

Advance Report

**FARM INCOME
&
PRODUCTION COSTS
*for 2015***



Commercial Farms

- *Production Costs*
- *Income*
- *Investments*

AE-4566



UNIVERSITY OF ILLINOIS
EXTENSION

College of Agricultural, Consumer and Environmental Sciences

April 2016

Farm Income and Production Costs

for 2015:

Advance Report

This publication is prepared in the Department of Agricultural and Consumer Economics, College of Agricultural, Consumer and Environmental Sciences, University of Illinois at Urbana-Champaign by Dwight D. Raab, CEO; Brandy M. Krapf, Professional Development Coordinator; and Bradley L. Zwilling, Farm Business Analyst, Illinois FBFM Association, for use by FBFM field staff at meetings held in March 2016. All data is based on Illinois Farm Business Records kept in cooperation with the Illinois Farm Business Farm Management (FBFM) Association and this department. An update of this report will be published in the *90th Annual Summary of Illinois Farm Business Records for 2015*.

The Illinois Farm Business Farm Management Association, in cooperation with University of Illinois Extension and the Department of Agricultural and Consumer Economics, has been providing farm recordkeeping and business analysis services to Illinois farm operators for over 90 years.

Urbana, Illinois

April 2016

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Issued in furtherance of Cooperative Extension Work, Acts of May 8 and June 30, 1914, in cooperation with the U.S. Department of Agriculture. George F. Czapar, Associate Dean and Director, University of Illinois Extension, University of Illinois at Urbana-Champaign. University of Illinois Extension provides equal opportunities in programs and employment.

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DEFINITIONS

Crop Returns—The sum of grain, seed, and feed sales; the value of homegrown seed used; the value of all feed fed (except milk) and pasture; government farm program crop subsidy payments received and accrued; crop insurance proceeds received and accrued; and the change in feed and grain inventories less value of purchased feed.

Return above Feed Cost—The sum of livestock and livestock products sold, change in inventories less value of livestock purchased, and market value (opportunity cost) for all feeds fed.

Operator(s)—If months of operator labor are 12 or less, then there is one operator for the farm. If months of operator labor are more than 12, then the number of operators is determined by taking months of operator labor divided by 12.

Operators' Share Net Farm Income—The sum of all operator's share of gross sales plus net change in inventory and capital accounts less all expenses for items purchased, including interest paid and annual depreciation. This is the accrual earnings available to pay living expenses, pay income and social security taxes, and make principal payments on term debt.

Operators' Share Labor and Management Income—The wage (salary or residual return) for all operators of this farm, whether tenant-, part-owner-, or owner-operated, earned for labor and management efforts. It is determined by:

1. Total net farm income,
2. less the value of family labor (non-operators),
3. minus interest on equity capital.

Interest on Equity Capital—4.0 percent interest on non-land inventory plus 2.10 percent interest on current indexed value of bare land (to reflect a normalized annual net rent) minus the accrual interest expense.

Return per \$1.00 of All Cost—The overall farm efficiency ratio (profit margin) showing total value of all farm production per \$1.00 of all non-feed cost on the total farm.

Grain Farms—Farms on which the value of the feed fed to livestock was *less* than 40 percent of the crop returns.

Hog or Beef Farms—Farms on which the value of feed fed was *more* than 40 percent of the crop returns and either hog or beef cattle enterprises received *more* than half of the value of the feed fed.

Dairy Farms—Farms on which the value of feed fed was *more* than 40 percent of the crop returns and where dairy enterprises received *more* than a third of the value of feed fed.

HIGHLIGHTS FOR 2015

Average farm operator returns for labor and management on 2,674 Illinois farms were lower for all geographic areas in the state in 2015 compared to 2014. In addition, all regions had negative operator returns for labor and management. The average return to the sum of all operator's labor and management income in 2015 was *negative* \$67,198. The 2015 returns were \$106,905 below the 2014 average of \$39,707 and \$166,004 below the average for the last five years. A reasonable charge for the farm's debt-free capital invested in machinery, equipment, land, and inventory averaged \$63,817. Combining this amount with the return to operators' labor and management (sum of all operators) and unpaid family labor resulted in average operators' net farm income of *negative* \$2,971. Much lower crop returns due to lower prices and lower corn yields were the main reasons for the lower incomes. Returns above feed cost for all livestock enterprises were lower than the year before. Hog returns above feed costs were lower due to much lower prices received. Returns to dairy enterprises were lower due to lower milk prices. Some northern counties in Illinois received farm program payments in 2015 due to the county's crop returns in 2014 being lower than their olympic five-year average. With 2015 having lower crop returns than 2014, it is estimated that there will be many more counties in Illinois that will receive a farm program payment. Farm earnings were highest in the central part of the state around Bloomington, even though they were still negative. Earnings were lowest in the southern part of the state.

Corn yields were below the 2014 yield but above the five-year average. Corn yields were 24 bushels per acre lower in 2015 and 13 bushels per acre above the five-year average. 2015 soybean yields were the same as 2014. The average corn yield on the 2,647 farms was 190 bushels per acre. Soybean yields averaged 61 bushels per acre. Corn and

soybean yields were generally highest in the northwestern and central parts of the state. The growing season temperature was close to normal temperatures. However, the precipitation received during the growing season was variable. For the entire state, June was more than 5 inches wetter than normal. Too much rain in June was one of the reasons for lower corn yields.

Year-end inventory price for the 2015 corn crop of \$3.60 per bushel was 15 cents lower than a year earlier. \$8.60 per bushel was the new crop soybeans inventory price, \$1.90 less than December 31, 2014. The average sales price received for the 2014 corn crop sold in 2015 was above their inventory price resulting in a positive marketing margin. The 2014 soybean crop sold in 2015 was sold slightly below their inventory price. Crop returns averaged \$670 per tillable acre, \$124 per acre lower than the 2014 crop returns. This was the third year in a row of declining crop returns since the all-time high in 2012.

Returns above feed cost to all livestock enterprises were lower than the year before as well as the last five years. All livestock enterprises experienced similar to or lower feed costs, but lower returns in 2015 compared to 2014. Returns for farrow-to-finish hog producers were estimated to be about \$7.82 per hundredweight below the breakeven level in covering total economic costs in 2015. Dairy producers experienced \$2,167 returns above feed per cow in 2015 compared to \$3,734 in 2014. Milk prices were twenty-eight percent lower compared to the year before. Returns above feed to feeder cattle enterprises decreased more than one hundred percent. Prices paid for market cattle were lower than the year before while the price received was slightly higher. With the large swings in prices for market cattle, it depended on when you purchased and sold them. Prices decreased dramatically after the

higher prices offered at the end of 2014. Returns above feed per cow decreased about one hundred percent from 2014.

Estimates in net worth change can be made by adjusting net farm income for nonfarm income, withdrawals for family living, and income and social security tax paid. This amount would be a modified-cost-basis change in net worth, which excludes changes due to inflation. As seen on page 5, estimated changes in net worth showed decreases statewide, with the largest decreases being in southern and northeastern regions of Illinois. Changes in net worth among individual farm operators will vary greatly due to differences in farm and nonfarm income and family living withdrawals.

Pages 3 and 6 have the average amount of interest paid per farm. Average farm interest paid in 2015 was \$27,378, up \$3,263 from 2014. Over the last ten years, interest paid on a per-acre basis has the lowest at \$20 in 2009 and the highest at \$25 in 2007. In 2015, it increased to \$24. Interest paid as a percentage of gross farm returns was 4.1 percent in 2015 compared to 3.3 percent in 2014.

Some key financial factors, such as the current, debt-to-asset, and debt-to-equity ratios, can be found on pages 10 to 13 by type of farm. This type of information is useful in providing some benchmarks when evaluating the financial efficiency of a farm operation.

Pages 22 to 36 report returns and costs for crops and livestock enterprises. Total returns to farrow-to-finish hog producers averaged \$45.16 per hundredweight in 2015 compared to \$75.90 the year before. Feed costs decreased, averaging \$33.29 per hundredweight. The average price received per hundredweight for slaughter cattle was \$150.68, and the price paid for replacement feeder cattle was \$206.79. Dairy returns included the average price received for milk of \$17.89 compared to \$24.88 in 2014.

Total economic costs per acre to produce corn and soybeans in 2015 decreased as compared to 2014 in all areas of the state. The main factors for the decrease in per acre costs were lower drying, fuel, repairs and land costs. Cost per bushel to produce corn increased in all areas of the state due to lower yields, except in northern Illinois. Cost per bushel to produce soybeans decreased in all areas of the state due to lower costs, except southern Illinois due to lower yields. Total economic costs per acre to raise corn and soybeans on these farms averaged \$894 and \$652, respectively.

From a sample of pure grain farms in the state, the total economic cost per bushel of corn produced was \$4.68 with an average yield of 191 bushels per acre. The total cost per bushel of soybeans was \$10.52 with an average yield of 62 bushels per acre. The 2014 costs per bushel were \$4.34 and \$10.97 for corn and soybeans, respectively. The total costs for 2012 were the highest cost per bushel to grow corn and soybeans since this study began due to lower yields from the drought. The variation in yields and costs during the past few years makes it important to analyze these costs over more than one year. The 2011-2015 five-year average to produce corn and soybeans on these farms is \$5.21 per bushel for corn and \$11.36 per bushel for soybeans.

In summary, farm earnings in 2015 were lower than the 2014 earnings and the average for the last five years. Lower crop returns, because of lower corn yields and lower prices, were the main reasons for the lower incomes. Some of the earnings would have been lower if not for a positive marketing margin on the 2014 corn crop sold in 2015. Livestock returns were much lower for all enterprises primarily due to lower prices received. Years with lower earnings lead to taking a closer look at economic and financial information as one plans for the future.

ILLINOIS FARM BUSINESS FARM MANAGEMENT ASSOCIATION

cooperating with eight local farm management associations and the
Department of Agricultural and Consumer Economics, College of Agricultural, Consumer and Environmental Sciences,
University of Illinois at Urbana-Champaign

STATE TOTAL --- 5,657 cooperating farmers and 64 field staff positions
July 1, 2015, distribution of cooperators by counties and associations

Associations and Field Staff

Associations and Field Staff

BLACKHAWK

594

- Jeffery L. Johnson
- Alan A. Petersohn
- Rodney B. Gieseke
- David A. Goodell
- Tonya M. Wiersema
- Adam W. Drinkall
- James C. Bull

ILLINOIS VALLEY

605

- Scott M. Newport
- John A. Hudson
- Bradley G. Lenschow
- James P. McCabe
- Daniel G. Entile
- Tony J. Stirling
- Sarah E. DeSchepper

WESTERN

785

- Roberta B. Boarman
- Robert L. Rhea
- Miriam M. Mock
- Mike R. Shepherd
- Nathan P. Edlefson
- Ruth Ann McGrew
- Brett W. Goodwin
- Nathan R. Janssen

SANGAMON VALLEY

31

PIONEER

1,070

- Michael C. Heiser
- Brian J. Pulley
- Kent V. Meister
- Darren L. Bray
- Nathan A. Waibel
- Jeffrey A. Marquis
- Lowell J. Stoller
- Jacob M. Springer
- Carla S. Doubet
- Jedediah D. Metzger
- Brandon M. Tate
- Bradley A. Carroll
- Allissa D. Fosdick

SANGAMON VALLEY

582

- Kent D. Leesman
- James E. Phelan
- Kevin E. Coultas
- Jessie N. Shoopman
- Brittany L. Gunther
- Angela J. Westen

EAST CENTRAL

1136

- James E. Cullison
- Donald E. Becker
- Mitchell A. Fruhling
- Jeffrey D. Lewis
- Robert D. Daggett
- Richard C. Thomas
- Christopher A. Leman
- Michael L. Clark
- Klayton M. Finley
- Heidi E. Brown

LINCOLN

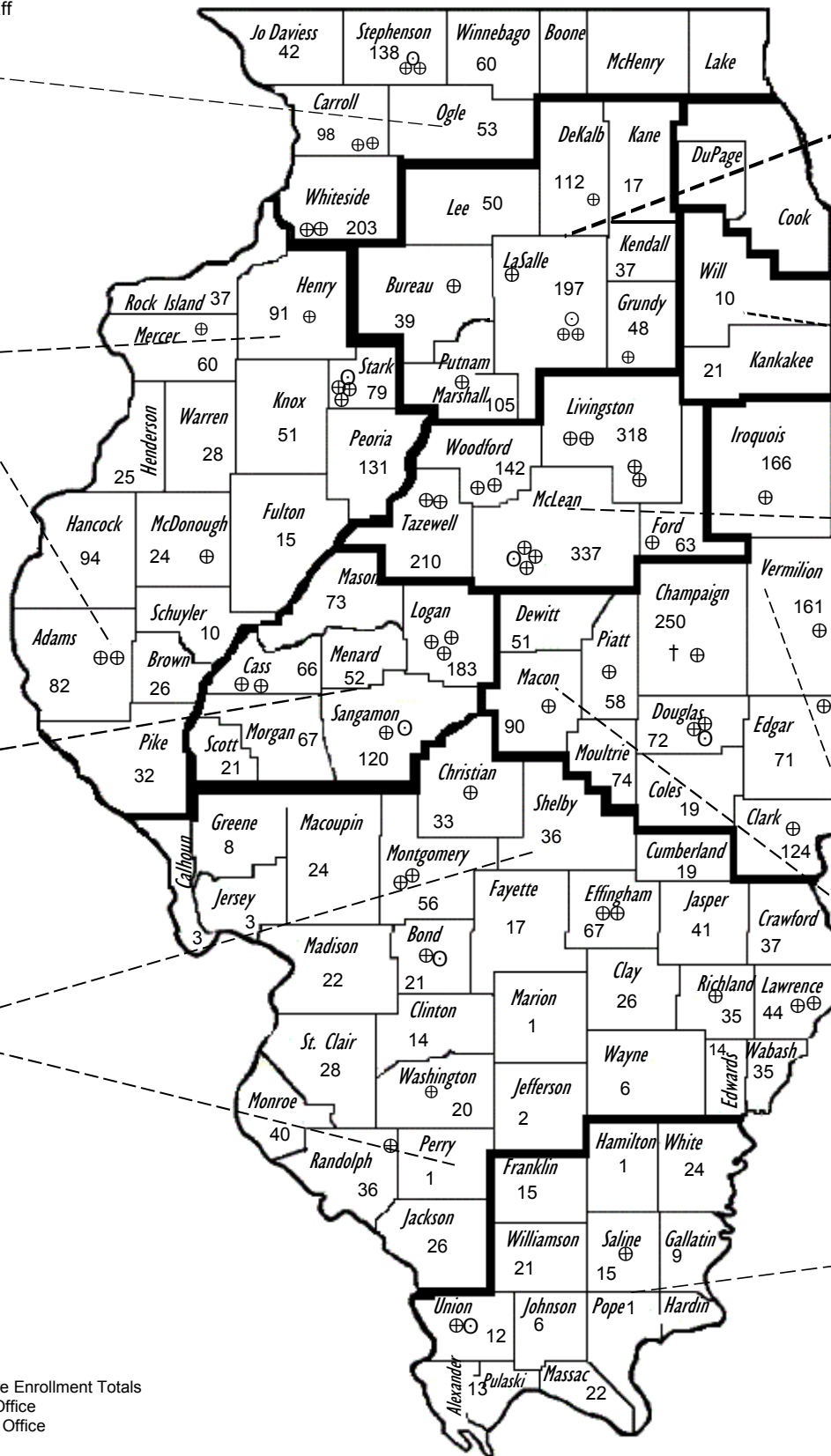
715

- Thomas J. Nolte
- Michael E. Schmitz
- Dathel W. Davidson
- Daniel A. Doan
- Randall J. Harmon
- Mitchel W. Fickling
- Michael P. Bruns
- Jennifer K. Nolting
- Andrea L. Hosto
- Cody V. Stewart
- Dale J. Heinkel
- Jacob E. Hileman

SHAWNEE

139

- Douglas E. Hileman
- Jonathan T. McGuire



* Numbers are Enrollment Totals

- 64 ⊕ Field Staff Office
- 8 ⊙ Association Office
- † State Office

**Average Size, Income, Returns, and Costs on Illinois FBFM Record-Keeping Farms
by Type of Farm—2011 to 2015***

Year	Number of Farms	Tillable Acres (TA)	All Operators		Crop Returns/A	Livestock Ret. Above Feed/A	Net Mach. & Labor Cost/A**
			Net Farm Income	Labor-Mgmt. Income			
			\$	\$	\$	\$	\$
All Farms							
2015	2,647	1,131	(2,971)	(67,198)	670	11	197
2014	2,670	1,106	107,290	39,707	794	38	207
2013	2,597	1,084	127,664	62,642	840	17	200
2012	2,725	1,094	298,028	235,432	997	13	186
2011	2,674	1,083	273,612	223,449	899	21	174
Grain Farms							
2015	2,427	1,184	487	(65,153)	670	0	187
2014	2,448	1,158	101,389	32,157	794	12	197
2013	2,365	1,138	134,442	68,110	841	4	190
2012	2,492	1,139	310,193	246,548	994	2	175
2011	2,455	1,131	282,918	231,680	900	6	164
Hog Farms							
2015	42	869	(126,647)	(186,684)	700	239	366
2014	44	858	322,956	259,421	795	701	397
2013	48	905	103,807	26,802	813	319	359
2012	48	1,034	228,445	153,725	1,033	245	341
2011	44	864	281,602	232,013	893	429	358
Dairy Farms							
2015	57	522	(5,757)	(63,367)	658	610	628
2014	54	476	257,571	194,163	755	1,203	714
2013	60	493	68,333	7,114	856	543	628
2012	58	505	166,458	100,900	1,073	455	613
2011	64	468	204,929	154,104	956	643	611
Beef Farms							
2015	31	466	(123,019)	(193,899)	628	(64)	390
2014	31	509	205,637	137,920	778	615	416
2013	37	511	41,340	(23,717)	801	182	367
2012	31	489	94,562	36,115	910	107	380
2011	19	395	149,326	112,505	914	376	416

*In 2015, 91.7% of the farms were classified as grain, 1.6% as hog, 2.1% as dairy, 1.2% as beef, and 3.4% as other types.

**This is net above custom work income.

Source: Prepared in the Department of Agricultural and Consumer Economics, University of Illinois, Urbana-Champaign, from records kept by farmers enrolled in Illinois FBFM Association.

**Summary of Income, Corn Yields, Crop and Livestock Returns by
Farm Type and Location, Average per Farm—2011 to 2015**

	Grain			Livestock			Illinois
	Northern	Central	South	Hog	Beef	Dairy	
	Central SPR 86-100			IL			All*
	Central SPR 56-85			IL			
Operator's Share of Net Farm Income							
2015	\$5,081	\$15,258	(\$1,778)	(\$55,973)	\$487	(\$126,647)	(\$5,757)
2014	\$69,127	\$126,985	\$83,614	\$125,043	\$101,389	\$322,956	\$257,571
2013	\$131,892	\$150,157	\$94,910	\$162,313	\$134,442	\$103,807	\$68,333
2012	\$346,894	\$353,389	\$233,544	\$233,760	\$310,193	\$228,445	\$166,458
2011	\$339,146	\$309,997	\$195,381	\$237,112	\$282,918	\$281,602	\$204,929
Corn Yields							
2015	194	197	181	157	190	194	183
2014	203	228	212	192	214	213	196
2013	200	195	180	164	192	191	182
2012	143	126	110	50	119	124	104
2011	177	174	158	138	168	167	164
2010	173	168	155	146	164	168	166
Crop Returns per Tillable Acre							
2015	\$712	\$678	\$621	\$534	\$670	\$700	\$658
2014	\$795	\$809	\$746	\$697	\$794	\$795	\$755
2013	\$880	\$848	\$772	\$724	\$841	\$813	\$856
2012	\$1,076	\$1,025	\$952	\$758	\$994	\$1,033	\$1,073
2011	\$998	\$925	\$838	\$665	\$900	\$893	\$956
Livestock Returns above Feed Cost per Tillable Acre							
2015	(\$1)	\$0	(\$2)	\$3	\$0	\$239	(\$64)
2014	\$21	\$6	\$19	\$10	\$12	\$701	\$615
2013	\$5	\$2	\$5	\$2	\$4	\$319	\$182
2012	\$2	\$1	\$4	\$1	\$2	\$245	\$107
2011	\$11	\$2	\$7	\$4	\$6	\$429	\$376
Return per \$1.00 of All Costs							
2015	\$0.85	\$0.85	\$0.81	\$0.76	\$0.86	\$0.77	\$0.85
2014	\$0.91	\$0.98	\$0.95	\$0.96	\$0.98	\$1.20	\$1.18
2013	\$0.99	\$1.02	\$0.97	\$1.01	\$1.03	\$0.97	\$0.94
2012	\$1.27	\$1.28	\$1.23	\$1.12	\$1.27	\$1.10	\$1.07
2011	\$1.33	\$1.30	\$1.21	\$1.16	\$1.29	\$1.22	\$1.18

* Average size of grain farms in 2015 is 1,084 tillable acres for northern Illinois, 1,174 for central, and 1,496 for southern.

**Net Farm Income and Other Selected Factors
Illinois FBFM Association—2015¹**

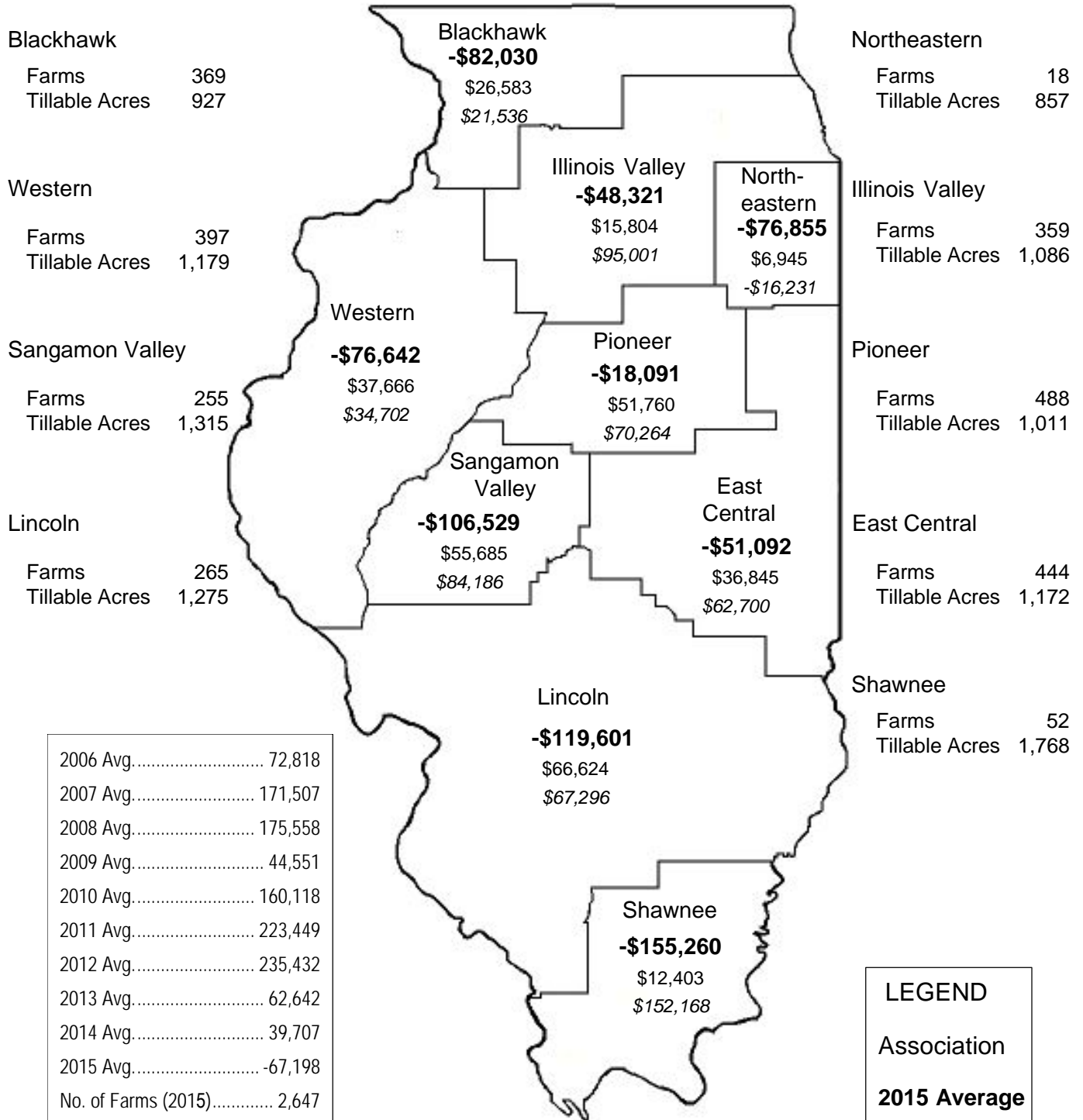
	Black-hawk	East Central	Illinois Valley	Lincoln	North-eastern	Pioneer
Number of Farms	369	444	359	265	18	488
Tillable Acres	927	1,172	1,086	1,275	857	1,011
Corn Yield	201	190	190	160	130	192
Soybean Yield	61	64	61	52	52	64
Crop Returns/TA	\$729	\$659	\$728	\$553	\$567	\$680
Income before Depreciation	72,611	78,485	105,779	51,184	19,462	116,313
Depreciation	89,634	77,449	91,732	112,160	62,991	75,353
Net Farm Income	(17,023)	1,036	14,047	(60,976)	(43,529)	40,960
Capital Purchases	\$89,741	\$62,007	\$70,858	\$113,796	\$26,716	\$64,009
Interest Paid	37,699	20,445	28,799	37,976	26,729	17,293

	Sangamon Valley	Shawnee	Western	2015 State Average	2014 State Average
Number of Farms	255	52	397	2,647	2,670
Tillable Acres	1,315	1,768	1,179	1,131	1,106
Corn Yield	185	169	204	190	214
Soybean Yield	62	52	63	61	61
Crop Returns/TA	\$655	\$566	\$689	\$670	\$794
Income before Depreciation	\$64,768	\$76,974	\$101,528	\$87,313	\$193,300
Depreciation	99,073	141,070	96,622	90,284	86,010
Net Farm Income	(34,305)	(64,096)	4,906	(2,971)	107,290
Capital Purchases	\$97,347	\$147,801	\$93,905	\$82,261	\$105,696
Interest Paid	22,791	29,175	32,317	27,378	24,115

¹ Sum of all operators per farm.

Illinois FBFM Association

Operators' Share of Labor and Management Income per Farm---2013, 2014, and 2015 (Sum of All Operators/Farm)



2006 Avg.....	72,818
2007 Avg.....	171,507
2008 Avg.....	175,558
2009 Avg.....	44,551
2010 Avg.....	160,118
2011 Avg.....	223,449
2012 Avg.....	235,432
2013 Avg.....	62,642
2014 Avg.....	39,707
2015 Avg.....	-67,198
No. of Farms (2015).....	2,647
Tillable Acres (2015).....	1,131

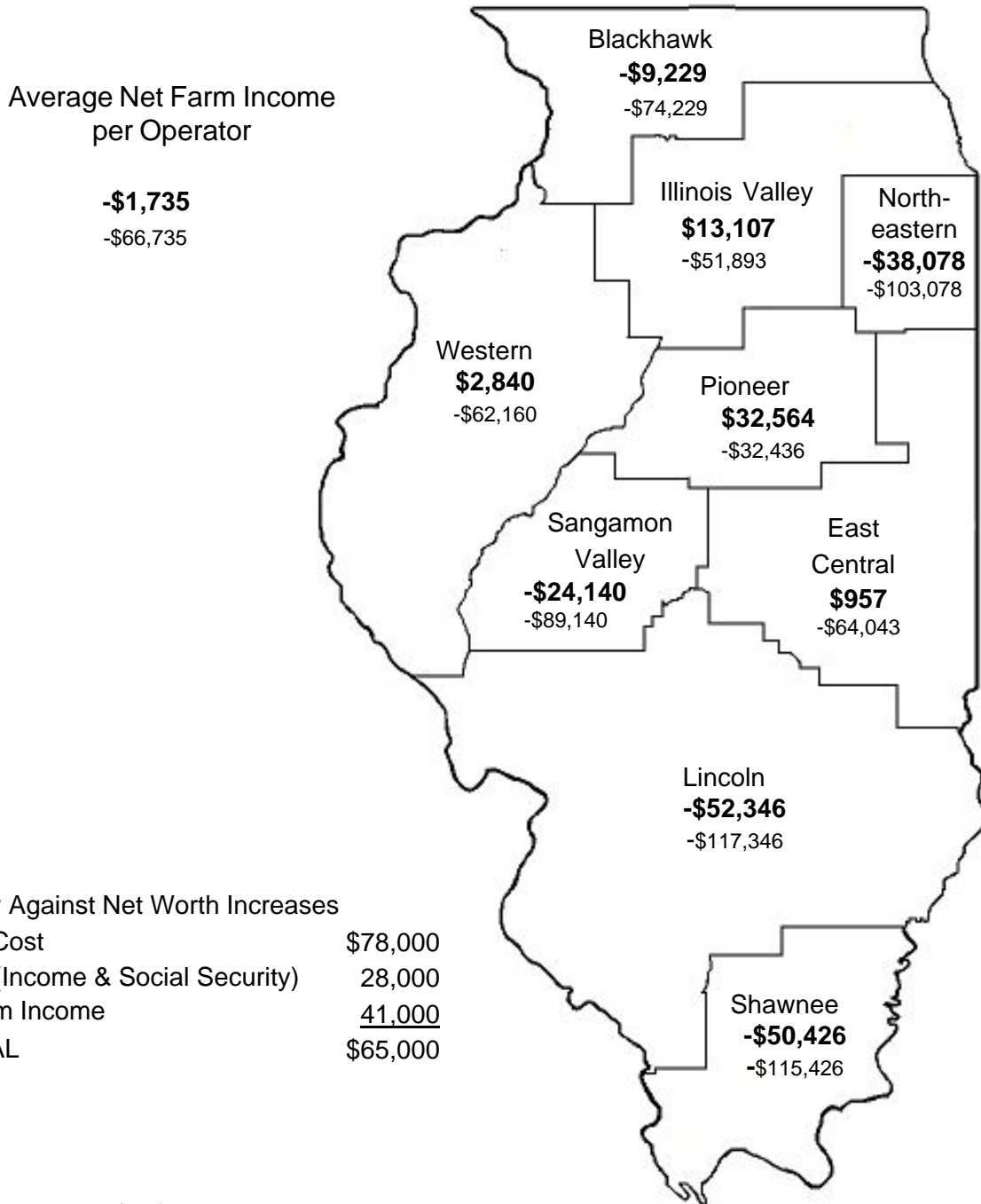
(Sum of All Operators/Farm)

LEGEND	
	Association
	2015 Average
	2014 Average
	2013 Average

Illinois FBFM Association

Net Farm Income per Operator and Estimated Change in Net Worth after Living Expenses and Taxes—2015

Top figures are net farm income per operator.
Bottom figures are the estimated change in net worth.



All figures are cost basis.

Capital Debt Repayment Capacity (CDRC), Illinois Farms—2011 to 2015

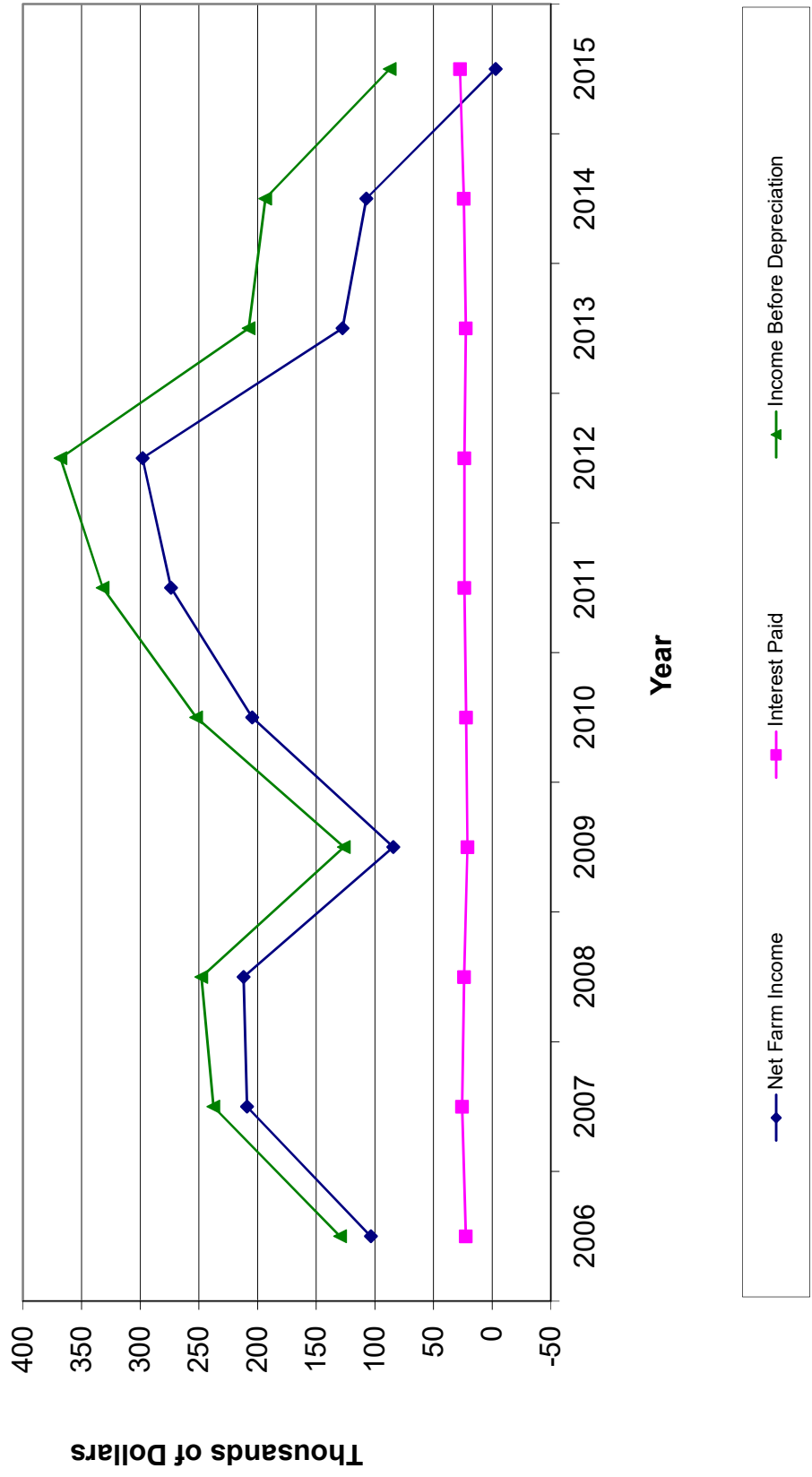
	2011	2012	2013	2014	2015
Net Farm Income	\$273,612	\$298,028	\$127,664	\$107,290	(\$2,971)
+ Net Nonfarm Income ¹	35,454	36,778	38,019	39,676	40,662
- Family Living ²	(71,693)	(76,510)	(80,217)	(80,043)	(76,301)
- Income & Social Security Taxes ²	<u>(17,753)</u>	<u>(24,046)</u>	<u>(36,295)</u>	<u>(34,921)</u>	<u>(29,194)</u>
Change in Net Worth ³	\$219,620	\$234,250	\$49,171	\$32,002	(\$67,804)
+ Depreciation	<u>\$58,250</u>	<u>\$69,923</u>	<u>\$79,802</u>	<u>\$86,010</u>	<u>\$90,284</u>
Funds Available for Debt Repayment	\$277,870	\$304,173	\$128,973	\$118,012	\$22,480
Capital Purchases	\$129,334	\$136,563	\$148,706	\$105,696	\$82,261
Cash Interest Paid	\$23,571	\$23,548	\$22,384	\$24,115	\$27,378

¹ Actual net nonfarm income received.

² Actual amounts less 10 percent used.

³ Cost basis—no change in land value included.

Operator's Net Farm Income, Income before Depreciation and Interest Paid



Selected Financial Factors—2015

Item	Farm Type				
	Grain	Hog	Dairy	Beef	All
Number of Farms	2,427	42	57	31	2,647
Tillable Acres	1,184	869	522	466	1,131
Gross Farm Returns/Operator Acre	\$697	\$973	\$1,299	\$592	\$708
Total Nonfeed Costs/Operator Acre	\$812	\$1,271	\$1,536	\$1,189	\$830
Management Returns/Operator Acre	(\$111)	(\$288)	(\$235)	(\$594)	(\$118)
Net Farm Income per Operator	\$487	(\$93,408)	(\$5,757)	(\$93,397)	(\$1,735)
Labor & Management Income per Operator	(\$56,991)	(\$133,137)	(\$38,310)	(\$146,311)	(\$57,568)
Capital Purchases	\$81,608	\$94,480	\$135,272	\$89,325	\$82,261
Farm Production per Man Year	\$524,883	\$297,537	\$208,773	\$162,105	\$499,435
Production per \$1.00 Nonfeed Costs	\$0.86	\$0.77	\$0.85	\$0.50	\$0.85
Percent of Farm Production					
Cash Operating Expenses	88.3	106.2	89.0	129.1	88.8
Depreciation	11.7	10.3	11.8	20.8	11.7
Operator Income	0.1	(16.5)	(0.9)	(49.8)	(0.4)

Selected FBFM Factors—2006 to 2015

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Number of Farms	2,640	2,748	2,572	2,624	2,588	2,674	2,725	2,597	2,670	2,647
Total Acres	1,058	1,070	1,101	1,077	1,092	1,141	1,149	1,137	1,150	1,177
Tillable Acres	1,005	1,019	1,049	1,031	1,046	1,083	1,094	1,084	1,106	1,131
Corn Yield	173	189	194	182	164	167	120	192	214	190
Soybean Yield	52	50	51	50	55	54	48	55	61	61
Wheat Yield	69	58	67	61	59	65	71	72	72	69
% Tillable Land in Corn/Corn Silage	52	60	56	55	56	56	56	54	55	53
Total Cash Operating Income	\$389,786	\$482,852	\$638,147	\$620,268	\$626,808	\$785,655	\$913,419	\$877,043	\$832,015	\$787,707
Crop and Livestock Inventory Change	67,785	119,507	46,071	(18,431)	80,633	88,535	(18,046)	31,961	3,159	(82,926)
Misc. Income and Change in Acct. Rec.	(14,757)	2	9,394	(7,877)	(789)	345	82,933	(72,350)	(1,642)	11,860
Less: Purchased Feed and PIK Certs.	(13,913)	(18,802)	(21,639)	(16,607)	(19,576)	(21,768)	(28,431)	(27,527)	(21,746)	(20,702)
Purchased Livestock	(14,295)	(15,694)	(14,064)	(11,318)	(15,040)	(15,323)	(18,978)	(20,211)	(21,749)	(24,230)
Gross Farm Returns	\$414,606	\$567,865	\$657,909	\$566,035	\$672,035	\$837,444	\$930,897	\$788,916	\$790,037	\$671,709
Total Operating Expense	\$288,076	\$333,564	\$414,021	\$442,905	\$422,960	\$509,278	\$567,637	\$585,631	\$600,975	\$588,017
Income before Depreciation	126,530	234,301	243,888	123,130	249,075	328,165	363,259	203,285	189,063	83,690
Less Depreciation (Plus Capital Acct. Adj.)	23,227	25,289	31,998	38,918	44,444	54,553	65,231	75,621	81,773	86,661
Net Farm Income	\$103,303	\$209,012	\$211,890	\$84,212	\$204,631	\$273,612	\$298,028	\$127,664	\$107,290	(\$2,971)
Net Farm Income as % GFR	24.9	36.8	32.2	14.9	30.4	32.7	32.0	16.2	13.6	-0.4
Operator's Labor and Mgmt. Income	\$72,818	\$171,507	\$175,558	\$44,551	\$160,118	\$223,449	\$235,432	\$62,642	\$39,707	(\$67,198)
Interest Expense	\$22,373	\$25,598	\$23,924	\$21,025	\$22,128	\$23,571	\$23,548	\$22,384	\$24,115	\$27,378
Interest Expense as % of GFR	5.4	4.5	3.6	3.7	3.3	2.8	2.5	2.8	3.3	4.1
Gross Farm Returns/Tillable Acre	\$413	\$557	\$627	\$549	\$642	\$773	\$851	\$728	\$714	\$594
Total Operating Expense/Tillable Acre	\$287	\$327	\$395	\$430	\$404	\$470	\$519	\$540	\$543	\$520
Depreciation/Tillable Acre	\$23	\$25	\$31	\$38	\$42	\$50	\$60	\$70	\$74	\$77
Net farm Income/Tillable Acre	\$103	\$205	\$202	\$82	\$196	\$253	\$272	\$118	\$97	(\$3)
Total Investment	\$221,028	\$310,853	\$392,252	\$394,206	\$443,684	\$535,169	\$573,041	\$564,615	\$587,147	\$549,288
Crops and Feed	29,190	31,374	30,520	25,873	30,440	33,867	38,171	40,949	44,893	49,404
Livestock (Market & Breeding Stock)	104,476	122,725	158,305	187,560	233,750	280,123	334,760	379,876	407,686	411,399
Machinery (Book Value)	34,476	37,501	45,191	49,940	62,722	80,350	100,194	113,056	128,366	138,854
Buildings (Book Value)	729,032	821,007	942,781	929,995	1,034,673	1,310,434	1,632,977	1,958,418	2,138,558	2,155,298
Land										
Total	\$1,118,202	\$1,323,460	\$1,569,049	\$1,587,574	\$1,805,269	\$2,239,943	\$2,679,143	\$3,056,914	\$3,306,650	\$3,304,243

Financial Characteristics of Illinois FBFM Grain Farms

	2015	2014	2013	2012	4-Year Average	My Farm
Number of Farms	2,484	2,532	2,440	2,442	2,475	
Liquidity						
Working Capital	\$237,508	\$295,956	\$336,712	\$403,684	\$318,465	
Current Ratio						
Upper Quartile	NA	5.79	6.51	7.20	6.50	
Median	2.09	2.32	2.59	3.08	2.52	
Solvency						
Net Worth (Market)	\$2,954,958	\$2,973,330	\$2,880,432	\$2,775,824	\$2,896,136	
Debt/Equity Ratio (%)						
Upper Quartile	NA	8.5	8.5	8.4	8.5	
Median	24.8	23.5	22.5	21.9	23.2	
Debt/Total Asset Ratio (%)						
Upper Quartile	NA	7.8	7.8	7.7	7.8	
Median	19.9	19.0	18.4	18.0	18.8	
Profitability						
Net Farm Income	-\$538	\$79,348	\$105,027	\$257,538	\$110,344	
Return on Farm Assets (%)						
Upper Quartile	NA	3.9	5.5	14.1	7.8	
Median	-0.7	1.6	2.6	8.5	3.0	
Return on Farm Equity (%)						
Upper Quartile	NA	4.2	6.5	18.5	9.7	
Median	-1.7	1.2	2.6	10.3	3.1	
Repayment Capacity						
Debt/Farm Operating Income	*	7.78	5.40	2.10	3.82	
Financial Efficiency (as a % of Gross Farm Returns)						
Interest Expense Ratio						
Upper Quartile	NA	0.6	0.5	0.5	0.5	
Median	2.9	2.3	2.0	1.8	2.3	
Operating Expense Ratio						
Upper Quartile	NA	61.9	60.0	46.9	56.3	
Median	80.8	71.7	68.3	55.5	69.1	
Depreciation Expense Ratio						
Upper Quartile	NA	7.6	6.9	5.0	6.5	
Median	13.3	11.0	10.0	7.3	10.4	
Farm Operating Income Ratio						
Upper Quartile	NA	24.5	27.9	43.9	32.1	
Median	1.7	14.2	18.1	34.6	17.2	
Asset Turnover Ratio						
Upper Quartile	NA	0.35	0.37	0.46	0.39	
Median	0.18	0.22	0.24	0.31	0.24	

NA = not available yet.

* Undefined due to negative farm operating income.

Financial Characteristics of Illinois FBFM Hog Farms

	2015	2014	2013	2012	4-Year Average	My Farm
Number of Farms	30	38	39	38	36	_____
Liquidity						
Working Capital	\$147,138	\$306,488	\$303,683	\$389,880	\$286,797	_____
Current Ratio						_____
Upper Quartile	NA	4.73	3.59	3.17	3.83	_____
Median	1.61	2.01	2.26	2.30	2.05	_____
Solvency						
Net Worth (Market)	\$2,418,922	\$2,850,989	\$2,570,452	\$2,630,369	\$2,617,683	_____
Debt/Equity Ratio						_____
Upper Quartile	NA	16.8	9.9	14.7	13.8	_____
Median	54.7	32.3	25.4	32.0	36.1	_____
Debt/Total Asset Ratio						_____
Upper Quartile	NA	15.1	9.0	12.8	12.3	_____
Median	35.3	24.8	20.3	24.2	26.2	_____
Profitability						
Net Farm Income	-\$170,363	\$326,186	\$89,392	\$207,626	\$113,210	_____
Return on Farm Assets						_____
Upper Quartile	NA	12.3	6.5	8.7	9.2	_____
Median	(5.8)	7.3	2.9	4.9	2.3	_____
Return on Farm Equity						_____
Upper Quartile	NA	16.8	5.9	13.9	12.2	_____
Median	(11.8)	9.5	2.2	7.2	1.8	_____
Repayment Capacity						
Debt/Farm Operating Income	*	3.74	8.27	4.61	4.16	_____
Financial Efficiency (as a % of Gross Farm Returns)						
Interest Expense Ratio						_____
Upper Quartile	NA	1.1	1.0	2.5	1.5	_____
Median	6.0	2.9	3.1	3.3	3.8	_____
Operating Expense Ratio						_____
Upper Quartile	NA	49.2	56.3	58.2	54.6	_____
Median	107.9	59.2	68.9	65.4	75.4	_____
Depreciation Expense Ratio						_____
Upper Quartile	NA	4.6	5.8	4.5	5.0	_____
Median	11.6	6.1	7.5	5.8	7.8	_____
Farm Operating Income Ratio						_____
Upper Quartile	NA	40.5	32.5	29.9	34.3	_____
Median	-26.7	30.5	17.8	23.8	11.4	_____
Asset Turnover Ratio						_____
Upper Quartile	NA	0.48	0.34	0.40	0.41	_____
Median	0.21	0.30	0.22	0.24	0.24	_____

NA = not available yet.

* Undefined due to negative farm operating income.

Financial Characteristics of Illinois FBFM Beef Farms

	2015	2014	2013	2012	4-Year Average	My Farm
Number of Farms	25	25	22	24	24	
Liquidity						
Working Capital	\$187,360	\$243,378	\$245,553	\$249,815	\$231,527	
Current Ratio						
Upper Quartile	NA	6.23	2.61	2.78	2.70	
Median	2.07	2.18	1.73	1.88	1.97	
Solvency						
Net Worth (Market)	\$2,765,416	\$2,352,340	\$1,919,793	\$2,213,347	\$2,312,724	
Debt/Equity Ratio						
Upper Quartile	NA	8.2	9.5	27.2	18.4	
Median	35.3	28.1	36.7	49.2	37.3	
Debt/Total Asset Ratio						
Upper Quartile	NA	7.6	8.7	21.3	15.0	
Median	26.1	21.9	26.9	32.8	26.9	
Profitability						
Net Farm Income	(\$123,267)	\$131,981	\$82,551	\$142,338	\$58,401	
Return on Farm Assets						
Upper Quartile	NA	7.8	7.0	9.4	8.2	
Median	(5.6)	4.1	1.6	4.1	1.1	
Return on Farm Equity						
Upper Quartile	NA	12.5	9.7	16.2	13.0	
Median	(6.7)	4.1	1.4	5.9	1.2	
Repayment Capacity						
Debt/Farm Operating Income	*	6.75	6.37	5.39	4.63	
Financial Efficiency (as a % of Gross Farm Returns)						
Interest Expense Ratio						
Upper Quartile	NA	0.4	2.4	3.3	2.9	
Median	9.4	4.1	4.8	4.9	5.8	
Operating Expense Ratio						
Upper Quartile	NA	51.6	59.3	51.3	55.3	
Median	111.9	57.4	70.1	64.4	76.0	
Depreciation Expense Ratio						
Upper Quartile	NA	7.5	6.4	5.9	6.2	
Median	19.5	9.2	8.3	7.0	11.0	
Farm Operating Income Ratio						
Upper Quartile	NA	37.3	31.6	37.3	34.5	
Median	(40.3)	29.4	18.5	23.2	7.7	
Asset Turnover Ratio						
Upper Quartile	NA	0.35	0.31	0.34	0.33	
Median	0.07	0.20	0.20	0.26	0.18	

NA = not available yet.

* Undefined due to negative farm operating income.

Financial Characteristics of Illinois FBFM Dairy Farms

	2015	2014	2013	2012	4-Year Average	My Farm
Number of Farms	55	53	66	51	56	
Liquidity						
Working Capital	\$56,843	\$115,555	\$78,638	\$120,104	\$92,785	_____
Current Ratio						
Upper Quartile	NA	4.85	3.40	3.76	3.58	_____
Median	1.69	2.00	1.72	1.86	1.82	
Solvency						
Net Worth (Market)	\$1,720,301	\$2,043,665	\$1,732,129	\$1,784,707	\$1,820,201	_____
Debt/Equity Ratio						
Upper Quartile	NA	14.5	16.3	14.8	15.6	_____
Median	48.4	40.8	44.4	38.2	43.0	
Debt/Total Asset Ratio						
Upper Quartile	NA	12.7	14.0	13.6	13.8	_____
Median	32.6	29.0	30.7	27.6	30.0	
Profitability						
Net Farm Income	\$4,421	\$213,088	\$45,054	\$110,809	\$93,343	_____
Return on Farm Assets						
Upper Quartile	NA	14.4	2.3	8.9	5.6	_____
Median	(1.4)	7.2	0.2	3.8	2.5	
Return on Farm Equity						
Upper Quartile	NA	19.9	1.5	9.3	5.4	_____
Median	(3.5)	8.6	(1.3)	3.2	1.8	
Repayment Capacity						
Debt/Farm Operating Income	144.67	3.09	18.60	6.18	43.13	_____
Financial Efficiency (as a % of Gross Farm Returns)						
Interest Expense Ratio						
Upper Quartile	NA	1.6	2.2	1.9	2.1	_____
Median	6.1	4.3	5.4	4.6	5.1	
Operating Expense Ratio						
Upper Quartile	NA	50.2	64.6	57.5	61.1	_____
Median	75.6	56.5	75.2	63.4	67.7	
Depreciation Expense Ratio						
Upper Quartile	NA	5.4	7.3	5.0	6.2	_____
Median	11.2	7.4	10.4	8.1	9.3	
Farm Operating Income Ratio						
Upper Quartile	NA	40.0	20.2	31.8	26.0	_____
Median	6.4	31.1	8.1	21.7	16.8	
Asset Turnover Ratio						
Upper Quartile	NA	0.43	0.41	0.47	0.44	_____
Median	0.19	0.29	0.21	0.24	0.23	

NA = not available yet.

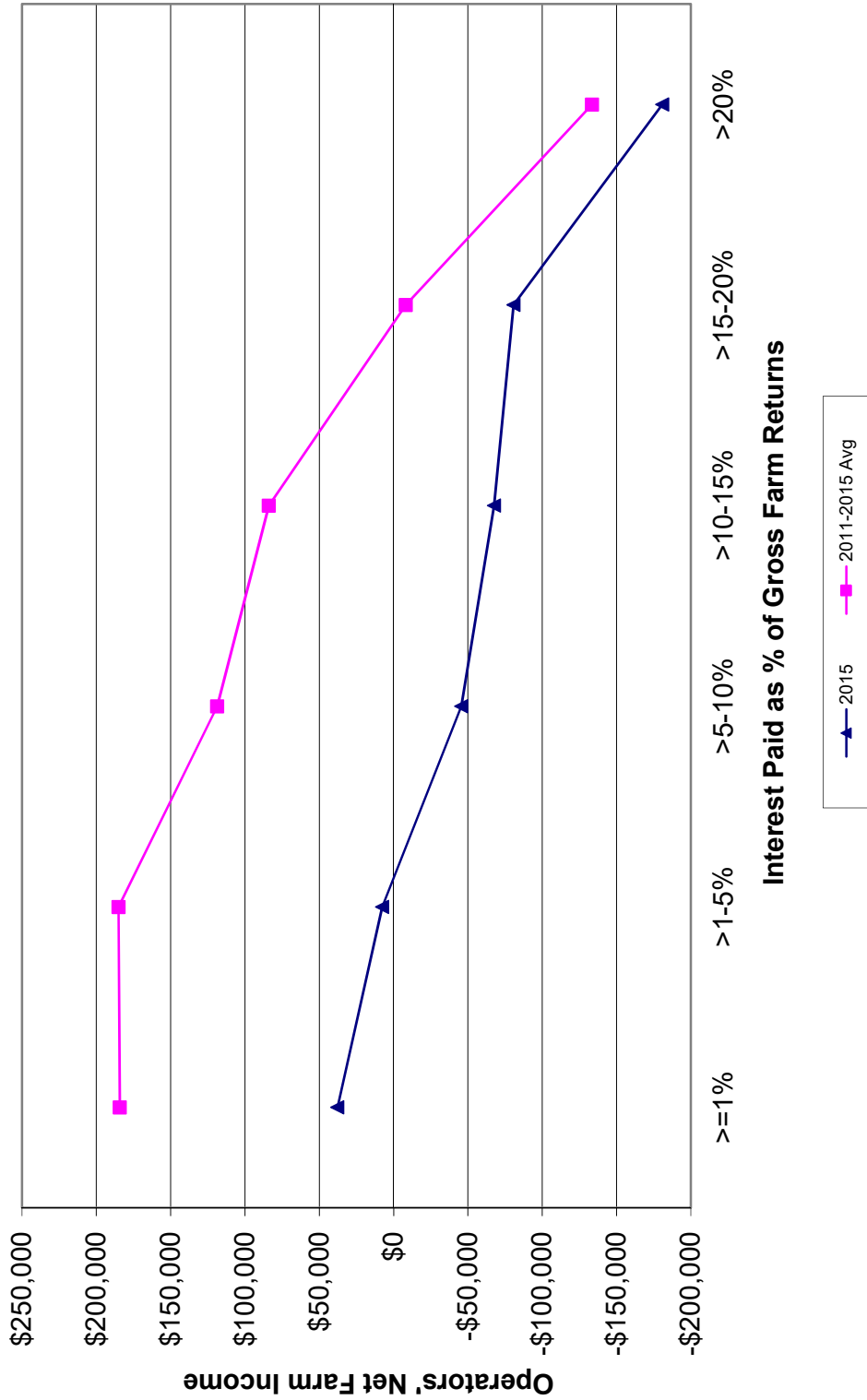
Illinois FBFM Association Farms by Interest Paid as Percent of Gross Farm Returns—2006 to 2015¹

	Year	Operator Interest Paid as % of Gross Farm Returns							All	
		Under 1%	1%–4.9%	5%–9.9%	10%–14.9%	15%–19.9%	20%+			
Number of farms	2006	510	984	814	271	89	57	2,725		
	2007	577	1,243	740	189	56	39	2,844		
	2008	712	1,296	544	108	32	24	2,716		
	2009	727	1,174	561	151	39	47	2,699		
	2010	801	1,264	490	96	32	23	2,706		
	2011	840	1,266	325	66	9	7	2,513		
	2012	1,000	1,352	302	62	8	3	2,728		
	2013	943	1,202	352	71	22	10	2,600		
	2014	892	1,277	396	80	18	12	2,675		
	2015	779	1,075	553	158	48	34	2,647		
Percent of farms	2006	19%	36%	30%	10%	3%	2%	100%		
	2007	20%	44%	26%	7%	2%	1%	100%		
	2008	26%	48%	20%	4%	1%	1%	100%		
	2009	27%	43%	21%	6%	1%	2%	100%		
	2010	30%	47%	18%	4%	1%	1%	100%		
	2011	33%	50%	13%	3%	*	*	100%		
	2012	37%	50%	11%	2%	*	*	100%		
	2013	36%	46%	14%	3%	1%	*	100%		
	2014	33%	48%	15%	3%	1%	*	100%		
	2015	29%	41%	21%	6%	2%	1%	100%		
Net Farm Income	2006	113,081	123,006	98,253	57,947	24,213	(744)	103,303		
	2007	220,427	237,584	193,823	115,925	65,154	5,685	209,012		
	2008	207,942	237,489	180,539	107,261	104,624	(8,605)	211,890		
	2009	111,504	100,971	43,854	4,597	(9,926)	(56,892)	84,202		
	2010	227,690	223,370	172,298	95,174	55,317	6,334	204,631		
	2011	270,468	305,089	227,664	158,433	42,705	(51,794)	273,612		
	2012	296,370	329,186	197,285	217,127	(17,723)	(487,188)	298,028		
	2013	144,794	135,286	83,677	65,677	(37,411)	(64,720)	127,664		
	2014	128,273	109,973	76,491	34,470	(11,703)	(23,508)	107,290		
	2015	37,764	7,585	(45,493)	(67,679)	(80,735)	(180,879)	(2,971)		
Average Operator Interest Paid and Interest Paid as % of Gross Farm Returns - All Farms										
	2003—\$17,144	5.6%	2005—\$18,374	5.2%	2007—\$25,525	4.5%	2009—\$22,017	3.8%	2011—\$23,669	2.8%
	2004—\$16,610	4.6%	2006—\$22,221	5.4%	2008—\$24,204	3.7%	2010—\$22,608	3.3%	2012—\$23,529	2.5%
			2013—\$22,370	2.8%	2014—\$24,114	3.0%	2015—\$27,596	4.2%		

¹ Interest paid and net farm income by farm

* Less than 1%.

Operator's Net Farm Income by Interest Paid as a Percent of Gross Farm Returns



Illinois FBFM Management Returns per Tillable Acre by Farm Type¹

	Grain		Livestock			
	Northern & Central	Southern	Dairy	Beef	Hog	
1961-65	12	13	9	10	21	
1966-70	3	6	11	(1)	15	
1971-75	51	29	13	14	64	
1976-80	(17)	5	18	(65)	(8)	
1981-85	(16)	(32)	(86)	(106)	(53)	
1986-90	4	15	22	(21)	27	
1991-95	26	25	(3)	(43)	7	
1996-00	8	(11)	(26)	(64)	(18)	
2001-05	18	7	37	(21)	41	
2006-10	116	78	(24)	(31)	25	
2011-15	68	19	49	(70)	82	
	<i>SPR 86-100</i>	<i>SPR 56-85</i>				
2001	(10)	(20)	(9)	19	(86)	9
2002	(3)	(11)	(59)	(67)	(79)	(87)
2003	48	29	42	17	68	22
2004	60	49	55	116	17	221
2005	20	1	12	84	(34)	77
2006	72	53	34	(94)	(55)	56
2007	213	184	79	196	60	35
2008	178	147	135	27	(27)	0
2009	6	6	11	(274)	(168)	(183)
2010	155	118	135	32	88	227
2011	213	185	102	199	217	222
2012	261	234	99	92	62	108
2013	48	13	35	(101)	(120)	(20)
2014	(7)	(25)	(9)	342	176	344
2015 ²	(102)	(103)	(136)	(238)	(594)	(288)

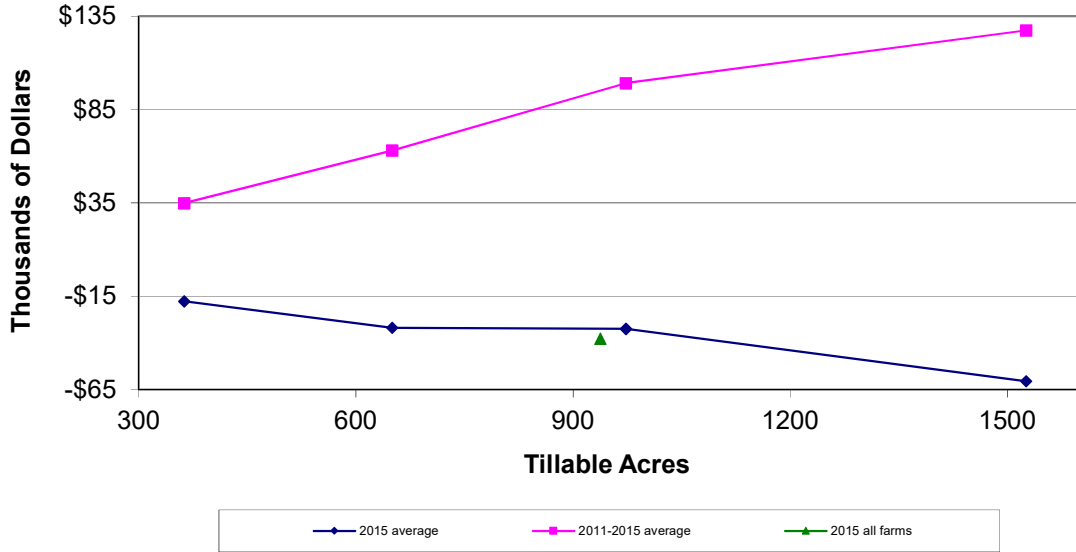
¹ 1995 and later, data is operator's management returns per operator tillable acre. Prior to 1995, data is total farm management returns per total farm tillable acre.

² Estimated from preliminary data.

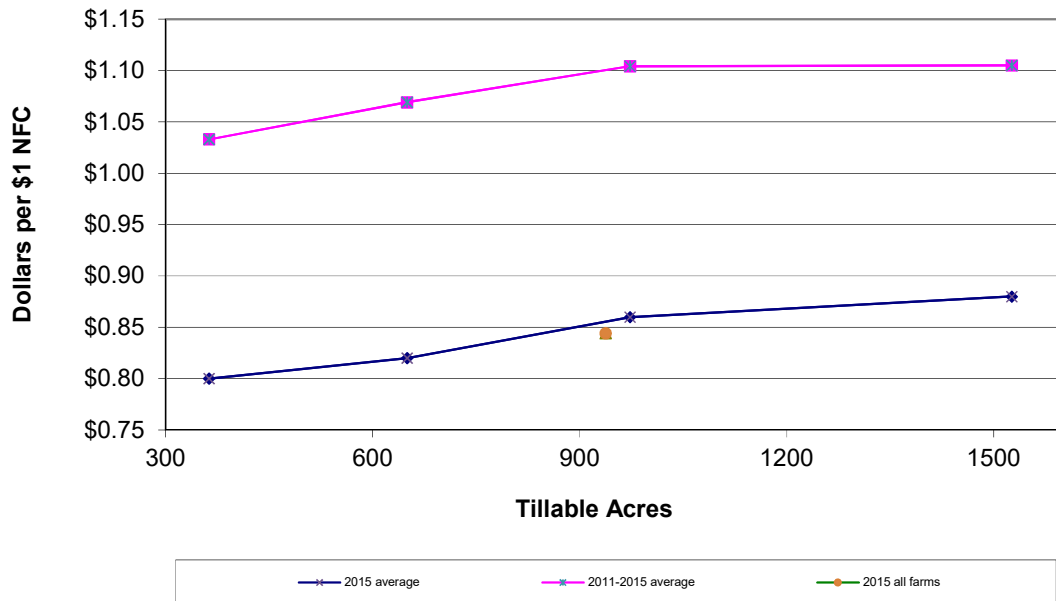
Summary of Farm and Family Sources and Uses of Dollars—2006 to 2015

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Number of Families	1,196	1,232	1,176	1,164	1,200	1,273	1,300	1,307	1,350	1,377
Total Tillable Operator Acres	725	729	745	723	730	740	739	734	766	778
Net Farm Income	\$94,756	\$193,675	\$194,207	\$76,697	\$176,886	\$242,735	\$262,917	\$105,902	\$95,885	\$5,188
SOURCES OF DOLLARS										
Nontaxable Receipts	\$48,772	\$63,164	\$82,347	\$74,433	\$85,392	\$89,678	\$110,064	\$118,800	\$114,252	\$101,580
Net Nonfarm Income	29,614	31,668	30,913	34,567	35,976	35,454	36,778	38,019	39,676	40,662
Money Borrowed	262,230	306,747	368,663	340,794	361,671	398,860	428,234	418,038	439,315	449,744
Total Farm Receipts	364,712	446,952	581,949	568,554	563,312	669,116	777,953	736,101	715,621	665,466
TOTAL SOURCE ALL DOLLARS	\$705,328	\$848,531	\$1,063,872	\$1,018,348	\$1,046,351	\$1,193,108	\$1,353,029	\$1,310,958	\$1,308,864	\$1,257,452
USES OF DOLLARS—FARM										
Interest Paid	\$21,386	\$25,681	\$25,387	\$22,664	\$22,388	\$22,749	\$22,425	\$20,530	\$21,266	\$23,961
Other Farm Expenses	265,931	319,035	409,072	389,334	388,256	451,756	491,725	497,855	519,618	494,496
Mach. & Bldg. Purchases	40,029	59,969	82,684	85,120	84,055	104,621	119,816	130,006	89,020	63,852
TOTAL FARM EXPENDITURES	\$327,346	\$404,685	\$517,143	\$497,118	\$494,699	\$579,126	\$633,966	\$648,391	\$629,904	\$582,309
Principal Payments	\$245,450	\$274,809	\$332,573	\$319,492	\$327,000	\$370,759	\$396,479	\$365,513	\$390,179	\$423,513
Income & Social Security Taxes	10,251	10,964	15,770	20,671	20,064	19,726	26,718	40,328	38,801	32,438
Savings & Investment	62,540	91,829	125,731	108,615	130,366	143,812	210,925	167,585	161,058	134,398
LIVING EXPENSES										
Contributions	\$1,888	\$2,303	\$2,667	\$2,788	\$2,935	\$3,066	\$3,823	\$3,874	\$3,698	\$3,537
Medical	7,665	8,071	8,328	8,579	8,928	9,322	10,100	10,417	11,213	11,102
Life Insurance	2,978	3,039	3,202	3,431	3,442	3,702	4,036	4,492	4,626	4,627
Expendables	42,463	46,881	50,975	50,369	52,300	55,839	58,709	61,933	62,174	59,272
Total Noncapital	\$54,994	\$60,294	\$65,172	\$65,167	\$67,605	\$71,929	\$76,668	\$80,716	\$81,711	\$78,538
Capital	4,692	6,118	7,514	7,267	6,604	7,729	8,344	8,414	7,225	6,241
TOTAL LIVING EXPENSE	\$59,686	\$66,412	\$72,686	\$72,434	\$74,209	\$79,658	\$85,012	\$89,130	\$88,936	\$84,779
TOTAL USE ALL DOLLARS	\$705,273	\$848,699	\$1,063,903	\$1,018,330	\$1,046,338	\$1,193,081	\$1,353,100	\$1,310,947	\$1,308,878	\$1,257,437
Interest as % of Farm Receipts	5.9	5.7	4.4	4.0	4.0	3.4	2.9	2.8	3.0	3.6
Total Family Living/Opr. TA	\$82	\$91	\$98	\$100	\$102	\$108	\$115	\$121	\$116	\$109
Nonfarm Income/Opr. TA	41	43	41	48	49	48	50	52	52	52
Net Family Living/Opr. TA	\$41	\$48	\$56	\$52	\$52	\$60	\$65	\$70	\$64	\$57
Net Farm Cash/Opr. TA	37	43	66	70	67	95	159	65	61	65
Cash Surplus (Deficit)/Opr. TA	(\$4)	(\$5)	\$10	\$18	\$14	\$35	\$93	(\$5)	(\$3)	\$8

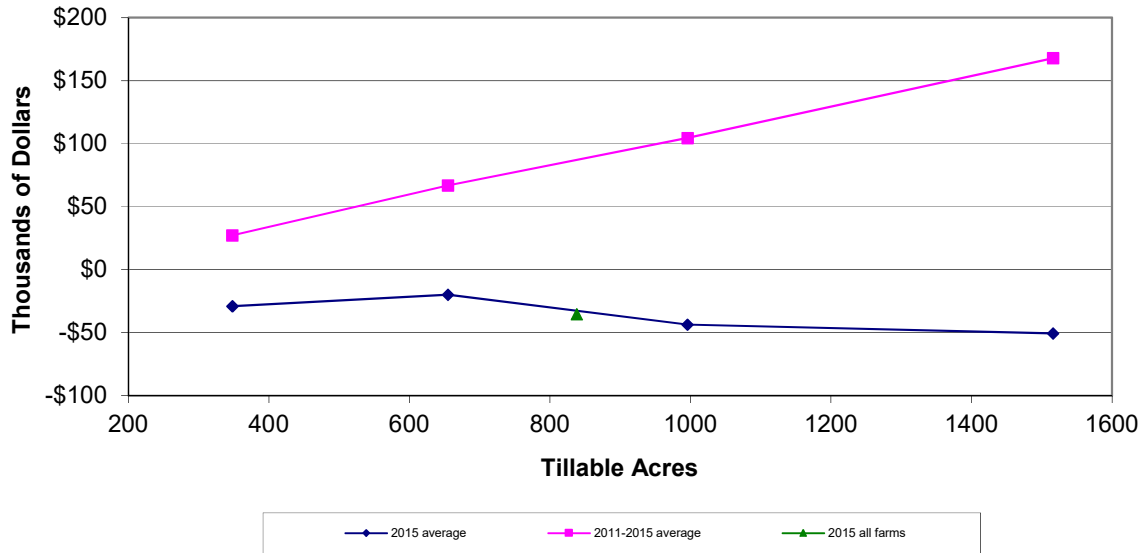
Central Illinois Grain Farms Operator's Share of Labor and Management Earnings



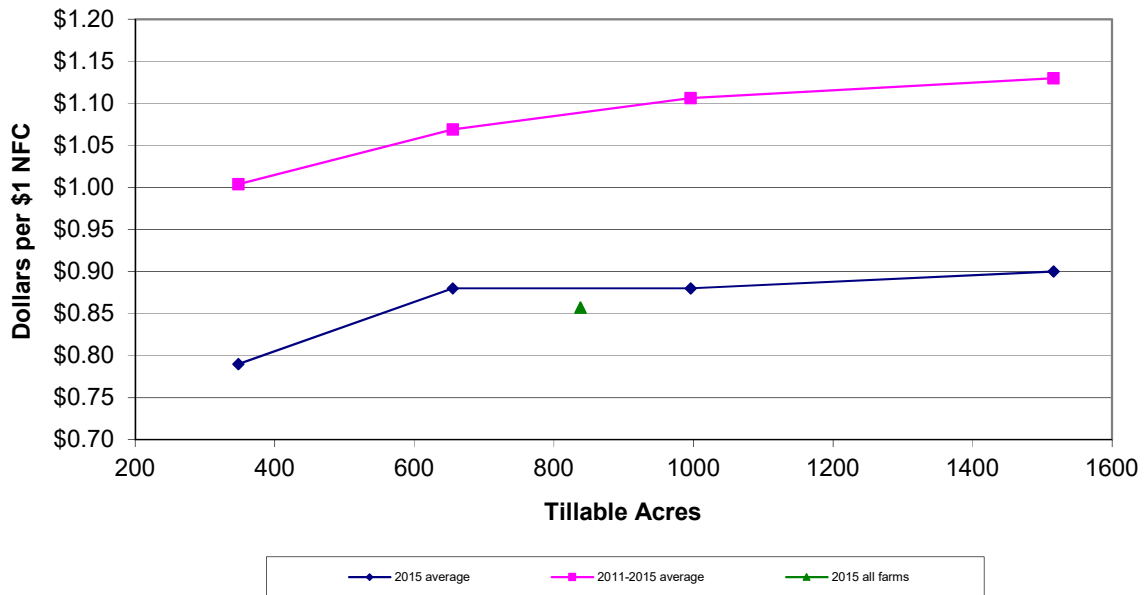
Central Illinois Grain Farms Value of Production per \$1.00 of Nonfeed Cost



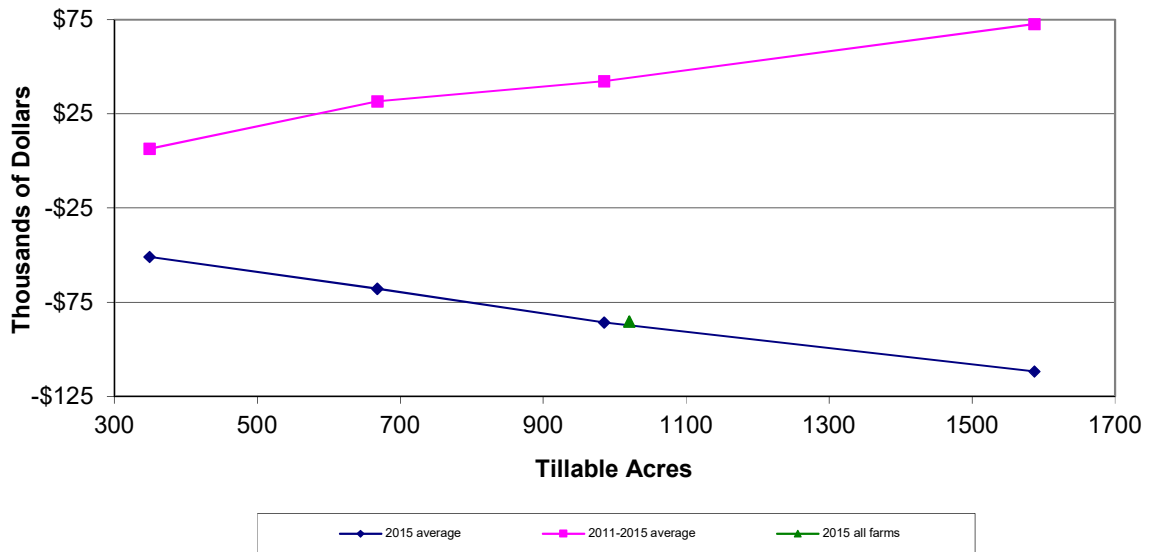
Northern Illinois Grain Farms Operator's Share of Labor and Management Earnings



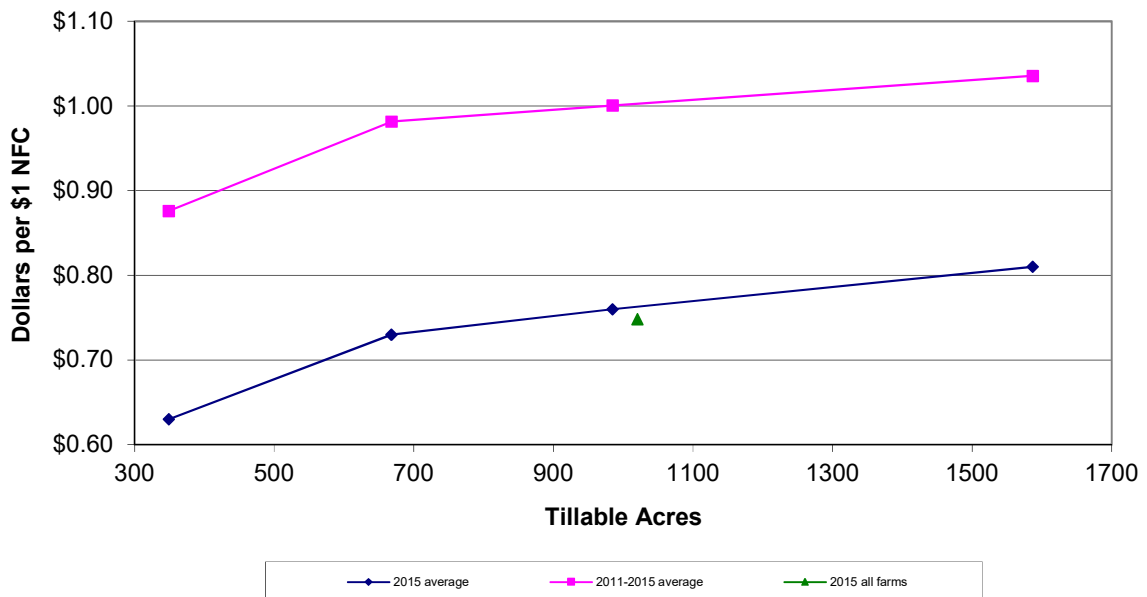
Northern Illinois Grain Farms Value of Production per \$1.00 of Nonfeed Cost

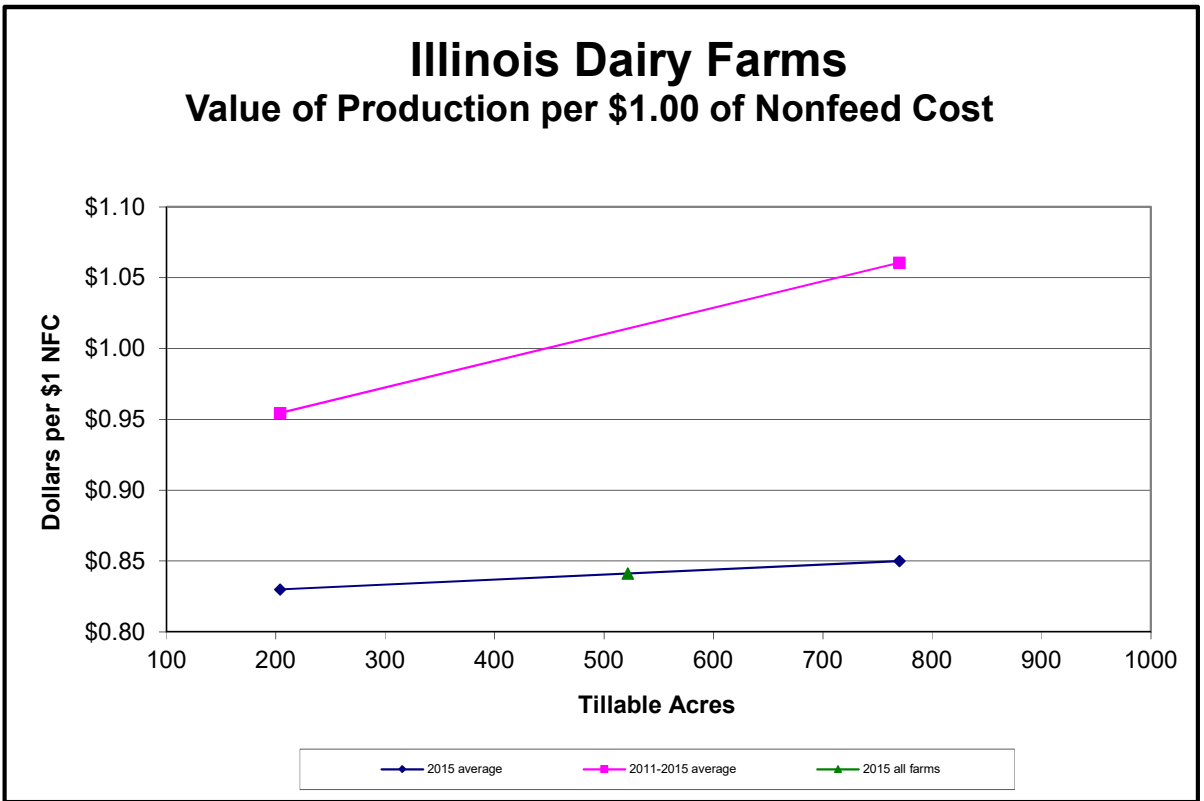
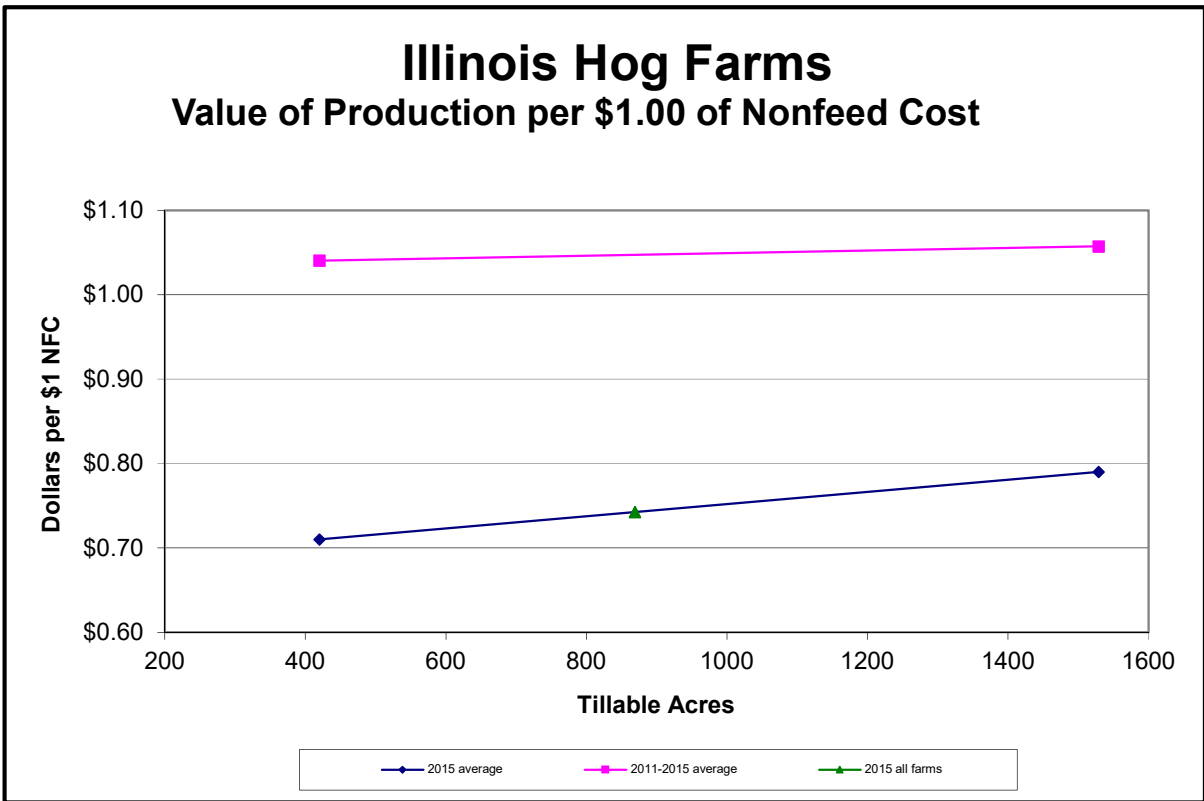


Southern Illinois Grain Farms Operator's Share of Labor and Management Earnings



Southern Illinois Grain Farms Value of Production per \$1.00 of Nonfeed Cost





**Per Acre Cost to Grow Corn and Soybeans
Northern Illinois Grain Farms—No Livestock (56–100 SPR)**

	Corn		Projected 2016		Soybeans		Projected 2016	
	2014	2015	Average	My	2014	2015	Average	My
	Farm	Farm	Farm	Farm	Farm	Farm	Farm	Farm
Number of Farms	380	380			380	380		
Acres of Crop	860	841			452	486		
% Land in Crop	63.4	61.6			33.3	35.6		
NONLAND COSTS								
Variable Costs								
Soil Fertility	\$174	\$161	\$130		\$44	\$41	\$35	
Pesticides	65	59	60		39	35	30	
Seed	123	120	123		71	69	74	
Drying	34	17	20		1	0	1	
Machinery Repair, Fuel & Hire	<u>87</u>	<u>70</u>	<u>68</u>		<u>74</u>	<u>60</u>	<u>59</u>	
Total Variable	\$483	\$427	\$401		\$229	\$205	\$199	
% Change	-1%	-12%	-6%		3%	-10%	-3%	
Other Nonland Costs								
Labor	\$50	\$48	\$50		\$44	\$43	\$45	
Building	28	26	28		14	13	15	
Storage	7	7	5		3	3	3	
Machinery Depreciation	74	72	70		63	62	60	
Nonland Interest	55	51	55		46	42	45	
Overhead	<u>54</u>	<u>50</u>	<u>52</u>		<u>52</u>	<u>48</u>	<u>50</u>	
Total Other	\$268	\$254	\$260		\$222	\$211	\$218	
Total Nonland Costs	\$751	\$681	\$661		\$451	\$416	\$417	
% Change	1%	-9%	-3%		3%	-8%	0%	
LAND COSTS								
Total Land Cost ¹	\$251	\$240	\$238		\$251	\$240	\$238	
TOTAL—ALL COSTS	\$1,002	\$921	\$899		\$702	\$656	\$655	
% Change	1%	-8%	-2%		2%	-7%	0%	
Yield per Acre, Bushel	205	194	61		61	61	61	
Nonland Costs per Bushel	\$3.66	\$3.51	\$7.39		\$7.39	\$6.82	\$6.82	
All Costs per Bushel	\$4.89	\$4.75	\$11.51		\$11.51	\$10.75	\$10.75	
Average Yield Past 4 Years	175	182	187		57	58	58	
All Costs per Bushel	\$5.73	\$5.06	\$4.81		\$12.32	\$11.31	\$11.29	

¹ Weighted average of owned, crop share and cash rent land cost

**Per Acre Cost to Grow Corn and Soybeans
Central Illinois Grain Farms—No Livestock (86–100 SPR)**

	Corn		Projected 2016		Soybeans		Projected 2016	
	2014	2015	Average	My	2014	2015	Average	My
	Farm	Farm	Farm	Farm	Farm	Farm	Farm	Farm
Number of Farms	679	672			679	672		
Acres of Crop	703	698			595	628		
% Land in Crop	53.3	52.0			45.2	46.8		
NONLAND COSTS								
Variable Costs								
Soil Fertility	\$171	\$166	\$145	\$56	\$58	\$56	\$40	\$40
Pesticides	67	66	65	40	41	40	40	40
Seed	120	118	122	76	77	76	76	76
Drying	28	15	23	1	1	1	1	1
Machinery Repair, Fuel & Hire	<u>67</u>	58	<u>53</u>	50	58	50	<u>48</u>	—
Total Variable	\$453	\$423	\$408	\$235	\$235	\$223	\$205	—
% Change	-2%	-7%	-4%	0%	0%	-5%	-8%	
Other Nonland Costs								
Labor	\$49	\$49	\$50	\$46	\$47	\$46	\$47	—
Building	17	17	15	14	14	14	16	—
Storage	12	14	7	8	7	8	5	—
Machinery Depreciation	65	65	62	57	57	57	56	—
Nonland Interest	52	50	52	45	47	45	46	—
Overhead	<u>48</u>	<u>47</u>	<u>48</u>	<u>44</u>	<u>45</u>	<u>44</u>	<u>45</u>	—
Total Other	\$243	\$242	\$234	\$214	\$217	\$214	\$215	—
Total Nonland Costs	\$696	\$665	\$642	\$437	\$452	\$437	\$420	—
% Change	0%	-4%	-3%	0%	0%	-3%	-4%	—
LAND COSTS								
Total Land Cost ¹	\$245	\$231	\$228	\$231	\$245	\$231	\$228	—
TOTAL—ALL COSTS	\$941	\$896	\$870	\$668	\$697	\$668	\$648	—
% Change	4%	-5%	-3%	-4%	0%	-4%	-3%	—
Yield per Acre, Bushel	231	200		66	64	66		
Nonland Costs per Bushel	\$3.01	\$3.33		\$6.62	\$7.06	\$6.62		
All Costs per Bushel	\$4.07	\$4.48		\$10.12	\$10.89	\$10.12		
Average Yield Past 4 Years	166	182	189	57	56	57	60	
All costs per bushel	\$5.67	\$4.92	\$4.60	\$11.72	\$12.45	\$11.72	\$10.80	

¹ Weighted average of owned, crop share and cash rent land cost

**Per Acre Cost to Grow Corn and Soybeans
Central Illinois Grain Farms—No Livestock (Low Soil Rating of 56–85 SPR)**

	Corn			Soybeans		
	2014	2015	Projected 2016	2014	2015	Projected 2016
	Average Farm	Average Farm	My Farm	Average Farm	Average Farm	My Farm
Number of Farms	373	363		373	363	
Acres of Crop	709	710		599	624	
% Land in Crop	52.7	51.7		44.5	45.4	
NONLAND COSTS						
Variable Costs						
Soil Fertility	\$171	\$169	\$143	\$49	\$49	\$37
Pesticides	66	68	67	42	43	37
Seed	122	123	125	64	65	63
Drying	26	13	18	2	1	1
Machinery Repair, Fuel & Hire	<u>69</u>	<u>60</u>	<u>59</u>	<u>61</u>	<u>53</u>	<u>48</u>
Total Variable	\$454	\$433	\$412	\$218	\$211	\$186
% Change	-5%	-5%	-5%	-4%	-3%	-12%
Other Nonland Costs						
Labor	\$50	\$50	\$53	\$48	\$49	\$50
Building	18	19	22	13	13	15
Storage	11	13	8	3	4	4
Machinery Depreciation	65	67	65	56	57	56
Nonland Interest	49	48	49	42	42	43
Overhead	<u>48</u>	<u>47</u>	<u>48</u>	<u>45</u>	<u>44</u>	<u>45</u>
Total Other	\$241	\$244	\$245	\$207	\$209	\$213
Total Nonland Costs	\$695	\$677	\$657	\$425	\$420	\$399
% Change	-2%	-3%	-3%	-2%	-1%	-5%
LAND COSTS						
Total Land Cost ¹	\$218	\$209	\$207	\$218	\$209	\$207
TOTAL—ALL COSTS	\$913	\$886	\$864	\$643	\$629	\$606
% Change	0%	-3%	-2%	2%	-2%	-4%
Yield per Acre, Bushel	215	185	61	61	61	61
Nonland Costs per Bushel	\$3.23	\$3.66	\$6.97	\$6.97	\$6.89	\$6.89
All Costs per Bushel	\$4.25	\$4.79	\$10.54	\$10.54	\$10.31	\$10.31
Average Yield Past 4 Years	153	168	175	52	53	56
All Costs per Bushel	\$5.97	\$5.27	\$4.94	\$12.37	\$11.87	\$10.82

¹ Weighted average of owned, crop share and cash rent land cost

**Per Acre Cost to Grow Corn and Soybeans
Southern Illinois Grain Farms—No Livestock**

	Corn		Projected 2016		Soybeans		Projected 2016	
	2014	2015	Average	My	2014	2015	Average	My
	Farm	Farm	Farm	Farm	Farm	Farm	Farm	Farm
Number of Farms	192	203			192	203		
Acres of Crop	789	807			734	818		
% Land in Crop	46.4	45.0			43.1	45.6		
NONLAND COSTS								
Variable Costs								
Soil Fertility	\$170	171	\$139		\$54	54	\$42	
Pesticides	67	66	66		47	46	35	
Seed	116	108	107		67	62	60	
Drying	19	8	16		1	0	1	
Machinery Repair, Fuel & Hire	<u>76</u>	<u>69</u>	<u>61</u>		<u>71</u>	<u>64</u>	<u>59</u>	
Total Variable	\$448	\$422	\$389		\$240	\$226	\$197	
% Change	-4%	-6%	-8%		-2%	-6%	-13%	
Other Nonland Costs								
Labor	\$62	\$62	\$64		\$55	\$56	\$56	
Building	25	26	28		15	15	15	
Storage	6	6	5		4	4	4	
Machinery Depreciation	71	74	73		67	69	68	
Nonland Interest	49	47	48		49	47	48	
Overhead	<u>50</u>	<u>49</u>	<u>50</u>		<u>50</u>	<u>49</u>	<u>50</u>	
Total Other	\$263	\$264	\$268		\$240	\$240	\$241	
Total Nonland Costs	\$711	\$686	\$657		\$480	\$466	\$438	
% Change	-1%	-4%	-4%		1%	-3%	-6%	
LAND COSTS								
Total Land Cost ¹	\$168	\$165	\$163		\$168	\$165	\$163	
TOTAL—ALL COSTS	\$879	\$851	\$820		\$648	\$631	\$601	
% Change	3%	-3%	-4%		5%	-3%	-5%	
Yield per Acre, Bushel	194	163			55	52		
Nonland Costs per Bushel	\$3.66	\$4.21			\$8.73	\$8.96		
All Costs per Bushel	\$4.53	\$5.22			\$11.78	\$12.13		
Average Yield Past 4 Years	129	140	146		46	47	49	
All Costs per Bushel	\$6.81	\$6.08	\$5.62		\$14.09	\$13.43	\$12.27	

¹ Weighted average of owned, crop share and cash rent land cost

ILLINOIS Cost to Grow Corn--1978 to Date

YEAR	YIELD	TOTAL COST/A.	COST PER BUSHEL	ILLINOIS *	
				ANNUAL AVE. PRICE	MANAGEMENT MARGIN
1978	132	308	2.33	2.30	-0.03
1979	148	349	2.36	2.57	0.21
1980	94	385	4.10	3.14	-0.96
1981	138	390	2.83	2.53	-0.30
1982	145	380	2.62	2.66	0.04
1983	86	374	4.35	3.26	-1.09
1984	129	364	2.82	2.65	-0.17
1985	153	356	2.33	2.27	-0.06
1986	149	341	2.29	1.54	-0.75
1987	145	329	2.27	1.96	-0.31
1988	78	324	4.15	2.59	-1.56
1989	140	322	2.30	2.40	0.10
1990	137	332	2.42	2.36	-0.06
1991	113	320	2.83	2.46	-0.37
1992	163	321	1.97	2.11	0.14
1993	138	345	2.50	2.57	0.07
1994	170	360	2.12	2.27	0.15
1995	122	395	3.24	3.30	0.06
1996	146	414	2.84	2.79	-0.05
1997	138	432	3.13	2.53	-0.60
1998	149	427	2.87	2.04	-0.83
1999	152	407	2.68	1.91	-0.77
2000	158	416	2.63	1.91	-0.72
2001	161	420	2.61	2.04	-0.57
2002	145	401	2.77	2.35	-0.42
2003	174	395	2.27	2.42	0.15
2004	184	425	2.31	2.14	-0.17
2005	150	458	3.05	2.08	-0.97
2006	174	488	2.80	3.07	0.27
2007	190	542	2.85	4.09	1.24
2008	194	647	3.34	4.01	0.67
2009	184	741	4.03	3.53	-0.50
2010	164	695	4.24	5.24	1.00
2011	166	772	4.65	6.25	1.60
2012	118	885	7.50	6.87	-0.63
2013	192	938	4.89	4.52	-0.37
2014	217	942	4.34	3.71 **	-0.63
2015	191	894	4.68	3.64 **	-1.04
2011-2015 Avg.	177	886	5.21	5.00	-0.21
2006-2015 Avg.	179	754	4.33	4.49	0.16

2006-15 Ave. cost per bu. to grow soybeans was 2.33 times the cost per bu. to grow corn in the same period.

* Seasonal average annual price for corresponding crop year.

** Estimated

ILLINOIS Cost to Grow Soybeans--1978 to Date

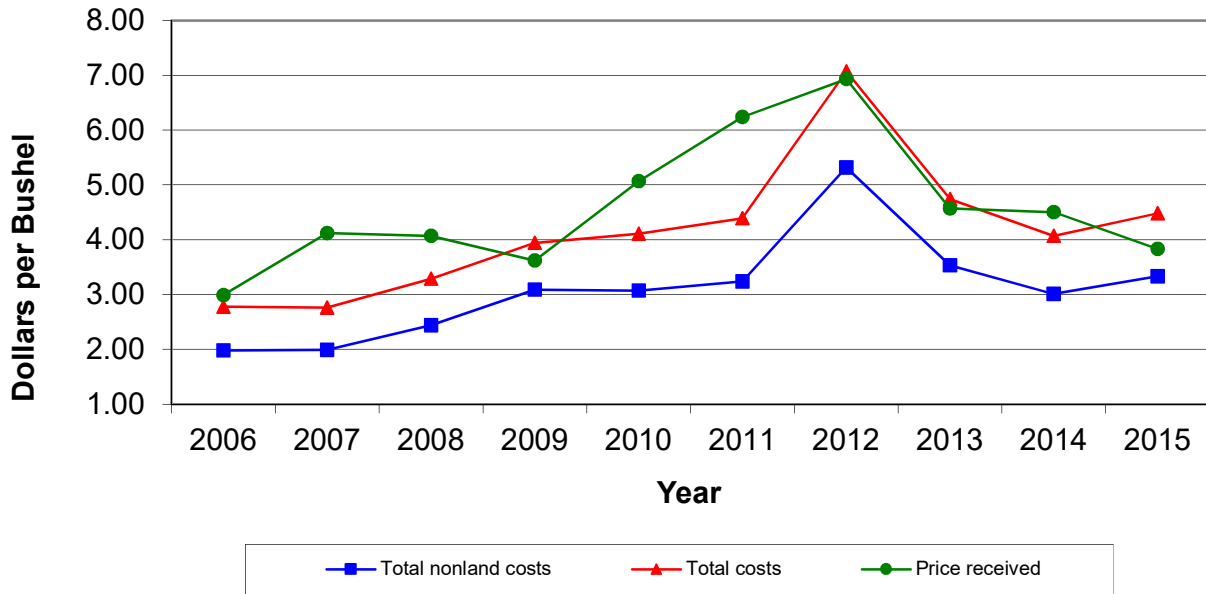
YEAR	YIELD	TOTAL COST/A.	COST PER BUSHEL	ILLINOIS *	
				ANNUAL AVE. PRICE	MANAGEMENT MARGIN
1978	43	255	5.93	6.75	0.82
1979	45	283	6.29	6.46	0.17
1980	40	310	7.75	7.62	-0.13
1981	42	308	7.33	6.15	-1.18
1982	43	297	6.91	5.89	-1.02
1983	35	296	8.46	7.94	-0.52
1984	37	289	7.81	5.85	-1.96
1985	49	276	5.63	5.17	-0.46
1986	45	264	5.87	4.91	-0.96
1987	44	260	5.91	6.00	0.09
1988	28	261	9.32	7.45	-1.87
1989	46	257	5.59	5.76	0.17
1990	45	265	5.89	5.85	-0.04
1991	41	258	6.29	5.70	-0.59
1992	47	255	5.43	5.69	0.26
1993	46	280	6.09	6.49	0.40
1994	50	291	5.82	5.61	-0.21
1995	43	317	7.37	6.88	-0.49
1996	44	334	7.59	7.55	-0.04
1997	48	351	7.31	6.56	-0.75
1998	48	347	7.23	5.01	-2.22
1999	48	333	6.94	4.75	-2.19
2000	47	341	7.26	4.62	-2.64
2001	48	338	7.04	4.55	-2.49
2002	48	326	6.79	5.66	-1.13
2003	38	320	8.42	7.51	-0.91
2004	54	333	6.17	5.84	-0.33
2005	52	353	6.79	5.76	-1.03
2006	53	375	7.08	6.68	-0.40
2007	51	416	8.16	10.40	2.24
2008	51	477	9.35	10.20	0.85
2009	51	507	9.94	9.80	-0.14
2010	56	506	9.04	11.80	2.76
2011	54	555	10.28	12.80	2.52
2012	48	629	13.10	14.60	1.50
2013	56	669	11.95	13.20	1.25
2014	62	680	10.97	10.20 **	-0.77
2015	62	652	10.52	8.85 **	-1.67
2011-2015 Avg.	56	637	11.36	11.93	0.57
2006-2015 Avg.	54	547	10.04	10.85	0.81

2006-15 Ave. cost per bu. to grow soybeans was 2.33 times the cost per bu. to grow corn in the same period.

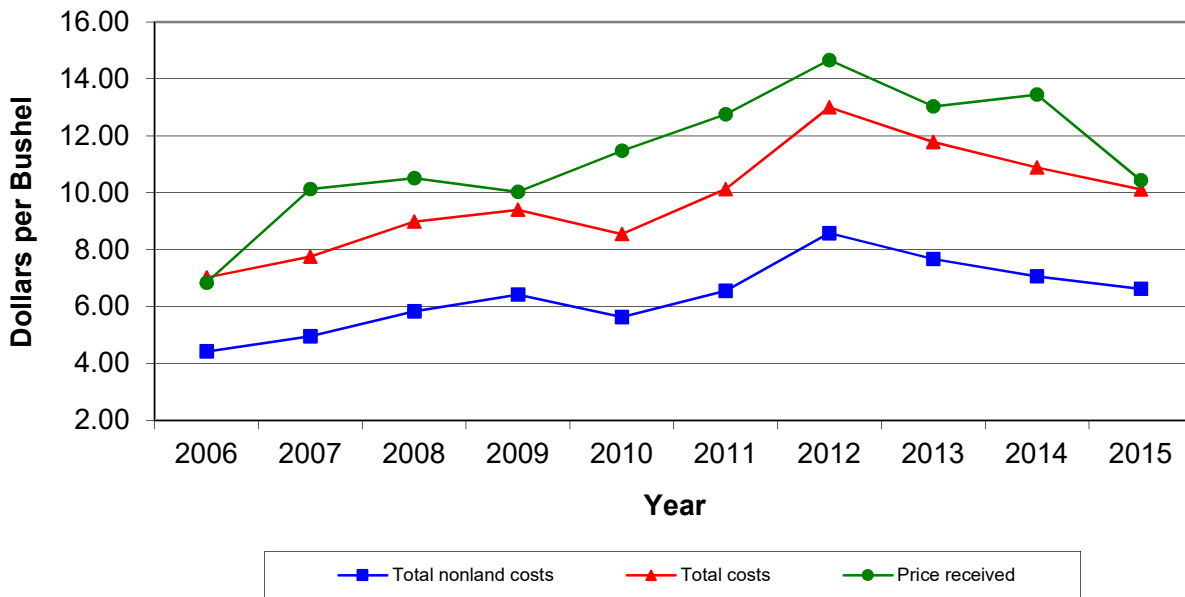
* Seasonal average annual price for corresponding crop year.

** Estimated

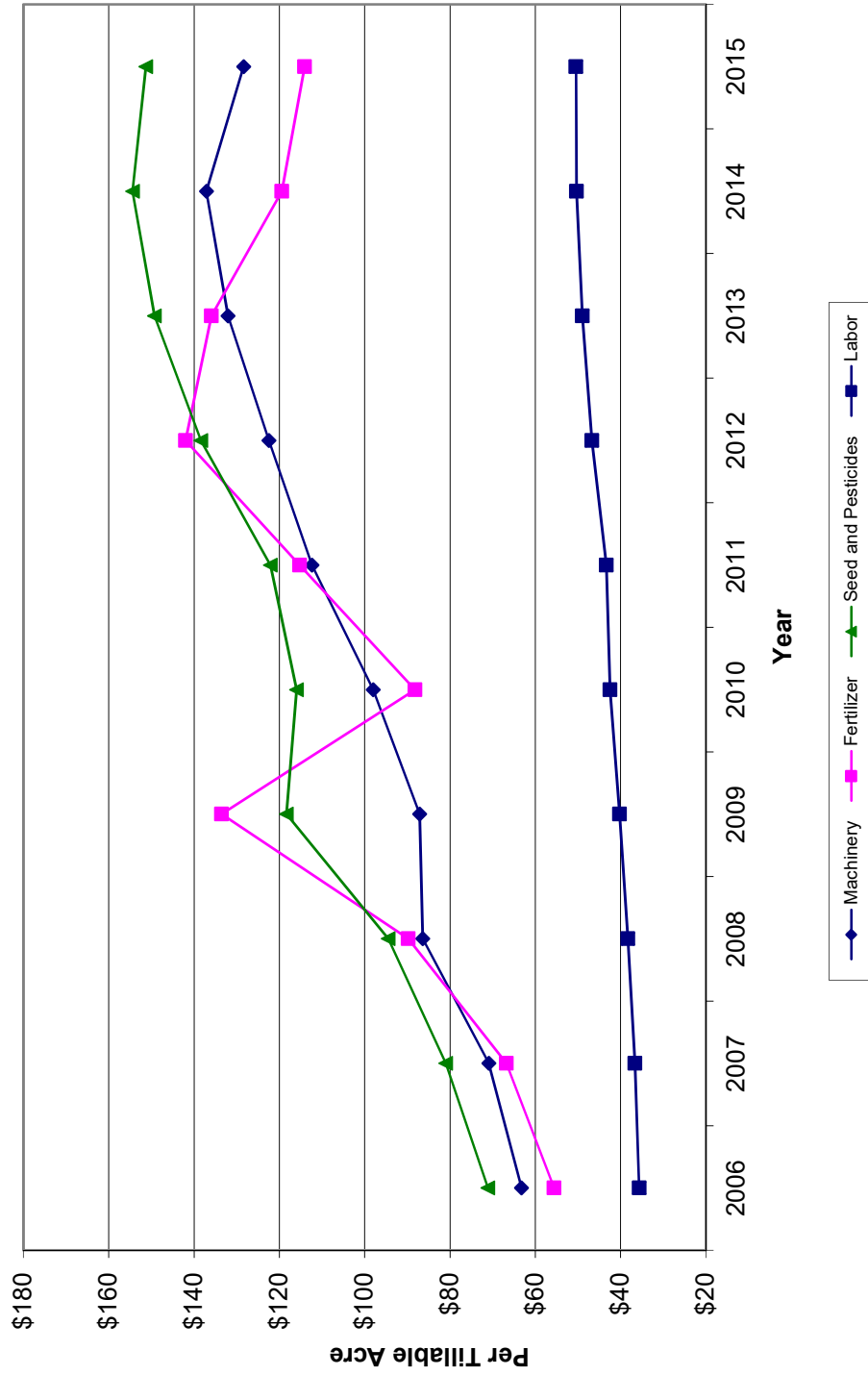
Costs and Returns per Bushel of Corn, Central Illinois Grain Farms 2006 to 2015



Costs and Returns per Bushel of Soybeans, Central Illinois Grain Farms 2006 to 2015



Trends in Selected Operating Costs per Acre, Central Illinois Pure-Grain Farms 2006 to 2015



2015 Livestock Standards from Illinois Farm Business Records

Farrow-to-Finish Hog Enterprise	Average Farm	High 1/3 Return	Litters Farrowed	
			150-349	350+
Number of Farms	26	9	9	11
Pounds of Pork Produced	1,202,103	2,375,062	542,518	2,269,783
Pounds of Pork per Litter	2,531	2,731	2,278	2,602
Total Returns	542,840	1,161,366	235,491	1,039,762
Value of Feed Fed	400,186	746,928	197,345	732,925
Returns per \$100 Feed Fed	136	155	119	142
Returns above Feed per Litter	300	477	160	352
Number of Litters Farrowed	475	870	238	872
Pigs Farrowed per Litter	11.37	11.70	10.62	11.66
Pigs Weaned per Litter	9.59	9.98	8.77	9.85
Weaning Survival Rate %	84	85	83	84
Litters Farrowed per Female Year	2.04	2.31	1.90	2.21
Pigs Weaned per Female Year	19.30	22.72	16.91	21.68
Number of Crates	46	78	31	74
Pigs Weaned per Crate	76.9	87.5	67.6	91.8
Death Loss Total—% of Pounds Produced	3.0	2.6	2.9	3.1
Weight per Market Hog Sold	273	275	275	273
Weight per Breeding Hog Sold	477	476	492	472
Price Received / 100 Pounds - Market	53.59	54.56	55.17	53.13
Price Received / 100 Pounds - Breeding	36.49	39.08	31.83	38.65
Total Return per 100 Pounds Produced	45.16	48.90	43.41	45.81
Feed Cost per 100 Pounds Produced	33.29	31.45	36.38	32.29
Pounds of Feed per 100 Pounds Produced:				
Grain/Complete Feed	220	202	233	214
Supplement	86	85	96	83
Total Concentrates	305	287	330	297
Cost per 100 Pounds of Supplement	21.90	21.25	21.71	21.85
Cost per 100 Pounds of Concentrates	10.90	10.96	11.02	10.86

Feeder Pig Feeding Enterprise	Purchase Weight <20	Average Farm High 1/3
Number of Farms	30	12
Total Pounds Produced	1,546,553	1,611,620
Total Returns	540,981	649,099
Value of Feed Fed	445,030	451,381
Returns per \$100 Feed Fed	122	144
Average Weight Purchased	13	13
Price Paid per 100 Pounds	284.07	267.83
Price Paid per Pig	37.21	35.31
Average Weight Sold	276	266
Price Received per 100 Pounds	53.54	57.16
Total Return per 100 Pounds	34.98	40.28
Feed Cost per 100 Pounds	28.78	28.01
Death Loss: Numbers	373	378
Pounds	30,499	26,974
% of Pounds Produced	2.0	1.7
Pounds of Feed per 100 Pounds Produced:		
Produced: Grain/Complete Feed	166	173
Supplement	95	87
Total Concentrates	261	260
Cost per 100 Pounds of Supplement	18.62	18.93
Cost per 100 Pounds of Concentrates	11.04	10.78

Feeder Cattle Enterprise	Average Farm	High 1/3 Return	Purchase Weight		
			1-500	500-749	750+
Number of Farms	80	26	24	34	22
Total Pounds Produced	342,564	247,301	172,922	335,080	539,196
Total Returns	176,952	196,505	141,771	141,804	269,652
Value of Feed Fed	196,654	112,813	103,324	173,147	334,798
Returns per \$100 Feed Fed	90	174	137	82	81
Average Weight Purchased	698	540	321	650	821
Price Paid per 100 Pounds	206.79	200.22	246.43	215.40	197.96
Price Paid per Head	1,444	1,082	790	1,400	1,625
Average Weight Sold	1,370	1,262	1,126	1,372	1,423
Price Received per 100 Pounds	150.68	152.62	148.74	151.19	150.61
Total Return per 100 Pounds	51.66	79.46	81.99	42.32	50.01
Feed Cost per 100 Pounds	57.41	45.62	59.75	51.67	62.09
Death Loss: Numbers	14	17	15	12	15
Pounds	9,192	7,344	3,901	10,852	12,398
% of Pounds Produced	2.7	3.0	2.3	3.2	2.3
Pounds of Feed per 100 Pounds Produced:					
Grain/Complete Feed	673	387	399	558	879
Supplement	39	60	118	34	16
Total Concentrates	712	447	516	592	895
Hay & Dry Roughage	49	54	66	59	34
Corn Silage	170	248	125	317	45
Other Silage	30	28	0	46	25
Hay Equivalent—Tons	0.06	0.07	0.06	0.10	0.03
Cost per 100 Pounds of Supplement	20.86	19.99	20.95	22.26	17.82
Cost per 100 Pounds of Concentrates	7.21	8.35	10.15	7.24	6.60

Livestock Analysis -- 2015

Beef Cow Enterprise	Pounds of Beef Produced per Cow			High Return <600	Average All Farms
	<600	600-900	900+		
Number of Farms	59	78	36	19	173
Number of Cows in Herd	55	62	79	48	63
Number of Calves Born	47	59	77	44	59
Calving %	87	95	98	92	93
Total Pounds Produced	25,968	45,146	86,977	23,321	47,310
Total Returns	24,845	39,961	76,775	42,974	42,467
Value of Feed Fed	26,738	42,264	67,594	20,554	42,240
Returns per \$100 Feed Fed	93	95	114	209	101
Returns above Feed per Cow	-34	-37	117	468	4
Pounds of Beef per Cow in Herd	473	728	1,105	486	750
Death Loss Total—% of Pounds Produced	8.6	5.4	3.2	6.4	5.2
Market Survival Rate %	85.3	93.1	94.4	87.4	92.1
Breeding Survival Rate %	98.0	98.0	98.6	98.5	98.2
Weight per Market Animal Sold	552	669	1,069	521	744
Price Received / 100 Pounds Sold—Market	214.16	196.82	160.06	223.18	186.18
Price Received / 100 Pounds Sold—Breeding	98.45	101.29	103.15	96.45	100.86
Feed Cost per 100 Pounds Produced	102.97	93.62	77.71	88.13	89.28
Pounds of Feed per 100 Pounds Produced:					
Grain/Complete Feed	130	158	209	102	172
Supplement	93	64	53	83	65
Total Concentrates	223	223	262	185	238
Hay & Dry Roughage	1,075	886	579	1,006	804
Corn Silage	317	458	521	363	456
Other Silage	210	228	93	45	173
Pasture Days	46	29	19	47	28
Pasture Days per Animal Unit	160	119	109	166	126
Hay Equivalent per Cow—Tons	5.4	6.4	6.6	5.4	6.2
Cost per 100 Pounds of Concentrates	13.15	12.04	11.27	14.57	11.91

Sheep Enterprise	Average Farm
Number of Farms	9
Number of Ewes in Flock	69
Number of Lambs Born	82
% Lamb Crop	119
Total Pounds Produced	10,186
Total Returns	8,075
Value of Feed Fed	10,212
Returns per \$100 Feed Fed	79
Returns above Feed per Ewe	-31
Pounds Produced per Ewe in Flock	149
Death Loss Total—% of Pounds Produced	4.8
Market Survival Rate %	
Breeding Survival Rate %	93.9
Weight per Market Animal Sold	112
Price Received / 100 Pounds Sold—Market	143.22
Price Received / 100 Pounds Sold—Breeding	57.29
Feed Cost per 100 Pounds Produced	100.26
Pounds of Feed per 100 Pounds Produced:	
Grain/Complete Feed	226
Supplement	115
Total Concentrates	340
Hay & Dry Roughage	857
Other Silage	0
Pasture Days	18
Hay Equiv.	0.61
Pasture Days per Animal Unit	20
Hay Equivalent per Ewe—Tons	0.9
Cost per 100 Pounds of Concentrates	15.46

Dairy Cattle Enterprise	Average Farm	Number of Cows			High 1/3 80-149 Cows
		40-79	80-149	150+	
Number of Farms	65	14	30	15	10
Number of Cows	147.4	67.1	108.0	347.1	110.2
% of Cows Dry	11.9	12.9	11.9	11.6	12.2
Animal Units in Herd	280	137	206	654	215
Total Cwt. of Milk Produced	34,351	13,975	23,738	86,548	25,184
Pounds of Beef Produced	97,373	41,439	70,468	234,901	73,125
Total Returns	682,459	265,420	463,337	1,750,093	490,263
Value of Feed	363,144	195,270	265,638	830,583	218,320
Returns per \$100 Feed Fed	188	136	174	211	225
Returns above Feed per Cow	2,167	1,046	1,831	2,649	2,468
Pounds of Beef per Cow	661	618	653	677	664
Pounds of Milk per Cow	23,310	20,830	21,981	24,933	22,857
Pounds of Butterfat per Cow	891	800	863	938	828
Death Loss: % of Pounds Produced	13.5	11.9	15.1	12.7	13.5
Feed Cost Per Cwt. Milk Equivalent *	9.54	12.98	9.97	8.69	7.69
Price Received for 100 Pounds Milk	17.89	17.60	17.32	18.27	17.19
Price Received for 100 Pounds Beef—Market	225.98	185.72	203.33	259.40	192.99
Pounds of Feed Per Cwt. Milk Equivalent *					
Grain/Complete Feed	21	30	22	18	18
Supplement	18	23	20	17	18
Total Concentrates	39	53	41	35	36
Hay & Dry Roughage	13	28	19	6	16
Corn Silage	83	86	84	83	83
Other Silage	51	72	45	50	29
Pasture Days per Animal Unit	4	0	8	1	9
Hay Equivalent per Cow—Tons	8.1	9.7	8.3	7.6	7.2
Cost per 100 Pounds of Supplement	20.88	19.94	19.22	22.11	14.76
Cost per 100 Pounds of Concentrates	13.48	12.57	12.78	14.23	10.89
Dairy Patronage/FSA Payments/Cwt. Milk	0.04	0.03	0.07	0.03	0.07

Enterprise smaller than following not included:
Hogs..... 10 Litters
Beef & Dairy..... 10 cows
Feeder Cattle..... 10,000 lbs produced

Value of Feed Fed Average Grain Prices:
Corn..... \$3.70
Oats..... \$2.71
Wheat..... \$4.24

Commercial Feeds priced at actual cost.
Hay and Silage priced at Farm Value.
Pasture charged at \$0.40 per Animal Unit Pasture Day.

* Milk equivalent equals value of beef produced divided by average price received per cwt. milk plus cwt. of milk produced.

Livestock Returns above Cost of Feed and Purchased Animals—2011 to 2015

Year	Hogs (per cwt.)		Feeder Pigs (per cwt.)		Feeder Cattle (per cwt.)		Dairy (per cow)		Beef Herd Calves Sold (per cow)	
2011	20.18	18.88	36.77	2,205	189					
2012	9.98	10.17	14.29	1,519	145					
2013	18.33	13.09	21.12	1,846	169					
2014	37.12	29.37	70.06	3,734	842					
2015	11.87	6.20	-5.75	2,167	(34)					
5-Yr. Average	19.50	15.54	27.30	2,294	262					
Nonfeed Costs, 2010-2014										
Direct Cash	11.37	7.10	17.78	1,648	165					
Other Costs	<u>8.32</u>	<u>3.66</u>	<u>13.36</u>	<u>608</u>	<u>108</u>					
TOTAL	19.69	10.76	31.14	2,256	273					

Cost to Produce Pork, 2012 to 2015¹

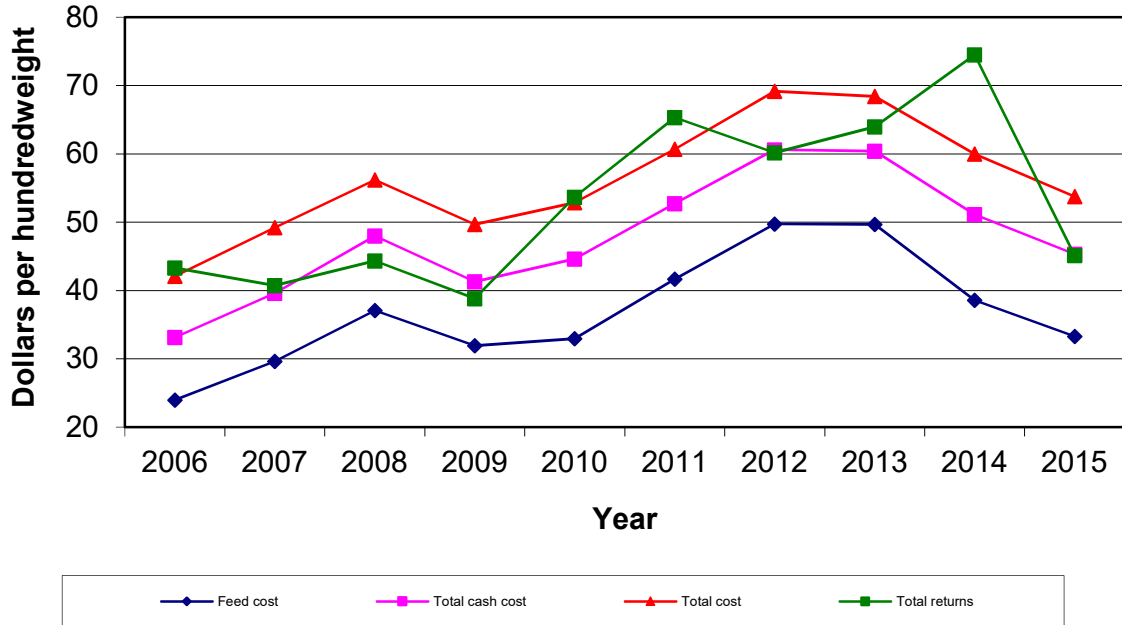
Items	2012	2013	2014	2015 Est.
Number of Farms	13	14	12	
Tillable Acres	765	823	553	
Number of Litters	660	422	494	
		<i>-----Per 100 Pounds Produced-----</i>		
Total Returns	\$60.19	\$63.96	\$74.52	\$45.16
Cash Costs				
Feed	\$49.74	\$49.71	\$38.59	\$33.29
Operating Expenses				
Maintenance and Power ²	\$5.15	\$4.36	\$6.10	
Livestock Expense	4.69	5.23	5.28	
Insurance, Taxes, and Overhead	<u>1.04</u>	<u>1.11</u>	<u>1.18</u>	
Total Operating Expenses	\$10.88	\$10.70	\$12.56	\$12.06
Total Cash Costs	\$60.62	\$60.41	\$51.15	\$45.35
Other Costs				
Depreciation ³	\$1.88	\$1.86	\$1.74	
Labor	4.95	5.03	5.49	
Interest Charge on All Capital	<u>1.72</u>	<u>1.11</u>	<u>1.59</u>	
Total Other Costs	\$8.55	\$8.00	\$8.82	\$8.43
Total Nonfeed Costs	\$19.43	\$18.70	\$21.38	\$20.49
Total All Costs	\$69.17	\$68.41	\$59.97	\$53.78
Return above All Costs	(\$8.98)	(\$4.45)	\$14.55	(\$8.62)

¹ Special Summary of Illinois Farm Business Records.

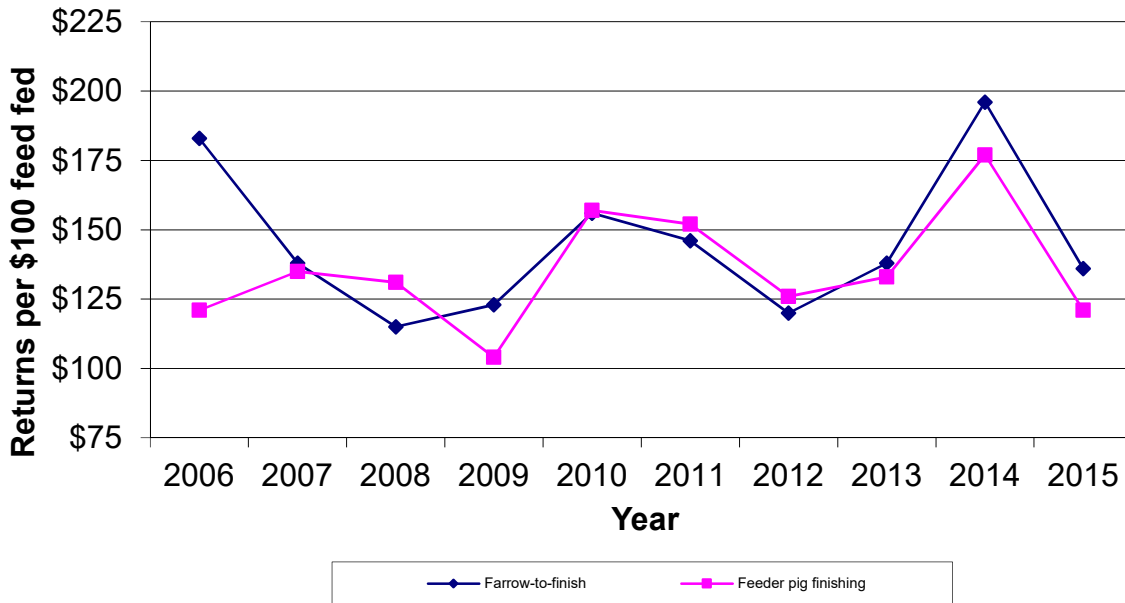
² Includes utilities, machinery, equipment and building repairs, machine hire, and fuel.

³ Includes machinery, equipment, and building depreciation.

Cost and Returns per 100 Pounds of Pork 2006 to 2015



Returns per \$100 of Feed Fed for Hog Farms - 2006 to 2015



Cost and Returns for Beef-Feeding Enterprises—2012 to 2015¹

Items	2012	2013	2014	2015 Est.
Number of Farms	9	14	15	
Average per Farm				
Tillable Acres	724	704	570	
Hundredweight Beef Produced	6,441	5,241	5,843	
		-----Per 100 Pounds Produced-----		
Cash Costs				
Feed	\$93.39	\$91.53	\$61.32	\$57.41
Operating Expenses				
Maintenance and Power ²	\$7.61	\$8.45	\$8.61	
Livestock Expense	5.32	6.93	6.20	
Insurance, Taxes, and Overhead	1.13	0.94	0.85	
Interest on Cattle	<u>6.03</u>	<u>5.02</u>	<u>6.23</u>	
Total Operating Expenses	\$20.09	\$21.34	\$21.89	\$21.82
Total Cash Costs	\$113.48	\$112.87	\$83.21	\$79.23
Other Costs				
Depreciation ³	\$3.61	\$3.37	\$3.64	
Labor	6.69	6.47	5.88	
Interest on Other Capital	<u>2.45</u>	<u>2.16</u>	<u>2.61</u>	
Total Other Costs	\$12.75	\$12.00	\$12.13	\$12.14
Total All Costs	\$126.23	\$124.87	\$95.34	\$91.37
Total Returns	<u>\$104.98</u>	<u>\$109.27</u>	<u>\$131.16</u>	<u>\$51.66</u>
Return above All Costs	(\$21.25)	(\$15.60)	\$35.82	(\$39.71)

¹ Special Summary of Illinois Farm Business Records

² Includes utilities, machinery, equipment and building repairs, machine hire, and fuel.

³ Includes machinery, equipment, and building depreciation.

Cost and Returns per 100 Pounds of Milk—2012 to 2015¹

Items	40-79 Cows				80+ Cows			
	2012	2013	2014	2015 Est.	2012	2013	2014	2015 Est.
Number of Farms	12	9	9		24	30	27	
Tillable Acres	212	176	198		472	483	442	
Number of Cows	63.8	69.0	64.0		232.0	209.5	216.7	
Pounds Milk per Cow	18,391	18,662	19,434		24,094	23,631	23,826	
	<i>-----Per 100 Pounds of Milk Produced-----</i>							
Price Received ²	\$19.02	\$20.41	\$25.29	\$17.60	\$19.47	\$20.69	\$25.16	\$17.64
Cash Costs								
Feed	\$16.85	\$14.81	\$12.73	\$12.98	\$12.35	\$13.06	\$11.06	\$9.54
Operating Expenses ³	2.28	2.68	3.07		2.46	2.65	3.03	
Livestock Expense	2.58	3.14	3.13		2.65	2.70	2.91	
Insurance, Taxes, and Overhead	<u>0.24</u>	<u>0.18</u>	<u>0.19</u>		<u>0.34</u>	<u>0.23</u>	<u>0.26</u>	
Total Operating Expenses	\$5.10	\$6.00	\$6.39	\$6.03	\$5.45	\$5.58	\$6.20	\$6.17
Total Operating and Feed	\$21.95	\$20.81	\$19.12	\$19.01	\$17.80	\$18.64	\$17.26	\$15.71
Other Costs								
Depreciation ⁴	\$0.97	\$1.10	\$0.85		\$0.84	\$1.03	\$0.98	
Labor	3.60	3.93	3.11		2.64	2.63	2.72	
Interest on All Capital	<u>0.72</u>	<u>0.85</u>	<u>0.83</u>		<u>0.87</u>	<u>0.76</u>	<u>0.87</u>	
Total Other Costs	\$5.29	\$5.88	\$4.79	\$4.72	\$4.35	\$4.42	\$4.57	\$4.57
Total Nonfeed Costs	\$10.39	\$11.88	\$11.18	\$10.75	\$9.80	\$10.00	\$10.77	\$10.74
Total All Costs	<u>\$27.24</u>	<u>\$26.69</u>	<u>\$23.91</u>	<u>\$23.73</u>	<u>\$22.15</u>	<u>\$23.06</u>	<u>\$21.83</u>	<u>\$20.28</u>
Return above All Costs	(\$8.22)	(\$6.28)	\$1.38	(\$6.13)	(\$2.68)	(\$2.37)	\$3.33	(\$2.64)

¹ Special Summary of Illinois Farm Business Records

² FSA and patronage payments not included. They may have added \$0.04/cwt. of milk in 2015.

³ Includes utilities, machinery, equipment and building repairs, machine hire, and fuel.

⁴ Includes machinery, equipment, and building depreciation.



*Illinois Farm Business
Farm Management Association*

FBFM is a cooperative educational-service program designed to assist farmers with management decision making. It is available to all farm operators in Illinois. There are eight local not-for-profit associations organized to provide services throughout the state. The FBFM program provides:

- Financial and production business analysis reports.
- Experienced Farm Analysis Specialist to help interpret analysis reports and counsel on management problems.
- Computer-assisted record-processing options—on-farm or service center.
- Assistance with business and family records.
- Assistance with income tax management.

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For U of I farm management information see
<http://www.farmdoc.illinois.edu>