

**Farm Income Statement**  
**2020 Moorhead Farm Business Management Annual Report**  
**(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	87	17	18	18
<b>Cash Farm Income</b>				
Barley	3,137	-	4,017	8,666
Beans, Edible	5,969	2,149	19,379	-
Corn	203,699	71,558	113,941	480,523
Hay	4,179	3,155	-	6,274
Oats	81	-	-	393
Peas, Field	3,046	-	-	14,722
Soybeans	280,152	196,397	169,378	484,953
Soybeans Seed	46,982	5,572	52,217	127,682
Sugar Beets	289,131	228,782	192,365	633,457
Sunflowers	1,518	1,824	1,279	-
Wheat, Spring	152,137	112,867	102,310	285,751
Miscellaneous crop income	2,695	5,049	311	4,381
Livestock income	6,195	3,850	98	-
Crop government payments	36,045	25,220	28,998	70,860
CRP payments	633	73	605	1,057
Other government payments	98,363	65,839	82,156	175,253
Conservation govt payment	3,440	-	2,457	3,825
Custom work income	8,592	11,376	3,806	11,499
Patronage dividends, cash	20,583	15,082	20,331	34,622
Crop insurance income	107,600	73,803	130,166	146,075
Property insurance income	152	-	736	-
Sale of resale items	716	2,824	-	-
Farm rental income	10,034	11,363	5,757	7,758
Other farm income	41,206	41,904	16,882	86,265
Gross Cash Farm Income	1,326,286	878,686	947,188	2,584,015

**Farm Income Statement (continued)**  
**2020 Moorhead Farm Business Management Annual Report**  
**(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	87	17	18	18
<b>Cash Farm Expense</b>				
Seed and plants	173,050	106,108	118,112	374,394
Fertilizer	134,644	96,347	97,763	264,467
Crop chemicals	107,410	57,692	72,404	228,447
Crop insurance	39,058	31,338	32,895	76,503
Drying expense	4,200	4,691	3,186	6,671
Storage	1,856	427	789	6,816
Crop miscellaneous	15,342	12,748	8,210	30,188
Consultants	7,185	5,239	6,683	13,625
Livestock expenses	2,749	1,307	822	32
Interest				
Fuel & oil	57,838	34,016	42,450	139,225
Repairs	41,750	32,962	35,161	72,542
Custom hire	87,926	65,750	73,953	159,997
Hired labor	16,967	14,157	12,854	23,477
Land rent	72,233	39,512	37,260	125,029
Stock/quota lease	225,861	181,191	141,143	434,914
Machinery leases	27,560	45,489	13,952	36,808
Building leases	12,972	12,292	12,122	25,850
Real estate taxes	1,914	806	1,479	4,885
Farm insurance	12,806	5,972	10,498	25,087
Utilities	17,039	13,567	14,337	28,454
Hauling and trucking	11,711	9,873	11,715	18,863
Marketing	7,207	11,879	5,764	7,189
Dues & professional fees	1,603	1,082	1,472	1,797
Purchase of resale items	9,442	8,081	6,505	15,392
Miscellaneous	4,559	14,095	-	2,176
	11,028	7,226	12,407	16,941
Total cash expense	1,105,874	813,848	773,936	2,139,770
Net cash farm income	220,412	64,838	173,252	444,245
<b>Inventory Changes</b>				
Prepays and supplies	49,918	25,858	10,275	157,483
Accounts receivable	-67,796	-74,433	-74,374	-114,356
Hedging accounts	13,393	-3,569	-454	71,941
Other current assets	157	206	90	3,149
Crops and feed	33,326	34,363	20,589	41,930
Livestock	1,429	-265	484	-
Other assets	12,261	-4,320	30,578	22,850
Accounts payable	34,863	21,930	53,480	56,944
Accrued interest	2,033	-3,721	-3,110	26,580
Total inventory change	79,582	-3,951	37,559	266,520
Net operating profit	299,994	60,887	210,811	710,765
<b>Depreciation</b>				
Machinery and equipment	-55,603	-44,194	-42,544	-99,575
Titled vehicles	-3,521	-1,756	-4,166	-6,516
Buildings and improvements	-8,407	-5,846	-8,784	-10,220
Total depreciation	-67,532	-51,797	-55,494	-116,311
Net farm income from operations	232,462	9,090	155,317	594,454
Gain or loss on capital sales	5,482	-1,271	-431	23,139
Net farm income	237,943	7,819	154,886	617,594

**Inventory Changes**  
**2020 Moorhead Farm Business Management Annual Report**  
**(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	87	17	18	18
Net cash farm income	220,412	64,838	173,252	444,245
<b>Crops and Feed</b>				
Ending inventory	585,519	342,336	467,392	1,182,422
Beginning inventory	552,193	307,974	446,803	1,140,492
Inventory change	33,326	34,363	20,589	41,930
<b>Accts Receivable</b>	94,954	69,678	66,004	153,926
Ending inventory	162,750	144,111	140,378	268,282
Beginning inventory	-67,796	-74,433	-74,374	-114,356
Inventory change				
<b>Prepaid Expenses and Supplies</b>	133,188	40,072	48,463	323,835
Ending inventory	83,270	14,214	38,188	166,352
Beginning inventory	49,918	25,858	10,275	157,483
Inventory change				
<b>Hedging Activities</b>	24,735	5,019	2,210	110,105
Ending inventory	3,545	2,941	-	14,355
Withdrawals	6,618	5,641	2,453	21,467
Beginning inventory	8,269	5,888	211	31,052
Deposits	13,393	-3,569	-454	71,941
Gain or loss				
<b>Other Current Assets</b>	12,004	4,035	1,104	5,414
Ending inventory	11,765	4,115	758	2,265
Beginning inventory	239	-80	346	3,149
Inventory change				
<b>Other Capital Assets</b>				
Ending inventory	420,043	291,853	294,470	822,674
Capital sales	8,669	13,406	24,067	68
Beginning inventory	406,433	299,725	287,119	783,359
Capital purchases	8,672	9,832	611	16,533
Depreciation, capital adjust	13,608	-4,299	30,806	22,850
<b>Accounts Payable</b>				
Beginning inventory	78,719	70,095	99,606	152,105
Ending inventory	43,856	48,165	46,126	95,160
Inventory change	34,863	21,930	53,480	56,944
<b>Accrued Interest</b>				
Beginning inventory	29,538	18,642	20,093	60,437
Ending inventory	27,506	22,363	23,203	33,858
Inventory change	2,033	-3,721	-3,110	26,580
Total inventory change	79,582	-3,951	37,559	266,520
Net operating profit	299,994	60,887	210,811	710,765

**Depreciation**  
**2020 Moorhead Farm Business Management Annual Report**  
**(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	87	17	18	18
Net operating profit	299,994	60,887	210,811	710,765
<b>Machinery and Equipment</b>				
Ending inventory	668,697	524,982	492,549	1,236,165
Capital sales	20,447	17,940	10,017	33,775
Beginning inventory	626,025	491,549	480,337	1,118,770
Capital purchases	118,723	95,568	64,773	250,745
Depreciation, capital adjust.	-55,603	-44,194	-42,544	-99,575
<b>Titled Vehicles</b>				
Ending inventory	38,234	15,838	42,513	81,310
Capital sales	958	471	471	2,903
Beginning inventory	34,024	18,065	39,391	71,810
Capital purchases	8,689	-	7,759	18,919
Depreciation, capital adjust.	-3,521	-1,756	-4,166	-6,516
<b>Buildings and Improvements</b>				
Ending inventory	269,252	152,603	155,405	416,135
Capital sales	984	-	-	4,758
Beginning inventory	247,883	154,675	134,004	384,227
Capital purchases	30,761	3,775	30,185	46,886
Depreciation, capital adjust.	-8,407	-5,846	-8,784	-10,220
Total depreciation, capital adj.	-67,532	-51,797	-55,494	-116,311
Net farm income from operations	232,462	9,090	155,317	594,454
Gain or loss on capital sales	5,482	-1,271	-431	23,139
Net farm income	237,943	7,819	154,886	617,594

**Profitability Measures**  
**2020 Moorhead Farm Business Management Annual Report**  
**(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	87	17	18	18
<b>Profitability (assets valued at cost)</b>				
Net farm income from operations	232,462	9,090	155,317	594,454
Rate of return on assets	6.3 %	-1.4 %	5.9 %	8.8 %
Rate of return on equity	8.2 %	-7.1 %	8.0 %	12.1 %
Operating profit margin	15.0 %	-3.1 %	14.7 %	21.0 %
Asset turnover rate	41.6 %	45.3 %	39.9 %	41.8 %
Farm interest expense	55,805	37,737	45,560	112,646
Value of operator lbr and mgmt.	90,929	72,438	64,687	159,311
Return on farm assets	197,338	-25,611	136,190	547,789
Average farm assets	3,152,194	1,799,672	2,312,818	6,226,288
Return on farm equity	141,532	-63,348	90,631	435,144
Average farm equity	1,718,412	895,918	1,134,120	3,586,108
Value of farm production	1,311,610	815,951	923,817	2,604,241
	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	87	17	18	18
<b>Profitability (assets valued at market)</b>				
Net farm income from operations	258,902	33,606	252,988	508,507
Rate of return on assets	5.1 %	0.0 %	6.9 %	5.7 %
Rate of return on equity	7.0 %	-2.7 %	10.5 %	7.8 %
Operating profit margin	17.1 %	-0.1 %	25.3 %	17.7 %
Asset turnover rate	29.9 %	31.1 %	27.2 %	32.4 %
Farm interest expense	55,805	37,737	45,560	112,646
Value of operator lbr and mgmt.	90,929	72,438	64,687	159,311
Return on farm assets	223,778	-1,095	233,861	461,842
Average farm assets	4,384,527	2,625,745	3,399,136	8,032,976
Return on farm equity	167,973	-38,832	188,301	349,196
Average farm equity	2,414,498	1,419,254	1,799,445	4,466,604
Value of farm production	1,311,610	815,951	923,817	2,604,241

**Liquidity & Repayment Capacity Measures**  
**2020 Moorhead Farm Business Management Annual Report**  
**(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	87	17	18	18
<b>Liquidity</b>				
Current ratio	1.76	1.35	1.35	2.23
Working capital	428,138	144,443	160,698	1,206,999
Working capital to gross inc	32.5 %	17.4 %	17.4 %	46.3 %
Current assets	988,795	557,247	614,385	2,186,293
Current liabilities	560,657	412,804	453,687	979,293
Gross revenues (accrual)	1,318,411	830,668	924,102	2,606,417
<b>Repayment capacity</b>				
Net farm income from operations	232,462	9,090	155,317	594,454
Depreciation	67,532	51,797	55,494	116,311
Personal income	35,325	44,144	21,530	41,183
Family living/owner withdrawals	-84,497	-78,483	-72,992	-115,183
Cash discrepancy	-8	-136	105	23
Payments on personal debt	-7,527	-5,406	-5,533	-11,865
Income taxes paid	-19,277	-6,166	-19,595	-40,533
Interest on term debt	35,435	19,242	26,793	78,461
Capital debt repayment capacity	259,445	34,083	161,119	662,852
Scheduled term debt payments	-105,577	-73,750	-93,240	-185,663
Capital debt repayment margin	153,868	-39,667	67,878	477,189
Cash replacement allowance	-46,643	-30,666	-28,287	-95,799
Replacement margin	107,225	-70,333	39,591	381,391
Term debt coverage ratio	2.46	0.46	1.73	3.57
Replacement coverage ratio	1.70	0.33	1.33	2.36

**Balance Sheet at Cost Values**  
**2020 Moorhead Farm Business Management Annual Report**  
**(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	87	17	18	18
<b>Assets</b>				
<b>Current Farm Assets</b>				
Cash and checking balance	138,395	96,107	29,212	410,591
Prepaid expenses & supplies	133,188	40,072	48,463	323,835
Growing crops	644	-	-	3,111
Accounts receivable Hedging accounts	94,954 24,735	69,678 5,019	66,004 2,210	153,926 110,105
Crops held for sale or feed	585,519	342,336	467,392	1,182,422
Crops under government loan	-	-	-	-
Other current assets	929	4,035	1,104	2,303
Total current farm assets	988,795	557,247	614,385	2,186,293
<b>Intermediate Farm Assets</b>				
Machinery and equipment	668,697	524,982	492,549	1,236,165
Titled vehicles	38,234	15,838	42,513	81,310
Other intermediate assets	360,129	253,061	238,078	685,024
Total intermediate farm assets	1,067,059	793,881	773,139	2,002,499
<b>Long Term Farm Assets</b>				
Farm land	858,618	294,001	712,245	1,736,228
Buildings and improvements	269,252	152,603	155,405	416,135
Other long-term assets	59,914	38,792	56,393	137,650
Total long-term farm assets	1,187,784	485,396	924,043	2,290,013
Total Farm Assets	3,243,638	1,836,524	2,311,567	6,478,805
Total Nonfarm Assets	349,948	246,807	331,744	613,952
Total Assets	3,593,586	2,083,331	2,643,311	7,092,756
<b>Liabilities</b>				
<b>Current Farm Liabilities</b>				
Accrued interest	27,506	22,363	23,203	33,858
Accounts payable	43,856	48,165	46,126	95,160
Current notes	415,712	288,481	317,249	722,578
Government crop loans	-	-	-	-
Principal due on term debt	73,584	53,795	67,110	127,697
Total current farm liabilities	560,657	412,804	453,687	979,293
Total intermediate farm liabs	188,116	201,153	154,813	328,143
Total long term farm liabilities	698,027	347,677	533,206	1,351,694
Total farm liabilities	1,446,801	961,634	1,141,705	2,659,130
Total nonfarm liabilities	106,852	89,437	102,801	153,372
Total liabilities	1,553,653	1,051,072	1,244,507	2,812,502
Net worth (farm and nonfarm)	2,039,933	1,032,260	1,398,805	4,280,254
Net worth change	171,728	-49,525	99,785	495,502
Percent net worth change	9 %	-5 %	8 %	13 %
<b>Ratio Analysis</b>				
Current farm liabilities / assets	57 %	74 %	74 %	45 %
Intermediate farm liab. / assets	18 %	25 %	20 %	16 %
Long term farm liab. / assets	59 %	72 %	58 %	59 %
Total debt to asset ratio	43 %	50 %	47 %	40 %

**Balance Sheet at Market Values**  
**2020 Moorhead Farm Business Management Annual Report**  
**(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	87	17	18	18
<b>Assets</b>				
<b>Current Farm Assets</b>				
Cash and checking balance	138,395	96,107	29,212	410,591
Prepaid expenses & supplies	133,188	40,072	48,463	323,835
Growing crops	644	-	-	3,111
Accounts receivable	94,954	69,678	66,004	153,926
Hedging accounts	24,735	5,019	2,210	110,105
Crops held for sale or feed	585,519	342,336	467,392	1,182,422
Crops under government loan	-	-	-	-
Other current assets	11,360	4,035	1,104	-
<b>Total current farm assets</b>	<b>988,795</b>	<b>557,247</b>	<b>614,385</b>	<b>2,186,293</b>
<b>Intermediate Farm Assets</b>				
Machinery and equipment	857,484	686,377	627,152	1,550,684
Titled vehicles	51,101	26,823	57,131	98,008
Other intermediate assets	537,729	501,716	307,091	995,259
<b>Total intermediate farm assets</b>	<b>1,446,313</b>	<b>1,214,916</b>	<b>991,374</b>	<b>2,643,952</b>
<b>Long Term Farm Assets</b>				
Farm land	1,652,092	633,786	1,595,437	2,825,703
Buildings and improvements	334,053	222,632	187,592	449,997
Other long-term assets	95,800	49,779	63,042	199,776
<b>Total long-term farm assets</b>	<b>2,081,946</b>	<b>906,198</b>	<b>1,846,071</b>	<b>3,475,476</b>
<b>Total Farm Assets</b>	<b>4,517,054</b>	<b>2,678,361</b>	<b>3,451,830</b>	<b>8,305,720</b>
<b>Total Nonfarm Assets</b>	<b>525,701</b>	<b>399,443</b>	<b>462,530</b>	<b>1,015,149</b>
<b>Total Assets</b>	<b>5,042,755</b>	<b>3,077,805</b>	<b>3,914,360</b>	<b>9,320,869</b>
<b>Liabilities</b>				
<b>Current Farm Liabilities</b>				
Accrued interest	27,506	22,363	23,203	33,858
Accounts payable	43,856	48,165	46,126	95,160
Current notes	415,712	288,481	317,249	722,578
Government crop loans	-	-	-	-
Principal due on term debt	73,584	53,795	67,110	127,697
<b>Total current farm liabilities</b>	<b>560,657</b>	<b>412,804</b>	<b>453,687</b>	<b>979,293</b>
<b>Total intermediate farm liab</b>	<b>188,116</b>	<b>201,153</b>	<b>154,813</b>	<b>328,143</b>
<b>Total long term farm liabilities</b>	<b>698,027</b>	<b>347,677</b>	<b>533,206</b>	<b>1,351,694</b>
<b>Total farm liabilities</b>	<b>1,446,801</b>	<b>961,634</b>	<b>1,141,705</b>	<b>2,659,130</b>
<b>Total nonfarm liabilities</b>	<b>106,852</b>	<b>89,437</b>	<b>102,801</b>	<b>153,372</b>
<b>Total liab excluding deferreds</b>	<b>1,553,653</b>	<b>1,051,072</b>	<b>1,244,507</b>	<b>2,812,502</b>
<b>Total deferred liabilities</b>	<b>599,032</b>	<b>339,697</b>	<b>451,079</b>	<b>1,072,956</b>
<b>Total liabilities</b>	<b>2,152,686</b>	<b>1,390,769</b>	<b>1,695,586</b>	<b>3,885,458</b>
<b>Retained earnings</b>	<b>2,039,933</b>	<b>1,032,260</b>	<b>1,398,805</b>	<b>4,280,254</b>
Market valuation equity	850,137	654,776	819,969	1,155,157
Net worth (farm and nonfarm)	2,890,069	1,687,036	2,218,774	5,435,411
Net worth excluding deferreds	3,489,101	2,026,733	2,669,853	6,508,367
Net worth change	209,915	-13,056	203,834	434,674
Percent net worth change	8 %	-1 %	10 %	9 %
<b>Ratio Analysis</b>				
Current farm liabilities / assets	57 %	74 %	74 %	45 %
Intermediate farm liab. / assets	13 %	17 %	16 %	12 %
Long term farm liab. / assets	34 %	38 %	29 %	39 %
Total debt to asset ratio	43 %	45 %	43 %	42 %
Debt to assets excl deferreds	31 %	34 %	32 %	30 %



**Statement Of Cash Flows**  
**2020 Moorhead Farm Business Management Annual Report**  
**(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	87	17	18	18
Beginning cash (farm & nonfarm)	113,517	117,989	69,894	259,574
<b>Cash Provided By Operating Activities</b>				
Gross cash farm income	1,326,286	878,686	947,188	2,584,015
Total cash farm expense	-1,105,874	-813,848	-773,936	-2,139,770
Net cash from hedging transactions	-4,724	-2,947	-211	-16,697
Cash provided by operating	215,688	61,891	173,041	427,548
<b>Cash Provided By Investing Activities</b>				
Sale of breeding livestock	593	1,694	395	-
Sale of machinery & equipment	22,788	16,669	9,586	41,725
Sale of titled vehicles	953	471	471	2,886
Sale of farm land	38,963	-	-	188,322
Sale of farm buildings	984	-	-	4,758
Sale of other farm assets	8,076	11,712	23,672	68
Sale of nonfarm assets	13,998	1,971	9,276	10,567
Purchase of breeding livestock				
Purchase of machinery & equip.	-118,723	-95,568	-64,773	-250,745
Purchase of titled vehicles	-8,689	-	-7,759	-18,919
Purchase of farm land	-64,717	-77,353	-15,278	-144,444
Purchase of farm buildings	-30,761	-3,775	-30,185	-46,886
Purchase of other farm assets	-8,672	-9,832	-611	-16,533
Purchase of nonfarm assets	-17,715	-18,436	-11,181	-18,400
Cash provided by investing	-162,920	-172,447	-86,386	-247,601
<b>Cash Provided By Financing Activities</b>				
Money borrowed	983,251	880,946	350,823	2,010,433
Principal payments	-928,855	-738,807	-383,401	-1,908,667
Personal income	35,325	44,144	21,530	41,183
Family living/owner withdrawals	-84,497	-78,483	-72,992	-115,183
Income and social security tax	-19,126	-4,723	-24,315	-42,570
Capital contributions	1,106	-	-	-
Capital distributions	-	-	-	-
Dividends paid	-	-	-	-
Cash gifts and inheritances	943	1,190	556	1,870
Gifts given	-2,002	-3,687	-	-6,192
Other cash flows	-	-	-	-
Cash provided by financing	-13,853	100,581	-107,800	-19,126
Net change in cash balance	38,915	-9,975	-21,146	160,821
Ending cash (farm & nonfarm)	152,424	107,878	48,854	420,417
Discrepancy	8	136	-105	-23

**Financial Standards Measures**  
**2020 Moorhead Farm Business Management Annual Report**  
**(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	87	17	18	18
<b>Liquidity</b>				
Current ratio	1.76	1.35	1.35	2.23
Working capital	428,138	144,443	160,698	1,206,999
Working capital to gross inc	32.5 %	17.4 %	17.4 %	46.3 %
<b>Solvency (market)</b>				
Farm debt to asset ratio	45 %	47 %	45 %	44 %
Farm equity to asset ratio	55 %	53 %	55 %	56 %
Farm debt to equity ratio	0.80	0.90	0.83	0.78
<b>Profitability (cost)</b>				
Rate of return on farm assets	6.3 %	-1.4 %	5.9 %	8.8 %
Rate of return on farm equity	8.2 %	-7.1 %	8.0 %	12.1 %
Operating profit margin	15.0 %	-3.1 %	14.7 %	21.0 %
Net farm income	237,943	7,819	154,886	617,594
EBITDA	355,799	98,624	256,371	823,411
<b>Repayment Capacity</b>				
Capital debt repayment capacity	259,445	34,083	161,119	662,852
Capital debt repayment margin	153,868	-39,667	67,878	477,189
Replacement margin	107,225	-70,333	39,591	381,391
Term debt coverage ratio	2.46	0.46	1.73	3.57
Replacement coverage ratio	1.70	0.33	1.33	2.36
<b>Efficiency</b>				
Asset turnover rate (cost)	41.6 %	45.3 %	39.9 %	41.8 %
Operating expense ratio	73.0 %	88.1 %	72.3 %	68.4 %
Depreciation expense ratio	5.1 %	6.2 %	6.0 %	4.5 %
Interest expense ratio	4.2 %	4.5 %	4.9 %	4.3 %
Net farm income ratio	17.6 %	1.1 %	16.8 %	22.8 %

**Crop Production and Marketing Summary**  
**2020 Moorhead Farm Business Management Annual Report**  
**(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	87	17	18	18
<b>Acreage Summary</b>				
Total acres owned	484	250	453	641
Total crop acres	2,145	1,549	1,581	3,790
Crop acres owned	404	221	322	529
Crop acres cash rented	1,690	1,305	1,165	3,203
Crop acres share rented	51	23	94	58
Percent crop acres owned	19 %	14 %	20 %	14 %
Mach invest/crop acre cost	319	339	334	331
Mach invest/crop acre market	410	446	422	418
<b>Average Price Received (Cash Sales Only)</b>				
Wheat, Spring per bushel	4.88	4.90	4.73	4.73
Soybeans per bushel	8.77	8.90	8.67	9.01
Corn per bushel	3.08	3.01	3.30	3.03
Soybeans Seed per bushel	9.57	-	-	9.93
Hay, Alfalfa per ton	96.33	-	-	-
Soybeans, Food per bushel	13.49	-	-	-
<b>Average Yield Per Acre</b>				
Sugar Beets (ton)	26.60	25.50	25.97	27.01
Soybeans (bushel)	37.25	32.61	34.47	41.48
Wheat, Spring (bushel)	63.53	59.29	62.21	66.13
Corn (bushel)	165.03	166.35	163.26	163.60
Soybeans Seed (bushel)	39.75	45.67	41.29	39.14
Soybeans, Food (bushel)	38.11	46.01	-	-
Barley (bushel)	72.43	-	-	-
Hay, Alfalfa (ton)	4.55	-	-	-
Beans, Black Turtle (cwt)	14.74	-	-	-

**Household and Personal Expenses**  
**2020 Moorhead Farm Business Management Annual Report**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>40 - 60%</u>
Number of farms	27	10
Average family size	2.6	2.9
Family Living Expenses		
Food and meals expense	9,196	8,890
Medical care	4,831	4,399
Health insurance	5,289	7,094
Cash donations	1,832	2,821
Household supplies	3,780	3,379
Clothing	1,996	1,786
Personal care	2,570	1,888
Child / Dependent care	307	696
Alimony and child support	187	-
Gifts	1,771	2,333
Education	2,397	4,773
Recreation	4,555	4,540
Utilities (household share)	3,715	3,331
Personal vehicle operating exp	3,649	2,995
Household real estate taxes	1,292	1,242
Dwelling rent	-	-
Household repairs	3,561	2,596
Personal interest	3,662	3,901
Disability / Long term care ins	108	14
Life insurance payments	3,767	3,253
Personal property insurance	625	677
Miscellaneous	4,242	6,722
Total cash family living expense	63,333	67,330
Family living from the farm	-	-
Total family living	63,333	67,330
Other Nonfarm Expenditures		
Income taxes	20,282	34,941
Furnishing & appliance purchases	-	-
Nonfarm vehicle purchases	8,049	11,979
Nonfarm real estate purchases	-7,863	2,540
Other nonfarm capital purchases	-3,654	-517
Nonfarm savings & investments	370	-3,281
Total other nonfarm expenditures	17,184	45,663
Total cash family living investment & nonfarm capital purch	80,516	112,993

**Statement Of Owner's Equity**  
**2020 Moorhead Farm Business Management Annual Report**  
**(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	87	17	18	18
Beginning net worth	2,680,154	1,700,091	2,014,940	5,000,737
Net farm income	226,785	-10,057	151,407	608,392
Personal income	35,325	44,144	21,530	41,183
Family living/owner withdrawals	-73,339	-60,607	-69,513	-105,981
Cash discrepancy	-8	-136	105	23
Dividends paid	-	-	-	-
Income taxes (accrued)	-19,277	-6,166	-19,595	-40,533
Change in personal assets	2,194	-14,211	15,194	-3,428
Change in nonfarm accounts payable	-19	4	101	81
Total change in retained earnings	171,662	-47,028	99,229	499,738
Capital contributions	1,106	-	-	-
Gifts and inheritances received	943	1,190	556	1,870
Debts forgiven	-	-	-	-
Gifts given	-2,002	-3,687	-	-6,192
Capital distributions	-	-	-	-
Total change in contributed capital	48	-2,496	556	-4,322
Chg in mkt value of capital assets	98,027	48,040	115,518	76,627
Change in deferred liabilities (-)	-59,840	-11,571	-11,469	-137,455
Total change in market valuation	38,187	36,469	104,049	-60,828
Total change in net worth	209,897	-13,056	203,834	434,588
Ending net worth calculated	2,890,059	1,687,172	2,218,669	5,435,302
Ending net worth reported	2,890,069	1,687,036	2,218,774	5,435,411
Discrepancy	-10	136	-105	-109

**Operator and Labor Information**  
**2020 Moorhead Farm Business Management Annual Report**  
**(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	87	17	18	18
<b>Operator Information</b>				
Average number of operators	1.1	1.0	1.0	1.3
Average age of operators	47.6	47.5	49.5	48.5
Average number of years farming	24.9	26.0	26.6	28.1
<b>Results Per Operator</b>				
Working capital	377,004	152,046	158,932	905,249
Total assets (market)	4,440,482	3,239,794	3,871,345	6,990,652
Total liabilities	1,895,583	1,463,967	1,676,953	2,914,093
Net worth (market)	2,544,899	1,775,827	2,194,392	4,076,558
Net worth excl deferred liabs	3,072,387	2,133,403	2,640,514	4,881,275
Gross farm income	1,160,949	874,387	913,947	1,954,813
Total farm expense	956,251	864,819	760,336	1,508,972
Net farm income from operations	204,698	9,568	153,610	445,841
Net nonfarm income	31,106	46,468	21,293	30,888
Family living & tax withdrawals	91,386	89,247	91,465	116,769
Total acres owned	426.1	262.5	447.8	481.0
Total crop acres	1,888.7	1,630.8	1,563.3	2,842.5
Crop acres owned	356.0	233.1	318.3	396.7
Crop acres cash rented	1,487.9	1,373.5	1,152.4	2,402.6
Crop acres share rented	44.8	24.2	92.6	43.3
<b>Labor Analysis</b>				
Number of farms	87	17	18	18
Total unpaid labor hours	2,088	1,606	1,686	3,000
Total hired labor hours	3,075	1,773	1,935	4,480
Total labor hours per farm	5,163	3,379	3,621	7,480
Unpaid hours per operator	1,839	1,690	1,668	2,250
Value of farm production / hour	254.03	241.48	255.11	348.16
Net farm income / unpaid hour	111.34	5.66	92.12	198.15
Average hourly hired labor wage	26.69	32.07	21.05	29.96
<b>Partnerships &amp; LLCs</b>				
Number of farms	8	1	-	4
Number of operators	2.3	-	-	-
Owner withdrawals per farm	-	-	-	-
Withdrawals per operator	-	-	-	-
<b>Corporations</b>				
Number of farms	8	2	1	2
Number of operators	1.4	-	-	-

**Nonfarm Summary**  
**2020 Moorhead Farm Business Management Annual Report**  
**(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	87	17	18	18
<b>Nonfarm Income</b>				
Personal wages & salary	19,051	30,370	17,875	6,783
Net nonfarm business income	5,776	7,180	45	7,594
Personal rental income	2,274	-	-	10,544
Personal interest income	196	396	5	161
Personal cash dividends	427	-	35	2,031
Tax refunds	744	1,110	1,057	777
Other nonfarm income	6,857	5,089	2,513	13,294
Total nonfarm income	35,325	44,144	21,530	41,183
Gifts and inheritances	943	1,190	556	1,870
<b>Nonfarm Assets (market)</b>				
Checking & savings	14,029	11,771	19,641	9,827
Stocks & bonds	53,222	2,619	9,219	212,171
Other current assets	9,846	588	89	38,360
Furniture & appliances	11,904	13,423	11,801	14,583
Nonfarm vehicles	25,119	27,059	28,003	26,003
Cash value of life ins.	17,007	12,851	23,294	15,887
Retirement accounts	137,528	158,590	156,498	184,349
Other intermediate assets	2,939	377	5,379	2,286
Nonfarm real estate	207,298	154,577	207,978	410,290
Personal bus. investment	17,272	-	-	83,480
Other long term assets	29,537	17,588	628	17,912
Total nonfarm assets	525,701	399,443	462,530	1,015,149
<b>Nonfarm Liabilities</b>				
Accrued interest	369	229	355	467
Accounts payable	320	631	949	-
Current notes	1,074	965	-	806
Princ due on term debt	6,948	6,279	5,175	10,758
Total current liabilities	23,800	12,382	20,340	45,160
Intermediate liabilities	5,623	9,854	4,126	6,775
Long term liabilities	77,429	67,202	78,336	101,437
Total nonfarm liabilities	106,852	89,437	102,801	153,372
Nonfarm net worth	418,848	310,006	359,728	861,777
Nonfarm debt to asset ratio	20 %	22 %	22 %	15 %

**Financial Summary**  
**2020 Moorhead Farm Business Management Annual Report**  
**(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	87	17	18	18
<b>Income Statement</b>				
Gross cash farm income	1,326,286	878,686	947,188	2,584,015
Total cash farm expense	1,105,874	813,848	773,936	2,139,770
Net cash farm income	220,412	64,838	173,252	444,245
Inventory change	79,582	-3,951	37,559	266,520
Depreciation	-67,532	-51,797	-55,494	-116,311
Net farm income from operations	232,462	9,090	155,317	594,454
Gain or loss on capital sales	5,482	-1,271	-431	23,139
Average net farm income	237,943	7,819	154,886	617,594
Median net farm income	167,139	17,766	150,775	538,593
<b>Profitability (cost)</b>				
Rate of return on assets	6.3 %	-1.4 %	5.9 %	8.8 %
Rate of return on equity	8.2 %	-7.1 %	8.0 %	12.1 %
Operating profit margin	15.0 %	-3.1 %	14.7 %	21.0 %
Asset turnover rate	41.6 %	45.3 %	39.9 %	41.8 %
<b>Profitability (market)</b>				
Rate of return on assets	5.1 %	0.0 %	6.9 %	5.7 %
Rate of return on equity	7.0 %	-2.7 %	10.5 %	7.8 %
Operating profit margin	17.1 %	-0.1 %	25.3 %	17.7 %
Asset turnover rate	29.9 %	31.1 %	27.2 %	32.4 %
<b>Liquidity &amp; Repayment (end of year)</b>				
Current assets	988,795	557,247	614,385	2,186,293
Current liabilities	560,657	412,804	453,687	979,293
Current ratio	1.76	1.35	1.35	2.23
Working capital	428,138	144,443	160,698	1,206,999
Change in working capital	179,994	39,764	42,325	500,642
Working capital to gross inc	32.5 %	17.4 %	17.4 %	46.3 %
Term debt coverage ratio	2.46	0.46	1.73	3.57
Replacement coverage ratio	1.70	0.33	1.33	2.36
Term debt to EBITDA	2.11	3.74	2.57	1.79
<b>Solvency (end of year at cost)</b>				
Number of farms	87	17	18	18
Total assets	3,593,586	2,083,331	2,643,311	7,092,756
Total liabilities	1,553,653	1,051,072	1,244,507	2,812,502
Net worth	2,039,933	1,032,260	1,398,805	4,280,254
Net worth change	171,728	-49,525	99,785	495,502
Farm debt to asset ratio	45 %	52 %	49 %	41 %
Total debt to asset ratio	43 %	50 %	47 %	40 %
Change in earned net worth %	9 %	-5 %	8 %	13 %
<b>Solvency (end of year at market)</b>				
Number of farms	87	17	18	18
Total assets	5,042,755	3,077,805	3,914,360	9,320,869
Total liabilities	2,152,686	1,390,769	1,695,586	3,885,458
Net worth	2,890,069	1,687,036	2,218,774	5,435,411
Total net worth change	209,915	-13,056	203,834	434,674
Farm debt to asset ratio	45 %	47 %	45 %	44 %
Total debt to asset ratio	43 %	45 %	43 %	42 %
Change in total net worth %	8 %	-1 %	10 %	9 %
<b>Nonfarm Information</b>				
Net nonfarm income	35,325	44,144	21,530	41,183
Farms reporting living expenses	27	4	10	3
Total family living expense	63,333	-	67,330	-
Total living, invest, cap. purch	80,516	-	112,993	-
<b>Crop Acres</b>				
Total crop acres	2,145	1,549	1,581	3,790
Total crop acres owned	404	221	322	529
Total crop acres cash rented	1,690	1,305	1,165	3,203
Total crop acres share rented	51	23	94	58
Machinery value per crop acre	410	446	422	418



**Summary Farm Income Statement**  
**2020 Moorhead Farm Business Management Annual Report**  
**(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	87	17	18	18
Crop sales	992,727	627,353	655,197	2,046,802
Crop inventory change	33,326	34,363	20,589	41,930
Gross crop income	1,026,053	661,716	675,786	2,088,731
Government payments	135,118	91,132	111,759	247,170
Other cash farm income	192,541	156,469	180,232	290,043
Change in accounts receivable	-67,796	-74,433	-74,374	-114,356
Gain or loss on hedging accounts	13,393	-3,569	-454	71,941
Change in other assets	11,774	-4,114	30,668	22,888
Livestock Income	7,329	3,467	484	-
Gross farm income	1,318,411	830,668	924,102	2,606,417
Cash operating expenses Change in prepaids and supplies Change in growing crops Change in accounts payable Depreciation Total operating expense	1,048,036 -49,918 -644 -34,863 67,532 1,030,144	779,832 -25,858 - -21,930 51,797 783,841	731,487 -10,275 - -53,480 55,494 723,225	2,000,545 -157,483 -3,111 -56,944 116,311 1,899,317
Interest paid Change in accrued interest Total interest expense	57,838 -2,033 55,805	34,016 3,721 37,737	42,450 3,110 45,560	139,225 -26,580 112,646
Total expenses	1,085,949	821,578	768,784	2,011,963
Net farm income from operations				
Gain or loss on capital sales	232,462 5,482	9,090 -1,271	155,317 -431	594,454 23,139
Net farm income	237,943	7,819	154,886	617,594