

Executive Summary Edition

2024

Farm

Analysis

Report of

Moorhead

This is the 49th edition of this report published by the Northland College-Moorhead MN. Farm Business Management Department. The numbers for this report came from records kept by each farm family enrolled in the farm management education program provided by Northland Community and Technical College, Thief River Falls, MN.

In 2023, 78 farms (with an equivalent of 87 full-time operators), located mainly in western Clay, Norman, and Wilkin counties in Minnesota, were included in the averages. The average farmer was 47.4 years old with 23.3 years of farming experience. Farms averaged 1,936 acres per farm with 353 acres of that owned. Sugarbeets generated the largest gross dollar amount per farm (\$508,313). Corn (\$385,757) stayed in 2nd ahead of Soybeans at (\$350,869). Wheat was fourth at (\$169,431). The largest single expense was land rent (\$307,733) per farm, which is 21.9% of total cash expenses. Seed expense was 2nd at (\$192,485). Fertilizer (\$174,179), Repairs (\$139,106) and Chemicals (\$123,478) were the next three expenses.

*Net Farm Income (\$304,891) increased by 7.0% from the last years amount of \$284,881. Most of the increase in the net farm income was directly related to increased in accounts receivable in 2024 compared to 2023. Many farms saw better than expected yields for weather conditions and positive profitability even with greatly increased input costs. Information about our Farm Business Management program and other financial reports can be found at our website: **www.NorthlandFBM-Moorhead.com***

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NORTHLAND
COMMUNITY & TECHNICAL COLLEGE

Statement of Cash Flows - Total of 78 Farms in Analysis Report

Soybeans	\$27,367,782
Sugarbeets	\$39,648,414
Corn	\$30,089,046
Wheat	\$13,215,618
Other Crops	\$5,101,434
Government Pymts	\$625,170
Remaining Farm Income (Ins, etc)	\$17,389,320

Total Cash Farm Income \$133,436,784

Fertilizer	\$13,585,962
Land Rent	\$24,003,174
Seed	\$15,013,830
Chemicals	\$9,631,284
Repairs	\$10,850,268
Fuel	\$4,692,090
Crop Insurance	\$3,761,940
Remaining Farm Expenses	\$27,948,492

Total Farm Expense (\$109,487,040)

Net Cash from Hedging (\$195,000)

Net Nonfarm Income \$4,107,792

Apparent Family Living (\$10,061,844)
Income & SS Tax Paid (\$2,932,176)

Cash From Operating Activities \$14,868,516

Sale of Machinery	\$5,056,974
Sale of Farm Land	\$525,018
Sale of Other Farm Assets	\$848,484
Sale of Nonfarm Assets	\$1,445,574

Total Sales of Assets \$7,876,050

Purchase of Machinery	(\$18,838,716)
Purchase of Farm Land	(\$7,768,878)
Pur of Farm Bldgs/Tiling	(\$4,622,436)
Pur of Other Farm Assets	(\$2,664,792)
Pur of Nonfarm Assets	(\$4,321,590)

Total Purchase of Assets (\$38,216,412)

Cash From Investing Activities (\$30,340,362)

Money Borrowed	\$91,300,170
Principal Payments	(\$74,301,396)
Gifts & Inheritances	(\$714,480)

Cash From Financing Activities \$16,284,294

Net change in cash balance: \$812,448

Inventory Change: \$8,294,286

Farm Financial Scorecard

Liquidity

	This Year	5-Year Ave	Strong	Vulnerable
Current ratio	1.79	2.01	2.0	1.3
Working Capital to Gross Rev.	34.1%	35.4%	30%	10%
*Working Capital to Oper. Exp.	46.8%	51.1%	40%	20%

Solvency (market)

Note: These solvency ratios include deferred liabilities

Farm debt/asset ratio	46%	45%	30%	60%
Farm equity/asset ratio	54%	55%	70%	40%
Farm debt/equity ratio	0.84	0.80	0.43	1.50

Profitability (Cost)

Rate of return on farm assets	6.0%	8.8%	8%	4%
Rate of return on farm equity	6.6%	12.4%	10%	3%
Operating profit margin	13.8%	18.1%	25%	15%
Asset Turnover Ratio	43.2%	47.1%	45%	30%

Repayment Capacity (Accrual)

*Debt Coverage Ratio	1.71	2.64	1.75	1.25
Replacement Coverage Ratio	1.39	2.05	1.50	1.10
Term-debt coverage ratio	1.89	2.97	1.75	1.25

Financial Efficiency

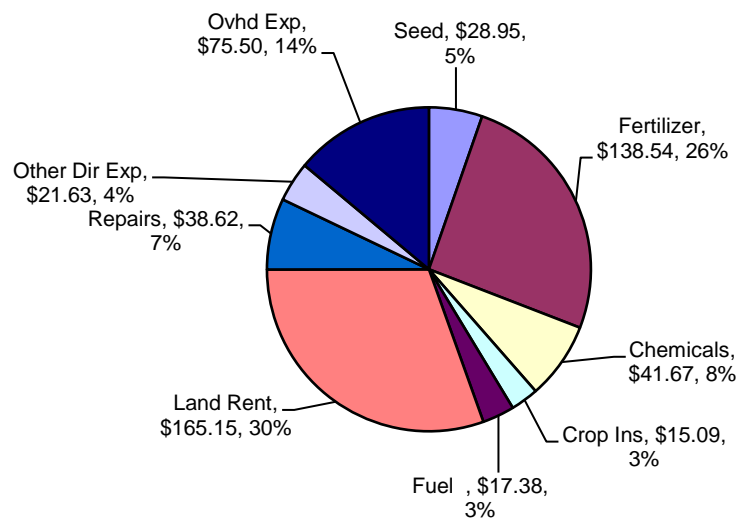
Operating-expense ratio	72.8%	70.0%	60%	80%
Depreciation-expense ratio	5.8%	5.0%	5%	10%
Interest-expense ratio	5.2%	3.9%	5%	10%
Net farm income ratio	16.2%	20.9%	20%	10%

*New recommended ratio from FFSC in 2022

Developed by: University of Vermont Extension and Center for Farm Financial Mgt, University of Minnesota

Updated by: Josh Tjosas, Farm Business Mgt Program, Northland College

Spring Wheat - Cash Rented (Avg of all Farms)



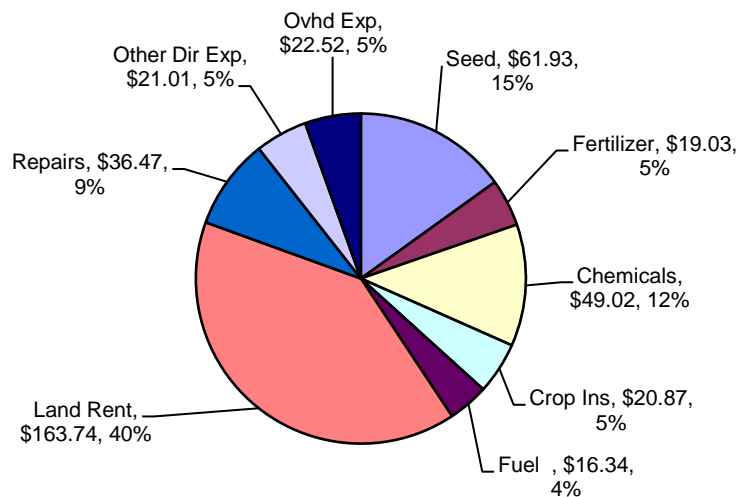
	My Farm	
	\$/A.	%
Seed		
Fertilizer		
Chemicals		
Crop Ins		
Fuel		
Repairs		
Land Rent		
Other Dir		
Ovhd Exp		

	2020	2021	2022	2023	2024
Yield	63.47	58.08	70.30	71.55	75.84
**Total Costs/Acre	\$415.63	\$405.32	\$544.65	\$557.51	\$551.03
Total Costs/Bu	\$6.55	\$6.98	\$7.75	\$7.79	\$7.27

**-does not include principal pymts or personal draw

	My Farm	
Yield		
Costs/A.		
Costs/bu.		

Soybeans - Cash Rented (Avg of all Farms)



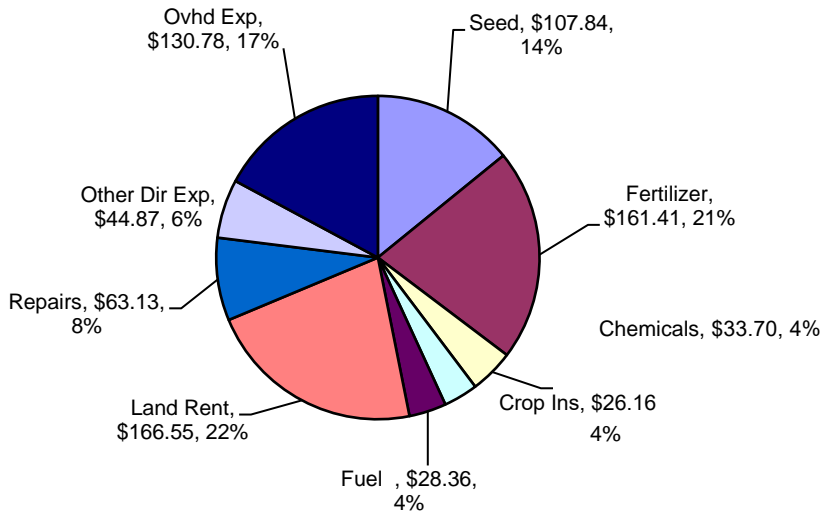
	My Farm	
	\$/A.	%
Seed		
Fertilizer		
Chemicals		
Crop Ins		
Fuel		
Repairs		
Land Rent		
Other Dir		
Ovhd Exp		

	2020	2021	2022	2023	2024
Yield	37.30	31.07	44.17	39.73	40.22
**Total Costs/Acre	\$368.66	\$380.23	\$432.59	\$466.47	\$465.50
Total Costs/Bu	\$9.88	\$12.24	\$9.79	\$11.74	\$11.57

**-does not include principal pymts or personal draw

	My Farm	
Yield		
Costs/A.		
Costs/Bu.		

Corn - Cash Rented (Avg of all Farms)



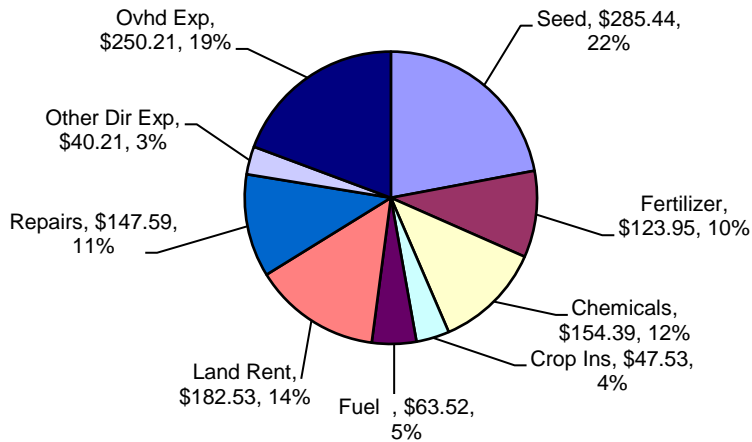
	My Farm	
	\$/A.	%
Seed		
Fertilizer		
Chemicals		
Crop Ins		
Fuel		
Repairs		
Land Rent		
Other Dir		
Ovhd Exp		

	2020	2021	2022	2023	2024
Yield	164.58	131.27	175.58	164.71	174.32
**Total Costs/Acre	\$591.32	\$601.35	\$769.01	\$775.83	\$770.76
Total Costs/Bu	\$3.59	\$4.58	\$4.38	\$4.71	\$4.42

**does not include principal pymts or personal draw

	My Farm	
Yield		
Costs/A.		
Costs/Bu.		

Sugarbeets-Cash Rented excluding Joint Venture (Avg of all Farms)



	My Farm	
	\$/A.	%
Seed		
Fertilizer		
Chemicals		
Crop Ins		
Fuel		
Repairs		
Land Rent		
Other Dir		
Ovhd Exp		

	2020	2021	2022	2023	2024
Yield	25.49	29.20	26.35	28.44	30.04
**Total Costs/Acre	\$1,092.87	\$1,143.00	\$1,320.17	\$1,408.65	\$1,434.06
Total Costs/Ton	\$42.87	\$39.14	\$50.10	\$49.53	\$47.74

**does not include principal pymts or personal draw

	My Farm	
Yield		
Costs/A.		
Costs/T.		