



FARM BUSINESS  
MANAGEMENT



# FARM BUSINESS MANAGEMENT

## Northern Minnesota 2022 ANNUAL REPORT



April, 2023



MINNESOTA STATE



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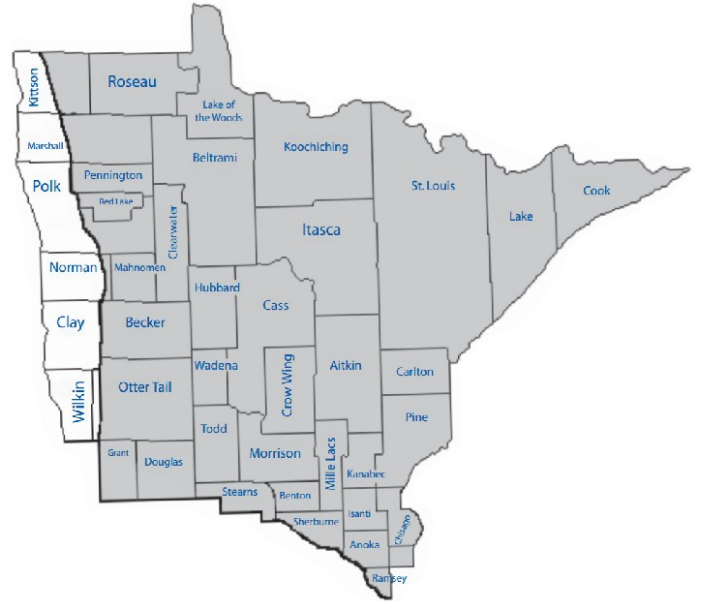
A Management Education Program through AgCentric, Northern Center of Excellence for Agriculture

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# Northern Minnesota Annual Report Instructors and Locations



## MINNESOTA STATE



### Central Lakes



**Beth Berlin**  
Staples  
(320) 232-9039



**Nicole (Niki) Brixius**  
Pierz  
(320) 293-8020



**Nate Converse**  
Little Falls  
(218) 296-1272




**Kevin Dahlman**  
Melrose  
(320) 249-1957



**Narayan Dhakal**  
Urban FBM-Metro  
(651) 500-1096



**Erik Heimark**  
Specialty Crop-  
Statewide  
(218) 232-1303



**Kathy Hommerding**  
Belgrade  
(320) 333-4750



**Ed Uhlenkamp**  
Staples  
(320) 360-2747



**Jim Velde**  
Detroit Lakes  
(218) 234-3981

### Northland



**Greg Dvergsten**  
Thief River Falls  
(218) 686-7273



**Ron Dvergsten**  
Thief River Falls  
(218) 686-5448




**Doug Fjerstad**  
Fosston  
(218) 280-8843



**Bill Gass**  
Fergus Falls  
(320) 905-8057



**Jessica Hanson**  
Red Lake Falls  
(218) 684-0976



**Betsy Jensen**  
East Grand Forks  
(218) 689-5375



**Kelly Klinkhammer**  
Fosston  
(218) 766-9176



**Josh Tjosaas**  
Moorhead  
(320) 583-5056

### St. Cloud



**Jim Kocherer**  
Mora  
(763) 218-7030



**Jim Molenaar**  
St. Cloud  
(320) 308-5074

### Alexandria



**Craig Will**  
Alexandria  
(320) 250-0354

### Minnesota West



**Deron Erickson**  
Barrett  
(320) 808-5187



**Ken Thiesen**  
St. Cloud  
(320) 309-3293

## TABLE OF CONTENTS

<u>Description</u>	<u>Page Number</u>	
Table of Contents	1	
Rural Mental Health program overview and AgCentric information	2	
Executive Summary	3	
Northern Minnesota Financial Information	5-Year Financial Trend Summary	4
	Year at a Glance	5
	Financial Summary: Selected Factors sorted by Type of Farm with graphs	6 - 7
	Average Money Spent Chart and Report Overview	8
	Financial Summary: Selected Factors sorted by Years Farming	9
	Financial Summary: Selected Factors sorted by Gross Income	10
	Financial Summary: Selected Factors sorted by Total Crop Acres	11
	Farm Income Statement	12 - 13
	Balance Sheet - "Cost Value Basis" and "Market Value Basis"	14 - 15
	Definitions of Financial Standards Measures	16 - 18
	Graphic Summary of Selected Financial Guideline Measures	19
	Financial Standards Measures and "How does your Farm Stack Up?"	20 - 21
	Liquidity and Repayment Capacity Measures	22
	Alexandria and Northland Technical & Community College information	23
	Household & Personal Expense Reported	24
	Nonfarm Summary	25
Operator and Labor Information	26	
Crop Production and Marketing Summary	27	
Overview of Enterprise Tables and Machine Cost per Acre	28	
Five Year Graphic History of Selected Crop Data	29	
Northern Minnesota Crop Enterprises	Corn	30-31
	Soybeans	32-33
	Spring Wheat	34-35
	Corn Silage	36-37
	Hay, Alfalfa	38-39
	Hay, Mixed & Hay, Grass	40
	Establish Alfalfa Hay, Oatlage, Fescue Grass Seed, & Perennial Rye Grass Seed	41
	Irrigated Crops: Corn, Corn Silage, Potatoes, Soybeans & Dark Red Kidney Beans	42
	Small Grains & Other: Barley, Oats, Rye, Canola, & Sunflowers	43
	Edible Beans: Navy Beans, Black Turtle Beans, Soybeans Food, & Seed Soybeans	44
	Organic Crops: Corn, Corn Silage, Alfalfa, & Pasture	45
	Corn Grown after Cover Crop	46
	Soybeans Grown after Cover Crop	47
	St. Cloud Technical & Community College and Central Lakes College information	48
Statewide Livestock Enterprises	Dairy Cows - Sorted by Herd Size	49
	Dairy Cows - excluding Organic & Organic Transition	50-51
	Dairy Cows - Organic Production	52
	Graphic Summary of Selected Dairy Factors	53
	Dairy Cows and Dairy Replacements Combined	54
	Dairy Replacement Heifers	55
	Dairy Finishing and Dairy Feeders	56
	Beef Cow-Calf - Sorted by Herd Size	57
	Beef Cow-Calf - excluding Backgrounding	58
	Beef Cow-Calf - with Backgrounding	59
	Beef Finishing	60
	Beef Backgrounding	61
	Sheep, Market Lamb Production	62
	Hogs, Finish Feeder Pigs & Weaning to Finish	63
Selected Crop & Livestock Enterprise Trend Summary	64	

# AGRICULTURAL MENTAL HEALTH & WELLNESS

*The purpose of this program is to offer support to people who work in agriculture, providing ways to cope with and manage stress.*

**YOU MATTER.**  
*No concern is too small.*

**FREE AND CONFIDENTIAL**



**Ted Matthews, M.S.**

Ted is a veteran and has worked with rural issues in counseling for over 45 years. He has been director of mental health services during two natural disasters in the 1990s. Ted also has extensive counseling experiences in the areas of crisis intervention, family issues, suicidology and domestic abuse.

(320) 266-2390 | [tdmatt@info-link.net](mailto:tdmatt@info-link.net) | [farmcounseling.org](http://farmcounseling.org)



**Monica McConkey, MA, LPC**

Monica has worked in the mental health sector for the past 25 years. Her background includes work with youth and adults and covers a wide range of emotional challenges. Her recent work focuses on emotional stress of farmers and consulting with agriculture industry groups.

(218) 280-7785 | [monicamariemk@yahoo.com](mailto:monicamariemk@yahoo.com) | [eyesonthehorizon.org](http://eyesonthehorizon.org)

**Experienced agricultural-focused mental health providers provide counseling services to farm individuals, couples, and/or families anywhere in the state either in person, via Zoom, or over the phone.**

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**Minnesota Farm and Rural Helpline  
1-833-600-2670 Available 24/7**



**Serving Minnesota's Farmers Through  
Farm Business Management**



The 2022 farm year showed the highest net farm income in the past ten years for Northern Minnesota, however not every enterprise for producers was profitable. Weather played another major factor for many Northern Minnesota producers regarding production and profitability. Additionally, higher prices for commodities and other crops were positive for many producers, but the increased input costs and overhead costs still provided a challenge for profitable marketing strategies. One of the advantages the crop producers saw was some of the highest selling prices seen for many major commodity crops since 2012. The increased cost of commodity crops did provide a challenge to many livestock producers in regard to purchasing feeds and forages.

In 2022, Average Net Farm Income for the 541 farms in the Northern Minnesota database was \$243,910. This was up from the \$189,843 reported in 2021 and the highest number since 2012. Median Net Farm Income was up as well, increasing to \$135,642 in 2022, compared to \$100,804 in 2021.

Financial Factors	2015	2016	2017	2018 2015	2019	2020	2021	2022
Average Net Farm Income	\$37,182	\$59,480	\$54,021	\$59,306	\$72,208	\$156,941	\$189,843	\$243,910
Median Net Farm Income	\$46,104	\$25,654	\$23,489	\$25,857	\$29,325	\$85,468	\$100,804	\$135,642

Some key financial measures showed increases compared to 2021. Working Capital increased again in 2022 to \$411,782 at the end of 2022 compared to \$307,815 at the end of 2021; an increase of 33.8%. Working Capital represents the dollar amount remaining after subtracting current liabilities from current assets. The 2022 Northern Minnesota term debt coverage average was 2.79 compared to 2.69 in 2020. While we saw higher prices for most producers, the Operating Expense Ratio came in slightly higher in 2022 at 69.4% compared to 69.1% in 2021.

The Dairy industry showed some large increases in net return per cow due to higher average milk prices in 2022, especially at the start of 2022. However, they also had a much higher cost of production compared to 2021 and 2020. The Beef Industry was challenged again in 2022 with a negative \$236 net return per cow. This continued lack of profitability in Beef results from high costs in relation to the revenue generated.

Statewide FBM Data	Dairy (Excluding Organic & Organic Transition)			Beef Cow-Calf (Excluding backgrounding)		
	2020	2021	2022	2020	2021	2022
Feed Cost / Cow	\$2,180	\$2,424	\$2,908	\$434	\$550	\$640
Dir & Ovhd Expense/Cow	\$4,183	\$4,316	\$5,054	\$778	\$930	\$1,051
Net Return / Cow	\$964	\$208	\$686	(\$29)	(\$166)	(\$236)
Average Milk Price	\$19.77	\$18.41	\$24.24	xxx	xxx	xxx
Cost of Prod per CWT w/LaborMgmt	\$16.65	\$18.23	\$22.23	xxx	xxx	xxx
Average Price per CWT Calf Sold	xxx	xxx	xxx	\$159.21	\$153.79	\$180.23

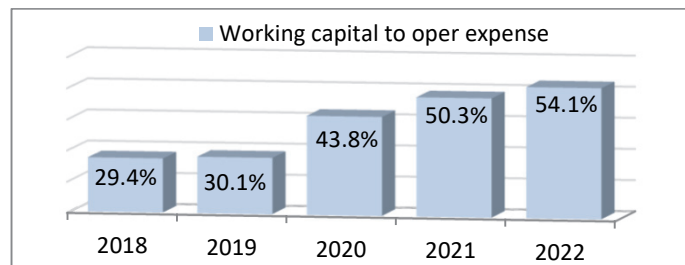
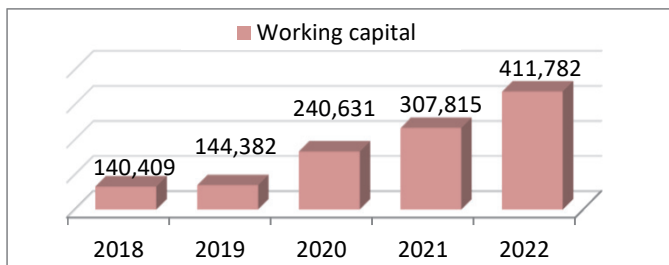
2022 showed an increase in yields for the northern half of Minnesota, with an average yield per acre of 169.4 bushels for corn, 39.9 bushels for soybeans, and 64.9 bushels for spring wheat. Net returns showed profitability on all three crops for the fourth consecutive year. The chart below displays the 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	2020	172.2	\$3.85	\$710.99	\$592.09	\$118.90	\$3.44
	2021	124.6	\$5.30	\$760.77	\$595.92	\$164.85	\$4.78
	2022	169.4	\$6.06	\$1,039.01	\$779.41	\$259.60	\$4.60
Soybeans	2020	40.3	\$10.01	\$446.10	\$339.38	\$106.71	\$8.43
	2021	30.3	\$12.21	\$433.62	\$350.45	\$83.17	\$11.54
	2022	39.9	\$13.89	\$571.32	\$420.41	\$150.91	\$9.02
Spring Wheat	2020	56.5	\$5.49	\$366.60	\$343.07	\$23.53	\$6.07
	2021	49.5	\$8.55	\$471.75	\$344.24	\$127.50	\$6.96
	2022	64.9	\$9.18	\$610.33	\$477.43	\$132.91	\$7.36

Trend information for the 2018-2022 Financial Summary can be found on page 4 of this report. A quick look at 2022 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 can be found on page 8.

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

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b>Income Statement</b>					
Gross Cash Farm Income	585,946	605,725	756,236	827,310	995,003
Total Cash Farm Expense	505,816	511,025	613,229	659,356	813,509
Net Cash Farm Income	80,130	94,700	143,007	167,954	181,494
Inventory change	21,774	16,031	60,809	70,834	115,164
Depreciation	-42,395	-45,887	-49,447	-51,218	-58,105
Net Farm Income From Operations	59,509	64,844	154,368	187,570	238,553
Gain or loss on capital sales	-202	7364	2,573	2,272	5,357
Average Net Farm Income	59,306	72,208	156,941	189,843	243,910
Median Net Farm Income	25,857	29,325	85,468	100,804	135,642
<b>Profitability (Cost)</b>					
Rate of Return on Assets	3.1%	3.4%	7.5%	8.6%	9.4%
Rate of Return on Equity	2.0%	2.4%	10.4%	12.6%	13.7%
Operating Profit Margin	10.0%	10.9%	21.6%	23.3%	23.4%
Asset Turnover Rate	30.6%	30.8%	34.8%	37.1%	40.0%
<b>Liquidity &amp; Repayment (end of year)</b>					
Current Assets	413,286	414,578	508,521	565,640	709,502
Current Liabilities	272,877	270,196	267,890	257,825	297,720
Current Ratio	1.51	1.53	1.90	2.19	2.38
Working capital	140,409	144,382	240,631	307,815	411,782
Change in working capital	5,184	11,194	88,962	89,894	106,221
Working capital to oper expense	29.4%	30.1%	43.8%	50.3%	54.1%
Term Debt Coverage Ratio	1.27	1.35	2.38	2.69	2.79
Replacement coverage ratio	1.02	1.07	1.87	2.11	2.13
Term debt to EBITDA	3.80	3.55	2.41	2.21	2.09
<b>Solvency (Market)</b>					
Number of Farms	615	572	577	572	541
Total Assets	2,267,883	2,290,635	2,572,803	2,779,321	3,177,907
Total Liabilities	1,026,167	1,029,465	1,128,308	1,205,480	1,372,057
Net Worth	1,241,716	1,261,170	1,444,495	1,573,841	1,805,850
Net Worth Change	48,792	57,514	169,349	210,368	245,330
Farm Debt to Asset Ratio	48%	47%	46%	46%	45%
Total Debt to Asset Ratio	45%	45%	44%	43%	43%
Change in total net worth %	4%	5%	13%	15%	16%
<b>Nonfarm Information</b>					
Net Nonfarm Income	31,318	33,283	39,596	40,553	36,341
Farms Reporting Liv Expenses	75	70	74	77	66
Total Family Living Expense	50,802	51,527	55,350	55,816	70,186
Total Living, Invest, & Cap Purch	63,149	74,591	62,491	86,705	96,112
<b>Crop Acres</b>					
Total Crop Acres	754	798	828	831	878
Total Crop Acres Owned	251	245	246	247	259
Total Crop Acres Cash Rented	497	545	576	575	613
Total Crop Acres Share Rent	6	8	7	8	6
Machinery value per crop acre	531	580	608	652	712



<b><u>Year at a Glance</u></b>				<b>State</b>		<b>Your</b>	<b>Your</b>
<i>Data for the Average Farm</i>	<b>Northern</b>	<b>State</b>	<b>Local</b>	<b>Farm</b>	<b>Area</b>	<b>Farm</b>	<b>Farm</b>
	<b>Minnesota</b>	<b>FBM</b>		<b>Data</b>		<b>Data</b>	<b>Goal</b>
	<b>541</b>	<b>2154</b>					
	<b><u>Farms</u></b>	<b><u>Farms</u></b>					
<b><u>Income Statement</u></b>							
Gross Cash Farm Income	\$995,003	\$1,092,140	_____	_____	_____	_____	_____
Total Cash Operating Expense	\$813,509	\$893,176	_____	_____	_____	_____	_____
Net Cash Farm Income	\$181,494	\$198,964	_____	_____	_____	_____	_____
Net Operating Profit	\$296,658	\$362,113	_____	_____	_____	_____	_____
Net Farm Income	\$243,910	\$311,252	_____	_____	_____	_____	_____
Median Farm Income	\$135,642	\$176,616	_____	_____	_____	_____	_____
<b><u>Balance Sheet (Market)</u></b>							
Total Assets - 12/31	\$3,177,907	\$3,791,346	_____	_____	_____	_____	_____
Total Liabilities - 12/31	\$1,372,057	\$1,552,675	_____	_____	_____	_____	_____
Net Worth - 12/31	\$1,805,850	\$2,238,672	_____	_____	_____	_____	_____
Change in Net Worth	\$245,330	\$294,250	_____	_____	_____	_____	_____
<b><u>Financial Standards Measures</u></b>							
Working Capital - 12/31	\$411,782	\$566,754	_____	_____	_____	_____	_____
Debt to Asset Ratio - 12/31	43%	43%	_____	_____	_____	_____	_____
Rate of Return on Farm Assets - Cost	9.4%	10.7%	_____	_____	_____	_____	_____
Rate of Return on Farm Equity - Cost	13.7%	15.8%	_____	_____	_____	_____	_____
Term Debt Coverage Ratio	2.79	3.54	_____	_____	_____	_____	_____
Asset Turnover Rate	33.4%	41.5%	_____	_____	_____	_____	_____
Operating Expense Ratio	69.4%	67.5%	_____	_____	_____	_____	_____
Interest Expense Ratio	3.5%	3.1%	_____	_____	_____	_____	_____
<b><u>Operator Information</u></b>							
Average Age of the Farmer	46.4	47.2	_____	_____	_____	_____	_____
Average Years Farming	22.3	23.0	_____	_____	_____	_____	_____
<b><u>Personal Spending &amp; Income</u></b>							
Total Cash Family Living Expense	\$69,652	\$72,170	_____	_____	_____	_____	_____
Total Non Farm Income	\$36,341	\$42,436	_____	_____	_____	_____	_____

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:

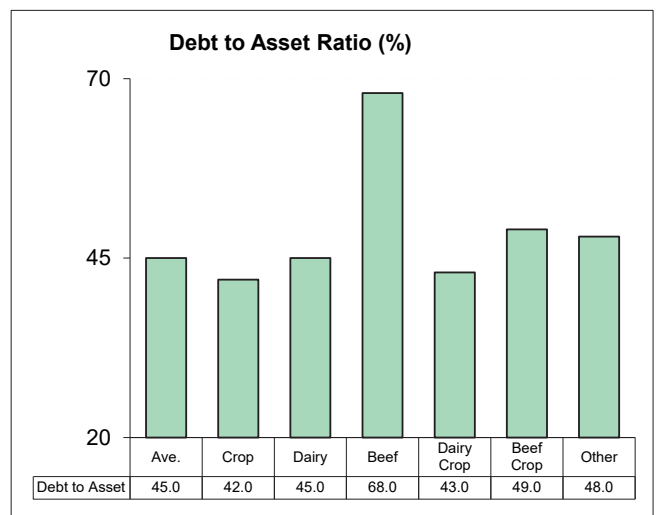
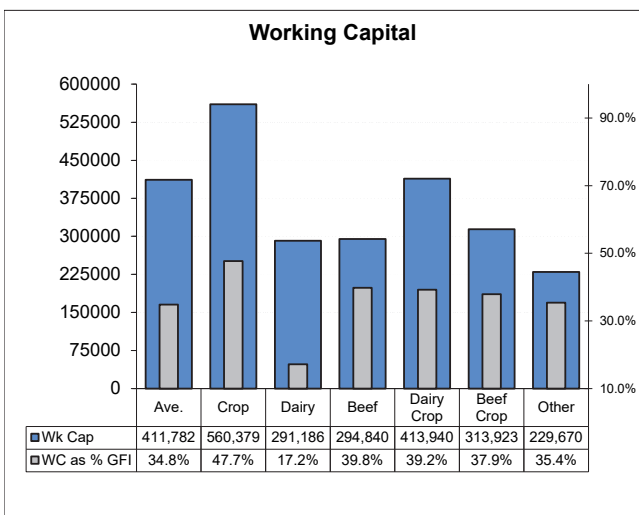
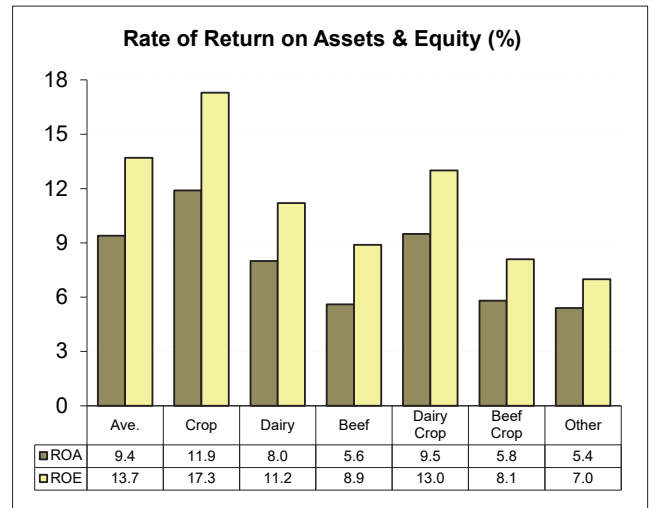
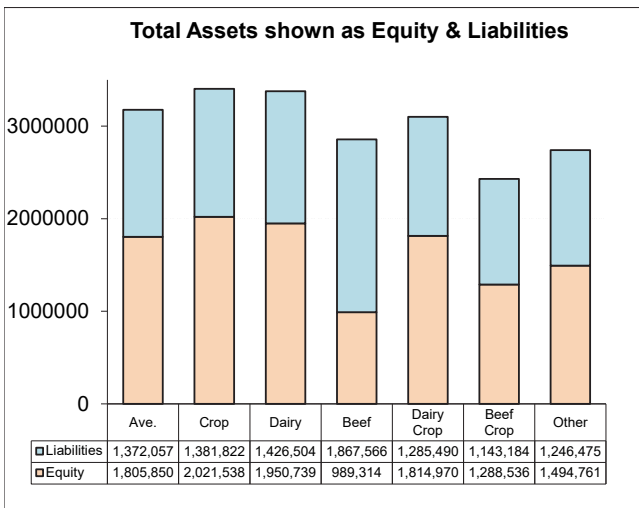
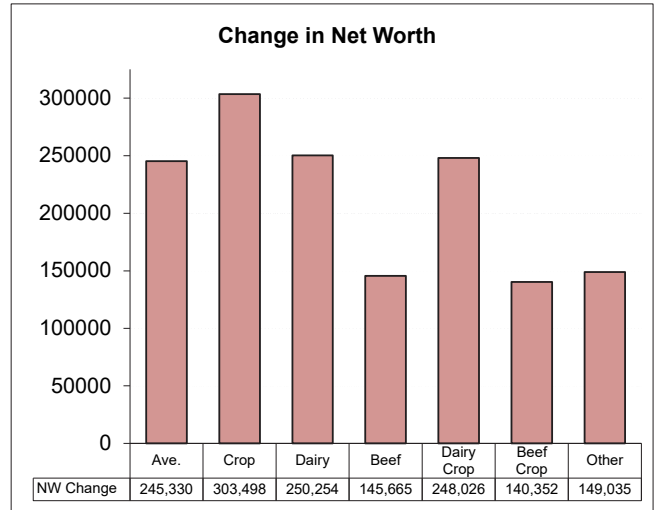
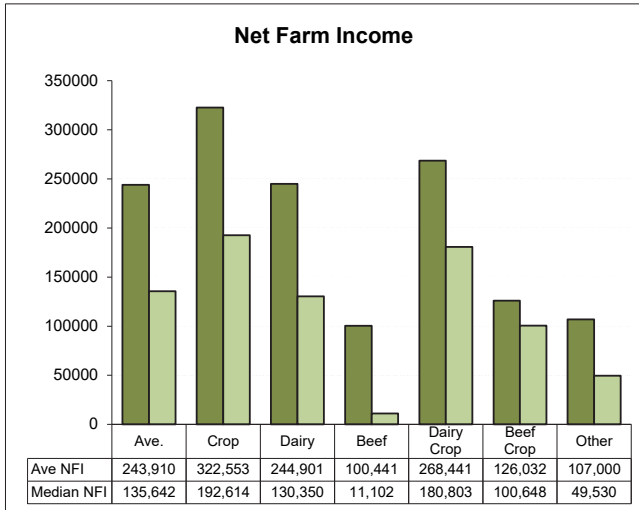
		<u>Northern Minnesota</u>	<u>State Data</u>
Net Farm Income	(+)	\$243,910	\$311,252
Depreciation	(+)	\$58,105	\$61,470
Family Living (Excl Health/Med)	(-)	\$45,794	\$62,168
Social Security and Income Tax	(-)	\$8,812	\$17,381
Health and Medical Expense	(-)	\$9,588	\$10,002
Retirement Accounts	(-)	\$11,708	\$12,745
Principal Payments	(-)	\$77,880	\$72,467
Balance	(=)	\$148,233	\$197,959

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

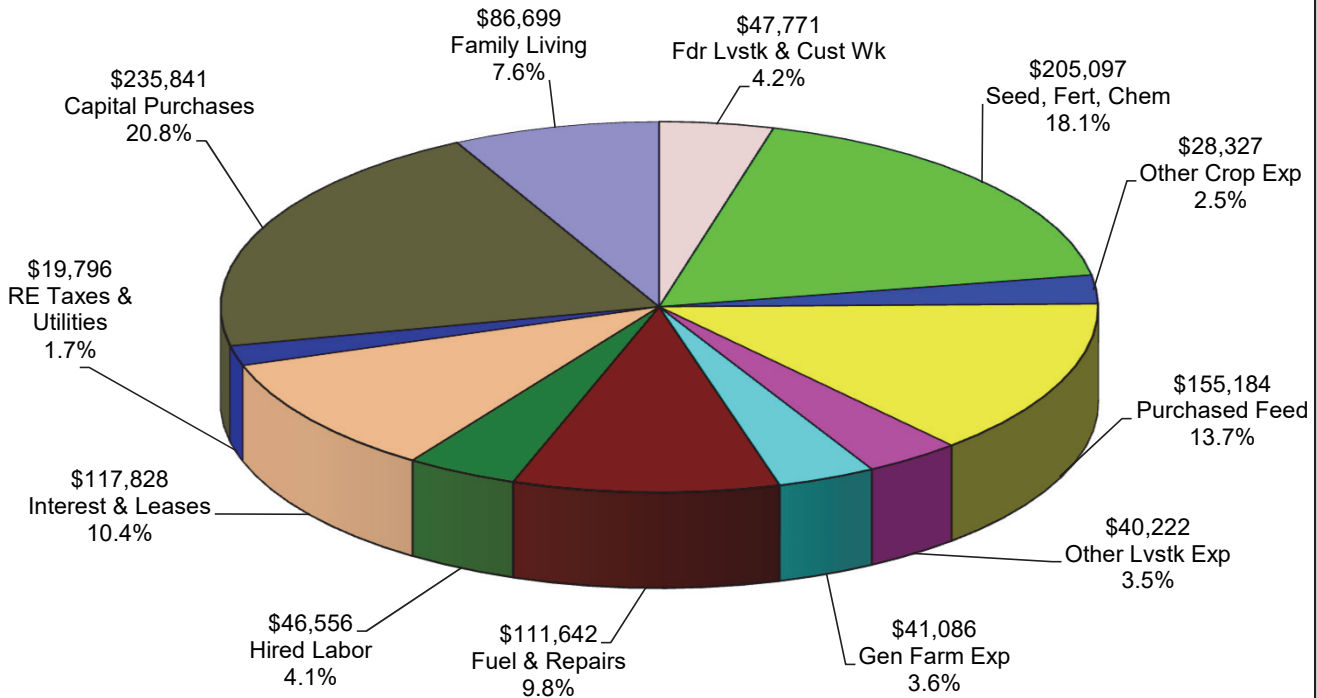
	<u>Avg. Of All Farms</u>	<u>Crop</u>	<u>Dairy</u>	<u>Beef</u>	<u>Crop and Dairy</u>	<u>Crop and Beef</u>	<u>Other</u>
Number of farms	541	252	119	28	18	37	84
<b>Income Statement</b>							
Gross cash farm income	995,003	956,789	1,555,293	702,972	906,344	621,655	623,791
Total cash farm expense	813,509	743,710	1,307,046	696,482	699,086	535,880	531,333
Net cash farm income	181,494	213,079	248,247	6,490	207,258	85,775	92,458
Inventory change	115,164	162,749	69,007	121,920	132,602	71,695	52,892
Depreciation	-58,105	-62,930	-74,247	-26,655	-69,363	-36,586	-39,581
Net farm income from operations	238,553	312,898	243,007	101,755	270,496	120,885	105,770
Gain or loss on capital sales	5,357	9,655	1,895	-1,314	-2,055	5,147	1,230
Average net farm income	243,910	322,553	244,901	100,441	268,441	126,032	107,000
Median net farm income	135,642	192,614	130,350	11,102	180,803	100,648	49,530
<b>Profitability (cost)</b>							
Rate of return on assets	9.4 %	11.9 %	8.0 %	5.6 %	9.5 %	5.8 %	5.4 %
Rate of return on equity	13.7 %	17.3 %	11.2 %	8.9 %	13.0 %	8.1 %	7.0 %
Operating profit margin	23.4 %	25.8 %	19.7 %	23.6 %	29.1 %	18.6 %	19.2 %
Asset turnover rate	40.0 %	46.0 %	40.6 %	23.7 %	32.7 %	31.3 %	28.1 %
<b>Profitability (market)</b>							
Rate of return on assets	8.9 %	10.4 %	8.5 %	6.2 %	8.7 %	5.9 %	6.4 %
Rate of return on equity	13.9 %	16.1 %	12.9 %	12.8 %	12.6 %	8.8 %	9.5 %
Operating profit margin	26.6 %	27.5 %	24.0 %	29.3 %	28.8 %	22.3 %	29.1 %
Asset turnover rate	33.4 %	37.8 %	35.2 %	21.1 %	30.2 %	26.3 %	21.9 %
<b>Liquidity &amp; Repayment (end of year)</b>							
Current assets	709,502	891,839	496,651	1,007,250	580,983	592,198	463,253
Current liabilities	297,720	331,460	205,466	712,410	167,043	278,275	233,583
Current ratio	2.38	2.69	2.42	1.41	3.48	2.13	1.98
Working capital	411,782	560,379	291,186	294,840	413,940	313,923	229,670
Change in working capital	106,221	157,486	69,155	36,200	116,948	76,804	41,364
Working capital to gross revenue	37.5 %	51.0 %	18.1 %	35.1 %	41.3 %	45.5 %	33.6 %
Working capital to oper expense	54.1 %	81.7 %	23.4 %	45.1 %	66.5 %	62.3 %	45.7 %
Debt coverage ratio	2.64	3.44	2.15	1.77	2.83	1.92	1.67
Term debt coverage ratio	2.79	3.75	2.16	2.02	2.98	2.01	1.72
Replacement coverage ratio	2.13	2.56	1.88	1.68	2.36	1.65	1.39
Term debt to EBITDA	2.09	1.49	2.54	4.38	1.89	3.17	3.71
<b>Solvency (end of year at cost)</b>							
Number of farms	541	252	119	28	18	37	84
Total assets	2,659,667	2,820,221	2,919,964	2,538,462	2,832,566	2,051,402	2,138,459
Total liabilities	1,093,804	1,059,402	1,176,395	1,576,323	1,089,121	938,717	1,008,638
Net worth	1,565,862	1,760,819	1,743,569	962,140	1,743,444	1,112,685	1,129,821
Net worth change	213,054	282,963	201,474	119,138	221,575	117,242	95,891
Farm debt to asset ratio	43 %	39 %	43 %	64 %	40 %	48 %	51 %
Total debt to asset ratio	41 %	38 %	40 %	62 %	38 %	46 %	47 %
Change in earned net worth %	16 %	19 %	13 %	14 %	15 %	12 %	9 %
<b>Solvency (end of year at market)</b>							
Number of farms	541	252	119	28	18	37	84
Total assets	3,177,907	3,403,360	3,377,243	2,856,880	3,100,460	2,431,720	2,741,236
Total liabilities	1,372,057	1,381,822	1,426,504	1,867,566	1,285,490	1,143,184	1,246,475
Net worth	1,805,850	2,021,538	1,950,739	989,314	1,814,970	1,288,536	1,494,761
Total net worth change	245,330	303,498	250,254	145,665	248,026	140,352	149,035
Farm debt to asset ratio	45 %	42 %	45 %	68 %	43 %	49 %	48 %
Total debt to asset ratio	43 %	41 %	42 %	65 %	41 %	47 %	45 %
Change in total net worth %	16 %	18 %	15 %	17 %	16 %	12 %	11 %
<b>Nonfarm Information</b>							
Net nonfarm income	36,341	43,503	13,885	63,317	13,006	35,613	42,169
Farms reporting living expenses	66	21	22	1	2	7	13
Total family living expense	70,186	77,571	67,502	-	-	41,519	81,524
Total living, invest, cap. purch	96,112	135,087	80,473	-	-	50,577	89,473
<b>Crop Acres</b>							
Total crop acres	878	1,365	421	363	577	657	420
Total crop acres owned	259	366	154	138	237	179	170
Total crop acres cash rented	613	987	268	225	341	476	249
Total crop acres share rented	6	13	-	-	-	3	-
Machinery value per crop acre	712	587	1,335	751	1,092	653	967



## Selected Factors by Type of Farm



**Each farmer, on average, spent \$1,136,049 in the Greater Community in 2022**



**Average Money Spent by Each Farmer in the Greater Community: \$1,136,049**

**Average Money Spent by Each Farmer in a 40 Yr Career: \$45,441,960**

**Money Spent in Community by 541 Farmers: \$614,602,509**

### 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 2022 Northern Minnesota Annual Report includes data from Farm Business Management programs administered by: Northland Community & Technical College, Central Lakes College, Alexandria Technical & Community College, and St. Cloud Technical & Community Colleges.

This report was prepared under the direction of Ron Dvergsten, Josh Tjosaas, Nate Converse, and DelRay Lecy through AgCentric, the Northern Center of Excellence for Agriculture. A special thank you goes to Keith Olander, AgCentric Executive Director, 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	541	148	136	74	76	107
<b>Income Statement</b>						
Gross cash farm income	995,003	578,933	1,313,535	936,608	1,270,366	1,010,438
Total cash farm expense	813,509	484,750	1,100,602	771,006	997,203	802,259
Net cash farm income	181,494	94,183	212,933	165,602	273,163	208,178
Inventory change	115,164	86,247	140,502	95,169	112,025	139,016
Depreciation	-58,105	-28,042	-66,274	-59,648	-85,523	-68,763
Net farm income from operations	238,553	152,389	287,161	201,122	299,665	278,432
Gain or loss on capital sales	5,357	3,303	5,394	5,807	9,167	5,133
Average net farm income	243,910	155,692	292,555	206,929	308,832	283,565
Median net farm income	135,642	77,541	157,588	139,994	175,820	180,934
<b>Profitability (cost)</b>						
Rate of return on assets	9.4 %	11.2 %	9.9 %	7.9 %	8.3 %	9.4 %
Rate of return on equity	13.7 %	18.9 %	16.1 %	11.6 %	11.1 %	12.4 %
Operating profit margin	23.4 %	24.1 %	23.1 %	21.5 %	23.5 %	24.6 %
Asset turnover rate	40.0 %	46.6 %	43.1 %	36.8 %	35.4 %	38.2 %
<b>Profitability (market)</b>						
Rate of return on assets	8.9 %	12.3 %	9.2 %	9.3 %	7.8 %	7.5 %
Rate of return on equity	13.9 %	22.1 %	16.1 %	14.9 %	11.2 %	10.3 %
Operating profit margin	26.6 %	29.1 %	24.0 %	31.7 %	26.4 %	25.7 %
Asset turnover rate	33.4 %	42.2 %	38.3 %	29.2 %	29.7 %	29.0 %
<b>Liquidity &amp; Repayment (end of year)</b>						
Current assets	709,502	353,518	857,436	690,666	986,100	830,425
Current liabilities	297,720	145,630	442,645	350,431	320,901	270,963
Current ratio	2.38	2.43	1.94	1.97	3.07	3.06
Working capital	411,782	207,889	414,791	340,235	665,199	559,462
Change in working capital	106,221	69,736	110,677	73,344	159,400	135,987
Working capital to gross revenue	37.5 %	32.0 %	28.7 %	33.8 %	48.6 %	48.9 %
Working capital to oper expense	54.1 %	46.1 %	39.8 %	48.6 %	71.2 %	74.0 %
Debt coverage ratio	2.64	2.90	2.47	2.20	2.63	3.08
Term debt coverage ratio	2.79	3.06	2.62	2.31	2.74	3.29
Replacement coverage ratio	2.13	2.48	2.21	1.75	2.00	2.19
Termdebt to EBITDA	2.09	1.82	2.20	2.66	2.10	1.81
<b>Solvency (end of year at cost)</b>						
Number of farms	541	148	136	74	76	107
Total assets	2,659,667	1,385,422	3,065,685	2,762,832	3,735,808	3,070,403
Total liabilities	1,093,804	648,710	1,463,677	1,234,619	1,321,789	980,011
Net worth	1,565,862	736,712	1,602,008	1,528,212	2,414,019	2,090,392
Net worth change	213,054	143,561	251,194	185,708	260,057	246,224
Farm debt to asset ratio	43 %	48 %	49 %	47 %	38 %	35 %
Total debt to asset ratio	41 %	47 %	48 %	45 %	35 %	32 %
Change in earned net worth %	16 %	24 %	19 %	14 %	12 %	13 %
<b>Solvency (end of year at market)</b>						
Number of farms	541	148	136	74	76	107
Total assets	3,177,907	1,535,550	3,442,996	3,486,762	4,454,401	3,992,373
Total liabilities	1,372,057	739,623	1,751,566	1,560,669	1,717,082	1,388,954
Net worth	1,805,850	795,927	1,691,431	1,926,093	2,737,318	2,603,419
Total net worth change	245,330	170,933	265,804	281,093	298,627	259,624
Farm debt to asset ratio	45 %	50 %	52 %	47 %	41 %	38 %
Total debt to asset ratio	43 %	48 %	51 %	45 %	39 %	35 %
Change in total net worth %	16 %	27 %	19 %	17 %	12 %	11 %
<b>Nonfarm Information</b>						
Net nonfarm income	36,341	38,096	36,506	41,652	38,555	28,460
Farms reporting living expenses	66	7	23	12	11	13
Total family living expense	70,186	41,410	62,751	101,815	82,437	59,274
Total living, invest, cap. purch	96,112	47,672	68,009	124,093	145,884	103,973
<b>Crop Acres</b>						
Total crop acres	878	492	997	935	1,046	1,104
Total crop acres owned	259	95	226	325	260	480
Total crop acres cash rented	613	397	769	599	782	605
Total crop acres share rented	6	0	1	11	4	18
Machinery value per crop acre	712	613	615	797	866	732

**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	541	63	77	109	128	108	56
<b>Income Statement</b>							
Gross cash farm income	995,003	52,156	173,514	366,665	705,418	1,397,529	4,293,877
Total cash farm expense	813,509	62,882	143,289	296,448	571,922	1,120,876	3,545,357
Net cash farm income	181,494	-10,726	30,225	70,217	133,495	276,652	748,520
Inventory change	115,164	22,187	23,836	46,338	100,637	185,759	376,363
Depreciation	-58,105	-8,466	-11,844	-26,414	-45,483	-92,119	-202,496
Net farm income from operations	238,553	2,995	42,217	90,141	188,650	370,293	922,386
Gain or loss on capital sales	5,357	2,528	1,065	4,392	1,162	12,177	12,757
Average net farm income	243,910	5,523	43,282	94,533	189,812	382,470	935,143
Median net farm income	135,642	2,662	38,855	89,152	177,451	366,518	773,588
<b>Profitability (cost)</b>							
Rate of return on assets	9.4 %	-1.4 %	3.9 %	6.2 %	9.1 %	10.4 %	11.1 %
Rate of return on equity	13.7 %	-6.8 %	4.1 %	8.2 %	12.9 %	15.7 %	16.3 %
Operating profit margin	23.4 %	-10.2 %	17.7 %	18.4 %	23.7 %	23.9 %	25.0 %
Asset turnover rate	40.0 %	13.5 %	22.1 %	33.5 %	38.2 %	43.4 %	44.2 %
<b>Profitability (market)</b>							
Rate of return on assets	8.9 %	1.1 %	5.8 %	7.0 %	8.7 %	9.0 %	10.6 %
Rate of return on equity	13.9 %	-0.6 %	8.0 %	9.9 %	13.0 %	14.3 %	17.5 %
Operating profit margin	26.6 %	10.5 %	35.5 %	26.7 %	27.3 %	26.2 %	26.3 %
Asset turnover rate	33.4 %	10.6 %	16.4 %	26.3 %	31.9 %	34.4 %	40.2 %
<b>Liquidity &amp; Repayment (end of year)</b>							
Current assets	709,502	69,855	145,535	275,824	535,368	1,103,060	2,687,693
Current liabilities	297,720	27,638	72,544	100,010	221,306	463,256	1,151,419
Current ratio	2.38	2.53	2.01	2.76	2.42	2.38	2.33
Working capital	411,782	42,217	72,991	175,814	314,062	639,805	1,536,275
Change in working capital	106,221	13,428	22,647	33,474	80,293	169,030	405,256
Working capital to gross revenue	37.5 %	56.0 %	36.5 %	42.8 %	39.5 %	40.4 %	33.7 %
Working capital to oper expense	54.1 %	77.1 %	55.9 %	64.0 %	59.1 %	60.2 %	46.3 %
Debt coverage ratio	2.64	1.81	1.62	2.04	2.55	2.78	3.00
Term debt coverage ratio	2.79	1.81	1.65	2.12	2.69	2.98	3.19
Replacement coverage ratio	2.13	1.45	1.33	1.73	2.04	2.18	2.46
Term debt to EBITDA	2.09	11.50	4.77	2.83	2.04	1.92	1.71
<b>Solvency (end of year at cost)</b>							
Number of farms	541	63	77	109	128	108	56
Total assets	2,659,667	700,841	1,037,551	1,312,923	2,171,963	3,708,707	8,806,699
Total liabilities	1,093,804	310,379	482,057	571,215	853,551	1,566,334	3,471,336
Net worth	1,565,862	390,461	555,494	741,708	1,318,412	2,142,373	5,335,363
Net worth change	213,054	33,216	46,466	81,196	167,644	315,930	806,472
Farm debt to asset ratio	43 %	52 %	52 %	46 %	43 %	44 %	40 %
Total debt to asset ratio	41 %	44 %	46 %	44 %	39 %	42 %	39 %
Change in earned net worth %	16 %	9 %	9 %	12 %	15 %	17 %	18 %
<b>Solvency (end of year at market)</b>							
Number of farms	541	63	77	109	128	108	56
Total assets	3,177,907	866,181	1,350,833	1,678,113	2,589,835	4,644,886	9,725,056
Total liabilities	1,372,057	360,976	566,499	685,593	1,052,614	2,050,603	4,374,850
Net worth	1,805,850	505,205	784,335	992,520	1,537,221	2,594,282	5,350,206
Total net worth change	245,330	49,394	76,164	117,445	198,929	349,167	853,082
Farm debt to asset ratio	45 %	48 %	46 %	43 %	44 %	46 %	46 %
Total debt to asset ratio	43 %	42 %	42 %	41 %	41 %	44 %	45 %
Change in total net worth %	16 %	11 %	11 %	13 %	15 %	16 %	19 %
<b>Nonfarm Information</b>							
Net nonfarm income	36,341	64,431	56,599	34,565	28,246	27,685	15,541
Farms reporting living expenses	66	4	9	13	24	12	4
Total family living expense	70,186	36,348	59,079	61,890	71,171	96,011	72,595
Total living, invest, cap. purch	96,112	41,141	59,841	78,314	121,216	113,892	86,576
<b>Crop Acres</b>							
Total crop acres	878	124	251	445	746	1,446	2,639
Total crop acres owned	259	63	122	198	231	415	547
Total crop acres cash rented	613	61	128	246	504	1,017	2,089
Total crop acres share rented	6	1	-	1	10	15	3
Machinery value per crop acre	712	836	647	628	669	688	795

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

	<b>Avg. Of All Farms</b>	<b>Less than 100</b>	<b>101 - 250</b>	<b>251 - 500</b>	<b>501 - 1,000</b>	<b>1,001 - 1,500</b>	<b>1,501 - 2,000</b>	<b>2,001 - 5,000</b>	<b>5,001 - 10,000</b>
Number of farms	541	75	85	118	109	58	30	61	4
<b>Income Statement</b>									
Gross cash farm income	995,003	602,075	294,563	501,557	828,897	1,202,151	1,635,060	2,916,016	3,623,952
Total cash farm expense	813,509	527,259	249,165	409,422	670,293	940,483	1,306,193	2,420,280	2,614,742
Net cash farm income	181,494	74,817	45,398	92,135	158,604	261,668	328,866	495,736	1,009,211
Inventory change	115,164	47,021	25,021	49,643	110,104	84,334	136,313	410,412	1,014,936
Depreciation	-58,105	-19,142	-17,711	-34,380	-58,699	-81,117	-118,949	-144,438	-166,149
Net farm income from operations	238,553	102,695	52,708	107,398	210,008	264,885	346,231	761,710	1,857,998
Gain or loss on capital sales	5,357	2,091	523	2,351	4,237	5,076	16,758	17,132	31,180
Average net farm income	243,910	104,786	53,232	109,750	214,246	269,961	362,990	778,842	1,889,178
Median net farm income	135,642	42,856	42,058	99,846	161,292	276,727	331,179	665,313	1,540,719
<b>Profitability (cost)</b>									
Rate of return on assets	9.4 %	7.8 %	4.7 %	6.4 %	8.4 %	8.1 %	8.1 %	12.3 %	23.7 %
Rate of return on equity	13.7 %	13.4 %	5.3 %	8.6 %	11.2 %	11.7 %	10.8 %	19.4 %	29.3 %
Operating profit margin	23.4 %	22.2 %	17.9 %	19.4 %	23.0 %	20.7 %	19.5 %	26.4 %	35.3 %
Asset turnover rate	40.0 %	35.1 %	26.0 %	33.3 %	36.3 %	38.9 %	41.6 %	46.6 %	67.1 %
<b>Profitability (market)</b>									
Rate of return on assets	8.9 %	9.5 %	5.2 %	6.9 %	8.5 %	7.7 %	7.7 %	10.6 %	20.8 %
Rate of return on equity	13.9 %	16.1 %	6.8 %	10.0 %	12.3 %	12.0 %	11.2 %	18.0 %	30.1 %
Operating profit margin	26.6 %	34.4 %	26.1 %	25.2 %	27.9 %	24.3 %	21.3 %	26.6 %	34.2 %
Asset turnover rate	33.4 %	27.5 %	20.0 %	27.3 %	30.4 %	31.7 %	36.0 %	40.0 %	61.0 %
<b>Liquidity &amp; Repayment (end of year)</b>									
Current assets	709,502	215,944	161,525	331,469	556,116	848,340	1,288,023	2,379,113	3,710,664
Current liabilities	297,720	121,397	79,714	124,114	190,494	378,248	460,765	1,106,118	713,611
Current ratio	2.38	1.78	2.03	2.67	2.92	2.24	2.80	2.15	5.20
Working capital	411,782	94,547	81,811	207,355	365,622	470,092	827,258	1,272,995	2,997,053
Change in working capital	106,221	31,070	23,930	45,285	84,815	87,776	161,664	370,944	1,212,445
Working capital to gross revenue	37.5 %	14.8 %	25.6 %	37.9 %	39.3 %	36.8 %	47.1 %	39.1 %	64.2 %
Working capital to oper expense	54.1 %	19.0 %	35.5 %	54.4 %	58.2 %	53.2 %	66.5 %	56.7 %	115.8 %
Debt coverage ratio	2.64	1.82	1.76	2.18	2.67	2.38	2.79	3.09	9.20
Term debt coverage ratio	2.79	1.85	1.80	2.27	2.76	2.48	3.01	3.40	10.64
Replacement coverage ratio	2.13	1.63	1.51	1.82	2.10	1.91	2.13	2.52	5.05
Term debt to EBITDA	2.09	3.35	4.00	2.75	2.12	2.40	1.74	1.61	0.32
<b>Solvency (end of year at cost)</b>									
Number of farms	541	75	85	118	109	58	30	61	4
Total assets	2,659,667	1,285,673	1,070,530	1,557,303	2,496,170	3,549,552	4,144,681	6,778,813	7,956,452
Total liabilities	1,093,804	672,136	484,724	670,187	910,605	1,393,660	1,445,440	2,970,823	1,725,394
Net worth	1,565,862	613,538	585,806	887,116	1,585,566	2,155,892	2,699,242	3,807,989	6,231,058
Net worth change	213,054	95,010	49,253	96,512	179,184	280,092	299,429	659,486	1,511,854
Farm debt to asset ratio	43 %	56 %	51 %	47 %	38 %	44 %	36 %	44 %	22 %
Total debt to asset ratio	41 %	52 %	45 %	43 %	36 %	39 %	35 %	44 %	22 %
Change in earned net worth %	16 %	18 %	9 %	12 %	13 %	15 %	12 %	21 %	32 %
<b>Solvency (end of year at market)</b>									
Number of farms	541	75	85	118	109	58	30	61	4
Total assets	3,177,907	1,646,287	1,360,590	1,879,425	2,998,148	4,282,949	4,836,999	7,880,214	8,845,302
Total liabilities	1,372,057	776,153	575,915	814,227	1,159,187	1,783,746	1,875,555	3,758,367	2,949,464
Net worth	1,805,850	870,134	784,675	1,065,199	1,838,961	2,499,203	2,961,443	4,121,847	5,895,838
Total net worth change	245,330	142,867	68,211	128,386	221,819	326,995	324,521	664,021	1,459,830
Farm debt to asset ratio	45 %	50 %	47 %	46 %	41 %	46 %	41 %	48 %	34 %
Total debt to asset ratio	43 %	47 %	42 %	43 %	39 %	42 %	39 %	48 %	33 %
Change in total net worth %	16 %	20 %	10 %	14 %	14 %	15 %	12 %	19 %	33 %
<b>Nonfarm Information</b>									
Net nonfarm income	36,341	41,704	47,018	37,299	29,846	42,050	22,596	28,532	4,946
Farms reporting living expenses	66	9	14	17	12	7	3	4	-
Total family living expense	70,186	56,318	65,707	75,113	60,442	79,341	-	102,050	-
Total living, invest, cap. purch	96,112	76,070	80,026	86,702	120,325	101,295	-	136,444	-
<b>Crop Acres</b>									
Total crop acres	878	23	177	374	714	1,232	1,722	2,884	6,701
Total crop acres owned	259	12	91	154	284	415	436	691	228
Total crop acres cash rented	613	10	86	220	429	809	1,240	2,171	6,474
Total crop acres share rented	6	1	-	-	-	8	46	22	-
Machinery value per crop acre	712	2,204	1,174	911	847	729	692	609	417

**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	541	108	108	109
<b>Sale of Crops</b>				
Barley	3,374	65	401	13,979
Beans, Edible	13,304	5,146	8,755	42,506
Corn	154,855	37,909	90,465	446,709
Corn Silage	3,475	1,615	2,173	11,797
Hay, Alfalfa	1,457	641	2,581	1,957
Hay, Other	4,723	8,910	3,253	1,107
Organic Crop Enterprises	1,313	436	3,136	5,962
Potatoes	18,582	28,008	-	62,750
Soybeans	142,402	28,127	87,833	403,809
Canola	3,460	6	3,103	13,004
Sunflowers	2,018	1,154	456	7,803
Oats	2,477	1,386	1,748	2,011
Rye	2,677	293	1,986	9,336
Wheat, Spring	58,140	4,952	17,529	174,044
Grass Seed	13,124	-	1,492	59,638
Other Crop Enterprises	3,105	438	254	9,801
Miscellaneous crop income	2,295	2,219	3,014	2,784
<b>Total Crop Sales</b>	<b>430,781</b>	<b>121,305</b>	<b>228,179</b>	<b>1,268,997</b>
<b>Sale of Livestock</b>				
Beef Cow-Calf, Beef Calves	21,325	10,820	2,942	80,852
Beef, Backgrounding	8,414	9,005	7,939	11,310
Beef, Finishing	16,205	5,710	17,673	5,791
Other Beef Enterprises	2,122	194	9,756	-
Dairy, Milk	319,822	68,107	227,670	937,311
Dairy Calves	3,210	437	2,962	10,668
Dairy Heifers (for sale)	1,494	13	696	4,554
Dairy Feeders & Backgrounding	3,967	4,317	8,621	1,035
Dairy Finishing	25,088	24,708	12,865	31,941
Hog and Pig Sales	225	23	1,102	-
Other Livestock Enterprises	2,766	3,935	6,508	-
Cull breeding livestock	18,299	8,624	14,793	43,714
Misc. livestock income	2,157	1,153	298	5,044
<b>Total Livestock &amp; Product Sales</b>	<b>425,094</b>	<b>137,046</b>	<b>313,825</b>	<b>1,132,220</b>
<b>Other farm income</b>				
Crop government payments	2,202	1,043	986	4,637
Conservation govt payments	4,966	1,730	2,680	12,603
Livestock govt payments	5,183	5,152	6,269	4,229
Other government payments	40,537	9,896	27,856	113,681
Custom work income	13,304	5,307	9,518	28,839
Patronage dividends, cash	7,778	2,337	6,241	19,645
Insurance income	26,164	9,757	24,042	56,659
Contract livestock income	13,979	1,840	-	46,946
Other farm income	25,015	14,214	10,788	57,129
<b>Total Other Farm Income</b>	<b>139,128</b>	<b>51,276</b>	<b>88,380</b>	<b>344,368</b>
<b>Gross Cash Farm Income</b>	<b>995,003</b>	<b>309,627</b>	<b>630,384</b>	<b>2,745,585</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>	541	108	108	109
<b>Direct Crop Expense</b>				
Seed	54,279	17,999	29,940	149,243
Fertilizer	110,652	30,401	67,095	313,181
Crop chemicals	40,166	8,539	19,700	117,814
Crop insurance	17,232	4,700	10,706	46,709
Drying Expense	3,006	477	1,757	8,496
Other direct crop expenses	8,089	4,601	5,962	19,754
<b>Total Direct Crop Expense</b>	<b>233,424</b>	<b>66,717</b>	<b>135,160</b>	<b>655,197</b>
<b>Direct Livestock Expense</b>				
Feeder livestock purchase	26,360	13,313	23,696	50,796
Purchased feed	155,110	49,234	113,229	448,896
Breeding fees	4,039	674	2,110	12,628
Veterinary	7,432	3,585	5,933	17,452
Supplies	12,352	5,722	7,422	32,520
Contract production exp.	7,596	133	955	33,150
Livestock hauling and trucking	9,881	2,764	5,532	31,247
Livestock marketing	5,079	2,758	3,304	12,346
Bedding	5,738	954	6,018	13,835
Other livestock expenses	3,045	662	2,796	7,974
<b>Total Direct Livestock Expense</b>	<b>236,632</b>	<b>79,799</b>	<b>170,995</b>	<b>660,844</b>
<b>Other Farm Expense</b>				
Interest	36,554	21,914	24,692	78,974
Fuel & oil	43,283	19,477	30,565	105,655
Repairs	68,360	33,629	45,929	167,107
Custom hire	21,411	6,954	17,406	52,345
Hired labor	46,556	18,915	22,106	153,189
Land rent	70,876	24,414	38,853	215,322
Machinery & bldg leases	10,398	3,533	4,317	28,676
Real estate taxes	6,341	3,914	4,663	11,852
Farm insurance	13,035	6,922	9,631	29,663
Utilities	13,455	7,420	10,982	27,974
Dues & professional fees	4,323	3,103	3,512	8,963
Miscellaneous	8,861	7,388	6,212	20,425
<b>Total Other Farm Expense</b>	<b>343,453</b>	<b>157,583</b>	<b>218,868</b>	<b>900,145</b>
<b>Total cash expense</b>	<b>813,509</b>	<b>304,099</b>	<b>525,023</b>	<b>2,216,186</b>
<b>Net cash farm income</b>	<b>181,494</b>	<b>5,528</b>	<b>105,361</b>	<b>529,399</b>
<b>Inventory Changes</b>				
Prepays and supplies	16,117	2,224	5,863	50,439
Accounts receivable	-1,223	-2,950	1,910	-1,873
Hedging acct. & Oth Cur Assets	-6,951	-3,830	2,593	-32,308
Crops and feed	94,741	-7,341	36,787	309,719
Market livestock	14,238	8,375	16,233	47,385
Breeding livestock	-1,959	-4,000	-2,070	2,891
Accounts payable	-1,396	-6,588	-2,120	4,662
Accrued Interest & other assets	1,597	-6,917	1,053	13,908
<b>Total inventory change</b>	<b>115,164</b>	<b>-21,028</b>	<b>60,247</b>	<b>394,823</b>
<b>Net operating profit</b>	<b>296,658</b>	<b>-15,500</b>	<b>165,608</b>	<b>924,222</b>
<b>Depreciation</b>				
Machinery and equipment	-41,717	-21,132	-24,405	-102,142
Titled vehicles	-5,138	-3,812	-3,206	-10,066
Buildings and improvements	-11,251	-4,750	-7,407	-26,501
<b>Total depreciation</b>	<b>-58,105</b>	<b>-29,693</b>	<b>-35,018</b>	<b>-138,709</b>
<b>Net farm income from operations</b>	<b>238,553</b>	<b>-45,193</b>	<b>130,590</b>	<b>785,513</b>
Gain or loss on capital sales	5,357	-2,520	1,907	17,749
<b>Net farm income</b>	<b>243,910</b>	<b>-47,713</b>	<b>132,497</b>	<b>803,262</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	541	108	108	109
<b>Assets</b>				
<b>Current Farm Assets</b>				
Cash and checking balance	62,911	15,004	35,602	166,285
Prepaid expenses & supplies	77,525	16,448	33,039	230,471
Growing crops	3,526	279	3,911	12,046
Accounts receivable	33,987	13,619	28,337	84,287
Hedging accounts	2,668	124	415	11,004
Crops held for sale or feed	438,442	103,704	218,222	1,301,564
Crops under government loan	-	-	-	-
Market livestock held for sale	89,507	60,517	66,621	216,772
Other current assets	935	1,144	1,667	892
Total current farm assets	709,502	210,839	387,813	2,023,323
<b>Intermediate Farm Assets</b>				
Breeding livestock	178,759	93,371	124,154	449,156
Machinery and equipment	530,521	246,182	302,751	1,363,476
Titled vehicles	49,373	32,034	31,790	99,870
Other intermediate assets	31,863	15,155	20,646	76,779
Total intermediate farm assets	790,516	386,741	479,341	1,989,280
<b>Long Term Farm Assets</b>				
Farm land	592,439	323,558	400,035	1,186,466
Buildings and improvements	288,102	130,772	198,399	640,531
Other long-term assets	48,838	8,343	35,223	136,521
Total long-term farm assets	929,378	462,673	633,657	1,963,518
Total Farm Assets	2,429,395	1,060,253	1,500,811	5,976,121
Total Nonfarm Assets	230,272	180,526	178,112	357,749
Total Assets	2,659,667	1,240,779	1,678,923	6,333,870
<b>Liabilities</b>				
<b>Current Farm Liabilities</b>				
Accrued interest	10,007	7,445	5,329	23,898
Accounts payable	26,531	17,044	13,761	72,130
Current notes	183,302	95,324	94,053	521,505
Government crop loans	-	-	-	-
Principal due on term debt	77,880	45,037	49,637	178,875
Total current farm liabilities	297,720	164,849	162,781	796,409
Total intermediate farm liabs	191,662	117,428	118,507	479,731
Total long term farm liabilities	562,518	366,310	395,084	1,058,087
Total farm liabilities	1,051,900	648,588	676,372	2,334,228
Total nonfarm liabilities	41,904	40,234	42,762	49,137
Total liabilities	1,093,804	688,821	719,134	2,383,364
Net worth (farm and nonfarm)	1,565,862	551,958	959,789	3,950,506
Net worth change	213,054	-28,426	102,991	712,135
Percent net worth change	16 %	-5 %	12 %	22 %
<b>Ratio Analysis</b>				
Current farm liabilities / assets	42 %	78 %	42 %	39 %
Intermediate farm liab. / assets	24 %	30 %	25 %	24 %
Long term farm liab. / assets	61 %	79 %	62 %	54 %
Total debt to asset ratio	41 %	56 %	43 %	38 %



**Balance Sheet at Market 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	541	108	108	109
<b>Assets</b>				
<b>Current Farm Assets</b>				
Cash and checking balance	62,911	15,004	35,602	166,285
Prepaid expenses & supplies	77,525	16,448	33,039	230,471
Growing crops	3,526	279	3,911	12,046
Accounts receivable	33,987	13,619	28,337	84,287
Hedging accounts	2,668	124	415	11,004
Crops held for sale or feed	438,442	103,704	218,222	1,301,564
Crops under government loan	-	-	-	-
Market livestock held for sale	89,507	60,517	66,621	216,772
Other current assets	935	1,144	1,667	892
Total current farm assets	709,502	210,839	387,813	2,023,323
<b>Intermediate Farm Assets</b>				
Breeding livestock	182,348	96,246	124,987	459,470
Machinery and equipment	632,933	328,610	364,788	1,561,557
Titled vehicles	58,970	41,297	38,781	112,512
Other intermediate assets	32,520	15,997	22,549	78,609
Total intermediate farm assets	906,771	482,150	551,105	2,212,147
<b>Long Term Farm Assets</b>				
Farm land	917,128	587,584	631,646	1,685,683
Buildings and improvements	325,697	157,186	227,457	690,559
Other long-term assets	56,583	9,296	40,339	164,357
Total long-term farm assets	1,299,407	754,066	899,442	2,540,599
Total Farm Assets	2,915,680	1,447,055	1,838,360	6,776,069
Total Nonfarm Assets	262,227	210,289	206,483	404,776
Total Assets	3,177,907	1,657,344	2,044,843	7,180,845
<b>Liabilities</b>				
<b>Current Farm Liabilities</b>				
Accrued interest	10,007	7,445	5,329	23,898
Accounts payable	26,531	17,044	13,761	72,130
Current notes	183,302	95,324	94,053	521,505
Government crop loans	-	-	-	-
Principal due on term debt	77,880	45,037	49,637	178,875
Total current farm liabilities	297,720	164,849	162,781	796,409
Total intermediate farm liabs	191,662	117,428	118,507	479,731
Total long term farm liabilities	562,518	366,310	395,084	1,058,087
Total farm liabilities	1,051,900	648,588	676,372	2,334,228
Total nonfarm liabilities	41,904	40,234	42,762	49,137
Total liabs excluding deferreds	1,093,804	688,821	719,134	2,383,364
Total deferred liabilities	278,253	125,364	167,676	684,143
Total liabilities	1,372,057	814,185	886,810	3,067,507
Retained earnings	1,565,862	551,958	959,789	3,950,506
Market valuation equity	239,987	291,200	198,244	162,832
Net worth (farm and nonfarm)	1,805,850	843,159	1,158,033	4,113,338
Net worth excluding deferreds	2,084,102	968,523	1,325,708	4,797,481
Net worth change	245,330	19,199	148,207	692,828
Percent net worth change	16 %	2 %	15 %	20 %
<b>Ratio Analysis</b>				
Current farm liabilities / assets	42 %	78 %	42 %	39 %
Intermediate farm liab. / assets	21 %	24 %	22 %	22 %
Long term farm liab. / assets	43 %	49 %	44 %	42 %
Total debt to asset ratio	43 %	49 %	43 %	43 %
Debt to assets excl deferreds	34 %	42 %	35 %	33 %

# Recommended Farm Financial Ratios

Explanations of the FFSC recommended measures on the scorecard and where to find the information for each measure

## Measures from the Balance Sheet

The *balance sheet* provides information on both a business's both **liquidity** and **solvency** positions. **Liquidity** is the ability of the farm business to meet financial obligations as they came due, or to generate enough cash to pay for family living expenses, taxes, and to make on-time debt payments. **Solvency** is the ability of the farm business to meet all of its debts if it were sold at the current point in time.

### Recommended Liquidity Ratios

- Current Ratio  
Measures the extent to which current farm assets, if sold tomorrow, would pay off the farm's current liabilities.
- Working Capital as % of Gross Revenue  
Measures the operating capital available against the size of the business.
- Working Capital as % of Operating Expense\*  
Measures the operating capital available against the amount of the business's operating expenses.

### Recommended Solvency Ratios

- Debt-to-Asset Ratio  
Is the bank's share of the farm business. Compares total farm debt to total farm assets. A higher ratio indicates greater financial risk & lower borrowing capacity.
- Equity-to-Asset Ratio\*  
Is the farmer's share of the business. Compares total farm equity to total farm assets. *Debt-to-Asset* ratio + *Equity-to-Asset* ratio must = 100%.
- Debt-to-Equity Ratio\*  
Compares the creditor's investment to the farm owner's investment. It also indicates how much the farmer has leveraged their equity in the business.

## Measures from the Income Statement

The *income statement* is a financial statement which provides information regarding the **profitability** of the farm business. **Profitability** is the difference between the value of goods produced and the cost of the resources used in their production.

### Recommended Profitability Measures

- Rate of Return on Assets  
Can be thought of as the average interest rate being earned on all (yours and the creditor's) investments in the farm.
- Rate of Return on Equity  
Represents the interest rate being earned by your investment in the farm. This interest rate or return can be compared to returns available if your equity were invested elsewhere, such as a Certificate of Deposit or the stock market.
- Operating Profit Margin Ratio  
Shows the operating efficiency of the farm business. If expenses are low relative to the value of farm production, or revenue, the business will have a healthy operating profit margin. A low profit margin ratio can be caused by low product prices, high operating expenses, or inefficient production.
- Asset Turnover Ratio  
Measures efficiency in using capital. You could think of it as a measure of capital productivity. Generating a high level of production with a low level of capital investment will show as a high asset turnover rate. If, on the other hand, the turnover is low you will want to explore methods to use the capital invested more efficiently or sell some low-return investments. It could mean getting rid of that swampy parcel on the back 40 and getting something that produces income.

\* Denotes Acceptable Alternate Measures of the FFSC (<https://ffsc.org/>)

# Recommended Farm Financial Ratios (cont.)

Explanations of the FFSC recommended measures on the scorecard and where to find the information for each measure

## Measures from the Cash-Flow Statement

The *cash-flow statement* provides information on a business's **repayment capacity**. **Repayment capacity** shows the borrower's (i.e. your) ability to repay debts on time. It includes non-farm income and as such is **not** a measure of business performance alone.

### Recommended Repayment Capacity

- Debt Coverage Ratio  
Indicates whether your business generated enough income to cover current interest expense and all intermediate and long-term debt payments.
- Replacement Coverage Ratio  
A ratio of less than 1.0 indicates that you did not generate enough income to cover debt payments and unfunded capital purchases.
- Term Debt & Finance Lease Coverage Ratio\*  
Indicates whether your business generated enough income to cover all intermediate and long-term debt payments. A ratio of less than 1.0 indicates the business had to liquidate inventories, run up open accounts, borrow additional funds, or sell assets to make scheduled payments.

## Measures from *all* the Financial Statements

Using all the financial statements can provide valuable insight into the **financial efficiency** of a farm business. These measures show where each dollar of income generated is spent.

### Recommended Financial Efficiency

- Operating Expense Ratio  
Shows the proportion of farm income that is used to pay operating expenses, excluding depreciation and interest expense.
- Interest Expense Ratio  
Shows how much of gross farm income is used to pay for interest on borrowed capital.
- Depreciation & Amortization Expense Ratio  
Indicates how fast the business wears out capital. It tells what proportion of gross farm income is needed to maintain the capital used by the business. It is important to note that a depreciation expense ratio of less than 3% **could** indicate the operation is not replacing inefficient assets and may have higher repair expenses.
- Net Farm Income (Income from Operations) Ratio  
Compares profit to gross revenue. It shows how much is left after all farm expenses, except for unpaid labor and management, are paid.

\* Denotes Acceptable Alternate Measures of the FFSC (<https://ffsc.org/>)

# Other Important Farm Financial Measures

Other important measures (and their calculations) that are utilized in the scorecard

## Working Capital

Measures the operating capital available in the short-term from within the business.

Total Current Farm Assets  
(-) Total Current Farm Liabilities  
**= Working Capital**

## Net Farm Income (NFI)

Represents the return to three things that you have invested in the farm business:

- 1) Your labor
- 2) Your management, and
- 3) Your equity.

NFI is the reward for investing your unpaid family labor, management, and money in the farm instead of elsewhere. Anything left in the business and not taken out to pay for family living expenses or taxes, will increase the net worth of the farm.

Gross Accrual Farm Revenue  
(-) Total Accrual Operating Expense (including Depreciation & Amortization Expense)  
**= Income from Operations**  
(-) Farm Interest Expense  
**= Net Farm Income**

## Value of Farm Production (VFP)

VFP is a measure of the value a farm operation has added to products sold.

Gross Cash Farm Revenue  
(-) Feeder Livestock Purchased  
(-) Purchased Feed  
(+/-) Changes in Inventories  
**= Value of Farm Production**

## Repayment and Replacement Capacity Calculations

Income from Operations  
(+/-) Miscellaneous Revenue / Expenses  
(+) Non-farm Income  
(+) Depreciation / Amortization Expenses  
(-) Income Tax Expense  
(-) Owner Withdrawals  
**= Repayment and Replacement Capacity<sup>1</sup>**

Repayment and Replacement Capacity  
(-) Interest Expense on Current Debt  
**= Term Debt Repayment & Replacement Capacity**

Prior Year Current Portion of Long-Term Debt  
(+) Prior Year Current Portion of Finance Leases  
(+) Interest Expense on Term Debt  
(+) Interest Expense on Finance Leases  
**= Total Principal & Interest on Term Debt and Finance Leases**

Total Principal & Interest on Term Debt and Finance Leases  
(+) Interest Expense on Current Debt  
(+) Payment on Unpaid Operating Debt from Prior Period (loss carryover)  
(+) Annual Payments on Personal Liabilities  
**= Total Debt Repayment**

Repayment & Replacement Capacity  
(-) Total Debt Repayment  
**= Repayment Margin**

Repayment Margin  
(-) Unfunded Capital Expenditures<sup>2</sup>  
**= Replacement Margin**

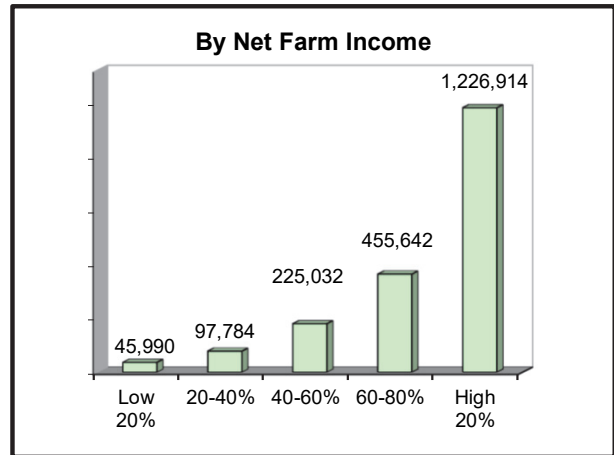
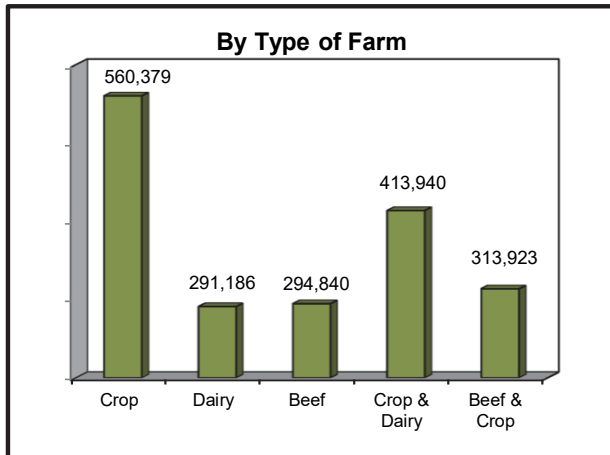
**1** = Measures the amount generated from farm and non-farm sources, to cover debt repayment and capital replacement.

**2** = Portion of depreciable capital asset purchases not funded by term debt and finance leases. This measure is the amount of internally generated funds used for investing activities related to depreciable capital assets.

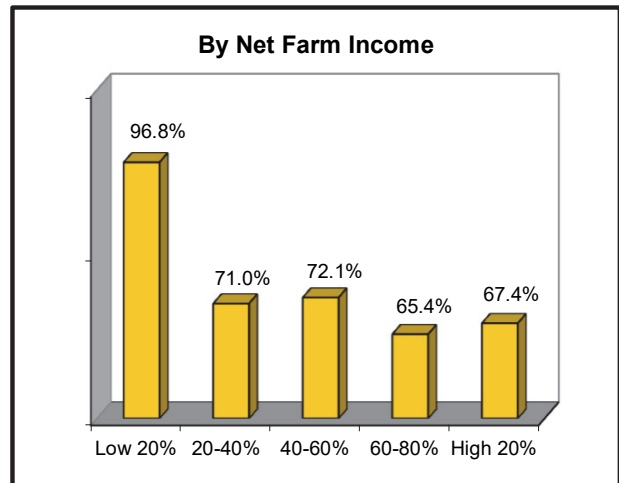
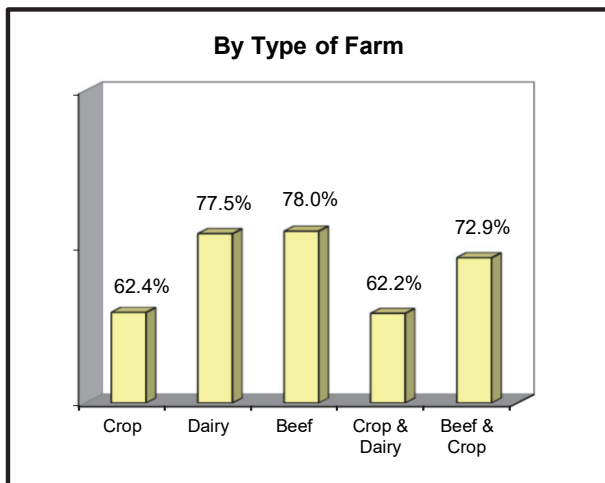
Developed by: Devin Brand, Pauline Van Nurden, Dale Nordquist, Mark Cannella, Katherine Wilts Johnson & Robert Craven  
Provided courtesy of the University of Minnesota Center for Farm Financial Management. For more information, visit: [z.umn.edu/scorecard](https://z.umn.edu/scorecard)

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

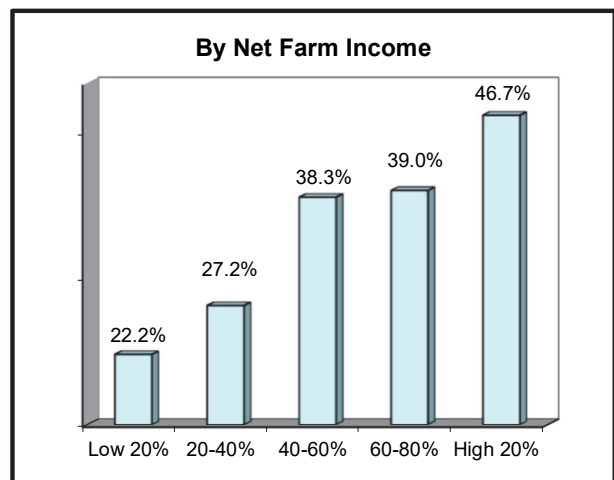
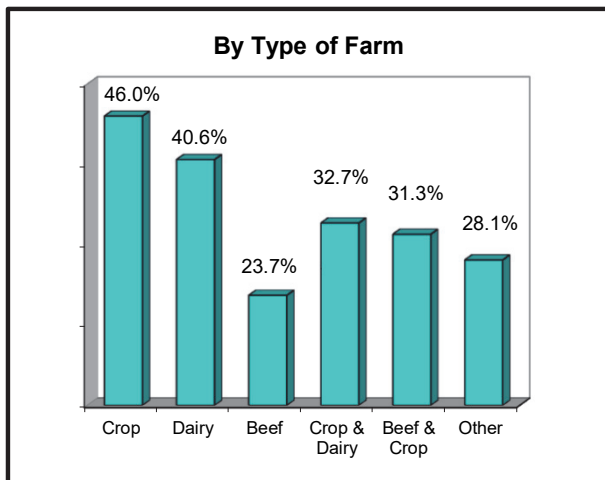
**Working Capital**



**Operating Expense Ratio**



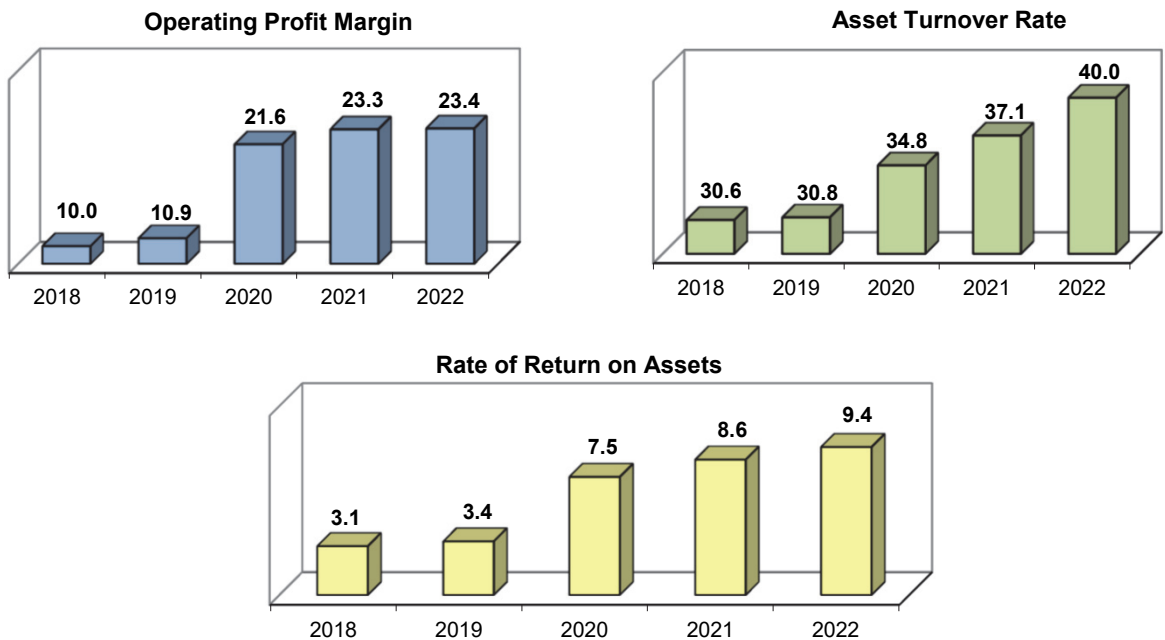
**Asset Turnover Rate**



**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	541	108	108	109
<b>Liquidity</b>				
Current ratio	2.38	1.28	2.38	2.54
Working capital to gross income	37.5%	15.5%	32.9%	39.7%
Working capital to operating expenses	54.1%	16.0%	45.6%	59.0%
<b>Solvency (market)</b>				
Farm debt to asset ratio	45%	53%	46%	44%
Farm equity to asset ratio	55%	47%	54%	56%
Farm debt to equity ratio	0.83	1.13	0.84	0.80
<b>Profitability (cost)</b>				
Rate of return on farm assets	9.4%	-5.1%	7.4%	13.3%
Rate of return on farm equity	13.7%	-18.4%	10.3%	19.8%
Operating profit margin	23.4%	-23.0%	19.2%	28.6%
Asset turnover rate	40.0%	22.2%	38.3%	46.7%
<b>Repayment Capacity</b>				
Debt coverage ratio	2.64	0.42	2.16	3.56
Term debt coverage ratio	2.79	0.36	2.25	3.83
Replacement coverage ratio	2.13	0.34	1.82	2.84
<b>Efficiency</b>				
Operating expense ratio	69.4%	96.8%	72.1%	67.4%
Depreciation expense ratio	5.3%	10.0%	5.1%	4.5%
Interest expense ratio	3.5%	8.4%	3.7%	2.7%
Net farm income ratio	21.7%	-15.2%	19.1%	25.4%

**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 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.**

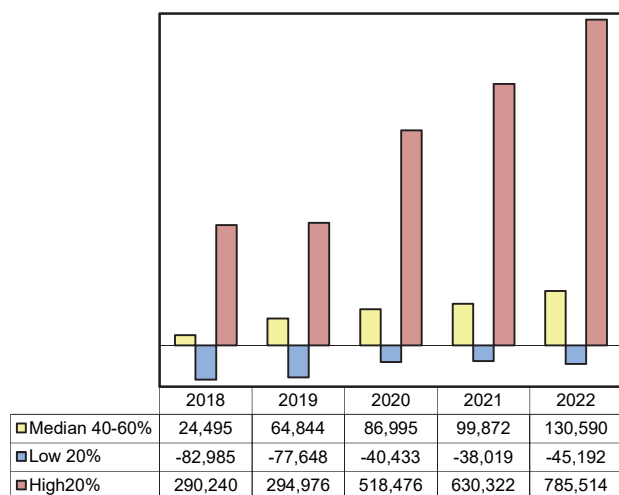
<b>Evaluation Chart</b>	<u>Low Farms</u>		<u>Average</u>		<u>High Farms</u>		<u>Your Farm</u>	
	2022	5 Yr Avg	2022	5 Yr Avg	2022	5 Yr Avg	2022	5 Yr Avg
<b><u>Liquidity</u></b>								
Current Ratio	1.28	1.18	2.38	1.90	2.54	2.23		
Working Capital to Gross Rev. %	15.5%	8.9%	37.5%	29.7%	39.7%	36.3%		
Working Capital to Oper Exp. * %	16.0%	14.9%	54.1%	49.4%	59.0%	57.3%		
<b><u>Solvency (Market)</u></b>								
Farm Debt to Asset Ratio %	53%	55%	45%	46%	44%	43%		
Farm Equity to Asset Ratio %	47%	45%	55%	54%	56%	57%		
Farm Debt to Equity Ratio %	1.13	1.22	0.83	0.87	0.80	0.76		
<b><u>Profitability (Cost)</u></b>								
Rate of Return on Farm Assets %	-5.1%	-4.7%	9.4%	6.4%	13.3%	10.5%		
Rate of Return on Farm Equity %	-18.4%	-17.6%	13.7%	8.2%	19.8%	14.8%		
Operating Profit Margin %	-23.0%	-21.8%	23.4%	17.8%	28.6%	25.9%		
Asset Turnover Rate (Cost) %	22.2%	21.3%	40.0%	34.7%	46.7%	40.2%		
<b><u>Repayment Capacity (Accrual)</u></b>								
Debt Coverage Ratio *	0.42	0.49	2.64	2.46	3.56	3.39		
Term Debt Coverage Ratio	0.36	0.21	2.79	2.10	3.83	3.12		
Replacement Coverage Ratio	0.34	0.18	2.13	1.64	2.84	2.37		
<b><u>Efficiency</u></b>								
Operating Expense Ratio %	96.8%	97.2%	69.4%	72.5%	67.4%	68.3%		
Depreciation Expense Ratio %	10.0%	10.3%	5.3%	6.3%	4.5%	5.4%		
Interest Expense Ratio %	8.4%	9.2%	3.5%	4.6%	2.7%	3.3%		
Net Farm Income Ratio %	-15.2%	-17.5%	21.7%	16.5%	25.4%	23.2%		

\* NOTE: The average data for these ratios is based on a 3-year history. The Farm Financial Standards Council modified the recommended standards so the full 5-year history is not currently available.

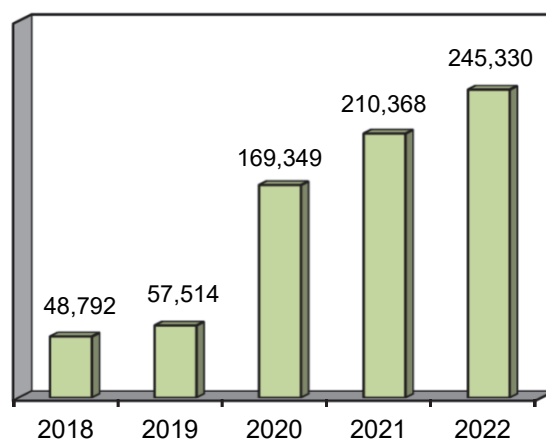
**Liquidity & Repayment Capacity Measures**  
**Northern Minnesota Farm Business Management Data**  
**(Farms Sorted By Net Farm Income)**

	Avg. Of <u>All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	541	108	108	108
<b>Liquidity</b>				
Current ratio	2.38	1.28	2.38	2.54
Working capital	411,782	45,990	225,032	1,226,914
Change in Working Capital	106,221	35,127	46,762	385,223
Working capital to gross revenue	37.5%	15.5%	32.9%	39.7%
Working capital to oper expense	54.1%	16.0%	45.6%	59.0%
Current assets	709,502	210,839	387,813	2,023,323
Current liabilities	297,720	164,849	162,781	796,409
Gross revenues (accrual)	1,096,849	297,624	684,163	3,088,202
Total operating expenses	761,564	288,166	493,397	2,080,592
<b>Repayment capacity</b>				
Net farm income from operations	238,553	-45,192	130,590	785,514
Depreciation	58,105	29,693	35,018	138,709
Personal income	36,341	60,646	25,996	24,659
Family living/owner withdrawals	-59,621	-40,686	-48,036	103,826
Cash discrepancy	-47	-146	-68	90
Income taxes	-9,051	-1,380	-4,120	-25,735
Interest expense	38,627	24,957	25,158	83,387
Debt repayment capacity	304,287	29,617	166,110	904,327
Debt payments	115,301	71,239	76,852	253,702
Repayment margin	188,986	-41,622	89,258	650,625
Cash replacement allowance	-27,264	-15,788	-14,636	-65,007
Replacement margin	161,722	-57,409	74,622	585,619
Debt coverage ratio	2.64	0.42	2.16	3.56
Term debt coverage ratio	2.79	0.36	2.25	3.83
Replacement coverage ratio	2.13	0.34	1.82	2.84

**Net Farm Income from Operations**



**Change in Net Worth**







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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	66	11	17	10
Average family size	3.6	3.7	3.5	4.6
<b>Family Living Expenses</b>				
Food and meals expense	12,692	10,009	8,903	14,911
Medical care	4,276	2,549	3,821	8,448
Health insurance	4,422	2,509	5,541	4,852
Cash donations	1,768	492	1,137	1,527
Household supplies	5,311	4,275	5,669	8,475
Clothing	2,190	1,285	1,817	5,413
Personal care	3,357	1,222	893	5,111
Child / Dependent care	725	1,936	203	538
Alimony and child support	104	-	402	-
Gifts	3,227	1,758	3,713	2,917
Education	1,626	761	1,566	2,168
Recreation	5,636	6,432	3,141	10,101
Utilities (household share)	2,780	2,154	2,260	2,986
Personal vehicle operating exp	3,668	3,479	3,603	5,863
Household real estate taxes	298	422	-	435
Dwelling rent	668	-	-	930
Household repairs	3,725	2,541	2,127	5,520
Personal interest	1,188	1,181	257	3,935
Disability / Long term care ins	890	285	226	-
Life insurance payments	2,597	1,827	2,179	5,332
Personal property insurance	312	319	202	100
Miscellaneous	8,190	9,044	10,107	6,475
Total cash family living expense	69,652	54,480	57,766	96,037
Family living from the farm	535	-	260	1,225
Total family living	70,186	54,480	58,026	97,262
<b>Other Nonfarm Expenditures</b>				
Income taxes	8,812	1,707	8,068	9,720
Furnishing & appliance purchases	-	-	-	-
Nonfarm vehicle purchases	4,633	4,793	661	10,768
Nonfarm real estate purchases	1,136	-	-	-
Other nonfarm capital purchases	170	-	662	-
Nonfarm savings & investments	11,708	-4,684	4,041	633
Total other nonfarm expenditures	26,460	1,816	13,432	21,122
Total cash family living investment & nonfarm capital purch	96,112	56,296	71,198	117,159

**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	541	108	108	109
<b>Nonfarm Income</b>				
Personal wages & salary	24,690	41,458	20,924	10,848
Net nonfarm business income	4,692	13,016	364	5,740
Personal rental income	750	385	76	2,996
Personal interest income	148	3	41	441
Personal cash dividends	333	16	10	45
Tax refunds	1,899	2,392	1,999	1,072
Other nonfarm income	3,829	3,377	2,583	3,518
Total nonfarm income	36,341	60,646	25,996	24,659
Gifts and inheritances	2,335	2,956	1,345	2,225
<b>Nonfarm Assets (market)</b>				
Checking & savings	12,044	14,803	10,294	9,295
Stocks & bonds	7,230	3,477	8,047	11,045
Other current assets	2,259	3,504	322	5,082
Furniture & appliances	7,218	7,401	9,288	6,215
Nonfarm vehicles	20,555	18,983	17,301	22,943
Cash value of life ins.	5,055	4,722	5,886	4,807
Retirement accounts	70,584	51,360	32,854	100,561
Other intermediate assets	6,011	3,474	2,242	13,461
Nonfarm real estate	99,045	78,738	112,468	131,315
Personal bus. investment	24,975	15,019	2,073	92,027
Other long term assets	7,253	8,807	5,709	8,027
Total nonfarm assets	262,227	210,289	206,483	404,776
<b>Nonfarm Liabilities</b>				
Accrued interest	92	70	96	71
Accounts payable	1,754	399	7,704	103
Current notes	824	1,617	1,306	213
Princ due on term debt	3,318	4,236	2,876	3,125
Total current liabilities	8,355	6,323	12,347	11,970
Intermediate liabilities	7,006	9,201	7,013	4,248
Long term liabilities	26,544	24,709	23,403	32,919
Total nonfarm liabilities	41,904	40,234	42,762	49,137
Nonfarm net worth	220,323	170,055	163,721	355,640
Nonfarm debt to asset ratio	16 %	19 %	21 %	12 %

**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	541	108	108	109
<b>Operator Information</b>				
Average number of operators	1.2	1.1	1.1	1.6
Average age of operators	46.4	45.3	44.1	48.3
Average number of years farming	22.3	18.3	21.2	25.1
<b>Results Per Operator</b>				
Working capital	332,174	41,032	198,347	753,429
Total assets (market)	2,563,535	1,478,671	1,802,359	4,409,646
Total liabilities	1,106,803	726,411	781,649	1,883,709
Net worth (market)	1,456,732	752,260	1,020,710	2,525,937
Net worth excl deferred liabs	1,681,191	864,110	1,168,502	2,946,059
Gross farm income	884,800	265,538	603,033	1,896,417
Total farm expense	692,365	305,858	487,928	1,414,045
Net farm income from operations	192,435	-40,320	115,104	482,372
Net nonfarm income	29,316	54,108	22,913	15,143
Family living & tax withdrawals	55,434	37,661	46,031	79,506
Total acres owned	322.6	211.5	231.2	440.0
Total crop acres	708.5	292.7	488.6	1,397.0
Crop acres owned	208.8	115.5	140.3	329.0
Crop acres cash rented	494.9	176.8	347.1	1,062.4
Crop acres share rented	4.9	0.4	1.2	5.6
Total pasture acres	46.6	115.0	39.8	10.8
<b>Labor Analysis</b>				
Number of farms	538	108	107	108
Total unpaid labor hours	2,566	1,883	2,767	3,636
Total hired labor hours	2,268	775	1,100	7,424
Total labor hours per farm	4,834	2,658	3,868	11,061
Unpaid hours per operator	2,069	1,680	2,427	2,238
Value of farm production / hour	188.63	87.97	142.06	234.19
Net farm income / unpaid hour	92.44	-24.01	47.32	215.32
Average hourly hired labor wage	20.45	22.43	19.58	21.06
<b>Partnerships &amp; LLCs</b>				
Number of farms	80	9	9	41
Number of operators	2.2	1.9	2.2	2.3
Owner withdrawals per farm	121,154	-	-	150,746
Withdrawals per operator	51,012	-	-	57,979
<b>Corporations</b>				
Number of farms	18	3	3	7
Number of operators	2.2	-	-	2.9

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

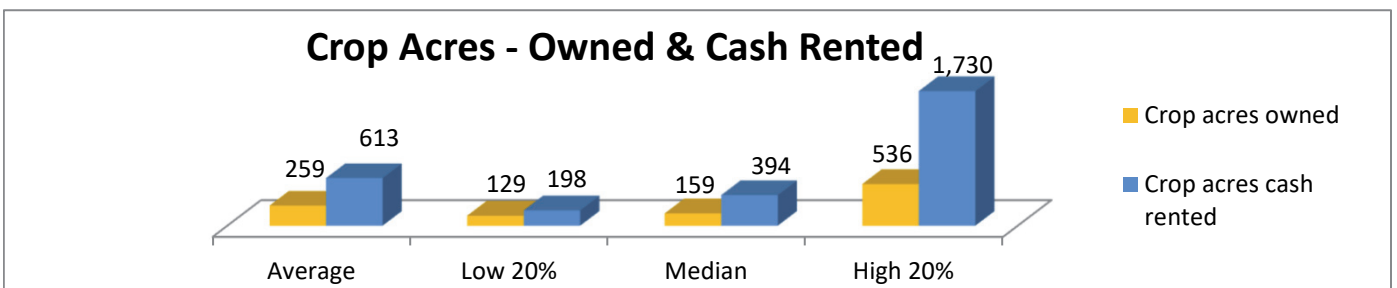
	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	541	108	108	109
<b>Acreage Summary</b>				
Total acres owned	400	237	262	716
Total crop acres	878	328	554	2275
Crop acres owned	259	129	159	536
Crop acres cash rented	613	198	394	1,730
Crop acres share rented	6	0	1	9
Total pasture acres	58	129	45	18
Percent crop acres owned	29%	39%	29%	24%
Mach invest/crop acre cost	603	806	543	590
Mach invest/crop acre market	712	1,056	634	673

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

Soybeans per bushel	13.45	13.5	13.72	13.45
Corn per bushel	6.02	5.92	5.98	6.04
Wheat, Spring per bushel	9.16	9.63	9.1	9.01
Oats per bushel	4.91	4.88	4.84	5.06
Rye per bushel	7.56	6.73	9.95	7.19
Hay, Alfalfa per ton	143.19	111.58	139.72	176.12
Corn Silage per ton	43.85	-	-	49.58
Soybeans Seed per bushel	14.18	-	-	14.26
Grass Seed, Perennial Rye per lb	1.02	-	-	1.02
Canola per cwt	30.91	-	-	30.52
Beans, Navy per cwt	38.48	-	-	38.1
Sunflowers per cwt	31.14	-	-	31.61
Potatoes per cwt	11.45	-	-	11.17

**Average Yield Per Acre**

Soybeans (bushel)	40.16	34.67	37.02	41.04
Corn (bushel)	173.82	164.69	167.24	177.24
Wheat, Spring (bushel)	64.35	58.28	58.31	65.57
Oats (bushel)	86.98	56.44	68.13	110.29
Rye (bushel)	50.4	20.62	32.13	57.3
Hay, Alfalfa (ton)	3.91	3.04	3.59	4.85
Corn Silage (ton)	20.15	18.84	19.4	20.68
Soybeans Seed (bushel)	47.85	-	-	50.69
Grass Seed, Perennial Rye (lbs)	838.26	-	-	845.29
Canola (cwt)	22.04	-	-	22.18
Beans, Navy (cwt)	25.22	-	-	25.28
Sunflowers per (cwt)	25.69	-	-	-
Potatoes per (cwt)	381.31	-	-	424.12



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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.

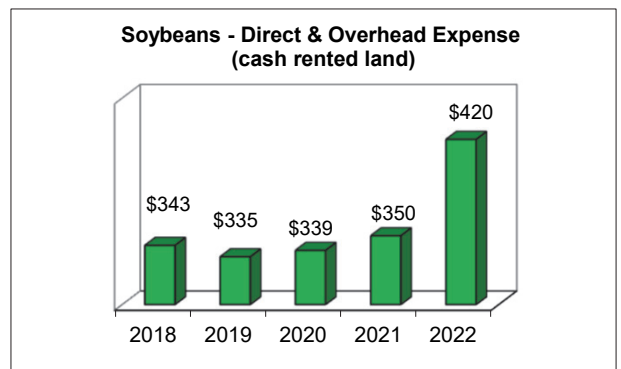
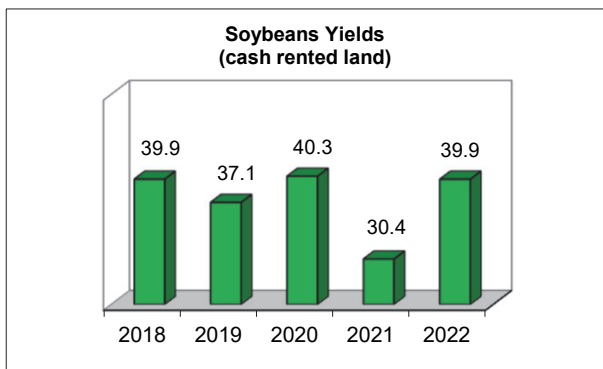
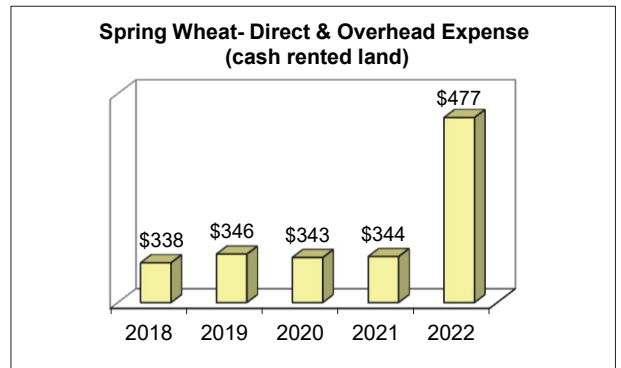
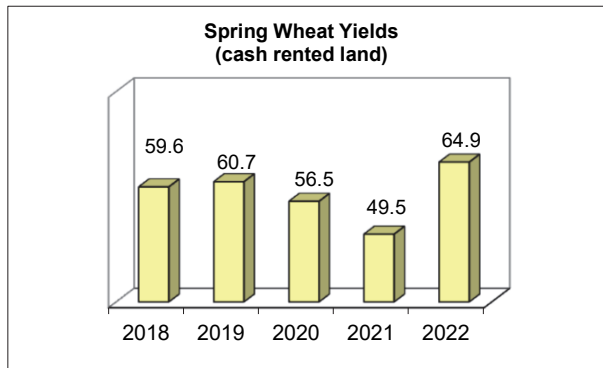
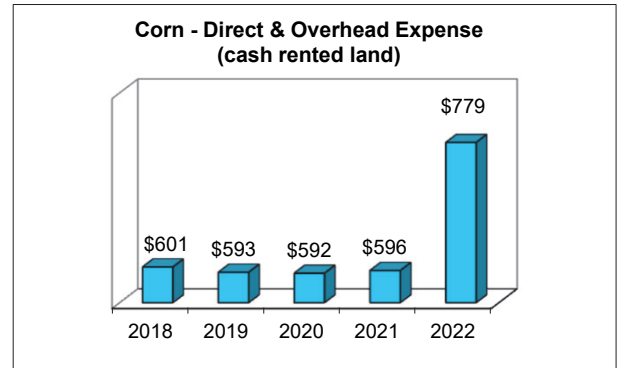
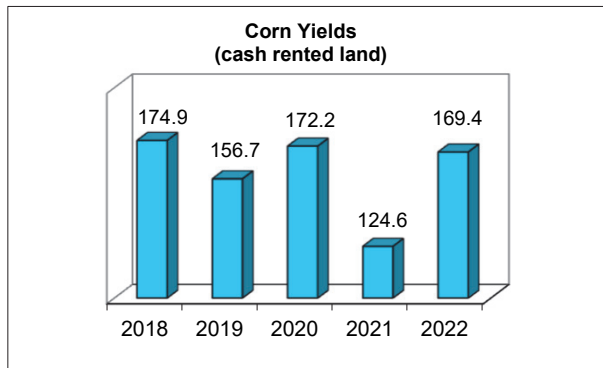
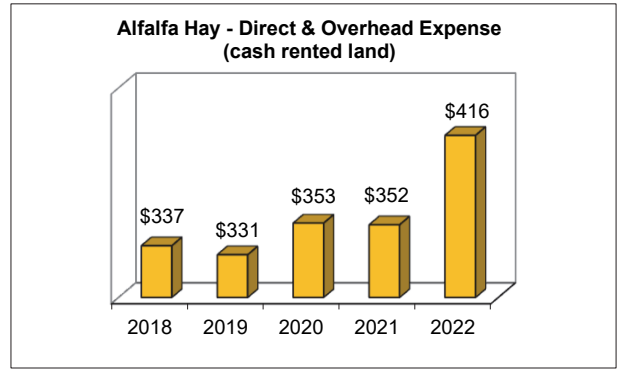
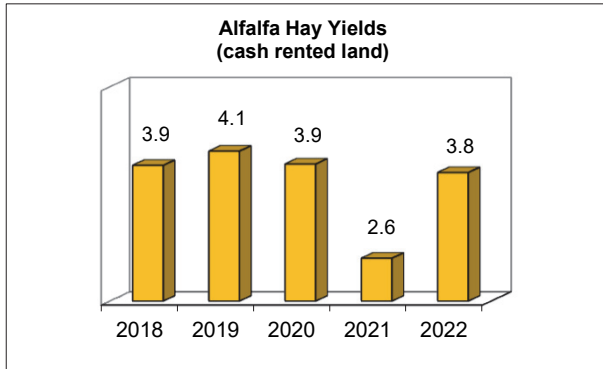
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Machinery Cost per Acre is a factor used to combine all costs related to machinery usage. The Machinery Cost per Acre includes: Fuel & Oil, Repairs, Custom hire, Machinery leases, Interest on machinery debt, and Machinery depreciation. A machinery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

<b>Crop</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Alfalfa Hay	\$177.01	\$161.73	\$168.16	\$182.89	\$207.03
Corn	\$161.45	\$160.80	\$166.17	\$165.39	\$197.33
Corn Silage	\$206.32	\$224.53	\$224.95	\$220.53	\$251.78
Soybeans	\$88.20	\$84.51	\$94.38	\$86.74	\$111.44
Spring Wheat	\$87.85	\$87.90	\$92.53	\$88.66	\$105.24

## 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	181	36	37
Acres	113.71	121.24	112.63
Yield per acre (bu.)	168.99	164.36	193.59
Operator's share of yield %	100.00	100.00	100.00
Value per bu.	6.09	6.04	6.26
Other product return per acre	5.35	8.44	8.86
Total product return per acre	1,034.64	1,001.51	1,221.67
Hedging gains/losses per acre	-0.83	-2.61	-
Crop insurance per acre	8.52	16.86	0.56
Other crop income per acre	2.35	0.93	1.23
Gross return per acre	1,044.68	1,016.69	1,223.47
<b>Direct Expenses</b>			
Seed and plants	103.91	102.70	104.44
Fertilizer	186.75	169.14	155.19
Crop chemicals	42.69	52.59	39.73
Crop insurance	27.75	28.59	20.49
Drying expense	11.41	11.24	11.19
Storage	0.58	0.26	1.19
Packaging and supplies	0.89	2.04	0.30
Fuel & oil	44.10	49.82	41.14
Repairs	72.93	76.42	61.47
Custom hire	14.98	14.41	11.07
Hired labor	2.77	4.92	0.20
Machinery leases	1.19	1.32	0.06
Utilities	0.55	0.41	0.16
Hauling and trucking	3.71	3.80	4.06
Marketing	1.80	1.98	0.82
Operating interest	8.03	5.33	8.77
Miscellaneous	2.52	1.58	3.00
Total direct expenses per acre	526.57	526.56	463.25
Return over direct exp per acre	518.11	490.13	760.21
<b>Overhead Expenses</b>			
Hired labor	12.41	12.40	10.31
Machinery leases	2.36	1.17	0.64
Building leases	0.91	0.55	0.17
RE & pers. property taxes	20.07	19.72	21.54
Farm insurance	12.61	12.71	11.74
Utilities	6.95	5.61	7.62
Dues & professional fees	4.42	5.48	4.18
Interest	68.73	73.80	39.65
Mach & bldg depreciation	62.24	61.16	61.20
Miscellaneous	7.78	5.45	11.33
Total overhead expenses per acre	198.48	198.06	168.36
Total dir & ovhd expenses per acre	725.05	724.62	631.62
Net return per acre	319.63	292.07	591.85
Government payments	1.53	2.87	1.55
Net return with govt pmts	321.16	294.94	593.40
Labor & management charge	62.10	57.84	64.56
Net return over lbr & mgt	259.06	237.10	528.84
<b>Cost of Production</b>			
Total direct expense per bu.	3.12	3.20	2.39
Total dir & ovhd exp per bu.	4.29	4.41	3.26
Less govt & other income	4.19	4.25	3.20
With labor & management	4.56	4.60	3.53
Net value per unit	6.09	6.03	6.26
Machinery cost per acre	197.33	205.16	169.37
Est. labor hours per acre	3.31	3.28	3.32



**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	224	45	45
Acres	250.37	291.55	181.86
Yield per acre (bu.)	169.41	173.07	188.08
Operator's share of yield %	100.00	100.00	100.00
Value per bu.	6.06	6.10	6.26
Other product return per acre	4.34	1.45	18.13
Total product return per acre	1,030.29	1,057.76	1,194.93
Hedging gains/losses per acre	-0.04	5.68	-
Crop insurance per acre	6.16	9.07	0.24
Other crop income per acre	2.60	4.07	2.04
Gross return per acre	1,039.01	1,076.58	1,197.21
<b>Direct Expenses</b>			
Seed and plants	100.86	104.55	95.15
Fertilizer	192.69	207.69	140.96
Crop chemicals	40.66	43.66	39.12
Crop insurance	30.51	42.99	23.01
Drying expense	16.31	15.70	13.81
Packaging and supplies	0.60	0.18	0.63
Fuel & oil	41.65	36.36	43.80
Repairs	69.01	71.01	47.08
Custom hire	11.50	7.96	18.09
Hired labor	2.95	5.04	1.67
Land rent	137.30	123.64	133.98
Machinery leases	3.04	1.91	0.39
Utilities	0.60	0.62	0.45
Hauling and trucking	1.79	3.65	1.71
Marketing	1.51	1.77	0.60
Operating interest	11.17	11.59	4.69
Miscellaneous	3.26	2.75	3.48
Total direct expenses per acre	665.40	681.07	568.62
Return over direct exp per acre	373.60	395.50	628.60
<b>Overhead Expenses</b>			
Hired labor	16.12	12.49	22.77
Machinery leases	4.76	4.58	4.37
Building leases	2.49	4.74	2.67
Farm insurance	10.80	11.44	10.00
Utilities	5.12	5.24	5.66
Dues & professional fees	4.18	4.56	4.16
Interest	6.34	6.10	2.75
Mach & bldg depreciation	58.14	65.97	37.43
Miscellaneous	6.06	5.39	10.68
Total overhead expenses per acre	114.01	120.51	100.48
Total dir & ovhd expenses per acre	779.41	801.59	669.10
Net return per acre	259.60	274.99	528.11
Government payments	2.12	1.87	2.28
Net return with govt pmts	261.72	276.86	530.39
Labor & management charge	57.64	55.60	61.74
Net return over lbr & mgt	204.07	221.26	468.65
<b>Cost of Production</b>			
Total direct expense per bu.	3.93	3.94	3.02
Total dir & ovhd exp per bu.	4.60	4.63	3.56
Less govt & other income	4.51	4.50	3.44
With labor & management	4.85	4.82	3.77
Net value per unit	6.06	6.14	6.26
Machinery cost per acre	187.39	187.69	146.15
Est. labor hours per acre	2.96	2.73	3.59

**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	157	32	32
Acres	186.91	183.99	150.38
Yield per acre (bu.)	39.68	39.53	49.01
Operators share of yield %	100.00	100.00	100.00
Value per bu.	13.93	13.80	14.18
Other product return per acre	0.20	-	0.66
Total product return per acre	553.07	545.46	695.55
Hedging gains/losses per acre	-0.13	-	-
Crop insurance per acre	13.67	8.40	11.01
Other crop income per acre	2.85	3.21	2.70
Gross return per acre	569.46	557.07	709.26
<b>Direct Expenses</b>			
Seed and plants	58.55	60.30	53.80
Fertilizer	40.92	42.73	26.12
Crop chemicals	44.77	46.59	43.45
Crop insurance	22.36	20.46	22.96
Fuel & oil	25.33	23.16	23.85
Repairs	37.60	30.50	35.49
Custom hire	9.00	5.50	6.21
Hired labor	1.38	1.18	1.22
Machinery leases	1.98	4.80	1.82
Utilities	0.38	1.00	0.13
Hauling and trucking	1.22	0.18	2.40
Marketing	1.76	2.47	0.94
Operating interest	5.68	2.26	4.88
Miscellaneous	1.62	1.27	1.73
Total direct expenses per acre	252.54	242.42	225.00
Return over direct exp per acre	316.92	314.65	484.26
<b>Overhead Expenses</b>			
Hired labor	6.02	6.40	2.90
Machinery leases	2.31	3.44	3.56
Building leases	0.48	0.19	1.16
RE & pers. property taxes	15.72	16.25	18.87
Farm insurance	7.88	7.75	6.72
Utilities	4.79	4.78	3.62
Dues & professional fees	2.48	2.61	1.58
Interest	47.71	45.45	42.19
Mach & bldg depreciation	35.56	36.52	31.94
Miscellaneous	3.54	5.55	2.27
Total overhead expenses per acre	126.48	128.94	114.82
Total dir & ovhd expenses per acre	379.03	371.35	339.83
Net return per acre	190.43	185.72	369.43
Government payments	1.34	0.65	0.07
Net return with govt pmts	191.78	186.37	369.50
Labor & management charge	40.92	41.87	37.71
Net return over lbr & mgt	150.85	144.50	331.79
<b>Cost of Production</b>			
Total direct expense per bu.	6.36	6.13	4.59
Total dir & ovhd exp per bu.	9.55	9.39	6.93
Less govt & other income	9.10	9.08	6.64
With labor & management	10.13	10.14	7.41
Net value per unit	13.93	13.80	14.18
Machinery cost per acre	111.44	103.93	100.26
Est. labor hours per acre	1.66	1.78	1.66

**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	240	48	48
Acres	389.63	448.07	250.52
Yield per acre (bu.)	39.87	39.56	50.38
Operators share of yield %	100.00	100.00	100.00
Value per bu.	13.89	13.82	13.98
Other product return per acre	0.04	-	0.20
Total product return per acre	553.60	546.60	704.56
Hedging gains/losses per acre	0.08	-	-
Crop insurance per acre	14.10	15.86	0.55
Other crop income per acre	3.53	6.36	3.18
Gross return per acre	571.32	568.82	708.29
<b>Direct Expenses</b>			
Seed and plants	57.99	53.37	60.14
Fertilizer	41.11	29.38	31.11
Crop chemicals	49.76	45.79	46.15
Crop insurance	21.37	19.82	17.17
Fuel & oil	23.51	22.77	22.90
Repairs	36.60	34.43	34.34
Custom hire	7.63	4.42	3.33
Hired labor	2.26	8.13	0.11
Land rent	106.03	115.82	104.56
Machinery leases	2.24	1.35	1.57
Hauling and trucking	0.91	0.96	2.33
Marketing	1.27	1.61	1.29
Operating interest	6.15	5.21	3.89
Miscellaneous	2.78	2.83	3.23
Total direct expenses per acre	359.62	345.88	332.12
Return over direct exp per acre	211.70	222.94	376.17
<b>Overhead Expenses</b>			
Hired labor	9.10	5.73	8.18
Machinery leases	2.12	2.72	4.82
Building leases	1.18	3.53	0.58
Farm insurance	6.31	6.22	5.49
Utilities	3.54	4.03	3.28
Dues & professional fees	2.34	2.18	2.03
Interest	3.86	2.70	3.09
Mach & bldg depreciation	29.83	32.27	27.12
Miscellaneous	2.51	2.99	2.66
Total overhead expenses per acre	60.79	62.37	57.26
Total dir & ovhd expenses per acre	420.41	408.25	389.37
Net return per acre	150.91	160.57	318.92
Government payments	1.46	1.53	1.11
Net return with govt pmts	152.37	162.10	320.02
Labor & management charge	36.18	37.05	36.07
Net return over lbr & mgt	116.19	125.06	283.95
<b>Cost of Production</b>			
Total direct expense per bu.	9.02	8.74	6.59
Total dir & ovhd exp per bu.	10.55	10.32	7.73
Less govt & other income	10.06	9.72	7.63
With labor & management	10.97	10.66	8.35
Net value per unit	13.89	13.82	13.98
Machinery cost per acre	102.97	98.09	93.07
Est. labor hours per acre	1.61	1.62	1.58

**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	69	14	14
Acres	186.92	213.73	175.45
Yield per acre (bu.)	64.39	64.59	72.31
Operators share of yield %	100.00	100.00	100.00
Value per bu.	9.05	9.00	9.33
Other product return per acre	1.66	1.24	3.92
Total product return per acre	584.15	582.89	678.85
Crop insurance per acre	7.34	-	23.10
Other crop income per acre	2.38	1.32	3.01
Gross return per acre	593.86	584.21	704.96
<b>Direct Expenses</b>			
Seed and plants	28.14	29.81	27.49
Fertilizer	150.48	152.55	142.18
Crop chemicals	38.40	42.14	42.95
Crop insurance	20.10	19.40	17.40
Drying expense	1.77	1.27	1.90
Fuel & oil	23.29	24.06	25.37
Repairs	33.70	43.57	31.59
Custom hire	8.67	6.78	7.23
Machinery leases	0.51	-	-
Hauling and trucking	0.77	1.05	-
Marketing	0.91	0.06	0.56
Operating interest	3.71	3.61	3.87
Miscellaneous	1.12	0.88	0.84
Total direct expenses per acre	311.56	325.16	301.36
Return over direct exp per acre	282.30	259.05	403.61
<b>Overhead Expenses</b>			
Hired labor	8.31	4.48	15.26
Machinery leases	2.24	0.00	0.64
RE & pers. property taxes	12.90	11.79	18.06
Farm insurance	7.97	8.34	8.81
Utilities	5.41	5.66	6.20
Dues & professional fees	2.77	4.94	2.23
Interest	31.90	35.19	16.06
Mach & bldg depreciation	37.18	28.10	26.85
Miscellaneous	2.56	2.60	4.31
Total overhead expenses per acre	111.25	101.10	98.41
Total dir & ovhd expenses per acre	422.81	426.26	399.77
Net return per acre	171.05	157.95	305.19
Government payments	1.88	4.66	0.61
Net return with govt pmts	172.93	162.61	305.80
Labor & management charge	43.35	45.13	38.99
Net return over lbr & mgt	129.58	117.48	266.82
<b>Cost of Production</b>			
Total direct expense per bu.	4.84	5.03	4.17
Total dir & ovhd exp per bu.	6.57	6.60	5.53
Less govt & other income	6.36	6.49	5.10
With labor & management	7.03	7.19	5.64
Net value per unit	9.05	9.00	9.33
Machinery cost per acre	105.24	102.41	92.57
Est. labor hours per acre	1.75	1.84	2.10

**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	109	22	22
Acres	385.41	406.48	421.31
Yield per acre (bu.)	64.86	60.90	77.41
Operators share of yield %	100.00	100.00	100.00
Value per bu.	9.18	9.23	9.39
Other product return per acre	1.22	1.54	0.67
Total product return per acre	596.45	563.95	727.79
Crop insurance per acre	7.42	1.77	6.81
Other crop income per acre	6.46	2.31	2.50
Gross return per acre	610.33	568.04	737.10
<b>Direct Expenses</b>			
Seed and plants	30.54	27.97	27.45
Fertilizer	150.86	147.03	141.69
Crop chemicals	43.07	41.70	42.33
Crop insurance	16.62	18.80	14.64
Drying expense	1.94	0.78	3.54
Fuel & oil	24.42	25.47	22.56
Repairs	36.28	38.11	33.88
Custom hire	7.69	9.03	6.97
Hired labor	1.13	0.06	-
Land rent	89.27	95.49	75.45
Machinery leases	0.87	0.11	0.89
Hauling and trucking	0.41	0.45	0.51
Marketing	1.11	0.96	1.28
Operating interest	5.25	7.16	4.54
Miscellaneous	2.46	2.83	2.03
Total direct expenses per acre	411.92	415.95	377.77
Return over direct exp per acre	198.41	152.08	359.33
<b>Overhead Expenses</b>			
Hired labor	13.59	17.27	11.10
Machinery leases	2.09	1.48	2.91
Building leases	0.85	0.10	0.17
Farm insurance	6.60	6.50	5.55
Utilities	4.25	4.31	3.40
Dues & professional fees	2.43	3.03	2.27
Interest	3.33	3.90	4.21
Mach & bldg depreciation	29.59	22.17	28.51
Miscellaneous	2.77	4.17	2.80
Total overhead expenses per acre	65.50	62.94	60.92
Total dir & ovhd expenses per acre	477.43	478.89	438.69
Net return per acre	132.91	89.14	298.41
Government payments	1.83	4.01	1.00
Net return with govt pmts	134.74	93.16	299.41
Labor & management charge	37.22	33.02	34.67
Net return over lbr & mgt	97.52	60.13	264.73
<b>Cost of Production</b>			
Total direct expense per bu.	6.35	6.83	4.88
Total dir & ovhd exp per bu.	7.36	7.86	5.67
Less govt & other income	7.10	7.71	5.53
With labor & management	7.67	8.25	5.97
Net value per unit	9.18	9.23	9.39
Machinery cost per acre	100.45	98.83	95.25
Est. labor hours per acre	1.64	1.72	1.59

**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	111	22	23
Acres	64.45	93.92	66.83
Yield per acre (ton)	19.37	18.24	24.21
Operators share of yield %	100.00	100.00	100.00
Value per ton	45.33	46.18	47.84
Total product return per acre	878.07	842.62	1,158.15
Crop insurance per acre	1.72	4.34	0.02
Other crop income per acre	0.72	1.84	-
Gross return per acre	880.50	848.80	1,158.17
<b>Direct Expenses</b>			
Seed and plants	92.79	88.41	92.78
Fertilizer	120.22	161.57	100.12
Crop chemicals	43.52	41.58	44.71
Crop insurance	22.94	26.11	24.52
Packaging and supplies	16.90	21.67	8.43
Fuel & oil	54.81	52.62	43.07
Repairs	79.82	56.57	95.11
Custom hire	61.22	57.54	41.31
Hired labor	2.36	3.09	0.73
Machinery leases	1.68	3.25	1.63
Operating interest	3.96	5.91	2.73
Miscellaneous	2.61	3.52	2.56
Total direct expenses per acre	502.82	521.85	457.72
Return over direct exp per acre	377.68	326.96	700.45
<b>Overhead Expenses</b>			
Hired labor	20.80	21.41	15.51
Machinery leases	3.52	4.38	4.69
Building leases	0.52	1.14	0.19
RE & pers. property taxes	14.49	13.89	12.40
Farm insurance	11.88	10.20	11.76
Utilities	7.09	7.83	7.49
Dues & professional fees	4.23	4.59	4.34
Interest	69.18	94.87	56.35
Mach & bldg depreciation	51.04	41.89	57.75
Miscellaneous	4.67	3.38	4.08
Total overhead expenses per acre	187.41	203.57	174.55
Total dir & ovhd expenses per acre	690.23	725.42	632.27
Net return per acre	190.28	123.38	525.90
Government payments	1.31	1.04	0.46
Net return with govt pmts	191.58	124.42	526.36
Labor & management charge	52.88	52.34	48.81
Net return over lbr & mgt	138.70	72.08	477.55
<b>Cost of Production</b>			
Total direct expense per ton	25.96	28.60	18.91
Total dir & ovhd exp per ton	35.63	39.76	26.12
Less govt & other income	35.44	39.36	26.10
With labor & management	38.17	42.23	28.12
Net value per unit	45.33	46.18	47.84
Machinery cost per acre	251.78	211.37	244.43
Est. labor hours per acre	4.27	3.66	4.87

**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	99	20	20
Acres	108.07	108.89	83.01
Yield per acre (ton)	19.37	20.74	20.59
Operators share of yield %	100.00	100.00	100.00
Value per ton	48.24	45.80	51.25
Total product return per acre	934.43	949.90	1,054.99
Crop insurance per acre	3.34	-	8.66
Gross return per acre	937.77	949.90	1,063.66
<b>Direct Expenses</b>			
Seed and plants	102.51	110.16	100.46
Fertilizer	139.57	170.22	70.37
Crop chemicals	46.67	48.43	44.82
Crop insurance	22.60	21.97	28.02
Packaging and supplies	21.92	19.94	5.18
Fuel & oil	65.21	60.22	38.59
Repairs	69.45	71.28	56.48
Custom hire	98.22	90.36	56.66
Hired labor	1.57	2.67	1.26
Land rent	141.58	120.61	108.53
Machinery leases	1.00	0.14	-
Utilities	0.73	0.00	0.81
Operating interest	2.75	1.57	3.51
Miscellaneous	3.39	3.57	2.26
Total direct expenses per acre	717.15	721.15	516.93
Return over direct exp per acre	220.62	228.74	546.73
<b>Overhead Expenses</b>			
Hired labor	24.24	25.32	22.45
Machinery leases	3.26	0.43	1.06
Building leases	0.98	-	1.57
Farm insurance	7.70	6.89	4.72
Utilities	5.25	6.18	3.13
Dues & professional fees	2.72	2.72	2.56
Interest	7.63	3.26	4.98
Mach & bldg depreciation	51.35	51.53	43.35
Miscellaneous	2.86	1.90	2.09
Total overhead expenses per acre	106.00	98.24	85.90
Total dir & ovhd expenses per acre	823.15	819.39	602.83
Net return per acre	114.62	130.50	460.83
Government payments	2.33	0.25	3.15
Net return with govt pmts	116.95	130.75	463.97
Labor & management charge	46.47	48.31	50.24
Net return over lbr & mgt	70.48	82.44	413.73
<b>Cost of Production</b>			
Total direct expense per ton	37.02	34.77	25.11
Total dir & ovhd exp per ton	42.50	39.51	29.28
Less govt & other income	42.20	39.50	28.71
With labor & management	44.60	41.83	31.15
Net value per unit	48.24	45.80	51.25
Machinery cost per acre	287.99	266.24	196.48
Est. labor hours per acre	3.42	3.61	3.10

**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	92	19	19
Acres	58.11	72.30	65.47
Yield per acre (ton)	4.09	4.27	5.56
Operators share of yield %	100.00	100.00	100.00
Value per ton	153.99	159.42	162.28
Total product return per acre	630.55	681.41	902.35
Crop insurance per acre	2.72	1.94	-
Other crop income per acre	0.16	-	-
Gross return per acre	633.43	683.36	902.35
<b>Direct Expenses</b>			
Fertilizer	56.25	83.82	63.76
Crop chemicals	9.41	6.72	11.21
Crop insurance	2.16	3.68	2.45
Packaging and supplies	14.00	22.53	8.02
Fuel & oil	50.85	52.86	52.27
Repairs	76.61	78.36	81.87
Custom hire	22.20	34.72	10.10
Hired labor	2.50	1.33	-
Machinery leases	3.47	-	7.00
Utilities	0.89	-	2.65
Operating interest	4.22	6.80	1.60
Miscellaneous	3.33	5.96	2.68
Total direct expenses per acre	245.91	296.77	243.60
Return over direct exp per acre	387.52	386.59	658.75
<b>Overhead Expenses</b>			
Hired labor	15.14	20.90	15.12
Machinery leases	1.92	3.13	2.22
RE & pers. property taxes	15.56	14.11	12.77
Farm insurance	11.99	10.44	14.29
Utilities	6.06	5.95	7.97
Dues & professional fees	3.92	3.57	3.34
Interest	54.89	55.67	64.13
Mach & bldg depreciation	53.14	68.51	50.05
Miscellaneous	5.13	5.25	4.78
Total overhead expenses per acre	167.76	187.54	174.67
Total dir & ovhd expenses per acre	413.66	484.31	418.27
Net return per acre	219.76	199.04	484.08
Government payments	0.30	-	1.00
Net return with govt pmts	220.06	199.04	485.08
Labor & management charge	61.09	60.19	55.59
Net return over lbr & mgt	158.97	138.86	429.49
<b>Cost of Production</b>			
Total direct expense per ton	60.05	69.43	43.81
Total dir & ovhd exp per ton	101.02	113.31	75.22
Less govt & other income	100.25	112.86	75.04
With labor & management	115.17	126.94	85.04
Net value per unit	153.99	159.42	162.28
Machinery cost per acre	207.03	236.00	205.10
Est. labor hours per acre	4.19	4.08	4.45



**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	106	21	22
Acres	82.27	87.84	80.02
Yield per acre (ton)	3.77	3.37	5.30
Operators share of yield %	100.00	100.00	100.00
Value per ton	152.22	153.43	163.10
Total product return per acre	573.83	517.16	863.63
Crop insurance per acre	2.59	-	12.84
Other crop income per acre	0.59	-	-
Gross return per acre	577.02	517.16	876.48
<b>Direct Expenses</b>			
Seed and plants	1.14	0.70	-
Fertilizer	52.54	44.25	63.89
Crop chemicals	11.37	11.67	10.20
Crop insurance	2.24	4.18	2.41
Packaging and supplies	13.87	20.43	14.60
Fuel & oil	45.56	52.32	46.07
Repairs	68.06	73.50	68.29
Custom hire	14.60	3.29	11.06
Hired labor	1.53	1.74	3.26
Land rent	104.13	91.17	103.77
Machinery leases	1.52	0.17	3.63
Operating interest	4.03	3.15	2.91
Miscellaneous	2.80	0.33	3.32
Total direct expenses per acre	323.39	306.89	333.41
Return over direct exp per acre	253.63	210.26	543.06
<b>Overhead Expenses</b>			
Hired labor	14.36	18.52	13.14
Machinery leases	3.81	3.57	1.14
Building leases	1.05	0.44	-
Farm insurance	10.04	10.64	11.19
Utilities	5.21	6.21	6.26
Dues & professional fees	3.81	3.91	3.27
Interest	6.52	9.61	4.88
Mach & bldg depreciation	44.75	51.76	40.88
Miscellaneous	2.79	1.03	3.78
Total overhead expenses per acre	92.35	105.70	84.54
Total dir & ovhd expenses per acre	415.74	412.60	417.96
Net return per acre	161.27	104.56	458.52
Government payments	0.09	-	0.45
Net return with govt pmts	161.36	104.56	458.96
Labor & management charge	52.63	50.38	50.64
Net return over lbr & mgt	108.73	54.18	408.33
<b>Cost of Production</b>			
Total direct expense per ton	85.78	91.05	62.97
Total dir & ovhd exp per ton	110.28	122.41	78.93
Less govt & other income	109.41	122.41	76.42
With labor & management	123.38	137.36	85.99
Net value per unit	152.22	153.43	163.10
Machinery cost per acre	179.68	190.47	171.16
Est. labor hours per acre	3.54	4.06	3.97

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

	<b>Rented Hay, Mixed</b>	<b>Rented Hay, Grass</b>
Number of farms	27	65
Acres	113.37	67.81
Yield per acre	2.45	2.18
Operators share of yield %	100.00	100.00
Value	104.48	98.00
Total product return per acre	255.47	213.24
Other crop income per acre	4.28	0.17
Gross return per acre	259.74	213.41
<b>Direct Expenses</b>		
Seed	1.01	0.46
Fertilizer	21.61	13.47
Crop chemicals	1.73	0.43
Crop insurance	1.57	
Packaging and supplies	5.04	6.50
Fuel & oil	27.60	23.61
Repairs	37.96	31.95
Custom hire	13.56	6.53
Machinery Leases	0.31	1.52
Land Rent	38.46	67.34
Operating interest	3.81	2.16
Miscellaneous	2.85	3.84
Total direct expenses per acre	155.53	157.79
Return over direct exp per acre	104.21	55.62
<b>Overhead Expenses</b>		
Hired labor	9.74	12.21
Mach and bldg leases	1.49	1.46
Farm insurance	5.08	7.19
Utilities	2.69	2.04
Dues & professional fees	1.98	2.11
Interest	5.04	4.33
Mach & bldg depreciation	22.48	27.21
Miscellaneous	7.72	2.45
Total overhead expenses per acre	56.22	59.01
Total dir & ovhd expenses per acre	211.75	216.80
Net return per acre	47.99	-3.39
Government payments	-	-
Net return with govt pmts	47.99	-3.39
Labor & management charge	34.80	34.38
Net return over lbr & mgmt	13.19	-37.77
<b>Cost of Production</b>		
Total direct expense per bu.	63.61	75.52
Total dir & ovhd exp per bu.	86.60	99.64
Less govt & other income	84.85	99.56
With labor & management	99.08	115.36
Net value per unit	104.48	98.00
Machinery cost per acre	107.84	93.72
Est. labor hours per acre	2.93	2.55

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

	<u>Establish</u> <u>Alfalfa Hay</u>	<u>Oatlage</u>	<u>Fescue</u> <u>Grass Seed</u>	<u>Perennial Rye</u> <u>Grass Seed</u>
Number of farms	33	10	6	11
Acres	40.10	26.91	406.80	802.95
Yield per acre	2.10	3.52	800.52	838.26
Operators share of yield %	100.00	100.00	100.00	100.00
Value	155.37	44.86	0.94	1.00
Total product return per acre	326.62	157.89	752.96	839.42
Other crop income per acre			17.33	37.55
Gross return per acre	326.62	157.89	770.29	876.97
<b>Direct Expenses</b>				
Seed	113.83	29.83	7.81	15.59
Fertilizer	40.18	29.32	169.66	166.70
Crop chemicals	7.33	0.56	33.32	55.57
Crop insurance	4.08	0.21	5.81	19.23
Packaging and supplies	11.70	1.26	-	-
Fuel & oil	48.90	37.96	22.20	32.20
Repairs	80.67	57.49	34.41	41.30
Custom hire	13.06	2.87	5.31	16.60
Machinery Leases	3.38	-	-	-
Land Rent	57.80	55.97	102.30	40.02
Operating interest	4.41	1.57	3.57	6.45
Miscellaneous	5.18	8.59	4.25	3.06
Total direct expenses per acre	390.53	225.62	388.63	396.71
Return over direct exp per acre	-63.91	-67.73	381.66	480.26
<b>Overhead Expenses</b>				
Hired labor	21.87	6.26	6.26	5.93
Mach and bldg leases	2.32	1.03	1.21	7.35
RE & pers. property taxes	6.10	9.15	-	4.05
Farm insurance	9.73	9.87	5.24	14.11
Utilities	5.38	4.65	4.93	5.12
Dues & professional fees	3.17	4.87	2.39	1.92
Interest	29.23	47.45	2.47	12.42
Mach & bldg depreciation	61.35	33.90	29.95	46.42
Miscellaneous	2.30	1.95	0.82	3.25
Total overhead expenses per acre	141.47	119.13	53.28	100.57
Total dir & ovhd expenses per acre	532.00	344.75	441.91	497.28
Net return per acre	-205.38	-186.85	328.38	379.69
Government payments	-	-	-	0.67
Net return with govt pmts	-205.38	-186.85	328.38	380.36
Labor & management charge	50.86	26.52	55.81	51.33
Net return over lbr & mgt	-256.24	-213.38	272.57	329.04
<b>Cost of Production</b>				
Total direct expense per bu.	185.78	64.10	0.49	0.47
Total dir & ovhd exp per bu.	253.08	97.94	0.55	0.59
Less govt & other income	253.08	97.94	0.53	0.55
With labor & management	277.27	105.48	0.60	0.61
Net value per unit	155.37	44.86	0.94	1.00
Machinery cost per acre	210.96	132.60	93.02	142.72
Est. labor hours per acre	3.99	2.51	1.08	1.53

\* 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>Potatoes</u>	<u>Soybeans</u>	<u>Beans, Dark Red Kidney</u>
Number of farms	52.00	23.00	4.00	26.00	8.00
Acres	268.25	79.53	289.33	141.08	341.79
Yield per acre	201.55	24.07	438.51	52.55	27.77
Operators share of yield %	100.00	100.00	100.00	100.00	100.00
Value	6.11	48.03	12.19	13.81	45.36
Total product return per acre	1,232.63	1,156.23	5,347.43	725.90	1,259.52
Crop insurance per acre	0.02	6.13	66.16	2.40	-
Other crop income per acre	0.64	0.02	-	0.08	-
Gross return per acre	1,233.29	1,162.38	5,413.59	728.30	1,259.52
<b>Direct Expenses</b>					
Seed	97.72	94.79	407.93	51.92	123.71
Fertilizer	254.70	109.98	673.82	29.10	214.83
Crop chemicals	44.93	40.24	486.81	63.25	127.11
Crop insurance	20.10	26.45	90.60	15.30	12.56
Marketing	1.15	-	25.13	1.64	0.34
Irrigation energy	37.49	31.34	67.22	35.07	26.96
Packaging and supplies/Drying Corn	16.37	15.82	-	-	-
Fuel & oil	39.71	59.26	170.17	21.71	37.21
Repairs	73.91	81.19	419.00	43.78	74.37
Custom hire and Trucking	17.50	75.80	173.12	13.56	19.13
Hired labor	0.89	0.94	-	0.24	2.19
Land Rent	85.56	65.54	288.18	116.75	127.59
Operating interest	3.71	2.87	14.45	2.81	1.14
Miscellaneous	12.38	5.29	7.19	18.30	24.31
Total direct expenses per acre	706.13	609.52	2,823.59	413.43	791.35
Return over direct exp per acre	527.16	552.87	2,590.01	314.87	468.17
<b>Overhead Expenses</b>					
Hired labor	20.72	40.60	353.85	8.80	21.31
Mach and bldg leases	4.20	5.42	38.19	1.15	2.04
RE & pers. property taxes	6.25	6.00	1.52	3.05	6.26
Farm insurance	13.50	9.34	136.63	8.10	13.02
Utilities	6.03	4.72	56.86	4.41	6.90
Dues & professional fees	3.80	3.20	13.90	1.98	4.88
Interest	32.55	34.92	22.80	14.49	20.31
Mach & bldg depreciation	66.83	71.04	456.48	37.39	71.50
Miscellaneous	8.17	5.87	50.37	6.58	14.46
Total overhead expenses per acre	162.05	181.11	1,130.60	85.95	160.69
Total dir & ovhd expenses per acre	868.18	790.62	3,954.19	499.38	952.03
Net return per acre	365.11	371.76	1,459.40	228.92	307.49
Government payments	0.78	2.75	-	1.43	-
Net return with govt pmts	365.89	374.51	1,459.40	230.35	307.49
Labor & management charge	69.88	46.85	356.11	41.39	73.16
Net return over lbr & mgt	296.00	327.66	1,103.29	188.96	234.33
<b>Cost of Production</b>					
Total direct expense per bu.	3.50	25.32	6.44	7.87	28.50
Total dir & ovhd exp per bu.	4.31	32.84	9.02	9.50	34.29
Less govt & other income	4.29	32.47	8.87	9.43	34.29
With labor & management	4.64	34.42	9.68	10.22	36.92
Net value per unit	6.11	48.03	12.19	13.81	45.36
Machinery cost per acre	206.81	292.87	1,028.15	134.26	222.27
Est. labor hours per acre	3.01	4.15	18.62	1.96	3.60

\* 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>	<u>Sunflowers</u>
Number of farms	14	39	26	14	5
Acres	366.89	88.14	116.27	460.64	434.60
Yield per acre	69.78	87.63	52.54	22.04	25.17
Operators share of yield %	100.00	100.00	100.00	100.00	100.00
Value	7.10	4.71	7.19	28.29	31.76
Other product return per acre	0.40	8.42	33.33	-	-
Total product return per acre	495.76	421.36	411.23	623.48	799.53
Crop insurance per acre	36.09	11.73	4.14	4.46	0.69
Other crop income per acre	4.89	8.69	7.87	1.41	1.53
Gross return per acre	536.74	441.79	423.25	629.35	801.75
<b>Direct Expenses</b>					
Seed	18.94	24.18	42.00	52.87	39.15
Fertilizer	119.95	64.61	128.06	161.70	143.41
Crop chemicals	39.16	18.70	15.34	52.08	47.79
Crop insurance	27.42	14.25	4.86	21.21	30.39
Fuel & oil	27.18	26.18	26.98	23.98	28.36
Repairs	43.73	36.11	41.24	32.98	53.90
Custom hire & trucking	3.55	9.60	12.90	10.78	4.77
Hired labor	-	0.07	-	-	-
Land Rent	52.84	52.26	32.78	44.97	72.88
Machine Leases	-	1.19	7.75	2.55	-
Operating interest	12.07	4.45	5.97	7.39	18.60
Miscellaneous	7.56	2.81	2.02	1.02	0.58
Total direct expenses per acre	352.38	254.42	319.90	411.54	439.83
Return over direct exp per acre	184.36	187.37	103.35	217.82	361.92
<b>Overhead Expenses</b>					
Hired labor	20.83	9.09	11.81	7.89	34.85
Machinery leases	5.66	2.52	2.97	6.27	9.09
Building leases	1.35	0.54	1.49	0.77	0.91
RE & pers. property taxes	5.51	5.79	6.51	2.86	-
Farm insurance	9.21	7.78	5.92	8.34	11.02
Utilities	3.87	3.91	3.11	3.70	3.58
Dues & professional fees	2.28	1.93	1.91	1.82	4.29
Interest	28.55	13.95	17.30	15.67	3.33
Mach & bldg depreciation	27.22	23.01	25.29	31.35	33.07
Miscellaneous	4.07	3.57	4.28	2.80	4.62
Total overhead expenses per acre	108.55	72.08	80.59	81.47	104.76
Total dir & ovhd expenses per acre	460.93	326.50	400.49	493.01	544.59
Net return per acre	75.82	115.29	22.76	136.35	257.16
Government payments	3.47	1.49	0.05	1.87	4.61
Net return with govt pmts	79.29	116.78	22.81	138.22	261.77
Labor & management charge	30.63	34.12	35.31	36.92	35.18
Net return over lbr & mgt	48.66	82.66	-12.50	101.30	226.59
<b>Cost of Production</b>					
Total direct expense per bu.	5.05	2.90	6.09	18.67	17.47
Total dir & ovhd exp per bu.	6.61	3.73	7.62	22.37	21.63
Less govt & other income	5.96	3.38	6.76	22.02	21.36
With labor & management	6.40	3.77	7.43	23.69	22.76
Net value per unit	7.10	4.71	7.19	28.29	31.76
Machinery cost per acre	107.07	98.84	118.28	110.42	129.49
Est. labor hours per acre	1.65	1.87	1.37	1.25	2.27

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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>Beans, Navy</b>	<b>Beans, Black Turtle</b>	<b>Soybeans, Food</b>	<b>Soybeans, Seed</b>
Number of farms	8	6	4	14
Acres	255.52	230.17	286.00	521.87
Yield per acre	25.22	22.32	39.21	47.65
Operators share of yield %	100.00	100.00	100.00	100.00
Value	36.91	40.90	17.40	14.93
Total product return per acre	930.79	913.05	682.07	711.55
Crop insurance per acre	82.72	58.03	-	0.42
Other crop income per acre	2.09	-	-	4.17
Gross return per acre	1,015.59	971.08	682.07	716.14
<b>Direct Expenses</b>				
Seed	72.21	69.74	36.28	58.96
Fertilizer	94.13	135.87	46.04	43.68
Crop chemicals	94.93	93.55	54.22	47.45
Crop insurance	33.74	24.51	21.29	17.55
Fuel & oil	28.56	26.20	28.58	21.90
Repairs	43.58	64.15	45.61	32.84
Custom hire	1.55	29.12	4.49	6.12
Hired labor	2.12	-	-	-
Land Rent	87.05	138.42	53.36	84.00
Machinery Leases	3.38	8.29	-	-
Operating interest	8.57	2.53	13.61	3.82
Miscellaneous	3.76	12.65	20.37	2.81
Total direct expenses per acre	473.58	605.02	323.87	319.16
Return over direct exp per acre	542.02	366.06	358.20	396.98
<b>Overhead Expenses</b>				
Hired labor	27.07	29.25	22.28	12.08
Machinery leases	3.16	-	8.94	2.47
Building leases	6.13	-	-	2.66
RE & pers. property taxes	10.73	2.83	7.83	7.51
Farm insurance	7.72	6.40	7.47	6.77
Utilities	2.91	5.14	4.36	4.08
Dues & professional fees	3.30	6.82	4.78	3.04
Interest	38.42	5.52	51.16	25.21
Mach & bldg depreciation	38.69	63.19	27.08	42.25
Miscellaneous	2.66	9.35	7.73	5.94
Total overhead expenses per acre	140.78	128.51	141.64	112.01
Total dir & ovhd expenses per acre	614.36	733.53	465.51	431.18
Net return per acre	401.23	237.55	216.57	284.97
Government payments	-	-	0.13	-
Net return with govt pmts	401.23	237.55	216.70	284.97
Labor & management charge	23.35	61.33	48.61	36.61
Net return over lbr & mgt	377.89	176.22	168.09	248.36
<b>Cost of Production</b>				
Total direct expense per bu.	18.78	27.10	8.26	6.70
Total dir & ovhd exp per bu.	24.36	32.86	11.87	9.05
Less govt & other income	21.00	30.26	11.87	8.95
With labor & management	21.92	33.01	13.11	9.72
Net value per unit	36.91	40.90	17.40	14.93
Machinery cost per acre	121.87	188.68	114.72	102.65
Est. labor hours per acre	1.95	2.16	1.85	1.39

\* 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 \***

	<b>Organic Corn</b>	<b>Organic Corn Silage</b>	<b>Organic Hay, Alfalfa</b>	<b>Organic Pasture</b>
Number of farms	6.00	7.00	6.00	7.00
Acres	87.58	33.59	65.67	85.86
Yield per acre	88.56	15.33	3.04	2.84
Operators share of yield %	100.00	100.00	100.00	100.00
Value	9.27	88.41	157.81	30.80
Total product return per acre	821.37	1,355.70	479.43	87.53
Crop insurance per acre	69.80	2.88	9.92	-
Other crop income per acre	18.98	1.91	-	3.58
Gross return per acre	910.15	1,360.50	489.35	91.11
<b>Direct Expenses</b>				
Seed and Plants	94.81	96.88	-	0.68
Fertilizer	132.08	81.08	32.20	-
Organic Crop Protection	0.34	2.44	6.73	-
Crop insurance	29.92	26.82	7.93	-
Drying expense	0.88	-	-	-
Packaging and Supplies	-	27.88	8.04	-
Fuel & oil	39.05	45.33	39.07	5.88
Repairs	72.67	73.88	87.64	9.60
Custom hire and Trucking	12.92	33.86	29.67	0.19
Land Rent	44.76	41.92	24.50	7.09
Marketing	-	-	-	-
Organic Certification	3.85	3.27	5.60	2.80
Operating interest	17.48	3.21	13.78	0.19
Miscellaneous	26.20	0.01	2.49	0.07
Total direct expenses per acre	474.96	436.59	257.65	26.50
Return over direct exp per acre	435.19	923.90	231.69	64.61
<b>Overhead Expenses</b>				
Hired labor	3.44	29.20	16.55	2.25
Mach and bldg leases	2.51	13.26	3.88	2.15
RE & pers. property taxes	1.19	6.10	12.01	8.07
Farm insurance	7.16	6.39	10.19	0.85
Utilities	12.86	3.91	5.49	0.77
Dues & professional fees	1.37	5.93	10.94	21.63
Interest	3.18	33.19	30.14	9.44
Mach & bldg depreciation	60.48	55.04	49.12	0.70
Miscellaneous	13.77	1.64	1.08	-
Total overhead expenses per acre	105.97	154.64	139.41	45.86
Total dir & ovhd expenses per acre	580.92	591.23	397.06	72.37
Net return per acre	329.22	769.26	92.29	18.75
Government payments	0.62	1.39	-	-
Net return with govt pmts	329.85	770.66	92.29	18.75
Labor & management charge	99.53	71.40	82.07	6.90
Net return over lbr & mgt	230.31	699.26	10.21	11.85
<b>Cost of Production</b>				
Total direct expense / Unit of Production	5.36	28.47	84.81	9.33
Total dir & ovhd exp / Unit of Production	6.56	38.56	130.69	25.46
Less govt & other income	5.55	38.15	127.43	24.20
With labor & management	6.67	42.81	154.44	26.63
Net value per unit	9.27	88.41	157.81	30.80
Machinery cost per acre	188.60	226.81	211.48	29.11
Est. labor hours per acre	5.59	5.68	4.60	0.77

\* 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)**  
**Corn Owned and Rented Acres Combined \***

	<u>No Cover Crop</u>	<u>Grown after Cover Crop</u>	<u>Cover Crop Enterprise</u>	<u>Combined with Cover Crop</u>
Number of farms	283	10	10	10
Acres	270.89	183.20	183.20	183.20
Yield per acre	169.30	168.15	-	-
Operators share of yield %	100.00	100.00	-	-
Value	6.07	6.16	-	-
Other product return per acre	4.61	1.52	-	1.52
Total product return per acre	1,031.46	1,038.14	0.46	1,038.60
Crop insurance per acre	6.79	7.24	-	7.24
Other crop income per acre	2.28	4.39	0.59	4.98
Gross return per acre	1,040.53	1,049.76	1.04	1,050.81
<b>Direct Expenses</b>				
Seed	101.68	90.79	15.57	106.36
Fertilizer	191.09	189.24	-	189.24
Crop chemicals	41.21	44.19	-	44.19
Crop insurance	29.77	30.61	-	30.61
Drying expense	15.00	14.38	-	14.38
Fuel & oil	42.31	45.71	14.06	59.77
Repairs	70.06	64.47	24.65	89.12
Custom hire	14.74	1.80	0.68	2.49
Hired labor	2.90	6.00	5.10	11.09
Land Rent	100.44	98.02	-	98.02
Machinery Leases	2.54	-	-	-
Marketing	1.59	0.22	-	0.22
Operating interest	10.33	12.64	6.14	18.78
Miscellaneous	4.49	3.09	-	3.09
Total direct expenses per acre	628.13	601.15	66.20	667.35
Return over direct exp per acre	412.40	448.61	-65.15	383.46
<b>Overhead Expenses</b>				
Hired labor	15.13	17.89	3.78	21.67
Machinery leases	4.12	0.46	0.09	0.55
Building leases	2.07	4.07	1.08	5.15
RE & pers. property taxes	5.39	0.37	-	0.37
Farm insurance	11.29	7.32	2.17	9.49
Utilities	5.61	8.20	3.42	11.62
Dues & professional fees	4.24	1.87	0.53	2.40
Interest	23.09	3.97	1.34	5.31
Mach & bldg depreciation	59.24	41.95	15.23	57.18
Miscellaneous	6.52	7.48	1.25	8.73
Total overhead expenses per acre	136.68	93.57	28.89	122.46
Total dir & ovhd expenses per acre	764.82	694.72	95.09	789.81
Net return per acre	275.71	355.04	-94.04	261.00
Government payments	1.96	2.08	-	2.08
Net return with govt pmts	277.67	357.12	-94.04	263.07
Labor & management charge	58.84	54.79	20.07	74.86
Net return over lbr & mgt	218.84	302.33	-114.11	188.22
<b>Cost of Production</b>				
Total direct expense per bu.	3.71	3.58	-	3.97
Total dir & ovhd exp per bu.	4.52	4.13	-	4.69
Less govt & other income	4.43	4.04	-	4.60
With labor & management	4.77	4.37	-	5.05
Net value per unit	6.06	6.16	-	6.16
Machinery cost per acre	190.06	152.58	54.03	206.61
Est. labor hours per acre	3.05	3.12	0.98	4.10

\* 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)**  
**Soybean Owned and Rented Acres Combined \***

	<u>No Cover Crop</u>	<u>Grown after Cover Crop</u>	<u>Cover Crop Enterprise</u>	<u>Combined with Cover Crop</u>
Number of farms	271	9	9	9
Acres	453.34	140.66	140.66	140.66
Yield per acre	39.82	42.78	-	-
Operators share of yield %	100.00	100.00	-	-
Value	13.90	14.42	-	-
Other product return per acre	0.07	0.43	-	0.43
Total product return per acre	553.48	617.20	22.67	639.87
Crop insurance per acre	14.00	14.63	-	14.63
Other crop income per acre	3.40	2.56	1.26	3.83
Gross return per acre	570.87	634.39	23.94	658.33
<b>Direct Expenses</b>				
Seed	58.13	56.97	21.01	77.98
Fertilizer	41.06	45.04	15.70	60.74
Crop chemicals	48.57	53.05	-	53.05
Crop insurance	21.61	19.58	-	19.58
Fuel & oil	23.95	25.19	11.12	36.31
Repairs	36.84	28.80	11.28	40.08
Custom hire	8.94	4.18	7.49	11.67
Hired labor	2.05	-	-	-
Land Rent	80.71	100.30	0.84	101.14
Machinery Leases	2.18	-	-	-
Marketing	1.39	3.05	-	3.05
Operating interest	6.04	7.28	3.08	10.37
Miscellaneous	2.59	0.93	2.60	3.53
Total direct expenses per acre	334.04	344.37	73.12	417.49
Return over direct exp per acre	236.83	290.02	-49.19	240.83
<b>Overhead Expenses</b>				
Hired labor	8.37	10.11	3.92	14.04
Machinery leases	2.16	9.54	4.68	14.22
Building leases	1.01	0.25	0.14	0.39
RE & pers. property taxes	3.75	3.26	-	3.26
Farm insurance	6.68	4.82	2.50	7.33
Utilities	3.84	4.48	2.16	6.64
Dues & professional fees	2.37	1.95	0.91	2.86
Interest	14.33	6.19	2.08	8.28
Mach & bldg depreciation	31.20	24.63	11.46	36.09
Miscellaneous	2.76	0.83	0.39	1.22
Total overhead expenses per acre	76.48	66.06	28.26	94.32
Total dir & ovhd expenses per acre	410.52	410.43	101.38	511.81
Net return per acre	160.35	223.96	-77.44	146.52
Government payments	1.43	0.31	-	0.31
Net return with govt pmts	161.79	224.27	-77.44	146.83
Labor & management charge	37.32	34.83	16.97	51.80
Net return over lbr & mgt	124.47	189.45	-94.42	95.03
<b>Cost of Production</b>				
Total direct expense per bu.	8.39	8.05	-	9.62
Total dir & ovhd exp per bu.	10.31	9.59	-	11.79
Less govt & other income	9.83	9.18	-	11.35
With labor & management	10.77	9.99	-	12.54
Net value per unit	13.90	14.42	-	14.73
Machinery cost per acre	104.99	93.05	47.50	140.55
Est. labor hours per acre	1.62	1.82	0.86	2.68

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



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**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 50</u>		<u>50 100</u>		<u>100 200</u>		<u>200 500</u>		<u>Over 500</u>	
Number of farms	19		58		71		63		32	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Milk sold (hd)	18,879.8	4,503.79	22,339.8	5,276.29	22,850.4	5,429.74	25,207.4	6,107.75	26,830.0	6,562.66
Dairy Calves sold (hd)	0.1	21.04	0.2	43.88	0.3	38.17	0.3	39.26	0.4	61.55
Transferred out (hd)	1.0	68.88	0.8	71.60	0.7	65.94	0.7	52.22	0.7	64.55
Cull sales (hd)	0.3	303.22	0.3	276.65	0.3	288.04	0.3	280.40	0.3	266.74
Insurance income		11.13		11.07		12.67		19.09		7.42
Government payments		40.38		45.22		49.31		42.63		18.12
Other income		39.85		50.08		34.14		42.21		-64.45
Purchased (hd)	0.0	-54.29	0.0	-31.45	0.0	-23.81	0.0	-24.21	0.0	-51.61
Transferred in (hd)	0.4	-78.03	0.3	-83.66	0.3	-68.24	0.4	-87.07	0.4	-76.08
Inventory change (hd)	0.0	-7.39	0.0	-33.49	0.0	-24.36	0.0	28.65	0.0	80.37
Dairy repl cost		-714.86		-660.29		-723.42		-719.13		-785.01
Gross margin		4,123.71		4,965.91		5,078.18		5,781.79		6,084.25
<b>Direct Expenses</b>										
Protein Vit Minerals (lb.)	2,774.8	808.19	2,751.7	950.98	2,788.2	824.12	3,348.9	903.93	3,741.4	1,073.58
Complete Ration (lb.)	21.6	13.11	1,208.7	289.70	1,074.7	440.91	1,360.6	696.76	1,554.5	572.63
Corn (bu.)	71.8	446.13	61.2	365.66	63.6	362.76	75.8	413.56	77.7	464.60
Corn Silage (lb.)	16,297.8	396.92	17,053.1	406.52	19,551.5	466.49	20,648.2	477.40	21,448.8	528.73
Hay, Alfalfa (lb.)	4,059.0	351.59	3,257.0	245.07	4,056.4	304.58	2,968.1	220.76	2,346.7	212.51
Other feed stuffs (lb)	3,443.8	218.50	5,614.7	274.80	4,174.6	215.15	4,143.0	197.59	4,270.0	222.59
Breeding fees		54.05		43.94		44.93		45.68		55.22
Veterinary		66.85		90.70		89.34		111.62		105.47
Supplies		164.38		169.35		145.29		164.74		157.58
Fuel & oil		113.26		115.48		129.99		136.76		118.66
Repairs		233.94		185.59		226.63		216.25		206.53
Custom hire		27.20		50.86		50.22		73.61		117.10
Hired labor		48.81		66.75		135.43		291.61		531.78
Hauling and trucking		92.17		93.87		93.51		113.45		137.16
Miscellaneous		205.81		277.75		282.23		254.51		229.81
Total direct expenses		3,240.90		3,627.00		3,811.59		4,318.23		4,733.92
Return over direct expense		882.81		1,338.91		1,266.59		1,463.56		1,350.33
<b>Overhead Expenses</b>										
Hired labor		57.73		87.90		99.35		210.09		119.63
Interest		110.59		98.52		113.21		110.28		74.56
Mach & bldg depreciation		206.79		200.64		233.74		213.61		208.65
Miscellaneous		253.27		229.11		251.73		251.04		212.54
Total overhead expenses		628.37		616.18		698.02		785.02		615.38
Total dir & ovhd expenses		3,869.26		4,243.18		4,509.61		5,103.25		5,349.30
Net return		254.45		722.73		568.57		678.54		734.95
Labor & management charge		489.07		347.02		269.14		230.25		118.24
Net return over lbr & mgt		-234.62		375.70		299.43		448.30		616.71
<b>Cost of Production Per Cwt. Of Milk</b>										
Total direct expense per unit		17.13		16.12		16.58		17.02		17.55
Total dir& ovhd expense per unit		20.45		18.86		19.62		20.11		19.83
With other revenue adjustments		22.53		20.32		21.24		21.47		21.65
With labor and management		25.12		21.86		22.41		22.38		22.09
Est. labor hours per unit		38.93		32.54		33.98		36.75		36.96
<b>Other Information</b>										
Number of cows		41.7		79.7		142.7		314.4		972.8
Milk produced per cow		18,921		22,496		22,987		25,378		26,976
Energy corrected milk per cow		20,066		23,747		24,357		27,285		29,323
Lbs of fat & protein per cow		1,362		1,597		1,639		1,841		1,983
Culling percentage		32.8		30.4		30.0		28.5		30.6
Turnover rate		41.2		38.2		37.1		35.6		36.9
Cows per milking unit		8		12		14		23		35
Feed cost per cwt. of milk		11.81		11.26		11.37		11.47		11.40
Feed cost per cow		2,234.44		2,532.72		2,614.01		2,909.98		3,074.62
Hired labor per cow		106.54		154.65		234.78		501.70		651.41
Avg. milk price per cwt.		23.86		23.62		23.76		24.23		24.46
Milk price / feed margin		12.05		12.36		12.39		12.76		13.06

**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>	
	243		48		49	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of farms						
Milk sold (hd)	99.41	24.09	99.51	24.11	99.12	24.23
Dairy Calves sold (hd)	0.00	0.19	0.00	0.19	0.00	0.20
Transferred out (hd)	0.00	0.24	0.00	0.17	0.00	0.55
Cull sales (hd)	0.00	1.08	0.00	1.17	0.00	1.11
Insurance income		0.05		0.05		0.09
Government payments		0.13		0.17		0.14
Other income		-0.03		0.14		0.15
Purchased (hd)	0.00	-0.15	0.00	-0.10	0.00	-0.05
Transferred in (hd)	0.00	-0.31	0.00	-0.26	0.00	-0.45
Inventory change (hd)	0.00	0.16	0.00	-0.10	0.00	0.26
Dairy repl cost		-2.93		-3.01		-2.28
Gross margin		22.52		22.53		23.95
<b>Direct Expenses</b>						
Protein Vit Minerals (lb.)	13.34	3.82	13.60	3.49	12.55	3.50
Complete Ration (lb.)	5.42	2.21	1.78	2.21	13.45	2.44
Corn (bu.)	0.29	1.67	0.30	1.62	0.22	1.18
Corn Silage (lb.)	80.65	1.94	87.44	1.97	72.83	1.81
Hay, Alfalfa (lb.)	11.29	0.91	11.33	0.89	8.89	0.69
Other feed stuffs (lb)	16.88	0.85	19.00	0.91	17.94	0.94
Breeding fees		0.20		0.23		0.16
Veterinary		0.41		0.44		0.39
Supplies		0.62		0.69		0.55
Fuel & oil		0.49		0.50		0.52
Repairs		0.83		0.84		0.83
Custom hire		0.35		0.27		0.16
Hired labor		1.42		1.63		0.66
Hauling and trucking		0.47		0.49		0.43
Bedding		0.33		0.35		0.32
Miscellaneous		0.64		0.73		0.51
Total direct expenses		17.17		17.26		15.11
Return over direct expense		5.36		5.27		8.84
<b>Overhead Expenses</b>						
Hired labor		0.55		0.41		1.16
Interest		0.37		0.38		0.41
Mach & bldg depreciation		0.84		0.83		1.04
Miscellaneous		0.91		0.96		0.87
Total overhead expenses		2.66		2.58		3.48
Total dir & ovhd expenses		19.83		19.84		18.59
Net return		2.69		2.69		5.36
Labor & management charge		0.76		0.80		0.87
Net return over lbr & mgt		1.93		1.89		4.49
<b>Cost of Production Per Cwt. Of Milk</b>						
Total direct expense per unit		17.17		17.26		15.11
Total dir & ovhd expense per unit		19.83		19.84		18.59
With other revenue adjustments		21.47		21.49		18.98
With labor and management		22.23		22.29		19.84
Est. labor hours per unit		0.14		0.15		0.13
<b>Other Information</b>						
Number of cows		273.6		239.4		256.8
Milk produced per cow		25,485		25,084		27,522
Energy corrected milk per cow		27,461		26,820		29,807
Lbs of fat & protein per cow		1,854		1,805		2,012
Culling percentage		29.9		31.3		31.4
Turnover rate		36.7		38.9		38.1
Cows per milking unit		22		20		22
Feed cost per cwt. of milk		11.41		11.09		10.57
Feed cost per cow		2,907.70		2,781.16		2,907.85
Hired labor per cow		502.30		512.46		499.61
Avg. milk price per cwt.		24.24		24.23		24.44
Milk price / feed margin		12.83		13.15		13.88

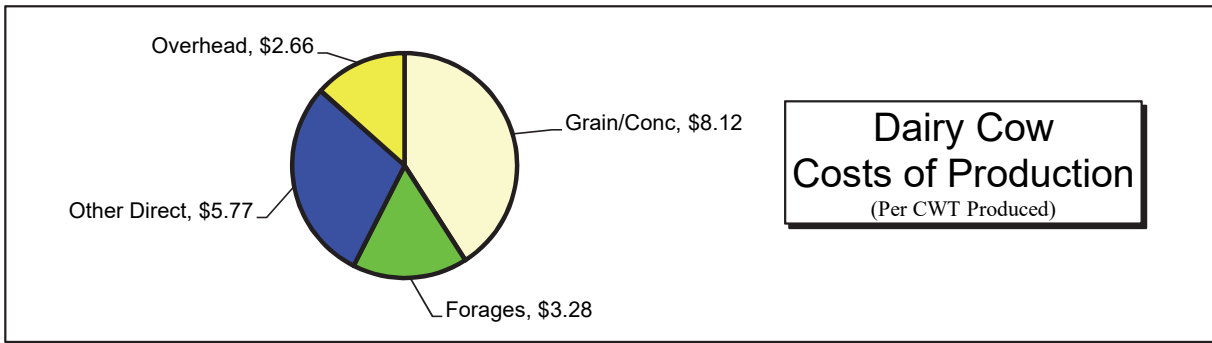
**Livestock Enterprise Analysis**  
**Farm Business Management Statewide Data**  
**Excluding Organic and Organic Transition**  
**(Farms Sorted By Return to Overhead)**  
**Dairy -- Average Per Cow**

	<u>Avg. Of All Farms</u>		<u>40 - 60%</u>		<u>High 20%</u>	
Number of farms	243		48		49	
	Quantity	Value	Quantity	Value	Quantity	Value
Milk sold (hd)	25,333.3	6,140.54	24,960.9	6,048.93	27,280.0	6,667.95
Dairy Calves sold (hd)	0.3	49.63	0.3	47.93	0.3	53.70
Transferred out (hd)	0.7	61.63	0.7	41.43	0.7	152.08
Cull sales (hd)	0.3	275.18	0.3	293.33	0.3	305.68
Insurance income		11.88		13.53		23.97
Government payments		32.33		41.82		38.39
Other income		-8.45		33.92		41.42
Purchased (hd)	0.0	-37.85	0.0	-24.94	0.0	-12.74
Transferred in (hd)	0.4	-78.71	0.4	-64.09	0.4	-124.51
Inventory change (hd)	0.0	40.04	0.0	-26.27	0.0	72.17
Dairy repl cost		-746.49		-754.98		-627.57
Gross margin		5,739.73		5,650.60		6,590.54
<b>Direct Expenses</b>						
Protein Vit Minerals (lb.)	3,398.9	973.34	3,410.3	875.18	3,454.6	963.91
Complete Ration (lb.)	1,381.3	563.20	446.3	553.67	3,702.0	670.48
Corn (bu.)	73.8	426.77	76.5	406.67	60.3	325.65
Corn Silage (lb.)	20,554.2	493.89	21,933.5	494.52	20,044.5	499.20
Hay, Alfalfa (lb.)	2,876.1	232.91	2,841.9	223.89	2,446.3	188.85
Other feed stuffs (lb)	4,301.3	217.59	4,765.9	227.24	4,937.8	259.77
Breeding fees		50.01		56.70		44.37
Veterinary		103.36		111.42		107.02
Supplies		158.74		171.94		151.61
Fuel & oil		125.49		126.31		144.07
Repairs		211.36		211.91		228.96
Custom hire		88.28		67.13		44.96
Hired labor		361.75		410.12		181.44
Hauling and trucking		119.90		121.89		119.07
Bedding		84.04		87.43		87.81
Miscellaneous		164.17		182.92		141.04
Total direct expenses		4,374.79		4,328.94		4,158.20
Return over direct expense		1,364.94		1,321.66		2,432.34
<b>Overhead Expenses</b>						
Hired labor		140.55		102.34		318.17
Interest		93.19		94.66		113.19
Mach & bldg depreciation		213.37		208.36		286.81
Miscellaneous		231.62		241.38		239.25
Total overhead expenses		678.72		646.75		957.42
Total dir & ovhd expenses		5,053.51		4,975.68		5,115.62
Net return		686.22		674.92		1,474.92
Labor & management charge		194.93		200.31		238.27
Net return over lbr & mgt		491.29		474.60		1,236.65
<b>Cost of Production Per Cwt. Of Milk</b>						
Total direct expense per unit		17.17		17.26		15.11
Total dir & ovhd expense per unit		19.83		19.84		18.59
With other revenue adjustments		21.47		21.49		18.98
With labor and management		22.23		22.29		19.84
Est. labor hours per unit		36.16		37.37		36.08
<b>Other Information</b>						
Number of cows		273.6		239.4		256.8
Milk produced per cow		25,485		25,084		27,522
Energy corrected milk per cow		27,461		26,820		29,807
Lbs of fat & protein per cow		1,854		1,805		2,012
Culling percentage		29.9		31.3		31.4
Turnover rate		36.7		38.9		38.1
Cows per milking unit		22		20		22
Feed cost per cwt. of milk		11.41		11.09		10.57
Feed cost per cow		2,907.70		2,781.16		2,907.85
Hired labor per cow		502.30		512.46		499.61
Avg. milk price per cwt.		24.24		24.23		24.44
Milk price / feed margin		12.83		13.15		13.88

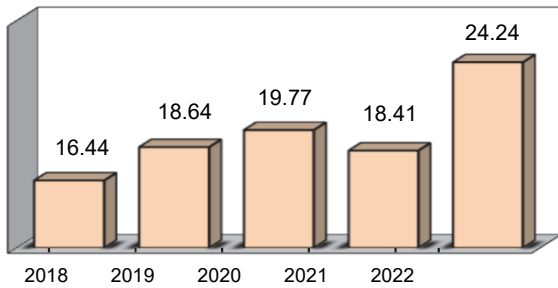
**Livestock Enterprise Analysis**  
**Farm Business Management Statewide Data**  
**Organic Only**  
**(Farms Sorted By Return to Overhead)**  
**Dairy -- Average Per Cow**

	<u>Avg. Of All Farms</u>		<u>40 - 60%</u>		<u>High 20%</u>	
	21		4		5	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of farms						
Milk sold (hd)	15,031.6	4,596.04	13,860.1	4,103.86	17,334.4	5,578.08
Dairy Calves sold (hd)	0.4	47.37	0.5	63.42	0.3	47.65
Transferred out (hd)	0.6	76.33	0.6	44.15	0.6	42.15
Cull sales (hd)	0.2	263.50	0.3	296.39	0.2	309.89
Insurance income		5.89		1.52		5.94
Government payments		25.70		29.85		24.85
Other income		104.81		51.20		189.35
Purchased (hd)	0.0	-20.64	-	-	-	-
Transferred in (hd)	0.3	-74.98	0.3	-108.55	0.3	-63.22
Inventory change (hd)	0.0	48.65	0.0	46.80	0.0	16.83
Dairy repl cost		-614.08		-329.82		-603.30
Gross margin		4,458.59		4,198.83		5,548.21
<b>Direct Expenses</b>						
Protein Vit Minerals (lb.)	725.1	239.27	900.4	294.63	283.9	103.27
Soybeans (bu.)	2.5	72.60	6.1	176.52	1.5	60.39
Corn, Organic (bu.)	38.0	385.25	46.1	478.69	48.0	508.10
Corn Silage, Organic (lb.)	9,128.9	309.96	7,723.2	232.63	9,331.4	282.84
Hay, Alfalfa, Organic (lb.)	4,694.8	452.69	5,269.6	492.16	7,182.9	793.69
Pasture, Organic (aum)	2.6	122.84	2.9	99.70	3.2	140.33
Flax, Organic (bu.)	0.1	82.14	-	-	0.3	299.04
Hay, Mixed, Organic (lb.)	1,266.6	112.01	2,724.6	240.58	868.2	69.02
Hay, Baleage (lb.)	841.9	42.09	4,341.9	217.10	-	-
Other feed stuffs (lb)	4,709.3	356.14	678.4	16.96	83.9	31.34
Breeding fees		29.68		21.06		38.73
Supplies		135.84		163.21		104.52
Fuel & oil		143.09		135.22		176.17
Repairs		198.24		157.39		235.20
Hired labor		102.74		65.12		33.76
Bedding		71.19		110.34		112.65
Miscellaneous		345.72		307.57		335.57
Total direct expenses		3,201.50		3,208.88		3,324.64
Return over direct expense		1,257.09		989.95		2,223.58
<b>Overhead Expenses</b>						
Interest		112.70		152.67		40.93
Mach & bldg depreciation		192.95		178.91		212.83
Miscellaneous		334.95		212.34		396.13
Total overhead expenses		640.60		543.93		649.89
Total dir & ovhd expenses		3,842.11		3,752.81		3,974.53
Net return		616.49		446.02		1,573.69
Labor & management charge		479.97		351.02		631.83
Net return over lbr & mgt		136.52		95.01		941.86
<b>Cost of Production Per Cwt. Of Milk</b>						
Total direct expense per unit		20.91		22.77		18.58
Total dir & ovhd expense per unit		25.09		26.62		22.22
With other revenue adjustments		26.48		26.27		23.26
With labor and management		29.61		28.76		26.79
Est. labor hours per unit		42.76		34.28		36.63
<b>Other Information</b>						
Number of cows		90.5		92.1		104.4
Milk produced per cow		15,311		14,095		17,891
Energy corrected milk per cow		17,567		15,107		19,807
Lbs of fat & protein per cow		1,202		1,005		1,316
Culling percentage		23.3		25.5		24.7
Turnover rate		27.2		29.9		28.4
Cows per milking unit		10		18		8
Feed cost per cwt. of milk		14.21		15.96		12.79
Feed cost per cow		2,174.98		2,248.97		2,288.03
Hired labor per cow		144.60		106.70		116.05
Avg. milk price per cwt.		30.58		29.61		32.18
Milk price / feed margin		16.37		13.65		19.39

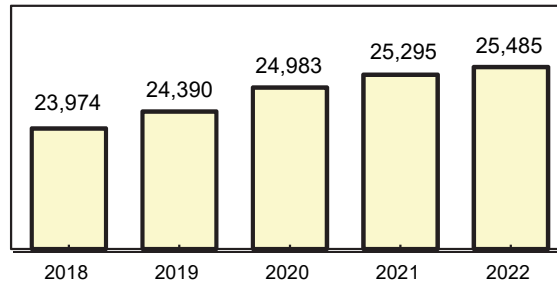
## Summary of Selected Dairy Enterprise Factors



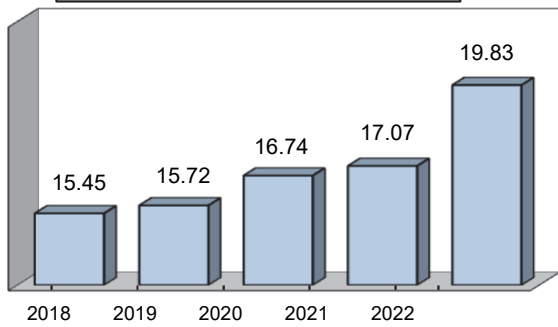
**Avg Milk Price Recv'd**



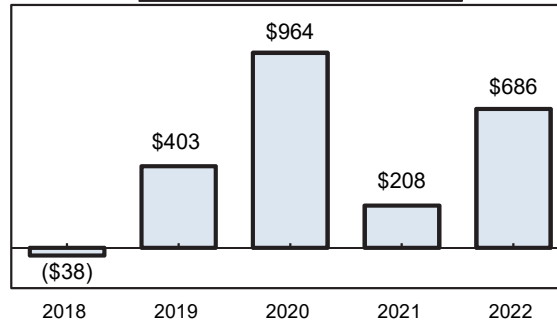
**Milk Production per Cow**



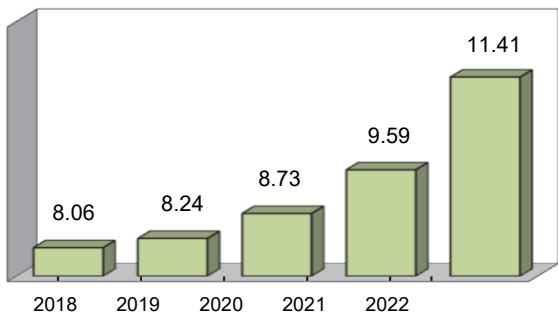
**Dir & Ovhd Exp per CWT**



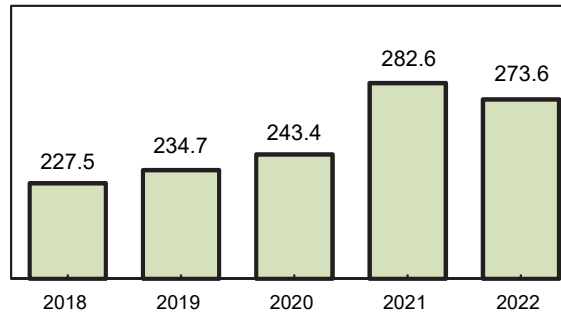
**Net Return per Cow**



**Feed Cost per CWT**



**Avg Number of Cows**



**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>	
	208		41		42	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of farms						
Milk sold (hd)	25,496.5	6,180.24	25,362.6	6,126.07	27,142.7	6,655.82
Dairy Calves sold (hd)	-	97.98	-	79.04	-	94.40
Transferred out (hd)	-	56.25	-	66.61	-	153.89
Cull sales (hd)	-	285.62	-	292.79	-	314.73
Insurance income		10.40		9.28		13.79
Government payments		29.01		28.91		35.58
Other income		-9.89		32.43		63.73
Purchased (hd)	-	-36.38	-	-34.74	-	-15.42
Transferred in (hd)	-	-6.33	-	-9.29	-	-1.09
Inventory change (hd)	-	40.91	-	22.81	-	88.78
Gross margin		6,647.80		6,613.91		7,404.22
<b>Direct Expenses</b>						
Protein Vit Minerals (lb.)	3,964.4	1,060.02	3,632.7	837.69	4,924.1	1,241.40
Complete Ration (lb.)	2,062.6	648.19	2,876.1	893.10	1,572.0	494.02
Corn (bu.)	80.7	471.00	76.4	415.39	69.3	375.44
Corn Silage (lb.)	24,487.4	582.56	24,515.7	562.44	23,593.7	567.42
Hay, Alfalfa (lb.)	3,671.2	286.73	3,622.3	284.68	4,333.6	314.31
Other feed stuffs (lb)	5,622.8	311.95	4,889.0	273.15	6,402.5	384.21
Breeding fees		72.14		67.69		56.90
Veterinary		117.33		134.20		125.00
Supplies		175.86		172.94		174.10
Contract production exp.		167.98		197.22		15.64
Fuel & oil		140.61		131.81		167.80
Repairs		239.10		260.84		257.08
Hired labor		413.56		480.18		152.03
Hauling and trucking		122.59		120.11		119.55
Miscellaneous		361.91		377.77		285.62
Total direct expenses		5,171.54		5,209.20		4,730.52
Return over direct expense		1,476.26		1,404.71		2,673.70
<b>Overhead Expenses</b>						
Hired labor		150.42		99.79		383.68
Interest		107.17		99.71		136.46
Mach & bldg depreciation		238.62		218.64		336.37
Miscellaneous		261.29		268.30		294.55
Total overhead expenses		757.49		686.44		1,151.06
Total dir & ovhd expenses		5,929.03		5,895.64		5,881.58
Net return		718.77		718.26		1,522.64
Labor & management charge		222.35		208.95		314.53
Net return over lbr & mgt		496.42		509.31		1,208.11
<b>Cost of Production Per Cwt. Of Milk</b>						
Total direct expense per unit		20.17		20.46		17.24
Total dir & ovhd expense per unit		23.12		23.15		21.44
With other revenue adjustments		21.36		21.29		18.84
With labor and management		22.23		22.11		19.99
Est. labor hours per unit		41.57		43.72		41.94
<b>Other Information</b>						
Number of cows		282.4		252.2		255.4
Milk produced per cow		25,643		25,466		27,433
Energy corrected milk per cow		27,731		27,491		29,745
Lbs of fat & protein per cow		1,873		1,856		2,005
Culling percentage		29.9		30.2		31.0
Turnover rate		36.8		36.1		37.8
Cows per milking unit		22		21		22
Feed cost per cwt. of milk		13.10		12.83		12.31
Feed cost per cow		3,360.44		3,266.44		3,376.81
Hired labor per cow		563.99		579.98		535.71
Avg. milk price per cwt.		24.24		24.15		24.52
Milk price / feed margin		11.13		11.33		12.21



**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>	
Number of farms	227		46		46	
	Quantity	Value	Quantity	Value	Quantity	Value
Replacements sold (hd)	0.1	60.38	0.1	20.41	0.1	62.40
Transferred out (hd)	0.4	572.32	0.4	550.90	0.5	857.76
Cull sales (hd)	0.0	6.07	0.0	10.50	0.0	4.84
Other income		0.54		1.16		-
Purchased (hd)	0.0	-6.71	0.0	-11.30	0.0	-14.23
Transferred in (hd)	0.6	-106.67	0.6	-97.34	0.6	-75.50
Inventory change (hd)	0.0	17.81	0.0	19.01	0.0	37.70
Gross margin		543.73		493.33		872.97
<b>Direct Expenses</b>						
Protein Vit Minerals (lb.)	565.6	89.41	278.1	64.36	387.3	67.30
Milk Replacer (lb.)	19.4	32.53	15.6	25.82	4.0	13.43
Complete Ration (lb.)	455.9	101.31	310.9	97.24	178.7	41.17
Corn (bu.)	6.7	40.02	6.1	34.40	5.4	27.75
Corn Silage (lb.)	4,552.5	109.16	5,775.8	134.75	2,310.7	51.99
Hay, Alfalfa (lb.)	927.4	67.35	1,456.9	109.43	734.5	46.98
Hay, Grass (lb.)	635.4	34.26	528.7	25.56	249.9	19.50
Hay (lb.)	443.5	26.82	562.5	29.95	417.1	24.86
Other feed stuffs (lb)	1,059.7	49.71	1,269.9	51.29	1,281.2	66.98
Breeding fees		23.27		16.68		25.22
Veterinary		19.36		23.35		20.30
Contract production exp.		164.14		49.07		242.22
Fuel & oil		20.77		24.69		20.11
Repairs		34.04		40.00		32.13
Hired labor		49.72		32.78		33.39
Miscellaneous		47.97		45.89		43.29
Total direct expenses		909.81		805.26		776.61
Return over direct expense		-366.09		-311.93		96.36
<b>Overhead Expenses</b>						
Hired labor		24.99		37.25		25.48
Mach & bldg depreciation		35.10		42.87		30.34
Miscellaneous		53.27		58.32		48.51
Total overhead expenses		113.36		138.44		104.33
Total dir & ovhd expenses		1,023.17		943.70		880.94
Net return		-479.45		-450.37		-7.98
Labor & management charge		36.62		35.26		32.22
Net return over lbr & mgt		-516.07		-485.62		-40.20
<b>Cost of Production Per Head Per Day</b>						
Total direct expense per unit		2.74		2.42		2.26
Total dir & ovhd expense per unit		3.05		2.80		2.54
With other revenue adjustments		3.05		2.80		2.54
With labor and management		3.15		2.90		2.63
Est. labor hours per unit		5.68		6.15		4.95
<b>Other Information</b>						
No. purchased or trans in		146		123		142
Number sold or trans out		123		105		120
Average number of head		229		214		216
Percentage death loss		4.7		3.8		3.2
Feed cost per average head		550.57		572.80		359.95
Hired labor per average head		74.71		70.03		58.87
Feed cost/head sold/trans		1,026.43		1,172.78		646.13
Total cost/head sold/trans		2,141.65		2,164.03		1,723.86
Feed cost per head per day		1.51		1.57		0.99
Avg. purch price / head		687.96		1,011.82		559.62
Avg. sales price / head		560.55		324.61		743.37

**Livestock Enterprise Analysis**  
**Farm Business Management Statewide Data**  
**(Farms Sorted By Return to Overhead)**  
**Dairy Finishing (Per Head) and Dairy Feeders (Per Head)**

	<u>Dairy Finishing</u>		<u>Dairy Feeders</u>	
	<b>78</b>		<b>11</b>	
Number of Farms	Quantity	Value	Quantity	Value
Dairy Finish/Feeder sold (lb)	1474.70	1877.52	341.2	449.84
Transferred out (lb)	-	0.89	117	179.32
Other income		13.53		2.95
Purchased (lb)	-350.00	-521.28	-64.00	115.88
Transferred in (lb)	-42.90	-62.40	-12.10	-40.38
Inventory change (lb)	-79.40	137.44	18.10	67.17
Gross margin		1,445.71		543.02
<b>Direct Expenses</b>				
Protein Vit Minerals (lb.)	738.3	187.2	378.3	120.49
Milk Replacer (lb.)	-	-	31.0	65.41
Complete Ration (lb.)	251.2	53.30	189.9	40.91
Corn (bu.)	104.0	596.98	13.2	71.49
Corn Silage (lb.)	1,566.1	35.57	-	-
DDGS, dry (lb.)	324.6	35.09	-	-
Other feed stuffs (lb)	1,366.4	64.55	178.0	10.43
Veterinary		27.84		60.61
Supplies		11.28		16.95
Fuel & Oil		23.01		15.58
Repairs		39.52		26.82
Hired Labor		6.33		-
Marketing		22.30		0.78
Bedding		10.66		5.14
Operating interest		12.54		4.98
Miscellaneous		38.51		0.27
Total direct expenses		1,164.68		439.86
Return over direct expense		281.02		103.16
<b>Overhead Expenses</b>				
Hired labor		17.82		22.44
Interest		24.11		12.38
Mach & bldg depreciation		45.20		19.08
Miscellaneous		38.93		18.32
Total overhead expenses		126.06		72.22
Total dir & ovhd expenses		1,290.74		512.07
Net return		154.96		30.95
Labor & management charge		57.72		39.87
Net return over lbr & mgt		97.25		-8.93
<b>Cost of Production/Cwt. Carcass Sold</b>				
Total direct expense per unit		108.41		114.77
Total dir & ovhd expense per unit		116.96		130.53
With other revenue adjustments		116.87		130.53
With labor and management		120.78		139.23
Est. labor hours per unit		4.29		2.99
<b>Other Information</b>				
No. purchased or trans in		214		212
Number sold or trans out		202		181
Percentage death loss		4.6		3.8
Avg. daily gain (lb.)		2.49		1.79
Lb. of conc / lb. of gain		8.00		3.37
Lb. of feed / lb. of gain		8.91		3.69
Feed cost per cwt. of gain		96.12		76.73
Feed cost per head		972.70		308.72
Hired labor per head		24.15		22.44
Average purchase weight		419		87
Avg wgt / Finish/Feeder sold		1,433		472
Avg purch price / head		623.58		158.18
Avg sales price / cwt.		127.32		131.83

**Livestock Enterprise Analysis**  
**Farm Business Management Statewide Data**  
**Including Backgrounding**  
**(Farms Sorted By Enterprise Size)**  
**Beef Cow-Calf -- Average Per Cow**

	<u>Up to 50</u>		<u>50 100</u>		<u>100 200</u>		<u>200 500</u>	
Number of farms	56		30		27		5	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Beef Calves sold (lb)	248.4	439.04	218.0	370.82	248.1	419.10	214.8	322.75
Transferred out (lb)	158.7	279.42	194.6	375.31	222.8	363.24	358.8	586.16
Cull sales (lb)	83.2	124.31	109.6	159.43	101.4	141.17	-	205.81
Insurance income		-		-		0.84		18.52
Government payments		7.21		3.34		8.51		-
Other income		15.76		20.30		23.72		0.85
Purchased (lb)	-6.1	-73.28	-24.1	-103.69	-43.2	-66.55	-37.4	-123.21
Transferred in (lb)	-7.2	-20.32	-23.8	-53.94	-16.9	-53.76	-	-128.77
Inventory change (lb)	-7.1	82.17	33.8	102.22	-21.7	-9.07	-8.6	99.05
Gross margin		854.30		873.79		827.21		981.17
<b>Direct Expenses</b>								
Protein Vit Minerals (lb.)	280.8	68.99	183.9	43.78	248.3	61.17	159.7	41.51
Complete Ration (lb.)	427.0	45.82	366.4	20.02	25.7	4.55	126.9	35.00
Corn Silage (lb.)	2,687.0	62.29	5,056.2	114.58	6,451.8	148.45	5,088.0	108.86
Hay, Alfalfa (lb.)	1,641.4	99.78	1,758.3	98.38	1,228.9	85.97	787.0	43.37
Hay, Grass (lb.)	2,277.1	113.66	1,582.5	85.44	1,191.9	63.13	87.5	4.38
Pasture (aum)	3.2	56.01	6.2	57.29	4.4	87.98	4.4	71.77
Hay (lb.)	3,297.7	180.87	2,688.6	137.03	2,225.5	122.30	6,378.0	255.88
Other feed stuffs (lb)	1,397.1	70.27	2,370.7	69.67	1,278.2	57.70	1,839.6	70.78
Veterinary		34.26		44.80		35.67		49.31
Fuel & oil		57.65		42.74		39.06		55.12
Repairs		93.12		66.75		56.78		62.20
Miscellaneous		97.26		78.64		72.26		83.53
Total direct expenses		980.00		859.12		835.01		881.70
Return over direct expense		-125.70		14.67		-7.80		99.47
<b>Overhead Expenses</b>								
Utilities		34.45		26.23		12.73		7.99
Interest		48.60		39.82		35.54		35.11
Mach & bldg depreciation		82.08		76.33		51.67		44.86
Miscellaneous		69.29		54.27		49.13		39.71
Total overhead expenses		234.43		196.64		149.07		127.67
Total dir & ovhd expenses		1,214.43		1,055.76		984.08		1,009.37
Net return		-360.13		-181.97		-156.87		-28.20
Labor & management charge		187.93		149.23		113.44		96.87
Net return over lbr & mgt		-548.05		-331.21		-270.31		-125.06
<b>Cost of Production Per Cwt. Produced</b>								
Total direct expense per unit		205.26		167.42		169.79		167.10
Total dir & ovhd expense per unit		254.35		205.74		200.10		191.29
With other revenue adjustments		229.83		198.24		194.52		181.62
With labor and management		269.19		227.32		217.59		199.98
Est. labor hours per unit		14.30		11.30		8.40		6.93
<b>Other Information</b>								
Number of cows		31.1		67.0		138.3		283.6
Pregnancy percentage		93.7		94.9		95.5		95.3
Pregnancy loss percentage		3.6		2.7		3.0		0.1
Culling percentage		11.2		12.8		11.6		17.7
Calving percentage		90.3		92.3		92.7		95.3
Weaning percentage		83.2		83.7		83.0		88.7
Calves sold per cow		0.76		0.75		0.79		0.96
Calf death loss percent		8.9		9.1		8.7		2.7
Cow death loss percent		2.5		1.7		3.6		1.8
Cows per FTE		195.8		247.8		333.4		403.8
Average weaning weight		533		551		540		506
Lb. weaned/exposed female		443		461		448		449
Feed cost per cow		697.70		626.19		631.25		631.54
Avg wgt/ Beef Calves sold		544		571		647		825
Avg price / cwt.		176.76		170.10		168.96		150.26

**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>	
	86		17		18	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of farms						
Beef Calves sold (lb)	169.1	304.80	66.8	124.53	219.3	386.64
Transferred out (lb)	259.5	453.07	402.5	688.81	268.2	537.65
Cull sales (lb)	79.3	143.47	72.7	138.01	170.0	237.56
Insurance income		0.54		-		-
Government payments		3.80		-		-
Other income		16.19		7.41		37.01
Purchased (lb)	-25.6	-82.66	-52.9	-68.26	-28.7	-163.48
Transferred in (lb)	-13.2	-72.59	-0.4	-89.14	-42.4	-65.46
Inventory change (lb)	-9.4	48.28	-14.4	4.94	7.3	98.85
Gross margin		814.90		806.29		1,068.77
<b>Direct Expenses</b>						
Beet Pulp (dry) (lb.)	600.4	9.65	1,717.5	29.15	17.8	0.22
Protein Vit Minerals (lb.)	186.3	49.00	198.3	39.89	205.3	59.56
Corn Silage (lb.)	4,804.8	112.26	3,498.4	83.76	4,307.8	86.07
Hay, Alfalfa (lb.)	1,334.2	86.52	886.4	69.35	1,307.7	56.61
Hay, Grass (lb.)	1,674.8	83.28	1,316.6	71.00	1,637.4	76.80
Pasture (aum)	5.0	75.96	3.8	74.48	8.0	37.54
DDGS, wet (lb.)	212.2	6.92	-	-	1,146.9	37.40
Hay (lb.)	3,051.7	149.10	4,224.9	175.53	1,880.3	89.70
Other feed stuffs (lb)	1,198.7	67.76	1,187.2	79.55	823.8	32.15
Veterinary		38.43		30.86		44.04
Fuel & oil		44.49		43.23		34.38
Repairs		63.00		49.56		65.34
Operating interest		15.21		27.59		10.22
Miscellaneous		65.27		52.99		49.22
Total direct expenses		866.85		826.94		679.26
Return over direct expense		-51.95		-20.66		389.51
<b>Overhead Expenses</b>						
Interest		36.22		24.26		36.95
Mach & bldg depreciation		67.05		34.16		87.84
Miscellaneous		80.57		64.16		82.07
Total overhead expenses		183.84		122.58		206.86
Total dir & ovhd expenses		1,050.70		949.52		886.11
Net return		-235.79		-143.24		182.65
Labor & management charge		138.19		76.72		134.77
Net return over lbr & mgt		-373.98		-219.95		47.88
<b>Cost of Production Per Cwt. Produced</b>						
Total direct expense per unit		186.99		173.56		112.63
Total dir & ovhd expense per unit		226.64		199.28		146.93
With other revenue adjustments		217.12		202.65		123.20
With labor and management		246.93		218.75		145.55
Est. labor hours per unit		10.66		7.45		10.07
<b>Other Information</b>						
Number of cows		67.2		106.2		59.4
Pregnancy percentage		94.0		93.5		98.2
Pregnancy loss percentage		3.3		2.1		0.7
Culling percentage		11.6		11.4		17.4
Calving percentage		90.9		91.6		97.6
Weaning percentage		83.4		85.3		95.5
Calves sold per cow		0.80		0.89		0.86
Calf death loss percent		7.6		6.0		2.4
Cow death loss percent		2.6		2.9		1.6
Cows per FTE		262.7		375.8		278.0
Average weaning weight		536		512		554
Lb. weaned/exposed female		447		437		529
Feed cost per cow		640.45		622.71		476.05
Avg wgt/ Beef Calves sold		545		498		611
Avg price / cwt.		180.23		186.56		176.29

**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>	
	32		7		7	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of farms						
Beef Calves sold (lb)	359.7	566.68	280.9	444.65	530.0	797.98
Transferred out (lb)	162.7	259.42	261.3	388.66	105.7	215.19
Cull sales (lb)	91.5	168.60	55.3	194.58	95.2	214.25
Insurance income		8.40		-		39.20
Government payments		9.31		12.53		1.08
Other income		20.63		24.01		13.01
Purchased (lb)	-40.3	-90.11	-	-83.63	-81.8	-150.22
Transferred in (lb)	-15.0	-34.48	-16.7	-76.83	-19.4	-19.70
Inventory change (lb)	5.4	56.39	-43.4	-84.89	50.0	225.47
Gross margin		964.84		819.08		1,336.27
<b>Direct Expenses</b>						
Protein Vit Minerals (lb.)	299.4	67.92	263.0	64.59	418.7	85.30
Complete Ration (lb.)	298.4	28.47	705.6	33.48	93.0	31.10
Corn (bu.)	4.0	24.02	8.9	53.39	0.8	4.90
Corn Silage (lb.)	5,882.6	127.60	4,218.0	96.36	6,814.9	138.23
Hay, Alfalfa (lb.)	1,404.2	81.31	914.4	54.33	41.8	4.07
Hay, Grass (lb.)	654.1	41.72	732.9	43.01	155.9	10.72
Pasture (aum)	3.8	65.31	4.4	80.74	4.1	75.33
Hay, Alfalfa, Organic (lb.)	179.1	10.72	-	-	835.8	50.00
Hay (lb.)	3,477.2	175.45	3,334.0	173.14	4,105.7	160.14
Other feed stuffs (lb)	1,027.1	25.63	267.7	5.01	827.0	45.63
Veterinary		41.84		33.34		58.44
Fuel & oil		49.02		39.06		42.56
Repairs		74.40		49.37		57.11
Miscellaneous		80.20		53.02		53.48
Total direct expenses		893.60		778.84		817.02
Return over direct expense		71.24		40.24		519.25
<b>Overhead Expenses</b>						
Interest		44.13		39.18		41.47
Mach & bldg depreciation		52.95		76.79		28.87
Miscellaneous		56.16		49.28		79.56
Total overhead expenses		153.24		165.25		149.90
Total dir & ovhd expenses		1,046.84		944.09		966.92
Net return		-81.99		-125.01		369.35
Labor & management charge		124.69		128.08		136.06
Net return over lbr & mgt		-206.68		-253.10		233.29
<b>Cost of Production Per Cwt. Produced</b>						
Total direct expense per unit		157.89		144.92		118.63
Total dir & ovhd expense per unit		184.97		175.67		140.39
With other revenue adjustments		173.61		177.76		124.24
With labor and management		195.64		201.59		144.00
Est. labor hours per unit		8.71		7.02		9.51
<b>Other Information</b>						
Number of cows		97.7		136.9		95.7
Pregnancy percentage		96.8		98.1		96.7
Pregnancy loss percentage		1.2		0.3		1.1
Culling percentage		14.9		16.7		17.6
Calving percentage		95.7		97.8		95.7
Weaning percentage		85.5		88.5		85.2
Calves sold per cow		0.80		0.90		0.83
Calf death loss percent		8.3		7.8		6.5
Cow death loss percent		2.9		1.9		3.1
Cows per FTE		321.6		398.8		294.3
Average weaning weight		535		530		544
Lb. weaned/exposed female		458		469		464
Feed cost per cow		648.14		604.05		605.43
Avg wgt/ Beef Calves sold		716		663		837
Avg price / cwt.		157.54		158.29		150.56

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

**Beef Finishing -- Average Per Head**

	<u>Avg. Of All Farms</u>		<u>40 - 60%</u>		<u>High 20%</u>	
	89		18		18	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of farms						
Finish Beef sold (lb)	1,302.6	1,900.37	1,305.4	1,900.73	1,257.8	1,907.24
Transferred out (lb)	7.4	11.09	-	-	-	-
Government payments		1.39		4.73		-
Other income		42.17		11.32		11.24
Purchased (lb)	-659.8	-1,156.26	-810.8	-1,393.73	-351.0	-624.59
Transferred in (lb)	-45.9	-85.64	-17.3	-28.65	-97.2	-170.78
Inventory change (lb)	126.0	307.65	210.9	421.97	61.1	252.91
Gross margin		1,020.76		916.37		1,376.03
<b>Direct Expenses</b>						
Protein Vit Minerals (lb.)	502.5	80.13	588.9	72.55	231.8	64.84
Complete Ration (lb.)	756.0	85.65	628.7	79.14	827.1	85.69
Corn (bu.)	51.9	313.28	58.5	333.30	51.2	299.86
Corn Silage (lb.)	2,482.9	65.03	2,572.4	67.18	4,961.4	104.64
Hay, Alfalfa (lb.)	354.1	28.83	175.5	14.60	935.7	67.73
DDGS, dry (lb.)	244.8	26.96	351.0	34.93	65.6	8.86
DDGS, wet (lb.)	757.0	42.56	56.4	3.63	-	-
Hay (lb.)	193.0	11.90	222.4	15.01	538.1	31.11
Other feed stuffs (lb)	1,705.8	64.67	697.6	33.04	429.1	40.25
Fuel & oil		22.71		14.71		11.48
Repairs		36.77		19.09		34.16
Hauling and trucking		17.21		22.13		1.11
Marketing		6.32		4.40		33.39
Operating interest		21.89		17.53		7.39
Miscellaneous		50.27		38.56		58.52
Total direct expenses		874.16		769.79		849.03
Return over direct expense		146.60		146.58		527.00
<b>Overhead Expenses</b>						
Mach & bldg depreciation		35.40		37.53		28.18
Miscellaneous		68.30		49.95		54.68
Total overhead expenses		103.70		87.48		82.86
Total dir & ovhd expenses		977.86		857.26		931.89
Net return		42.90		59.11		444.15
Labor & management charge		52.27		45.74		66.25
Net return over lbr & mgt		-9.37		13.37		377.89
<b>Cost of Production Per Cwt. Produced</b>						
Total direct expense per unit		137.29		134.92		109.73
Total dir & ovhd expense per unit		145.21		141.62		116.32
With other revenue adjustments		142.64		141.08		116.32
With labor and management		146.63		144.58		121.59
Est. labor hours per unit		3.16		2.34		4.29
<b>Other Information</b>						
No. purchased or trans in		252		384		53
Number sold or trans out		230		318		51
Percentage death loss		1.3		1.1		1.5
Avg. daily gain (lb.)		2.63		2.84		2.29
Lb. of conc / lb. of gain		8.02		7.29		4.62
Lb. of feed / lb. of gain		10.37		9.48		8.58
Feed cost per cwt. of gain		97.64		94.09		79.96
Feed cost per head		719.00		653.37		702.99
Hired labor per head		18.78		13.14		6.03
Average purchase weight		698		767		601
Avg wgt / Finish Beef sold		1,392		1,456		1,385
Avg purch price / cwt.		175.24		171.89		177.94
Avg sales price / cwt.		145.89		145.61		151.63

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

**Beef Backgrounding -- Average Per Head**

	<u>Avg. Of All Farms</u>	
Number of farms	13	
	Quantity	Value
Backgnd Beef sold (lb)	646.8	1,050.12
Transferred out (lb)	40.1	60.57
Other income		0.66
Purchased (lb)	-273.3	-616.25
Transferred in (lb)	-122.1	-206.02
Inventory change (lb)	-18.5	84.32
Gross margin		373.40
<b>Direct Expenses</b>		
Complete Ration (lb.)	258.6	34.38
Corn (bu.)	7.1	43.80
Corn Silage (lb.)	2,403.3	50.01
Pasture (aum)	0.3	3.80
Hay (lb.)	672.7	31.57
Other feed stuffs (lb)	579.2	45.21
Veterinary		11.55
Contract production exp.		14.83
Fuel & oil		15.33
Repairs		11.99
Custom hire		3.31
Hauling and trucking		9.11
Marketing		10.88
Operating interest		11.13
Miscellaneous		5.95
Total direct expenses		302.84
Return over direct expense		70.55
<b>Overhead Expenses</b>		
Mach & bldg depreciation		13.14
Miscellaneous		24.26
Total overhead expenses		37.40
Total dir & ovhd expenses		340.24
Net return		33.16
Labor & management charge		30.70
Net return over lbr & mgt		2.46
<b>Cost of Production Per Cwt. Produced</b>		
Total direct expense per unit		151.52
Total dir & ovhd expense per unit		156.97
With other revenue adjustments		156.87
With labor and management		161.34
Est. labor hours per unit		1.89
<b>Other Information</b>		
No. purchased or trans in		139
Number sold or trans out		153
Percentage death loss		0.9
Avg. daily gain (lb.)		1.11
Lb. of conc / lb. of gain		3.26
Lb. of feed / lb. of gain		9.59
Feed cost per cwt. of gain		76.49
Feed cost per head		208.76
Hired labor per head		5.60
Average purchase weight		525
Avg wgt / Backgnd Beef sold		808
Avg purch price / cwt.		225.47
Avg sales price / cwt.		162.37

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

**Sheep, Market Lamb Prod -- Average Per Ewe**

	<b>Avg. Of All Farms</b>	
Number of farms	12	
	Quantity	Value
Lambs sold (lb)	4.1	0.74
Mkt Lambs sold (lb)	177.6	347.19
Cull sales (lb)	9.1	22.26
Government payments		1.31
Other income		2.13
Purchased (lb)	-5.2	-21.36
Transferred in (lb)	-1.0	-2.31
Inventory change (lb)	9.5	-43.09
Gross margin		306.87
<b>Direct Expenses</b>		
Protein Vit Minerals (lb.)	299.4	67.86
Complete Ration (lb.)	162.2	16.98
Corn (bu.)	8.6	58.87
Corn Silage (lb.)	503.0	13.26
Hay, Alfalfa (lb.)	412.8	35.55
Hay, Grass (lb.)	312.1	22.58
Other feed stuffs (lb)	368.2	23.52
Repairs		14.46
Hired labor		5.87
Miscellaneous		43.95
Total direct expenses		302.91
Return over direct expense		3.96
<b>Overhead Expenses</b>		
Hired labor		19.28
Farm insurance		8.06
Interest		8.51
Mach & bldg depreciation		29.34
Miscellaneous		24.35
Total overhead expenses		89.53
Total dir & ovhd expenses		392.45
Net return		-85.58
Labor & management charge		66.56
Net return over lbr & mgt		-152.14
<b>Cost of Production Per Cwt. Produced</b>		
Total direct expense per unit		159.43
Total dir & ovhd expense per unit		206.55
With other revenue adjustments		212.28
With labor and management		247.31
Est. labor hours per unit		5.34
<b>Other Information</b>		
Number of ewes		201.5
Pregnancy percentage		96.4
Pregnancy loss percentage		0.7
Female turnover rate		14.35
Lambs born / ewe exposed		1.66
Lambs born / ewe lambing		1.74
Lambs weaned/ewe exposed		1.49
Lambs sold per ewe		1.53
Lamb dth loss (died/born)		11.6
Ewe death loss percentage		5.9
Ewes per FTE		524.5
Average weaning weight		50
Lb. weaned/exposed female		74
Feed cost per ewe		238.63
Avg wgt/Mkt Lambs sold		116
Avg price / cwt.		195.51

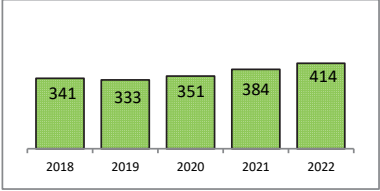
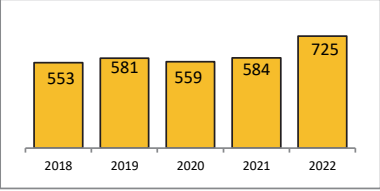
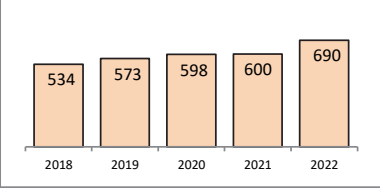
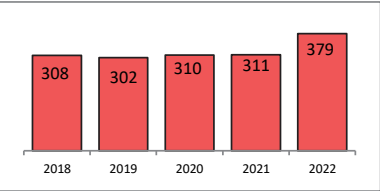
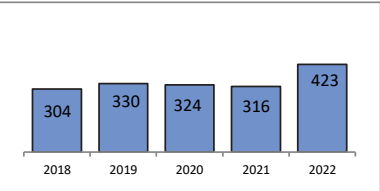
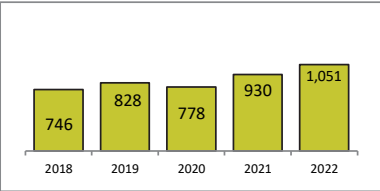
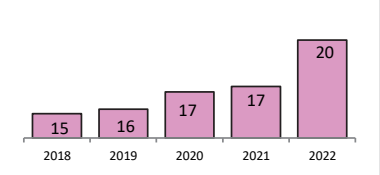


**Livestock Enterprise Analysis**  
**Farm Business Management Statewide Data**  
**(Farms Sorted By Return to Overhead)**

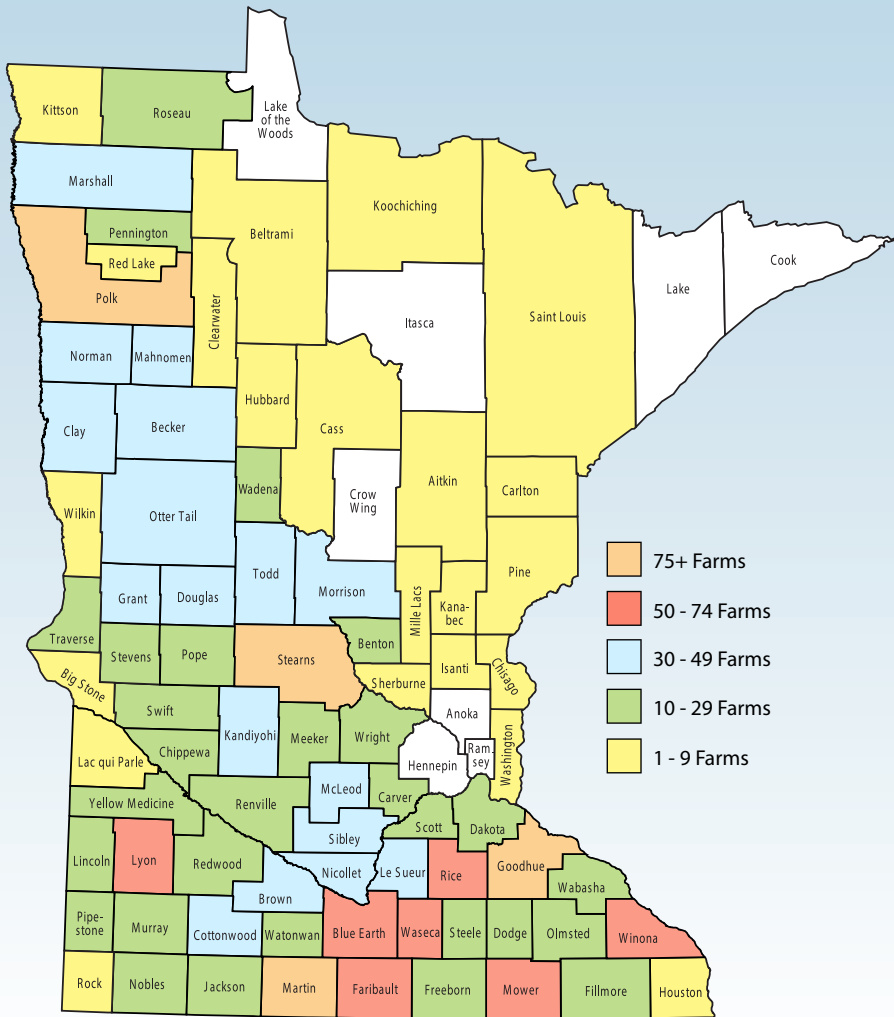
**Hogs, Weaning to Finish (Per Head) and Finish Feeder Pigs (Per Head)**

Number of Farms	<u>Weaning to Finish</u>		<u>Finish Feeder Pigs</u>	
	21		10	
	Quantity	Value	Quantity	Value
Pigs / Hogs sold (lb)	266.20	190.36	315.6	218.06
Transferred out (lb)	0.40	0.11	-	-
Insurance income	-	0.01	-	0.32
Government payments	-	0.02	-	-
Other income	-	0.67	-	1.85
Purchased (lb)	-14.60	-54.94	-38.9	-71.96
Transferred in (lb)	-1.80	-5.44	-0.5	-0.80
Inventory change (lb)	14.30	13.10	-31.0	-20.70
Gross margin		143.88		126.77
<b>Direct Expenses</b>				
Protein Vit Minerals (lb.)	123.8	28.05	116.0	23.92
Complete Ration (lb.)	167.9	30.20	236.7	37.81
Corn (bu.)	6.8	41.51	5.5	33.93
DDGS, dry (lb.)	42.50	5.57	6.1	0.84
Other feed stuffs (lb)	0.1	2.60	2.9	0.44
Veterinary		3.32		
Contract production exp.		5.05		10.96
Repairs		2.11		1.11
Custom hire		1.66		-
Fuel & oil		1.53		-
Hauling and trucking		3.30		1.68
Hired labor		0.76		-
Operating interest		1.50		-
Miscellaneous		1.87		5.07
Total direct expenses		129.03		116.97
Return over direct expense		14.85		9.83
<b>Overhead Expenses</b>				
Hired labor		3.61		2.07
Building leases		6.93		1.51
Farm insurance		1.34		0.80
Utilities		0.58		0.90
Interest		0.70		0.55
Mach & bldg depreciation		2.03		1.69
Miscellaneous		0.67		1.02
Total overhead expenses		15.86		8.54
Total dir & ovhd expenses		144.89		125.51
Net return		-1.01		1.26
Labor & management charge		2.82		2.38
Net return over lbr & mgt		-3.83		-1.12
<b>Cost of Production/Cwt. Carcass Sold</b>				
Total direct expense per unit		89.7		89.55
Total dir & ovhd expense per unit		97.78		93.18
With other revenue adjustments		97.49		92.28
With labor and management		98.92		93.29
Est. labor hours per unit		0.27		0.19
<b>Other Information</b>				
No. purchased or trans in		23,216		13,316
Number sold or trans out		19,706		13,654
Percentage death loss		5.2		5.8
Percent substandard hogs		2		1
Avg. daily gain (lb.)		1.55		1.48
Lb. of feed / lb. of gain		2.75		2.73
Feed cost per cwt. of gain		40.79		39.53
Feed cost per head		107.93		96.95
Hired labor per head		4.36		2.58
Average purchase weight		14		35
Avg wgt /Fin Pig/Hog sold		276		277
Avg purch price / head		54.29		65.44
Avg sales price / cwt.		71.52		69.10
Average carcass weight		207		208
Average price / cwt. carcass		96.39		92.52

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

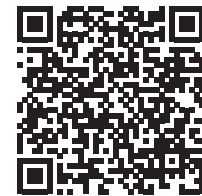
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>Total Dir&amp;Ovhd Expense</u>
<b><u>Alfalfa Hay</u></b>						
Yield per Acre	4.1	4.0	4.2	2.9	4.1	
Value per Ton	\$134.75	\$148.97	\$136.11	\$172.67	\$153.99	
Fuel, Oil, Repairs per Acre	\$93.70	\$87.41	\$91.02	\$111.25	\$127.46	
Total Dir & Ovhd Exp per Acre	\$340.55	\$333.24	\$351.17	\$384.31	\$413.66	
Net Return per Acre	\$210.75	\$301.16	\$232.35	\$136.48	\$219.76	
Total Direct Expenses per Ton	\$39.82	\$41.84	\$44.90	\$68.27	\$60.05	
Total Dir & Ovhd Exp per Ton	\$83.41	\$82.69	\$84.56	\$93.54	\$101.02	
<b><u>Corn</u></b>						
Yield per Acre	179.0	160.2	176.2	141.1	169.0	
Value per Bushel	\$3.22	\$3.40	\$3.78	\$5.30	\$6.09	
Fuel, Oil, Repairs per Acre	\$82.18	\$83.95	\$82.16	\$89.47	\$117.03	
Total Dir & Ovhd Exp per Acre	\$553.48	\$580.96	\$559.08	\$584.48	\$725.05	
Net Return per Acre	\$38.76	\$35.63	\$158.49	\$158.49	\$319.63	
Total Direct Expenses per Bu.	\$2.11	\$2.42	\$2.15	\$2.83	\$3.12	
Total Dir & Ovhd Exp per Bushel	\$3.09	\$3.63	\$3.17	\$4.14	\$4.29	
<b><u>Corn Silage</u></b>						
Yield per Acre	20.6	18.7	21.0	13.3	19.4	
Value per Ton	\$29.98	\$31.58	\$34.35	\$41.87	\$45.33	
Fuel, Oil, Repairs per Acre	\$95.29	\$94.18	\$103.57	\$111.94	\$134.63	
Total Dir & Ovhd Exp per Acre	\$533.70	\$572.60	\$597.78	\$600.39	\$690.23	
Net Return per Acre	\$86.46	\$75.40	\$162.77	\$131.40	\$190.28	
Total Direct Expenses per Ton	\$17.55	\$20.73	\$19.84	\$31.07	\$25.96	
Total Dir & Ovhd Exp per Ton	\$25.94	\$30.63	\$28.43	\$45.16	\$35.63	
<b><u>Soybeans</u></b>						
Yield per Acre	41.0	37.8	41.5	30.6	39.7	
Value per Bushel	\$8.38	\$8.17	\$10.23	\$12.25	\$13.93	
Fuel, Oil, Repairs per Acre	\$44.13	\$42.10	\$46.34	\$46.71	\$62.93	
Total Dir & Ovhd Exp per Acre	\$308.24	\$301.73	\$309.79	\$310.81	\$379.03	
Net Return per Acre	\$118.57	\$68.79	\$155.17	\$118.55	\$190.43	
Total Direct Expenses per Bu.	\$4.95	\$5.09	\$4.67	\$6.62	\$6.36	
Total Dir & Ovhd Exp per Bushel	\$7.52	\$7.98	\$7.46	\$10.15	\$9.55	
<b><u>Spring Wheat</u></b>						
Yield per Acre	65.8	59.8	59.9	50.3	64.4	
Value per Bushel	\$5.47	\$5.09	\$5.48	\$8.80	\$9.05	
Fuel, Oil, Repairs per Acre	\$45.25	\$41.94	\$42.63	\$44.24	\$56.99	
Total Dir & Ovhd Exp per Acre	\$303.60	\$329.97	\$324.04	\$316.32	\$422.81	
Net Return per Acre	\$80.69	\$53.62	\$65.64	\$178.66	\$171.05	
Total Direct Expenses per Bu.	\$3.19	\$3.75	\$3.56	\$4.25	\$4.84	
Total Dir & Ovhd Exp per Bushel	\$4.62	\$5.52	\$5.41	\$6.29	\$6.57	
<b><u>Beef Cow Calf</u></b>						
Price Recv'd/Cwt Calf Sold	\$151.73	\$145.96	\$159.21	\$153.79	\$180.23	
Total Feed Cost/Cow	\$422.72	\$469.02	\$433.96	\$549.62	\$640.45	
Return over Feed/Cow	\$269.10	\$136.18	\$314.25	\$214.94	\$174.45	
Net Return/Cow	-\$54.31	-\$223.06	-\$29.30	-\$165.68	-\$235.79	
Total Direct & Ovhd Expenses	\$746.13	\$828.25	\$777.50	\$930.24	\$1,050.70	
<b><u>Dairy Cows</u></b>						
Production/Cow	23,974	24,390	24,983	25,285	25,485	
Price Recv'd/Cwt Milk	\$16.44	\$18.64	\$19.77	\$18.41	\$24.24	
Total Feed Cost/Cwt Milk	\$8.06	\$8.24	\$8.73	\$9.59	\$11.41	
Return over Feed/Cwt Milk	\$8.38	\$10.40	\$11.04	\$8.82	\$12.83	
Net Return/Cwt Milk	-\$0.16	\$1.65	\$3.86	\$0.82	\$2.69	
Total Direct & Ovhd Expenses	\$15.45	\$15.72	\$16.74	\$17.07	\$19.83	

# 2022 FARM BUSINESS MANAGEMENT FINANCIAL ANALYSIS BY COUNTY



## SOURCES OF DATA

The 2,154 producers who provided data for three MN regional reports are located in 79 of Minnesota's 87 counties. Those counties are highlighted on the map to the left, color coded based on the number of farms included from each county.



## MINNESOTA FARM BUSINESS MANAGEMENT EDUCATION PROGRAMS

### 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 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



**MINNESOTA STATE**  
Northern Agricultural Center of Excellence

### Keith Olander

Executive Director of AgCentric,  
Northern Agricultural  
Center of Excellence

Keith.Olander@clcmn.edu  
(218) 894-5163

agcentric.org



### Megan Roberts

Executive Director of the  
Southern Agricultural  
Center of Excellence

megan.roberts@southcentral.edu  
(507) 389-7290

www.centerofagriculture.org



**MINNESOTA STATE**  
Southern Agricultural Center of Excellence

# Farm Financial Scorecard

Using Recommended Measures from the Farm Financial Standards Council (FFSC)

	<b>Your Farm:</b>			<b>Desired Trend</b>		
<b>Liquidity</b>						
Current Ratio	_____	Vulnerable	1.3	2.0	Strong	↑
Working Capital as % of Gross Revenue	_____ %		10%	30%		↑
Working Capital as % of Operating Expense*	_____ %		20%	40%		↑
<b>Solvency</b>						
Debt-to-Asset Ratio	_____ %	Vulnerable	60%	30%	Strong	↓
Equity-to-Asset Ratio*	_____ %		40%	70%		↑
Debt-to-Equity Ratio*	_____		1.5	0.43		↓
<b>Profitability</b>						
Rate of Return on Assets	_____ %	Vulnerable	4%	8%	Strong	↑
Rate of Return on Equity	_____ %		3%	10%		↑
Operating Profit Margin Ratio	_____ %		15%	25%		↑
Asset Turnover Ratio	_____ %		30%	45%		↑
<b>Repayment Capacity</b>						
Debt Coverage Ratio	_____	Vulnerable	1.25	1.75	Strong	↑
Replacement Coverage Ratio	_____		1.1	1.5		↑
Term Debt & Finance Lease Coverage Ratio*	_____		1.25	1.75		↑
<b>Financial Efficiency</b>						
Operating Expense Ratio	_____ %	Vulnerable	80%	60%	Strong	↓
Depreciation Expense Ratio	_____ %		10%	5%		↓
Interest Expense Ratio	_____ %		10%	5%		↓
Net Farm Income Ratio	_____ %		10%	20%		↑

\* Denotes Acceptable Alternate Measures of the FFSC (<https://ffsc.org/>)