



# Farm Business Management

## 2019 ANNUAL REPORT Northern Minnesota



April, 2020



MINNESOTA STATE

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# Northern Minnesota Annual Report Instructors and Locations



## MINNESOTA STATE



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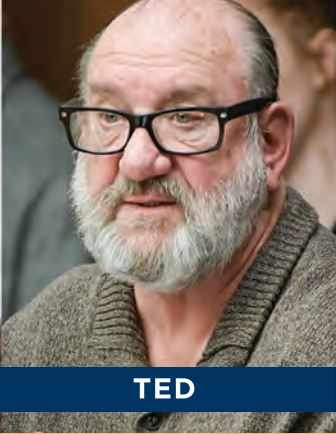
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**Advise** Farm Transition and Succession Planning

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**Increase** Access to Lending Opportunities

**Rural Mental Health Support**

FARM INFO LINE  
**1-800-232-9077**

MN FARM & RURAL HELPLINE  
**833-600-2670, x1**

**MN Mental Health Outreach Program**

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**MENTAL HEALTH OUTREACH PROGRAM**

**Colleges Supporting Farm Business Management**

Alexandria Technical College

Central Lakes College

Minnesota West Community  
and Technical College

Northland Community and Technical College

Ridgewater College

Riverland Community College

South Central College

St. Cloud Technical and  
Community College

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## 2019 Annual Report – Executive Summary

The 2019 farm year was another year with a variety of challenges for area producers. Producers faced issues related to crop quality, planting delays, price volatility due to a variety of market factors, and harvest challenges including many producers with crops left in the field at the end of 2019. Profits were up for some of Minnesota's major types of livestock operations especially dairy and pork. This was due primarily to increased prices for milk and increases from additional farm income sources.

In 2019, Average Net Farm Income for the 572 farms in the Northern Minnesota database was \$72,208. This was

Financial Factors	2015	2016	2017	2018	2019
Average Net Farm Income	\$37,182	\$59,480	\$54,021	\$59,306	\$72,208
Median Net Farm Income	\$23,730	\$25,654	\$23,489	\$25,857	\$29,325

up from the \$59,306 reported in 2018. Median Net Farm Income was up

slightly, increasing to \$29,325 in 2019, compared to \$25,857 in 2018. A strong Market Facilitation Program payment on all eligible crop acres caused the average Northern Minnesota farm profits to increase from 2018 to 2019.

Some key financial measures showed a slight increase compared to 2018. Working Capital increased to \$144,382 at the end of 2019 compared to \$140,409 at the end of 2018; an increase of 2.8%. Working Capital represents the dollar amount remaining after subtracting current liabilities from current assets. The 2019 Northern Minnesota term debt coverage average was 1.35 compared to 1.27 in 2018. With a modest increase in profitability in 2019, the Operating Expense Ratio came in at 76.6 %; which is in the high end of acceptable range based on the financial scorecard on the back cover of this report.

The two major livestock enterprises in Northern Minnesota are Dairy and Beef Cow-Calf operations. On a statewide basis, the Dairy Cow enterprise generated a Net Return/cow of only \$403.31 in 2019. This is an increase of \$441 per cow from 2018. This increase in profit is tied directly to the higher yearly average price received for milk, which increase to \$18.64 per cwt compared to \$16.44 per cwt in 2018. Current milk prices, however, have dropped to a price around \$16.50 per cwt.

Beef Cow-Calf enterprises showed a Net Return per cow of -\$223.06 compared to 2018, which had a Net Return of -\$54 per cow. Feed costs were higher in 2019 for Beef Cow-Calf producers leading to a lower net return when combined with the smaller gross margin per cow.

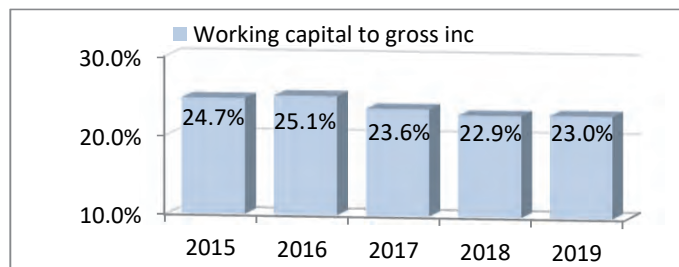
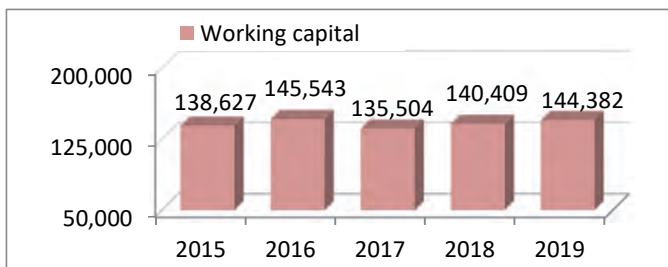
2019 showed a variety of yield differences for the northern half of Minnesota, with an average yield per acre of 156.7 bushels for corn, 37.1 bushels for soybeans, and 60.7 bushels for spring wheat. Net returns showed profitability on all three crops for the first time in three years. However, without other crop government payments, all three crops would have had negative net returns per acre. The chart below displays the 3-year history of selected factors for these crops.

Rented Land		Yield per Acre	Value per Unit	Gross Revenue /Acre	Dir & Ovhd Expense /Acre	Net Return /Acre	Dir & Ovhd Expense /Unit
Corn	2017	159.4	\$3.06	\$510.64	\$575.37	(\$64.73)	\$3.62
	2018	174.9	\$3.29	\$591.86	\$600.68	(\$8.82)	\$3.43
	2019	156.7	\$3.42	\$605.07	\$593.49	\$11.58	\$3.79
Soybeans	2017	33.9	\$9.09	\$332.97	\$329.60	\$3.36	\$9.72
	2018	39.9	\$8.44	\$417.24	\$342.97	\$74.27	\$8.60
	2019	37.1	\$8.22	\$370.04	\$334.72	\$35.32	\$9.01
Spring Wheat	2017	70.5	\$5.91	\$427.38	\$324.29	\$103.10	\$4.60
	2018	59.6	\$5.53	\$355.89	\$338.44	(\$1.08)	\$5.68
	2019	60.7	\$5.09	\$383.13	\$346.31	\$36.82	\$5.70

Trend information for the 2015-2019 Financial Summary can be found on page 4 of this report. A quick look at 2019 can be found on page 5 as the "Year at a Glance". The impact of spending on the farm economy of Northern Minnesota by the average farmer in this report can be found on page 8.

**Financial Trend Summary**  
**Northern Minnesota Farm Business Management Data**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>Income Statement</b>					
Gross Cash Farm Income	551,703	557,016	562,001	585,946	605,725
Total Cash Farm Expense	469,847	473,748	470,535	505,816	511,025
Net Cash Farm Income	81,857	83,268	91,466	80,130	94,700
Inventory change	-5,368	20,084	7,106	21,774	16,031
Depreciation	-40,070	-44,472	-44,668	-42,395	-45,887
Net Farm Income From Operations	36,419	58,880	53,905	59,509	64,844
Gain or loss on capital sales	763	601	116	-202	7364
Average Net Farm Income	37,182	59,480	54,021	59,306	72,208
Median Net Farm Income	23,730	25,654	23,489	25,857	29,325
<b>Profitability (Cost)</b>					
Rate of Return on Assets	1.4%	2.7%	2.5%	3.1%	3.4%
Rate of Return on Equity	-0.9%	1.6%	1.2%	2.0%	2.4%
Operating Profit Margin	4.7%	9.2%	8.4%	10.0%	10.9%
Asset Turnover Rate	29.8%	29.6%	30.1%	30.6%	30.8%
<b>Liquidity &amp; Repayment (end of year)</b>					
Current Assets	362,417	395,719	372,786	413,286	414,578
Current Liabilities	223,790	250,175	237,282	272,877	270,196
Current Ratio	1.62	1.58	1.57	1.51	1.53
Working capital	138,627	145,543	135,504	140,409	144,382
Change in working capital	-	-	-	5,184	11,194
Working capital to gross inc	24.7%	25.1%	23.6%	22.9%	23.0%
Term Debt Coverage Ratio	0.88	1.22	1.18	1.27	1.35
Replacement coverage ratio	0.76	1.01	0.96	1.02	1.07
Term debt to EBITDA	4.33	3.63	3.85	3.80	3.55
<b>Solvency (Market)</b>					
Number of Farms	588	615	622	615	572
Total Assets	2,003,026	1,842,910	1,837,006	2,267,883	2,290,635
Total Liabilities	895,016	803,433	794,024	1,026,167	1,029,465
Net Worth	1,108,011	1,039,477	1,042,982	1,241,716	1,261,170
Net Worth Change	30,645	43,243	38,476	48,792	57,514
Farm Debt to Asset Ratio	47%	46%	46%	48%	47%
Total Debt to Asset Ratio	45%	44%	43%	45%	45%
Change in total net worth %	3%	4%	4%	4%	5%
<b>Nonfarm Information</b>					
Net Nonfarm Income	28,964	27,427	28,846	31,318	33,283
Farms Reporting Liv Expenses	76	101	76	75	70
Total Family Living Expense	48,783	47,828	50,678	50,802	51,527
Total Living, Invest, & Cap Purch	74,687	59,233	65,631	63,149	74,591
<b>Crop Acres</b>					
Total Crop Acres	688	713	755	754	798
Total Crop Acres Owned	248	239	257	251	245
Total Crop Acres Cash Rented	428	466	492	497	545
Total Crop Acres Share Rent	12	8	6	6	8
Machinery value per crop acre	542	622	596	531	580



<u><b>Year at a Glance</b></u>		<b>State</b>		<b>Your</b>	<b>Your</b>
<i>Data for the Average Farm</i>	<b>Northern</b>	<b>FBM</b>	<b>Local</b>	<b>Farm</b>	<b>Farm</b>
	<b>Minnesota</b>	<b>Data</b>	<b>Area</b>	<b>Data</b>	<b>Goal</b>
	<b>572</b>	<b>2167</b>			
	<b><u>Farms</u></b>	<b><u>Farms</u></b>			
<b><u>Income Statement</u></b>					
Gross Cash Farm Income	\$605,725	\$744,078	_____	_____	_____
Total Cash Operating Expense	\$511,025	\$645,752	_____	_____	_____
Net Cash Farm Income	\$94,700	\$98,326	_____	_____	_____
Net Operating Profit	\$110,731	\$117,994	_____	_____	_____
Net Farm Income	\$72,208	\$73,643	_____	_____	_____
Median Farm Income	\$29,325	\$33,377	_____	_____	_____
<b><u>Balance Sheet (Market)</u></b>					
Total Assets - 12/31	\$2,290,635	\$2,888,174	_____	_____	_____
Total Liabilities - 12/31	\$1,029,465	\$1,255,849	_____	_____	_____
Net Worth - 12/31	\$1,261,170	\$1,632,325	_____	_____	_____
Change in Net Worth	\$57,514	\$79,642	_____	_____	_____
<b><u>Financial Standards Measures</u></b>					
Working Capital - 12/31	\$144,382	\$179,389	_____	_____	_____
Debt to Asset Ratio - 12/31	47%	46%	_____	_____	_____
Rate of Return on Farm Assets - Cost	3.4%	3.1%	_____	_____	_____
Rate of Return on Farm Equity - Cost	2.4%	1.9%	_____	_____	_____
Term Debt Coverage Ratio	1.35	1.37	_____	_____	_____
Asset Turnover Rate	30.8%	33.2%	_____	_____	_____
Operating Expense Ratio	76.6%	79.3%	_____	_____	_____
Interest Expense Ratio	5.7%	5.4%	_____	_____	_____
<b><u>Operator Information</u></b>					
Average Age of the Farmer	46.6	47.1	_____	_____	_____
Average Years Farming	21.8	23.0	_____	_____	_____
<b><u>Personal Spending &amp; Income</u></b>					
Total Cash Family Living Expense	\$51,201	\$60,015	_____	_____	_____
Total Non Farm Income	\$33,283	\$37,773	_____	_____	_____

Net Farm Income dollars are used to pay for Family Living, Social Security and Income Tax, Retirement Accounts, Medical and Health expenses, and loan principle payments. A positive balance indicates revenue for other uses, while a negative balance indicates a need for revenue from other sources.

The following list shows expenses for the year:

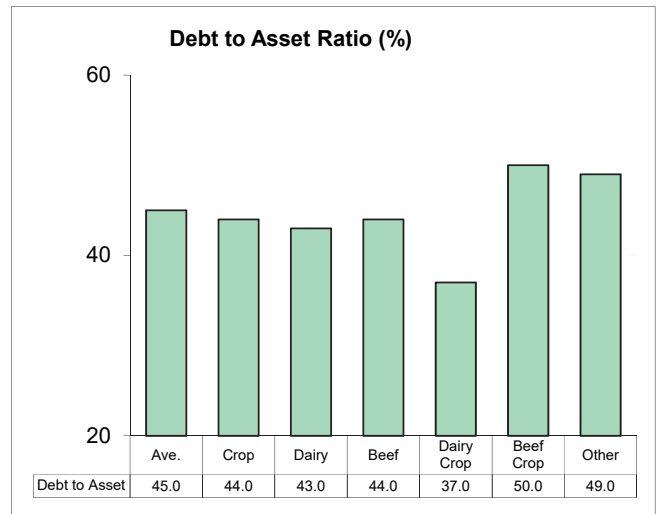
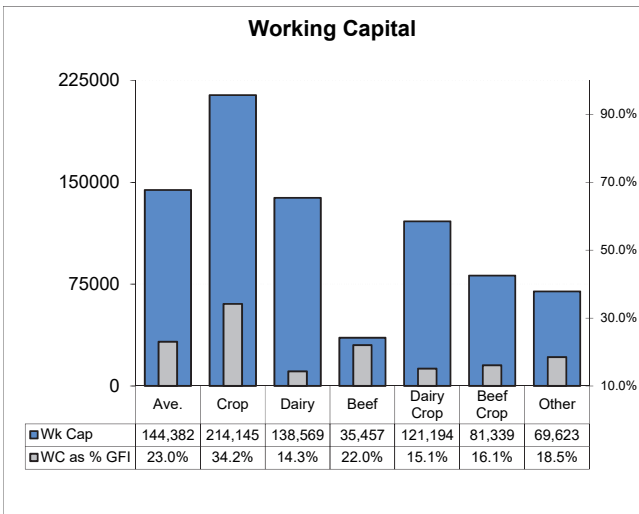
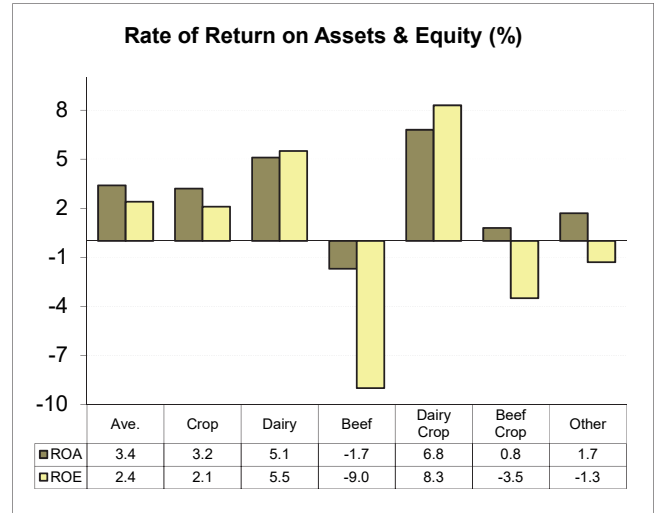
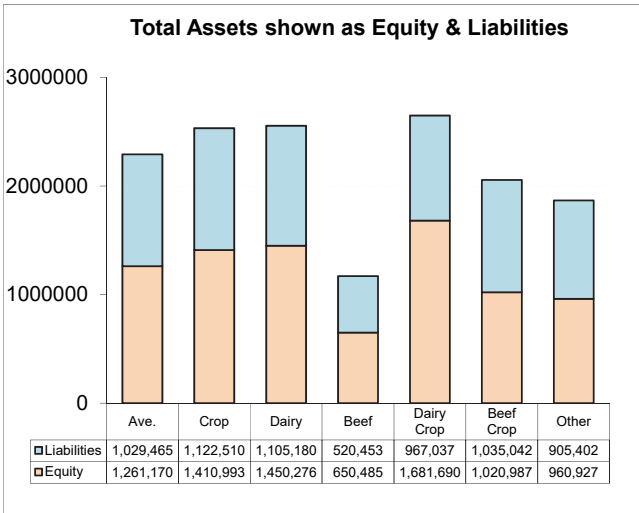
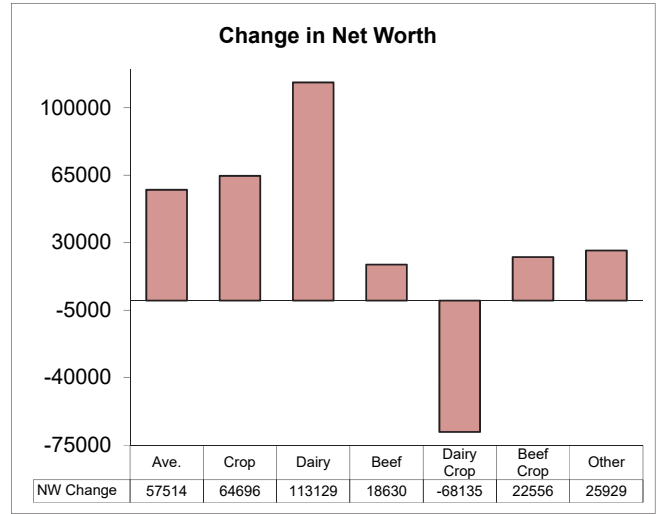
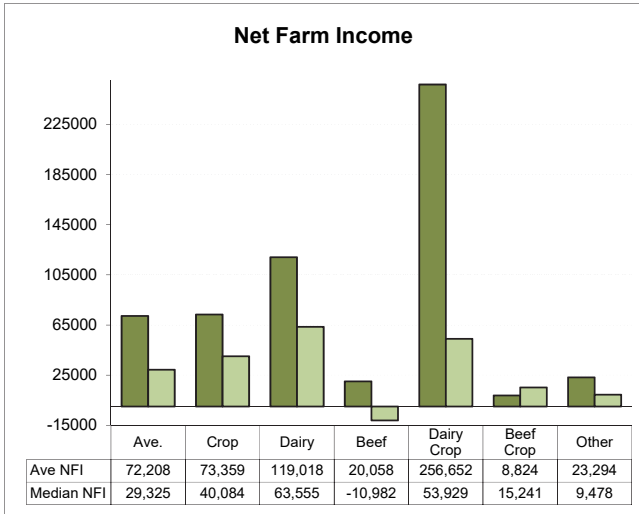
		<u>Northern Minnesota</u>	<u>State Data</u>
Net Farm Income	(+)	\$72,208	\$73,643
Depreciation	(+)	\$45,887	\$50,364
Family Living (Excl Health/Med)	(-)	\$41,932	\$46,127
Social Security and Income Tax	(-)	\$6,944	\$8,112
Health and Medical Expense	(-)	\$7,012	\$9,597
Retirement Accounts	(-)	\$6,970	\$4,735
Principal Payments	(-)	\$57,274	\$58,043
Balance	(=)	<b>-\$2,037</b>	<b>-\$2,607</b>

**Financial Summary**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Farm Type)**

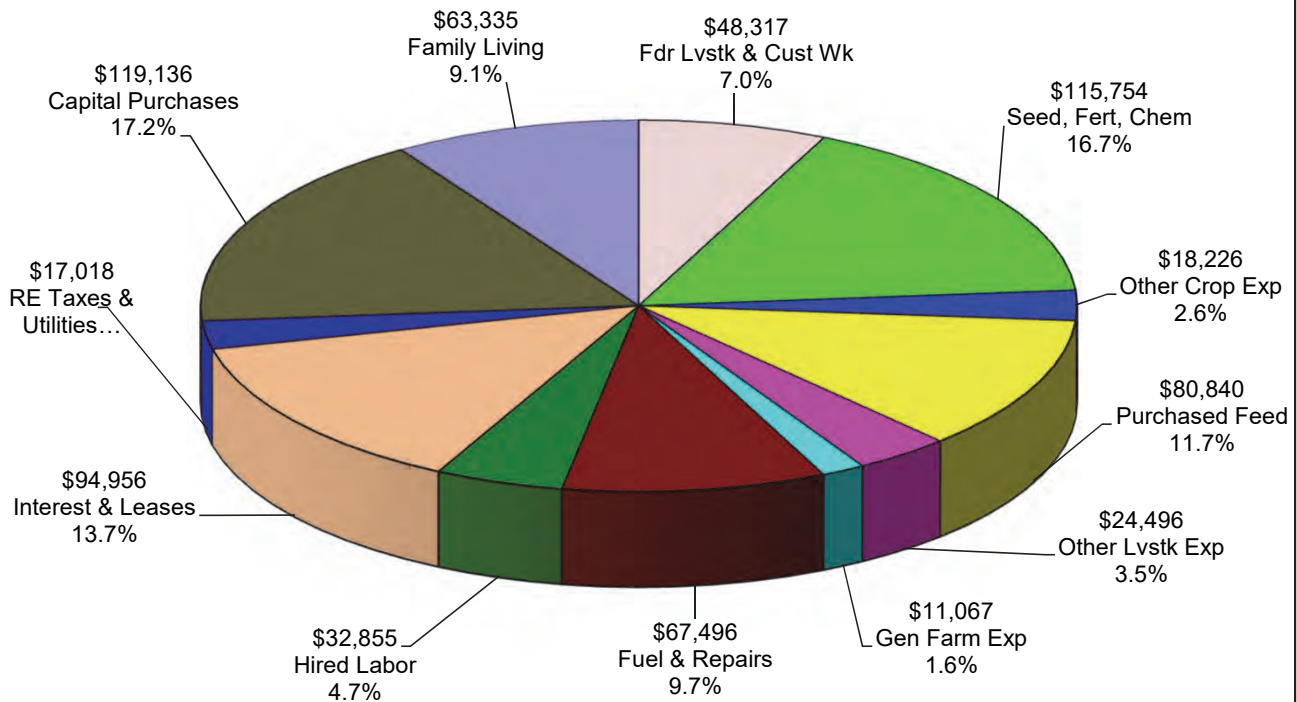
	<u>Avg. Of All Farms</u>	<u>Crop</u>	<u>Dairy</u>	<u>Beef</u>	<u>Crop and Dairy</u>	<u>Crop and Beef</u>	<u>Other</u>
Number of farms	572	237	128	36	19	42	103
<b>Income Statement</b>							
Gross cash farm income	605,725	605,149	941,629	156,794	746,527	495,859	370,977
Total cash farm expense	511,025	507,646	786,102	155,370	557,108	447,496	316,904
Net cash farm income	94,700	97,504	155,527	1,425	189,420	48,363	54,073
Inventory change	16,031	15,287	29,955	-479	49,742	3,496	-74
Depreciation	-45,887	-46,011	-66,592	-14,180	-62,539	-41,525	-30,490
Net farm income from operations	64,844	66,780	118,889	-13,234	176,623	10,333	23,508
Gain or loss on capital sales	7,364	6,578	128	33,293	80,030	-1,509	-214
Average net farm income	72,208	73,359	119,018	20,058	256,652	8,824	23,294
Median net farm income	29,325	40,084	63,555	-10,982	53,929	15,241	9,478
<b>Profitability (cost)</b>							
Rate of return on assets	3.4 %	3.2 %	5.1 %	-1.7 %	6.8 %	0.8 %	1.7 %
Rate of return on equity	2.4 %	2.1 %	5.5 %	-9.0 %	8.3 %	-3.5 %	-1.3 %
Operating profit margin	10.9 %	9.4 %	15.6 %	-12.0 %	23.0 %	3.0 %	7.5 %
Asset turnover rate	30.8 %	34.0 %	32.8 %	13.9 %	29.6 %	25.6 %	22.2 %
<b>Profitability (market)</b>							
Rate of return on assets	3.1 %	3.3 %	5.0 %	-4.7 %	4.2 %	0.4 %	1.7 %
Rate of return on equity	2.5 %	3.0 %	6.0 %	-13.0 %	4.6 %	-3.5 %	-0.3 %
Operating profit margin	11.8 %	11.8 %	17.1 %	-44.3 %	16.0 %	1.9 %	9.5 %
Asset turnover rate	25.8 %	28.1 %	29.1 %	10.7 %	26.4 %	21.5 %	17.6 %
<b>Liquidity &amp; Repayment (end of year)</b>							
Current assets	414,578	566,776	320,012	149,757	357,189	421,177	284,357
Current liabilities	270,196	352,631	181,444	114,300	235,995	339,838	214,735
Current ratio	1.53	1.61	1.76	1.31	1.51	1.24	1.32
Working capital	144,382	214,145	138,569	35,457	121,194	81,339	69,623
Change in working capital	11,194	905	27,113	11,804	11,878	-7,122	21,035
Working capital to gross inc	23.0 %	34.2 %	14.3 %	22.0 %	15.1 %	16.1 %	18.5 %
Term debt coverage ratio	1.35	1.36	1.61	0.86	1.79	0.86	1.00
Replacement coverage ratio	1.07	0.96	1.41	0.75	1.57	0.69	0.80
Term debt to EBITDA	3.55	3.08	3.17	16.49	2.10	5.45	5.49
<b>Solvency (end of year at cost)</b>							
Number of farms	572	237	128	36	19	42	103
Total assets	1,939,120	2,109,201	2,273,743	949,872	2,393,815	1,741,539	1,514,410
Total liabilities	848,479	901,453	913,521	453,522	838,148	867,412	772,817
Net worth	1,090,640	1,207,748	1,360,221	496,350	1,555,667	874,126	741,593
Net worth change	51,120	47,155	103,203	55,170	-21,645	23,147	19,576
Farm debt to asset ratio	46 %	45 %	42 %	51 %	36 %	52 %	55 %
Total debt to asset ratio	44 %	43 %	40 %	48 %	35 %	50 %	51 %
Change in earned net worth %	5 %	4 %	8 %	13 %	-1 %	3 %	3 %
<b>Solvency (end of year at market)</b>							
Number of farms	572	237	128	36	19	42	103
Total assets	2,290,635	2,533,503	2,555,456	1,170,938	2,648,727	2,056,029	1,866,329
Total liabilities	1,029,465	1,122,510	1,105,180	520,453	967,037	1,035,042	905,402
Net worth	1,261,170	1,410,992	1,450,276	650,485	1,681,690	1,020,987	960,927
Total net worth change	57,514	64,696	113,129	18,630	-68,135	22,556	25,929
Farm debt to asset ratio	47 %	47 %	45 %	47 %	38 %	52 %	51 %
Total debt to asset ratio	45 %	44 %	43 %	44 %	37 %	50 %	49 %
Change in total net worth %	5 %	5 %	8 %	3 %	-4 %	2 %	3 %
<b>Nonfarm Information</b>							
Net nonfarm income	33,283	37,371	14,292	66,081	19,518	43,065	35,853
Farms reporting living expenses	70	21	21	3	1	4	19
Total family living expense	51,527	52,925	48,803	-	-	-	54,851
Total living, invest, cap. purch	74,591	100,805	45,502	-	-	-	84,211
<b>Crop Acres</b>							
Total crop acres	798	1,318	380	281	577	701	386
Total crop acres owned	245	359	148	142	264	210	153
Total crop acres cash rented	545	944	231	137	313	489	229
Total crop acres share rented	8	15	2	3	-	2	4
Machinery value per crop acre	580	451	1,183	610	854	660	741



## Selected Factors by Type of Farm



**Each farmer, on average, spent \$693,496 in the Greater Community in 2019**



**Average Money Spent by Each Farmer in the Greater Community: \$693,496**

**Average Money Spent by Each Farmer in a 40 Yr Career: \$27,739,840**  
**Money Spent in Community by 572 Farmers: \$396,679,712**

### Report Overview

Farm Business Management Education has been a part of agricultural education programs in Minnesota since 1953. FBM Programs are now an integral part of the Minnesota State System, delivered through eight two-year colleges. The 2018 Northern Minnesota Annual Report includes data from Farm Business Management programs administered by: Northland Community & Technical College, Central Lakes College, Alexandria Technical & Community College, Ridgewater College, and St. Cloud Technical & Community Colleges.

This report was prepared under the direction of Ron Dvergsten, Josh Tjosaas, and DelRay Lecy through AgCentric, Northern Center of Excellence for Agriculture. A special thank you goes to Keith Olander, AgCentric Director & Central Lakes College Dean, for his leadership.

**Report tables were created using FINPACK and RankEm Central, copyrighted software of the Center for Farm Financial Management, University of Minnesota. The Center also shared the Financial Scorecard on the back cover.**

The financial portion of the report, found in the first 26 pages, uses a standard format for each table. Data from the analysis system is printed in a four column format, which includes: Average, Low, Middle, & High. The High, Middle, & Low ranges are calculated based on a 20% slice of the farms in the total group.

The enterprise tables begin on page 30. Each of these tables consist of: a size indicator, a total & per unit income, direct & overhead expenses, and other information. Costs which are considered operating, whether easily assigned or are allocated, are listed as Direct Expenses. Costs which are general in nature, whether fixed or variable, are listed as Overhead Expenses.

The criteria for determining the 20% categories in each area are listed below:

<u>Analysis Section</u>	<u>Criteria to determine the "20%" categories</u>
Financial	Net Farm Income
Crops	Return to Overhead
Statewide Livestock	Return to Overhead

**Financial Summary**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Number of Years Farming)**

	<u>Avg. Of All Farms</u>	<u>10 or Less</u>	<u>11 - 20</u>	<u>21 - 30</u>	<u>31 - 40</u>	<u>Over 40</u>
Number of farms	572	154	134	72	109	103
<b>Income Statement</b>						
Gross cash farm income	605,725	291,487	675,916	785,485	877,504	570,971
Total cash farm expense	511,025	262,082	580,475	650,768	736,350	456,745
Net cash farm income	94,700	29,405	95,441	134,717	141,154	114,226
Inventory change	16,031	26,638	29,588	-6,207	13,032	1,252
Depreciation	-45,887	-18,264	-46,341	-55,934	-70,200	-53,841
Net farm income from operations	64,844	37,779	78,687	72,576	83,985	61,638
Gain or loss on capital sales	7,364	1,402	608	-2,036	7,291	31,716
Average net farm income	72,208	39,181	79,295	70,541	91,276	93,354
Median net farm income	29,325	20,375	32,987	39,123	36,844	34,290
<b>Profitability (cost)</b>						
Rate of return on assets	3.4 %	3.6 %	4.5 %	3.4 %	3.0 %	2.6 %
Rate of return on equity	2.4 %	3.6 %	4.6 %	2.1 %	1.7 %	1.1 %
Operating profit margin	10.9 %	9.4 %	12.4 %	12.2 %	10.1 %	10.2 %
Asset turnover rate	30.8 %	38.0 %	36.0 %	27.6 %	29.2 %	26.0 %
<b>Profitability (market)</b>						
Rate of return on assets	3.1 %	4.0 %	4.3 %	3.5 %	2.6 %	1.7 %
Rate of return on equity	2.5 %	5.0 %	5.0 %	3.0 %	1.7 %	0.4 %
Operating profit margin	11.8 %	11.6 %	13.5 %	14.6 %	10.6 %	9.0 %
Asset turnover rate	25.8 %	34.0 %	32.0 %	24.0 %	24.7 %	19.2 %
<b>Liquidity &amp; Repayment (end of year)</b>						
Current assets	414,578	227,333	378,364	545,961	578,317	476,530
Current liabilities	270,196	159,274	288,069	379,443	332,379	270,615
Current ratio	1.53	1.43	1.31	1.44	1.74	1.76
Working capital	144,382	68,059	90,295	166,517	245,938	205,916
Change in working capital	11,194	7,219	7,921	23,198	18,141	5,652
Working capital to gross inc	23.0 %	20.9 %	12.6 %	22.0 %	27.3 %	35.6 %
Term debt coverage ratio	1.35	1.55	1.45	1.25	1.31	1.22
Replacement coverage ratio	1.07	1.38	1.23	0.97	1.03	0.83
Term debt to EBITDA	3.55	3.74	3.45	3.97	3.19	3.69
<b>Solvency (end of year at cost)</b>						
Number of farms	572	154	134	72	109	103
Total assets	1,939,120	939,110	1,825,634	2,587,866	2,818,131	2,198,214
Total liabilities	848,479	515,396	945,177	1,149,549	1,020,894	827,773
Net worth	1,090,640	423,714	880,457	1,438,317	1,797,237	1,370,441
Net worth change	51,120	48,349	66,445	51,383	67,850	17,438
Farm debt to asset ratio	46 %	56 %	54 %	46 %	39 %	41 %
Total debt to asset ratio	44 %	55 %	52 %	44 %	36 %	38 %
Change in earned net worth %	5 %	13 %	8 %	4 %	4 %	1 %
<b>Solvency (end of year at market)</b>						
Number of farms	572	154	134	72	109	103
Total assets	2,290,635	1,045,043	2,046,449	2,966,348	3,311,118	2,918,382
Total liabilities	1,029,465	575,556	1,083,729	1,373,189	1,303,897	1,106,839
Net worth	1,261,170	469,488	962,721	1,593,159	2,007,221	1,811,542
Total net worth change	57,514	56,280	73,434	67,340	74,506	13,794
Farm debt to asset ratio	47 %	57 %	55 %	48 %	42 %	41 %
Total debt to asset ratio	45 %	55 %	53 %	46 %	39 %	38 %
Change in total net worth %	5 %	14 %	8 %	4 %	4 %	1 %
<b>Nonfarm Information</b>						
Net nonfarm income	33,283	38,331	33,760	34,209	30,538	27,374
Farms reporting living expenses	70	11	20	13	14	12
Total family living expense	51,527	42,410	52,542	51,107	55,311	54,234
Total living, invest, cap. purch	74,591	54,476	63,267	37,538	124,646	93,650
<b>Crop Acres</b>						
Total crop acres	798	531	741	1,060	965	912
Total crop acres owned	245	78	172	296	318	479
Total crop acres cash rented	545	449	567	754	644	410
Total crop acres share rented	8	4	3	11	3	23
Machinery value per crop acre	580	384	524	603	680	677

**Financial Summary**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Gross Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Less than 100,000</u>	<u>100,001 - 250,000</u>	<u>250,001 - 500,000</u>	<u>500,001 - 1,000,000</u>	<u>1,000,001 - 2,000,000</u>	<u>Over 2,000,000</u>
Number of farms	572	111	115	131	123	67	25
<b>Income Statement</b>							
Gross cash farm income	605,725	47,140	167,496	363,573	701,907	1,352,129	3,896,993
Total cash farm expense	511,025	59,640	155,766	306,821	585,980	1,102,489	3,265,495
Net cash farm income	94,700	-12,501	11,729	56,752	115,927	249,640	631,499
Inventory change	16,031	8,886	15,969	6,641	6,804	27,025	113,179
Depreciation	-45,887	-7,921	-14,727	-29,355	-57,192	-103,352	-234,787
Net farm income from operations	64,844	-11,536	12,971	34,038	65,539	173,313	509,891
Gain or loss on capital sales	7,364	828	219	2,796	7,450	43,659	-4,504
Average net farm income	72,208	-10,708	13,191	36,834	72,989	216,972	505,386
Median net farm income	29,325	-6,569	16,666	36,201	71,285	176,461	432,787
<b>Profitability (cost)</b>							
Rate of return on assets	3.4 %	-3.7 %	0.4 %	2.1 %	2.8 %	4.6 %	6.2 %
Rate of return on equity	2.4 %	-13.4 %	-3.5 %	-0.4 %	1.3 %	4.5 %	7.1 %
Operating profit margin	10.9 %	-30.3 %	1.7 %	7.5 %	9.8 %	13.5 %	16.4 %
Asset turnover rate	30.8 %	12.4 %	23.8 %	28.6 %	28.4 %	34.3 %	38.1 %
<b>Profitability (market)</b>							
Rate of return on assets	3.1 %	-1.2 %	0.5 %	2.2 %	3.0 %	3.8 %	5.3 %
Rate of return on equity	2.5 %	-5.4 %	-2.2 %	0.7 %	2.4 %	3.7 %	6.5 %
Operating profit margin	11.8 %	-12.3 %	2.5 %	9.9 %	12.8 %	12.9 %	14.9 %
Asset turnover rate	25.8 %	9.6 %	18.4 %	22.7 %	23.1 %	29.2 %	35.8 %
<b>Liquidity &amp; Repayment (end of year)</b>							
Current assets	414,578	48,447	136,397	271,619	528,153	929,075	2,131,294
Current liabilities	270,196	40,478	98,825	184,990	352,830	583,295	1,279,263
Current ratio	1.53	1.20	1.38	1.47	1.50	1.59	1.67
Working capital	144,382	7,969	37,572	86,629	175,322	345,780	852,031
Change in working capital	11,194	4,795	7,484	-8,032	15,712	42,721	50,702
Working capital to gross inc	23.0 %	14.1 %	20.0 %	22.9 %	24.6 %	24.9 %	21.2 %
Term debt coverage ratio	1.35	1.11	1.05	1.04	1.15	1.52	1.88
Replacement coverage ratio	1.07	0.96	0.87	0.83	0.88	1.17	1.50
Term debt to EBITDA	3.55	43.69	6.09	4.43	3.92	2.80	2.15
<b>Solvency (end of year at cost)</b>							
Number of farms	572	111	115	131	123	67	25
Total assets	1,939,120	531,633	871,845	1,358,842	2,430,457	3,707,403	8,982,103
Total liabilities	848,479	282,505	407,651	635,565	1,097,580	1,638,054	3,163,252
Net worth	1,090,640	249,128	464,194	723,277	1,332,877	2,069,349	5,818,851
Net worth change	51,120	23,321	22,477	18,275	46,015	90,193	398,819
Farm debt to asset ratio	46 %	58 %	53 %	50 %	48 %	45 %	37 %
Total debt to asset ratio	44 %	53 %	47 %	47 %	45 %	44 %	35 %
Change in earned net worth %	5 %	10 %	5 %	3 %	4 %	5 %	7 %
<b>Solvency (end of year at market)</b>							
Number of farms	572	111	115	131	123	67	25
Total assets	2,290,635	663,915	1,083,208	1,678,010	2,956,242	4,334,858	9,524,285
Total liabilities	1,029,465	312,345	479,202	750,058	1,336,022	2,015,482	4,057,999
Net worth	1,261,170	351,571	604,005	927,952	1,620,220	2,319,376	5,466,285
Total net worth change	57,514	33,452	24,189	27,450	66,967	87,081	349,421
Farm debt to asset ratio	47 %	50 %	49 %	48 %	48 %	48 %	44 %
Total debt to asset ratio	45 %	47 %	44 %	45 %	45 %	46 %	43 %
Change in total net worth %	5 %	11 %	4 %	3 %	4 %	4 %	7 %
<b>Nonfarm Information</b>							
Net nonfarm income	33,283	58,493	35,936	29,381	29,397	11,575	6,903
Farms reporting living expenses	70	10	19	17	17	6	1
Total family living expense	51,527	35,266	46,578	52,403	65,064	57,186	-
Total living, invest, cap. purch	74,591	39,351	44,607	77,426	130,658	68,955	-
<b>Crop Acres</b>							
Total crop acres	798	130	328	635	994	1,759	3,242
Total crop acres owned	245	66	119	226	336	472	665
Total crop acres cash rented	545	59	207	406	631	1,285	2,576
Total crop acres share rented	8	5	2	2	27	2	1
Machinery value per crop acre	580	692	496	487	603	565	678

**Financial Summary**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Total Acres)**

	<u>Avg. Of All Farms</u>	<u>Less than 100</u>	<u>101 - 250</u>	<u>251 - 500</u>	<u>501 - 1,000</u>	<u>1,001 - 1,500</u>	<u>1,501 - 2,000</u>	<u>2,001 - 5,000</u>
Number of farms	572	101	92	122	106	60	34	53
<b>Income Statement</b>								
Gross cash farm income	605,725	228,191	229,926	374,951	496,065	868,667	954,946	1,986,956
Total cash farm expense	511,025	177,935	198,708	323,921	414,001	741,456	780,904	1,678,419
Net cash farm income	94,700	50,256	31,218	51,030	82,064	127,211	174,042	308,536
Inventory change	16,031	-4,394	2,584	14,826	13,291	34,996	59,809	27,807
Depreciation	-45,887	-16,825	-18,683	-33,689	-41,976	-69,274	-79,404	-131,114
Net farm income from operations	64,844	29,038	15,119	32,168	53,379	92,933	154,446	205,228
Gain or loss on capital sales	7,364	25,773	2,056	-843	3,821	14,464	-114	5,994
Average net farm income	72,208	54,811	17,175	31,325	57,200	107,397	154,332	211,222
Median net farm income	29,325	2,236	18,705	24,344	46,527	86,462	125,735	139,273
<b>Profitability (cost)</b>								
Rate of return on assets	3.4 %	3.4 %	0.9 %	2.0 %	2.8 %	3.7 %	4.7 %	4.5 %
Rate of return on equity	2.4 %	2.6 %	-3.2 %	-0.5 %	1.3 %	2.9 %	4.9 %	4.2 %
Operating profit margin	10.9 %	14.2 %	4.2 %	7.8 %	10.0 %	11.6 %	12.8 %	12.1 %
Asset turnover rate	30.8 %	23.8 %	21.2 %	25.3 %	27.5 %	32.0 %	36.8 %	37.1 %
<b>Profitability (market)</b>								
Rate of return on assets	3.1 %	1.4 %	2.5 %	2.3 %	2.5 %	2.9 %	4.2 %	4.2 %
Rate of return on equity	2.5 %	-0.4 %	1.1 %	1.0 %	1.5 %	2.0 %	5.0 %	4.5 %
Operating profit margin	11.8 %	7.9 %	14.5 %	11.2 %	10.9 %	10.7 %	13.1 %	13.1 %
Asset turnover rate	25.8 %	18.1 %	17.2 %	20.5 %	22.8 %	26.8 %	32.3 %	32.1 %
<b>Liquidity &amp; Repayment (end of year)</b>								
Current assets	414,578	107,811	112,647	232,268	350,515	548,183	911,019	1,388,576
Current liabilities	270,196	80,030	74,799	154,635	222,849	386,549	557,811	879,354
Current ratio	1.53	1.35	1.51	1.50	1.57	1.42	1.63	1.58
Working capital	144,382	27,782	37,849	77,633	127,666	161,633	353,207	509,222
Change in working capital	11,194	-7,119	701	18,940	13,566	27,570	49,843	14,567
Working capital to gross inc	23.0 %	12.2 %	16.3 %	20.1 %	25.1 %	17.8 %	33.0 %	24.8 %
Term debt coverage ratio	1.35	1.34	1.06	1.25	1.24	1.23	1.91	1.56
Replacement coverage ratio	1.07	1.17	0.94	1.06	0.98	1.02	1.35	1.12
Term debt to EBITDA	3.55	4.72	6.47	5.05	3.88	3.28	1.83	2.66
<b>Solvency (end of year at cost)</b>								
Number of farms	572	101	92	122	106	60	34	53
Total assets	1,939,120	830,676	942,066	1,351,551	1,812,894	2,755,573	3,171,718	5,102,348
Total liabilities	848,479	421,200	447,262	657,310	798,999	1,165,120	1,154,704	2,104,251
Net worth	1,090,640	409,476	494,804	694,240	1,013,895	1,590,453	2,017,014	2,998,096
Net worth change	51,120	15,728	29,355	38,636	39,831	90,855	99,501	126,332
Farm debt to asset ratio	46 %	54 %	54 %	52 %	47 %	46 %	38 %	42 %
Total debt to asset ratio	44 %	51 %	47 %	49 %	44 %	42 %	36 %	41 %
Change in earned net worth %	5 %	4 %	6 %	6 %	4 %	6 %	5 %	4 %
<b>Solvency (end of year at market)</b>								
Number of farms	572	101	92	122	106	60	34	53
Total assets	2,290,635	1,060,672	1,143,283	1,645,428	2,158,789	3,227,091	3,595,033	5,890,003
Total liabilities	1,029,465	484,452	516,814	775,908	956,081	1,410,376	1,498,329	2,640,504
Net worth	1,261,170	576,220	626,470	869,521	1,202,708	1,816,716	2,096,704	3,249,499
Total net worth change	57,514	5,807	46,627	50,312	46,872	82,969	105,799	149,796
Farm debt to asset ratio	47 %	48 %	50 %	50 %	47 %	47 %	44 %	46 %
Total debt to asset ratio	45 %	46 %	45 %	47 %	44 %	44 %	42 %	45 %
Change in total net worth %	5 %	1 %	8 %	6 %	4 %	5 %	5 %	5 %
<b>Nonfarm Information</b>								
Net nonfarm income	33,283	38,591	41,747	35,792	31,124	25,066	24,874	23,536
Farms reporting living expenses	70	11	21	21	5	7	2	3
Total family living expense	51,527	45,947	44,725	51,855	71,662	60,864	-	-
Total living, invest, cap. purch	74,591	138,170	45,359	62,297	103,169	87,597	-	-
<b>Crop Acres</b>								
Total crop acres	798	25	173	372	699	1,220	1,757	2,875
Total crop acres owned	245	16	95	153	252	394	498	792
Total crop acres cash rented	545	8	73	217	447	817	1,216	2,051
Total crop acres share rented	8	1	5	2	0	9	43	31
Machinery value per crop acre	580	1,561	1,010	783	649	603	494	498

**Farm Income Statement**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of</u> <u>All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	572	114	115	115
<b>Sale of Crops</b>				
Barley	4,503	2,042	3,950	7,696
Beans, Edible	6,903	3,429	2,281	17,388
Corn	69,908	68,560	44,454	112,039
Corn Silage	989	421	178	3,741
Hay, Alfalfa	1,189	1,045	1,521	1,387
Hay, Mixed	3,622	3,022	3,170	6,103
Organic Crop Enterprises	167	528	-	278
Fruit and Vegetable Crops	1,329	580	1,415	-
Potatoes	8,490	-	-	38,381
Soybeans	82,325	82,896	59,486	150,568
Soybeans, Seed	3,643	-	605	10,774
Sunflowers	825	-	405	629
Oats	650	1,147	848	917
Wheat, Spring	41,005	32,518	22,995	93,432
Grass Seed	8,212	2,037	2,332	34,441
Other Crop Enterprises	5,180	2,266	2,681	14,221
Miscellaneous crop income	3,140	1,381	3,181	1,953
<b>Total Crop Sales</b>	<b>242,080</b>	<b>201,872</b>	<b>149,502</b>	<b>493,948</b>
<b>Sale of Livestock</b>				
Beef Cow-Calf, Beef Calves	7,762	9,474	8,682	10,083
Beef, Backgrounding	6,899	14,903	6,794	2,388
Beef, Finishing	11,149	26,296	6,406	14,300
Other Beef Enterprises	2,633	4,437	397	7,530
Dairy, Milk	198,988	48,498	133,445	588,577
Dairy Calves	1,730	412	793	6,005
Dairy Heifers (for sale)	1,427	3,601	319	2,027
Dairy Feeders & Backgrounding	2,009	1,811	1,310	5,641
Dairy Finishing	19,477	27,938	8,581	38,282
Hogs, Weaning to Finish	2,926	3	790	13,759
Other Livestock Enterprises	1,012	390	-	2,622
Cull breeding livestock	11,583	7,227	9,897	27,825
Misc. livestock income	1,447	118	371	3,581
<b>Total Livestock &amp; Product Sales</b>	<b>269,042</b>	<b>145,108</b>	<b>177,785</b>	<b>722,620</b>
<b>Other farm income</b>				
Crop government payments	2,419	2,843	626	5,322
CRP payments	707	349	1,082	924
Livestock govt payments	3,155	749	2,635	7,568
Other government payments	37,917	29,563	27,619	80,337
Custom work income	12,437	11,481	4,134	30,609
Patronage dividends, cash	5,147	3,885	4,440	10,882
Insurance income	16,901	15,375	9,893	33,197
Contract livestock income	1,826	3,391	777	1,298
Other farm income	14,094	7,525	9,305	32,558
<b>Total Other Farm Income</b>	<b>94,603</b>	<b>75,161</b>	<b>60,511</b>	<b>202,695</b>
<b>Gross Cash Farm Income</b>	<b>605,725</b>	<b>422,141</b>	<b>387,798</b>	<b>1,419,263</b>

**Farm Income Statement**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Net Farm Income)**

	<u>Average</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
<b>Number of farms</b>	572	114	115	115
<b>Direct Crop Expense</b>				
Seed	39,295	36,558	26,245	77,341
Fertilizer	53,297	51,111	34,547	103,507
Crop chemicals	23,162	21,272	14,539	50,016
Crop insurance	8,914	7,757	6,377	17,267
Drying Expense	3,710	3,377	2,844	6,505
Other direct crop expenses	5,602	5,022	3,900	10,989
<b>Total Direct Crop Expense</b>	<b>133,980</b>	<b>125,097</b>	<b>88,452</b>	<b>265,625</b>
<b>Direct Livestock Expense</b>				
Feeder livestock purchase	15,462	30,612	4,470	27,316
Purchased feed	80,840	38,619	52,429	221,123
Breeding fees	2,692	798	1,592	8,202
Veterinary	6,693	4,689	4,431	18,217
Supplies	6,355	3,612	4,427	15,967
Contract production exp.	2,803	883	1,206	10,223
Livestock hauling and trucking	6,191	3,225	3,264	17,502
Livestock marketing	4,311	3,431	3,312	8,661
Bedding	4,216	1,073	2,749	12,063
Other livestock expenses	1,737	1,203	1,253	3,987
<b>Total Direct Livestock Expense</b>	<b>131,300</b>	<b>88,145</b>	<b>79,133</b>	<b>343,261</b>
<b>Other Farm Expense</b>				
Interest	34,402	38,282	23,915	58,181
Fuel & oil	24,217	22,549	15,671	49,418
Repairs	43,279	34,794	30,130	92,002
Custom hire	14,148	9,253	9,970	30,558
Hired labor	32,855	17,083	19,907	95,933
Land rent	52,138	42,661	33,725	95,111
Machinery & bldg leases	8,416	6,121	8,529	14,584
Real estate taxes	5,700	5,033	4,776	10,151
Farm insurance	9,534	9,482	7,302	18,225
Utilities	11,318	8,849	8,115	23,955
Dues & professional fees	3,863	3,994	3,150	6,889
Miscellaneous	5,875	5,765	4,363	9,904
<b>Total Other Farm Expense</b>	<b>245,745</b>	<b>203,866</b>	<b>169,553</b>	<b>504,911</b>
<b>Total cash expense</b>	<b>511,025</b>	<b>417,108</b>	<b>337,138</b>	<b>1,113,797</b>
<b>Net cash farm income</b>	<b>94,700</b>	<b>5,033</b>	<b>50,660</b>	<b>305,466</b>
<b>Inventory Changes</b>				
Prepays and supplies	-3,071	-4,518	-917	-8,491
Accounts receivable	9,460	6,049	7,205	24,275
Hedging acct. & Oth Cur Assets	2,111	-981	50	-3,363
Crops and feed	10,720	-15,296	-1,221	65,424
Market livestock	-708	-6,537	1,666	-717
Breeding livestock	-3,727	-15,081	-831	1,607
Accounts payable	-3,223	158	2,302	-14,230
Accrued Interest & other assets	4,469	-2,726	3,096	23,403
<b>Total inventory change</b>	<b>16,031</b>	<b>-38,932</b>	<b>11,350</b>	<b>87,908</b>
<b>Net operating profit</b>	<b>110,731</b>	<b>-33,899</b>	<b>62,010</b>	<b>393,374</b>
<b>Depreciation</b>				
Machinery and equipment	-32,291	-32,847	-23,262	-66,884
Titled vehicles	-3,883	-4,371	-3,192	-7,136
Buildings and improvements	-9,713	-6,532	-5,159	-24,378
<b>Total depreciation</b>	<b>-45,887</b>	<b>-43,749</b>	<b>-31,614</b>	<b>-98,398</b>
<b>Net farm income from operations</b>	<b>64,844</b>	<b>-77,648</b>	<b>30,396</b>	<b>294,976</b>
Gain or loss on capital sales	7364	-1,661	-94	35,309
<b>Net farm income</b>	<b>72,208</b>	<b>-79,309</b>	<b>30,302</b>	<b>330,285</b>

**Balance Sheet at Cost Values**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	572	114	115	115
<b>Assets</b>				
<b>Current Farm Assets</b>				
Cash and checking balance	32,985	16,940	20,758	90,315
Prepaid expenses & supplies	32,575	24,254	15,632	91,684
Growing crops	4,926	559	469	5,903
Accounts receivable	39,177	22,478	28,700	101,924
Hedging accounts	2,154	2,435	937	2,240
Crops held for sale or feed	261,923	204,078	177,760	599,344
Crops under government loan	-	-	-	-
Market livestock held for sale	39,744	61,887	30,424	58,416
Other current assets	1,094	990	833	1,953
Total current farm assets	414,578	333,620	275,512	951,780
<b>Intermediate Farm Assets</b>				
Breeding livestock	134,988	75,393	111,441	322,694
Machinery and equipment	387,190	396,201	277,053	782,789
Titled vehicles	35,092	37,487	24,465	64,714
Other intermediate assets	31,797	11,908	20,480	89,500
Total intermediate farm assets	589,066	520,989	433,438	1,259,697
<b>Long Term Farm Assets</b>				
Farm land	486,876	405,694	389,217	879,172
Buildings and improvements	224,922	178,896	139,559	500,105
Other long-term assets	38,971	28,419	48,701	74,526
Total long-term farm assets	750,769	613,010	577,478	1,453,802
Total Farm Assets	1,754,413	1,467,620	1,286,429	3,665,279
Total Nonfarm Assets	184,707	163,412	175,639	255,674
Total Assets	1,939,120	1,631,032	1,462,068	3,920,953
<b>Liabilities</b>				
<b>Current Farm Liabilities</b>				
Accrued interest	9,929	10,445	6,937	13,786
Accounts payable	33,370	32,329	17,992	80,155
Current notes	169,624	234,914	116,612	244,311
Government crop loans	-	-	-	-
Principal due on term debt	57,274	57,409	42,296	110,828
Total current farm liabilities	270,196	335,096	183,836	449,079
Total intermediate farm liabs	133,495	156,113	109,594	224,088
Total long term farm liabilities	407,822	427,068	275,149	631,871
Total farm liabilities	811,513	918,278	568,579	1,305,039
Total nonfarm liabilities	36,967	35,401	38,045	40,934
Total liabilities	848,479	953,679	606,624	1,345,972
Net worth (farm and nonfarm)	1,090,640	677,353	855,444	2,574,981
Net worth change	51,120	-70,719	29,456	228,528
Percent net worth change	5 %	-9 %	4 %	10 %
<b>Ratio Analysis</b>				
Current farm liabilities / assets	65 %	100 %	67 %	47 %
Intermediate farm liab. / assets	23 %	30 %	25 %	18 %
Long term farm liab. / assets	54 %	70 %	48 %	43 %
Total debt to asset ratio	44 %	58 %	41 %	34 %



**Balance Sheet at Market Values**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of</u> <u>All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	572	114	115	115
<b>Assets</b>				
<b>Current Farm Assets</b>				
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Prepaid expenses & supplies	32,575	24,254	15,632	91,684
Growing crops	4,926	559	469	5,903
Accounts receivable	39,177	22,478	28,700	101,924
Hedging accounts	2,154	2,435	937	2,240
Crops held for sale or feed	261,923	204,078	177,760	599,344
Crops under government loan	-	-	-	-
Market livestock held for sale	39,744	61,887	30,424	58,416
Other current assets	1,094	990	833	1,953
<b>Total current farm assets</b>	<b>414,578</b>	<b>333,620</b>	<b>275,512</b>	<b>951,780</b>
<b>Intermediate Farm Assets</b>				
Breeding livestock	136,129	75,018	112,214	323,741
Machinery and equipment	451,265	483,587	306,686	874,569
Titled vehicles	39,475	47,777	26,590	68,155
Other intermediate assets	32,113	12,873	20,766	89,221
<b>Total intermediate farm assets</b>	<b>658,982</b>	<b>619,256</b>	<b>466,256</b>	<b>1,355,686</b>
<b>Long Term Farm Assets</b>				
Farm land	728,912	715,430	605,231	1,135,801
Buildings and improvements	246,994	212,304	146,940	532,323
Other long-term assets	41,963	29,961	51,924	83,457
<b>Total long-term farm assets</b>	<b>1,017,869</b>	<b>957,695</b>	<b>804,095</b>	<b>1,751,581</b>
<b>Total Farm Assets</b>	<b>2,091,429</b>	<b>1,910,571</b>	<b>1,545,863</b>	<b>4,059,047</b>
<b>Total Nonfarm Assets</b>	<b>199,206</b>	<b>169,074</b>	<b>194,040</b>	<b>271,891</b>
<b>Total Assets</b>	<b>2,290,635</b>	<b>2,079,646</b>	<b>1,739,903</b>	<b>4,330,938</b>
<b>Liabilities</b>				
<b>Current Farm Liabilities</b>				
Accrued interest	9,929	10,445	6,937	13,786
Accounts payable	33,370	32,329	17,992	80,155
Current notes	169,624	234,914	116,612	244,311
Government crop loans	-	-	-	-
Principal due on term debt	57,274	57,409	42,296	110,828
<b>Total current farm liabilities</b>	<b>270,196</b>	<b>335,096</b>	<b>183,836</b>	<b>449,079</b>
<b>Total intermediate farm liabs</b>	<b>133,495</b>	<b>156,113</b>	<b>109,594</b>	<b>224,088</b>
<b>Total long term farm liabilities</b>	<b>407,822</b>	<b>427,068</b>	<b>275,149</b>	<b>631,871</b>
<b>Total farm liabilities</b>	<b>811,513</b>	<b>918,278</b>	<b>568,579</b>	<b>1,305,039</b>
<b>Total nonfarm liabilities</b>	<b>36,967</b>	<b>35,401</b>	<b>38,045</b>	<b>40,934</b>
<b>Total liabs excluding deferreds</b>	<b>848,479</b>	<b>953,679</b>	<b>606,624</b>	<b>1,345,972</b>
<b>Total deferred liabilities</b>	<b>180,986</b>	<b>168,710</b>	<b>132,556</b>	<b>373,393</b>
<b>Total liabilities</b>	<b>1,029,465</b>	<b>1,122,389</b>	<b>739,181</b>	<b>1,719,365</b>
<b>Retained earnings</b>	<b>1,090,640</b>	<b>677,353</b>	<b>855,444</b>	<b>2,574,981</b>
<b>Market valuation equity</b>	<b>170,529</b>	<b>279,904</b>	<b>145,279</b>	<b>36,592</b>
<b>Net worth (farm and nonfarm)</b>	<b>1,261,170</b>	<b>957,257</b>	<b>1,000,723</b>	<b>2,611,573</b>
<b>Net worth excluding deferreds</b>	<b>1,442,156</b>	<b>1,125,967</b>	<b>1,133,279</b>	<b>2,984,966</b>
<b>Net worth change</b>	<b>57,514</b>	<b>-39,474</b>	<b>35,329</b>	<b>197,509</b>
<b>Percent net worth change</b>	<b>5 %</b>	<b>-4 %</b>	<b>4 %</b>	<b>8 %</b>
<b>Ratio Analysis</b>				
Current farm liabilities / assets	65 %	100 %	67 %	47 %
Intermediate farm liab. / assets	20 %	25 %	24 %	17 %
Long term farm liab. / assets	40 %	45 %	34 %	36 %
Total debt to asset ratio	45 %	54 %	42 %	40 %
Debt to assets excl deferreds	37 %	46 %	35 %	31 %

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## ***Financial Guideline Measures***

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The Farm Financial Standards Task Force recommended the use of these financial measures to evaluate a farm's financial position and financial performance. These measures are grouped by: Liquidity, Solvency, Profitability, Repayment Capacity, and Efficiency.

### **Liquidity**

Liquidity is the ability of the farm business to meet financial obligations in a timely manner, without disrupting normal business operations.

**Current Ratio:** The current ratio shows the value of current assets relative to current liabilities. It measures the extent current farm assets, if liquidated, would cover liabilities that are due during the next 12 months. The higher the ratio, the safer the short term position.

**Working Capital:** Working capital shows the dollar amount that current assets can or cannot cover current liabilities. It approximates the amount of capital available to purchase crop and livestock inputs and equipment necessary to produce farm products. The amount of working capital considered adequate must be related to the size of the farm business.

**Working Capital to Gross Revenues:** Measures operating capital available against the size of the business.

### **Solvency**

Solvency is important in evaluating the risk position of the farm and family and in considering future borrowing capacity. Solvency measures the ability of the business to pay off all debts if liquidated.

**Farm Debt to Asset Ratio:** The farm debt to asset ratio measures the financial position or solvency of the farm or ranch by comparing the total liabilities to the total assets. It measures the portion of the farm assets that have debt against them. A higher ratio is considered an indicator of greater financial risk.

**Farm Equity to Asset Ratio:** The farm equity to asset ratio measures the farm equity relative to the value of the farm assets. It measures the proportion of the farm assets financed by the owner's equity whereas the debt to asset ratio measured the proportion of farm assets financed by debt.

**Farm Debt to Equity Ratio:** The farm debt to equity ratio measures the amount of farm debt relative to the amount of farm equity. It measures the amount of debt the farm has for every dollar of equity.

### **Profitability**

Profitability is the measure of the value of goods produced by the business in relation to the cost of resources used in the production. Profitability calculated on a cost basis does not consider changes in market valuation of capital assets such as machinery and breeding livestock.

**Rate of Return on Assets:** Rate of return on assets is, in effect, the interest rate your farm earned in the past year on all money invested in the business. If assets are valued at market value, the rate of return on investment can be looked at as the "opportunity cost" of investing money in the farm instead of alternative investments. If assets are valued at cost (cost less depreciation), the rate of return represents the actual return on the average dollar invested in the business.

**Rate of Return on Equity:** Rate of return on equity is, in effect, the interest rate your investment in the business earned in the past year. If assets are valued at market value, this return can be compared with returns available if the assets were liquidated and invested in alternative investments. If assets are valued at cost, this represents the actual return to the amount of equity capital you have invested in the farm business.

If your return on assets is higher than your average interest rate, your return on equity will be still higher, reflecting the fact that there are residual returns to equity capital after paying all interest expense. This is positive use of financial leverage. If your return on assets is lower than your average interest rate, your return on equity will be still lower, reflecting the fact that borrowed capital did not earn enough to pay its interest cost. This is negative financial leverage. Profitability becomes a key concern when substantial debt capital is used in the business.

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## ***Financial Guideline Measures***

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**Net Farm Income:** Net farm income represents the returns to labor, management, and equity capital invested in the business. Without income from other sources, or appreciation of capital asset values, net farm income must cover family living expenses and taxes, or net worth will decrease.

**Operating Profit Margin:** The operating profit margin is a measure of the profit margin from the employment of assets. It measures how effectively you are employing assets relative to the value of output produced. Low prices, high operating expenses, or production problems are all possible causes of a low operating profit margin.

**EBITDA:** This factor stands for: Earnings Before Interest, Taxes, Depreciation and Amortization. This represents a measure of earnings available for debt repayment.

### **Repayment Capacity**

Repayment capacity shows the borrower's ability to repay term debts (longer than one year) on time. This includes non-farm income, and is therefore not a measure of business performance alone.

**Capital Debt Repayment Capacity:** Measures the amount generated from farm and non-farm sources, to cover debt repayment and capital replacement.

**Capital Debt Repayment Margin:** The amount of money remaining after all operating expenses, taxes, family living costs, and scheduled debt payments have been made. It is the money left, after paying all expenses, which is available for purchasing/financing new machinery, equipment, land or livestock.

**Replacement Margin:** The replacement margin is the amount of income remaining after paying principal and interest on term loans and unfunded (cash) capital purchases.

**Term Debt Coverage Ratio:** The term debt coverage ratio measures the ability of the business to cover all term debt payments. A number less than 100 percent indicates that the business, plus non-farm income, is not generating sufficient cash to meet all of the debt payments, after family living expenses and taxes have been paid. A number greater than 100 indicates the business is generating sufficient cash to pay all term debt obligations with some surplus margin remaining.

**Replacement Margin Coverage Ratio:** This represents the ability to term debt and unfunded capital purchases. A ratio under 1.0 indicated that you did not generate enough income to cover term debt payments and unfunded capital purchases.

### **Efficiency**

These measures reflect the relationships between expense and income items to revenue and the efficiency of the farm business with regard to the use of cash and capital assets.

**Asset Turnover:** Asset turnover is a measure of how efficiently assets are used in the business. A farm with good operating profit margin and asset turnover will show a strong rate of return on farm assets. If operating profit margin is low, the asset turnover rate must be strong, or vice versa, to maintain the rate of return on assets.

**Operating Expense Ratio:** This ratio indicates the percent of the gross farm income, which is used to pay the operating expenses. Operating expenses do not include interest or depreciation expense.

**Depreciation Expense Ratio:** This ratio indicates the percent of the gross farm income, which is used to cover the depreciation expense.

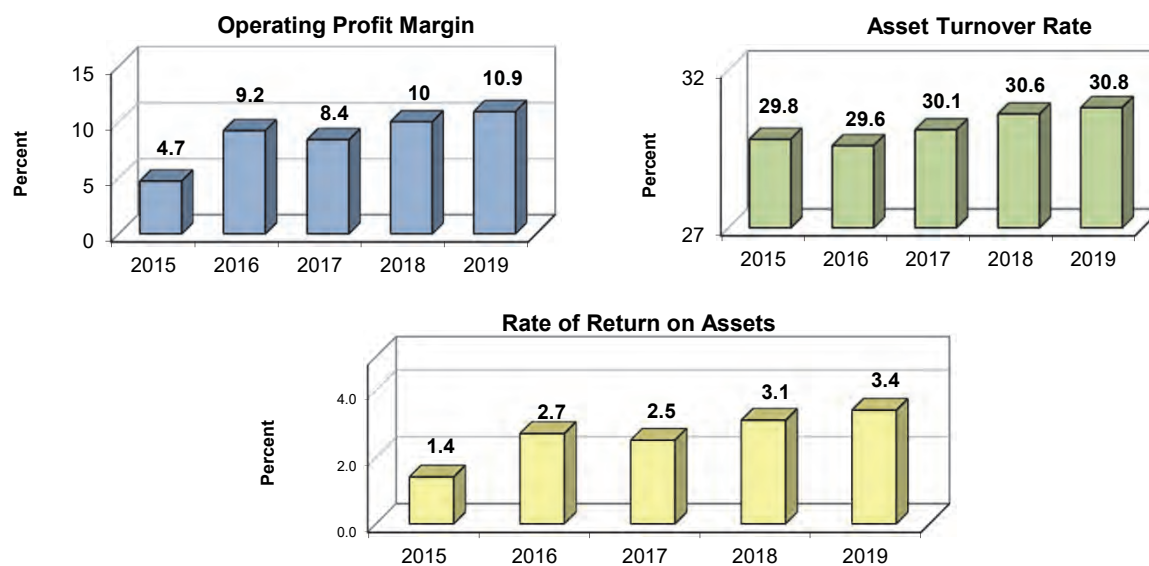
**Interest Expense Ratio:** This ratio indicates the percent of the gross farm income, which is used to pay farm interest expenses.

**Net Farm Income Ratio:** The ratio indicates the percent of the gross farm income, which remains after all expenses.

**Financial Standards Measures**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	572	114	115	115
<b>Liquidity</b>				
Current ratio	1.53	1.00	1.50	2.12
Working capital	144,382	-1,476	91,676	502,700
Working capital to gross inc	23.0%	-0.4%	23.0%	32.9%
<b>Solvency (market)</b>				
Farm debt to asset ratio	47%	57%	45%	41%
Farm equity to asset ratio	53%	43%	55%	59%
Farm debt to equity ratio	0.90	1.32	0.82	0.70
<b>Profitability (cost)</b>				
Rate of return on farm assets	3.4%	-4.8%	1.8%	7.6%
Rate of return on farm equity	2.4%	-19.2%	-0.2%	9.4%
Operating profit margin	10.9%	-22.1%	6.7%	21.1%
Net farm income	72,208	-79,309	30,302	330,285
EBITDA	146,709	7,049	86,526	452,404
<b>Repayment Capacity</b>				
Capital debt repayment capacity	111,534	-4,972	64,231	352,624
Capital debt repayment margin	29,158	-87,654	5,449	197,670
Replacement margin	7,219	-112,051	-7,823	154,528
Term debt coverage ratio	1.35	-0.06	1.09	2.28
Replacement coverage ratio	1.07	-0.05	0.89	1.78
<b>Efficiency</b>				
Asset turnover rate (cost)	30.8%	21.7%	26.9%	36.0%
Operating expense ratio	76.6%	98.2%	78.3%	70.4%
Depreciation expense ratio	7.3%	11.2%	7.9%	6.4%
Interest expense ratio	5.7%	10.5%	6.2%	3.9%
Net farm income ratio	10.4%	-19.8%	7.6%	19.3%

**Operating Profit Margin X Asset Turnover Rate = Rate of Return on Farm Assets**



## How does your Farm Stack Up?

### Northern Minnesota Farm Business Management Data

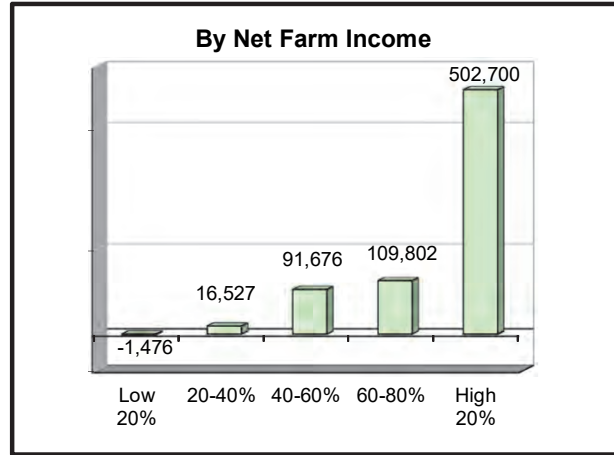
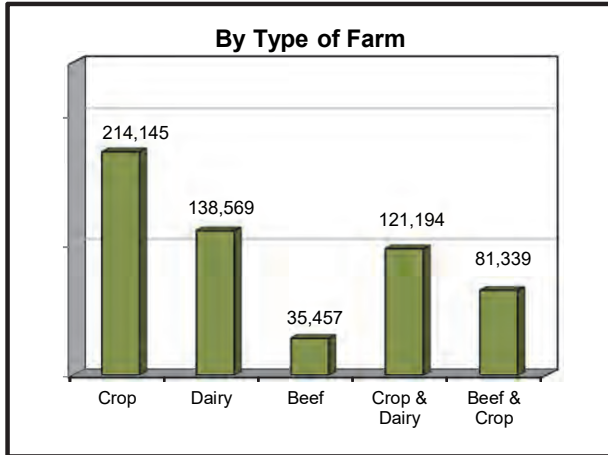
Below is a summary of the low, average, and high farms using the 21 Financial Standards Measures. The numbers listed below are intended to provide a general overview of the farm situation for the current year and over a five year period. The current year data provides a snapshot of the conditions that represent the present while the five year data provides a longer term look at these factors to enable their use in potential decision making activities.

**For additional information, please see the back cover of this report. A "Financial Scorecard" is provided in color for your use.**

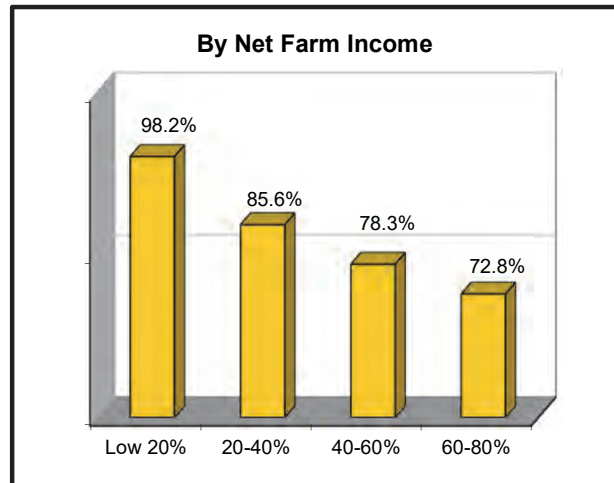
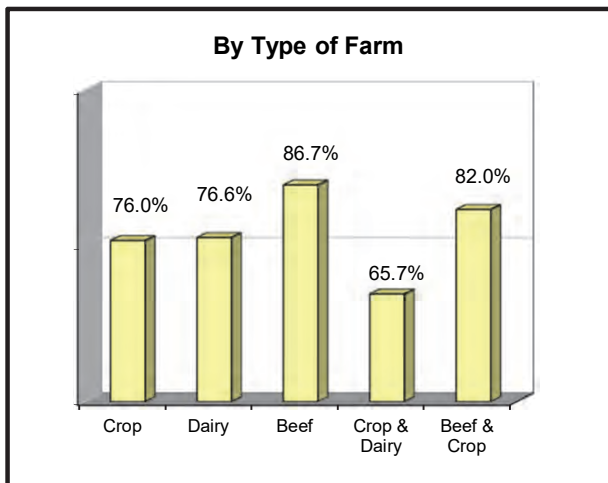
<b>Evaluation Chart</b>	<b>Low Farms</b>		<b>Average</b>		<b>High Farms</b>		<b>Your Farm</b>	
	2019	5 Yr Ave	2019	5 Yr Ave	2019	5 Yr Ave	2019	5 Yr Ave
<b><u>Liquidity</u></b>								
Current Ratio	1.00	1.06	1.53	1.56	2.12	2.16		
Working Capital	\$ -1,476	21,136	144,382	140,893	502,700	472,779		
Working Capital to Gross Inc.	% -0.4%	3.8%	23.0%	23.9%	32.9%	35.4%		
<b><u>Solvency (Market)</u></b>								
Farm Debt to Asset Ratio	% 57%	58%	47%	47%	41%	40%		
Farm Equity to Asset Ratio	% 43%	42%	53%	53%	59%	60%		
Farm Debt to Equity Ratio	% 1.32	1.36	0.90	0.89	0.70	0.69		
<b><u>Profitability (Cost)</u></b>								
Rate of Return on Farm Assets	% -4.8%	-5.2%	3.4%	2.6%	7.6%	7.5%		
Rate of Return on Farm Equity	% -19.2%	-18.8%	2.4%	1.3%	9.4%	9.4%		
Operating Profit Margin	% -22.1%	-22.6%	10.9%	8.6%	21.1%	21.0%		
Net Farm Income	\$ -79,309	-93,201	72,208	56,439	330,285	279,058		
EBIDTA	\$ 7,049	2,358	146,709	129,775	452,404	401,795		
<b><u>Repayment Capacity (Accrual)</u></b>								
Capital Debt Repayment Cap.	\$ -4,972	-17,649	111,534	95,508	352,624	313,777		
Capital Debt Repayment Margin	\$ -87,654	-112,718	29,158	14,797	197,670	175,288		
Replacement Margin	\$ -112,051	-129,948	7,219	-3,165	154,528	136,671		
Term Debt Coverage Ratio	-0.06	-0.18	1.35	1.18	2.28	2.27		
Replacement Coverage Ratio	-0.05	-0.16	1.07	0.96	1.78	1.77		
<b><u>Efficiency</u></b>								
Asset Turnover Rate (Cost)	% 21.7%	22.7%	30.8%	30.2%	36.0%	35.4%		
Operating Expense Ratio	% 98.2%	99.5%	76.6%	78.1%	70.4%	70.1%		
Depreciation Expense Ratio	% 11.2%	9.7%	7.3%	7.4%	6.4%	6.4%		
Interest Expense Ratio	% 10.5%	8.8%	5.7%	5.3%	3.9%	3.6%		
Net Farm Income Ratio	% -19.8%	-18.7%	10.4%	9.3%	19.3%	20.2%		

**Selected Financial Guideline Measures**  
**Northern Minnesota Farm Business Management Data**

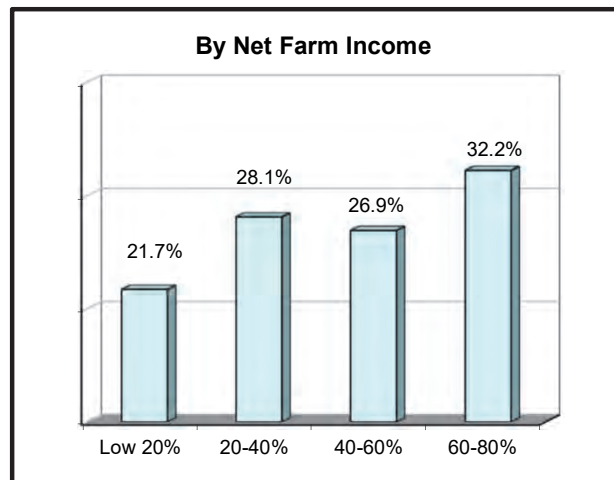
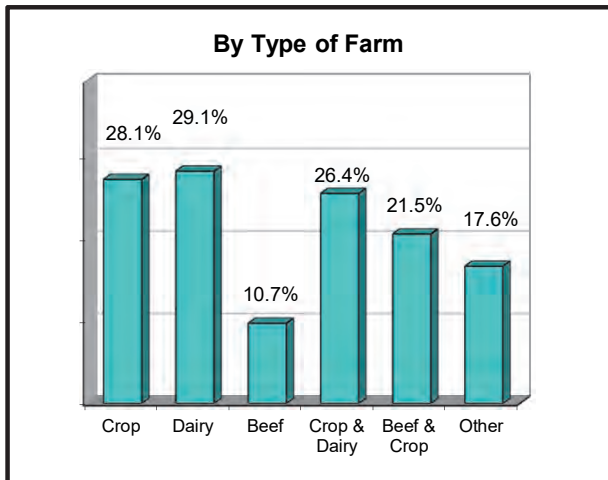
**Working Capital**



**Operating Expense Ratio**



**Asset Turnover Rate**

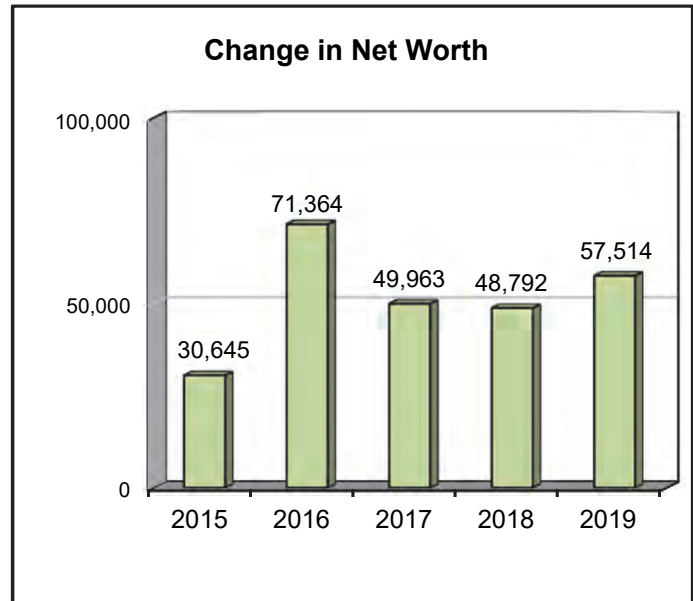
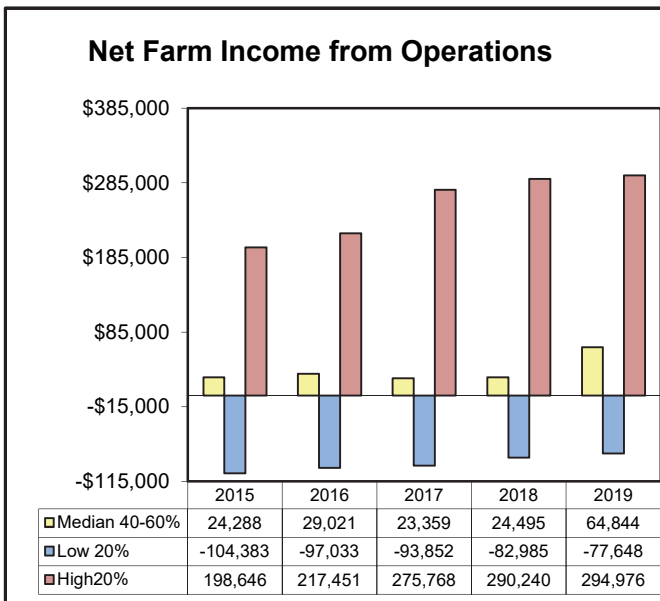


**Profitability Measures**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	572	114	115	115
<b>Profitability (assets valued at cost)</b>				
Net farm income from operations	64,844	-77,648	30,396	294,976
Rate of return on assets	3.4 %	-4.8 %	1.8 %	7.6 %
Rate of return on equity	2.4 %	-19.2 %	-0.2 %	9.4 %
Operating profit margin	10.9 %	-22.1 %	6.7 %	21.1 %
Asset turnover rate	30.8 %	21.7 %	26.9 %	36.0 %
Farm interest expense	35,979	40,948	24,516	59,030
Value of operator lbr and mgmt.	42,909	34,541	32,161	83,603
Return on farm assets	57,914	-71,242	22,751	270,403
Average farm assets	1,719,225	1,484,639	1,267,782	3,557,579
Return on farm equity	21,935	-112,190	-1,765	211,373
Average farm equity	923,020	585,800	713,453	2,254,259
Value of farm production	529,367	322,094	340,957	1,280,255
	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	572	114	115	115
<b>Profitability (assets valued at market)</b>				
Net farm income from operations	69,614	-46,864	34,354	262,328
Rate of return on assets	3.1 %	-2.1 %	1.8 %	6.0 %
Rate of return on equity	2.5 %	-9.6 %	0.3 %	7.8 %
Operating profit margin	11.8 %	-12.6 %	7.8 %	18.6 %
Asset turnover rate	25.8 %	16.8 %	22.4 %	32.3 %
Farm interest expense	35,979	40,948	24,516	59,030
Value of operator lbr and mgmt.	42,909	34,541	32,161	83,603
Return on farm assets	62,685	-40,458	26,708	237,755
Average farm assets	2,051,595	1,914,154	1,524,923	3,960,803
Return on farm equity	26,706	-81,406	2,192	178,725
Average farm equity	1,079,137	845,402	840,974	2,295,292
Value of farm production	529,367	322,094	340,957	1,280,255

**Liquidity & Repayment Capacity Measures**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	572	114	115	115
<b>Liquidity</b>				
Current ratio	1.53	1.00	1.50	2.12
Working capital	144,382	-1,476	91,676	502,700
Working capital to gross inc.	23.0%	-0.4%	23.0%	32.9%
Current assets	414,578	333,620	275,512	951,780
Current liabilities	270,196	335,096	183,836	449,079
Gross revenues (accrual)	626,448	391,542	398,511	1,529,748
<b>Repayment capacity</b>				
Net farm income from operations	64,844	-77,648	30,396	294,976
Depreciation	45,887	43,749	31,614	98,398
Personal income	33,283	48,680	31,243	16,357
Family living/owner withdrawals	-48,944	-37,652	-40,610	-82,307
Cash discrepancy	32	90	-29	152
Payments on personal debt	-2,957	-3,357	-2,500	-2,771
Income taxes paid	-6,463	-3,378	-4,873	-15,898
Interest on term debt	25,852	24,544	18,992	43,718
Capital debt repayment capacity	111,534	-4,972	64,231	352,624
Scheduled term debt payments	-82,376	-82,682	-58,782	-154,954
Capital debt repayment margin	29,158	-87,654	5,449	197,670
Cash replacement allowance	-21,939	-24,397	-13,272	-43,142
Replacement margin	7,219	-112,051	-7,823	154,528
Term debt coverage ratio	1.35	-0.06	1.09	2.28
Replacement coverage ratio	1.07	-0.05	0.89	1.78







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**Household and Personal Expenses**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	70	17	14	13
Average family size	3.4	3.2	2.7	5.2
<b>Family Living Expenses</b>				
Food and meals expense	9,073	8,455	9,096	12,629
Medical care	3,246	2,185	3,853	5,350
Health insurance	3,195	2,012	3,617	5,602
Cash donations	1,693	1,059	1,382	844
Household supplies	4,044	1,870	3,289	4,825
Clothing	1,953	1,244	1,992	4,723
Personal care	2,286	2,490	4,653	1,839
Child / Dependent care	526	473	1,181	889
Alimony and child support	-	-	-	-
Gifts	1,724	853	1,793	1,020
Education	961	1,018	755	1,108
Recreation	3,659	3,272	4,460	3,676
Utilities (household share)	2,658	3,382	3,276	1,980
Personal vehicle operating exp	3,513	2,872	3,814	4,160
Household real estate taxes	361	243	689	410
Dwelling rent	849	483	3,014	-
Household repairs	2,593	2,772	3,332	4,247
Personal interest	1,360	2,610	1,815	832
Disability / Long term care ins	571	490	643	48
Life insurance payments	2,660	1,624	2,960	5,431
Personal property insurance	486	972	301	201
Miscellaneous	3,789	3,604	7,259	3,043
Total cash family living expense	51,201	43,986	63,173	62,855
Family living from the farm	326	170	643	641
Total family living	51,527	44,156	63,816	63,496
<b>Other Nonfarm Expenditures</b>				
Income taxes	13,034	4,621	43,188	10,350
Furnishing & appliance purchases	-	-	-	-
Nonfarm vehicle purchases	3,683	3,540	2,383	6,965
Nonfarm real estate purchases	-3,330	-18,824	6,209	-
Other nonfarm capital purchases	3,033	9,689	3,400	-
Nonfarm savings & investments	6,970	-1,991	17,684	12,592
Total other nonfarm expenditures	23,391	-2,965	72,863	29,907
Total cash family living investment & nonfarm capital purch	74,591	41,021	136,036	92,762

**Nonfarm Summary**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	572	114	115	115
<b>Nonfarm Income</b>				
Personal wages & salary	22,811	28,436	22,543	10,261
Net nonfarm business income	4,020	7,835	2,472	2,213
Personal rental income	493	722	151	804
Personal interest income	208	60	242	352
Personal cash dividends	27	3	46	86
Tax refunds	1,602	2,023	1,806	816
Other nonfarm income	4,123	9,600	3,982	1,824
Total nonfarm income	33,283	48,680	31,243	16,357
Gifts and inheritances	1,885	2,931	1,402	2,643
<b>Nonfarm Assets (market)</b>				
Checking & savings	7,819	7,393	4,477	12,110
Stocks & bonds	7,582	11,142	1,822	7,261
Other current assets	2,489	1,727	1,972	4,961
Furniture & appliances	7,715	8,382	6,685	6,615
Nonfarm vehicles	15,439	14,697	15,103	18,009
Cash value of life ins.	4,656	4,884	7,403	3,440
Retirement accounts	54,296	43,494	71,606	61,122
Other intermediate assets	3,946	7,652	3,440	2,673
Nonfarm real estate	74,167	58,876	72,006	95,704
Personal bus. investment	14,592	5,697	3,664	52,647
Other long term assets	6,505	5,130	5,863	7,349
Total nonfarm assets	199,206	169,074	194,040	271,891
<b>Nonfarm Liabilities</b>				
Accrued interest	135	14	164	371
Accounts payable	626	791	660	556
Current notes	3,056	6,326	1,107	709
Princ due on term debt	2,958	3,049	2,612	2,878
Total current liabilities	8,699	10,854	7,185	10,495
Intermediate liabilities	5,522	6,133	5,715	6,029
Long term liabilities	22,746	18,414	25,146	24,409
Total nonfarm liabilities	36,967	35,401	38,045	40,934
Nonfarm net worth	162,239	133,673	155,995	230,957
Nonfarm debt to asset ratio	19 %	21 %	20 %	15 %

**Operator and Labor Information**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	572	114	115	115
<b>Operator Information</b>				
Average number of operators	1.2	1.2	1.1	1.6
Average age of operators	46.6	50.5	44.6	46.2
Average number of years farming	21.8	24.9	20.9	22.5
<b>Results Per Operator</b>				
Working capital	118,069	-1,266	83,756	318,515
Total assets (market)	1,873,181	1,783,224	1,589,584	2,744,120
Total liabilities	841,852	962,409	675,319	1,089,405
Net worth (market)	1,031,329	820,814	914,265	1,654,716
Net worth excl deferred liabs	1,179,332	965,477	1,035,369	1,891,301
Gross farm income	512,282	335,734	364,082	969,262
Total farm expense	459,255	402,315	336,312	782,362
Net farm income from operations	53,027	-66,581	27,770	186,899
Net nonfarm income	27,218	41,741	28,543	10,364
Family living & tax withdrawals	45,283	35,105	41,581	62,127
Total acres owned	253.7	273.0	242.9	314.5
Total crop acres	652.7	636.3	496.8	964.1
Crop acres owned	200.6	215.9	175.4	273.4
Crop acres cash rented	445.7	414.1	320.2	679.9
Crop acres share rented	6.4	6.3	1.3	10.8
Total pasture acres	40.0	38.9	56.1	59.1
<b>Labor Analysis</b>				
Number of farms	572	114	115	115
Total unpaid labor hours	2,509	2,174	2,138	3,789
Total hired labor hours	1,944	1,040	1,371	5,674
Total labor hours per farm	4,453	3,214	3,510	9,464
Unpaid hours per operator	2,052	1,864	1,954	2,401
Value of farm production / hour	118.88	100.21	97.14	135.28
Net farm income / unpaid hour	25.85	-35.72	14.21	77.85
Average hourly hired labor wage	17.33	16.67	15.70	18.00
<b>Partnerships &amp; LLCs</b>				
Number of farms	79	15	11	29
Number of operators	2.2	2.0	2.2	2.6
Owner withdrawals per farm	86,058	47,593	-	126,212
Withdrawals per operator	40,594	23,796	-	52,588
<b>Corporations</b>				
Number of farms	17	2	1	10
Number of operators	2.2	-	-	2.2

**Crop Production and Marketing Summary**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Net Farm Income)**

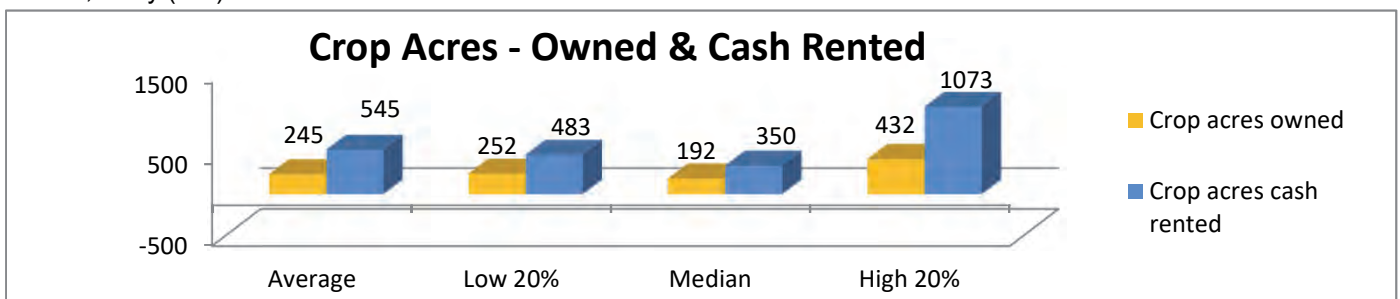
	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	572	114	115	115
<b>Acreage Summary</b>				
Total acres owned	310	318	266	496
Total crop acres	798	742	544	1,522
Crop acres owned	245	252	192	432
Crop acres cash rented	545	483	350	1,073
Crop acres share rented	8	7	1	17
Total pasture acres	49	45	61	93
Percent crop acres owned	31%	34%	35%	28%
Mach invest/crop acre cost	501	557	539	527
Mach invest/crop acre market	580	677	590	588

**Average Price Received (Cash Sales Only)**

Soybeans per bushel	8.21	8.23	8.17	8.22
Corn per bushel	3.45	3.41	3.44	3.46
Wheat, Spring per bushel	5.1	4.79	5.03	5.14
Hay, Alfalfa per ton	119.97	130.88	103.92	119.02
Oats per bushel	2.77	2.45	3.09	3.07
Barley per bushel	4.56	-	-	4.72
Hay, Grass per ton	106.81	-	-	-
Hay per ton	112.68	99.9	133.98	91.33
Corn Silage per ton	26.7	-	-	26.79
Rye per bushel	5.93	-	-	6.07
Sunflowers per cwt	18.57	-	-	-
Grass Seed, Perennial Rye per lb	0.591	-	-	0.596
Soybeans, Food per bushel	11.44	-	-	-
Beans, Navy per cwt	21.51	-	-	-

**Average Yield Per Acre**

Soybeans (bushel)	37.25	33.77	39.18	38.88
Corn (bushel)	157.58	144.45	157.62	162.45
Corn Silage (ton)	18.83	17.88	17.84	19.31
Hay, Alfalfa (ton)	4.03	3.7	4.59	4.39
Wheat, Spring (bushel)	60.59	54.45	58.98	65.73
Hay (ton)	2.3	1.95	3.33	-
Hay, Grass (ton)	1.64	1.39	1.68	1.63
Oats (bushel)	72.88	71.63	86.95	85.7
Barley (bushel)	84.36	-	86.91	86.07
Rye (bushel)	32	-	-	36.99
Soybeans, Food (bushel)	28.91	-	-	-
Sunflowers (cwt)	15.52	-	-	-
Beans, Navy (cwt)	15.96	-	-	16.79



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## ***Individual Enterprise Analysis Tables***

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The individual crop and livestock tables are designed to identify the costs and returns for specific enterprises on the farm. Data from all farmers with each enterprise is merged. The minimum number of farms, in order to print a given column on the following reports, is five (5). This enables the necessary level of confidentiality for publication of this information.

Crop report costs such as fertilizer, chemicals, seed, crop drying expenses, hired labor, and custom hire are costs that are assigned to each individual crop. These costs are shown in the crop enterprise analysis as *Direct Costs*.

Other costs, called *Overhead Costs*, are divided out by formula. Overhead costs are assigned by an allocation factor to each enterprise. The allocation factor is based on historical data of labor and capital intensity.

There are a couple of subtle differences between the Owned Land and Cash Rented Land tables. Naturally, on cash rented land, the actual cost of renting the land is reported in the direct cost section. On the owned land, there are two different lines of information in the overhead cost section that would be included for calculating cost of ownership: real-estate taxes and interest on long-term debt.

The livestock reports have a format similar to the crop reports. Production information is listed at the top of each table. This will include animal or product sales, purchases, sales, transfers, and inventory change.

The *Direct Costs* include costs that are assigned to the enterprise, including items such as: feed, veterinary, breeding, marketing, hired labor, fuel & repairs, and livestock supplies. The *Overhead Costs* include formula-assigned costs, including items such as: depreciation, interest, utilities, and insurances.

At the bottom of each livestock report, there is a list of selected factors for each enterprise. These factors are a combination of production indicators and efficiency indicators.

Towards the bottom of both the crop and livestock enterprise tables, are four (4) factors that show varying levels of Cost of Production. Those factors include a cost of production based on: direct costs, overhead & direct costs, total cost less government payments and/or other revenue, and total cost including labor & management.

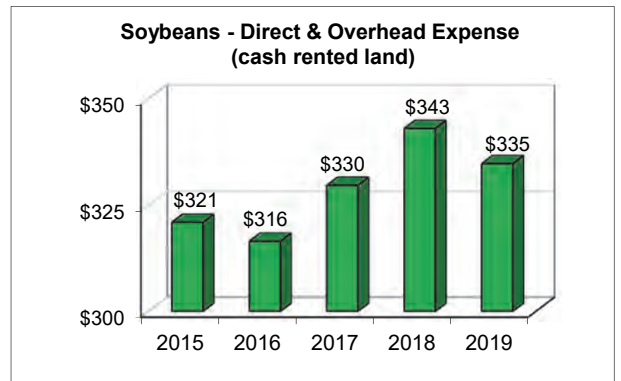
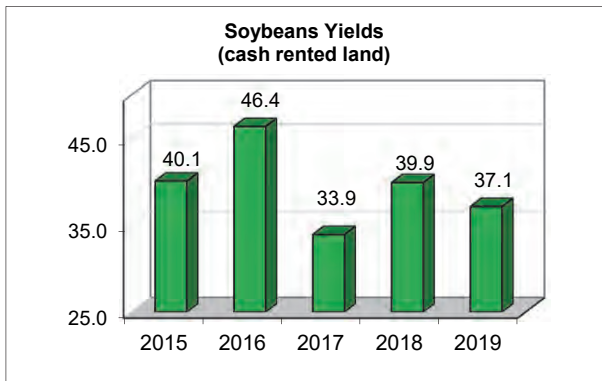
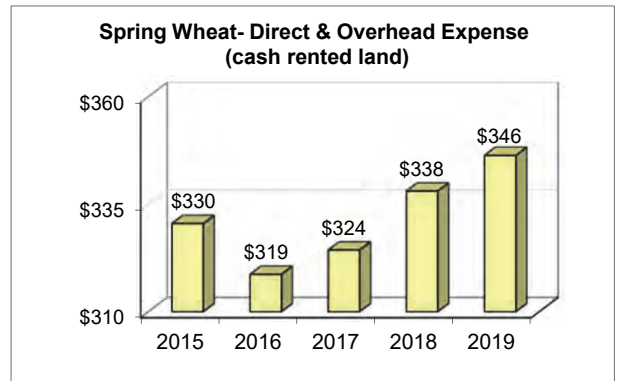
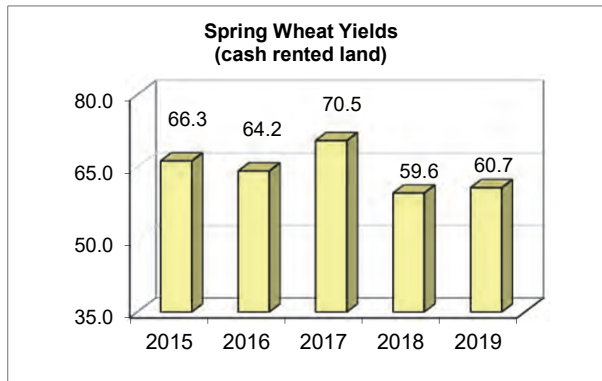
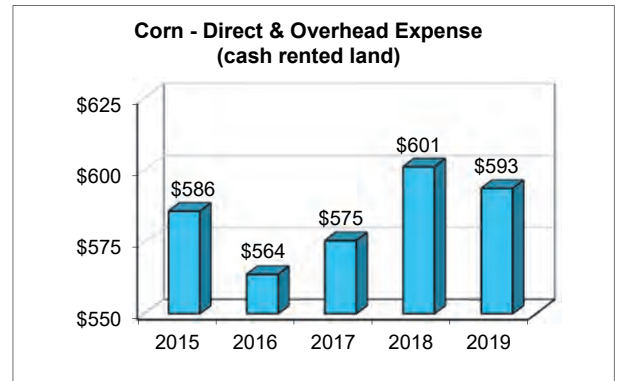
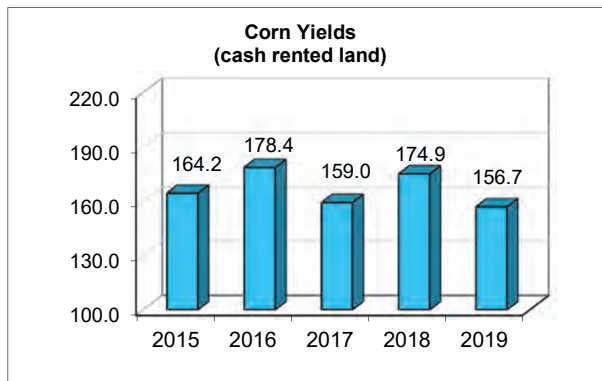
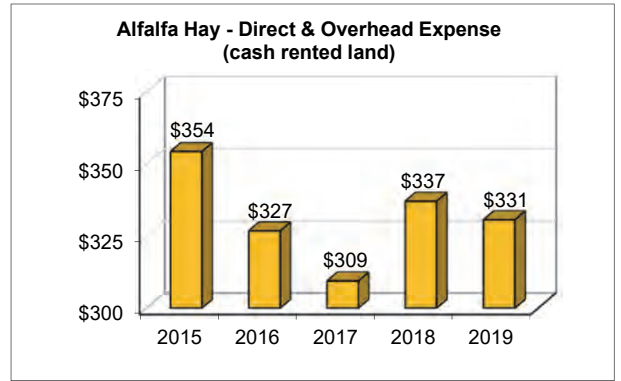
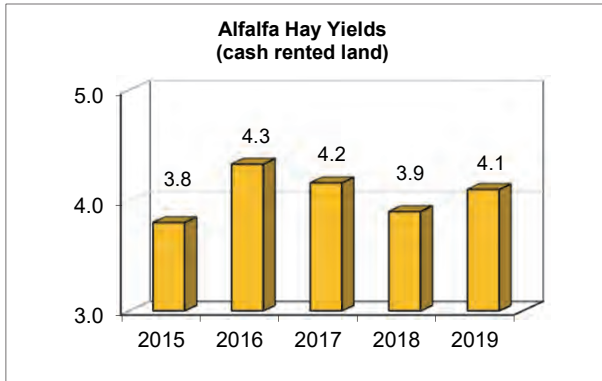
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Machinery Cost per Acre is a factor used to combine all costs related to machinery usage. The Machinery Cost per Acre includes: Fuel & Oil, Repairs, Custom hire, Machinery leases, Interest on machinery debt, and Machinery depreciation. A machinery cost summary for five prominent Northern Minnesota crops is listed below. Data is taken from the owned land enterprise tables.

<b>Crop</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Alfalfa Hay	\$164.47	\$169.50	\$171.76	\$177.01	\$161.73
Corn	\$159.23	\$151.43	\$153.51	\$161.45	\$160.80
Corn Silage	\$209.02	\$204.12	\$214.87	\$206.32	\$224.53
Soybeans	\$81.89	\$88.15	\$83.66	\$88.20	\$84.51
Spring Wheat	\$84.02	\$84.95	\$83.56	\$87.85	\$87.90

## Five Year History of Crop Yields and Cost of Production

### Northern Minnesota Farm Business Management Data



**Crop Enterprise Analysis**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Return to Overhead)**

**Corn on Owned Land**

	<u>Avg. Of All Farms</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	168	33	34
Acres	119.42	124.91	131.38
Yield per acre (bu.)	160.19	156.01	176.93
Operator's share of yield %	100.00	100.00	100.00
Value per bu.	3.40	3.30	3.49
Other product return per acre	5.33	6.16	9.05
Total product return per acre	549.39	521.23	627.09
Hedging gains/losses per acre	1.29	3.12	4.02
Crop insurance per acre	13.73	17.87	14.44
Other crop income per acre	52.18	45.03	59.96
Gross return per acre	616.59	587.26	705.51
<b>Direct Expenses</b>			
Seed and plants	92.86	88.07	95.87
Fertilizer	109.68	106.39	104.82
Crop chemicals	26.51	26.43	21.75
Crop insurance	15.75	18.45	17.10
Drying expense	16.16	19.80	13.78
Storage	1.52	0.22	0.10
Packaging and supplies	0.75	0.84	-
Fuel & oil	30.27	29.53	31.70
Repairs	53.68	67.09	49.42
Custom hire	12.82	9.70	8.66
Hired labor	3.40	2.66	1.53
Machinery leases	2.62	2.68	5.05
Utilities	0.53	0.13	0.87
Hauling and trucking	2.57	3.72	1.47
Marketing	2.01	1.54	1.96
Operating interest	14.21	12.09	10.71
Miscellaneous	2.54	3.72	2.30
Total direct expenses per acre	387.88	393.06	367.10
Return over direct exp per acre	228.70	194.20	338.40
<b>Overhead Expenses</b>			
Hired labor	11.02	10.39	12.29
Machinery leases	3.07	3.68	0.31
Building leases	1.31	0.60	0.13
RE & pers. property taxes	20.65	18.98	19.65
Farm insurance	10.97	12.10	8.27
Utilities	6.68	6.37	6.78
Dues & professional fees	5.14	3.16	3.66
Interest	73.14	53.94	45.83
Mach & bldg depreciation	56.38	55.04	51.42
Miscellaneous	4.72	5.41	5.98
Total overhead expenses per acre	193.07	169.68	154.33
Total dir & ovhd expenses per acre	580.96	562.74	521.43
Net return per acre	35.63	24.52	184.08
Government payments	0.57	1.61	0.40
Net return with govt pmts	36.20	26.14	184.47
Labor & management charge	45.87	38.26	45.04
Net return over lbr & mgt	-9.67	-12.13	139.43
<b>Cost of Production</b>			
Total direct expense per bu.	2.42	2.52	2.07
Total dir & ovhd exp per bu.	3.63	3.61	2.95
Less govt & other income	3.17	3.13	2.45
With labor & management	3.46	3.38	2.71
Net value per unit	3.40	3.32	3.52
Machinery cost per acre	160.80	171.32	143.00
Est. labor hours per acre	3.22	3.11	2.58



**Crop Enterprise Analysis**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Return to Overhead)**

**Corn on Cash Rent**

	<u>Avg. Of All Farms</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	247	50	50
Acres	245.88	229.78	180.31
Yield per acre (bu.)	156.66	153.11	165.28
Operator's share of yield %	100.00	100.00	100.00
Value per bu.	3.42	3.30	3.39
Other product return per acre	2.39	3.17	6.68
Total product return per acre	538.49	508.05	567.65
Hedging gains/losses per acre	0.85	2.99	0.13
Crop insurance per acre	14.71	20.56	37.77
Other crop income per acre	51.02	46.64	61.72
Gross return per acre	605.07	578.24	667.27
<b>Direct Expenses</b>			
Seed and plants	87.54	83.84	85.81
Fertilizer	118.92	116.08	101.99
Crop chemicals	26.90	28.25	23.16
Crop insurance	15.32	16.06	14.99
Drying expense	17.22	17.06	16.46
Storage	0.73	0.17	0.29
Packaging and supplies	0.83	0.08	0.26
Fuel & oil	24.73	21.66	23.15
Repairs	44.27	48.13	37.69
Custom hire	15.56	9.76	10.45
Hired labor	2.97	3.16	1.10
Land rent	119.94	91.54	91.01
Machinery leases	4.61	5.43	4.26
Hauling and trucking	1.78	2.58	0.77
Marketing	1.90	2.15	2.48
Operating interest	13.96	17.34	8.96
Miscellaneous	3.40	2.82	3.41
Total direct expenses per acre	500.55	466.11	426.23
Return over direct exp per acre	104.52	112.13	241.04
<b>Overhead Expenses</b>			
Hired labor	11.02	9.15	10.67
Machinery leases	5.51	1.95	1.88
Building leases	2.48	0.93	0.45
Farm insurance	8.33	9.59	6.86
Utilities	5.53	6.23	5.53
Dues & professional fees	4.63	4.97	3.55
Interest	9.72	8.45	4.37
Mach & bldg depreciation	41.16	48.21	34.50
Miscellaneous	4.56	3.21	4.99
Total overhead expenses per acre	92.94	92.67	72.79
Total dir & ovhd expenses per acre	593.49	558.78	499.03
Net return per acre	11.58	19.45	168.24
Government payments	0.76	1.21	0.60
Net return with govt pmts	12.34	20.66	168.85
Labor & management charge	38.02	39.60	39.24
Net return over lbr & mgt	-25.68	-18.94	129.61
<b>Cost of Production</b>			
Total direct expense per bu.	3.20	3.04	2.58
Total dir & ovhd exp per bu.	3.79	3.65	3.02
Less govt & other income	3.34	3.16	2.37
With labor & management	3.59	3.42	2.61
Net value per unit	3.43	3.32	3.39
Machinery cost per acre	140.79	137.80	113.77
Est. labor hours per acre	2.63	2.70	2.48

**Crop Enterprise Analysis**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Return to Overhead)**

**Soybeans on Owned Land**

	<u>Avg. Of All Farms</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	159	32	32
Acres	215.56	236.97	191.48
Yield per acre (bu.)	37.83	38.44	44.46
Operator's share of yield %	100.00	100.00	100.00
Value per bu.	8.17	8.26	8.25
Other product return per acre	0.19	-	0.66
Total product return per acre	309.14	317.61	367.37
Hedging gains/losses per acre	0.35	-	1.98
Crop insurance per acre	8.96	2.86	11.87
Other crop income per acre	52.07	53.05	54.23
Gross return per acre	370.52	373.53	435.45
<b>Direct Expenses</b>			
Seed and plants	56.64	53.99	55.43
Fertilizer	27.88	31.73	22.89
Crop chemicals	29.29	27.48	28.23
Cover crop expense	0.16	0.72	-
Crop insurance	12.98	10.57	15.12
Drying expense	1.19	2.40	0.56
Fuel & oil	15.54	14.23	14.73
Repairs	26.56	23.94	23.38
Custom hire	7.87	5.69	4.91
Hired labor	1.40	1.34	2.03
Machinery leases	1.82	1.36	4.64
Hauling and trucking	0.95	1.32	0.60
Marketing	1.47	1.79	0.80
Operating interest	7.07	6.46	3.64
Miscellaneous	1.61	0.80	1.39
Total direct expenses per acre	192.43	183.81	178.35
Return over direct exp per acre	178.09	189.72	257.10
<b>Overhead Expenses</b>			
Hired labor	5.66	4.45	5.67
Machinery leases	1.62	0.49	2.02
Building leases	0.28	0.83	0.04
RE & pers. property taxes	14.39	15.82	10.69
Farm insurance	7.08	5.38	5.08
Utilities	4.67	4.34	3.36
Dues & professional fees	2.26	2.03	1.56
Interest	38.52	39.21	17.40
Mach & bldg depreciation	31.73	38.47	26.46
Miscellaneous	3.09	2.11	1.77
Total overhead expenses per acre	109.30	113.13	74.06
Total dir & ovhd expenses per acre	301.73	296.94	252.41
Net return per acre	68.79	76.59	183.04
Government payments	2.17	1.13	3.90
Net return with govt pmts	70.96	77.72	186.94
Labor & management charge	28.62	29.27	27.10
Net return over lbr & mgt	42.34	48.45	159.84
<b>Cost of Production</b>			
Total direct expense per bu.	5.09	4.78	4.01
Total dir & ovhd exp per bu.	7.98	7.73	5.68
Less govt & other income	6.29	6.24	4.04
With labor & management	7.05	7.00	4.65
Net value per unit	8.18	8.26	8.29
Machinery cost per acre	84.51	78.06	75.52
Est. labor hours per acre	1.67	1.43	1.65

**Crop Enterprise Analysis**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Return to Overhead)**

**Soybeans on Cash Rent**

	<u>Avg. Of All Farms</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	250	50	50
Acres	346.74	336.68	296.31
Yield per acre (bu.)	37.14	36.35	41.88
Operators share of yield %	100.00	100.00	100.00
Value per bu.	8.22	8.33	8.12
Other product return per acre	0.02	0.02	0.09
Total product return per acre	305.18	302.74	340.31
Hedging gains/losses per acre	0.19	-	0.72
Crop insurance per acre	14.44	13.55	10.16
Other crop income per acre	50.23	55.04	49.76
Gross return per acre	370.04	371.33	400.95
<b>Direct Expenses</b>			
Seed and plants	54.40	55.14	53.12
Fertilizer	25.20	24.54	21.77
Crop chemicals	29.67	31.27	29.84
Crop insurance	12.89	10.80	10.75
Drying expense	1.06	0.42	1.17
Storage	0.23	0.76	0.10
Fuel & oil	14.84	13.59	14.36
Repairs	24.36	25.91	20.80
Custom hire	7.48	10.47	5.45
Hired labor	2.69	0.93	0.66
Land rent	92.81	84.74	63.68
Machinery leases	3.23	4.10	4.73
Utilities	0.16	0.64	-
Hauling and trucking	0.79	1.00	0.52
Marketing	1.22	2.17	0.45
Operating interest	8.56	11.85	5.69
Miscellaneous	2.13	2.53	0.98
Total direct expenses per acre	281.72	280.85	234.05
Return over direct exp per acre	88.32	90.48	166.91
<b>Overhead Expenses</b>			
Hired labor	6.11	6.29	2.15
Machinery leases	2.37	0.89	1.43
Building leases	0.77	0.13	0.09
Farm insurance	5.42	5.49	4.93
Utilities	3.97	2.81	3.44
Dues & professional fees	2.61	3.08	1.95
Interest	4.56	3.22	2.60
Mach & bldg depreciation	24.24	21.55	22.01
Miscellaneous	2.95	5.40	1.97
Total overhead expenses per acre	53.00	48.86	40.56
Total dir & ovhd expenses per acre	334.72	329.71	274.60
Net return per acre	35.32	41.62	126.35
Government payments	1.42	0.97	1.47
Net return with govt pmts	36.74	42.59	127.82
Labor & management charge	26.87	27.73	28.70
Net return over lbr & mgt	9.87	14.86	99.12
<b>Cost of Production</b>			
Total direct expense per bu.	7.59	7.73	5.59
Total dir & ovhd exp per bu.	9.01	9.07	6.56
Less govt & other income	7.23	7.16	5.07
With labor & management	7.95	7.92	5.76
Net value per unit	8.22	8.33	8.14
Machinery cost per acre	79.04	78.40	70.45
Est. labor hours per acre	1.58	1.44	1.44

**Crop Enterprise Analysis**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Return to Overhead)**

**Wheat, Spring on Owned Land**

	<u>Avg. Of All Farms</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	87	18	18
Acres	251.06	290.79	313.69
Yield per acre (bu.)	59.79	58.75	71.64
Operators share of yield %	100.00	100.00	100.00
Value per bu.	5.09	5.07	5.29
Other product return per acre	1.32	-	2.41
Total product return per acre	305.45	298.08	381.26
Crop insurance per acre	21.67	14.51	23.34
Other crop income per acre	56.48	61.75	55.84
Gross return per acre	383.59	374.33	460.43
<b>Direct Expenses</b>			
Seed and plants	20.59	19.10	18.75
Fertilizer	89.43	87.08	92.79
Crop chemicals	32.21	31.92	33.43
Crop insurance	12.13	12.59	12.87
Drying expense	1.77	1.06	2.55
Storage	0.70	0.50	-
Fuel & oil	16.30	14.98	19.06
Repairs	25.64	23.85	24.40
Custom hire	10.25	8.00	7.21
Hired labor	0.92	0.73	1.04
Machinery leases	1.34	0.55	1.67
Hauling and trucking	1.09	3.18	0.24
Marketing	2.32	1.59	0.13
Operating interest	7.82	6.45	3.70
Miscellaneous	1.86	1.99	0.94
Total direct expenses per acre	224.36	213.58	218.79
Return over direct exp per acre	159.24	160.75	241.64
<b>Overhead Expenses</b>			
Hired labor	7.40	10.04	4.33
Machinery leases	2.65	5.42	3.16
Building leases	0.54	0.52	1.54
RE & pers. property taxes	12.02	12.27	11.10
Farm insurance	7.09	6.38	6.39
Utilities	4.70	4.75	3.83
Dues & professional fees	2.89	5.09	1.77
Interest	32.25	33.18	15.07
Mach & bldg depreciation	33.46	25.52	50.46
Miscellaneous	2.63	2.87	1.34
Total overhead expenses per acre	105.61	106.04	98.98
Total dir & ovhd expenses per acre	329.97	319.62	317.77
Net return per acre	53.62	54.71	142.67
Government payments	3.31	3.36	6.05
Net return with govt pmts	56.93	58.06	148.71
Labor & management charge	27.58	29.17	27.45
Net return over lbr & mgt	29.35	28.90	121.26
<b>Cost of Production</b>			
Total direct expense per bu.	3.75	3.64	3.05
Total dir & ovhd exp per bu.	5.52	5.44	4.44
Less govt & other income	4.13	4.09	3.21
With labor & management	4.60	4.58	3.60
Net value per unit	5.09	5.07	5.29
Machinery cost per acre	87.90	77.91	95.61
Est. labor hours per acre	1.51	1.58	1.39

**Crop Enterprise Analysis**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Return to Overhead)**

**Wheat, Spring on Cash Rent**

	<u>Avg. Of All Farms</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	126	25	26
Acres	425.30	740.70	408.11
Yield per acre (bu.)	60.71	60.90	67.76
Operators share of yield %	100.00	100.00	100.00
Value per bu.	5.09	5.11	5.30
Other product return per acre	1.12	0.43	2.28
Total product return per acre	310.40	311.44	361.38
Hedging gains/losses per acre	0.11	-	0.58
Crop insurance per acre	21.25	4.45	42.09
Other crop income per acre	51.36	50.28	49.82
Gross return per acre	383.13	366.17	453.86
<b>Direct Expenses</b>			
Seed and plants	19.76	17.25	17.91
Fertilizer	91.20	89.98	88.34
Crop chemicals	33.02	29.86	37.07
Crop insurance	10.38	8.92	10.75
Drying expense	2.28	2.38	2.97
Fuel & oil	15.17	15.31	13.95
Repairs	24.41	23.80	19.97
Custom hire	7.87	6.06	6.99
Hired labor	2.91	7.75	0.29
Land rent	75.49	79.40	62.23
Machinery leases	1.97	1.02	4.40
Marketing	1.95	0.81	0.35
Operating interest	6.85	5.08	5.04
Miscellaneous	1.91	1.23	1.66
Total direct expenses per acre	295.17	288.87	271.91
Return over direct exp per acre	87.96	77.29	181.95
<b>Overhead Expenses</b>			
Hired labor	8.79	8.91	7.98
Machinery leases	2.46	1.44	1.46
Building leases	0.59	0.32	0.57
Farm insurance	5.06	5.08	3.79
Utilities	4.11	4.29	2.80
Dues & professional fees	2.69	2.85	2.56
Interest	3.64	3.54	2.56
Mach & bldg depreciation	21.27	20.22	19.57
Miscellaneous	2.54	3.28	1.91
Total overhead expenses per acre	51.14	49.93	43.19
Total dir & ovhd expenses per acre	346.31	338.80	315.11
Net return per acre	36.82	27.36	138.76
Government payments	2.01	1.75	2.42
Net return with govt pmts	38.82	29.12	141.18
Labor & management charge	28.61	30.66	30.81
Net return over lbr & mgt	10.22	-1.55	110.37
<b>Cost of Production</b>			
Total direct expense per bu.	4.86	4.74	4.01
Total dir & ovhd exp per bu.	5.70	5.56	4.65
Less govt & other income	4.45	4.63	3.22
With labor & management	4.93	5.13	3.67
Net value per unit	5.10	5.11	5.31
Machinery cost per acre	75.22	70.23	66.95
Est. labor hours per acre	1.57	1.59	1.67

**Crop Enterprise Analysis**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Return to Overhead)**

**Corn Silage on Owned Land**

	<u>Avg. Of All Farms</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	102	21	21
Acres	67.85	103.17	40.90
Yield per acre (ton)	18.70	19.52	22.66
Operators share of yield %	100.00	100.00	100.00
Value per ton	31.58	31.25	32.30
Total product return per acre	590.33	609.99	731.89
Crop insurance per acre	22.46	30.27	53.40
Other crop income per acre	35.20	35.20	38.63
Gross return per acre	647.99	675.46	823.92
<b>Direct Expenses</b>			
Seed and plants	88.05	84.44	86.40
Fertilizer	65.30	70.85	56.36
Crop chemicals	30.65	29.95	24.35
Cover crop expense	0.30	0.95	-
Crop insurance	15.32	17.21	12.51
Packaging and supplies	12.54	13.16	2.76
Supplies	0.71	2.28	-
Fuel & oil	38.89	41.98	30.24
Repairs	55.29	54.08	46.77
Custom hire	67.04	71.32	37.05
Hired labor	0.96	-	0.04
Machinery leases	1.67	0.62	0.62
Hauling and trucking	0.27	-	1.55
Operating interest	7.46	6.23	6.85
Miscellaneous	3.17	2.28	0.27
Total direct expenses per acre	387.63	395.36	305.77
Return over direct exp per acre	260.37	280.10	518.16
<b>Overhead Expenses</b>			
Hired labor	20.64	36.45	5.79
Machinery leases	2.91	2.03	2.14
RE & pers. property taxes	14.53	11.45	13.36
Farm insurance	10.63	11.26	7.37
Utilities	6.77	7.83	7.05
Dues & professional fees	3.68	3.50	2.40
Interest	62.23	59.73	30.04
Mach & bldg depreciation	58.82	52.13	55.84
Miscellaneous	4.75	3.37	2.50
Total overhead expenses per acre	184.97	187.74	126.50
Total dir & ovhd expenses per acre	572.60	583.10	432.26
Net return per acre	75.40	92.37	391.66
Government payments	0.23	0.41	0.30
Net return with govt pmts	75.63	92.78	391.96
Labor & management charge	44.29	48.35	51.77
Net return over lbr & mgt	31.33	44.43	340.19
<b>Cost of Production</b>			
Total direct expense per ton	20.73	20.25	13.49
Total dir & ovhd exp per ton	30.63	29.87	19.08
Less govt & other income	27.53	26.49	15.00
With labor & management	29.90	28.97	17.29
Net value per unit	31.58	31.25	32.30
Machinery cost per acre	224.53	232.58	171.58
Est. labor hours per acre	4.67	4.53	4.17

**Crop Enterprise Analysis**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Return to Overhead)**

**Corn Silage on Cash Rent**

	<u>Avg. Of All Farms</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	98	19	20
Acres	99.09	88.97	67.80
Yield per acre (ton)	18.93	17.33	22.69
Operators share of yield %	100.00	100.00	100.00
Value per ton	31.85	31.61	33.16
Total product return per acre	603.02	547.87	752.45
Crop insurance per acre	13.77	36.69	6.33
Other crop income per acre	34.68	36.10	41.79
Gross return per acre	651.47	620.66	800.56
<b>Direct Expenses</b>			
Seed and plants	90.38	74.54	97.39
Fertilizer	79.39	73.57	69.40
Crop chemicals	30.99	24.10	21.69
Crop insurance	13.83	11.79	8.64
Storage	0.19	1.06	-
Packaging and supplies	12.03	7.27	8.75
Fuel & oil	37.00	29.21	28.99
Repairs	49.93	50.64	43.28
Custom hire	62.56	52.12	41.74
Hired labor	1.78	1.70	3.03
Land rent	102.01	70.35	66.43
Machinery leases	3.28	5.53	5.91
Hauling and trucking	1.94	-	0.60
Operating interest	6.43	8.44	4.02
Miscellaneous	3.97	2.21	1.34
Total direct expenses per acre	495.73	412.53	401.21
Return over direct exp per acre	155.75	208.13	399.35
<b>Overhead Expenses</b>			
Hired labor	19.87	25.65	13.84
Machinery leases	7.13	0.54	0.97
Building leases	0.39	1.09	0.92
Farm insurance	6.30	10.20	4.99
Utilities	4.58	5.50	4.23
Dues & professional fees	3.84	5.37	2.75
Interest	9.97	17.98	4.88
Mach & bldg depreciation	46.30	61.89	42.02
Miscellaneous	2.66	5.12	0.75
Total overhead expenses per acre	101.04	133.34	75.34
Total dir & ovhd expenses per acre	596.77	545.87	476.55
Net return per acre	54.70	74.79	324.01
Government payments	0.24	0.02	1.15
Net return with govt pmts	54.94	74.81	325.16
Labor & management charge	32.40	38.19	36.73
Net return over lbr & mgt	22.55	36.62	288.43
<b>Cost of Production</b>			
Total direct expense per ton	26.18	23.80	17.68
Total dir & ovhd exp per ton	31.52	31.50	21.00
Less govt & other income	28.95	27.30	18.83
With labor & management	30.66	29.50	20.45
Net value per unit	31.85	31.61	33.16
Machinery cost per acre	212.10	210.34	166.10
Est. labor hours per acre	3.54	3.63	3.50

**Crop Enterprise Analysis**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Return to Overhead)**

**Hay, Alfalfa on Owned Land**

	<u>Avg. Of All Farms</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	84	17	17
Acres	60.13	54.66	49.24
Yield per acre (ton)	4.03	4.17	5.38
Operators share of yield %	100.00	100.00	100.00
Value per ton	148.97	148.66	171.98
Total product return per acre	600.32	619.63	925.02
Crop insurance per acre	0.64	-	0.01
Other crop income per acre	33.43	38.04	39.01
Gross return per acre	634.40	657.67	964.03
<b>Direct Expenses</b>			
Seed and plants	1.74	2.94	1.20
Fertilizer	35.41	27.14	42.25
Crop chemicals	0.98	0.73	3.57
Crop insurance	1.69	-	0.92
Packaging and supplies	12.95	11.63	10.02
Supplies	0.43	-	2.62
Fuel & oil	34.62	42.61	34.26
Repairs	52.80	56.12	59.49
Custom hire	14.19	17.88	17.40
Hired labor	1.68	0.42	1.84
Machinery leases	1.03	0.68	0.43
Operating interest	8.50	16.09	7.46
Miscellaneous	2.59	1.60	3.74
Total direct expenses per acre	168.60	177.84	185.18
Return over direct exp per acre	465.79	479.83	778.85
<b>Overhead Expenses</b>			
Hired labor	12.25	18.16	10.50
Machinery leases	1.66	4.33	1.87
RE & pers. property taxes	13.69	16.08	14.12
Farm insurance	11.33	9.62	11.51
Utilities	5.05	6.02	5.74
Dues & professional fees	5.16	3.09	4.13
Interest	53.22	80.25	51.93
Mach & bldg depreciation	59.25	74.89	72.01
Miscellaneous	3.03	3.35	4.29
Total overhead expenses per acre	164.64	215.80	176.10
Total dir & ovhd expenses per acre	333.24	393.64	361.28
Net return per acre	301.16	264.04	602.75
Government payments	0.11	0.34	0.01
Net return with govt pmts	301.27	264.38	602.76
Labor & management charge	41.64	50.31	40.11
Net return over lbr & mgt	259.62	214.07	562.66
<b>Cost of Production</b>			
Total direct expense per ton	41.84	42.67	34.43
Total dir & ovhd exp per ton	82.69	94.44	67.17
Less govt & other income	74.21	85.23	59.91
With labor & management	84.54	97.30	67.37
Net value per unit	148.97	148.66	171.98
Machinery cost per acre	161.73	192.91	181.46
Est. labor hours per acre	4.37	5.74	4.22



**Crop Enterprise Analysis**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Return to Overhead)**

**Hay, Alfalfa on Cash Rent**

	<u>Avg. Of All Farms</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	102	21	21
Acres	81.03	73.35	97.70
Yield per acre (ton)	4.10	3.72	5.88
Operators share of yield %	100.00	100.00	100.00
Value per ton	151.02	146.75	170.33
Total product return per acre	618.65	545.17	1,002.01
Crop insurance per acre	2.37	-	9.00
Other crop income per acre	33.37	25.25	38.77
Gross return per acre	654.39	570.43	1,049.78
<b>Direct Expenses</b>			
Seed and plants	0.71	-	-
Fertilizer	38.44	39.88	38.02
Crop chemicals	2.67	3.33	2.74
Crop insurance	1.69	1.32	1.31
Packaging and supplies	9.35	5.16	11.92
Supplies	0.30	-	1.21
Fuel & oil	28.55	30.43	27.16
Repairs	47.02	50.73	50.70
Custom hire	13.90	19.24	19.27
Hired labor	0.88	0.21	-
Land rent	84.45	66.53	114.31
Machinery leases	2.03	3.89	0.02
Operating interest	8.17	11.07	7.54
Miscellaneous	2.81	1.25	4.89
Total direct expenses per acre	240.96	233.04	279.10
Return over direct exp per acre	413.43	337.39	770.69
<b>Overhead Expenses</b>			
Hired labor	13.57	12.47	21.44
Machinery leases	5.31	0.65	17.32
Building leases	0.72	0.01	0.27
Farm insurance	6.38	7.05	6.02
Utilities	5.12	4.29	5.33
Dues & professional fees	4.12	5.43	4.29
Interest	7.19	4.84	7.19
Mach & bldg depreciation	43.42	41.76	47.37
Miscellaneous	3.79	3.80	2.08
Total overhead expenses per acre	89.61	80.31	111.31
Total dir & ovhd expenses per acre	330.57	313.35	390.41
Net return per acre	323.81	257.08	659.38
Government payments	0.08	0.21	0.01
Net return with govt pmts	323.90	257.29	659.39
Labor & management charge	35.49	32.88	25.48
Net return over lbr & mgt	288.41	224.41	633.91
<b>Cost of Production</b>			
Total direct expense per ton	58.82	62.73	47.44
Total dir & ovhd exp per ton	80.70	84.35	66.37
Less govt & other income	71.95	77.49	58.24
With labor & management	80.62	86.34	62.57
Net value per unit	151.02	146.75	170.33
Machinery cost per acre	142.54	147.91	164.46
Est. labor hours per acre	3.58	3.54	3.86

**Crop Enterprise Analysis**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Return to Overhead)**

**Hay, Mixed on Cash Rent**

	<u>Avg. Of All Farms</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	30	6	6
Acres	149.20	130.49	188.87
Yield per acre (ton)	2.41	2.84	2.78
Operators share of yield %	100.00	100.00	100.00
Value per ton	100.16	83.76	135.95
Total product return per acre	241.08	237.75	378.32
Crop insurance per acre	2.02	-	5.51
Other crop income per acre	10.59	4.14	16.00
Gross return per acre	253.69	241.89	399.84
<b>Direct Expenses</b>			
Seed and plants	1.02	0.66	-
Fertilizer	11.06	7.24	11.12
Crop chemicals	0.17	-	0.66
Crop insurance	0.77	2.69	0.33
Packaging and supplies	3.87	7.07	2.66
Fuel & oil	16.69	16.77	10.09
Repairs	32.99	47.60	29.36
Custom hire	4.66	0.29	1.32
Hired labor	2.51	5.62	0.00
Land rent	30.30	21.70	18.04
Machinery leases	1.91	-	-
Utilities	0.59	0.35	1.39
Hauling and trucking	0.18	-	0.56
Organic certification	0.15	-	0.58
Operating interest	6.08	1.99	9.59
Miscellaneous	0.91	-	0.40
Total direct expenses per acre	113.85	111.98	86.12
Return over direct exp per acre	139.84	129.91	313.71
<b>Overhead Expenses</b>			
Hired labor	1.82	3.91	0.41
Machinery leases	1.24	6.26	0.03
Farm insurance	3.35	3.07	1.80
Utilities	2.25	3.74	0.55
Dues & professional fees	1.61	2.45	0.74
Interest	4.81	3.95	0.93
Mach & bldg depreciation	23.24	23.05	19.49
Miscellaneous	6.71	1.01	2.21
Total overhead expenses per acre	45.03	47.45	26.16
Total dir & ovhd expenses per acre	158.88	159.43	112.28
Net return per acre	94.81	82.46	287.56
Government payments	0.00	-	-
Net return with govt pmts	94.81	82.46	287.56
Labor & management charge	20.06	15.89	11.53
Net return over lbr & mgt	74.75	66.57	276.03
<b>Cost of Production</b>			
Total direct expense per ton	47.30	39.45	30.95
Total dir & ovhd exp per ton	66.01	56.16	40.35
Less govt & other income	60.77	54.71	32.62
With labor & management	69.10	60.30	36.76
Net value per unit	100.16	83.76	135.95
Machinery cost per acre	81.57	95.16	50.74
Est. labor hours per acre	2.10	1.27	1.00

**Crop Enterprise Analysis**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Return to Overhead)**

**Hay, Grass on Cash Rent**

	<u>Avg. Of All Farms</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	53	10	11
Acres	65.65	89.58	49.39
Yield per acre (ton)	1.75	1.29	2.92
Operators share of yield %	100.00	100.00	100.00
Value per ton	85.18	70.66	92.59
Total product return per acre	149.24	91.32	270.45
Other crop income per acre	2.67	2.66	1.10
Gross return per acre	151.91	93.98	271.55
<b>Direct Expenses</b>			
Seed and plants	1.10	1.67	0.93
Fertilizer	4.27	2.77	0.55
Crop chemicals	0.53	-	-
Packaging and supplies	2.74	0.19	6.83
Fuel & oil	14.41	14.33	17.98
Repairs	19.34	11.31	22.65
Custom hire	9.37	6.62	6.96
Hired labor	3.19	-	-
Land rent	49.57	35.88	31.48
Machinery leases	0.67	-	-
Operating interest	3.04	1.17	3.18
Miscellaneous	0.89	1.07	0.80
Total direct expenses per acre	109.13	75.02	91.35
Return over direct exp per acre	42.78	18.97	180.20
<b>Overhead Expenses</b>			
Hired labor	4.59	3.98	2.12
Machinery leases	0.93	1.73	0.59
Farm insurance	4.48	1.74	2.75
Utilities	2.36	1.52	1.17
Dues & professional fees	2.87	1.90	1.41
Interest	5.68	6.92	4.15
Mach & bldg depreciation	23.48	16.17	16.26
Miscellaneous	4.05	1.17	3.42
Total overhead expenses per acre	48.44	35.14	31.89
Total dir & ovhd expenses per acre	157.57	110.16	123.24
Net return per acre	-5.66	-16.17	148.31
Government payments	0.30	-	0.36
Net return with govt pmts	-5.37	-16.17	148.67
Labor & management charge	18.59	6.18	15.67
Net return over lbr & mgt	-23.96	-22.36	133.00
<b>Cost of Production</b>			
Total direct expense per ton	62.29	58.05	31.27
Total dir & ovhd exp per ton	89.94	85.24	42.19
Less govt & other income	88.24	83.18	41.69
With labor & management	98.86	87.96	47.06
Net value per unit	85.18	70.66	92.59
Machinery cost per acre	72.36	55.95	67.96
Est. labor hours per acre	2.21	1.31	3.01

**Crop Enterprise Analysis**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Return to Overhead)**  
**Owned and Rented Acres Combined \***

	<b><u>Establish</u></b> <b><u>Alfalfa Hay</u></b>	<b><u>Oatlage</u></b>	<b><u>Fescue</u></b> <b><u>Grass Seed</u></b>	<b><u>Perennial Rye</u></b> <b><u>Grass Seed</u></b>
Number of farms	50	15	5	9
Acres	46.47	59.37	304.8	666.78
Yield per acre	1.63	2.98	615.92	819.08
Operators share of yield %	100	100	100	100
Value	149.47	39.75	0.66	0.6
Total product return per acre	243.61	118.38	430.64	487.98
Other crop income per acre	31.07	22.44	31.79	38.47
Gross return per acre	274.68	140.82	462.35	526.46
<b>Direct Expenses</b>				
Seed	95.73	18.16	-	18.85
Fertilizer	41.63	9.92	77.1	106.1
Crop chemicals	4.9	2.33	24.61	47.16
Crop insurance	1.97	0.73	13.22	11.8
Packaging and supplies	6.48	3.95	-	-
Fuel & oil	27.79	20.43	15.6	23.2
Repairs	43.68	33.36	22.34	38.83
Custom hire	12.06	11.73	6.39	8.71
Machinery Leases	2.98	0.16	-	-
Land Rent	36.03	38.11	81.23	36.16
Operating interest	7.11	1.47	5.89	10.02
Miscellaneous	2.65	8.32	3.35	0.88
Total direct expenses per acre	283.39	148.68	249.73	301.71
Return over direct exp per acre	-8.71	-7.86	212.62	224.75
<b>Overhead Expenses</b>				
Hired labor	10.13	8.62	3.03	14.12
Mach and bldg leases	3.15	2.49	0.26	5.21
RE & pers. property taxes	6.96	5.06	2.18	3.46
Farm insurance	7.04	6.9	5.05	10.12
Utilities	5.02	3.63	7.2	5.59
Dues & professional fees	4.29	1.82	2.18	2.65
Interest	32.66	18.23	12.42	11.14
Mach & bldg depreciation	49.6	21.5	14.81	49.64
Miscellaneous	3.69	2.54	1.23	2.09
Total overhead expenses per acre	122.55	70.8	48.36	104.03
Total dir & ovhd expenses per acre	405.94	219.47	298.09	405.74
Net return per acre	-131.26	-78.66	164.26	120.72
Government payments	0.17	-	-	6.26
Net return with govt pmts	-131.09	-78.66	164.26	126.98
Labor & management charge	37.18	22.92	32.31	41.22
Net return over lbr & mgt	-168.27	-101.58	131.95	85.76
<b>Cost of Production</b>				
Total direct expense per bu.	173.88	49.93	0.41	0.37
Total dir & ovhd exp per bu.	249.06	73.71	0.48	0.5
Less govt & other income	229.9	66.17	0.39	0.44
With labor & management	252.71	73.87	0.45	0.49
Net value per unit	149.47	39.75	0.66	0.6
Machinery cost per acre	141.74	90.82	62.09	124.15
Est. labor hours per acre	3.89	2.39	2.04	1.81

\* Combined data for rented and owned land. Actual land cost is the sum of: Land Rent, Interest, & RE taxes.

**Crop Enterprise Analysis**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Return to Overhead)**

**Irrigated Crops \***

	<u>Corn</u>	<u>Corn Silage</u>	<u>Hay, Alfalfa</u>	<u>Soybeans</u>
Number of farms	55	16	16	26
Acres	243.28	141.62	88.6	218.6
Yield per acre	187.48	22.51	5.19	40.75
Operators share of yield %	100	100	100	100
Value	3.43	30.83	160.02	8.53
Total product return per acre	650.87	693.94	830.6	347.79
Crop insurance per acre	8.3	1.63	-	28.12
Other crop income per acre	48.23	34.47	33.27	60.23
Gross return per acre	707.4	730.04	863.86	436.13
<b>Direct Expenses</b>				
Seed	92.8	91.27	0.34	52.21
Fertilizer	155.09	91.29	50.91	34.4
Crop chemicals	27.55	29.35	3.42	36.13
Crop insurance	14.85	11.35	1.18	12.1
Marketing	2.87	-	-	0.61
Irrigation energy	24.16	22.2	21.04	18.7
Packaging and supplies/Drying Corn	24.29	9.59	15.41	-
Fuel & oil	26.87	49.56	43.3	16.26
Repairs	52.6	56.15	50.23	31.98
Custom hire and Trucking	15.60	54.23	3.86	6.9
Hired labor	1.63	-	-	2.29
Land Rent	85.6	22.03	82.59	83.00
Operating interest	9.71	4.9	5.79	9.71
Miscellaneous	15.57	7.45	6.13	18.81
Total direct expenses per acre	549.19	449.37	284.2	323.1
Return over direct exp per acre	158.2	280.67	579.66	113.04
<b>Overhead Expenses</b>				
Hired labor	17.02	45.58	34.56	5.4
Mach and bldg leases	1.61	0.22	0.21	1.04
RE & pers. property taxes	4.61	7.59	6.07	3.44
Farm insurance	11.36	11.1	7.66	7.53
Utilities	6.18	4.26	5.05	2.81
Dues & professional fees	4.33	3.74	3.44	3.05
Interest	22.23	30.88	41.23	22.94
Mach & bldg depreciation	57.03	77.98	54.6	44.16
Miscellaneous	6.31	1.52	2.93	2.73
Total overhead expenses per acre	130.67	182.86	155.75	93.1
Total dir & ovhd expenses per acre	679.86	632.23	439.95	416.19
Net return per acre	27.54	97.81	423.91	19.94
Government payments	0.62	0.04	0.03	0.48
Net return with govt pmts	28.16	97.85	423.94	20.42
Labor & management charge	41.33	61.28	34.54	22.83
Net return over lbr & mgt	-13.18	36.57	389.4	-2.4
<b>Cost of Production</b>				
Total direct expense per bu.	2.93	19.96	54.75	7.93
Total dir & ovhd exp per bu.	3.63	28.08	84.76	10.21
Less govt & other income	3.28	26.48	78.35	8.03
With labor & management	3.5	29.2	85	8.59
Net value per unit	3.43	30.83	160.02	8.53
Machinery cost per acre	160.84	241.08	163.44	114.18
Est. labor hours per acre	2.94	3.7	4.02	1.8

\* Combined data for rented and owned land. Actual land cost is the sum of: Land Rent, Interest, & RE taxes.

**Crop Enterprise Analysis**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Return to Overhead)**  
**Owned and Rented Acres Combined \***

	<u>Barley</u>	<u>Oats</u>	<u>Rye</u>	<u>Canola</u>
Number of farms	20	36	12	8
Acres	203.5	65.69	125.86	345.09
Yield per acre	85.2	73.97	28.87	23.34
Operator share of yield %	100	100	100	100
Value	4.66	2.71	5.47	15.82
Other product return per acre	1.15	23.78	46.67	-
Total product return per acre	398.52	223.97	204.71	369.21
Crop insurance per acre	2.71	-	-	26.94
Other crop income per acre	55.82	55.24	54.41	43.79
Gross return per acre	457.06	279.21	259.11	439.94
<b>Direct Expenses</b>				
Seed	20.9	16.51	21.42	44.42
Fertilizer	62.07	43.95	45.94	104.6
Crop chemicals	39.05	12.22	8.08	42.89
Crop insurance	9.51	6.58	0.83	13.15
Fuel & oil	16.82	16.59	17.65	15.55
Repairs	30.22	22.65	29.8	18.22
Custom hire & trucking	9.91	7.01	17.08	17.41
Hired labor	0.93	1.36	1.75	-
Land Rent	40.51	26.55	62.3	48.62
Machine Leases	0.31	2.11	-	2.00
Operating interest	9.78	5.76	5.01	7.71
Miscellaneous	6.31	1.33	7.03	0.60
Total direct expenses per acre	246.32	162.62	216.89	315.17
Return over direct exp per acre	210.74	116.59	42.23	124.77
<b>Overhead Expenses</b>				
Hired labor	10.47	7.47	5.93	8.16
Machinery leases	10.1	1.3	-	1.91
Building leases	2.13	0.27	2.4	1.04
RE & pers. property taxes	6.84	5.03	1.17	1.43
Farm insurance	6.64	5.07	6.67	5.6
Utilities	5.46	3.63	3.89	3.46
Dues & professional fees	1.96	2.63	2.52	1.52
Interest	28.31	16.46	5.06	2.99
Mach & bldg depreciation	17.12	19.21	27.42	27.83
Miscellaneous	2.74	1.83	2.24	1.26
Total overhead expenses per acre	91.76	62.89	57.31	55.19
Total dir & ovhd expenses per acre	338.08	225.51	274.2	370.36
Net return per acre	118.98	53.7	-15.09	69.58
Government payments	2.49	0.96	0.54	4.7
Net return with govt pmts	121.47	54.66	-14.55	74.28
Labor & management charge	21.3	21.19	25.22	29.02
Net return over lbr & mgt	100.18	33.47	-39.77	45.25
<b>Cost of Production</b>				
Total direct expense per bu.	2.89	2.2	7.51	13.5
Total dir & ovhd exp per bu.	3.97	3.05	9.5	15.87
Less govt & other income	3.24	1.97	5.98	12.64
With labor & management	3.49	2.25	6.85	13.88
Net value per unit	4.66	2.71	5.47	15.82
Machinery cost per acre	83.81	70.08	90.24	80.01
Est. labor hours per acre	1.39	1.89	1.75	1.31

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**Crop Enterprise Analysis**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Return to Overhead)**  
**Owned and Rented Acres Combined \***

	<b>Soybeans, Seed</b>	<b>Beans, Navy</b>	<b>Irrig. Dark Red Kidney Beans</b>	<b>Sunflowers</b>
Number of farms	14	9	6	8
Acres	442.86	242.19	284.78	184.25
Yield per acre	43.23	15.96	25.83	15.52
Operators share of yield %	100.00	100.00	100.00	100.00
Value	9.31	26.86	39.79	19.00
Total product return per acre	402.62	428.73	1027.62	294.85
Crop insurance per acre	3.93	58.71	32.50	39.54
Other crop income per acre	64.06	53.18	37.13	51.60
Gross return per acre	470.61	540.62	1097.25	385.99
<b>Direct Expenses</b>				
Seed	60.33	55.73	107.96	38.83
Fertilizer	28.18	50.04	77.30	58.65
Crop chemicals	32.08	73.46	132.05	30.99
Crop insurance	12.48	21.91	26.50	12.85
Irrigation Energy	-	-	22.87	-
Fuel & oil	16.46	20.76	15.27	17.86
Repairs	25.81	28.67	34.16	28.03
Custom hire	4.51	-	9.68	18.17
Hired labor	0.55	0.81	4.78	2.10
Land Rent	73.07	75.89	78.88	68.58
Machinery Leases	13.26	8.50	17.22	-
Operating interest	6.70	10.45	1.48	6.24
Miscellaneous	5.07	3.69	16.07	5.18
Total direct expenses per acre	278.51	349.91	544.21	287.48
Return over direct exp per acre	192.10	190.71	553.04	98.50
<b>Overhead Expenses</b>				
Hired labor	13.52	24.74	8.39	0.34
Machinery leases	4.87	5.45	-	-
Building leases	0.38	2.49	-	2.91
RE & pers. property taxes	5.36	8.60	3.36	1.79
Farm insurance	4.53	5.65	10.03	4.53
Utilities	4.68	4.13	5.82	4.89
Dues & professional fees	2.72	3.56	1.93	2.93
Interest	15.38	24.58	37.25	2.57
Mach & bldg depreciation	30.64	22.59	45.00	11.42
Miscellaneous	2.52	3.33	9.53	4.59
Total overhead expenses per acre	84.59	105.12	121.31	35.97
Total dir & ovhd expenses per acre	363.11	455.03	665.52	323.46
Net return per acre	107.50	85.59	431.73	62.53
Government payments	3.34	-	-	0.95
Net return with govt pmts	110.85	85.59	431.73	63.48
Labor & management charge	29.89	19.28	34.35	31.37
Net return over lbr & mgt	80.96	66.31	397.37	32.11
<b>Cost of Production</b>				
Total direct expense per bu.	6.44	21.92	21.07	18.52
Total dir & ovhd exp per bu.	8.40	28.51	25.77	20.84
Less govt & other income	6.75	21.50	23.07	14.91
With labor & management	7.44	22.70	24.40	16.93
Net value per unit	9.31	26.86	39.79	19.00
Machinery cost per acre	93.83	90.30	119.11	77.92
Est. labor hours per acre	1.47	1.35	3.00	1.82

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**Crop Enterprise Analysis**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Return to Overhead)**  
**Owned and Rented Acres Combined \***

	<u>Organic Corn</u>	<u>Organic Corn Silage</u>	<u>Organic Hay, Alfalfa</u>	<u>Irrigated Strawberries</u>
Number of farms	9	7	8	8
Acres	52.83	33.86	100.94	2.52
Yield per acre	93.38	14.71	3.04	4084.08
Operators share of yield %	100.00	100.00	100.00	100.00
Value	8.79	80.77	165.55	2.61
Total product return per acre	820.59	1187.80	503.35	10640.89
Crop insurance per acre	46.41	18.62	2.66	-
Other crop income per acre	41.12	56.73	23.40	-
Gross return per acre	908.12	1263.15	529.41	10640.89
<b>Direct Expenses</b>				
Seed and Plants	77.91	96.58	-	-
Fertilizer	27.57	42.89	9.26	318.21
Crop chemicals	-	-	-	293.90
Crop insurance	9.55	7.75	1.71	22.43
Drying expense	4.65	-	-	-
Irrigation Energy	-	-	-	53.94
Packaging and Supplies	0.93	12.56	17.15	233.60
Fuel & oil	21.04	32.81	24.30	213.89
Repairs	40.72	66.91	42.18	584.54
Custom hire and Trucking	107.91	15.49	30.10	213.90
Hired labor	-	-	0.78	2097.72
Land Rent	30.50	56.28	18.29	39.70
Marketing	-	-	-	436.08
Organic Certification	6.32	3.84	3.04	-
Operating interest	3.86	2.61	2.57	79.90
Miscellaneous	5.77	5.79	2.27	1116.62
Total direct expenses per acre	336.73	343.52	151.63	5704.44
Return over direct exp per acre	571.39	919.64	377.78	4936.45
<b>Overhead Expenses</b>				
Hired labor	13.68	26.69	26.77	-
Mach and bldg leases	-	-	-	42.99
RE & pers. property taxes	5.86	5.96	5.72	112.53
Farm insurance	7.70	5.19	8.48	299.30
Utilities	6.30	3.16	3.34	-
Dues & professional fees	5.46	4.74	3.53	287.08
Interest	14.02	47.54	14.74	253.58
Mach & bldg depreciation	58.28	55.29	25.69	1076.95
Miscellaneous	5.06	3.05	1.63	637.55
Total overhead expenses per acre	116.37	151.61	89.90	2709.98
Total dir & ovhd expenses per acre	453.10	495.13	241.53	8414.42
Net return per acre	455.02	768.02	287.88	2226.47
Government payments	0.50	0.31	1.17	-
Net return with govt pmts	455.52	768.33	289.05	2226.47
Labor & management charge	46.41	33.93	33.50	1164.97
Net return over lbr & mgt	409.11	734.40	255.55	1061.50
<b>Cost of Production</b>				
Total direct expense / Unit of Production	3.61	23.36	49.87	1.40
Total dir & ovhd exp / Unit of Production	4.85	33.67	79.44	2.06
Less govt & other income	3.91	28.52	70.48	2.06
With labor & management	4.41	30.83	81.50	2.35
Net value per unit	8.79	80.77	165.55	2.61
Machinery cost per acre	230.42	182.09	127.91	1588.57
Est. labor hours per acre	5.05	6.03	4.87	377.87

\* Combined data for rented and owned land. Actual land cost is the sum of: Land Rent, Interest, & RE taxes.





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# NEXT-GEN AGRICULTURE

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**Livestock Enterprise Analysis**  
**Farm Business Management Statewide Data**  
**Excluding Organic and Organic Transition**  
**(Farms Sorted By Return to Overhead)**

**Dairy -- Average Per Cwt. Of Milk**

	<u>Avg. Of All Farms</u>		<u>40 - 60%</u>		<u>High 20%</u>	
	283		56		57	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of farms						
Milk sold (hd)	99.40	18.53	99.68	18.82	99.35	18.65
Dairy Calves sold (hd)	0.00	0.18	0.00	0.14	0.00	0.18
Transferred out (hd)	0.00	0.16	0.00	0.13	0.00	0.22
Cull sales (hd)	0.00	0.82	0.00	0.72	0.00	0.82
Insurance income		0.05		0.04		0.04
Government payments		0.40		0.33		0.37
Other income		0.13		0.04		0.15
Purchased (hd)	0.00	-0.18	0.00	-0.07	0.00	-0.04
Transferred in (hd)	0.00	-0.25	0.00	-0.10	0.00	-0.47
Inventory change (hd)	0.00	0.15	0.00	0.26	0.00	0.14
Dairy repl net cost		-2.61		-2.90		-1.92
Gross margin		17.38		17.41		18.14
<b>Direct Expenses</b>						
Protein Vit Minerals (lb.)	14.61	2.96	17.19	3.22	13.14	3.05
Complete Ration (lb.)	6.33	1.39	4.73	1.19	5.62	1.23
Corn (bu.)	0.29	1.00	0.31	1.14	0.24	0.84
Corn Silage (lb.)	77.52	1.28	75.75	1.24	74.75	1.20
Hay, Alfalfa (lb.)	11.39	0.77	9.59	0.65	10.05	0.65
Haylage, Alfalfa (lb.)	13.34	0.48	15.51	0.57	11.55	0.45
Other feed stuffs (lb)	8.39	0.36	5.08	0.23	7.44	0.32
Breeding fees		0.19		0.20		0.19
Veterinary		0.44		0.41		0.45
Supplies		0.50		0.56		0.44
Fuel & oil		0.33		0.30		0.33
Repairs		0.64		0.55		0.64
Custom hire		0.26		0.32		0.23
Hired labor		1.33		1.73		0.75
Hauling and trucking		0.39		0.41		0.32
Bedding		0.32		0.31		0.23
Miscellaneous		0.57		0.53		0.40
Total direct expenses		13.22		13.55		11.73
Return over direct expense		4.16		3.86		6.40
<b>Overhead Expenses</b>						
Hired labor		0.47		0.25		0.87
Utilities		0.26		0.23		0.33
Interest		0.41		0.39		0.39
Mach & bldg depreciation		0.77		0.69		0.94
Miscellaneous		0.60		0.53		0.62
Total overhead expenses		2.51		2.08		3.14
Total dir & ovhd expenses		15.72		15.64		14.87
Net return		1.65		1.78		3.26
Labor & management charge		0.70		0.50		0.77
Net return over lbr & mgt		0.95		1.28		2.50
<b>Cost of Production Per Cwt. Of Milk</b>						
Total direct expense per unit		13.22		13.55		11.73
Total dir & ovhd expense per unit		15.72		15.64		14.87
With other revenue adjustments		16.95		17.08		15.47
With labor and management		17.65		17.58		16.24
Est. labor hours per unit		0.15		0.15		0.14
<b>Other Information</b>						
Number of cows		234.7		356.0		265.3
Milk produced per cow		24,390		24,807		26,512
Lb. of milk sold per FTE		1,803,614		1,908,195		1,930,384
Culling percentage		30.6		28.5		31.2
Turnover rate		37.2		35.5		36.1
Cow death loss percent		6.3		6.8		4.7
Cows per milking unit		24		32		28
Feed cost per cwt. of milk		8.24		8.23		7.75
Feed cost per cow		2,009.97		2,041.50		2,055.42
Hired labor per cow		438.67		491.36		429.02
Avg. milk price per cwt.		18.64		18.88		18.77
Milk price / feed margin		10.40		10.65		11.02

**Livestock Enterprise Analysis**  
**Farm Business Management Statewide Data**  
**Excluding Organic and Organic Transition**  
**(Farms Sorted By Return to Overhead)**

**Dairy -- Average Per Cow**

	<u>Avg. Of All Farms</u>		<u>40 - 60%</u>		<u>High 20%</u>	
	283		56		57	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of farms						
Milk sold (hd)	24,243.1	4,520.03	24,727.2	4,667.88	26,339.5	4,944.61
Dairy Calves sold (hd)	0.3	44.28	0.3	34.31	0.4	47.44
Transferred out (hd)	0.7	38.28	0.7	33.08	0.7	57.13
Cull sales (hd)	0.3	200.40	0.3	178.34	0.3	217.75
Insurance income		11.14		10.14		11.65
Government payments		97.80		82.08		96.92
Other income		31.96		9.77		40.11
Purchased (hd)	0.0	-43.57	0.0	-16.93	0.0	-11.83
Transferred in (hd)	0.4	-62.06	0.4	-24.09	0.4	-123.68
Inventory change (hd)	0.0	37.33	0.1	64.83	0.0	37.67
Dairy repl net cost		-637.34		-719.35		-508.85
Gross margin		4,238.25		4,320.09		4,808.93
<b>Direct Expenses</b>						
Protein Vit Minerals (lb.)	3,564.2	721.91	4,263.8	797.82	3,483.2	808.60
Complete Ration (lb.)	1,543.2	338.79	1,173.9	294.51	1,489.1	327.25
Corn (bu.)	69.8	244.08	77.6	283.31	64.0	223.00
Corn Silage (lb.)	18,906.9	312.57	18,790.9	307.91	19,816.6	317.09
Hay, Alfalfa (lb.)	2,779.2	187.02	2,379.0	161.46	2,664.6	173.17
Haylage, Alfalfa (lb.)	3,252.7	117.92	3,847.0	140.57	3,062.1	120.41
Other feed stuffs (lb)	2,045.9	87.66	1,260.2	55.93	1,972.2	85.91
Breeding fees		46.73		49.94		49.63
Veterinary		106.16		101.00		119.19
Supplies		122.84		139.98		116.24
Fuel & oil		81.08		74.05		88.75
Repairs		155.77		137.60		169.22
Custom hire		64.40		79.04		60.07
Hired labor		323.44		429.94		199.31
Hauling and trucking		95.89		100.91		85.14
Bedding		78.01		77.66		61.22
Miscellaneous		138.89		130.66		107.01
Total direct expenses		3,223.18		3,362.28		3,111.19
Return over direct expense		1,015.08		957.81		1,697.74
<b>Overhead Expenses</b>						
Hired labor		115.22		61.42		229.70
Utilities		64.03		55.93		86.29
Interest		99.96		95.60		104.15
Mach & bldg depreciation		186.83		171.87		248.29
Miscellaneous		145.72		131.78		163.92
Total overhead expenses		611.76		516.60		832.36
Total dir & ovhd expenses		3,834.94		3,878.88		3,943.55
Net return		403.31		441.21		865.38
Labor & management charge		170.72		124.56		203.35
Net return over lbr & mgt		232.60		316.65		662.03
<b>Cost of Production Per Cwt. Of Milk</b>						
Total direct expense per unit		13.22		13.55		11.73
Total dir & ovhd expense per unit		15.72		15.64		14.87
With other revenue adjustments		16.95		17.08		15.47
With labor and management		17.65		17.58		16.24
Est. labor hours per unit		37.64		36.28		38.21
<b>Other Information</b>						
Number of cows		234.7		356.0		265.3
Milk produced per cow		24,390		24,807		26,512
Lb. of milk sold per FTE		1,803,614		1,908,195		1,930,384
Culling percentage		30.6		28.5		31.2
Turnover rate		37.2		35.5		36.1
Cow death loss percent		6.3		6.8		4.7
Cows per milking unit		24		32		28
Feed cost per cwt. of milk		8.24		8.23		7.75
Feed cost per cow		2,009.97		2,041.50		2,055.42
Hired labor per cow		438.67		491.36		429.02
Avg. milk price per cwt.		18.64		18.88		18.77
Milk price / feed margin		10.40		10.65		11.02

**Livestock Enterprise Analysis**  
**Farm Business Management Statewide Data**  
**Organic Only**  
**(Farms Sorted By Return to Overhead)**

**Dairy -- Average Per Cow**

	<u>Avg. Of All Farms</u>		<u>33 - 66%</u>		<u>High 34%</u>	
	16		5		6	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of farms						
Milk sold (hd)	13,681.7	4,213.68	11,311.5	3,414.91	15,901.2	5,230.63
Dairy Calves sold (hd)	0.2	31.24	0.2	47.23	0.3	27.66
Transferred out (hd)	0.3	51.30	0.7	47.16	0.2	62.85
Cull sales (hd)	0.2	184.37	0.3	209.65	0.2	211.11
Insurance income		16.81		0.11		23.52
Government payments		57.10		91.28		29.19
Other income		73.62		142.96		38.62
Purchased (hd)	0.0	-	-	-	-	-
Transferred in (hd)	0.3	-2.98	0.3	-	0.3	-7.26
Inventory change (hd)	0.0	-10.74	-0.1	-115.76	0.0	32.41
Dairy repl net cost		-757.19		-806.17		-1,005.60
Gross margin		3,857.21		3,031.39		4,643.13
<b>Direct Expenses</b>						
Protein Vit Minerals (lb.)	1,282.8	350.81	759.5	221.15	2,187.4	458.91
Complete Ration (lb.)	356.7	61.14	127.8	29.29	731.7	98.99
Corn, Organic (bu.)	50.5	440.72	30.8	281.00	64.0	530.53
Corn Silage, Organic (lb.)	9,096.6	302.54	7,316.0	316.21	9,318.2	232.65
Hay, Alfalfa, Organic (lb.)	3,464.5	306.34	4,999.4	403.18	3,167.7	268.13
Pasture, Organic (aum)	3.6	109.52	4.1	101.23	4.0	125.59
Hay, Grass, Organic (lb.)	548.0	38.34	963.0	115.21	701.4	21.04
Oatlage, Organic (lb.)	1,383.1	37.46		-	3,365.3	91.15
Hay, Mixed, Organic (lb.)	1,500.5	160.18	2,069.1	162.57	13.6	0.54
Haylage, Alfalfa Organic (lb.)	2,974.8	148.74		-	7,238.1	361.90
Other feed stuffs (lb)	2,929.1	239.85	17.8	141.40	1,185.5	146.43
Breeding fees		23.01		34.90		26.35
Supplies		116.34		107.05		98.50
Repairs		168.92		126.43		184.58
Hired labor		237.27		-		305.57
Utilities		67.78		43.08		76.04
Miscellaneous		369.27		267.81		328.03
Total direct expenses		3,178.24		2,350.52		3,354.96
Return over direct expense		678.97		680.87		1,288.18
<b>Overhead Expenses</b>						
Hired labor		63.80		178.02		25.52
Building leases		44.76		-		84.64
Interest		134.94		87.84		47.19
Mach & bldg depreciation		184.41		130.97		186.04
Miscellaneous		143.05		160.03		97.95
Total overhead expenses		570.95		556.86		441.34
Total dir & ovhd expenses		3,749.19		2,907.38		3,796.30
Net return		108.02		124.01		846.84
Labor & management charge		235.86		245.23		244.90
Net return over lbr & mgt		-127.85		-121.22		601.93
<b>Cost of Production Per Cwt. Of Milk</b>						
Total direct expense per unit		22.76		19.66		20.92
Total dir & ovhd expense per unit		26.85		24.32		23.67
With other revenue adjustments		29.79		28.27		27.54
With labor and management		31.48		30.32		29.07
Est. labor hours per unit		37.47		42.40		32.80
<b>Other Information</b>						
Number of cows		100.6		81.0		110.3
Milk produced per cow		13,966		11,954		16,036
Lb. of milk sold per FTE		1,022,395		747,063		1,357,620
Culling percentage		22.9		28.9		24.2
Turnover rate		28.3		33.8		30.4
Cow death loss percent		4.4		4.0		5.1
Cows per milking unit		18		14		23
Feed cost per cwt. of milk		15.72		14.82		14.57
Feed cost per cow		2,195.64		1,771.24		2,335.88
Hired labor per cow		301.07		178.02		331.09
Avg. milk price per cwt.		30.80		30.19		32.89
Milk price / feed margin		15.08		15.37		18.33

**Livestock Enterprise Analysis**  
**Farm Business Management Statewide Data**  
**Excluding Organic and Organic Transition**  
**(Farms Sorted By Enterprise Size)**

**Dairy -- Average Per Cow**

	<u>Up to</u> <u>50</u>		<u>50</u> <u>100</u>		<u>100</u> <u>200</u>		<u>200</u> <u>500</u>		<u>Over</u> <u>500</u>	
	26		75		86		68		28	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Number of farms										
Milk sold (hd)	15,925.3	2,838.96	20,300.9	3,667.86	22,678.8	4,137.95	24,408.8	4,512.17	26,141.3	4,985.75
Dairy Calves sold (hd)	0.1	45.50	0.2	24.30	0.3	70.66	0.3	39.06	0.4	39.86
Transferred out (hd)	0.5	62.73	0.7	58.84	0.7	43.85	0.7	38.20	0.7	29.78
Cull sales (hd)	0.3	172.64	0.3	206.18	0.3	212.57	0.3	204.77	0.3	190.20
Insurance income		20.64		16.86		13.92		11.94		7.32
Government payments		111.38		123.89		113.91		115.92		67.39
Other income		49.22		45.48		32.55		45.29		16.36
Purchased (hd)	0.1	-78.36	0.0	-31.51	0.0	-33.37	0.0	-43.01	0.0	-50.62
Transferred in (hd)	0.3	-104.94	0.3	-118.21	0.4	-82.72	0.4	-73.95	0.4	-26.60
Inventory change (hd)	-0.1	-51.52	0.0	-39.38	0.0	-43.60	0.0	30.20	0.0	106.05
Dairy repl net cost		-369.91		-524.40		-616.74		-595.59		-720.66
Gross margin		2,696.33		3,429.91		3,848.99		4,284.99		4,644.84
<b>Direct Expenses</b>										
Protein Vit Minerals (lb.)	2,116.5	396.42	2,613.0	623.73	3,174.4	639.85	3,501.8	685.30	4,094.3	831.12
Complete Ration (lb.)	376.3	80.06	1,248.0	213.61	1,664.5	318.72	1,592.4	359.63	1,553.7	370.30
Corn (bu.)	63.7	208.46	63.2	213.73	60.7	201.91	67.5	231.48	78.1	284.90
Corn Silage (lb.)	15,011.8	241.99	16,762.0	261.02	18,161.8	294.70	19,191.7	317.14	19,692.0	332.47
Hay, Alfalfa (lb.)	3,512.1	260.98	4,333.1	310.40	3,252.5	219.49	3,254.2	209.32	1,740.4	119.82
Haylage, Alfalfa (lb.)	3,424.6	137.35	2,516.6	92.95	2,614.1	106.05	3,098.2	113.98	3,874.6	132.35
Other feed stuffs (lb)	2,373.7	151.06	2,252.7	90.94	2,847.3	124.81	1,483.4	79.73	2,061.5	72.24
Breeding fees		27.44		46.57		43.29		42.27		53.14
Veterinary		54.41		87.54		85.75		112.28		117.66
Supplies		114.72		113.50		101.75		132.03		128.15
Repairs		117.56		128.22		161.42		153.90		162.38
Custom hire		40.06		29.50		40.64		56.93		92.00
Hired labor		15.71		45.20		129.41		307.22		512.95
Utilities		94.59		29.99		39.07		35.16		24.34
Hauling and trucking		94.60		105.98		80.58		84.61		111.17
Bedding		32.77		44.06		76.47		87.04		80.63
Miscellaneous		160.75		156.90		185.94		193.63		191.64
Total direct expenses		2,228.91		2,593.84		2,849.87		3,201.65		3,617.27
Return over direct expense		467.42		836.07		999.13		1,083.34		1,027.57
<b>Overhead Expenses</b>										
Hired labor		24.22		65.82		125.14		180.40		68.95
Utilities		60.71		91.98		78.52		59.29		54.43
Interest		121.63		86.10		114.88		119.79		77.53
Mach & bldg depreciation		148.50		171.57		233.24		183.89		170.74
Miscellaneous		122.55		126.96		154.64		166.47		128.52
Total overhead expenses		477.61		542.43		706.43		709.83		500.17
Total dir & ovhd expenses		2,706.52		3,136.27		3,556.29		3,911.48		4,117.44
Net return		-10.19		293.64		292.70		373.51		527.40
Labor & management charge		375.38		278.69		221.78		176.47		106.58
Net return over lbr & mgt		-385.57		14.94		70.92		197.04		420.82
<b>Cost of Production Per Cwt. Of Milk</b>										
Total direct expense per unit		13.87		12.67		12.50		13.02		13.77
Total dir & ovhd expense per unit		16.85		15.31		15.60		15.91		15.67
With other revenue adjustments		17.95		16.61		16.93		16.92		17.03
With labor and management		20.28		17.97		17.91		17.63		17.43
Est. labor hours per unit		46.85		32.54		32.84		39.00		39.71
<b>Other Information</b>										
Number of cows		38.9		77.1		149.1		318.9		897.2
Milk produced per cow		16,067		20,479		22,794		24,587		26,270
Lb. of milk sold per FTE		951,839		1,747,110		1,933,771		1,752,299		1,843,285
Culling percentage		30.3		29.1		31.8		30.5		30.4
Turnover rate		43.4		36.8		38.5		36.7		36.9
Cow death loss percent		11.9		6.8		6.2		5.8		6.4
Cows per milking unit		10		13		18		27		36
Feed cost per cwt. of milk		9.19		8.82		8.36		8.12		8.16
Feed cost per cow		1,476.31		1,806.38		1,905.54		1,996.58		2,143.20
Hired labor per cow		39.92		111.02		254.55		487.62		581.90
Avg. milk price per cwt.		17.83		18.07		18.25		18.49		19.07
Milk price / feed margin		8.64		9.25		9.89		10.37		10.91

**Livestock Enterprise Analysis**  
**Farm Business Management Statewide Data**  
**Excluding Organic and Organic Transition**  
**(Farms Sorted By Return to Overhead)**

**Dairy and Repl Heifers -- Average Per Cow**

	<u>Avg. Of All Farms</u>		<u>40 - 60%</u>		<u>High 20%</u>	
	233		46		47	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of farms						
Milk sold (hd)	24,569.3	4,576.10	25,001.6	4,730.90	27,197.1	5,066.40
Dairy Calves sold (hd)	-	52.92	-	49.54	-	76.99
Transferred out (hd)	-	22.18	-	21.43	-	18.24
Cull sales (hd)	-	206.29	-	185.30	-	217.21
Insurance income		10.41		10.26		9.96
Government payments		95.93		84.77		97.00
Other income		35.00		2.15		45.57
Purchased (hd)	-	-48.63	-	-19.31	-	-13.61
Transferred in (hd)	-	-5.11	-	-2.33	-	-8.88
Inventory change (hd)	-	62.71	-	94.87	-	51.08
Gross margin		5,007.79		5,157.57		5,559.96
<b>Direct Expenses</b>						
Protein Vit Minerals (lb.)	4,525.2	779.96	4,562.8	781.89	3,818.7	869.37
Complete Ration (lb.)	1,965.7	430.86	1,899.1	468.18	2,094.3	428.19
Corn (bu.)	75.5	265.09	81.6	300.96	67.4	233.54
Corn Silage (lb.)	23,316.8	385.77	23,834.6	390.38	24,294.4	389.57
Hay, Alfalfa (lb.)	3,795.8	253.22	3,063.5	203.17	3,630.7	236.30
Haylage, Alfalfa (lb.)	3,504.1	125.98	3,777.3	134.06	2,772.1	106.52
Other feed stuffs (lb)	3,331.9	155.91	2,264.7	120.39	3,537.6	180.94
Breeding fees		63.44		69.58		65.90
Veterinary		123.41		113.38		142.62
Supplies		132.90		149.47		124.76
Contract production exp.		124.05		193.74		87.72
Fuel & oil		92.25		86.06		102.57
Repairs		176.21		150.11		200.34
Hired labor		381.09		518.55		244.01
Hauling and trucking		98.78		107.23		92.98
Miscellaneous		312.05		331.03		267.18
Total direct expenses		3,900.95		4,118.17		3,772.50
Return over direct expense		1,106.84		1,039.40		1,787.46
<b>Overhead Expenses</b>						
Hired labor		115.29		50.85		255.79
Interest		114.88		95.65		128.54
Mach & bldg depreciation		214.56		173.35		298.12
Miscellaneous		235.03		231.50		276.90
Total overhead expenses		679.76		551.35		959.35
Total dir & ovhd expenses		4,580.71		4,669.52		4,731.84
Net return		427.08		488.05		828.11
Labor & management charge		187.54		127.48		218.35
Net return over lbr & mgt		239.54		360.58		609.77
<b>Cost of Production Per Cwt. Of Milk</b>						
Total direct expense per unit		15.78		16.42		13.78
Total dir & ovhd expense per unit		18.53		18.62		17.28
With other revenue adjustments		16.86		16.96		15.56
With labor and management		17.61		17.47		16.36
Est. labor hours per unit		43.91		42.92		45.44
<b>Other Information</b>						
Number of cows		249.0		410.8		281.1
Milk produced per cow		24,726		25,079		27,385
Lb. of milk sold per FTE		1,566,842		1,631,100		1,675,779
Culling percentage		30.5		28.3		30.8
Turnover rate		37.2		35.2		35.6
Cow death loss percent		6.3		6.7		4.6
Cows per milking unit		25		34		31
Feed cost per cwt. of milk		9.69		9.57		8.93
Feed cost per cow		2,396.79		2,399.02		2,444.43
Hired labor per cow		496.38		569.40		499.80
Avg. milk price per cwt.		18.63		18.92		18.63
Milk price / feed margin		8.93		9.36		9.70

**Livestock Enterprise Analysis**  
**Farm Business Management Statewide Data**  
**Excluding Organic and Organic Transition**  
**(Farms Sorted By Return to Overhead)**

**Dairy Replacement Heifers -- Average Per Head**

	<u>Avg. Of All Farms</u>		<u>40 - 60%</u>		<u>High 20%</u>	
	259		52		52	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of farms						
Replacements sold (hd)	0.1	33.20	0.1	19.32	0.1	57.47
Transferred out (hd)	0.4	540.98	0.4	532.70	0.4	708.14
Cull sales (hd)	0.0	4.94	0.0	8.72	0.0	2.06
Other income		0.70		1.93		0.07
Purchased (hd)	0.0	-6.76	0.0	-1.12	0.0	-12.02
Transferred in (hd)	0.6	-105.16	0.5	-101.06	0.5	-97.16
Inventory change (hd)	0.0	1.71	0.0	-31.40	0.0	35.71
Gross margin		469.61		429.09		694.27
<b>Direct Expenses</b>						
Protein Vit Minerals (lb.)	402.3	82.53	411.9	88.57	217.4	49.89
Milk Replacer (lb.)	17.2	22.02	19.8	24.37	22.7	28.94
Complete Ration (lb.)	331.3	63.67	319.2	78.80	240.9	55.07
Corn (bu.)	6.0	19.77	6.1	19.91	4.0	14.29
Corn Silage (lb.)	4,912.5	78.88	5,239.3	82.18	4,515.8	73.04
Hay, Alfalfa (lb.)	1,068.1	69.94	994.7	64.49	753.8	46.53
Hay, Grass (lb.)	619.0	27.62	649.2	30.87	545.1	25.38
Haylage, Alfalfa (lb.)	734.6	25.46	765.5	26.98	332.3	8.16
Other feed stuffs (lb)	1,080.7	43.19	1,022.2	47.02	1,098.4	36.98
Breeding fees		17.13		15.33		18.71
Veterinary		19.41		20.10		18.31
Supplies		21.79		25.27		19.14
Contract production exp.		100.39		26.94		152.65
Fuel & oil		13.59		12.49		13.65
Repairs		25.56		27.95		28.05
Hired labor		37.27		38.23		28.11
Bedding		18.82		18.38		16.12
Total direct expenses		687.05		647.90		633.03
Return over direct expense		-217.44		-218.81		61.24
<b>Overhead Expenses</b>						
Hired labor		22.18		26.84		21.30
Interest		17.28		18.17		18.51
Mach & bldg depreciation		32.40		45.63		26.94
Miscellaneous		35.04		31.89		34.70
Total overhead expenses		106.89		122.53		101.46
Total dir & ovhd expenses		793.94		770.43		734.49
Net return		-324.33		-341.34		-40.22
Labor & management charge		31.17		32.75		27.99
Net return over lbr & mgt		-355.51		-374.09		-68.21
<b>Cost of Production Per Head Per Day</b>						
Total direct expense per unit		2.17		2.12		1.93
Total dir & ovhd expense per unit		2.46		2.45		2.21
With other revenue adjustments		2.46		2.45		2.21
With labor and management		2.55		2.54		2.28
Est. labor hours per unit		6.01		6.39		6.32
<b>Other Information</b>						
No. purchased or trans in		126		108		163
Number sold or trans out		113		100		145
Average number of head		212		199		287
Percentage death loss		3.8		4.2		3.2
Feed cost per average head		433.09		463.22		338.28
Hired labor per average head		59.45		65.07		49.41
Feed cost/head sold/trans		811.63		924.69		670.82
Total cost/head sold/trans		1,742.25		1,848.73		1,653.48
Feed cost per head per day		1.19		1.27		0.93
Avg. purchase weight		29		-		40
Avg. purch price / head		505.77		1,050.00		333.15
Avg. wgt / Replacements sold		24		-		118
Avg. sales price / head		353.34		316.86		860.26

**Livestock Enterprise Analysis**  
**Farm Business Management Statewide Data**  
**Excluding Organic and Organic Transition**  
**(Farms Sorted By Return to Overhead)**

**Dairy Feeder -- Average Per Cwt. Produced**

	<u>Avg. Of All Farms</u>		<u>High 34%</u>	
Number of farms	12		5	
	Quantity	Value	Quantity	Value
Dairy Feeder sold (lb)	108.82	117.46	99.69	116.04
Transferred out (lb)	4.70	7.14	-	-
Other income		0.40		-
Purchased (lb)	-18.13	-20.87	-7.98	-7.29
Transferred in (lb)	-4.21	-13.22	-7.48	-21.24
Inventory change (lb)	8.42	8.32	15.76	17.84
Gross margin		99.23		105.35
<b>Direct Expenses</b>				
Protein Vit Minerals (lb.)	36.63	9.68	50.32	10.42
Milk Replacer (lb.)	6.16	7.77	-	-
Milk (lb.)	31.90	3.78	67.51	8.00
Complete Ration (lb.)	240.22	23.98	102.20	11.06
Corn (bu.)	5.20	16.84	7.67	25.70
Hay, Alfalfa (lb.)	21.63	1.46	18.20	1.37
Other feed stuffs (lb)	61.33	2.00	16.25	1.13
Veterinary		5.83		6.82
Supplies		1.99		0.78
Fuel & oil		1.43		1.21
Repairs		2.27		1.89
Hired labor		2.60		4.55
Bedding		2.80		3.50
Total direct expenses		82.43		76.43
Return over direct expense		16.81		28.92
<b>Overhead Expenses</b>				
Hired labor		1.46		2.75
Farm insurance		0.87		0.52
Utilities		2.14		2.42
Interest		2.90		1.59
Mach & bldg depreciation		4.08		2.76
Miscellaneous		1.44		1.62
Total overhead expenses		12.89		11.66
Total dir & ovhd expenses		95.32		88.09
Net return		3.92		17.26
Labor & management charge		5.50		2.57
Net return over lbr & mgt		-1.58		14.68
<b>Cost of Production Per Cwt. Produced</b>				
Total direct expense per unit		94.95		87.40
Total dir & ovhd expense per unit		106.31		99.09
With other revenue adjustments		106.31		99.09
With labor and management		111.15		101.68
Est. labor hours per unit		0.69		0.48
<b>Other Information</b>				
No. purchased or trans in		89		106
Number sold or trans out		67		76
Percentage death loss		8.9		4.7
Avg. daily gain (lb.)		1.89		2.00
Lb. of conc / lb. of gain		5.74		5.83
Lb. of feed / lb. of gain		6.64		6.84
Feed cost per cwt. of gain		65.50		57.69
Feed cost per head		197.40		162.91
Hired labor per head		12.25		20.61
Average purchase weight		128		97
Avg wgt / Dairy Feeder sold		454		406
Avg purch price / head		147.37		88.31
Avg sales price / cwt.		107.94		116.41

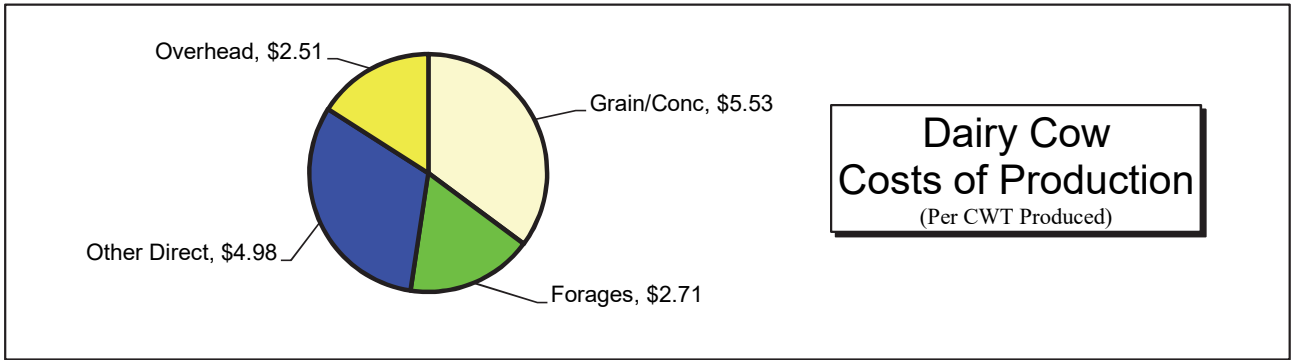


**Livestock Enterprise Analysis**  
**Farm Business Management Statewide Data**  
**Excluding Organic and Organic Transition**  
**(Farms Sorted By Return to Overhead)**

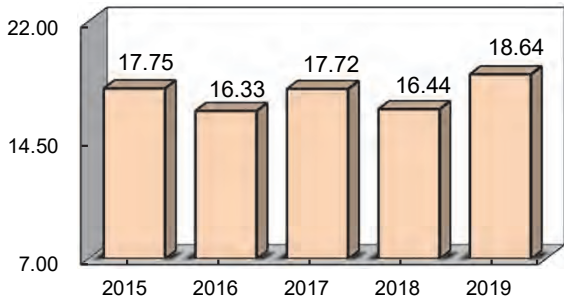
**Dairy Finishing -- Average Per Cwt. Produced**

	<u>Avg. Of All Farms</u>		<u>40 - 60%</u>		<u>High 20%</u>	
	93		18		19	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of farms						
Dairy Finish sold (lb)	141.53	135.52	135.39	131.18	155.01	150.81
Transferred out (lb)	-	0.10	-	-	-	-
Other income		1.39		2.26		0.65
Purchased (lb)	-39.74	-42.42	-49.13	-51.91	-31.54	-34.19
Transferred in (lb)	-2.68	-3.27	-1.10	-2.52	-5.48	-6.14
Inventory change (lb)	-0.05	2.92	14.27	17.24	-18.49	-5.25
Gross margin		94.24		96.25		105.88
<b>Direct Expenses</b>						
Protein Vit Minerals (lb.)	82.31	14.82	79.11	16.36	50.13	10.54
Complete Ration (lb.)	19.32	2.42	43.73	5.10	1.50	0.34
Corn (bu.)	10.60	35.77	9.41	32.87	7.63	25.52
Corn Silage (lb.)	190.30	3.75	280.71	4.72	205.41	6.42
DDGS, wet (lb.)	72.52	2.12	37.99	1.39	98.51	3.55
Other feed stuffs (lb)	105.30	6.29	122.84	6.66	83.78	4.54
Veterinary		2.04		1.87		1.09
Supplies		3.01		1.89		1.99
Contract production exp.		0.63		1.71		0.90
Fuel & oil		1.53		1.58		1.01
Repairs		2.45		1.82		2.32
Custom hire		0.97		1.88		0.75
Hired labor		0.93		1.99		0.05
Hauling and trucking		1.52		1.89		1.95
Operating interest		3.09		2.78		1.30
Total direct expenses		81.33		84.50		62.28
Return over direct expense		12.91		11.75		43.60
<b>Overhead Expenses</b>						
Hired labor		1.33		0.84		2.44
Interest		1.52		2.02		1.18
Mach & bldg depreciation		4.01		3.98		2.70
Miscellaneous		3.36		2.64		3.43
Total overhead expenses		10.23		9.49		9.74
Total dir & ovhd expenses		91.56		93.99		72.02
Net return		2.68		2.26		33.86
Labor & management charge		5.05		3.13		2.84
Net return over lbr & mgt		-2.36		-0.87		31.02
<b>Cost of Production Per Cwt. Produced</b>						
Total direct expense per unit		87.06		89.48		69.20
Total dir & ovhd expense per unit		94.28		96.48		75.49
With other revenue adjustments		93.92		95.23		75.44
With labor and management		97.49		97.53		77.28
Est. labor hours per unit		0.44		0.43		0.40
<b>Other Information</b>						
No. purchased or trans in		222		317		188
Number sold or trans out		197		281		179
Percentage death loss		3.2		2.3		2.5
Avg. daily gain (lb.)		2.35		2.56		2.41
Lb. of conc / lb. of gain		7.91		6.93		5.85
Lb. of feed / lb. of gain		9.26		8.84		7.26
Feed cost per cwt. of gain		65.17		67.10		50.92
Feed cost per head		645.11		627.62		548.14
Hired labor per head		22.35		26.47		26.74
Average purchase weight		448		538		458
Avg wgt / Dairy Finish sold		1,415		1,355		1,415
Avg purch price / head		477.85		568.06		496.97
Avg sales price / cwt.		95.75		96.90		97.29

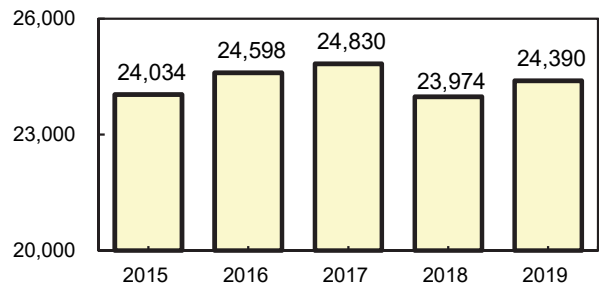
## Summary of Selected Dairy Enterprise Factors



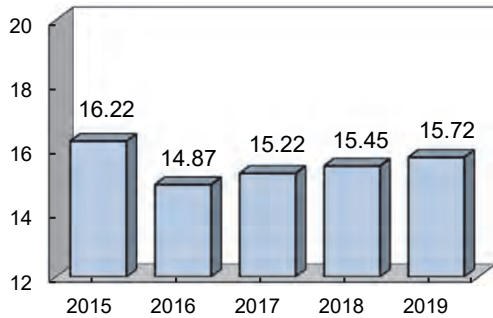
**Ave Milk Price Recv'd**



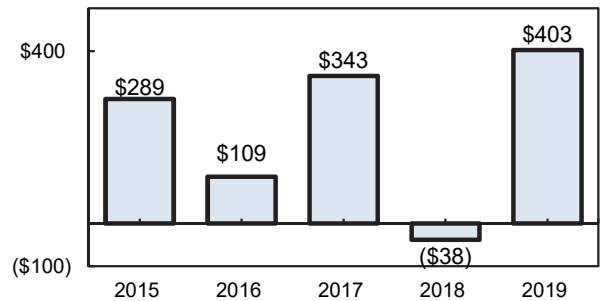
**Milk Production per Cow**



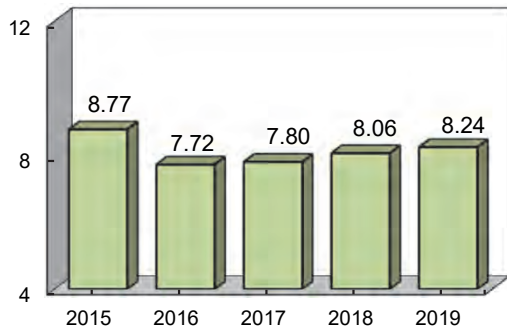
**Dir & Ovhd Exp per CWT**



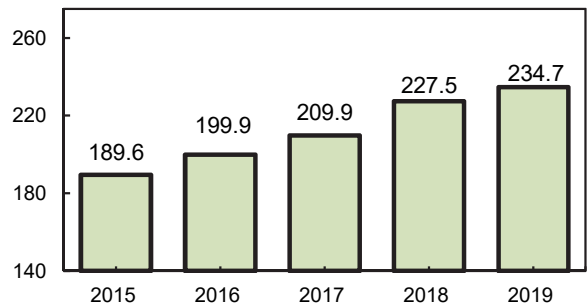
**Net Return per Cow**



**Feed Cost per CWT**



**Ave. Number of Cows**





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**Livestock Enterprise Analysis**  
**Farm Business Management Statewide Data**  
**Excluding Backgrounding**  
**(Farms Sorted By Return to Overhead)**

**Beef Cow-Calf -- Average Per Cow**

	<u>Avg. Of All Farms</u>		<u>40 - 60%</u>		<u>High 20%</u>	
	95		19		19	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of farms						
Beef Calves sold (lb)	152.4	222.43	71.9	102.91	176.3	246.57
Transferred out (lb)	260.9	379.95	317.9	473.48	268.6	383.47
Cull sales (lb)	84.3	105.68	125.5	130.84	57.0	59.66
Other income		7.13		5.47		13.70
Purchased (lb)	-20.4	-66.31	-49.5	-118.59	-16.1	-50.75
Transferred in (lb)	-24.9	-48.62	-16.8	-55.30	-14.6	-23.45
Inventory change (lb)	24.6	4.93	41.3	123.73	14.2	157.40
Gross margin		605.20		662.54		786.60
<b>Direct Expenses</b>						
Protein Vit Minerals (lb.)	207.6	44.24	371.4	69.01	150.3	45.67
Complete Ration (lb.)	362.3	16.94	1,069.1	33.90	82.3	15.95
Corn Silage (lb.)	4,901.2	79.90	7,009.3	123.87	2,329.2	36.97
Hay, Alfalfa (lb.)	1,207.3	61.63	610.0	30.02	1,170.8	53.70
Hay, Grass (lb.)	2,417.6	102.86	2,619.0	127.68	2,031.0	76.54
Pasture (aum)	3.7	51.62	3.8	61.29	3.0	37.08
Hay (lb.)	1,947.5	82.22	375.0	18.81	1,645.1	60.99
Other feed stuffs (lb)	1,697.4	29.61	596.4	16.92	3,296.6	32.21
Veterinary		35.17		40.43		41.37
Supplies		33.61		40.97		19.50
Fuel & oil		26.04		22.44		23.73
Repairs		47.08		30.31		38.31
Custom hire		10.12		18.24		0.38
Operating interest		24.97		26.97		8.59
Total direct expenses		645.99		660.86		491.00
Return over direct expense		-40.79		1.68		295.59
<b>Overhead Expenses</b>						
Hired labor		16.64		38.83		10.77
Utilities		16.86		12.33		16.99
Interest		40.00		60.21		42.06
Mach & bldg depreciation		62.69		88.35		52.48
Miscellaneous		46.08		52.29		34.20
Total overhead expenses		182.27		252.01		156.49
Total dir & ovhd expenses		828.25		912.87		647.50
Net return		-223.06		-250.33		139.10
Labor & management charge		86.67		89.00		71.64
Net return over lbr & mgt		-309.73		-339.33		67.46
<b>Cost of Production Per Cwt. Produced</b>						
Total direct expense per unit		135.02		134.80		100.70
Total dir & ovhd expense per unit		173.12		186.21		132.80
With other revenue adjustments		187.79		186.49		118.60
With labor and management		205.90		204.65		133.29
Est. labor hours per unit		8.81		7.85		6.56
<b>Other Information</b>						
Number of cows		83.0		95.4		59.5
Pregnancy percentage		95.7		97.5		98.1
Pregnancy loss percentage		3.1		6.1		2.3
Culling percentage		16.2		13.7		8.1
Calving percentage		92.8		91.6		95.9
Weaning percentage		84.4		86.1		91.1
Calves sold per cow		0.75		0.73		0.78
Calf death loss percent		9.2		5.9		5.0
Cow death loss percent		3.1		2.3		5.3
Cows per FTE		317.8		356.5		426.7
Average weaning weight		533		529		542
Lb. weaned/exposed female		450		455		493
Feed cost per cow		469.02		481.49		359.11
Avg wgt/ Beef Calves sold		601		609		595
Avg price / cwt.		145.96		143.21		139.88

**Livestock Enterprise Analysis**  
**Farm Business Management Statewide Data**  
**With Backgrounding Only**  
**(Farms Sorted By Return to Overhead)**

**Beef Cow-Calf -- Average Per Cow**

	<u>Avg. Of All Farms</u>		<u>40 - 60%</u>		<u>High 20%</u>	
	37		8		8	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of farms						
Beef Calves sold (lb)	437.0	608.93	318.4	458.36	387.6	521.96
Transferred out (lb)	83.4	121.46	5.6	5.60	171.0	254.38
Cull sales (lb)	76.7	92.59	85.4	94.30	31.5	83.49
Insurance income		0.27		-		1.03
Other income		6.82		9.66		5.53
Purchased (lb)	-33.5	-119.69	-	-187.08	-11.3	-23.68
Transferred in (lb)	-17.1	-32.16	-	-	-3.2	-6.27
Inventory change (lb)	62.3	118.52	155.6	312.76	64.2	86.10
Gross margin		796.75		693.60		922.55
<b>Direct Expenses</b>						
Protein Vit Minerals (lb.)	210.2	55.32	167.9	38.31	116.9	37.03
Complete Ration (lb.)	121.9	17.64	55.2	8.29	146.9	19.36
Corn Silage (lb.)	3,637.8	55.50	2,254.8	33.66	3,956.4	60.84
Hay, Alfalfa (lb.)	587.8	28.96	470.6	18.12	1,039.2	45.35
Hay, Grass (lb.)	2,554.1	111.28	1,437.0	51.37	3,383.5	136.88
Haylage, Grass (lb.)	156.7	4.70	848.7	25.46	-	-
Pasture (aum)	4.9	69.02	4.9	60.77	4.7	68.41
Hay (lb.)	3,571.6	120.32	5,632.2	185.69	1,328.1	29.44
Other feed stuffs (lb)	836.4	20.17	0.3	0.96	33.6	1.75
Veterinary		32.50		37.81		28.21
Supplies		53.31		37.27		36.97
Fuel & oil		25.02		20.20		25.18
Repairs		45.21		31.52		48.66
Livestock leases		7.56		31.16		-
Total direct expenses		646.50		580.59		538.09
Return over direct expense		150.25		113.02		384.46
<b>Overhead Expenses</b>						
Utilities		10.59		8.45		14.22
Interest		40.30		35.39		43.24
Mach & bldg depreciation		39.68		26.90		45.54
Miscellaneous		38.00		28.38		44.45
Total overhead expenses		128.57		99.11		147.45
Total dir & ovhd expenses		775.07		679.70		685.54
Net return		21.68		13.90		237.00
Labor & management charge		98.36		104.21		103.71
Net return over lbr & mgt		-76.68		-90.31		133.29
<b>Cost of Production Per Cwt. Produced</b>						
Total direct expense per unit		105.88		101.76		83.94
Total dir & ovhd expense per unit		126.93		119.13		106.95
With other revenue adjustments		132.14		115.39		99.88
With labor and management		148.25		133.66		116.06
Est. labor hours per unit		9.22		9.41		10.21
<b>Other Information</b>						
Number of cows		104.5		89.3		127.6
Pregnancy percentage		95.1		95.4		96.4
Pregnancy loss percentage		3.8		2.4		0.3
Culling percentage		12.1		12.2		10.2
Calving percentage		91.5		93.0		96.1
Weaning percentage		87.3		88.3		90.6
Calves sold per cow		0.76		0.50		0.82
Calf death loss percent		5.8		7.8		5.2
Cow death loss percent		3.9		2.5		4.4
Cows per FTE		303.6		297.5		274.3
Average weaning weight		538		574		545
Lb. weaned/exposed female		470		506		494
Feed cost per cow		482.91		422.63		399.07
Avg wgt/ Beef Calves sold		715		644		757
Avg price / cwt.		139.33		143.96		134.68

**Livestock Enterprise Analysis**  
**Farm Business Management Statewide Data**  
**Excluding Backgrounding**  
**(Farms Sorted By Enterprise Size)**

**Beef Cow-Calf -- Average Per Cow**

	<b>Avg. Of All Farms</b>		<b>Up to 50</b>		<b>50 100</b>		<b>100 200</b>		<b>200 500</b>	
Number of farms	95		43		28		18		5	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Beef Calves sold (lb)	152.4	222.43	178.1	243.49	129.9	181.17	145.3	217.09	113.1	166.45
Transferred out (lb)	260.9	379.95	192.4	286.22	270.5	335.31	319.3	474.91	330.8	535.05
Cull sales (lb)	84.3	105.68	85.9	93.60	90.1	75.37	134.0	153.40	43.1	85.91
Other income		7.13		6.96		6.21		12.56		3.88
Purchased (lb)	-20.4	-66.31	-19.7	-102.38	-1.4	-12.51	-56.7	-141.06	-1.5	-5.53
Transferred in (lb)	-24.9	-48.62	-18.8	-45.69	-33.3	-45.69	-46.3	-90.49	-	-16.56
Inventory change (lb)	24.6	4.93	44.9	121.17	-0.9	-35.25	7.9	12.48	-1.9	-27.10
Gross margin		605.20		603.36		504.61		638.89		742.10
<b>Direct Expenses</b>										
Protein Vit Minerals (lb.)	207.6	44.24	215.6	50.13	168.5	42.44	350.0	68.17	34.5	16.19
Complete Ration (lb.)	362.3	16.94	81.0	8.90	485.5	21.40	65.8	11.24	992.4	32.82
Corn Silage (lb.)	4,901.2	79.90	2,509.1	35.71	2,023.4	30.95	7,276.6	116.27	6,475.7	118.18
Hay, Alfalfa (lb.)	1,207.3	61.63	2,314.6	129.66	1,149.1	56.50	1,544.9	79.77	559.2	21.79
Hay, Grass (lb.)	2,417.6	102.86	3,230.5	137.28	2,886.4	115.41	1,592.3	65.05	1,177.2	45.54
Pasture (aum)	3.7	51.62	2.5	36.95	2.6	33.74	3.9	45.91	5.7	92.33
Hay (lb.)	1,947.5	82.22	1,631.4	80.02	1,960.6	79.43	1,616.2	93.10	3,493.0	108.43
Other feed stuffs (lb)	1,697.4	29.61	1,119.0	43.67	2,189.4	33.67	398.6	21.96	4,105.9	38.83
Veterinary		35.17		34.11		33.63		52.59		25.12
Supplies		33.61		46.03		33.30		38.11		30.48
Fuel & oil		26.04		28.60		23.95		30.19		21.48
Repairs		47.08		63.43		35.64		41.21		45.85
Custom hire		10.12		0.72		3.54		11.45		13.72
Operating interest		24.97		17.71		10.48		31.21		31.33
Total direct expenses		645.99		712.92		554.08		706.24		642.08
Return over direct expense		-40.79		-109.56		-49.47		-67.35		100.02
<b>Overhead Expenses</b>										
Hired labor		16.64		1.65		12.25		15.68		41.29
Interest		40.00		45.73		38.14		44.68		37.25
Mach & bldg depreciation		62.69		84.69		55.04		66.89		67.99
Miscellaneous		62.94		98.75		54.47		76.45		41.03
Total overhead expenses		182.27		230.81		159.90		203.70		187.56
Total dir & ovhd expenses		828.25		943.73		713.98		909.94		829.64
Net return		-223.06		-340.37		-209.37		-271.05		-87.53
Labor & management charge		86.67		137.67		76.25		85.11		80.12
Net return over lbr & mgt		-309.73		-478.05		-285.63		-356.16		-167.65
<b>Cost of Production Per Cwt. Produced</b>										
Total direct expense per unit		135.02		153.47		121.16		139.53		132.75
Total dir & ovhd expense per unit		173.12		203.15		156.12		179.77		171.53
With other revenue adjustments		187.79		204.06		182.41		197.12		162.47
With labor and management		205.90		233.69		199.08		213.93		179.04
Est. labor hours per unit		8.81		14.28		7.88		9.40		6.05
<b>Other Information</b>										
Number of cows		83.0		27.0		71.6		129.9		329.8
Pregnancy percentage		95.7		95.4		94.5		96.8		94.0
Pregnancy loss percentage		3.1		4.4		3.8		2.8		3.2
Culling percentage		16.2		12.2		9.7		17.4		9.2
Calving percentage		92.8		91.2		91.0		94.1		91.0
Weaning percentage		84.4		82.5		83.4		90.1		84.4
Calves sold per cow		0.75		0.73		0.70		0.82		0.87
Calf death loss percent		9.2		10.1		7.5		7.5		4.6
Cow death loss percent		3.1		4.7		3.8		2.8		2.4
Cows per FTE		317.8		196.1		355.5		298.0		462.7
Average weaning weight		533		522		521		538		490
Lb. weaned/exposed female		450		431		435		484		413
Feed cost per cow		469.02		522.32		413.54		501.48		474.10
Avg wgt/ Beef Calves sold		601		554		544		618		643
Avg price / cwt.		145.96		136.68		139.46		149.40		147.18

**Livestock Enterprise Analysis**  
**Farm Business Management Statewide Data**  
**(Farms Sorted By Return to Overhead)**

**Beef Finishing -- Average Per Cwt. Produced**

	<u>Avg. Of All Farms</u>		<u>40 - 60%</u>		<u>High 20%</u>	
	71		14		15	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of farms						
Finish Beef sold (lb)	198.98	233.66	193.40	226.33	158.14	185.00
Transferred out (lb)	1.26	1.60	0.73	1.02	3.49	4.51
Other income		2.15		1.00		5.54
Purchased (lb)	-94.50	-140.94	-90.49	-138.26	-59.09	-73.92
Transferred in (lb)	-8.60	-12.62	-5.00	-8.05	-26.24	-33.96
Inventory change (lb)	1.38	2.51	0.59	-1.11	19.56	28.13
Gross margin		86.34		80.92		115.31
<b>Direct Expenses</b>						
Protein Vit Minerals (lb.)	71.98	7.73	64.90	6.21	34.38	8.35
Corn (bu.)	7.25	24.18	6.86	23.80	7.66	24.11
Corn Silage (lb.)	294.13	4.78	388.95	6.28	356.50	5.65
Hay, Alfalfa (lb.)	42.33	2.49	45.70	3.33	29.88	1.60
Haylage, Alfalfa (lb.)	24.47	0.88	73.34	2.71	-	-
DDGS, dry (lb.)	94.99	3.65	70.32	4.36	95.32	2.93
DDGS, wet (lb.)	116.49	4.35	34.37	1.17	61.65	2.02
Other feed stuffs (lb)	187.50	7.52	175.98	6.49	219.76	7.69
Veterinary		2.30		3.37		1.54
Supplies		3.24		3.41		1.25
Fuel & oil		1.82		2.20		1.58
Repairs		3.53		5.16		1.71
Hauling and trucking		2.15		0.95		1.26
Marketing		0.94		0.21		2.55
Operating interest		3.24		2.17		3.00
Total direct expenses		72.80		71.82		65.23
Return over direct expense		13.54		9.10		50.07
<b>Overhead Expenses</b>						
Hired labor		1.32		3.24		0.48
Farm insurance		1.47		2.27		0.63
Mach & bldg depreciation		4.93		4.99		4.33
Miscellaneous		4.35		4.07		3.73
Total overhead expenses		12.07		14.57		9.16
Total dir & ovhd expenses		84.87		86.40		74.39
Net return		1.47		-5.48		40.91
Labor & management charge		5.32		5.65		3.50
Net return over lbr & mgt		-3.85		-11.13		37.41
<b>Cost of Production Per Cwt. Produced</b>						
Total direct expense per unit		110.85		112.47		86.41
Total dir & ovhd expense per unit		116.88		119.98		92.07
With other revenue adjustments		116.75		119.93		91.94
With labor and management		119.41		122.84		94.11
Est. labor hours per unit		0.33		0.40		0.27
<b>Other Information</b>						
No. purchased or trans in		305		456		121
Number sold or trans out		295		458		109
Percentage death loss		1.3		0.8		2.1
Avg. daily gain (lb.)		2.71		2.71		2.46
Lb. of conc / lb. of gain		8.01		6.98		6.86
Lb. of feed / lb. of gain		9.96		9.25		9.10
Feed cost per cwt. of gain		55.59		54.35		52.35
Feed cost per head		392.13		382.19		398.51
Hired labor per head		15.24		29.65		4.19
Average purchase weight		711		692		777
Avg wgt / Finish Beef sold		1,384		1,372		1,337
Avg purch price / cwt.		149.14		152.80		125.11
Avg sales price / cwt.		117.42		117.03		116.99

**Livestock Enterprise Analysis**  
**Farm Business Management Statewide Data**  
**(Farms Sorted By Return to Overhead)**

**Hogs, Weaning to Finish -- Average Per Head**

	<u>Avg. Of All Farms</u>		<u>40 - 60%</u>		<u>High 20%</u>	
	29		6		6	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of farms						
Wean-Fin Pig sold (lb)	267.5	134.36	265.8	133.78	250.6	128.92
Transferred out (lb)	1.2	0.77	-	-	0.7	0.64
Cull sales (lb)	1.0	0.08	2.5	0.22	-	-
Insurance income		0.08		-		-
Government payments		2.83		2.23		2.51
Other income		6.50		4.91		9.58
Purchased (lb)	-12.6	-40.38	-15.3	-49.22	-15.0	-45.18
Transferred in (lb)	-2.7	-8.40	-	-	-	-
Inventory change (lb)	12.1	8.08	12.9	5.54	28.2	16.70
Gross margin		103.93		97.46		113.16
<b>Direct Expenses</b>						
Protein Vit Minerals (lb.)	144.8	26.58	141.8	23.79	184.0	28.91
Complete Ration (lb.)	85.0	9.25	101.5	10.20	43.8	6.63
Corn (bu.)	6.8	23.29	5.5	16.89	8.0	30.60
DDGS, dry (lb.)	64.9	4.51	105.3	7.32	14.2	1.12
Other feed stuffs (lb)	5.7	0.76	0.3	0.19	-	-
Veterinary		3.09		3.05		3.10
Supplies		3.07		3.40		2.21
Contract production exp.		9.03		10.16		0.97
Repairs		1.68		1.37		1.69
Custom hire		2.27		2.56		1.02
Hired labor		2.02		2.22		0.12
Hauling and trucking		1.43		1.43		0.33
Operating interest		1.23		1.60		1.15
Total direct expenses		88.22		84.18		77.87
Return over direct expense		15.71		13.29		35.29
<b>Overhead Expenses</b>						
Hired labor		1.13		1.01		1.23
Building leases		3.46		1.29		13.83
Utilities		0.65		0.67		1.37
Interest		0.93		1.22		1.38
Mach & bldg depreciation		2.67		3.04		1.98
Miscellaneous		1.86		1.35		2.07
Total overhead expenses		10.70		8.58		21.86
Total dir & ovhd expenses		98.93		92.76		99.73
Net return		5.00		4.70		13.44
Labor & management charge		3.64		2.23		4.86
Net return over lbr & mgt		1.37		2.47		8.57
<b>Cost of Production/Cwt. Carcass Sold</b>						
Total direct expense per unit		65.17		64.88		57.49
Total dir & ovhd expense per unit		70.59		69.25		69.30
With other revenue adjustments		65.84		65.62		62.77
With labor and management		67.68		66.75		65.40
Est. labor hours per unit		0.28		0.17		0.29
<b>Other Information</b>						
No. purchased or trans in		20,620		38,557		14,543
Number sold or trans out		17,624		32,281		12,457
Percentage death loss		5.4		7.0		4.9
Percent substandard hogs		2		2		2
Avg. daily gain (lb.)		1.50		1.54		1.58
Lb. of feed / lb. of gain		2.55		2.47		2.61
Feed cost per cwt. of gain		24.16		21.96		25.43
Feed cost per head		64.39		58.38		67.27
Hired labor per head		3.15		3.23		1.35
Average purchase weight		13		13		14
Avg wgt / Wean-Fin Pig sold		271		277		273
Avg purch price / head		42.49		42.99		41.63
Avg sales price / cwt.		50.22		50.33		51.45
Average carcass weight		204		210		206
Average price / cwt. carcass		67.52		67.46		68.98



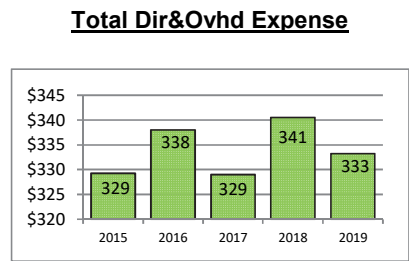
**Livestock Enterprise Analysis**  
**Farm Business Management Statewide Data**  
**(Farms Sorted By Return to Overhead)**

**Hogs, Finish Feeder Pigs -- Average Per Cwt. Carcass Sold**

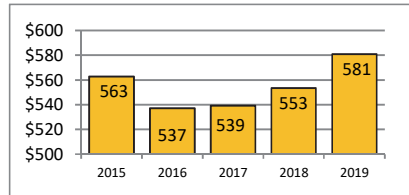
	<u>Avg. Of All Farms</u>		<u>40 - 60%</u>		<u>High 20%</u>	
	25		5		5	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of farms		25		5		5
Finish Hogs sold (lb)	135.09	70.24	136.36	69.65	134.72	76.33
Transferred out (lb)	0.46	0.40	2.51	1.50	-	-
Cull sales (lb)	0.60	0.12	-	-	0.89	0.17
Insurance income		0.11		-		-
Government payments		1.93		2.01		3.11
Other income		1.83		2.01		0.87
Purchased (lb)	-19.07	-26.23	-7.94	-12.31	-21.89	-30.22
Transferred in (lb)	-1.87	-3.30	-11.73	-15.23	-	-
Inventory change (lb)	-1.40	-0.08	-6.90	-4.95	6.37	3.94
Gross margin		45.04		42.69		54.20
<b>Direct Expenses</b>						
Protein Vit Minerals (lb.)	72.13	10.64	86.44	14.37	68.00	13.25
Complete Ration (lb.)	54.41	6.68	6.14	0.27	20.57	2.34
Corn (bu.)	3.58	12.74	4.00	14.28	4.26	15.17
DDGS, dry (lb.)	8.95	0.64	24.93	1.62	12.62	0.90
Other feed stuffs (lb)	1.63	0.18	1.40	0.11	6.48	0.49
Veterinary		0.60		0.34		0.70
Supplies		1.54		1.23		1.48
Contract production exp.		2.87		1.14		-
Fuel & oil		0.30		0.80		0.28
Repairs		0.53		1.30		0.49
Hauling and trucking		0.88		0.87		1.21
Operating interest		0.75		0.94		0.74
Total direct expenses		38.35		37.26		37.04
Return over direct expense		6.69		5.43		17.16
<b>Overhead Expenses</b>						
Hired labor		0.58		0.88		0.69
Building leases		2.14		0.71		4.37
Farm insurance		0.44		0.55		0.63
Utilities		0.33		0.87		0.35
Interest		0.42		1.06		0.76
Mach & bldg depreciation		1.11		1.88		1.53
Miscellaneous		0.49		0.58		0.62
Total overhead expenses		5.50		6.54		8.96
Total dir & ovhd expenses		43.85		43.80		45.99
Net return		1.19		-1.11		8.20
Labor & management charge		1.34		1.33		2.08
Net return over lbr & mgt		-0.15		-2.44		6.13
<b>Cost of Production/Cwt. Carcass Sold</b>						
Total direct expense per unit		67.77		69.71		62.98
Total dir & ovhd expense per unit		73.27		76.25		71.93
With other revenue adjustments		69.45		72.26		68.12
With labor and management		70.79		73.59		70.20
Est. labor hours per unit		0.09		0.18		0.12
<b>Other Information</b>						
No. purchased or trans in		10,988		6,492		11,579
Number sold or trans out		10,082		6,620		9,831
Percentage death loss		4.2		7.0		4.5
Percent substandard hogs		2		3		5
Avg. daily gain (lb.)		1.58		1.50		1.62
Lb. of feed / lb. of gain		2.96		3.05		2.88
Feed cost per cwt. of gain		27.11		27.28		26.71
Feed cost per head		64.28		60.85		64.15
Hired labor per head		1.62		2.22		1.38
Average purchase weight		41		38		39
Avg wgt / Finish Hogs sold		278		268		283
Avg purch price / head		56.07		58.23		53.95
Avg sales price / cwt.		52.00		51.08		56.66
Average carcass weight		210		203		221
Average price / cwt. carcass		69.86		68.58		76.01

**Selected Crop & Livestock Enterprise Trend Summary**  
**Northern Minnesota Farm Business Management Data**

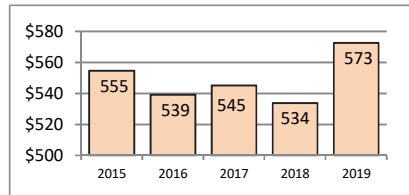
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b><u>Alfalfa Hay</u></b>					
Yield per Acre	3.9	5.0	4.5	4.1	4.0
Value per Ton	\$153.84	\$110.40	\$108.87	\$134.75	\$148.97
Fuel, Oil, Repairs per Acre	\$83.10	\$79.40	\$82.42	\$93.70	\$87.41
Total Dir & Ovhd Exp per Acre	\$329.25	\$338.03	\$328.96	\$340.55	\$333.24
Net Return per Acre	\$292.23	\$209.56	\$167.85	\$210.75	\$301.16
Total Direct Expenses per Ton	\$42.09	\$32.55	\$35.05	\$39.82	\$41.84
Total Dir & Ovhd Exp per Ton	\$84.09	\$68.35	\$73.25	\$83.41	\$82.69



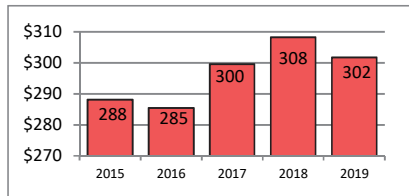
<b><u>Corn</u></b>					
Yield per Acre	164.2	179.5	164.6	179.0	160.2
Value per Bushel	\$3.30	\$2.95	\$3.08	\$3.22	\$3.40
Fuel, Oil, Repairs per Acre	\$80.80	\$71.55	\$74.43	\$82.18	\$83.95
Total Dir & Ovhd Exp per Acre	\$562.75	\$537.05	\$539.30	\$553.48	\$580.96
Net Return per Acre	-\$0.05	\$1.65	-\$14.68	\$38.76	\$35.63
Total Direct Expenses per Bu.	\$2.40	\$1.98	\$2.17	\$2.11	\$2.42
Total Dir & Ovhd Exp per Bushel	\$3.43	\$2.99	\$3.28	\$3.09	\$3.63



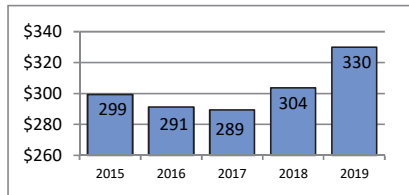
<b><u>Corn Silage</u></b>					
Yield per Acre	19.5	19.4	19.8	20.6	18.7
Value per Ton	\$34.46	\$33.91	\$30.45	\$29.98	\$31.58
Fuel, Oil, Repairs per Acre	\$93.91	\$88.07	\$93.48	\$95.29	\$94.18
Total Dir & Ovhd Exp per Acre	\$554.58	\$539.19	\$545.06	\$533.70	\$572.60
Net Return per Acre	\$120.30	\$119.00	\$68.81	\$86.46	\$75.40
Total Direct Expenses per Ton	\$19.47	\$18.88	\$18.82	\$17.55	\$20.73
Total Dir & Ovhd Exp per Ton	\$28.43	\$27.80	\$27.48	\$25.94	\$30.63



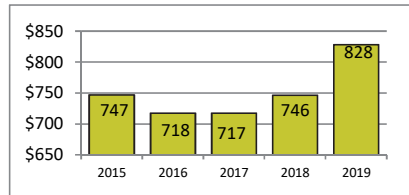
<b><u>Soybeans</u></b>					
Yield per Acre	38.1	46.7	35.2	41.0	37.8
Value per Bushel	\$8.33	\$9.27	\$9.05	\$8.38	\$8.17
Fuel, Oil, Repairs per Acre	\$38.24	\$38.23	\$39.35	\$44.13	\$42.10
Total Dir & Ovhd Exp per Acre	\$288.14	\$285.42	\$299.63	\$308.24	\$301.73
Net Return per Acre	\$43.58	\$151.42	\$38.07	\$118.57	\$68.79
Total Direct Expenses per Bu.	\$4.94	\$3.80	\$5.55	\$4.95	\$5.09
Total Dir & Ovhd Exp per Bushel	\$7.57	\$6.12	\$8.51	\$7.52	\$7.98



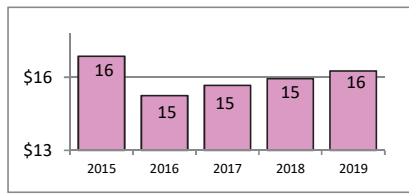
<b><u>Spring Wheat</u></b>					
Yield per Acre	66.0	66.0	72.3	65.8	59.8
Value per Bushel	\$4.96	\$4.95	\$5.90	\$5.47	\$5.09
Fuel, Oil, Repairs per Acre	\$38.15	\$35.53	\$39.62	\$45.25	\$41.94
Total Dir & Ovhd Exp per Acre	\$299.33	\$291.26	\$289.47	\$303.60	\$329.97
Net Return per Acre	\$40.40	\$39.56	\$146.74	\$80.69	\$53.62
Total Direct Expenses per Bu.	\$3.19	\$2.92	\$2.73	\$3.19	\$3.75
Total Dir & Ovhd Exp per Bushel	\$4.54	\$4.41	\$4.00	\$4.62	\$5.52



<b><u>Beef Cow Calf</u></b>					
Price Recv'd/Cwt Calf Sold	\$206.46	\$156.42	\$147.47	\$151.73	\$145.96
Total Feed Cost/Cow	\$438.89	\$412.74	\$395.34	\$422.72	\$469.02
Return over Feed/Cow	\$425.07	\$220.55	\$302.85	\$269.10	\$136.18
Net Return/Cow	\$117.23	-\$84.29	-\$19.01	-\$54.31	-\$223.06
Total Direct & Ovhd Expenses	\$746.72	\$717.58	\$717.20	\$746.13	\$828.25



<b><u>Dairy Cows</u></b>					
Production/Cow	24,034	24,598	24,830	23,974	24,390
Price Recv'd/Cwt Milk	\$17.75	\$16.33	\$17.72	\$16.44	\$18.64
Total Feed Cost/Cwt Milk	\$8.77	\$7.72	\$7.80	\$8.06	\$8.24
Return over Feed/Cwt Milk	\$8.65	\$8.61	\$9.92	\$8.38	\$10.40
Net Return/Cwt Milk	\$1.20	\$0.44	\$1.38	-\$0.16	\$1.65
Total Direct & Ovhd Expenses	\$16.22	\$14.87	\$15.22	\$15.45	\$15.72



# **Minnesota Farm Business Management Education**

## **Vision:**

*To provide educational opportunities for students to be successful in a competitive agricultural environment.*

## **Mission:**

*To deliver management education for decision-making that achieves an individual's business goals.*

## **Guiding Principles:**

- 1. Improved Quality of Life in Rural Communities*
  - 2. Achievement of Student Goals*
  - 3. Awareness of the Global Importance of Agriculture*
  - 4. Integrity in Student Interaction*
  - 5. Timely and Student-Focused Programming*
- 

## **MnSCU and Participating College Websites:**

State FBM Website: [agcentric.org/what-we-do/education-training/farm-business-management](http://agcentric.org/what-we-do/education-training/farm-business-management)

Alexandria Technical and Community College: [alextech.edu](http://alextech.edu)

Central Lakes College Website: [clcmn.edu](http://clcmn.edu)

Minnesota West Community & Technical College: [mnwest.edu](http://mnwest.edu)

Northland Community & Technical College Website: [northlandcollege.edu](http://northlandcollege.edu)

Ridgewater College: [ridgewater.edu](http://ridgewater.edu)

Riverland Community & Technical College: [riverland.edu](http://riverland.edu)

South Central College: [southcentral.edu](http://southcentral.edu)

St. Cloud Technical and Community College: [sctcc.edu](http://sctcc.edu)

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**MINNESOTA STATE**  
Agricultural Centers of Excellence

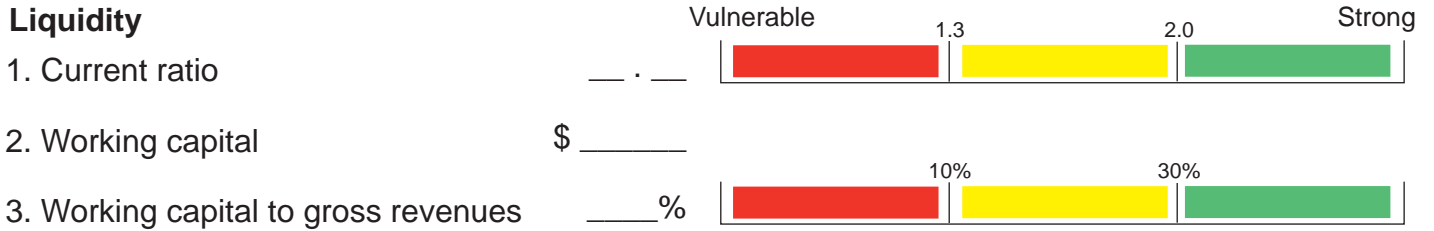


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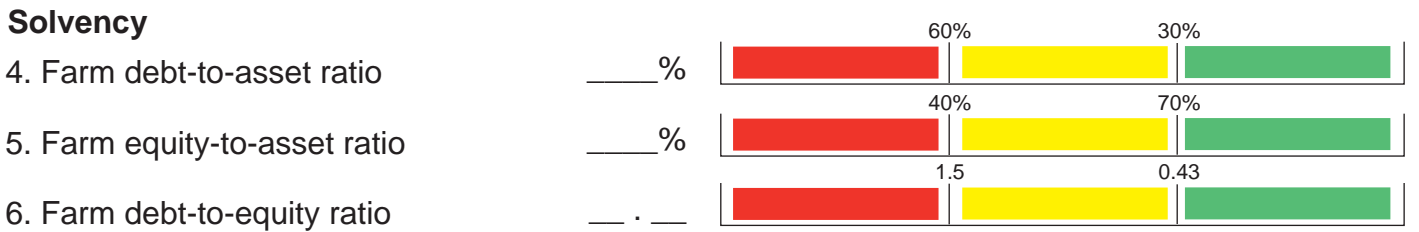
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# Farm Finance Scorecard

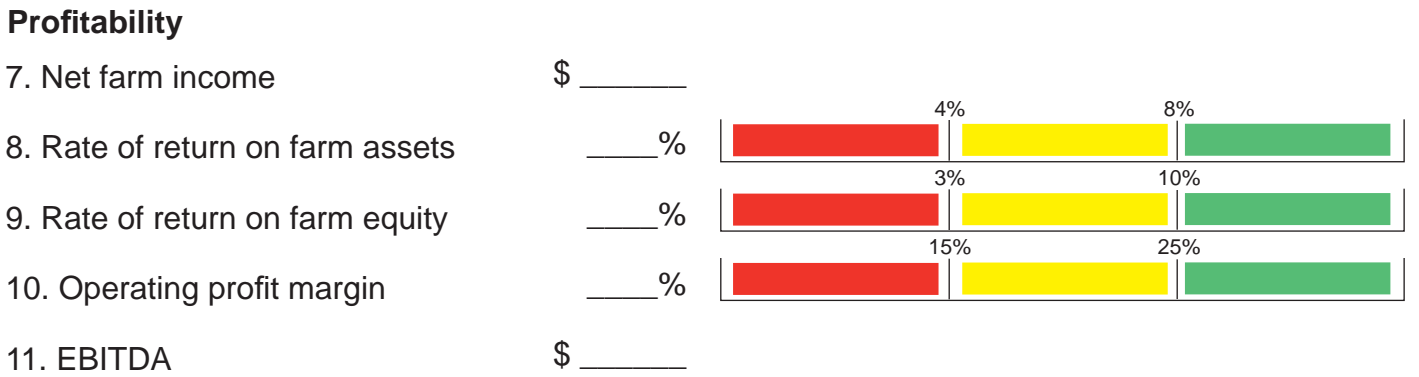
## Liquidity



## Solvency



## Profitability



## Repayment capacity



## Financial efficiency

