



Kentucky Farm Business Management Program

Annual Summary Data Pennyroyal Area Farms - 2013

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A Special Note to Our Readers

The data for this study are drawn from the detailed financial and production records of producers cooperating with the Kentucky Farm Business Management Program. The data are not drawn from a random sample of farms in the state. However, these data are the most accurate and detailed farm financial data available to researchers and educators. Every attempt has been made to select a set of farms for these research studies which are “typical” operations and have complete financial information available for analysis. These data are carefully cross-checked by our farm management specialists before inclusion in this analysis. It should be noted that farms included in this study are representative of commercial farms producing major commodities and livestock, but not of all farms in Kentucky.

Source of Data

This report presents the summarized 2013 performance data, both financial and physical, on 340 Kentucky farm businesses. Some data are presented for previous years so that trends and changes can be studied. This is the 47th annual summary of records obtained from farmers participating in the Kentucky Farm Business Management (KFBM) program. The program is a cooperative effort between the Department of Agricultural Economics of the University of Kentucky and four incorporated Farm Analysis Groups. This program was initiated to improve Kentucky farm management in general and specifically to:

- Provide farmers with an individual farm analysis and comparative analysis of farm business records emphasizing information necessary for sound decision making and wise financial planning;
- Provide farmers with objective counseling in developing priorities and alternative plans;
- Provide the public with basic information about business conditions as well as costs and returns on Kentucky farms under current conditions;
- Provide Kentucky farmers, teachers, researchers and lending agencies actual on-farm information about Kentucky farm businesses.

In 2013, 548 farmers on 360 farms were members of the Kentucky Farm Business Management program keeping records under the direction of 9 Farm Business Management Specialists. The program serves farmers in 54 counties.

Uses for This Report

This annual summary is meant to be used as a reference for obtaining information about Kentucky farms. The results are therefore presented without interpretation. Throughout the year, Extension specialists and researchers will develop programs and publications that try to interpret the results and their implications. For more information, see <http://www.uky.edu/Ag/KFBM> for these Agricultural Economics - Extension Publications. Current publications include:

- Kentucky Grain Farms 2013
- Kentucky Beef Farms 2013
- Kentucky Dairy Farms 2013
- Kentucky Tobacco Farms 2013
- Kentucky Poultry Farms 2013
- Pennyroyal Farms 2013
- Purchase Area Farms 2013
- Ohio Valley Farms 2013
- Central Kentucky Farms 2013

Managing a farm business is almost impossible without a complete set of farm records. Records such as those underlying the KFBM program provide the essential information required by lenders and tax preparers, and also provide the means for farmers to fully analyze their businesses. Analyzing this complete record gives an accurate evaluation of how profitable and efficient the business is, indicates the business' weak points and strong points, and provides reliable data (particularly physical production data) for use in planning.

The farm business summaries in this report are used by individual farmers to analyze their business operations and to develop future plans for their farming operations. This report summarizes information so that specialists in agricultural Extension, teaching, and research can use the data to enhance their programs. The definition of terms and income and expense measures below may provide assistance in using the data.

Farmers must be able to evaluate changes in their financial position. They must look at the interrelationships of the cash flow, income statement, and balance sheet to evaluate financial progress. For "real" progress to be made, the business must generate an increase in net worth as measured by a reconciled set of financial statements.

To thoroughly evaluate performance – to learn how the business is progressing – farmers need a record summary that includes considerable detail (i.e., production per person, yields per acre or head, feed conversion rates, etc.), and they must make trend and comparative analysis.

Trend analysis compares the farm's current year record summary with summaries from previous years. It allows farmers to identify trends and changes in their business over time and thereby detect improvements and deteriorations in various parts of the business.

Comparative analysis allows farmers to examine the similarities and differences in business performance between their farm and that of other similar farms. Comparative analysis is an important part of the work that Farm Business Management Specialists do with farmers in the program. The data presented here, however, can be useful to any farmer in Kentucky as a benchmark for performance.

Definition of Terms and Accounting Methods

Sampling Technique

Data from all farm business records certified to be usable for comparative analysis by field staff were aggregated by area, type of farm, size (i.e., tillable acres, number of animal production units, etc.), and management. Illinois Farm Business Farm Management Association's Farm Business Farm Management software was used to compile and summarize the data. It is important to note the farms represented in the KFBM dataset can change from year to year, and that fluctuations within the data could be due to this change of sample.

Type of Farm

Farm type is based on the percent feed fed. To determine percent feed fed, the total value of feed fed to all livestock enterprises is divided by the value of crop returns. However, tobacco revenue is excluded from crop returns for this calculation. Values for percent feed fed can range from zero to infinity. Large values are possible if a farm has limited grain production and thus purchases much of its feed.

Grain farms are defined as farms on which the value of feed fed was less than 40 percent of the crop returns and the value of feed fed to dairy was less than one-sixth of the crop returns.

Beef farms are defined as farms on which the value of feed fed was more than 40 percent of the crop returns and the beef enterprise utilized more than one-half of the value of feed fed.

Dairy farms are defined as farms on which the value of feed fed was more than 40 percent of the crop returns and the dairy enterprise utilized more than one-third of the value of feed fed.

Hog farms are defined as farms on which the value of feed fed was more than 40 percent of the crop returns and the hog enterprise utilized more than one-half of the value of feed fed.

Accrual Accounting

Accrual accounting matches the year's cost and returns to the farm's physical production. It differs from cash accounting, which records payments as made and income as received. For KFBM purposes, cash records are adjusted to approximate accrual accounting. Changes in inventories of commodities and livestock, accounts receivable, prepaid expenses, and accounts payable are added to or subtracted from cash income and expense records for the calendar or fiscal year. Accrual accounting provides a more realistic reflection of net farm income for the period as well as more accurate income statements and balance sheets in accordance with Farm Financial Standards Council recommendations.

Expense/Cost Items

Total operating expenses include cash operating expenses plus depreciation plus the net effect on expenses when accounting for the accrual change in accounts payable and prepaid expenses. Cash operating expenses include cash outlays for the following non-depreciable items:

- Fertilizer
- Pesticides
- Seed (including homegrown seed)
- Machinery repairs
- Machinery hire and leases
- Fuel and oil (lubricants)
- Farm share of utilities and light vehicle expenses
- Building repairs
- Drying and storage
- Hired labor
- Livestock expense
- Taxes
- Insurance
- Miscellaneous expenses

Purchased feed, grain and livestock are not included because they are deducted from Gross Revenue to calculate the Value of Farm Production.

Depreciation used here is Economic Depreciation. It is calculated on each item using the Alternative Depreciation System (ADS) under the Modified Accelerated Cost Recovery System of the Internal Revenue Code of 1986. ADS imposes straight line depreciation over a longer cost recovery period than the General Depreciation System and other expense deductions allowed for income tax purposes.

Total interest expense includes cash interest paid on operating and term debt plus the net change in accrued interest on farm business debt.

Interest on equity capital is a charge of 3.15 percent on the current value of land and 4.95 percent on non-land items less total interest expense. It is the opportunity cost of investing in the farm business. The non-land charge is calculated by multiplying 4.95 percent times: 1) the average of the beginning and ending of year value of livestock, economic book value of machinery, and building investment; 2) one-half of the average of the beginning and ending of year balance of inventory items; and 3) one-half of the total year's cash operating expense.

Land Charge Total is the sum of land equity charge, real estate taxes, cash rent, and lease cost. Lease cost is the cost calculated to be paid by the landlord for the operator(s) share of acres paid less costs paid by the operator(s) for the landlord on share crop acres.

Unpaid family and operator labor is the opportunity cost of using the operator's own and unpaid family labor in the farm business. A charge of \$2,700 per month for unpaid operator and family labor is made for each farm. This labor charge is per labor month and is based on unpaid labor of 2,500 hours per year. Part-time family labor is therefore prorated. (Like any other resource, unpaid labor must be accounted for when studying profitability of a farm business).

Revenue Items

Crop returns is the sum of the feed and grain sold, value of all feed fed (except milk), government crop subsidy program payments, and the change in value of feed and grain inventories less the value of crops and feed purchased. Tobacco revenue is excluded from crop returns for this calculation.

Livestock returns above feed is the sum of the sale of livestock and livestock products, value of livestock products consumed, and value of the livestock on hand at the end of the year minus livestock purchases and the value of the livestock on hand at the beginning of the year minus the cost of all feed fed, whether purchased or raised.

Gross farm returns is the sum of cash and accrued value of sales of farm products and services, government payments, and other farm-related revenue less the cost of purchased feed and livestock, plus the change in inventory value for grain and livestock, plus the value of farm products used. Farm products used are products consumed on farm and not sold. This is also called *Value of farm production*.

Net Farm Income is the value of farm production less total operating expenses, less total interest expense plus net gain or loss on machinery and buildings sold. Net Farm Income includes returns to the farm for unpaid family and operator labor, the interest on invested capital, and management. It is the net total earnings to the farm operator(s).

Operator(s) labor and management income is Net Farm Income less the interest charge on equity capital, less the opportunity cost of unpaid family labor. It represents the operators' return to their labor and management.

Management return is the residual after a charge for unpaid operator labor is deducted from operator(s) labor and management income.

Operator-only refers to the revenue, costs, production, and returns that accrue to the farmer(s) involved in the farm's management and NOT that of landlords.

Financial Efficiency Ratios

Expense Ratios are measures of how economically farm businesses operate. Each ratio compares some aspect of expense or Net Farm Income to gross farm returns.

Other Terms Used in this Report

Inventory value of crops and livestock is based on average year-end prices reported for the four KFBM areas in the Kentucky Department of Agriculture Market Reports and the USDA Agriculture Marketing Service reports.

Old Crop is any crop that was produced in a prior year, but inventoried and held for sell in the current year.

New Crop is any crop that was produced in the current year.

Hi 1/3 and Lo 1/3 refer to groupings by management returns. Thirds are the net of Gross Farm Returns less Total Non-Feed Cost.

Operator Acres is owned and cash rented acres plus the operator's share of tillable acres under crop share leases.

Pasture Days is the number of days the operator(s) reported that livestock derived a significant portion of nutrition from pasture. The charge to livestock for pasture days is the number of days multiplied times the number of animal units involved at a calculated cost of \$0.31/day for producing grass in pasture.

Total Acres Planted – Selected Crops is the total number of acres planted to a particular crop divided by the number of farms that planted that crop for all farms in a particular comparative sort.

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The Pennyroyal area of Kentucky is in the western part of Kentucky. Counties included in the Pennyroyal area are: Livingston, Crittenden, Lyon, Caldwell, Trigg, Christian, Muhlenberg, Todd, Logan, Simpson, Butler, Warren, Edmonson, Allen, Barren, Metcalfe, and Monroe. The Pennyroyal Farm Analysis Group, Inc. served 180 farms in the area during 2013. Due to current Kentucky Farm Business Management (KFBM) data standards, only 121 farms were included in the average data. The majority of the farms were grain farms (corn, wheat, and soybeans). However, there were also tobacco, contract broiler production, contract hog production, dairy farms, and beef cattle farms. Pennyroyal averages were computed for grain farms. Limited data prevents the publication of Pennyroyal specific tobacco, contract broiler, contract hog, dairy, and beef cattle farms.

Farm Size and Ownership

In 2013, the average Pennyroyal grain farm was 2,937 acres, of which 2,730 were tillable acres. Average tillable operator acres, acres from which the farmer receives revenue, were 2,556 acres. The average Pennyroyal grain farm owned 29% of their tillable acres and rents the remainder on a crop share or cash rent agreement. Cash rent continues to be the dominant rental agreement as 53% of the acreage is cash rented and 18% is crop shared (Figure 1A and Table 1).

Figure 1A. Pennyroyal Grain Farms

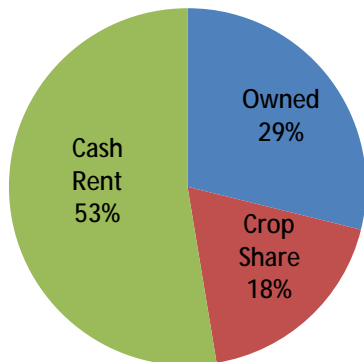
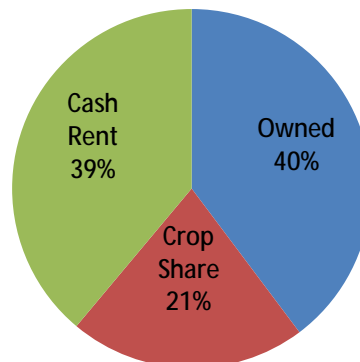


Figure 1B. Pennyroyal Grain Hi 1/3



Pennyroyal farms can also be divided by Management Returns into an upper and lower third. The upper third of the farms averaged 3,053 tillable acres, of which 2,821 acres were tillable operator acres. In other words, 92% of their acres are tillable operator acres. This group owned 40% of their land, rented on a crop share 21%, and cash rented the remaining 39%. The lower third group averaged 2,707 tillable acres, of which 2,560 acres are tillable operator acres. Tillable operator acres account for 95% of their total tillable acres. The lower third owned 22%, crop shared 16%, and cash rented 62% (Table 2).

Farm Costs

There are six categories of farm costs that are analyzed. These categories are: crop expense, power and equipment, building expense, labor, other expense, and land charges. Feed costs are deducted from livestock sales as a cost of goods sold rather than a cost of production. Both cash and non-cash costs are analyzed on an accrual basis. Non-cash costs include depreciation,

unpaid labor, non-land interest charge, and interest on owned land. In 2013, Pennyroyal grain farms averaged non-feed costs of \$914.46 per acre. Crop expenses made up one-third of all costs, Land Charge accounted for 21%, Power and Equipment 21%, Other Costs 12%, Labor 10%, and Building 4% (Figure 2 and Table 1A).

Figure 2. Percentage Non-Feed Costs

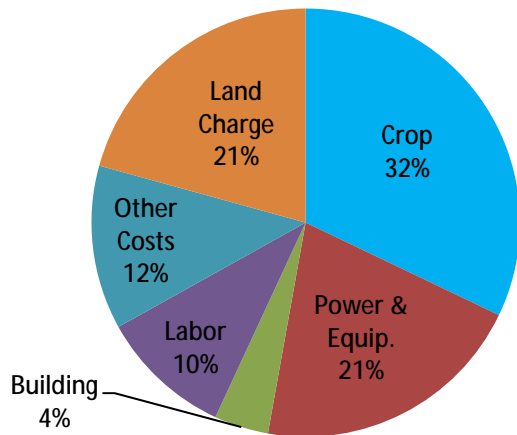
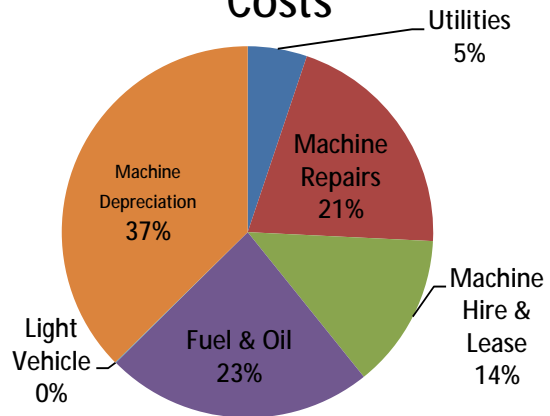


Figure 3. Percentage Power & Equipment Costs



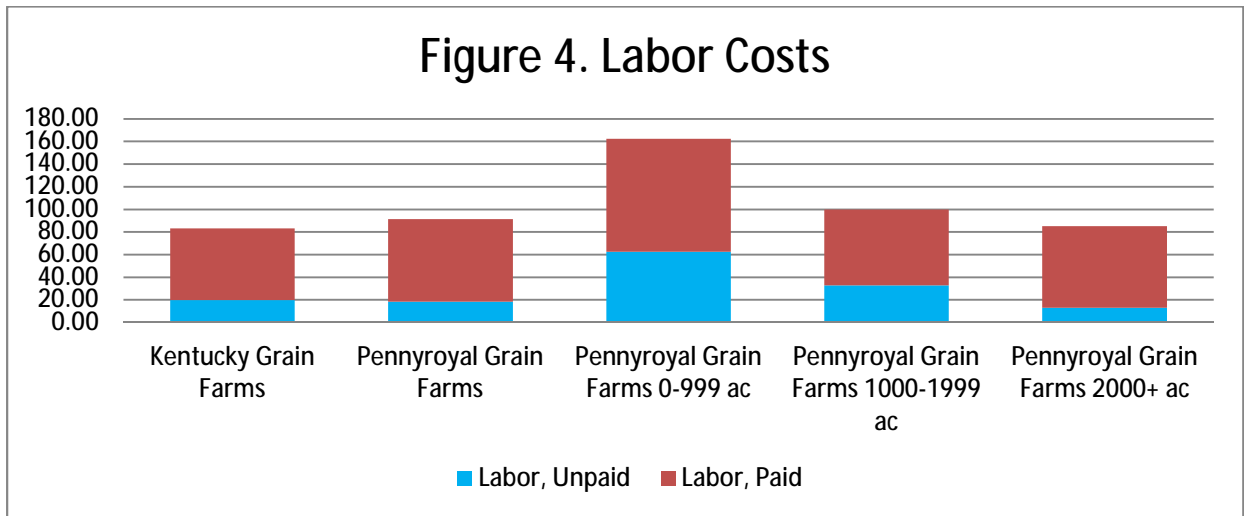
Non-feed expenses increased about \$74 per acre from 2012 to 2013 for Pennyroyal grain farms. However, the percentage of total non-feed expenses to gross farm returns was higher in 2013 than 2012, 83.6% and 81.1%, respectively. Crop expenses were the only cost to decrease in percentage of gross farm returns from 2012 to 2013. The largest increase was realized in power and equipment costs and land charge cost with each of them equaling 16.4% of gross farm returns in 2012 to 17.3% of gross farm returns in 2013.

Crop expenses account for the majority of the costs, thus it is essential to manage these costs efficiently to maintain profitability. Even a change in a single crop input can have a significant impact on the budget. In 2013, Pennyroyal grain farms spent \$293.60 per acre on crop expenses. The average Pennyroyal grain farm spent \$142.66 on fertilizer, \$66.52 on pesticides, and \$84.42 on seed (Table 2A). The high third group had crop expense costs of \$287.22 per acre and the low third group had crop expenses of \$290.97 per acre (Table 2A).

Power and Equipment costs can vary largely from one operation to another depending on the desire for new paint and how efficiently the equipment is used in the operation. If the farm upgrades equipment on a regular basis, the repair costs will likely be lower, but depreciation will be higher. The farms with older equipment and a smaller labor force will have higher repair costs and more machine hire, but the machinery depreciation will be lower. The number of acres farmed greatly affects the power and equipment costs as well, since the fixed costs are spread over more acres. In 2013, the average power and equipment cost for Pennyroyal grain farms was \$189.35 per acre, with depreciation making up \$71, or 37%, of the cost. Farms having more depreciation and machine hire, caused lower repair costs, as expected. The higher economic depreciation could be driven by tax depreciation. After a couple of years of good returns, many farms ramped up equipment purchases, taking advantage of tax depreciation laws (Figure 3 and Table 1A).

Building costs averaged \$37.47 per acre for Pennyroyal grain farms. Building costs consist of drying, storage, building repair and rent, and building depreciation (Table 1A).

Labor is essential to all operations and thus, it is always an item of concern. Good labor is costly and hard to find. When high-quality employees are found, employers like to retain them, regardless of the cost. The average cost of labor for Pennyroyal grain farms was \$91.41 per acre, which includes paid and unpaid labor. Unpaid labor is the opportunity cost of using operator's own and unpaid family labor in the farm business. Unpaid labor is high for the group with less than 1000 acres because they have fewer acres to spread the cost over. The average Kentucky farm incurred labor costs of \$83.21 per acre (Figure 4 and Table 1A).



Other costs include vet, medicine, and livestock supplies; insurance, miscellaneous, and non-land interest. Non-land interest accounts for the major portion of this category, but insurance costs have been rising. Non-land interest is calculated by charging 4.95% interest on the average investment for the year in capital (livestock, machinery, and buildings) and cash operating expenses for each farm. If the money was not invested in the farm, it would most likely be earning a return elsewhere. The average Pennyroyal grain farm averaged other costs of \$113.36 per acre, with \$61.81 of this being non-land interest. Insurance costs were \$37.77 per acre; which includes crop, liability, and property insurance on farm assets (Table 1A). Of this, \$24.85 per acre was the average cost of crop insurance for Pennyroyal grain farms.

Land costs include charges for rent, property taxes, and non-cash interest on owned tillable acres. The interest charge on land is essentially the opportunity cost of having money invested in land for farming rather than investing elsewhere to earn a return. In 2013, the interest charge was 3.15%. The average Pennyroyal grain farm averaged land charges of \$189.28 per acre. Total non-feed costs averaged \$914.46 per acre for Pennyroyal grain farms. The average Kentucky grain farm averaged \$871.26 in total non-feed costs per acre (Table 1A).

Production

Unlike the high temperatures and drought in 2012, 2013 offered more rain and lower temperatures. Rains in both the spring and fall led to later planting and harvesting than in 2012. All grain crop yields were higher in 2013 than in 2012. Corn had the largest percentage increase

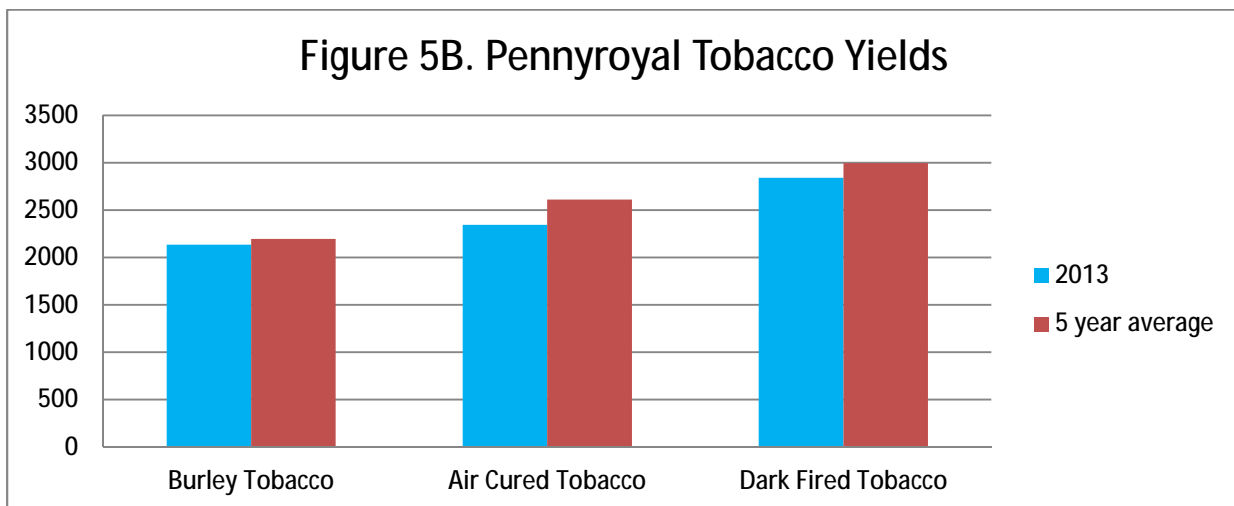
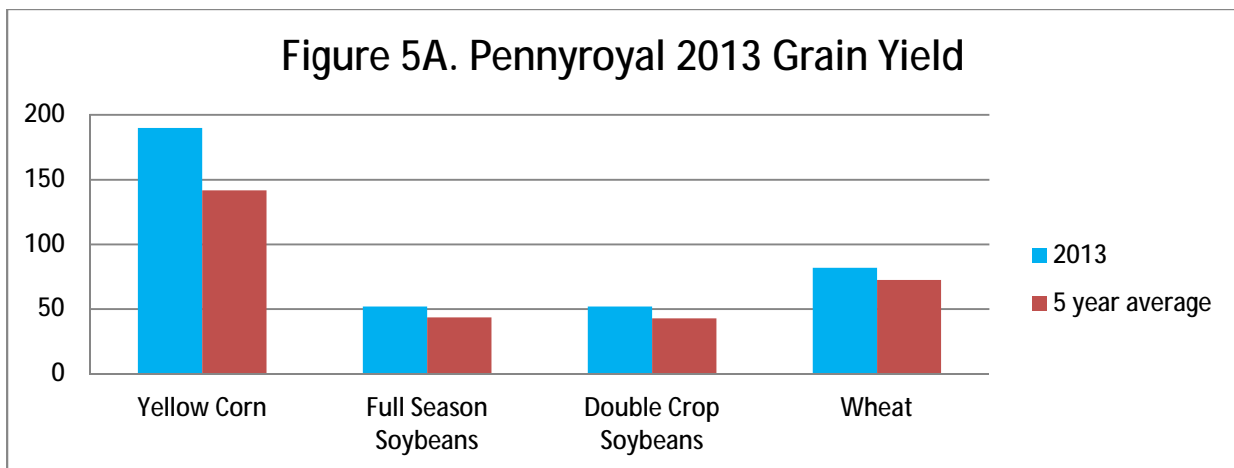
over all the crops. The rains in 2013 were welcomed by grain crops, while tobacco yields suffered some from the rain.

Producers in the Pennyroyal area saw corn yields higher than the five and ten-year averages. Yellow corn yield in 2013 was 190 bu/acre, a 160% increase over 2012 yields. This was over 48 bu/acre higher than the five and ten year averages (Figure 5A and Table 4).

Soybean yields in the Pennyroyal area have been fairly consistent over the past ten years. Full season soybeans averaged 52 bu/acre. This is 8 bu/acre higher than five year average and 9 bu/acre higher than the ten year average. Double crop soybeans were 52 bu/acre, almost a 10 bushel increase over the five year average and 14 higher than the ten year average (Table 4).

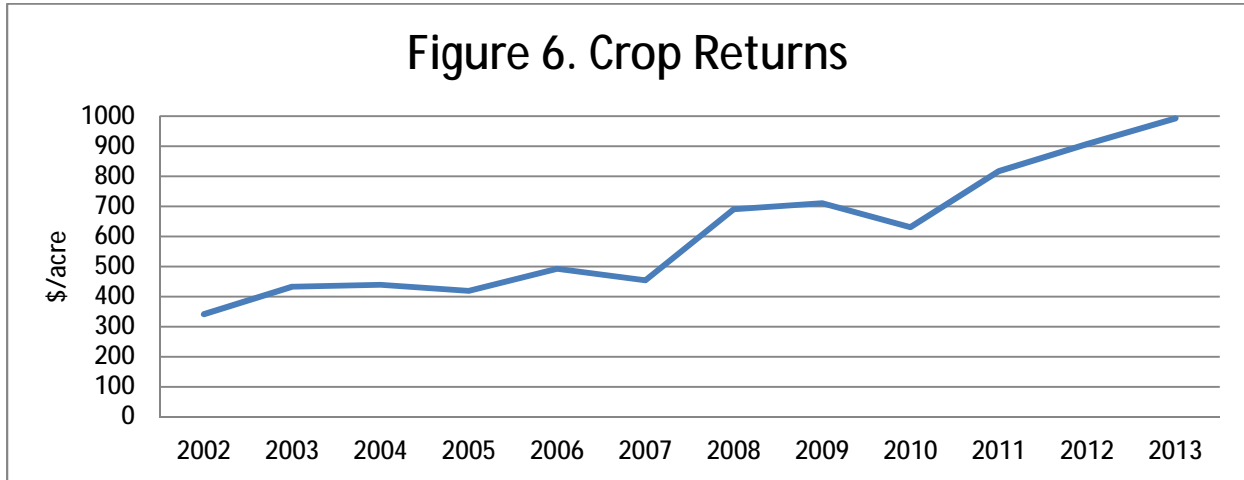
Wheat remained a popular commodity in the Pennyroyal area because prices remained stable. Wheat yields were above average. Producers averaged 82 bu/acre, higher than the five and ten year average of 73 bu/acre and 70 bu/acre, respectively (Table 4 and Figure 5A).

Tobacco yields were decent in 2013 but were lower than the 2012 average. Burley tobacco averaged 2,135 lb/acre. Air cured tobacco averaged 2,345 lb/acre in 2013. Dark Fired tobacco averaged 2,842 lb/acre in 2013 (Table 4 and Figure 5B). Yields in 2013 were lower than the five year average and the lowest yield over the last 5 years.

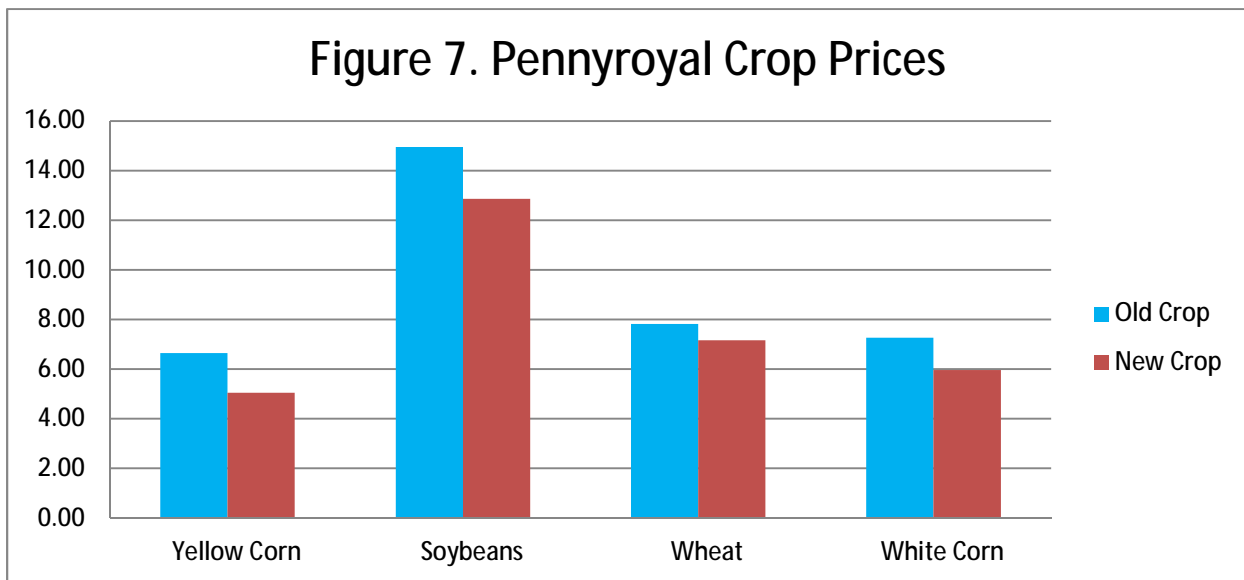


Crop Returns

After the drought in 2012, farmers welcomed the rain that led to record yields which in turn led to an increase in crop returns in 2013. As seen in Figure 6, crop returns of \$991.80 were the highest they had been in the last 12 years, even with prices on the decline from the prior years. The five-year average was \$811.43 per acre and the ten year average was \$655.26. Kentucky grain farms averaged crop returns of \$935.68 per acre (Table 1A). Pennyroyal farms had a much higher percentage of double crop acres than the other areas of the state, thus the higher crop returns.

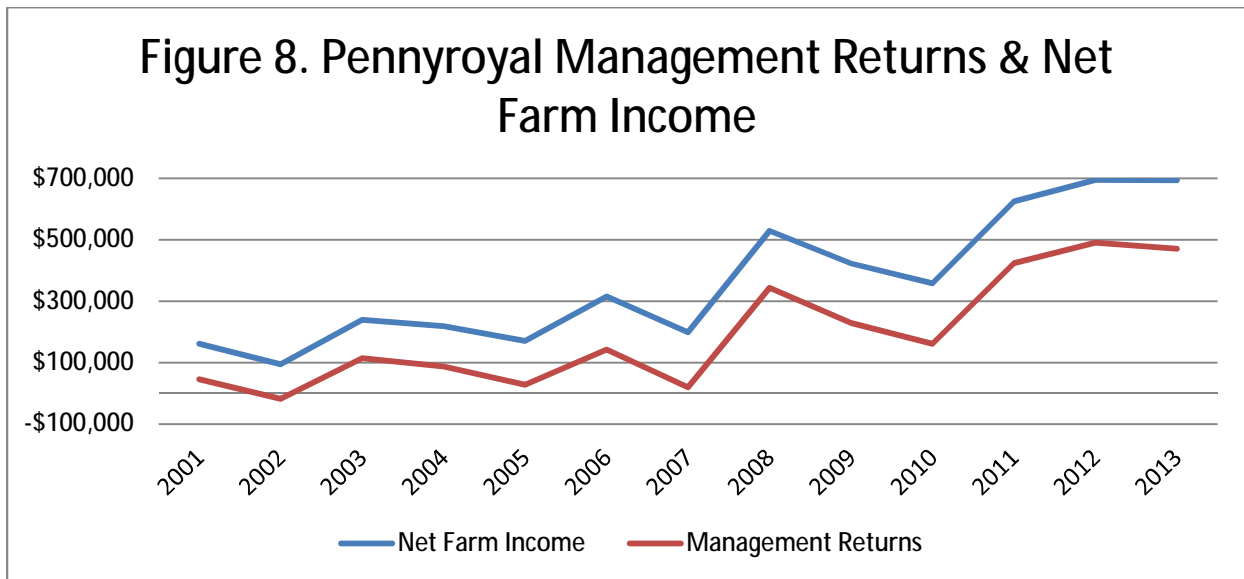


In terms of crop price assessment, both new crop and old crop prices are examined. Old crop price is the price received for the 2012 crop sold in 2013, while the new crop price is the price received for the 2013 crop sold in 2013. Prices received were lower than the highs seen in 2012. As expected, old crop prices were higher than new crop prices (Table 5 and Figure 7). Looking forward into the 2014 crop, market prices have continued to drop off the highs seen in previous years.



Management Returns and Net Farm Income

Pennyroyal grain farms saw a stable Net Farm Income (NFI)¹ and a decrease in Management Returns² in 2013. NFI averaged \$693,086, which was above the five-year average, and well above the ten-year average. Management Returns averaged \$470,714, once again above the five-year and ten-year averages. The chart below demonstrates the trend over the past years for all Pennyroyal grain farms. The past six years have been the most successful years (Table 1 & 6 and Figure 8).



It is interesting to analyze the upper and lower third of Pennyroyal grain farms as well. The upper third had Management Returns of \$933,141, or \$330.84 per acre and NFI of \$1,232,051, or \$436.74 per acre. This group had higher crop yields on all crops than the lower third and marketing strategies were similar between both groups as seen by similar prices on 2013 crops. The low third group did a better job marketing old crop as seen in higher prices for all grain crops except corn. The lower third averaged Management Returns of \$53,461, or \$20.85 per acre and NFI of \$226,284, or \$88.39 per acre. The lower third owns 22 percent of their land base, while the high third farms own 40 percent of their land base. Higher cash rents, reflected in the higher land charges, are another factor that likely caused this group's management returns to be lower. The upper third was much more efficient in operating expense, as shown with the operating expense ratio of 54.69% versus 77.64% for the lower third. That translates to nearly a 28% advantage in the NFI from operations ratio for the upper third (Tables 2A & 2B).

¹ Net farm income includes returns to the farm for unpaid family and operator labor, the interest on invested capital, and management.

² Management returns are calculated by subtracting a capital investment charge for the operator's equity and a charge for operator's labor.

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Table 1 - Income Statement Summary of Pennyroyal Farms - 2013

	Kentucky	Pennyroyal	Pennyroyal	Pennyroyal	Pennyroyal	Pennyroyal
			Grain	Grain	Grain	Grain
Range in Size (Acres)	All	All	All	0-999	1000-1999	2000+
Management Returns	All	All	All	All	All	All
Number of Farms	268	148	121	29	31	61
Total Acres in Farm	2,269	2,560	2,937	739	1,628	4,647
Tillable Acres in Farm	2,087	2,345	2,730	635	1,472	4,366
Operator Tillable Acres	1,919	2,197	2,556	600	1,357	4,095
Percent Land Owned	29.1%	30.2%	28.9%	41.9%	31.7%	27.5%
Percent Land Crop Share	23.2%	18.1%	18.5%	18.7%	24.4%	17.5%
Percent Land Cash Rent	47.7%	51.7%	52.6%	39.5%	43.9%	55.0%
Months of Hired Labor	48.3	61.8	67.1	25.4	42.6	99.4
Months of Unpaid Labor	17.0	17.8	18.6	14.4	17.8	21.0
Total Months Labor	65.3	79.6	85.7	39.8	60.4	120.4
FARM RETURNS						
Total Cash Operating	2,009,750	2,497,002	2,789,302	688,924	1,373,268	4,507,467
Inventory Change	225,012	253,592	301,170	44,036	141,488	504,563
Accounts Receivable Change	(58,163)	(61,604)	(74,320)	(5,264)	(55,959)	(116,482)
Farm Products Used	0	0	0	0	0	0
Less Purchased Feed & Grain	114,322	143,864	93,447	17,329	22,249	165,818
Less Purchased Livestock	11,066	15,242	10,619	7,217	6,975	14,088
GROSS FARM RETURNS	2,051,211	2,529,885	2,912,086	703,150	1,429,574	4,715,643
FARM COSTS						
Total Cash Operating	1,447,195	1,810,968	2,083,568	461,053	977,352	3,417,102
Farm Products Used	0	0	0	0	0	0
Prepaid Expense Change	(45,569)	(83,524)	(101,144)	(587)	(35,109)	(182,508)
Accounts Payable Change	5,622	7,068	9,257	1,433	11,876	11,646
TOTAL OPERATING EXPENSE	1,407,248	1,734,512	1,991,681	461,899	954,119	3,246,240
INCOME BEFORE DEPRECIATION	643,963	795,372	920,404	241,251	475,454	1,469,402
Less Depreciation	178,117	207,676	238,666	61,930	122,432	381,758
FARM OPERATING INCOME	465,847	587,696	681,738	179,321	353,022	1,087,644
Capital Account Adjustment	8,096	9,598	11,348	6,006	8,293	15,440
NET FARM INCOME (NFI)	473,943	597,294	693,086	185,327	361,315	1,103,084
Less Unpaid Family Labor	1,604	1,619	1,981	3,420	711	1,942
RETURNS TO OPERATOR LABOR						
CAPITAL, & MANAGEMENT	472,339	595,675	691,105	181,907	360,604	1,101,142
Less Unpaid Operator Labor	45,236	47,338	49,248	36,195	48,435	55,868
RETURNS TO EQUITY CAPITAL						
& MANAGEMENT	427,103	548,337	641,856	145,712	312,169	1,045,274
Less Equity Capital Charge	128,987	153,843	171,142	54,491	95,426	265,078
MANAGEMENT RETURNS	298,116	394,494	470,714	91,221	216,743	780,197
FINANCIAL EFFICIENCY RATIOS						
Operating Expense Ratio (%)	65.56%	65.61%	65.50%	62.69%	63.76%	65.97%
Depreciation Expense Ratio (%)	8.68%	8.21%	8.20%	8.81%	8.56%	8.10%
Interest Expense Ratio (%)	3.05%	2.95%	2.89%	3.00%	2.98%	2.87%
NFI from Operations Ratio (%)	22.71%	23.23%	23.41%	25.50%	24.69%	23.06%

Table 1A - Economic Management Analysis per Operator Acre: Pennyroyal Farms 2013

	Kentucky	Pennyroyal	Pennyroyal	Pennyroyal	Pennyroyal	Pennyroyal
	Grain		Grain	Grain	Grain	Grain
Range in Size (Acres)	All	All	All	0-999	1000-1999	2000+
Management Returns	All	All	All	All	All	All
Number of Farms	222	148	121	29	31	61
Total Acres in Farm	2,564	2,560	2,937	739	1,628	4,647
Tillable Acres in Farm	2,404	2,345	2,730	635	1,472	4,366
Operator Tillable Acres	2,206	2,197	2,556	600	1,357	4,095
Percent Land Owned	27.5%	30.2%	28.9%	41.9%	31.7%	27.5%
Percent Land Crop Share	23.8%	18.1%	18.5%	18.7%	24.4%	17.5%
Percent Land Cash Rent	48.6%	51.7%	52.6%	39.5%	43.9%	55.0%
Months of Hired Labor	52.1	61.8	67.1	25.4	42.6	99.4
Months of Unpaid Labor	17.6	17.8	18.6	14.4	17.8	21.0
Total Months Labor	69.7	79.6	85.7	39.8	60.4	120.4
FARM RETURNS						
Crop Returns	935.68	971.69	991.80	904.65	890.49	1,014.94
Livestock Return Above Feed	10.57	38.38	6.33	25.40	5.86	5.09
Custom Work	9.98	9.55	9.49	14.34	5.39	9.85
Other Farm Receipts	19.05	27.65	24.54	25.72	27.72	23.92
Tobacco Returns	52.38	59.83	62.00	188.57	97.20	47.25
GROSS FARM RETURNS	1,027.66	1,107.09	1,094.17	1,158.67	1,026.65	1,101.04
FARM COSTS						
Soil Fertility	138.77	140.27	142.66	136.48	148.80	142.05
Pesticides	64.34	64.74	66.52	66.62	64.58	66.84
Seed	84.68	82.84	84.42	76.35	75.43	86.50
Crop Total	287.79	287.85	293.60	279.46	288.80	295.39
Utilities	9.22	11.90	9.82	16.45	10.55	9.24
Machine Repairs	38.31	41.19	39.00	60.96	47.92	35.97
Machine Hire & Lease	24.02	30.80	25.48	46.17	24.55	24.19
Fuel & Oil	40.67	45.15	44.17	39.74	41.74	44.89
Light Vehicle	0.10	0.08	0.08	0.04	0.02	0.10
Machine Depreciation	69.92	71.44	70.79	74.68	73.40	70.08
Power & Equip. Total	182.25	200.56	189.35	238.05	198.18	184.47
Drying	8.41	8.62	9.00	4.06	6.71	9.73
Storage	1.05	1.35	1.22	0.62	1.07	1.29
Building Repair & Rent	9.86	9.68	9.25	13.52	8.93	9.00
Building Depreciation	16.50	18.66	18.00	23.65	11.23	18.74
Building Total	35.82	38.30	37.47	41.86	27.95	38.76
Labor, Unpaid	19.95	20.72	18.45	62.61	32.97	12.92
Labor, Paid	63.26	77.02	72.96	99.88	66.88	72.11
Labor Total	83.21	97.74	91.41	162.49	99.85	85.03
Vet, Med, Livestock Supply	1.32	7.30	1.26	2.98	0.95	1.19
Insurance	36.10	37.27	37.77	43.54	32.44	38.26
Miscellaneous	11.99	12.53	12.52	14.82	9.24	12.91
Interest Charge - Non land	59.56	64.35	61.81	69.40	59.58	61.66
Other Costs Total	108.97	121.44	113.36	130.74	102.21	114.02
Land Charge Total	173.23	186.03	189.28	164.16	156.03	196.63
TOTAL NON-FEED COSTS	871.26	931.93	914.46	1,016.76	873.01	914.30
Gain/loss Capital Sales	4.32	4.37	4.44	10.00	6.11	3.77
MANAGEMENT RETURNS	160.72	179.53	184.15	151.92	159.75	190.51

Table 1B - Economic Management Analysis per Operator Acre: Pennyroyal Farms - 2013						
	Kentucky	Pennyroyal	Pennyroyal	Pennyroyal	Pennyroyal	Pennyroyal
			Grain	Grain	Grain	Grain
Range in Size (Acres)	All	All	All	0-999	1000-1999	2000+
Management Returns	All	All	All	All	All	All
Number of Farms	268	148	121	29	31	61
Crop Yields						
Yellow Corn	190	190	190	190	187	191
Full Season Soybeans	53	52	52	56	55	51
Wheat	81	82	82	82	82	82
Double Crop Soybeans	51	52	52	52	51	52
White Corn	190	190	190			
Barley	87	88	89			88
Tobacco - Burley	2,103	2,135	2,127	2,214	2,025	2,162
Tobacco - Dark Air Cured	2,398	2,345	2,338		2,343	2,309
Tobacco - Dark Fire Cured	2,836	2,842	2,842		2,659	2,966
Total Acres Planted-Selected Crops						
Yellow Corn	975	1,071	1,220	278	625	1,963
Full Season Soybeans	533	392	413	132	216	603
Wheat	717	949	1,031	252	500	1,638
Double Crop Soybeans	751	990	1,074	264	504	1,715
White Corn	1,169	1,261	1,261			
Barley	225	248	250			295
Tobacco - Burley	49	39	41	19	42	55
Tobacco - Dark Air Cured	16	18	19		10	28
Tobacco - Dark Fire Cured	36	37	38		18	50
Land Use %						
Yellow Corn	43.3%	41.2%	42.8%	40.1%	41.3%	43.2%
Full Season Soybeans	20.8%	12.9%	13.1%	13.9%	12.8%	13.1%
Wheat	25.5%	32.1%	33.6%	32.0%	30.8%	34.2%
Double Crop Soybeans	26.3%	33.5%	35.0%	33.7%	31.1%	35.8%
White Corn	2.6%	4.1%	4.3%			
Barley	0.9%	1.4%	1.4%			1.6%
Tobacco - Burley	0.5%	0.5%	0.5%	1.0%	1.0%	0.3%
Tobacco - Dark Air Cured	0.1%	0.2%	0.2%		0.2%	0.2%
Tobacco - Dark Fire Cured	0.3%	0.4%	0.4%		0.5%	0.3%
Crop Value Per Acre						
Yellow Corn	875	887	891	860	820	905
Full Season Soybeans	692	666	670	743	699	659
Wheat	559	562	563	527	540	569
Double Crop Soybeans	668	682	683	670	659	688
White Corn	1,029	1,032	1,032			
Barley	375	380	385			384
Tobacco - Burley	4,602	4,434	4,422	4,561	4,166	4,526
Tobacco - Dark Air Cured	5,610	5,471	5,452		5,749	5,257
Tobacco - Dark Fire Cured	7,398	7,409	7,410		6,897	7,700
Price Received - Old Crop						
Yellow Corn	6.77	6.64	6.65	7.05	6.72	6.60
Soybeans	14.71	14.94	14.95	14.87	14.59	15.03
Wheat	7.82	7.82	7.82	7.73	7.88	7.82
White Corn	7.26	7.26	7.26			
Barley	5.29	5.29	5.29			5.29
Tobacco - Burley	2.05	2.08	2.08	2.24	2.58	2.04
Tobacco - Dark Air Cured	2.24	2.24	2.24		2.27	2.24
Tobacco - Dark Fire Cured	2.49	2.49	2.49		2.48	2.49
Price Received - New Crop						
Yellow Corn	4.94	5.04	5.05	4.87	4.45	5.15
Soybeans	12.90	12.85	12.86	12.98	12.33	12.93
Wheat	7.07	7.16	7.16	7.11	6.80	7.22
White Corn	5.96	5.96	5.96			
Barley	4.29	4.29	4.29			4.31
Tobacco - Burley	2.07	2.06	2.06	2.06	2.06	2.06
Tobacco - Dark Air Cured	2.31	2.30	2.30		2.31	2.29
Tobacco - Dark Fire Cured	2.58	2.58	2.58		2.62	2.54

Table 2 - Income Statement Summary of Pennyroyal Grain Farms by Management - 2013

	Pennyroyal Grain	Pennyroyal Grain	Pennyroyal Grain
Range in Size (Acres)	All	All	All
Management Returns	All	Hi 1/3	Lo 1/3
Number of Farms	121	40	40
Total Acres in Farm	2,937	3,334	2,885
Tillable Acres in Farm	2,730	3,053	2,707
Operator Tillable Acres	2,556	2,821	2,560
Percent Land Owned	28.9%	39.7%	22.3%
Percent Land Crop Share	18.5%	21.3%	16.0%
Percent Land Cash Rent	52.6%	38.9%	61.7%
Months of Hired Labor	67.1	54.8	70.8
Months of Unpaid Labor	18.6	17.3	19.0
Total Months Labor	85.7	72.0	89.8
FARM RETURNS			
Total Cash Operating	2,789,302	3,076,645	2,670,005
Inventory Change	301,170	466,781	130,260
Accounts Receivable Change	(74,320)	(49,000)	(71,146)
Farm Products Used	0	0	0
Less Purchased Feed & Grain	93,447	97,793	70,934
Less Purchased Livestock	10,619	2,569	12,636
GROSS FARM RETURNS	2,912,086	3,394,064	2,645,549
FARM COSTS			
Total Cash Operating	2,083,568	2,134,472	2,220,208
Farm Products Used	0	0	0
Prepaid Expense Change	(101,144)	(260,615)	(20,421)
Accounts Payable Change	9,257	57,868	(32,751)
TOTAL OPERATING EXPENSE	1,991,681	1,931,725	2,167,036
INCOME BEFORE DEPRECIATION	920,404	1,462,339	478,512
Less Depreciation	238,666	241,650	267,302
FARM OPERATING INCOME	681,738	1,220,689	211,210
Capital Account Adjustment	11,348	11,362	15,074
NET FARM INCOME (NFI)	693,086	1,232,051	226,284
Less Unpaid Family Labor	1,981	2,548	138
RETURNS TO OPERATOR LABOR			
CAPITAL, & MANAGEMENT	691,105	1,229,503	226,146
Less Unpaid Operator Labor	49,248	44,975	52,138
RETURNS TO EQUITY CAPITAL			
& MANAGEMENT	641,856	1,184,528	174,007
Less Equity Capital Charge	171,142	251,387	120,547
MANAGEMENT RETURNS	470,714	933,141	53,461
FINANCIAL EFFICIENCY RATIOS			
Operating Expense Ratio (%)	65.50%	54.69%	77.64%
Depreciation Expense Ratio (%)	8.20%	7.12%	10.10%
Interest Expense Ratio (%)	2.89%	2.22%	4.27%
NFI from Operations Ratio (%)	23.41%	35.97%	7.98%

Table 2A - Economic Management Analysis per Operator Acre: Pennyroyal Grain Farms by Management - 2013			
	Pennyroyal Grain	Pennyroyal Grain	Pennyroyal Grain
	All	All	All
	All	Hi 1/3	Lo 1/3
Range in Size (Acres)	All	All	All
Management Returns	All	Hi 1/3	Lo 1/3
Number of Farms	121	40	40
Total Acres in Farm	2,937	3,334	2,885
Tillable Acres in Farm	2,730	3,053	2,707
Operator Tillable Acres	2,556	2,821	2,560
Percent Land Owned	28.9%	39.7%	22.3%
Percent Land Crop Share	18.5%	21.3%	16.0%
Percent Land Cash Rent	52.6%	38.9%	61.7%
Months of Hired Labor	67.1	54.8	70.8
Months of Unpaid Labor	18.6	17.3	19.0
Total Months Labor	85.7	72.0	89.8
FARM RETURNS			
Crop Returns	991.80	1,083.99	897.26
Livestock Return Above Feed	6.33	4.66	3.37
Custom Work	9.49	8.60	10.86
Other Farm Receipts	24.54	26.28	18.15
Tobacco Returns	62.00	41.77	51.93
GROSS FARM RETURNS	1,094.17	1,165.31	981.56
FARM COSTS			
Soil Fertility	142.66	137.36	141.81
Pesticides	66.52	67.72	66.03
Seed	84.42	82.14	83.14
Crop Total	293.60	287.22	290.97
Utilities	9.82	9.40	9.40
Machine Repairs	39.00	29.56	46.02
Machine Hire & Lease	25.48	25.33	28.42
Fuel & Oil	44.17	40.72	48.22
Light Vehicle	0.08	0.01	0.02
Machine Depreciation	70.79	63.65	79.30
Power & Equip. Total	189.35	168.66	211.37
Drying	9.00	9.08	9.23
Storage	1.22	0.77	2.18
Building Repair & Rent	9.25	7.22	9.25
Building Depreciation	18.00	16.95	20.89
Building Total	37.47	34.03	41.55
Labor, Unpaid	18.45	15.10	19.00
Labor, Paid	72.96	54.88	82.79
Labor Total	91.41	69.98	101.79
Vet, Med, Livestock Supply	1.26	1.27	0.91
Insurance	37.77	30.74	44.72
Miscellaneous	12.52	11.58	13.06
Interest Charge - Non land	61.81	61.03	63.22
Other Costs Total	113.36	104.62	121.90
Land Charge Total	189.28	173.99	199.02
TOTAL NON-FEED COSTS	914.46	838.50	966.60
Gain/loss Capital Sales	4.44	4.03	5.89
MANAGEMENT RETURNS	184.15	330.84	20.85

**Table 2B - Economic Management Analysis per Operator Acre:
Pennyroyal Grain Farms by Management - 2013**

	Pennyroyal	Pennyroyal	Pennyroyal
	Grain	Grain	Grain
Range in Size (Acres)	All	All	All
Management Returns	All	Hi 1/3	Lo 1/3
Number of Farms	121	40	40
Crop Yields			
Yellow Corn	190	199	180
Full Season Soybeans	52	58	49
Wheat	82	84	77
Double Crop Soybeans	52	55	50
White Corn	190		
Barley	89		
Tobacco - Burley	2,127		
Tobacco - Dark Air Cured	2,338		
Tobacco - Dark Fire Cured	2,842		
Total Acres Planted-Selected Crops			
Yellow Corn	1,220	1,394	1,203
Full Season Soybeans	413	268	622
Wheat	1,031	1,171	986
Double Crop Soybeans	1,074	1,220	1,043
White Corn	1,261		
Barley	250		
Tobacco - Burley	41		
Tobacco - Dark Air Cured	19		
Tobacco - Dark Fire Cured	38		
Land Use %			
Yellow Corn	42.8%	46.0%	40.2%
Full Season Soybeans	13.1%	8.2%	19.0%
Wheat	33.6%	37.7%	27.3%
Double Crop Soybeans	35.0%	39.3%	28.9%
White Corn	4.3%		
Barley	1.4%		
Tobacco - Burley	0.5%		
Tobacco - Dark Air Cured	0.2%		
Tobacco - Dark Fire Cured	0.4%		
Crop Value Per Acre			
Yellow Corn	891	949	839
Full Season Soybeans	670	759	629
Wheat	563	579	543
Double Crop Soybeans	683	715	652
White Corn	1,032		
Barley	385		
Tobacco - Burley	4,422		
Tobacco - Dark Air Cured	5,452		
Tobacco - Dark Fire Cured	7,410		
Price Received - Old Crop			
Yellow Corn	6.65	6.88	6.13
Soybeans	14.95	14.49	15.34
Wheat	7.82	7.87	8.03
White Corn	7.26		
Barley	5.29		
Tobacco - Burley	2.08		
Tobacco - Dark Air Cured	2.24		
Tobacco - Dark Fire Cured	2.49		
Price Received - New Crop			
Yellow Corn	5.05	5.10	5.00
Soybeans	12.86	12.88	12.96
Wheat	7.16	7.09	7.13
White Corn	5.96		
Barley	4.29		
Tobacco - Burley	2.06		
Tobacco - Dark Air Cured	2.30		
Tobacco - Dark Fire Cured	2.58		

Table 3 - Income Statement Summary: Pennyroyal Grain Farms by Size: 2013

Range in Size (Acres)	All	0-999	1000-1999	2000-2999	3000-4100	4101+
Management Returns	All	All	All	All	All	All
Number of Farms	121	29	31	23	19	19
Total Acres in Farm	2,937	739	1,628	2,600	3,785	7,986
Tillable Acres in Farm	2,730	635	1,472	2,431	3,516	7,558
Operator Tillable Acres	2,556	600	1,357	2,224	3,119	7,336
Percent Land Owned	28.9%	41.9%	31.7%	26.2%	24.7%	29.3%
Percent Land Crop Share	18.5%	18.7%	24.4%	27.0%	29.1%	8.4%
Percent Land Cash Rent	52.6%	39.5%	43.9%	46.9%	46.2%	62.3%
Months of Hired Labor	67.1	25.4	42.6	77.7	57.5	167.5
Months of Unpaid Labor	18.6	14.4	17.8	17.2	19.3	27.3
Total Months Labor	85.7	39.8	60.4	94.8	76.8	194.8
FARM RETURNS						
Total Cash Operating	2,789,302	688,924	1,373,268	2,505,956	3,304,540	8,133,279
Inventory Change	301,170	44,036	141,488	274,427	314,246	973,467
Accounts Receivable Change	(74,320)	(5,264)	(55,959)	(95,005)	(123,605)	(135,357)
Farm Products Used	0	0	0	0	0	0
Less Purchased Feed & Grain	93,447	17,329	22,249	108,297	93,857	307,409
Less Purchased Livestock	10,619	7,217	6,975	16,855	13,508	11,319
GROSS FARM RETURNS	2,912,086	703,150	1,429,574	2,560,227	3,387,816	8,652,660
FARM COSTS						
Total Cash Operating	2,083,568	461,053	977,352	1,777,506	2,298,132	6,520,853
Farm Products Used	0	0	0	0	0	0
Prepaid Expense Change	(101,144)	(587)	(35,109)	(76,462)	(50,960)	(442,428)
Accounts Payable Change	9,257	1,433	11,876	(6,660)	3,405	42,048
TOTAL OPERATING EXPENSE	1,991,681	461,899	954,119	1,694,384	2,250,577	6,120,473
INCOME BEFORE DEPRECIATION	920,404	241,251	475,454	865,843	1,137,240	2,532,188
Less Depreciation	238,666	61,930	122,432	217,854	249,451	712,475
FARM OPERATING INCOME	681,738	179,321	353,022	647,989	887,789	1,819,713
Capital Account Adjustment	11,348	6,006	8,293	4,709	15,666	28,204
NET FARM INCOME (NFI)	693,086	185,327	361,315	652,698	903,454	1,847,917
Less Unpaid Family Labor	1,981	3,420	711	2,755	1,740	1,160
RETURNS TO OPERATOR LABOR						
CAPITAL, & MANAGEMENT	691,105	181,907	360,604	649,943	901,714	1,846,757
Less Unpaid Operator Labor	49,248	36,195	48,435	44,559	51,330	74,095
RETURNS TO EQUITY CAPITAL						
& MANAGEMENT	641,856	145,712	312,169	605,384	850,384	1,772,662
Less Equity Capital Charge	171,142	54,491	95,426	163,470	219,788	433,365
MANAGEMENT RETURNS	470,714	91,221	216,743	441,914	630,597	1,339,297
FINANCIAL EFFICIENCY RATIOS						
Operating Expense Ratio (%)	65.50%	62.69%	63.76%	63.88%	64.85%	67.16%
Depreciation Expense Ratio (%)	8.20%	8.81%	8.56%	8.51%	7.36%	8.23%
Interest Expense Ratio (%)	2.89%	3.00%	2.98%	2.30%	1.59%	3.57%
NFI from Operations Ratio (%)	23.41%	25.50%	24.69%	25.31%	26.21%	21.03%

**Table 3A - Economic Management Analysis per Operator Acre:
Pennyroyal Grain Farms by Size - 2013**

	All	0-999	1000-1999	2000-2999	3000-4100	4101+
Range in Size (Acres)	All	0-999	1000-1999	2000-2999	3000-4100	4101+
Management Returns	All	All	All	All	All	All
Number of Farms	121	29	31	23	19	19
Total Acres in Farm	2,937	739	1,628	2,600	3,785	7,986
Tillable Acres in Farm	2,730	635	1,472	2,431	3,516	7,558
Operator Tillable Acres	2,556	600	1,357	2,224	3,119	7,336
Percent Land Owned	28.9%	41.9%	31.7%	26.2%	24.7%	29.3%
Percent Land Crop Share	18.5%	18.7%	24.4%	27.0%	29.1%	8.4%
Percent Land Cash Rent	52.6%	39.5%	43.9%	46.9%	46.2%	62.3%
Months of Hired Labor	67.1	25.4	42.6	77.7	57.5	167.5
Months of Unpaid Labor	18.6	14.4	17.8	17.2	19.3	27.3
Total Months Labor	85.7	39.8	60.4	94.8	76.8	194.8
FARM RETURNS						
Crop Returns	991.80	904.65	890.49	983.98	970.09	1,045.36
Livestock Return Above Feed	6.33	25.40	5.86	7.34	7.42	3.27
Custom Work	9.49	14.34	5.39	9.03	6.81	11.44
Other Farm Receipts	24.54	25.72	27.72	25.96	23.43	23.37
Tobacco Returns	62.00	188.57	97.20	101.84	21.01	38.38
GROSS FARM RETURNS	1,094.17	1,158.67	1,026.65	1,128.15	1,028.76	1,121.82
FARM COSTS						
Soil Fertility	142.66	136.48	148.80	148.84	132.31	143.70
Pesticides	66.52	66.62	64.58	60.80	66.02	69.41
Seed	84.42	76.35	75.43	87.72	81.51	88.17
Crop Total	293.60	279.46	288.80	297.36	279.83	301.29
Utilities	9.82	16.45	10.55	11.06	8.99	8.68
Machine Repairs	39.00	60.96	47.92	39.45	30.66	36.95
Machine Hire & Lease	25.48	46.17	24.55	17.40	25.38	26.18
Fuel & Oil	44.17	39.74	41.74	45.59	34.13	49.20
Light Vehicle	0.08	0.04	0.02	0.44	0.00	0.01
Machine Depreciation	70.79	74.68	73.40	73.91	60.22	72.87
Power & Equip. Total	189.35	238.05	198.18	187.85	159.38	193.89
Drying	9.00	4.06	6.71	8.00	8.35	10.95
Storage	1.22	0.62	1.07	0.36	1.14	1.69
Building Repair & Rent	9.25	13.52	8.93	6.42	13.00	8.25
Building Depreciation	18.00	23.65	11.23	17.71	11.25	22.30
Building Total	37.47	41.86	27.95	32.50	33.75	43.19
Labor, Unpaid	18.45	62.61	32.97	19.38	14.78	9.76
Labor, Paid	72.96	99.88	66.88	85.51	47.42	77.69
Labor Total	91.41	162.49	99.85	104.89	62.20	87.45
Vet, Med, Livestock Supply	1.26	2.98	0.95	1.76	1.09	1.02
Insurance	37.77	43.54	32.44	42.91	29.91	40.11
Miscellaneous	12.52	14.82	9.24	11.69	12.17	13.67
Interest Charge - Non land	61.81	69.40	59.58	66.16	54.19	63.19
Other Costs Total	113.36	130.74	102.21	122.52	97.36	117.99
Land Charge Total	189.28	164.16	156.03	186.46	199.05	199.32
TOTAL NON-FEED COSTS	914.46	1,016.76	873.01	931.57	831.57	943.13
Gain/loss Capital Sales	4.44	10.00	6.11	2.12	5.02	3.84
MANAGEMENT RETURNS	184.15	151.92	159.75	198.70	202.21	182.53

**Table 3B - Economic Management Analysis per Operator Acre:
Pennyroyal Grain Farms by Size - 2013**

Range in Size (Acres)	All	0-999	1000-1999	2000-2999	3000-4100	4101+
Management Returns	All	All	All	All	All	All
Number of Farms	121	29	31	23	19	19
Crop Yields						
Yellow Corn	190	190	187	194	187	191
Full Season Soybeans	52	56	55	54	53	48
Wheat	82	82	82	82	84	81
Double Crop Soybeans	52	52	51	51	54	52
White Corn	190					
Barley	89					
Tobacco - Burley	2,127	2,214	2,025	1,959		2,354
Tobacco - Dark Air Cured	2,338		2,343	2,294		
Tobacco - Dark Fire Cured	2,842	2,674	2,659	2,998		2,946
Total Acres Planted-Selected Crops						
Yellow Corn	1,220	278	625	1,112	1,470	3,564
Full Season Soybeans	413	132	216	476	499	870
Wheat	1,031	252	500	902	1,154	2,972
Double Crop Soybeans	1,074	264	504	924	1,273	3,068
White Corn	1,261					
Barley	250					
Tobacco - Burley	41	19	42	51		68
Tobacco - Dark Air Cured	19		10	19		
Tobacco - Dark Fire Cured	38	51	18	64		54
Land Use %						
Yellow Corn	42.8%	40.1%	41.3%	42.7%	43.1%	43.5%
Full Season Soybeans	13.1%	13.9%	12.8%	17.4%	14.6%	10.6%
Wheat	33.6%	32.0%	30.8%	31.4%	32.1%	36.2%
Double Crop Soybeans	35.0%	33.7%	31.1%	32.1%	35.4%	37.4%
White Corn	4.3%					
Barley	1.4%					
Tobacco - Burley	0.5%	1.0%	1.0%	0.6%		0.3%
Tobacco - Dark Air Cured	0.2%		0.2%	0.2%		
Tobacco - Dark Fire Cured	0.4%	1.7%	0.5%	0.7%		0.3%
Crop Value Per Acre						
Yellow Corn	891	860	820	899	857	927
Full Season Soybeans	670	743	699	712	699	603
Wheat	563	527	540	571	577	565
Double Crop Soybeans	683	670	659	656	718	686
White Corn	1,032					
Barley	385					
Tobacco - Burley	4,422	4,561	4,166	4,094		4,904
Tobacco - Dark Air Cured	5,452		5,749	5,118		
Tobacco - Dark Fire Cured	7,410	7,080	6,897	8,059		7,393
Price Received - Old Crop						
Yellow Corn	6.65	7.05	6.72	6.77	6.79	6.42
Soybeans	14.95	14.87	14.59	14.55	14.98	15.60
Wheat	7.82	7.73	7.88	7.54	8.02	7.82
White Corn	7.26					
Barley	5.29					
Tobacco - Burley	2.08	2.24	2.58	2.02		2.10
Tobacco - Dark Air Cured	2.24		2.27	2.23		
Tobacco - Dark Fire Cured	2.49	2.50	2.48	2.51		2.43
Price Received - New Crop						
Yellow Corn	5.05	4.87	4.45	4.87	5.20	5.20
Soybeans	12.86	12.98	12.33	13.29	12.28	12.95
Wheat	7.16	7.11	6.80	7.26	7.10	7.26
White Corn	5.96					
Barley	4.29					
Tobacco - Burley	2.06	2.06	2.06	2.05		2.07
Tobacco - Dark Air Cured	2.30		2.31	2.30		
Tobacco - Dark Fire Cured	2.58	2.64	2.62	2.67		2.49

	Yellow Corn	Full Season Soybeans	Double Crop Soybeans	Wheat	Burley Tobacco	Air Cured Tobacco	Dark Fired Tobacco
2004	170	49	43	58			
2005	137	49	37	79			
2006	161	50	41	83			
2007	107	21	11	31			
2008	147	41	30	84	2948	3024	3412
2009	182	51	47	66	2152	2419	2933
2010	126	32	27	69	2138	2815	3088
2011	139	37	41	80	2380	2717	2990
2012	72	46	47	66	2176	2765	3138
2013	190	52	52	82	2135	2345	2842
5 year average	142	44	43	73	2196	2612	2998
10 year average	143	43	38	70			

	Yellow Corn		Full Season		Double Crop		Wheat	
	Old Crop	New Crop	Old Crop	New Crop	Old Crop	New Crop	Old Crop	New Crop
	2009	4.23	3.48	10.21	9.67	10.03	9.59	5.28
2010	3.78	4.13	9.95	10.57	9.79	10.42	5.85	5.73
2011	5.06	5.52	11.47	10.96	11.28	11.24	6.65	6.74
2012	6.25	6.46	12.58	13.98	12.23	14.25	7.33	7.36
2013	6.64	5.04	14.94	12.85	14.8	12.97	7.82	7.16
5 year average	5.19	4.93	11.83	11.61	11.63	11.69	6.59	6.37

Table 6 - Pennyroyal Management Returns & Net Farm Income							
Management Returns				Net Farm Income			
YEAR	Kentucky	Pennyroyal	Pennyroyal Grain	YEAR	Kentucky	Pennyroyal	Pennyroyal Grain
1989		(15,053)		1989		61,785	
1990		(6,466)		1990		39,506	
1991		(8,677)		1991		41,083	
1992		53,578		1992		107,823	
1993		10,520		1993		68,956	
1994		28,933		1994		97,986	
1995		45,806		1995		119,564	
1996		103,653		1996		190,374	
1997		4,747		1997		99,765	
1998	(79,999)	(87,570)		1998	104,084	13,862	
1999	(80,987)	(18,916)		1999	112,623	73,046	
2000	35,675	19,919		2000	127,357	117,582	
2001	15,557	34,407	46,021	2001	112,832	147,171	161,685
2002	(48,294)	(31,247)	(18,358)	2002	48,653	75,547	94,443
2003	49,032	70,808	114,644	2003	152,018	183,897	239,454
2004	41,968	64,754	87,486	2004	144,669	179,456	218,835
2005	17,728	19,707	28,312	2005	132,867	152,417	170,965
2006	55,984	100,390	142,852	2006	193,375	255,685	314,921
2007	35,153	12,519	19,443	2007	232,824	159,966	198,216
2008	168,343	241,418	343,136	2008	311,469	400,184	528,491
2009	152,237	145,665	229,231	2009	307,633	316,750	422,866
2010	127,940	116,979	161,043	2010	282,523	292,370	357,704
2011	289,803	345,226	424,096	2011	453,681	527,022	624,354
2012	271,299	392,708	490,760	2012	433,090	578,688	694,739
2013	298,064	394,470	470,714	2013	473,891	597,270	693,086
5 Year Average	227,868	279,010	355,169	5 Year Average	390,164	462,420	558,550
10 Year Average	145,852	183,384	239,707	10 Year Average	296,602	345,981	422,418

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