

Farm Income Statement
2015 Moorhead Farm Business Management Annual Report
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>20 - 40%</u>	<u>40 - 60%</u>	<u>60 - 80%</u>	<u>High 20%</u>
Number of farms	64	12	13	13	13	13
Cash Farm Income						
Barley	5,929	2,010	-	-	12,581	14,753
Beans, Black Turtle	350	-	-	-	-	1,723
Beans, Navy	3,627	13,512	-	-	5,385	-
Corn	168,160	172,777	84,655	79,253	289,902	214,568
Hay, Alfalfa	2,933	847	-	-	613	13,044
Hay, Grass	77	-	-	-	-	378
Rye	908	-	-	-	4,470	-
Soybeans	275,207	229,457	215,285	213,802	416,607	297,365
Soybeans Seed	5,566	-	-	-	-	27,400
Straw	790	36	58	-	533	3,267
Sugar Beets	215,388	143,237	64,904	86,159	262,926	514,163
Sunflowers	6,902	9,665	7,830	-	-	17,229
Wheat, Spring	126,905	96,565	81,310	120,269	142,796	191,253
Soybeans, Organic	2,871	-	8,901	-	-	5,232
Soybeans, Food	20,694	-	7,782	-	46,040	48,055
Rye, Organic	549	-	-	-	-	2,704
Beef Replacement Heifers	391	2,083	-	-	-	-
Beef Finishing	9,355	49,895	-	-	-	-
Cull breeding livestock	97	-	-	476	-	-
Misc. livestock income	47	252	-	-	-	-
Crop government payments	24,296	26,814	15,879	10,192	37,246	31,544
CRP payments	726	1,266	504	655	1,002	243
Other government payments	3,354	1,901	-	2,451	-	12,308
Custom work income	6,765	2,806	2,209	370	10,930	17,206
Patronage dividends, cash	25,219	25,132	14,772	14,584	35,575	36,025
Crop insurance income	23,108	20,157	28,690	11,685	32,524	22,256
Property insurance income	2,192	4,202	415	-	-	6,496
Sale of resale items	805	-	-	-	3,964	-
Other farm income	41,069	33,290	13,454	21,348	87,442	49,215
Gross Cash Farm Income	974,281	835,904	546,649	561,245	1,390,535	1,526,427

Farm Income Statement (continued)
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	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>20 - 40%</u>	<u>40 - 60%</u>	<u>60 - 80%</u>	<u>High 20%</u>
Number of farms	64	12	13	13	13	13
Cash Farm Expense						
Seed	125,149	77,910	80,167	79,494	184,787	199,752
Fertilizer	121,971	111,567	64,358	71,520	187,340	174,269
Crop chemicals	66,485	56,681	38,173	35,620	95,054	106,142
Non-chemical crop protect	57	-	279	-	-	-
Crop insurance	33,276	28,612	21,413	22,514	51,961	41,520
Drying expense	1,527	753	472	350	3,523	2,479
Storage	584	271	470	847	787	522
Crop custom hire	10,974	10,881	8,751	2,586	5,536	27,111
Crop hauling and trucking	3,155	92	-	59	3,488	11,904
Marketing	562	438	186	392	691	1,092
Crop miscellaneous	5,683	11,882	5,369	3,141	3,409	5,094
Consultants	3,120	2,673	2,644	1,579	3,521	5,149
Feeder livestock purchase	5,759	29,434	-	-	-	1,185
Purchased feed	221	842	-	265	47	-
Veterinary	79	379	-	41	-	-
Supplies	455	2,427	-	-	-	-
Livestock hauling and trucking	29	153	-	-	-	-
Interest	45,354	37,060	30,399	15,513	65,128	78,031
CCC buyback	940	-	-	-	-	4,629
Fuel & oil	34,921	31,339	19,445	20,311	48,055	55,178
Repairs	57,480	59,336	27,626	34,924	73,782	91,875
Custom hire	480	-	-	-	2,365	-
Hired labor	43,929	34,019	24,230	25,992	69,082	65,557
Land rent	198,206	182,138	121,226	98,057	314,137	274,234
Stock/quota lease	13,859	9,488	2,392	563	12,361	44,154
Machinery leases	9,158	16,571	6,441	835	4,584	17,927
Building leases	3,812	8,412	3,372	-	652	6,978
Real estate taxes	14,531	12,372	11,715	7,845	15,873	24,685
Farm insurance	13,931	16,543	8,597	12,083	15,004	17,629
Utilities	9,948	16,696	5,089	5,890	10,509	12,077
Dues & professional fees	7,455	5,938	6,716	4,827	10,230	9,446
Organic certification	54	-	88	-	-	177
Purchase of resale items	3,564	370	-	-	16,800	404
Miscellaneous	9,800	15,410	4,264	4,399	9,991	15,368
Total cash expense	846,508	780,682	493,882	449,647	1,208,697	1,294,568
Net cash farm income	127,773	55,222	52,767	111,598	181,838	231,859
Inventory Changes						
Prepays and supplies	-27,411	-89,351	-14,340	5,445	-47,296	3,723
Accounts receivable	-5,620	-26,196	-18,985	-9,878	1,089	24,287
Hedging accounts	12,006	-13,057	3,463	193	12,225	55,276
Other current assets	-1,509	252	-	-	-7,664	-
Crops and feed	91,703	100,005	48,938	-12,733	134,172	188,769
Market livestock	-4,666	-25,309	-	475	-84	-
Breeding livestock	25	79	-	-	50	-
Other assets	3,241	2,439	124	-1,584	12,590	2,577
Accounts payable	-372	7,571	-14,431	5,915	-17,949	17,646
Accrued interest	-4,878	-6,919	-1,260	-1,820	-3,080	-11,468
Total inventory change	62,519	-50,486	3,509	-13,987	84,053	280,811
Net operating profit	190,292	4,736	56,276	97,611	265,891	512,670
Depreciation						
Machinery and equipment	-73,756	-73,783	-57,232	-43,338	-116,976	-77,456
Titled vehicles	-3,556	-4,587	-1,189	-3,876	-4,901	-3,307
Buildings and improvements	-7,171	-5,677	-3,231	-4,199	-9,282	-13,352
Total depreciation	-84,484	-84,046	-61,651	-51,413	-131,159	-94,115
Net farm income from operations	105,808	-79,311	-5,375	46,199	134,733	418,555
Gain or loss on capital sales	-	-	-	-	-	-
Net farm income	105,808	-79,311	-5,375	46,199	134,733	418,555

Inventory Changes
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(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>20 - 40%</u>	<u>40 - 60%</u>	<u>60 - 80%</u>	<u>High 20%</u>
Number of farms	64	12	13	13	13	13
Net cash farm income	127,773	55,222	52,767	111,598	181,838	231,859
Crops and Feed						
Ending inventory	562,096	494,434	341,501	290,111	743,360	935,869
Beginning inventory	470,394	394,429	292,563	302,843	609,188	747,100
Inventory change	91,703	100,005	48,938	-12,733	134,172	188,769
Market Livestock						
Ending inventory	6,444	32,956	-	1,052	253	-
Beginning inventory	11,110	58,265	-	577	337	-
Inventory change	-4,666	-25,309	-	475	-84	-
Accts Receivable						
Ending inventory	54,551	26,839	16,972	35,899	101,636	89,279
Beginning inventory	60,171	53,035	35,957	45,777	100,546	64,992
Inventory change	-5,620	-26,196	-18,985	-9,878	1,089	24,287
Prepaid Expenses and Supplies						
Ending inventory	100,385	52,754	44,909	66,637	143,031	190,932
Beginning inventory	127,796	142,105	59,248	61,192	190,327	187,208
Inventory change	-27,411	-89,351	-14,340	5,445	-47,296	3,723
Hedging Activities						
Ending inventory	14,665	3,735	4,320	-	28,067	36,363
Withdrawals	16,198	583	-	193	29,332	49,681
Beginning inventory	17,334	16,750	856	-	38,251	30,767
Deposits	1,523	625	-	-	6,923	-
Gain or loss	12,006	-13,057	3,463	193	12,225	55,276
Other Current Assets						
Ending inventory	725	442	-	-	3,160	-
Beginning inventory	2,234	190	-	-	10,824	-
Inventory change	-1,509	252	-	-	-7,664	-
Breeding Livestock						
Ending inventory	767	3,263	-	615	150	-
Capital sales	-	-	-	-	-	-
Beginning inventory	742	3,183	-	615	100	-
Capital purchases	-	-	-	-	-	-
Depreciation, capital adjust	25	79	-	-	50	-
Other Capital Assets						
Ending inventory	291,263	166,646	98,935	117,859	403,503	659,786
Capital sales	14,112	26,530	-	-	23,860	21,124
Beginning inventory	285,349	190,736	98,811	119,251	411,770	598,900
Capital purchases	16,784	-	-	192	3,003	79,433
Depreciation, capital adjust	3,241	2,439	124	-1,584	12,590	2,577
Accounts Payable						
Beginning inventory	22,626	21,847	6,687	21,061	20,730	42,746
Ending inventory	22,998	14,276	21,117	15,147	38,679	25,100
Inventory change	-372	7,571	-14,431	5,915	-17,949	17,646
Accrued Interest						
Beginning inventory	17,865	12,671	18,790	4,675	29,864	22,927
Ending inventory	22,754	19,617	20,056	6,495	32,966	34,395
Inventory change	-4,878	-6,919	-1,260	-1,820	-3,080	-11,468
Total inventory change	62,519	-50,486	3,509	-13,987	84,053	280,811
Net operating profit	190,292	4,736	56,276	97,611	265,891	512,670

Depreciation
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Number of farms	64	12	13	13	13	13
Net operating profit	190,292	4,736	56,276	97,611	265,891	512,670
Machinery and Equipment						
Ending inventory	697,948	721,528	529,135	441,288	981,679	817,924
Capital sales	11,734	2,983	20,056	1,185	12,329	21,441
Beginning inventory	721,176	749,900	565,653	447,567	1,013,875	831,096
Capital purchases	62,262	48,394	40,770	38,244	97,109	85,724
Depreciation, capital adjust.	-73,756	-73,783	-57,232	-43,338	-116,976	-77,456
Titled Vehicles						
Ending inventory	35,328	38,373	9,119	23,314	72,842	33,227
Capital sales	105	-	-	-	515	-
Beginning inventory	36,664	42,376	10,308	25,975	73,025	32,075
Capital purchases	2,325	583	-	1,214	5,234	4,458
Depreciation, capital adjust.	-3,556	-4,587	-1,189	-3,876	-4,901	-3,307
Buildings and Improvements						
Ending inventory	215,226	272,001	67,744	96,395	248,646	395,712
Capital sales	-	-	-	-	-	-
Beginning inventory	216,568	273,156	70,517	98,387	246,454	398,677
Capital purchases	5,830	4,522	458	2,208	11,473	10,387
Depreciation, capital adjust.	-7,171	-5,677	-3,231	-4,199	-9,282	-13,352
Total depreciation, capital adj.	-84,484	-84,046	-61,651	-51,413	-131,159	-94,115
Net farm income from operations	105,808	-79,311	-5,375	46,199	134,733	418,555
Gain or loss on capital sales	-	-	-	-	-	-
Net farm income	105,808	-79,311	-5,375	46,199	134,733	418,555

Profitability Measures
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	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>20 - 40%</u>	<u>40 - 60%</u>	<u>60 - 80%</u>	<u>High 20%</u>
Number of farms	64	12	13	13	13	13

Profitability (assets valued at cost)

Net farm income from operations	105,808	-79,311	-5,375	46,199	134,733	418,555
Rate of return on assets	2.6 %	-5.0 %	-1.7 %	0.7 %	2.6 %	8.8 %
Rate of return on equity	1.5 %	-13.1 %	-6.6 %	-0.5 %	1.3 %	12.0 %
Operating profit margin	7.0 %	-13.6 %	-5.0 %	2.1 %	6.6 %	21.7 %
Asset turnover rate	37.6 %	36.5 %	33.4 %	32.0 %	39.4 %	40.5 %
Farm interest expense	50,232	43,979	31,659	17,333	68,208	89,499
Value of operator lbr and mgmt.	81,666	79,041	55,308	52,346	102,876	118,556
Return on farm assets	74,374	-114,373	-29,024	11,186	100,064	389,497
Average farm assets	2,815,546	2,308,471	1,735,111	1,679,700	3,876,539	4,438,905
Return on farm equity	24,142	-158,352	-60,684	-6,147	31,856	299,999
Average farm equity	1,642,736	1,208,828	919,693	1,171,588	2,377,972	2,502,224
Value of farm production	1,059,951	843,661	580,189	537,453	1,526,066	1,795,748

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>20 - 40%</u>	<u>40 - 60%</u>	<u>60 - 80%</u>	<u>High 20%</u>
Number of farms	64	12	13	13	13	13

Profitability (assets valued at market)

Net farm income from operations	108,879	-42,821	2,911	94,717	129,966	347,951
Rate of return on assets	1.9 %	-2.2 %	-0.7 %	2.2 %	1.9 %	4.9 %
Rate of return on equity	1.1 %	-6.1 %	-3.1 %	2.3 %	0.9 %	6.1 %
Operating profit margin	7.3 %	-9.2 %	-3.6 %	11.1 %	6.2 %	17.8 %
Asset turnover rate	25.5 %	23.8 %	20.4 %	19.7 %	29.9 %	27.7 %
Farm interest expense	50,232	43,979	31,659	17,333	68,208	89,499
Value of operator lbr and mgmt.	81,666	79,041	55,308	52,346	102,876	118,556
Return on farm assets	77,444	-77,883	-20,738	59,704	95,297	318,893
Average farm assets	4,151,331	3,543,449	2,842,241	2,726,818	5,106,364	6,491,021
Return on farm equity	27,213	-121,862	-52,397	42,371	27,089	229,395
Average farm equity	2,464,699	1,988,175	1,672,640	1,866,387	3,028,510	3,731,129
Value of farm production	1,059,951	843,661	580,189	537,453	1,526,066	1,795,748

Liquidity & Repayment Capacity Measures
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Number of farms	64	12	13	13	13	13
Liquidity						
Current ratio	1.88	1.27	1.31	2.29	2.57	2.00
Working capital	407,578	144,810	112,268	302,204	751,063	707,332
Working capital to gross inc	38.1 %	16.6 %	19.4 %	56.2 %	48.7 %	39.4 %
Current assets	868,759	673,416	474,937	537,318	1,230,110	1,412,987
Current liabilities	461,181	528,605	362,669	235,114	479,047	705,655
Gross revenues (accrual)	1,069,496	874,306	580,189	537,719	1,542,913	1,797,336
Repayment capacity						
Net farm income from operations	105,808	-79,311	-5,375	46,199	134,733	418,555
Depreciation	84,484	84,046	61,651	51,413	131,159	94,115
Personal income	31,087	29,597	32,635	61,413	19,264	12,413
Family living/owner withdrawals	-91,410	-84,827	-66,319	-88,124	-116,686	-100,588
Cash discrepancy	-84	-58	-85	-	-229	-46
Payments on personal debt	-7,302	-6,177	-8,686	-3,684	-6,855	-11,020
Income taxes paid	-20,071	-6,777	-6,342	-19,521	-39,021	-27,670
Interest on term debt	29,034	26,632	17,973	10,592	43,378	46,410
Capital debt repayment capacity	131,631	-36,817	25,538	58,287	165,972	432,215
Scheduled term debt payments	-115,893	-103,081	-64,815	-53,358	-153,048	-204,177
Capital debt repayment margin	15,738	-139,898	-39,277	4,929	12,925	228,038
Cash replacement allowance	-50,319	-65,979	-38,873	-31,279	-70,521	-46,146
Replacement margin	-34,581	-205,877	-78,150	-26,350	-57,596	181,892
Term debt coverage ratio	1.14	-0.36	0.39	1.09	1.08	2.12
Replacement coverage ratio	0.79	-0.22	0.25	0.69	0.74	1.73

Balance Sheet at Cost Values
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Number of farms	64	12	13	13	13	13
Assets						
Current Farm Assets						
Cash and checking balance	100,621	25,910	51,982	130,510	150,495	138,461
Prepaid expenses & supplies	100,385	52,754	44,909	66,637	143,031	190,932
Growing crops	-	-	-	-	-	-
Accounts receivable	54,551	26,839	16,972	35,899	101,636	89,279
Hedging accounts	14,665	3,735	4,320	-	28,067	36,363
Crops held for sale or feed	546,743	486,105	331,209	277,001	717,742	916,991
Crops under government loan	44,625	44,676	25,545	26,219	85,727	40,962
Market livestock held for sale	6,444	32,956	-	1,052	253	-
Other current assets	725	442	-	-	3,160	-
Total current farm assets	868,759	673,416	474,937	537,318	1,230,110	1,412,987
Intermediate Farm Assets						
Breeding livestock	767	3,263	-	615	150	-
Machinery and equipment	697,948	721,528	529,135	441,288	981,679	817,924
Titled vehicles	35,328	38,373	9,119	23,314	72,842	33,227
Other intermediate assets	228,865	121,510	39,391	89,180	275,382	610,605
Total intermediate farm assets	962,908	884,674	577,645	554,397	1,330,053	1,461,755
Long Term Farm Assets						
Farm land	761,791	435,957	603,078	455,076	994,722	1,295,059
Buildings and improvements	215,226	272,001	67,744	96,395	248,646	395,712
Other long-term assets	62,398	45,136	59,544	28,679	128,121	49,181
Total long-term farm assets	1,039,415	753,093	730,367	580,151	1,371,489	1,739,952
Total Farm Assets	2,871,082	2,311,182	1,782,949	1,671,866	3,931,652	4,614,694
Total Nonfarm Assets	350,656	235,067	308,824	190,997	422,994	586,509
Total Assets	3,221,739	2,546,249	2,091,773	1,862,862	4,354,646	5,201,203
Liabilities						
Current Farm Liabilities						
Accrued interest	22,754	19,617	20,056	6,495	32,966	34,395
Accounts payable	22,998	14,276	21,117	15,147	38,679	25,100
Current notes	312,206	393,363	270,458	157,924	253,302	492,226
Government crop loans	26,503	27,631	15,083	15,635	48,664	25,588
Principal due on term debt	76,720	73,718	35,954	39,913	105,436	128,346
Total current farm liabilities	461,181	528,605	362,669	235,114	479,047	705,655
Total intermediate farm liabs	186,084	154,480	137,827	108,810	271,142	255,729
Total long term farm liabilities	575,800	488,167	399,744	155,051	811,316	1,017,981
Total farm liabilities	1,223,064	1,171,252	900,240	498,974	1,561,506	1,979,365
Total nonfarm liabilities	130,047	64,456	131,195	88,417	116,626	244,495
Total liabilities	1,353,111	1,235,708	1,031,435	587,391	1,678,132	2,223,860
Net worth (farm and nonfarm)	1,868,627	1,310,541	1,060,338	1,275,472	2,676,514	2,977,343
Net worth change	33,185	-120,379	-52,379	-1,502	17,997	310,376
Percent net worth change	2 %	-8 %	-5 %	0 %	1 %	12 %
Ratio Analysis						
Current farm liabilities / assets	53 %	78 %	76 %	44 %	39 %	50 %
Intermediate farm liab. / assets	19 %	17 %	24 %	20 %	20 %	17 %
Long term farm liab. / assets	55 %	65 %	55 %	27 %	59 %	59 %
Total debt to asset ratio	42 %	49 %	49 %	32 %	39 %	43 %

Balance Sheet at Market Values
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Number of farms	64	12	13	13	13	13
Assets						
Current Farm Assets						
Cash and checking balance	100,621	25,910	51,982	130,510	150,495	138,461
Prepaid expenses & supplies	100,385	52,754	44,909	66,637	143,031	190,932
Growing crops	-	-	-	-	-	-
Accounts receivable	54,551	26,839	16,972	35,899	101,636	89,279
Hedging accounts	14,665	3,735	4,320	-	28,067	36,363
Crops held for sale or feed	546,743	486,105	331,209	277,001	717,742	916,991
Crops under government loan	44,625	44,676	25,545	26,219	85,727	40,962
Market livestock held for sale	6,444	32,956	-	1,052	253	-
Other current assets	725	442	-	-	3,160	-
Total current farm assets	868,759	673,416	474,937	537,318	1,230,110	1,412,987
Intermediate Farm Assets						
Breeding livestock	1,488	5,771	-	1,654	346	-
Machinery and equipment	954,910	1,101,528	692,695	617,784	1,215,363	1,158,458
Titled vehicles	48,778	46,055	13,869	37,245	94,078	52,433
Other intermediate assets	385,545	253,646	121,859	289,050	501,967	751,055
Total intermediate farm assets	1,390,721	1,406,999	828,424	945,733	1,811,754	1,961,946
Long Term Farm Assets						
Farm land	1,608,664	1,076,342	1,406,206	1,106,305	1,718,331	2,695,186
Buildings and improvements	269,385	343,147	104,799	114,173	282,515	507,963
Other long-term assets	80,658	61,973	82,018	37,697	128,911	91,254
Total long-term farm assets	1,958,706	1,481,462	1,593,023	1,258,175	2,129,757	3,294,403
Total Farm Assets	4,218,186	3,561,878	2,896,384	2,741,226	5,171,621	6,669,335
Total Nonfarm Assets	450,196	295,444	402,600	277,128	500,476	763,429
Total Assets	4,668,382	3,857,321	3,298,984	3,018,353	5,672,097	7,432,764
Liabilities						
Current Farm Liabilities						
Accrued interest	22,754	19,617	20,056	6,495	32,966	34,395
Accounts payable	22,998	14,276	21,117	15,147	38,679	25,100
Current notes	312,206	393,363	270,458	157,924	253,302	492,226
Government crop loans	26,503	27,631	15,083	15,635	48,664	25,588
Principal due on term debt	76,720	73,718	35,954	39,913	105,436	128,346
Total current farm liabilities	461,181	528,605	362,669	235,114	479,047	705,655
Total intermediate farm liabs	186,084	154,480	137,827	108,810	271,142	255,729
Total long term farm liabilities	575,800	488,167	399,744	155,051	811,316	1,017,981
Total farm liabilities	1,223,064	1,171,252	900,240	498,974	1,561,506	1,979,365
Total nonfarm liabilities	130,047	64,456	131,195	88,417	116,626	244,495
Total liabs excluding deferreds	1,353,111	1,235,708	1,031,435	587,391	1,678,132	2,223,860
Total deferred liabilities	542,456	462,590	373,424	367,627	605,644	896,851
Total liabilities	1,895,567	1,698,298	1,404,859	955,018	2,283,777	3,120,710
Retained earnings	1,868,627	1,310,541	1,060,338	1,275,472	2,676,514	2,977,343
Market valuation equity	904,187	848,482	833,787	787,864	711,807	1,334,710
Net worth (farm and nonfarm)	2,772,814	2,159,023	1,894,125	2,063,336	3,388,320	4,312,053
Net worth excluding deferreds	3,315,270	2,621,613	2,267,548	2,430,963	3,993,965	5,208,904
Net worth change	39,218	-84,929	-38,848	44,168	18,864	247,285
Percent net worth change	1 %	-4 %	-2 %	2 %	1 %	6 %
Ratio Analysis						
Current farm liabilities / assets	53 %	78 %	76 %	44 %	39 %	50 %
Intermediate farm liab. / assets	13 %	11 %	17 %	12 %	15 %	13 %
Long term farm liab. / assets	29 %	33 %	25 %	12 %	38 %	31 %
Total debt to asset ratio	41 %	44 %	43 %	32 %	40 %	42 %
Debt to assets excl deferreds	29 %	32 %	31 %	19 %	30 %	30 %

Statement Of Cash Flows
2015 Moorhead Farm Business Management Annual Report
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>20 - 40%</u>	<u>40 - 60%</u>	<u>60 - 80%</u>	<u>High 20%</u>
Number of farms	64	12	13	13	13	13
Beginning cash (farm & nonfarm)	84,051	-57,487	50,216	137,791	165,999	112,851
Cash Provided By Operating Activities						
Gross cash farm income	974,281	835,904	546,649	561,245	1,390,535	1,526,427
Total cash farm expense	-846,508	-780,682	-493,882	-449,647	-1,208,697	-1,294,568
Net cash from hedging transactions	14,675	-42	-	193	22,409	49,681
Cash provided by operating	142,448	55,180	52,767	111,791	204,247	281,540
Cash Provided By Investing Activities						
Sale of breeding livestock	-	-	-	-	-	-
Sale of machinery & equipment	11,734	2,983	20,056	1,185	12,329	21,441
Sale of titled vehicles	105	-	-	-	515	-
Sale of farm land	472	-	-	-	2,323	-
Sale of farm buildings	-	-	-	-	-	-
Sale of other farm assets	14,112	26,530	-	-	23,860	21,124
Sale of nonfarm assets	8,884	1,083	18,700	531	4,577	18,930
Purchase of breeding livestock	-	-	-	-	-	-
Purchase of machinery & equip.	-62,262	-48,394	-40,770	-38,244	-97,109	-85,724
Purchase of titled vehicles	-2,325	-583	-	-1,214	-5,234	-4,458
Purchase of farm land	-50,691	-16,400	-100,452	-19,196	-60,503	-54,266
Purchase of farm buildings	-5,830	-4,522	-458	-2,208	-11,473	-10,387
Purchase of other farm assets	-16,784	-	-	-192	-3,003	-79,433
Purchase of nonfarm assets	-31,444	-5,007	-43,706	-8,173	-17,120	-81,179
Cash provided by investing	-134,029	-44,310	-146,631	-67,512	-150,836	-253,954
Cash Provided By Financing Activities						
Money borrowed	592,278	435,586	634,157	149,929	858,565	871,099
Principal payments	-501,622	-307,701	-485,403	-157,770	-783,960	-758,360
Personal income	31,087	29,597	32,635	61,413	19,264	12,413
Family living/owner withdrawals	-91,019	-84,827	-66,319	-88,124	-114,763	-100,588
Income and social security tax	-25,885	-15,073	-18,113	-14,945	-54,482	-25,979
Capital contributions	-	-	-	-	-	-
Capital distributions	-	-	-	-	-	-
Dividends paid	-391	-	-	-	-1,923	-
Cash gifts and inheritances	10,357	20,591	3,846	-	15,996	12,138
Gifts given	-48	-130	-	-	-115	-
Other cash flows	-	-	-	-	-	-
Cash provided by financing	14,757	78,043	100,804	-49,496	-61,419	10,723
Net change in cash balance	23,176	88,913	6,940	-5,216	-8,009	38,309
Ending cash (farm & nonfarm)	107,144	31,368	57,070	132,575	157,761	151,114
Discrepancy	84	58	85	-	229	46

Financial Standards Measures
2015 Moorhead Farm Business Management Annual Report
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>20 - 40%</u>	<u>40 - 60%</u>	<u>60 - 80%</u>	<u>High 20%</u>
Number of farms	64	12	13	13	13	13
Liquidity						
Current ratio	1.88	1.27	1.31	2.29	2.57	2.00
Working capital	407,578	144,810	112,268	302,204	751,063	707,332
Working capital to gross inc	38.1 %	16.6 %	19.4 %	56.2 %	48.7 %	39.4 %
Solvency (market)						
Farm debt to asset ratio	41 %	46 %	43 %	31 %	42 %	43 %
Farm equity to asset ratio	59 %	54 %	57 %	69 %	58 %	57 %
Farm debt to equity ratio	0.71	0.84	0.77	0.45	0.71	0.74
Profitability (cost)						
Rate of return on farm assets	2.6 %	-5.0 %	-1.7 %	0.7 %	2.6 %	8.8 %
Rate of return on farm equity	1.5 %	-13.1 %	-6.6 %	-0.5 %	1.3 %	12.0 %
Operating profit margin	7.0 %	-13.6 %	-5.0 %	2.1 %	6.6 %	21.7 %
Net farm income	105,808	-79,311	-5,375	46,199	134,733	418,555
EBITDA	240,523	48,715	87,935	114,944	334,099	602,169
Repayment Capacity						
Capital debt repayment capacity	131,631	-36,817	25,538	58,287	165,972	432,215
Capital debt repayment margin	15,738	-139,898	-39,277	4,929	12,925	228,038
Replacement margin	-34,581	-205,877	-78,150	-26,350	-57,596	181,892
Term debt coverage ratio	1.14	-0.36	0.39	1.09	1.08	2.12
Replacement coverage ratio	0.79	-0.22	0.25	0.69	0.74	1.73
Efficiency						
Asset turnover rate (cost)	37.6 %	36.5 %	33.4 %	32.0 %	39.4 %	40.5 %
Operating expense ratio	77.5 %	94.4 %	84.8 %	78.6 %	78.3 %	66.5 %
Depreciation expense ratio	7.9 %	9.6 %	10.6 %	9.6 %	8.5 %	5.2 %
Interest expense ratio	4.7 %	5.0 %	5.5 %	3.2 %	4.4 %	5.0 %
Net farm income ratio	9.9 %	-9.1 %	-0.9 %	8.6 %	8.7 %	23.3 %

Crop Production and Marketing Summary
2015 Moorhead Farm Business Management Annual Report
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>20 - 40%</u>	<u>40 - 60%</u>	<u>60 - 80%</u>	<u>High 20%</u>
Number of farms	64	12	13	13	13	13
Acreage Summary						
Total acres owned	456	389	410	419	301	756
Total crop acres	1,901	1,658	1,295	1,147	2,623	2,763
Crop acres owned	415	365	377	260	439	629
Crop acres cash rented	1,437	1,285	895	807	2,178	2,010
Crop acres share rented	49	8	24	80	5	123
Total pasture acres	-	-	-	-	-	-
Percent crop acres owned	22 %	22 %	29 %	23 %	17 %	23 %
Mach invest/crop acre cost	392	468	430	409	408	310
Mach invest/crop acre market	530	697	557	562	501	439
Average Price Received (Cash Sales Only)						
Soybeans per bushel	9.18	9.01	8.78	9.27	9.39	9.25
Wheat, Spring per bushel	5.05	5.09	5.06	4.75	5.11	5.18
Corn per bushel	3.47	3.52	3.38	3.28	3.41	3.62
Straw per ton	14.29	-	-	-	-	-
Hay, Alfalfa per ton	107.81	-	-	-	-	-
Soybeans, Food per bushel	13.93	-	-	-	-	-
Average Yield Per Acre						
Soybeans (bushel)	44.39	43.13	44.55	43.47	44.92	44.84
Wheat, Spring (bushel)	75.35	74.28	74.77	73.88	76.21	76.22
Corn (bushel)	159.59	175.21	163.73	163.44	148.44	166.39
Sugar Beets (ton)	29.10	29.55	28.97	-	28.60	29.62
CRP (\$)	87.59	-	105.11	-	-	-
Rented Out (\$)	239.37	-	-	-	215.46	-
Soybeans, Food (bushel)	38.92	-	-	-	-	-
Hay, Alfalfa (ton)	4.48	-	-	-	-	-
Sunflowers (cwt)	20.82	-	-	-	-	-

Household and Personal Expenses
2015 Moorhead Farm Business Management Annual Report
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>
Number of farms	6
Average family size	3.0
Family Living Expenses	
Food and meals expense	11,019
Medical care	9,253
Health insurance	6,243
Cash donations	4,919
Household supplies	4,527
Clothing	6,365
Personal care	1,813
Child / Dependent care	2,665
Alimony and child support	-
Gifts	8,758
Education	4,989
Recreation	12,935
Utilities (household share)	4,970
Personal vehicle operating exp	2,990
Household real estate taxes	501
Dwelling rent	998
Household repairs	1,107
Personal interest	3,164
Disability / Long term care ins	397
Life insurance payments	1,733
Personal property insurance	157
Miscellaneous	7,957
Total cash family living expense	97,458
Family living from the farm	-
Total family living	97,458
Other Nonfarm Expenditures	
Income taxes	21,161
Furnishing & appliance purchases	180
Nonfarm vehicle purchases	3,090
Nonfarm real estate purchases	417
Other nonfarm capital purchases	276
Nonfarm savings & investments	4,273
Total other nonfarm expenditures	29,397
 Total cash family living investment & nonfarm capital purch	 126,855

Operator and Labor Information
2015 Moorhead Farm Business Management Annual Report
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>20 - 40%</u>	<u>40 - 60%</u>	<u>60 - 80%</u>	<u>High 20%</u>
Number of farms	64	12	13	13	13	13
Operator Information						
Average number of operators	1.0	1.1	0.8	0.9	1.2	1.2
Average age of operators	47.3	48.9	48.2	44.6	50.3	44.7
Average number of years farming	24.7	25.6	22.5	22.8	28.5	23.7
Results Per Operator						
Working capital	396,851	133,671	142,668	327,388	629,924	613,021
Total assets (market)	4,545,511	3,560,604	4,192,257	3,269,883	4,757,243	6,441,729
Total liabilities	1,845,676	1,567,660	1,785,256	1,034,603	1,915,425	2,704,616
Net worth (market)	2,699,834	1,992,944	2,407,001	2,235,280	2,841,817	3,737,113
Net worth excl deferred liabs	3,228,013	2,419,951	2,881,538	2,633,543	3,349,777	4,514,384
Gross farm income	1,041,347	807,052	737,288	582,528	1,294,056	1,557,692
Total farm expense	938,324	880,262	744,119	532,480	1,181,055	1,194,944
Net farm income from operations	103,023	-73,210	-6,831	50,048	113,002	362,748
Net nonfarm income	30,269	27,320	41,472	66,531	16,157	10,758
Family living & tax withdrawals	108,628	84,611	92,444	116,615	130,785	111,197
Total acres owned	444.1	359.1	520.8	454.1	252.5	655.4
Total crop acres	1,850.8	1,530.5	1,646.0	1,242.2	2,199.6	2,394.3
Crop acres owned	404.1	337.1	479.2	282.0	368.6	545.3
Crop acres cash rented	1,399.5	1,186.1	1,136.8	873.8	1,827.0	1,742.2
Crop acres share rented	47.2	7.3	30.1	86.4	4.0	106.9
Total pasture acres	-	-	-	-	-	-
Labor Analysis						
Number of farms	64	12	13	13	13	13
Total unpaid labor hours	1,639	1,679	1,192	1,204	2,231	1,892
Total hired labor hours	2,250	2,012	1,200	1,068	3,351	3,600
Total labor hours per farm	3,889	3,691	2,392	2,272	5,582	5,492
Unpaid hours per operator	1,596	1,550	1,515	1,304	1,871	1,640
Value of farm production / hour	272.56	228.58	242.51	236.56	273.41	326.97
Net farm income / unpaid hour	64.55	-47.23	-4.51	38.38	60.40	221.19
Average hourly hired labor wage	22.83	24.88	26.22	36.00	20.62	18.81
Partnerships & LLCs						
Number of farms	7	2	-	1	3	1
Number of operators	1.9	-	-	-	-	-
Owner withdrawals per farm	-	-	-	-	-	-
Withdrawals per operator	-	-	-	-	-	-

Nonfarm Summary
2015 Moorhead Farm Business Management Annual Report
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>20 - 40%</u>	<u>40 - 60%</u>	<u>60 - 80%</u>	<u>High 20%</u>
Number of farms	64	12	13	13	13	13
Nonfarm Income						
Personal wages & salary	22,954	15,418	28,151	54,166	11,548	4,907
Net nonfarm business income	2,944	7,190	-	2,130	5,734	-6
Personal rental income	205	815	256	-	-	-
Personal interest income	195	1	32	2	-	927
Personal cash dividends	1	-	-	-	-	4
Tax refunds	1,058	1,108	315	3,319	77	476
Other nonfarm income	3,730	5,066	3,882	1,796	1,904	6,104
Total nonfarm income	31,087	29,597	32,635	61,413	19,264	12,413
Gifts and inheritances	10,357	20,591	3,846	-	15,996	12,138
Nonfarm Assets (market)						
Checking & savings	6,523	5,459	5,088	2,065	7,267	12,653
Stocks & bonds	13,507	29,630	13,710	4,505	3,860	17,068
Other current assets	6,647	833	-	769	-	31,184
Furniture & appliances	13,617	9,292	8,577	7,803	21,808	20,274
Nonfarm vehicles	31,745	28,234	27,991	23,613	33,903	44,712
Cash value of life ins.	12,744	12,398	8,704	7,949	12,246	22,399
Retirement accounts	130,600	89,334	124,615	122,070	171,842	141,965
Other intermediate assets	5,158	7,242	596	2,577	538	14,997
Nonfarm real estate	188,963	113,022	170,565	101,930	234,493	318,962
Personal bus. investment	19,180	-	-	-	1,058	93,367
Other long term assets	21,513	-	42,755	3,846	13,462	45,848
Total nonfarm assets	450,196	295,444	402,600	277,128	500,476	763,429
Nonfarm Liabilities						
Accrued interest	205	11	135	238	459	164
Accounts payable	192	-	-	385	385	176
Current notes	781	167	106	1,014	2,288	284
Princ due on term debt	7,855	6,115	7,877	4,267	7,556	13,329
Total current liabilities	23,528	8,210	12,626	18,664	42,343	34,617
Intermediate liabilities	23,596	8,103	3,650	11,323	9,408	84,305
Long term liabilities	82,923	48,143	114,919	58,430	64,875	125,572
Total nonfarm liabilities	130,047	64,456	131,195	88,417	116,626	244,495
Nonfarm net worth	320,149	230,988	271,404	188,711	383,850	518,934
Nonfarm debt to asset ratio	29 %	22 %	33 %	32 %	23 %	32 %

Financial Summary
2015 Moorhead Farm Business Management Annual Report
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>20 - 40%</u>	<u>40 - 60%</u>	<u>60 - 80%</u>	<u>High 20%</u>
Number of farms	64	12	13	13	13	13
Income Statement						
Gross cash farm income	974,281	835,904	546,649	561,245	1,390,535	1,526,427
Total cash farm expense	846,508	780,682	493,882	449,647	1,208,697	1,294,568
Net cash farm income	127,773	55,222	52,767	111,598	181,838	231,859
Inventory change	62,519	-50,486	3,509	-13,987	84,053	280,811
Depreciation	-84,484	-84,046	-61,651	-51,413	-131,159	-94,115
Net farm income from operations	105,808	-79,311	-5,375	46,199	134,733	418,555
Gain or loss on capital sales	-	-	-	-	-	-
Average net farm income	105,808	-79,311	-5,375	46,199	134,733	418,555
Median net farm income	43,625	-54,812	-15,180	32,499	139,371	345,520
Profitability (cost)						
Rate of return on assets	2.6 %	-5.0 %	-1.7 %	0.7 %	2.6 %	8.8 %
Rate of return on equity	1.5 %	-13.1 %	-6.6 %	-0.5 %	1.3 %	12.0 %
Operating profit margin	7.0 %	-13.6 %	-5.0 %	2.1 %	6.6 %	21.7 %
Asset turnover rate	37.6 %	36.5 %	33.4 %	32.0 %	39.4 %	40.5 %
Profitability (market)						
Rate of return on assets	1.9 %	-2.2 %	-0.7 %	2.2 %	1.9 %	4.9 %
Rate of return on equity	1.1 %	-6.1 %	-3.1 %	2.3 %	0.9 %	6.1 %
Operating profit margin	7.3 %	-9.2 %	-3.6 %	11.1 %	6.2 %	17.8 %
Asset turnover rate	25.5 %	23.8 %	20.4 %	19.7 %	29.9 %	27.7 %
Liquidity & Repayment (end of year)						
Current assets	868,759	673,416	474,937	537,318	1,230,110	1,412,987
Current liabilities	461,181	528,605	362,669	235,114	479,047	705,655
Current ratio	1.88	1.27	1.31	2.29	2.57	2.00
Working capital	407,578	144,810	112,268	302,204	751,063	707,332
Working capital to gross inc	38.1 %	16.6 %	19.4 %	56.2 %	48.7 %	39.4 %
Term debt coverage ratio	1.14	-0.36	0.39	1.09	1.08	2.12
Replacement coverage ratio	0.79	-0.22	0.25	0.69	0.74	1.73
Term debt to EBITDA	2.85	11.99	4.35	2.34	3.01	1.96
Solvency (end of year at cost)						
Number of farms	64	12	13	13	13	13
Total assets	3,221,739	2,546,249	2,091,773	1,862,862	4,354,646	5,201,203
Total liabilities	1,353,111	1,235,708	1,031,435	587,391	1,678,132	2,223,860
Net worth	1,868,627	1,310,541	1,060,338	1,275,472	2,676,514	2,977,343
Net worth change	33,185	-120,379	-52,379	-1,502	17,997	310,376
Farm debt to asset ratio	43 %	51 %	50 %	30 %	40 %	43 %
Total debt to asset ratio	42 %	49 %	49 %	32 %	39 %	43 %
Change in earned net worth %	2 %	-8 %	-5 %	0 %	1 %	12 %
Solvency (end of year at market)						
Number of farms	64	12	13	13	13	13
Total assets	4,668,382	3,857,321	3,298,984	3,018,353	5,672,097	7,432,764
Total liabilities	1,895,567	1,698,298	1,404,859	955,018	2,283,777	3,120,710
Net worth	2,772,814	2,159,023	1,894,125	2,063,336	3,388,320	4,312,053
Total net worth change	39,218	-84,929	-38,848	44,168	18,864	247,285
Farm debt to asset ratio	41 %	46 %	43 %	31 %	42 %	43 %
Total debt to asset ratio	41 %	44 %	43 %	32 %	40 %	42 %
Change in total net worth %	1 %	-4 %	-2 %	2 %	1 %	6 %
Nonfarm Information						
Net nonfarm income	31,087	29,597	32,635	61,413	19,264	12,413
Farms reporting living expenses	6	1	1	2	1	1
Total family living expense	97,458	-	-	-	-	-
Total living, invest, cap. purch	126,855	-	-	-	-	-
Crop Acres						
Total crop acres	1,901	1,658	1,295	1,147	2,623	2,763
Total crop acres owned	415	365	377	260	439	629
Total crop acres cash rented	1,437	1,285	895	807	2,178	2,010
Total crop acres share rented	49	8	24	80	5	123
Machinery value per crop acre	530	697	557	562	501	439

Summary Farm Income Statement
2015 Moorhead Farm Business Management Annual Report
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>20 - 40%</u>	<u>40 - 60%</u>	<u>60 - 80%</u>	<u>High 20%</u>
Number of farms	64	12	13	13	13	13
Crop sales	836,856	668,106	470,725	499,483	1,181,852	1,351,135
Crop inventory change	91,703	100,005	48,938	-12,733	134,172	188,769
Gross crop income	928,559	768,111	519,664	486,750	1,316,024	1,539,904
Livestock sales	9,746	51,978	-	-	-	-
Livestock inventory change	-4,666	-25,309	-	475	-84	-
Gross livestock income	5,080	26,669	-	475	-84	-
Government payments	28,376	29,982	16,383	13,298	38,247	44,094
Other cash farm income	99,302	85,838	59,540	48,463	170,435	131,198
Change in accounts receivable	-5,620	-26,196	-18,985	-9,878	1,089	24,287
Gain or loss on hedging accounts	12,006	-13,057	3,463	193	12,225	55,276
Change in other assets	1,767	2,880	124	-1,584	4,926	2,577
Gain or loss on breeding lvst	25	79	-	-	50	-
Gross farm income	1,069,496	874,306	580,189	537,719	1,542,913	1,797,336
Cash operating expenses	801,154	743,622	463,483	434,134	1,143,569	1,216,537
Change in prepaids and supplies	27,411	89,351	14,340	-5,445	47,296	-3,723
Change in growing crops	36	190	-	-	-	-
Change in accounts payable	372	-7,571	14,431	-5,915	17,949	-17,646
Depreciation	84,484	84,046	61,651	51,413	131,159	94,115
Total operating expense	913,456	909,638	553,905	474,187	1,339,973	1,289,283
Interest paid	45,354	37,059	30,399	15,513	65,128	78,031
Change in accrued interest	4,878	6,919	1,260	1,820	3,080	11,468
Total interest expense	50,232	43,979	31,659	17,333	68,208	89,499
Total expenses	963,688	953,617	585,565	491,520	1,408,181	1,378,781
Net farm income from operations	105,808	-79,311	-5,375	46,199	134,733	418,555
Gain or loss on capital sales	-	-	-	-	-	-
Net farm income	105,808	-79,311	-5,375	46,199	134,733	418,555