenses maintains a very durable pattern from year to year. Even though some new farms are added to the group each year while others drop out, the income and expense patterns change slowly.
 - As an example, the only two income sources increased their share of the total by more than two percentage points from 2017. Government Payments increased from 3% in 2017 to 5.1% in 2018, and Dairy income increased from zero in 2017 to 2.8% in 2018. Dairy income was 3.32% of gross income in 2016. Corn income was the only income source that decreased by more than two percentage points dropping to 19.5% in 2018 from 23.7% of gross income in 2017. All other income sources remained within two percent of where they were in 2017.
 - While total expenses increased by 13.7% from 2017 to 2018, no expense sources changed by more than 2% from 2017 to 2018.

2018 Missouri FBMA Income Sources

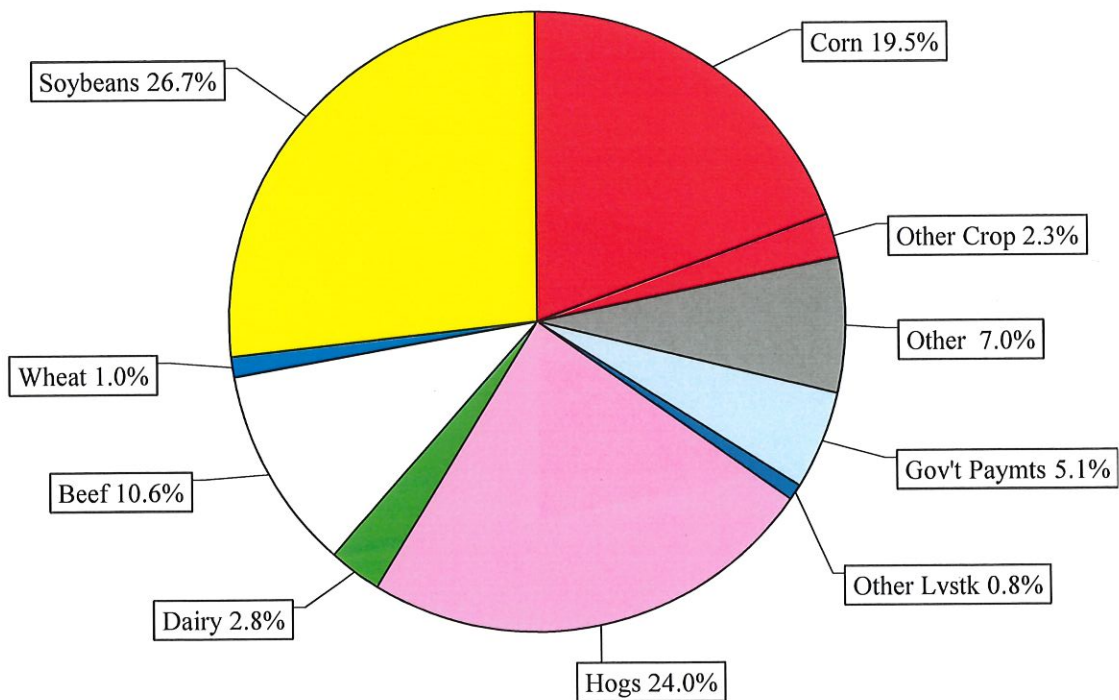


Figure 2

2018 Missouri FBMA Expense Sources

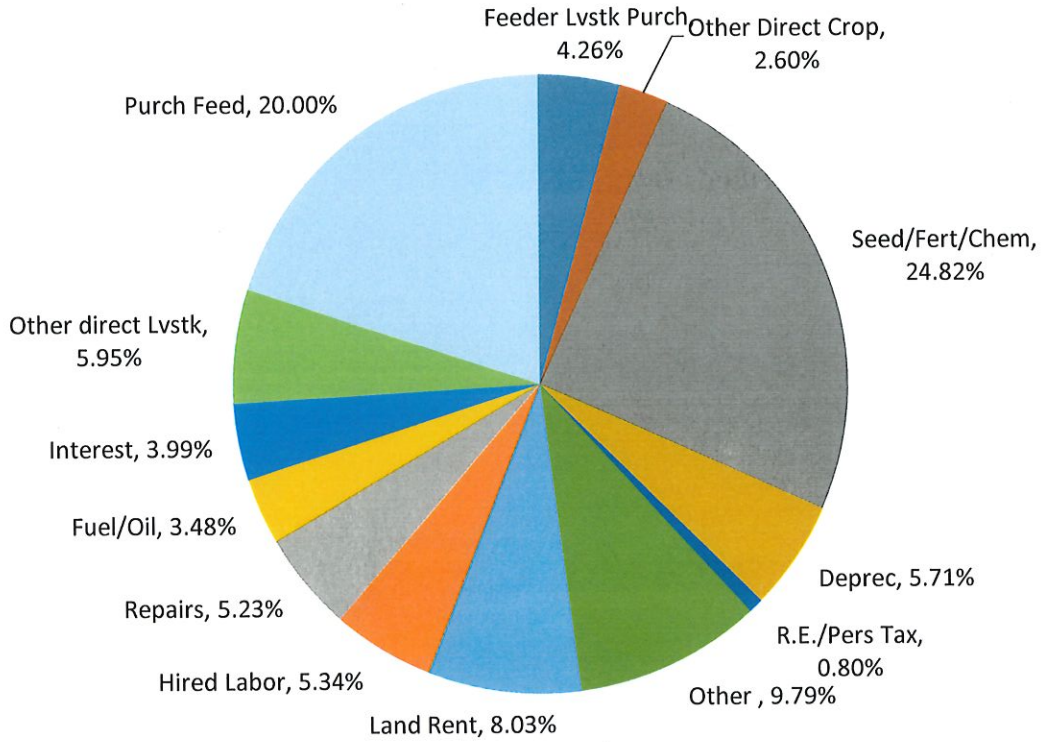


Figure 3

- The average rates of returns on assets (ROA) and equity (ROE) increased in comparing 2018 to 2017. ROA nearly doubled, moving from 1.2% in 2017 to 2.3% in 2018. ROE also increased significantly, increasing from 0.3% in 2017 to 1.3%.

2018 Rate of Return on Assets by Type (Cost)

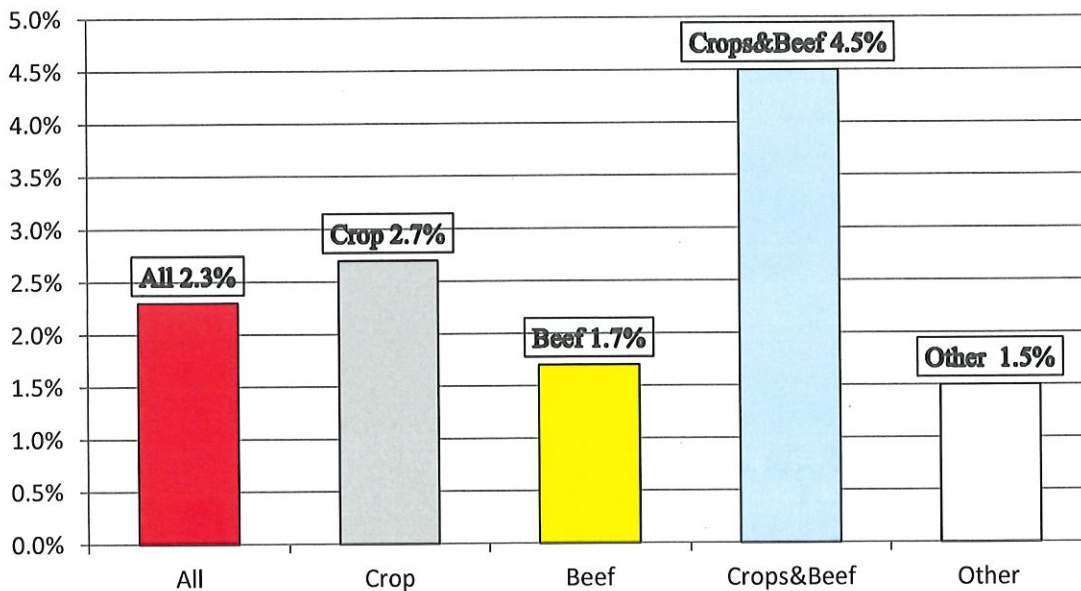


Figure 4

- On the cost balance sheet, the average farm reported net worth increase of \$47,147. The average farm market value balance sheet increased \$84,449. The average farm debt to asset ratio (farm) was 23% at market values and 31% at cost values. The average farm borrowed \$271,293 and paid \$214,241 in principal payments in 2018.

2018 Rate of Return on Assets by Type (Market)

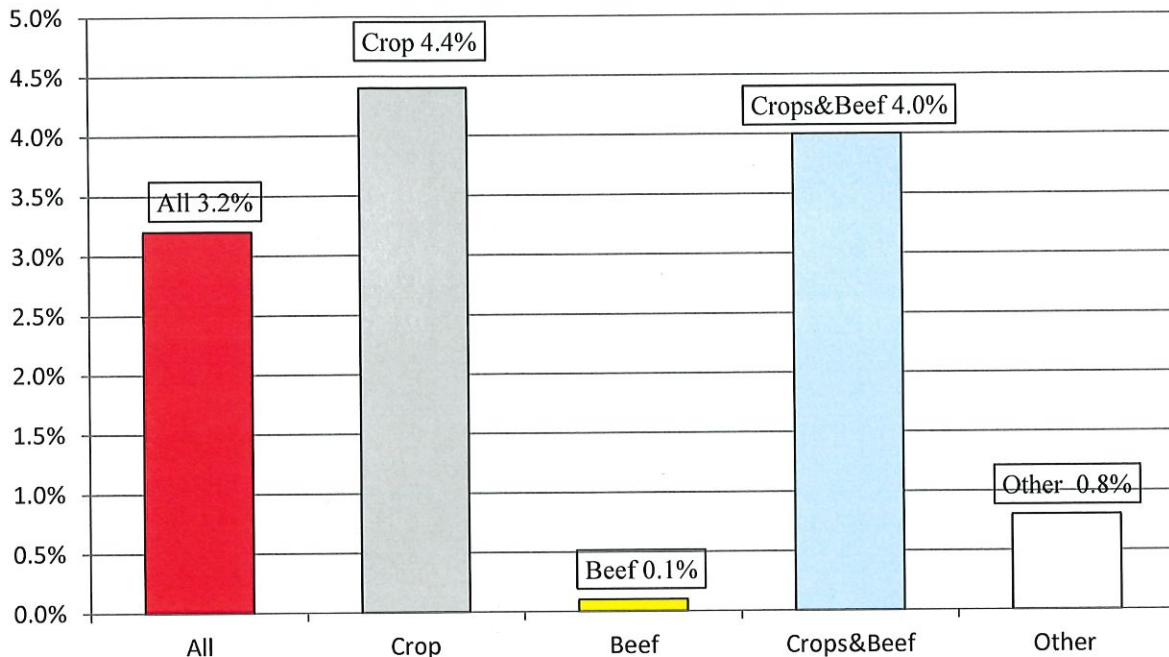


Figure 5

- Average gross cash income increased 14.5% from 2017, while cash expenses increased by 13.7 %.
- Crop sales accounted for 54.7% (including government payments) of gross income (down from 57% in 2017), while livestock sales were 38.3% (up from 36.5% in 2017).

Crops

- Corn yields averaged 142.1 bushels per acre, over 22 bushels lower than the 164.5 bushel average in the 2017 crop. Soybeans yields decreased to 49.16 bushels per acre, nearly 3 bushels per acre less than 51.7 bushels per acre in 2017. Wheat yields decreased from 78.42 bushels per acre in 2017 to 54.98 bushels per acre in 2018.
- The average price received for a bushel of corn in 2018 was \$3.42, a \$.01 increase over the previous year's price of \$3.41. The average price received for soybeans in 2017 moved from \$9.48 in 2017 to 9.44 in 2018, a \$.04 decrease. Wheat prices averaged \$4.90 in 2018, a \$.45 increase from the 2017 average of \$4.45. A major increase was also seen in the price received for mixed grass hay in 2018, moving from \$66.99 per ton in 2017 to \$88.73 per ton in 2018.

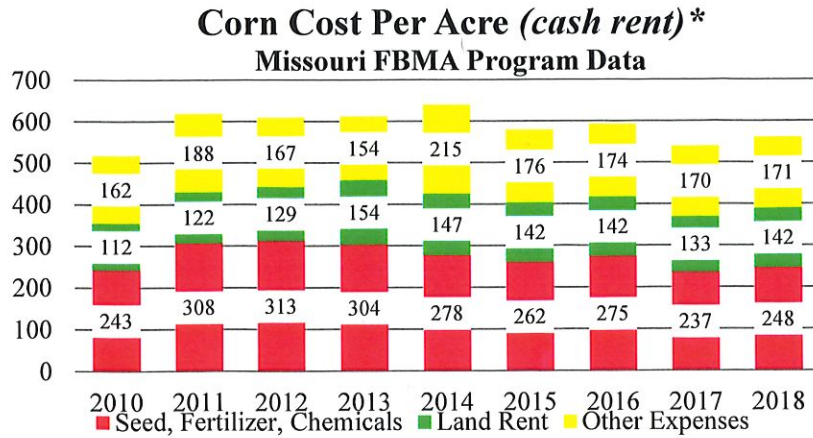


Figure 6

* FBMA farms that included a complete crop enterprise analysis, including all direct and overhead costs (31 farms with cash rent corn in 2018).

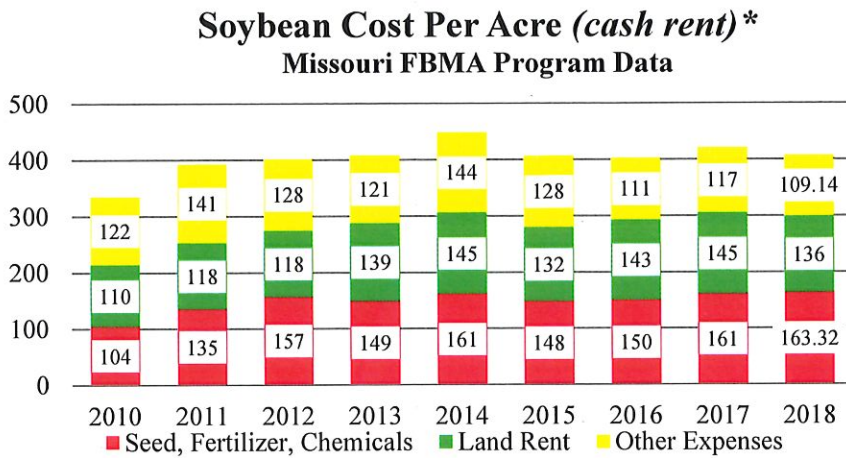


Figure 7

* FBMA farms that included a complete crop enterprise analysis, including all direct and overhead costs (34 farms with cash rent soybeans in 2018).

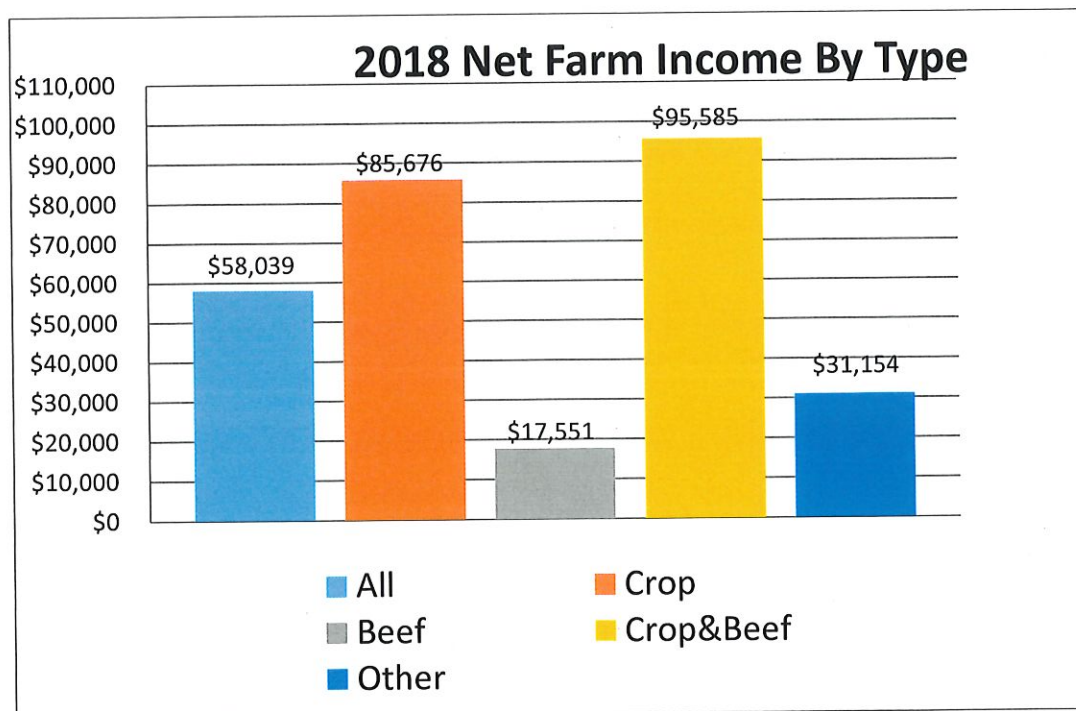
Livestock

- Average price received per hundred weight for the beef cow-calf enterprise increased to \$165.59 in 2018 from \$142.78 in 2017. The average weight of beef calves sold in 2018 was 540 pounds compared to 619 pounds average in 2017. 26 farms completed a beef cow-calf enterprise analysis in 2018.
- 6 farms completed a sheep-market lamb production enterprise analysis for 2018. These farms had a return over direct and overhead expenses of \$81.06 per ewe, an increase of almost \$33 over \$48.29 in 2017, and a return over all costs (including labor and

management) of \$34.77 per ewe, an over \$35 improvement compared to -\$1.61 return over all costs per ewe for that enterprise in 2017.

Observations from the 2018 Summary

- Even though making comparisons between annual record summaries is imperfect when a few farms drop out and new farms are added each year, a large percentage of the farms in the summary are the same ones as 2017, so it is reasonable to make several general observations when comparing this year's summary to 2017.
- With much of Missouri experiencing some level of drought during the 2018 growing season, lower crop yields are to be expected in this summary. Corn yields range from 250 bushels per acre to zero, and soybean yields from nearly 83 bushels per acre to zero.
- Drought conditions and poor hay growing conditions in 2018 combined to make for a very challenging year for Missouri FBMA cow-calf producers. Less pasture was fed in 2018, with more hay and other feedstuffs fed to the enterprise. The average calf was sold at 540 pounds, nearly 80 pounds less than the average calf in 2017. The 25 farms reporting a cow-calf enterprise reported an average return over direct expenses of \$162.73, nearly \$33 more than \$129.29 return over direct in 2017.
- The 115 farms in the report were classified by type (e.g. crop, beef, hog) on the basis of having at least 70% of gross sales in each category (reference page 39). Using this 70% rule, there were 56 crop farms, 15 beef farms, 20 crop and beef farms, and 14 "other" farms. "Other" farms were those that did not have a single source (or pair of sources) of income over 70%. Also, when there are less than four farms with a single source of income over 70%, they are not reported as a group.



* Groups of less than four farms are not reported here.

Figure 8

Key Points and Limitations in Interpreting the Data

1. There is a wide range in size and type of farms included in the group of 115. A few large farms can have considerable input on the averages, particularly when sorted down to a small number for comparison (e.g. five hog enterprises or five wheat enterprises).
2. Farm financial information throughout the report was carefully checked for complete and defensible farm data. However, the non-farm income and expenses and non-farm assets and liabilities, while complete on many farms, were incomplete on a number of others, making any data resulting from non-farm information less useful for accurate comparisons.
3. Naturally, the greater the number of farms or enterprises in a database, the more reliable the output information will be. Consequently, when as small a group as five farms is averaged for crop or livestock enterprise data, comparisons are more limited than for a larger group.
4. People often think of farm operations as one-family units, but it's important to note that many of the farms in the group represented here provide the primary livelihood for more than one family.

***2018 ANNUAL REPORT OF MISSOURI FARM BUSINESS MANAGEMENT ANALYSIS PROGRAM**

By

Bruce Fowler, Missouri FBMA Specialist

This report summarizes the individual farm records of the cooperators of the Missouri Farm Business Management Analysis (FBMA) Program for 2018. The Farm Business Management Analysis Program is a component of the public school agriculture offerings for adults. The state of Missouri, through the Division of College and Career Readiness of the Department of Elementary and Secondary Education provided funds in support of the program. The staff of the Department of Agricultural Education and Leadership at the University of Missouri developed the program and worked with staff in the Department of Elementary and Secondary Education in implementing the program.

The purpose of FBMA is to help farm families achieve their farm business and family goals through improved management, organization, and efficiency of their farm businesses. To accomplish the purpose, local adult agricultural education instructors assist enrollees in establishing a solid accounting system, make regular on-site visits to enrollees' farms to assist in developing strategies to improve the profitability of the farm business, teach in-depth classes relating to farm business management skills, and use FinPack along with the enrollees' accounting program to complete an annual analysis of records, providing a comparative database for assisting in management decisions.

Whole-farm financial information and enterprise costs and returns are reported. The year-end analysis of the individual farms was performed by local adult agriculture instructors of Missouri. The individual analyses were checked and summarized by Bruce Fowler, FBMA Specialist. Tables in this report were created using FinPack and RankEm Central, copyrighted software of the Center for Farm Financial Management, University of Minnesota.

Data from 115 Missouri farms are included in this report. Additional farms' records were submitted, but omitted from the summary because of incomplete information at the time the report was prepared.

All of the farms in the Missouri database submitted information for a *whole farm* financial analysis. A smaller number submitted data for complete *crop and livestock enterprise* analyses in addition to the whole farm data. This summary includes crop and livestock reports on each enterprise with four or more farms submitting complete enterprise records.

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**Missouri Farm Business Management Analysis Program
Program Locations – 2018**

Central / South Central / Southwest

| | |
|--------------------|--------------------|
| Boonville | John Sponaugle |
| California | Dale Hodges |
| Fatima/ Westphalia | John Juergensmeyer |
| Lebanon | Craig Evans |
| Santa Fe (Alma) | Brittany Hemme |
| Sweet Springs | Dennis Dohrman |

Northeast

| | |
|--------------------|---------------|
| Edina (Knox Co.) | Joanie Baker |
| Kirksville | Tom Primmer |
| Mexico | Ted DeVault |
| Monroe City | Steve Yates |
| North Shelby | Jenny Bradley |
| Pike/Lincoln Tech | Mike McCrory |
| Ralls Co. (Center) | Joe Dameron |

Northwest

| | |
|-------------|--------------------------------|
| Chillicothe | Michael Slater & Jim Grozinger |
| Maryville | Jackie Lacy |

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Whole-Farm Report

The whole-farm report summarizes the financial performance of FBMA member farms in 2018. Each table includes the average of the 115 farms included in the report and the average of five equally divided brackets from the lowest to highest profits (based on Net Farm Income). Appendix I provides detail on how the whole-farm measures are calculated. Below is a short summary of the whole farm reports.

Farm Income Statement

The Income Statement calculates the accrual Net Farm Income generated by the average farm for year 2018. Net Farm Income represents the return to the operator's and family's unpaid labor, management, and equity capital (net worth). It is the amount the farm contributed to owner family living, income taxes, and net worth growth. However, it does not include any asset appreciation, debt forgiveness or asset repossessions. The *Inventory Changes* and *Depreciation and Other Capital Adjustments* tables provide further detail on the non-cash adjustments made to calculate the accrual Net Farm Income.

Profitability Measures

The profitability measures are calculated based on both the cost value of assets and the market value. When calculated based on the market value of assets, the profitability measures can be compared to interest rates and returns available on alternative investments. When based on cost values, the returns more closely estimate the actual returns from the actual investment. (Cost values do not necessarily reflect the tax basis of farm assets. Instead, a method of calculating depreciation is used that estimates economic depreciation over the useful life of the assets).

The *Rate of Return on Assets* (ROA) can be thought of as the interest rate earned by all investment in farm assets. *Rate of Return on Equity* (ROE) is the rate earned on the operator's equity or net worth in the farm business. If ROE is higher than ROA, borrowed funds more than paid for their cost in interest expense. *Operating Profit Margin* measures efficiency in farm operations. The higher the margin, the more of the farm income remained in pockets of the farm operator. *Asset Turnover Rate* measures efficiency in use of capital. Again, the higher the better. Farms with high investment in fixed assets will generally have a lower turnover rate than those who lease a major share of their capital.

Liquidity Measures

Liquidity reflects the ability of the farm family to meet cash obligations including family living withdrawals, income taxes, and debt repayment. *Current Ratio* is current farm assets divided by current farm liabilities. *Working Capital* is current farm assets minus current farm liabilities. Businesses with more working capital are generally in a better position to overcome short-term financial downturns or production problems. Working Capital to Gross Income measures liquidity relative to business size.

Repayment capacity measures the ability of the business to meet debt payments and replace capital assets. The *Term Debt Coverage Ratio* reflects the ability of the business to repay intermediate and long term liabilities. A term debt coverage ratio of greater than 1.0 indicates that the business produced more than enough earnings to meet its scheduled debt payments. The *Replacement Coverage Ratio* is an indication of the business's capital replacement capacity. A replacement coverage ratio of greater than 1.0 indicates that the business produced more than enough earnings to meet its payments and replace its depreciable assets.

Balance Sheets

Balance sheet reports are included for both the cost and market value of assets. In both tables, current assets are identical, with crop and livestock inventories generally valued at market value. This conforms to the methodology recommended by the Farm Financial Standards Council. Intermediate and long term assets are shown at depreciated value using estimated economic depreciation, not tax, on the cost-based table. On the market table, they are valued at estimated market value.

Liabilities are the same on the cost and market tables.

Net Worth Change on the cost value table is the amount of earned net worth growth or loss for the year. Net worth change on the market value table includes both earned growth and changes in the market valuation of capital assets.

Statement of Cash Flows

The statement of Cash Flows displays the sources and uses of cash for the year. *Cash From Operating Activities* includes sources and uses of cash related to normal farm operations. *Cash From Financing Activities* reflect cash used to buy and sell capital assets. *Cash From Financing Activities* includes sources and uses of borrowed funds as well as cash from non-farm activities.

Financial Standards Measures

The Farm Financial Standards Council recommends that farms use these measures as standard measures of farm financial performance. Many are repeated from the Profitability, Liquidity, and Balance Sheet tables. For a complete description, see the Financial Guidelines for Agricultural Producers at www.ffsc.org/html/guidelin.htm.

Crop Production and Marketing

This table reports farm size in acres farmed, average crop yields for major commodities and average crop sales prices for the calendar year. Yields and prices are reported for the average of all farms for more commodities than those included in the High and Low columns because a minimum of four farms are required to report the yield or price for any group.

Household and Personal Expenses

This table reports family living and other non-farm expenditures from thirteen sole proprietors who provided detailed family living records.

Operator and Labor Information

All previous tables report results per farm, regardless of the number of families or operators involved in the operation. This report repeats several measures from previous tables on a *Per Operator* basis. It also summarizes estimated labor hours used and labor performance.

Financial Summary

The Financial Summary report provides a summary of the key financial measures and ratios included on the other detailed whole farm reports.

Farm Income Statement
2018 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

| | <u>Avg. Of All Farms</u> | <u>Low 20%</u> | <u>20 - 40%</u> | <u>40 - 60%</u> | <u>60 - 80%</u> | <u>High 20%</u> |
|------------------------------------|------------------------------|----------------|-----------------|-----------------|-----------------|-----------------|
| Number of farms | 115 | 23 | 23 | 23 | 23 | 23 |
| Cash Farm Income | | | | | | |
| Corn | 114,251 | 44,939 | 61,205 | 122,443 | 122,333 | 220,336 |
| Corn Silage | 777 | - | 184 | - | - | 3,702 |
| CRP | 785 | 505 | - | 1,217 | 204 | 1,998 |
| Grass Seed, Tall Fescue | 26 | 131 | - | - | - | - |
| Hay, Alfalfa | 92 | - | 438 | - | - | 21 |
| Hay, Mixed | 1,472 | 1,431 | 881 | 1,982 | 1,006 | 2,061 |
| Oats | 138 | 163 | - | 163 | 190 | 174 |
| Pasture | 41 | - | - | 207 | - | - |
| Soybeans | 157,837 | 114,994 | 84,592 | 149,359 | 143,173 | 297,066 |
| Wheat, Winter | 6,160 | 5,116 | 503 | 6,270 | 11,090 | 7,821 |
| Custom Work | 2,818 | 1,489 | 1,413 | 1,317 | 1,600 | 8,271 |
| Rented Out | 1,954 | 680 | 6,109 | 1,043 | - | 1,936 |
| Miscellaneous crop income | 1,256 | 208 | 634 | 737 | 1,103 | 3,596 |
| Beef Bulls | 188 | - | - | 942 | - | - |
| Beef Cow-Calf, Beef Calves | 24,836 | 37,664 | 18,986 | 15,768 | 17,596 | 34,168 |
| Beef Replacement Heifers | 1,218 | - | - | - | - | 6,088 |
| Beef Backgrounding | 12,449 | 27,063 | 817 | 26,701 | 7,661 | - |
| Beef Finishing | 24,095 | - | 61,847 | 19,182 | 22,751 | 16,696 |
| Dairy, Milk | 3,912 | 19,561 | - | - | - | - |
| Dairy Finishing | 1,415 | - | - | - | - | 7,075 |
| Hogs, Farrow To Finish, Raised Hog | 141,931 | 635,722 | 10,302 | 685 | 33,814 | 29,130 |
| Sheep, Market Lamb Prod, Mkt Lambs | 1,856 | 100 | 6,467 | - | 2,526 | 187 |
| Dairy Feeder | 10,938 | - | - | - | - | 54,689 |
| Dairy Backgrounding | 284 | 1,420 | - | - | - | - |
| Cull breeding livestock | 2,389 | 1,121 | 3,066 | 1,313 | 2,112 | 4,332 |
| Misc. livestock income | 554 | 600 | 133 | 351 | 1,685 | - |
| CCC market loan gain | 1,749 | - | - | 3 | 8,744 | - |
| Crop government payments | 11,585 | 4,859 | 5,792 | 11,117 | 11,148 | 25,010 |
| CRP payments | 294 | 101 | - | 528 | 109 | 730 |
| Livestock govt payments | 1,312 | 3,202 | - | 929 | 406 | 2,025 |
| Other government payments | 14,660 | 14,837 | 7,977 | 5,865 | 12,905 | 31,718 |
| Custom work income | 8,749 | 16,230 | 3,082 | 2,179 | 7,013 | 15,241 |
| Patronage dividends, cash | 8,860 | 7,767 | 1,208 | 3,926 | 4,510 | 26,891 |
| Crop insurance income | 10,577 | 8,498 | 18,615 | 7,401 | 7,571 | 10,801 |
| Property insurance income | 243 | 166 | 1 | 34 | 173 | 838 |
| Sale of resale items | 3,366 | 5,245 | 1,924 | 4,788 | 3,103 | 1,769 |
| Livestock insurance inc | 82 | - | 50 | - | - | 358 |
| Other farm income | 15,399 | 10,283 | 5,520 | 18,240 | 12,061 | 30,890 |
| Gross Cash Farm Income | 590,547 | 964,095 | 301,745 | 404,689 | 436,590 | 845,617 |

Farm Income Statement (continued)
2018 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

| | <u>Avg. Of All Farms</u> | <u>Low 20%</u> | <u>20 - 40%</u> | <u>40 - 60%</u> | <u>60 - 80%</u> | <u>High 20%</u> |
|---------------------------------|------------------------------|----------------|-----------------|-----------------|-----------------|-----------------|
| Number of farms | 115 | 23 | 23 | 23 | 23 | 23 |
| Cash Farm Expense | | | | | | |
| Seed and plants | 45,855 | 26,924 | 27,043 | 42,005 | 57,367 | 75,937 |
| Fertilizer | 50,389 | 27,141 | 28,426 | 52,089 | 53,188 | 91,104 |
| Crop chemicals | 37,891 | 24,148 | 37,685 | 35,899 | 32,367 | 59,354 |
| Crop insurance | 10,344 | 7,087 | 8,674 | 10,167 | 10,266 | 15,528 |
| Drying expense | 223 | 50 | 7 | 263 | 453 | 342 |
| Crop storage | 837 | 780 | 2 | 1,667 | 773 | 965 |
| Irrigation energy | 178 | - | - | - | - | 892 |
| Crop miscellaneous | 2,461 | 1,237 | 566 | 1,814 | 799 | 7,891 |
| Feeder livestock purchase | 23,003 | 25,238 | 30,341 | 25,081 | 13,861 | 20,493 |
| Livestock storage | 611 | 2,309 | 4 | 293 | 57 | 390 |
| Purchased feed | 108,089 | 426,957 | 34,142 | 13,631 | 26,227 | 39,485 |
| Breeding fees | 3,441 | 16,538 | 78 | 76 | 43 | 472 |
| Veterinary | 10,175 | 35,872 | 1,519 | 1,864 | 5,633 | 5,989 |
| Supplies | 1,831 | 3,504 | 2,127 | 1,348 | 948 | 1,226 |
| Contract production exp. | 17,874 | 88,382 | - | 990 | - | - |
| Livestock insurance | 61 | 17 | 271 | - | 15 | - |
| Govt program expense | 83 | 412 | 2 | - | - | - |
| Interest | 21,578 | 36,063 | 8,930 | 7,478 | 16,399 | 39,023 |
| Fuel & oil | 18,815 | 13,707 | 9,241 | 14,746 | 20,924 | 35,457 |
| Repairs | 28,245 | 29,207 | 11,907 | 22,878 | 23,712 | 53,523 |
| Custom hire | 9,706 | 7,248 | 4,754 | 9,569 | 12,890 | 14,069 |
| Hired labor | 28,875 | 73,083 | 8,585 | 11,302 | 13,662 | 37,744 |
| Land rent | 43,412 | 31,104 | 18,257 | 44,182 | 39,551 | 83,968 |
| Machinery leases | 2,349 | 3,214 | 770 | 3,155 | 4,041 | 565 |
| Building leases | 381 | 23 | - | 209 | 1,046 | 628 |
| Real estate taxes | 3,069 | 3,451 | 1,105 | 2,020 | 3,157 | 5,610 |
| Personal property taxes | 1,247 | 511 | 1,076 | 968 | 899 | 2,780 |
| Farm insurance | 8,514 | 8,541 | 4,554 | 6,022 | 8,392 | 15,058 |
| Utilities | 7,851 | 19,812 | 4,253 | 3,601 | 5,458 | 6,131 |
| Marketing | 5,748 | 26,340 | 102 | 437 | 729 | 1,130 |
| Dues & professional fees | 2,839 | 4,257 | 958 | 1,099 | 3,266 | 4,618 |
| Purchase of resale items | 2,271 | 3,782 | 1,827 | 5,003 | 742 | - |
| Miscellaneous | 11,354 | 16,055 | 7,590 | 9,630 | 7,600 | 15,895 |
| Total cash expense | 509,600 | 962,994 | 254,793 | 329,485 | 364,464 | 636,265 |
| Net cash farm income | 80,947 | 1,101 | 46,952 | 75,203 | 72,125 | 209,352 |
| Inventory Changes | | | | | | |
| Prepays and supplies | -2,791 | -16,973 | -3,107 | 6,538 | 6,928 | -7,340 |
| Accounts receivable | 10,922 | 5,535 | 818 | 9,751 | 13,398 | 25,108 |
| Hedging accounts | 2,117 | 7,231 | - | -804 | 1,359 | 2,799 |
| Other current assets | -556 | -1,493 | -810 | 107 | -541 | -44 |
| Crops and feed | -7,084 | -26,244 | -7,708 | -23,191 | -2,437 | 24,159 |
| Market livestock | 550 | -12,462 | 1,778 | 2,239 | 6,603 | 4,594 |
| Breeding livestock | 2,211 | 11,547 | -2,813 | -3,214 | 3,164 | 2,373 |
| Other assets | 993 | - | -2,579 | - | -1,385 | 8,927 |
| Accounts payable | -1,353 | -4,138 | 143 | 397 | -153 | -3,011 |
| Accrued interest | -2,474 | -1,710 | -1,409 | -3,357 | -1,928 | -3,967 |
| Total inventory change | 2,535 | -38,708 | -15,686 | -11,534 | 25,006 | 53,597 |
| Net operating profit | 83,482 | -37,606 | 31,266 | 63,669 | 97,132 | 262,949 |
| Depreciation | | | | | | |
| Machinery and equipment | -24,435 | -17,880 | -15,167 | -28,498 | -24,205 | -36,426 |
| Titled vehicles | -2,688 | -3,519 | -2,180 | -1,471 | -906 | -5,365 |
| Buildings and improvements | -3,714 | -1,057 | -2,510 | -1,190 | -2,069 | -11,742 |
| Total depreciation | -30,837 | -22,455 | -19,857 | -31,158 | -27,180 | -53,534 |
| Net farm income from operations | 52,645 | -60,062 | 11,409 | 32,511 | 69,952 | 209,415 |
| Gain or loss on capital sales | 5,394 | -7,476 | -3,701 | 238 | 2,251 | 35,657 |
| Net farm income | 58,039 | -67,538 | 7,708 | 32,749 | 72,203 | 245,073 |

Inventory Changes
2018 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

| | <u>Avg. Of All Farms</u> | <u>Low 20%</u> | <u>20 - 40%</u> | <u>40 - 60%</u> | <u>60 - 80%</u> | <u>High 20%</u> |
|--------------------------------------|------------------------------|----------------|-----------------|-----------------|-----------------|-----------------|
| Number of farms | 115 | 23 | 23 | 23 | 23 | 23 |
| Net cash farm income | 80,947 | 1,101 | 46,952 | 75,203 | 72,125 | 209,352 |
| Crops and Feed | | | | | | |
| Ending inventory | 222,951 | 117,756 | 84,819 | 170,283 | 240,612 | 501,287 |
| Beginning inventory | 230,036 | 144,000 | 92,527 | 193,474 | 243,050 | 477,128 |
| Inventory change | -7,084 | -26,244 | -7,708 | -23,191 | -2,437 | 24,159 |
| Market Livestock | | | | | | |
| Ending inventory | 103,270 | 246,497 | 51,196 | 48,501 | 58,008 | 112,149 |
| Beginning inventory | 102,720 | 258,959 | 49,418 | 46,262 | 51,405 | 107,555 |
| Inventory change | 550 | -12,462 | 1,778 | 2,239 | 6,603 | 4,594 |
| Accts Receivable | | | | | | |
| Ending inventory | 18,950 | 21,545 | 2,790 | 11,272 | 16,002 | 43,139 |
| Beginning inventory | 8,028 | 16,009 | 1,972 | 1,521 | 2,604 | 18,031 |
| Inventory change | 10,922 | 5,535 | 818 | 9,751 | 13,398 | 25,108 |
| Prepaid Expenses and Supplies | | | | | | |
| Ending inventory | 35,632 | 5,232 | 6,248 | 39,035 | 56,851 | 70,793 |
| Beginning inventory | 38,423 | 22,205 | 9,355 | 32,497 | 49,924 | 78,133 |
| Inventory change | -2,791 | -16,973 | -3,107 | 6,538 | 6,928 | -7,340 |
| Hedging Activities | | | | | | |
| Ending inventory | 1,687 | 3,507 | - | 870 | 1,401 | 2,656 |
| Withdrawals | 7,039 | 33,043 | - | - | 194 | 1,957 |
| Beginning inventory | 1,469 | 4,972 | - | 587 | 87 | 1,697 |
| Deposits | 5,140 | 24,348 | - | 1,087 | 150 | 117 |
| Gain or loss | 2,117 | 7,231 | - | -804 | 1,359 | 2,799 |
| Other Current Assets | | | | | | |
| Ending inventory | 3,882 | 3,810 | 2,676 | 3,090 | 4,633 | 5,200 |
| Beginning inventory | 4,438 | 5,303 | 3,486 | 2,982 | 5,174 | 5,244 |
| Inventory change | -556 | -1,493 | -810 | 107 | -541 | -44 |
| Breeding Livestock | | | | | | |
| Ending inventory | 71,794 | 110,350 | 60,576 | 47,986 | 50,506 | 89,551 |
| Capital sales | 5,103 | 17,346 | 1,745 | 587 | 2,935 | 2,903 |
| Beginning inventory | 68,325 | 105,656 | 60,554 | 44,520 | 47,625 | 83,271 |
| Capital purchases | 6,361 | 10,494 | 4,580 | 7,267 | 2,653 | 6,810 |
| Depreciation, capital adjust | 2,211 | 11,547 | -2,813 | -3,214 | 3,164 | 2,373 |
| Other Capital Assets | | | | | | |
| Ending inventory | 112,675 | 64,538 | 52,710 | 1,717 | 11,594 | 432,815 |
| Capital sales | - | - | - | - | - | - |
| Beginning inventory | 108,902 | 53,015 | 55,154 | 1,717 | 10,928 | 423,696 |
| Capital purchases | 2,780 | 11,523 | 135 | - | 2,051 | 192 |
| Depreciation, capital adjust | 993 | - | -2,579 | - | -1,385 | 8,927 |
| Accounts Payable | | | | | | |
| Beginning inventory | 7,789 | 29,779 | 143 | 4,766 | 348 | 3,909 |
| Ending inventory | 9,142 | 33,917 | - | 4,369 | 501 | 6,921 |
| Inventory change | -1,353 | -4,138 | 143 | 397 | -153 | -3,011 |
| Accrued Interest | | | | | | |
| Beginning inventory | 5,882 | 5,125 | 4,043 | 4,190 | 3,929 | 12,123 |
| Ending inventory | 8,356 | 6,835 | 5,452 | 7,547 | 5,857 | 16,091 |
| Inventory change | -2,474 | -1,710 | -1,409 | -3,357 | -1,928 | -3,967 |
| Total inventory change | 2,535 | -38,708 | -15,686 | -11,534 | 25,006 | 53,597 |
| Net operating profit | 83,482 | -37,606 | 31,266 | 63,669 | 97,132 | 262,949 |

Depreciation
2018 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

| | <u>Avg. Of All Farms</u> | <u>Low 20%</u> | <u>20 - 40%</u> | <u>40 - 60%</u> | <u>60 - 80%</u> | <u>High 20%</u> |
|-----------------------------------|------------------------------|----------------|-----------------|-----------------|-----------------|-----------------|
| Number of farms | 115 | 23 | 23 | 23 | 23 | 23 |
| Net operating profit | 83,482 | -37,606 | 31,266 | 63,669 | 97,132 | 262,949 |
| Machinery and Equipment | | | | | | |
| Ending inventory | 342,743 | 236,725 | 230,997 | 268,677 | 371,679 | 605,636 |
| Capital sales | 16,685 | 31,966 | 15,563 | 7,739 | 2,481 | 25,677 |
| Beginning inventory | 327,358 | 257,946 | 223,471 | 233,396 | 345,837 | 576,138 |
| Capital purchases | 56,505 | 28,625 | 38,255 | 71,518 | 52,528 | 91,601 |
| Depreciation, capital adjust. | -24,435 | -17,880 | -15,167 | -28,498 | -24,205 | -36,426 |
| Titled Vehicles | | | | | | |
| Ending inventory | 28,935 | 31,915 | 30,765 | 21,216 | 14,351 | 46,429 |
| Capital sales | 551 | 53 | - | - | 2,200 | 500 |
| Beginning inventory | 29,324 | 31,227 | 31,106 | 22,221 | 15,429 | 46,635 |
| Capital purchases | 2,850 | 4,260 | 1,839 | 465 | 2,028 | 5,659 |
| Depreciation, capital adjust. | -2,688 | -3,519 | -2,180 | -1,471 | -906 | -5,365 |
| Buildings and Improvements | | | | | | |
| Ending inventory | 133,254 | 307,684 | 76,139 | 49,841 | 92,690 | 139,918 |
| Capital sales | - | - | - | - | - | - |
| Beginning inventory | 127,438 | 294,856 | 78,432 | 46,648 | 84,113 | 133,139 |
| Capital purchases | 9,530 | 13,884 | 217 | 4,383 | 10,645 | 18,521 |
| Depreciation, capital adjust. | -3,714 | -1,057 | -2,510 | -1,190 | -2,069 | -11,742 |
| Total depreciation, capital adj. | -30,837 | -22,455 | -19,857 | -31,158 | -27,180 | -53,534 |
| Net farm income from operations | 52,645 | -60,062 | 11,409 | 32,511 | 69,952 | 209,415 |
| Gain or loss on capital sales | 5,394 | -7,476 | -3,701 | 238 | 2,251 | 35,657 |
| Net farm income | 58,039 | -67,538 | 7,708 | 32,749 | 72,203 | 245,073 |

Profitability Measures
2018 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

| | <u>Avg. Of All Farms</u> | <u>Low 20%</u> | <u>20 - 40%</u> | <u>40 - 60%</u> | <u>60 - 80%</u> | <u>High 20%</u> |
|--|------------------------------|----------------|-----------------|-----------------|-----------------|-----------------|
| Number of farms | 115 | 23 | 23 | 23 | 23 | 23 |
| Profitability (assets valued at cost) | | | | | | |
| Net farm income from operations | 52,645 | -60,062 | 11,409 | 32,511 | 69,952 | 209,415 |
| Rate of return on assets | 2.3 % | -3.6 % | -0.2 % | 1.3 % | 3.1 % | 5.8 % |
| Rate of return on equity | 1.3 % | -12.2 % | -1.8 % | 0.3 % | 2.7 % | 6.2 % |
| Operating profit margin | 8.5 % | -12.2 % | -0.7 % | 3.8 % | 12.5 % | 22.8 % |
| Asset turnover rate | 26.9 % | 29.1 % | 25.0 % | 33.3 % | 24.9 % | 25.3 % |
| Farm interest expense | 24,053 | 37,773 | 10,339 | 10,835 | 18,326 | 42,990 |
| Value of operator lbr and mgmt. | 37,103 | 37,909 | 23,387 | 30,300 | 36,417 | 57,503 |
| Return on farm assets | 39,595 | -60,198 | -1,639 | 13,046 | 51,862 | 194,903 |
| Average farm assets | 1,733,321 | 1,690,659 | 897,330 | 1,036,834 | 1,670,767 | 3,371,017 |
| Return on farm equity | 15,542 | -97,971 | -11,978 | 2,211 | 33,535 | 151,913 |
| Average farm equity | 1,176,460 | 800,034 | 660,577 | 731,774 | 1,252,238 | 2,437,678 |
| Value of farm production | 466,304 | 491,630 | 224,417 | 345,428 | 416,460 | 853,586 |

| | <u>Avg. Of All Farms</u> | <u>Low 20%</u> | <u>20 - 40%</u> | <u>40 - 60%</u> | <u>60 - 80%</u> | <u>High 20%</u> |
|--|------------------------------|----------------|-----------------|-----------------|-----------------|-----------------|
| Number of farms | 115 | 23 | 23 | 23 | 23 | 23 |
| Profitability (assets valued at market) | | | | | | |
| Net farm income from operations | 85,772 | 56,087 | 20,202 | 73,484 | 95,975 | 183,110 |
| Rate of return on assets | 3.2 % | 2.8 % | 0.6 % | 3.2 % | 3.5 % | 3.8 % |
| Rate of return on equity | 2.8 % | 1.6 % | -0.3 % | 3.2 % | 3.4 % | 3.6 % |
| Operating profit margin | 15.6 % | 11.4 % | 3.2 % | 15.6 % | 18.7 % | 19.8 % |
| Asset turnover rate | 20.3 % | 24.3 % | 18.5 % | 20.7 % | 19.0 % | 19.4 % |
| Farm interest expense | 24,053 | 37,773 | 10,339 | 10,835 | 18,326 | 42,990 |
| Value of operator lbr and mgmt. | 37,103 | 37,909 | 23,387 | 30,300 | 36,417 | 57,503 |
| Return on farm assets | 72,721 | 55,951 | 7,154 | 54,019 | 77,885 | 168,598 |
| Average farm assets | 2,299,703 | 2,025,159 | 1,213,765 | 1,671,976 | 2,195,829 | 4,391,785 |
| Return on farm equity | 48,669 | 18,178 | -3,185 | 43,184 | 59,559 | 125,608 |
| Average farm equity | 1,742,841 | 1,134,533 | 977,012 | 1,366,917 | 1,777,300 | 3,458,446 |
| Value of farm production | 466,304 | 491,630 | 224,417 | 345,428 | 416,460 | 853,586 |

Liquidity & Repayment Capacity Measures
2018 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

| | <u>Avg. Of All Farms</u> | <u>Low 20%</u> | <u>20 - 40%</u> | <u>40 - 60%</u> | <u>60 - 80%</u> | <u>High 20%</u> |
|---------------------------------|------------------------------|----------------|-----------------|-----------------|-----------------|-----------------|
| Number of farms | 115 | 23 | 23 | 23 | 23 | 23 |
| Liquidity | | | | | | |
| Current ratio | 2.04 | 1.20 | 2.14 | 2.36 | 2.46 | 2.72 |
| Working capital | 225,936 | 80,722 | 91,185 | 172,134 | 255,991 | 529,645 |
| Working capital to gross inc | 37.7 % | 8.5 % | 31.4 % | 44.2 % | 56.0 % | 58.0 % |
| Current assets | 443,503 | 479,671 | 171,255 | 298,241 | 431,326 | 837,022 |
| Current liabilities | 217,567 | 398,949 | 80,070 | 126,106 | 175,335 | 307,377 |
| Gross revenues (accrual) | 599,666 | 947,606 | 290,726 | 389,143 | 457,291 | 913,564 |
| Repayment capacity | | | | | | |
| Net farm income from operations | 52,645 | -60,062 | 11,409 | 32,511 | 69,952 | 209,415 |
| Depreciation | 30,837 | 22,455 | 19,857 | 31,158 | 27,180 | 53,534 |
| Personal income | 39,642 | 42,278 | 34,051 | 36,309 | 42,276 | 43,297 |
| Family living/owner withdrawals | -50,023 | -53,907 | -40,599 | -46,399 | -50,867 | -58,343 |
| Cash discrepancy | -77 | -192 | - | -54 | -138 | - |
| Payments on personal debt | -1,746 | -1,529 | -1,946 | -1,435 | -1,896 | -1,924 |
| Income taxes paid | -7,444 | -4,264 | -1,108 | -4,008 | -10,044 | -17,797 |
| Interest on term debt | 14,518 | 16,592 | 9,783 | 5,381 | 6,991 | 33,841 |
| Capital debt repayment capacity | 78,352 | -38,629 | 31,447 | 53,464 | 83,454 | 262,023 |
| Scheduled term debt payments | -46,931 | -52,531 | -25,751 | -31,464 | -31,845 | -93,065 |
| Capital debt repayment margin | 31,421 | -91,159 | 5,696 | 22,000 | 51,609 | 168,958 |
| Cash replacement allowance | -22,894 | -17,441 | -16,841 | -17,012 | -24,227 | -38,946 |
| Replacement margin | 8,527 | -108,601 | -11,145 | 4,988 | 27,382 | 130,011 |
| Term debt coverage ratio | 1.67 | -0.74 | 1.22 | 1.70 | 2.62 | 2.82 |
| Replacement coverage ratio | 1.12 | -0.55 | 0.74 | 1.10 | 1.49 | 1.98 |

Balance Sheet at Cost Values
2018 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

| | <u>Avg. Of All Farms</u> | <u>Low 20%</u> | <u>20 - 40%</u> | <u>40 - 60%</u> | <u>60 - 80%</u> | <u>High 20%</u> |
|---|------------------------------|------------------|------------------|------------------|------------------|------------------|
| Number of farms | 115 | 23 | 23 | 23 | 23 | 23 |
| Assets | | | | | | |
| Current Farm Assets | | | | | | |
| Cash and checking balance | 57,131 | 81,324 | 23,525 | 25,191 | 53,818 | 101,798 |
| Prepaid expenses & supplies | 35,632 | 5,232 | 6,248 | 39,035 | 56,851 | 70,793 |
| Growing crops | 3,135 | 2,984 | 439 | 2,938 | 4,590 | 4,723 |
| Accounts receivable | 18,950 | 21,545 | 2,790 | 11,272 | 16,002 | 43,139 |
| Hedging accounts | 1,687 | 3,507 | - | 870 | 1,401 | 2,656 |
| Crops held for sale or feed | 222,951 | 117,756 | 84,819 | 170,283 | 240,612 | 501,287 |
| Crops under government loan | - | - | - | - | - | - |
| Market livestock held for sale | 103,270 | 246,497 | 51,196 | 48,501 | 58,008 | 112,149 |
| Other current assets | 747 | 826 | 2,237 | 152 | 43 | 476 |
| Total current farm assets | 443,503 | 479,671 | 171,255 | 298,241 | 431,326 | 837,022 |
| Intermediate Farm Assets | | | | | | |
| Breeding livestock | 71,794 | 110,350 | 60,576 | 47,986 | 50,506 | 89,551 |
| Machinery and equipment | 342,743 | 236,725 | 230,997 | 268,677 | 371,679 | 605,636 |
| Titled vehicles | 28,935 | 31,915 | 30,765 | 21,216 | 14,351 | 46,429 |
| Other intermediate assets | 85,067 | 13,867 | 51,662 | 1,304 | 5,800 | 352,701 |
| Total intermediate farm assets | 528,539 | 392,857 | 374,000 | 339,183 | 442,336 | 1,094,317 |
| Long Term Farm Assets | | | | | | |
| Farm land | 655,507 | 482,835 | 272,321 | 412,680 | 741,895 | 1,367,803 |
| Buildings and improvements | 133,254 | 307,684 | 76,139 | 49,841 | 92,690 | 139,918 |
| Other long-term assets | 27,608 | 50,671 | 1,048 | 413 | 5,794 | 80,114 |
| Total long-term farm assets | 816,369 | 841,190 | 349,508 | 462,934 | 840,379 | 1,587,834 |
| Total Farm Assets | 1,788,410 | 1,713,719 | 894,762 | 1,100,358 | 1,714,041 | 3,519,173 |
| Total Nonfarm Assets | 223,935 | 163,229 | 148,978 | 138,892 | 293,466 | 375,109 |
| Total Assets | 2,012,345 | 1,876,947 | 1,043,741 | 1,239,249 | 2,007,507 | 3,894,282 |
| Liabilities | | | | | | |
| Current Farm Liabilities | | | | | | |
| Accrued interest | 8,356 | 6,835 | 5,452 | 7,547 | 5,857 | 16,091 |
| Accounts payable | 9,112 | 33,917 | - | 4,369 | 501 | 6,773 |
| Current notes | 164,327 | 317,911 | 58,257 | 86,692 | 140,248 | 218,528 |
| Government crop loans | - | - | - | - | - | - |
| Principal due on term debt | 35,772 | 40,286 | 16,362 | 27,499 | 28,729 | 65,985 |
| Total current farm liabilities | 217,567 | 398,949 | 80,070 | 126,106 | 175,335 | 307,377 |
| Total intermediate farm liabs | 74,430 | 87,466 | 37,957 | 73,722 | 63,475 | 109,530 |
| Total long term farm liabilities | 297,769 | 470,902 | 119,701 | 136,790 | 190,817 | 570,635 |
| Total farm liabilities | 589,766 | 957,317 | 237,728 | 336,618 | 429,627 | 987,542 |
| Total nonfarm liabilities | 33,300 | 27,698 | 33,732 | 15,826 | 40,206 | 49,040 |
| Total liabilities | 623,067 | 985,015 | 271,460 | 352,444 | 469,833 | 1,036,582 |
| Net worth (farm and nonfarm) | 1,389,278 | 891,933 | 772,280 | 886,805 | 1,537,674 | 2,857,700 |
| Net worth change | 47,147 | -94,557 | -4,852 | 66,250 | 59,082 | 209,812 |
| Percent net worth change | 4 % | -10 % | -1 % | 8 % | 4 % | 8 % |
| Ratio Analysis | | | | | | |
| Current farm liabilities / assets | 49 % | 83 % | 47 % | 42 % | 41 % | 37 % |
| Intermediate farm liab. / assets | 14 % | 22 % | 10 % | 22 % | 14 % | 10 % |
| Long term farm liab. / assets | 36 % | 56 % | 34 % | 30 % | 23 % | 36 % |
| Total debt to asset ratio | 31 % | 52 % | 26 % | 28 % | 23 % | 27 % |

Balance Sheet at Market Values
2018 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

| | <u>Avg. Of All Farms</u> | <u>Low 20%</u> | <u>20 - 40%</u> | <u>40 - 60%</u> | <u>60 - 80%</u> | <u>High 20%</u> |
|-----------------------------------|------------------------------|----------------|-----------------|-----------------|-----------------|-----------------|
| Number of farms | 115 | 23 | 23 | 23 | 23 | 23 |
| Assets | | | | | | |
| Current Farm Assets | | | | | | |
| Cash and checking balance | 57,131 | 81,324 | 23,525 | 25,191 | 53,818 | 101,798 |
| Prepaid expenses & supplies | 35,632 | 5,232 | 6,248 | 39,035 | 56,851 | 70,793 |
| Growing crops | 3,135 | 2,984 | 439 | 2,938 | 4,590 | 4,723 |
| Accounts receivable | 18,950 | 21,545 | 2,790 | 11,272 | 16,002 | 43,139 |
| Hedging accounts | 1,687 | 3,507 | - | 870 | 1,401 | 2,656 |
| Crops held for sale or feed | 222,951 | 117,756 | 84,819 | 170,283 | 240,612 | 501,287 |
| Crops under government loan | - | - | - | - | - | - |
| Market livestock held for sale | 103,270 | 246,497 | 51,196 | 48,501 | 58,008 | 112,149 |
| Other current assets | 747 | 826 | 2,237 | 152 | 43 | 476 |
| Total current farm assets | 443,503 | 479,671 | 171,255 | 298,241 | 431,326 | 837,022 |
| Intermediate Farm Assets | | | | | | |
| Breeding livestock | 81,046 | 116,204 | 71,546 | 54,993 | 65,877 | 96,613 |
| Machinery and equipment | 376,004 | 256,834 | 225,938 | 286,902 | 385,154 | 725,193 |
| Titled vehicles | 30,785 | 32,480 | 27,001 | 23,051 | 17,537 | 53,856 |
| Other intermediate assets | 93,217 | 14,744 | 73,422 | 1,304 | 7,799 | 368,818 |
| Total intermediate farm assets | 581,053 | 420,261 | 397,907 | 366,250 | 476,367 | 1,244,479 |
| Long Term Farm Assets | | | | | | |
| Farm land | 1,157,508 | 825,243 | 569,671 | 1,026,372 | 1,231,882 | 2,134,370 |
| Buildings and improvements | 150,086 | 328,716 | 74,235 | 63,930 | 105,586 | 177,965 |
| Other long-term assets | 39,205 | 52,401 | 2,527 | 1,194 | 6,954 | 132,951 |
| Total long-term farm assets | 1,346,800 | 1,206,361 | 646,432 | 1,091,496 | 1,344,421 | 2,445,287 |
| Total Farm Assets | 2,371,355 | 2,106,293 | 1,215,594 | 1,755,987 | 2,252,115 | 4,526,788 |
| Total Nonfarm Assets | 303,883 | 215,988 | 214,570 | 177,504 | 369,917 | 541,436 |
| Total Assets | 2,675,238 | 2,322,281 | 1,430,164 | 1,933,490 | 2,622,032 | 5,068,225 |
| Liabilities | | | | | | |
| Current Farm Liabilities | | | | | | |
| Accrued interest | 8,356 | 6,835 | 5,452 | 7,547 | 5,857 | 16,091 |
| Accounts payable | 9,112 | 33,917 | - | 4,369 | 501 | 6,773 |
| Current notes | 164,327 | 317,911 | 58,257 | 86,692 | 140,248 | 218,528 |
| Government crop loans | - | - | - | - | - | - |
| Principal due on term debt | 35,772 | 40,286 | 16,362 | 27,499 | 28,729 | 65,985 |
| Total current farm liabilities | 217,567 | 398,949 | 80,070 | 126,106 | 175,335 | 307,377 |
| Total intermediate farm liabs | 74,430 | 87,466 | 37,957 | 73,722 | 63,475 | 109,530 |
| Total long term farm liabilities | 297,769 | 470,902 | 119,701 | 136,790 | 190,817 | 570,635 |
| Total farm liabilities | 589,766 | 957,317 | 237,728 | 336,618 | 429,627 | 987,542 |
| Total nonfarm liabilities | 33,300 | 27,698 | 33,732 | 15,826 | 40,206 | 49,040 |
| Total liabs excluding deferreds | 623,067 | 985,015 | 271,460 | 352,444 | 469,833 | 1,036,582 |
| Total deferred liabilities | - | - | - | - | - | - |
| Total liabilities | 623,067 | 985,015 | 271,460 | 352,444 | 469,833 | 1,036,582 |
| Retained earnings | 1,389,278 | 891,933 | 772,280 | 886,805 | 1,537,674 | 2,857,700 |
| Market valuation equity | 662,893 | 445,333 | 386,423 | 694,241 | 614,525 | 1,173,943 |
| Net worth (farm and nonfarm) | 2,052,172 | 1,337,266 | 1,158,703 | 1,581,046 | 2,152,199 | 4,031,643 |
| Net worth excluding deferreds | 2,052,172 | 1,337,266 | 1,158,703 | 1,581,046 | 2,152,199 | 4,031,643 |
| Net worth change | 84,449 | 31,407 | 9,326 | 114,868 | 90,384 | 176,263 |
| Percent net worth change | 4 % | 2 % | 1 % | 8 % | 4 % | 5 % |
| Ratio Analysis | | | | | | |
| Current farm liabilities / assets | 49 % | 83 % | 47 % | 42 % | 41 % | 37 % |
| Intermediate farm liab. / assets | 13 % | 21 % | 10 % | 20 % | 13 % | 9 % |
| Long term farm liab. / assets | 22 % | 39 % | 19 % | 13 % | 14 % | 23 % |
| Total debt to asset ratio | 23 % | 42 % | 19 % | 18 % | 18 % | 20 % |
| Debt to assets excl deferreds | 23 % | 42 % | 19 % | 18 % | 18 % | 20 % |

Statement Of Cash Flows
2018 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

| | <u>Avg. Of All Farms</u> | <u>Low 20%</u> | <u>20 - 40%</u> | <u>40 - 60%</u> | <u>60 - 80%</u> | <u>High 20%</u> |
|--|------------------------------|----------------|-----------------|-----------------|-----------------|-----------------|
| Number of farms | 115 | 23 | 23 | 23 | 23 | 23 |
| Beginning cash (farm & nonfarm) | 72,584 | 93,711 | 48,712 | 44,634 | 56,113 | 119,752 |
| Cash Provided By Operating Activities | | | | | | |
| Gross cash farm income | 590,547 | 964,095 | 301,745 | 404,689 | 436,590 | 845,617 |
| Total cash farm expense | -509,600 | -962,994 | -254,793 | -329,485 | -364,464 | -636,265 |
| Net cash from hedging transactions | 1,898 | 8,696 | - | -1,087 | 44 | 1,839 |
| Cash provided by operating | 82,845 | 9,797 | 46,952 | 74,116 | 72,169 | 211,191 |
| Cash Provided By Investing Activities | | | | | | |
| Sale of breeding livestock | 4,995 | 16,846 | 1,698 | 540 | 2,774 | 3,115 |
| Sale of machinery & equipment | 14,406 | 24,799 | 13,648 | 8,024 | 2,658 | 22,903 |
| Sale of titled vehicles | 683 | 243 | - | - | 2,652 | 522 |
| Sale of farm land | 17,864 | - | 2,826 | - | 13,957 | 72,535 |
| Sale of farm buildings | - | - | - | - | - | - |
| Sale of other farm assets | - | - | - | - | - | - |
| Sale of nonfarm assets | 3,035 | 7,338 | 2,456 | 478 | 3,423 | 1,482 |
| Purchase of breeding livestock | -6,361 | -10,494 | -4,580 | -7,267 | -2,653 | -6,810 |
| Purchase of machinery & equip. | -56,505 | -28,625 | -38,255 | -71,518 | -52,528 | -91,601 |
| Purchase of titled vehicles | -2,850 | -4,260 | -1,839 | -465 | -2,028 | -5,659 |
| Purchase of farm land | -80,171 | -78,514 | -2,174 | -87,174 | -19,130 | -213,866 |
| Purchase of farm buildings | -9,530 | -13,884 | -217 | -4,383 | -10,645 | -18,521 |
| Purchase of other farm assets | -2,780 | -11,523 | -135 | - | -2,051 | -192 |
| Purchase of nonfarm assets | -4,958 | -1,689 | -4,436 | -4,072 | -3,948 | -10,647 |
| Cash provided by investing | -122,173 | -99,762 | -31,009 | -165,836 | -67,519 | -246,739 |
| Cash Provided By Financing Activities | | | | | | |
| Money borrowed | 271,293 | 691,382 | 45,759 | 140,892 | 174,222 | 304,213 |
| Principal payments | -214,241 | -564,773 | -49,179 | -82,356 | -157,574 | -217,321 |
| Personal income | 39,642 | 42,278 | 34,051 | 36,309 | 42,276 | 43,297 |
| Family living/owner withdrawals | -50,023 | -53,907 | -40,599 | -46,399 | -50,867 | -58,343 |
| Income and social security tax | -7,289 | -4,264 | -1,108 | -4,008 | -9,269 | -17,797 |
| Capital contributions | 231 | - | - | - | 592 | 561 |
| Capital distributions | -125 | - | -623 | - | - | - |
| Dividends paid | - | - | - | - | - | - |
| Cash gifts and inheritances | 13,488 | 750 | - | 50,824 | 15,373 | 493 |
| Gifts given | -2,293 | -8,524 | -368 | -437 | -1,374 | -764 |
| Other cash flows | - | - | - | - | - | - |
| Cash provided by financing | 50,684 | 102,942 | -12,067 | 94,825 | 13,380 | 54,339 |
| Net change in cash balance | 11,356 | 12,977 | 3,877 | 3,105 | 18,030 | 18,791 |
| Ending cash (farm & nonfarm) | 83,863 | 106,496 | 52,589 | 47,685 | 74,005 | 138,543 |
| Discrepancy | 77 | 192 | - | 54 | 138 | - |

Financial Standards Measures
2018 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

| | <u>Avg. Of All Farms</u> | <u>Low 20%</u> | <u>20 - 40%</u> | <u>40 - 60%</u> | <u>60 - 80%</u> | <u>High 20%</u> |
|---------------------------------|------------------------------|----------------|-----------------|-----------------|-----------------|-----------------|
| Number of farms | 115 | 23 | 23 | 23 | 23 | 23 |
| Liquidity | | | | | | |
| Current ratio | 2.04 | 1.20 | 2.14 | 2.36 | 2.46 | 2.72 |
| Working capital | 225,936 | 80,722 | 91,185 | 172,134 | 255,991 | 529,645 |
| Working capital to gross inc | 37.7 % | 8.5 % | 31.4 % | 44.2 % | 56.0 % | 58.0 % |
| Solvency (market) | | | | | | |
| Farm debt to asset ratio | 25 % | 45 % | 20 % | 19 % | 19 % | 22 % |
| Farm equity to asset ratio | 75 % | 55 % | 80 % | 81 % | 81 % | 78 % |
| Farm debt to equity ratio | 0.33 | 0.83 | 0.24 | 0.24 | 0.24 | 0.28 |
| Profitability (cost) | | | | | | |
| Rate of return on farm assets | 2.3 % | -3.6 % | -0.2 % | 1.3 % | 3.1 % | 5.8 % |
| Rate of return on farm equity | 1.3 % | -12.2 % | -1.8 % | 0.3 % | 2.7 % | 6.2 % |
| Operating profit margin | 8.5 % | -12.2 % | -0.7 % | 3.8 % | 12.5 % | 22.8 % |
| Net farm income | 58,039 | -67,538 | 7,708 | 32,749 | 72,203 | 245,073 |
| EBITDA | 107,535 | 167 | 41,605 | 74,504 | 115,458 | 305,939 |
| Repayment Capacity | | | | | | |
| Capital debt repayment capacity | 78,352 | -38,629 | 31,447 | 53,464 | 83,454 | 262,023 |
| Capital debt repayment margin | 31,421 | -91,159 | 5,696 | 22,000 | 51,609 | 168,958 |
| Replacement margin | 8,527 | -108,601 | -11,145 | 4,988 | 27,382 | 130,011 |
| Term debt coverage ratio | 1.67 | -0.74 | 1.22 | 1.70 | 2.62 | 2.82 |
| Replacement coverage ratio | 1.12 | -0.55 | 0.74 | 1.10 | 1.49 | 1.98 |
| Efficiency | | | | | | |
| Asset turnover rate (cost) | 26.9 % | 29.1 % | 25.0 % | 33.3 % | 24.9 % | 25.3 % |
| Operating expense ratio | 82.1 % | 100.0 % | 85.7 % | 80.9 % | 74.8 % | 66.5 % |
| Depreciation expense ratio | 5.1 % | 2.4 % | 6.8 % | 8.0 % | 5.9 % | 5.9 % |
| Interest expense ratio | 4.0 % | 4.0 % | 3.6 % | 2.8 % | 4.0 % | 4.7 % |
| Net farm income ratio | 9.7 % | -7.1 % | 2.7 % | 8.4 % | 15.8 % | 26.8 % |

Crop Production and Marketing Summary
2018 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

| | <u>Avg. Of All Farms</u> | <u>Low 20%</u> | <u>20 - 40%</u> | <u>40 - 60%</u> | <u>60 - 80%</u> | <u>High 20%</u> |
|---|------------------------------|----------------|-----------------|-----------------|-----------------|-----------------|
| Number of farms | 115 | 23 | 23 | 23 | 23 | 23 |
| Acreage Summary | | | | | | |
| Total acres owned | 384 | 218 | 265 | 341 | 397 | 699 |
| Total crop acres | 781 | 540 | 408 | 637 | 814 | 1,507 |
| Crop acres owned | 225 | 151 | 134 | 178 | 186 | 475 |
| Crop acres cash rented | 305 | 221 | 136 | 255 | 286 | 627 |
| Crop acres share rented | 252 | 167 | 138 | 205 | 343 | 405 |
| Total pasture acres | 119 | 161 | 114 | 110 | 79 | 130 |
| Percent crop acres owned | 29 % | 28 % | 33 % | 28 % | 23 % | 32 % |
| Mach invest/crop acre cost | 458 | 468 | 623 | 428 | 458 | 423 |
| Mach invest/crop acre market | 498 | 501 | 596 | 460 | 474 | 500 |
| Average Price Received (Cash Sales Only) | | | | | | |
| Soybeans per bushel | 9.44 | 9.12 | 9.01 | 9.73 | 9.30 | 9.62 |
| Corn per bushel | 3.42 | 3.46 | 3.12 | 3.42 | 3.32 | 3.57 |
| Wheat, Winter per bushel | 4.90 | - | - | 5.20 | - | 4.60 |
| Hay, Mixed per ton | 88.73 | - | - | - | - | - |
| Oats per bushel | 3.57 | - | - | - | - | - |
| CRP per \$ | 1.00 | - | - | - | - | - |
| Rented Out per \$ | 1.01 | - | - | - | - | - |
| Hay per ton | 80.90 | - | - | - | - | - |
| Average Yield Per Acre | | | | | | |
| Soybeans (bushel) | 49.16 | 44.63 | 52.06 | 47.40 | 49.97 | 50.50 |
| Corn (bushel) | 142.10 | 132.69 | 127.33 | 137.10 | 151.64 | 144.42 |
| Hay (ton) | 1.78 | 1.65 | - | 2.11 | - | - |
| Oats (bushel) | 38.13 | - | - | - | - | - |

Household and Personal Expenses
2018 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

| | Avg. Of All Farms |
|--|------------------------------|
| Number of farms | 13 |
| Average family size | 3.9 |
| Family Living Expenses | |
| Food and meals expense | 7,226 |
| Medical care | 3,659 |
| Health insurance | 4,799 |
| Cash donations | 3,491 |
| Household supplies | 1,620 |
| Clothing | 1,186 |
| Personal care | 348 |
| Child / Dependent care | 2,480 |
| Alimony and child support | - |
| Gifts | 1,757 |
| Education | 309 |
| Recreation | 1,597 |
| Utilities (household share) | 2,850 |
| Personal vehicle operating exp | 3,190 |
| Household real estate taxes | 846 |
| Dwelling rent | 88 |
| Household repairs | 3,594 |
| Personal interest | 1,145 |
| Disability / Long term care ins | 262 |
| Life insurance payments | 2,448 |
| Personal property insurance | 658 |
| Miscellaneous | 8,278 |
| Total cash family living expense | 51,833 |
| Family living from the farm | 279 |
| Total family living | 52,112 |
| Other Nonfarm Expenditures | |
| Income taxes | 5,746 |
| Furnishing & appliance purchases | 382 |
| Nonfarm vehicle purchases | 231 |
| Nonfarm real estate purchases | 642 |
| Other nonfarm capital purchases | -362 |
| Nonfarm savings & investments | -686 |
| Total other nonfarm expenditures | 5,953 |
| Total cash family living investment & nonfarm capital purch | 57,787 |

Operator and Labor Information
2018 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

| | <u>Avg. Of All Farms</u> | <u>Low 20%</u> | <u>20 - 40%</u> | <u>40 - 60%</u> | <u>60 - 80%</u> | <u>High 20%</u> |
|---------------------------------|------------------------------|----------------|-----------------|-----------------|-----------------|-----------------|
| Number of farms | 115 | 23 | 23 | 23 | 23 | 23 |
| Operator Information | | | | | | |
| Average number of operators | 1.1 | 1.3 | 1.1 | 1.0 | 1.1 | 1.0 |
| Average age of operators | 53.3 | 52.5 | 53.7 | 48.1 | 55.4 | 56.7 |
| Average number of years farming | 29.9 | 28.2 | 29.2 | 25.1 | 31.6 | 35.3 |
| Results Per Operator | | | | | | |
| Working capital | 203,785 | 64,021 | 80,663 | 168,472 | 235,512 | 507,577 |
| Total assets (market) | 2,412,960 | 1,841,809 | 1,265,145 | 1,892,352 | 2,412,269 | 4,857,049 |
| Total liabilities | 561,982 | 781,219 | 240,138 | 344,945 | 432,246 | 993,391 |
| Net worth (market) | 1,850,978 | 1,060,590 | 1,025,007 | 1,547,407 | 1,980,023 | 3,863,658 |
| Net worth excl deferred liabs | 1,850,978 | 1,060,590 | 1,025,007 | 1,547,407 | 1,980,023 | 3,863,658 |
| Gross farm income | 540,875 | 751,550 | 257,181 | 380,863 | 420,707 | 875,499 |
| Total farm expense | 493,391 | 799,185 | 247,088 | 349,044 | 356,351 | 674,809 |
| Net farm income from operations | 47,484 | -47,635 | 10,093 | 31,819 | 64,356 | 200,690 |
| Net nonfarm income | 35,756 | 33,530 | 30,122 | 35,537 | 38,894 | 41,493 |
| Family living & tax withdrawals | 51,903 | 46,288 | 36,895 | 49,387 | 56,165 | 72,968 |
| Total acres owned | 346.5 | 173.1 | 234.3 | 333.9 | 365.0 | 670.3 |
| Total crop acres | 704.7 | 428.0 | 361.0 | 623.7 | 749.2 | 1,444.3 |
| Crop acres owned | 202.7 | 119.9 | 118.5 | 174.0 | 170.7 | 455.5 |
| Crop acres cash rented | 275.0 | 175.6 | 120.1 | 249.5 | 262.9 | 600.7 |
| Crop acres share rented | 226.9 | 132.5 | 122.5 | 200.3 | 315.6 | 388.1 |
| Total pasture acres | 107.2 | 127.9 | 100.8 | 107.7 | 72.6 | 124.7 |
| Labor Analysis | | | | | | |
| Number of farms | 115 | 23 | 23 | 23 | 23 | 23 |
| Total unpaid labor hours | 1,407 | 1,189 | 1,133 | 1,470 | 1,475 | 1,767 |
| Total hired labor hours | 1,527 | 3,793 | 616 | 609 | 861 | 1,755 |
| Total labor hours per farm | 2,934 | 4,982 | 1,749 | 2,079 | 2,336 | 3,522 |
| Unpaid hours per operator | 1,269 | 943 | 1,002 | 1,439 | 1,357 | 1,694 |
| Value of farm production / hour | 158.95 | 98.68 | 128.34 | 166.13 | 178.26 | 242.35 |
| Net farm income / unpaid hour | 37.42 | -50.50 | 10.07 | 22.11 | 47.43 | 118.49 |
| Average hourly hired labor wage | 20.34 | 23.69 | 13.76 | 18.46 | 15.86 | 18.25 |
| Partnerships & LLCs | | | | | | |
| Number of farms | 17 | 3 | 3 | 4 | 2 | 5 |
| Number of operators | 1.4 | - | - | - | - | 1.0 |
| Owner withdrawals per farm | 64,651 | - | - | - | - | - |
| Withdrawals per operator | 55,415 | - | - | - | - | - |

Financial Summary
2018 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

| | <u>Avg. Of All Farms</u> | <u>Low 20%</u> | <u>20 - 40%</u> | <u>40 - 60%</u> | <u>60 - 80%</u> | <u>High 20%</u> |
|--|------------------------------|----------------|-----------------|-----------------|-----------------|-----------------|
| Number of farms | 115 | 23 | 23 | 23 | 23 | 23 |
| Income Statement | | | | | | |
| Gross cash farm income | 590,547 | 964,095 | 301,745 | 404,689 | 436,590 | 845,617 |
| Total cash farm expense | 509,600 | 962,994 | 254,793 | 329,485 | 364,464 | 636,265 |
| Net cash farm income | 80,947 | 1,101 | 46,952 | 75,203 | 72,125 | 209,352 |
| Inventory change | 2,535 | -38,708 | -15,686 | -11,534 | 25,006 | 53,597 |
| Depreciation | -30,837 | -22,455 | -19,857 | -31,158 | -27,180 | -53,534 |
| Net farm income from operations | 52,645 | -60,062 | 11,409 | 32,511 | 69,952 | 209,415 |
| Gain or loss on capital sales | 5,394 | -7,476 | -3,701 | 238 | 2,251 | 35,657 |
| Average net farm income | 58,039 | -67,538 | 7,708 | 32,749 | 72,203 | 245,073 |
| Median net farm income | 33,060 | -15,105 | 5,732 | 33,060 | 65,531 | 183,199 |
| Profitability (cost) | | | | | | |
| Rate of return on assets | 2.3 % | -3.6 % | -0.2 % | 1.3 % | 3.1 % | 5.8 % |
| Rate of return on equity | 1.3 % | -12.2 % | -1.8 % | 0.3 % | 2.7 % | 6.2 % |
| Operating profit margin | 8.5 % | -12.2 % | -0.7 % | 3.8 % | 12.5 % | 22.8 % |
| Asset turnover rate | 26.9 % | 29.1 % | 25.0 % | 33.3 % | 24.9 % | 25.3 % |
| Profitability (market) | | | | | | |
| Rate of return on assets | 3.2 % | 2.8 % | 0.6 % | 3.2 % | 3.5 % | 3.8 % |
| Rate of return on equity | 2.8 % | 1.6 % | -0.3 % | 3.2 % | 3.4 % | 3.6 % |
| Operating profit margin | 15.6 % | 11.4 % | 3.2 % | 15.6 % | 18.7 % | 19.8 % |
| Asset turnover rate | 20.3 % | 24.3 % | 18.5 % | 20.7 % | 19.0 % | 19.4 % |
| Liquidity & Repayment (end of year) | | | | | | |
| Current assets | 443,503 | 479,671 | 171,255 | 298,241 | 431,326 | 837,022 |
| Current liabilities | 217,567 | 398,949 | 80,070 | 126,106 | 175,335 | 307,377 |
| Current ratio | 2.04 | 1.20 | 2.14 | 2.36 | 2.46 | 2.72 |
| Working capital | 225,936 | 80,722 | 91,185 | 172,134 | 255,991 | 529,645 |
| Change in working capital | -926 | -70,105 | -9,969 | -11,040 | 28,007 | 58,475 |
| Working capital to gross inc | 37.7 % | 8.5 % | 31.4 % | 44.2 % | 56.0 % | 58.0 % |
| Term debt coverage ratio | 1.67 | -0.74 | 1.22 | 1.70 | 2.62 | 2.82 |
| Replacement coverage ratio | 1.12 | -0.55 | 0.74 | 1.10 | 1.49 | 1.98 |
| Term debt to EBITDA | 2.97 | 2,725.39 | 3.86 | 2.11 | 2.14 | 1.89 |
| Solvency (end of year at cost) | | | | | | |
| Number of farms | 115 | 23 | 23 | 23 | 23 | 23 |
| Total assets | 2,012,345 | 1,876,947 | 1,043,741 | 1,239,249 | 2,007,507 | 3,894,282 |
| Total liabilities | 623,067 | 985,015 | 271,460 | 352,444 | 469,833 | 1,036,582 |
| Net worth | 1,389,278 | 891,933 | 772,280 | 886,805 | 1,537,674 | 2,857,700 |
| Net worth change | 47,147 | -94,557 | -4,852 | 66,250 | 59,082 | 209,812 |
| Farm debt to asset ratio | 33 % | 56 % | 27 % | 31 % | 25 % | 28 % |
| Total debt to asset ratio | 31 % | 52 % | 26 % | 28 % | 23 % | 27 % |
| Change in earned net worth % | 4 % | -10 % | -1 % | 8 % | 4 % | 8 % |
| Solvency (end of year at market) | | | | | | |
| Number of farms | 115 | 23 | 23 | 23 | 23 | 23 |
| Total assets | 2,675,238 | 2,322,281 | 1,430,164 | 1,933,490 | 2,622,032 | 5,068,225 |
| Total liabilities | 623,067 | 985,015 | 271,460 | 352,444 | 469,833 | 1,036,582 |
| Net worth | 2,052,172 | 1,337,266 | 1,158,703 | 1,581,046 | 2,152,199 | 4,031,643 |
| Total net worth change | 84,449 | 31,407 | 9,326 | 114,868 | 90,384 | 176,263 |
| Farm debt to asset ratio | 25 % | 45 % | 20 % | 19 % | 19 % | 22 % |
| Total debt to asset ratio | 23 % | 42 % | 19 % | 18 % | 18 % | 20 % |
| Change in total net worth % | 4 % | 2 % | 1 % | 8 % | 4 % | 5 % |
| Nonfarm Information | | | | | | |
| Net nonfarm income | 39,642 | 42,278 | 34,051 | 36,309 | 42,276 | 43,297 |
| Farms reporting living expenses | 13 | 4 | 2 | 4 | 3 | - |
| Total family living expense | 52,112 | - | - | - | - | - |
| Total living, invest, cap. purch | 57,787 | - | - | - | - | - |
| Crop Acres | | | | | | |
| Total crop acres | 781 | 540 | 408 | 637 | 814 | 1,507 |
| Total crop acres owned | 225 | 151 | 134 | 178 | 186 | 475 |
| Total crop acres cash rented | 305 | 221 | 136 | 255 | 286 | 627 |
| Total crop acres share rented | 252 | 167 | 138 | 205 | 343 | 405 |
| Machinery value per crop acre | 498 | 501 | 596 | 460 | 474 | 500 |

Summary Farm Income Statement
2018 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

| | <u>Avg. Of All Farms</u> | <u>Low 20%</u> | <u>20 - 40%</u> | <u>40 - 60%</u> | <u>60 - 80%</u> | <u>High 20%</u> |
|----------------------------------|------------------------------|----------------|-----------------|-----------------|-----------------|-----------------|
| Number of farms | 115 | 23 | 23 | 23 | 23 | 23 |
| Crop sales | 286,782 | 169,656 | 155,959 | 284,698 | 280,116 | 543,481 |
| Crop inventory change | -7,084 | -26,244 | -7,708 | -23,191 | -2,437 | 24,159 |
| Gross crop income | 279,698 | 143,412 | 148,251 | 261,508 | 277,679 | 567,640 |
| Livestock sales | 223,166 | 721,591 | 98,510 | 63,336 | 84,358 | 148,033 |
| Livestock inventory change | 550 | -12,462 | 1,778 | 2,239 | 6,603 | 4,594 |
| Gross livestock income | 223,716 | 709,129 | 100,288 | 65,575 | 90,960 | 152,627 |
| Government payments | 27,852 | 22,999 | 13,769 | 18,439 | 24,569 | 59,483 |
| Other cash farm income | 52,748 | 49,849 | 33,507 | 38,215 | 47,547 | 94,620 |
| Change in accounts receivable | 10,922 | 5,535 | 818 | 9,751 | 13,398 | 25,108 |
| Gain or loss on hedging accounts | 2,117 | 7,231 | - | -804 | 1,359 | 2,799 |
| Change in other assets | 403 | -2,095 | -3,095 | -327 | -1,385 | 8,914 |
| Gain or loss on breeding lvst | 2,211 | 11,547 | -2,813 | -3,214 | 3,164 | 2,373 |
| Gross farm income | 599,666 | 947,606 | 290,726 | 389,143 | 457,291 | 913,564 |
| Cash operating expenses | 488,022 | 926,931 | 245,864 | 322,007 | 348,066 | 597,243 |
| Change in prepaids and supplies | 2,791 | 16,973 | 3,107 | -6,538 | -6,928 | 7,340 |
| Change in growing crops | -34 | -602 | 294 | -434 | 541 | 31 |
| Change in accounts payable | 1,353 | 4,138 | -143 | -397 | 153 | 3,011 |
| Depreciation | 30,837 | 22,455 | 19,857 | 31,158 | 27,180 | 53,534 |
| Total operating expense | 522,968 | 969,895 | 268,978 | 345,797 | 369,012 | 661,158 |
| Interest paid | 21,578 | 36,063 | 8,930 | 7,478 | 16,399 | 39,023 |
| Change in accrued interest | 2,474 | 1,710 | 1,409 | 3,357 | 1,928 | 3,967 |
| Total interest expense | 24,053 | 37,773 | 10,339 | 10,835 | 18,326 | 42,990 |
| Total expenses | 547,021 | 1,007,668 | 279,317 | 356,632 | 387,338 | 704,149 |
| Net farm income from operations | 52,645 | -60,062 | 11,409 | 32,511 | 69,952 | 209,415 |
| Gain or loss on capital sales | 5,394 | -7,476 | -3,701 | 238 | 2,251 | 35,657 |
| Net farm income | 58,039 | -67,538 | 7,708 | 32,749 | 72,203 | 245,073 |

Nonfarm Summary
2018 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

| | <u>Avg. Of All Farms</u> | <u>Low 20%</u> | <u>20 - 40%</u> | <u>40 - 60%</u> | <u>60 - 80%</u> | <u>High 20%</u> |
|--------------------------------|------------------------------|----------------|-----------------|-----------------|-----------------|-----------------|
| Number of farms | 115 | 23 | 23 | 23 | 23 | 23 |
| Nonfarm Income | | | | | | |
| Personal wages & salary | 21,408 | 18,361 | 28,510 | 23,852 | 30,393 | 5,924 |
| Net nonfarm business income | 2,314 | 2,712 | 37 | 718 | 5,151 | 2,951 |
| Personal rental income | 3,440 | 8,052 | 852 | 396 | 508 | 7,391 |
| Personal interest income | 449 | 387 | 238 | 165 | 118 | 1,336 |
| Personal cash dividends | 601 | 1,486 | - | - | 1,463 | 54 |
| Tax refunds | 1,679 | 2,372 | 444 | 1,815 | 2,090 | 1,674 |
| Other nonfarm income | 9,752 | 8,907 | 3,971 | 9,363 | 2,554 | 23,966 |
| Total nonfarm income | 39,642 | 42,278 | 34,051 | 36,309 | 42,276 | 43,297 |
| Gifts and inheritances | 13,488 | 750 | - | 50,824 | 15,373 | 493 |
| Nonfarm Assets (market) | | | | | | |
| Checking & savings | 26,732 | 25,172 | 29,064 | 22,494 | 20,187 | 36,745 |
| Stocks & bonds | 38,349 | 34,462 | 16,976 | 16,726 | 48,905 | 74,674 |
| Other current assets | 11,279 | 3,124 | 2,707 | 7,098 | 8,163 | 35,302 |
| Furniture & appliances | 6,257 | 4,163 | 7,083 | 5,283 | 11,453 | 3,302 |
| Nonfarm vehicles | 13,548 | 7,991 | 17,173 | 17,266 | 13,920 | 11,387 |
| Cash value of life ins. | 10,788 | 13,719 | 14,482 | 2,022 | 15,646 | 8,070 |
| Retirement accounts | 59,942 | 40,783 | 40,470 | 29,678 | 84,009 | 104,770 |
| Other intermediate assets | 5,987 | 1,054 | 10,109 | 7,557 | 2,052 | 9,163 |
| Nonfarm real estate | 92,090 | 69,141 | 71,070 | 64,162 | 128,679 | 127,396 |
| Personal bus. investment | 11,527 | 9,652 | - | - | 31,338 | 16,645 |
| Other long term assets | 27,385 | 6,726 | 5,435 | 5,217 | 5,565 | 113,982 |
| Total nonfarm assets | 303,883 | 215,988 | 214,570 | 177,504 | 369,917 | 541,436 |
| Nonfarm Liabilities | | | | | | |
| Accrued interest | 326 | 87 | 924 | 261 | 15 | 343 |
| Accounts payable | 616 | 2,960 | 122 | - | - | - |
| Current notes | 960 | 2,646 | 595 | 86 | 1,082 | 391 |
| Princ due on term debt | 1,683 | 1,558 | 1,954 | 1,931 | 1,895 | 1,079 |
| Total current liabilities | 3,741 | 7,251 | 3,595 | 2,279 | 3,767 | 1,813 |
| Intermediate liabilities | 4,854 | 2,069 | 3,237 | 2,050 | 2,179 | 14,734 |
| Long term liabilities | 24,706 | 18,379 | 26,900 | 11,498 | 34,261 | 32,493 |
| Total nonfarm liabilities | 33,300 | 27,698 | 33,732 | 15,826 | 40,206 | 49,040 |
| Nonfarm net worth | 270,583 | 188,290 | 180,838 | 161,678 | 329,711 | 492,396 |
| Nonfarm debt to asset ratio | 11 % | 13 % | 16 % | 9 % | 11 % | 9 % |

Financial Summary Excluding Deferred Liabilities
2018 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

| | <u>Avg. Of All Farms</u> | <u>Low 20%</u> | <u>20 - 40%</u> | <u>40 - 60%</u> | <u>60 - 80%</u> | <u>High 20%</u> |
|--|------------------------------|----------------|-----------------|-----------------|-----------------|-----------------|
| Number of farms | 115 | 23 | 23 | 23 | 23 | 23 |
| Income Statement | | | | | | |
| Gross cash farm income | 590,547 | 964,095 | 301,745 | 404,689 | 436,590 | 845,617 |
| Total cash farm expense | 509,600 | 962,994 | 254,793 | 329,485 | 364,464 | 636,265 |
| Net cash farm income | 80,947 | 1,101 | 46,952 | 75,203 | 72,125 | 209,352 |
| Inventory change | 2,535 | -38,708 | -15,686 | -11,534 | 25,006 | 53,597 |
| Depreciation | -30,837 | -22,455 | -19,857 | -31,158 | -27,180 | -53,534 |
| Net farm income from operations | 52,645 | -60,062 | 11,409 | 32,511 | 69,952 | 209,415 |
| Gain or loss on capital sales | 5,394 | -7,476 | -3,701 | 238 | 2,251 | 35,657 |
| Average net farm income | 58,039 | -67,538 | 7,708 | 32,749 | 72,203 | 245,073 |
| Median net farm income | 33,060 | -15,105 | 5,732 | 33,060 | 65,531 | 183,199 |
| Profitability (cost) | | | | | | |
| Rate of return on assets | 2.3 % | -3.6 % | -0.2 % | 1.3 % | 3.1 % | 5.8 % |
| Rate of return on equity | 1.3 % | -12.2 % | -1.8 % | 0.3 % | 2.7 % | 6.2 % |
| Operating profit margin | 8.5 % | -12.2 % | -0.7 % | 3.8 % | 12.5 % | 22.8 % |
| Asset turnover ratio | 26.9 % | 29.1 % | 25.0 % | 33.3 % | 24.9 % | 25.3 % |
| Profitability (market) | | | | | | |
| Rate of return on assets | 3.2 % | 2.8 % | 0.6 % | 3.2 % | 3.5 % | 3.8 % |
| Rate of return on equity | 2.9 % | 1.6 % | -0.3 % | 3.2 % | 3.4 % | 3.7 % |
| Operating profit margin | 15.6 % | 11.4 % | 3.2 % | 15.6 % | 18.7 % | 19.8 % |
| Asset turnover ratio | 20.3 % | 24.3 % | 18.5 % | 20.7 % | 19.0 % | 19.4 % |
| Liquidity & Repayment (end of year) | | | | | | |
| Current assets | 443,503 | 479,671 | 171,255 | 298,241 | 431,326 | 837,022 |
| Current liabilities | 217,567 | 398,949 | 80,070 | 126,106 | 175,335 | 307,377 |
| Current ratio | 2.04 | 1.20 | 2.14 | 2.36 | 2.46 | 2.72 |
| Working capital | 225,936 | 80,722 | 91,185 | 172,134 | 255,991 | 529,645 |
| Change in working capital | -926 | -70,105 | -9,969 | -11,040 | 28,007 | 58,475 |
| Working capital to gross inc | 37.7 % | 8.5 % | 31.4 % | 44.2 % | 56.0 % | 58.0 % |
| Term debt coverage ratio | 1.67 | -0.74 | 1.22 | 1.70 | 2.62 | 2.82 |
| Replacement coverage ratio | 1.12 | -0.55 | 0.74 | 1.10 | 1.49 | 1.98 |
| Term debt to EBITDA | 2.97 | 2,725.39 | 3.86 | 2.11 | 2.14 | 1.89 |
| Solvency (end of year at cost) | | | | | | |
| Number of farms | 115 | 23 | 23 | 23 | 23 | 23 |
| Total assets | 2,012,345 | 1,876,947 | 1,043,741 | 1,239,249 | 2,007,507 | 3,894,282 |
| Total liabilities | 623,067 | 985,015 | 271,460 | 352,444 | 469,833 | 1,036,582 |
| Net worth | 1,389,278 | 891,933 | 772,280 | 886,805 | 1,537,674 | 2,857,700 |
| Net worth change | 47,147 | -94,557 | -4,852 | 66,250 | 59,082 | 209,812 |
| Farm debt to asset ratio | 33 % | 56 % | 27 % | 31 % | 25 % | 28 % |
| Total debt to asset ratio | 31 % | 52 % | 26 % | 28 % | 23 % | 27 % |
| Change in earned net worth % | 4 % | -10 % | -1 % | 8 % | 4 % | 8 % |
| Solvency (end of year at market) | | | | | | |
| Number of farms | 115 | 23 | 23 | 23 | 23 | 23 |
| Total assets | 2,675,238 | 2,322,281 | 1,430,164 | 1,933,490 | 2,622,032 | 5,068,225 |
| Total liabilities | 623,067 | 985,015 | 271,460 | 352,444 | 469,833 | 1,036,582 |
| Net worth | 2,052,172 | 1,337,266 | 1,158,703 | 1,581,046 | 2,152,199 | 4,031,643 |
| Total net worth change | 84,449 | 31,407 | 9,326 | 114,868 | 90,384 | 176,263 |
| Farm debt to asset ratio | 25 % | 45 % | 20 % | 19 % | 19 % | 22 % |
| Total debt to asset ratio | 23 % | 42 % | 19 % | 18 % | 18 % | 20 % |
| Change in total net worth % | 4 % | 2 % | 1 % | 8 % | 4 % | 5 % |
| Nonfarm Information | | | | | | |
| Net nonfarm income | 39,642 | 42,278 | 34,051 | 36,309 | 42,276 | 43,297 |
| Farms reporting living expenses | 13 | 4 | 2 | 4 | 3 | - |
| Total family living expense | 52,112 | - | - | - | - | - |
| Total living, invest, cap. purch | 57,787 | - | - | - | - | - |
| Crop Acres | | | | | | |
| Total crop acres | 781 | 540 | 408 | 637 | 814 | 1,507 |
| Total crop acres owned | 225 | 151 | 134 | 178 | 186 | 475 |
| Total crop acres cash rented | 305 | 221 | 136 | 255 | 286 | 627 |
| Total crop acres share rented | 252 | 167 | 138 | 205 | 343 | 405 |
| Machinery value per crop acre | 498 | 501 | 596 | 460 | 474 | 500 |

FINPACK Score Card Items
2018 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

| | <u>Avg. Of All Farms</u> | <u>Low 20%</u> | <u>20 - 40%</u> | <u>40 - 60%</u> | <u>60 - 80%</u> | <u>High 20%</u> |
|---------------------------------|------------------------------|----------------|-----------------|-----------------|-----------------|-----------------|
| Number of farms | 115 | 23 | 23 | 23 | 23 | 23 |
| Liquidity | | | | | | |
| Current ratio | 2.04 | 1.20 | 2.14 | 2.36 | 2.46 | 2.72 |
| Working capital | 225,936 | 80,722 | 91,185 | 172,134 | 255,991 | 529,645 |
| Working capital to gross inc | 37.7 % | 8.5 % | 31.4 % | 44.2 % | 56.0 % | 58.0 % |
| Solvency (market) | | | | | | |
| Farm debt to asset ratio | 25 % | 45 % | 20 % | 19 % | 19 % | 22 % |
| Farm equity to asset ratio | 75 % | 55 % | 80 % | 81 % | 81 % | 78 % |
| Farm debt to equity ratio | 0.33 | 0.83 | 0.24 | 0.24 | 0.24 | 0.28 |
| Profitability (cost) | | | | | | |
| Rate of ret on fm assets - mkt | 3.2 % | 2.8 % | 0.6 % | 3.2 % | 3.5 % | 3.8 % |
| Rate of ret on fm assets - cst | 2.3 % | -3.6 % | -0.2 % | 1.3 % | 3.1 % | 5.8 % |
| Rate of ret on fm equity - mkt | 2.8 % | 1.6 % | -0.3 % | 3.2 % | 3.4 % | 3.6 % |
| Rate of ret on fm equity - cst | 1.3 % | -12.2 % | -1.8 % | 0.3 % | 2.7 % | 6.2 % |
| Operating profit margin - mkt | 15.6 % | 11.4 % | 3.2 % | 15.6 % | 18.7 % | 19.8 % |
| Operating profit margin - cst | 8.5 % | -12.2 % | -0.7 % | 3.8 % | 12.5 % | 22.8 % |
| Net farm income - mkt | 91,166 | 48,611 | 16,501 | 73,723 | 98,226 | 218,768 |
| Net farm income - cst | 58,039 | -67,538 | 7,708 | 32,749 | 72,203 | 245,073 |
| EBITDA - cst | 107,535 | 167 | 41,605 | 74,504 | 115,458 | 305,939 |
| Repayment Capacity | | | | | | |
| Capital debt repayment capacity | 78,352 | -38,629 | 31,447 | 53,464 | 83,454 | 262,023 |
| Capital debt repayment margin | 31,421 | -91,159 | 5,696 | 22,000 | 51,609 | 168,958 |
| Replacement margin | 8,527 | -108,601 | -11,145 | 4,988 | 27,382 | 130,011 |
| Term debt coverage ratio | 1.67 | -0.74 | 1.22 | 1.70 | 2.62 | 2.82 |
| Replacement coverage ratio | 1.12 | -0.55 | 0.74 | 1.10 | 1.49 | 1.98 |
| Efficiency | | | | | | |
| Asset turnover rate (cost) | 26.9 % | 29.1 % | 25.0 % | 33.3 % | 24.9 % | 25.3 % |
| Asset turnover rate (market) | 20.3 % | 24.3 % | 18.5 % | 20.7 % | 19.0 % | 19.4 % |
| Operating expense ratio | 82.1 % | 100.0 % | 85.7 % | 80.9 % | 74.8 % | 66.5 % |
| Depreciation expense ratio | 5.1 % | 2.4 % | 6.8 % | 8.0 % | 5.9 % | 5.9 % |
| Interest expense ratio | 4.0 % | 4.0 % | 3.6 % | 2.8 % | 4.0 % | 4.7 % |
| Net farm income ratio | 9.7 % | -7.1 % | 2.7 % | 8.4 % | 15.8 % | 26.8 % |

Crop Reports

The Crop Enterprise Analysis tables show the average physical production, gross return, direct costs, overhead costs, and net returns per acre. There are potentially four tables for each crop depending on the farmer's tenure on the land: owned land, cash rented land, share rented land (share-rent returns and costs represent only the producer's share) and land rented out. It is possible for an individual farm to have data in all four tables if all three land tenure categories are represented in that farm business.

Gross Return Per Acre includes the value of the crop produced plus any other income directly associated with production of the crop, including crop insurance proceeds and any disaster payments that might have been received. It does not include direct and counter-cyclical government payments (see Net Return With Government Payments).

The *Value Per Unit* is assigned by the producer. For cash crops, the value is based on the actual price for crops sold or contracted before year-end and the inventory value for crops still in inventory at year-end. The local harvest-time price is used for forages and other feed crops.

Net Return Per Acre is the amount contributed toward operator labor, management, and equity capital. Any wages and benefits paid to the operator are removed from labor costs (and added to *Labor and Management Charge*) so that all farms are on equal footing. **Land costs include land rent on the rented land pages but only actual interest paid and real estate taxes on owned land. For this reason, net returns from owned and rented land should only be compared with that in mind.**

Net Return With Government Payments is the net return per acre after decoupled government payments such as direct and counter-cyclical government payments have been added. These payments are often allocated evenly to all crops except vegetables and pasture.

Net Return Over Labor and Management is the return, including government payments, remaining after compensating the operator for unpaid labor and management. This is the per acre return to equity capital.

Cost of Production shows the average cost per unit produced in each cost category. *Total Direct and Overhead Expense per Unit* is the breakeven price needed to cover cash costs and depreciation. *Less Government and Other Income* is the breakeven price if government payments and any miscellaneous income are used to offset some of the expenses. *With Labor and Management* is the breakeven price to provide a labor and management return for the operator(s).

Machinery Cost Per Acre includes fuel and oil, repairs, custom hire, machinery lease payments, machinery depreciation, and interest on intermediate debt.

Crop Enterprise Analysis
2018 Missouri FBMA Farm Summary
(Farms Sorted By Crop Tenure Type)

Corn

| | <u>Avg. Of All Farms</u> | <u>Owned Land</u> | <u>Cash Rent</u> | <u>Share Rent</u> | <u>Rented Out</u> |
|------------------------------------|------------------------------|-----------------------|----------------------|-----------------------|-----------------------|
| Number of farms | 47 | 30 | 31 | 26 | 7 |
| Acres | 386.85 | 139.00 | 227.12 | 212.13 | 207.99 |
| Yield per acre (bu.) | 139.50 | 131.35 | 152.64 | 134.22 | 119.28 |
| Operators share of yield % | 82.48 | 100.00 | 100.00 | 52.31 | 47.47 |
| Value per bu. | 3.51 | 3.49 | 3.54 | 3.48 | 3.37 |
| Total product return per acre | 403.79 | 458.24 | 540.45 | 244.31 | 191.04 |
| Crop insurance per acre | 15.99 | 23.52 | 10.83 | 14.85 | 23.72 |
| Other crop income per acre | 16.33 | 37.09 | 11.70 | 7.98 | 10.96 |
| Gross return per acre | 436.11 | 518.85 | 562.98 | 267.14 | 225.73 |
| Direct Expenses | | | | | |
| Seed and plants | 77.03 | 94.50 | 90.14 | 56.69 | 40.65 |
| Fertilizer | 82.12 | 92.49 | 98.18 | 63.01 | 47.18 |
| Crop chemicals | 46.53 | 51.20 | 59.66 | 32.58 | 22.57 |
| Cover crop expense | 0.27 | 0.21 | 0.57 | - | - |
| Crop insurance | 18.64 | 19.67 | 23.65 | 13.71 | 10.19 |
| Drying expense | 0.69 | 0.65 | 0.66 | 0.90 | 0.14 |
| Storage | 1.73 | 1.40 | 1.95 | 0.38 | 6.79 |
| Fuel & oil | 21.00 | 18.62 | 23.96 | 21.35 | 12.15 |
| Repairs | 32.69 | 29.31 | 32.44 | 38.29 | 22.38 |
| Custom hire | 3.48 | 5.92 | 1.18 | 3.80 | 6.40 |
| Hired labor | 4.52 | 1.45 | 6.05 | 6.07 | - |
| Land rent | 54.96 | - | 141.94 | - | - |
| Machinery leases | 3.09 | 2.62 | 3.66 | 3.55 | - |
| Utilities | 1.66 | 0.83 | 2.36 | 1.83 | - |
| Marketing | 1.08 | 0.67 | 1.23 | 0.56 | 3.51 |
| Operating interest | 4.72 | 5.12 | 5.87 | 4.19 | 0.07 |
| Miscellaneous | 0.53 | 1.22 | 0.25 | 0.13 | 1.40 |
| Total direct expenses per acre | 353.55 | 325.86 | 490.64 | 247.02 | 173.43 |
| Return over direct exp per acre | 82.57 | 192.99 | 72.35 | 20.11 | 52.30 |
| Overhead Expenses | | | | | |
| Custom hire | 4.22 | 15.28 | 0.96 | 0.42 | 2.70 |
| Hired labor | 12.15 | 19.61 | 10.60 | 9.59 | 7.97 |
| Building leases | 0.25 | 0.14 | 0.56 | - | - |
| RE & pers. property taxes | 3.89 | 10.30 | 1.89 | 1.13 | 5.59 |
| Farm insurance | 10.01 | 9.34 | 9.43 | 11.71 | 8.22 |
| Utilities | 2.20 | 2.50 | 1.33 | 2.37 | 4.92 |
| Dues & professional fees | 2.32 | 2.98 | 1.85 | 2.28 | 2.90 |
| Interest | 12.10 | 36.63 | 4.36 | 4.27 | 9.01 |
| Mach & bldg depreciation | 32.59 | 39.66 | 31.09 | 26.53 | 42.55 |
| Miscellaneous | 9.05 | 8.28 | 8.94 | 10.01 | 8.09 |
| Total overhead expenses per acre | 88.60 | 144.72 | 70.57 | 68.31 | 91.95 |
| Total dir & ovhd expenses per acre | 442.15 | 470.57 | 561.21 | 315.33 | 265.38 |
| Net return per acre | -6.04 | 48.28 | 1.78 | -48.20 | -39.66 |
| Government payments | 9.82 | 13.90 | 10.41 | 6.50 | 7.82 |
| Net return with govt pmts | 3.78 | 62.18 | 12.19 | -41.70 | -31.83 |
| Labor & management charge | 35.76 | 38.32 | 36.96 | 32.03 | 36.82 |
| Net return over lbr & mgt | -31.98 | 23.86 | -24.77 | -73.72 | -68.66 |
| Cost of Production | | | | | |
| Total direct expense per bu. | 3.07 | 2.48 | 3.21 | 3.52 | 3.06 |
| Total dir & ovhd exp per bu. | 3.84 | 3.58 | 3.68 | 4.49 | 4.69 |
| Less govt & other income | 3.48 | 3.02 | 3.46 | 4.07 | 3.94 |
| With labor & management | 3.79 | 3.31 | 3.70 | 4.53 | 4.59 |
| Net value per unit | 3.51 | 3.49 | 3.54 | 3.48 | 3.37 |
| Machinery cost per acre | 95.71 | 107.23 | 93.16 | 94.25 | 80.58 |
| Est. labor hours per acre | 2.24 | 2.59 | 2.12 | 2.15 | 2.18 |

Crop Enterprise Analysis
2018 Missouri FBMA Farm Summary
(Farms Sorted By Crop Tenure Type)

CRP

| | <u>Avg. Of All Farms</u> | <u>Owned Land</u> |
|------------------------------------|------------------------------|-----------------------|
| Number of farms | 11 | 10 |
| Acres | 72.36 | 79.20 |
| Yield per acre (\$) | 96.93 | 97.42 |
| Operators share of yield % | 100.00 | 100.00 |
| Value per \$ | 1.05 | 1.05 |
| Total product return per acre | 101.50 | 102.01 |
| Other crop income per acre | 164.62 | 165.45 |
| Gross return per acre | 266.12 | 267.46 |
| Direct Expenses | | |
| Crop chemicals | 2.97 | 2.98 |
| Fuel & oil | 1.52 | 1.53 |
| Repairs | 2.30 | 2.31 |
| Miscellaneous | 0.44 | 0.44 |
| Total direct expenses per acre | 7.23 | 7.26 |
| Return over direct exp per acre | 258.89 | 260.20 |
| Overhead Expenses | | |
| Hired labor | 0.55 | 0.56 |
| RE & pers. property taxes | 5.18 | 5.20 |
| Farm insurance | 4.47 | 4.49 |
| Utilities | 0.89 | 0.89 |
| Dues & professional fees | 1.72 | 1.73 |
| Interest | 2.00 | 2.01 |
| Mach & bldg depreciation | 18.18 | 18.26 |
| Miscellaneous | 1.10 | 1.10 |
| Total overhead expenses per acre | 34.08 | 34.25 |
| Total dir & ovhd expenses per acre | 41.31 | 41.51 |
| Net return per acre | 224.81 | 225.96 |
| Government payments | 2.88 | 2.65 |
| Net return with govt pmts | 227.68 | 228.61 |
| Labor & management charge | 6.15 | 6.18 |
| Net return over lbr & mgt | 221.53 | 222.43 |
| Cost of Production | | |
| Total direct expense per \$ | 0.07 | 0.07 |
| Total dir & ovhd exp per \$ | 0.43 | 0.43 |
| Less govt & other income | -1.30 | -1.30 |
| With labor & management | -1.24 | -1.24 |
| Net value per unit | 1.05 | 1.05 |
| Machinery cost per acre | 21.92 | 22.02 |
| Est. labor hours per acre | 0.48 | 0.48 |

Crop Enterprise Analysis
2018 Missouri FBMA Farm Summary
(Farms Sorted By Crop Tenure Type)

Hay, Mixed

| | <u>Avg. Of All Farms</u> | <u>Owned Land</u> | <u>Cash Rent</u> | <u>Share Rent</u> |
|------------------------------------|------------------------------|-----------------------|----------------------|-----------------------|
| Number of farms | 21 | 13 | 9 | 10 |
| Acres | 109.52 | 61.37 | 56.68 | 94.21 |
| Yield per acre (ton) | 2.06 | 1.56 | 3.24 | 1.91 |
| Operators share of yield % | 91.05 | 100.00 | 100.00 | 76.39 |
| Value per ton | 63.81 | 66.35 | 55.53 | 70.85 |
| Total product return per acre | 119.86 | 103.60 | 179.67 | 103.36 |
| Crop insurance per acre | 1.29 | - | - | 3.15 |
| Other crop income per acre | 5.14 | 3.79 | 6.44 | 5.86 |
| Gross return per acre | 126.29 | 107.39 | 186.11 | 112.36 |
| Direct Expenses | | | | |
| Seed and plants | 0.40 | 0.80 | 0.55 | - |
| Fertilizer | 18.20 | 25.60 | 19.88 | 11.99 |
| Crop insurance | 1.17 | 0.80 | - | 2.18 |
| Fuel & oil | 12.62 | 9.03 | 11.99 | 16.20 |
| Repairs | 14.36 | 7.08 | 17.74 | 19.23 |
| Custom hire | 14.46 | 13.44 | 35.04 | 4.94 |
| Hired labor | 1.61 | 1.25 | 3.19 | 1.14 |
| Land rent | 7.26 | - | 32.75 | - |
| Utilities | 0.53 | 0.37 | 1.02 | 0.42 |
| Marketing | 0.98 | 0.16 | 0.13 | 2.18 |
| Operating interest | 2.18 | 0.44 | 0.96 | 4.44 |
| Total direct expenses per acre | 73.76 | 58.97 | 123.24 | 62.72 |
| Return over direct exp per acre | 52.53 | 48.42 | 62.86 | 49.65 |
| Overhead Expenses | | | | |
| Custom hire | 0.96 | 0.42 | 0.39 | 1.77 |
| Hired labor | 5.89 | 4.33 | 5.98 | 7.48 |
| Building leases | 0.14 | - | 0.64 | - |
| RE & pers. property taxes | 3.31 | 8.46 | 0.50 | 0.56 |
| Farm insurance | 5.40 | 3.77 | 9.31 | 4.68 |
| Utilities | 1.55 | 2.44 | 1.55 | 0.87 |
| Dues & professional fees | 2.25 | 1.43 | 2.66 | 2.84 |
| Interest | 3.51 | 8.27 | 0.23 | 1.44 |
| Mach & bldg depreciation | 30.05 | 27.36 | 54.79 | 20.52 |
| Miscellaneous | 4.82 | 2.86 | 6.68 | 5.67 |
| Total overhead expenses per acre | 57.88 | 59.32 | 82.73 | 45.85 |
| Total dir & ovhd expenses per acre | 131.63 | 118.30 | 205.98 | 108.56 |
| Net return per acre | -5.34 | -10.91 | -19.87 | 3.80 |
| Government payments | 1.51 | 2.66 | 2.62 | 0.00 |
| Net return with govt pmts | -3.84 | -8.24 | -17.25 | 3.80 |
| Labor & management charge | 14.91 | 15.94 | 11.30 | 15.56 |
| Net return over lbr & mgt | -18.74 | -24.18 | -28.55 | -11.75 |
| Cost of Production | | | | |
| Total direct expense per ton | 39.27 | 37.77 | 38.09 | 42.99 |
| Total dir & ovhd exp per ton | 70.07 | 75.76 | 63.66 | 74.41 |
| Less govt & other income | 65.85 | 71.63 | 60.86 | 68.24 |
| With labor & management | 73.78 | 81.84 | 64.36 | 78.90 |
| Net value per unit | 63.81 | 66.35 | 55.53 | 70.85 |
| Machinery cost per acre | 72.74 | 57.05 | 120.02 | 63.60 |
| Est. labor hours per acre | 1.41 | 1.11 | 1.75 | 1.52 |

Crop Enterprise Analysis
2018 Missouri FBMA Farm Summary
(Farms Sorted By Crop Tenure Type)

Pasture

| | <u>Avg. Of All Farms</u> | <u>Owned Land</u> | <u>Cash Rent</u> | <u>Share Rent</u> |
|------------------------------------|------------------------------|-----------------------|----------------------|-----------------------|
| Number of farms | 31 | 20 | 20 | 9 |
| Acres | 151.75 | 93.35 | 98.29 | 90.07 |
| Yield per acre (aum) | 3.05 | 3.02 | 2.96 | 3.15 |
| Operators share of yield % | 98.18 | 100.00 | 100.00 | 96.90 |
| Value per aum | 12.06 | 12.72 | 11.87 | 10.94 |
| Total product return per acre | 36.16 | 38.36 | 35.14 | 33.36 |
| Crop insurance per acre | 2.06 | 3.15 | 0.73 | 2.89 |
| LDP income per acre | 0.18 | 0.16 | 0.28 | - |
| Other crop income per acre | 6.05 | 5.98 | 8.02 | 0.47 |
| Gross return per acre | 44.45 | 47.65 | 44.17 | 36.72 |
| Direct Expenses | | | | |
| Seed and plants | 0.47 | 0.18 | 0.39 | 1.38 |
| Fertilizer | 14.44 | 12.36 | 19.70 | 7.57 |
| Crop insurance | 1.64 | 2.93 | 0.80 | 0.80 |
| Fuel & oil | 2.27 | 1.28 | 2.54 | 4.02 |
| Repairs | 3.51 | 2.17 | 4.06 | 5.45 |
| Hired labor | 0.68 | 0.69 | 0.97 | - |
| Land rent | 10.24 | - | 24.51 | - |
| Miscellaneous | 0.81 | 1.33 | 0.59 | 0.24 |
| Total direct expenses per acre | 34.06 | 20.93 | 53.55 | 19.46 |
| Return over direct exp per acre | 10.39 | 26.72 | -9.38 | 17.26 |
| Overhead Expenses | | | | |
| Custom hire | 0.33 | 0.13 | 0.11 | 1.33 |
| Hired labor | 1.28 | 0.45 | 1.72 | 2.20 |
| RE & pers. property taxes | 2.44 | 5.80 | 0.09 | 0.21 |
| Farm insurance | 1.06 | 0.86 | 1.13 | 1.41 |
| Dues & professional fees | 0.35 | 0.20 | 0.23 | 1.02 |
| Interest | 3.30 | 7.36 | 0.31 | 0.17 |
| Mach & bldg depreciation | 4.45 | 3.43 | 4.66 | 6.62 |
| Miscellaneous | 1.27 | 0.97 | 1.45 | 1.64 |
| Total overhead expenses per acre | 14.48 | 19.21 | 9.69 | 14.58 |
| Total dir & ovhd expenses per acre | 48.54 | 40.14 | 63.25 | 34.04 |
| Net return per acre | -4.09 | 7.51 | -19.08 | 2.68 |
| Government payments | 0.45 | 1.13 | - | - |
| Net return with govt pmts | -3.64 | 8.63 | -19.08 | 2.68 |
| Labor & management charge | 2.54 | 3.22 | 1.78 | 2.97 |
| Net return over lbr & mgt | -6.18 | 5.41 | -20.86 | -0.29 |
| Cost of Production | | | | |
| Total direct expense per aum | 11.36 | 6.94 | 18.09 | 6.38 |
| Total dir & ovhd exp per aum | 16.19 | 13.31 | 21.36 | 11.16 |
| Less govt & other income | 13.27 | 9.86 | 18.31 | 10.06 |
| With labor & management | 14.12 | 10.93 | 18.91 | 11.03 |
| Net value per unit | 12.12 | 12.77 | 11.96 | 10.94 |
| Machinery cost per acre | 10.57 | 6.86 | 11.51 | 17.50 |
| Est. labor hours per acre | 0.28 | 0.18 | 0.31 | 0.47 |

Crop Enterprise Analysis
2018 Missouri FBMA Farm Summary
(Farms Sorted By Crop Tenure Type)

Soybeans

| | <u>Avg. Of All Farms</u> | <u>Owned Land</u> | <u>Cash Rent</u> | <u>Share Rent</u> | <u>Rented Out</u> |
|------------------------------------|------------------------------|-----------------------|----------------------|-----------------------|-----------------------|
| Number of farms | 52 | 37 | 34 | 28 | 8 |
| Acres | 522.48 | 206.62 | 298.67 | 277.95 | 198.32 |
| Yield per acre (bu.) | 48.21 | 46.93 | 47.65 | 51.16 | 43.55 |
| Operators share of yield % | 83.43 | 100.00 | 100.00 | 54.85 | 46.08 |
| Value per bu. | 9.06 | 9.10 | 9.12 | 8.87 | 9.07 |
| Total product return per acre | 364.46 | 426.99 | 434.45 | 248.90 | 182.07 |
| Hedging gains/losses per acre | 0.02 | 0.04 | 0.00 | 0.03 | - |
| Crop insurance per acre | 5.50 | 7.49 | 4.39 | 3.65 | 12.09 |
| Other crop income per acre | 66.58 | 100.48 | 65.70 | 41.82 | 30.21 |
| Gross return per acre | 436.56 | 534.99 | 504.55 | 294.40 | 224.36 |
| Direct Expenses | | | | | |
| Seed and plants | 55.86 | 66.91 | 63.75 | 40.64 | 26.79 |
| Fertilizer | 39.86 | 53.06 | 42.16 | 27.96 | 19.87 |
| Crop chemicals | 47.63 | 51.74 | 57.41 | 36.49 | 19.91 |
| Cover crop expense | 0.19 | 0.64 | 0.03 | - | - |
| Crop insurance | 11.59 | 11.92 | 14.42 | 8.10 | 8.93 |
| Storage | 0.30 | 0.51 | 0.16 | 0.13 | 0.91 |
| Fuel & oil | 12.95 | 11.96 | 14.52 | 13.35 | 5.73 |
| Repairs | 20.10 | 19.41 | 19.70 | 23.25 | 10.51 |
| Custom hire | 2.69 | 4.06 | 1.97 | 1.82 | 5.02 |
| Hired labor | 2.90 | 0.54 | 4.03 | 4.34 | - |
| Land rent | 51.00 | - | 136.44 | - | - |
| Machinery leases | 1.83 | 1.21 | 2.31 | 2.20 | - |
| Utilities | 1.11 | 0.42 | 1.57 | 1.42 | - |
| Marketing | 0.60 | 0.51 | 0.50 | 0.29 | 3.19 |
| Operating interest | 2.93 | 2.46 | 4.21 | 2.30 | 0.04 |
| Miscellaneous | 0.25 | 0.17 | 0.29 | 0.05 | 1.34 |
| Total direct expenses per acre | 251.79 | 225.53 | 363.48 | 162.33 | 102.24 |
| Return over direct exp per acre | 184.77 | 309.47 | 141.07 | 132.07 | 122.12 |
| Overhead Expenses | | | | | |
| Custom hire | 2.16 | 6.27 | 0.71 | 0.19 | 1.33 |
| Hired labor | 8.63 | 14.21 | 6.77 | 6.59 | 3.64 |
| RE & pers. property taxes | 3.24 | 8.23 | 1.14 | 0.70 | 5.08 |
| Farm insurance | 6.38 | 6.09 | 6.10 | 7.25 | 5.29 |
| Utilities | 1.74 | 2.16 | 1.25 | 1.75 | 2.85 |
| Dues & professional fees | 1.37 | 1.64 | 1.33 | 1.13 | 1.54 |
| Interest | 10.20 | 28.66 | 2.94 | 2.32 | 6.43 |
| Mach & bldg depreciation | 24.12 | 21.79 | 18.23 | 35.04 | 19.49 |
| Miscellaneous | 6.69 | 7.28 | 6.95 | 6.12 | 4.88 |
| Total overhead expenses per acre | 64.53 | 96.32 | 45.42 | 61.09 | 50.54 |
| Total dir & ovhd expenses per acre | 316.32 | 321.85 | 408.90 | 223.42 | 152.78 |
| Net return per acre | 120.24 | 213.14 | 95.65 | 70.98 | 71.59 |
| Government payments | 14.20 | 18.83 | 15.99 | 8.58 | 8.00 |
| Net return with govt pmts | 134.44 | 231.97 | 111.64 | 79.55 | 79.58 |
| Labor & management charge | 24.05 | 22.84 | 23.65 | 26.65 | 19.78 |
| Net return over lbr & mgt | 110.38 | 209.13 | 87.99 | 52.91 | 59.80 |
| Cost of Production | | | | | |
| Total direct expense per bu. | 6.26 | 4.81 | 7.63 | 5.79 | 5.09 |
| Total dir & ovhd exp per bu. | 7.86 | 6.86 | 8.58 | 7.96 | 7.61 |
| Less govt & other income | 5.72 | 4.16 | 6.77 | 6.04 | 5.11 |
| With labor & management | 6.32 | 4.64 | 7.27 | 6.98 | 6.09 |
| Net value per unit | 9.06 | 9.10 | 9.12 | 8.87 | 9.07 |
| Machinery cost per acre | 63.31 | 63.79 | 57.15 | 75.78 | 39.27 |
| Est. labor hours per acre | 1.56 | 1.67 | 1.33 | 1.85 | 1.12 |

Crop Enterprise Analysis
2018 Missouri FBMA Farm Summary
(Farms Sorted By Crop Tenure Type)

Wheat, Winter

| | <u>Avg. Of All Farms</u> | <u>Owned Land</u> | <u>Cash Rent</u> | <u>Share Rent</u> |
|------------------------------------|------------------------------|-----------------------|----------------------|-----------------------|
| Number of farms | 17 | 6 | 8 | 7 |
| Acres | 127.18 | 82.57 | 119.06 | 77.89 |
| Yield per acre (bu.) | 54.98 | 57.14 | 62.43 | 36.60 |
| Operators share of yield % | 86.92 | 100.00 | 100.00 | 50.00 |
| Value per bu. | 4.92 | 5.10 | 4.91 | 4.72 |
| Total product return per acre | 235.18 | 291.34 | 306.51 | 86.31 |
| Crop insurance per acre | 9.94 | - | - | 39.43 |
| Other crop income per acre | 10.23 | 15.01 | 6.82 | 8.05 |
| Gross return per acre | 255.35 | 306.35 | 313.33 | 133.79 |
| Direct Expenses | | | | |
| Seed and plants | 44.69 | 65.39 | 53.16 | 19.58 |
| Fertilizer | 57.62 | 62.40 | 80.54 | 22.39 |
| Crop chemicals | 53.50 | 76.77 | 68.81 | 18.00 |
| Crop insurance | 9.40 | 14.07 | 11.03 | 4.29 |
| Fuel & oil | 13.66 | 13.66 | 14.47 | 12.34 |
| Repairs | 24.46 | 25.32 | 22.95 | 25.09 |
| Custom hire | 1.07 | 2.33 | 0.72 | 0.86 |
| Hired labor | 9.34 | 10.26 | 14.66 | 2.12 |
| Land rent | 38.33 | - | 86.99 | - |
| Machinery leases | 2.68 | 2.97 | 4.24 | 0.53 |
| Utilities | 1.98 | 1.53 | 2.58 | 1.95 |
| Operating interest | 3.25 | 6.11 | 3.69 | 0.87 |
| Miscellaneous | 0.41 | 0.53 | 0.29 | - |
| Total direct expenses per acre | 260.39 | 281.33 | 364.14 | 108.01 |
| Return over direct exp per acre | -5.04 | 25.02 | -50.81 | 25.78 |
| Overhead Expenses | | | | |
| Hired labor | 6.79 | 5.60 | 5.86 | 8.90 |
| RE & pers. property taxes | 2.32 | 7.12 | 0.39 | 0.49 |
| Farm insurance | 6.67 | 6.57 | 6.65 | 7.17 |
| Utilities | 1.92 | 1.44 | 1.58 | 2.51 |
| Dues & professional fees | 1.29 | 0.48 | 1.83 | 0.88 |
| Interest | 9.97 | 32.54 | 1.93 | 1.05 |
| Mach & bldg depreciation | 13.63 | 25.72 | 9.67 | 10.59 |
| Miscellaneous | 3.69 | 4.33 | 3.41 | 3.70 |
| Total overhead expenses per acre | 46.29 | 83.81 | 31.31 | 35.29 |
| Total dir & ovhd expenses per acre | 306.67 | 365.14 | 395.45 | 143.30 |
| Net return per acre | -51.32 | -58.79 | -82.13 | -9.52 |
| Government payments | 7.65 | 7.17 | 6.52 | 12.22 |
| Net return with govt pmts | -43.67 | -51.62 | -75.61 | 2.71 |
| Labor & management charge | 15.68 | 21.08 | 13.66 | 13.03 |
| Net return over lbr & mgt | -59.35 | -72.70 | -89.28 | -10.32 |
| Cost of Production | | | | |
| Total direct expense per bu. | 5.45 | 4.92 | 5.83 | 5.90 |
| Total dir & ovhd exp per bu. | 6.42 | 6.39 | 6.33 | 7.83 |
| Less govt & other income | 5.83 | 6.00 | 6.12 | 4.57 |
| With labor & management | 6.16 | 6.37 | 6.34 | 5.28 |
| Net value per unit | 4.92 | 5.10 | 4.91 | 4.72 |
| Machinery cost per acre | 54.14 | 68.61 | 50.73 | 48.20 |
| Est. labor hours per acre | 0.95 | 1.27 | 0.78 | 0.77 |

Crop Enterprise Analysis
2018 Missouri FBMA Farm Summary
(Farms Sorted By Crop Tenure Type)

Custom Work

| | <u>Avg. Of All Farms</u> | <u>Share Rent</u> |
|------------------------------------|------------------------------|-----------------------|
| Number of farms | 7 | 5 |
| Acres | 531.64 | 591.71 |
| Yield per acre (\$) | 87.08 | 72.13 |
| Operators share of yield % | 100.00 | 100.00 |
| Value per \$ | 1.00 | 1.00 |
| Total product return per acre | 87.08 | 72.13 |
| Other crop income per acre | 10.61 | 13.34 |
| Gross return per acre | 97.69 | 85.48 |
| Direct Expenses | | |
| Fuel & oil | 12.90 | 12.75 |
| Repairs | 16.64 | 16.21 |
| Operating interest | 5.10 | 5.96 |
| Total direct expenses per acre | 34.64 | 34.91 |
| Return over direct exp per acre | 63.05 | 50.57 |
| Overhead Expenses | | |
| Custom hire | 4.02 | 2.91 |
| Hired labor | 13.79 | 12.62 |
| Machinery leases | 0.59 | 0.51 |
| Building leases | 0.76 | 0.61 |
| RE & pers. property taxes | 1.49 | 0.56 |
| Farm insurance | 4.18 | 3.80 |
| Utilities | 3.24 | 1.95 |
| Dues & professional fees | 1.44 | 1.59 |
| Interest | 10.01 | 1.15 |
| Mach & bldg depreciation | 31.22 | 31.24 |
| Miscellaneous | 11.67 | 9.67 |
| Total overhead expenses per acre | 82.41 | 66.59 |
| Total dir & ovhd expenses per acre | 117.05 | 101.50 |
| Net return per acre | -19.36 | -16.02 |
| Government payments | - | - |
| Net return with govt pmts | -19.36 | -16.02 |
| Labor & management charge | 20.62 | 20.49 |
| Net return over lbr & mgt | -39.98 | -36.51 |
| Cost of Production | | |
| Total direct expense per \$ | 0.40 | 0.48 |
| Total dir & ovhd exp per \$ | 1.34 | 1.41 |
| Less govt & other income | 1.22 | 1.22 |
| With labor & management | 1.46 | 1.51 |
| Net value per unit | 1.00 | 1.00 |
| Machinery cost per acre | 62.25 | 61.69 |
| Est. labor hours per acre | 1.56 | 1.56 |

Crop Enterprise Analysis
2018 Missouri FBMA Farm Summary
(Farms Sorted By Crop Tenure Type)

Rented Out

| | <u>Avg. Of All Farms</u> | <u>Owned Land</u> |
|------------------------------------|------------------------------|-----------------------|
| Number of farms | 7 | 6 |
| Acres | 285.16 | 287.68 |
| Yield per acre (\$) | 86.42 | 99.94 |
| Operators share of yield % | 100.00 | 100.00 |
| Value per \$ | 1.01 | 1.01 |
| Total product return per acre | 87.40 | 101.07 |
| Other crop income per acre | 6.48 | 2.17 |
| Gross return per acre | 93.87 | 103.24 |
| Direct Expenses | | |
| Fuel & oil | 0.78 | 0.90 |
| Repairs | 1.84 | 2.13 |
| Land rent | 4.01 | - |
| Miscellaneous | 0.40 | 0.46 |
| Total direct expenses per acre | 7.03 | 3.49 |
| Return over direct exp per acre | 86.85 | 99.75 |
| Overhead Expenses | | |
| Custom hire | 1.58 | 1.83 |
| RE & pers. property taxes | 3.38 | 3.90 |
| Farm insurance | 2.22 | 2.57 |
| Utilities | 1.84 | 2.13 |
| Dues & professional fees | 0.71 | 0.82 |
| Interest | 10.45 | 12.08 |
| Mach & bldg depreciation | 9.60 | 11.10 |
| Miscellaneous | 4.37 | 5.06 |
| Total overhead expenses per acre | 34.15 | 39.49 |
| Total dir & ovhd expenses per acre | 41.18 | 42.99 |
| Net return per acre | 52.69 | 60.25 |
| Government payments | - | - |
| Net return with govt pmts | 52.69 | 60.25 |
| Labor & management charge | 3.43 | 3.96 |
| Net return over lbr & mgt | 49.27 | 56.29 |
| Cost of Production | | |
| Total direct expense per \$ | 0.08 | 0.03 |
| Total dir & ovhd exp per \$ | 0.48 | 0.43 |
| Less govt & other income | 0.40 | 0.41 |
| With labor & management | 0.44 | 0.45 |
| Net value per unit | 1.01 | 1.01 |
| Machinery cost per acre | 11.82 | 13.67 |
| Est. labor hours per acre | 0.24 | 0.28 |

Livestock Reports

The Livestock Enterprise Analysis tables show the average physical production, gross margin over purchase costs, direct costs, overhead costs, and net returns per budget unit.

Gross Margin is the accrual gross value produced by the enterprise. It includes income from sale of offspring and livestock products, cull income, non-cash transfers to other enterprises, and the value of production used in the home or for feed. It also includes the value of inventory change from beginning to the end of the year. The cost of livestock purchased and the value of animals transferred in are deducted.

Net Return is the amount contributed by a unit of the enterprise toward operator labor, management, and equity capital. Any wages and benefits paid to the operator are removed from labor costs (and added to *Labor and Management Charge*) so that all farms are on equal footing.

Net Return Over Labor and Management is the return remaining after compensating the operator for unpaid labor and management. This is the per unit return to equity capital.

Cost of Production section shows the average cost per unit sold in each cost category. *Total direct and overhead expense per unit* is the breakeven price needed to cover cash costs and depreciation. For grow/finish enterprises, this includes the purchase cost or transfer-in value of the animal. *With other revenue adjustments* is the final breakeven price adjusted for cull sales, other offspring sales, the cost of replacement stock, and other miscellaneous income. *With labor and management* is the breakeven price to provide labor and management return for the operator.

Other Information contains both economic and technical efficiency measures for each enterprise.

Rounding of individual items for the report may have caused minor discrepancies with the calculated totals. If fewer than 5 farms complete analysis on any given livestock enterprise, information for that enterprise is not reported.

Livestock Enterprise Analysis
2018 Missouri FBMA Farm Summary
(Farms Sorted By Net Return)

Beef Cow-Calf -- Average Per Cwt. Produced

| | <u>Avg. Of</u> | | <u>Low 20%</u> | | <u>20 - 40%</u> | | <u>40 - 60%</u> | | <u>60 - 80%</u> | | <u>High 20%</u> | |
|---|------------------|--------|----------------|---------|-----------------|--------|-----------------|--------|-----------------|--------|-----------------|---------|
| | <u>All Farms</u> | | | | | | | | | | | |
| Number of farms | 26 | | 5 | | 5 | | 5 | | 5 | | 6 | |
| | Quantity | Value | Quantity | Value | Quantity | Value | Quantity | Value | Quantity | Value | Quantity | Value |
| Beef Calves sold (lb) | 102.79 | 170.22 | 155.59 | 390.61 | 87.92 | 117.12 | 96.43 | 139.96 | 127.98 | 196.53 | 79.48 | 134.85 |
| Transferred out (lb) | 6.87 | 11.53 | - | - | 4.14 | 5.04 | 26.59 | 39.88 | 7.79 | 20.48 | 0.67 | 0.96 |
| Cull sales (lb) | 18.55 | 27.19 | 27.36 | 44.89 | 21.92 | 22.92 | 36.99 | 21.65 | 1.49 | 49.29 | 10.44 | 7.45 |
| HedgeAcctIncome | - | - | - | - | - | - | - | - | - | - | - | - |
| LvstInslIncome | - | - | - | - | - | - | - | - | - | - | - | - |
| LvstGovtPayments | 9.82 | 18.72 | - | - | 9.19 | - | - | - | 6.60 | - | 15.94 | - |
| Other income | 1.20 | 3.45 | - | - | 1.19 | - | 1.33 | - | - | - | 0.96 | - |
| Purchased (lb) | -24.91 | -44.32 | -73.26 | -99.63 | -14.14 | -35.80 | -38.23 | -35.25 | -31.93 | -60.42 | - | -18.77 |
| Transferred in (lb) | -13.25 | -21.54 | - | - | - | - | - | - | - | -8.80 | -67.02 | -100.53 |
| Inventory change (lb) | 9.56 | 73.04 | -12.01 | 97.78 | 0.16 | 11.41 | -21.77 | -2.48 | -5.32 | 24.95 | 75.76 | 270.19 |
| Gross margin | | 227.13 | | 455.82 | | 131.06 | | 165.09 | | 228.65 | | 311.04 |
| Direct Expenses | | | | | | | | | | | | |
| Protein Vit Minerals (lb.) | 49.97 | 10.04 | 178.60 | 34.17 | - | 1.49 | 109.12 | 20.48 | 53.98 | 12.27 | 19.15 | 1.82 |
| Creep / Starter (lb.) | 7.95 | 2.92 | - | 2.04 | - | - | - | 10.91 | 41.99 | 6.00 | - | - |
| Complete Ration (lb.) | 16.66 | 15.33 | - | 73.39 | 34.00 | 14.23 | 5.32 | 0.94 | - | 1.46 | 19.15 | 7.34 |
| Corn (bu.) | 3.05 | 9.95 | 10.98 | 36.64 | 2.97 | 9.38 | 0.33 | 1.11 | 2.15 | 7.52 | 1.39 | 4.18 |
| Corn Silage (lb.) | 68.14 | 1.70 | 595.32 | 14.88 | - | - | - | - | - | - | - | - |
| Hay, Grass (lb.) | 1,634.22 | 42.38 | 2,747.58 | 61.52 | 1,654.39 | 39.96 | 1,692.67 | 43.45 | 1,877.84 | 53.61 | 677.88 | 24.13 |
| Pasture (aum) | 2.24 | 27.94 | 4.80 | 60.03 | 1.77 | 23.56 | 2.52 | 28.39 | 2.74 | 34.40 | 0.90 | 10.71 |
| Sorghum Silage (lb.) | 45.43 | 1.82 | - | - | - | - | - | - | - | - | 229.79 | 9.19 |
| Hay (lb.) | 363.89 | 12.74 | 1,372.55 | 48.04 | 474.16 | 16.60 | - | - | - | - | 191.49 | 6.70 |
| Other feed stuffs (lb) | 91.98 | 3.48 | 591.47 | 14.89 | 27.63 | 2.14 | - | - | 74.98 | 5.37 | 1.24 | - |
| Supplies | - | 5.50 | - | 7.91 | - | 3.69 | - | 6.90 | - | 10.94 | - | 1.14 |
| Fuel & oil | - | 14.62 | - | 61.55 | - | 8.71 | - | 8.37 | - | 8.91 | - | 8.08 |
| Repairs | - | 18.90 | - | 82.00 | - | 14.88 | - | 10.63 | - | 5.30 | - | 8.60 |
| Custom hire | - | 6.11 | - | 47.50 | - | - | - | 4.70 | - | - | - | - |
| Hired labor | - | 1.70 | - | 8.27 | - | - | - | 4.11 | - | 0.87 | - | - |
| Operating interest | - | 2.33 | - | 16.91 | - | 0.77 | - | 0.58 | - | - | - | 0.18 |
| Total direct expenses | | 177.45 | | 569.74 | | 135.41 | | 140.58 | | 146.68 | | 82.08 |
| Return over direct expense | | 49.68 | | -113.92 | | -4.34 | | 24.51 | | 81.97 | | 228.96 |
| Overhead Expenses | | | | | | | | | | | | |
| Hired labor | | 13.74 | | 77.22 | | 4.50 | | 0.05 | | 4.92 | | 11.92 |
| RE & pers. property taxes | | 4.00 | | 20.08 | | 2.59 | | 1.26 | | 1.53 | | 1.54 |
| Farm insurance | | 8.77 | | 45.08 | | 2.87 | | 8.34 | | 4.73 | | 2.55 |
| Interest | | 7.68 | | 39.97 | | 3.76 | | 1.58 | | 6.82 | | 1.25 |
| Mach & bldg depreciation | | 19.56 | | 95.86 | | 13.60 | | 6.23 | | 10.88 | | 4.04 |
| Miscellaneous | | 12.18 | | 42.01 | | 6.42 | | 11.14 | | 6.49 | | 11.47 |
| Total overhead expenses | | 65.92 | | 320.23 | | 33.74 | | 28.60 | | 35.38 | | 32.78 |
| Total dir & ovhd expenses | | 243.37 | | 889.97 | | 169.15 | | 169.18 | | 182.06 | | 114.85 |
| Net return | | -16.24 | | -434.15 | | -38.08 | | -4.09 | | 46.59 | | 196.18 |
| Labor & management charge | | 29.48 | | 71.78 | | 17.31 | | 21.31 | | 28.61 | | 33.62 |
| Net return over lbr & mgt | | -45.72 | | -505.93 | | -55.39 | | -25.40 | | 17.98 | | 162.56 |
| Cost of Production Per Cwt. Produced | | | | | | | | | | | | |
| Total direct expense per unit | | 177.41 | | 569.74 | | 135.41 | | 140.58 | | 146.68 | | 82.00 |
| Total dir & ovhd expense per unit | | 243.32 | | 889.97 | | 169.15 | | 169.18 | | 182.06 | | 114.74 |
| With other revenue adjustments | | 218.47 | | 910.71 | | 151.19 | | 176.29 | | 142.37 | | 42.34 |
| With labor and management | | 247.94 | | 982.49 | | 168.50 | | 197.60 | | 170.98 | | 75.93 |
| Est. labor hours per unit | | 2.77 | | 8.03 | | 2.22 | | 1.59 | | 2.18 | | 2.11 |
| Other Information | | | | | | | | | | | | |
| Number of cows | | 62.0 | | 58.6 | | 67.4 | | 45.2 | | 68.4 | | 69.2 |
| Pregnancy percentage | | 93.1 | | 95.8 | | 97.9 | | 88.5 | | 88.3 | | 93.9 |
| Pregnancy loss percentage | | 1.6 | | 0.7 | | 1.8 | | 1.0 | | 0.8 | | 2.8 |
| Culling percentage | | 11.8 | | 12.6 | | 16.6 | | 11.7 | | 17.4 | | 2.7 |
| Calving percentage | | 91.7 | | 95.1 | | 96.1 | | 87.6 | | 87.6 | | 91.3 |
| Weaning percentage | | 86.2 | | 88.4 | | 90.5 | | 77.9 | | 81.7 | | 89.6 |
| Calves sold per cow | | 0.69 | | 0.87 | | 0.78 | | 0.74 | | 0.75 | | 0.39 |
| Calf death loss percent | | 5.4 | | 1.9 | | 4.0 | | 14.6 | | 8.4 | | 1.9 |
| Cow death loss percent | | 1.8 | | 2.4 | | 0.6 | | 3.5 | | 2.6 | | 0.7 |
| Cows per FTE | | 309.0 | | 168.9 | | 225.9 | | 528.6 | | 438.3 | | 528.2 |
| Average weaning weight | | 522 | | 643 | | 528 | | 444 | | 491 | | 494 |
| Lb. weaned/exposed female | | 450 | | 569 | | 477 | | 345 | | 401 | | 443 |
| Feed cost per cow | | 420.21 | | 713.28 | | 599.62 | | 350.09 | | 352.89 | | 161.26 |
| Avg wgt/ Beef Calves sold | | 540 | | 371 | | 658 | | 609 | | 582 | | 511 |
| Avg price / cwt. | | 165.59 | | 251.05 | | 133.21 | | 145.15 | | 153.57 | | 169.68 |

Livestock Enterprise Analysis
2018 Missouri FBMA Farm Summary
(Farms Sorted By Net Return)

Beef Cow-Calf -- Average Per Cow

| | Avg. Of All Farms | | Low 20% | | 20 - 40% | | 40 - 60% | | 60 - 80% | | High 20% | |
|---|------------------------------|---------|----------------|-----------|-----------------|---------|-----------------|---------|-----------------|---------|-----------------|---------|
| | 26 | | 5 | | 5 | | 5 | | 5 | | 6 | |
| | Quantity | Value | Quantity | Value | Quantity | Value | Quantity | Value | Quantity | Value | Quantity | Value |
| Number of farms | | | | | | | | | | | | |
| Beef Calves sold (lb) | 336.7 | 557.52 | 321.1 | 806.17 | 491.1 | 654.18 | 320.6 | 465.39 | 374.3 | 574.84 | 200.0 | 339.39 |
| Transferred out (lb) | 22.5 | 37.78 | - | - | 23.1 | 28.13 | 88.4 | 132.61 | 22.8 | 59.90 | 1.7 | 2.41 |
| Cull sales (lb) | 60.8 | 89.05 | 56.5 | 92.64 | 122.4 | 128.01 | 123.0 | 71.98 | 4.4 | 144.18 | 26.3 | 18.74 |
| HedgeAcctIncome | - | - | - | - | - | - | - | - | - | - | - | - |
| LvstInslIncome | - | - | - | - | - | - | - | - | - | - | - | - |
| LvstGovtPayments | | 32.15 | | 38.65 | | 51.31 | | | | 19.31 | | 40.10 |
| Other income | | 3.92 | | 7.12 | | 6.65 | | 4.42 | | - | | 2.41 |
| Purchased (lb) | -81.6 | -145.17 | -151.2 | -205.62 | -79.0 | -199.95 | -127.1 | -117.23 | -93.4 | -176.71 | - | -47.23 |
| Transferred in (lb) | -43.4 | -70.55 | - | - | - | - | - | - | - | -25.73 | -168.7 | -253.01 |
| Inventory change (lb) | 31.3 | 239.24 | -24.8 | 201.80 | 0.9 | 63.71 | -72.4 | -8.23 | -15.6 | 72.99 | 190.7 | 679.97 |
| Gross margin | | 743.94 | | 940.75 | | 732.03 | | 548.95 | | 668.78 | | 782.79 |
| Direct Expenses | | | | | | | | | | | | |
| Protein Vit Minerals (lb.) | 163.7 | 32.88 | 368.6 | 70.53 | - | 8.30 | 362.8 | 68.10 | 157.9 | 35.89 | 48.2 | 4.59 |
| Creep / Starter (lb.) | 26.0 | 9.57 | - | 4.20 | - | - | - | 36.27 | 122.8 | 17.55 | - | - |
| Complete Ration (lb.) | 54.6 | 50.22 | - | 151.47 | 189.9 | 79.49 | 17.7 | 3.14 | - | 4.27 | 48.2 | 18.47 |
| Corn (bu.) | 10.0 | 32.58 | 22.7 | 75.62 | 16.6 | 52.40 | 1.1 | 3.71 | 6.3 | 22.00 | 3.5 | 10.53 |
| Corn Silage (lb.) | 223.2 | 5.58 | 1,228.7 | 30.72 | - | - | - | - | - | - | - | - |
| Hay, Grass (lb.) | 5,352.7 | 138.80 | 5,670.6 | 126.96 | 9,240.4 | 223.17 | 5,628.3 | 144.47 | 5,492.5 | 156.82 | 1,706.0 | 60.72 |
| Pasture (aum) | 7.3 | 91.50 | 9.9 | 123.90 | 9.9 | 131.61 | 8.4 | 94.40 | 8.0 | 100.63 | 2.3 | 26.95 |
| Sorghum Silage (lb.) | 148.8 | 5.95 | - | - | - | - | - | - | - | - | 578.3 | 23.13 |
| Hay (lb.) | 1,191.9 | 41.72 | 2,832.8 | 99.15 | 2,648.4 | 92.69 | - | - | - | - | 481.9 | 16.87 |
| Other feed stuffs (lb) | 301.3 | 11.41 | 1,220.7 | 30.74 | 154.3 | 11.96 | - | - | 219.3 | 15.72 | 3.1 | - |
| Veterinary | | 10.44 | | 13.63 | | 8.73 | | 14.60 | | 18.08 | | 1.01 |
| Supplies | | 13.13 | | 19.75 | | 11.90 | | 22.00 | | 16.46 | | 1.86 |
| Fuel & oil | | 47.89 | | 127.03 | | 48.62 | | 27.83 | | 26.08 | | 20.33 |
| Repairs | | 61.92 | | 169.24 | | 83.13 | | 35.35 | | 15.51 | | 21.64 |
| Custom hire | | 20.00 | | 98.03 | | - | | 15.64 | | - | | - |
| Operating interest | | 7.62 | | 34.91 | | 4.28 | | 1.92 | | - | | 0.46 |
| Total direct expenses | | 581.21 | | 1,175.87 | | 756.29 | | 467.44 | | 429.02 | | 206.56 |
| Return over direct expense | | 162.73 | | -235.12 | | -24.26 | | 81.51 | | 239.76 | | 576.23 |
| Overhead Expenses | | | | | | | | | | | | |
| Hired labor | | 45.00 | | 159.38 | | 25.14 | | 0.18 | | 14.40 | | 29.99 |
| RE & pers. property taxes | | 13.09 | | 41.45 | | 14.46 | | 4.19 | | 4.48 | | 3.88 |
| Farm insurance | | 28.72 | | 93.03 | | 16.03 | | 27.73 | | 13.83 | | 6.42 |
| Interest | | 25.15 | | 82.50 | | 21.00 | | 5.25 | | 19.95 | | 3.15 |
| Mach & bldg depreciation | | 64.08 | | 197.84 | | 75.96 | | 20.73 | | 31.84 | | 10.18 |
| Miscellaneous | | 39.89 | | 86.71 | | 35.85 | | 37.04 | | 18.99 | | 28.88 |
| Total overhead expenses | | 215.92 | | 660.90 | | 188.45 | | 95.11 | | 103.49 | | 82.49 |
| Total dir & ovhd expenses | | 797.13 | | 1,836.78 | | 944.74 | | 562.55 | | 532.50 | | 289.05 |
| Net return | | -53.19 | | -896.03 | | -212.71 | | -13.60 | | 136.27 | | 493.73 |
| Labor & management charge | | 96.55 | | 148.15 | | 96.68 | | 70.86 | | 83.67 | | 84.62 |
| Net return over lbr & mgt | | -149.74 | | -1,044.17 | | -309.39 | | -84.47 | | 52.60 | | 409.11 |
| Cost of Production Per Cwt. Produced | | | | | | | | | | | | |
| Total direct expense per unit | | 177.41 | | 569.74 | | 135.41 | | 140.58 | | 146.68 | | 82.00 |
| Total dir & ovhd expense per unit | | 243.32 | | 889.97 | | 169.15 | | 169.18 | | 182.06 | | 114.74 |
| With other revenue adjustments | | 218.47 | | 910.71 | | 151.19 | | 176.29 | | 142.37 | | 42.34 |
| With labor and management | | 247.94 | | 982.49 | | 168.50 | | 197.60 | | 170.98 | | 75.93 |
| Est. labor hours per unit | | 9.06 | | 16.58 | | 12.40 | | 5.30 | | 6.39 | | 5.30 |
| Other Information | | | | | | | | | | | | |
| Number of cows | | 62.0 | | 58.6 | | 67.4 | | 45.2 | | 68.4 | | 69.2 |
| Pregnancy percentage | | 93.1 | | 95.8 | | 97.9 | | 88.5 | | 88.3 | | 93.9 |
| Pregnancy loss percentage | | 1.6 | | 0.7 | | 1.8 | | 1.0 | | 0.8 | | 2.8 |
| Culling percentage | | 11.8 | | 12.6 | | 16.6 | | 11.7 | | 17.4 | | 2.7 |
| Calving percentage | | 91.7 | | 95.1 | | 96.1 | | 87.6 | | 87.6 | | 91.3 |
| Weaning percentage | | 86.2 | | 88.4 | | 90.5 | | 77.9 | | 81.7 | | 89.6 |
| Calves sold per cow | | 0.69 | | 0.87 | | 0.78 | | 0.74 | | 0.75 | | 0.39 |
| Calf death loss percent | | 5.4 | | 1.9 | | 4.0 | | 14.6 | | 8.4 | | 1.9 |
| Cow death loss percent | | 1.8 | | 2.4 | | 0.6 | | 3.5 | | 2.6 | | 0.7 |
| Cows per FTE | | 309.0 | | 168.9 | | 225.9 | | 528.6 | | 438.3 | | 528.2 |
| Average weaning weight | | 522 | | 643 | | 528 | | 444 | | 491 | | 494 |
| Lb. weaned/exposed female | | 450 | | 569 | | 477 | | 345 | | 401 | | 443 |
| Feed cost per cow | | 420.21 | | 713.28 | | 599.62 | | 350.09 | | 352.89 | | 161.26 |
| Avg wgt/ Beef Calves sold | | 540 | | 371 | | 658 | | 609 | | 582 | | 511 |
| Avg price / cwt. | | 165.59 | | 251.05 | | 133.21 | | 145.15 | | 153.57 | | 169.68 |

Livestock Enterprise Analysis
2018 Missouri FBMA Farm Summary
(Farms Sorted By Net Return)

Sheep, Market Lamb Prod -- Average Per Cwt. Produced

| | <u>Avg. Of</u> <u>All Farms</u> | |
|---|------------------------------------|--------|
| Number of farms | 6 | |
| | Quantity | Value |
| Lambs sold (lb) | - | 0.81 |
| Mkt Lambs sold (lb) | 62.34 | 174.75 |
| Cull sales (lb) | 27.36 | 35.42 |
| HedgeAcctIncome | | - |
| LvstInslIncome | | - |
| LvstGovtPayments | | - |
| Other income | | 9.91 |
| Purchased (lb) | -2.77 | -12.16 |
| Inventory change (lb) | 9.68 | 15.82 |
| Gross margin | | 224.55 |
| Direct Expenses | | |
| Protein Vit Minerals (lb.) | 39.40 | 9.18 |
| Complete Ration (lb.) | 51.71 | 30.03 |
| Hay, Alfalfa (lb.) | 0.62 | 1.00 |
| Hay, Grass (lb.) | 88.03 | 2.58 |
| Pasture (aum) | 0.57 | 17.88 |
| Other feed stuffs (lb) | 0.28 | 1.01 |
| Breeding fees | | 0.30 |
| Supplies | | 6.42 |
| Fuel & oil | | 8.66 |
| Repairs | | 13.35 |
| Utilities | | 1.05 |
| Marketing | | 3.01 |
| Miscellaneous | | 1.85 |
| Total direct expenses | | 96.32 |
| Return over direct expense | | 128.23 |
| Overhead Expenses | | |
| Hired labor | | 7.08 |
| RE & pers. property taxes | | 2.75 |
| Farm insurance | | 6.78 |
| Utilities | | 3.17 |
| Dues & professional fees | | 1.51 |
| Interest | | 3.38 |
| Mach & bldg depreciation | | 10.74 |
| Miscellaneous | | 11.98 |
| Total overhead expenses | | 47.39 |
| Total dir & ovhd expenses | | 143.71 |
| Net return | | 80.84 |
| Labor & management charge | | 46.16 |
| Net return over lbr & mgt | | 34.68 |
| Cost of Production Per Cwt. Produced | | |
| Total direct expense per unit | | 96.32 |
| Total dir & ovhd expense per unit | | 143.71 |
| With other revenue adjustments | | 110.20 |
| With labor and management | | 156.36 |
| Est. labor hours per unit | | 10.61 |
| Other Information | | |
| Number of ewes | | 54.0 |
| Pregnancy percentage | | 99.7 |
| Pregnancy loss percentage | | 4.7 |
| Female turnover rate | | 15.74 |
| Lambs born / ewe exposed | | 1.50 |
| Lambs born / ewe lambing | | 1.58 |
| Lambs weaned/ewe exposed | | 1.30 |
| Lambs sold per ewe | | 0.97 |
| Lamb dth loss (died/born) | | 13.2 |
| Ewe death loss percentage | | 4.3 |
| Ewes per FTE | | 263.2 |
| Average weaning weight | | 47 |
| Lb. weaned/exposed female | | 61 |
| Feed cost per ewe | | 61.85 |
| Avg wgt/Mkt Lambs sold | | 66 |
| Avg price / cwt. | | 280.31 |

Livestock Enterprise Analysis
2018 Missouri FBMA Farm Summary
(Farms Sorted By Net Return)

Sheep, Market Lamb Prod -- Average Per Ewe

| | <u>Avg. Of</u> <u>All Farms</u> | |
|---|------------------------------------|--------|
| Number of farms | 6 | |
| | Quantity | Value |
| Lambs sold (lb) | - | 0.81 |
| Mkt Lambs sold (lb) | 62.5 | 175.22 |
| Cull sales (lb) | 27.4 | 35.52 |
| HedgeAcctIncome | | - |
| LvstInsIncome | | - |
| LvstGovtPayments | | - |
| Other income | | 9.94 |
| Purchased (lb) | -2.8 | -12.19 |
| Inventory change (lb) | 9.7 | 15.86 |
| Gross margin | | 225.16 |
| Direct Expenses | | |
| Protein Vit Minerals (lb.) | 39.5 | 9.21 |
| Complete Ration (lb.) | 51.9 | 30.11 |
| Hay, Alfalfa (lb.) | 0.6 | 1.00 |
| Hay, Grass (lb.) | 88.3 | 2.59 |
| Pasture (aum) | 0.6 | 17.93 |
| Other feed stuffs (lb) | 0.3 | 1.01 |
| Breeding fees | | 0.30 |
| Supplies | | 7.49 |
| Fuel & oil | | 8.69 |
| Repairs | | 13.38 |
| Marketing | | 3.02 |
| Miscellaneous | | 1.86 |
| Total direct expenses | | 96.59 |
| Return over direct expense | | 128.57 |
| Overhead Expenses | | |
| Hired labor | | 7.10 |
| RE & pers. property taxes | | 2.76 |
| Farm insurance | | 6.80 |
| Utilities | | 3.18 |
| Dues & professional fees | | 1.51 |
| Interest | | 3.39 |
| Mach & bldg depreciation | | 10.76 |
| Miscellaneous | | 12.02 |
| Total overhead expenses | | 47.51 |
| Total dir & ovhd expenses | | 144.10 |
| Net return | | 81.06 |
| Labor & management charge | | 46.29 |
| Net return over lbr & mgt | | 34.77 |
| Cost of Production Per Cwt. Produced | | |
| Total direct expense per unit | | 96.32 |
| Total dir & ovhd expense per unit | | 143.71 |
| With other revenue adjustments | | 110.20 |
| With labor and management | | 156.36 |
| Est. labor hours per unit | | 10.64 |
| Other Information | | |
| Number of ewes | | 54.0 |
| Pregnancy percentage | | 99.7 |
| Pregnancy loss percentage | | 4.7 |
| Female turnover rate | | 15.74 |
| Lambs born / ewe exposed | | 1.50 |
| Lambs born / ewe lambing | | 1.58 |
| Lambs weaned/ewe exposed | | 1.30 |
| Lambs sold per ewe | | 0.97 |
| Lamb dth loss (died/born) | | 13.2 |
| Ewe death loss percentage | | 4.3 |
| Ewes per FTE | | 263.2 |
| Average weaning weight | | 47 |
| Lb. weaned/exposed female | | 61 |
| Feed cost per ewe | | 61.85 |
| Avg wgt/Mkt Lambs sold | | 66 |
| Avg price / cwt. | | 280.31 |

Financial Summary Tables

The following pages are one-page financial summaries of the whole farm analysis sorted different ways. A group of the most meaningful factors are highlighted here when the farms are sorted as follows:

Financial Summary by Net Farm Income (page 37)

This table summarizes whole-farm financial performance by net farm income. Farms are categorized into 4 groups from low to high net farm income.

Financial Summary by Farm Size (Gross Farm Income) (page 38)

This table summarizes whole-farm financial performance by size of farm. Farms are categorized based on gross farm income.

Financial Summary by Farm Type (page 39)

This table summarizes whole-farm financial performance by debt level. Farm type is assigned based on greater than 70 percent of sales from that commodity or combination of commodities. If a given type includes less than four farms, they are not reported here.

Financial Summary by Debt To Asset Ratio (page 40)

This table summarizes whole-farm financial performance by debt level. Farms are categorized based on total farm and non-farm Debt to Asset Ratio.

Financial Summary by Age of Operator (page 41)

This table summarizes whole-farm financial performance based on age of the primary operator.

Financial Summary
2018 Missouri FBMA Farm Summary
(Farms Sorted By Net Farm Income)

| | <u>Avg. Of All Farms</u> | <u>Low 20%</u> | <u>20 - 40%</u> | <u>40 - 60%</u> | <u>60 - 80%</u> | <u>High 20%</u> |
|--|------------------------------|----------------|-----------------|-----------------|-----------------|-----------------|
| Number of farms | 115 | 23 | 23 | 23 | 23 | 23 |
| Income Statement | | | | | | |
| Gross cash farm income | 590,547 | 964,095 | 301,745 | 404,689 | 436,590 | 845,617 |
| Total cash farm expense | 509,600 | 962,994 | 254,793 | 329,485 | 364,464 | 636,265 |
| Net cash farm income | 80,947 | 1,101 | 46,952 | 75,203 | 72,125 | 209,352 |
| Inventory change | 2,535 | -38,708 | -15,686 | -11,534 | 25,006 | 53,597 |
| Depreciation | -30,837 | -22,455 | -19,857 | -31,158 | -27,180 | -53,534 |
| Net farm income from operations | 52,845 | -60,062 | 11,409 | 32,511 | 69,952 | 209,415 |
| Gain or loss on capital sales | 5,394 | -7,476 | -3,701 | 238 | 2,251 | 35,657 |
| Average net farm income | 58,039 | -67,538 | 7,708 | 32,749 | 72,203 | 245,073 |
| Median net farm income | 33,060 | -15,105 | 5,732 | 33,060 | 65,531 | 183,199 |
| Profitability (cost) | | | | | | |
| Rate of return on assets | 2.3 % | -3.6 % | -0.2 % | 1.3 % | 3.1 % | 5.8 % |
| Rate of return on equity | 1.3 % | -12.2 % | -1.8 % | 0.3 % | 2.7 % | 6.2 % |
| Operating profit margin | 8.5 % | -12.2 % | -0.7 % | 3.8 % | 12.5 % | 22.8 % |
| Asset turnover rate | 26.9 % | 29.1 % | 25.0 % | 33.3 % | 24.9 % | 25.3 % |
| Profitability (market) | | | | | | |
| Rate of return on assets | 3.2 % | 2.8 % | 0.6 % | 3.2 % | 3.5 % | 3.8 % |
| Rate of return on equity | 2.8 % | 1.6 % | -0.3 % | 3.2 % | 3.4 % | 3.6 % |
| Operating profit margin | 15.6 % | 11.4 % | 3.2 % | 15.6 % | 18.7 % | 19.8 % |
| Asset turnover rate | 20.3 % | 24.3 % | 18.5 % | 20.7 % | 19.0 % | 19.4 % |
| Liquidity & Repayment (end of year) | | | | | | |
| Current assets | 443,503 | 479,671 | 171,255 | 298,241 | 431,326 | 837,022 |
| Current liabilities | 217,567 | 398,949 | 80,070 | 126,106 | 175,335 | 307,377 |
| Current ratio | 2.04 | 1.20 | 2.14 | 2.36 | 2.46 | 2.72 |
| Working capital | 225,936 | 80,722 | 91,185 | 172,134 | 255,991 | 529,645 |
| Change in working capital | -926 | -70,105 | -9,969 | -11,040 | 28,007 | 58,475 |
| Working capital to gross inc | 37.7 % | 8.5 % | 31.4 % | 44.2 % | 56.0 % | 58.0 % |
| Term debt coverage ratio | 1.67 | -0.74 | 1.22 | 1.70 | 2.62 | 2.82 |
| Replacement coverage ratio | 1.12 | -0.55 | 0.74 | 1.10 | 1.49 | 1.98 |
| Term debt to EBITDA | 2.97 | 2,725.39 | 3.86 | 2.11 | 2.14 | 1.89 |
| Solvency (end of year at cost) | | | | | | |
| Number of farms | 115 | 23 | 23 | 23 | 23 | 23 |
| Total assets | 2,012,345 | 1,876,947 | 1,043,741 | 1,239,249 | 2,007,507 | 3,894,282 |
| Total liabilities | 623,067 | 985,015 | 271,460 | 352,444 | 469,833 | 1,036,582 |
| Net worth | 1,389,278 | 891,933 | 772,280 | 886,805 | 1,537,674 | 2,857,700 |
| Net worth change | 47,147 | -94,557 | -4,852 | 66,250 | 59,082 | 209,812 |
| Farm debt to asset ratio | 33 % | 56 % | 27 % | 31 % | 25 % | 28 % |
| Total debt to asset ratio | 31 % | 52 % | 26 % | 28 % | 23 % | 27 % |
| Change in earned net worth % | 4 % | -10 % | -1 % | 8 % | 4 % | 8 % |
| Solvency (end of year at market) | | | | | | |
| Number of farms | 115 | 23 | 23 | 23 | 23 | 23 |
| Total assets | 2,675,238 | 2,322,281 | 1,430,164 | 1,933,490 | 2,622,032 | 5,068,225 |
| Total liabilities | 623,067 | 985,015 | 271,460 | 352,444 | 469,833 | 1,036,582 |
| Net worth | 2,052,172 | 1,337,266 | 1,158,703 | 1,581,046 | 2,152,199 | 4,031,643 |
| Total net worth change | 84,449 | 31,407 | 9,326 | 114,868 | 90,384 | 176,263 |
| Farm debt to asset ratio | 25 % | 45 % | 20 % | 19 % | 19 % | 22 % |
| Total debt to asset ratio | 23 % | 42 % | 19 % | 18 % | 18 % | 20 % |
| Change in total net worth % | 4 % | 2 % | 1 % | 8 % | 4 % | 5 % |
| Nonfarm Information | | | | | | |
| Net nonfarm income | 39,642 | 42,278 | 34,051 | 36,309 | 42,276 | 43,297 |
| Farms reporting living expenses | 13 | 4 | 2 | 4 | 3 | - |
| Total family living expense | 52,112 | - | - | - | - | - |
| Total living, invest, cap. purch | 57,787 | - | - | - | - | - |
| Crop Acres | | | | | | |
| Total crop acres | 781 | 540 | 408 | 637 | 814 | 1,507 |
| Total crop acres owned | 225 | 151 | 134 | 178 | 186 | 475 |
| Total crop acres cash rented | 305 | 221 | 136 | 255 | 286 | 627 |
| Total crop acres share rented | 252 | 167 | 138 | 205 | 343 | 405 |
| Machinery value per crop acre | 498 | 501 | 596 | 460 | 474 | 500 |

Financial Summary
2018 Missouri FBMA Farm Summary
(Farms Sorted By Gross Farm Income)

| | <u>Avg. Of</u> <u>All Farms</u> | <u>Less than</u> <u>100,000</u> | <u>100,001 -</u> <u>250,000</u> | <u>250,001 -</u> <u>500,000</u> | <u>500,001 -</u> <u>1,000,000</u> | <u>1,000,001-</u> <u>2,000,000</u> | <u>Over</u> <u>2,000,000</u> |
|--|------------------------------------|------------------------------------|------------------------------------|------------------------------------|--------------------------------------|---------------------------------------|---------------------------------|
| Number of farms | 115 | 34 | 17 | 21 | 27 | 11 | 5 |
| Income Statement | | | | | | | |
| Gross cash farm income | 590,547 | 38,404 | 170,827 | 370,721 | 686,192 | 1,256,453 | 4,713,961 |
| Total cash farm expense | 509,600 | 29,403 | 121,409 | 281,745 | 558,678 | 1,003,824 | 4,699,472 |
| Net cash farm income | 80,947 | 9,001 | 49,418 | 88,977 | 127,514 | 252,628 | 14,489 |
| Inventory change | 2,535 | 4,331 | 8,773 | 6,178 | 16,486 | -89,489 | 80,935 |
| Depreciation | -30,837 | -3,001 | -10,155 | -35,160 | -45,627 | -69,483 | -107,392 |
| Net farm income from operations | 52,645 | 10,330 | 48,037 | 59,995 | 98,373 | 93,656 | -11,968 |
| Gain or loss on capital sales | 5,394 | 3,261 | -2,162 | 2,628 | 21,619 | -25,564 | 37,694 |
| Average net farm income | 58,039 | 13,591 | 45,875 | 62,623 | 119,992 | 68,092 | 25,726 |
| Median net farm income | 33,060 | 8,155 | 43,648 | 54,110 | 102,053 | 4,961 | 70,340 |
| Profitability (cost) | | | | | | | |
| Rate of return on assets | 2.3 % | 1.5 % | 4.4 % | 2.6 % | 3.1 % | 1.9 % | 0.9 % |
| Rate of return on equity | 1.3 % | 1.4 % | 4.8 % | 2.1 % | 2.6 % | 1.6 % | -4.8 % |
| Operating profit margin | 8.5 % | 14.3 % | 20.7 % | 12.1 % | 10.7 % | 6.2 % | 2.9 % |
| Asset turnover rate | 26.9 % | 10.6 % | 21.2 % | 21.1 % | 28.9 % | 31.1 % | 31.2 % |
| Profitability (market) | | | | | | | |
| Rate of return on assets | 3.2 % | 1.1 % | 4.7 % | 4.1 % | 2.2 % | 7.7 % | -0.2 % |
| Rate of return on equity | 2.8 % | 1.0 % | 4.9 % | 4.0 % | 1.7 % | 9.0 % | -5.7 % |
| Operating profit margin | 15.6 % | 13.0 % | 41.9 % | 27.1 % | 10.4 % | 32.0 % | -0.8 % |
| Asset turnover rate | 20.3 % | 8.5 % | 11.1 % | 15.0 % | 21.5 % | 24.2 % | 27.5 % |
| Liquidity & Repayment (end of year) | | | | | | | |
| Current assets | 443,503 | 68,395 | 161,435 | 356,090 | 653,379 | 746,304 | 2,520,911 |
| Current liabilities | 217,567 | 7,444 | 38,381 | 117,494 | 298,325 | 218,295 | 2,238,254 |
| Current ratio | 2.04 | 9.19 | 4.21 | 3.03 | 2.19 | 3.42 | 1.13 |
| Working capital | 225,936 | 60,951 | 123,054 | 238,595 | 355,053 | 528,009 | 282,656 |
| Change in working capital | -926 | 782 | 15,827 | 26,494 | 14,036 | -19,893 | -223,736 |
| Working capital to gross inc | 37.7 % | 144.0 % | 69.2 % | 63.0 % | 50.0 % | 44.2 % | 5.8 % |
| Term debt coverage ratio | 1.67 | 4.88 | 2.62 | 2.97 | 2.08 | 1.63 | 0.29 |
| Replacement coverage ratio | 1.12 | 2.23 | 1.89 | 1.51 | 1.48 | 0.89 | 0.25 |
| Term debt to EBITDA | 2.97 | 3.56 | 2.33 | 1.81 | 1.76 | 2.80 | 7.92 |
| Solvency (end of year at cost) | | | | | | | |
| Number of farms | 115 | 34 | 17 | 21 | 27 | 11 | 5 |
| Total assets | 2,012,345 | 476,596 | 1,017,390 | 1,864,791 | 2,688,599 | 3,440,689 | 9,663,890 |
| Total liabilities | 623,067 | 69,881 | 219,938 | 354,812 | 705,441 | 915,073 | 5,794,809 |
| Net worth | 1,389,278 | 406,715 | 797,452 | 1,509,979 | 1,983,158 | 2,525,616 | 3,869,081 |
| Net worth change | 47,147 | 18,675 | 100,622 | 62,574 | 81,583 | 14,505 | -119,990 |
| Farm debt to asset ratio | 33 % | 16 % | 24 % | 20 % | 28 % | 28 % | 60 % |
| Total debt to asset ratio | 31 % | 15 % | 22 % | 19 % | 26 % | 27 % | 60 % |
| Change in earned net worth % | 4 % | 5 % | 14 % | 4 % | 4 % | 1 % | -3 % |
| Solvency (end of year at market) | | | | | | | |
| Number of farms | 115 | 34 | 17 | 21 | 27 | 11 | 5 |
| Total assets | 2,675,238 | 598,102 | 1,760,924 | 2,648,699 | 3,606,669 | 4,516,298 | 10,939,850 |
| Total liabilities | 623,067 | 69,881 | 219,938 | 354,812 | 705,441 | 915,073 | 5,794,809 |
| Net worth | 2,052,172 | 528,221 | 1,540,985 | 2,293,887 | 2,901,228 | 3,601,226 | 5,145,041 |
| Total net worth change | 84,449 | 20,356 | 133,032 | 120,151 | 77,216 | 288,560 | -204,826 |
| Farm debt to asset ratio | 25 % | 13 % | 13 % | 14 % | 21 % | 21 % | 54 % |
| Total debt to asset ratio | 23 % | 12 % | 12 % | 13 % | 20 % | 20 % | 53 % |
| Change in total net worth % | 4 % | 4 % | 9 % | 6 % | 3 % | 9 % | -4 % |
| Nonfarm Information | | | | | | | |
| Net nonfarm income | 39,642 | 33,979 | 36,161 | 49,314 | 43,461 | 48,159 | 10,008 |
| Farms reporting living expenses | 13 | 3 | 4 | 4 | 2 | - | - |
| Total family living expense | 52,112 | - | - | - | - | - | - |
| Total living, invest, cap. purch | 57,787 | - | - | - | - | - | - |
| Crop Acres | | | | | | | |
| Total crop acres | 781 | 98 | 351 | 669 | 1,166 | 1,797 | 3,046 |
| Total crop acres owned | 225 | 30 | 149 | 206 | 334 | 473 | 746 |
| Total crop acres cash rented | 305 | 25 | 70 | 163 | 489 | 778 | 1,569 |
| Total crop acres share rented | 252 | 44 | 131 | 301 | 342 | 546 | 731 |
| Machinery value per crop acre | 498 | 506 | 327 | 615 | 446 | 619 | 406 |

Financial Summary
2018 Missouri FBMA Farm Summary
(Farms Sorted By Farm Type)

| | <u>Avg. Of All Farms</u> | <u>Crop</u> | <u>Beef</u> | <u>Crop and Beef</u> | <u>Other</u> |
|--|------------------------------|-------------|-------------|--------------------------|--------------|
| Number of farms | 115 | 56 | 15 | 20 | 14 |
| Income Statement | | | | | |
| Gross cash farm income | 590,547 | 532,262 | 187,828 | 565,045 | 314,750 |
| Total cash farm expense | 509,600 | 409,978 | 166,353 | 468,203 | 250,960 |
| Net cash farm income | 80,947 | 122,283 | 21,476 | 96,842 | 63,789 |
| Inventory change | 2,535 | -6,652 | 1,182 | 33,595 | -10,636 |
| Depreciation | -30,837 | -41,074 | -5,624 | -35,250 | -21,795 |
| Net farm income from operations | 52,645 | 74,557 | 17,034 | 95,188 | 31,359 |
| Gain or loss on capital sales | 5,394 | 11,119 | 517 | 398 | -205 |
| Average net farm income | 58,039 | 85,676 | 17,551 | 95,585 | 31,154 |
| Median net farm income | 33,060 | 46,308 | 4,636 | 52,891 | 38,922 |
| Profitability (cost) | | | | | |
| Rate of return on assets | 2.3 % | 2.7 % | 1.7 % | 4.5 % | 1.5 % |
| Rate of return on equity | 1.3 % | 2.3 % | 1.5 % | 4.3 % | 0.8 % |
| Operating profit margin | 8.5 % | 10.1 % | 12.5 % | 18.5 % | 6.0 % |
| Asset turnover rate | 26.9 % | 27.0 % | 13.9 % | 24.3 % | 24.9 % |
| Profitability (market) | | | | | |
| Rate of return on assets | 3.2 % | 4.4 % | 0.1 % | 4.0 % | 0.8 % |
| Rate of return on equity | 2.8 % | 4.4 % | -0.9 % | 3.6 % | 0.2 % |
| Operating profit margin | 15.6 % | 22.7 % | 1.0 % | 20.7 % | 4.9 % |
| Asset turnover rate | 20.3 % | 19.5 % | 10.7 % | 19.3 % | 15.6 % |
| Liquidity & Repayment (end of year) | | | | | |
| Current assets | 443,503 | 474,949 | 137,367 | 570,142 | 180,443 |
| Current liabilities | 217,567 | 140,140 | 77,956 | 395,376 | 49,178 |
| Current ratio | 2.04 | 3.39 | 1.76 | 1.44 | 3.67 |
| Working capital | 225,936 | 334,810 | 59,411 | 174,766 | 131,266 |
| Change in working capital | -926 | 14,122 | -4,435 | 16,897 | -2,849 |
| Working capital to gross inc | 37.7 % | 63.2 % | 31.1 % | 28.6 % | 41.8 % |
| Term debt coverage ratio | 1.67 | 2.29 | 2.50 | 1.63 | 2.53 |
| Replacement coverage ratio | 1.12 | 1.36 | 1.62 | 1.43 | 1.38 |
| Term debt to EBITDA | 2.97 | 1.62 | 5.70 | 3.01 | 4.07 |
| Solvency (end of year at cost) | | | | | |
| Number of farms | 115 | 56 | 15 | 20 | 14 |
| Total assets | 2,012,345 | 2,283,493 | 680,200 | 2,352,321 | 1,319,224 |
| Total liabilities | 623,067 | 487,198 | 252,081 | 953,088 | 403,890 |
| Net worth | 1,389,278 | 1,796,295 | 428,119 | 1,399,233 | 915,333 |
| Net worth change | 47,147 | 84,849 | 24,573 | 61,570 | 8,311 |
| Farm debt to asset ratio | 33 % | 22 % | 43 % | 42 % | 34 % |
| Total debt to asset ratio | 31 % | 21 % | 37 % | 41 % | 31 % |
| Change in earned net worth % | 4 % | 5 % | 6 % | 5 % | 1 % |
| Solvency (end of year at market) | | | | | |
| Number of farms | 115 | 56 | 15 | 20 | 14 |
| Total assets | 2,675,238 | 3,164,049 | 900,876 | 2,942,304 | 1,961,336 |
| Total liabilities | 623,067 | 487,198 | 252,081 | 953,088 | 403,890 |
| Net worth | 2,052,172 | 2,676,851 | 648,795 | 1,989,216 | 1,557,445 |
| Total net worth change | 84,449 | 154,797 | 22,254 | 73,553 | 17,154 |
| Farm debt to asset ratio | 25 % | 16 % | 33 % | 34 % | 22 % |
| Total debt to asset ratio | 23 % | 15 % | 28 % | 32 % | 21 % |
| Change in total net worth % | 4 % | 6 % | 4 % | 4 % | 1 % |
| Nonfarm Information | | | | | |
| Net nonfarm income | 39,642 | 44,475 | 50,278 | 22,046 | 35,647 |
| Farms reporting living expenses | 13 | 4 | 2 | 2 | 4 |
| Total family living expense | 52,112 | - | - | - | - |
| Total living, invest, cap. purch | 57,787 | - | - | - | - |
| Crop Acres | | | | | |
| Total crop acres | 781 | 1,026 | 80 | 1,000 | 295 |
| Total crop acres owned | 225 | 297 | 51 | 245 | 159 |
| Total crop acres cash rented | 305 | 402 | 18 | 396 | 62 |
| Total crop acres share rented | 252 | 327 | 11 | 359 | 74 |
| Machinery value per crop acre | 498 | 510 | 1,189 | 414 | 569 |

Financial Summary
2018 Missouri FBMA Farm Summary
(Farms Sorted By Debt to Asset Ratio)

| | <u>Avg. Of All Farms</u> | <u>Less than 20%</u> | <u>20% - 40%</u> | <u>40% - 60%</u> | <u>60% - 80%</u> |
|--|------------------------------|--------------------------|------------------|------------------|------------------|
| Number of farms | 115 | 65 | 26 | 15 | 5 |
| Income Statement | | | | | |
| Gross cash farm income | 590,547 | 371,319 | 557,703 | 663,625 | 874,623 |
| Total cash farm expense | 509,600 | 284,989 | 426,573 | 586,693 | 801,584 |
| Net cash farm income | 80,947 | 86,330 | 131,131 | 76,931 | 73,039 |
| Inventory change | 2,535 | 7,087 | -20,761 | 16,346 | -42,807 |
| Depreciation | -30,837 | -28,266 | -36,790 | -39,320 | -29,561 |
| Net farm income from operations | 52,645 | 65,151 | 73,579 | 53,957 | 672 |
| Gain or loss on capital sales | 5,394 | 5,126 | -1,179 | 21,297 | -335 |
| Average net farm income | 58,039 | 70,277 | 72,400 | 75,254 | 337 |
| Median net farm income | 33,060 | 44,785 | 13,649 | 33,622 | -6,578 |
| Profitability (cost) | | | | | |
| Rate of return on assets | 2.3 % | 2.9 % | 3.4 % | 3.2 % | 0.0 % |
| Rate of return on equity | 1.3 % | 2.7 % | 3.0 % | 1.2 % | -9.4 % |
| Operating profit margin | 8.5 % | 12.3 % | 12.1 % | 12.1 % | 0.1 % |
| Asset turnover rate | 26.9 % | 23.3 % | 28.0 % | 26.3 % | 42.1 % |
| Profitability (market) | | | | | |
| Rate of return on assets | 3.2 % | 3.0 % | 6.6 % | 2.5 % | -0.2 % |
| Rate of return on equity | 2.8 % | 2.9 % | 7.6 % | 0.2 % | -6.8 % |
| Operating profit margin | 15.6 % | 18.6 % | 31.9 % | 10.6 % | -0.6 % |
| Asset turnover rate | 20.3 % | 16.0 % | 20.8 % | 23.7 % | 36.7 % |
| Liquidity & Repayment (end of year) | | | | | |
| Current assets | 443,503 | 382,041 | 357,160 | 567,523 | 540,789 |
| Current liabilities | 217,567 | 55,839 | 211,824 | 431,091 | 514,490 |
| Current ratio | 2.04 | 6.84 | 1.69 | 1.32 | 1.05 |
| Working capital | 225,936 | 326,202 | 145,337 | 136,432 | 26,299 |
| Change in working capital | -926 | 20,836 | -5,019 | 5,656 | -73,170 |
| Working capital to gross inc | 37.7 % | 85.8 % | 26.4 % | 19.7 % | 3.1 % |
| Term debt coverage ratio | 1.67 | 4.08 | 1.57 | 1.30 | 0.35 |
| Replacement coverage ratio | 1.12 | 1.75 | 1.25 | 1.09 | 0.30 |
| Term debt to EBITDA | 2.97 | 0.88 | 2.71 | 5.20 | 10.30 |
| Solvency (end of year at cost) | | | | | |
| Number of farms | 115 | 65 | 26 | 15 | 5 |
| Total assets | 2,012,345 | 1,788,488 | 2,043,805 | 2,487,562 | 1,882,116 |
| Total liabilities | 623,067 | 160,870 | 761,734 | 1,446,622 | 1,348,527 |
| Net worth | 1,389,278 | 1,627,618 | 1,282,072 | 1,040,941 | 533,589 |
| Net worth change | 47,147 | 70,233 | 57,159 | 46,968 | -7,273 |
| Farm debt to asset ratio | 33 % | 10 % | 38 % | 60 % | 72 % |
| Total debt to asset ratio | 31 % | 9 % | 37 % | 58 % | 72 % |
| Change in earned net worth % | 4 % | 5 % | 5 % | 5 % | -1 % |
| Solvency (end of year at market) | | | | | |
| Number of farms | 115 | 65 | 26 | 15 | 5 |
| Total assets | 2,675,238 | 2,585,753 | 2,742,208 | 2,772,354 | 2,179,404 |
| Total liabilities | 623,067 | 160,870 | 761,734 | 1,446,622 | 1,348,527 |
| Net worth | 2,052,172 | 2,424,883 | 1,980,475 | 1,325,733 | 830,877 |
| Total net worth change | 84,449 | 93,127 | 153,946 | 63,477 | -5,818 |
| Farm debt to asset ratio | 25 % | 7 % | 28 % | 54 % | 63 % |
| Total debt to asset ratio | 23 % | 6 % | 28 % | 52 % | 62 % |
| Change in total net worth % | 4 % | 4 % | 8 % | 5 % | -1 % |
| Nonfarm Information | | | | | |
| Net nonfarm income | 39,642 | 46,107 | 29,569 | 40,911 | 29,611 |
| Farms reporting living expenses | 13 | 8 | 3 | 1 | 1 |
| Total family living expense | 52,112 | 57,710 | - | - | - |
| Total living, invest, cap. purch | 57,787 | 62,534 | - | - | - |
| Crop Acres | | | | | |
| Total crop acres | 781 | 641 | 928 | 1,053 | 1,433 |
| Total crop acres owned | 225 | 239 | 233 | 216 | 152 |
| Total crop acres cash rented | 305 | 187 | 430 | 524 | 657 |
| Total crop acres share rented | 252 | 215 | 266 | 313 | 624 |
| Machinery value per crop acre | 498 | 566 | 508 | 431 | 257 |

Financial Summary
2018 Missouri FBMA Farm Summary
(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 | 115 | 12 | 19 | 19 | 16 | 49 |
| Income Statement | | | | | | |
| Gross cash farm income | 590,547 | 186,106 | 496,172 | 1,083,267 | 490,025 | 567,957 |
| Total cash farm expense | 509,600 | 134,854 | 413,376 | 1,078,510 | 379,059 | 460,715 |
| Net cash farm income | 80,947 | 51,252 | 82,796 | 4,758 | 110,967 | 107,242 |
| Inventory change | 2,535 | -7,458 | -2,904 | 17,774 | 33,067 | -8,787 |
| Depreciation | -30,837 | -13,148 | -32,127 | -35,321 | -35,242 | -31,491 |
| Net farm income from operations | 52,645 | 30,646 | 47,765 | -12,789 | 108,791 | 66,964 |
| Gain or loss on capital sales | 5,394 | -431 | 14,689 | 2,798 | -4,069 | 7,313 |
| Average net farm income | 58,039 | 30,214 | 62,453 | -9,991 | 104,722 | 74,277 |
| Median net farm income | 33,060 | 23,184 | 19,949 | 41,224 | 51,024 | 33,060 |
| Profitability (cost) | | | | | | |
| Rate of return on assets | 2.3 % | 4.0 % | 3.5 % | -1.3 % | 4.9 % | 2.2 % |
| Rate of return on equity | 1.3 % | 5.2 % | 2.3 % | -6.4 % | 4.9 % | 1.7 % |
| Operating profit margin | 8.5 % | 12.2 % | 7.8 % | -4.0 % | 23.3 % | 9.4 % |
| Asset turnover rate | 26.9 % | 32.9 % | 44.5 % | 33.1 % | 21.1 % | 23.5 % |
| Profitability (market) | | | | | | |
| Rate of return on assets | 3.2 % | 5.2 % | 1.8 % | 0.4 % | 5.3 % | 3.4 % |
| Rate of return on equity | 2.8 % | 8.0 % | 0.1 % | -2.5 % | 5.4 % | 3.3 % |
| Operating profit margin | 15.6 % | 15.8 % | 5.1 % | 1.2 % | 29.4 % | 21.2 % |
| Asset turnover rate | 20.3 % | 32.7 % | 35.2 % | 29.2 % | 18.1 % | 15.9 % |
| Liquidity & Repayment (end of year) | | | | | | |
| Current assets | 443,503 | 154,949 | 286,240 | 551,376 | 578,492 | 489,242 |
| Current liabilities | 217,567 | 107,116 | 158,000 | 405,212 | 214,363 | 196,001 |
| Current ratio | 2.04 | 1.45 | 1.81 | 1.36 | 2.70 | 2.50 |
| Working capital | 225,936 | 47,833 | 128,241 | 146,164 | 364,129 | 293,241 |
| Change in working capital | -926 | 9,340 | -11,592 | -30,713 | 31,439 | 1,677 |
| Working capital to gross inc | 37.7 % | 26.1 % | 26.0 % | 13.3 % | 66.6 % | 51.7 % |
| Term debt coverage ratio | 1.67 | 1.52 | 1.85 | -0.14 | 2.60 | 1.94 |
| Replacement coverage ratio | 1.12 | 1.36 | 1.46 | -0.09 | 1.73 | 1.23 |
| Term debt to EBITDA | 2.97 | 3.69 | 2.17 | 6.82 | 2.82 | 2.48 |
| Solvency (end of year at cost) | | | | | | |
| Number of farms | 115 | 12 | 19 | 19 | 16 | 49 |
| Total assets | 2,012,345 | 551,658 | 1,178,228 | 2,011,777 | 2,515,173 | 2,529,529 |
| Total liabilities | 623,067 | 312,501 | 504,411 | 904,774 | 717,508 | 605,062 |
| Net worth | 1,389,278 | 239,157 | 673,817 | 1,107,002 | 1,797,666 | 1,924,468 |
| Net worth change | 47,147 | 39,047 | 58,592 | -44,620 | 86,580 | 67,400 |
| Farm debt to asset ratio | 33 % | 58 % | 44 % | 48 % | 30 % | 26 % |
| Total debt to asset ratio | 31 % | 57 % | 43 % | 45 % | 29 % | 24 % |
| Change in earned net worth % | 4 % | 20 % | 10 % | -4 % | 5 % | 4 % |
| Solvency (end of year at market) | | | | | | |
| Number of farms | 115 | 12 | 19 | 19 | 16 | 49 |
| Total assets | 2,675,238 | 568,600 | 1,465,356 | 2,344,243 | 2,977,004 | 3,690,098 |
| Total liabilities | 623,067 | 312,501 | 504,411 | 904,774 | 717,508 | 605,062 |
| Net worth | 2,052,172 | 256,099 | 960,945 | 1,439,468 | 2,259,496 | 3,085,036 |
| Total net worth change | 84,449 | 48,102 | 54,304 | -5,820 | 117,082 | 129,387 |
| Farm debt to asset ratio | 25 % | 57 % | 35 % | 42 % | 26 % | 18 % |
| Total debt to asset ratio | 23 % | 55 % | 34 % | 39 % | 24 % | 16 % |
| Change in total net worth % | 4 % | 23 % | 6 % | 0 % | 5 % | 4 % |
| Nonfarm Information | | | | | | |
| Net nonfarm income | 39,642 | 16,555 | 33,496 | 45,244 | 44,424 | 43,946 |
| Farms reporting living expenses | 13 | - | 4 | 3 | 2 | 4 |
| Total family living expense | 52,112 | - | - | - | - | - |
| Total living, invest, cap. purch | 57,787 | - | - | - | - | - |
| Crop Acres | | | | | | |
| Total crop acres | 781 | 399 | 668 | 654 | 866 | 940 |
| Total crop acres owned | 225 | 28 | 117 | 103 | 286 | 342 |
| Total crop acres cash rented | 305 | 120 | 372 | 273 | 147 | 388 |
| Total crop acres share rented | 252 | 251 | 179 | 278 | 434 | 210 |
| Machinery value per crop acre | 498 | 294 | 406 | 565 | 615 | 492 |

Percentile Rank Report w/Group Medians

With the exception of the information presented on the following page, all of the data tables in this summary report represent “average” or “mean” data. For example, the 2018 “average” or “mean” net farm income of the 115 farms in this summary was \$58,039. This is found by simply adding the NFI of each farm in the group to a total and then dividing by 115 for the “mean” or “average.” Sometimes, a few farms at the high end of the range with extremely high NFI’s can skew the mean. The same could be true of a few extreme NFI farms at the low end. For that reason, “median” figures can be very helpful when comparing summary data to an individual farm operation. The median is often described as the halfway point in the middle-figure, in other words, half of the farms fell below, the other half above. For example, in 2018, the “average” or “mean” NFI for 108 farms in the summary was \$58,039. However, the NFI of the “median”, or farm at the half-way point, was \$33,060. This indicates there were a group of farms with low NFI’s included in the group that more than offset the higher NFI’s of farms at the other end of the scale.

The “median” figures for selected factors on 2018 FBMA farms are reported on page 43 along with percentile ranks in 10% intervals. Each line is independent from the next with the data for each line broken into percentile ranks in 10% intervals. This presentation can be helpful in understanding the range of data for each factor for the entire group of farms.

Financial Summary - Detail 2018

Benchmark Report, 115 Farms

RankEm

| | Group Median | Count | 10% | 20% | 30% | 40% | 50% | 60% | 70% | 80% | 90% | 100% |
|-----------------------------------|--------------|-------|-----------|-----------|---------|---------|-----------|-----------|-----------|-----------|-----------|-----------|
| Gross cash farm income | 318,560 | 115 | 12,983 | 31,383 | 61,516 | 147,365 | 248,978 | 389,752 | 555,887 | 698,893 | 910,636 | 1,548,836 |
| Total cash operating expense | 246,107 | 115 | 1,257,380 | 748,401 | 607,288 | 427,860 | 285,160 | 186,005 | 105,987 | 42,968 | 23,655 | 11,781 |
| Net cash farm income | 52,869 | 115 | -13,008 | 405 | 7,140 | 18,977 | 43,620 | 60,361 | 92,002 | 129,896 | 204,266 | 360,796 |
| Inventory change | 1,500 | 115 | -123,233 | -57,786 | -24,548 | -8,203 | -119 | 6,268 | 13,184 | 24,604 | 56,652 | 168,900 |
| Depreciation | -12,038 | 115 | -125,408 | -68,060 | -43,600 | -29,055 | -14,695 | -9,750 | -6,115 | -2,043 | 0 | 0 |
| Net farm income from operations | 35,587 | 115 | -31,851 | -8,974 | 3,281 | 13,544 | 24,251 | 43,388 | 56,801 | 81,117 | 143,227 | 285,339 |
| Gain or Loss from capital sales | 0 | 115 | -6,103 | -125 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 18,769 |
| Net farm income | 33,060 | 115 | -37,983 | -8,974 | 3,604 | 11,639 | 23,184 | 42,420 | 59,578 | 94,727 | 149,444 | 294,230 |
| Rate of return on assets (cost) | 1.9 | 115 | -9.5 | -2.6 | -0.8 | 0.5 | 1.3 | 2.7 | 4.6 | 6.1 | 8.2 | 17.4 |
| Rate of return on equity (cost) | 1.7 | 115 | -32.7 | -5.1 | -3.0 | -1.1 | 0.9 | 2.9 | 4.4 | 6.4 | 10.4 | 22.8 |
| Operating profit margin (cost) | 10.4 | 115 | -68.5 | -12.8 | -3.3 | 3.3 | 7.1 | 12.4 | 18.6 | 26.1 | 31.7 | 56.6 |
| Asset turnover rate (cost) | 22.4 | 115 | 2.9 | 12.2 | 13.9 | 17.6 | 20.8 | 24.0 | 28.9 | 36.8 | 48.1 | 62.9 |
| Rate of return on assets (mkt) | 2.1 | 115 | -9.1 | -2.1 | -0.1 | 1.0 | 1.6 | 2.6 | 3.6 | 5.6 | 8.7 | 17.5 |
| Rate of return on equity (mkt) | 1.9 | 115 | -30.7 | -6.9 | -1.5 | 0.1 | 1.2 | 2.4 | 3.9 | 7.0 | 10.0 | 30.8 |
| Operating profit margin (mkt) | 14.2 | 115 | -74.0 | -17.1 | -0.1 | 5.7 | 11.4 | 17.5 | 26.2 | 29.8 | 40.6 | 70.5 |
| Asset turnover rate (mkt) | 18.0 | 115 | 2.8 | 7.4 | 9.9 | 12.3 | 15.9 | 19.7 | 24.3 | 29.3 | 42.7 | 52.7 |
| Current ratio | 2.68 | 115 | 0.64 | 0.94 | 1.14 | 1.42 | 1.89 | 3.30 | 4.09 | 7.19 | 14.44 | 50.63 |
| Working capital | 106,205 | 115 | -48,830 | 6,595 | 25,076 | 40,593 | 76,886 | 130,422 | 203,329 | 344,254 | 566,029 | 1,053,681 |
| Working capital to revenue ratio | 57.0 | 115 | -16.5 | 4.5 | 18.9 | 31.8 | 44.8 | 63.2 | 85.8 | 111.5 | 143.8 | 257.5 |
| Term debt coverage ratio | 1.74 | 115 | -0.22 | 0.00 | 0.50 | 0.94 | 1.63 | 1.95 | 2.54 | 3.37 | 5.19 | 9.32 |
| Replacement coverage ratio | 1.34 | 115 | -0.84 | 0.09 | 0.54 | 0.87 | 1.16 | 1.66 | 2.18 | 2.93 | 3.81 | 9.03 |
| Term debt to EBITDA | 1.03 | 115 | 8.98 | 4.89 | 2.78 | 1.80 | 1.27 | 0.54 | 0.00 | 0.00 | 0.00 | -6.14 |
| Total assets | 1,956,520 | 115 | 101,491 | 382,760 | 694,234 | 976,391 | 1,517,458 | 2,221,814 | 2,925,994 | 3,574,995 | 4,762,983 | 8,543,532 |
| Total liabilities | 228,573 | 115 | 2,528,246 | 1,117,323 | 652,897 | 452,336 | 314,724 | 189,310 | 99,648 | 16,914 | 0 | 0 |
| Net worth | 1,459,253 | 115 | 63,000 | 273,133 | 441,500 | 678,509 | 1,033,306 | 1,669,345 | 2,263,946 | 2,957,431 | 3,713,070 | 6,780,655 |
| Change in retained earnings | 21,149 | 115 | -92,050 | -29,194 | -2,558 | 4,871 | 17,241 | 27,545 | 42,437 | 62,579 | 132,416 | 278,563 |
| Net worth change | 30,439 | 115 | -53,344 | -16,713 | 1,256 | 16,291 | 25,721 | 35,888 | 49,217 | 80,032 | 153,730 | 314,327 |
| Farm debt to asset ratio | 16 | 115 | 69 | 51 | 39 | 28 | 19 | 14 | 7 | 0 | 0 | 0 |
| Total debt to asset ratio | 16 | 115 | 68 | 51 | 38 | 26 | 19 | 12 | 7 | 2 | 0 | 0 |
| Change in earned net worth % | 3 | 115 | -13 | -3 | -1 | 1 | 2 | 5 | 6 | 11 | 17 | 57 |
| Net nonfarm income | 21,893 | 115 | 0 | 0 | 0 | 6,665 | 16,715 | 27,135 | 45,116 | 60,315 | 83,773 | 136,772 |
| Family living / owner withdrawals | 40,407 | 115 | 124,486 | 82,500 | 66,469 | 59,679 | 43,585 | 37,175 | 26,327 | 14,825 | 0 | 0 |
| Income tax (accrued) | 96 | 115 | 43,674 | 11,708 | 6,234 | 4,047 | 1,541 | 0 | 0 | 0 | 0 | 0 |
| Farm capital purchases | 30,174 | 115 | 0 | 0 | 4,375 | 12,942 | 26,163 | 33,060 | 57,719 | 123,388 | 213,412 | 1,020,225 |
| Total crop acres | 529 | 115 | 0 | 60 | 105 | 193 | 437 | 632 | 837 | 1,162 | 1,491 | 3,185 |
| Crop acres owned | 98 | 115 | 0 | 0 | 0 | 40 | 76 | 111 | 169 | 307 | 479 | 948 |
| Crop acres cash rented | 51 | 115 | 0 | 0 | 0 | 0 | 31 | 107 | 229 | 331 | 593 | 1,346 |
| Crop acres share rented | 30 | 115 | 0 | 0 | 0 | 0 | 0 | 83 | 190 | 370 | 645 | 1,188 |
| Machinery investment per acre | 449 | 115 | 1,505 | 989 | 805 | 663 | 505 | 407 | 330 | 257 | 114 | 0 |

Appendix I

Whole Farm Analysis Procedures and Measures

The whole-farm reports include summary financial statements and measures for all farms included in this report. Rounding of individual items may have caused minor discrepancies between those items and the printed totals which are calculated before rounding.

Financial Summary

This table summarizes key measures reported in several of the following tables.

Income Statement

This section summarizes key totals from the Income Statement table. *Average Net Farm Income* is the mean or average farm earnings of the group calculated on an accrual adjusted basis. *Median Net Farm Income* is the farm earnings of the median or middle farm in the group. If it is lower than the average, the average earnings are skewed because some farms had much higher earnings than the rest of the group. If it is higher than the average, the average earnings are skewed because some farms had much lower earnings than the rest of the group.

Profitability

See the Profitability Measures section below for an explanation of these measures.

Liquidity and Repayment

See the Financial Standards Measures and Liquidity Measures sections below for an explanation of these measures.

Solvency

This section summarizes key measures from the Balance Sheet reports.

Nonfarm Information

This section summarizes non-farm earnings for all farms and family living withdrawals for those sole proprietors who kept accurate family living records. More detail is included on the Household and Personal Expenses and Nonfarm Summary pages.

Crop Acres

This section summarizes acres used for cropping the Crop Production and Marketing Table.

Financial Standards Measures

This table contains the Farm Financial Standards Council's 21 financial measures for evaluating a farm's financial position and performance.

Liquidity

Current Ratio is calculated by dividing the total current farm assets by the total current farm liabilities.

Working Capital is calculated by subtracting current farm liabilities from current farm assets.

Working Capital to Gross Income is *Working Capital* divided by *Gross Revenues (accrual)*.

Solvency

Farm Debt to Asset Ratio is calculated by dividing the total farm liabilities by the total farm assets. It measures the proportion of farm assets financed by debt capital.

Farm Equity to Asset Ratio is calculated by dividing farm equity or net worth by the total farm assets. It measures the proportion of the farm assets financed by the owner's equity as opposed to debt. This is the opposite of the debt to asset ratio. These two measures always add up to 100% because they describe how total farm assets are financed.

Farm Debt to Equity Ratio measures farm debt relative to farm equity. It is calculated by dividing the total farm liabilities by the total farm net worth. The debt to equity ratio measures the amount of borrowed capital being employed for every dollar of equity capital.

Profitability

Rate of Return on Farm Assets can be thought of as the average interest rate being earned on all investments in the farm or ranch business. If assets are valued at market value, the rate of return on assets can be looked at as the "opportunity cost" of farming versus alternate investments. If assets are valued at cost value, the rate of return on assets more closely represents the actual return on the average dollar invested in the farm. The rate of return on farm assets is calculated as follows: $\text{Rate of Return on Assets} = \text{Return on Farm Assets} \div \text{Average Farm Investment}$, where: $\text{Return on Farm Assets} = \text{Net Farm Income} + \text{Farm Interest} - \text{Value of Operator's Labor \& Management}$, and $\text{Average Farm Investment} = (\text{Beginning Total Farm Assets} + \text{Ending Total Farm Assets}) \div 2$.

Rate of Return on Farm Equity represents the interest rate being earned on farm net worth. If assets are valued at market value, this return can be compared to returns available if the assets were liquidated and invested in alternate investments. If assets are valued at cost value, this more closely represents the actual return on the funds that have been invested or retained in the business. The rate of return on farm equity is calculated as follows: $\text{Rate of Return on Equity} = \text{Return on Farm Equity} \div \text{Average Farm Net Worth}$, where: $\text{Return on Farm Equity} = \text{Net Farm Income} - \text{Value of Operator's Labor \& Management}$, and $\text{Average Farm Net Worth} = (\text{Beginning Farm Net Worth} + \text{Ending Farm Net Worth}) \div 2$.

Operating Profit Margin is a measure of the operating efficiency of the business. It is calculated as follows: $\text{Operating Profit Margin} = \text{Return to Farm Assets} \div \text{Value of Farm Production}$. If expenses are held in line relative to the value of output produced, the farm will have a healthy operating profit margin. A low net profit margin may be caused by low prices, high operating expenses, or inefficient production.

Net Farm Income represents the returns to unpaid labor, management, and equity capital invested in the business.

EBITDA is Earnings Before Interest, Taxes, Depreciation and Amortization. It is Net Farm Income from Operations from the income statement plus interest expense and depreciation expense. This measure is common in commercial financial analysis but is not commonly used in agriculture.

Repayment Capacity

Capital Debt Repayment Capacity is *Net Farm Income From Operations* plus *Depreciation, Personal Income*, and *Interest on Term Debt* minus *Family Living/Owner Withdrawals, Payments on Personal Debt* and *Income Taxes Paid*. This represents total earnings available for debt repayment and cash capital replacement.

Capital Debt Repayment Margin is *Capital Debt Repayment Capacity* minus *Scheduled Term Debt Payments*. This is the amount by which earnings available for debt repayment exceeded payments due.

Replacement Margin is *Capital Debt Repayment Margin* minus *Cash Replacement Allowance*. This is the amount by which earnings available for debt repayment and replacement exceed payments due and cash replacement needs.

Term Debt Coverage Ratio measures whether the business generated enough income to cover term debt payments. It is calculated by dividing the funds generated by the business for debt repayment (net cash farm income + nonfarm income + interest expense – family living expense – income taxes) by total term debt payments (annual scheduled principal and interest payments on intermediate and long term debt). A ratio less than 1.0 indicates that the business did not generate sufficient cash to meet scheduled payments in the past year. A ratio greater than 1.0 indicates the business generated enough cash to pay all term debt payments.

Replacement Coverage Ratio measures whether the business generated enough income to cover scheduled term debt payments plus estimated cash capital replacement needs. A ratio less than 1.0 indicates that the business did not generate sufficient income to meet replacement needs. A ratio greater than 1.0 indicates the business generated enough income to pay all term debt payments and cover an allowance for capital replacement.

Efficiency

Asset turnover Rate is a measure of efficiency in using capital. It is calculated as follows: $\text{Asset Turnover Rate} = \text{Value of Farm Production} \div \text{Total Farm Assets}$.

The last four ratios reflect the distribution of gross income to cover operating expenses and generate farm income. The sum of the operating expense ratio, the depreciation expense ratio, and the interest expense ratio equals the percent of gross income used to pay business expenses. The amount remaining is net farm income. The gross farm income used to calculate these ratios is the accrual gross farm income.

Operating Expense Ratio is calculated as $(\text{Total Farm Operating Expense} - \text{Farm Interest Expense}) \div \text{Gross Farm Income}$. This ratio indicates the percent of the gross farm income that was used to pay operating expenses. Total farm operating expense is the accrual total operating expense.

Depreciation Expense Ratio is calculated as $\text{Depreciation} \div \text{Gross Farm Income}$. This ratio indicates the percent of the gross farm income that was used to cover depreciation and other capital adjustments.

Interest Expense Ratio is calculated as $\text{Farm Interest Expenses} \div \text{Gross Farm Income}$. This ratio indicates the percent of the gross farm income used for farm interest expenses. This is the same ratio as the accrual interest as a percent of income from the Liquidity table.

Net Farm Income Ratio is calculated as $\text{Net Farm Income} \div \text{Gross Farm Income}$. This ratio indicates the percent of the gross farm income that remained after all expenses.

Farm Income Statement

The farm Income Statement is a summary of income, expenses, and resultant profit or loss from farming operations during the calendar year. The first section lists cash farm income from all sources. The second section lists *cash* expenses. "Interest" includes only interest actually paid. No opportunity charges on farm equity capital or unpaid labor are included. The difference between *Gross Cash Farm Income* and *Total Cash Expense* is the *Net Cash Farm Income*. This is net farm income on a *cash* basis.

The third and fourth sections deal with noncash changes in the farm business. 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 resulting "Net Farm Income" represents the return to the operator's and family's unpaid labor, management, and equity capital (net worth). In other words, it represents the return to all of the resources which are owned by the farm family and, hence, not purchased or paid a wage. However, it does not include any asset appreciation, debt forgiveness or asset repossessions.

Profitability Measures

Profitability is measured using assets valued first at cost and then at market. The reports include five measures of profit followed by the values used to calculate the measures.

Net Farm Income is repeated from the Farm Income Statement report. When assets are valued at market, it includes the change in market valuation of capital for the year.

Rate of Return on Assets is the *Return to Farm Assets* divided by *Average Farm Assets*.

Rate of Return on Equity is the *Return to Farm Equity* divided by *Average Farm Equity*.

Operating Profit Margin is the *Return to 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 accrued interest cost so it will be different from the cash interest paid shown in the Farm Income Statement.

Value of Operator's Labor and Management is its opportunity cost. It is assigned by farm within suggested guidelines.

Return on Farm Assets is calculated by adding *Farm Interest Expense* and *Net Farm Income* and then subtracting the *Value of Operator's Labor and Management*.

Average Farm Assets is the average of beginning and ending total farm assets for all farms, not just those included in the Balance Sheet report.

Return to 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 farm income minus feeder livestock and feed purchased and adjusted for inventory changes in crops, market livestock and breeding livestock.

Liquidity and Repayment Capacity Measures

Current Ratio is total *Current Assets* divided by total *Current Liabilities*.

Working Capital is total *Current Assets* minus total *Current Liabilities*.

Working Capital to Gross Income is *Working Capital* divided by *Gross Revenues (accrual)*.

Current Assets are taken from the ending balance sheet and include all assets that will be sold or used up in production within one business year.

Current Liabilities are taken from the ending balance sheet and include all loans and other debt due to be repaid within one business year. Principal due within a twelve months on intermediate and long term loans is included.

Gross Revenues (accrual) is gross cash farm income from the income statement adjusted for inventory changes in crops and feed, market livestock, accounts receivable, hedging accounts, breeding livestock and other income related inventories.

Net Farm Income from Operations is from the Income Statement.

Depreciation is the total depreciation from the Income Statement. It is added as a source of repayment because it is a non-cash expense that was subtracted to arrive at *Net Farm Income From Operations*.

Personal Income is the average for all farms, not including *Gifts and Inheritances*.

Family Living/Owner Withdrawals is the amount of owner withdrawals for family living, partnership withdrawals, and corporate dividends. Reported withdrawals are adjusted to include any discrepancy with actual cash disappearance.

Payments on personal debt is the total principal payments made during the year on all non-farm loans.

Income Taxes Paid are total federal, state, and social security taxes paid during the year on farm and personal earnings.

Interest on Term Debt is the amount of interest paid on intermediate and long term loans during the year. Interest is added as a source of repayment because it was previously subtracted to arrive at *Net Farm Income from Operations*.

Capital Debt Repayment Capacity is *Net Farm Income From Operations* plus *Depreciation*, *Personal Income*, and *Interest on Term Debt* minus *Family Living/Owner Withdrawals*, *Payments on Personal Debt* and *Income Taxes Paid*. This represents total earnings available for debt repayment and cash capital replacement.

Scheduled Term Debt Payments is the scheduled amount of principal and interest payments due on farm intermediate and long term loans from the beginning balance sheet.

Capital Debt Repayment Margin is *Capital Debt Repayment Capacity* minus *Scheduled Term Debt Payments*. This is the amount by which earnings available for debt repayment exceeded payments due.

Cash Replacement Allowance is the estimated amount of cash needed to cover the portion of capital replacement needs that normally come from cash flow. It is estimated for each operator based on their financial structure.

Replacement Margin is *Capital Debt Repayment Margin* minus *Cash Replacement Allowance*. This is the amount by which earnings available for debt repayment and replacement exceed payments due and cash replacement needs.

Term Debt Coverage Ratio is *Capital Debt Repayment Capacity* divided by *Scheduled Term Debt Payments*. This represents how many times scheduled payments are covered by repayment capacity.

Replacement Coverage Ratio is *Capital Debt Repayment Capacity* divided by the total of *Scheduled Term Debt Payments* and the *Cash Replacement Allowance*. This represents how many times scheduled payments and cash replacement needs are covered by repayment capacity.

Balance Sheets at Cost and Market Values

These tables include all farm and personal assets and liabilities reported by these farms on their beginning and ending balance sheets. Government crop loans are treated consistently as loans on these tables, meaning that the full asset value is included as an asset and total accrued interest and outstanding principal balances are included as liabilities. Capital assets are valued at original purchase price minus economic depreciation on the Cost Value table.

Statement of Cash Flows

This table reports the sources from which cash was available or obtained and where that cash was used or remains at the end of the year.

Crop Production and Marketing Summary

This table contains three sections. The first section reports average acreage by tenure and general use. The next two sections show average price received from cash sales and average yields for major crops.

Household and Personal Expenses

For those farms that kept records, the household and personal expenses are summarized in this table. Since not all farms keep these records, the number of farms may be different for each group. Averages are determined by the number of farms keeping these records.

Operator and Labor Information

This table has four sections. The first reports the averages for the number of operators per farm, the operator's age, and the number of years farming. The second section reports various measures and results per operator compared to per farm in other reports.

The third section reports the amount of labor used and the returns to that labor. *Total Unpaid Labor Hours* and *Total Hired Labor Hours* are based on farmers' estimates of labor use. No labor records are kept for unpaid labor. *Value of Farm Production/Hour* is the Value of Farm Production divided by Total Labor Hours per Farm. *Net Farm Income/Unpaid Hour* is Net Farm Income divided by Total Unpaid Labor Hours.

The fourth section reports the number of partnerships and withdrawals in each grouping.

Appendix II

Crop Enterprise Analysis Procedures and Measures

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

Gross Return is the average Yield multiplied by the Value Per Unit plus any other production or income related to the crop. Value Per Unit for cash crops is the average sales price for crops sold or an average sale price during the harvest season. For feed crops, it is the estimated average cost for the year. LDP repayments and other commodity-specific income are added to estimate the total value received for crop production.

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

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

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

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

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

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

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

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

note - Rounding of individual items for the report may have caused minor discrepancies with the calculated totals. If fewer than 4 farms have a certain crop enterprise, that information is not reported.

Appendix III

Livestock Enterprise Analysis Procedures and Measures

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

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

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

Overhead Expenses are also determined by allocating the total annual expense across all enterprises by entering a percentage factor for each enterprise.

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

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

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

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

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

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

Rounding of individual items for the report may have caused minor discrepancies with the calculated totals. If fewer than 5 farms have a certain crop enterprise, that information is not reported.

