

Advance Report

FARM INCOME & PRODUCTION COSTS *for* 2017



Commercial Farms

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

AE-4566



UNIVERSITY OF ILLINOIS
EXTENSION

College of Agricultural, Consumer and Environmental Sciences

April 2018

Farm Income and Production Costs

for 2017:

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 2018. 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 *92nd Annual Summary of Illinois Farm Business Records for 2017*.

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 2018

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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—4.5 percent interest on non-land inventory plus 1.95 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 2017

Average farm operator returns for labor and management on 2,335 Illinois farms were lower for all geographic areas in the state in 2017 compared to 2016, except for western and far southern areas of Illinois. The average return to the sum of all operator's labor and management income in 2017 was a *negative* \$16,530. The 2017 returns were \$44,227 below the 2016 average of \$27,697 and \$25,794 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 \$61,229. 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 \$45,142. Lower corn prices and lower new crop soybean prices were the main reasons for lower incomes this year. Returns above feed cost for all livestock enterprises were higher than the year before, mainly due to higher prices received. Most counties in Illinois received farm program payments in 2017 due to the county's crop returns in 2016 being lower than their Olympic five-year average. With lower corn returns for 2017 in the south central part of the state, estimates show many of these counties will receive a farm payment in 2018 for the 2017 crop year. Farm earnings were highest in the most southern part of the state. All regions had net farm incomes that were positive this year. Earnings were lowest in the northern part of the state.

Corn yields were the same as the 2016 yield and above the five-year average. Corn yields were 10 bushels per acre above the five-year average. 2017 soybean yields were below 2016. The average corn yield on the 2,335 farms was 215 bushels per acre. Soybean yields averaged 62 bushels per acre. Corn yields were generally highest in the western parts of the state. Soybean yields were highest

in the central area of the state. The growing season temperature was close to normal temperatures. However, the precipitation received was variable. For the entire state, April was three inches wetter than normal, while August and September were drier. The drier beginning to fall allowed the crops to mature and harvest progressed normally.

Year-end inventory price for the 2017 corn crop of \$3.20 per bushel was 10 cents lower than a year earlier. \$9.10 per bushel was the new crop soybeans inventory price, 70 cents less than December 31, 2016. The average sales price received for the 2016 corn crop sold in 2017 was above their inventory price resulting in a positive marketing margin. The 2016 soybean crop sold in 2017 sold above their inventory price as well, resulting in a positive marketing margin. Crop returns averaged \$688 per tillable acre, \$57 per acre lower than the 2016 crop returns.

Returns above feed costs for all livestock enterprises were higher than the year before. All of the livestock enterprises experienced lower feed costs and higher returns. Returns above feed for farrow-to-finish hog producers were estimated to be about \$1.00 per hundredweight above the breakeven level in covering total economic costs in 2017. Dairy producers experienced \$2,283 returns above feed per cow in 2017 compared to \$1,936 in 2016. Milk prices were thirteen percent higher compared to the year before. Returns above feed to feeder cattle enterprises increased from \$16.70 in 2016 to \$43.56 in 2017. Prices paid and received for market cattle were lower than the year before. Returns above feed per cow increased to \$345 for all cow-calf herds. When this enterprise is separated into groups based on pounds produced per cow all groups showed an increase as well.

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 increases nearly statewide, with the largest increase being in the central part of the state. The most northern and southern tips of the state saw a decrease in estimated net worth. 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 2017 was \$30,137, up \$559 from 2016. Over the last ten years, interest paid on a per-acre basis was the lowest at \$20.39 in 2009 and the highest at \$25.96 in 2017. In 2017, it increased from \$25.79 to \$25.96 per acre. Interest paid as a percentage of gross farm returns was 4.2 percent in 2017 compared to 3.9 percent in 2016.

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 \$51.41 per hundredweight in 2017 compared to \$45.18 the year before. Feed costs decreased, averaging \$30.43 per hundredweight produced. The average price received per hundredweight for slaughter cattle was \$117.25, and the price paid for replacement feeder cattle was \$143.93. Dairy returns included the average price received for milk of \$18.43 compared to \$16.27 in 2016.

Total economic costs per acre to produce corn and soybeans in 2017 were variable as compared to 2016. Common among all areas of the state was lower fertility and land costs while nonland interest charge increased. Costs per bushel to produce corn and soybeans increased in most areas of the state due to lower yields. Total economic costs per acre to raise corn and soybeans on these farms averaged \$857 and \$635, respectively.

From a sample of pure grain farms in the state, the total economic cost per bushel of corn produced was \$3.99 with an average yield of 215 bushels per acre. The total cost per bushel of soybeans was \$10.24 with an average yield of 62 bushels per acre. The 2016 costs per bushel were \$4.00 and \$9.74 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 2013-2017 five-year average to produce corn and soybeans on these farms is \$4.38 per bushel for corn and \$10.68 per bushel for soybeans.

In summary, farm earnings in 2017 were lower than the 2016 earnings and the average for the last five years. Lower crop returns, because of lower end of year prices and lower soybean yields were the main reason for the lower incomes. Most livestock returns were higher due to higher price received. Even with similar yields and prices, margins are still low. The variability in incomes in the last five years show the importance of good records and financial management.

ILLINOIS FARM BUSINESS FARM MANAGEMENT ASSOCIATION

cooperating with nine 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 --- 5,691 cooperating farmers and 69 member field staff*
 July 1, 2017, distribution of cooperators by counties and associations

Associations and Field Staff

BLACKHAWK

593
 Jeffery L. Johnson
 Alan A. Petersohn
 Rodney B. Gieseke
 David A. Goodell
 Tonya M. Wiersema
 Adam W. Drinkall
 Jennifer L. Doty
 Marissa D. Tolbert

WESTERN

792
 Robert L. Rhea
 Miriam M. Mock
 Mike R. Shepherd
 Nathan P. Edlefson
 Ruth Ann McGrew
 Brett W. Goodwin
 Taylor J. Endress
 Jessie N. Shoopman

SANGAMON VALLEY

597
 James E. Phelan
 Kevin E. Coultas
 Kent D. Leesman
 Brittany L. Gunther
 Angela J. Westen
 Jestun C. Nutter
 Gavin W. Urish
 Ronica L. Boundy

LINCOLN

711
 Michael E. Schmitz
 Dathel W. Davidson
 Daniel A. Doan
 Mitchel W. Fickling
 Michael P. Bruns
 Cody V. Stewart
 Dale J. Heinkel
 Jacob E. Hileman
 Joshua T. Eyman
 Stephanie K. Woods
 Maggie J. McClure

Associations and Field Staff

ILLINOIS VALLEY

591
 Scott M. Newport
 John A. Hudson
 Bradley G. Lenschow
 James P. McCabe
 Tony J. Stirling
 Sarah E. DeSchepper

SANGAMON VALLEY

34

PIONEER

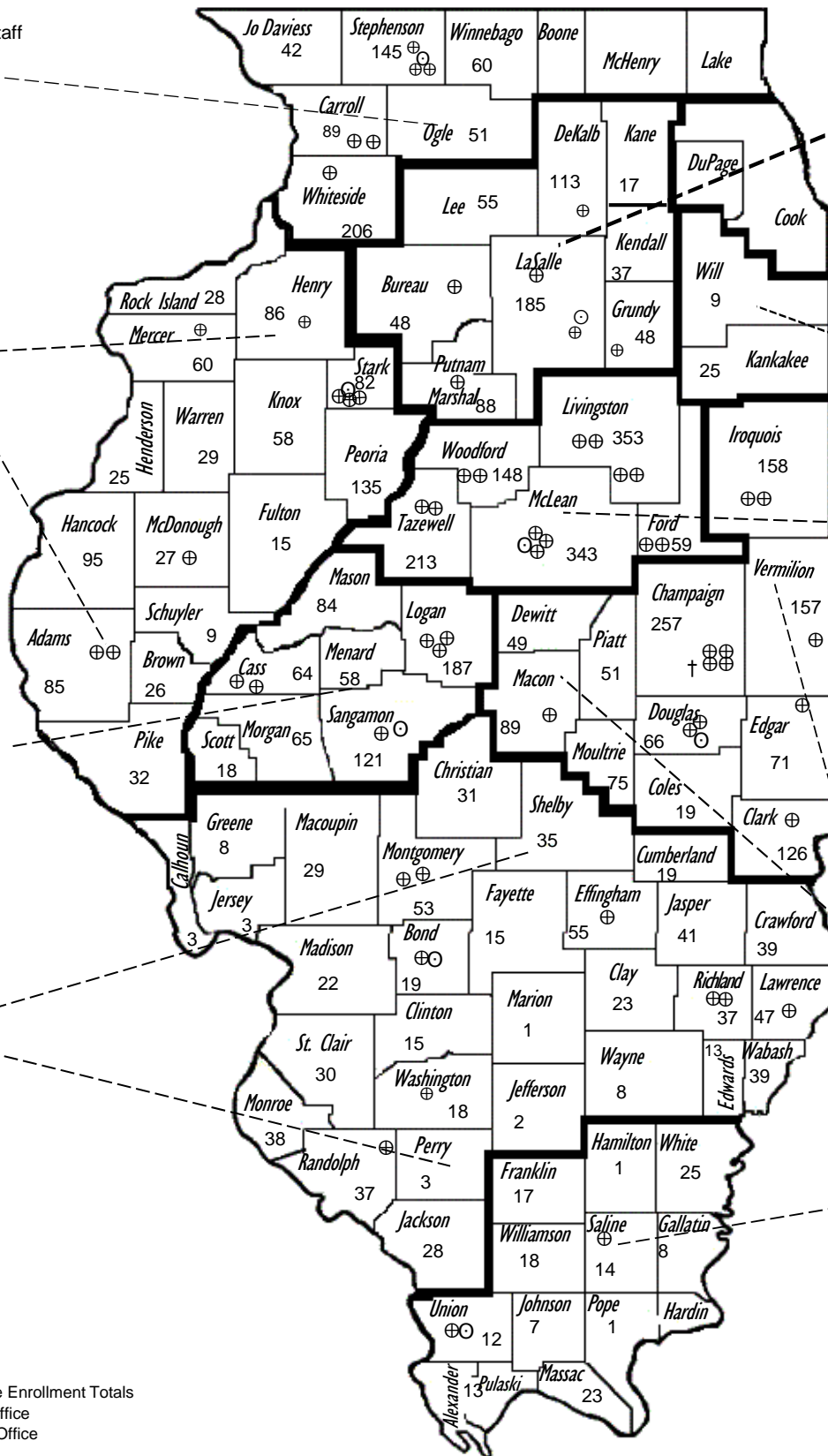
1116
 Michael C. Heiser
 Darren L. Bray
 Brian J. Pulley
 Nathan A. Waibel
 Jeffrey A. Marquis
 Lowell J. Stoller
 Jacob M. Springer
 Carla S. Doubet
 Jedediah D. Metzger
 Erica M. Frye
 Bradley A. Carroll
 Alissa D. Fosdick
 Jacob B. Quaid

EAST CENTRAL

1118
 James E. Cullison
 Mitchell A. Fruhling
 Jeffrey D. Lewis
 Robert D. Daggett
 Richard C. Thomas
 Christopher A. Leman
 Michael L. Clark
 Klayton M. Finley
 Hannah L. Miller
 Whitney B. Warner
 Jessica J. Patzwith
 Brandon D. Duby
 Krista L. Lottinville

SHAWNEE

139
 Douglas E. Hileman
 Jonathan T. McGuire



**Average Size, Income, Returns, and Costs on Illinois FBFM Record-Keeping Farms
by Type of Farm—2013 to 2017***

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							
2017	2,335	1,161	45,142	(16,530)	688	23	195
2016	2,510	1,147	86,731	27,697	745	14	192
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
Grain Farms							
2017	2,150	1,204	45,577	(17,251)	689	6	185
2016	2,305	1,200	93,829	33,455	745	2	182
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
Hog Farms							
2017	36	927	57,388	4,983	708	452	372
2016	39	931	(22,872)	(78,100)	788	297	362
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
Dairy Farms							
2017	43	519	12,868	(49,323)	656	790	749
2016	48	486	9,117	(50,668)	720	704	738
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
Beef Farms							
2017	24	568	136,641	72,634	646	458	316
2016	23	483	(46,914)	(108,322)	727	116	422
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

*In 2017, 92.1% of the farms were classified as grain, 1.5% as hog, 1.8% as dairy, 1.0% as beef, and 3.5% as other types.

**This is net above custom work income.

**Summary of Income, Corn Yields, Crop and Livestock Returns by
Farm Type and Location, Average per Farm—2013 to 2017**

	Grain				Livestock			Illinois All*	
	Northern SPR 86-100	Central SPR 56-85	South	IL	Hog	Beef	Dairy		
Operator's Share of Net Farm Income									
2017	\$21,131	\$58,683	\$38,549	\$20,326	\$39,885	\$48,544	\$104,169	\$19,700	\$39,433
2016	\$77,729	\$116,203	\$75,165	\$92,401	\$81,324	(\$12,633)	(\$47,579)	\$12,755	\$75,287
2015	\$5,081	\$15,258	(\$1,778)	(\$55,973)	\$487	(\$126,647)	(\$123,019)	(\$5,757)	(\$2,971)
2014	\$69,127	\$126,985	\$83,614	\$125,043	\$101,389	\$322,956	\$205,637	\$257,571	\$107,290
2013	\$131,892	\$150,157	\$94,910	\$162,313	\$134,442	\$103,807	\$41,340	\$68,333	\$127,664
Corn Yields									
2017	219	226	217	164	216	223	216	192	215
2016	219	226	215	160	215	222	223	202	215
2015	194	197	181	157	190	194	200	183	190
2014	203	228	212	192	214	213	211	196	214
2013	200	195	180	164	192	191	184	182	192
Crop Returns per Tillable Acre									
2017	\$687	\$708	\$658	\$585	\$689	\$708	\$646	\$656	\$688
2016	\$761	\$762	\$710	\$636	\$745	\$788	\$727	\$720	\$745
2015	\$712	\$678	\$621	\$534	\$670	\$700	\$628	\$658	\$670
2014	\$795	\$809	\$746	\$697	\$794	\$795	\$778	\$755	\$794
2013	\$880	\$848	\$772	\$724	\$841	\$813	\$801	\$856	\$840
Livestock Returns above Feed Cost per Tillable Acre									
2017	\$8	\$3	\$7	\$5	\$6	\$452	\$458	\$790	\$23
2016	\$0	\$1	\$2	\$0	\$2	\$297	\$116	\$704	\$14
2015	(\$1)	\$0	(\$2)	\$3	\$0	\$239	(\$64)	\$610	\$11
2014	\$21	\$6	\$19	\$10	\$12	\$701	\$615	\$1,202	\$38
2013	\$5	\$2	\$5	\$2	\$4	\$319	\$182	\$543	\$17
Return per \$1.00 of All Costs									
2017	\$0.87	\$0.91	\$0.88	\$0.85	\$0.92	\$0.95	\$1.03	\$0.87	\$0.92
2016	\$0.93	\$0.98	\$0.95	\$0.93	\$0.98	\$0.89	\$0.71	\$0.87	\$0.97
2015	\$0.85	\$0.85	\$0.81	\$0.76	\$0.86	\$0.77	\$0.50	\$0.85	\$0.85
2014	\$0.91	\$0.98	\$0.95	\$0.96	\$0.98	\$1.20	\$1.16	\$1.18	\$0.99
2013	\$0.99	\$1.02	\$0.97	\$1.01	\$1.03	\$0.97	\$0.87	\$0.94	\$1.02

* Average size of grain farms in 2017 is 1,129 tillable acres for northern Illinois, 1,195 for central, and 1,411 for southern.

**Net Farm Income and Other Selected Factors
Illinois FBFM Association—2017¹**

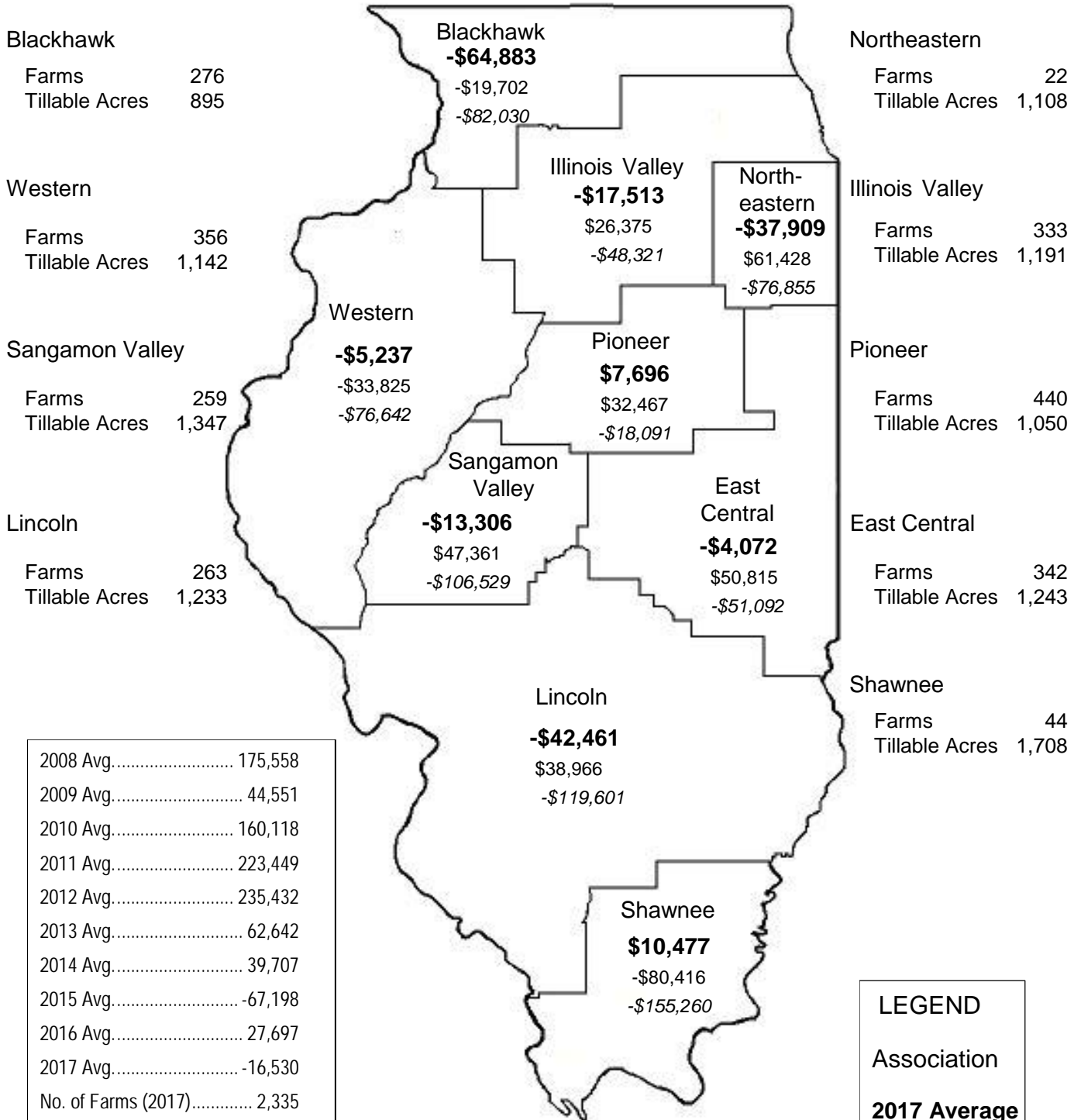
	Black-hawk	East Central	Illinois Valley	Lincoln	North-eastern	Pioneer
Number of Farms	276	342	333	263	22	440
Tillable Acres	895	1,243	1,191	1,233	1,108	1,050
Corn Yield	212	211	222	168	206	225
Soybean Yield	55	65	61	55	53	64
Crop Returns/TA	\$676	\$691	\$718	\$614	\$599	\$687
Income before Depreciation	84,766	132,742	141,198	125,613	79,069	142,468
Depreciation	88,427	82,658	95,947	109,369	74,052	77,929
Net Farm Income	(3,661)	50,084	45,251	16,244	5,017	64,539
Capital Purchases	\$75,067	\$69,955	\$80,904	\$103,446	\$51,583	\$65,643
Interest Paid	36,434	23,006	36,519	40,082	23,996	19,374

	Sangamon Valley	Shawnee	Western	2017 State Average	2016 State Average
Number of Farms	259	44	356	2,335	2,510
Tillable Acres	1,347	1,708	1,142	1,161	1,147
Corn Yield	222	183	237	215	215
Soybean Yield	68	55	64	62	64
Crop Returns/TA	\$701	\$627	\$731	\$688	\$745
Income before Depreciation	\$142,626	\$220,283	\$163,123	\$136,179	\$177,775
Depreciation	94,513	123,313	93,709	91,037	91,044
Net Farm Income	48,113	96,970	69,414	45,142	86,731
Capital Purchases	\$84,537	\$86,848	\$97,835	\$81,094	\$73,915
Interest Paid	27,890	27,071	34,557	30,137	29,578

¹ Sum of all operators per farm.

Illinois FBFM Association

Operators' Share of Labor and Management Income per Farm---2015, 2016, and 2017 (Sum of All Operators/Farm)



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
2016 Avg.....	27,697
2017 Avg.....	-16,530
No. of Farms (2017).....	2,335
Tillable Acres (2017).....	1,161

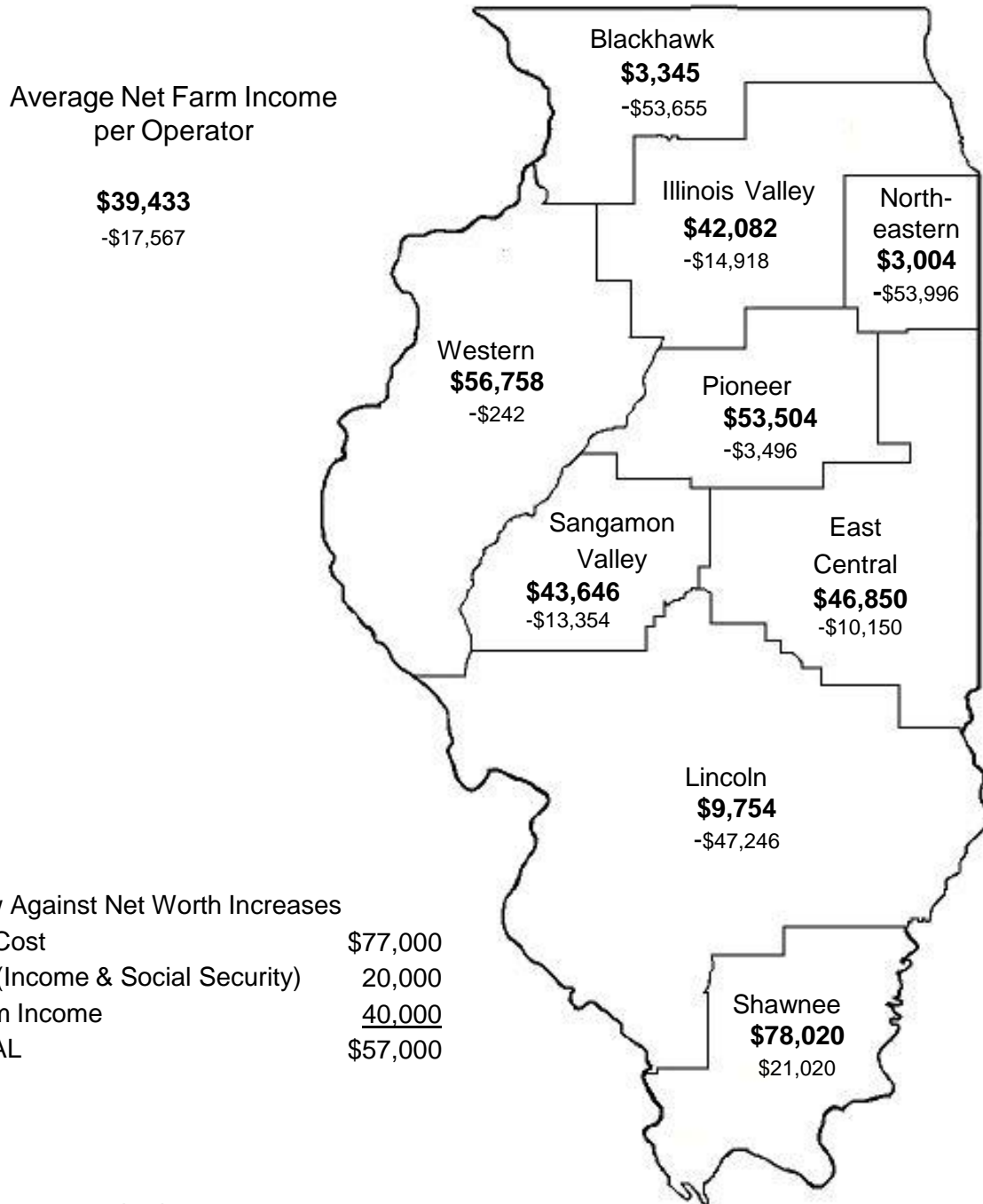
(Sum of All Operators/Farm)

LEGEND	
Association	
2017 Average	
2016 Average	
2015 Average	

Illinois FBFM Association

Net Farm Income per Operator and Estimated Change in Net Worth after Living Expenses and Taxes—2017

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—2013 to 2017

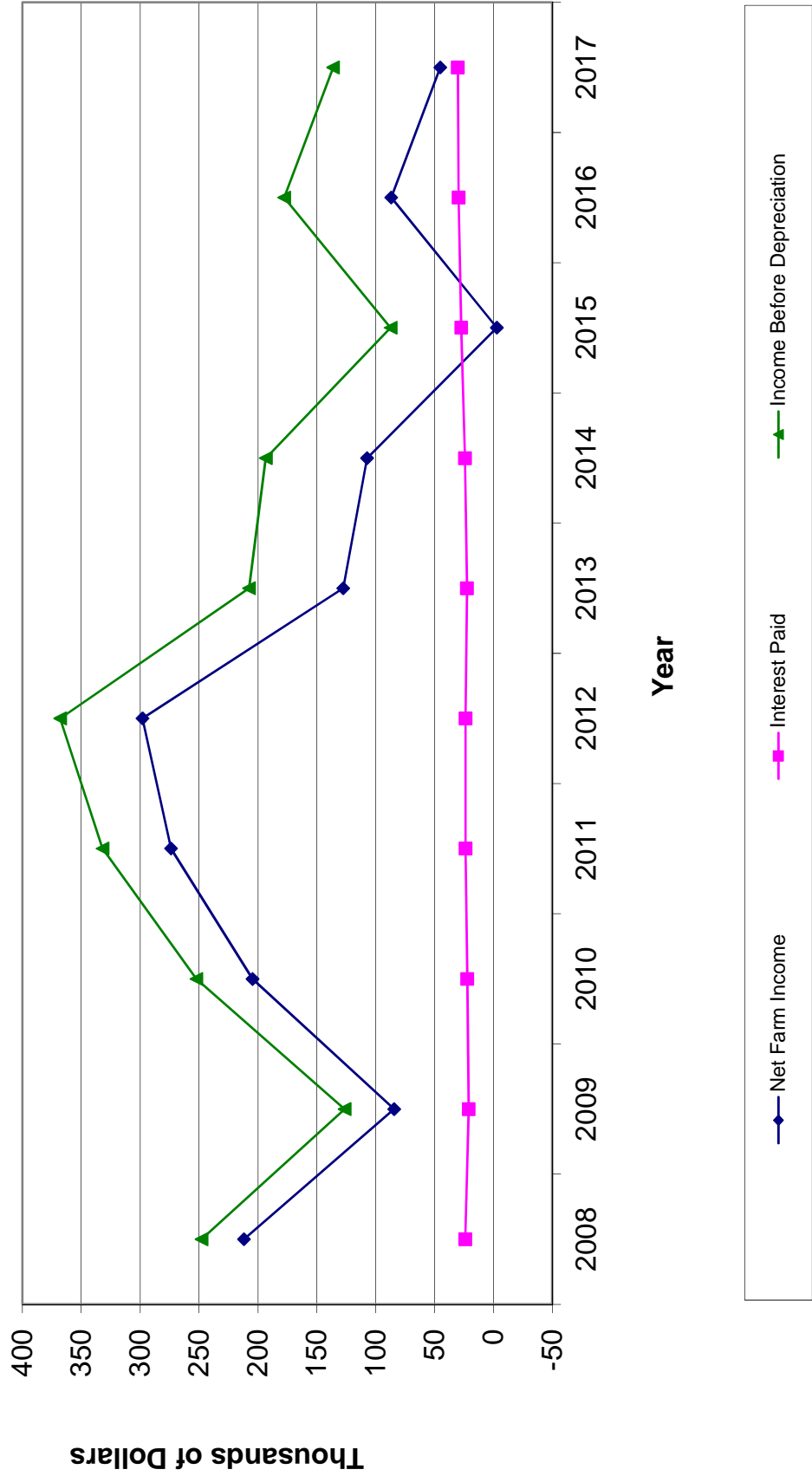
	2013	2014	2015	2016	2017
Net Farm Income	\$127,664	\$107,290	(\$2,971)	\$86,731	\$45,142
+ Net Nonfarm Income ¹	38,019	39,676	40,662	44,503	40,032
- Family Living ²	(80,217)	(80,043)	(76,301)	(74,034)	(76,988)
- Income & Social Security Taxes ²	<u>(36,295)</u>	<u>(34,921)</u>	<u>(29,194)</u>	<u>(22,961)</u>	<u>(25,592)</u>
Change in Net Worth ³	\$49,171	\$32,002	(\$67,804)	\$34,239	(\$17,405)
+ Depreciation	<u>\$79,802</u>	<u>\$86,010</u>	<u>\$90,284</u>	<u>\$91,044</u>	<u>\$91,037</u>
Funds Available for Debt Repayment	\$128,973	\$118,012	\$22,480	\$125,283	\$73,632
Capital Purchases	\$148,706	\$105,696	\$82,261	\$73,915	\$81,094
Cash Interest Paid	\$22,384	\$24,115	\$27,378	\$29,578	\$30,137

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—2017

Item	Farm Type				
	Grain	Hog	Dairy	Beef	All
Number of Farms	2,150	36	43	24	2,335
Tillable Acres	1,204	927	519	568	1,161
Gross Farm Returns/Operator Acre	\$720	\$1,185	\$1,486	\$1,155	\$737
Total Nonfeed Costs/Operator Acre	\$787	\$1,244	\$1,713	\$1,121	\$805
Management Returns/Operator Acre	(\$62)	(\$50)	(\$218)	\$47	(\$63)
Net Farm Income per Operator	\$39,885	\$48,544	\$19,700	\$104,169	\$39,433
Labor & Management Income per Operator	(\$15,654)	\$15,791	(\$22,975)	\$53,004	(\$14,655)
Capital Purchases	\$81,330	\$77,739	\$134,311	\$89,798	\$81,094
Farm Production per Man Year	\$549,310	\$396,179	\$214,569	\$312,816	\$530,007
Production per \$1.00 Nonfeed Costs	\$0.92	\$0.95	\$0.87	\$1.03	\$0.92
Percent of Farm Production					
Cash Operating Expenses	82.7	86.5	85.9	70.4	82.7
Depreciation	11.0	7.8	12.3	7.7	11.0
Operator Income	6.3	5.7	1.7	21.9	6.3

Selected FBFM Factors—2008 to 2017

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Number of Farms	2,572	2,624	2,588	2,674	2,725	2,597	2,670	2,647	2,510	2,335
Total Acres	1,101	1,077	1,092	1,141	1,149	1,137	1,150	1,177	1,193	1,209
Tillable Acres	1,049	1,031	1,046	1,083	1,094	1,084	1,106	1,131	1,147	1,161
Corn Yield	194	182	164	167	120	192	214	190	215	215
Soybean Yield	51	50	55	54	48	55	61	61	64	62
Wheat Yield	67	61	59	65	71	72	72	69	82	83
% Tillable Land in Corn/Corn Silage	56	55	56	56	56	54	55	53	53	51
Total Cash Operating Income	\$638,147	\$620,268	\$626,808	\$785,655	\$913,419	\$877,043	\$832,015	\$787,707	\$774,335	\$763,740
Crop and Livestock Inventory Change	46,071	(18,431)	80,633	88,535	(18,046)	31,961	3,159	(82,926)	46,603	(1,141)
Misc. Income and Change in Acct. Rec.	9,394	(7,877)	(789)	345	82,933	(72,350)	(1,642)	11,860	(15,706)	(3,756)
Less: Purchased Feed and PIK Certs.	(21,639)	(16,607)	(19,576)	(21,768)	(28,431)	(27,527)	(21,746)	(20,702)	(22,329)	(19,672)
Purchased Livestock	(14,064)	(11,318)	(15,040)	(15,323)	(18,978)	(20,211)	(21,749)	(24,230)	(21,216)	(19,976)
Gross Farm Returns	\$657,909	\$566,035	\$672,035	\$837,444	\$930,897	\$788,916	\$790,037	\$671,709	\$761,687	\$719,195
Total Operating Expense	\$414,021	\$442,905	\$422,960	\$509,278	\$567,637	\$585,631	\$600,975	\$588,017	\$588,081	\$587,206
Income before Depreciation	243,888	123,130	249,075	328,165	363,259	203,285	189,063	83,690	173,607	131,989
Less Depreciation (Plus Capital Acct. Adj.)	31,998	38,918	44,444	54,553	65,231	75,621	81,773	86,661	86,876	86,847
Net Farm Income	\$211,890	\$84,212	\$204,631	\$273,612	\$298,028	\$127,664	\$107,290	(\$2,971)	\$86,731	\$45,142
Net Farm Income as % GFR	32.2	14.9	30.4	32.7	32.0	16.2	13.6	-0.4	11.4	6.3
Operator's Labor and Mgmt. Income	\$175,558	\$44,551	\$160,118	\$223,449	\$235,432	\$62,642	\$39,707	(\$67,198)	\$27,697	(\$16,530)
Interest Expense	\$23,924	\$21,025	\$22,128	\$23,571	\$23,548	\$22,384	\$24,115	\$27,378	\$29,578	\$30,137
Interest Expense as % of GFR	3.6	3.7	3.3	2.8	2.5	2.8	3.3	4.1	3.9	4.2
Gross Farm Returns/Tillable Acre	\$627	\$549	\$642	\$773	\$851	\$728	\$714	\$594	\$664	\$619
Total Operating Expense/Tillable Acre	\$395	\$430	\$404	\$470	\$519	\$540	\$543	\$520	\$513	\$506
Depreciation/Tillable Acre	\$31	\$38	\$42	\$50	\$60	\$70	\$74	\$77	\$76	\$75
Net farm Income/Tillable Acre	\$202	\$82	\$196	\$253	\$272	\$118	\$97	(\$3)	\$76	\$39
Total Investment	\$392,252	\$394,206	\$443,684	\$535,169	\$573,041	\$564,615	\$587,147	\$549,288	\$537,783	\$555,906
Crops and Feed	30,520	25,873	30,440	33,867	38,171	40,949	44,893	49,404	43,490	42,713
Livestock (Market & Breeding Stock)	158,305	187,560	233,750	280,123	334,760	379,876	407,686	411,399	389,344	367,584
Machinery (Book Value)	45,191	49,940	62,722	80,350	100,194	113,056	128,366	138,854	140,952	139,290
Buildings (Book Value)	942,781	929,995	1,034,673	1,310,434	1,632,977	1,958,418	2,138,558	2,155,298	2,119,889	2,142,282
Land										
Total	\$1,569,049	\$1,587,574	\$1,805,269	\$2,239,943	\$2,679,143	\$3,056,914	\$3,306,650	\$3,304,243	\$3,231,458	\$3,247,775

Financial Characteristics of Illinois FBFM Grain Farms

	2017	2016	2015	2014	4-Year Average	My Farm
Number of Farms	2,312	2,372	2,462	2,532	2,420	
Liquidity						
Working Capital	\$227,002	\$238,873	\$241,637	\$295,956	\$250,867	
Current Ratio						
Upper Quartile	NA	5.61	5.84	5.79	5.75	
Median	1.98	2.12	2.05	2.32	2.12	
Solvency						
Net Worth (Market)	\$3,094,685	\$2,988,907	\$2,993,163	\$2,973,330	\$3,012,521	
Debt/Equity Ratio (%)						
Upper Quartile	NA	7.9	7.9	8.5	8.1	
Median	25.3	25.6	25.5	23.5	25.0	
Debt/Total Asset Ratio (%)						
Upper Quartile	NA	7.4	7.4	7.8	7.5	
Median	20.2	20.4	20.4	19.0	20.0	
Profitability						
Net Farm Income	\$35,008	\$75,479	\$3,694	\$79,348	\$48,382	
Return on Farm Assets (%)						
Upper Quartile	NA	3.9	1.3	3.9	3.0	
Median	0.2	1.6	(0.7)	1.6	0.7	
Return on Farm Equity (%)						
Upper Quartile	NA	4.2	0.8	4.2	3.1	
Median	(0.6)	1.1	(1.7)	1.2	0.0	
Repayment Capacity						
Debt/Farm Operating Income	23.48	8.34	60.34	7.78	24.98	
Financial Efficiency (as a % of Gross Farm Returns)						
Interest Expense Ratio						
Upper Quartile	NA	0.8	0.8	0.6	0.7	
Median	3.1	2.9	2.9	2.3	2.8	
Operating Expense Ratio						
Upper Quartile	NA	61.7	70.3	61.9	64.6	
Median	75.6	70.6	80.6	71.7	74.6	
Depreciation Expense Ratio						
Upper Quartile	NA	8.0	9.2	7.6	8.3	
Median	12.7	11.8	13.2	11.0	12.2	
Farm Operating Income Ratio						
Upper Quartile	NA	22.9	13.5	24.5	20.3	
Median	6.8	13.6	2.5	14.2	9.3	
Asset Turnover Ratio						
Upper Quartile	NA	0.34	0.30	0.35	0.33	
Median	0.19	0.21	0.18	0.22	0.20	

NA = not available yet.

Financial Characteristics of Illinois FBFM Hog Farms

	2017	2016	2015	2014	4-Year Average	My Farm
Number of Farms	30	32	32	38	33	
Liquidity						
Working Capital	\$151,462	\$122,035	\$97,468	\$306,488	\$169,363	
Current Ratio						
Upper Quartile	NA	2.90	2.67	4.73	3.43	
Median	1.34	1.38	1.56	2.01	1.57	
Solvency						
Net Worth (Market)	\$2,736,125	\$2,280,264	\$2,530,555	\$2,850,989	\$2,599,483	
Debt/Equity Ratio						
Upper Quartile	NA	26.2	24.1	16.8	22.4	
Median	55.3	57.6	50.3	32.3	48.9	
Debt/Total Asset Ratio						
Upper Quartile	NA	20.8	19.4	15.1	18.4	
Median	35.6	36.5	33.5	24.8	32.6	
Profitability						
Net Farm Income	\$35,845	(\$28,275)	(\$107,840)	\$326,186	\$56,479	
Return on Farm Assets						
Upper Quartile	NA	1.8	0.3	12.3	4.8	
Median	1.1	(1.2)	(4.7)	7.3	0.6	
Return on Farm Equity						
Upper Quartile	NA	0.2	(1.4)	16.8	5.2	
Median	(1.0)	(3.3)	(6.3)	9.5	(0.3)	
Repayment Capacity						
Debt/Farm Operating Income	39.56	*	*	3.74	10.83	
Financial Efficiency (as a % of Gross Farm Returns)						
Interest Expense Ratio						
Upper Quartile	NA	1.0	2.6	1.1	1.6	
Median	5.5	4.1	6.3	2.9	4.7	
Operating Expense Ratio						
Upper Quartile	NA	71.4	69.9	49.2	63.5	
Median	76.8	79.8	97.8	59.2	78.4	
Depreciation Expense Ratio						
Upper Quartile	NA	7.0	8.5	4.6	6.7	
Median	10.5	9.8	12.0	6.1	9.6	
Farm Operating Income Ratio						
Upper Quartile	NA	15.3	9.3	40.5	21.7	
Median	7.3	0.3	-12.2	30.5	6.5	
Asset Turnover Ratio						
Upper Quartile	NA	0.38	0.29	0.48	0.38	
Median	0.22	0.21	0.18	0.30	0.23	

NA = not available yet.

* Undefined due to negative farm operating income.

Financial Characteristics of Illinois FBFM Beef Farms

	2017	2016	2015	2014	4-Year Average	My Farm
Number of Farms	20	18	18	25	20	
Liquidity						
Working Capital	\$107,822	\$198,531	\$185,808	\$243,378	\$183,885	
Current Ratio						
Upper Quartile	NA	6.76	5.04	6.23	5.64	
Median	1.46	1.59	1.86	2.18	1.77	
Solvency						
Net Worth (Market)	\$2,187,863	\$2,507,170	\$2,211,428	\$2,352,340	\$2,314,700	
Debt/Equity Ratio						
Upper Quartile	NA	19.8	6.2	8.2	7.2	
Median	31.4	41.5	38.5	28.1	34.9	
Debt/Total Asset Ratio						
Upper Quartile	NA	16.5	5.8	7.6	6.7	
Median	23.9	29.3	27.8	21.9	25.7	
Profitability						
Net Farm Income	\$39,649	(\$73,628)	(\$106,162)	\$131,981	(\$2,040)	
Return on Farm Assets						
Upper Quartile	NA	(0.6)	(2.8)	7.8	2.5	
Median	(0.6)	(1.6)	(7.7)	4.1	-1.5	
Return on Farm Equity						
Upper Quartile	NA	(1.2)	(4.4)	12.5	4.1	
Median	(0.4)	(4.1)	(8.0)	4.1	-2.1	
Repayment Capacity						
Debt/Farm Operating Income	12.75	*	*	6.75	4.87	
Financial Efficiency (as a % of Gross Farm Returns)						
Interest Expense Ratio						
Upper Quartile	NA	2.5	3.4	0.4	1.9	
Median	4.4	9.9	9.1	4.1	6.9	
Operating Expense Ratio						
Upper Quartile	NA	78.3	86.2	51.6	68.9	
Median	71.7	85.8	134.7	57.4	87.4	
Depreciation Expense Ratio						
Upper Quartile	NA	10.0	14.5	7.5	11.0	
Median	13.0	15.1	20.6	9.2	14.5	
Farm Operating Income Ratio						
Upper Quartile	NA	(0.6)	(8.1)	37.3	14.6	
Median	13.1	(15.2)	(57.7)	29.4	-7.6	
Asset Turnover Ratio						
Upper Quartile	NA	0.23	0.18	0.35	0.27	
Median	0.17	0.09	0.08	0.20	0.14	

NA = not available yet.

* Undefined due to negative farm operating income.

Financial Characteristics of Illinois FBFM Dairy Farms

	2017	2016	2015	2014	4-Year Average	My Farm
Number of Farms	44	44	59	53	50	
Liquidity						
Working Capital	\$22,139	\$29,102	\$51,867	\$115,555	\$54,666	
Current Ratio						
Upper Quartile	NA	3.14	3.53	4.85	4.19	
Median	1.33	1.30	1.36	2.00	1.50	
Solvency						
Net Worth (Market)	\$1,915,437	\$1,775,223	\$1,671,271	\$2,043,665	\$1,851,399	
Debt/Equity Ratio						
Upper Quartile	NA	26.7	18.5	14.5	16.5	
Median	51.1	51.0	53.2	40.8	49.0	
Debt/Total Asset Ratio						
Upper Quartile	NA	21.1	15.6	12.7	14.2	
Median	33.8	33.8	34.7	29.0	32.8	
Profitability						
Net Farm Income	\$24,866	\$19,885	\$6,871	\$213,088	\$66,178	
Return on Farm Assets						
Upper Quartile	NA	1.0	2.0	14.4	8.2	
Median	-	(0.9)	(1.4)	7.2	1.2	
Return on Farm Equity						
Upper Quartile	NA	(0.3)	0.9	19.9	10.4	
Median	(2.6)	(4.1)	(3.6)	8.6	-0.4	
Repayment Capacity						
Debt/Farm Operating Income	28.97	180.75	36.81	3.09	62.40	
Financial Efficiency (as a % of Gross Farm Returns)						
Interest Expense Ratio						
Upper Quartile	NA	3.2	2.3	1.6	2.0	
Median	7.5	6.4	6.1	4.3	6.1	
Operating Expense Ratio						
Upper Quartile	NA	71.2	66.3	50.2	58.3	
Median	77.0	77.7	77.7	56.5	72.2	
Depreciation Expense Ratio						
Upper Quartile	NA	8.7	7.8	5.4	6.6	
Median	12.3	11.6	11.0	7.4	10.6	
Farm Operating Income Ratio						
Upper Quartile	NA	17.1	16.2	40.0	28.1	
Median	2.5	1.9	2.1	31.1	9.4	
Asset Turnover Ratio						
Upper Quartile	NA	0.33	0.33	0.43	0.38	
Median	0.20	0.18	0.19	0.29	0.22	

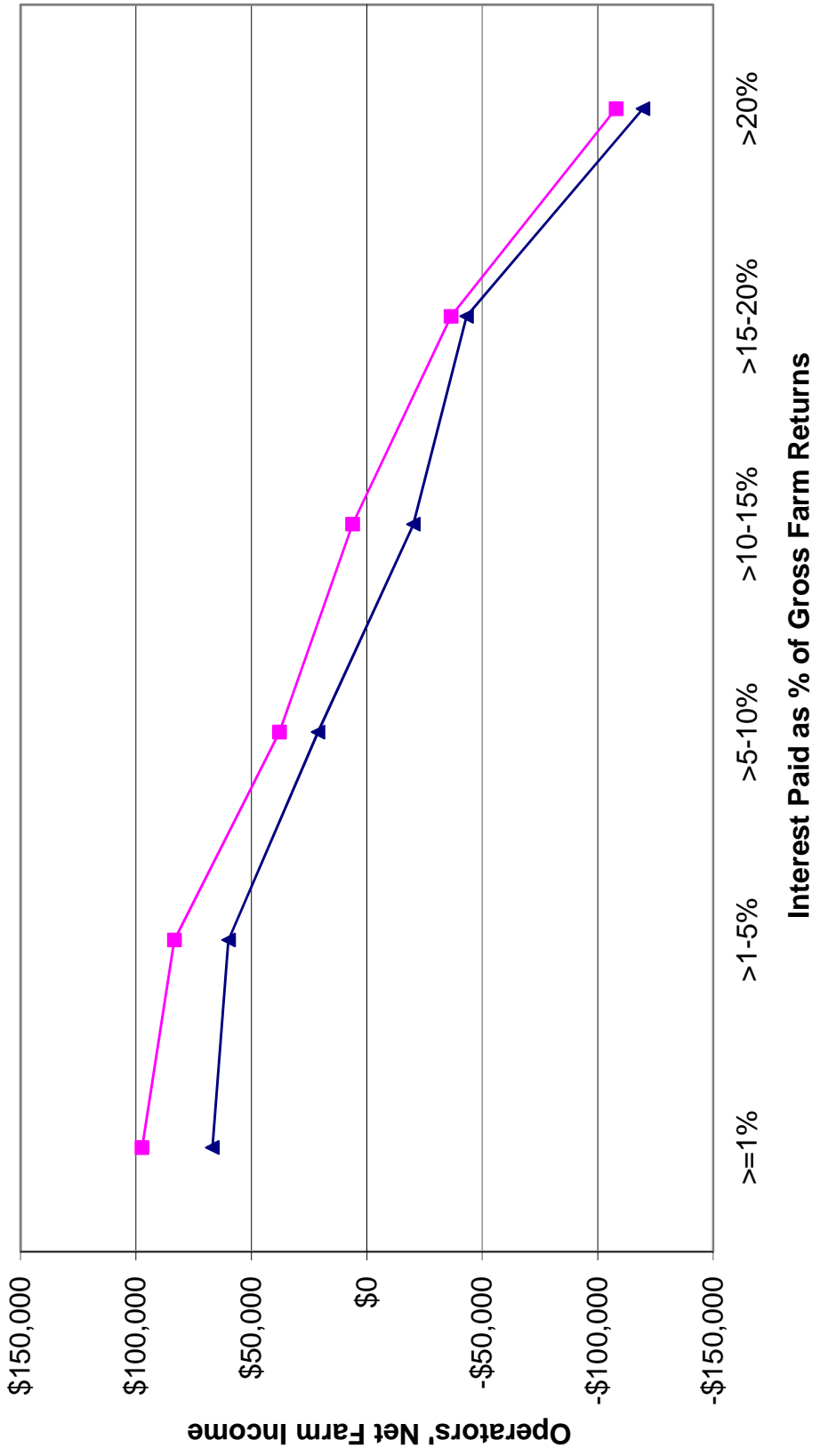
NA = not available yet.

Illinois FBFM Association Farms by Interest Paid as Percent of Gross Farm Returns—2008 to 2017¹

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	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				
	2016	749	1,073	507	118	41	29	2,517				
	2017	684	940	520	138	37	33	2,352				
Percent of farms	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%				
	2016	30%	43%	20%	5%	2%	1%	100%				
	2017	29%	40%	22%	6%	2%	1%	100%				
Net Farm Income	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)				
	2016	108,927	104,247	53,163	18,422	(9,101)	(151,119)	86,731				
	2017	66,907	59,873	21,138	(20,195)	(43,237)	(119,622)	45,142				
Average Operator Interest Paid and Interest Paid as % of Gross Farm Returns - All Farms												
	2008—\$24,204	3.7%	2009—\$22,017	3.8%	2010—\$22,608	3.3%	2011—\$23,669	2.8%	2012—\$23,529	2.5%		
	2013—\$22,370	2.8%	2014—\$24,114	3.0%	2015—\$27,596	4.2%	2016—\$29,578	3.9%	2017—\$30,137	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



Legend:
—▲— 2017
—■— 2013-2017 Avg

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	72	18	50	(60)	83	
	<i>SPR 86-100</i>	<i>SPR 56-85</i>				
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	(89)	(105)	(133)	(232)	(576)	(270)
2016	8	(14)	(17)	(189)	(342)	(116)
2017 ²	(69)	(43)	(71)	(218)	47	(50)

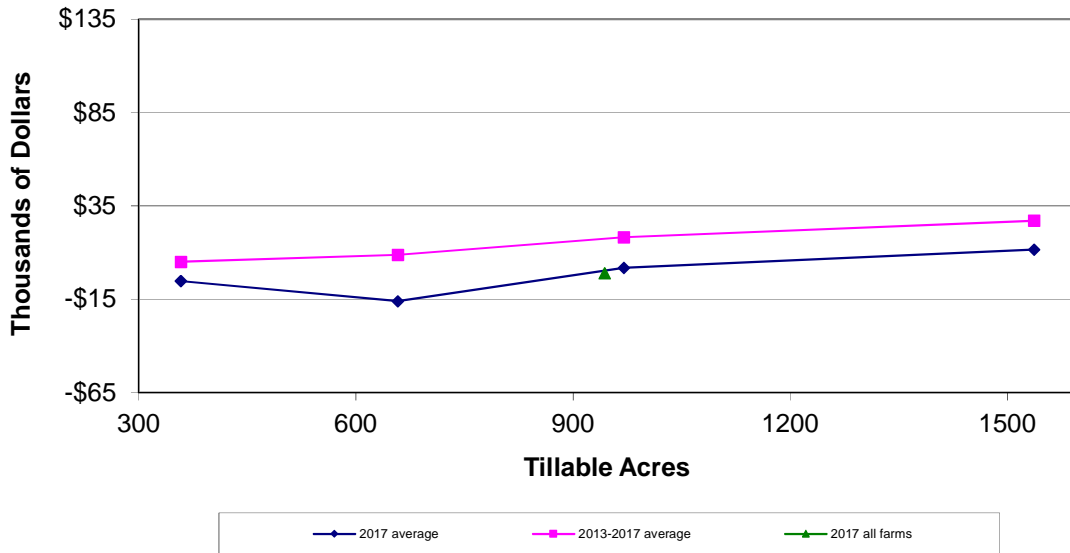
¹ 1995 and later, data is operator's management returns per operator tillable acre. Prior to 1995, data is total farm management returns per total farm tillable acre.

² Estimated from preliminary data.

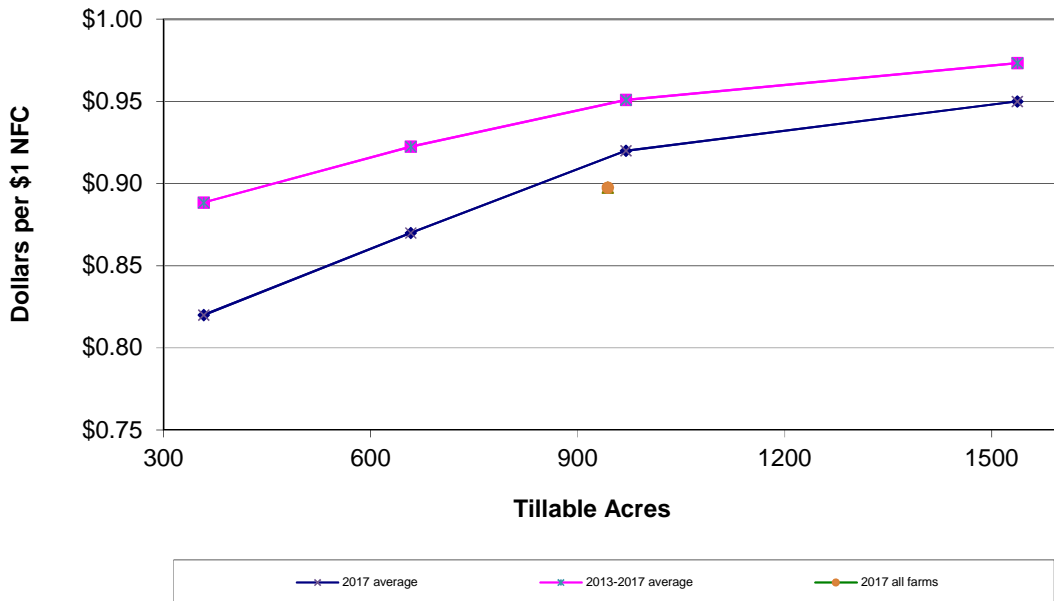
Summary of Farm and Family Sources and Uses of Dollars—2008 to 2017

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Number of Families	1,176	1,164	1,200	1,273	1,300	1,307	1,350	1,377	1,333	1,219
Total Tillable Operator Acres	745	723	730	740	739	734	766	778	783	785
Net Farm Income	\$194,207	\$76,697	\$176,886	\$242,735	\$262,917	\$105,902	\$95,885	\$5,188	\$77,700	\$43,464
SOURCES OF DOLLARS										
Nontaxable Receipts	\$82,347	\$74,433	\$85,392	\$89,678	\$110,064	\$118,800	\$114,252	\$101,580	\$96,523	\$114,187
Net Nonfarm Income	30,913	34,567	35,976	35,454	36,778	38,019	39,676	40,662	44,503	40,032
Money Borrowed	368,663	340,794	361,671	398,860	428,234	418,038	439,315	449,744	436,713	436,668
Total Farm Receipts	581,949	568,554	563,312	669,116	777,953	736,101	715,021	665,466	641,771	629,765
TOTAL SOURCE ALL DOLLARS	\$1,063,872	\$1,018,348	\$1,046,351	\$1,193,108	\$1,353,029	\$1,310,958	\$1,308,864	\$1,257,452	\$1,219,510	\$1,220,652
USES OF DOLLARS—FARM										
Interest Paid	\$25,387	\$22,664	\$22,388	\$22,749	\$22,425	\$20,530	\$21,266	\$23,961	\$25,936	\$26,753
Other Farm Expenses	409,072	389,334	388,256	451,756	491,725	497,855	519,618	494,496	468,061	465,386
Mach. & Bldg. Purchases	82,684	85,120	84,055	104,621	119,816	130,006	89,020	63,852	60,026	64,165
TOTAL FARM EXPENDITURES	\$517,143	\$497,118	\$494,699	\$579,126	\$633,966	\$648,391	\$629,904	\$582,309	\$554,023	\$556,304
Principal Payments	\$332,573	\$319,492	\$327,000	\$370,759	\$396,479	\$365,513	\$390,179	\$423,513	\$438,474	\$409,807
Income & Social Security Taxes	15,770	20,671	20,064	19,726	26,718	40,328	38,801	32,438	25,512	28,435
Savings & Investment	125,731	108,615	130,366	143,812	210,925	167,585	161,058	134,398	119,282	140,558
LIVING EXPENSES										
Contributions	\$2,667	\$2,788	\$2,935	\$3,066	\$3,823	\$3,874	\$3,698	\$3,537	\$3,471	\$3,575
Medical	8,328	8,579	8,928	9,322	10,100	10,417	11,213	11,102	11,115	12,007
Life Insurance	3,202	3,431	3,442	3,702	4,036	4,492	4,626	4,627	4,946	4,945
Expendables	50,975	50,369	52,300	55,839	58,709	61,933	62,174	59,272	57,385	59,271
Total Noncapital	\$65,172	\$65,167	\$67,605	\$71,929	\$76,668	\$80,716	\$81,711	\$78,538	\$76,917	\$79,798
Capital	7,514	7,267	6,604	7,729	8,344	8,414	7,225	6,241	5,344	5,744
TOTAL LIVING EXPENSE	\$72,686	\$72,434	\$74,209	\$79,658	\$85,012	\$89,130	\$88,936	\$84,779	\$82,261	\$85,542
TOTAL USE ALL DOLLARS	\$1,063,903	\$1,018,330	\$1,046,338	\$1,193,081	\$1,353,100	\$1,310,947	\$1,308,878	\$1,257,437	\$1,219,552	\$1,220,646
Interest as % of Farm Receipts	4.4	4.0	4.0	3.4	2.9	2.8	3.0	3.6	4.0	4.2
Total Family Living/Opr. TA	\$98	\$100	\$102	\$108	\$115	\$121	\$116	\$109	\$105	\$109
Nonfarm Income/Opr. TA	41	48	49	48	50	52	52	52	57	51
Net Family Living/Opr. TA	\$56	\$52	\$52	\$60	\$65	\$70	\$64	\$57	\$48	\$58
Net Farm Cash/Opr. TA	66	70	67	95	159	65	61	65	79	57
Cash Surplus (Deficit)/Opr. TA	\$10	\$18	\$14	\$35	\$93	(\$5)	(\$3)	\$8	\$31	(\$1)

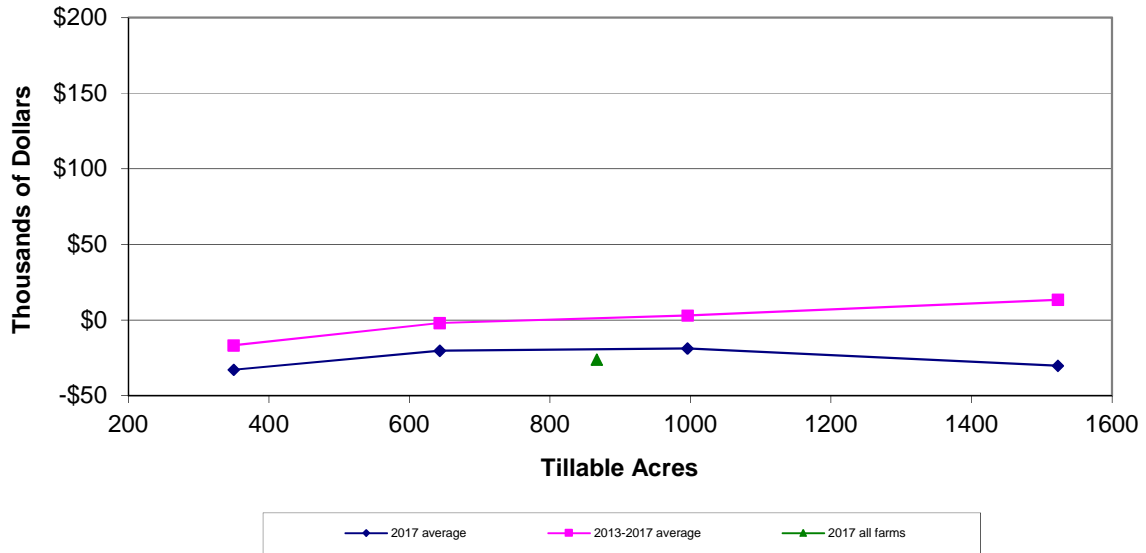
Central Illinois Grain Farms Operator's Share of Labor and Management Earnings



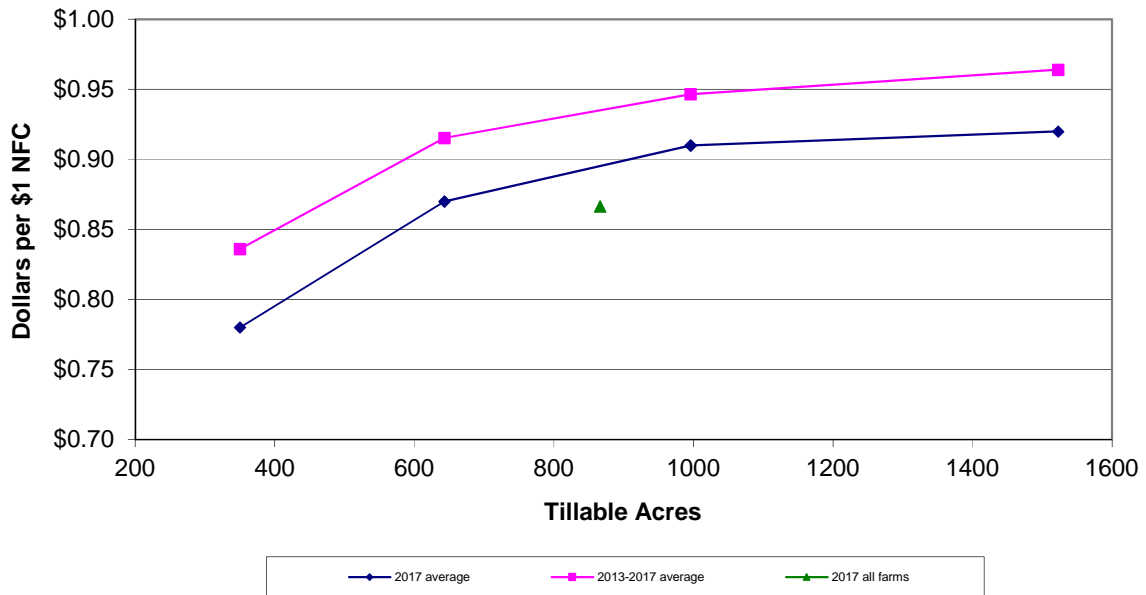
Central Illinois Grain Farms Value of Production per \$1.00 of Nonfeed Cost



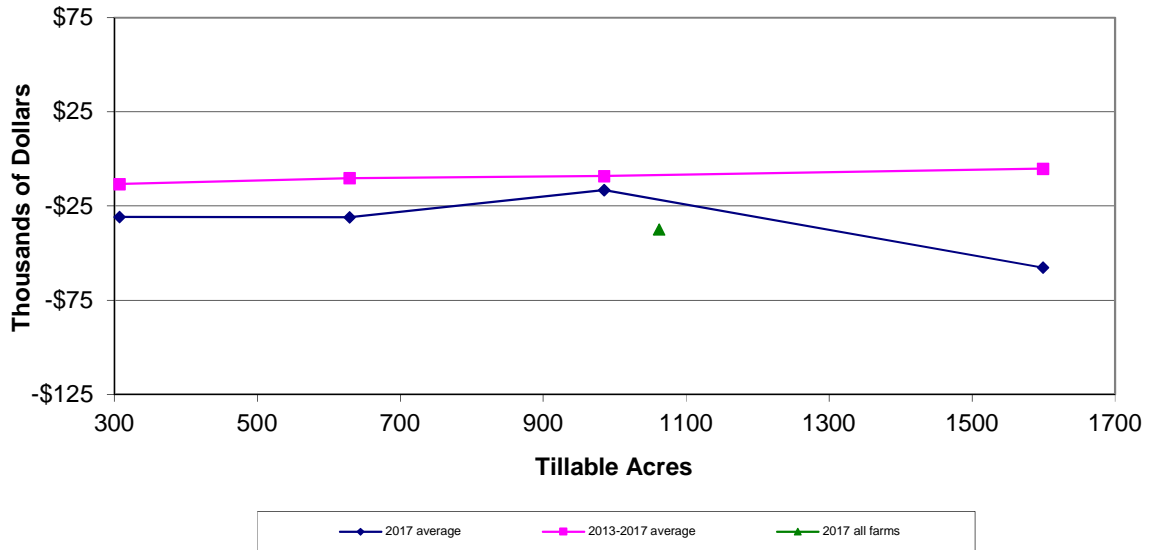
Northern Illinois Grain Farms Operator's Share of Labor and Management Earnings



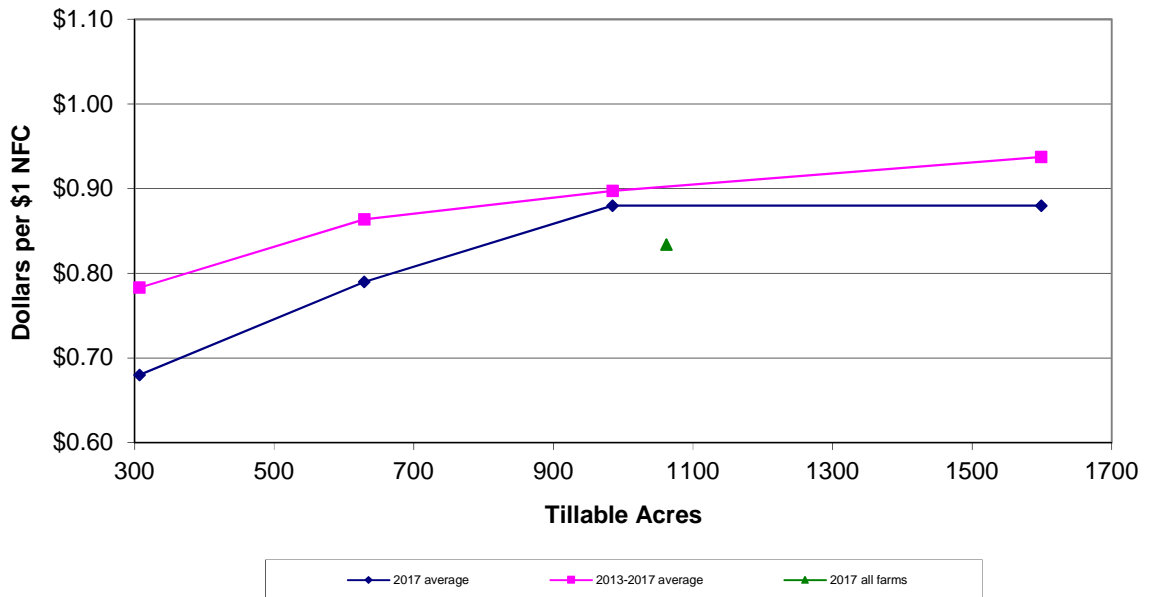
Northern Illinois Grain Farms Value of Production per \$1.00 of Nonfeed Cost

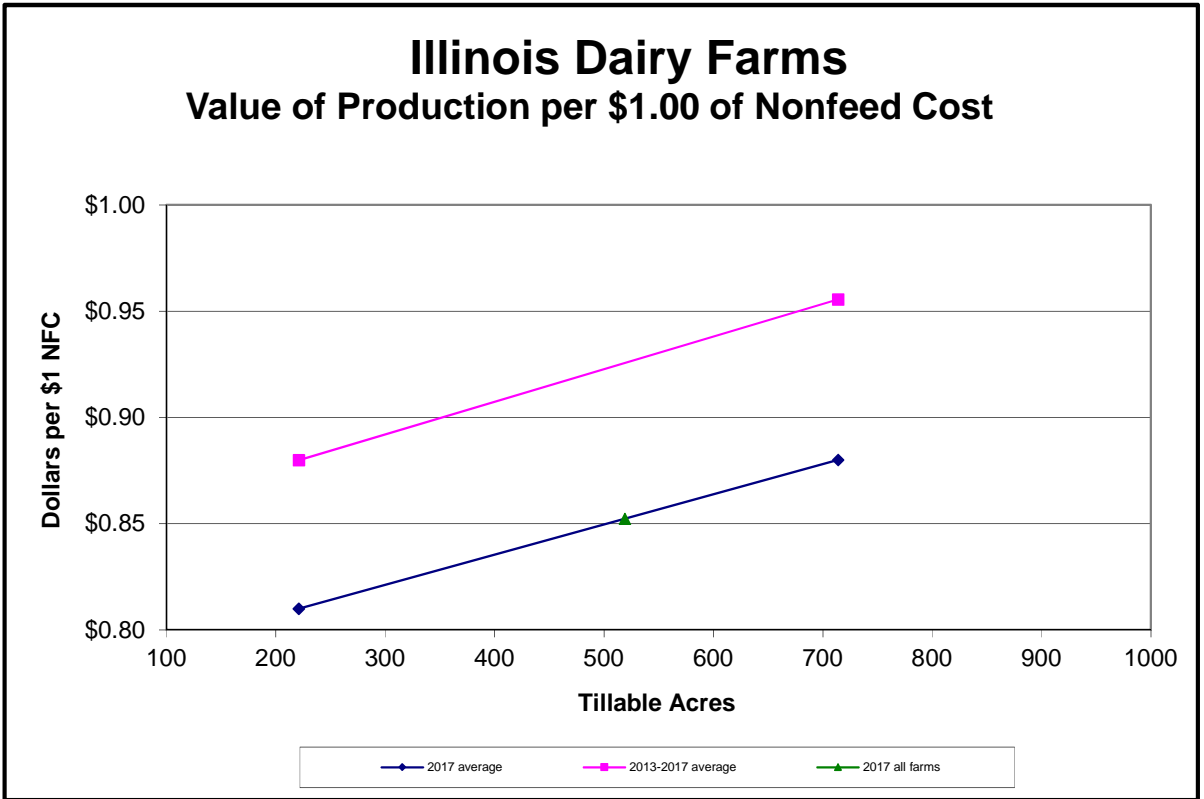
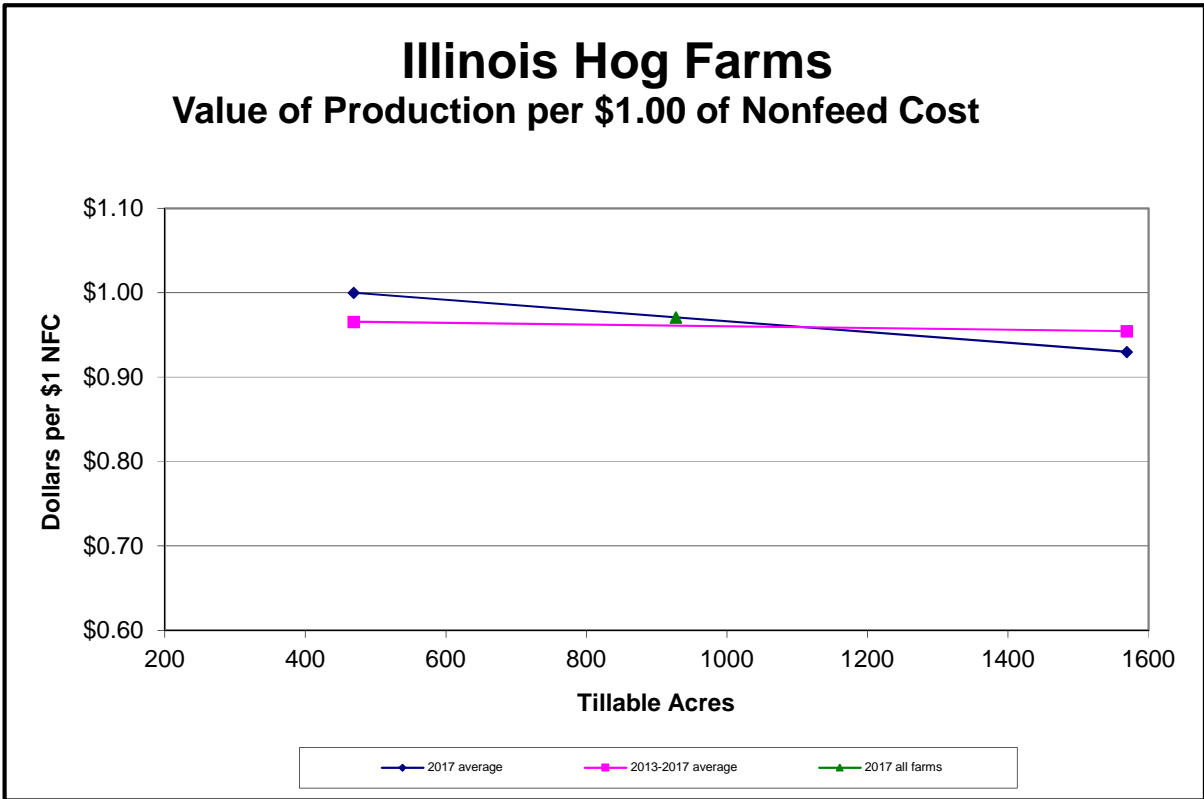


Southern Illinois Grain Farms Operator's Share of Labor and Management Earnings



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			Soybeans		
	2016	2017	Average	2016	2017	Average
	Projected 2018		My Farm	Projected 2018		My Farm
Number of Farms	371	346			371	
Acres of Crop	920	859		510	536	
% Land in Crop	62.6	59.9		34.7	37.4	
NONLAND COSTS						
Variable Costs						
Soil Fertility	\$144	\$124	\$120	\$37	\$31	\$29
Pesticides	56	58	58	34	35	35
Seed	118	115	114	69	67	66
Drying	15	23	17	-	-	-
Machinery Repair, Fuel & Hire	<u>72</u>	<u>72</u>	<u>72</u>	<u>61</u>	<u>62</u>	<u>62</u>
Total Variable	\$405	\$392	\$381	\$201	\$195	\$192
% Change	-5%	-3%	-3%	-2%	-3%	-2%
Other Nonland Costs						
Labor	\$45	\$48	\$49	\$40	\$43	\$44
Building	27	28	28	14	14	14
Storage	9	8	8	3	3	3
Machinery Depreciation	67	66	65	57	57	56
Nonland Interest	49	54	55	40	45	46
Overhead	<u>46</u>	<u>52</u>	<u>53</u>	<u>45</u>	<u>51</u>	<u>51</u>
Total Other	\$243	\$256	\$258	\$199	\$212	\$214
Total Nonland Costs	\$648	\$648	\$639	\$400	\$408	\$406
% Change	-5%	0%	-1%	-4%	2%	0%
LAND COSTS						
Total Land Cost ¹	\$238	\$228	\$228	\$238	\$228	\$228
TOTAL—ALL COSTS	\$886	\$877	\$867	\$638	\$636	\$634
% Change	-4%	-1%	-1%	-3%	0%	0%
Yield per Acre, Bushel	223	219		66	59	
Nonland Costs per Bushel	\$2.91	\$2.96		\$6.06	\$6.91	
All Costs per Bushel	\$3.97	\$4.00		\$9.67	\$10.78	
Average Yield Past 4 Years	187	207	210	58	62	62
All Costs per Bushel	\$4.74	\$4.24	\$4.13	\$11.00	\$10.26	\$10.23

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			Soybeans		
	2016	2017	Average	2016	2017	Average
	Projected 2018		My	Projected 2018		My
	Farm	Farm	Farm	Farm	Farm	Farm
Number of Farms	615	588		615	588	
Acres of Crop	722	710		617	673	
% Land in Crop	53.1	50.7		45.4	48.0	
NONLAND COSTS						
Variable Costs						
Soil Fertility	\$154	\$135	\$129	\$49	\$44	\$41
Pesticides	66	73	73	40	44	44
Seed	116	115	115	74	73	73
Drying	13	16	14	1	1	1
Machinery Repair, Fuel & Hire	<u>55</u>	58	<u>58</u>	48	50	<u>50</u>
Total Variable	\$404	\$398	\$389	\$212	\$212	\$209
% Change	-5%	-1%	-2%	-5%	0%	-2%
Other Nonland Costs						
Labor	\$48	\$49	\$50	\$46	\$46	\$47
Building	16	17	17	14	15	15
Storage	14	15	15	8	8	8
Machinery Depreciation	66	64	64	58	56	56
Nonland Interest	48	53	54	43	48	49
Overhead	<u>44</u>	<u>47</u>	<u>48</u>	<u>42</u>	<u>44</u>	<u>45</u>
Total Other	\$237	\$245	\$248	\$211	\$217	\$220
Total Nonland Costs	\$641	\$643	\$637	\$423	\$430	\$429
% Change	-4%	0%	-1%	-3%	2%	0%
LAND COSTS						
Total Land Cost ¹	\$229	\$226	\$225	\$229	\$226	\$225
TOTAL—ALL COSTS	\$870	\$870	\$862	\$652	\$656	\$654
% Change	-3%	0%	-1%	-2%	1%	0%
Yield per Acre, Bushel	228	227		69	68	
Nonland Costs per Bushel	\$2.81	\$2.83		\$6.13	\$6.32	
All Costs per Bushel	\$3.81	\$3.83		\$9.44	\$9.65	
Average Yield Past 4 Years	189	214	222	60	64	67
All costs per bushel	\$4.60	\$4.06	\$3.88	\$10.86	\$10.25	\$9.76

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			Projected 2018	
	2016	2017	Average	2016	2017	Average	My	Farm
	Farm	Farm	Farm	Farm	Farm	Farm	Farm	Farm
Number of Farms	333	326		333	326			
Acres of Crop	729	692		616	658			
% Land in Crop	52.9	49.7		44.7	47.3			
NONLAND COSTS								
Variable Costs								
Soil Fertility	\$154	\$136	\$131	\$44	\$38	\$35		
Pesticides	64	74	74	41	46	46		
Seed	118	121	120	62	65	64		
Drying	13	18	15	1	1	1		
Machinery Repair, Fuel & Hire	<u>58</u>	<u>58</u>	<u>59</u>	<u>52</u>	<u>52</u>	<u>53</u>		
Total Variable	\$407	\$407	\$399	\$200	\$203	\$199		
% Change	-6%	0%	-2%	-5%	1%	-2%		
Other Nonland Costs								
Labor	\$49	\$49	\$50	\$48	\$48	\$49		
Building	18	17	17	13	12	12		
Storage	11	12	12	4	5	5		
Machinery Depreciation	65	65	65	56	56	56		
Nonland Interest	46	50	51	40	43	44		
Overhead	<u>48</u>	<u>47</u>	<u>48</u>	<u>45</u>	<u>45</u>	<u>46</u>		
Total Other	\$237	\$241	\$243	\$205	\$208	\$212		
Total Nonland Costs	\$644	\$648	\$642	\$405	\$411	\$411		
% Change	-5%	1%	-1%	-3%	1%	0%		
LAND COSTS								
Total Land Cost ¹	\$205	\$198	\$198	\$205	\$198	\$198		
TOTAL—ALL COSTS	\$849	\$846	\$840	\$610	\$608	\$609		
% Change	-4%	0%	-1%	-3%	0%	0%		
Yield per Acre, Bushel	218	220		63	61			
Nonland Costs per Bushel	\$2.95	\$2.95		\$6.43	\$6.73			
All Costs per Bushel	\$3.89	\$3.85		\$9.69	\$9.97			
Average Yield Past 4 Years	175	200	210	56	60	62		
All Costs per Bushel	\$4.85	\$4.23	\$4.00	\$10.90	\$10.14	\$9.82		

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			Soybeans		
	2016	2017	Average	2016	2017	Average
			Farm			Farm
Number of Farms	217	187		217	187	
Acres of Crop	729	701		809	816	
% Land in Crop	43.8	42.7		48.6	49.6	
NONLAND COSTS						
Variable Costs						
Soil Fertility	138	124	\$128	\$44	40	\$35
Pesticides	68	77	66	48	54	48
Seed	112	107	112	64	62	62
Drying	6	7	8	-	-	-
Machinery Repair, Fuel & Hire	62	68	57	58	63	54
Total Variable	\$386	\$383	\$371	\$214	\$219	\$199
% Change	-8%	-1%	-3%	-5%	2%	-9%
Other Nonland Costs						
Labor	\$59	\$63	\$60	\$53	\$57	\$54
Building	24	23	26	14	13	14
Storage	9	6	6	7	4	4
Machinery Depreciation	68	70	65	65	67	62
Nonland Interest	44	48	46	41	45	43
Overhead	49	52	50	47	50	48
Total Other	\$253	\$262	\$253	\$227	\$236	\$225
Total Nonland Costs	\$639	\$645	\$624	\$441	\$455	\$424
% Change	-7%	1%	-3%	-5%	3%	-7%
LAND COSTS						
Total Land Cost ¹	\$162	\$161	\$163	\$162	\$161	\$163
TOTAL—ALL COSTS	\$801	\$806	\$787	\$603	\$616	\$587
% Change	-6%	1%	-2%	-4%	2%	-5%
Yield per Acre, Bushel	163	169		56	54	
Nonland Costs per Bushel	\$3.92	\$3.82		\$7.88	\$8.43	
All Costs per Bushel	\$4.92	\$4.77		\$10.77	\$11.41	
Average Yield Past 4 Years	146	172	172	49	53	54
All Costs per Bushel	\$5.49	\$4.69	\$4.58	\$12.31	\$11.63	\$10.87

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	3.69	-0.99
2016	215	859	4.00	3.45 **	-0.55
2017	215	857	3.99	3.35 **	-0.64
2013-2017 Avg.	206	898	4.38	3.74	-0.63
2008-2017 Avg.	186	823	4.56	4.46	-0.10

2008-17 Ave. cost per bu. to grow soybeans was 2.30 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

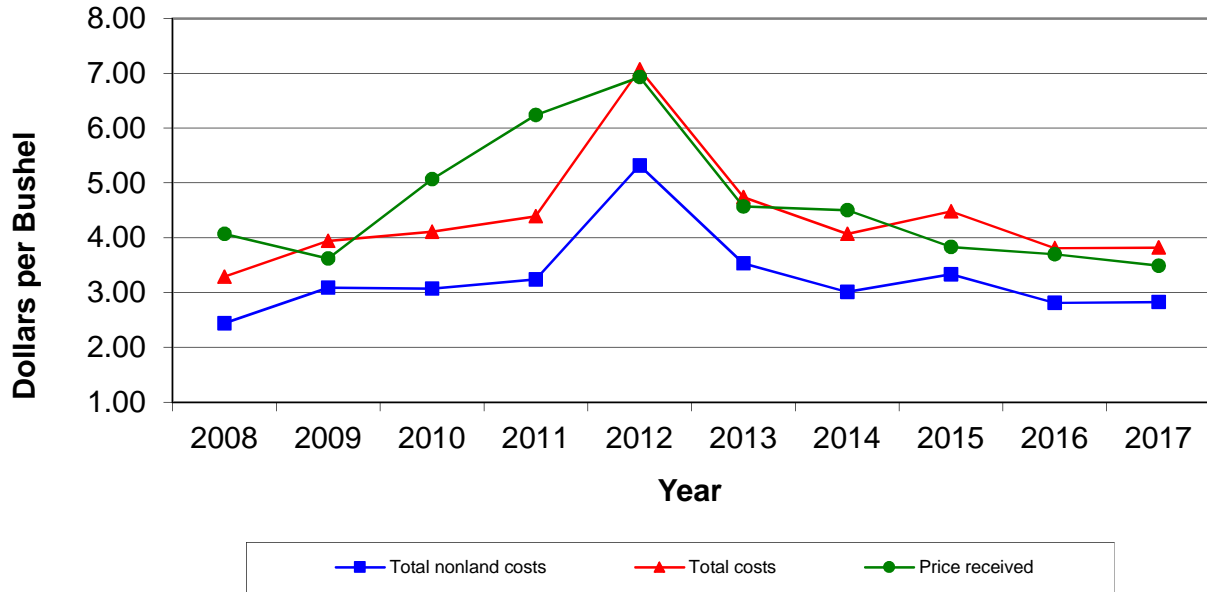
YEAR	YIELD	TOTAL COST/A.	COST PER BUSHEL	ILLINOIS * ANNUAL AVE. PRICE	MANAGEMENT MARGIN
1978	43	255	5.93	6.75	0.82
1979	45	283	6.29	6.46	0.17
1980	40	310	7.75	7.62	-0.13
1981	42	308	7.33	6.15	-1.18
1982	43	297	6.91	5.89	-1.02
1983	35	296	8.46	7.94	-0.52
1984	37	289	7.81	5.85	-1.96
1985	49	276	5.63	5.17	-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	9.19	-1.33
2016	65	633	9.74	9.69 **	-0.05
2017	62	635	10.24	9.39 **	-0.85
2013-2017 Avg.	61	654	10.68	10.33	-0.35
2008-2017 Avg.	57	594	10.51	11.09	0.57

2008-17 Ave. cost per bu. to grow soybeans was 2.30 times the cost per bu. to grow corn in the same period.

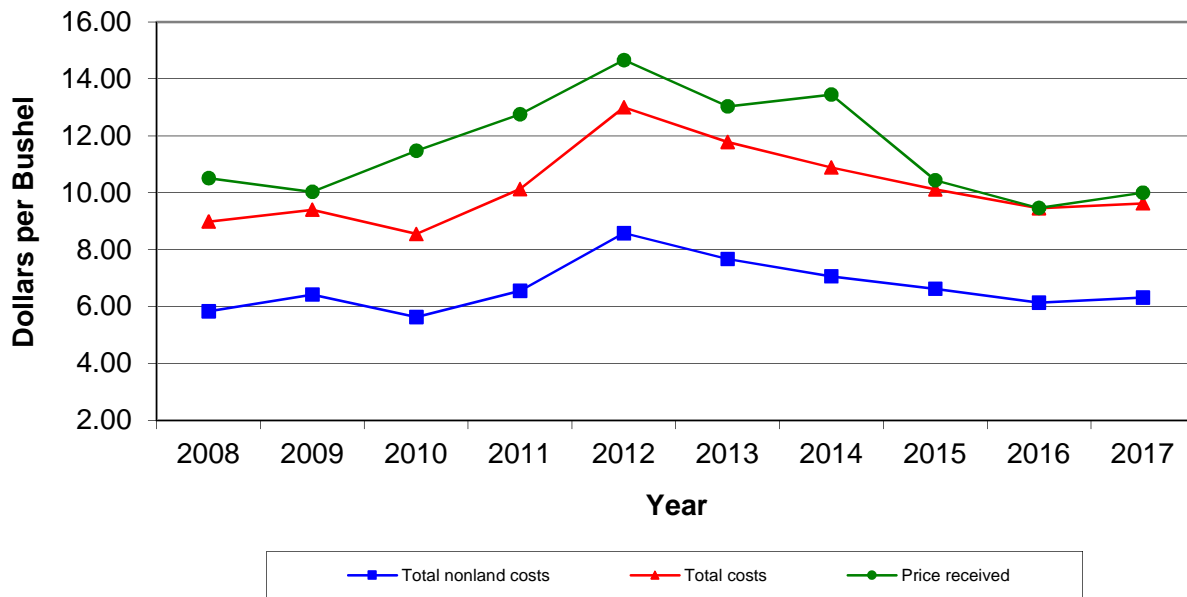
* Seasonal average annual price for corresponding crop year.

** Estimated

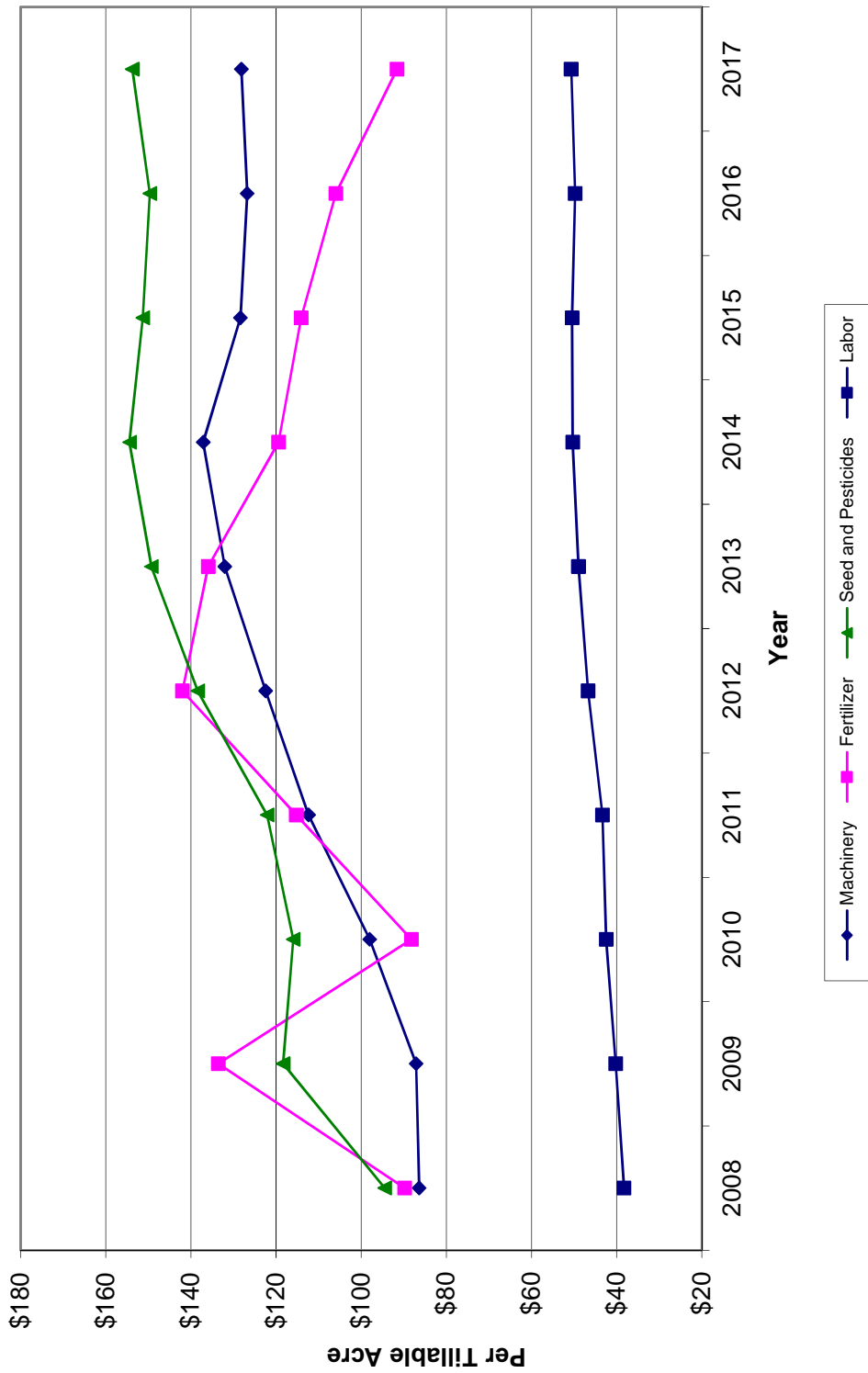
Costs and Returns per Bushel of Corn, Central Illinois Grain Farms 2008 to 2017



Costs and Returns per Bushel of Soybeans, Central Illinois Grain Farms 2008 to 2017



Trends in Selected Operating Costs per Acre, Central Illinois Pure-Grain Farms 2008 to 2017



2017 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	21	7	6	7
Pounds of Pork Produced	1,129,475	1,759,121	678,362	2,557,004
Pounds of Pork per Litter	2,609	2,995	2,574	2,651
Total Returns	580,640	917,568	360,472	1,291,756
Value of Feed Fed	343,709	492,501	227,697	752,823
Returns per \$100 Feed Fed	169	186	158	172
Returns above Feed per Litter	547	724	504	559
Number of Litters Farrowed	433	587	264	965
Pigs Farrowed per Litter	11.96	12.60	11.46	12.31
Pigs Weaned per Litter	9.84	10.74	9.50	10.07
Weaning Survival Rate %	82	85	83	82
Litters Farrowed per Female Year	1.76	2.00	1.78	1.81
Pigs Weaned per Female Year	15.75	17.59	16.57	15.55
Number of Crates	53	45	33	103
Pigs Weaned per Crate	73.8	97.5	70.8	81.8
Death Loss Total—% of Pounds Produced	3.2	2.5	2.4	3.3
Weight per Market Hog Sold	275	280	270	276
Weight per Breeding Hog Sold	472	480	470	470
Price Received / 100 Pounds - Market	51.81	52.07	54.39	50.83
Price Received / 100 Pounds - Breeding	39.32	39.44	37.98	39.89
Total Return per 100 Pounds Produced	51.41	52.16	53.14	50.52
Feed Cost per 100 Pounds Produced	30.43	28.00	33.57	29.44
Pounds of Feed per 100 Pounds Produced:				
Grain/Complete Feed	219	195	209	220
Supplement	82	81	104	79
Total Concentrates	302	276	314	299
Cost per 100 Pounds of Supplement	20.71	19.86	19.70	20.36
Cost per 100 Pounds of Concentrates	10.07	10.13	10.62	9.85

Feeder Pig Feeding Enterprise	Purchase Weight <20	Average Farm High 1/3
Number of Farms	26	11
Total Pounds Produced	1,684,844	2,230,109
Total Returns	683,714	950,158
Value of Feed Fed	428,741	519,314
Returns per \$100 Feed Fed	159	183
Average Weight Purchased	14	17
Price Paid per 100 Pounds	279.82	218.72
Price Paid per Pig	38.06	38.25
Average Weight Sold	281	281
Price Received per 100 Pounds	51.93	52.48
Total Return per 100 Pounds	40.58	42.61
Feed Cost per 100 Pounds	25.45	23.29
Death Loss: Numbers	431	466
Pounds	27,349	41,242
% of Pounds Produced	1.6	1.8
Pounds of Feed per 100 Pounds Produced:		
Produced: Grain/Complete Feed	160	160
Supplement	93	98
Total Concentrates	253	257
Cost per 100 Pounds of Supplement	16.40	13.91
Cost per 100 Pounds of Concentrates	10.05	9.06

Feeder Cattle Enterprise	Average Farm	High 1/3 Return	Purchase Weight		
			1-500	500-749	750+
Number of Farms	49	16	12	25	10
Total Pounds Produced	385,311	364,138	196,924	237,329	1,038,191
Total Returns	352,598	364,654	183,053	228,832	920,401
Value of Feed Fed	184,762	139,939	116,514	105,776	488,038
Returns per \$100 Feed Fed	191	261	157	216	189
Average Weight Purchased	726	701	270	670	823
Price Paid per 100 Pounds	143.93	147.94	121.74	142.46	145.61
Price Paid per Head	1,046	1,037	329	954	1,198
Average Weight Sold	1,368	1,386	1,129	1,351	1,412
Price Received per 100 Pounds	117.25	119.22	96.74	117.35	120.03
Total Return per 100 Pounds	91.51	100.14	92.96	96.42	88.65
Feed Cost per 100 Pounds	47.95	38.43	59.17	44.57	47.01
Death Loss: Numbers	14	6	9	11	28
Pounds	10,700	5,408	4,655	7,443	27,635
% of Pounds Produced	2.8	1.5	2.4	3.1	2.7
Pounds of Feed per 100 Pounds Produced:					
Grain/Complete Feed	614	511	469	533	690
Supplement	57	35	192	52	28
Total Concentrates	670	546	661	584	718
Hay & Dry Roughage	30	20	34	21	34
Corn Silage	74	135	49	155	34
Other Silage	21	39	0	62	4
Hay Equivalent—Tons	0.04	0.04	0.02	0.06	0.03
Cost per 100 Pounds of Supplement	15.31	17.60	14.32	13.74	18.04
Cost per 100 Pounds of Concentrates	6.52	6.41	8.54	6.46	6.10

Livestock Analysis -- 2017

Beef Cow Enterprise	Pounds of Beef Produced per Cow			High Return <600	Average All Farms
	<600	600-900	900+		
Number of Farms	41	59	37	14	137
Number of Cows in Herd	63	74	50	65	64
Number of Calves Born	54	67	47	64	58
Calving %	87	91	94	98	90
Total Pounds Produced	30,946	54,657	58,196	34,016	48,517
Total Returns	36,124	62,272	69,354	55,671	56,360
Value of Feed Fed	29,711	36,090	36,453	26,885	34,279
Returns per \$100 Feed Fed	122	173	190	207	164
Returns above Feed per Cow	102	356	653	442	345
Pounds of Beef per Cow in Herd	493	743	1,155	523	757
Death Loss Total—% of Pounds Produced	7.5	4.1	3.6	5.5	4.6
Market Survival Rate %	91.7	92.6	95.0	88.2	93.2
Breeding Survival Rate %	97.8	98.3	98.5	98.6	98.2
Weight per Market Animal Sold	582	700	1,144	579	766
Price Received / 100 Pounds Sold—Market	143.29	137.67	124.10	147.94	134.31
Price Received / 100 Pounds Sold—Breeding	72.63	72.72	71.40	83.16	72.40
Feed Cost per 100 Pounds Produced	96.01	66.03	62.64	79.04	70.65
Pounds of Feed per 100 Pounds Produced:					
Grain/Complete Feed	195	156	264	33	198
Supplement	107	67	54	167	70
Total Concentrates	303	223	318	199	269
Hay & Dry Roughage	1,106	597	413	970	634
Corn Silage	260	453	385	343	394
Other Silage	153	195	46	0	139
Pasture Days	51	24	22	39	28
Pasture Days per Animal Unit	170	112	134	138	133
Hay Equivalent per Cow—Tons	5.9	5.0	6.4	5.0	5.6
Cost per 100 Pounds of Concentrates	9.37	9.78	8.40	13.30	9.16

Sheep Enterprise	Average Farm
Number of Farms	4
Number of Ewes in Flock	64
Number of Lambs Born	122
% Lamb Crop	189
Total Pounds Produced	14,573
Total Returns	18,774
Value of Feed Fed	14,628
Returns per \$100 Feed Fed	128
Returns above Feed per Ewe	65
Pounds Produced per Ewe in Flock	227
Death Loss Total—% of Pounds Produced	2.2
Market Survival Rate %	
Breeding Survival Rate %	96.6
Weight per Market Animal Sold	117
Price Received / 100 Pounds Sold—Market	163.55
Price Received / 100 Pounds Sold—Breeding	73.00
Feed Cost per 100 Pounds Produced	100.38
Pounds of Feed per 100 Pounds Produced:	
Grain/Complete Feed	340
Supplement	88
Total Concentrates	427
Hay & Dry Roughage	820
Other Silage	0
Pasture Days	25
Hay Equiv.	0.67
Pasture Days per Animal Unit	145
Hay Equivalent per Ewe—Tons	1.5
Cost per 100 Pounds of Concentrates	10.97

Dairy Cattle Enterprise	Average Farm	Number of Cows			High 1/3 80-149 Cows
		40-79	80-149	150+	
Number of Farms	51	8	26	14	9
Number of Cows	160.2	70.8	102.8	345.5	109.1
% of Cows Dry	12.2	15.3	12.9	11.4	12.9
Animal Units in Herd	293	141	184	636	195
Total Cwt. of Milk Produced	37,314	14,832	21,973	85,552	24,004
Pounds of Beef Produced	100,466	59,382	63,194	211,012	74,658
Total Returns	739,890	291,873	431,811	1,704,504	503,027
Value of Feed	374,190	176,597	228,625	821,584	218,849
Returns per \$100 Feed Fed	198	165	189	207	230
Returns above Feed per Cow	2,283	1,628	1,977	2,556	2,604
Pounds of Beef per Cow	627	839	615	611	684
Pounds of Milk per Cow	23,292	20,949	21,375	24,762	21,997
Pounds of Butterfat per Cow	890	821	811	946	850
Death Loss: % of Pounds Produced	15.7	16.1	16.5	15.0	15.8
Feed Cost Per Cwt. Milk Equivalent *	9.52	11.33	9.79	9.15	8.35
Price Received for 100 Pounds Milk	18.43	18.51	17.95	18.65	18.36
Price Received for 100 Pounds Beef—Market	92.13	59.90	91.93	104.01	88.05
Pounds of Feed Per Cwt. Milk Equivalent *					
Grain/Complete Feed	29	30	25	31	23
Supplement	24	21	19	27	14
Total Concentrates	53	51	44	58	37
Hay & Dry Roughage	14	25	23	8	20
Corn Silage	93	99	96	92	97
Other Silage	47	56	45	47	28
Pasture Days per Animal Unit	3	0	7	0	0
Hay Equivalent per Cow—Tons	8.0	8.8	8.4	7.7	7.5
Cost per 100 Pounds of Supplement	16.29	23.43	20.84	14.14	22.61
Cost per 100 Pounds of Concentrates	10.54	13.28	12.53	9.57	12.82
Dairy Patronage/FSA Payments/Cwt. Milk	0.42	0.24	0.58	0.36	0.92

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..... \$3.41
Oats..... \$2.54
Wheat..... \$4.25

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—2013 to 2017

Year	Feeder		Feeder		Beef Herd	
	Hogs (per cwt.)	Pigs (per cwt.)	Cattle (per cwt.)	Dairy (per cow)	Calves Sold (per cow)	
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)	
2016	14.38	8.64	16.70	1,936	(94)	
2017	20.98	15.13	43.56	2,283	102	
5-Yr. Average	20.54	14.49	29.14	2,393	197	
Nonfeed Costs, 2012–2016						
Direct Cash	11.30	7.13	19.23	1,701	191	
Other Costs	<u>8.68</u>	<u>4.02</u>	<u>15.52</u>	<u>611</u>	<u>124</u>	
TOTAL	19.98	11.15	34.76	2,312	316	

Cost to Produce Pork, 2014 to 2017¹

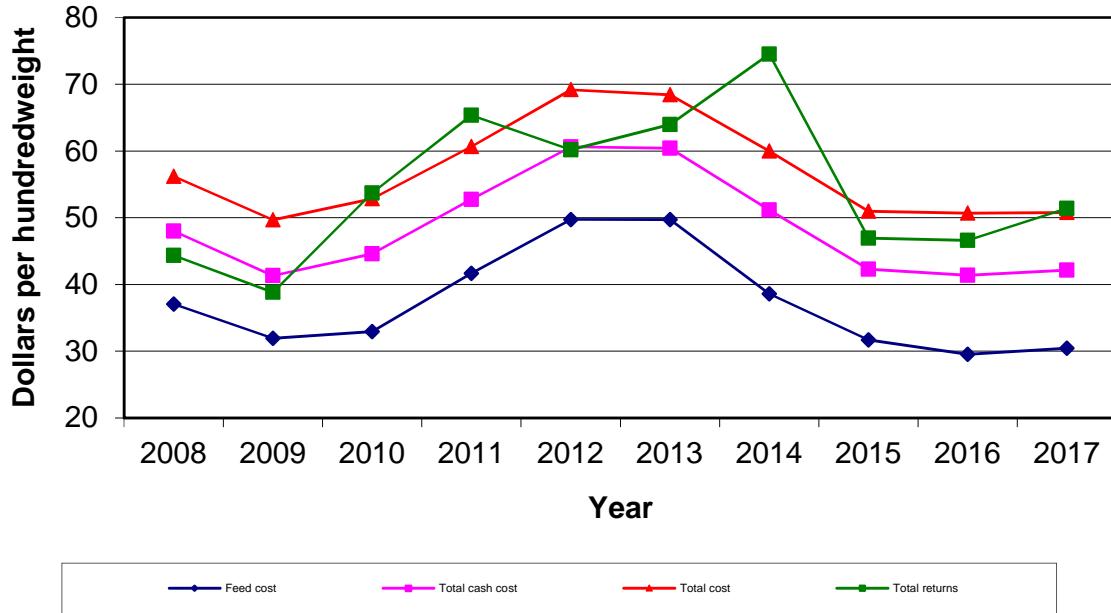
Items	2014	2015	2016	2017 Est.
Number of Farms	12	13	10	
Tillable Acres	553	398	632	
Number of Litters	494	583	492	
		<i>-----Per 100 Pounds Produced-----</i>		
Total Returns	\$74.52	\$46.96	\$46.63	\$51.41
Cash Costs				
Feed	\$38.59	\$31.71	\$29.54	\$30.43
Operating Expenses				
Maintenance and Power ²	\$6.10	\$4.55	\$5.17	
Livestock Expense	5.28	4.63	5.21	
Insurance, Taxes, and Overhead	<u>1.18</u>	<u>1.40</u>	<u>1.47</u>	
Total Operating Expenses	\$12.56	\$10.59	\$11.85	\$11.70
Total Cash Costs	\$51.15	\$42.30	\$41.39	\$42.13
Other Costs				
Depreciation ³	\$1.74	\$1.38	\$1.75	
Labor	5.49	5.94	6.05	
Interest Charge on All Capital	<u>1.59</u>	<u>1.34</u>	<u>1.51</u>	
Total Other Costs	\$8.82	\$8.66	\$9.31	\$8.64
Total Nonfeed Costs	\$21.38	\$19.25	\$21.16	\$20.34
Total All Costs	\$59.97	\$50.96	\$50.70	\$50.77
Return above All Costs	\$14.55	(\$4.00)	(\$4.07)	\$0.64

¹ Special Summary of Illinois Farm Business Records.

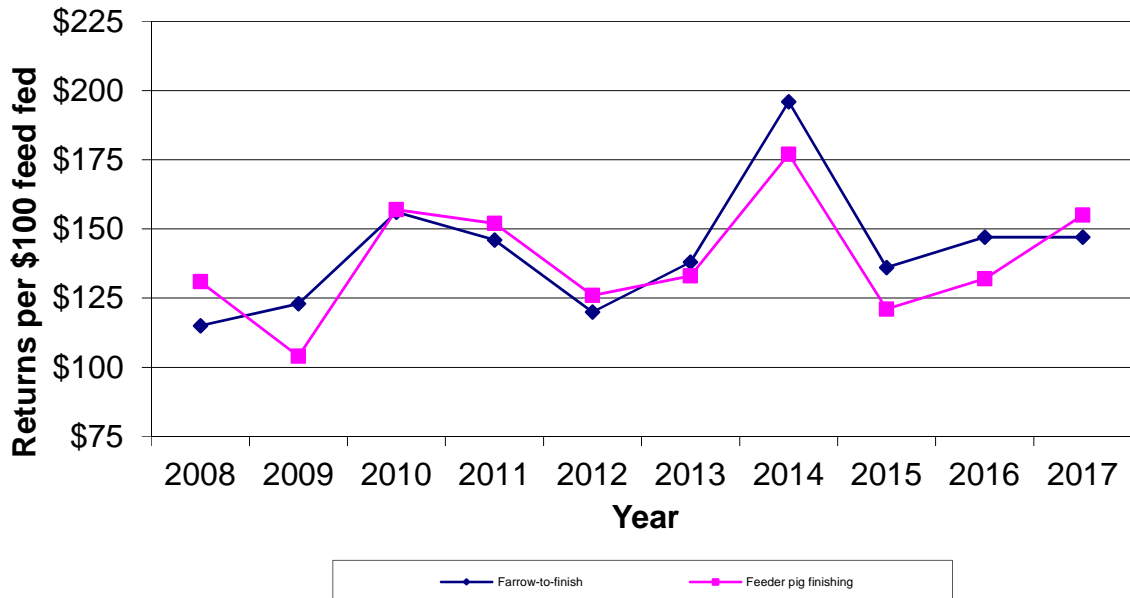
² Includes utilities, machinery, equipment and building repairs, machine hire, and fuel.

³ Includes machinery, equipment, and building depreciation.

Cost and Returns per 100 Pounds of Pork 2008 to 2017



Returns per \$100 of Feed Fed for Hog Farms - 2008 to 2017



Cost and Returns for Beef-Feeding Enterprises—2014 to 2017¹

Items	2014	2015	2016	2017 Est.
Number of Farms	15	12	9	
Average per Farm				
Tillable Acres	570	575	458	
Hundredweight Beef Produced	5,843	5,929	4,082	
		-----Per 100 Pounds Produced-----		
Cash Costs				
Feed	\$61.32	\$58.25	\$53.16	\$47.95
Operating Expenses				
Maintenance and Power ²	\$8.61	\$8.68	\$8.41	
Livestock Expense	6.20	7.88	5.43	
Insurance, Taxes, and Overhead	0.85	1.23	2.44	
Interest on Cattle	<u>6.23</u>	<u>7.11</u>	<u>4.76</u>	
Total Operating Expenses	\$21.89	\$24.90	\$21.04	\$21.90
Total Cash Costs	\$83.21	\$83.15	\$74.20	\$69.85
Other Costs				
Depreciation ³	\$3.64	\$3.93	\$4.72	
Labor	5.88	6.09	6.11	
Interest on Other Capital	<u>2.61</u>	<u>2.78</u>	<u>4.01</u>	
Total Other Costs	\$12.13	\$12.81	\$14.84	\$14.60
Total All Costs	\$95.34	\$95.96	\$89.04	\$84.45
Total Returns	<u>\$131.16</u>	<u>\$50.67</u>	<u>\$68.79</u>	<u>\$91.51</u>
Return above All Costs	\$35.82	(\$45.29)	(\$20.25)	\$7.06

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—2014 to 2017¹

Items	40-79 Cows				80+ Cows			
	2014	2015	2016	2017 Est.	2014	2015	2016	2017 Est.
Number of Farms	9	7	7		27	29	28	
Tillable Acres	198	182	140		442	475	490	
Number of Cows	64.0	57.4	61.7		216.7	210.0	230.3	
Pounds Milk per Cow	19,434	20,299	21,680		23,826	24,092	24,528	
				-----Per 100 Pounds of Milk Produced-----				
Price Received ²	\$25.29	\$16.79	\$16.22	\$18.51	\$25.16	\$17.48	\$16.30	\$18.20
Cash Costs								
Feed	\$12.73	\$10.70	\$9.40	\$11.91	\$11.06	\$9.09	\$8.66	\$10.12
Operating Expenses ³	3.07	2.84	2.39		3.03	2.40	2.25	
Livestock Expense	3.13	2.52	2.80		2.91	2.68	2.53	
Insurance, Taxes, and Overhead	0.19	0.09	0.19		0.26	0.24	0.24	
Total Operating Expenses	\$6.39	\$5.46	\$5.38	\$5.77	\$6.20	\$5.32	\$5.02	\$5.60
Total Operating and Feed	\$19.12	\$16.16	\$14.78	\$17.68	\$17.26	\$14.41	\$13.68	\$15.72
Other Costs								
Depreciation ⁴	\$0.85	\$0.96	\$0.89		\$0.98	\$0.96	\$0.87	
Labor	3.11	2.90	3.09		2.72	2.58	2.44	
Interest on All Capital	0.83	0.77	0.75		0.87	0.83	0.81	
Total Other Costs	\$4.79	\$4.63	\$4.73	\$5.00	\$4.57	\$4.37	\$4.12	\$4.51
Total Nonfeed Costs	\$11.18	\$10.09	\$10.11	\$10.77	\$10.77	\$9.69	\$9.14	\$10.11
Total All Costs	\$23.91	\$20.79	\$19.51	\$22.68	\$21.83	\$18.78	\$17.80	\$20.23
Return above All Costs	\$1.38	(\$4.00)	(\$3.29)	(\$4.17)	\$3.33	(\$1.30)	(\$1.50)	(\$2.03)

¹ Special Summary of Illinois Farm Business Records

² FSA and patronage payments not included. They may have added \$0.42/cwt. of milk in 2017.

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 nine 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.

To find out more about FBFM, contact the Illinois FBFM Association state office or a regional operations manager listed below.

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*Cooperating with University of Illinois Extension and the University of Illinois
Department of Agricultural and Consumer Economics*