

Minnesota and North Dakota
Farm Business Management Education

Red River Valley 2025 Report



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Minnesota Farm Business Management Education
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RED RIVER VALLEY AVERAGES
2025 ANNUAL REPORT

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2025 Red River Valley Report
Minnesota and North Dakota Farm Business Management Education

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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 2025 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."

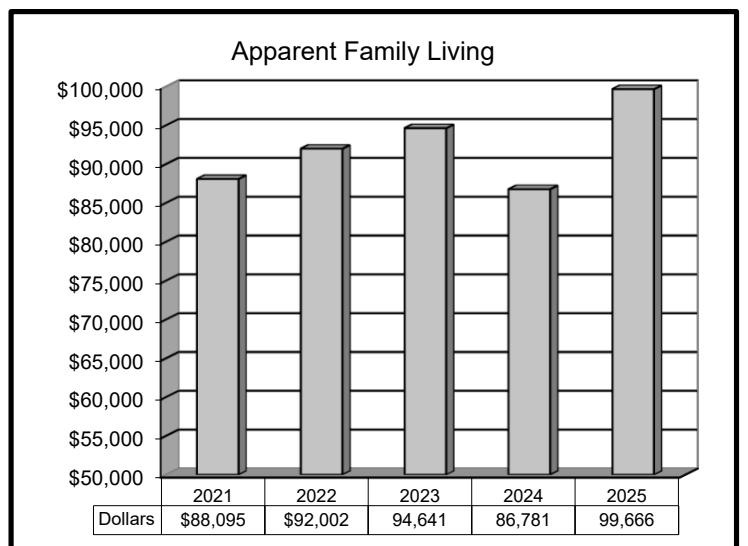
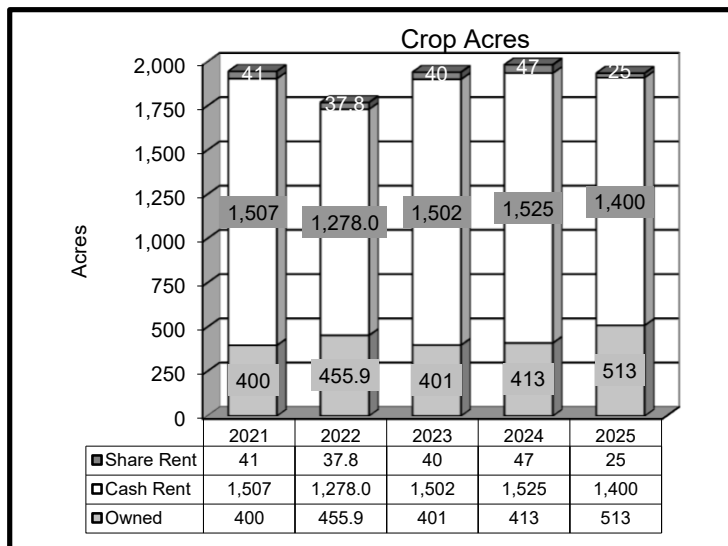
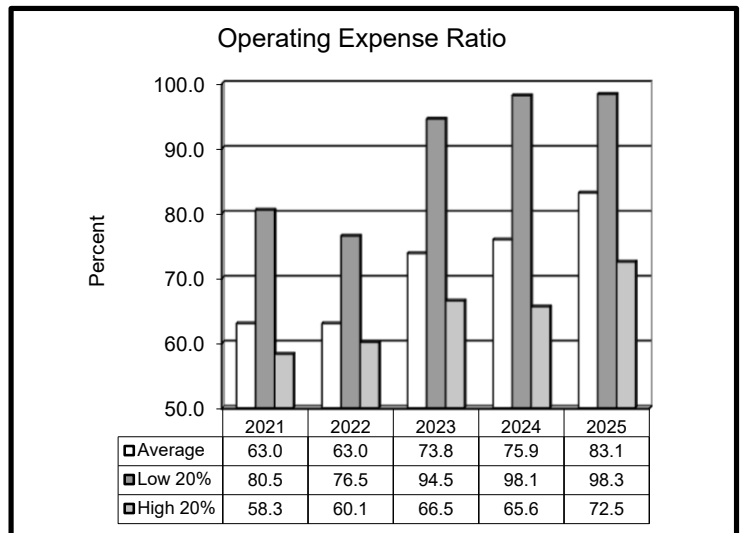
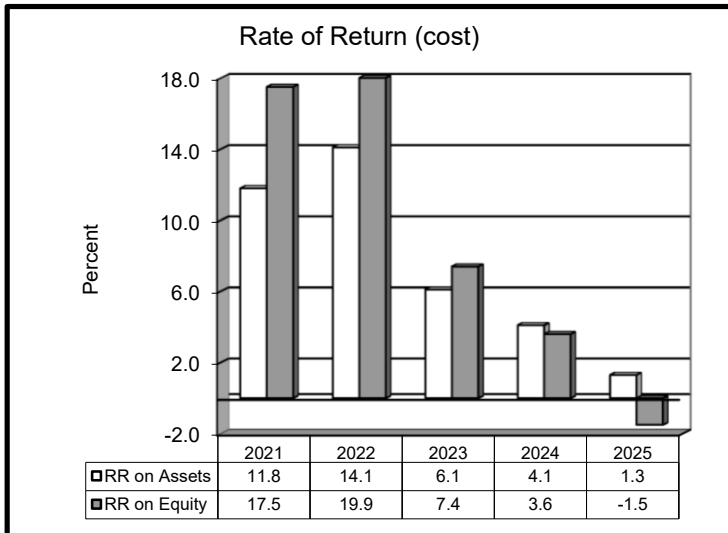
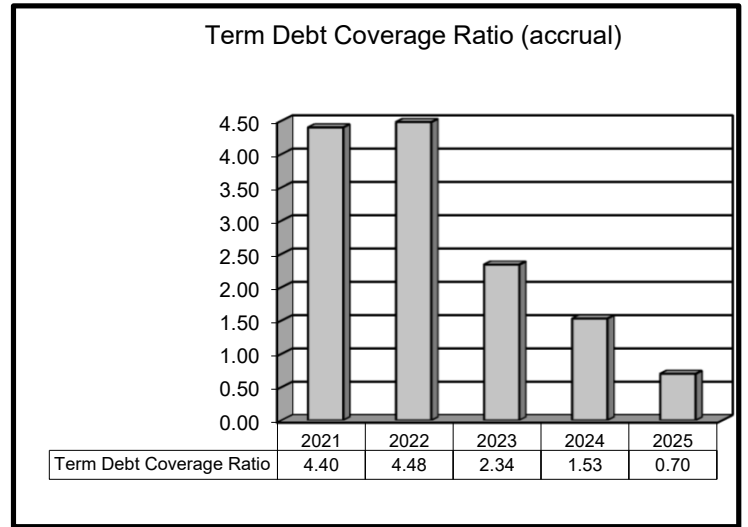
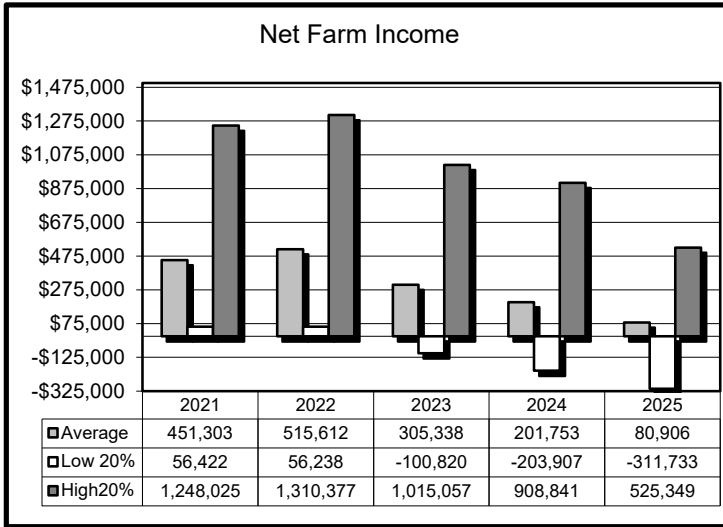
Operator and Labor Information

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



Farm Income Statement
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(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	206	41	41	42
Cash Farm Income				
Barley	6,266	157	3,066	18,794
Beans, Black Turtle	14,398	36,622	-	2,378
Beans, Navy	9,137	-	-	24,745
Beans, Pinto	5,724	5,957	-	8,303
Beans, Small Red	2,200	11,051	-	-
Canola	7,875	19,097	-	1,233
Corn	424,600	531,656	318,740	630,957
Corn Silage	11,087	28,185	366	20,894
Hay, Alfalfa	4,937	6,536	2,068	10,889
Oats	856	-	462	2,871
Peas, Field	1,797	-	-	-
Potatoes	41,369	-	-	146,903
Rye	352	-	-	1,019
Soybeans	271,782	366,299	217,966	405,229
Sugar Beets	253,576	513,671	68,240	387,964
Sunflowers	17,245	27,763	7,119	38,161
Wheat, Spring	141,368	216,639	76,310	211,405
Hay	4,921	4,403	1,520	1,404
Cover crop mix	61	-	-	299
Miscellaneous crop income	10,141	6,744	1,997	1,621
Beef Bulls	147	-	737	-
Beef Cow-Calf, Beef Calves	1,582	-	1,976	-
Beef Backgrounding	11,070	-	50,233	-
Beef Finishing	4,684	19,892	1,322	761
Beef Finish Yearlings	12,982	-	-	62,871
Cull breeding livestock	152	-	617	-
Misc. livestock income	445	-	121	-
Crop government payments	20,928	18,407	15,191	43,127
CRP payments	1,500	2,523	1,000	479
Conservation govt payment	8,157	10,139	3,804	13,867
Other government payments	95,300	145,191	74,577	129,635
Custom work income	12,821	11,447	7,776	17,060
Patronage dividends, cash	106,524	253,785	22,824	165,286
Crop insurance income	43,324	79,408	28,258	55,163
Property insurance income	147	234	-	161
Sale of resale items	5,560	777	635	16,382
Contract livestock income	97	-	488	-
Farm rental income	23,819	29,025	5,529	40,419
Other farm income	42,078	27,748	16,311	58,647
Gross Cash Farm Income	1,621,010	2,373,358	929,254	2,518,924

Farm Income Statement (continued)
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(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	206	41	41	42
Cash Farm Expense				
Seed and plants	173,501	266,677	105,658	234,986
Fertilizer	206,447	312,803	130,122	283,986
Crop crop chemicals	116,043	191,707	57,921	171,946
Crop insurance	48,523	74,477	32,034	68,251
Drying expense	6,328	7,202	3,953	9,626
Storage	1,064	871	1,318	990
Irrigation energy	1,211	-	63	5,149
Packaging and supplies	148	-	-	-
Transaction fees	50	183	-	28
Crop miscellaneous	8,163	8,549	5,008	4,079
Consultants	5,440	7,256	3,993	9,213
Feeder livestock purchase	14,874	575	38,202	26,977
Purchased feed	3,691	1,310	1,859	11,838
Veterinary	357	42	894	596
Supplies	210	354	48	-
Livestock insurance	95	24	417	-
Grazing fees	49	247	-	-
Interest	92,602	173,558	53,272	113,272
Crop chemicals	228	-	-	-
Fuel & oil	58,715	79,658	30,981	90,762
Repairs	129,990	196,461	62,227	193,690
Custom hire	26,655	39,698	22,144	31,376
Hired labor	76,452	131,063	28,679	116,843
Land rent	262,571	383,612	168,614	392,760
Stock/quota lease	17,388	34,937	6,161	25,099
Machinery leases	24,948	39,085	11,387	24,142
Building leases	3,306	2,135	1,929	7,050
Real estate taxes	15,174	24,699	5,576	25,507
Farm insurance	27,674	39,376	13,889	38,768
Utilities	13,376	17,608	6,032	22,787
Hauling and trucking	7,190	12,299	3,142	10,426
Marketing	3,948	9,364	659	4,689
Dues & professional fees	11,426	15,094	8,805	15,603
Organic certification	43	-	-	212
Purchase of resale items	1,900	299	188	-
Miscellaneous	14,975	17,585	5,143	20,959
Advertising & promotion	90	316	-	35
Total cash expense	1,374,845	2,089,123	810,320	1,961,648
Net cash farm income	246,165	284,235	118,934	557,276
Inventory Changes				
Prepays and supplies	-22,833	-66,256	991	-38,449
Accounts receivable	-53,099	-150,312	-12,666	-70,143
Hedging accounts	-3,971	-2,046	-3,263	-10,655
Other current assets	902	-55	778	1,858
Crops and feed	14,510	-152,985	12,170	135,339
Market livestock	-3,366	-18,816	4,338	-4,241
Breeding livestock	-176	-	640	-1,148
Other assets	840	-18,830	3,859	-6
Accounts payable	-4,501	-13,816	-8,548	22,934
Accrued interest	-5,549	-11,729	-3,861	-2,661
Total inventory change	-77,244	-434,844	-5,563	32,829
Net operating profit	168,921	-150,609	113,371	590,105
Depreciation				
Machinery and equipment	-89,410	-127,070	-46,038	-149,910
Titled vehicles	-12,753	-19,139	-8,276	-13,010
Buildings and improvements	-13,040	-18,177	-2,859	-23,596
Total depreciation	-115,203	-164,385	-57,173	-186,516
Net farm income from operations	53,718	-314,994	56,198	403,588
Gain or loss on capital sales	27,187	3,261	2,632	121,760
Net farm income	80,906	-311,733	58,830	525,349

Inventory Changes
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(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	206	41	41	42
Net cash farm income	246,165	284,235	118,934	557,276
Crops and Feed				
Ending inventory	798,657	860,275	445,831	1,440,165
Beginning inventory	784,146	1,013,260	433,661	1,304,825
Inventory change	14,510	-152,985	12,170	135,339
Market Livestock				
Ending inventory	16,722	2,327	36,846	29,075
Beginning inventory	20,088	21,143	32,508	33,317
Inventory change	-3,366	-18,816	4,338	-4,241
Accts Receivable				
Ending inventory	152,485	216,162	62,003	270,584
Beginning inventory	205,584	366,473	74,669	340,727
Inventory change	-53,099	-150,312	-12,666	-70,143
Prepaid Expenses and Supplies				
Ending inventory	133,350	115,376	59,238	270,048
Beginning inventory	156,183	181,631	58,248	308,497
Inventory change	-22,833	-66,256	991	-38,449
Hedging Activities				
Ending inventory	10,493	23,372	2,109	19,750
Withdrawals	2,702	798	1,383	5,901
Beginning inventory	10,775	23,550	3,014	17,723
Deposits	6,391	2,666	3,740	18,583
Gain or loss	-3,971	-2,046	-3,263	-10,655
Other Current Assets				
Ending inventory	3,872	2,140	2,845	3,563
Beginning inventory	2,970	2,194	2,068	1,705
Inventory change	902	-55	778	1,858
Breeding Livestock				
Ending inventory	6,444	3,190	7,037	13,860
Capital sales	551	-	-	286
Beginning inventory	4,217	1,293	6,000	5,769
Capital purchases	2,954	1,898	396	9,524
Depreciation, capital adjust	-176	-	640	-1,148
Other Capital Assets				
Ending inventory	404,691	761,929	99,427	609,482
Capital sales	16,445	9,568	2,521	35,089
Beginning inventory	409,760	775,357	91,763	622,393
Capital purchases	10,536	14,970	6,326	22,184
Depreciation, capital adjust	840	-18,830	3,859	-6
Accounts Payable				
Beginning inventory	54,946	93,842	18,567	95,578
Ending inventory	59,447	107,658	27,114	72,644
Inventory change	-4,501	-13,816	-8,548	22,934
Accrued Interest				
Beginning inventory	40,268	81,988	20,483	50,514
Ending inventory	45,817	93,717	24,344	53,175
Inventory change	-5,549	-11,729	-3,861	-2,661
Total inventory change	-77,244	-434,844	-5,563	32,829
Net operating profit	168,921	-150,609	113,371	590,105

Depreciation
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(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	206	41	41	42
Net operating profit	168,921	-150,609	113,371	590,105
Machinery and Equipment				
Ending inventory	994,272	1,275,099	570,394	1,600,390
Capital sales	49,542	103,287	16,357	46,496
Beginning inventory	976,450	1,299,833	563,322	1,541,653
Capital purchases	156,774	205,622	69,467	255,143
Depreciation, capital adjust.	-89,410	-127,070	-46,038	-149,910
Titled Vehicles				
Ending inventory	100,645	162,379	78,872	101,934
Capital sales	3,433	7,945	1,974	4,173
Beginning inventory	99,834	156,327	77,323	99,099
Capital purchases	16,996	33,135	11,799	20,018
Depreciation, capital adjust.	-12,753	-19,139	-8,276	-13,010
Buildings and Improvements				
Ending inventory	434,936	638,240	255,153	672,711
Capital sales	6,730	798	-	32,228
Beginning inventory	408,631	592,957	247,357	626,687
Capital purchases	46,075	64,258	10,656	101,848
Depreciation, capital adjust.	-13,040	-18,177	-2,859	-23,596
Total depreciation, capital adj.	-115,203	-164,385	-57,173	-186,516
Net farm income from operations	53,718	-314,994	56,198	403,588
Gain or loss on capital sales	27,187	3,261	2,632	121,760
Net farm income	80,906	-311,733	58,830	525,349

Profitability Measures
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(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	206	41	41	42
Profitability (assets valued at cost)				
Net farm income from operations	53,718	-314,994	56,198	403,588
Rate of return on assets	1.3 %	-4.2 %	2.6 %	5.1 %
Rate of return on equity	-1.5 %	-15.7 %	0.3 %	5.3 %
Operating profit margin	3.7 %	-13.3 %	6.8 %	15.5 %
Asset turnover rate	33.6 %	31.2 %	38.2 %	33.0 %
Farm interest expense	98,151	185,287	57,133	115,933
Value of operator lbr and mgmt.	93,746	140,833	52,325	128,262
Return on farm assets	58,123	-270,540	61,006	391,259
Average farm assets	4,636,559	6,496,625	2,343,740	7,673,991
Return on farm equity	-40,028	-455,827	3,873	275,326
Average farm equity	2,668,481	2,907,019	1,280,378	5,202,983
Value of farm production	1,556,301	2,028,549	894,914	2,530,973

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	206	41	41	42
Profitability (assets valued at market)				
Net farm income from operations	146,751	-110,735	127,463	433,622
Rate of return on assets	2.5 %	-0.7 %	4.5 %	4.2 %
Rate of return on equity	1.5 %	-5.5 %	4.4 %	4.8 %
Operating profit margin	9.7 %	-3.3 %	14.8 %	16.6 %
Asset turnover rate	25.3 %	22.2 %	30.2 %	25.4 %
Farm interest expense	98,151	185,287	57,133	115,933
Value of operator lbr and mgmt.	93,746	140,833	52,325	128,262
Return on farm assets	151,156	-66,280	132,272	421,292
Average farm assets	6,140,671	9,152,517	2,963,022	9,966,203
Return on farm equity	53,005	-251,567	75,139	305,359
Average farm equity	3,559,388	4,571,314	1,707,481	6,420,694
Value of farm production	1,556,301	2,028,549	894,914	2,530,973

Liquidity & Repayment Capacity Measures
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(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	206	41	41	42
Liquidity				
Current ratio	1.60	0.94	1.78	2.59
Working capital	470,237	-87,696	297,278	1,436,983
Change in working capital	-148,888	-577,498	14,271	11,296
Working capital to gross revenue	29.8 %	-4.3 %	31.8 %	55.9 %
Working capital to oper expense	35.9 %	-4.4 %	38.9 %	77.1 %
Current assets	1,252,600	1,381,218	678,049	2,342,773
Current liabilities	782,363	1,468,914	380,770	905,790
Gross revenues (accrual)	1,576,766	2,030,733	935,164	2,569,787
Total operating expenses	1,309,694	1,996,055	764,660	1,863,750
Repayment capacity				
Net farm income from operations	53,718	-314,994	56,198	403,588
Depreciation	115,203	164,385	57,173	186,516
Personal income	42,142	31,859	56,546	24,536
Family living/owner withdrawals	-103,411	-136,812	-76,354	-131,137
Cash discrepancy	-107	-256	114	-232
Income taxes	-37,294	-47,982	-11,262	-93,980
Interest expense	102,432	189,358	61,931	121,459
Debt repayment capacity	172,682	-114,442	144,346	510,750
Debt payments	231,707	396,204	148,581	295,544
Repayment margin	-59,025	-510,646	-4,235	215,206
Cash replacement allowance	-69,347	-73,292	-33,570	-124,135
Replacement margin	-128,371	-583,938	-37,806	91,071
Debt coverage ratio	0.75	-0.29	0.97	1.73
Term debt coverage ratio	0.70	-0.57	0.97	1.84
Replacement coverage ratio	0.57	-0.24	0.79	1.22

Balance Sheet at Cost Values
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(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	206	41	41	42
Assets				
Current Farm Assets				
Cash and checking balance	137,021	161,566	69,177	309,588
Prepaid expenses & supplies	133,350	115,376	59,238	270,048
Growing crops	257	382	208	513
Accounts receivable	152,485	216,162	62,003	270,584
Hedging accounts	10,493	23,372	2,109	19,750
Crops held for sale or feed	798,657	860,275	445,831	1,440,165
Crops under government loan	-	-	-	-
Market livestock held for sale	16,722	2,327	36,846	29,075
Other current assets	3,615	1,758	2,637	3,050
Total current farm assets	1,252,600	1,381,218	678,049	2,342,773
Intermediate Farm Assets				
Breeding livestock	6,444	3,190	7,037	13,860
Machinery and equipment	994,272	1,275,099	570,394	1,600,390
Titled vehicles	100,645	162,379	78,872	101,934
Other intermediate assets	341,590	706,248	87,411	507,486
Total intermediate farm assets	1,442,950	2,146,915	743,713	2,223,669
Long Term Farm Assets				
Farm land	1,501,316	2,161,774	691,583	2,554,772
Buildings and improvements	434,936	638,240	255,153	672,711
Other long-term assets	63,101	55,681	12,017	101,996
Total long-term farm assets	1,999,353	2,855,695	958,753	3,329,479
Total Farm Assets	4,694,904	6,383,828	2,380,514	7,895,921
Total Nonfarm Assets	488,752	599,319	305,044	847,931
Total Assets	5,183,656	6,983,147	2,685,558	8,743,853
Liabilities				
Current Farm Liabilities				
Accrued interest	45,817	93,717	24,344	53,175
Accounts payable	59,447	107,658	27,114	72,644
Current notes	555,200	1,066,019	258,680	616,460
Government crop loans	-	-	-	-
Principal due on term debt	121,899	201,520	70,632	163,511
Total current farm liabilities	782,363	1,468,914	380,770	905,790
Total intermediate farm liabs	277,926	543,234	203,369	273,496
Total long term farm liabilities	995,113	1,719,430	508,680	1,376,009
Total farm liabilities	2,055,402	3,731,578	1,092,820	2,555,294
Total nonfarm liabilities	126,079	139,981	81,558	233,519
Total liabilities	2,181,481	3,871,559	1,174,378	2,788,814
Net worth (farm and nonfarm)	3,002,175	3,111,588	1,511,180	5,955,039
Net worth change	-21,667	-487,518	29,942	335,171
Percent net worth change	-1 %	-14 %	2 %	6 %
Ratio Analysis				
Current farm liabilities / assets	62 %	106 %	56 %	39 %
Intermediate farm liab. / assets	19 %	25 %	27 %	12 %
Long term farm liab. / assets	50 %	60 %	53 %	41 %
Total debt to asset ratio	42 %	55 %	44 %	32 %

Balance Sheet at Market Values
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(Farms Sorted By Net Farm Income)

	<u>Avg. Of</u> <u>All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	206	41	41	42
Assets				
Current Farm Assets				
Cash and checking balance	137,021	161,566	69,177	309,588
Prepaid expenses & supplies	133,350	115,376	59,238	270,048
Growing crops	257	382	208	513
Accounts receivable	152,485	216,162	62,003	270,584
Hedding accounts	10,493	23,372	2,109	19,750
Crops held for sale or feed	798,657	860,275	445,831	1,440,165
Crops under government loan	-	-	-	-
Market livestock held for sale	16,722	2,327	36,846	29,075
Other current assets	3,615	1,758	2,637	3,050
Total current farm assets	1,252,600	1,381,218	678,049	2,342,773
Intermediate Farm Assets				
Breeding livestock	7,446	4,276	8,500	14,264
Machinery and equipment	1,280,614	1,621,261	772,758	2,039,533
Titled vehicles	132,483	208,645	108,767	139,937
Other intermediate assets	492,732	980,955	139,019	662,805
Total intermediate farm assets	1,913,274	2,815,136	1,029,043	2,856,539
Long Term Farm Assets				
Farm land	2,501,892	4,119,103	1,037,601	4,056,705
Buildings and improvements	489,782	698,117	279,487	788,616
Other long-term assets	80,073	74,297	14,975	161,125
Total long-term farm assets	3,071,747	4,891,517	1,332,064	5,006,446
Total Farm Assets	6,237,621	9,087,871	3,039,156	10,205,757
Total Nonfarm Assets	651,270	782,472	414,659	1,245,875
Total Assets	6,888,891	9,870,343	3,453,816	11,451,632
Liabilities				
Current Farm Liabilities				
Accrued interest	45,817	93,717	24,344	53,175
Accounts payable	59,447	107,658	27,114	72,644
Current notes	555,200	1,066,019	258,680	616,460
Government crop loans	-	-	-	-
Principal due on term debt	121,899	201,520	70,632	163,511
Total current farm liabilities	782,363	1,468,914	380,770	905,790
Total intermediate farm liab.	277,926	543,234	203,369	273,496
Total long term farm liabilities	995,113	1,719,430	508,680	1,376,009
Total farm liabilities	2,055,402	3,731,578	1,092,820	2,555,294
Total nonfarm liabilities	126,079	139,981	81,558	233,519
Total liab. excluding deferreds	2,181,481	3,871,559	1,174,378	2,788,814
Total deferred liabilities	631,144	960,630	215,535	1,148,955
Total liabilities	2,812,626	4,832,189	1,389,913	3,937,769
Retained earnings	3,002,175	3,111,588	1,511,180	5,955,039
Market valuation equity	1,074,091	1,926,566	552,723	1,558,824
Net worth (farm and nonfarm)	4,076,265	5,038,153	2,063,903	7,513,863
Net worth excluding deferreds	4,707,410	5,998,783	2,279,438	8,662,818
Net worth change	90,950	-248,454	125,342	396,953
Percent net worth change	2 %	-5 %	6 %	6 %
Ratio Analysis				
Current farm liabilities / assets	62 %	106 %	56 %	39 %
Intermediate farm liab. / assets	15 %	19 %	20 %	10 %
Long term farm liab. / assets	32 %	35 %	38 %	27 %
Total debt to asset ratio	41 %	49 %	40 %	34 %
Debt to assets excl. deferreds	32 %	39 %	34 %	24 %

Statement Of Cash Flows
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(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	206	41	41	42
Beginning cash (farm & nonfarm)	136,453	125,730	70,175	276,142
Cash Provided By Operating Activities				
Gross cash farm income	1,621,010	2,373,358	929,254	2,518,924
Total cash farm expense	-1,374,845	-2,089,123	-810,320	-1,961,648
Net cash from hedging transactions	-3,689	-1,868	-2,357	-12,682
Cash provided by operating	242,476	282,367	116,576	544,595
Cash Provided By Investing Activities				
Sale of breeding livestock	546	-	-	258
Sale of machinery & equipment	49,981	99,393	18,570	53,867
Sale of titled vehicles	3,679	7,002	2,393	5,895
Sale of farm land	38,266	36,124	447	138,448
Sale of farm buildings	8,334	988	-	39,912
Sale of other farm assets	24,612	17,477	2,521	58,669
Sale of nonfarm assets	17,380	7,177	606	30,116
Purchase of breeding livestock	-2,954	-1,898	-396	-9,524
Purchase of machinery & equip.	-156,774	-205,622	-69,467	-255,143
Purchase of titled vehicles	-16,996	-33,135	-11,799	-20,018
Purchase of farm land	-146,339	-137,797	-33,711	-316,112
Purchase of farm buildings	-46,075	-64,258	-10,656	-101,848
Purchase of other farm assets	-10,536	-14,970	-6,326	-22,184
Purchase of nonfarm assets	-44,083	-52,119	-30,885	-67,965
Cash provided by investing	-280,958	-341,639	-138,704	-465,628
Cash Provided By Financing Activities				
Money borrowed	883,785	1,112,664	528,141	1,387,397
Principal payments	-716,288	-855,754	-471,987	-1,204,548
Personal income	42,142	31,859	56,546	24,536
Family living/owner withdrawals	-103,411	-136,812	-76,354	-131,137
Income and social security tax	-34,527	-43,535	-10,978	-80,009
Capital contributions	365	-	-	797
Capital distributions	-26,346	-	-	-
Dividends paid	-	-	-	-
Cash gifts and inheritances	22,638	36,211	4,468	408
Gifts given	-10,273	-39,612	-	-7,071
Other cash flows	-	-	-	-
Cash provided by financing	58,085	105,020	29,835	-9,628
Net change in cash balance	19,603	45,748	7,708	69,339
Ending cash (farm & nonfarm)	155,949	171,223	77,997	345,249
Discrepancy	107	256	-114	232

Financial Standards Measures Including Deferred Liabilities
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(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	206	41	41	42
Liquidity				
Current ratio	1.60	0.94	1.78	2.59
Working capital to gross revenue	29.8 %	-4.3 %	31.8 %	55.9 %
Working capital to oper expense	35.9 %	-4.4 %	38.9 %	77.1 %
Solvency (market)				
Farm debt to asset ratio	43 %	51 %	42 %	36 %
Farm equity to asset ratio	57 %	49 %	58 %	64 %
Farm debt to equity ratio	0.74	1.06	0.74	0.55
Profitability (cost)				
Rate of return on farm assets	1.3 %	-4.2 %	2.6 %	5.1 %
Rate of return on farm equity	-1.5 %	-15.7 %	0.3 %	5.3 %
Operating profit margin	3.7 %	-13.3 %	6.8 %	15.5 %
Asset turnover rate	33.6 %	31.2 %	38.2 %	33.0 %
Repayment Capacity				
Debt coverage ratio	0.75	-0.29	0.97	1.73
Term debt coverage ratio	0.70	-0.57	0.97	1.84
Replacement coverage ratio	0.57	-0.24	0.79	1.22
Efficiency				
Operating expense ratio	83.1 %	98.3 %	81.8 %	72.5 %
Depreciation expense ratio	7.3 %	8.1 %	6.1 %	7.3 %
Interest expense ratio	6.2 %	9.1 %	6.1 %	4.5 %
Net farm income ratio	3.4 %	-15.5 %	6.0 %	15.7 %

Crop Production and Marketing Summary
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(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	206	41	41	42
Acreage Summary				
Total acres owned	587	774	237	956
Total crop acres	2,053	2,954	1,302	3,088
Crop acres owned	421	565	196	706
Crop acres cash rented	1,603	2,385	1,060	2,336
Crop acres share rented	29	4	46	46
Total pasture acres	2	-	6	-
Percent crop acres owned	21 %	19 %	15 %	23 %
Mach invest/crop acre cost	527	490	495	541
Mach invest/crop acre market	679	621	670	695
Average Price Received (Cash Sales Only)				
Soybeans per bushel	9.60	9.56	9.49	9.73
Corn per bushel	3.95	3.88	4.02	3.99
Wheat, Spring per bushel	5.52	5.25	5.86	5.74
Soybeans Seed per bushel	10.80	10.73	-	-
Sunflowers per cwt	24.76	-	-	25.12
Beans, Black Turtle per cwt	27.12	-	-	-
Hay, Alfalfa per ton	132.60	-	-	-
Canola per cwt	20.54	-	-	-
Beans, Navy per cwt	31.67	-	-	-
Beans, Pinto per cwt	23.74	-	-	-
Corn Silage per ton	33.08	-	-	-
Oats per bushel	3.50	-	-	-
Average Yield Per Acre				
Corn (bushel)	188.93	180.12	187.58	190.20
Soybeans (bushel)	43.01	42.82	42.20	43.90
Wheat, Spring (bushel)	75.46	74.76	69.22	76.07
Sugar Beets (ton)	30.50	28.19	29.79	34.31
Soybeans Seed (bushel)	44.92	44.03	-	44.19
Sunflowers (cwt)	21.61	17.69	-	25.06
Hay, Alfalfa (ton)	3.33	-	3.09	-
Corn Silage (ton)	22.52	-	-	-
Beans, Black Turtle (cwt)	26.26	26.89	-	-
Beans, Navy (cwt)	19.94	-	-	20.24
Canola (cwt)	25.78	28.44	-	-
Beans, Pinto (cwt)	23.68	-	-	-
Barley (bushel)	89.19	-	-	90.52
Potatoes (cwt)	409.52	-	-	-
Oats (bushel)	83.82	-	-	-
Soybeans, Food (bushel)	29.62	-	-	-
Soybeans, Natto (bushel)	26.10	24.81	-	-
Beans, Small Red (cwt)	20.88	-	-	-
Hay (ton)	5.07	-	-	-

Operator and Labor Information
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(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	206	41	41	42
Operator Information				
Average number of operators	1.1	1.3	0.9	1.2
Average age of operators	49.0	50.7	45.0	50.8
Average number of years farming	24.8	27.0	20.0	28.9
Results Per Operator				
Working capital	410,722	-65,373	319,487	1,155,087
Total assets (market)	6,017,009	7,357,892	3,711,833	9,205,139
Total liabilities	2,456,650	3,602,178	1,493,746	3,165,288
Net worth (market)	3,560,359	3,755,714	2,218,087	6,039,852
Net worth excl deferred liabs	4,111,624	4,471,820	2,449,723	6,963,414
Gross farm income	1,377,205	1,513,819	1,005,025	2,065,666
Total farm expense	1,330,286	1,748,633	944,630	1,741,251
Net farm income from operations	46,919	-234,814	60,396	324,416
Net nonfarm income	36,808	23,749	60,771	19,723
Family living & tax withdrawals	122,991	137,946	94,039	181,142
Total acres owned	512.5	577.1	254.2	768.2
Total crop acres	1,793.2	2,202.3	1,399.2	2,482.1
Crop acres owned	367.8	421.4	210.7	567.5
Crop acres cash rented	1,400.4	1,778.1	1,138.7	1,877.4
Crop acres share rented	25.0	2.7	49.8	37.2
Total pasture acres	1.4	-	6.6	-
Labor Analysis				
Number of farms	205	41	41	42
Total unpaid labor hours	1,964	2,076	1,557	2,259
Total hired labor hours	2,337	4,210	718	3,682
Total labor hours per farm	4,301	6,286	2,275	5,940
Unpaid hours per operator	1,714	1,547	1,673	1,816
Value of farm production / hour	361.74	322.72	393.38	426.07
Net farm income / unpaid hour	27.24	-151.76	36.09	178.69
Average hourly hired labor wage	33.13	33.06	33.50	32.43
Partnerships & LLCs				
Number of farms	18	5	1	4
Number of operators	2.3	1.8	-	-
Owner withdrawals per farm	-	-	-	-
Withdrawals per operator	-	-	-	-
Corporations				
Number of farms	15	4	1	4
Number of operators	1.3	-	-	-

Household and Personal Expenses
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>
Number of farms	28	5	9
Average family size	2.7	2.8	2.2
Family Living Expenses			
Food and meals expense	14,367	18,612	12,065
Medical care	5,521	9,219	4,029
Health insurance	8,404	7,959	8,310
Cash donations	2,090	3,672	2,451
Household supplies	5,013	9,282	4,318
Clothing	3,184	4,375	3,965
Personal care	3,467	9,395	2,295
Child / Dependent care	1,259	-	1,602
Alimony and child support	900	5,040	-
Gifts	3,508	7,133	1,178
Education	1,397	1,999	659
Recreation	12,134	35,416	7,502
Utilities (household share)	4,411	5,081	5,347
Personal vehicle operating exp	4,699	5,939	5,617
Household real estate taxes	1,737	3,265	1,725
Dwelling rent	107	601	-
Household repairs	4,402	9,169	2,768
Personal interest	5,461	7,096	3,064
Disability / Long term care ins	784	-	99
Life insurance payments	4,896	7,920	4,457
Personal property insurance	1,325	1,960	2,045
Miscellaneous	10,598	6,826	12,575
Total cash family living expense	99,666	159,958	86,071
Family living from the farm	-	-	-
Total family living	99,666	159,958	86,071
Other Nonfarm Expenditures			
Income taxes	32,942	111,971	10,072
Furnishing & appliance purchases	1,789	-	5,567
Nonfarm vehicle purchases	5,588	312	4,739
Nonfarm real estate purchases	3,029	1,586	29,355
Other nonfarm capital purchases	2,295	12,306	302
Nonfarm savings & investments	6,897	18,624	17,883
Total other nonfarm expenditures	52,540	144,799	67,918
Total cash family living investment & nonfarm capital purch	152,206	304,757	153,988

Financial Summary
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(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	206	5	18	26	50	45	62
Income Statement							
Gross cash farm income	1,621,010	67,933	179,493	375,067	784,852	1,367,625	3,545,483
Total cash farm expense	1,374,845	69,552	173,687	325,515	679,978	1,248,817	2,920,724
Net cash farm income	246,165	-1,619	5,806	49,552	104,873	118,808	624,760
Inventory change	-77,244	18,679	39,707	15,948	18,636	-20,636	-276,422
Depreciation	-115,203	-2,407	-19,893	-35,492	-47,581	-104,562	-247,654
Net farm income from operations	53,718	14,653	25,621	30,008	75,929	-6,389	100,684
Gain or loss on capital sales	27,187	-1,617	18,833	124	23,205	23,653	49,062
Average net farm income	80,906	13,036	44,453	30,131	99,134	17,264	149,745
Median net farm income	57,872	12,409	44,462	41,308	88,472	59,402	117,865
Profitability (cost)							
Rate of return on assets	1.3 %	2.8 %	1.6 %	1.6 %	2.4 %	0.1 %	1.4 %
Rate of return on equity	-1.5 %	1.1 %	0.0 %	-1.3 %	0.8 %	-3.8 %	-1.4 %
Operating profit margin	3.7 %	7.6 %	6.9 %	5.5 %	7.1 %	0.3 %	3.9 %
Asset turnover rate	33.6 %	36.9 %	23.5 %	28.7 %	33.9 %	32.0 %	34.6 %
Profitability (market)							
Rate of return on assets	2.5 %	6.0 %	2.9 %	3.1 %	2.7 %	2.8 %	2.2 %
Rate of return on equity	1.3 %	9.4 %	2.9 %	2.6 %	1.8 %	1.7 %	1.0 %
Operating profit margin	9.7 %	17.9 %	16.5 %	16.2 %	9.9 %	11.3 %	8.7 %
Asset turnover rate	25.3 %	33.5 %	17.6 %	19.3 %	27.4 %	24.7 %	25.7 %
Liquidity & Repayment (end of year)							
Current assets	1,252,600	177,839	215,363	279,306	775,427	1,091,222	2,550,509
Current liabilities	782,363	43,258	94,481	208,494	387,267	710,273	1,653,279
Current ratio	1.60	4.11	2.28	1.34	2.00	1.54	1.54
Working capital	470,237	134,581	120,881	70,813	388,160	380,949	897,230
Change in working capital	-148,888	66,723	23,870	-33,194	-61,905	-71,205	-391,479
Working capital to gross revenue	29.8 %	134.6 %	53.6 %	17.9 %	46.3 %	27.9 %	26.9 %
Working capital to oper expense	35.9 %	174.7 %	73.3 %	23.6 %	58.0 %	32.4 %	32.3 %
Debt coverage ratio	0.75	2.21	1.75	0.91	0.98	0.46	0.76
Term debt coverage ratio	0.70	3.29	1.77	0.91	0.97	0.36	0.71
Replacement coverage ratio	0.57	1.58	1.25	0.62	0.71	0.36	0.59
Term debt to EBITDA	4.48	0.12	5.35	4.75	3.22	6.14	4.35
Solvency (end of year at cost)							
Number of farms	206	5	18	26	50	45	62
Total assets	5,183,656	562,170	1,267,248	1,608,283	3,036,186	4,661,229	10,303,739
Total liabilities	2,181,481	283,876	510,996	789,614	1,093,427	2,047,262	4,378,060
Net worth	3,002,175	278,293	756,252	818,670	1,942,760	2,613,967	5,925,678
Net worth change	-21,667	43,474	60,171	2,683	19,631	9,504	-116,821
Farm debt to asset ratio	44 %	53 %	44 %	52 %	40 %	45 %	44 %
Total debt to asset ratio	42 %	50 %	40 %	49 %	36 %	44 %	42 %
Change in earned net worth %	-1 %	19 %	9 %	0 %	1 %	0 %	-2 %
Solvency (end of year at market)							
Number of farms	206	5	18	26	50	45	62
Total assets	6,888,891	611,535	1,639,351	2,358,344	3,846,376	6,100,405	13,845,026
Total liabilities	2,181,481	283,876	510,996	789,614	1,093,427	2,047,262	4,378,060
Net worth	4,707,410	327,659	1,128,355	1,568,731	2,752,950	4,053,143	9,466,966
Total net worth change	78,938	63,330	114,805	67,312	68,581	176,942	11,879
Farm debt to asset ratio	33 %	50 %	33 %	35 %	32 %	34 %	32 %
Total debt to asset ratio	32 %	46 %	31 %	33 %	28 %	34 %	32 %
Change in total net worth %	2 %	24 %	11 %	4 %	3 %	5 %	0 %
Nonfarm Information							
Net nonfarm income	42,142	43,795	88,335	46,138	42,112	30,472	35,416
Farms reporting living expenses	28	2	5	3	6	6	6
Total family living expense	99,666	-	73,570	-	88,142	105,826	152,726
Total living, invest, cap. purch	152,206	-	104,649	-	145,364	144,401	327,746
Crop Acres							
Total crop acres	2,053	138	323	565	1,237	1,929	4,081
Total crop acres owned	421	54	72	133	297	458	747
Total crop acres cash rented	1,603	65	212	432	881	1,470	3,301
Total crop acres share rented	29	18	40	-	59	1	34
Machinery value per crop acre	679	407	729	784	561	669	704

Financial Summary
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(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	206	16	49	46	30	65
Income Statement						
Gross cash farm income	1,621,010	513,350	1,081,403	1,679,572	2,140,861	2,019,069
Total cash farm expense	1,374,845	448,387	987,517	1,465,666	1,684,917	1,687,498
Net cash farm income	246,165	64,962	93,886	213,906	455,944	331,571
Inventory change	-77,244	18,906	9,716	-13,731	-223,399	-143,957
Depreciation	-115,203	-27,716	-59,822	-127,438	-166,397	-146,200
Net farm income from operations	53,718	56,153	43,780	72,738	66,148	41,414
Gain or loss on capital sales	27,187	21,414	7,724	5,268	10,436	66,525
Average net farm income	80,906	77,566	51,503	78,006	76,584	107,939
Median net farm income	57,872	66,290	59,402	46,047	83,973	45,691
Profitability (cost)						
Rate of return on assets	1.3 %	3.3 %	1.2 %	2.0 %	1.1 %	0.8 %
Rate of return on equity	-1.5 %	1.7 %	-2.9 %	-0.7 %	-1.2 %	-1.8 %
Operating profit margin	3.7 %	7.5 %	2.6 %	5.8 %	3.9 %	2.6 %
Asset turnover rate	33.6 %	44.6 %	45.9 %	35.2 %	28.9 %	30.8 %
Profitability (market)						
Rate of return on assets	2.5 %	4.0 %	2.6 %	3.2 %	1.5 %	2.5 %
Rate of return on equity	1.3 %	4.2 %	0.9 %	2.1 %	0.2 %	1.5 %
Operating profit margin	9.7 %	9.3 %	6.8 %	11.4 %	7.0 %	11.3 %
Asset turnover rate	25.3 %	43.0 %	37.9 %	28.5 %	22.0 %	21.6 %
Liquidity & Repayment (end of year)						
Current assets	1,252,600	295,769	819,083	1,275,638	1,657,408	1,611,795
Current liabilities	782,363	171,045	567,759	789,906	969,681	1,002,827
Current ratio	1.60	1.73	1.44	1.61	1.71	1.61
Working capital	470,237	124,724	251,324	485,732	687,727	608,968
Change in working capital	-148,888	655	-121,121	-42,862	-279,893	-221,201
Working capital to gross revenue	29.8 %	22.6 %	22.2 %	29.0 %	35.5 %	31.6 %
Working capital to oper expense	35.9 %	28.6 %	26.0 %	35.7 %	43.5 %	37.6 %
Debt coverage ratio	0.75	1.56	0.74	0.90	0.61	0.68
Term debt coverage ratio	0.70	1.70	0.68	0.88	0.56	0.62
Replacement coverage ratio	0.57	1.36	0.62	0.72	0.50	0.47
Term debt to EBITDA	4.48	3.82	4.63	4.09	5.08	4.44
Solvency (end of year at cost)						
Number of farms	206	16	49	46	30	65
Total assets	5,183,656	1,540,002	2,921,327	5,090,586	7,387,427	6,834,742
Total liabilities	2,181,481	975,105	1,562,781	2,263,384	2,952,308	2,531,113
Net worth	3,002,175	564,897	1,358,547	2,827,203	4,435,119	4,303,629
Net worth change	-21,667	74,903	-10,672	-243	-67,181	-47,882
Farm debt to asset ratio	44 %	63 %	55 %	46 %	42 %	39 %
Total debt to asset ratio	42 %	63 %	53 %	44 %	40 %	37 %
Change in earned net worth %	-1 %	15 %	-1 %	0 %	-1 %	-1 %
Solvency (end of year at market)						
Number of farms	206	16	49	46	30	65
Total assets	6,888,891	1,607,127	3,525,365	6,332,731	9,695,067	9,823,032
Total liabilities	2,181,481	975,105	1,562,781	2,263,384	2,952,308	2,531,113
Net worth	4,707,410	632,022	1,962,584	4,069,347	6,742,759	7,291,919
Total net worth change	78,938	91,098	44,287	108,823	-17,673	125,506
Farm debt to asset ratio	33 %	60 %	46 %	37 %	32 %	27 %
Total debt to asset ratio	32 %	61 %	44 %	36 %	30 %	26 %
Change in total net worth %	2 %	17 %	2 %	3 %	0 %	2 %
Nonfarm Information						
Net nonfarm income	42,142	34,084	44,906	37,012	36,408	48,318
Farms reporting living expenses	28	3	5	4	3	13
Total family living expense	99,666	-	81,203	-	-	109,219
Total living, invest, cap. purch	152,206	-	112,457	-	-	184,264
Crop Acres						
Total crop acres	2,053	634	1,589	2,128	2,499	2,494
Total crop acres owned	421	108	150	343	596	677
Total crop acres cash rented	1,603	495	1,401	1,784	1,844	1,790
Total crop acres share rented	29	30	38	-	59	28
Machinery value per crop acre	679	442	459	591	776	807

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.

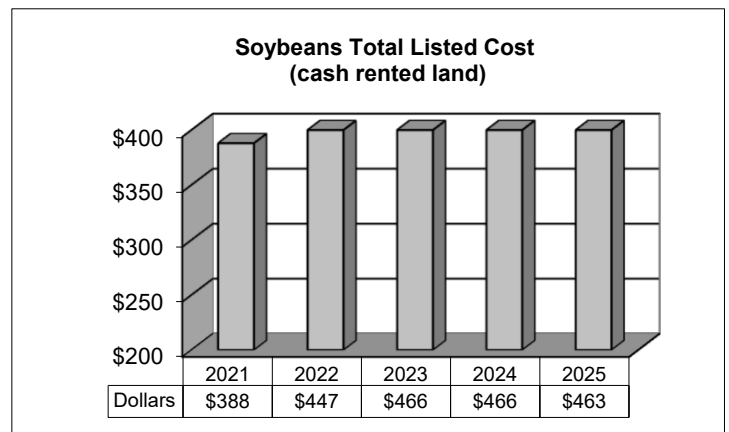
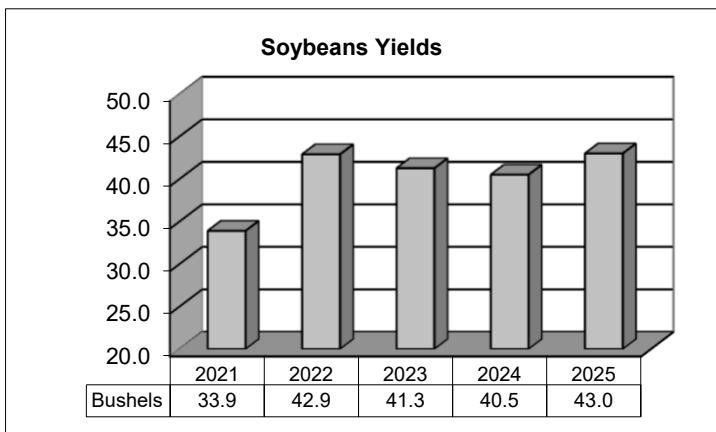
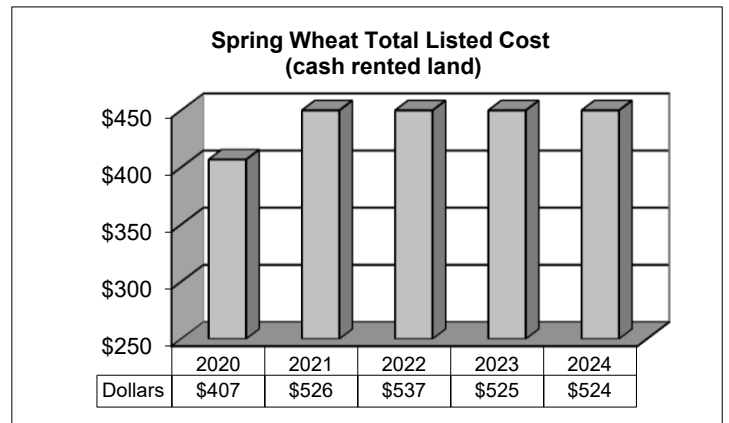
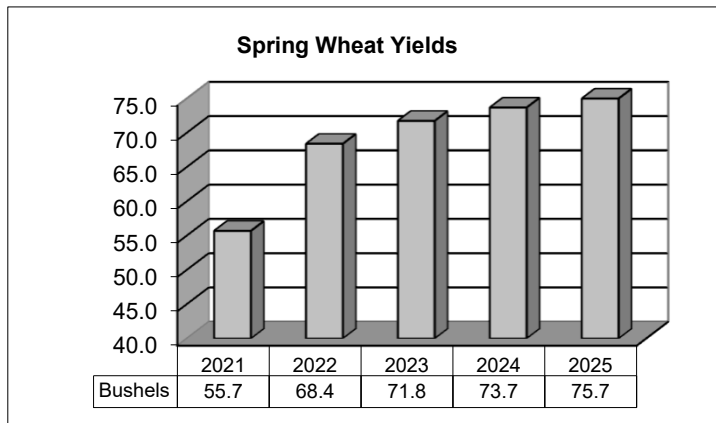
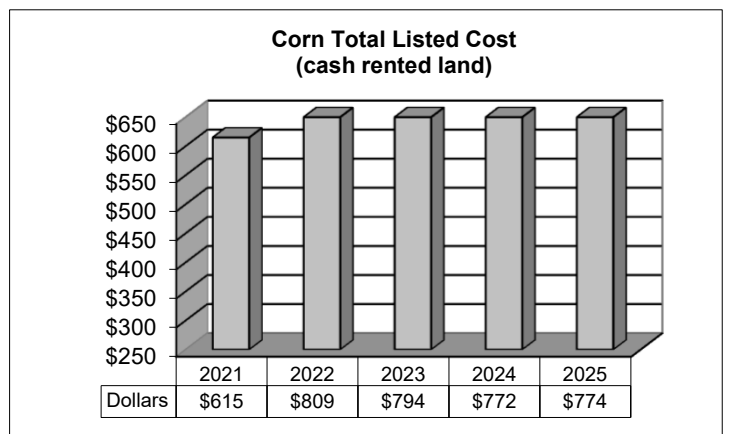
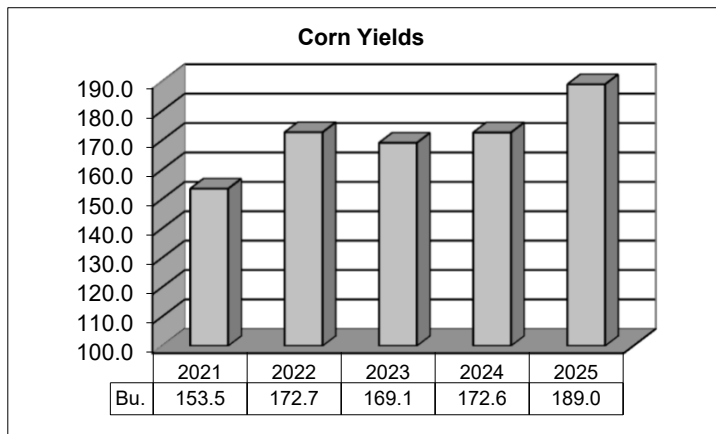
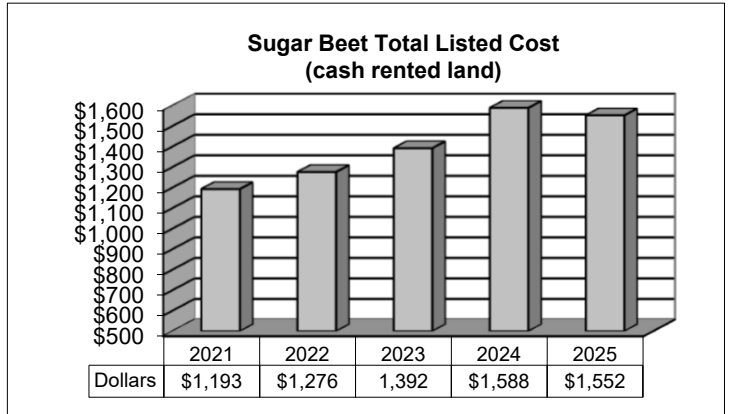
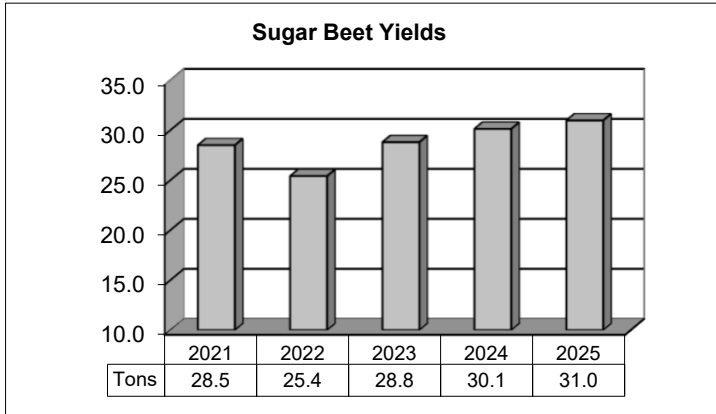
Several cost items, such as "utilities," "hired labor," and "interest paid," are listed under both "direct" and "overhead" costs because some of these costs are specific to that crop whereas others are general overhead costs of the farm. For example, "Machinery leases" as direct expense refers to machinery 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



Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(Farms Sorted By Return to Overhead)

Barley on Owned Land

	<u>Avg. Of All Farms</u>
Number of farms	5
Acres	184.60
Yield per acre (bu.)	88.07
Operators share of yield %	100.00
Value per bu.	5.18
Total product return per acre	456.50
Gross return per acre	456.50
Direct Expenses	
Seed and plants	20.57
Fertilizer	93.16
Crop chemicals	34.28
Crop insurance	12.88
Fuel & oil	17.83
Repairs	40.46
Custom hire	3.47
Operating interest	10.63
Miscellaneous	3.57
Total direct expenses per acre	236.85
Return over direct exp per acre	219.65
Overhead Expenses	
Hired labor	12.89
Machinery leases	8.80
Building leases	0.65
RE & pers. property taxes	18.16
Farm insurance	8.41
Utilities	9.81
Dues & professional fees	2.82
Interest	107.97
Mach & bldg depreciation	34.82
Miscellaneous	0.99
Total overhead expenses per acre	205.31
Total dir & ovhd expenses per acre	442.15
Net return per acre	14.35
Government payments	22.85
Net return with govt pmts	37.20
Labor & management charge	23.88
Net return over lbr & mgt	13.32
Cost of Production	
Total direct expense per bu.	2.69
Total dir & ovhd exp per bu.	5.02
Less govt & other income	4.76
With labor & management	5.03
Net value per unit	5.18
Machinery cost per acre	109.98
Est. labor hours per acre	1.16

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(Farms Sorted By Return to Overhead)

Barley on Cash Rent

	<u>Avg. Of All Farms</u>
Number of farms	5
Acres	283.96
Yield per acre (bu.)	89.91
Operators share of yield %	100.00
Value per bu.	4.90
Total product return per acre	440.17
Crop insurance per acre	0.87
Other crop income per acre	1.74
Gross return per acre	442.78
Direct Expenses	
Seed and plants	18.44
Fertilizer	102.43
Crop chemicals	42.14
Crop insurance	19.03
Fuel & oil	17.83
Repairs	48.21
Custom hire	4.54
Land rent	121.37
Operating interest	12.20
Miscellaneous	5.92
Total direct expenses per acre	392.12
Return over direct exp per acre	50.66
Overhead Expenses	
Hired labor	23.28
Machinery leases	5.28
Farm insurance	41.62
Utilities	6.54
Dues & professional fees	29.96
Interest	1.91
Mach & bldg depreciation	25.17
Miscellaneous	2.74
Total overhead expenses per acre	136.51
Total dir & ovhd expenses per acre	528.63
Net return per acre	-85.84
Government payments	20.51
Net return with govt pmts	-65.33
Labor & management charge	33.09
Net return over lbr & mgt	-98.42
Cost of Production	
Total direct expense per bu.	4.36
Total dir & ovhd exp per bu.	5.88
Less govt & other income	5.62
With labor & management	5.99
Net value per unit	4.90
Machinery cost per acre	102.31
Est. labor hours per acre	1.79

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(Farms Sorted By Return to Overhead)

Beans, Black Turtle on Cash Rent

	<u>Avg. Of All Farms</u>
Number of farms	9
Acres	481.08
Yield per acre (cwt.)	26.12
Operators share of yield %	100.00
Value per cwt.	24.84
Total product return per acre	648.94
Crop insurance per acre	13.09
Other crop income per acre	2.59
Gross return per acre	664.62
Direct Expenses	
Seed and plants	70.76
Fertilizer	103.08
Crop chemicals	130.27
Crop insurance	38.30
Fuel & oil	31.18
Repairs	56.90
Custom hire	13.02
Land rent	148.37
Hauling and trucking	1.00
Operating interest	16.54
Miscellaneous	1.36
Total direct expenses per acre	610.77
Return over direct exp per acre	53.85
Overhead Expenses	
Custom hire	0.15
Hired labor	46.82
Machinery leases	6.80
Building leases	1.03
Farm insurance	12.69
Utilities	6.22
Dues & professional fees	3.94
Interest	6.46
Mach & bldg depreciation	62.12
Miscellaneous	3.25
Total overhead expenses per acre	149.48
Total dir & ovhd expenses per acre	760.25
Net return per acre	-95.63
Government payments	-
Net return with govt pmts	-95.63
Labor & management charge	35.88
Net return over lbr & mgt	-131.51
Cost of Production	
Total direct expense per cwt.	23.38
Total dir & ovhd exp per cwt.	29.10
Less govt & other income	28.50
With labor & management	29.88
Net value per unit	24.84
Machinery cost per acre	166.22
Est. labor hours per acre	2.48

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(Farms Sorted By Return to Overhead)

Beans, Navy on Owned Land

	Avg. Of All Farms
Number of farms	5
Acres	143.14
Yield per acre (cwt.)	18.65
Operators share of yield %	100.00
Value per cwt.	29.07
Total product return per acre	542.25
Gross return per acre	542.25
Direct Expenses	
Seed and plants	88.05
Fertilizer	83.98
Crop chemicals	68.12
Crop insurance	30.93
Fuel & oil	28.95
Repairs	56.44
Hired labor	3.88
Operating interest	8.11
Miscellaneous	2.84
Total direct expenses per acre	371.29
Return over direct exp per acre	170.96
Overhead Expenses	
Hired labor	19.29
Machinery leases	18.22
RE & pers. property taxes	26.13
Farm insurance	13.31
Utilities	2.55
Dues & professional fees	2.02
Interest	61.18
Mach & bldg depreciation	31.52
Miscellaneous	5.56
Total overhead expenses per acre	179.78
Total dir & ovhd expenses per acre	551.06
Net return per acre	-8.81
Government payments	-
Net return with govt pmts	-8.81
Labor & management charge	18.96
Net return over lbr & mgt	-27.77
Cost of Production	
Total direct expense per cwt.	19.91
Total dir & ovhd exp per cwt.	29.55
Less govt & other income	29.55
With labor & management	30.56
Net value per unit	29.07
Machinery cost per acre	137.38
Est. labor hours per acre	1.70

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(Farms Sorted By Return to Overhead)

Beans, Navy on Cash Rent

	<u>Avg. Of All Farms</u>
Number of farms	7
Acres	325.17
Yield per acre (cwt.)	20.34
Operators share of yield %	100.00
Value per cwt.	30.58
Total product return per acre	622.02
Other crop income per acre	2.50
Gross return per acre	624.53
Direct Expenses	
Seed and plants	82.38
Fertilizer	97.07
Crop chemicals	82.98
Crop insurance	27.48
Fuel & oil	23.61
Repairs	50.02
Custom hire	0.10
Hired labor	1.13
Land rent	142.85
Machinery leases	1.64
Operating interest	14.05
Miscellaneous	3.50
Total direct expenses per acre	526.79
Return over direct exp per acre	97.73
Overhead Expenses	
Hired labor	25.45
Machinery leases	11.80
Farm insurance	9.80
Utilities	4.59
Dues & professional fees	3.70
Interest	6.95
Mach & bldg depreciation	26.36
Miscellaneous	4.67
Total overhead expenses per acre	93.31
Total dir & ovhd expenses per acre	620.11
Net return per acre	4.42
Government payments	-
Net return with govt pmts	4.42
Labor & management charge	22.67
Net return over lbr & mgt	-18.25
Cost of Production	
Total direct expense per cwt.	25.90
Total dir & ovhd exp per cwt.	30.48
Less govt & other income	30.36
With labor & management	31.47
Net value per unit	30.58
Machinery cost per acre	115.92
Est. labor hours per acre	1.70

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(Farms Sorted By Return to Overhead)

Beans, Pinto on Owned Land

	<u>Avg. Of All Farms</u>
Number of farms	5
Acres	195.80
Yield per acre (cwt.)	23.65
Operators share of yield %	100.00
Value per cwt.	25.94
Total product return per acre	613.31
Gross return per acre	613.31
Direct Expenses	
Seed and plants	76.94
Fertilizer	77.99
Crop chemicals	78.93
Crop insurance	28.26
Fuel & oil	39.19
Repairs	79.36
Operating interest	19.27
Miscellaneous	1.96
Total direct expenses per acre	401.91
Return over direct exp per acre	211.40
Overhead Expenses	
Hired labor	47.35
Machinery leases	13.79
RE & pers. property taxes	23.36
Farm insurance	16.18
Utilities	6.89
Dues & professional fees	6.16
Interest	113.62
Mach & bldg depreciation	70.57
Miscellaneous	3.39
Advertising & promotion	0.18
Total overhead expenses per acre	301.48
Total dir & ovhd expenses per acre	703.39
Net return per acre	-90.08
Government payments	-
Net return with govt pmts	-90.08
Labor & management charge	32.63
Net return over lbr & mgt	-122.71
Cost of Production	
Total direct expense per cwt.	17.00
Total dir & ovhd exp per cwt.	29.75
Less govt & other income	29.75
With labor & management	31.13
Net value per unit	25.94
Machinery cost per acre	203.22
Est. labor hours per acre	2.85

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(Farms Sorted By Return to Overhead)

Beans, Pinto on Cash Rent

	<u>Avg. Of All Farms</u>
Number of farms	5
Acres	155.40
Yield per acre (cwt.)	23.72
Operators share of yield %	100.00
Value per cwt.	26.47
Total product return per acre	627.78
Gross return per acre	627.78
Direct Expenses	
Seed and plants	75.61
Fertilizer	81.30
Crop chemicals	81.54
Crop insurance	22.20
Fuel & oil	27.71
Repairs	64.25
Hired labor	1.03
Land rent	101.70
Operating interest	15.55
Miscellaneous	1.01
Total direct expenses per acre	471.89
Return over direct exp per acre	155.88
Overhead Expenses	
Hired labor	29.25
Machinery leases	7.43
Farm insurance	8.89
Utilities	14.24
Dues & professional fees	4.50
Interest	7.64
Mach & bldg depreciation	53.65
Miscellaneous	2.46
Total overhead expenses per acre	128.06
Total dir & ovhd expenses per acre	599.95
Net return per acre	27.83
Government payments	-
Net return with govt pmts	27.83
Labor & management charge	34.98
Net return over lbr & mgt	-7.16
Cost of Production	
Total direct expense per cwt.	19.90
Total dir & ovhd exp per cwt.	25.30
Less govt & other income	25.30
With labor & management	26.77
Net value per unit	26.47
Machinery cost per acre	155.59
Est. labor hours per acre	1.91

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(Farms Sorted By Return to Overhead)

Canola on Cash Rent

	<u>Avg. Of All Farms</u>
Number of farms	7
Acres	315.78
Yield per acre (cwt.)	25.98
Operators share of yield %	100.00
Value per cwt.	20.04
Total product return per acre	520.76
Crop insurance per acre	3.57
Other crop income per acre	3.11
Gross return per acre	527.45
Direct Expenses	
Seed and plants	61.39
Fertilizer	110.06
Crop chemicals	38.61
Crop insurance	14.30
Fuel & oil	22.34
Repairs	39.33
Custom hire	2.60
Land rent	111.29
Hauling and trucking	0.18
Operating interest	11.58
Miscellaneous	1.04
Total direct expenses per acre	412.72
Return over direct exp per acre	114.73
Overhead Expenses	
Hired labor	20.30
Machinery leases	1.45
Farm insurance	8.15
Utilities	5.33
Dues & professional fees	6.08
Interest	4.25
Mach & bldg depreciation	64.24
Miscellaneous	2.52
Total overhead expenses per acre	112.31
Total dir & ovhd expenses per acre	525.03
Net return per acre	2.42
Government payments	23.57
Net return with govt pmts	25.99
Labor & management charge	33.47
Net return over lbr & mgt	-7.48
Cost of Production	
Total direct expense per cwt.	15.88
Total dir & ovhd exp per cwt.	20.21
Less govt & other income	19.04
With labor & management	20.33
Net value per unit	20.04
Machinery cost per acre	121.57
Est. labor hours per acre	1.54

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(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	86	17	17	18
Acres	260.92	248.53	248.34	235.93
Yield per acre (bu.)	190.96	175.81	193.06	205.70
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	3.93	3.93	3.93	3.95
Total product return per acre	749.63	690.22	758.24	812.56
Hedging gains/losses per acre	0.04	-	-	0.22
Crop insurance per acre	20.21	34.88	10.81	18.03
Other crop income per acre	3.08	1.10	2.85	6.33
Gross return per acre	772.96	726.21	771.90	837.14
Direct Expenses				
Seed and plants	111.59	127.62	114.04	104.77
Fertilizer	169.93	179.85	163.38	156.18
Crop chemicals	36.21	41.60	34.52	28.96
Crop insurance	30.79	39.13	22.53	26.47
Driving expense	10.87	10.45	13.94	7.37
Fuel & oil	32.74	34.11	32.93	32.82
Repairs	65.38	62.79	77.86	59.32
Custom hire	10.41	28.81	8.34	3.06
Hired labor	2.69	2.11	2.60	3.16
Machinery leases	6.65	28.04	2.59	-
Utilities	0.47	-	0.77	0.70
Operating interest	24.70	18.87	27.49	18.62
Miscellaneous	2.81	3.55	3.80	2.43
Total direct expenses per acre	505.24	576.92	504.80	443.86
Return over direct exp per acre	267.72	149.30	267.10	393.28
Overhead Expenses				
Custom hire	1.61	0.01	0.15	2.11
Hired labor	30.58	41.43	26.20	36.72
Machinery leases	6.43	0.45	1.19	8.22
Building leases	1.84	3.44	0.44	4.97
RE & pers. property taxes	31.59	32.79	29.59	31.72
Farm insurance	14.05	15.40	16.21	14.49
Utilities	7.08	8.20	7.39	7.16
Dues & professional fees	4.96	5.70	6.76	4.38
Interest	102.48	114.43	94.60	106.36
Mach & bldg depreciation	65.94	66.43	72.19	61.23
Miscellaneous	7.29	5.82	4.79	7.13
Total overhead expenses per acre	273.84	294.10	259.51	284.49
Total dir & ovhd expenses per acre	779.08	871.01	764.31	728.35
Net return per acre	-6.12	-144.80	7.59	108.79
Government payments	50.90	59.20	49.54	50.06
Net return with govt pmts	44.78	-85.60	57.13	158.85
Labor & management charge	50.94	49.79	46.09	66.66
Net return over lbr & mgt	-6.16	-135.39	11.04	92.19
Cost of Production				
Total direct expense per bu.	2.65	3.28	2.61	2.16
Total dir & ovhd exp per bu.	4.08	4.95	3.96	3.54
Less govt & other income	3.69	4.41	3.63	3.18
With labor & management	3.96	4.70	3.87	3.50
Net value per unit	3.93	3.93	3.93	3.95
Machinery cost per acre	187.44	223.94	193.49	162.28
Est. labor hours per acre	2.44	2.69	2.38	3.08

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(Farms Sorted By Return to Overhead)

Corn on Cash Rent

	<u>Avg. Of</u> <u>All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	147	29	30	30
Acres	677.38	537.68	628.65	569.75
Yield per acre (bu.)	187.97	172.40	190.70	200.22
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	3.91	3.82	3.92	3.94
Total product return per acre	735.80	658.62	747.04	789.55
Hedging gains/losses per acre	0.08	-	0.16	0.14
Crop insurance per acre	15.05	12.55	13.43	20.55
Other crop income per acre	2.88	5.01	4.24	2.77
Gross return per acre	753.81	676.18	764.86	813.01
Direct Expenses				
Seed and plants	106.51	112.39	105.26	102.28
Fertilizer	172.09	174.57	178.75	158.32
Crop chemicals	34.82	38.16	35.30	30.06
Crop insurance	25.81	31.73	28.65	23.56
Drying expense	9.43	7.48	10.43	4.38
Fuel & oil	30.14	27.99	28.00	33.78
Repairs	60.65	63.29	63.41	59.51
Custom hire	7.51	13.58	9.23	2.45
Hired labor	4.18	2.96	5.45	1.69
Land rent	164.34	187.11	148.37	142.42
Machinery leases	6.86	27.46	5.65	0.04
Utilities	0.77	1.25	0.56	0.88
Marketing	0.34	0.99	0.10	0.58
Operating interest	22.89	29.81	26.23	16.27
Miscellaneous	2.54	3.09	2.92	2.08
Total direct expenses per acre	648.89	721.86	648.32	578.29
Return over direct exp per acre	104.92	-45.68	116.54	234.71
Overhead Expenses				
Custom hire	0.87	0.03	0.11	3.79
Hired labor	26.35	19.80	29.24	36.65
Machinery leases	8.29	3.13	8.09	13.13
Building leases	1.61	2.17	0.24	5.63
Farm insurance	12.11	10.59	13.95	11.91
Utilities	5.64	4.05	6.86	5.73
Dues & professional fees	5.01	8.03	5.25	5.59
Interest	6.51	7.19	4.80	9.34
Mach & bldg depreciation	53.10	51.49	41.93	51.54
Miscellaneous	5.83	7.27	9.45	3.72
Total overhead expenses per acre	125.32	113.75	119.92	147.03
Total dir & ovhd expenses per acre	774.21	835.60	768.25	725.32
Net return per acre	-20.39	-159.42	-3.38	87.68
Government payments	49.63	47.25	47.70	47.87
Net return with govt pmts	29.24	-112.18	44.31	135.56
Labor & management charge	43.89	42.53	50.64	49.73
Net return over lbr & mgt	-14.66	-154.71	-6.33	85.82
Cost of Production				
Total direct expense per bu.	3.45	4.19	3.40	2.89
Total dir & ovhd exp per bu.	4.12	4.85	4.03	3.62
Less govt & other income	3.76	4.47	3.68	3.27
With labor & management	3.99	4.72	3.95	3.51
Net value per unit	3.91	3.82	3.92	3.94
Machinery cost per acre	168.61	188.16	154.69	169.71
Est. labor hours per acre	2.16	2.01	2.37	2.36

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(Farms Sorted By Return to Overhead)

Corn Silage on Owned Land

	<u>Avg. Of All Farms</u>
Number of farms	6
Acres	172.15
Yield per acre (ton)	23.62
Operators share of yield %	100.00
Value per ton	35.12
Total product return per acre	829.48
Other crop income per acre	0.33
Gross return per acre	829.81
Direct Expenses	
Seed and plants	114.23
Fertilizer	165.71
Crop chemicals	29.92
Crop insurance	26.56
Fuel & oil	32.64
Repairs	53.53
Custom hire	7.29
Machinery leases	0.32
Operating interest	38.93
Miscellaneous	1.69
Total direct expenses per acre	470.81
Return over direct exp per acre	359.00
Overhead Expenses	
Hired labor	37.44
Machinery leases	9.22
Building leases	1.95
RE & pers. property taxes	30.06
Farm insurance	15.36
Utilities	8.32
Dues & professional fees	6.63
Interest	146.22
Mach & bldg depreciation	58.58
Miscellaneous	7.60
Total overhead expenses per acre	321.38
Total dir & ovhd expenses per acre	792.19
Net return per acre	37.62
Government payments	40.49
Net return with govt pmts	78.11
Labor & management charge	39.92
Net return over lbr & mgt	38.19
Cost of Production	
Total direct expense per ton	19.94
Total dir & ovhd exp per ton	33.54
Less govt & other income	31.82
With labor & management	33.51
Net value per unit	35.12
Machinery cost per acre	164.94
Est. labor hours per acre	2.43

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(Farms Sorted By Return to Overhead)

Corn Silage on Cash Rent

	<u>Avg. Of All Farms</u>
Number of farms	9
Acres	326.48
Yield per acre (ton)	22.14
Operators share of yield %	100.00
Value per ton	32.84
Total product return per acre	726.94
Other crop income per acre	0.69
Gross return per acre	727.63
Direct Expenses	
Seed and plants	116.28
Fertilizer	157.98
Crop chemicals	34.03
Crop insurance	32.20
Fuel & oil	29.36
Repairs	48.39
Custom hire	1.18
Land rent	149.57
Machinery leases	0.66
Operating interest	35.24
Miscellaneous	0.44
Total direct expenses per acre	605.34
Return over direct exp per acre	122.28
Overhead Expenses	
Hired labor	33.59
Machinery leases	11.05
Building leases	2.29
Farm insurance	13.96
Utilities	7.96
Dues & professional fees	5.23
Interest	4.40
Mach & bldg depreciation	60.48
Miscellaneous	4.76
Total overhead expenses per acre	143.73
Total dir & ovhd expenses per acre	749.07
Net return per acre	-21.44
Government payments	46.30
Net return with govt pmts	24.85
Labor & management charge	30.50
Net return over lbr & mgt	-5.65
Cost of Production	
Total direct expense per ton	27.34
Total dir & ovhd exp per ton	33.83
Less govt & other income	31.71
With labor & management	33.09
Net value per unit	32.84
Machinery cost per acre	153.78
Est. labor hours per acre	2.17

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(Farms Sorted By Return to Overhead)

CRP on Owned Land

	Avg. Of All Farms
Number of farms	12
Acres	63.21
Gross return per acre	144.30
Direct Expenses	
Fuel & oil	2.52
Repairs	6.96
Operating interest	0.91
Total direct expenses per acre	10.39
Return over direct exp per acre	133.91
Overhead Expenses	
Hired labor	1.58
Machinery leases	0.19
RE & pers. property taxes	24.64
Farm insurance	4.86
Utilities	0.72
Dues & professional fees	3.35
Interest	83.21
Mach & bldg depreciation	6.95
Miscellaneous	0.59
Total overhead expenses per acre	126.07
Total dir & ovhd expenses per acre	136.47
Net return per acre	7.83
Government payments	-
Net return with govt pmts	7.83
Labor & management charge	7.29
Net return over lbr & mgt	0.54
Machinery cost per acre	16.77
Est. labor hours per acre	0.24

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(Farms Sorted By Return to Overhead)

Hay, Alfalfa on Cash Rent

	<u>Avg. Of All Farms</u>
Number of farms	6
Acres	212.58
Yield per acre (ton)	3.59
Operators share of yield %	100.00
Value per ton	157.41
Total product return per acre	565.65
Gross return per acre	565.65
Direct Expenses	
Fertilizer	59.02
Crop chemicals	16.95
Crop insurance	2.99
Packaging and supplies	16.37
Fuel & oil	27.48
Repairs	57.12
Custom hire	3.30
Land rent	154.94
Utilities	0.27
Hauling and trucking	3.43
Operating interest	7.09
Miscellaneous	8.73
Total direct expenses per acre	357.69
Return over direct exp per acre	207.97
Overhead Expenses	
Hired labor	13.22
Machinery leases	0.52
Building leases	2.67
Farm insurance	13.11
Utilities	5.99
Dues & professional fees	3.36
Interest	3.64
Mach & bldg depreciation	40.19
Miscellaneous	8.20
Total overhead expenses per acre	90.90
Total dir & ovhd expenses per acre	448.59
Net return per acre	117.07
Government payments	-
Net return with govt pmts	117.07
Labor & management charge	49.60
Net return over lbr & mgt	67.47
Cost of Production	
Total direct expense per ton	99.53
Total dir & ovhd exp per ton	124.83
Less govt & other income	124.83
With labor & management	138.63
Net value per unit	157.41
Machinery cost per acre	127.20
Est. labor hours per acre	2.36

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(Farms Sorted By Return to Overhead)

Oats on Cash Rent

	<u>Avg. Of All Farms</u>
Number of farms	5
Acres	128.57
Yield per acre (bu.)	80.83
Operators share of yield %	100.00
Value per bu.	3.13
Total product return per acre	252.68
Crop insurance per acre	21.90
Other crop income per acre	0.18
Gross return per acre	274.76
Direct Expenses	
Seed and plants	18.31
Fertilizer	74.83
Crop chemicals	30.55
Crop insurance	14.14
Fuel & oil	17.00
Repairs	31.84
Custom hire	1.06
Hired labor	0.48
Land rent	89.07
Machinery leases	1.32
Utilities	0.36
Operating interest	23.11
Miscellaneous	1.43
Total direct expenses per acre	303.51
Return over direct exp per acre	-28.75
Overhead Expenses	
Hired labor	9.09
Building leases	0.74
Farm insurance	11.99
Utilities	6.34
Dues & professional fees	3.24
Interest	10.24
Mach & bldg depreciation	32.18
Miscellaneous	6.68
Total overhead expenses per acre	80.50
Total dir & ovhd expenses per acre	384.01
Net return per acre	-109.25
Government payments	81.75
Net return with govt pmts	-27.50
Labor & management charge	29.36
Net return over lbr & mgt	-56.86
Cost of Production	
Total direct expense per bu.	3.75
Total dir & ovhd exp per bu.	4.75
Less govt & other income	3.47
With labor & management	3.83
Net value per unit	3.13
Machinery cost per acre	90.00
Est. labor hours per acre	1.36

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(Farms Sorted By Return to Overhead)

Soybeans 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	96	19	19	20
Acres	244.02	210.52	199.18	304.41
Yield per acre (bu.)	43.93	39.14	42.54	49.41
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	9.78	9.38	9.77	9.70
Total product return per acre	429.43	367.00	415.65	479.32
Hedging gains/losses per acre	0.64	-	-	2.47
Crop insurance per acre	12.34	6.19	8.26	20.56
Other crop income per acre	3.06	6.29	0.71	1.77
Gross return per acre	445.46	379.47	424.62	504.12
Direct Expenses				
Seed and plants	65.01	69.76	61.08	66.15
Fertilizer	23.27	50.75	23.46	10.73
Crop chemicals	49.22	56.83	51.08	42.59
Crop insurance	21.95	23.46	15.83	22.44
Fuel & oil	17.96	15.13	16.86	21.07
Repairs	34.57	30.67	37.96	32.43
Custom hire	8.32	14.94	8.29	2.79
Hired labor	1.58	3.33	2.03	1.04
Machinery leases	5.01	16.54	0.69	-
Marketing	0.23	0.71	0.09	0.23
Operating interest	8.64	9.64	5.72	9.99
Miscellaneous	2.63	3.27	3.84	2.60
Total direct expenses per acre	238.40	295.05	226.92	212.06
Return over direct exp per acre	207.06	84.42	197.70	292.06
Overhead Expenses				
Hired labor	16.83	10.07	8.63	15.77
Machinery leases	2.90	0.36	0.55	5.98
Building leases	1.06	1.65	0.11	2.10
RE & pers. property taxes	31.08	19.57	28.35	39.52
Farm insurance	10.84	10.55	11.68	8.13
Utilities	4.46	2.57	5.10	4.15
Dues & professional fees	3.60	4.56	3.35	2.76
Interest	97.53	76.72	72.81	106.67
Mach & bldg depreciation	35.59	24.61	36.62	39.36
Miscellaneous	4.26	2.66	5.45	4.48
Total overhead expenses per acre	208.15	153.31	172.64	228.91
Total dir & ovhd expenses per acre	446.56	448.36	399.55	440.97
Net return per acre	-1.09	-68.89	25.07	63.15
Government payments	36.35	32.90	40.79	34.82
Net return with govt pmts	35.26	-35.99	65.86	97.96
Labor & management charge	32.41	29.16	30.51	36.77
Net return over lbr & mgt	2.85	-65.15	35.35	61.19
Cost of Production				
Total direct expense per bu.	5.43	7.54	5.33	4.29
Total dir & ovhd exp per bu.	10.17	11.46	9.39	8.92
Less govt & other income	8.97	10.30	8.22	7.72
With labor & management	9.71	11.04	8.94	8.46
Net value per unit	9.79	9.38	9.77	9.75
Machinery cost per acre	104.84	105.52	101.28	101.25
Est. labor hours per acre	1.48	1.40	1.32	1.42

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(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	140	28	28	28
Acres	650.09	575.28	602.54	669.26
Yield per acre (bu.)	43.05	36.71	42.97	48.57
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	9.64	9.59	9.57	9.68
Total product return per acre	415.07	352.24	411.21	470.26
Hedging gains/losses per acre	0.25	-	-	1.22
Crop insurance per acre	13.22	8.58	8.24	13.46
Other crop income per acre	3.75	6.31	4.47	2.23
Gross return per acre	432.29	367.13	423.92	487.16
Direct Expenses				
Seed and plants	62.83	65.66	61.16	64.04
Fertilizer	20.79	36.11	20.61	15.24
Crop chemicals	44.66	49.24	46.36	40.99
Crop insurance	21.00	25.01	21.11	19.18
Fuel & oil	17.07	15.98	16.55	16.36
Repairs	34.93	39.63	35.82	29.34
Custom hire	6.10	12.16	5.93	7.03
Hired labor	2.42	4.08	0.56	0.24
Land rent	159.21	169.59	151.70	131.90
Machinery leases	1.09	4.31	1.14	-
Utilities	0.44	1.32	0.33	-
Marketing	0.27	0.23	0.02	0.66
Operating interest	11.61	17.29	11.66	7.03
Miscellaneous	2.18	2.42	2.01	2.93
Total direct expenses per acre	384.60	443.03	374.95	334.93
Return over direct exp per acre	47.69	-75.90	48.97	152.23
Overhead Expenses				
Custom hire	0.48	0.03	0.08	0.65
Hired labor	15.03	14.13	16.95	15.69
Machinery leases	4.53	2.03	3.60	3.92
Building leases	0.92	0.70	0.25	1.37
Farm insurance	8.88	8.44	10.30	7.53
Utilities	3.38	3.12	2.96	3.59
Dues & professional fees	4.25	5.23	4.46	2.59
Interest	4.57	4.89	2.71	3.44
Mach & bldg depreciation	32.29	31.56	27.39	32.24
Miscellaneous	3.78	4.01	3.99	2.58
Total overhead expenses per acre	78.10	74.15	72.68	73.61
Total dir & ovhd expenses per acre	462.70	517.18	447.63	408.54
Net return per acre	-30.41	-150.05	-23.71	78.62
Government payments	34.08	32.43	33.04	31.96
Net return with govt pmts	3.67	-117.61	9.33	110.58
Labor & management charge	28.11	28.78	27.37	32.84
Net return over lbr & mgt	-24.44	-146.39	-18.04	77.74
Cost of Production				
Total direct expense per bu.	8.93	12.07	8.73	6.90
Total dir & ovhd exp per bu.	10.75	14.09	10.42	8.41
Less govt & other income	9.56	12.80	9.35	7.41
With labor & management	10.21	13.58	9.99	8.08
Net value per unit	9.65	9.59	9.57	9.71
Machinery cost per acre	98.02	107.87	89.55	90.88
Est. labor hours per acre	1.31	1.17	1.60	1.54

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(Farms Sorted By Return to Overhead)

Soybeans on Share Rent

	<u>Avg. Of All Farms</u>
Number of farms	9
Acres	190.30
Yield per acre (bu.)	41.40
Operators share of yield %	67.30
Value per bu.	9.77
Total product return per acre	272.17
Hedging gains/losses per acre	1.75
Other crop income per acre	0.66
Gross return per acre	274.58
Direct Expenses	
Seed and plants	64.77
Fertilizer	16.50
Crop chemicals	42.07
Crop insurance	14.67
Fuel & oil	22.94
Repairs	36.63
Custom hire	5.39
Hired labor	7.27
Operating interest	5.82
Miscellaneous	2.13
Total direct expenses per acre	218.20
Return over direct exp per acre	56.38
Overhead Expenses	
Hired labor	11.09
Machinery leases	1.40
Building leases	1.72
Farm insurance	9.78
Utilities	2.90
Dues & professional fees	3.07
Interest	2.86
Mach & bldg depreciation	36.81
Miscellaneous	2.66
Total overhead expenses per acre	72.30
Total dir & ovhd expenses per acre	290.50
Net return per acre	-15.92
Government payments	21.11
Net return with govt pmts	5.19
Labor & management charge	39.36
Net return over lbr & mgt	-34.17
Cost of Production	
Total direct expense per bu.	7.83
Total dir & ovhd exp per bu.	10.43
Less govt & other income	9.58
With labor & management	10.99
Net value per unit	9.83
Machinery cost per acre	102.02
Est. labor hours per acre	2.25

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(Farms Sorted By Return to Overhead)

Soybeans, Food on Cash Rent

	Avg. Of All Farms
Number of farms	6
Acres	286.56
Yield per acre (bu.)	29.81
Operators share of yield %	100.00
Value per bu.	15.35
Total product return per acre	457.58
Gross return per acre	457.58
Direct Expenses	
Seed and plants	56.97
Fertilizer	4.77
Crop chemicals	59.61
Crop insurance	16.86
Storage	0.71
Fuel & oil	16.67
Repairs	60.11
Custom hire	9.81
Hired labor	12.80
Land rent	189.63
Operating interest	12.56
Miscellaneous	1.98
Total direct expenses per acre	442.47
Return over direct exp per acre	15.11
Overhead Expenses	
Hired labor	16.05
Farm insurance	27.57
Utilities	6.40
Dues & professional fees	8.92
Interest	2.98
Mach & bldg depreciation	38.32
Miscellaneous	4.96
Total overhead expenses per acre	105.19
Total dir & ovhd expenses per acre	547.66
Net return per acre	-90.07
Government payments	27.79
Net return with govt pmts	-62.28
Labor & management charge	47.50
Net return over lbr & mgt	-109.79
Cost of Production	
Total direct expense per bu.	14.84
Total dir & ovhd exp per bu.	18.37
Less govt & other income	17.44
With labor & management	19.03
Net value per unit	15.35
Machinery cost per acre	123.45
Est. labor hours per acre	1.44

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(Farms Sorted By Return to Overhead)

Soybeans Seed on Owned Land

	<u>Avg. Of All Farms</u>
Number of farms	6
Acres	183.64
Yield per acre (bu.)	45.05
Operators share of yield %	100.00
Value per bu.	10.80
Total product return per acre	486.66
Crop insurance per acre	16.26
Other crop income per acre	2.62
Gross return per acre	505.54
Direct Expenses	
Seed and plants	67.79
Fertilizer	31.37
Crop chemicals	36.56
Crop insurance	19.83
Storage	0.60
Fuel & oil	17.52
Repairs	40.58
Custom hire	18.42
Hired labor	3.07
Machinery leases	8.37
Utilities	2.31
Marketing	1.06
Operating interest	16.77
Miscellaneous	1.20
Total direct expenses per acre	265.45
Return over direct exp per acre	240.08
Overhead Expenses	
Hired labor	17.48
Machinery leases	0.19
RE & pers. property taxes	25.79
Farm insurance	9.34
Utilities	4.03
Dues & professional fees	5.90
Interest	103.99
Mach & bldg depreciation	28.67
Miscellaneous	12.84
Total overhead expenses per acre	208.22
Total dir & ovhd expenses per acre	473.67
Net return per acre	31.86
Government payments	30.88
Net return with govt pmts	62.75
Labor & management charge	33.05
Net return over lbr & mgt	29.70
Cost of Production	
Total direct expense per bu.	5.89
Total dir & ovhd exp per bu.	10.51
Less govt & other income	9.41
With labor & management	10.14
Net value per unit	10.80
Machinery cost per acre	109.46
Est. labor hours per acre	1.64

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(Farms Sorted By Return to Overhead)

Soybeans Seed on Cash Rent

	<u>Avg. Of All Farms</u>
Number of farms	17
Acres	579.33
Yield per acre (bu.)	44.87
Operators share of yield %	100.00
Value per bu.	10.57
Total product return per acre	474.23
Crop insurance per acre	4.03
Other crop income per acre	4.67
Gross return per acre	482.93
Direct Expenses	
Seed and plants	61.18
Fertilizer	15.20
Crop chemicals	43.10
Crop insurance	22.88
Storage	0.61
Fuel & oil	16.98
Repairs	29.19
Custom hire	3.44
Hired labor	0.20
Land rent	168.35
Machinery leases	16.62
Utilities	0.15
Hauling and trucking	0.59
Operating interest	7.04
Miscellaneous	2.93
Total direct expenses per acre	388.46
Return over direct exp per acre	94.47
Overhead Expenses	
Hired labor	24.73
Machinery leases	1.97
Farm insurance	7.09
Utilities	3.28
Dues & professional fees	4.28
Interest	1.96
Mach & bldg depreciation	29.69
Miscellaneous	5.12
Total overhead expenses per acre	78.13
Total dir & ovhd expenses per acre	466.59
Net return per acre	16.33
Government payments	30.79
Net return with govt pmts	47.13
Labor & management charge	34.78
Net return over lbr & mgt	12.35
Cost of Production	
Total direct expense per bu.	8.66
Total dir & ovhd exp per bu.	10.40
Less govt & other income	9.52
With labor & management	10.29
Net value per unit	10.57
Machinery cost per acre	95.20
Est. labor hours per acre	1.34

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(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	30	6	6	6
Acres	190.42	273.57	185.87	223.23
Yield per acre (ton)	28.09	23.03	28.08	34.85
Operators share of yield %	100.00	100.00	100.00	100.00
Value per ton	33.82	20.37	33.63	47.59
Total product return per acre	949.89	468.97	944.35	1,658.51
Hedging gains/losses per acre	0.00	-	-	0.00
Crop insurance per acre	46.08	18.09	4.02	3.12
Other crop income per acre	4.50	7.74	0.06	3.84
Gross return per acre	1,000.47	494.80	948.43	1,665.47
Direct Expenses				
Seed and plants	276.19	282.36	281.96	276.09
Fertilizer	124.97	114.87	121.17	126.22
Crop chemicals	177.49	155.48	170.88	196.70
Crop insurance	44.24	42.84	38.69	33.03
Fuel & oil	70.00	56.41	68.80	102.93
Repairs	138.67	120.94	195.93	129.98
Custom hire	41.77	26.23	16.52	16.60
Hired labor	33.61	34.81	34.73	37.29
Machinery leases	0.57	-	-	-
Utilities	0.25	-	0.51	0.66
Hauling and trucking	44.23	82.73	14.30	48.61
Operating interest	47.37	85.68	48.54	17.07
Miscellaneous	3.27	3.36	2.87	4.28
Total direct expenses per acre	1,002.65	1,005.71	994.89	989.46
Return over direct exp per acre	-2.18	-510.91	-46.46	676.01
Overhead Expenses				
Custom hire	0.69	-	0.61	-
Hired labor	86.23	108.42	57.90	105.88
Machinery leases	10.72	14.89	8.35	0.14
Building leases	2.80	1.99	-	4.21
RE & pers. property taxes	39.57	30.95	48.08	39.39
Farm insurance	36.02	25.28	57.17	31.05
Utilities	15.59	20.26	6.86	16.65
Dues & professional fees	13.42	8.25	15.50	14.96
Interest	116.92	106.70	140.18	80.17
Mach & bldg depreciation	122.88	80.19	119.05	224.53
Miscellaneous	15.04	25.19	9.12	11.78
Total overhead expenses per acre	459.87	422.13	462.81	528.77
Total dir & ovhd expenses per acre	1,462.52	1,427.84	1,457.70	1,518.23
Net return per acre	-462.05	-933.04	-509.27	147.25
Government payments	-	-	-	-
Net return with govt pmts	-462.05	-933.04	-509.27	147.25
Labor & management charge	93.93	77.75	121.92	116.12
Net return over lbr & mgt	-555.97	-1,010.79	-631.20	31.13
Cost of Production				
Total direct expense per ton	35.70	43.67	35.43	28.39
Total dir & ovhd exp per ton	52.07	62.00	51.91	43.56
Less govt & other income	50.27	60.88	51.77	43.36
With labor & management	53.62	64.26	56.11	46.69
Net value per unit	33.82	20.37	33.63	47.59
Machinery cost per acre	386.25	294.12	411.10	463.04
Est. labor hours per acre	6.57	7.64	6.22	6.23

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(Farms Sorted By Return to Overhead)

Sugar Beets on Owned Land, Joint Venture

	Avg. Of All Farms
Number of farms	11
Acres	173.82
Yield per acre (ton)	33.16
Operators share of yield %	100.00
Value per ton	44.08
Total product return per acre	1,461.92
Other crop income per acre	7.09
Gross return per acre	1,469.01
Direct Expenses	
Seed and plants	286.79
Fertilizer	137.16
Crop chemicals	174.91
Crop insurance	37.66
Fuel & oil	76.81
Repairs	175.04
Custom hire	22.17
Hired labor	39.52
Stock/quota lease	228.05
Machinery leases	1.69
Hauling and trucking	28.84
Operating interest	50.29
Miscellaneous	5.94
Total direct expenses per acre	1,264.87
Return over direct exp per acre	204.14
Overhead Expenses	
Custom hire	1.55
Hired labor	57.86
Machinery leases	6.60
RE & pers. property taxes	34.75
Farm insurance	27.02
Utilities	16.02
Dues & professional fees	12.13
Interest	150.57
Mach & bldg depreciation	147.47
Miscellaneous	13.79
Total overhead expenses per acre	467.76
Total dir & ovhd expenses per acre	1,732.64
Net return per acre	-263.62
Government payments	-
Net return with govt pmts	-263.62
Labor & management charge	121.09
Net return over lbr & mgt	-384.71
Cost of Production	
Total direct expense per ton	38.14
Total dir & ovhd exp per ton	52.25
Less govt & other income	52.03
With labor & management	55.69
Net value per unit	44.08
Machinery cost per acre	437.82
Est. labor hours per acre	5.06

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(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	249.86	191.88	237.25	242.24
Yield per acre (ton)	29.89	25.28	31.19	34.80
Operators share of yield %	100.00	100.00	100.00	100.00
Value per ton	34.59	22.20	31.84	47.74
Total product return per acre	1,033.64	561.04	993.02	1,661.38
Crop insurance per acre	62.20	19.86	55.57	3.92
Other crop income per acre	5.16	8.45	2.19	3.82
Gross return per acre	1,101.00	589.35	1,050.78	1,669.12
Direct Expenses				
Seed and plants	274.75	270.51	277.01	274.07
Fertilizer	128.32	126.08	124.69	144.92
Crop chemicals	167.78	163.66	173.29	184.35
Crop insurance	42.86	40.93	49.69	33.15
Fuel & oil	71.34	56.84	56.14	99.36
Repairs	139.63	127.16	144.99	107.59
Custom hire	18.62	30.18	25.72	19.66
Hired labor	29.08	11.64	19.43	43.76
Land rent	172.01	185.30	183.55	133.25
Machinery leases	9.87	22.31	15.52	1.21
Utilities	0.40	-	-	1.60
Hauling and trucking	25.31	39.53	35.90	36.85
Operating interest	42.43	93.71	44.24	16.61
Miscellaneous	4.57	3.45	4.30	4.45
Total direct expenses per acre	1,126.98	1,171.29	1,154.47	1,100.83
Return over direct exp per acre	-25.99	-581.94	-103.69	568.29
Overhead Expenses				
Custom hire	1.07	0.73	4.75	-
Hired labor	77.84	57.95	87.57	81.70
Machinery leases	8.92	9.54	10.20	12.68
Building leases	2.64	3.32	0.82	1.67
Farm insurance	28.17	13.20	28.44	28.46
Utilities	12.74	7.15	12.22	14.40
Dues & professional fees	11.61	4.75	10.04	16.61
Interest	14.25	6.02	9.42	15.96
Mach & bldg depreciation	123.97	82.30	81.09	197.32
Miscellaneous	17.68	20.95	21.01	26.32
Total overhead expenses per acre	298.90	205.90	265.56	395.11
Total dir & ovhd expenses per acre	1,425.89	1,377.20	1,420.03	1,495.95
Net return per acre	-324.89	-787.85	-369.25	173.17
Government payments	-	-	-	-
Net return with govt pmts	-324.89	-787.85	-369.25	173.17
Labor & management charge	107.90	86.84	116.78	112.47
Net return over lbr & mgt	-432.78	-874.68	-486.03	60.71
Cost of Production				
Total direct expense per ton	37.71	46.34	37.02	31.63
Total dir & ovhd exp per ton	47.71	54.48	45.53	42.98
Less govt & other income	45.46	53.36	43.68	42.76
With labor & management	49.07	56.80	47.42	45.99
Net value per unit	34.59	22.20	31.84	47.74
Machinery cost per acre	376.93	317.81	338.47	439.22
Est. labor hours per acre	4.98	4.59	5.65	5.60

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(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	33	6	6	7
Acres	298.12	167.70	346.97	281.39
Yield per acre (ton)	32.49	30.02	33.46	36.64
Operators share of yield %	100.00	100.00	100.00	100.00
Value per ton	45.51	30.05	46.40	48.32
Total product return per acre	1,478.72	902.20	1,552.72	1,770.61
Crop insurance per acre	2.00	-	8.07	1.46
Other crop income per acre	7.51	-	16.97	2.34
Gross return per acre	1,488.23	902.20	1,577.76	1,774.41
Direct Expenses				
Seed and plants	283.52	284.04	285.90	275.65
Fertilizer	142.21	142.37	151.91	146.11
Crop chemicals	167.95	183.95	140.22	171.49
Crop insurance	40.90	33.14	35.92	42.89
Fuel & oil	84.68	72.89	86.57	116.93
Repairs	133.42	196.87	130.76	98.98
Custom hire	15.01	8.34	14.11	26.22
Hired labor	36.61	18.53	30.15	42.62
Land rent	173.32	177.08	170.61	184.56
Stock/quota lease	281.85	282.73	318.50	216.42
Machinery leases	0.22	-	1.04	-
Hauling and trucking	52.57	30.35	111.32	78.28
Operating interest	38.19	42.81	49.87	8.69
Miscellaneous	6.28	3.87	8.66	7.88
Total direct expenses per acre	1,456.73	1,476.96	1,535.53	1,416.72
Return over direct exp per acre	31.49	-574.76	42.23	357.69
Overhead Expenses				
Custom hire	0.24	2.36	-	-
Hired labor	72.24	90.81	46.88	57.68
Machinery leases	8.32	12.75	2.73	4.81
Building leases	1.19	-	1.58	2.00
Farm insurance	23.30	29.22	16.87	18.39
Utilities	13.04	7.44	11.47	13.78
Dues & professional fees	11.96	14.81	11.13	8.10
Interest	14.25	6.14	16.03	5.77
Mach & bldg depreciation	147.96	160.39	118.59	154.97
Miscellaneous	12.25	27.63	21.29	8.89
Advertising & promotion	0.25	-	0.69	-
Total overhead expenses per acre	304.97	351.57	247.26	274.38
Total dir & ovhd expenses per acre	1,761.71	1,828.52	1,782.78	1,691.10
Net return per acre	-273.48	-926.33	-205.03	83.30
Government payments	-	-	-	-
Net return with govt pmts	-273.48	-926.33	-205.03	83.30
Labor & management charge	121.82	142.40	126.89	129.15
Net return over lbr & mgt	-395.30	-1,068.73	-331.91	-45.84
Cost of Production				
Total direct expense per ton	44.83	49.20	45.89	38.66
Total dir & ovhd exp per ton	54.22	60.91	53.28	46.15
Less govt & other income	53.92	60.91	52.53	46.05
With labor & management	57.67	65.66	56.32	49.57
Net value per unit	45.51	30.05	46.40	48.32
Machinery cost per acre	380.52	452.08	359.97	393.85
Est. labor hours per acre	4.99	4.93	4.56	5.32

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(Farms Sorted By Return to Overhead)

Sunflowers on Owned Land

	Avg. Of All Farms
Number of farms	7
Acres	193.43
Yield per acre (cwt.)	22.41
Operators share of yield %	100.00
Value per cwt.	24.49
Total product return per acre	548.71
Crop insurance per acre	2.47
Gross return per acre	551.18
Direct Expenses	
Seed and plants	44.66
Fertilizer	108.28
Crop chemicals	55.42
Crop insurance	44.33
Fuel & oil	19.05
Repairs	53.43
Custom hire	28.12
Hired labor	0.27
Machinery leases	0.51
Operating interest	21.79
Miscellaneous	2.24
Total direct expenses per acre	378.12
Return over direct exp per acre	173.06
Overhead Expenses	
Hired labor	39.70
Machinery leases	9.85
RE & pers. property taxes	29.37
Farm insurance	12.85
Utilities	6.71
Dues & professional fees	3.75
Interest	206.50
Mach & bldg depreciation	42.98
Miscellaneous	8.89
Total overhead expenses per acre	360.60
Total dir & ovhd expenses per acre	738.72
Net return per acre	-187.54
Government payments	30.81
Net return with govt pmts	-156.73
Labor & management charge	27.82
Net return over lbr & mgt	-184.55
Cost of Production	
Total direct expense per cwt.	16.87
Total dir & ovhd exp per cwt.	32.96
Less govt & other income	31.48
With labor & management	32.72
Net value per unit	24.49
Machinery cost per acre	158.22
Est. labor hours per acre	3.28

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(Farms Sorted By Return to Overhead)

Sunflowers on Cash Rent

	<u>Avg. Of All Farms</u>
Number of farms	17
Acres	367.50
Yield per acre (cwt.)	21.83
Operators share of yield %	100.00
Value per cwt.	24.58
Total product return per acre	536.62
Crop insurance per acre	19.16
Other crop income per acre	0.10
Gross return per acre	555.88
Direct Expenses	
Seed and plants	41.35
Fertilizer	97.11
Crop chemicals	51.24
Crop insurance	24.45
Fuel & oil	22.69
Repairs	47.02
Custom hire	9.39
Hired labor	5.70
Land rent	152.82
Machinery leases	0.88
Utilities	1.67
Operating interest	17.25
Miscellaneous	2.21
Total direct expenses per acre	473.77
Return over direct exp per acre	82.11
Overhead Expenses	
Custom hire	0.89
Hired labor	17.94
Machinery leases	9.53
Building leases	0.97
Farm insurance	9.21
Utilities	5.30
Dues & professional fees	4.58
Interest	7.79
Mach & bldg depreciation	40.51
Miscellaneous	5.39
Total overhead expenses per acre	102.10
Total dir & ovhd expenses per acre	575.88
Net return per acre	-19.99
Government payments	22.28
Net return with govt pmts	2.29
Labor & management charge	23.76
Net return over lbr & mgt	-21.47
Cost of Production	
Total direct expense per cwt.	21.70
Total dir & ovhd exp per cwt.	26.38
Less govt & other income	24.48
With labor & management	25.56
Net value per unit	24.58
Machinery cost per acre	136.79
Est. labor hours per acre	1.22

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(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	49	9	10	10
Acres	300.34	215.55	278.31	236.50
Yield per acre (bu.)	75.60	71.19	76.85	75.57
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	5.60	5.40	5.41	6.24
Other product return per acre	0.33	-	-	-
Total product return per acre	424.01	384.61	415.96	471.78
Crop insurance per acre	5.71	0.43	1.77	18.58
Other crop income per acre	7.10	0.37	9.32	3.30
Gross return per acre	436.82	385.41	427.04	493.66
Direct Expenses				
Seed and plants	25.70	26.38	22.79	22.85
Fertilizer	123.47	124.76	126.47	105.47
Crop chemicals	40.59	45.88	41.29	28.44
Crop insurance	18.98	25.73	14.47	17.77
Driving expense	0.78	0.12	0.16	-
Storage	0.63	0.12	0.42	0.14
Fuel & oil	20.02	23.05	20.25	20.49
Repairs	41.23	57.57	30.55	34.00
Custom hire	7.81	14.03	11.00	2.59
Hired labor	0.32	0.18	0.57	-
Machinery leases	1.14	-	4.28	-
Utilities	0.22	-	1.17	-
Marketing	1.86	-	0.45	-
Operating interest	10.10	14.98	11.91	7.08
Miscellaneous	3.35	3.88	3.99	0.81
Total direct expenses per acre	296.18	336.67	289.78	239.63
Return over direct exp per acre	140.63	48.74	137.27	254.03
Overhead Expenses				
Hired labor	24.71	31.64	26.78	14.30
Machinery leases	4.63	4.81	3.55	12.69
Building leases	0.68	0.90	0.64	1.28
RE & pers. property taxes	27.38	20.59	30.77	33.25
Farm insurance	12.22	13.30	10.32	8.45
Utilities	4.47	4.23	3.23	2.85
Dues & professional fees	4.76	3.46	4.86	4.71
Interest	94.67	126.18	122.50	174.95
Mach & bldg depreciation	40.00	35.25	36.14	30.56
Miscellaneous	5.21	4.64	6.04	2.55
Total overhead expenses per acre	218.72	245.00	244.82	285.59
Total dir & ovhd expenses per acre	514.91	581.67	534.60	525.22
Net return per acre	-78.09	-196.26	-107.55	-31.56
Government payments	40.80	41.23	41.37	43.76
Net return with govt pmts	-37.29	-155.04	-66.19	12.19
Labor & management charge	32.75	25.31	25.10	24.22
Net return over lbr & mgt	-70.04	-180.34	-91.29	-12.02
Cost of Production				
Total direct expense per bu.	3.92	4.73	3.77	3.17
Total dir & ovhd exp per bu.	6.81	8.17	6.96	6.95
Less govt & other income	6.10	7.58	6.27	6.08
With labor & management	6.53	7.94	6.60	6.40
Net value per unit	5.60	5.40	5.41	6.24
Machinery cost per acre	114.95	142.52	106.58	99.51
Est. labor hours per acre	1.70	1.81	1.67	1.23

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(Farms Sorted By Return to Overhead)

Wheat, Spring on Cash Rent

	<u>Avg. Of</u> <u>All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	99	19	20	20
Acres	539.04	348.04	514.52	601.01
Yield per acre (bu.)	75.69	68.05	77.80	74.99
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	5.57	5.25	5.27	6.13
Other product return per acre	0.30	-	1.56	-
Total product return per acre	421.93	357.57	411.79	459.88
Hedging gains/losses per acre	0.36	-	1.76	-
Crop insurance per acre	7.56	9.18	1.81	4.72
Other crop income per acre	4.57	6.50	8.03	3.05
Gross return per acre	434.42	373.25	423.39	467.65
Direct Expenses				
Seed and plants	26.93	30.59	26.44	25.33
Fertilizer	131.15	137.96	135.30	109.91
Crop chemicals	42.00	47.63	35.63	39.99
Crop insurance	17.16	14.39	16.37	18.22
Driving expense	1.26	0.69	1.66	1.57
Storage	0.67	2.38	1.18	0.06
Fuel & oil	18.77	16.48	17.16	20.40
Repairs	36.56	36.04	34.93	30.73
Custom hire	6.35	14.45	8.28	1.94
Hired labor	0.80	1.53	1.32	0.67
Land rent	144.93	181.18	152.21	96.49
Machinery leases	0.92	3.80	1.49	0.58
Hauling and trucking	0.11	-	0.50	0.04
Operating interest	8.82	10.23	11.14	5.66
Miscellaneous	5.36	19.23	5.08	1.80
Total direct expenses per acre	441.81	516.58	448.68	353.38
Return over direct exp per acre	-7.39	-143.33	-25.30	114.27
Overhead Expenses				
Custom hire	0.19	0.80	0.01	0.10
Hired labor	19.37	12.70	19.44	23.12
Machinery leases	3.47	4.49	5.25	5.28
Building leases	0.56	0.27	0.80	0.47
Farm insurance	9.61	10.37	9.64	9.44
Utilities	3.77	1.72	3.31	5.20
Dues & professional fees	3.95	2.04	3.78	4.48
Interest	4.72	5.66	5.59	2.02
Mach & bldg depreciation	33.29	28.65	28.44	30.00
Miscellaneous	3.20	4.31	2.41	3.91
Total overhead expenses per acre	82.13	71.00	78.69	84.02
Total dir & ovhd expenses per acre	523.94	587.58	527.37	437.40
Net return per acre	-89.52	-214.33	-103.98	30.25
Government payments	40.22	44.29	39.89	39.26
Net return with govt pmts	-49.30	-170.04	-64.10	69.51
Labor & management charge	28.87	24.74	30.82	23.99
Net return over lbr & mgt	-78.17	-194.77	-94.91	45.52
Cost of Production				
Total direct expense per bu.	5.84	7.59	5.77	4.71
Total dir & ovhd exp per bu.	6.92	8.63	6.78	5.83
Less govt & other income	6.22	7.75	6.10	5.21
With labor & management	6.60	8.12	6.49	5.53
Net value per unit	5.58	5.25	5.30	6.13
Machinery cost per acre	100.58	108.16	97.19	86.81
Est. labor hours per acre	1.41	1.22	1.39	1.79

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Management Education
Red River Valley, 2025
(Farms Sorted By Return to Overhead)

Wheat, Spring on Share Rent

	<u>Avg. Of All Farms</u>
Number of farms	6
Acres	254.21
Yield per acre (bu.)	74.06
Operators share of yield %	67.50
Value per bu.	5.30
Total product return per acre	264.93
Crop insurance per acre	0.74
Other crop income per acre	1.11
Gross return per acre	266.79
Direct Expenses	
Seed and plants	29.29
Fertilizer	130.35
Crop chemicals	44.30
Crop insurance	14.49
Drying expense	0.94
Fuel & oil	24.31
Repairs	36.25
Custom hire	2.66
Hired labor	6.50
Marketing	0.33
Operating interest	4.54
Miscellaneous	2.29
Total direct expenses per acre	296.26
Return over direct exp per acre	-29.47
Overhead Expenses	
Hired labor	8.77
Machinery leases	2.27
Building leases	0.77
Farm insurance	10.57
Utilities	3.47
Dues & professional fees	4.04
Interest	3.57
Mach & bldg depreciation	33.81
Miscellaneous	3.18
Total overhead expenses per acre	70.45
Total dir & ovhd expenses per acre	366.71
Net return per acre	-99.92
Government payments	26.61
Net return with govt pmts	-73.32
Labor & management charge	38.05
Net return over lbr & mgt	-111.36
Cost of Production	
Total direct expense per bu.	5.93
Total dir & ovhd exp per bu.	7.34
Less govt & other income	6.77
With labor & management	7.53
Net value per unit	5.30
Machinery cost per acre	99.37
Est. labor hours per acre	1.93

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

Gross Revenue

_____ %

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/>)