

Minnesota and North Dakota
Farm Business Management Education

Red River Valley 2024 Report



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RED RIVER VALLEY AVERAGES
2024 ANNUAL REPORT

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2024 Red River Valley Report
Minnesota and North Dakota Farm Business Management Education

TABLE OF CONTENTS

Introduction	1
Explanatory Notes for the Farm Operators' Reports	2
Five-Year Trend of Financial measures	7
Farm Income Statement	8
Inventory Changes	10
Depreciation	11
Profitability Measures	12
Liquidity & Repayment Capacity Measures	13
Balance Sheet at Cost Values	14
Balance Sheet at Market Values	15
Statement of Cash Flows	16
Financial Standards Measures	17
Crop Production and Marketing Summary	18
Operator and Labor Information	19
Household and Personal Expenses	20
Financial Summary (sorted by gross farm income)	21
Financial Summary (sorted by age of operator)	22
Explanatory Notes for Crop Tables	23
Five Year Crop History of Yields and Cost of Production	24
Barley on Cash Rent	25
Beans, Black on Owned Land	26
Beans, Black on Cash Rent	27
Beans, Navy on Cash Rent	28
Canola on Cash Rent	29
Corn on Owned Land	30
Corn on Cash Rent	31
Corn on Share Rent	32
Corn Silage on Owned Land	33
Corn Silage on Cash Rent	34
CRP on Owned Land	35
Hay, Alfalfa on Owned Land	36
Hay, Alfalfa on Cash Rent	37
Prevented Planting on Owned Land	38
Prevented Planting on Cash Rent	39
Soybeans on Owned Land	40
Soybeans on Cash Rent	41
Soybeans on Share Rent	42
Soybeans, Natto on Cash Rent	43
Soybeans, Seed on Owned Land	44
Soybeans, Seed on Cash Rent	45
Sugar Beets on Owned Land, Excluding Joint Venture	46
Sugar Beets on Owned Land, Joint Venture	47
Sugar Beets on Cash Rent, Excluding Joint Venture	48

Sugar Beets on Cash Rent, Joint Venture	49
Sunflowers on Cash Rent	50
Wheat, Spring on Owned Land	51
Wheat, Spring on Cash Rent	52
Wheat, Spring on Share Rent	53

INTRODUCTION

This report summarizes the individual farm records of farms in the Red River Valley that are enrolled in Farm Management Education programs. The current financial status of farm operators and net returns from each crop enterprise is reported. In addition to the average of all farms, the averages for the high and low net income groups are also presented. To insure anonymity, only averages of five or more farms are reported. Regional averages reports can be used by producers for comparison purposes to identify and study the areas that may need management improvement. A review of the comparative information may reveal how certain aspects of the business or enterprises excel and help answer why they are profitable. The data contained in this report should also be useful to instructors, extension agents, bankers and agricultural consultants.

The Red River Valley averages reports are divided into two major categories. Explanatory notes precede the farm operators' reports and the crop reports.

The 2024 Red River Valley Report is based upon data generated by individual farm analysis completed by farm/ranch families enrolled in the Farm and Ranch Business Management Education programs in Minnesota and North Dakota. The tables in this report were created using FINPACK and RankEm Central copyrighted software of the Center for Farm Financial Management, University of Minnesota.

You may contact Ron Dvergsten, Northland Community and Technical College, Highway 1 East, Thief River Falls, MN 56701, phone: (218) 683-8747, to order a copy of this report. This report and regional reports for north central, south central and western North Dakota can be ordered for \$5 per copy from Farm Business Management, PO Box 6022, Bismarck, ND 58506-6022, phone: (701) 224-8390. A state average book for North Dakota farms is also available. The reports are available online at www.ndfarmmanagement.com and agcentric.org.

EXPLANATORY NOTES FOR THE FARM OPERATORS' REPORTS

The tables include the same number of farms, which were all of the farms whose records were judged to be of sufficient quality to be included in the overall report. However, the balance sheets include only sole proprietors. Partnerships and corporations are excluded because some debt is held outside of the business causing potential misinterpretations of the financial statement. The number of farms included in each of the crop tables varies because all farms do not have the same enterprises. Also, some farmers' records were complete enough to be included in the whole-farm tables, but at times, these same farmers' crop records were not complete enough to include in the respective crop and livestock tables.

Rounding of individual items for the report may have caused minor discrepancies with the printed totals which are calculated before rounding.

Farm Income Statement

This statement is a summary of income, expenses, or resultant profit or loss from farming operations during the calendar year.

The first section of the income statement is a table which lists cash farm income. There are several sources of cash farm income. Cash sales of crops are listed first followed by cash sales of livestock.

Government payments are categorized. "Crop government payments" are Agricultural Risk Coverage (ARC) and Price Loss Coverage (PLC) payments. "LDP payments" are loan deficiency payments that may be received on production when local prices are below the county loan rate for the crop. "Livestock government payments" include dairy MPP payments and other livestock related payments. "CRP payments" are funds received for land enrolled in the Conservation Reserve Program. "Other government payments" refers to all other government payments such as disaster payments, EQIP, and CSP.

Lastly, cash income is categorized by sources such as custom work, cash patronage dividends, crop and property insurance indemnities, sale of resale items, and other.

The second section of the income statement lists cash expenses. "Hired labor" includes only labor which was hired and paid. "Interest" includes only interest actually paid. No opportunity charges on farm equity capital or unpaid labor are included.

The difference between "Gross Cash Farm Income" and "Total cash expense" is the "Net cash farm income." This is net farm income on a cash basis.

The last two sections of the income statement deal with the non-cash changes in the farm business. The "Inventory Changes" and "Depreciation" sections are used to convert the cash income statement (Net Cash Farm Income) derived from the first two sections into an accrual income statement. The final adjustment is for "Gain or loss on capital sales." The bottom line, labeled "Net farm income," represents the return to the operators and family's unpaid labor, management, and equity capital (net worth). In other words, it represents the return to all of the resources that are owned by the farm family and hence, not purchased or paid a wage. However, it does not include any debt forgiveness or asset repossessions.

Inventory Changes

This is the detailed statement of inventory changes that is summarized in the income statement. It includes beginning and ending inventories and the calculated changes.

Depreciation

This is the detailed statement of depreciation and other capital adjustments that is summarized in the income statement. It includes beginning and ending inventories, and capital sales and purchases.

Profitability Measures

This table shows profitability when capital assets are valued at cost. Various measures of performance are calculated. In the previous tables no opportunity costs are used. In this table, opportunity costs for labor, capital, and management are used. The measures and their components are described below.

"Rate of return on assets" is the "Return on farm assets" divided by "Average farm assets."

"Rate of return on equity" is the "Return of farm equity" divided by "Average farm equity."

"Operating profit margin" is the "Return on farm assets" divided by "Value of farm production."

"Asset turnover rate" is the "Value of farm production" divided by "Average farm assets."

"Farm interest expense" is the accrual interest cost, usually it will be different from the cash interest expense.

"Value of operator's labor and management" is an opportunity cost for unpaid operator's labor and management that is used in the calculation of several financial performance measures. A value of \$30,000 per full time operator plus 5% of gross farm income is used.

"Return of farm assets" is calculated by adding "Farm interest expense" to "Net farm income" and then subtracting the "Value of operator's labor and management."

"Average farm assets" is the average of beginning and ending total farm assets.

"Return on farm equity" is calculated by subtracting the "Value of operator's labor and management" from "Net farm income."

"Average farm equity" is the average of beginning and ending farm net worth.

"Value of farm production" is gross cash farm income minus purchased feed and feeder livestock and adjusted for inventory changes in crops, market livestock, accounts receivable and breeding livestock.

Liquidity & Repayment Capacity Measures

The table shows several measures of liquidity and repayment capacity. Calculation of repayment capacity starts with net farm income from operations and adds back the non-cash expense of depreciation. Personal income is also added. Family living expenses, personal debt payments, income taxes paid, and interest on term debt are subtracted to determine the capital debt repayment capacity.

Balance Sheets

The ending balance sheet statements and solvency measures are for all farms; in previous Red River Valley reports they were presented for sole proprietors only. Current assets are valued at market price at the time of the inventory which is December 31. In balance sheet at cost values, intermediate and long-term assets that are depreciable are valued at cost remaining (amount remaining to be depreciated, plus salvage value). Raised breeding livestock is valued at conservative market replacement costs. Land is valued at cost or conservative market value. In balance sheet at market values, the intermediate and long term assets are listed at market value, and deferred income tax liabilities are estimated.

Statement of Cash Flows

This statement organizes cash inflows and outflows by the following three categories: Operating activities, investing activities, and financing activities.

Financial Standards Measures

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

Liquidity

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

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

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

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

Solvency

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

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

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

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

Profitability

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

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

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

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

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

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

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

Repayment Capacity

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

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

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

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

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

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

Efficiency

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

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

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

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

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

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

Crop Production and Marketing Summary

This table contains three sections. The first section reports averages for total acres owned, crop land by tenure and total pasture acres. The next two sections show average price received and average yields for major crops. These tables are sorted on the basis of "Net farm income."

Operator and Labor Information

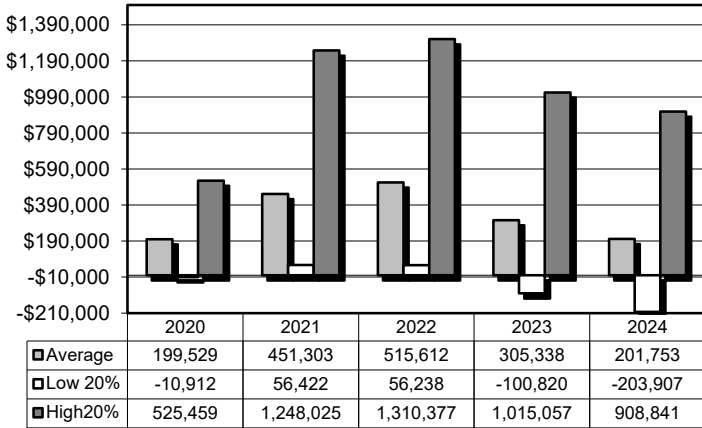
This table reports the average for the number of operators per farm, the operator's age, and the number of years farming.

Nonfarm Summary

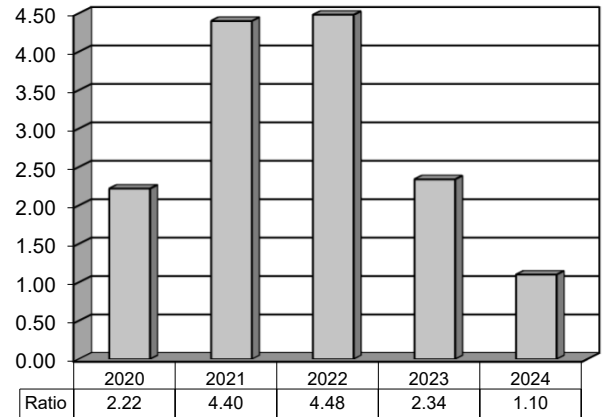
This table also reports nonfarm income. The figure reported is the average over all farms not just those reporting nonfarm income.

Five Year Trend of Financial Measures Red River Valley Farm Business Management Education

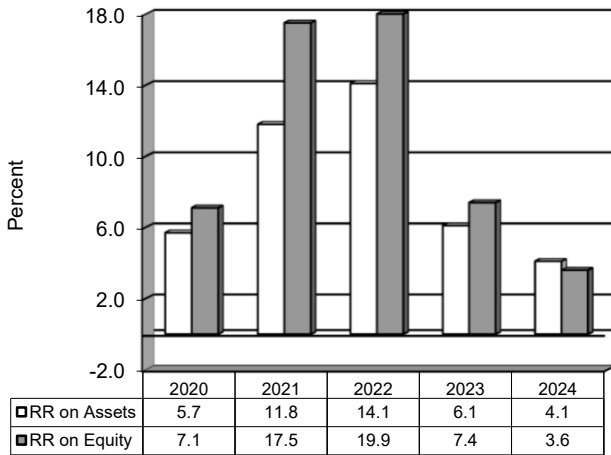
Net Farm Income



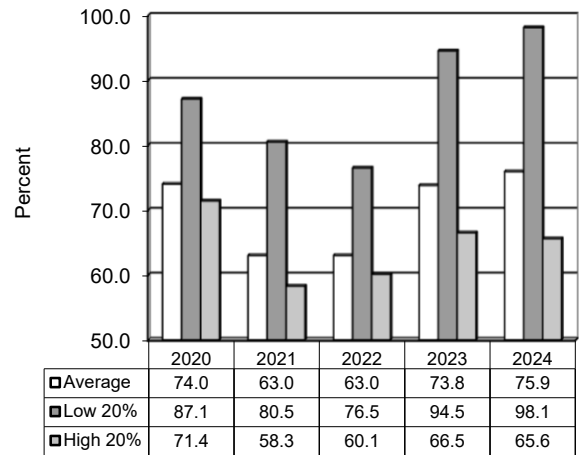
Term Debt Coverage Ratio (accrual)



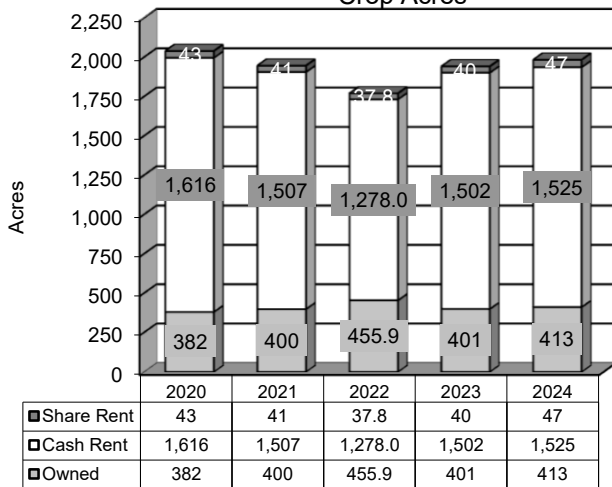
Rate of Return (cost)



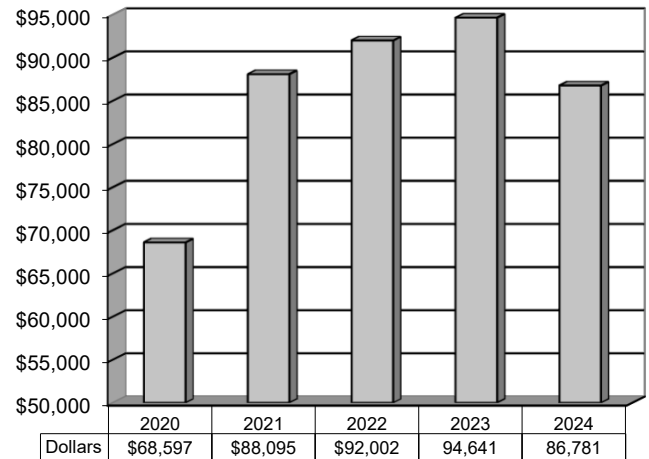
Operating Expense Ratio



Crop Acres



Apparent Family Living



Farm Income Statement
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(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	200	40	40	40
Cash Farm Income				
Barley	7,351	-	7,385	16,066
Beans, Black Turtle	21,011	-	1,830	96,775
Beans, Navy	7,637	-	-	23,854
Beans, Pinto	9,274	-	-	16,835
Canola	4,026	5,668	-	8,354
Corn	385,071	491,901	220,223	620,057
Corn Silage	10,064	25,665	-	18,381
Grass Seed, Fescue	608	-	-	-
Hay, Alfalfa	3,878	9,088	2,863	-
Hay, Small Grain	40	-	200	-
Oats	1,876	-	-	9,381
Peas, Field	2,433	-	-	12,163
Potatoes	22,215	-	-	109,213
Rye	1,224	586	-	5,270
Soybeans	301,670	403,632	141,227	441,973
Sugar Beets	353,804	154,041	120,298	1,008,520
Sunflowers	8,778	15,664	2,871	6,835
Wheat, Durum	506	-	-	-
Wheat, Spring	165,637	78,468	45,380	400,851
Hay	6,715	10,911	382	193
Miscellaneous crop income	12,727	35,353	4,014	2,298
Beef Cow-Calf, Beef Calves	123	-	-	-
Beef Cow-Calf w Backgrnd, Beef Cal	111	-	554	-
Beef Bred Heifers	348	-	-	-
Beef Backgrounding	1,576	838	1,342	-
Beef Finishing	3,628	-	1,260	15,227
Dairy Finishing	104	521	-	-
Cull breeding livestock	83	69	186	-
Misc. livestock income	104	-	112	-
Crop government payments	354	262	-	24
CRP payments	1,187	1,392	1,779	1,031
Conservation govt payment	4,751	7,702	4,788	4,798
Other government payments	9,282	8,672	6,725	16,700
Custom work income	13,232	14,034	13,473	18,883
Patronage dividends, cash	29,713	23,500	14,620	66,458
Crop insurance income	106,001	150,515	47,127	193,633
Sale of resale items	1,221	928	-	1,756
Renewable energy income	30	152	-	-
Farm rental income	22,721	44,001	6,458	18,106
Other market channel sales	121	-	-	-
Other farm income	40,584	24,320	15,368	58,336
Gross Cash Farm Income	1,561,821	1,507,882	660,465	3,191,969

Farm Income Statement (continued)
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(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	200	40	40	40
Cash Farm Expense				
Seed and plants	164,377	171,607	68,118	344,506
Fertilizer	180,068	173,815	78,336	348,741
Crop chemicals	115,025	105,698	49,694	243,163
Crop insurance	42,087	42,716	21,312	79,306
Drying expense	4,577	5,237	2,609	8,740
Storage	1,667	2,042	2,379	404
Irrigation energy	1,010	32	224	4,792
Crop miscellaneous	12,697	8,723	7,833	8,039
Consultants	4,646	4,052	1,818	8,402
Feeder livestock purchase	4,684	1,681	1,483	14,094
Purchased feed	817	422	1,128	1,996
Supplies	128	-	191	258
Contract production exp.	154	-	-	-
Livestock leases	95	-	-	475
Interest	77,424	101,338	40,718	133,583
Fuel & oil	56,695	58,104	20,948	115,126
Repairs	125,204	131,233	51,672	243,831
Custom hire	20,805	22,846	16,954	35,635
Hired labor	72,410	85,288	17,070	154,514
Land rent	250,036	291,679	112,983	485,233
Stock/quota lease	23,293	2,528	6,198	80,512
Machinery leases	18,669	36,312	6,774	35,603
Building leases	2,807	873	594	8,782
Real estate taxes	13,805	16,456	5,485	22,426
Personal property taxes	142	654	-	-
Farm insurance	25,849	30,506	12,384	43,738
Utilities	11,766	14,037	5,705	19,617
Hauling and trucking	5,761	2,497	1,355	19,719
Marketing	2,492	2,630	1,407	2,894
Dues & professional fees	11,304	12,576	4,857	20,078
Purchase of resale items	5,896	16,834	-	7,744
Miscellaneous	13,237	12,888	6,757	16,331
Advertising & promotion	117	25	44	258
Total cash expense	1,269,743	1,355,329	547,030	2,508,540
Net cash farm income	292,078	152,553	113,434	683,429
Inventory Changes				
Prepays and supplies	-10,374	-51,183	-18,802	27,493
Accounts receivable	127,713	71,153	35,098	391,783
Hedging accounts	-1,345	-5,005	-4,178	-4,603
Other current assets	-1,100	-1,076	-591	-2,178
Crops and feed	-115,224	-218,529	-23,716	-65,955
Market livestock	2,188	501	3,511	5,190
Breeding livestock	198	-401	1,122	-245
Other assets	16,290	3,230	3,776	63,048
Accounts payable	-4,074	-26,257	2,366	-95
Accrued interest	-7,484	-9,990	-3,994	-9,076
Total inventory change	6,788	-237,557	-5,410	405,361
Net operating profit	298,865	-85,004	108,025	1,088,790
Depreciation				
Machinery and equipment	-81,879	-105,134	-35,307	-152,076
Titled vehicles	-9,831	-9,679	-6,585	-15,665
Buildings and improvements	-9,196	-11,465	-2,453	-15,012
Total depreciation	-100,905	-126,278	-44,345	-182,753
Net farm income from operations	197,960	-211,282	63,679	906,037
Gain or loss on capital sales	3,793	7,375	7,880	2,804
Net farm income	201,753	-203,907	71,559	908,841

Inventory Changes
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(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	200	40	40	40
Net cash farm income	292,078	152,553	113,434	683,429
Crops and Feed				
Ending inventory	811,469	801,878	368,627	1,653,976
Beginning inventory	926,693	1,020,407	392,343	1,719,931
Inventory change	-115,224	-218,529	-23,716	-65,955
Market Livestock				
Ending inventory	7,509	2,885	5,189	21,079
Beginning inventory	5,321	2,384	1,678	15,889
Inventory change	2,188	501	3,511	5,190
Accts Receivable				
Ending inventory	217,918	124,297	87,277	539,270
Beginning inventory	90,205	53,144	52,179	147,487
Inventory change	127,713	71,153	35,098	391,783
Prepaid Expenses and Supplies				
Ending inventory	164,308	130,228	51,535	424,281
Beginning inventory	174,682	181,410	70,337	396,788
Inventory change	-10,374	-51,183	-18,802	27,493
Hedging Activities				
Ending inventory	12,117	3,911	3,182	35,285
Withdrawals	6,172	1,830	1,055	13,515
Beginning inventory	12,620	4,608	7,503	31,698
Deposits	7,014	6,139	913	21,706
Gain or loss	-1,345	-5,005	-4,178	-4,603
Other Current Assets				
Ending inventory	14,640	3,018	658	62,515
Beginning inventory	15,739	4,094	1,249	64,694
Inventory change	-1,100	-1,076	-591	-2,178
Breeding Livestock				
Ending inventory	2,765	1,898	8,902	1,300
Capital sales	208	-	-	-
Beginning inventory	2,336	2,298	6,353	1,290
Capital purchases	439	-	1,426	255
Depreciation, capital adjust	198	-401	1,122	-245
Other Capital Assets				
Ending inventory	424,468	241,142	199,651	990,102
Capital sales	4,908	2,033	-	11,919
Beginning inventory	386,514	230,116	180,766	872,497
Capital purchases	26,572	9,830	15,110	66,475
Depreciation, capital adjust	16,290	3,230	3,776	63,048
Accounts Payable				
Beginning inventory	52,966	38,999	15,639	103,819
Ending inventory	57,040	65,255	13,274	103,914
Inventory change	-4,074	-26,257	2,366	-95
Accrued Interest				
Beginning inventory	30,493	42,563	15,016	49,649
Ending inventory	37,977	52,554	19,011	58,725
Inventory change	-7,484	-9,990	-3,994	-9,076
Total inventory change	6,788	-237,557	-5,410	405,361
Net operating profit	298,865	-85,004	108,025	1,088,790

Depreciation
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(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	200	40	40	40
Net operating profit	298,865	-85,004	108,025	1,088,790
Machinery and Equipment				
Ending inventory	977,025	1,089,729	376,191	2,006,086
Capital sales	40,399	30,342	11,079	116,779
Beginning inventory	919,893	1,049,013	371,203	1,831,075
Capital purchases	179,410	176,192	51,374	443,866
Depreciation, capital adjust.	-81,879	-105,134	-35,307	-152,076
Titled Vehicles				
Ending inventory	92,413	97,578	52,357	157,652
Capital sales	3,829	2,981	4,834	7,842
Beginning inventory	84,941	94,037	50,424	125,259
Capital purchases	21,131	16,202	13,352	55,900
Depreciation, capital adjust.	-9,831	-9,679	-6,585	-15,665
Buildings and Improvements				
Ending inventory	401,108	531,577	156,558	807,033
Capital sales	2,390	11,616	-	-
Beginning inventory	369,617	508,323	126,506	709,980
Capital purchases	43,077	46,335	32,505	112,065
Depreciation, capital adjust.	-9,196	-11,465	-2,453	-15,012
Total depreciation, capital adj.	-100,905	-126,278	-44,345	-182,753
Net farm income from operations	197,960	-211,282	63,679	906,037
Gain or loss on capital sales	3,793	7,375	7,880	2,804
Net farm income	201,753	-203,907	71,559	908,841

Profitability Measures
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(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	200	40	40	40
Profitability (assets valued at cost)				
Net farm income from operations	197,960	-211,282	63,679	906,037
Rate of return on assets	4.1 %	-4.8 %	2.6 %	10.3 %
Rate of return on equity	3.6 %	-14.1 %	0.9 %	13.4 %
Operating profit margin	11.5 %	-16.3 %	8.1 %	24.5 %
Asset turnover rate	35.6 %	29.8 %	32.4 %	41.9 %
Farm interest expense	84,908	111,328	44,712	142,659
Value of operator lbr and mgmt.	101,439	118,087	53,837	178,744
Return on farm assets	181,429	-218,040	54,555	869,952
Average farm assets	4,433,919	4,495,812	2,078,574	8,476,530
Return on farm equity	96,521	-329,368	9,843	727,294
Average farm equity	2,667,747	2,339,196	1,154,929	5,434,221
Value of farm production	1,579,241	1,338,598	672,949	3,554,887
	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	200	40	40	40
Profitability (assets valued at market)				
Net farm income from operations	281,734	-28,652	173,111	913,801
Rate of return on assets	4.5 %	-0.6 %	6.5 %	8.1 %
Rate of return on equity	5.2 %	-4.2 %	8.7 %	11.5 %
Operating profit margin	16.8 %	-2.6 %	24.4 %	24.7 %
Asset turnover rate	27.0 %	21.3 %	26.6 %	32.6 %
Farm interest expense	84,908	111,328	44,712	142,659
Value of operator lbr and mgmt.	101,439	118,087	53,837	178,744
Return on farm assets	265,202	-35,410	163,986	877,716
Average farm assets	5,839,024	6,291,613	2,526,138	10,891,062
Return on farm equity	180,294	-146,739	119,274	735,057
Average farm equity	3,438,435	3,503,596	1,378,284	6,385,386
Value of farm production	1,579,241	1,338,598	672,949	3,554,887

Liquidity & Repayment Capacity Measures
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(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	200	40	40	40
Liquidity				
Current ratio	1.97	1.29	1.68	2.44
Working capital	668,159	247,256	231,004	1,788,933
Change in working capital	-75,903	-432,862	-58,870	279,896
Working capital to gross revenue	42.0 %	18.2 %	34.2 %	50.0 %
Working capital to oper expense	55.4 %	18.6 %	44.2 %	76.2 %
Current assets	1,354,409	1,101,669	572,001	3,032,171
Current liabilities	686,251	854,413	340,997	1,243,239
Gross revenues (accrual)	1,590,637	1,357,535	675,560	3,578,720
Total operating expenses	1,206,864	1,331,210	522,824	2,347,271
Repayment capacity				
Net farm income from operations	197,960	-211,282	63,679	906,037
Depreciation	100,905	126,278	44,345	182,753
Personal income	45,952	64,709	50,700	48,396
Family living/owner withdrawals	-100,434	-125,782	-66,672	-145,311
Cash discrepancy	132	593	-59	-360
Income taxes	-32,613	-19,228	-28,390	-58,363
Interest expense	89,916	116,965	48,589	150,292
Debt repayment capacity	301,818	-47,747	112,193	1,083,445
Debt payments	209,011	264,131	104,117	384,410
Repayment margin	92,807	-311,878	8,076	699,035
Cash replacement allowance	-64,367	-73,910	-31,226	-99,944
Replacement margin	28,440	-385,788	-23,150	599,090
Debt coverage ratio	1.44	-0.18	1.08	2.82
Term debt coverage ratio	1.53	-0.39	1.10	3.18
Replacement coverage ratio	1.10	-0.14	0.83	2.24

Balance Sheet at Cost Values
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(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	200	40	40	40
Assets				
Current Farm Assets				
Cash and checking balance	126,448	35,452	55,532	295,765
Prepaid expenses & supplies	164,308	130,228	51,535	424,281
Growing crops	433	896	250	782
Accounts receivable	217,918	124,297	87,277	539,270
Hedging accounts	12,117	3,911	3,182	35,285
Crops held for sale or feed	811,469	801,878	368,627	1,653,976
Crops under government loan	-	-	-	-
Market livestock held for sale	7,509	2,885	5,189	21,079
Other current assets	14,206	2,122	408	61,733
Total current farm assets	1,354,409	1,101,669	572,001	3,032,171
Intermediate Farm Assets				
Breeding livestock	2,765	1,898	8,902	1,300
Machinery and equipment	977,025	1,089,729	376,191	2,006,086
Titled vehicles	92,413	97,578	52,357	157,652
Other intermediate assets	330,229	192,383	159,295	797,892
Total intermediate farm assets	1,402,432	1,381,587	596,745	2,962,930
Long Term Farm Assets				
Farm land	1,327,038	1,373,718	777,232	1,970,673
Buildings and improvements	401,108	531,577	156,558	807,033
Other long-term assets	94,239	48,759	40,356	192,210
Total long-term farm assets	1,822,385	1,954,055	974,146	2,969,916
Total Farm Assets	4,579,227	4,437,310	2,142,892	8,965,018
Total Nonfarm Assets	489,676	555,489	419,490	670,457
Total Assets	5,068,903	4,992,799	2,562,382	9,635,475
Liabilities				
Current Farm Liabilities				
Accrued interest	37,977	52,554	19,011	58,725
Accounts payable	57,040	65,255	13,274	103,914
Current notes	458,949	584,924	258,272	834,488
Government crop loans	-	-	-	-
Principal due on term debt	132,284	151,680	50,441	246,112
Total current farm liabilities	686,251	854,413	340,997	1,243,239
Total intermediate farm liabs	282,283	367,118	105,940	515,148
Total long term farm liabilities	891,343	1,053,045	523,753	1,421,687
Total farm liabilities	1,859,876	2,274,576	970,690	3,180,074
Total nonfarm liabilities	132,658	142,308	117,335	204,645
Total liabilities	1,992,535	2,416,884	1,088,026	3,384,719
Net worth (farm and nonfarm)	3,076,368	2,575,915	1,474,357	6,250,756
Net worth change	131,047	-276,505	51,174	693,171
Percent net worth change	4 %	-10 %	4 %	12 %
Ratio Analysis				
Current farm liabilities / assets	51 %	78 %	60 %	41 %
Intermediate farm liab. / assets	20 %	27 %	18 %	17 %
Long term farm liab. / assets	49 %	54 %	54 %	48 %
Total debt to asset ratio	39 %	48 %	42 %	35 %

Balance Sheet at Market Values
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(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	200	40	40	40
Assets				
Current Farm Assets				
Cash and checking balance	126,448	35,452	55,532	295,765
Prepaid expenses & supplies	164,308	130,228	51,535	424,281
Growing crops	433	896	250	782
Accounts receivable	217,918	124,297	87,277	539,270
Hedding accounts	12,117	3,911	3,182	35,285
Crops held for sale or feed	811,469	801,878	368,627	1,653,976
Crops under government loan	-	-	-	-
Market livestock held for sale	7,509	2,885	5,189	21,079
Other current assets	14,206	2,122	408	61,733
Total current farm assets	1,354,409	1,101,669	572,001	3,032,171
Intermediate Farm Assets				
Breeding livestock	3,487	3,883	8,902	1,588
Machinery and equipment	1,257,070	1,522,339	547,974	2,344,740
Titled vehicles	117,356	141,569	73,514	174,617
Other intermediate assets	481,252	306,028	192,822	1,189,259
Total intermediate farm assets	1,859,165	1,973,819	823,212	3,710,204
Long Term Farm Assets				
Farm land	2,267,044	2,553,529	1,045,371	3,582,658
Buildings and improvements	443,740	620,390	163,135	869,469
Other long-term assets	114,477	62,322	44,184	269,871
Total long-term farm assets	2,825,261	3,236,241	1,252,690	4,721,998
Total Farm Assets	6,038,835	6,311,729	2,647,902	11,464,373
Total Nonfarm Assets	673,037	819,493	599,668	858,218
Total Assets	6,711,872	7,131,222	3,247,571	12,322,591
Liabilities				
Current Farm Liabilities				
Accrued interest	37,977	52,554	19,011	58,725
Accounts payable	57,040	65,255	13,274	103,914
Current notes	458,949	584,924	258,272	834,488
Government crop loans	-	-	-	-
Principal due on term debt	132,284	151,680	50,441	246,112
Total current farm liabilities	686,251	854,413	340,997	1,243,239
Total intermediate farm liabs	282,283	367,118	105,940	515,148
Total long term farm liabilities	891,343	1,053,045	523,753	1,421,687
Total farm liabilities	1,859,876	2,274,576	970,690	3,180,074
Total nonfarm liabilities	132,658	142,308	117,335	204,645
Total liabs excluding deferreds	1,992,535	2,416,884	1,088,026	3,384,719
Total deferred liabilities	680,217	672,347	257,016	1,580,705
Total liabilities	2,672,752	3,089,230	1,345,041	4,965,424
Retained earnings	3,076,368	2,575,915	1,474,357	6,250,756
Market valuation equity	962,752	1,466,077	428,173	1,106,411
Net worth (farm and nonfarm)	4,039,120	4,041,992	1,902,529	7,357,166
Net worth excluding deferreds	4,719,337	4,714,338	2,159,545	8,937,872
Net worth change	242,090	-84,173	205,063	725,728
Percent net worth change	6 %	-2 %	12 %	11 %
Ratio Analysis				
Current farm liabilities / assets	51 %	78 %	60 %	41 %
Intermediate farm liab. / assets	15 %	19 %	13 %	14 %
Long term farm liab. / assets	32 %	33 %	42 %	30 %
Total debt to asset ratio	40 %	43 %	41 %	40 %
Debt to assets excl deferreds	30 %	34 %	34 %	27 %

Statement Of Cash Flows
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(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	200	40	40	40
Beginning cash (farm & nonfarm)	121,650	82,617	82,082	223,583
Cash Provided By Operating Activities				
Gross cash farm income	1,561,821	1,507,882	660,465	3,191,969
Total cash farm expense	-1,269,743	-1,355,329	-547,030	-2,508,540
Net cash from hedging transactions	-842	-4,309	143	-8,191
Cash provided by operating	291,235	148,245	113,577	675,238
Cash Provided By Investing Activities				
Sale of breeding livestock	255	-	-	-
Sale of machinery & equipment	41,129	34,643	13,530	113,780
Sale of titled vehicles	3,814	3,305	4,915	6,202
Sale of farm land	8,089	15,213	12,108	13,125
Sale of farm buildings	2,718	11,616	-	-
Sale of other farm assets	5,484	4,783	2,159	11,919
Sale of nonfarm assets	18,943	4,480	8,026	56,923
Purchase of breeding livestock	-439	-	-1,426	-255
Purchase of machinery & equip.	-179,410	-176,192	-51,374	-443,866
Purchase of titled vehicles	-21,131	-16,202	-13,352	-55,900
Purchase of farm land	-138,769	-53,699	-97,145	-105,824
Purchase of farm buildings	-43,077	-46,335	-32,505	-112,065
Purchase of other farm assets	-26,572	-9,830	-15,110	-66,475
Purchase of nonfarm assets	-43,225	-32,165	-38,719	-102,544
Cash provided by investing	-372,191	-260,384	-208,894	-684,979
Cash Provided By Financing Activities				
Money borrowed	861,148	859,460	448,081	1,664,258
Principal payments	-689,868	-696,145	-335,600	-1,407,262
Personal income	45,952	64,709	50,700	48,396
Family living/owner withdrawals	-99,605	-122,642	-66,672	-144,305
Income and social security tax	-34,420	-21,672	-31,496	-57,338
Capital contributions	4,395	-	517	559
Capital distributions	-1,864	-	-7,014	-1,512
Dividends paid	-829	-3,140	-	-1,006
Cash gifts and inheritances	19,983	2,609	29,848	3,827
Gifts given	-3,656	-6,096	-721	-9,655
Other cash flows	-	-	-	-
Cash provided by financing	101,235	77,085	87,642	95,962
Net change in cash balance	20,279	-35,054	-7,675	86,222
Ending cash (farm & nonfarm)	142,061	48,156	74,348	309,444
Discrepancy	-132	-593	59	360

Financial Standards Measures Including Deferred Liabilities
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(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	200	40	40	40
Liquidity				
Current ratio	1.97	1.29	1.68	2.44
Working capital to gross revenue	42.0 %	18.2 %	34.2 %	50.0 %
Working capital to oper expense	55.4 %	18.6 %	44.2 %	76.2 %
Solvency (market)				
Farm debt to asset ratio	42 %	46 %	45 %	41 %
Farm equity to asset ratio	58 %	54 %	55 %	59 %
Farm debt to equity ratio	0.71	0.85	0.83	0.70
Profitability (cost)				
Rate of return on farm assets	4.1 %	-4.8 %	2.6 %	10.3 %
Rate of return on farm equity	3.6 %	-14.1 %	0.9 %	13.4 %
Operating profit margin	11.5 %	-16.3 %	8.1 %	24.5 %
Asset turnover rate	35.6 %	29.8 %	32.4 %	41.9 %
Repayment Capacity				
Debt coverage ratio	1.44	-0.18	1.08	2.82
Term debt coverage ratio	1.53	-0.39	1.10	3.18
Replacement coverage ratio	1.10	-0.14	0.83	2.24
Efficiency				
Operating expense ratio	75.9 %	98.1 %	77.4 %	65.6 %
Depreciation expense ratio	6.3 %	9.3 %	6.6 %	5.1 %
Interest expense ratio	5.3 %	8.2 %	6.6 %	4.0 %
Net farm income ratio	12.4 %	-15.6 %	9.4 %	25.3 %

Crop Production and Marketing Summary
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(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	200	40	40	40
Acreage Summary				
Total acres owned	551	642	223	888
Total crop acres	1,985	2,249	988	3,564
Crop acres owned	413	529	182	595
Crop acres cash rented	1,525	1,690	745	2,924
Crop acres share rented	47	30	61	45
Total pasture acres	2	6	-	-
Percent crop acres owned	21 %	24 %	18 %	17 %
Mach invest/crop acre cost	517	504	418	578
Mach invest/crop acre market	664	700	601	673
Average Price Received (Cash Sales Only)				
Soybeans per bushel	10.56	10.09	10.30	11.06
Corn per bushel	4.19	3.93	4.14	4.41
Wheat, Spring per bushel	6.38	5.18	6.29	6.96
Soybeans Seed per bushel	12.50	-	-	-
Beans, Black Turtle per cwt	34.06	-	-	34.00
Straw per ton	88.18	-	-	-
Barley per bushel	7.64	-	-	-
Sunflowers per cwt	1.68	-	-	-
Hay, Alfalfa per ton	151.32	-	-	-
Beans, Pinto per cwt	33.29	-	-	-
Hay per ton	126.70	-	-	-
Canola per cwt	18.45	-	-	-
Average Yield Per Acre				
Soybeans (bushel)	40.65	36.78	41.08	42.16
Corn (bushel)	173.60	157.74	180.55	179.06
Wheat, Spring (bushel)	74.59	64.52	65.92	78.98
Sugar Beets (ton)	30.25	26.62	28.77	32.00
Hay, Alfalfa (ton)	3.34	3.93	2.00	-
Soybeans Seed (bushel)	40.05	42.20	-	-
Beans, Black Turtle (cwt)	23.22	-	-	23.73
Corn Silage (ton)	18.27	16.70	-	-
Canola (cwt)	21.84	-	-	24.43
Barley (bushel)	77.74	-	-	74.32
Sunflowers (cwt)	20.21	-	-	-
Beans, Navy (cwt)	18.71	-	-	17.76
Soybeans, Food (bushel)	27.91	-	-	-
Beans, Pinto (cwt)	18.35	-	-	18.25
Straw (ton)	1.70	-	-	-
Soybeans, Natto (bushel)	35.90	-	-	-
Rye (bushel)	80.94	-	-	-

Operator and Labor Information
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(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	200	40	40	40
Operator Information				
Average number of operators	1.2	1.2	0.9	1.4
Average age of operators	48.0	51.9	42.9	48.0
Average number of years farming	24.0	28.8	18.2	25.6
Results Per Operator				
Working capital	579,496	200,817	254,901	1,255,391
Total assets (market)	5,821,224	5,791,856	3,583,526	8,647,432
Total liabilities	2,318,085	2,509,020	1,484,184	3,484,508
Net worth (market)	3,503,140	3,282,836	2,099,343	5,162,924
Net worth excl deferred liabs	4,093,094	3,828,904	2,382,946	6,272,191
Gross farm income	1,379,564	1,102,566	745,446	2,511,383
Total farm expense	1,207,873	1,274,166	675,179	1,875,567
Net farm income from operations	171,691	-171,599	70,267	635,816
Net nonfarm income	39,854	52,556	55,945	33,962
Family living & tax withdrawals	115,278	117,293	104,960	143,181
Total acres owned	477.8	521.6	245.7	623.4
Total crop acres	1,721.8	1,826.3	1,090.1	2,501.2
Crop acres owned	357.8	430.0	200.7	417.4
Crop acres cash rented	1,323.0	1,372.4	821.8	2,052.1
Crop acres share rented	41.0	24.0	67.6	31.7
Total pasture acres	1.4	5.1	-	-
Labor Analysis				
Number of farms	198	39	40	40
Total unpaid labor hours	1,947	1,634	1,644	2,586
Total hired labor hours	2,268	2,271	669	5,227
Total labor hours per farm	4,215	3,905	2,313	7,813
Unpaid hours per operator	1,687	1,320	1,814	1,815
Value of farm production / hour	375.40	342.23	290.99	454.97
Net farm income / unpaid hour	102.85	-128.51	38.75	350.33
Average hourly hired labor wage	33.41	39.11	26.32	32.35
Partnerships & LLCs				
Number of farms	19	2	1	11
Number of operators	2.2	-	-	2.2
Owner withdrawals per farm	-	-	-	-
Withdrawals per operator	-	-	-	-
Corporations				
Number of farms	14	4	1	5
Number of operators	1.4	-	-	1.8

Household and Personal Expenses
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>
Number of farms	26	5	7
Average family size	3.0	3.8	3.7
Family Living Expenses			
Food and meals expense	14,627	22,037	15,521
Medical care	6,271	6,842	6,892
Health insurance	5,145	2,823	7,741
Cash donations	2,146	2,271	1,863
Household supplies	5,721	8,747	5,625
Clothing	2,814	3,803	2,803
Personal care	3,491	3,069	5,630
Child / Dependent care	315	815	293
Alimony and child support	-	-	-
Gifts	1,525	3,644	1,428
Education	1,516	1,774	2,153
Recreation	8,085	17,152	4,319
Utilities (household share)	4,157	4,219	3,383
Personal vehicle operating exp	5,798	7,601	6,209
Household real estate taxes	1,722	659	2,505
Dwelling rent	30	158	-
Household repairs	3,753	6,291	4,275
Personal interest	3,409	3,921	960
Disability / Long term care ins	227	585	425
Life insurance payments	4,056	987	4,541
Personal property insurance	830	991	-
Miscellaneous	11,142	7,657	19,231
Total cash family living expense	86,781	106,045	95,796
Family living from the farm	-	-	-
Total family living	86,781	106,045	95,796
Other Nonfarm Expenditures			
Income taxes	30,793	22,698	30,780
Furnishing & appliance purchases	-	-	-
Nonfarm vehicle purchases	3,242	8,059	3,563
Nonfarm real estate purchases	738	-	-
Other nonfarm capital purchases	15,748	-	388
Nonfarm savings & investments	-14,030	4,887	3,110
Total other nonfarm expenditures	36,491	35,644	37,842
Total cash family living investment & nonfarm capital purch	123,272	141,689	133,638

Financial Summary
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(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	200	5	22	25	45	51	52
Income Statement							
Gross cash farm income	1,561,821	59,582	179,279	376,881	762,374	1,407,165	3,704,382
Total cash farm expense	1,269,743	60,590	158,098	297,953	646,698	1,172,710	2,957,867
Net cash farm income	292,078	-1,008	21,181	78,928	115,675	234,455	746,515
Inventory change	6,788	26,051	23,007	4,248	5,140	-8,462	15,677
Depreciation	-100,905	-3,333	-10,576	-21,269	-54,574	-88,846	-238,712
Net farm income from operations	197,960	21,710	33,611	61,907	66,242	137,148	523,479
Gain or loss on capital sales	3,793	1	121	1,327	2,571	8,308	3,526
Average net farm income	201,753	21,711	33,732	63,235	68,812	145,456	527,006
Median net farm income	64,970	22,762	31,514	52,879	39,900	121,394	458,004
Profitability (cost)							
Rate of return on assets	4.1 %	3.4 %	4.3 %	3.6 %	2.2 %	3.1 %	4.8 %
Rate of return on equity	3.6 %	-0.5 %	4.0 %	3.1 %	0.5 %	1.8 %	4.9 %
Operating profit margin	11.5 %	6.7 %	16.4 %	10.9 %	6.4 %	8.4 %	13.5 %
Asset turnover rate	35.6 %	51.1 %	26.3 %	33.1 %	34.7 %	36.7 %	35.8 %
Profitability (market)							
Rate of return on assets	4.5 %	2.7 %	4.1 %	5.0 %	2.9 %	4.4 %	4.9 %
Rate of return on equity	4.6 %	1.6 %	5.0 %	5.7 %	2.2 %	4.3 %	5.0 %
Operating profit margin	16.8 %	5.4 %	17.2 %	21.0 %	11.0 %	16.2 %	17.9 %
Asset turnover rate	27.0 %	50.1 %	23.9 %	24.0 %	26.9 %	27.3 %	27.2 %
Liquidity & Repayment (end of year)							
Current assets	1,354,409	50,775	174,285	336,821	759,022	1,199,662	3,135,278
Current liabilities	686,251	45,682	71,067	162,781	362,119	648,318	1,577,483
Current ratio	1.97	1.11	2.45	2.07	2.10	1.85	1.99
Working capital	668,159	5,093	103,219	174,040	396,903	551,344	1,557,794
Change in working capital	-75,903	10,720	6,428	-37,718	-41,306	-126,790	-117,452
Working capital to gross revenue	42.0 %	6.1 %	49.4 %	45.7 %	50.3 %	38.4 %	41.6 %
Working capital to oper expense	55.4 %	9.7 %	72.3 %	62.3 %	63.6 %	48.8 %	55.8 %
Debt coverage ratio	1.44	1.51	1.46	1.40	1.31	1.04	1.62
Term debt coverage ratio	1.53	1.57	1.52	1.47	1.39	1.05	1.72
Replacement coverage ratio	1.10	1.44	1.29	0.89	0.96	0.78	1.26
Term debt to EBITDA	2.83	3.31	6.10	2.49	3.07	3.16	2.61
Solvency (end of year at cost)							
Number of farms	200	5	22	25	45	51	52
Total assets	5,068,903	377,870	1,096,835	1,458,875	2,753,994	4,425,781	11,570,084
Total liabilities	1,992,535	247,833	618,883	506,084	1,074,607	1,709,967	4,527,588
Net worth	3,076,368	130,037	477,952	952,791	1,679,387	2,715,814	7,042,496
Net worth change	131,047	12,772	54,397	149,932	32,824	47,850	332,366
Farm debt to asset ratio	41 %	81 %	62 %	35 %	41 %	41 %	40 %
Total debt to asset ratio	39 %	66 %	56 %	35 %	39 %	39 %	39 %
Change in earned net worth %	4 %	11 %	13 %	19 %	2 %	2 %	5 %
Solvency (end of year at market)							
Number of farms	200	5	22	25	45	51	52
Total assets	6,711,872	495,671	1,200,501	1,973,064	3,720,922	6,013,412	15,192,940
Total liabilities	1,992,535	247,833	618,883	506,084	1,074,607	1,709,967	4,527,588
Net worth	4,719,337	247,838	581,618	1,466,980	2,646,315	4,303,445	10,665,352
Total net worth change	271,654	44,259	62,436	191,363	102,556	232,525	605,346
Farm debt to asset ratio	31 %	79 %	57 %	26 %	32 %	30 %	30 %
Total debt to asset ratio	30 %	50 %	52 %	26 %	29 %	28 %	30 %
Change in total net worth %	6 %	22 %	12 %	15 %	4 %	6 %	6 %
Nonfarm Information							
Net nonfarm income	45,952	63,168	63,922	45,728	64,982	17,071	48,658
Farms reporting living expenses	26	2	3	4	8	6	3
Total family living expense	86,781	-	-	-	107,072	84,976	-
Total living, invest, cap. purch	123,272	-	-	-	133,802	101,940	-
Crop Acres							
Total crop acres	1,985	188	288	546	1,169	1,964	4,296
Total crop acres owned	413	25	102	116	205	415	902
Total crop acres cash rented	1,525	84	170	378	894	1,537	3,324
Total crop acres share rented	47	79	15	52	70	12	70
Machinery value per crop acre	664	175	423	615	626	617	706

Financial Summary
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Age of Operator)

	<u>Avg. Of All Farms</u>	<u>Less Than 31</u>	<u>31 - 40</u>	<u>41 - 50</u>	<u>51 - 60</u>	<u>Over 60</u>
Number of farms	200	21	53	43	31	52
Income Statement						
Gross cash farm income	1,561,821	395,935	1,090,178	1,805,917	1,971,814	2,067,105
Total cash farm expense	1,269,743	338,624	929,938	1,486,569	1,612,355	1,608,564
Net cash farm income	292,078	57,311	160,240	319,348	359,458	458,541
Inventory change	6,788	92,521	120,578	-858	41,218	-158,017
Depreciation	-100,905	-20,476	-65,845	-95,495	-152,482	-142,847
Net farm income from operations	197,960	129,355	214,973	222,995	248,194	157,676
Gain or loss on capital sales	3,793	3,546	798	3,096	10,486	3,531
Average net farm income	201,753	132,901	215,772	226,091	258,681	161,207
Median net farm income	64,970	53,934	83,788	107,570	43,049	33,662
Profitability (cost)						
Rate of return on assets	4.1 %	11.3 %	7.3 %	4.4 %	4.6 %	1.8 %
Rate of return on equity	3.6 %	19.4 %	9.1 %	4.0 %	4.1 %	0.3 %
Operating profit margin	11.5 %	24.2 %	15.6 %	12.4 %	13.2 %	5.9 %
Asset turnover rate	35.6 %	46.5 %	46.4 %	35.9 %	35.1 %	30.6 %
Profitability (market)						
Rate of return on assets	4.5 %	9.6 %	6.6 %	4.7 %	7.8 %	1.8 %
Rate of return on equity	4.6 %	18.9 %	8.2 %	4.7 %	9.3 %	1.0 %
Operating profit margin	16.8 %	21.9 %	16.6 %	16.5 %	29.5 %	8.6 %
Asset turnover rate	27.0 %	43.7 %	39.5 %	28.7 %	26.6 %	21.3 %
Liquidity & Repayment (end of year)						
Current assets	1,354,409	334,735	912,784	1,660,999	1,620,093	1,804,405
Current liabilities	686,251	144,149	382,984	844,675	949,881	926,106
Current ratio	1.97	2.32	2.38	1.97	1.71	1.95
Working capital	668,159	190,586	529,800	816,323	670,211	878,300
Change in working capital	-75,903	47,116	47,970	-114,415	-152,997	-174,031
Working capital to gross revenue	42.0 %	39.2 %	43.7 %	44.8 %	32.6 %	44.9 %
Working capital to oper expense	55.4 %	61.8 %	60.1 %	58.3 %	44.0 %	56.6 %
Debt coverage ratio	1.44	2.83	2.12	1.43	1.24	1.10
Term debt coverage ratio	1.53	3.28	2.33	1.54	1.30	1.11
Replacement coverage ratio	1.10	2.51	1.71	1.11	0.97	0.79
Term debt to EBITDA	2.83	2.26	2.01	2.78	3.04	3.49
Solvency (end of year at cost)						
Number of farms	200	21	53	43	31	52
Total assets	5,068,903	1,332,379	3,111,869	5,699,835	6,711,473	7,071,595
Total liabilities	1,992,535	756,101	1,298,181	2,263,296	2,780,620	2,505,851
Net worth	3,076,368	576,278	1,813,688	3,436,539	3,930,853	4,565,744
Net worth change	131,047	122,624	142,248	148,542	121,825	114,061
Farm debt to asset ratio	41 %	55 %	42 %	41 %	43 %	37 %
Total debt to asset ratio	39 %	57 %	42 %	40 %	41 %	35 %
Change in earned net worth %	4 %	27 %	9 %	5 %	3 %	3 %
Solvency (end of year at market)						
Number of farms	200	21	53	43	31	52
Total assets	6,711,872	1,434,411	3,671,433	7,132,023	9,040,645	10,206,323
Total liabilities	1,992,535	756,101	1,298,181	2,263,296	2,780,620	2,505,851
Net worth	4,719,337	678,309	2,373,252	4,868,727	6,260,026	7,700,472
Total net worth change	271,654	133,311	227,001	282,034	603,126	166,843
Farm debt to asset ratio	31 %	52 %	36 %	33 %	32 %	26 %
Total debt to asset ratio	30 %	53 %	35 %	32 %	31 %	25 %
Change in total net worth %	6 %	24 %	11 %	6 %	11 %	2 %
Nonfarm Information						
Net nonfarm income	45,952	37,592	62,286	41,837	16,362	53,722
Farms reporting living expenses	26	2	7	3	4	10
Total family living expense	86,781	-	83,237	-	-	82,853
Total living, invest, cap. purch	123,272	-	86,395	-	-	132,399
Crop Acres						
Total crop acres	1,985	561	1,308	2,486	2,602	2,469
Total crop acres owned	413	94	143	385	577	741
Total crop acres cash rented	1,525	448	1,131	1,992	2,022	1,680
Total crop acres share rented	47	19	34	109	2	48
Machinery value per crop acre	664	333	576	551	769	769

EXPLANATORY NOTES FOR CROPS TABLES

The "Crop Enterprise Analysis" tables show the average physical production, gross return, direct costs, overhead costs, and net returns per acre. The "Net Return per Acre" is the "Gross Return per Acre" minus the direct and overhead costs. "Net Return" represents the return to the operators and family's unpaid labor, management, and equity. It represents the return to all of the resources which are owned by the farm family and hence, not purchased or paid a wage. Net returns are also calculated after a charge for unpaid operator labor and management and after an allocation of direct government payments. The last section of each crop table contains breakeven yield measures which provide useful standards or goals for the individual managers.

There are potentially three tables for each crop depending on the farmer's tenure on the land. The crop tables may be for (1) owned land, (2) cash rented land, and (3) share rented land. Individual farms may have data in all three tables if all three land tenure categories are represented in that farm business. When there are less than five farms with a particular crop and tenure, that table is not included in the report. Farms may be classified into the low 20%, the mid 20%, or the high 20% on the basis of net return per acre. The classification is done separately for each table, i.e., an individual farm may be in the low 20% for one crop, the high 20% for a second, and the middle 20% for a third crop. When there are less than 25 total farms with any particular crop and farmer's tenure, only overall averages are presented.

Several cost items, such as "utilities," "hired labor," and "interest paid," are listed under both "direct" and "overhead" costs because some of these costs are specific to that crop whereas others are general overhead costs of the farm. For example, "Machinery leases" as direct expense refers to machinery leased and used only in that crop enterprise; the most common example is the lease of equipment that is crop specific. However, cost of leasing machinery that is used for the entire farm operation is listed as an overhead cost. Interest payments are likewise divided into those incurred directly for a specific crop and those that are not. "Land Rent" is listed as a direct cost for each crop enterprise on cash rented land. In the case of double cropping, one-half of the rent is charged to each crop.

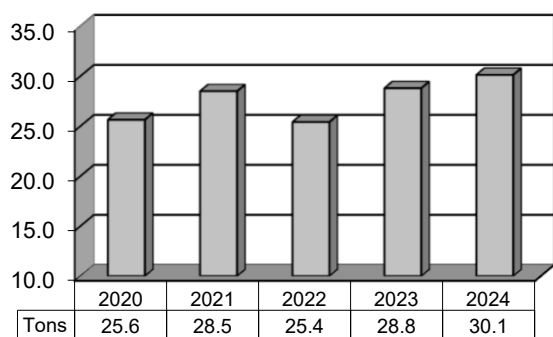
"Total direct expense per unit" and "Total dir & ovhd exp per unit" are calculated by dividing "Total direct expense per acre" and "Total dir & ovhd expenses per acre," respectively, by "Yield per acre." "With labor & management" is the breakeven yield after direct, overhead and a labor and management charge are considered. "Total exp less govt & oth income" is the breakeven yield after all costs (including a labor and management charge) are reduced by government payments and miscellaneous income.

In the last section of the crop table, "machinery cost per acre" is the sum of fuel, repairs, all custom hire and machinery leases, machinery depreciation and interest on intermediate debt.

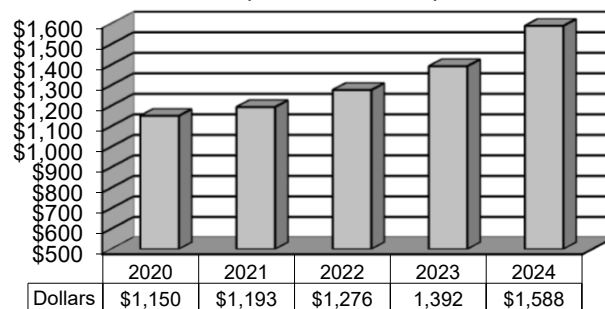
Rounding of individual items for the report may have caused minor discrepancies with the calculated totals.

Five Year Crop History of Yields and Cost of Production Red River Valley Farm Business Management Education

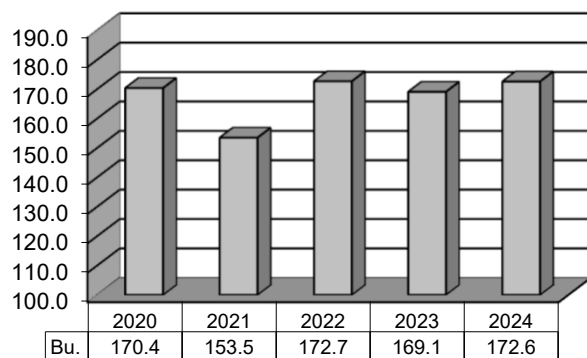
Sugar Beet Yields



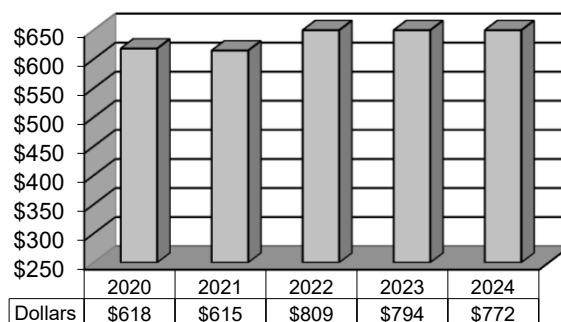
Sugar Beet Total Listed Cost (cash rented land)



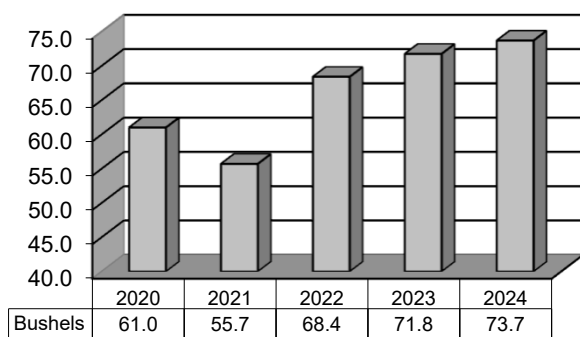
Corn Yields



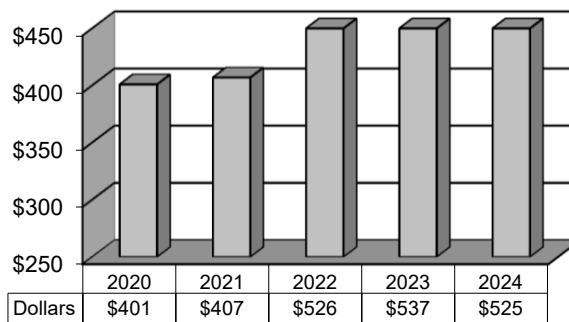
Corn Total Listed Cost (cash rented land)



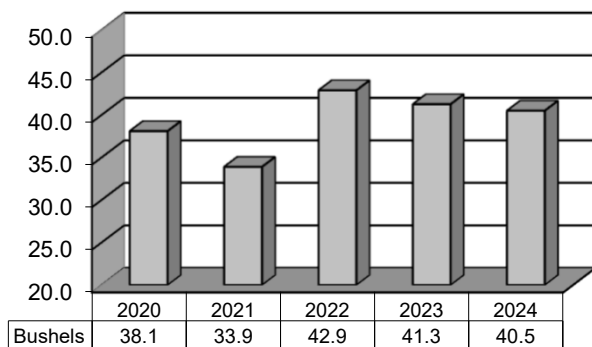
Spring Wheat Yields



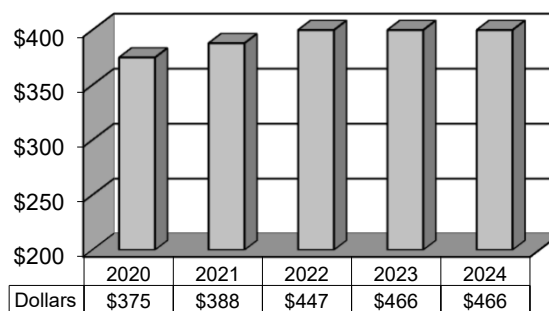
Spring Wheat Total Listed Cost (cash rented land)



Soybeans Yields



Soybeans Total Listed Cost (cash rented land)



Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Return to Overhead)

Barley on Cash Rent

	<u>Avg. Of All Farms</u>
Number of farms	5
Acres	243.80
Yield per acre (bu.)	82.76
Operators share of yield %	100.00
Value per bu.	5.16
Total product return per acre	426.80
Crop insurance per acre	5.69
Other crop income per acre	3.52
Gross return per acre	436.01
Direct Expenses	
Seed and plants	19.89
Fertilizer	69.47
Crop chemicals	30.67
Crop insurance	27.80
Fuel & oil	20.22
Repairs	34.03
Custom hire	2.83
Land rent	122.13
Machinery leases	3.61
Operating interest	12.60
Miscellaneous	1.47
Total direct expenses per acre	344.72
Return over direct exp per acre	91.29
Overhead Expenses	
Hired labor	4.12
Farm insurance	7.29
Utilities	6.51
Dues & professional fees	5.03
Interest	2.87
Mach & bldg depreciation	37.05
Miscellaneous	6.42
Total overhead expenses per acre	69.29
Total dir & ovhd expenses per acre	414.01
Net return per acre	22.00
Government payments	21.76
Net return with govt pmts	43.76
Labor & management charge	31.01
Net return over lbr & mgt	12.75
Cost of Production	
Total direct expense per bu.	4.17
Total dir & ovhd exp per bu.	5.00
Less govt & other income	4.63
With labor & management	5.00
Net value per unit	5.16
Machinery cost per acre	99.21
Est. labor hours per acre	1.29

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Return to Overhead)

Beans, Black on Owned Land

	<u>Avg. Of All Farms</u>
Number of farms	6
Acres	145.87
Yield per acre (cwt.)	22.60
Operators share of yield %	100.00
Value per cwt.	33.66
Total product return per acre	760.60
Crop insurance per acre	40.41
Gross return per acre	801.01
Direct Expenses	
Seed and plants	75.81
Fertilizer	100.53
Crop chemicals	105.94
Crop insurance	41.20
Fuel & oil	26.54
Repairs	73.54
Custom hire	7.80
Operating interest	33.30
Miscellaneous	0.83
Total direct expenses per acre	465.49
Return over direct exp per acre	335.52
Overhead Expenses	
Hired labor	36.86
Machinery leases	0.40
Building leases	6.32
RE & pers. property taxes	20.29
Farm insurance	10.41
Utilities	5.76
Dues & professional fees	9.92
Interest	113.84
Mach & bldg depreciation	101.61
Miscellaneous	2.34
Total overhead expenses per acre	307.76
Total dir & ovhd expenses per acre	773.25
Net return per acre	27.76
Government payments	-
Net return with govt pmts	27.76
Labor & management charge	54.65
Net return over lbr & mgt	-26.89
Cost of Production	
Total direct expense per cwt.	20.60
Total dir & ovhd exp per cwt.	34.22
Less govt & other income	32.43
With labor & management	34.85
Net value per unit	33.66
Machinery cost per acre	215.62
Est. labor hours per acre	2.08

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Return to Overhead)

Beans, Black on Cash Rent

	<u>Avg. Of All Farms</u>
Number of farms	12
Acres	534.54
Yield per acre (cwt.)	23.30
Operators share of yield %	100.00
Value per cwt.	32.77
Total product return per acre	763.75
Crop insurance per acre	94.46
Other crop income per acre	3.39
Gross return per acre	861.60
Direct Expenses	
Seed and plants	82.75
Fertilizer	88.77
Crop chemicals	132.60
Crop insurance	35.54
Fuel & oil	26.77
Repairs	66.34
Custom hire	8.57
Land rent	157.02
Machinery leases	1.82
Operating interest	30.52
Miscellaneous	1.08
Total direct expenses per acre	631.77
Return over direct exp per acre	229.83
Overhead Expenses	
Hired labor	34.75
Machinery leases	0.19
Building leases	13.53
Farm insurance	7.90
Utilities	4.68
Dues & professional fees	5.26
Interest	11.13
Mach & bldg depreciation	67.22
Miscellaneous	2.63
Advertising & promotion	0.06
Total overhead expenses per acre	147.35
Total dir & ovhd expenses per acre	779.12
Net return per acre	82.48
Government payments	3.39
Net return with govt pmts	85.87
Labor & management charge	52.19
Net return over lbr & mgt	33.68
Cost of Production	
Total direct expense per cwt.	27.11
Total dir & ovhd exp per cwt.	33.43
Less govt & other income	29.09
With labor & management	31.33
Net value per unit	32.77
Machinery cost per acre	178.20
Est. labor hours per acre	2.04

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Return to Overhead)

Beans, Navy on Cash Rent

	<u>Avg. Of All Farms</u>
Number of farms	5
Acres	251.89
Yield per acre (cwt.)	19.02
Operators share of yield %	100.00
Value per cwt.	34.00
Total product return per acre	646.57
Crop insurance per acre	28.75
Gross return per acre	675.32
Direct Expenses	
Seed and plants	87.27
Fertilizer	95.11
Crop chemicals	104.83
Crop insurance	42.53
Fuel & oil	29.88
Repairs	77.09
Custom hire	0.14
Hired labor	1.58
Land rent	145.73
Operating interest	8.43
Miscellaneous	1.47
Total direct expenses per acre	594.05
Return over direct exp per acre	81.27
Overhead Expenses	
Hired labor	38.80
Machinery leases	23.48
Farm insurance	12.96
Utilities	2.31
Dues & professional fees	8.82
Interest	3.93
Mach & bldg depreciation	22.86
Miscellaneous	2.00
Total overhead expenses per acre	115.16
Total dir & ovhd expenses per acre	709.21
Net return per acre	-33.89
Government payments	-
Net return with govt pmts	-33.89
Labor & management charge	27.99
Net return over lbr & mgt	-61.88
Cost of Production	
Total direct expense per cwt.	31.24
Total dir & ovhd exp per cwt.	37.29
Less govt & other income	35.78
With labor & management	37.25
Net value per unit	34.00
Machinery cost per acre	156.30
Est. labor hours per acre	2.43

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Return to Overhead)

Canola on Cash Rent

	<u>Avg. Of All Farms</u>
Number of farms	6
Acres	431.00
Yield per acre (cwt.)	22.33
Operators share of yield %	100.00
Value per cwt.	20.88
Total product return per acre	466.10
Crop insurance per acre	13.52
Gross return per acre	479.62
Direct Expenses	
Seed and plants	61.51
Fertilizer	95.65
Crop chemicals	33.55
Crop insurance	25.63
Fuel & oil	17.47
Repairs	41.55
Custom hire	0.13
Land rent	114.82
Operating interest	16.76
Miscellaneous	0.01
Total direct expenses per acre	407.08
Return over direct exp per acre	72.54
Overhead Expenses	
Hired labor	34.49
Machinery leases	6.51
Farm insurance	8.25
Utilities	3.36
Dues & professional fees	3.99
Interest	7.85
Mach & bldg depreciation	48.95
Miscellaneous	3.56
Total overhead expenses per acre	116.96
Total dir & ovhd expenses per acre	524.04
Net return per acre	-44.41
Government payments	25.01
Net return with govt pmts	-19.40
Labor & management charge	26.81
Net return over lbr & mgt	-46.22
Cost of Production	
Total direct expense per cwt.	18.23
Total dir & ovhd exp per cwt.	23.47
Less govt & other income	21.74
With labor & management	22.94
Net value per unit	20.88
Machinery cost per acre	117.00
Est. labor hours per acre	1.72

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Return to Overhead)

Corn on Owned Land

	<u>Avg. Of</u> <u>All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	75	15	15	15
Acres	249.15	190.40	304.42	330.00
Yield per acre (bu.)	171.38	164.52	174.83	157.37
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	4.07	4.04	4.15	4.10
Total product return per acre	696.82	664.26	726.37	645.15
Hedging gains/losses per acre	4.83	0.68	-	13.71
Crop insurance per acre	66.65	75.47	18.06	180.66
Other crop income per acre	5.40	1.57	3.00	6.02
Gross return per acre	773.70	741.98	747.43	845.54
Direct Expenses				
Seed and plants	110.09	126.13	118.05	97.18
Fertilizer	167.85	192.90	170.96	151.82
Crop chemicals	31.55	36.79	32.02	26.55
Crop insurance	29.39	21.48	23.95	37.21
Driving expense	7.58	9.10	6.56	5.58
Fuel & oil	31.48	38.45	32.75	28.50
Repairs	68.89	78.06	72.22	70.72
Custom hire	5.97	11.35	2.51	2.88
Hired labor	4.19	3.60	9.55	1.92
Machinery leases	6.46	21.87	2.09	1.07
Hauling and trucking	0.14	-	0.52	-
Marketing	0.50	-	0.18	0.44
Operating interest	24.47	43.86	18.95	23.74
Miscellaneous	3.95	4.08	4.22	1.59
Total direct expenses per acre	492.52	587.66	494.54	449.20
Return over direct exp per acre	281.18	154.32	252.89	396.34
Overhead Expenses				
Hired labor	28.34	19.67	27.91	37.61
Machinery leases	6.21	1.30	16.74	1.87
Building leases	3.70	-	0.29	13.46
RE & pers. property taxes	31.86	35.68	30.38	36.74
Farm insurance	14.64	21.62	16.05	11.51
Utilities	7.86	9.73	6.40	5.02
Dues & professional fees	5.44	4.05	4.59	5.04
Interest	77.03	34.26	81.92	115.84
Mach & bldg depreciation	61.03	75.44	42.07	62.82
Miscellaneous	5.55	9.51	8.72	3.84
Total overhead expenses per acre	241.65	211.27	235.08	293.75
Total dir & ovhd expenses per acre	734.17	798.93	729.62	742.95
Net return per acre	39.53	-56.95	17.81	102.59
Government payments	42.30	40.99	43.47	41.92
Net return with govt pmts	81.83	-15.96	61.28	144.52
Labor & management charge	58.28	46.44	59.79	72.12
Net return over lbr & mgt	23.55	-62.40	1.49	72.40
Cost of Production				
Total direct expense per bu.	2.87	3.57	2.83	2.85
Total dir & ovhd exp per bu.	4.28	4.86	4.17	4.72
Less govt & other income	3.59	4.13	3.80	3.18
With labor & management	3.93	4.42	4.15	3.64
Net value per unit	4.09	4.04	4.15	4.19
Machinery cost per acre	181.39	233.01	168.21	166.35
Est. labor hours per acre	2.58	2.17	2.81	2.93

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Return to Overhead)

Corn on Cash Rent

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	129	25	26	26
Acres	521.08	549.72	642.03	495.50
Yield per acre (bu.)	173.32	151.58	172.09	178.67
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	4.13	4.10	4.09	4.31
Total product return per acre	715.75	622.13	704.23	770.69
Hedging gains/losses per acre	3.42	1.59	-	15.38
Crop insurance per acre	33.55	30.24	34.05	78.73
Other crop income per acre	4.37	3.24	3.36	5.66
Gross return per acre	757.09	657.21	741.63	870.46
Direct Expenses				
Seed and plants	109.17	116.13	113.05	94.56
Fertilizer	167.15	177.35	165.20	150.08
Crop chemicals	33.92	32.98	32.01	32.31
Crop insurance	24.85	17.41	28.48	32.81
Drying expense	7.99	6.55	7.45	7.03
Storage	1.17	0.67	-	0.32
Fuel & oil	30.02	29.90	30.84	29.90
Repairs	65.16	64.35	69.30	69.68
Custom hire	8.41	9.30	9.51	9.05
Hired labor	3.78	8.34	0.83	1.54
Land rent	159.97	180.89	151.06	137.63
Machinery leases	5.42	15.77	-	2.75
Utilities	0.24	0.81	0.08	0.00
Marketing	0.59	0.21	0.99	0.35
Operating interest	23.60	31.13	18.30	23.13
Miscellaneous	2.33	2.01	2.38	2.45
Total direct expenses per acre	643.78	693.82	629.48	593.59
Return over direct exp per acre	113.30	-36.61	112.16	276.87
Overhead Expenses				
Hired labor	27.18	20.29	36.81	38.17
Machinery leases	4.85	8.87	6.41	5.02
Building leases	2.65	0.18	0.34	11.71
Farm insurance	12.93	13.07	16.34	8.96
Utilities	5.74	5.34	5.62	5.02
Dues & professional fees	5.44	4.41	7.75	5.03
Interest	7.23	6.95	7.29	7.57
Mach & bldg depreciation	55.00	47.52	52.11	57.08
Miscellaneous	6.69	5.55	11.45	6.99
Total overhead expenses per acre	127.71	112.18	144.12	145.55
Total dir & ovhd expenses per acre	771.49	806.00	773.59	739.14
Net return per acre	-14.40	-148.79	-31.96	131.32
Government payments	42.07	39.88	42.81	42.77
Net return with govt pmts	27.67	-108.91	10.85	174.09
Labor & management charge	57.28	42.12	57.87	61.57
Net return over lbr & mgt	-29.61	-151.03	-47.02	112.52
Cost of Production				
Total direct expense per bu.	3.71	4.58	3.66	3.32
Total dir & ovhd exp per bu.	4.45	5.32	4.50	4.14
Less govt & other income	3.97	4.82	4.03	3.34
With labor & management	4.30	5.10	4.37	3.68
Net value per unit	4.15	4.11	4.09	4.40
Machinery cost per acre	171.12	177.69	169.38	174.42
Est. labor hours per acre	2.60	2.32	2.67	2.79

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Return to Overhead)

Corn on Share Rent

	<u>Avg. Of All Farms</u>
Number of farms	6
Acres	145.93
Yield per acre (bu.)	166.04
Operators share of yield %	71.24
Value per bu.	4.09
Total product return per acre	483.57
Crop insurance per acre	37.30
Other crop income per acre	6.43
Gross return per acre	527.30
Direct Expenses	
Seed and plants	118.19
Fertilizer	143.76
Crop chemicals	28.93
Crop insurance	14.64
Drying expense	13.40
Storage	0.71
Fuel & oil	30.31
Repairs	71.23
Custom hire	13.94
Hired labor	1.06
Hauling and trucking	1.88
Operating interest	15.80
Miscellaneous	2.64
Total direct expenses per acre	456.49
Return over direct exp per acre	70.81
Overhead Expenses	
Hired labor	13.32
Farm insurance	17.75
Utilities	5.44
Dues & professional fees	2.90
Interest	3.54
Mach & bldg depreciation	73.68
Miscellaneous	14.56
Total overhead expenses per acre	131.18
Total dir & ovhd expenses per acre	587.67
Net return per acre	-60.37
Government payments	31.21
Net return with govt pmts	-29.16
Labor & management charge	55.51
Net return over lbr & mgt	-84.68
Cost of Production	
Total direct expense per bu.	3.86
Total dir & ovhd exp per bu.	4.97
Less govt & other income	4.33
With labor & management	4.80
Net value per unit	4.09
Machinery cost per acre	191.33
Est. labor hours per acre	4.57

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Return to Overhead)

Corn Silage on Owned Land

	<u>Avg. Of All Farms</u>
Number of farms	5
Acres	101.17
Yield per acre (ton)	19.13
Operators share of yield %	100.00
Value per ton	34.48
Total product return per acre	659.58
Crop insurance per acre	60.45
Gross return per acre	720.02
Direct Expenses	
Seed and plants	121.54
Fertilizer	144.75
Crop chemicals	36.49
Crop insurance	18.23
Fuel & oil	26.99
Repairs	61.59
Hired labor	12.18
Machinery leases	11.17
Utilities	0.27
Operating interest	30.17
Miscellaneous	0.65
Total direct expenses per acre	464.03
Return over direct exp per acre	255.99
Overhead Expenses	
Hired labor	20.39
Machinery leases	4.37
Building leases	0.99
RE & pers. property taxes	35.98
Farm insurance	14.05
Utilities	6.90
Dues & professional fees	6.77
Interest	176.87
Mach & bldg depreciation	45.16
Miscellaneous	3.45
Total overhead expenses per acre	314.93
Total dir & ovhd expenses per acre	778.97
Net return per acre	-58.94
Government payments	43.46
Net return with govt pmts	-15.48
Labor & management charge	43.61
Net return over lbr & mgt	-59.09
Cost of Production	
Total direct expense per ton	24.26
Total dir & ovhd exp per ton	40.72
Less govt & other income	35.29
With labor & management	37.57
Net value per unit	34.48
Machinery cost per acre	155.98
Est. labor hours per acre	2.33

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Return to Overhead)

Corn Silage on Cash Rent

	<u>Avg. Of All Farms</u>
Number of farms	10
Acres	303.94
Yield per acre (ton)	18.29
Operators share of yield %	100.00
Value per ton	34.66
Total product return per acre	633.74
Crop insurance per acre	83.30
Gross return per acre	717.05
Direct Expenses	
Seed and plants	123.17
Fertilizer	147.64
Crop chemicals	33.10
Crop insurance	21.22
Fuel & oil	26.76
Repairs	60.07
Custom hire	2.09
Hired labor	11.44
Land rent	153.77
Machinery leases	8.04
Operating interest	25.02
Miscellaneous	0.61
Total direct expenses per acre	612.93
Return over direct exp per acre	104.12
Overhead Expenses	
Hired labor	23.24
Machinery leases	4.36
Building leases	0.84
Farm insurance	14.45
Utilities	6.79
Dues & professional fees	7.91
Interest	6.85
Mach & bldg depreciation	44.61
Miscellaneous	3.53
Total overhead expenses per acre	112.58
Total dir & ovhd expenses per acre	725.50
Net return per acre	-8.46
Government payments	43.62
Net return with govt pmts	35.16
Labor & management charge	43.19
Net return over lbr & mgt	-8.03
Cost of Production	
Total direct expense per ton	33.52
Total dir & ovhd exp per ton	39.67
Less govt & other income	32.73
With labor & management	35.10
Net value per unit	34.66
Machinery cost per acre	151.88
Est. labor hours per acre	2.39

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Return to Overhead)

CRP on Owned Land

	<u>Avg. Of All Farms</u>
Number of farms	15
Acres	34.47
Gross return per acre	134.70
Direct Expenses	
Fuel & oil	3.33
Repairs	7.81
Operating interest	2.33
Total direct expenses per acre	13.47
Return over direct exp per acre	121.23
Overhead Expenses	
Hired labor	3.83
Building leases	0.78
RE & pers. property taxes	34.47
Farm insurance	3.55
Utilities	0.90
Dues & professional fees	1.70
Interest	59.21
Mach & bldg depreciation	7.85
Miscellaneous	1.88
Total overhead expenses per acre	114.18
Total dir & ovhd expenses per acre	127.65
Net return per acre	7.05
Government payments	-
Net return with govt pmts	7.05
Labor & management charge	6.12
Net return over lbr & mgt	0.92
Net value per unit	1.24
Machinery cost per acre	19.44
Est. labor hours per acre	0.48

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Return to Overhead)

Hay, Alfalfa on Owned Land

	<u>Avg. Of All Farms</u>
Number of farms	9
Acres	100.06
Yield per acre (ton)	2.89
Operators share of yield %	100.00
Value per ton	121.20
Total product return per acre	350.61
Other crop income per acre	5.23
Gross return per acre	355.84
Direct Expenses	
Seed and plants	13.60
Fertilizer	43.11
Crop chemicals	13.21
Crop insurance	1.26
Fuel & oil	33.20
Repairs	81.71
Custom hire	1.01
Operating interest	13.54
Miscellaneous	0.75
Total direct expenses per acre	201.40
Return over direct exp per acre	154.44
Overhead Expenses	
Custom hire	0.04
Hired labor	36.22
Machinery leases	19.72
Building leases	1.14
RE & pers. property taxes	27.24
Farm insurance	9.89
Utilities	6.80
Dues & professional fees	2.06
Interest	68.82
Mach & bldg depreciation	44.03
Miscellaneous	3.95
Total overhead expenses per acre	219.90
Total dir & ovhd expenses per acre	421.30
Net return per acre	-65.46
Government payments	-
Net return with govt pmts	-65.46
Labor & management charge	87.90
Net return over lbr & mgt	-153.36
Cost of Production	
Total direct expense per ton	69.62
Total dir & ovhd exp per ton	145.64
Less govt & other income	143.83
With labor & management	174.22
Net value per unit	121.20
Machinery cost per acre	173.71
Est. labor hours per acre	3.81

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Return to Overhead)

Hay, Alfalfa on Cash Rent

	<u>Avg. Of All Farms</u>
Number of farms	13
Acres	143.00
Yield per acre (ton)	3.66
Operators share of yield %	100.00
Value per ton	120.20
Total product return per acre	439.87
Crop insurance per acre	1.08
Other crop income per acre	4.24
Gross return per acre	445.19
Direct Expenses	
Seed and plants	7.26
Fertilizer	45.60
Crop chemicals	11.20
Crop insurance	1.93
Packaging and supplies	5.98
Fuel & oil	32.73
Repairs	57.00
Custom hire	0.33
Land rent	150.63
Machinery leases	4.18
Operating interest	22.53
Miscellaneous	1.39
Total direct expenses per acre	340.77
Return over direct exp per acre	104.42
Overhead Expenses	
Custom hire	0.09
Hired labor	13.63
Machinery leases	0.20
Building leases	2.87
Farm insurance	10.10
Utilities	5.08
Dues & professional fees	4.64
Interest	9.49
Mach & bldg depreciation	49.82
Miscellaneous	6.31
Total overhead expenses per acre	102.23
Total dir & ovhd expenses per acre	443.00
Net return per acre	2.19
Government payments	-
Net return with govt pmts	2.19
Labor & management charge	49.64
Net return over lbr & mgt	-47.46
Cost of Production	
Total direct expense per ton	93.12
Total dir & ovhd exp per ton	121.06
Less govt & other income	119.61
With labor & management	133.17
Net value per unit	120.20
Machinery cost per acre	145.05
Est. labor hours per acre	2.13

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Return to Overhead)

Prevented Planting on Owned Land

	<u>Avg. Of All Farms</u>
Number of farms	11
Acres	139.04
Yield per acre	123.98
Operators share of yield %	100.00
Value per 0	1.00
Total product return per acre	123.98
Crop insurance per acre	203.58
Gross return per acre	327.55
Direct Expenses	
Seed and plants	8.57
Fertilizer	6.53
Crop chemicals	15.71
Crop insurance	12.77
Fuel & oil	10.10
Repairs	21.44
Custom hire	0.50
Hired labor	1.18
Machinery leases	2.26
Operating interest	7.14
Miscellaneous	0.36
Total direct expenses per acre	86.54
Return over direct exp per acre	241.01
Overhead Expenses	
Hired labor	8.30
Machinery leases	2.88
RE & pers. property taxes	20.77
Farm insurance	5.42
Utilities	1.30
Dues & professional fees	2.11
Interest	71.31
Mach & bldg depreciation	23.78
Miscellaneous	1.78
Total overhead expenses per acre	137.66
Total dir & ovhd expenses per acre	224.20
Net return per acre	103.35
Government payments	22.06
Net return with govt pmts	125.41
Labor & management charge	14.90
Net return over lbr & mgt	110.51
Net value per unit	1.00
Machinery cost per acre	63.18
Est. labor hours per acre	0.73

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Return to Overhead)

Prevented Planting on Cash Rent

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	40	8	8	8
Acres	309.75	153.35	780.05	216.29
Yield per acre	48.11	129.89	45.33	48.48
Operators share of yield %	100.00	100.00	100.00	100.00
Value per 0	1.09	1.00	1.00	1.00
Total product return per acre	52.21	129.89	45.33	48.48
Crop insurance per acre	291.55	150.50	305.43	305.16
Other crop income per acre	1.75	2.46	0.83	-
Gross return per acre	345.50	282.85	351.60	353.63
Direct Expenses				
Seed and plants	5.12	10.92	4.10	5.22
Fertilizer	13.05	70.30	0.50	-
Crop chemicals	10.36	12.30	13.19	0.50
Crop insurance	16.79	16.84	14.97	20.06
Fuel & oil	10.58	10.58	11.22	7.34
Repairs	22.05	27.22	21.06	17.44
Custom hire	2.83	10.12	1.37	2.53
Hired labor	1.29	0.98	1.29	-
Land rent	188.31	184.33	217.65	116.76
Machinery leases	2.74	1.67	0.27	3.51
Operating interest	6.99	6.31	7.59	3.83
Miscellaneous	1.81	2.58	1.83	0.00
Total direct expenses per acre	281.94	354.15	295.05	177.20
Return over direct exp per acre	63.56	-71.30	56.55	176.44
Overhead Expenses				
Custom hire	0.08	-	-	0.58
Hired labor	6.17	7.84	5.94	2.03
Machinery leases	3.91	0.00	7.29	-
Farm insurance	5.97	9.00	5.54	6.29
Utilities	2.07	2.74	1.59	2.46
Dues & professional fees	1.74	4.00	1.34	1.86
Interest	2.98	3.21	1.88	3.23
Mach & bldg depreciation	19.20	14.02	20.77	9.99
Miscellaneous	2.11	3.34	2.23	1.30
Total overhead expenses per acre	44.23	44.15	46.56	27.75
Total dir & ovhd expenses per acre	326.17	398.30	341.61	204.95
Net return per acre	19.34	-115.45	9.99	148.69
Government payments	19.48	20.31	20.52	16.19
Net return with govt pmts	38.81	-95.14	30.51	164.88
Labor & management charge	17.10	23.81	9.76	21.70
Net return over lbr & mgt	21.71	-118.95	20.75	143.18
Net value per unit	1.09	1.00	1.00	1.00
Machinery cost per acre	63.28	65.63	62.90	43.63
Est. labor hours per acre	0.83	0.84	0.72	0.94

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Return to Overhead)

Soybeans on Owned Land

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	88	17	17	18
Acres	290.19	247.51	355.85	317.17
Yield per acre (bu.)	40.94	33.81	38.42	48.10
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	9.56	9.22	9.42	9.85
Total product return per acre	391.25	311.73	361.99	473.59
Hedging gains/losses per acre	0.23	-	-	1.01
Crop insurance per acre	30.39	47.28	35.61	21.13
Other crop income per acre	6.72	-	6.78	11.12
Gross return per acre	428.58	359.01	404.38	506.85
Direct Expenses				
Seed and plants	64.80	69.37	57.75	64.74
Fertilizer	21.05	52.66	14.71	14.93
Crop chemicals	50.22	59.18	50.29	44.59
Crop insurance	21.58	17.74	23.37	22.51
Driving expense	0.16	0.98	-	-
Fuel & oil	18.73	19.88	18.62	19.31
Repairs	37.34	40.13	38.42	34.83
Custom hire	8.02	10.56	8.41	4.66
Hired labor	1.80	3.52	1.04	1.05
Machinery leases	3.19	11.57	-	0.60
Marketing	0.83	0.05	0.68	0.67
Operating interest	11.96	21.53	6.58	10.51
Miscellaneous	2.83	2.32	1.26	1.73
Total direct expenses per acre	242.51	309.48	221.14	220.14
Return over direct exp per acre	186.07	49.53	183.24	286.71
Overhead Expenses				
Custom hire	0.19	1.04	-	-
Hired labor	14.53	12.10	11.26	20.17
Machinery leases	2.58	0.08	5.81	2.95
Building leases	0.61	-	0.14	1.61
RE & pers. property taxes	30.05	24.33	34.37	30.67
Farm insurance	11.20	10.42	11.09	13.05
Utilities	4.37	4.32	6.07	3.25
Dues & professional fees	5.19	3.68	3.70	7.50
Interest	76.41	63.23	70.72	69.44
Mach & bldg depreciation	35.17	29.91	36.16	43.42
Miscellaneous	5.18	5.03	3.63	5.87
Total overhead expenses per acre	185.49	154.14	182.94	197.94
Total dir & ovhd expenses per acre	428.00	463.63	404.09	418.08
Net return per acre	0.58	-104.62	0.30	88.77
Government payments	29.08	27.31	29.96	28.10
Net return with govt pmts	29.65	-77.30	30.26	116.86
Labor & management charge	35.30	32.53	40.75	37.29
Net return over lbr & mgt	-5.65	-109.83	-10.50	79.57
Cost of Production				
Total direct expense per bu.	5.92	9.15	5.76	4.58
Total dir & ovhd exp per bu.	10.45	13.71	10.52	8.69
Less govt & other income	8.83	11.51	8.64	7.42
With labor & management	9.69	12.47	9.70	8.19
Net value per unit	9.56	9.22	9.42	9.87
Machinery cost per acre	105.54	115.66	106.21	104.04
Est. labor hours per acre	1.54	1.58	1.70	1.54

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Return to Overhead)

Soybeans on Cash Rent

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	144	28	29	29
Acres	624.39	462.06	801.17	484.06
Yield per acre (bu.)	40.40	34.41	39.58	49.01
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	9.63	9.42	9.40	9.89
Total product return per acre	389.18	324.08	371.94	484.90
Hedging gains/losses per acre	0.99	-	-	1.83
Crop insurance per acre	27.70	35.24	31.30	7.10
Other crop income per acre	5.06	2.04	5.26	6.01
Gross return per acre	422.94	361.36	408.49	499.83
Direct Expenses				
Seed and plants	62.69	66.49	62.32	62.28
Fertilizer	22.80	34.10	18.30	18.68
Crop chemicals	51.05	54.34	47.96	47.16
Crop insurance	20.31	20.16	20.15	23.64
Fuel & oil	17.24	16.93	16.76	18.49
Repairs	35.66	36.54	37.60	34.18
Custom hire	6.38	12.29	3.83	7.36
Hired labor	2.75	7.07	2.77	0.94
Land rent	156.10	182.34	154.91	132.64
Machinery leases	4.66	6.63	1.31	0.84
Marketing	0.69	0.06	0.66	0.62
Operating interest	10.88	14.57	9.55	6.33
Miscellaneous	2.72	1.43	2.33	1.42
Total direct expenses per acre	393.93	452.96	378.47	354.56
Return over direct exp per acre	29.00	-91.60	30.03	145.27
Overhead Expenses				
Custom hire	0.19	1.24	0.05	-
Hired labor	16.05	10.09	16.91	17.96
Machinery leases	2.86	2.89	5.31	2.46
Farm insurance	8.92	7.94	9.29	10.23
Utilities	3.60	3.14	3.89	3.53
Dues & professional fees	4.06	3.99	3.99	5.13
Interest	4.21	3.43	4.10	6.08
Mach & bldg depreciation	27.96	22.00	24.49	29.60
Miscellaneous	4.21	3.65	4.29	4.74
Total overhead expenses per acre	72.04	58.36	72.31	79.74
Total dir & ovhd expenses per acre	465.98	511.32	450.78	434.30
Net return per acre	-43.04	-149.96	-42.28	65.53
Government payments	29.08	27.73	29.10	30.31
Net return with govt pmts	-13.96	-122.23	-13.18	95.85
Labor & management charge	33.46	32.17	38.17	33.67
Net return over lbr & mgt	-47.43	-154.40	-51.35	62.17
Cost of Production				
Total direct expense per bu.	9.75	13.16	9.56	7.23
Total dir & ovhd exp per bu.	11.54	14.86	11.39	8.86
Less govt & other income	9.98	12.97	9.73	7.94
With labor & management	10.81	13.90	10.70	8.62
Net value per unit	9.66	9.42	9.40	9.93
Machinery cost per acre	96.53	101.13	90.60	96.44
Est. labor hours per acre	1.49	1.30	1.71	1.37

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Return to Overhead)

Soybeans on Share Rent

	<u>Avg. Of All Farms</u>
Number of farms	12
Acres	204.41
Yield per acre (bu.)	38.50
Operators share of yield %	66.05
Value per bu.	9.03
Total product return per acre	229.60
Hedging gains/losses per acre	0.80
Crop insurance per acre	23.28
Other crop income per acre	5.72
Gross return per acre	259.40
Direct Expenses	
Seed and plants	61.27
Fertilizer	18.83
Crop chemicals	43.94
Crop insurance	17.13
Storage	0.48
Fuel & oil	19.01
Repairs	33.05
Custom hire	9.40
Hired labor	0.73
Marketing	0.24
Operating interest	9.12
Miscellaneous	3.01
Total direct expenses per acre	216.23
Return over direct exp per acre	43.17
Overhead Expenses	
Hired labor	14.86
Machinery leases	2.59
Building leases	1.54
Farm insurance	10.71
Utilities	2.63
Dues & professional fees	4.27
Interest	5.49
Mach & bldg depreciation	26.68
Miscellaneous	4.62
Total overhead expenses per acre	73.38
Total dir & ovhd expenses per acre	289.61
Net return per acre	-30.21
Government payments	21.45
Net return with govt pmts	-8.76
Labor & management charge	36.61
Net return over lbr & mgt	-45.37
Cost of Production	
Total direct expense per bu.	8.50
Total dir & ovhd exp per bu.	11.39
Less govt & other income	9.37
With labor & management	10.81
Net value per unit	9.06
Machinery cost per acre	92.69
Est. labor hours per acre	2.16

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Return to Overhead)

Soybeans, Natto on Cash Rent

	<u>Avg. Of All Farms</u>
Number of farms	5
Acres	364.06
Yield per acre (bu.)	35.90
Operators share of yield %	100.00
Value per bu.	16.48
Total product return per acre	591.63
Other crop income per acre	3.48
Gross return per acre	595.11
Direct Expenses	
Seed and plants	41.93
Fertilizer	32.88
Crop chemicals	42.56
Crop insurance	24.10
Fuel & oil	19.12
Repairs	33.09
Custom hire	9.11
Hired labor	8.80
Land rent	135.79
Machinery leases	26.09
Operating interest	17.17
Miscellaneous	4.50
Total direct expenses per acre	395.13
Return over direct exp per acre	199.98
Overhead Expenses	
Hired labor	6.51
Building leases	1.86
Farm insurance	7.51
Utilities	4.96
Dues & professional fees	2.37
Interest	4.04
Mach & bldg depreciation	22.31
Miscellaneous	3.63
Total overhead expenses per acre	53.18
Total dir & ovhd expenses per acre	448.31
Net return per acre	146.80
Government payments	30.60
Net return with govt pmts	177.40
Labor & management charge	46.36
Net return over lbr & mgt	131.03
Cost of Production	
Total direct expense per bu.	11.01
Total dir & ovhd exp per bu.	12.49
Less govt & other income	11.54
With labor & management	12.83
Net value per unit	16.48
Machinery cost per acre	112.93
Est. labor hours per acre	2.33

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Return to Overhead)

Soybeans Seed on Owned Land

	<u>Avg. Of All Farms</u>
Number of farms	6
Acres	271.49
Yield per acre (bu.)	41.83
Operators share of yield %	100.00
Value per bu.	10.59
Total product return per acre	443.18
Crop insurance per acre	15.29
Other crop income per acre	0.56
Gross return per acre	459.03
Direct Expenses	
Seed and plants	65.08
Fertilizer	49.98
Crop chemicals	60.80
Crop insurance	20.59
Fuel & oil	15.88
Repairs	35.40
Custom hire	1.06
Machinery leases	2.52
Operating interest	21.10
Miscellaneous	2.67
Total direct expenses per acre	275.09
Return over direct exp per acre	183.94
Overhead Expenses	
Hired labor	16.34
Machinery leases	4.05
RE & pers. property taxes	15.32
Farm insurance	7.28
Utilities	4.28
Dues & professional fees	7.61
Interest	111.55
Mach & bldg depreciation	59.38
Miscellaneous	1.67
Total overhead expenses per acre	227.49
Total dir & ovhd expenses per acre	502.58
Net return per acre	-43.54
Government payments	30.61
Net return with govt pmts	-12.93
Labor & management charge	40.93
Net return over lbr & mgt	-53.86
Cost of Production	
Total direct expense per bu.	6.58
Total dir & ovhd exp per bu.	12.01
Less govt & other income	10.90
With labor & management	11.88
Net value per unit	10.59
Machinery cost per acre	122.00
Est. labor hours per acre	1.35

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Return to Overhead)

Soybeans Seed on Cash Rent

	<u>Avg. Of All Farms</u>
Number of farms	8
Acres	552.03
Yield per acre (bu.)	38.25
Operators share of yield %	100.00
Value per bu.	10.92
Total product return per acre	417.47
Crop insurance per acre	28.50
Other crop income per acre	6.26
Gross return per acre	452.23
Direct Expenses	
Seed and plants	69.78
Fertilizer	29.13
Crop chemicals	42.76
Crop insurance	19.89
Storage	1.51
Fuel & oil	18.17
Repairs	30.93
Custom hire	2.74
Hired labor	0.23
Land rent	165.98
Machinery leases	4.00
Operating interest	11.96
Miscellaneous	4.30
Total direct expenses per acre	401.39
Return over direct exp per acre	50.84
Overhead Expenses	
Hired labor	18.47
Machinery leases	2.55
Farm insurance	9.88
Utilities	3.73
Dues & professional fees	7.97
Interest	4.88
Mach & bldg depreciation	46.70
Miscellaneous	1.57
Total overhead expenses per acre	95.75
Total dir & ovhd expenses per acre	497.14
Net return per acre	-44.92
Government payments	30.61
Net return with govt pmts	-14.31
Labor & management charge	50.58
Net return over lbr & mgt	-64.89
Cost of Production	
Total direct expense per bu.	10.50
Total dir & ovhd exp per bu.	13.00
Less govt & other income	11.29
With labor & management	12.61
Net value per unit	10.92
Machinery cost per acre	107.37
Est. labor hours per acre	1.27

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Return to Overhead)

Sugar Beets on Owned Land, Excluding Joint Venture

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	28	5	5	6
Acres	222.47	306.98	224.80	255.15
Yield per acre (ton)	29.41	23.38	29.82	34.25
Operators share of yield %	100.00	100.00	100.00	100.00
Value per ton	73.15	63.31	74.08	78.17
Total product return per acre	2,150.98	1,479.98	2,209.25	2,676.97
Crop insurance per acre	25.30	99.97	3.72	-
Other crop income per acre	13.67	8.73	-	22.11
Gross return per acre	2,189.96	1,588.69	2,212.97	2,699.09
Direct Expenses				
Seed and plants	277.13	253.55	294.81	278.55
Fertilizer	121.45	107.47	146.44	113.39
Crop chemicals	151.47	137.22	142.82	155.59
Crop insurance	41.59	42.36	51.62	32.02
Fuel & oil	77.88	59.66	69.96	101.21
Repairs	150.03	147.87	170.67	100.97
Custom hire	36.55	94.77	19.51	21.00
Hired labor	37.08	42.17	38.32	26.28
Machinery leases	2.82	-	6.85	0.87
Utilities	0.11	-	0.62	-
Hauling and trucking	20.72	8.94	6.23	35.89
Operating interest	42.26	35.85	68.88	11.70
Miscellaneous	16.31	60.06	2.40	0.29
Total direct expenses per acre	975.40	989.91	1,019.12	877.75
Return over direct exp per acre	1,214.55	598.77	1,193.84	1,821.33
Overhead Expenses				
Custom hire	0.30	-	1.66	-
Hired labor	74.06	61.92	72.24	99.49
Machinery leases	16.40	48.64	-	15.26
Building leases	1.10	2.44	1.39	0.25
RE & pers. property taxes	31.60	28.20	23.76	35.64
Farm insurance	23.91	18.74	25.65	31.39
Utilities	11.99	12.52	11.92	10.77
Dues & professional fees	15.68	8.79	30.49	17.33
Interest	88.05	65.76	68.22	61.13
Mach & bldg depreciation	123.00	68.36	239.87	66.74
Miscellaneous	15.68	9.56	4.21	31.72
Advertising & promotion	0.17	-	0.89	-
Total overhead expenses per acre	401.93	324.94	480.30	369.72
Total dir & ovhd expenses per acre	1,377.33	1,314.85	1,499.42	1,247.47
Net return per acre	812.62	273.84	713.55	1,451.62
Government payments	-	-	-	-
Net return with govt pmts	812.62	273.84	713.55	1,451.62
Labor & management charge	132.22	174.39	120.68	99.27
Net return over lbr & mgt	680.40	99.45	592.86	1,352.34
Cost of Production				
Total direct expense per ton	33.17	42.34	34.17	25.63
Total dir & ovhd exp per ton	46.84	56.24	50.28	36.42
Less govt & other income	45.51	51.59	50.15	35.78
With labor & management	50.01	59.05	54.20	38.68
Net value per unit	73.15	63.31	74.08	78.17
Machinery cost per acre	412.31	414.01	526.24	321.84
Est. labor hours per acre	6.15	7.07	4.86	7.59

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Return to Overhead)

Sugar Beets on Owned Land, Joint Venture

	<u>Avg. Of All Farms</u>
Number of farms	9
Acres	147.08
Yield per acre (ton)	31.02
Operators share of yield %	100.00
Value per ton	80.25
Total product return per acre	2,489.28
Crop insurance per acre	1.98
Other crop income per acre	5.44
Gross return per acre	2,496.70
Direct Expenses	
Seed and plants	279.86
Fertilizer	131.04
Crop chemicals	157.57
Crop insurance	42.50
Fuel & oil	80.63
Repairs	175.98
Custom hire	3.48
Hired labor	42.84
Stock/quota lease	337.26
Hauling and trucking	35.53
Operating interest	89.71
Miscellaneous	4.17
Total direct expenses per acre	1,380.58
Return over direct exp per acre	1,116.12
Overhead Expenses	
Hired labor	69.28
Machinery leases	5.79
Building leases	2.04
RE & pers. property taxes	37.76
Farm insurance	32.17
Utilities	19.02
Dues & professional fees	22.57
Interest	111.11
Mach & bldg depreciation	179.67
Miscellaneous	8.70
Advertising & promotion	0.42
Total overhead expenses per acre	488.52
Total dir & ovhd expenses per acre	1,869.10
Net return per acre	627.60
Government payments	-
Net return with govt pmts	627.60
Labor & management charge	166.48
Net return over lbr & mgt	461.12
Cost of Production	
Total direct expense per ton	44.51
Total dir & ovhd exp per ton	60.26
Less govt & other income	60.02
With labor & management	65.39
Net value per unit	80.25
Machinery cost per acre	456.94
Est. labor hours per acre	5.07

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Return to Overhead)

Sugar Beets on Cash Rent, Excluding Joint Venture

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	55	11	11	11
Acres	234.07	286.21	372.78	133.71
Yield per acre (ton)	29.85	26.85	30.85	34.80
Operators share of yield %	100.00	100.00	100.00	100.00
Value per ton	72.00	63.95	70.62	79.74
Total product return per acre	2,149.28	1,717.16	2,178.95	2,774.83
Crop insurance per acre	8.60	21.32	0.21	-
Other crop income per acre	9.34	3.04	13.05	12.46
Gross return per acre	2,167.22	1,741.52	2,192.20	2,787.29
Direct Expenses				
Seed and plants	279.04	274.42	278.63	283.12
Fertilizer	127.21	121.23	137.07	135.56
Crop chemicals	153.14	148.88	147.47	141.27
Crop insurance	45.53	51.42	41.01	38.86
Fuel & oil	67.95	66.11	56.26	77.58
Repairs	149.18	148.86	140.83	131.77
Custom hire	18.81	38.60	4.85	17.13
Hired labor	36.77	27.51	40.19	51.09
Land rent	167.41	143.67	175.23	189.39
Machinery leases	20.89	6.24	20.14	2.13
Hauling and trucking	20.81	16.77	8.36	39.75
Operating interest	43.13	52.22	59.93	39.73
Miscellaneous	19.76	67.60	2.30	6.49
Total direct expenses per acre	1,149.64	1,163.54	1,112.27	1,153.87
Return over direct exp per acre	1,017.58	577.98	1,079.93	1,633.42
Overhead Expenses				
Hired labor	76.55	54.70	82.76	55.45
Machinery leases	5.17	15.36	2.06	0.76
Building leases	1.95	2.23	0.42	9.28
Farm insurance	29.53	24.26	30.59	40.80
Utilities	12.79	12.94	11.51	13.10
Dues & professional fees	12.16	8.45	12.26	10.80
Interest	20.34	16.13	29.67	24.69
Mach & bldg depreciation	115.50	99.21	138.38	161.68
Miscellaneous	21.16	20.87	38.69	5.26
Total overhead expenses per acre	295.15	254.15	346.34	321.83
Total dir & ovhd expenses per acre	1,444.79	1,417.70	1,458.61	1,475.71
Net return per acre	722.43	323.83	733.59	1,311.59
Government payments	-	-	-	-
Net return with govt pmts	722.43	323.83	733.59	1,311.59
Labor & management charge	136.51	106.90	172.65	151.14
Net return over lbr & mgt	585.92	216.93	560.94	1,160.45
Cost of Production				
Total direct expense per ton	38.51	43.33	36.05	33.16
Total dir & ovhd exp per ton	48.40	52.80	47.27	42.41
Less govt & other income	47.80	51.89	46.84	42.05
With labor & management	52.37	55.87	52.44	46.39
Net value per unit	72.00	63.95	70.62	79.74
Machinery cost per acre	385.88	383.69	372.23	405.75
Est. labor hours per acre	5.51	4.61	4.83	5.46

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Return to Overhead)

Sugar Beets on Cash Rent, Joint Venture

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	38	7	7	8
Acres	242.87	184.61	172.49	234.13
Yield per acre (ton)	30.82	27.71	31.77	32.81
Operators share of yield %	100.00	100.00	100.00	100.00
Value per ton	79.39	71.88	82.71	81.49
Total product return per acre	2,446.82	1,991.74	2,627.52	2,673.63
Crop insurance per acre	15.59	2.42	3.90	-
Other crop income per acre	5.33	7.13	5.61	3.72
Gross return per acre	2,467.75	2,001.29	2,637.02	2,677.35
Direct Expenses				
Seed and plants	292.52	304.38	287.51	276.61
Fertilizer	121.42	134.32	136.26	111.72
Crop chemicals	146.76	168.97	195.34	139.69
Crop insurance	41.15	45.09	45.10	35.67
Fuel & oil	71.55	62.35	65.37	70.32
Repairs	136.87	169.00	140.58	103.30
Custom hire	27.53	7.73	41.76	16.26
Hired labor	33.57	47.33	36.88	16.52
Land rent	174.63	183.09	193.61	129.42
Stock/quota lease	374.62	361.32	387.44	375.40
Machinery leases	11.34	-	-	1.13
Hauling and trucking	59.78	26.00	59.06	43.30
Operating interest	43.63	59.61	49.36	33.87
Miscellaneous	5.26	4.55	7.32	2.73
Total direct expenses per acre	1,540.65	1,573.74	1,645.59	1,355.94
Return over direct exp per acre	927.10	427.54	991.43	1,321.40
Overhead Expenses				
Hired labor	73.11	49.89	71.65	78.25
Machinery leases	7.81	7.46	3.09	9.99
Building leases	2.33	0.36	-	1.51
Farm insurance	21.32	30.03	21.13	22.81
Utilities	13.25	10.91	8.44	8.28
Dues & professional fees	10.07	12.43	6.86	9.66
Interest	19.41	26.83	14.02	19.51
Mach & bldg depreciation	97.73	101.58	120.16	120.23
Miscellaneous	10.29	3.21	9.36	13.78
Total overhead expenses per acre	255.33	242.70	254.72	284.01
Total dir & ovhd expenses per acre	1,795.98	1,816.44	1,900.32	1,639.95
Net return per acre	671.76	184.85	736.71	1,037.40
Government payments	-	-	-	-
Net return with govt pmts	671.76	184.85	736.71	1,037.40
Labor & management charge	135.67	129.88	157.80	132.14
Net return over lbr & mgt	536.10	54.97	578.91	905.25
Cost of Production				
Total direct expense per ton	49.99	56.80	51.80	41.33
Total dir & ovhd exp per ton	58.28	65.56	59.82	49.99
Less govt & other income	57.60	65.21	59.52	49.87
With labor & management	62.00	69.90	64.49	53.90
Net value per unit	79.39	71.88	82.71	81.49
Machinery cost per acre	364.86	369.01	383.34	333.27
Est. labor hours per acre	5.68	4.68	5.61	5.76

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Return to Overhead)

Sunflowers on Cash Rent

	<u>Avg. Of All Farms</u>
Number of farms	6
Acres	205.08
Yield per acre (cwt.)	19.59
Operators share of yield %	100.00
Value per cwt.	20.73
Total product return per acre	406.21
Crop insurance per acre	5.99
Other crop income per acre	1.27
Gross return per acre	413.48
Direct Expenses	
Seed and plants	36.64
Fertilizer	56.85
Crop chemicals	42.92
Crop insurance	25.76
Drying expense	0.98
Fuel & oil	17.17
Repairs	39.61
Custom hire	4.80
Land rent	142.46
Operating interest	12.93
Miscellaneous	1.11
Total direct expenses per acre	381.23
Return over direct exp per acre	32.24
Overhead Expenses	
Hired labor	27.26
Machinery leases	5.74
Farm insurance	10.24
Utilities	2.99
Dues & professional fees	3.06
Interest	4.19
Mach & bldg depreciation	37.73
Miscellaneous	5.23
Total overhead expenses per acre	96.43
Total dir & ovhd expenses per acre	477.66
Net return per acre	-64.19
Government payments	23.37
Net return with govt pmts	-40.82
Labor & management charge	44.71
Net return over lbr & mgt	-85.54
Cost of Production	
Total direct expense per cwt.	19.46
Total dir & ovhd exp per cwt.	24.38
Less govt & other income	22.82
With labor & management	25.10
Net value per unit	20.73
Machinery cost per acre	107.65
Est. labor hours per acre	1.67

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Return to Overhead)

Wheat, Spring on Owned Land

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	60	12	12	12
Acres	219.74	110.42	238.33	188.06
Yield per acre (bu.)	72.88	50.47	77.38	83.64
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	5.71	5.26	5.31	6.16
Other product return per acre	0.14	-	-	-
Total product return per acre	416.57	265.65	411.21	514.87
Crop insurance per acre	49.81	26.84	57.39	55.26
Other crop income per acre	6.41	0.01	8.07	9.31
Gross return per acre	472.79	292.50	476.66	579.44
Direct Expenses				
Seed and plants	28.64	27.75	28.69	32.58
Fertilizer	132.93	134.60	135.23	133.41
Crop chemicals	40.20	36.59	48.62	49.48
Crop insurance	16.22	11.70	23.33	14.82
Storage	0.59	0.91	0.16	-
Fuel & oil	20.77	16.46	23.70	21.84
Repairs	38.75	37.72	45.73	35.12
Custom hire	6.77	5.50	9.98	10.49
Hired labor	0.91	3.01	-	1.76
Machinery leases	1.40	4.40	1.68	0.89
Hauling and trucking	0.11	-	-	0.66
Marketing	0.47	1.02	1.21	0.15
Operating interest	8.55	10.58	5.63	3.86
Miscellaneous	4.99	1.00	4.83	3.85
Total direct expenses per acre	301.32	291.23	328.80	308.91
Return over direct exp per acre	171.47	1.27	147.86	270.53
Overhead Expenses				
Hired labor	19.99	8.92	26.61	21.07
Machinery leases	3.73	2.06	0.42	4.95
RE & pers. property taxes	24.79	36.08	25.75	24.72
Farm insurance	10.88	11.06	15.01	9.55
Utilities	4.46	5.32	6.21	3.45
Dues & professional fees	6.36	3.69	9.66	5.97
Interest	69.46	56.29	54.80	68.81
Mach & bldg depreciation	32.36	24.81	34.06	25.75
Miscellaneous	5.50	5.08	15.72	1.91
Total overhead expenses per acre	177.52	153.31	188.25	166.17
Total dir & ovhd expenses per acre	478.83	444.54	517.05	475.07
Net return per acre	-6.05	-152.04	-40.38	104.37
Government payments	31.37	27.32	31.79	31.98
Net return with govt pmts	25.33	-124.72	-8.59	136.35
Labor & management charge	34.66	30.80	36.22	23.77
Net return over lbr & mgt	-9.34	-155.52	-44.81	112.58
Cost of Production				
Total direct expense per bu.	4.13	5.77	4.25	3.69
Total dir & ovhd exp per bu.	6.57	8.81	6.68	5.68
Less govt & other income	5.37	7.74	5.43	4.53
With labor & management	5.84	8.35	5.89	4.81
Net value per unit	5.71	5.26	5.31	6.16
Machinery cost per acre	105.00	93.23	114.77	101.74
Est. labor hours per acre	1.60	1.49	2.07	1.37

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Return to Overhead)

Wheat, Spring on Cash Rent

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	109	21	22	22
Acres	491.62	397.11	594.57	719.03
Yield per acre (bu.)	74.14	55.99	77.72	82.64
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	5.63	5.09	5.43	5.92
Other product return per acre	0.41	-	0.27	-
Total product return per acre	417.99	284.90	422.49	488.90
Hedging gains/losses per acre	1.46	-	2.15	0.96
Crop insurance per acre	40.04	45.86	23.62	51.75
Other crop income per acre	5.79	1.65	10.80	3.19
Gross return per acre	465.27	332.41	459.07	544.81
Direct Expenses				
Seed and plants	30.05	33.66	29.06	30.20
Fertilizer	128.72	133.76	133.13	113.22
Crop chemicals	42.38	36.12	42.63	46.21
Crop insurance	15.14	13.97	17.39	13.80
Drying expense	0.70	0.06	0.32	1.10
Storage	0.79	4.05	0.09	-
Fuel & oil	18.87	17.45	18.57	20.73
Repairs	36.60	39.75	39.66	32.17
Custom hire	6.54	4.25	7.61	2.86
Hired labor	1.20	3.25	2.08	0.13
Land rent	148.88	177.58	156.17	132.03
Machinery leases	2.27	3.74	-	4.48
Marketing	1.04	0.95	0.78	0.19
Operating interest	9.24	14.17	11.55	5.00
Miscellaneous	3.87	2.60	5.25	1.04
Total direct expenses per acre	446.28	485.36	464.28	403.18
Return over direct exp per acre	18.99	-152.96	-5.21	141.63
Overhead Expenses				
Hired labor	19.13	18.16	16.15	28.14
Machinery leases	2.71	2.07	2.67	3.08
Building leases	0.55	0.26	1.27	0.07
Farm insurance	9.70	10.06	9.98	9.63
Utilities	4.14	4.31	4.59	3.90
Dues & professional fees	4.00	3.04	3.69	3.91
Interest	4.79	4.02	5.89	5.21
Mach & bldg depreciation	29.88	25.29	29.47	27.72
Miscellaneous	3.42	2.69	2.60	2.38
Total overhead expenses per acre	78.33	69.89	76.29	84.04
Total dir & ovhd expenses per acre	524.61	555.25	540.57	487.22
Net return per acre	-59.34	-222.84	-81.51	57.59
Government payments	31.54	30.92	31.79	31.63
Net return with govt pmts	-27.80	-191.92	-49.72	89.22
Labor & management charge	33.97	34.21	38.22	25.39
Net return over lbr & mgt	-61.77	-226.13	-87.94	63.84
Cost of Production				
Total direct expense per bu.	6.02	8.67	5.97	4.88
Total dir & ovhd exp per bu.	7.08	9.92	6.96	5.90
Less govt & other income	6.01	8.52	6.07	4.84
With labor & management	6.47	9.13	6.56	5.14
Net value per unit	5.65	5.09	5.46	5.93
Machinery cost per acre	99.17	95.91	101.55	94.13
Est. labor hours per acre	1.48	1.29	1.41	1.63

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2024
(Farms Sorted By Return to Overhead)

Wheat, Spring on Share Rent

	<u>Avg. Of All Farms</u>
Number of farms	7
Acres	247.42
Yield per acre (bu.)	70.86
Operators share of yield %	67.77
Value per bu.	5.46
Total product return per acre	262.17
Crop insurance per acre	18.84
Other crop income per acre	3.64
Gross return per acre	284.65
Direct Expenses	
Seed and plants	31.81
Fertilizer	104.47
Crop chemicals	32.83
Crop insurance	13.22
Drying expense	0.95
Storage	0.76
Fuel & oil	19.90
Repairs	32.98
Custom hire	9.04
Operating interest	8.86
Miscellaneous	12.46
Total direct expenses per acre	267.28
Return over direct exp per acre	17.37
Overhead Expenses	
Hired labor	13.55
Machinery leases	3.00
Farm insurance	8.91
Utilities	2.03
Dues & professional fees	3.63
Interest	4.00
Mach & bldg depreciation	21.67
Miscellaneous	3.56
Total overhead expenses per acre	60.36
Total dir & ovhd expenses per acre	327.64
Net return per acre	-42.99
Government payments	21.89
Net return with govt pmts	-21.10
Labor & management charge	31.28
Net return over lbr & mgt	-52.38
Cost of Production	
Total direct expense per bu.	5.57
Total dir & ovhd exp per bu.	6.82
Less govt & other income	5.90
With labor & management	6.55
Net value per unit	5.46
Machinery cost per acre	89.27
Est. labor hours per acre	2.16

Farm Financial Scorecard

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

Year: 20__

Your Farm:

Desired
Trend

Liquidity

Current Ratio

Vulnerable 1.3 2.0 Strong



↑

Working Capital as % of

_____ %

10% 30%



↑

Working Capital as % of
Operating Expense*

_____ %

20% 40%



↑

Solvency

Debt-to-Asset Ratio

_____ %

Vulnerable 60% 30% Strong



↓

Equity-to-Asset Ratio*

_____ %

40% 70%



↑

Debt-to-Equity Ratio*

1.5 0.43



↓

Profitability

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%



↑

Repayment Capacity

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



↑

Financial Efficiency

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/>)