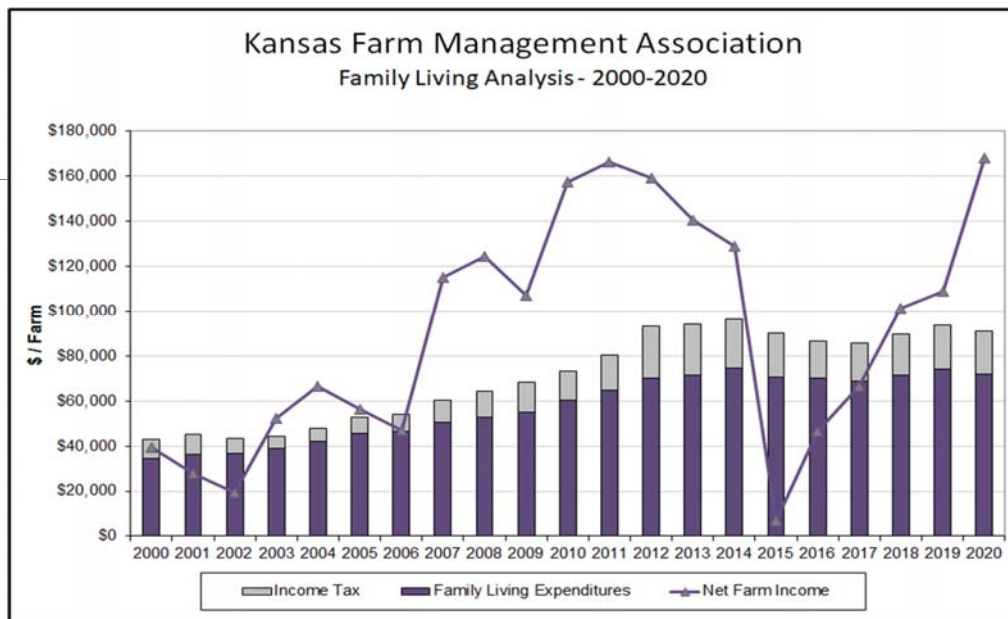


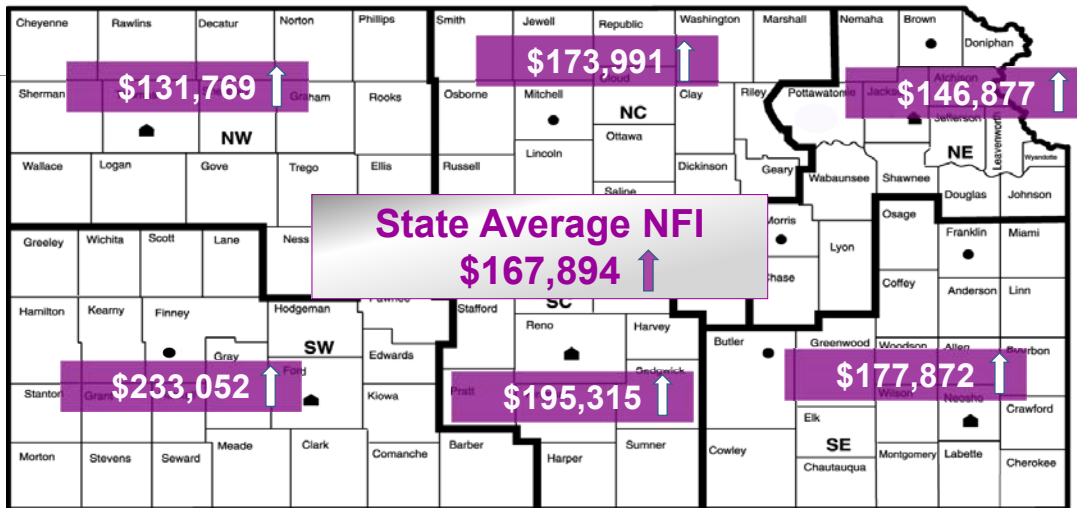
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Kansas Farm Management Association 2020 Net Farm Income



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Kansas Farm Management Association The Wild Ride of 2020

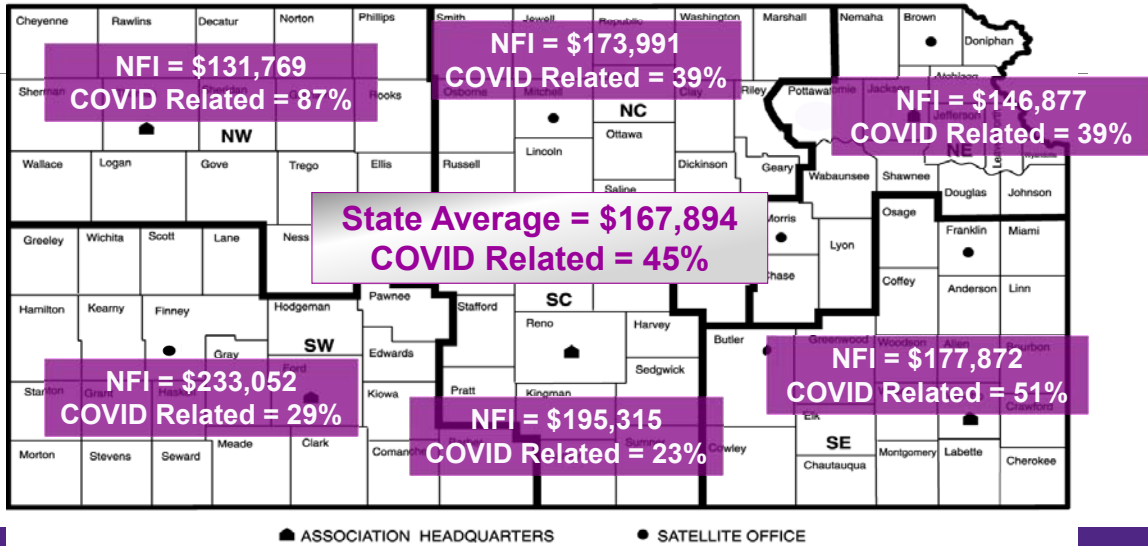
- COVID pandemic, market and supply chain disruptions, uncertainty, volatility, Economic Stimulus
- COVID related legislation – CFAP1 CFAP2, PPP loans
- Strong yields, especially dryland fall crops in many areas
- Low yields in far western and some parts of southeast
- Price squeeze for livestock producers
- Volatile market prices – strong grain prices at end of year
- Strong working capital position at end of year
- Decrease in total debt per farm in 2020
- Machinery investment per crop acre increased 16% in 2020



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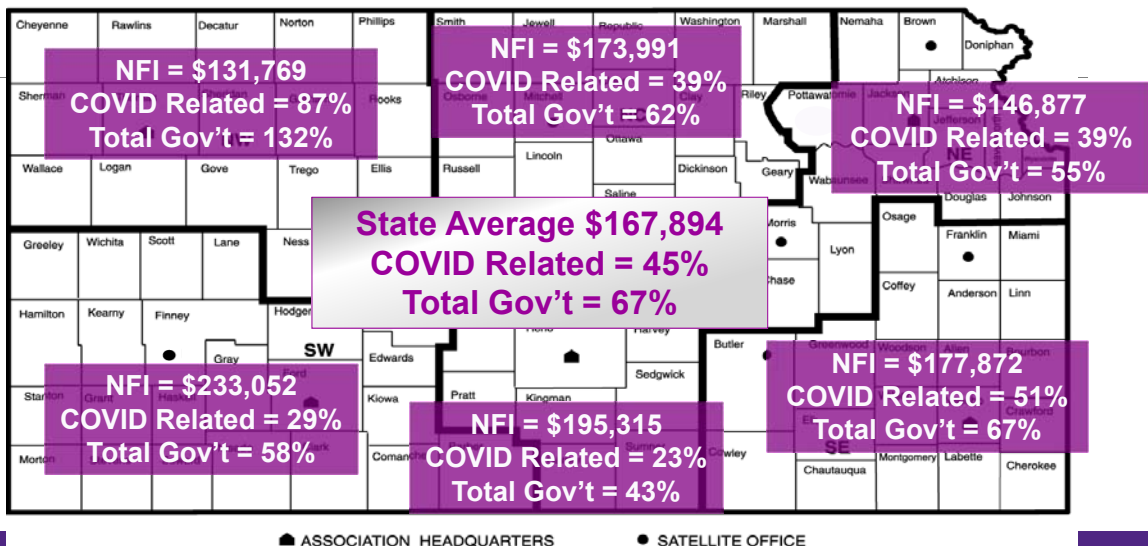


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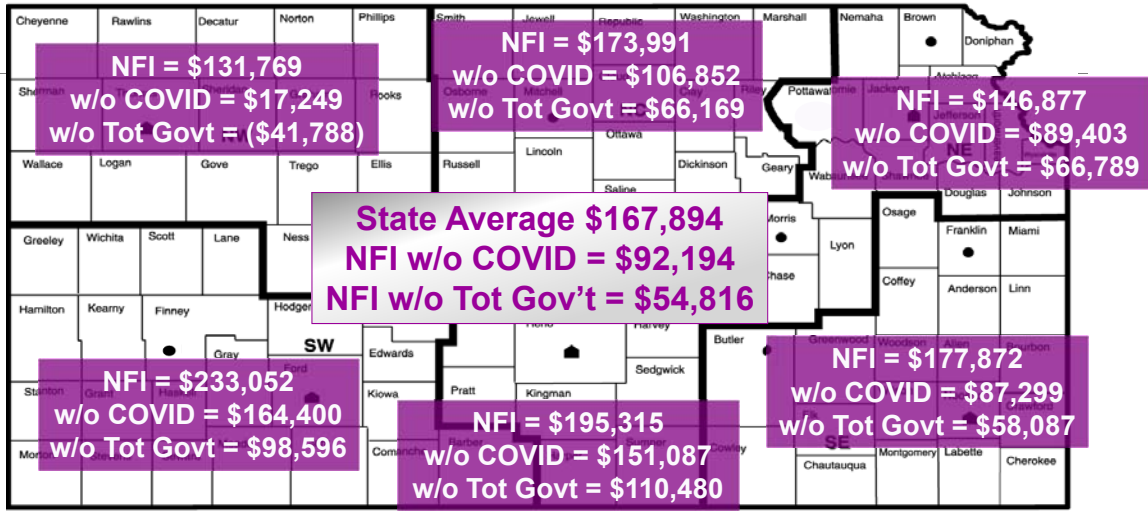


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Kansas Farm Management Association 2020 Net Farm Income

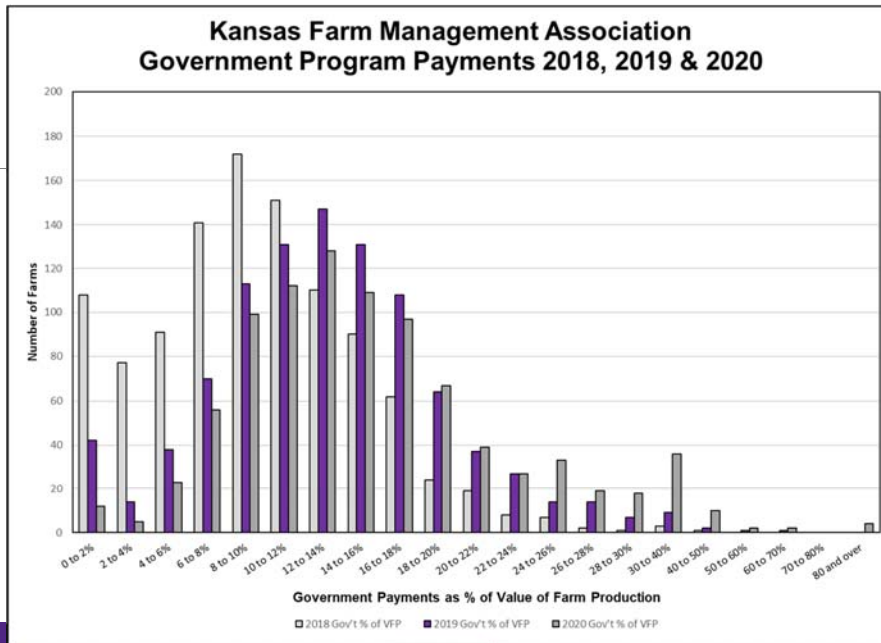


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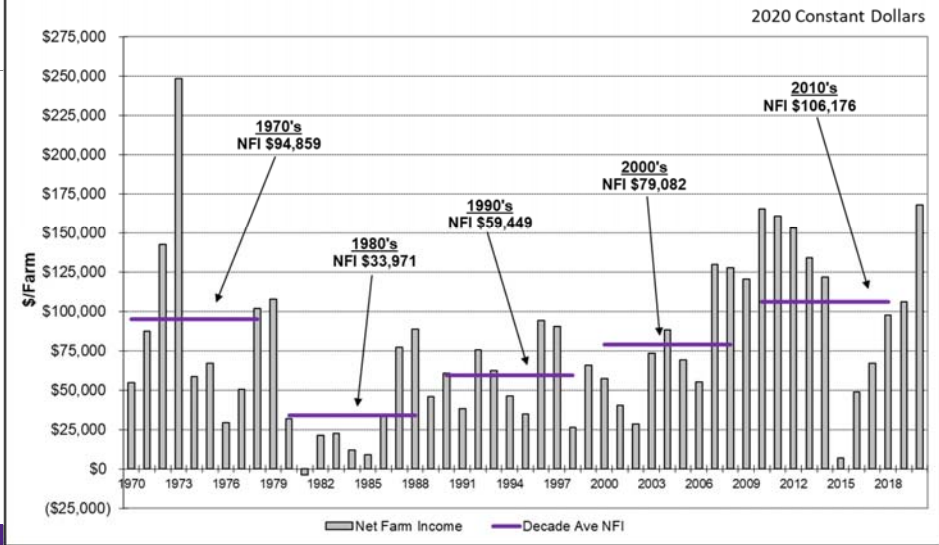
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Kansas Farm Management Association Government Program Payments 2018, 2019 & 2020

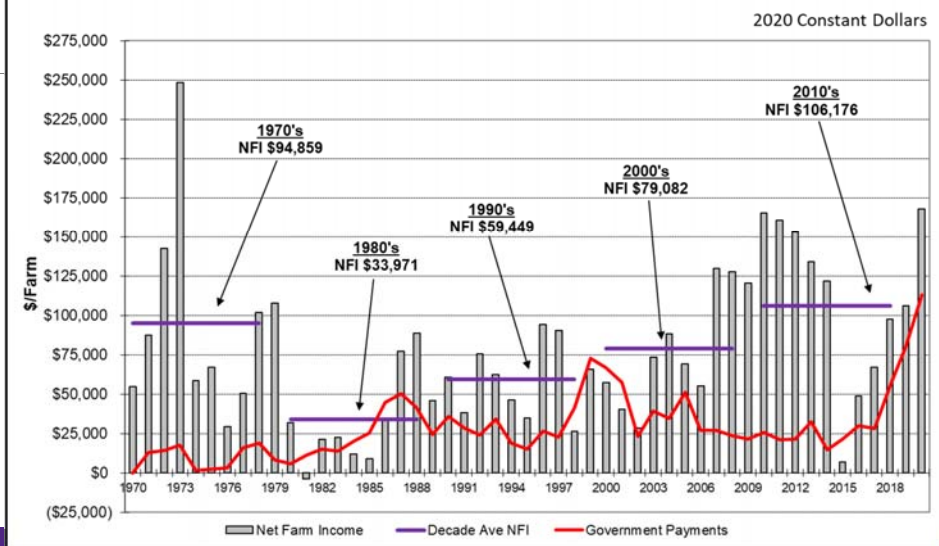


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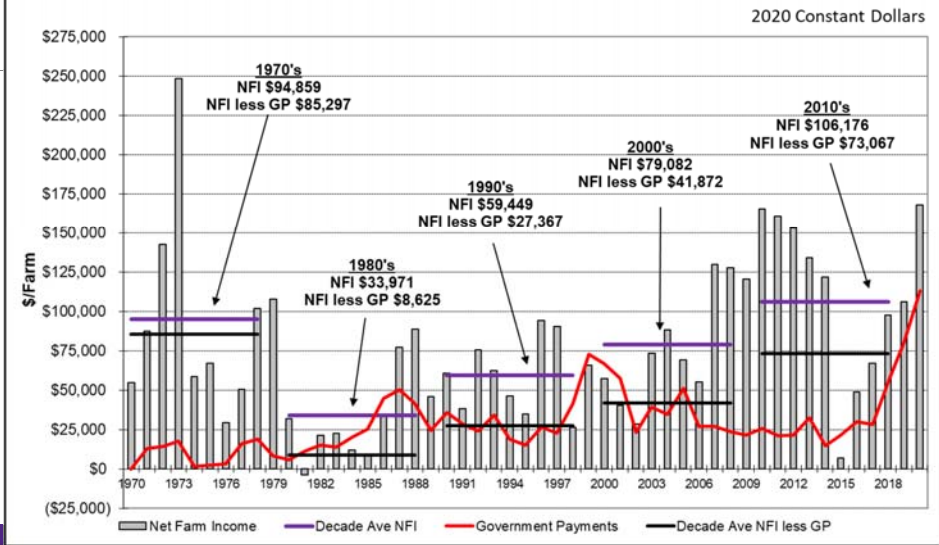
Kansas Farm Management Association Inflation Adjusted Net Farm Income, 1970-2020



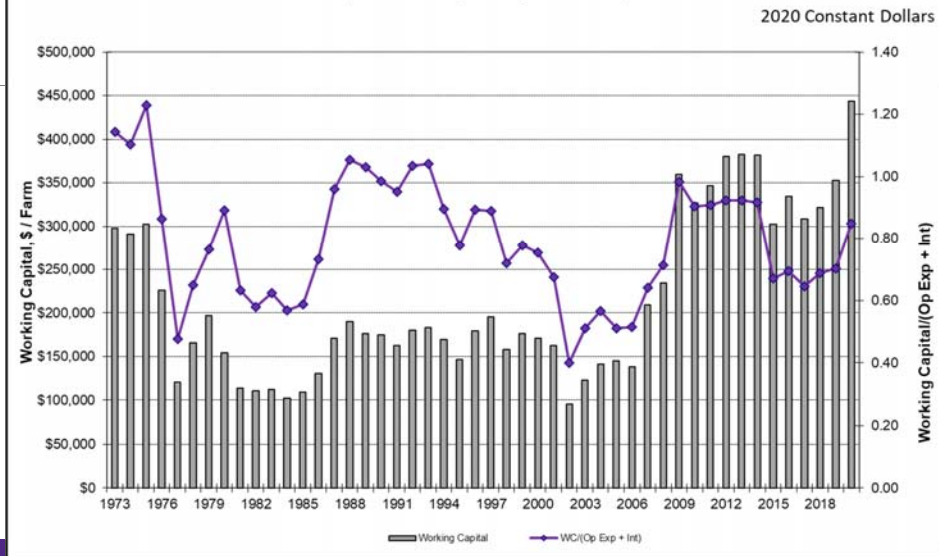
Kansas Farm Management Association Inflation Adjusted Net Farm Income, 1970-2020



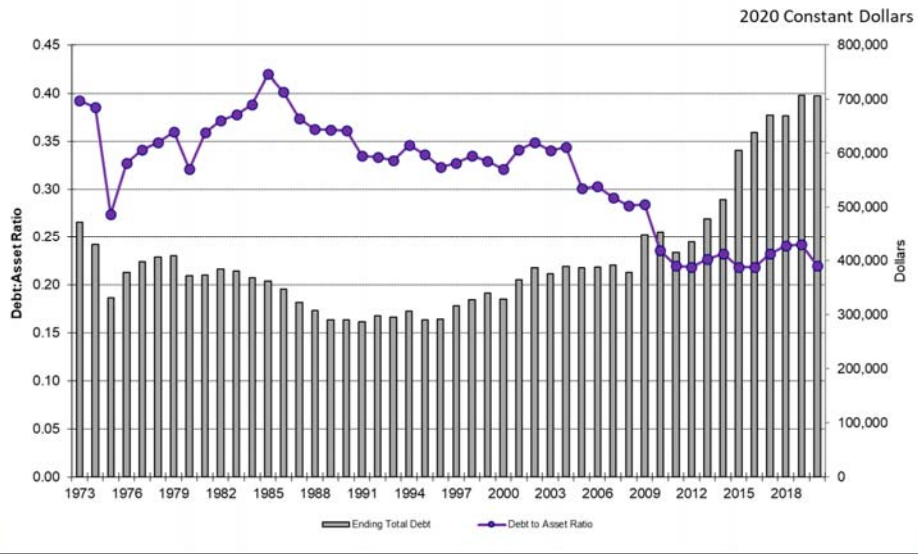
Kansas Farm Management Association Inflation Adjusted Net Farm Income, 1970-2020



Kansas Farm Management Association Inflation Adjusted Liquidity Trends, 1973-2020

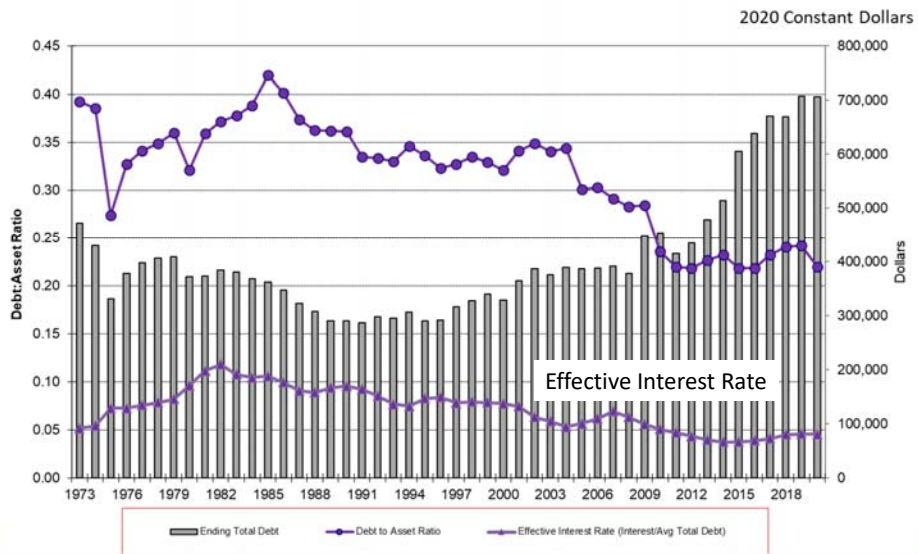


Kansas Farm Management Association Inflation Adjusted Solvency Trends, 1973-2020



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Kansas Farm Management Association Inflation Adjusted Solvency Trends, 1973-2020



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Kansas Farm Management Association Looking ahead

- **While we have had some moisture, some areas still dry**
- **Potential for good crop yields in 2021 in areas of the state**
- **Expect continued price volatility**
- **Input costs up in 2021 – higher commodity prices...higher input costs to follow, higher fuel/energy costs**
- **Cont'd COVID related legislation early in 2021 – CFAP3, PPP loans**
- **But...expect less government support this point forward**
- **Estate tax – Exemption level, stepped-up basis changes?**
- **Carbon Credits, Conservation?**



Kansas Farm Management Association Looking ahead

What can you do?

- **Keep good records – use your records to manage your operation**
- **Know your cost of production**
- **Current opportunities for pricing grain above cost of production**
- **Seek to have your operation in a strong working capital position**
- **Planned approach to machinery and equipment purchases**
- ***Think Strategically and Proactively* as you look to manage in the coming year!**



Kansas Farm Management Association



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<https://agmanager.info/kfma/whole-farm-analysis/kfma-executive-summary>

<https://agmanager.info/kfma/kfma-contacts>



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