

Kelly Ranch, LLC

A Nebraska Family Sandhills Ranching Business since
1886



Introduction

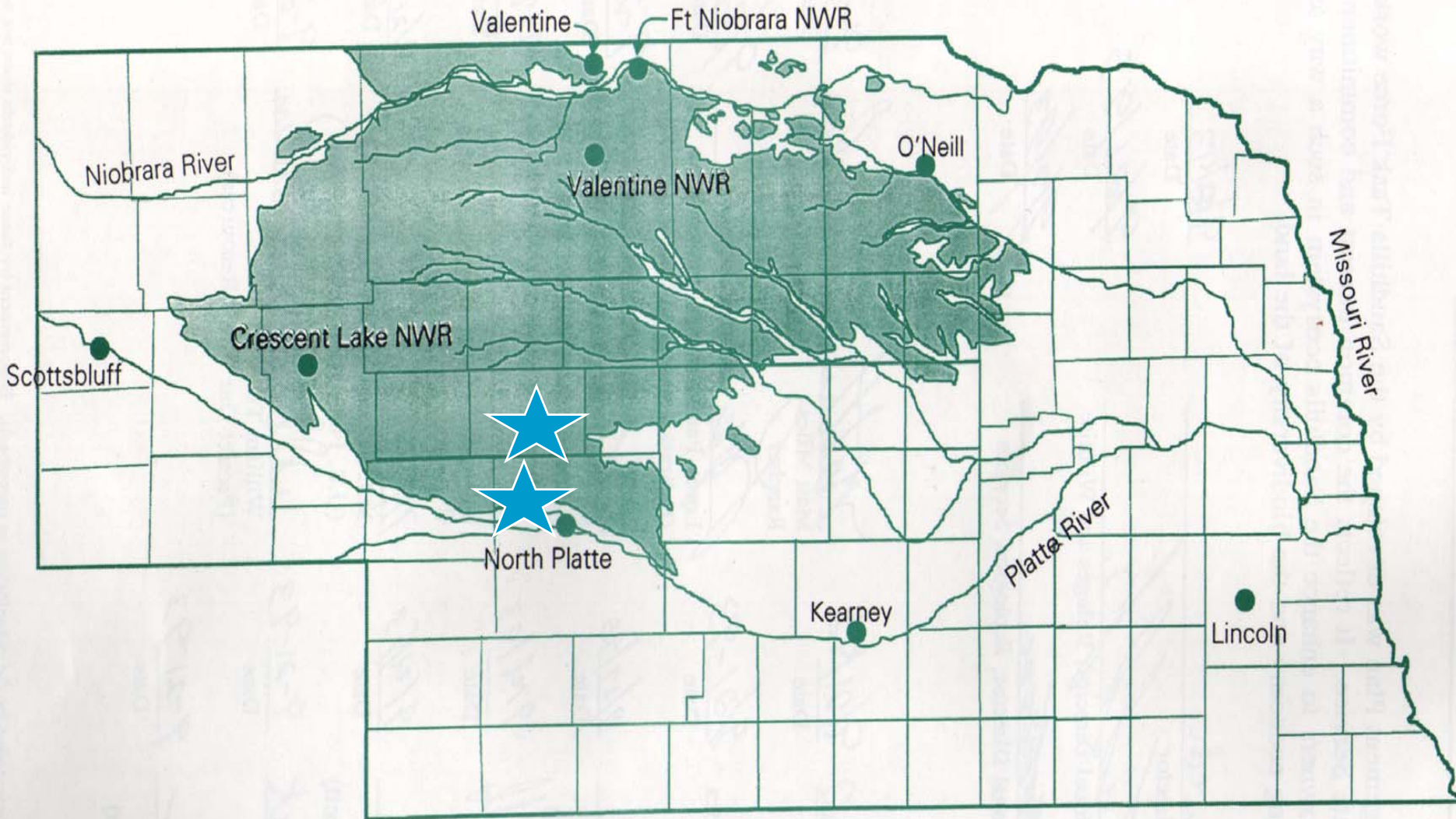
- Fourth generation Family Ranch
- Cow-calf yearling operation
- Approximately 25,000 acres (owned & leased)
- Approximate 2,000+ head of livestock
- Business/Banking background

Buckboard Ranch

C3

V

H



Sandhills (shaded area) covers 19,600 square miles of Nebraska.

Family Heritage (Why we do what we do)



Lifestyle



- Lifestyle (Way of Life) is the major justification for having a ranch/farm and livestock
- Economically and from a return on investment point of view we should all liquidate. 3%-5% at best ROI
- Cash flow poor/asset rich

Once, 100 head of livestock could support a ranch family. Today, supporting a family on a 500-head ranch is difficult.



Management “Tools”

- Cow-Calf IV
- Grazing Records Program - Excel
- Excel-analysis-financial statements-cash flow
- Futures-options
- Forward contracting
- Quickbooks
 - Accounting, budgeting

Changing Times Windmill vs. Windpower



Changing Times Pasture or a Carbon Sink?



Future of Family Farm Management?

- Increasingly difficult to keep up with technology!!!!
- Historically, most would rather take a beating
- Can be done!
 - Education is available
 - Consultants – Farm Managers
 - Programs and Workshops
 - TEPAP
 - King Ranch-Institute for Ranch Management
 - Grazing Management
 - Systems Thinking
 - Managerial Accounting

Ag Facts



- *Farmers/Ranchers are getting older*
- *Farm/Ranch sizes are growing larger*
- *Total number is declining*

Feeding Distillers Wet Grain



Feeding Hay During Calving



Family

Stewardship Goals

- Leave the land in better shape
- Provide a good living and setting for our family
- Be thoughtful stewards of the wildlife with which we share the land and enhance habitat for wildlife
- Seek out partnerships that build upon our goals
- Be adaptable to change

Conservation At A Glance

- Prescribed grazing/haying (rest-rotation)
- Windbreak Plantings
- Cross-fencing
- Watering facilities (wells, windmills, waterlines and tanks)
- Conservation easement

Conservation Project “Before”



Conservation Project “After”



Restored Wetland



Environmental Partners

- Sandhills Task Force
- US Fish and Wildlife
- Nebraska Department of Environmental Quality
- Nebraska Environmental Trust
- The Nature Conservancy
- Natural Resource Conservation Service
- National Fish & Wildlife Foundation

“Partnerships help me financially do conservation projects that I couldn’t afford to do myself.”

Mike Kelly

Sandhills Wildlife

- Antelope, Turkey, Grouse
- Mule & Whitetail Deer
- Coyotes
- Migratory Grassland Birds, Sandhill Cranes
- Migratory Waterfowl, Bald Eagles, Herons

Sandhill Mule Deer



Threats To Nebraska Grazing Lands

- Inability of ranchers to continue to make a living off of the land?
- Conversion to farmland
- Rural Sprawl: Coming to a pasture near you.
- Water takings

Summary

- Family owned and managed ranches are common in the Sandhills but world wide economic pressures are making them increasingly difficult to sustain.
- Opportunities exist for family ranches to partner with environmental groups for meeting mutual conservation goals.
- Opportunities exist for farmers and ranchers to enhance income from environmentally sound land management that reduce or offset carbon emissions now through the Carbon Credit Program.
- Management “Tools” and educational programs are available to help manage today’s farms and ranches.

