

Farm Business Management

2006 ANNUAL REPORT

North Central &
Northwestern
Minnesota
Report No. 51

April, 2007



A MEMBER OF THE MINNESOTA STATE COLLEGES
AND UNIVERSITIES SYSTEM



2006 Annual Report Overview

The 2006 North Central and Northwestern Minnesota Farm Business Management Education Program Annual Report has been printed for the fourth time. The North Central and Northwestern Minnesota Report was developed through a partnership between the Northland Community & Technical College and Central Lakes Community & Technical College Farm Business Management Programs.

The North Central and Northwestern Minnesota Annual Report contains data from students enrolled in the Farm Business Management programs at Northland Community & Technical College and Central Lakes Community & Technical College. A complete list of Instructors who have students with data in this report can be found on page three (3). We believe that merging this data, from similar farming operations and environments, enables us to provide more complete farm financial information.

This report and the three (3) other regional reports include only statewide data for each of the livestock enterprises. Minnesota Farm Business Management Education Programs are committed to developing an even more valuable database of information for farmers. The increase in the number of farms included in each enterprise enhances the reliability and accuracy of the database. Regional livestock enterprise information can be obtained from each of the six Regional Farm Business Management Offices, or a Farm Business Management Instructor in that area.

Additional Note: The 2006 State Farm Business Management Education Program database includes data from 2332 farms. This information is unique to Minnesota and provides a wealth of information for farmers, the agriculture businesses that support those farmers, educators, and other interested individuals. Additional Farm Business Management database information is available from the Farm Business Management (FBM) Internet website, and from each of the regional offices listed on the inside front cover. Included on the FBM website is information about Management Programs, office locations and instructor information. Regional and state database reports, and links to other agriculture web pages can also be found at this website.

State FBM Website: www.mgt.org

Northland College Website: www.northlandcollege.edu

Central Lakes College Website: www.clcmn.edu

NOTE: Some cover photos are courtesy of the USDA Natural Resources Conservation Service

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Instructors Participating

Inside the front cover of this report you will see a map of Minnesota. The farms included in this report are located in the shaded area on the map, Northern Minnesota. The instructors who work with the Farm Business Management students located in the shaded area, and their office locations, are listed below:

Northland College

<u>Office Location:</u>	<u>Instructor</u>
Barnesville	Sheldon Schmiess
Bemidji	Jim Sackett
Detroit Lakes	Mark Berg
Detroit Lakes	Paul Ramsey
East Grand Forks	Betsy Jensen
Fergus Falls	Paul Oehlke
Fertile	Jon Christensen
Fosston	Doug Fjerstad
Hawley	Jon Christensen
Mahnomen/Ulen	Mike Lockhart
Red Lake Falls	Greg Kalinoski
Roseau	Dave Grafstrom
Thief River Falls	Greg Dvergsten / Danie Packard / Ron Dvergsten

Central Lakes College

<u>Office Location:</u>	<u>Instructor</u>
Iron	Jim Takala
Little Falls	Dave Stish
Milaca	Lee Todnem
Pierz	Ben Jorgensen
Staples	Bob Rick
Staples	Tom Schulz

The preparation of this report was done under the direction of Ron Dvergsten, Regional Dean of Management Education at Northland Community & Technical College; and DelRay Lecy, Regional Dean of Management Education at Central Lakes College. Directing in supervisory capacity were: Anne Temte, President, Northland Community & Technical College; Dr. Larry Lundblad, President, Central Lakes College; Dr. Jeff Thomas, Dean of Academic Affairs, Northland Community & Technical College; Rebecca Best, Dean of Educational Services, Central Lakes College; and the State Program Manager, Minnesota State Colleges and Universities. A special thank you goes to Shirley Judd, Central Lakes College, and Charlene Abrahamson, Northland College, for their assistance in preparing this report.

Explanation of Data Processing and Report Format

The tables in this report were created using FINPACK and RankEm Central, copyrighted software of the Center for Farm Financial Management, University of Minnesota. Actual processing of the report was done at the Thief River Falls (NCTC) and Staples (CLC) Analysis Centers.

The financial portion of the report, found in the first 26 pages, uses a standard format for each of the tables. Data from the analysis system is printed in a four column format, that includes: Average, Low, Middle, & High. The High, Middle, & Low ranges are calculated based on a 20% slice of the farms in the total group.

The enterprise tables begin on page 30. Each of these tables consist of: a size indicator, a total and per unit income, direct & overhead expenses, and other information. Costs which are considered to be operating, whether easily assigned or are allocated, are listed as Direct Expenses. Costs which are general in nature, whether fixed or variable, are listed as Overhead Expenses.

The Criteria for determining the 20% categories in each area are listed below:

Analysis Section

Financial
Crops
Livestock

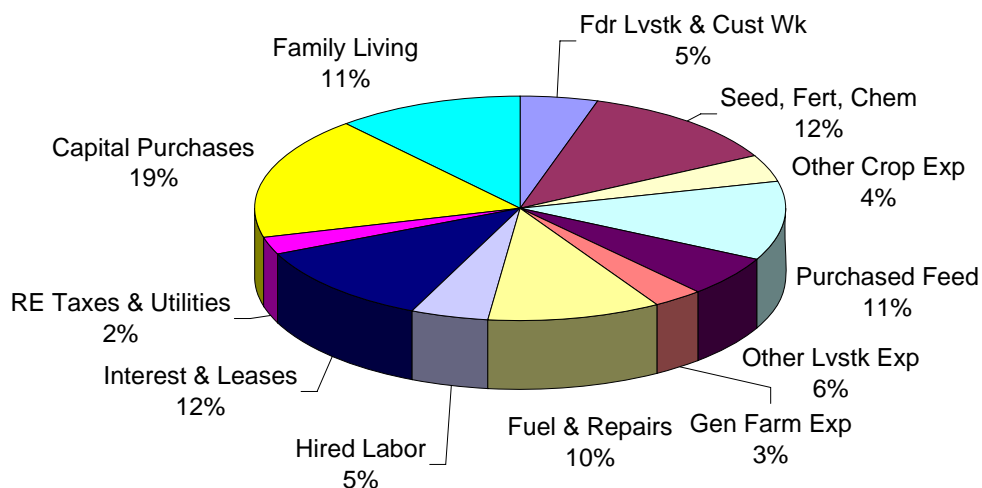
Criteria to determine the "20%" categories

Net Farm Income
Return to Overhead
Return to Overhead

Average Money Spent by Each Farmer

<u>Where the Money was Spent:</u>	<u>What the Money was used for:</u>	<u>Amount</u>
To Other Farmers	Feeder Livestock and Custom Work	\$17,934
To Agri-Business	Seed, Fertilizer, and Chemicals	\$48,414
	Other Direct Crop Expense	\$15,468
	Purchased Feed	\$44,327
	Other Direct Livestock Expense	\$23,091
	Fuel, Lubricants & Repairs	\$40,676
	General Farm Expenses	\$11,100
Individuals	Hired Labor	\$18,310
Utility Company	Utilities	\$6,391
Lenders or Other Farmers	Use of Capital: Interest & Leases	\$46,056
Local Government	Real Estate Taxes	\$2,483
Agri-Business or Other Farmers	Breeding Livestock, Machinery, Equipment, Buildings, Land, and Other.	\$69,779
Household and Personal Expense	Food, Clothing, Furnishings, Education, Contributions, Medical, Gifts, Recreation, Taxes, Capital Expenditures & Investments.	\$43,883
<i>Average Money Spent by Each Farmer in the Community:</i>		<i>\$387,912</i>
<i>Increase in Money Spent by Each Farmer, compared to 2005:</i>		<i>\$5,492</i>
<i>Average Money Spent by Each Farmer in a 30 Yr Career:</i>		<i>\$11,637,360</i>
<i>Money Spent in Community by 462 Farmers:</i>		<i>\$179,215,344</i>

Percent Spending by Category



Year at a Glance <i>"2006 Annual Report"</i>	Area Average	State Ave.	Local Ave.	Your Farm	Your Goal
	<u>462</u> <u>Farms</u>	<u>2332</u> <u>Farms</u>			
<u>Pages 6 & 7:</u>					
Gross Cash Farm Income	\$317,821	\$488,392	_____	_____	_____
Total Cash Operating Expense	\$274,250	\$416,694	_____	_____	_____
Net Cash Farm Income	\$43,571	\$71,698	_____	_____	_____
Net Operating Profit	\$57,549	\$118,077	_____	_____	_____
Net Farm Income	\$39,556	\$91,971	_____	_____	_____
<u>Page 11:</u>					
Total Assets - 12/31	\$1,043,797	\$1,548,641	_____	_____	_____
Total Liabilities - 12/31	\$507,108	\$703,945	_____	_____	_____
Net Worth - 12/31	\$536,689	\$844,696	_____	_____	_____
Change in Net Worth	\$45,046	\$90,504	_____	_____	_____
<u>Page 12:</u>					
Working Capital - 12/31	\$36,124	\$114,233	_____	_____	_____
Debt to Asset Ratio - 12/31	52%	48%	_____	_____	_____
Rate of Return on Farm Assets - Cost	4.5%	9.1%	_____	_____	_____
Rate of Return on Farm Equity - Cost	2.8%	11.8%	_____	_____	_____
Capital Replacement Margin	\$7,898	\$47,929	_____	_____	_____
Asset Turnover Rate	38.6%	46.1%	_____	_____	_____
Operating Expense Ratio	75.9%	72.2%	_____	_____	_____
Interest Expense Ratio	7.0%	5.8%	_____	_____	_____
<u>Page 17:</u>					
Average Age of the Farmer	45.2	46.4	_____	_____	_____
Average Years Farming	20.9	23.0	_____	_____	_____
<u>Page 18 & 19:</u>					
Total Cash Family Living Expense	\$33,338	\$44,301	_____	_____	_____
Total Non Farm Income	\$21,175	\$24,258	_____	_____	_____

Net Farm Income dollars are used to pay for Family Living, Social Security and Income Tax, Retirement Accounts, Medical and Health expenses, and loan principle payments. A positive balance indicates revenue for other uses, while a negative balance indicates a need for revenue from other sources.

The following list shows 2006 expenses:

	<u>Area</u>	<u>State</u>
Family Living (Excl Health/Med)	\$27,697	\$37,405
Social Security and Income Tax	\$3,033	\$6,904
Health and Medical Expense	\$5,641	\$6,896
Retirement Accounts	\$2,414	\$3,186
Principle Payments	\$33,323	\$39,868
Balance	(\$32,552)	(\$2,288)

Farm Income Statement
Northland & Central Lakes Community and Technical Colleges
(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	462	92	93	93
Sale of Crops				
Barley	1,114	402	147	1,941
Beans, Edible	1787		233	6011
Canola	898	261	431	2,821
Corn	15,784	11,047	6,422	38,278
Corn Silage	465	369	472	854
Hay, Alfalfa	2,940	2,577	1,964	2,122
Hay, Other	1091	678	850	274
Organic Crops	2213	4340	992	1273
Oats	597	523	454	265
Soybeans	34,384	26,383	20,596	78,141
Sunflowers	3523	829	20	8658
Sunflowers, Confectionary	830	121	-	3,865
Wheat, Spring	33,202	14,897	14,156	95,646
Sugarbeets	5650	410	867	20800
Grass Seed	1787		233	6011
Other Crop Enterprises	2786	1067	880	2466
Miscellaneous crop income	429	98	97	321
Total Crop Sales	109,480	64,002	48,814	269,747
Sale of Livestock				
Beef Cow-Calf, Beef Calves	6,558	6,155	9,954	2,319
Beef, Background Beef	3,858	6,590	3,960	184
Beef, Finishing	4,256	4043	2164	6,390
Dairy, Milk	118,805	78,559	69,258	292,175
Dairy, Dairy Calves	3,084	1495	1,888	7,236
Dairy Heifers (for sale)	2,211	5797	1661	300
Dairy Steers	6,826	17,900	5,501	4,856
Hogs, Farrow-Fin, Raised Hogs	228	17	4	68
Hogs, Finish Feeder Pigs	3,957	19208	139	204
Hogs, Weaning to Finish	3,183	5	-	
Other Livestock Enterprises	4724	1250	12505	1502
Cull breeding livestock	7,805	6,967	5,907	14,117
Misc. livestock income	713	938	872	477
Total Livestock & Product Sales	166,208	148,924	113,813	329,828
Other farm income				
LDP payments	458	275	190	734
Direct & CC govt payments	11,569	8,079	6,785	24,713
CRP payments	1,264	1,716	835	1347
Livestock govt payments	3163	2616	2925	4972
Other government payments	3,140	1,472	2,030	6,950
Custom work income	4,132	7,391	3,399	3,923
Patronage dividends, cash	1,438	1271	815	3,014
Insurance income	10,195	7,960	6,899	22,220
Cash from hedging accts	1091		54	5,033
Other farm income	5,683	5,252	3,802	10,893
Total Other Farm Income	42,133	36,032	27,734	83,799
Gross Cash Farm Income	317,821	248,958	190,131	683,374

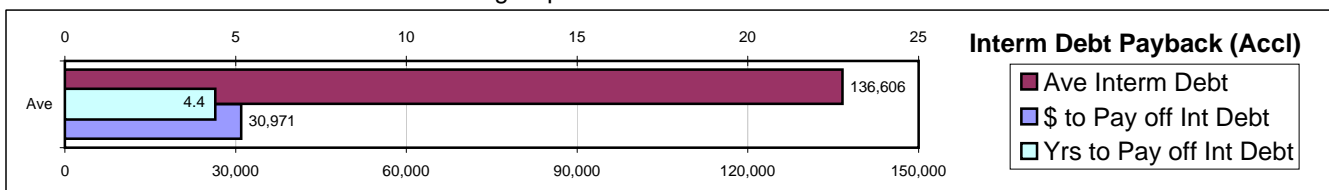
Farm Income Statement
Northland & Central Lakes Community and Technical Colleges
(Farms Sorted By Net Farm Income)

	<u>Avg. Of</u> <u>All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	462	92	93	93
Direct Crop Expense				
Seed	14,976	9,681	7,381	33,177
Fertilizer	21,118	16,281	9,563	47,218
Crop chemicals	12,320	6,365	4,970	30,693
Crop insurance	6,199	4,022	3,431	15,424
Drying fuel	676	554	476	1,379
CCC buyback	5,913	4,397	4,295	13,801
Crop miscellaneous	2,701	2,011	1,474	5,229
Total Direct Crop Expense	63,903	43,311	31,590	146,921
Direct Livestock Expense				
Feeder livestock purchase	10,932	25,829	8,077	5,419
Purchased feed	44,327	42,629	32,726	85,101
Breeding fees	1,566	875	709	3,750
Veterinary	5,543	5,737	3,739	11,027
BST	904	923	59	2,484
Supplies	5,328	5,040	4,329	9,838
DHIA	554	490	430	910
Contract production exp.	2,646	1809	1216	7,214
Livestock leases	686	1406	47	181
Livestock hauling and trucking	1,433	1267	1,533	1,545
Livestock marketing	2,044	1875	1,178	4,169
Bedding	3,036	2490	1171	9,336
Total Direct Livestock Expense	78,999	90,370	55,214	140,974
Other Farm Expense				
Interest	22,309	22,587	14,766	41,780
Fuel & oil	18,671	15,143	11,499	37,389
Repairs	22,005	19,169	14,758	39,898
Custom hire	6,981	6,027	4,141	15,409
Hired labor	18,310	11,294	8,583	47,608
Land rent	18,948	10,768	10,945	45,401
Machinery & bldg leases	4,113	3,433	1799	8,999
Real estate taxes	2,483	2,188	1,774	4,250
Farm insurance	4,702	4,064	3,305	8,628
Utilities	6,391	5,700	5,789	10,667
Dues & professional fees	1,700	923	1151	3,514
Hedging account deposits	1064	410	551	3,120
Miscellaneous	3,671	3,880	2,635	5,605
Total Other Farm Expense	131,348	105,586	81,696	272,268
Total cash expense	274,250	239,267	168,500	560,163
Net cash farm income	43,571	9,692	21,631	123,211
Inventory Changes				
Crops and feed	16,941	-3,497	9,531	60,779
Market livestock	1,101	-4439	1,080	5,438
Accounts receivable	785	2,757	912	153
Prepaid expenses and supplies	669	338	-547	4,144
Accounts payable	-5518	-14,725	-561	-4,877
Total inventory change	13,979	-19,566	10,415	65,636
Net operating profit	57,549	-9,875	32,045	188,847
Depreciation and Other Capital				
Breeding livestock	502	-9,856	2005	6,499
Machinery and equipment	-16,202	-12,785	-10,793	-31,377
Buildings and improvements	-3,168	-3,030	-1,910	-6,193
Other farm capital	874	-246	327	3,650
Total depr. and other capital adj	-17,994	-25,916	-10,371	-27,420
Net farm income	39,556	-35,791	21,674	161,427

Profitability and Liquidity Measures
Northland & Central Lakes Community and Technical Colleges
(Farms Sorted By Net Farm Income)

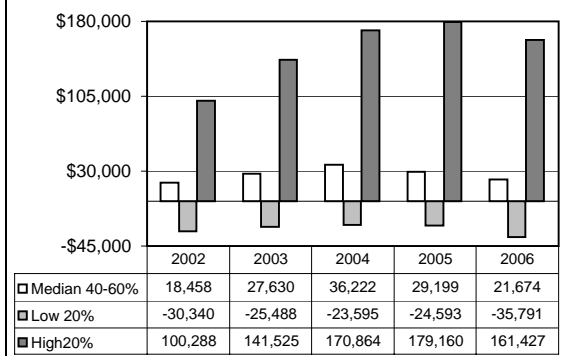
	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	462	92	93	93
Profitability (assets valued at cost)				
Net farm income	39,556	-35,791	21,674	161,427
Labor and management earnings	18,443	-48,315	7,316	117,596
Rate of return on assets	4.5%	-6.0%	2.8%	10.6%
Rate of return on equity	2.8%	-29.9%	-0.6%	14.9%
Operating profit margin	11.8%	-21.1%	8.6%	22.7%
Asset turnover rate	38.6%	28.5%	32.9%	46.4%
Interest on farm net worth	21,113	12,524	14,358	43,831
Farm interest expense	23,503	24,093	15,481	43,215
Value of operator lbr and mgmt.	29,923	23,141	23,174	53,196
Return on farm assets	33,135	-34,839	13,981	151,445
Average farm assets	731,069	580,272	494,692	1,433,922
Return on farm equity	9,633	-58,932	-1,500	108,231
Average farm equity	347,709	197,376	236,495	728,358
Value of farm production	281,891	165,465	162,855	665,723
Liquidity (cash)				
Net cash farm income	43,571	9,692	21,631	123,211
Net nonfarm income	21,156	32,344	18,511	10,362
Family living and taxes	38,152	31,543	30,476	57,197
Principal due on long term debt	9,583	9,272	6,557	16,567
Cash available for interm. debt	16,992	1,221	3,108	59,808
Average intermediate debt	136,606	134,526	96,261	259,338
Years to turnover interm. debt	8.0	110.2	31.0	4.3
Expense as a % of income	86%	96%	89%	82%
Interest as a % of income	7%	9%	8%	6%
Working capital to gross income	11%	-4%	8%	20%
Liquidity (accrual)				
Total accrual farm income	336,648	243,779	201,653	749,743
Total accrual operating expense	279,098	253,654	169,608	560,896
Net accrual operating income	57,549	-9,875	32,045	188,847
Net nonfarm income	21,156	32,344	18,511	10,362
Family living and taxes	38,152	31,543	30,476	57,197
Principal due on long term debt	9,583	9,272	6,557	16,567
Available for intermediate debt	30,971	-18,345	13,523	125,444
Average intermediate debt	136,606	134,526	96,261	259,338
Years to turnover interm. debt	4.4	**	7.1	2.1
Expense as a % of income	83%	104%	84%	75%
Interest as a % of income	7%	10%	8%	6%
Working capital to gross income	11%	-4%	7%	18%

** Income insufficient to meet debt servicing requirements

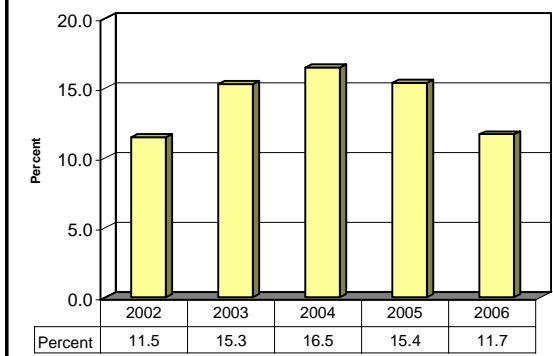


Five Year History of Selected Financial Measures

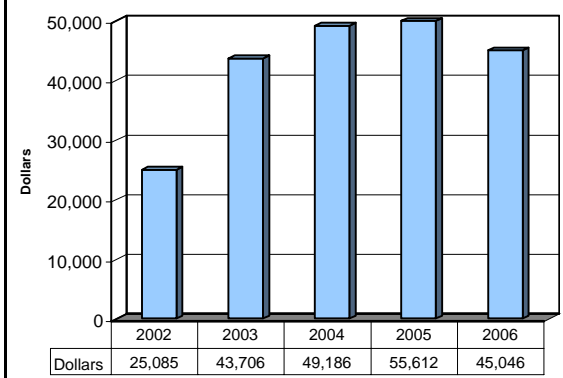
Net Farm Income



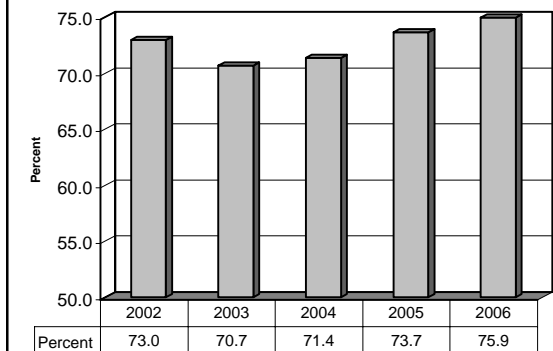
Net Farm Income Ratio



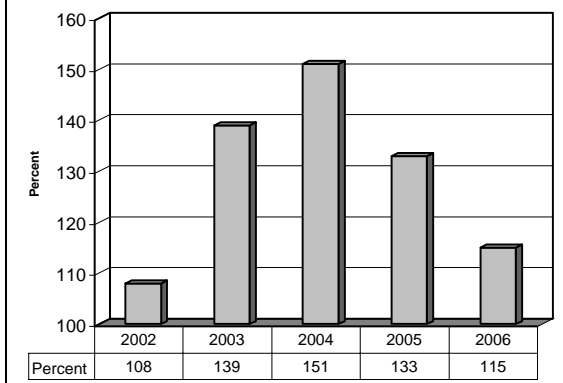
Change in Net Worth



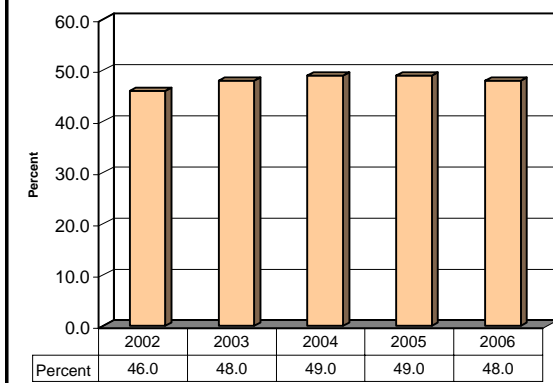
Operating Expense Ratio



Term Debt Coverage Ratio



Equity to Asset Ratio



Balance Sheet at Cost Values
Northland & Central Lakes Community and Technical Colleges
(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	462	92	93	93
Assets				
Current Farm Assets				
Cash and checking balance	6,045	4,787	3,827	8,649
Prepaid expenses & supplies	12,083	6,126	4,286	35,037
Growing crops	1,189	2,103	505	1,328
Accounts receivable	12,411	9,714	6,605	29,535
Hedging accounts	429	139	513	1,036
Crops held for sale or feed	89,940	45,375	43,544	235,625
Crops under government loan	16,332	12,451	8,165	34,868
Market livestock held for sale	26,116	32,889	22,491	27,420
Other current assets	757	728	251	449
Total current farm assets	165,303	114,314	90,188	373,947
Intermediate Farm Assets				
Breeding livestock	109,961	92,313	85,055	203,499
Machinery and equipment	188,199	144,699	126,127	374,563
Titled vehicles	7,643	7,960	6,134	7,407
Other intermediate assets	13,580	9,442	6,010	34,552
Total intermediate farm assets	319,383	254,413	223,326	620,021
Long Term Farm Assets				
Farm land	180,739	159,632	134,797	289,626
Buildings and improvements	94,179	76,895	58,330	214,282
Other long-term assets	12,857	7,975	8,107	29,928
Total long-term farm assets	287,775	244,502	201,235	533,836
Total Farm Assets	772,460	613,229	514,750	1,527,804
Total Nonfarm Assets	100,347	97,936	92,950	132,475
Total Assets	872,807	711,165	607,700	1,660,278
Liabilities				
Current Farm Liabilities				
Accrued interest	6,218	6,009	4,455	9,435
Accounts payable	14,183	25,073	6,393	16,139
Current notes	64,488	52,284	35,652	125,765
Government crop loans	10,966	9,069	5,596	22,128
Principal due on term debt	33,323	31,581	22,993	65,229
Total current farm liabilities	129,179	124,015	75,089	238,695
Total intermediate farm liabs	118,459	135,431	81,071	211,756
Total long term farm liabilities	163,916	169,470	112,584	293,279
Total farm liabilities	411,554	428,916	268,745	743,731
Total nonfarm liabilities	24,796	22,197	23,489	33,593
Total liabilities	436,350	451,114	292,234	777,323
Net worth (farm and nonfarm)	436,458	260,051	315,466	882,955
Net worth change	32,559	-19,208	24,377	113,939
Ratio Analysis				
Current farm liabilities / assets	78 %	108 %	83 %	64 %
Curr. & interm farm liab. / assets	51 %	70 %	50 %	45 %
Long term farm liab. / assets	57 %	69 %	56 %	55 %
Total debt to asset ratio	50 %	63 %	48 %	47 %

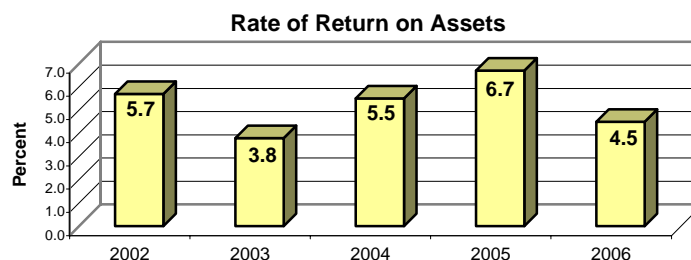
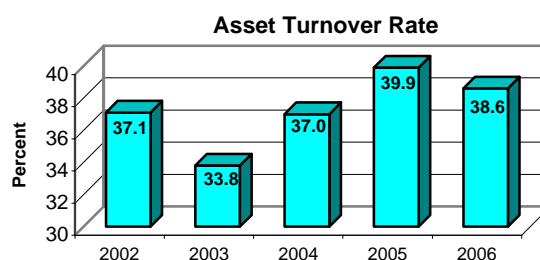
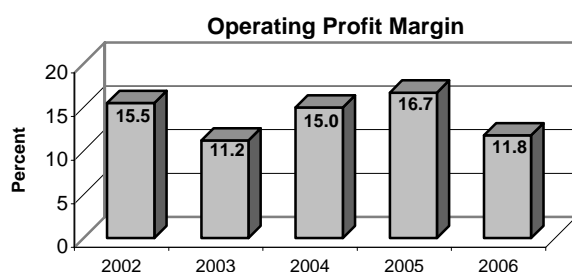
Balance Sheet at Market Values
Northland & Central Lakes Community and Technical Colleges
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	462	92	93	93
Assets				
Current Farm Assets				
Cash and checking balance	6,045	4,787	3,827	8,649
Prepaid expenses & supplies	12,083	6,126	4,286	35,037
Growing crops	1,189	2,103	505	1,328
Accounts receivable	12,411	9,714	6,605	29,535
Hedging accounts	429	139	513	1,036
Crops held for sale or feed	89,940	45,375	43,544	235,625
Crops under government loan	16,332	12,451	8,165	34,868
Market livestock held for sale	26,116	32,889	22,491	27,420
Other current assets	757	728	251	449
Total current farm assets	165,303	114,314	90,188	373,947
Intermediate Farm Assets				
Breeding livestock	111,575	92,592	87,230	206,913
Machinery and equipment	223,165	165,084	150,272	439,533
Titled vehicles	7,945	8,380	6,430	7,999
Other intermediate assets	15,283	9,702	6,242	41,663
Total intermediate farm assets	357,968	275,757	250,174	696,108
Long Term Farm Assets				
Farm land	289,293	265,700	218,583	427,902
Buildings and improvements	103,563	87,491	62,464	233,201
Other long-term assets	15,143	7,788	8,274	42,283
Total long-term farm assets	408,000	360,979	289,321	703,386
Total Farm Assets	931,270	751,051	629,684	1,773,442
Total Nonfarm Assets	112,526	107,587	98,537	162,898
Total Assets	1,043,797	858,638	728,221	1,936,339
Liabilities				
Current Farm Liabilities				
Accrued interest	6,218	6,009	4,455	9,435
Accounts payable	14,183	25,073	6,393	16,139
Current notes	64,488	52,284	35,652	125,765
Government crop loans	10,966	9,069	5,596	22,128
Principal due on term debt	33,323	31,581	22,993	65,229
Total current farm liabilities	129,179	124,015	75,089	238,695
Total intermediate farm liabs	118,459	135,431	81,071	211,756
Total long term farm liabilities	163,916	169,470	112,584	293,279
Total farm liabilities	411,554	428,916	268,745	743,731
Total nonfarm liabilities	24,796	22,197	23,489	33,593
Total liabs excluding deferreds	436,350	451,114	292,234	777,323
Total deferred liabilities	70,758	53,098	38,514	141,853
Total liabilities	507,108	504,211	330,749	919,177
Retained earnings	436,458	260,051	315,466	882,955
Market valuation equity	100,231	94,376	82,006	134,208
Net worth (farm and nonfarm)	536,689	354,427	397,472	1,017,163
Net worth excluding deferreds	607,447	407,525	435,987	1,159,016
Net worth change	45,046	3,436	34,455	117,719
Ratio Analysis				
Current farm liabilities / assets	78 %	108 %	83 %	64 %
Curr. & interm farm liab. / assets	47 %	67 %	46 %	42 %
Long term farm liab. / assets	40 %	47 %	39 %	42 %
Total debt to asset ratio	49 %	59 %	45 %	47 %
Debt to assets excl deferreds	42 %	53 %	40 %	40 %

Financial Standards Measures
Northland & Central Lakes Community and Technical Colleges
(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	462	92	93	93
Liquidity				
Current ratio	1.28	0.92	1.20	1.57
Working capital	36,124	-9,701	15,099	135,251
Solvency (market)				
Farm debt to asset ratio	52%	64%	49%	50%
Farm equity to asset ratio	48%	36%	51%	50%
Farm debt to equity ratio	106%	177%	95%	98%
Profitability (cost)				
Rate of return on farm assets	4.5%	-6.0%	2.8%	10.6%
Rate of return on farm equity	2.8%	-29.9%	-0.6%	14.9%
Operating profit margin	11.8%	-21.1%	8.6%	22.7%
Net farm income	39,556	-35,791	21,674	161,427
Repayment Capacity				
Term debt coverage ratio	115%	21%	95%	174%
Capital replacement margin	7,898	-33,845	-1,612	75,864
Efficiency				
Asset turnover rate (cost)	38.6%	28.5%	32.9%	46.4%
Operating expense ratio	75.9%	94.2%	76.4%	69.0%
Depreciation expense ratio	5.3%	10.6%	5.1%	3.7%
Interest expense ratio	7.0%	9.9%	7.7%	5.8%
Net farm income ratio	11.7%	-14.7%	10.7%	21.5%

Operating Profit Margin X Asset Turnover Rate = Rate of Return on Farm Assets



How does Your Farm Stack Up?

Below is a summary of the low, average, and high farms for recent years using 16 key management factors. The numbers listed below are intended to provide a general overview of the farm situation for the current year and over a five year period. The current year data provides a snapshot of the conditions that represent the present while the five year data provides a longer term look at these factors to enable their use in potential decision making activities.

For additional information, please see the back cover of this report. A "Financial Scorecard" is provided in color for your use.

Evaluation Chart		Low Farms		Average		High Farms		Your Farm	
		2006	5 Yr Ave	2006	5 Yr Ave	2006	5 Yr Ave	2006	5 Yr Ave
Liquidity									
Current Ratio		0.92	0.87	1.28	1.36	1.57	1.65		
Working Capital	\$	(9,701)	(13,958)	36,124	36,727	135,251	118,035		
Solvency (Market)									
Farm Debt to Asset Ratio	%	64%	61%	52%	52%	50%	49%		
Farm Equity to Asset Ratio	%	36%	39%	48%	48%	50%	51%		
Farm Debt to Equity Ratio	%	177%	157%	106%	108%	98%	98%		
Profitability (Cost)									
Rate of Return on Farm Assets	%	-6.0%	-5.4%	4.5%	5.3%	10.6%	11.4%		
Rate of Return on Farm Equity	%	-29.9%	-26.0%	2.8%	4.8%	14.9%	16.6%		
Operating Profit Margin	%	-21.1%	-21.8%	11.8%	13.9%	22.7%	24.8%		
Net Farm Income	\$	(35,791)	(27,961)	39,556	41,787	161,427	150,653		
Repayment Capacity (Accrual)									
Term Debt Coverage Ratio	%	21%	35%	115%	129%	174%	193%		
Capital Replacement Margin	\$	(33,845)	(28,027)	7,898	13,978	75,864	81,239		
Efficiency									
Asset Turnover Rate (Cost)	%	28.5%	25.7%	38.6%	37.8%	46.4%	45.7%		
Operating Expense Ratio	%	94.2%	90.9%	75.9%	72.9%	69.0%	67.2%		
Depreciation Expense Ratio	%	10.6%	13.4%	5.3%	6.3%	3.7%	4.5%		
Interest Expense Ratio	%	9.9%	11.6%	7.0%	6.6%	5.8%	5.2%		
Net Farm Income Ratio	%	-14.7%	-15.8%	11.7%	14.1%	21.5%	23.0%		

Financial Guideline Measures

The Farm Financial Standards Task Force recommended the use of sixteen 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.

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 measures 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 the farm has.

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.

Financial Guideline Measures

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 the interest cost. This is negative financial leverage. As your debt to asset ratio increases, these relationships become more pronounced. So profitability becomes a key concern when substantial debt capital is used in the business.

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.

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.

Repayment Capacity

Repayment capacity measures the ability to repay term debt (longer than one year) and to replace capital assets.

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.

Capital Replacement Margin: The capital replacement margin is the amount of money remaining from farm and non-farm income after all operating expenses, taxes, family living and debt payments have been paid. It is the amount available for acquiring capital assets, such as machinery and land, or servicing additional debt.

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.

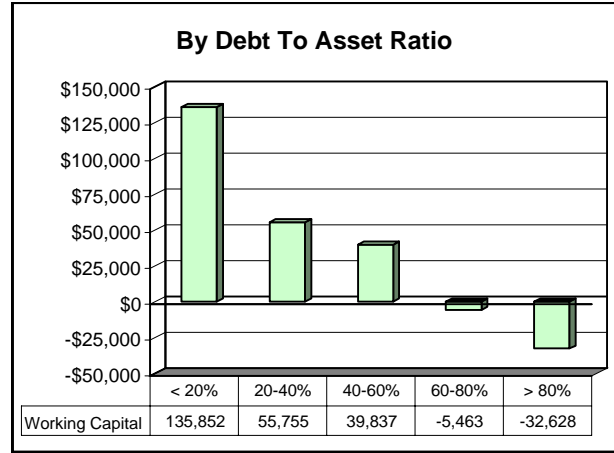
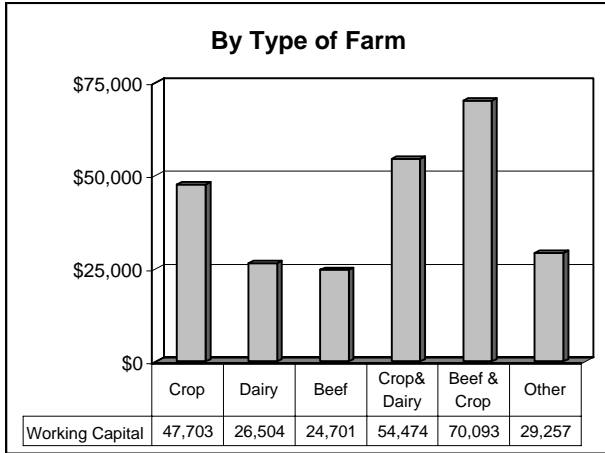
Depreciation Expense Ratio: This ratio indicates the percent of the gross farm income, which is used to cover the depreciation expense.

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

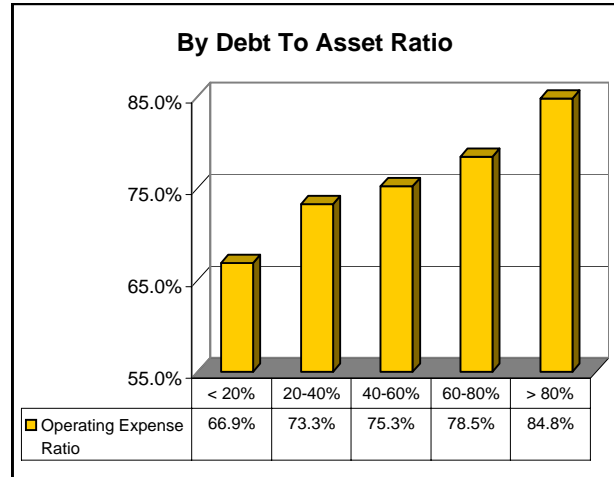
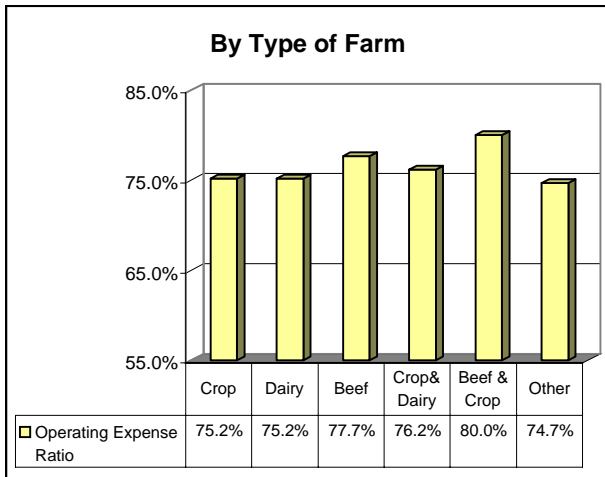
Net Farm Income Ratio: The ratio indicates the percent of the gross farm income, which remains after all expenses.

Selected Financial Guideline Measures

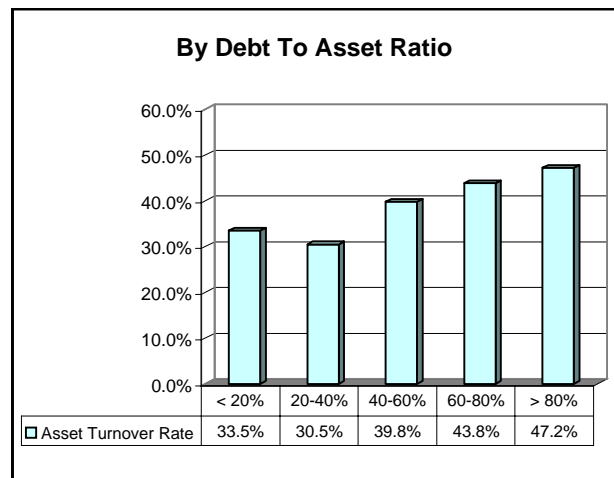
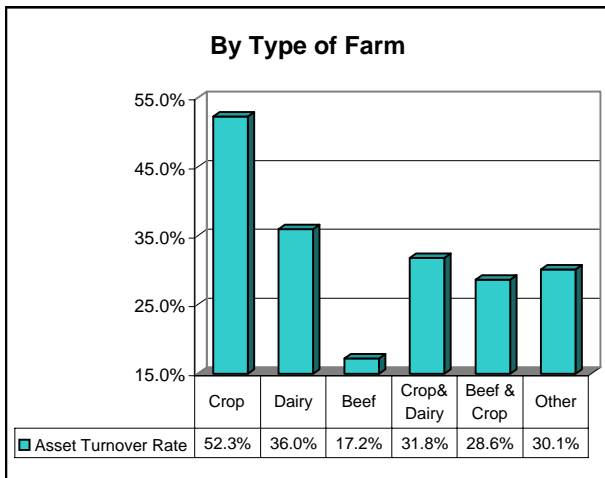
Working Capital



Operating Expense Ratio



Asset Turnover Rate



Operator and Labor Information
Northland & Central Lakes Community and Technical Colleges
(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	462	92	93	93
Operator Information				
Average number of operators	1.2	1.1	1.1	1.5
Average age of operators	45.2	45.1	44.7	45.6
Average number of years farming	20.9	20.0	18.4	23.0
Results Per Operator				
Working capital	30,087	-8,648	13,247	87,961
Total assets (market)	869,360	765,453	638,911	1,259,298
Total liabilities	422,361	449,491	290,185	597,786
Net worth (market)	446,999	315,962	348,726	661,511
Net worth excl deferred liabs	505,932	363,297	382,516	753,766
Gross farm income	280,388	217,323	176,922	487,595
Total farm expense	247,443	249,230	157,906	382,611
Net farm income	32,945	-31,907	19,016	104,984
Net nonfarm income	17,620	28,834	16,241	6,739
Family living & tax withdrawals	31,776	28,120	26,738	37,198
Total acres owned	322.5	288.9	237.4	411.6
Total crop acres	619.3	484.4	407.2	991.2
Crop acres owned	223.8	168.7	147.4	343.7
Crop acres cash rented	381.4	293.9	253.8	636.0
Crop acres share rented	14.2	21.7	6.0	11.5
Total pasture acres	37.7	58.9	30.4	23.3
Labor Analysis				
Number of farms	462	92	93	93
Total unpaid labor hours	2,809	2,361	2,506	4,042
Total hired labor hours	1,749	1,366	840	4,274
Total labor hours per farm	4,558	3,727	3,346	8,315
Unpaid hours per operator	2,339	2,105	2,198	2,628
Value of farm production / hour	61.85	44.40	48.67	80.06
Net farm income / unpaid hour	14.08	-15.16	8.65	39.94
Average hourly hired labor wage	11.41	9.26	10.95	12.16
Partnerships & LLCs				
Number of farms	49	5	6	28
Number of operators	2.1	2.0	2.0	2.3
Owner withdrawals per farm	43,045	-	-	52,446
Withdrawals per operator	22,547	-	-	26,223
Corporations				
Number of farms	17	1	2	8
Number of operators	1.9	-	-	2.3

Household and Personal Expenses
Northland & Central Lakes Community and Technical Colleges
(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	64	12	14	12
Average family size	3.7	3.3	3.4	3.6
Family Living Expenses				
Food and meals expense	6,308	5,435	6,307	5,921
Medical care	2,815	3,716	2,046	4,368
Health insurance	2,826	5,259	2,103	3,800
Cash donations	1,308	1,366	764	1,387
Household supplies	2,489	1,420	2,008	3,502
Clothing	936	553	744	1,322
Personal care	2,150	996	2,296	2,740
Child / Dependent care	312	835	17	-
Alimony and Child support	124	-	-	662
Gifts	1,311	1,042	1,077	1,366
Education	952	548	1,055	1,213
Recreation	1,447	972	1,234	1,834
Utilities (household share)	1,606	1,899	1,202	2,392
Nonfarm vehicle operating expense	2,227	3,251	1,953	1,358
Household real estate taxes	308	437	156	284
Dwelling rent	164	-	-	33
Household repairs	1,214	955	748	1,101
Nonfarm interest	1,633	2,571	1,488	779
Disability / Long term care insuran	122	194	121	197
Life insurance payments	1,223	1,249	1,314	2,273
Nonfarm property insurance	230	387	276	329
Miscellaneous	1,635	1,351	619	3,529
Total cash family living expense	33,338	34,434	27,527	40,386
Family living from the farm	696	748	830	799
Total family living	34,034	35,182	28,357	41,185
Other Nonfarm Expenditures				
Income taxes	2,720	2,843	1,524	5,660
Furnishing & appliance purchases	255	684	477	70
Nonfarm vehicle purchases	1,250	3,371	1,146	904
Nonfarm real estate purchases	3,328	8,855	6,491	833
Other nonfarm capital purchases	1,359	5,008	-939	3,275
Nonfarm savings & investments	2,414	2,795	-16	5,899
Total other nonfarm expenditures	11,325	23,555	8,683	16,641
Total cash family living investment & nonfarm capital purch	44,664	57,990	36,210	57,027

Nonfarm Summary
Northland & Central Lakes Community and Technical Colleges
(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	462	92	93	93
Nonfarm Income				
Nonfarm wages & salary	14,928	22,917	13,281	6,684
Net nonfarm business income	2,203	3,714	2,916	317
Nonfarm rental income	216	367	125	165
Nonfarm interest income	186	230	77	278
Nonfarm cash dividends	82	113	68	218
Tax refunds	1,170	1,783	1,068	358
Other nonfarm income	2,391	3,220	1,070	2,342
Total nonfarm income	21,175	32,344	18,605	10,362
Gifts and inheritances	2,869	2,287	4,422	712
Nonfarm Assets (market)				
Checking & savings	3,712	1,891	2,532	5,697
Stocks & bonds	3,877	3,630	2,375	9,972
Other current assets	2,919	3,687	638	5,162
Furniture & appliances	8,773	8,341	10,239	8,113
Nonfarm vehicles	9,080	9,270	6,619	9,924
Cash value of life ins.	4,828	2,776	4,117	7,651
Retirement accounts	20,253	23,733	14,601	35,398
Other intermediate assets	7,568	8,227	8,553	6,029
Nonfarm real estate	45,154	41,767	41,360	70,678
Other long term assets	6,362	4,265	7,503	4,274
Total nonfarm assets	112,526	107,587	98,537	162,898
Nonfarm Liabilities				
Accrued interest	43	40	39	57
Accounts payable	1,029	1,565	443	868
Current notes	1,745	2,513	2,075	564
Princ due on term debt	2,012	2,879	1,541	1,676
Total current liabilities	4,830	6,997	4,097	3,164
Intermediate liabilities	3,958	4,070	2,859	4,434
Long term liabilities	16,008	11,130	16,533	25,994
Total nonfarm liabilities	24,796	22,197	23,489	33,593
Nonfarm net worth	87,731	85,390	75,048	129,305
Nonfarm debt to asset ratio	22 %	21 %	24 %	21 %

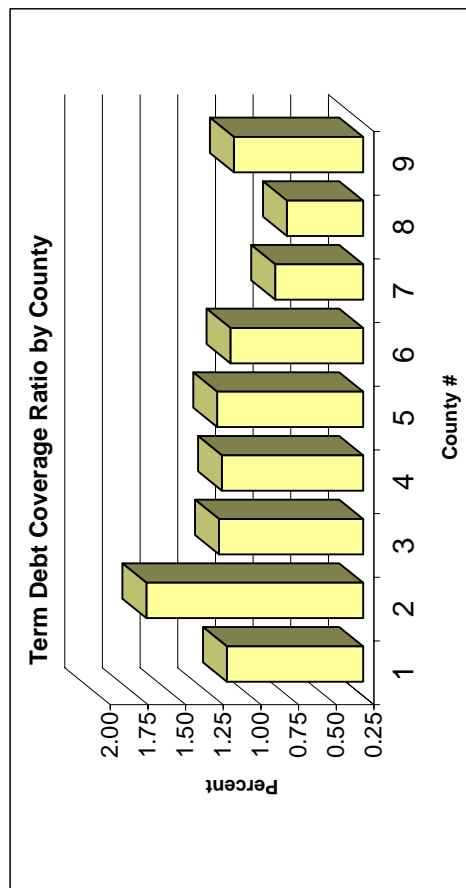
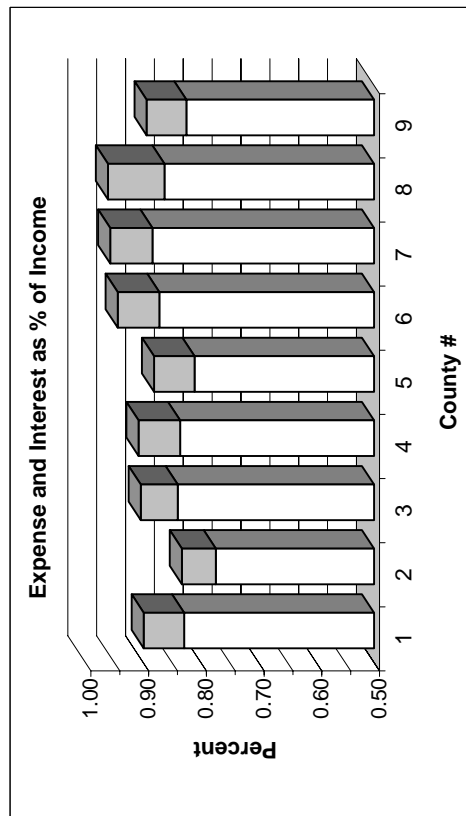
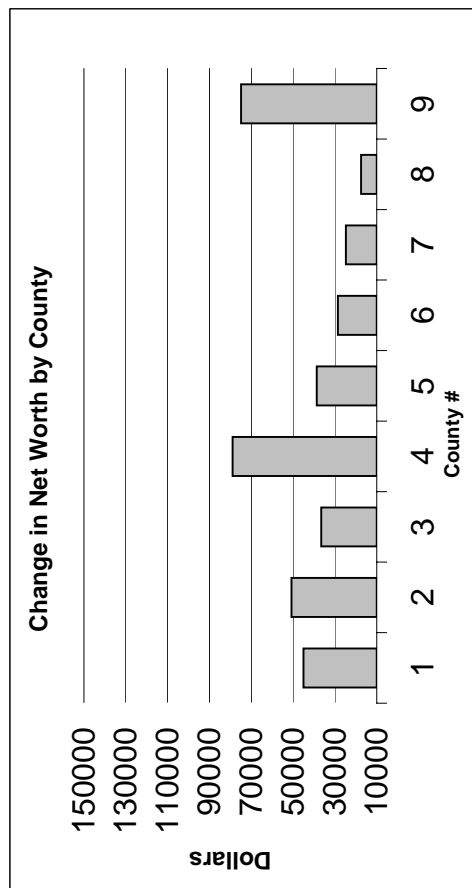
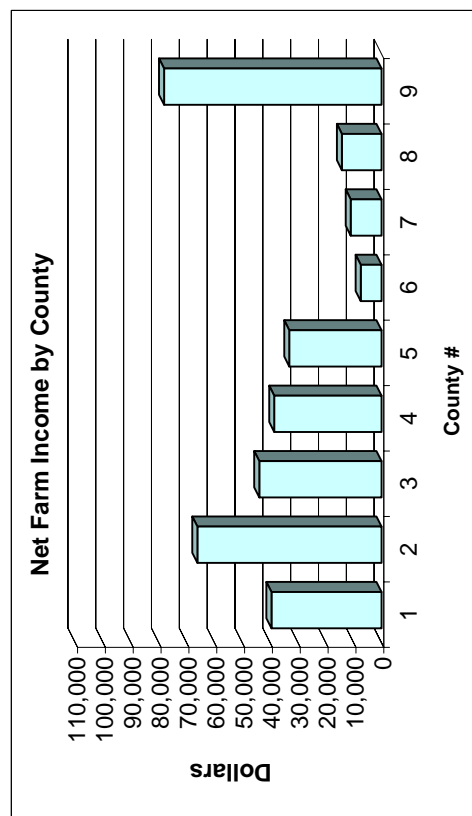
Financial Summary
Northland & Central Lakes Community and Technical Colleges
(Farms Sorted By Gross Farm Income)

	<u>Less than 50,000</u>	<u>50,001 - 100,000</u>	<u>100,001 - 250,000</u>	<u>250,001 - 500,000</u>	<u>500,001 - 1,000,000</u>	<u>Over 1,000,000</u>
Number of farms	54	71	160	105	48	24
Income Statement						
Gross cash farm income	31,567	74,297	172,529	345,760	681,703	1,800,925
Total cash farm expense	34,620	64,622	148,689	299,632	588,304	1,531,482
Net cash farm income	-3,053	9,675	23,840	46,129	93,399	269,443
Inventory change	3,382	4,453	8,171	30,060	28,265	5,793
Depreciation and capital adjust	-4,941	-7,333	-9,376	-22,568	-35,958	-80,412
Net farm income	-4,612	6,795	22,635	53,621	85,706	194,824
Profitability (cost)						
Labor and management earnings	-9,323	-1,405	6,931	28,651	48,216	112,177
Rate of return on assets	-4.0 %	0.2 %	2.5 %	5.5 %	6.3 %	6.6 %
Rate of return on equity	-18.9 %	-6.7 %	-0.6 %	4.8 %	6.3 %	6.6 %
Operating profit margin	-25.4 %	0.7 %	8.4 %	13.8 %	12.9 %	14.4 %
Asset turnover rate	15.8 %	22.2 %	29.8 %	39.7 %	49.2 %	46.1 %
Liquidity						
Ending current ratio	1.13	1.15	1.33	1.30	1.34	1.19
Ending working capital	2,756	5,723	24,508	48,985	96,069	102,422
End working capital to gross inc	8.7 %	7.7 %	14.2 %	14.2 %	14.1 %	5.7 %
Term debt coverage ratio	111.1 %	97.0 %	97.1 %	119.8 %	131.9 %	121.1 %
Expense as a percent of income	99.1 %	82.3 %	82.6 %	80.1 %	82.9 %	85.0 %
Interest as a percent of income	18.5 %	11.9 %	7.9 %	7.0 %	6.1 %	6.0 %
Solvency (cost)						
Number of farms	54	71	160	105	48	24
Ending farm assets	203,469	318,102	545,214	888,245	1,374,494	3,201,187
Ending farm liabilities	124,456	179,253	281,651	460,182	721,996	1,777,128
Ending total assets	268,124	388,200	636,606	1,016,316	1,511,511	3,336,393
Ending total liabilities	146,206	197,132	300,688	489,733	751,550	1,837,311
Ending net worth	121,918	191,068	335,918	526,582	759,960	1,499,082
Net worth change	11,304	16,255	19,828	40,775	62,483	117,686
Ending farm debt to asset ratio	61 %	56 %	52 %	52 %	53 %	56 %
Beg total debt to asset ratio	53 %	50 %	46 %	48 %	50 %	54 %
End total debt to asset ratio	55 %	51 %	47 %	48 %	50 %	55 %
Solvency (market)						
Number of farms	54	71	160	105	48	24
Ending farm assets	247,806	401,177	694,523	1,085,379	1,593,361	3,617,167
Ending farm liabilities	135,935	202,182	330,813	545,395	858,613	2,026,011
Ending total assets	319,457	475,101	793,924	1,225,603	1,774,827	3,764,307
Ending total liabilities	158,817	221,587	351,333	576,759	897,278	2,088,861
Ending net worth	160,640	253,514	442,591	648,844	877,549	1,675,446
Net worth change	14,192	27,825	31,560	55,845	76,573	145,027
Ending farm debt to asset ratio	55 %	50 %	48 %	50 %	54 %	56 %
Beg total debt to asset ratio	48 %	46 %	43 %	47 %	51 %	55 %
End total debt to asset ratio	50 %	47 %	44 %	47 %	51 %	55 %
Nonfarm Information						
Net nonfarm income	34,757	27,483	19,381	16,423	16,408	13,865
Farms reporting living expenses	11	18	42	24	14	1
Total family living expense	24,277	21,223	25,585	40,875	41,287	-
Total living, invest, & capital	26,052	37,335	42,286	50,483	56,484	-
Crop Acres						
Total acres owned	154	250	328	502	641	703
Total crop acres	146	234	444	1,005	2,018	1,900
Total crop acres owned	78	113	194	390	537	589
Total crop acres cash rented	61	112	241	588	1,426	1,312
Total crop acres share rented	7	9	9	27	55	-

Financial Summary
Northland & Central Lakes Community and Technical Colleges
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	462	92	93	93
Income Statement				
Gross cash farm income	317,821	248,958	190,131	683,374
Total cash farm expense	274,250	239,267	168,500	560,163
Net cash farm income	43,571	9,692	21,631	123,211
Inventory change	13,979	-19,566	10,415	65,636
Depreciation and capital adjust	-17,994	-25,916	-10,371	-27,420
Net farm income	39,556	-35,791	21,674	161,427
Profitability (cost)				
Labor and management earnings	18,443	-48,315	7,316	117,596
Rate of return on assets	4.5 %	-6.0 %	2.8 %	10.6 %
Rate of return on equity	2.8 %	-29.9 %	-0.6 %	14.9 %
Operating profit margin	11.8 %	-21.1 %	8.6 %	22.7 %
Asset turnover rate	38.6 %	28.5 %	32.9 %	46.4 %
Liquidity				
Ending current ratio	1.28	0.92	1.20	1.57
Ending working capital	36,124	-9,701	15,099	135,251
End working capital to gross inc	11.4 %	-3.9 %	7.9 %	19.8 %
Term debt coverage ratio	115.4 %	20.9 %	95.3 %	173.6 %
Expense as a percent of income	82.9 %	104.1 %	84.1 %	74.8 %
Interest as a percent of income	7.0 %	9.9 %	7.7 %	5.8 %
Solvency (cost)				
Number of farms	462	92	93	93
Ending farm assets	772,460	613,229	514,750	1,527,804
Ending farm liabilities	411,554	428,916	268,745	743,731
Ending total assets	872,807	711,165	607,700	1,660,278
Ending total liabilities	436,350	451,114	292,234	777,323
Ending net worth	436,458	260,051	315,466	882,955
Net worth change	32,559	-19,208	24,377	113,939
Ending farm debt to asset ratio	53 %	70 %	52 %	49 %
Beg total debt to asset ratio	49 %	57 %	49 %	49 %
End total debt to asset ratio	50 %	63 %	48 %	47 %
Solvency (market)				
Number of farms	462	92	93	93
Ending farm assets	931,270	751,051	629,684	1,773,442
Ending farm liabilities	479,934	479,458	306,337	879,556
Ending total assets	1,043,797	858,638	728,221	1,936,339
Ending total liabilities	507,108	504,211	330,749	919,177
Ending net worth	536,689	354,427	397,472	1,017,163
Net worth change	45,046	3,436	34,455	117,719
Ending farm debt to asset ratio	52 %	64 %	49 %	50 %
Beg total debt to asset ratio	48 %	55 %	46 %	49 %
End total debt to asset ratio	49 %	59 %	45 %	47 %
Nonfarm Information				
Net nonfarm income	21,156	32,344	18,511	10,362
Farms reporting living expenses	110	19	24	23
Total family living expense	30,258	26,682	27,287	39,659
Total living, invest, & capital	43,470	47,167	33,926	58,997
Crop Acres				
Total acres owned	387	324	271	633
Total crop acres	744	543	464	1,524
Total crop acres owned	269	189	168	528
Total crop acres cash rented	458	330	289	978
Total crop acres share rented	17	24	7	18

Selected Factors by County Group



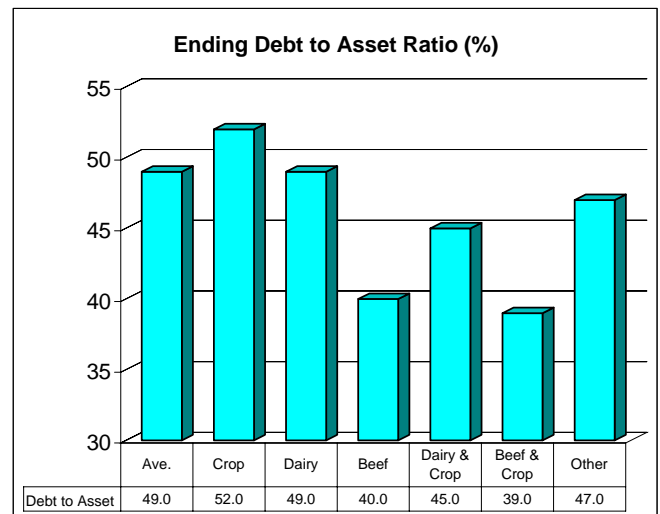
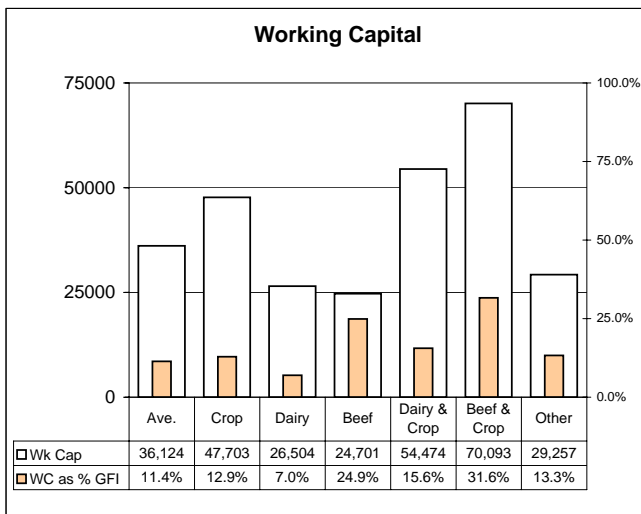
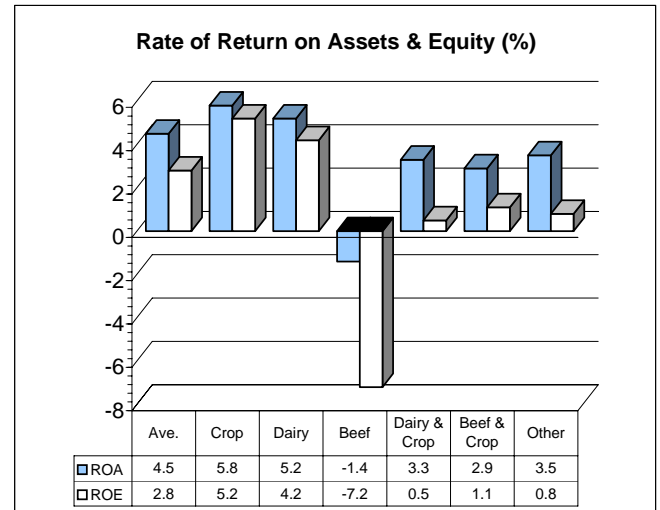
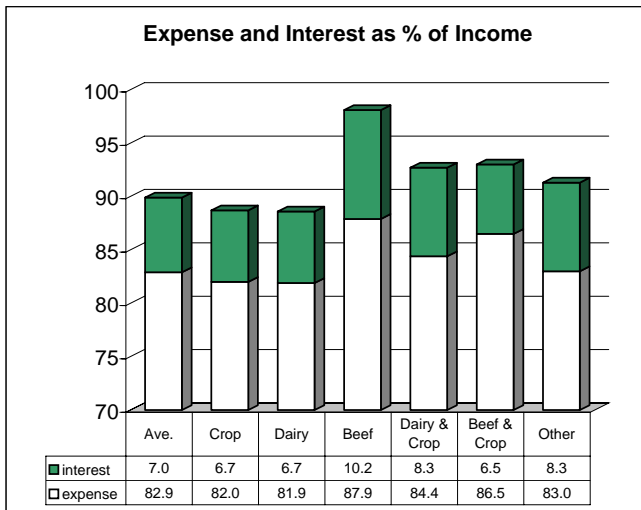
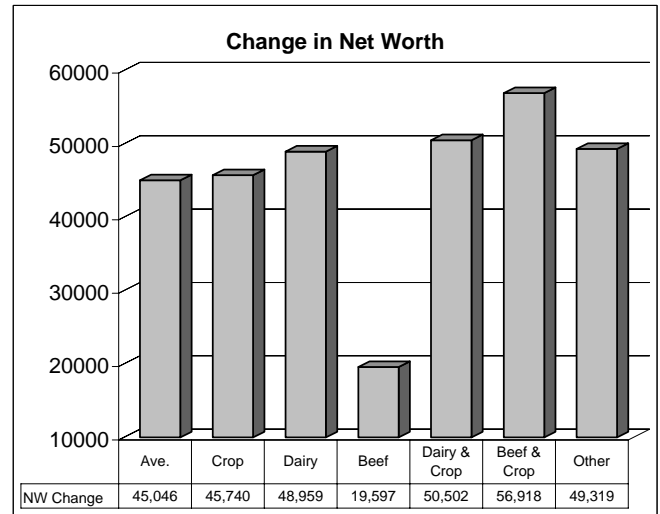
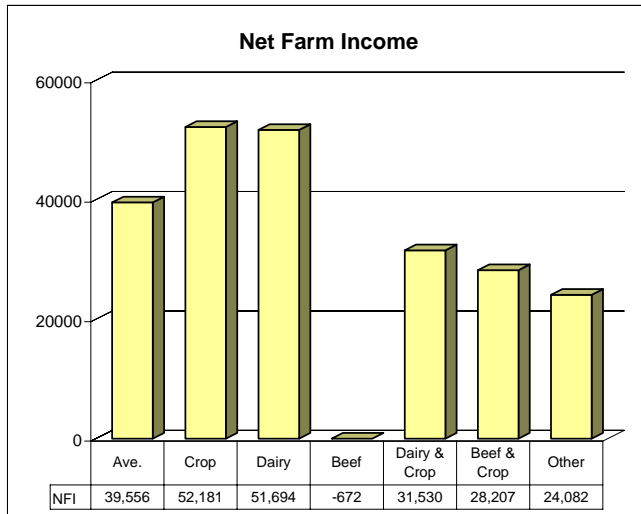
County #	1	2	3	4	5	6	7	8	9
Counties	All Farms	Kittson Roseau Marshall	Pennington Polk Red Lake	Clay Mahnommen Norman Wilkin	Becker Otter Tail Wadena Todd Douglas Grant	Beltrami Clearwater Koochiching LOW	Aitkin Cass Carlton Crow Wing Hubbard Itasca St. Louis	Isanti Kanabec Mille Lacs Pine Sherburne Washington	Benton Morrison Stearns

Financial Summary Northland and Central Lakes Community & Technical Colleges County Group Summary										
	Average	Kitson Roseau Marshall	Pennington Polk Red Lake	Clay Mahnonen Norman Wilkin	Becker Douglas, Grant Otter Tail Todd Wadena	Beltrami Clearwater Koochiching Lake of Woods	Altkin, Cass Carlton Crow Wing Hubbard, Itasca St. Louis	Isanti Kanabec Mille Lacs, Pine Sherburne Washington	Benton Morrison Steamson	
Income Statement	462	38	86	52	113	36	22	51	64	
Number of Farms										
Gross Cash Farm Income	317,821	295,789	397,823	300,529	222,903	161,330	221,501	228,048	597,709	
Total Cash Farm Expense	274,250	283,398	342,833	263,783	189,681	136,530	187,789	202,740	498,654	
Net Cash Farm Income	43,571	12,391	54,990	36,747	33,222	24,800	33,712	25,309	99,055	
Inventory Change	13,979	70,406	11,640	15,722	11,972	-3,715	-8,836	7,020	9,085	
Dep & Capital Adjustment	-17,994	-16,656	-22,715	-13,931	-12,063	-13,615	-13,820	-18,115	-30,017	
Net Farm Income	39,556	66,140	43,915	38,538	33,130	7,469	11,057	14,215	78,123	
Profitability (Cost)										
Labor & Management Earnings	18,443	43,339	20,499	16,741	18,728	-6,273	-6,702	-570	39,475	
Rate of Return on Assets	4.50%	7.10%	4.50%	4.40%	5.20%	-0.80%	1.10%	1.70%	5.90%	
Rate of Return on Equity	2.80%	8.80%	2.50%	2.40%	4.40%	-6.70%	-3.20%	-5.50%	5.30%	
Operating Profit Margin	11.80%	15.30%	9.40%	10.70%	14.10%	-2.60%	3.90%	5.50%	17.10%	
Asset Turnover Rate	38.60%	46.30%	47.70%	41.00%	36.60%	30.60%	29.00%	30.80%	34.30%	
Liquidity										
Ending current ratio	1.28	1.45	1.22	1.19	1.55	1.23	1.45	1.24	1.16	
Ending working capital	36,124	77,178	43,539	31,145	37,041	15,439	29,914	25,768	26,233	
End working capital to gross inc	11.40%	26.10%	10.90%	10.40%	16.60%	9.60%	13.50%	11.30%	4.40%	
Term Debt Coverage Ratio	115.40%	168.90%	120.70%	118.70%	121.90%	113.10%	83.40%	75.60%	110.80%	
Expense as a Percent of Income	82.90%	77.40%	84.00%	83.60%	81.10%	87.20%	88.40%	86.30%	82.50%	
Interest as a Percent of Income	7.00%	5.90%	6.40%	7.20%	7.00%	7.20%	7.30%	9.80%	6.90%	
Solvency (Market)										
Number of Farms	462	38	86	52	113	36	22	51	64	
Ending Farm Assets	931,270	1,022,361	962,960	916,166	691,804	580,328	714,498	894,739	1,570,714	
Ending Farm Liabilities	479,934	527,797	530,348	429,344	346,103	267,738	326,956	504,707	813,378	
Ending Total Assets	1,043,797	1,166,289	1,052,049	1,070,844	770,227	670,460	830,276	1,036,360	1,710,351	
Ending Total Liabilities	507,108	558,887	553,854	472,072	364,393	281,451	339,142	545,084	848,405	
Ending Net Worth	536,689	607,402	498,195	598,772	405,834	389,009	491,134	491,276	861,946	
Net Worth Change	45,046	50,799	36,552	78,934	38,702	28,623	24,770	17,494	74,877	
Ending Farm Debt to Asset Ratio	52%	52%	55%	47%	50%	46%	46%	56%	52%	
Beg Total Debt to Asset Ratio	48%	47%	53%	45%	47%	40%	41%	51%	48%	
End Total Debt to Asset Ratio	49%	48%	53%	44%	47%	42%	41%	53%	50%	
Nonfarm Information										
Net Nonfarm Income	21,156	24,859	23,777	27,107	14,882	26,336	25,911	18,718	19,071	
Farm Reporting Liv Expenses	110	-	14	13	34	-	-	21	20	
Total Family Living Expense	30,258	-	41,229	31,897	28,171	-	-	33,369	19,511	
Total Liv, Invest, & Cap Purch	43,470	-	55,581	38,280	35,909	-	-	55,941	39,933	
Crop Acres										
Total Acres Owned	387	935	497	476	216	452	258	233	274	
Total Crop Acres	744	1,593	1,429	936	345	400	484	430	398	
Total Crop Acres Owned	269	785	429	319	128	182	104	122	177	
Total Crop Acres Cash Rented	458	768	946	612	215	215	355	302	217	
Total Crop Acres Share Rent	17	40	55	6	2	2	24	5	3	

Financial Summary
Northland & Central Lakes Community and Technical Colleges
(Farms Sorted By Farm Type)

	<u>Avg. Of All Farms</u>	<u>Crop</u>	<u>Dairy</u>	<u>Beef</u>	<u>Crop and Dairy</u>	<u>Crop and Beef</u>	<u>Other</u>
Number of farms	462	131	164	47	23	21	70
Income Statement							
Gross cash farm income	317,821	369,225	376,176	99,286	349,953	221,803	220,445
Total cash farm expense	274,250	328,241	311,609	85,877	293,180	206,773	195,301
Net cash farm income	43,571	40,984	64,567	13,408	56,773	15,030	25,143
Inventory change	13,979	32,380	5,797	-1,387	-1,558	18,027	15,253
Depreciation and capital adjust	-17,994	-21,183	-18,670	-12,694	-23,686	-4,850	-16,314
Net farm income	39,556	52,181	51,694	-672	31,530	28,207	24,082
Profitability (cost)							
Labor and management earnings	18,443	31,170	27,691	-13,851	2,964	2,413	7,170
Rate of return on assets	4.5%	5.8%	5.2%	-1.4%	3.3%	2.9%	3.5%
Rate of return on equity	2.8%	5.2%	4.2%	-7.2%	0.5%	1.1%	0.8%
Operating profit margin	11.8%	11.2%	14.4%	-8.4%	10.5%	10.0%	11.8%
Asset turnover rate	38.6%	52.3%	36.0%	17.2%	31.8%	28.6%	30.1%
Liquidity							
Ending current ratio	1.28	1.23	1.29	1.4	1.42	1.56	1.26
Ending working capital	36,124	47,703	26,504	24,701	54,474	70,093	29,257
End working capital to gross inc	11.4%	12.9%	7.0%	24.9%	15.6%	31.6%	13.3%
Term debt coverage ratio	115.4%	139.6%	106.8%	95.5%	90.6%	115.9%	118.9%
Expense as a percent of income	82.9%	82.0%	81.9%	87.9%	84.4%	86.5%	83.0%
Interest as a percent of income	7.0%	6.7%	6.7%	10.2%	8.3%	6.5%	8.3%
Solvency (cost)							
Number of farms	462	131	164	47	23	21	70
Ending farm assets	772,460	835,983	858,583	414,362	991,739	754,244	639,162
Ending farm liabilities	411,554	475,744	448,093	190,743	518,325	307,234	347,326
Ending total assets	872,807	960,324	939,389	494,794	1,137,407	854,321	741,032
Ending total liabilities	436,350	510,946	469,263	208,621	545,192	326,230	367,983
Ending net worth	436,458	449,378	470,126	286,173	592,216	528,091	373,049
Net worth change	32,559	37,332	33,790	12,501	10,136	38,714	42,761
Ending farm debt to asset ratio	53%	57%	52%	46%	52%	41%	54%
Beg total debt to asset ratio	49%	53%	49%	40%	45%	37%	52%
End total debt to asset ratio	50%	53%	50%	42%	48%	38%	50%
Solvency (market)							
Number of farms	462	131	164	47	23	21	70
Ending farm assets	931,270	988,800	1,019,435	513,361	1,261,176	908,514	815,239
Ending farm liabilities	479,934	553,691	515,742	223,245	616,472	382,175	411,594
Ending total assets	1,043,797	1,138,152	1,106,116	601,900	1,420,051	1,021,042	923,398
Ending total liabilities	507,108	593,353	538,460	242,726	645,038	403,195	433,656
Ending net worth	536,689	544,799	567,655	359,173	775,013	617,847	489,742
Net worth change	45,046	45,740	48,959	19,597	50,502	56,918	49,319
Ending farm debt to asset ratio	52%	56%	51%	43%	49%	42%	50%
Beg total debt to asset ratio	48%	52%	48%	39%	44%	38%	49%
End total debt to asset ratio	49%	52%	49%	40%	45%	39%	47%
Nonfarm Information							
Net nonfarm income	21,156	24,218	11,407	39,919	16,667	26,466	24,969
Farms reporting living expenses	110	29	44	6	7	5	18
Total family living expense	30,258	35,380	28,040	23,580	42,932	16,642	28,872
Total living, invest, & capital	43,470	51,458	44,348	25,039	43,326	20,697	41,801
Crop Acres							
Total acres owned	387	597	236	328	419	488	364
Total crop acres	744	1,591	298	282	750	797	527
Total crop acres owned	269	516	133	123	287	309	217
Total crop acres cash rented	458	1,029	162	147	463	471	304
Total crop acres share rented	17	46	3	12	-	18	6

Selected Factors by Type of Farm



Financial Summary
Northland & Central Lakes Community and Technical Colleges
(Farms Sorted By Total Crop Acres)

	Less than 100	101 - 250	251 - 500	501 - 1,000	1,001 - 1,500	1,501 - 2,000	2,001 - 5,000
Number of farms	68	99	107	76	43	21	46
Income Statement							
Gross cash farm income	168,280	138,724	205,550	333,548	466,131	990,013	656,653
Total cash farm expense	150,194	115,970	170,394	281,368	420,766	858,035	581,172
Net cash farm income	18,085	22,754	35,156	52,180	45,366	131,978	75,481
Inventory change	6,754	328	3,613	3,970	32,380	58,242	61,944
Depreciation and capital adjust	-13,575	-7,941	-14,144	-21,690	-23,956	-29,511	-34,325
Net farm income	11,265	15,142	24,625	34,460	53,790	160,708	103,099
Profitability (cost)							
Labor and management earnings	4,397	2,959	5,911	8,155	24,936	117,814	64,888
Rate of return on assets	2.2 %	1.9 %	2.9 %	3.2 %	4.5 %	9.7 %	7.2 %
Rate of return on equity	-6.2 %	-1.8 %	0.1 %	0.4 %	2.1 %	14.3 %	8.2 %
Operating profit margin	6.6 %	7.5 %	10.9 %	9.8 %	10.3 %	18.5 %	13.3 %
Asset turnover rate	32.8 %	25.5 %	27.0 %	33.1 %	43.8 %	52.4 %	54.3 %
Liquidity							
Ending current ratio	1.04	1.37	1.35	1.33	1.23	1.27	1.26
Ending working capital	2,167	17,194	26,014	42,115	48,316	82,684	92,937
End working capital to gross inc	1.3 %	12.4 %	12.7 %	12.6 %	10.4 %	8.4 %	14.2 %
Term debt coverage ratio	108.0 %	96.2 %	96.7 %	104.6 %	110.4 %	137.7 %	152.4 %
Expense as a percent of income	86.4 %	83.9 %	81.6 %	83.6 %	84.7 %	81.7 %	80.9 %
Interest as a percent of income	7.7 %	8.0 %	8.1 %	7.7 %	6.8 %	5.7 %	5.9 %
Solvency (cost)							
Number of farms	68	99	107	76	43	21	46
Ending farm assets	383,511	428,199	618,503	885,776	1,064,895	1,773,134	1,419,100
Ending farm liabilities	273,673	221,591	301,770	445,222	569,932	999,492	747,785
Ending total assets	437,881	524,490	713,049	990,787	1,182,593	1,967,711	1,543,779
Ending total liabilities	295,475	242,983	321,798	461,681	605,709	1,078,350	775,327
Ending net worth	142,406	281,506	391,250	529,106	576,884	889,361	768,452
Net worth change	8,422	19,192	20,261	30,102	45,730	128,458	73,561
Ending farm debt to asset ratio	71 %	52 %	49 %	50 %	54 %	56 %	53 %
Beg total debt to asset ratio	62 %	46 %	44 %	46 %	51 %	57 %	51 %
End total debt to asset ratio	67 %	46 %	45 %	47 %	51 %	55 %	50 %
Solvency (market)							
Number of farms	68	99	107	76	43	21	46
Ending farm assets	451,427	574,837	763,508	1,052,443	1,264,398	2,041,039	1,647,279
Ending farm liabilities	297,333	260,674	354,253	523,519	676,873	1,128,642	893,103
Ending total assets	510,687	679,047	865,368	1,168,541	1,390,375	2,327,096	1,785,415
Ending total liabilities	319,918	284,018	375,911	542,332	713,657	1,224,772	922,699
Ending net worth	190,769	395,029	489,457	626,209	676,718	1,102,324	862,717
Net worth change	12,653	33,940	37,677	45,351	64,941	120,000	81,152
Ending farm debt to asset ratio	66 %	45 %	46 %	50 %	54 %	55 %	54 %
Beg total debt to asset ratio	58 %	42 %	43 %	47 %	51 %	54 %	52 %
End total debt to asset ratio	63 %	42 %	43 %	46 %	51 %	53 %	52 %
Nonfarm Information							
Net nonfarm income	19,689	28,877	19,022	19,678	15,792	20,703	19,571
Farms reporting living expenses	15	33	24	14	12	2	10
Total family living expense	31,522	27,875	25,141	23,782	38,804	-	43,376
Total living, invest, & capital	39,688	48,596	37,452	28,735	46,614	-	59,264
Crop Acres							
Total acres owned	97	221	303	432	599	557	958
Total crop acres	24	174	355	717	1,256	1,722	2,834
Total crop acres owned	12	96	186	260	469	483	895
Total crop acres cash rented	12	76	162	445	772	1,170	1,852
Total crop acres share rented	-	2	7	12	14	68	86

Individual Enterprise Analysis Tables

The individual crop and livestock tables are designed to identify the costs and returns for specific enterprises on the farm. Data from all farmers with each enterprise is merged. The minimum number of farms, in order to print a given column on the following reports, is five (5). This enables the necessary level of confidentiality for publication of this information.

Costs such as fertilizer, chemicals, seed, crop drying expenses, hired labor, and custom hire are costs that are assigned to each individual crop. These costs are shown in the crop enterprise analysis as *Direct Costs*.

Other costs, called *Overhead Costs*, are divided out by formula. Overhead costs are assigned by an allocation factor to each enterprise. The allocation factor is based on historical data of labor and capital intensity.

There are a couple of subtle differences between the Owned Land and Cash Rented Land tables. Naturally, on cash rented land, the actual cost of renting the land is reported in the direct cost section. On the owned land, the land cost consists of three different lines of information in the overhead cost section. The two costs that would be included for owned land are: real-estate taxes, and interest on long-term debt.

The livestock reports have a format similar to the crop reports. Production information is listed at the top of each table. This will include animal or product sales, purchases, sales, transfers, and inventory change.

The *Direct Costs* include costs that are assigned to the enterprise, including items such as: feed, veterinary, breeding, marketing, hired labor, fuel & repairs, and livestock supplies. The *Overhead Costs* include formula-assigned costs, including items such as: depreciation, interest, utilities, and insurances.

At the bottom of each livestock report, there is a list of selected factors for each enterprise. These factors are a combination of production indicators and efficiency indicators.

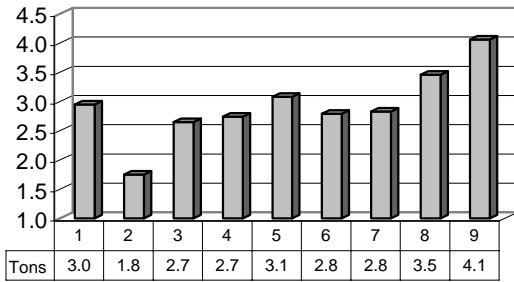
Towards the bottom of both the crop and livestock enterprise tables, are four (4) factors that show varying levels of Cost of Production. Those factors include a cost of production based on: direct costs, overhead & direct costs, total cost less government payments and/or other revenue, and total cost including labor & management.

Machinery Cost per Acre was added as a new expense category in FINPACK in 2005. The Machinery Cost per Acre includes: Fuel & Oil, Repairs, Custom hire, Machinery leases, Interest on machinery debt, and Machinery depreciation. Below is a machinery cost summary for five prominent Northern Minnesota crops.

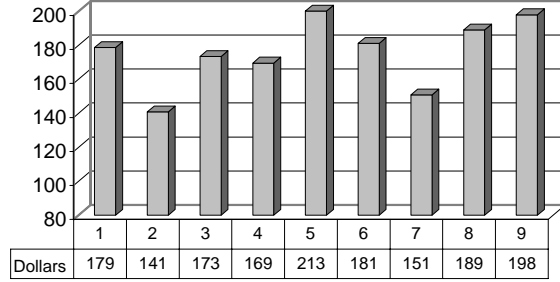
Machinery Cost per Acre			
Crop	2005	2006	2-year Average
Alfalfa Hay	\$ 102.03	\$ 101.39	\$ 101.71
Corn	\$ 84.32	\$ 89.89	\$ 87.11
Corn Silage	\$ 113.77	\$ 110.61	\$ 112.19
Soybeans	\$ 52.28	\$ 53.95	\$ 53.12
Spring Wheat	\$ 49.50	\$ 53.65	\$ 51.58

Crop Yields and Total Listed Cost by County Group

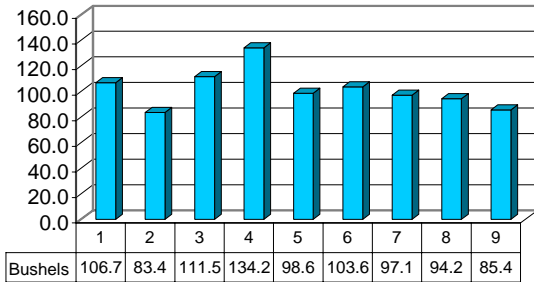
**Alfalfa Hay Yields
(cash rented land)**



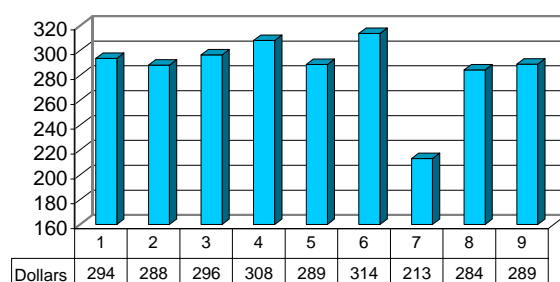
**Alfalfa Hay Total Listed Cost
(cash rented land)**



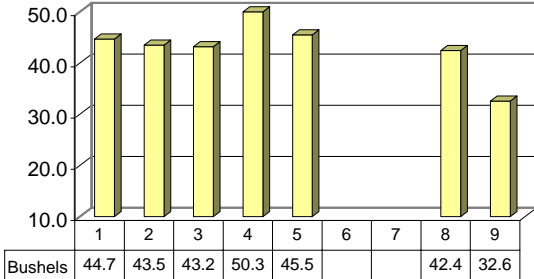
**Corn Yields
(cash rented land)**



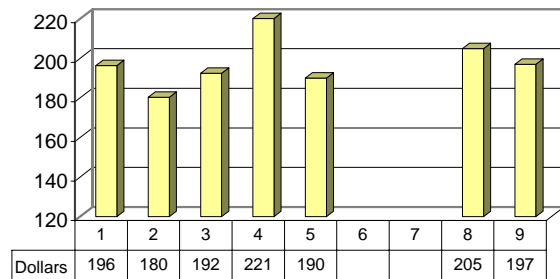
**Corn Total Listed Cost
(cash rented land)**



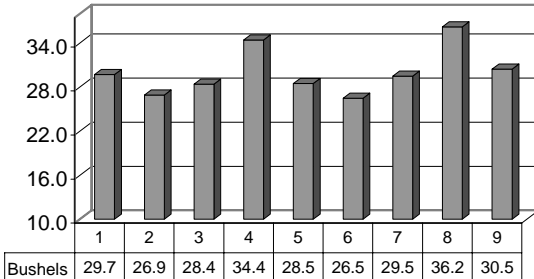
**Spring Wheat Yields
(cash rented land)**



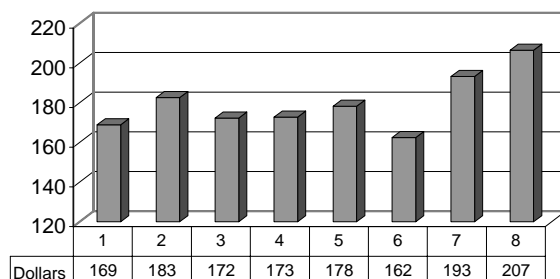
**Spring Wheat Total Listed Cost
(cash rented land)**



**Soybeans Yields
(cash rented land)**



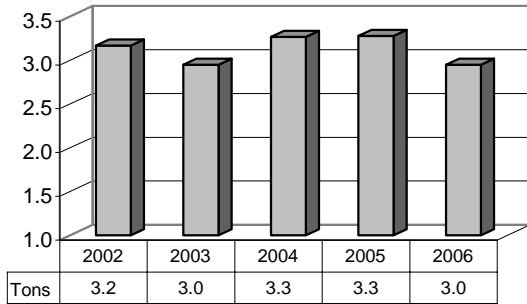
**Soybeans Total Listed Cost
(cash rented land)**



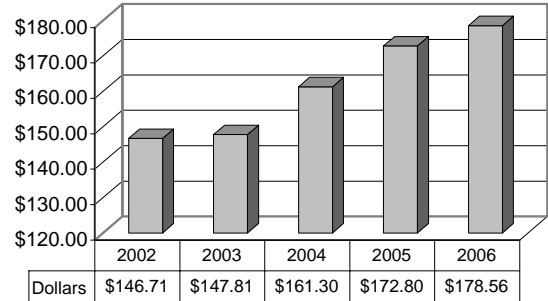
County #	1	2	3	4	5	6	7	8	9
Counties	All Farms	Kittson Roseau Marshall	Pennington Polk Red Lake	Clay Mahnommen Norman Wilkin	Becker, Douglas, Grant, Otter Tail, Todd, Wadena	Beltrami Clearwater Koochiching Lake of Woods	Aitkin, Cass, Carlton, Crow Wing, Hubbard, Itasca, St. Louis	Isanti, Kanabec, Mille Lacs, Pine, Sherburne, Washington	Benton Morrison Stearns

Five Year History of Crop Yields and Cost of Production

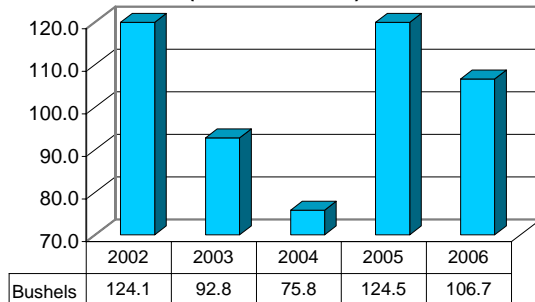
**Alfalfa Hay Yields
(cash rented land)**



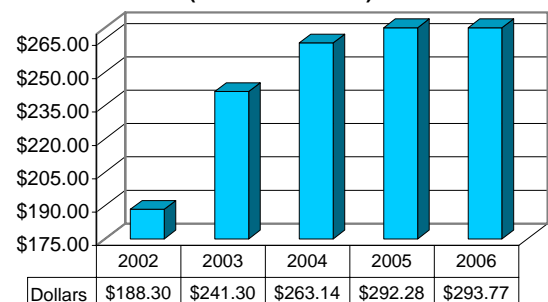
**Alfalfa Hay Total Listed Cost
(cash rented land)**



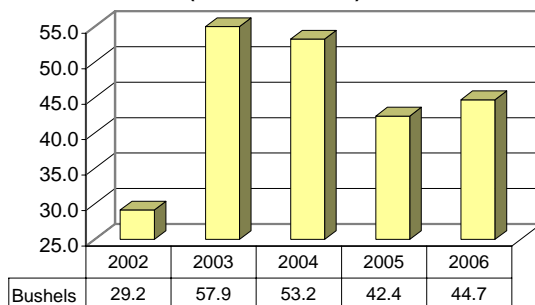
**Corn Yields
(cash rented land)**



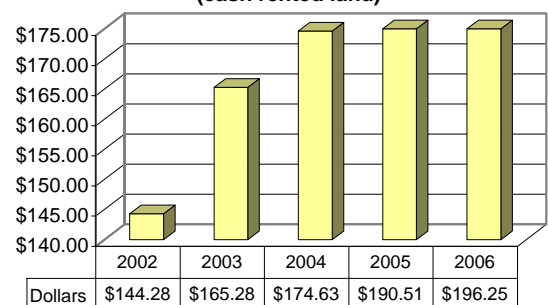
**Corn Total Listed Cost
(cash rented land)**



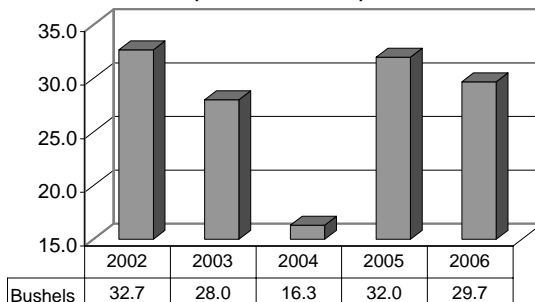
**Spring Wheat Yields
(cash rented land)**



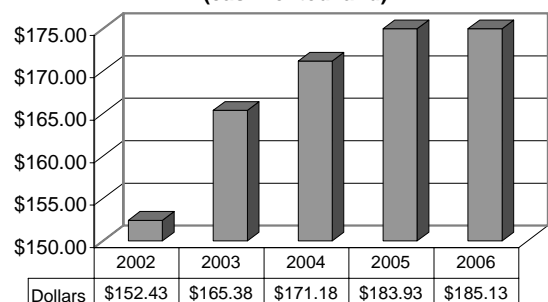
**Spring Wheat Total Listed Cost
(cash rented land)**



**Soybeans Yields
(cash rented land)**



**Soybeans Total Listed Cost
(cash rented land)**



Crop Enterprise Analysis
Northland & Central Lakes Community and Technical Colleges
(Farms Sorted By Return to Overhead)

Corn on Owned Land

	<u>Avg. Of All Farms</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of fields	111	21	26
Number of farms	99	20	20
Acres	91.69	46.73	105.49
Yield per acre (bu.)	110.94	98.47	135.86
Operators share of yield %	100.00	100.00	100.00
Value per bu.	2.73	2.53	2.90
Total product return per acre	302.61	249.06	393.58
Miscellaneous income per acre	16.95	22.96	29.61
Gross return per acre	319.55	272.02	423.19
Direct Expenses			
Seed	39.07	36.02	40.76
Fertilizer	53.54	35.83	58.68
Crop chemicals	16.50	22.29	18.96
Crop insurance	10.60	6.96	10.49
Drying fuel	6.93	4.23	9.79
Fuel & oil	22.48	26.96	21.58
Repairs	26.40	29.05	24.74
Custom hire	2.79	3.66	3.18
Machinery leases	0.34	-	0.92
Operating interest	9.05	5.92	12.74
Miscellaneous	1.42	3.20	0.71
Total direct expenses per acre	189.12	174.11	202.55
Return over direct exp per acre	130.43	97.91	220.64
Overhead Expenses			
Custom hire	2.99	1.48	1.69
Hired labor	9.53	9.39	9.63
Machinery leases	2.11	0.66	4.35
Building leases	0.19	1.34	0.01
RE & pers. property taxes	7.79	5.40	8.41
Farm insurance	4.26	2.60	4.04
Utilities	3.42	3.18	4.86
Dues & professional fees	2.55	0.41	5.01
Interest	38.39	31.33	34.52
Mach & bldg depreciation	26.50	33.93	24.25
Miscellaneous	3.78	4.83	4.05
Total overhead expenses per acre	101.51	94.55	100.83
Total dir & ovhd expenses per acre	290.64	268.66	303.38
Net return per acre	28.92	3.36	119.81
Government payments	17.02	18.88	18.70
Net return with govt pmts	45.94	22.25	138.51
Labor & management charge	29.92	34.78	33.32
Net return over lbr & mgt	16.02	-12.54	105.19
Cost of Production			
Total direct expense per bu.	1.70	1.77	1.49
Total dir & ovhd exp per bu.	2.62	2.73	2.23
Less govt & other income	2.31	2.30	1.88
With labor & management	2.58	2.66	2.12
Machinery cost per acre	89.89	99.62	82.77
Est. labor hours per acre	3.61	6.59	3.90

Crop Enterprise Analysis
Northland & Central Lakes Community and Technical Colleges
(Farms Sorted By Return to Overhead)

Corn on Cash Rent

	<u>Avg. Of All Farms</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of fields	160	31	38
Number of farms	120	24	24
Acres	114.63	99.99	79.78
Yield per acre (bu.)	106.68	104.41	126.62
Operators share of yield %	100.00	100.00	100.00
Value per bu.	2.76	2.60	3.06
Total product return per acre	294.11	271.57	387.47
Miscellaneous income per acre	18.21	12.05	23.48
Gross return per acre	312.33	283.62	410.94
Direct Expenses			
Seed	42.08	37.84	38.13
Fertilizer	53.78	43.38	53.42
Crop chemicals	17.39	14.73	17.12
Crop insurance	12.21	10.34	8.26
Drying fuel	5.54	4.83	6.70
Fuel & oil	21.99	22.75	20.21
Repairs	25.12	25.65	26.66
Custom hire	2.31	2.71	2.38
Land rent	44.09	44.30	42.00
Machinery leases	0.77	-	0.88
Operating interest	9.36	5.94	8.37
Miscellaneous	2.02	1.46	3.79
Total direct expenses per acre	236.67	213.94	227.92
Return over direct exp per acre	75.65	69.68	183.03
Overhead Expenses			
Custom hire	2.76	2.68	1.88
Hired labor	8.44	10.18	4.92
Machinery leases	3.19	3.10	4.57
Farm insurance	3.40	2.97	2.60
Utilities	2.99	2.24	3.40
Dues & professional fees	1.50	1.39	2.15
Interest	8.09	9.46	8.76
Mach & bldg depreciation	22.21	18.74	24.99
Miscellaneous	4.53	2.69	2.64
Total overhead expenses per acre	57.10	53.46	55.93
Total dir & ovhd expenses per acre	293.77	267.39	283.85
Net return per acre	18.55	16.23	127.10
Government payments	17.86	21.04	15.24
Net return with govt pmts	36.41	37.27	142.33
Labor & management charge	28.85	29.11	33.72
Net return over lbr & mgt	7.57	8.17	108.62
Cost of Production			
Total direct expense per bu.	2.22	2.05	1.80
Total dir & ovhd exp per bu.	2.75	2.56	2.24
Less govt & other income	2.42	2.24	1.94
With labor & management	2.69	2.52	2.20
Machinery cost per acre	85.35	83.87	88.82
Est. labor hours per acre	3.28	3.92	3.77

Crop Enterprise Analysis
Northland & Central Lakes Community and Technical Colleges
(Farms Sorted By Return to Overhead)

Corn Silage on Owned Land

	<u>Avg. Of All Farms</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of fields	142	27	29
Number of farms	138	27	28
Acres	53.65	62.95	54.04
Yield per acre (ton)	12.32	11.63	16.70
Operators share of yield %	100.00	100.00	100.00
Value per ton	20.97	20.41	21.26
Total product return per acre	258.34	237.44	354.96
Miscellaneous income per acre	31.95	42.77	64.47
Gross return per acre	290.29	280.21	419.43
Direct Expenses			
Seed	36.81	33.93	38.93
Fertilizer	30.61	31.34	23.04
Crop chemicals	23.53	25.43	18.96
Crop insurance	6.76	7.95	7.32
Fuel & oil	28.21	30.13	25.56
Repairs	32.13	31.60	29.66
Custom hire	8.23	8.70	1.64
Machinery leases	0.24	0.76	-
Operating interest	4.09	2.51	3.99
Miscellaneous	6.24	6.47	4.68
Total direct expenses per acre	176.85	178.83	153.78
Return over direct exp per acre	113.44	101.39	265.65
Overhead Expenses			
Custom hire	4.66	2.79	4.51
Hired labor	12.77	19.98	10.25
Machinery leases	1.76	1.61	2.82
Building leases	0.64	0.07	2.77
RE & pers. property taxes	5.75	5.94	6.32
Farm insurance	3.64	2.91	3.20
Utilities	3.16	3.13	3.91
Dues & professional fees	1.09	0.22	2.08
Interest	33.78	36.16	32.58
Mach & bldg depreciation	28.65	31.41	30.85
Miscellaneous	3.85	3.01	4.75
Total overhead expenses per acre	99.74	107.23	104.03
Total dir & ovhd expenses per acre	276.59	286.06	257.81
Net return per acre	13.70	-5.84	161.62
Government payments	17.91	18.93	22.01
Net return with govt pmts	31.61	13.09	183.63
Labor & management charge	32.81	34.75	33.11
Net return over lbr & mgt	-1.21	-21.66	150.52
Cost of Production			
Total direct expense per ton	14.35	15.37	9.21
Total dir & ovhd exp per ton	22.45	24.59	15.44
Less govt & other income	18.40	19.28	10.26
With labor & management	21.07	22.27	12.24
Machinery cost per acre	110.61	111.93	103.50
Est. labor hours per acre	5.77	5.69	5.65

Crop Enterprise Analysis
Northland & Central Lakes Community and Technical Colleges
(Farms Sorted By Return to Overhead)

Corn Silage on Cash Rent

	<u>Avg. Of All Farms</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of fields	115	23	23
Number of farms	111	22	23
Acres	82.41	74.43	145.18
Yield per acre (ton)	13.87	11.81	19.13
Operators share of yield %	100.00	100.00	100.00
Value per ton	20.98	20.00	21.16
Total product return per acre	290.90	236.18	404.74
Miscellaneous income per acre	38.07	32.77	40.40
Gross return per acre	328.97	268.95	445.14
Direct Expenses			
Seed	40.22	35.74	43.01
Fertilizer	31.29	37.19	23.26
Crop chemicals	24.86	23.05	19.30
Crop insurance	7.98	8.86	6.67
Fuel & oil	30.29	28.15	32.94
Repairs	36.97	30.76	44.51
Custom hire	5.10	2.61	1.10
Land rent	35.97	30.32	47.63
Operating interest	5.59	2.83	7.03
Miscellaneous	5.10	1.63	2.83
Total direct expenses per acre	223.37	201.16	228.28
Return over direct exp per acre	105.60	67.79	216.86
Overhead Expenses			
Custom hire	7.62	2.12	9.81
Hired labor	19.80	18.31	22.55
Machinery leases	4.55	1.68	8.22
Building leases	0.80	0.07	1.00
Farm insurance	3.51	2.67	3.97
Utilities	2.83	2.39	2.79
Dues & professional fees	0.78	0.52	1.32
Interest	12.65	8.37	17.01
Mach & bldg depreciation	25.70	23.48	27.25
Miscellaneous	3.22	2.51	1.71
Total overhead expenses per acre	81.47	62.12	95.64
Total dir & ovhd expenses per acre	304.83	263.29	323.92
Net return per acre	24.13	5.66	121.21
Government payments	19.95	19.04	24.37
Net return with govt pmts	44.08	24.70	145.58
Labor & management charge	27.65	33.83	22.32
Net return over lbr & mgt	16.43	-9.13	123.26
Cost of Production			
Total direct expense per ton	16.11	17.03	11.93
Total dir & ovhd exp per ton	21.98	22.29	16.93
Less govt & other income	17.80	17.90	13.55
With labor & management	19.79	20.77	14.71
Machinery cost per acre	120.93	95.46	139.34
Est. labor hours per acre	6.10	5.72	5.88

Crop Enterprise Analysis
Northland & Central Lakes Community and Technical Colleges
(Farms Sorted By Return to Overhead)

Hay, Alfalfa on Owned Land

	<u>Avg. Of All Farms</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of fields	128	24	23
Number of farms	114	23	23
Acres	57.57	63.74	62.48
Yield per acre (ton)	3.15	3.08	4.86
Operators share of yield %	100.00	100.00	100.00
Value per ton	80.15	78.07	87.99
Total product return per acre	252.41	240.40	427.55
Miscellaneous income per acre	4.95	1.19	-
Gross return per acre	257.36	241.58	427.55
Direct Expenses			
Seed	0.35	0.89	0.14
Fertilizer	18.14	23.41	11.20
Crop chemicals	0.58	-	0.79
Crop insurance	1.88	2.29	1.26
Fuel & oil	26.50	23.32	24.56
Repairs	29.87	27.04	28.51
Custom hire	3.52	-	6.67
Machinery leases	0.52	-	2.61
Operating interest	4.39	7.56	4.19
Miscellaneous	3.74	1.84	5.52
Total direct expenses per acre	89.48	86.35	85.44
Return over direct exp per acre	167.88	155.23	342.11
Overhead Expenses			
Custom hire	5.48	5.85	7.38
Hired labor	8.36	7.17	18.19
Machinery leases	3.04	0.90	1.01
Building leases	1.16	4.03	0.41
RE & pers. property taxes	5.71	6.84	4.93
Farm insurance	4.11	3.77	4.02
Utilities	3.34	3.60	2.21
Dues & professional fees	1.22	1.62	0.72
Interest	24.72	25.64	27.65
Mach & bldg depreciation	25.19	25.22	27.19
Miscellaneous	3.21	3.90	3.01
Total overhead expenses per acre	85.53	88.53	96.73
Total dir & ovhd expenses per acre	175.02	174.88	182.17
Net return per acre	82.34	66.70	245.38
Government payments	16.70	16.62	20.16
Net return with govt pmts	99.04	83.33	265.54
Labor & management charge	32.83	29.31	29.54
Net return over lbr & mgt	66.20	54.01	236.00
Cost of Production			
Total direct expense per ton	28.41	28.04	17.58
Total dir & ovhd exp per ton	55.58	56.79	37.49
Less govt & other income	48.70	51.01	33.34
With labor & management	59.13	60.53	39.42
Machinery cost per acre	101.39	91.25	106.57
Est. labor hours per acre	4.91	4.02	6.52

Crop Enterprise Analysis
Northland & Central Lakes Community and Technical Colleges
(Farms Sorted By Return to Overhead)

Hay, Alfalfa on Cash Rent

	<u>Avg. Of All Farms</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of fields	112	21	20
Number of farms	98	19	20
Acres	71.27	56.52	58.39
Yield per acre (ton)	2.95	3.02	4.79
Operators share of yield %	100.00	100.00	100.00
Value per ton	77.86	71.64	89.34
Total product return per acre	229.97	216.52	427.83
Miscellaneous income per acre	4.45	1.05	-
Gross return per acre	234.43	217.58	427.83
Direct Expenses			
Seed	0.55	2.17	0.03
Fertilizer	17.46	19.79	12.43
Crop chemicals	0.67	-	2.42
Crop insurance	1.75	0.55	0.93
Fuel & oil	25.10	22.48	26.38
Repairs	28.20	24.61	31.80
Custom hire	4.36	1.64	10.06
Land rent	31.59	27.73	37.63
Machinery leases	0.09	-	0.55
Operating interest	5.28	4.07	3.72
Miscellaneous	3.14	1.85	7.74
Total direct expenses per acre	118.18	104.91	133.71
Return over direct exp per acre	116.25	112.67	294.12
Overhead Expenses			
Custom hire	4.97	4.15	7.19
Hired labor	11.87	9.23	22.63
Machinery leases	2.85	4.50	2.05
Building leases	0.84	1.58	1.69
Farm insurance	3.97	5.03	3.51
Utilities	2.95	2.11	2.69
Dues & professional fees	1.31	1.68	0.62
Interest	7.01	7.83	9.57
Mach & bldg depreciation	21.82	25.69	27.44
Miscellaneous	2.79	2.48	3.79
Total overhead expenses per acre	60.38	64.28	81.17
Total dir & ovhd expenses per acre	178.56	169.19	214.88
Net return per acre	55.87	48.39	212.95
Government payments	14.88	15.92	21.66
Net return with govt pmts	70.75	64.31	234.61
Labor & management charge	26.61	27.24	31.05
Net return over lbr & mgt	44.14	37.07	203.56
Cost of Production			
Total direct expense per ton	40.01	34.71	27.92
Total dir & ovhd exp per ton	60.45	55.98	44.87
Less govt & other income	53.91	50.36	40.35
With labor & management	62.92	59.37	46.83
Machinery cost per acre	93.00	88.09	112.85
Est. labor hours per acre	4.09	4.84	6.07

Crop Enterprise Analysis
Northland & Central Lakes Community and Technical Colleges
(Farms Sorted By Return to Overhead)

Hay, Mixed on Owned Land

	<u>Avg. Of All Farms</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of fields	67	16	12
Number of farms	57	12	12
Acres	76.68	90.94	45.94
Yield per acre (ton)	2.02	1.91	3.42
Operators share of yield %	100.00	100.00	100.00
Value per ton	53.55	51.46	62.72
Total product return per acre	108.20	98.12	214.56
Miscellaneous income per acre	2.17	5.01	-
Gross return per acre	110.37	103.13	214.56
Direct Expenses			
Seed	0.70	0.31	0.76
Fertilizer	15.27	9.69	4.99
Crop insurance	0.60	0.24	-
Fuel & oil	19.76	17.00	16.51
Repairs	22.64	20.20	23.84
Custom hire	0.12	0.02	0.76
Operating interest	2.12	2.03	2.29
Miscellaneous	4.46	3.99	4.42
Total direct expenses per acre	65.68	53.49	53.57
Return over direct exp per acre	44.69	49.64	160.99
Overhead Expenses			
Custom hire	1.64	1.10	2.25
Hired labor	5.72	7.16	6.83
Machinery leases	0.25	0.10	0.57
RE & pers. property taxes	4.85	3.43	6.42
Farm insurance	2.57	1.87	3.11
Utilities	2.32	2.12	2.65
Interest	11.49	12.08	16.09
Mach & bldg depreciation	22.48	23.28	25.83
Miscellaneous	2.63	1.26	3.16
Total overhead expenses per acre	53.95	52.40	66.92
Total dir & ovhd expenses per acre	119.63	105.90	120.49
Net return per acre	-9.26	-2.77	94.07
Government payments	6.09	5.67	8.59
Net return with govt pmts	-3.17	2.90	102.66
Labor & management charge	22.05	19.15	26.34
Net return over lbr & mgt	-25.22	-16.25	76.32
Cost of Production			
Total direct expense per ton	32.50	28.06	15.66
Total dir & ovhd exp per ton	59.20	55.54	35.22
Less govt & other income	55.11	49.94	32.71
With labor & management	66.02	59.98	40.41
Machinery cost per acre	69.75	65.73	71.72
Est. labor hours per acre	2.79	3.00	3.21

Crop Enterprise Analysis
Northland & Central Lakes Community and Technical Colleges
(Farms Sorted By Return to Overhead)

Hay, Mixed on Cash Rent

	<u>Avg. Of All Farms</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of fields	77	13	13
Number of farms	62	13	13
Acres	97.86	173.09	105.49
Yield per acre (ton)	1.95	1.65	2.78
Operators share of yield %	100.00	100.00	100.00
Value per ton	59.11	60.71	66.73
Total product return per acre	115.52	100.06	185.68
Miscellaneous income per acre	4.15	8.29	1.55
Gross return per acre	119.66	108.36	187.23
Direct Expenses			
Seed	0.59	1.27	1.08
Fertilizer	10.83	7.16	6.94
Crop insurance	1.00	1.32	0.07
Fuel & oil	18.20	20.80	20.34
Repairs	21.11	22.40	23.13
Custom hire	2.08	0.01	0.22
Land rent	15.15	8.40	16.86
Operating interest	4.24	5.30	2.45
Miscellaneous	1.94	2.31	2.65
Total direct expenses per acre	75.13	68.96	73.74
Return over direct exp per acre	44.53	39.40	113.49
Overhead Expenses			
Custom hire	1.50	0.11	0.02
Hired labor	6.74	9.01	8.41
Machinery leases	2.41	0.51	8.30
Farm insurance	2.78	2.71	4.08
Utilities	2.59	2.90	2.91
Interest	4.60	5.18	4.64
Mach & bldg depreciation	15.83	15.90	18.62
Miscellaneous	3.46	2.32	3.67
Total overhead expenses per acre	39.91	38.63	50.66
Total dir & ovhd expenses per acre	115.04	107.59	124.40
Net return per acre	4.63	0.77	62.83
Government payments	7.11	4.51	7.27
Net return with govt pmts	11.74	5.28	70.10
Labor & management charge	20.34	18.29	17.64
Net return over lbr & mgt	-8.60	-13.01	52.47
Cost of Production			
Total direct expense per ton	38.44	41.84	26.50
Total dir & ovhd exp per ton	58.86	65.28	44.71
Less govt & other income	53.10	57.51	41.54
With labor & management	63.51	68.60	47.87
Machinery cost per acre	64.54	63.80	73.99
Est. labor hours per acre	3.39	4.04	3.31

Crop Enterprise Analysis
Northland & Central Lakes Community and Technical Colleges
(Farms Sorted By Return to Overhead)

Hay, Grass on Owned Land

	<u>Avg. Of All Farms</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of fields	74	13	14
Number of farms	68	13	14
Acres	26.36	43.26	24.75
Yield per acre (ton)	1.92	2.05	2.64
Operators share of yield %	100.00	100.00	100.00
Value per ton	51.86	48.56	55.97
Total product return per acre	99.68	99.69	147.95
Miscellaneous income per acre	0.49	1.42	0.43
Gross return per acre	100.17	101.11	148.38
Direct Expenses			
Fertilizer	7.36	8.35	1.07
Fuel & oil	13.02	13.76	11.37
Repairs	18.54	15.30	18.65
Custom hire	2.46	4.70	0.56
Operating interest	3.09	4.05	5.05
Miscellaneous	1.72	0.27	1.47
Total direct expenses per acre	46.20	46.43	38.16
Return over direct exp per acre	53.96	54.69	110.22
Overhead Expenses			
Custom hire	2.36	3.08	0.77
Hired labor	5.65	8.33	3.76
Machinery leases	0.68	0.45	0.09
RE & pers. property taxes	5.12	5.43	6.87
Farm insurance	2.26	2.76	2.31
Utilities	1.48	1.35	1.49
Dues & professional fees	0.41	0.51	0.29
Interest	22.63	19.59	21.95
Mach & bldg depreciation	14.82	11.84	15.36
Miscellaneous	1.69	1.00	2.09
Total overhead expenses per acre	57.10	54.35	54.98
Total dir & ovhd expenses per acre	103.30	100.78	93.14
Net return per acre	-3.14	0.33	55.24
Government payments	5.79	1.31	9.75
Net return with govt pmts	2.66	1.64	64.99
Labor & management charge	17.57	14.51	17.21
Net return over lbr & mgt	-14.92	-12.87	47.77
Cost of Production			
Total direct expense per ton	24.04	22.61	14.44
Total dir & ovhd exp per ton	53.75	49.09	35.24
Less govt & other income	50.48	47.76	31.39
With labor & management	59.63	54.82	37.90
Machinery cost per acre	55.64	52.30	51.78
Est. labor hours per acre	3.18	3.18	3.61

Crop Enterprise Analysis
Northland & Central Lakes Community and Technical Colleges
(Farms Sorted By Return to Overhead)

Hay, Grass on Cash Rent

	Avg. Of All Farms	40 - 60%	High 20%
Number of fields	63	13	13
Number of farms	53	10	11
Acres	99.35	65.13	71.15
Yield per acre (ton)	1.66	1.82	2.43
Operators share of yield %	100.00	100.00	100.00
Value per ton	52.42	43.57	63.59
Total product return per acre	87.11	79.44	154.24
Miscellaneous income per acre	-	-	-
Gross return per acre	87.11	79.44	154.24
Direct Expenses			
Fertilizer	5.89	2.77	4.88
Fuel & oil	9.54	9.71	11.35
Repairs	13.39	13.94	11.79
Custom hire	0.90	-	1.37
Land rent	15.41	20.67	21.21
Marketing	0.51	-	-
Operating interest	2.65	2.81	3.43
Miscellaneous	2.29	0.78	2.03
Total direct expenses per acre	50.58	50.69	56.05
Return over direct exp per acre	36.53	28.76	98.19
Overhead Expenses			
Hired labor	3.13	1.39	1.47
Machinery leases	0.77	1.09	1.48
Farm insurance	1.03	1.65	1.23
Utilities	0.80	0.83	1.04
Dues & professional fees	0.25	1.21	0.29
Interest	4.23	2.48	5.97
Mach & bldg depreciation	10.55	12.59	13.28
Miscellaneous	1.72	1.78	1.73
Total overhead expenses per acre	22.48	23.01	26.50
Total dir & ovhd expenses per acre	73.06	73.70	82.55
Net return per acre	14.05	5.74	71.69
Government payments	4.18	7.06	10.85
Net return with govt pmts	18.24	12.80	82.54
Labor & management charge	12.10	20.38	15.38
Net return over lbr & mgt	6.14	-7.58	67.15
Cost of Production			
Total direct expense per ton	30.44	27.80	23.11
Total dir & ovhd exp per ton	43.96	40.42	34.03
Less govt & other income	41.45	36.55	29.56
With labor & management	48.73	47.73	35.90
Machinery cost per acre	38.96	39.23	44.24
Est. labor hours per acre	2.03	3.34	2.96

Crop Enterprise Analysis
Northland & Central Lakes Community and Technical Colleges
(Farms Sorted By Return to Overhead)

Soybeans on Owned Land

	Avg. Of All Farms	40 - 60%	High 20%
Number of fields	159	32	29
Number of farms	131	26	27
Acres	176.84	144.17	204.79
Yield per acre (bu.)	30.37	32.42	36.25
Operators share of yield %	100.00	100.00	100.00
Value per bu.	5.98	6.00	6.23
Total product return per acre	181.72	194.41	225.78
Miscellaneous income per acre	15.29	11.91	25.27
Gross return per acre	197.00	206.32	251.05
Direct Expenses			
Seed	32.13	34.29	32.53
Fertilizer	10.67	12.14	7.20
Crop chemicals	15.83	18.01	15.69
Crop insurance	12.02	11.64	13.84
Fuel & oil	14.87	15.08	15.25
Repairs	15.15	16.43	15.21
Custom hire	2.40	5.62	0.78
Operating interest	4.72	4.54	5.86
Miscellaneous	0.76	0.50	0.48
Total direct expenses per acre	108.56	118.26	106.85
Return over direct exp per acre	88.44	88.06	144.20
Overhead Expenses			
Custom hire	2.80	1.91	2.29
Hired labor	3.94	4.59	5.97
Machinery leases	1.50	1.53	2.27
RE & pers. property taxes	6.15	5.34	7.89
Farm insurance	3.56	2.95	4.14
Utilities	2.39	1.80	2.65
Dues & professional fees	1.74	1.31	2.14
Interest	25.13	24.98	32.75
Mach & bldg depreciation	13.63	13.95	14.94
Miscellaneous	2.22	2.35	1.61
Total overhead expenses per acre	63.06	60.72	76.65
Total dir & ovhd expenses per acre	171.62	178.98	183.50
Net return per acre	25.38	27.34	67.55
Government payments	15.63	17.13	15.84
Net return with govt pmts	41.01	44.47	83.39
Labor & management charge	20.33	18.95	20.32
Net return over lbr & mgt	20.67	25.53	63.08
Cost of Production			
Total direct expense per bu.	3.57	3.65	2.95
Total dir & ovhd exp per bu.	5.65	5.52	5.06
Less govt & other income	4.63	4.62	3.93
With labor & management	5.30	5.21	4.49
Machinery cost per acre	53.95	57.45	55.48
Est. labor hours per acre	1.71	1.88	1.73

Crop Enterprise Analysis
Northland & Central Lakes Community and Technical Colleges
(Farms Sorted By Return to Overhead)

Soybeans on Cash Rent

	<u>Avg. Of All Farms</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of fields	222	46	42
Number of farms	150	30	30
Acres	295.04	402.11	289.12
Yield per acre (bu.)	29.69	29.32	35.67
Operators share of yield %	100.00	100.00	100.00
Value per bu.	6.02	5.93	6.39
Total product return per acre	178.85	173.81	228.05
Miscellaneous income per acre	16.37	17.27	16.77
Gross return per acre	195.22	191.08	244.82
Direct Expenses			
Seed	29.95	29.75	27.89
Fertilizer	10.13	6.54	8.77
Crop chemicals	17.10	15.90	16.30
Crop insurance	11.95	10.80	12.11
Fuel & oil	14.56	13.95	14.20
Repairs	15.25	15.90	13.33
Custom hire	1.66	1.40	1.99
Hired labor	0.12	0.03	0.60
Land rent	43.35	44.41	46.17
Operating interest	5.30	4.63	6.01
Miscellaneous	0.68	0.81	0.46
Total direct expenses per acre	150.06	144.12	147.80
Return over direct exp per acre	45.16	46.96	97.01
Overhead Expenses			
Custom hire	1.84	1.62	3.04
Hired labor	4.86	4.35	5.07
Machinery leases	1.86	1.29	3.06
Farm insurance	2.86	3.14	3.22
Utilities	2.18	1.83	2.48
Dues & professional fees	1.69	1.13	1.61
Interest	4.51	3.30	4.87
Mach & bldg depreciation	12.79	11.80	15.59
Miscellaneous	2.48	2.24	2.84
Total overhead expenses per acre	35.08	30.68	41.79
Total dir & ovhd expenses per acre	185.13	174.80	189.59
Net return per acre	10.09	16.28	55.22
Government payments	15.27	15.92	14.60
Net return with govt pmts	25.36	32.20	69.82
Labor & management charge	19.17	18.03	21.84
Net return over lbr & mgt	6.19	14.17	47.98
Cost of Production			
Total direct expense per bu.	5.05	4.92	4.14
Total dir & ovhd exp per bu.	6.24	5.96	5.32
Less govt & other income	5.17	4.83	4.44
With labor & management	5.82	5.44	5.05
Machinery cost per acre	52.23	49.35	55.55
Est. labor hours per acre	1.61	1.42	1.83

Crop Enterprise Analysis
Northland & Central Lakes Community and Technical Colleges
(Farms Sorted By Return to Overhead)

Wheat, Spring on Owned Land

	<u>Avg. Of All Farms</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of fields	122	22	35
Number of farms	93	18	19
Acres	177.09	172.79	155.78
Yield per acre (bu.)	46.35	44.70	59.36
Operators share of yield %	100.00	100.00	100.00
Value per bu.	4.49	4.48	4.58
Total product return per acre	208.33	200.42	271.59
Miscellaneous income per acre	12.59	11.26	10.61
Gross return per acre	220.92	211.68	282.20
Direct Expenses			
Seed	12.83	12.32	12.59
Fertilizer	44.41	42.82	50.21
Crop chemicals	17.64	17.90	20.71
Crop insurance	10.83	10.00	11.15
Drying fuel	0.47	0.20	0.69
Fuel & oil	15.33	14.56	15.88
Repairs	15.30	17.21	15.22
Custom hire	3.20	0.86	6.38
Operating interest	4.66	4.59	4.11
Miscellaneous	0.46	-	0.86
Total direct expenses per acre	125.14	120.46	137.79
Return over direct exp per acre	95.78	91.22	144.41
Overhead Expenses			
Custom hire	1.81	1.60	2.00
Hired labor	4.18	2.55	4.25
Machinery leases	1.11	2.51	1.05
RE & pers. property taxes	5.47	7.16	5.21
Farm insurance	3.83	4.14	3.50
Utilities	2.57	2.42	2.95
Dues & professional fees	1.70	2.27	1.53
Interest	19.33	19.87	14.62
Mach & bldg depreciation	13.71	17.63	14.22
Miscellaneous	2.52	2.08	4.19
Total overhead expenses per acre	56.24	62.23	53.52
Total dir & ovhd expenses per acre	181.38	182.69	191.31
Net return per acre	39.55	28.99	90.89
Government payments	15.07	13.99	16.06
Net return with govt pmts	54.62	42.97	106.94
Labor & management charge	19.63	21.60	21.43
Net return over lbr & mgt	34.99	21.38	85.51
Cost of Production			
Total direct expense per bu.	2.70	2.69	2.32
Total dir & ovhd exp per bu.	3.91	4.09	3.22
Less govt & other income	3.32	3.52	2.77
With labor & management	3.74	4.01	3.13
Machinery cost per acre	53.65	58.10	56.24
Est. labor hours per acre	1.71	1.36	2.08

Crop Enterprise Analysis
Northland & Central Lakes Community and Technical Colleges
(Farms Sorted By Return to Overhead)

Wheat, Spring on Cash Rent

	<u>Avg. Of All Farms</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of fields	172	44	37
Number of farms	125	25	25
Acres	258.59	161.29	136.64
Yield per acre (bu.)	44.70	46.64	53.01
Operators share of yield %	100.00	100.00	100.00
Value per bu.	4.38	4.39	4.54
Total product return per acre	195.76	204.99	240.76
Miscellaneous income per acre	14.33	7.83	27.77
Gross return per acre	210.10	212.81	268.53
Direct Expenses			
Seed	12.16	11.85	12.70
Fertilizer	43.66	45.48	45.53
Crop chemicals	19.70	20.58	18.69
Crop insurance	11.00	8.85	11.07
Fuel & oil	14.60	13.47	15.23
Repairs	13.71	15.22	14.27
Custom hire	2.77	1.07	3.42
Land rent	43.75	47.52	36.25
Operating interest	4.24	4.81	4.09
Miscellaneous	1.07	0.58	0.59
Total direct expenses per acre	166.66	169.44	161.85
Return over direct exp per acre	43.44	43.38	106.68
Overhead Expenses			
Custom hire	1.53	2.12	2.64
Hired labor	4.35	3.12	3.70
Machinery leases	1.56	1.65	0.95
Farm insurance	3.01	2.34	2.40
Utilities	2.00	1.71	2.31
Dues & professional fees	1.41	1.62	1.47
Interest	3.22	2.55	2.87
Mach & bldg depreciation	10.17	12.41	11.30
Miscellaneous	2.34	2.48	3.44
Total overhead expenses per acre	29.60	29.99	31.09
Total dir & ovhd expenses per acre	196.25	199.42	192.94
Net return per acre	13.84	13.39	75.59
Government payments	15.99	16.31	15.65
Net return with govt pmts	29.84	29.71	91.24
Labor & management charge	17.86	15.99	18.88
Net return over lbr & mgt	11.98	13.71	72.36
Cost of Production			
Total direct expense per bu.	3.73	3.63	3.05
Total dir & ovhd exp per bu.	4.39	4.28	3.64
Less govt & other income	3.71	3.76	2.82
With labor & management	4.11	4.10	3.18
Machinery cost per acre	47.37	48.16	50.12
Est. labor hours per acre	1.50	1.24	1.71

Crop Enterprise Analysis
Northland & Central Lakes Community and Technical Colleges
(Farms Sorted By Return to Overhead)

Barley, Canola, and Sunflowers on Cash Rent

	Barley	Canola	Sunflowers
	<u>Avg. Of All Farms</u>	<u>Avg. Of All Farms</u>	<u>Avg. Of All Farms</u>
Number of fields	15	6	17
Number of farms	14	5	15
Acres	108.77	110.17	140.67
Yield per acre (bu.)	69.21	14.66	18.65
Operators share of yield %	100.00	100.00	100.00
Value per bu.	2.62	11.63	13.36
Total product return per acre	0.11	170.52	249.24
Miscellaneous income per acre	4.13	-	0.72
Gross return per acre	185.65	170.52	249.96
Direct Expenses			
Seed	8.90	25.67	22.43
Fertilizer	31.67	46.98	31.98
Crop chemicals	10.93	14.09	15.57
Crop insurance	10.48	9.36	8.88
Drying fuel	-	-	1.20
Fuel & oil	17.25	17.83	19.74
Repairs	18.07	16.88	16.98
Custom hire	2.31	4.93	3.08
Land rent	35.94	32.10	33.19
Hauling and trucking	-	-	-
Operating interest	4.62	4.00	3.19
Miscellaneous	0.26	0.12	-
Total direct expenses per acre	140.43	171.96	156.65
Return over direct exp per acre	45.21	-1.44	93.31
Overhead Expenses			
Custom hire	-	3.22	1.44
Hired labor	5.81	3.82	3.13
Machinery leases	0.71	0.12	0.83
Farm insurance	1.86	1.57	3.44
Utilities	3.28	2.16	2.72
Dues & professional fees	3.01	1.10	1.27
Interest	9.43	3.96	3.04
Mach & bldg depreciation	12.69	8.18	12.36
Miscellaneous	1.86	1.49	1.78
Total overhead expenses per acre	38.66	25.61	30.01
Total dir & ovhd expenses per acre	179.09	197.58	186.66
Net return per acre	6.56	-27.06	63.30
Government payments	12.58	13.69	16.46
Net return with govt payments	19.14	-13.36	79.76
Labor & Management charge	15.67	19.01	23.30
Net return over lbr & mgt	3.47	-32.38	56.45
Cost of Production			
Total direct expense per bu.	2.03	11.73	16.46
Total dir & ovhd exp per bu.	2.59	13.48	79.76
Less govt & other income	2.34	12.55	23.30
With labor & management	2.57	13.84	56.45
Machinery cost per acre	60.11	54.83	55.95
Est. labor hours per acre	1.44	1.46	1.91

Crop Enterprise Analysis
Northland & Central Lakes Community and Technical College
(Farms Sorted By Return to Overhead)

Establish Hay, Alfalfa

	<u>Owned</u>		<u>Cash Rent</u>
	<u>Avg. Of All Farms</u>	<u>High 20%</u>	<u>Avg. Of All Farms</u>
Number of fields	25	5	19
Number of farms	25	5	18
Acres	36.95	30.72	49.44
Yield per acre (ton)	0.70	1.31	0.44
Operators share of yield %	100.00	100.00	100.00
Value per ton	58.53	75.82	70.61
Total product return per acre	41.09	99.15	31.40
Miscellaneous income per acre	17.20	34.51	-
Gross return per acre	58.29	133.66	31.40
Direct Expenses			
Seed	44.14	31.49	51.69
Fertilizer	18.98	13.20	15.19
Crop chemicals	2.89	2.05	2.15
Crop insurance	1.61	0.66	1.29
Fuel & oil	29.23	27.79	22.65
Repairs	38.01	28.50	29.99
Custom hire	0.77	1.61	-
Land Rent	-	-	35.67
Operating interest	6.81	5.15	4.46
Miscellaneous	0.34	1.70	0.54
Total direct expenses per acre	142.77	112.14	163.64
Return over direct exp per acre	-84.48	21.51	-132.24
Overhead Expenses			
Custom hire	4.70	3.18	5.53
Hired labor	8.81	5.42	13.50
Machinery leases	1.47	2.39	1.94
RE & pers. property taxes	7.65	5.08	0.19
Farm insurance	4.66	4.67	2.50
Utilities	4.25	6.31	2.43
Dues & professional fees	1.40	1.49	6.32
Interest	21.02	14.50	6.10
Mach & bldg depreciation	25.15	33.68	23.84
Miscellaneous	3.53	3.79	3.23
Total overhead expenses per acre	82.63	80.51	65.58
Total dir & ovhd expenses per acre	225.40	192.66	229.22
Net return per acre	-167.11	-59.00	-197.82
Government payments	16.14	19.21	16.29
Net return with govt pmts	-150.97	-39.79	-181.53
Labor & management charge	31.55	45.54	30.45
Net return over lbr & mgt	-182.52	-85.34	-211.98
Cost of Production			
Total direct expense per ton	203.38	85.76	367.96
Total dir & ovhd exp per ton	321.08	147.33	515.42
With labor & management	273.58	106.25	478.8
Total exp less govt & oth income	318.52	141.08	547.26
Machinery cost per acre	105.29	102.16	87.42
Est. labor hours per acre	4.91	4.58	4.11

Crop Enterprise Analysis
Northland & Central Lakes Community and Technical Colleges
(Farms Sorted By Return to Overhead)
Soybean, Food and Sunflowers, Confectionary on Cash Rent

	Soybeans, Food	Sunflowers, Confectionary
	Avg. Of All Farms	Avg. Of All Farms
Number of fields	9	8
Number of farms	7	6
Acres	209.58	177.21
Yield per acre (bu.)	22.80	18.96
Operators share of yield %	100.00	100.00
Value per bu.	8.15	16.96
Total product return per acre	185.86	321.66
Miscellaneous income per acre	28.53	9.70
Gross return per acre	214.39	331.36
Direct Expenses		
Seed	22.88	28.71
Fertilizer	5.48	48.78
Crop chemicals	19.07	24.34
Crop insurance	12.37	15.49
Drying fuel	-	1.78
Fuel & oil	16.53	17.09
Repairs	20.21	17.88
Custom hire	-	5.31
Hired labor	-	-
Land rent	49.04	40.21
Operating interest	9.05	4.99
Miscellaneous	0.72	0.05
Total direct expenses per acre	155.36	204.65
Return over direct exp per acre	59.04	126.72
Overhead Expenses		
Custom hire	1.25	
Hired labor	3.18	8.70
Machinery leases	2.78	1.71
Building leases	-	0.69
Farm insurance	3.21	3.97
Utilities	3.30	1.48
Dues & professional fees	4.65	2.15
Interest	5.06	2.78
Mach & bldg depreciation	11.63	14.32
Miscellaneous	4.92	1.15
Total overhead expenses per acre	39.97	36.94
Total dir & ovhd expenses per acre	195.33	241.59
Net return per acre	19.07	89.77
Government payments	13.88	16.90
Net return with govt pmts	32.95	106.68
Labor & management charge	19.33	22.70
Net return over lbr & mgt	13.63	83.98
Cost of Production		
Total direct expense per bu.	6.81	10.79
Total dir & ovhd exp per bu.	8.57	12.74
Less govt & other income	6.71	11.34
With labor & management	7.55	12.53
Machinery cost per acre	57.91	59.09
Est. labor hours per acre	1.53	2.03

Crop Enterprise Analysis
Northland & Central Lakes Community and Technical Colleges
(Farms Sorted By Return to Overhead)

Irrigated Crops

	<u>Soybeans</u>	<u>Corn</u>	<u>Hay, Alfalfa</u>	<u>Corn Silage</u>
Number of fields	7	11	5	6
Number of farms	6	11	5	6
Acres	152.88	93.16	64.50	68.70
Yield per acre	47.18	157.56	5.41	20.88
Operators share of yield %	100.00	100.00	100.00	100.00
Value	6.35	2.85	78.76	20.15
Total product return per acre	299.52	449.33	425.83	420.87
Miscellaneous income per acre	10.04	12.68	7.95	-
Gross return per acre	309.57	462.01	433.78	420.87
Direct Expenses				
Seed	27.90	43.30	0.99	42.96
Fertilizer	9.88	64.37	26.51	22.82
Crop chemicals	23.63	23.04	2.26	33.05
Crop insurance	9.39	14.05	-	6.76
Drying fuel	-	13.90	-	-
Irrigation energy	17.39	31.07	33.96	16.15
Fuel & oil	12.11	26.81	37.74	44.35
Repairs	17.02	36.11	49.08	45.60
Custom hire	9.62	12.43	1.72	32.21
Land Rent	86.04	-	-	-
Operating interest	3.72	9.44	3.55	8.35
Miscellaneous	7.29	7.08	2.72	6.16
Total direct expenses per acre	223.98	281.60	161.32	258.40
Return over direct exp per acre	85.59	180.41	272.46	162.47
Overhead Expenses				
Custom hire	1.21	1.88	3.83	7.00
Hired labor	3.66	8.50	10.12	16.83
Machinery leases	1.50	4.91	6.79	8.19
RE & pers. property taxes	-	5.67	6.21	7.14
Farm insurance	1.75	4.82	2.04	4.06
Utilities	1.45	2.97	2.55	5.58
Dues & professional fees	1.45	1.08	1.20	-
Interest	4.66	69.71	43.26	58.40
Mach & bldg depreciation	12.26	35.48	49.35	42.80
Miscellaneous	1.80	4.16	1.82	10.52
Total overhead expenses per acre	29.74	139.19	127.18	160.52
Total dir & ovhd expenses per acre	253.72	420.79	288.50	418.91
Net return per acre	55.84	41.22	145.28	1.96
Government payments	17.70	23.66	25.66	18.75
Net return with govt pmts	73.55	64.89	170.94	20.71
Labor & management charge	16.55	27.84	22.32	45.21
Net return over lbr & mgt	57.00	37.05	148.63	-24.50
Cost of Production				
Total direct expense per bu.	4.75	1.79	29.84	12.37
Total dir & ovhd exp per bu.	5.38	2.67	53.36	20.06
Less govt & other income	4.79	2.44	47.15	19.16
With labor & management	5.14	2.62	51.27	21.33
Machinery cost per acre	52.80	131.32	159.35	186.14
Est. labor hours per acre	1.42	4.41	4.11	6.79

Crop Enterprise Analysis
Northland & Central Lakes Community and Technical Colleges
(Farms Sorted By Return to Overhead)

	Oats on Owned Land		Oats on Cash Rent	
	Avg. Of All Farms	High 20%	Avg. Of All Farms	High 20%
Number of fields	38	8	37	8
Number of farms	37	8	36	8
Acres	40.53	29.25	62.9	52.78
Yield per acre (bu.)	52.36	83.81	64.38	74.63
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	1.92	2.31	2.01	2.37
Total product return per acre	102.28	206.00	130.94	182.94
Miscellaneous income per acre	18.84	23.43	25.08	32.58
Gross return per acre	121.12	229.44	156.02	215.53
Direct Expenses				
Seed	8.67	12.40	11.55	13.10
Fertilizer	11.70	13.69	24.26	6.15
Crop chemicals	4.68	3.97	6.26	3.41
Crop insurance	2.06	2.85	3.27	0.86
Fuel & oil	15.81	13.11	12.56	15.55
Repairs	15.98	14.87	18.61	19.31
Custom hire	0.84	-	3.17	0.12
Land rent	-	-	29.52	30.59
Operating interest	2.86	1.50	3.51	3.24
Miscellaneous	2.02	1.93	1.80	0.67
Total direct expenses per acre	64.62	64.32	114.51	92.99
Return over direct exp per acre	56.50	165.12	41.51	122.53
Overhead Expenses				
Custom hire	2.25	1.06	1.43	2.66
Hired labor	4.06	1.98	7.27	4.81
Machinery & bldg leases	0.62	0.33	0.49	0.82
RE & pers. property taxes	5.16	5.99	-	-
Farm insurance	2.07	1.96	2.18	2.13
Utilities	1.81	1.89	1.91	3.89
Dues & professional fees	0.66	1.01	0.64	0.51
Interest	12.26	13.38	4.41	6.68
Mach & bldg depreciation	18.67	12.89	13.10	17.97
Miscellaneous	2.15	1.25	2.57	2.54
Total overhead expenses per acre	49.73	41.74	34.01	42.01
Total dir & ovhd expenses per acre	114.35	106.06	148.52	135.00
Net return per acre	6.77	123.38	7.50	80.53
Government payments	10.33	12.97	13.89	12.92
Net return with govt pmts	17.10	136.35	21.39	93.44
Labor & management charge	21.23	13.43	15.55	16.69
Net return over lbr & mgt	-4.13	122.92	5.84	76.76
Cost of Production				
Total direct expense per bu.	1.23	0.77	1.78	1.25
Total dir & ovhd exp per bu.	2.18	1.27	2.31	1.81
Less govt & other income	1.59	0.68	1.68	1.12
With labor & management	2.00	0.84	1.92	1.34
Machinery cost per acre	57.01	46.67	53.13	62.70
Est. labor hours per acre	2.84	1.85	2.27	2.88

Crop Enterprise Analysis
Northland & Central Lakes Community and Technical Colleges
(Farms Sorted By Return to Overhead)

Winter Wheat, Rye, and Perennial Rye Grass on Cash Rent

	Winter Wheat	Rye	Perennial Rye Grass
	<u>Avg. Of All Farms</u>	<u>Avg. Of All Farms</u>	<u>Avg. Of All Farms</u>
Number of fields	15	8	5
Number of farms	15	8	5
Acres	105.58	144.6	199.08
Yield per acre (bu.)	53.04	21.69	700.78
Operators share of yield %	100.00	100.00	100.00
Value per bu.	4.33	3.13	0.40
Total product return per acre	229.47	67.89	278.66
Miscellaneous income per acre	3.85	13.02	0.63
Gross return per acre	233.32	80.92	279.29
Direct Expenses			
Seed	10.16	7.76	15.81
Fertilizer	29.71	17.20	36.50
Crop chemicals	9.42	-	32.92
Crop insurance	6.76	-	2.56
Drying fuel	-	-	-
Fuel & oil	12.17	10.65	9.89
Repairs	16.83	16.38	7.80
Custom hire	5.18		12.47
Land rent	33.17	21.72	31.88
Hauling and trucking	1.86	4.59	-
Operating interest	4.88	6.32	2.98
Miscellaneous	-	0.36	-
Total direct expenses per acre	130.14	84.97	152.81
Return over direct exp per acre	103.19	-4.06	126.49
Overhead Expenses			
Custom hire	0.24	0.14	1.30
Hired labor	6.89	3.19	4.64
Machinery leases	2.32	1.19	0.27
Farm insurance	2.49	2.1	1.86
Utilities	2.13	1.05	1.06
Dues & professional fees	0.99	0.47	0.53
Interest	3.89	2.87	1.89
Mach & bldg depreciation	11.7	11.23	6.62
Miscellaneous	2.27	0.63	0.69
Total overhead expenses per acre	32.92	22.86	18.84
Total dir & ovhd expenses per acre	163.06	107.84	171.64
Net return per acre	70.26	-26.92	107.65
Government payments	14.35	16.83	13.84
Net return with govt payments	84.62	-10.09	121.49
Labor & Management charge	19.13	9.28	11.91
Net return over lbr & mgt	65.49	-19.37	109.58
Cost of Production			
Total direct expense per bu.	2.45	3.92	0.22
Total dir & ovhd exp per bu.	3.07	4.97	0.24
Less govt & other income	2.73	3.6	0.22
With labor & management	3.09	4.02	0.24
Machinery cost per acre	51.34	41.43	40.16
Est. labor hours per acre	1.98	1.79	0.99

Livestock Enterprise Analysis
Farm Business Management Statewide Data
(Dairy - Special Sort)

	Dairy Cows - Rotational Grazing		Dairy Cows - Organic Production	
Number of farms		22		21
	Quantity	Value	Quantity	Value
Milk sold (lb)	12,829.60	2,251.97	12,288.59	2,808.35
Milk used in home (lb)	19.05	3.76	34.39	7.57
Milk fed to animals (lb)	254.92	35.61	186.01	34.53
Dairy Calves sold (hd)	0.27	69.53	0.21	46.07
Transferred out (hd)	0.70	178.77	0.71	160.84
Cull sales (hd)	0.20	107.77	0.16	79.91
Butchered (hd)	0.00	1.96	0.01	5.06
Less purchased (hd)	-0.02	-18.20	-0.01	-17.96
Less transferred in (hd)	-0.30	-354.34	-0.29	-372.39
Inventory change (hd)	0.05	64.72	0.09	117.14
Total production		2,341.56		2,869.13
Other income		83.47		70.31
Gross return		2,425.03		2,939.44
Direct Expenses				
Corn (bu.)	28.24	97.36	28.83	152.78
Corn & Other Silage (lb.)	5,176.67	62.54	3,844.44	59.81
Hay, Alfalfa (lb.)	4,752.34	213.48	4,410.25	210.21
Hay, Grass & Other (lb.)	1,232.59	49.20	2,128.02	72.93
Haylage, Alfalfa (lb.)	1,500.83	28.33	1,932.69	58.68
Pasture (aum)	10.65	146.42	10.26	137.69
Complete Ration (lb.)	930.46	85.52	547.57	73.85
Protein Vit Minerals (lb.)	671.84	108.00	835.95	156.88
Other feed stuffs	943.06	37.99	2,234.58	51.21
Breeding fees		17.07		16.60
Veterinary		32.98		33.06
Supplies		89.26		91.00
DHIA		13.44		13.32
Fuel & oil		61.06		58.16
Repairs		103.82		135.77
Custom hire		42.11		33.69
Hauling and trucking		28.51		19.26
Marketing		23.59		29.72
Bedding		29.68		19.12
Total direct expenses		1,289.23		1,445.35
Return over direct expense		1,135.79		1,494.09
Overhead Expenses				
Custom hire		10.80		228.27
Hired labor		144.05		10.12
Machinery & bldg leases		3.58		4.20
Farm insurance		28.46		37.38
Utilities		52.61		62.43
Interest		112.98		96.13
Mach & bldg depreciation		97.95		97.86
Miscellaneous		35.06		33.41
Total overhead expenses		508.54		600.17
Total dir & ovhd expenses		1,797.77		2,045.52
Net return		627.25		893.91
Labor & management charge		234.74		274.55
Net return over lbr & mgt		392.51		619.37
Cost of Production				
Total direct expense per cwt.		9.84		11.55
Total dir & ovhd expense per cwt.		13.72		16.35
With other revenue adjustments		12.70		15.64
With labor and management		14.49		17.84
Est. labor hours per unit		37.89		47.03
Other Information				
Avg. number of Cows		77.50		69.3
Milk produced per Cow		13,104.00		12,509.00
Culling percentage		20.50		16.30
Turnover rate		24.40		22.30
Percent of barn capacity		100.20		101.10
Lbs. milk/lb grain & conc.		3.50		3.90
Feed cost per cwt of milk		6.33		7.79
Feed cost per Cow		828.84		974.04
Avg. milk price per cwt.		17.55		22.85

Livestock Enterprise Analysis
Farm Business Management Statewide Data
(Farms Sorted By Enterprise Size)

Dairy -- Average Per Cow

	<u>Up to 50</u>	<u>51 - 100</u>	<u>101 - 200</u>	<u>201 - 500</u>	<u>Over 500</u>
Number of Cows					
Number of farms	129	228	115	51	17
	Value	Value	Value	Value	Value
Milk sold	2,287.52	2,507.18	2,708.80	3,101.62	3,293.14
Milk used in home	4.27	1.68	0.53	0.37	-
Milk fed to animals	12.76	8.53	10.83	4.54	3.23
Dairy Calves sold	33.54	47.77	42.10	58.60	88.32
Transferred out	148.24	132.21	129.26	118.83	97.85
Cull sales	150.58	149.80	133.00	133.96	148.08
Butchered	7.73	4.12	2.86	1.60	0.65
Less purchased	-80.05	-77.74	-88.02	-43.57	-220.17
Less transferred in	-358.86	-400.68	-412.37	-416.84	-543.45
Inventory change	31.27	74.46	102.83	68.44	212.88
Total production	2,237.00	2,447.33	2,629.81	3,027.55	3,080.53
Other income	90.17	96.89	104.01	76.27	34.75
Gross return	2,327.17	2,544.21	2,733.83	3,103.83	3,115.28
Direct Expenses					
Corn	129.20	141.76	149.16	153.79	120.91
Corn Silage	126.04	136.17	140.36	159.61	165.97
Hay, Alfalfa	208.64	167.49	146.00	133.85	64.46
Hay, Grass & Other	33.00	16.40	17.93	6.98	13.58
Haylage, Alfalfa	73.00	106.49	116.02	116.34	158.67
Complete Ration	104.57	141.82	136.57	174.06	209.59
Protein Vit Minerals	283.42	309.02	350.97	402.76	416.12
Cottonseed	2.90	7.64	11.71	32.40	27.72
Other feed stuffs	82.93	54.70	61.26	29.64	26.24
Breeding fees	37.95	38.77	35.71	46.85	34.61
Veterinary	84.96	89.15	97.07	125.50	137.38
BST	7.78	11.26	20.06	38.32	80.80
Supplies	124.11	113.79	104.93	120.69	119.34
DHIA	16.99	16.95	15.61	15.66	8.17
Fuel & oil	57.42	58.31	68.37	78.97	79.36
Repairs	118.50	107.38	109.32	97.47	103.56
Custom hire	11.76	16.41	17.52	32.29	52.04
Hired Labor	0.69	4.96	3.46	4.57	27.75
Hauling and trucking	57.84	42.32	31.88	34.76	24.48
Marketing	32.85	35.79	36.48	34.01	42.68
Bedding	17.35	34.46	43.59	60.22	83.42
Operating interest	17.77	12.46	17.96	14.05	10.06
Total direct expenses	1,629.69	1,663.51	1,731.92	1,912.80	2,006.90
Return over direct expense	697.48	880.70	1,001.90	1,191.03	1,108.38
Overhead Expenses					
Custom hire	8.43	5.47	15.34	20.49	11.43
Hired labor	50.82	103.95	230.20	391.78	429.40
Machinery leases	4.67	10.70	6.21	10.53	21.68
Building leases	4.41	13.50	18.28	49.11	51.55
Farm insurance	41.27	33.27	34.48	34.32	22.07
Utilities	92.92	81.19	70.44	59.94	55.15
Interest	98.75	105.28	132.25	125.24	136.57
Mach & bldg depreciation	103.04	113.21	138.70	130.32	98.01
Miscellaneous	57.05	52.60	45.15	48.31	60.10
Total overhead expenses	461.36	519.17	691.06	870.06	885.98
Total dir & ovhd expenses	2,091.05	2,182.68	2,422.98	2,782.86	2,892.88
Net return	236.12	361.54	310.84	320.97	222.40
Labor & management charge	329.33	256.11	197.10	178.77	134.20
Net return over lbr & mgt	-93.21	105.43	113.75	142.21	88.20
Cost of Production					
Total direct expense per cwt.	9.38	8.62	8.44	8.24	8.37
Total dir & ovhd expense per cwt.	12.03	11.31	11.81	11.99	12.07
With other revenue adjustments	11.90	11.17	11.74	12.00	12.83
With labor and management	13.80	12.49	12.70	12.77	13.39
Est. labor hours per unit	49.07	41.49	37.43	40.50	41.03
Other Information					
Avg. number of Cows	37.70	71.90	138.90	302.20	778.80
Milk produced per Cow	17,381.00	19,306.00	20,522.00	23,206.00	23,964.00
Culling percentage	25.40	24.20	23.10	23.80	27.60
Turnover rate	33.60	32.20	31.00	30.90	35.00
Percent of barn capacity	87.00	106.70	107.70	110.30	112.90
Lbs. milk/lb grain & conc.	2.60	2.50	2.30	2.30	2.30
Feed cost per cwt of milk	6.00	5.60	5.51	5.21	5.02
Feed cost per Cow	1,043.70	1,081.50	1,129.96	1,209.43	1,203.26
Avg. milk price per cwt.	13.25	13.04	13.25	13.40	13.76

Livestock Enterprise Analysis
Farm Business Management Statewide Data
(Farms Sorted By Return to Overhead)
Dairy -- Average Per Cwt Of Milk

	Average of All Farms		40 - 60%		High 20%	
	540		108		108	
Number of farms	Quantity	Value	Quantity	Value	Quantity	Value
Milk sold (lb)	99.67	13.31	99.61	13.21	99.69	13.78
Milk used in home (lb)	0.03	0.00	0.04	0.00	0.02	0.00
Milk fed to animals (lb)	0.31	0.03	0.35	0.04	0.29	0.03
Dairy Calves sold (hd)	0.00	0.26	0.00	0.19	0.00	0.27
Transferred out (hd)	0.00	0.58	0.00	0.63	0.00	0.52
Cull sales (hd)	0.00	0.67	0.00	0.62	0.00	0.64
Butchered (hd)	0.00	0.01	0.00	0.02	0.00	0.01
Less purchased (hd)	0.00	-0.47	0.00	-0.27	0.00	-0.24
Less transferred in (hd)	0.00	-2.03	0.00	-2.21	0.00	-1.77
Inventory change (hd)	0.00	0.49	0.00	0.37	0.00	0.50
Total production		12.86		12.62		13.74
Other income		0.38		0.41		0.36
Gross return		13.23		13.02		14.10
Direct Expenses						
Corn (bu.)	0.31	0.66	0.31	0.66	0.26	0.56
Corn Silage (lb.)	68.72	0.69	67.92	0.69	62.84	0.63
Hay, Alfalfa (lb.)	14.18	0.64	13.12	0.60	10.39	0.47
Haylage, Alfalfa (lb.)	25.96	0.56	30.30	0.67	24.40	0.50
Complete Ration (lb.)	7.48	0.75	3.60	0.41	9.86	0.93
Protein Vit Minerals (lb.)	13.07	1.69	16.60	2.01	10.62	1.38
Other feed stuffs	9.08	0.38	9.41	0.34	7.85	0.43
Breeding fees		0.18		0.20		0.18
Veterinary		0.51		0.53		0.47
BST		0.16		0.13		0.16
Supplies		0.54		0.59		0.44
DHIA		0.07		0.07		0.07
Fuel & oil		0.33		0.33		0.30
Repairs		0.50		0.46		0.45
Custom hire		0.13		0.10		0.11
Hired Labor		0.04		0.15		0.01
Hauling and trucking		0.17		0.19		0.17
Marketing		0.17		0.17		0.15
Bedding		0.24		0.21		0.23
Operating interest		0.07		0.07		0.03
Total direct expenses		8.47		8.58		7.65
Return over direct expense		4.76		4.44		6.45
Overhead Expenses						
Custom hire		0.06		0.07		0.05
Hired labor		1.24		0.97		1.50
Machinery leases		0.05		0.06		0.03
Building leases		0.14		0.07		0.24
Farm insurance		0.15		0.16		0.14
Utilities		0.32		0.33		0.29
Interest		0.57		0.60		0.49
Mach & bldg depreciation		0.56		0.52		0.56
Miscellaneous		0.24		0.30		0.21
Total overhead expenses		3.34		3.07		3.51
Total dir & ovhd expenses		11.81		11.65		11.16
Net return		1.42		1.37		2.94
Labor & management charge		0.96		1.08		0.89
Net return over lbr & mgt		0.46		0.29		2.06
Cost of Production						
Total direct expense per cwt.		8.47		8.58		7.65
Total dir & ovhd expense per cwt.		11.81		11.65		11.16
With other revenue adjustments		11.93		11.89		10.87
With labor and management		12.89		12.97		11.76
Est. labor hours per unit		0.19		0.18		0.18
Other Information						
Avg. number of Cows		122.00		113.80		162.60
Milk produced per Cow	21,307.00		20,599.00		23,756.00	
Culling percentage		24.60		24.80		24.90
Turnover rate		32.30		32.70		30.70
Percent of barn capacity		107.20		104.10		111.70
Lbs. milk/lb grain & conc.		2.40		2.40		2.60
Feed cost per cwt of milk		5.37		5.38		4.90
Feed cost per Cow	1144.86		1108.19		1164.16	
Avg. milk price per cwt.		13.36		13.26		13.82

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

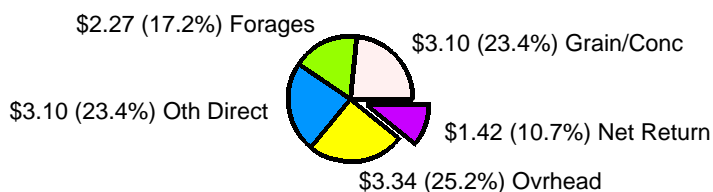
Dairy -- Average Per Cow

	Average of All Farms		40 - 60%		High 20%	
	540		108		108	
Number of farms						
	Quantity	Value	Quantity	Value	Quantity	Value
Milk sold (lb)	21,236.22	2,836.88	20,519.00	2,721.42	23,683.26	3,273.57
Milk used in home (lb)	6.02	0.95	7.32	0.90	4.84	0.87
Milk fed to animals (lb)	65.00	7.40	72.40	8.97	67.88	7.51
Dairy Calves sold (hd)	0.27	56.03	0.20	40.13	0.32	63.06
Transferred out (hd)	0.62	122.64	0.63	129.46	0.63	123.98
Cull sales (hd)	0.25	141.73	0.25	128.42	0.25	150.88
Butchered (hd)	0.01	2.79	0.01	4.68	0.00	2.35
Less purchased (hd)	-0.07	-101.03	-0.03	-55.86	-0.03	-56.43
Less transferred in (hd)	-0.33	-432.90	-0.34	-454.73	-0.34	-420.06
Inventory change (hd)	0.07	104.56	0.04	75.54	0.08	118.06
Total production		2,739.05		2,598.92		3,263.79
Other income		80.81		83.67		85.92
Gross return		2,819.86		2,682.59		3,349.71
Direct Expenses						
Corn (bu.)	65.69	141.25	63.55	135.71	61.67	134.01
Corn Silage (lb.)	14,642.85	147.91	13,991.28	141.99	14,927.44	149.94
Hay, Alfalfa (lb.)	3,021.97	136.74	2,703.26	123.62	2,468.73	111.88
Haylage, Alfalfa (lb.)	5,530.52	119.12	6,240.71	137.44	5,795.34	117.67
Complete Ration (lb.)	1,593.18	158.96	742.07	84.03	2,341.19	220.44
Protein Vit Minerals (lb.)	2,785.77	360.76	3,419.43	414.68	2,523.13	328.89
Other feed stuffs	1,935.35	80.12	1,938.28	70.73	1,864.61	101.34
Breeding fees		39.02		40.99		41.61
Veterinary		108.96		110.13		110.56
BST		33.45		27.72		36.95
Supplies		115.13		121.46		103.96
DHIA		14.56		13.70		15.60
Fuel & oil		69.75		68.32		72.41
Repairs		105.59		95.19		106.60
Custom hire		27.21		20.59		26.05
Hired Labor		8.77		30.33		2.57
Hauling and trucking		35.58		39.37		39.43
Marketing		36.71		35.96		35.99
Bedding		51.28		42.33		55.72
Operating interest		14.07		13.57		6.07
Total direct expenses		1,804.94		1,767.87		1,817.68
Return over direct expense		1,014.92		914.72		1,532.02
Overhead Expenses						
Custom hire		12.79		14.46		11.30
Hired labor		263.39		199.59		355.77
Machinery leases		11.33		12.63		7.43
Building leases		29.97		14.90		57.55
Farm insurance		32.15		32.60		32.23
Utilities		69.25		67.52		67.82
Interest		122.30		122.93		116.38
Mach & bldg depreciation		119.59		106.57		134.21
Miscellaneous		51.63		60.88		50.60
Total overhead expenses		712.40		632.07		833.31
Total dir & ovhd expenses		2,517.34		2,399.94		2,650.99
Net return		302.53		282.65		698.71
Labor & management charge		204.61		222.02		210.35
Net return over lbr & mgt		97.91		60.63		488.36
Cost of Production						
Total direct expense per cwt.		8.47		8.58		7.65
Total dir & ovhd expense per cwt.		11.81		11.65		11.16
With other revenue adjustments		11.93		11.89		10.87
With labor and management		12.89		12.97		11.76
Est. labor hours per unit		40.74		38.01		42.66
Other Information						
Avg. number of Cows		122.00		113.80		162.60
Milk produced per Cow		21,307.00		20,599.00		23,756.00
Culling percentage		24.60		24.80		24.90
Turnover rate		32.30		32.70		30.70
Percent of barn capacity		107.20		104.10		111.70
Lbs. milk/lb grain & conc.		2.40		2.40		2.60
Feed cost per cwt of milk		5.37		5.38		4.90
Feed cost per Cow		1,144.86		1,108.19		1,164.16
Avg. milk price per cwt.		13.36		13.26		13.82

Summary of Selected Dairy Enterprise Factors

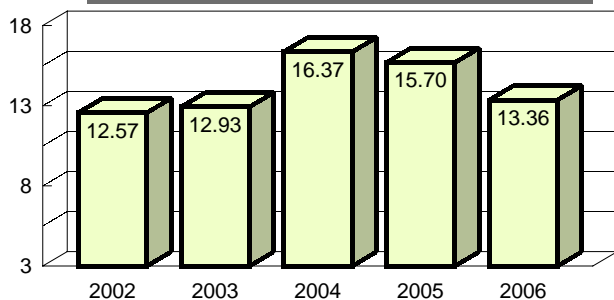
Dairy Cow Costs & Returns

(Per CWT Produced)

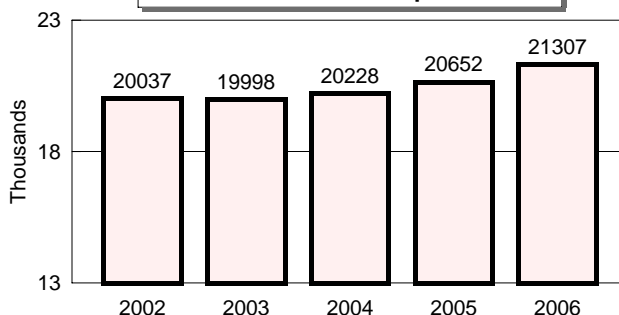


The data on this page is from the Dairy Cow Enterprise and does not include costs related to Dairy Replacements.

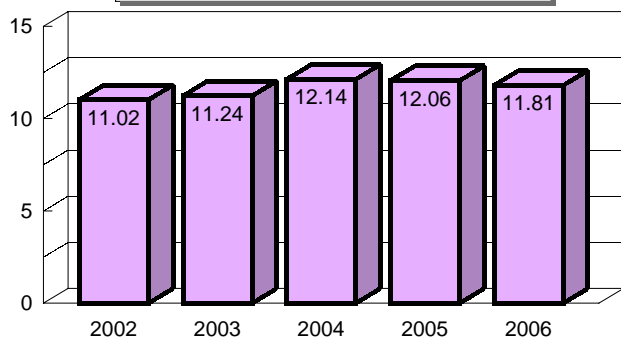
Ave Milk Price Recv'd



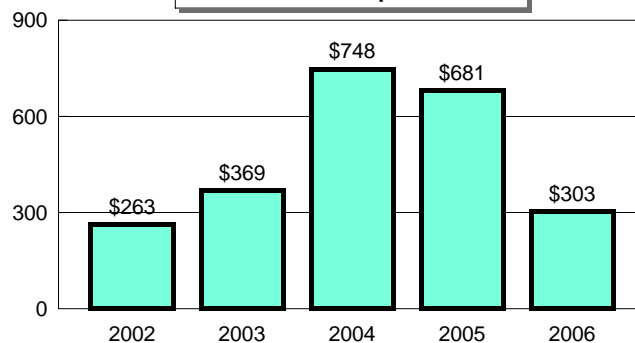
Milk Production per Cow



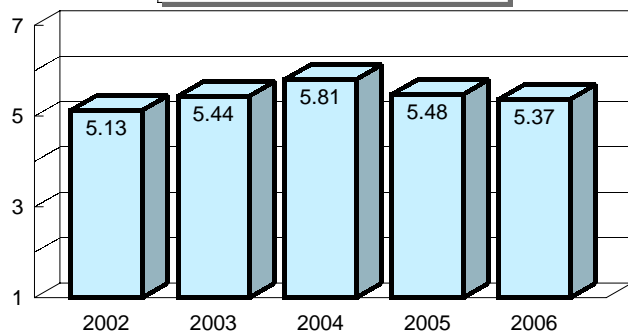
Dir & Ovhd Exp per CWT



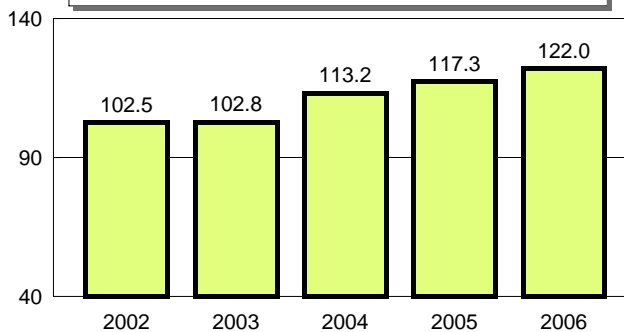
Net Return per Cow



Feed Cost per CWT



Ave. Number of Cows



Livestock Enterprise Analysis
Farm Business Management Statewide Data
(Farms Sorted By Return to Overhead)
Dairy and Repl Heifers -- Average Per Cow

	Average of All Farms		40 - 60%		High 20%	
	411		82		83	
Number of farms	Quantity	Value	Quantity	Value	Quantity	Value
Milk sold (lb)	21,206.90	2,842.07	21,069.14	2,808.13	23,612.37	3,278.60
Milk used in home (lb)	4.69	0.67	5.63	0.71	2.44	0.51
Milk fed to animals (lb)	62.80	7.23	41.32	4.84	66.96	7.20
Dairy Calves sold (hd)	0.40	107.13	0.40	97.78	0.42	111.20
Transferred out (hd)	1.00	595.80	0.95	626.90	1.02	621.49
Cull sales (hd)	0.26	146.50	0.27	141.89	0.25	150.71
Butchered (hd)	0.01	4.07	0.01	3.29	0.01	2.87
Less purchased (hd)	-0.08	-96.20	-0.07	-86.33	-0.05	-83.26
Less transferred in (hd)	-0.90	-574.26	-0.86	-616.00	-0.92	-590.27
Inventory change (hd)	0.10	126.34	0.06	100.54	0.15	198.53
Total production		3,159.35		3,081.76		3,697.59
Other income		82.87		80.23		75.49
Gross return		3,242.21		3,161.98		3,773.09
Direct Expenses						
Corn (bu.)	76.71	164.38	77.91	161.55	71.58	155.70
Corn Silage (lb.)	18,931.09	190.83	18,686.50	185.39	19,538.13	200.30
Hay, Alfalfa (lb.)	3,883.69	171.10	4,046.40	180.99	2,626.08	115.91
Hay, Grass & Other (lb.)	1,077.55	30.96	1,133.32	33.54	801.78	23.23
Haylage, Alfalfa (lb.)	6,605.82	144.43	6,650.09	151.88	7,259.28	152.56
Complete Ration (lb.)	1,433.84	142.50	720.32	82.10	2,465.95	213.70
Protein Vit Minerals (lb.)	3,768.31	426.91	5,460.03	446.43	3,640.20	402.91
Other feed stuffs	1,887.84	104.72	2,879.37	115.48	1,706.95	114.96
Breeding fees		45.12		47.33		47.73
Veterinary		120.75		124.85		126.42
BST		31.54		36.95		41.22
Supplies		133.20		142.57		121.60
Contract production exp.		56.16		79.38		91.64
Fuel & oil		77.35		78.42		77.88
Repairs		119.99		109.80		127.05
Custom hire		27.90		32.58		26.90
Hired Labor		9.70		34.42		3.62
Hauling and trucking		34.63		41.55		30.26
Marketing		36.72		39.50		35.98
Bedding		61.80		58.70		86.82
Operating interest		16.06		15.44		8.37
Total direct expenses		2,146.76		2,198.84		2,204.77
Return over direct expense		1,095.46		963.14		1,568.32
Overhead Expenses						
Custom hire		14.90		14.02		14.73
Hired labor		301.44		217.91		439.55
Machinery leases		11.55		14.72		16.88
Building leases		37.15		15.43		63.01
Real Estate Taxes		11.84		10.66		7.87
Farm insurance		37.26		39.59		35.01
Utilities		77.38		70.68		72.13
Interest		136.23		146.15		139.04
Mach & bldg depreciation		137.59		136.68		148.12
Miscellaneous		46.15		53.48		41.40
Total overhead expenses		811.48		719.33		977.73
Total dir & ovhd expenses		2,958.24		2,918.17		3,182.50
Net return		283.98		243.82		590.58
Labor & management charge		235.90		202.41		226.02
Net return over lbr & mgt		48.08		41.41		364.56
Cost of Production						
Total direct expense per cwt.		10.09		10.41		9.31
Total dir & ovhd expense per cwt.		13.91		13.82		13.44
With other revenue adjustments		12.06		12.17		11.38
With labor and management		13.17		13.13		12.34
Est. labor hours per unit		46.23		41.29		48.61
Other Information						
Avg. number of Cows		125.10		137.90		197.00
Milk produced per Cow		21,274.00		21,116.00		23,682.0
Culling percentage		26.00		27.50		24.80
Turnover rate		38.80		39.50		36.50
Percent of barn capacity		108.20		106.80		113.70
Lbs. milk/lb grain & conc.		2.10		1.80		2.20
Feed cost per cwt of milk		6.47		6.43		5.82
Feed cost per Cow		1,375.85		1,357.35		1,379.28
Avg. milk price per cwt.		13.40		13.33		13.89

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

Dairy Replacement Heifers -- Average Per Head

	Average of All Farms		40 - 60%		High 20%	
Number of farms	459		92		92	
	Quantity	Value	Quantity	Value	Quantity	Value
Replacements sold (hd)	0.16	67.28	0.25	98.14	0.05	34.53
Transferred out (hd)	0.42	528.94	0.43	535.22	0.44	669.91
Cull sales (hd)	0.01	6.06	0.01	5.84	0.02	8.92
Butchered (hd)	0.00	1.85	0.01	4.70	0.00	0.49
Less purchased (hd)	-0.04	-40.16	-0.06	-45.91	-0.04	-33.55
Less transferred in (hd)	-0.66	-132.30	-0.73	-147.85	-0.59	-116.38
Inventory change (hd)	0.06	57.59	0.05	50.05	0.10	126.17
Total production (hd)	0.00	489.26	0.00	500.20	0.00	690.09
Other income		11.50		3.64		0.00
Gross return		500.76		503.84		690.09
Direct Expenses						
Corn (bu.)	9.47	19.75	10.46	22.41	9.44	18.83
Corn Silage (lb.)	4,951.46	48.65	4,415.23	43.77	5,452.75	55.52
Hay, Alfalfa (lb.)	1,130.53	44.81	1,177.35	44.91	1,026.69	35.83
Hay, Grass & Other (lb.)	705.80	19.21	912.78	25.21	767.16	20.39
Haylage, Alfalfa (lb.)	1,099.72	22.47	1,422.41	30.07	1,783.51	33.03
Complete Ration (lb.)	294.28	24.64	249.36	26.49	193.83	21.83
Milk (lb.)	50.41	6.25	55.18	6.13	73.27	9.26
Milk Replacer (lb.)	15.12	16.15	12.30	11.49	22.32	16.07
Protein Vit Minerals (lb.)	838.27	47.87	308.46	49.21	612.28	42.09
Other feed stuffs	900.99	22.98	837.89	26.50	610.14	20.96
Breeding fees		8.40		8.16		8.04
Veterinary		14.40		17.49		13.76
Supplies		10.18		15.43		7.70
Contract production exp.		55.49		19.81		20.37
Fuel & oil		12.22		12.09		13.55
Repairs		19.24		20.93		21.00
Custom hire		3.55		9.61		0.44
Bedding		10.02		7.29		14.10
Operating interest		2.59		3.89		1.67
Total direct expenses		408.87		400.88		374.46
Return over direct expense		91.89		102.96		315.64
Overhead Expenses						
Custom hire		2.89		1.78		2.83
Hired labor		42.25		34.75		46.05
Machinery leases		1.53		1.56		3.09
Building leases		4.71		4.47		4.63
Real Estate Taxes		1.87		1.50		1.90
Farm insurance		5.83		6.14		5.76
Utilities		12.24		13.04		12.06
Interest		20.51		18.44		21.23
Mach & bldg depreciation		22.24		22.65		19.06
Miscellaneous		6.76		7.29		6.98
Total overhead expenses		120.83		111.61		123.60
Total dir & ovhd expenses		529.70		512.49		498.06
Net return		-28.94		-8.65		192.04
Labor & management charge		37.72		41.70		36.81
Net return over lbr & mgt		-66.66		-50.36		155.23
Cost of Production						
Total direct expense per Head.		885.96		786.24		800.50
Total dir & ovhd expense per Head		1,093.49		950.56		1,054.97
With other revenue adjustments		1,073.75		945.20		1,054.97
With labor and management		1,138.54		1,006.60		1,130.76
Est. labor hours per unit		7.20		8.11		7.13
Other Information						
No. purchased or trans in		72.00		70.00		77.00
Number sold or trans out		60.00		60.00		59.00
Average number of head		104.00		89.00		122.00
Percentage death loss		3.10		4.50		1.50
Feed cost per average head		272.78		286.18		273.82
Feed cost/head sold+trans		468.51		421.32		563.77
Avg. purch price / head		999.51		726.17		810.80
Avg. sales price / head		414.71		390.70		683.37

Livestock Enterprise Analysis
Farm Business Management Statewide Data
(Farms Sorted By Enterprise Size)

Dairy Finishing Steers -- Average Per Cwt. Produced

	Average of All Farms		40 - 60%		High 20%	
Number of farms	112		23		23	
	Quantity	Value	Quantity	Value	Quantity	Value
Dairy Finishing Steers sold (lb)	123.68	95.52	111.09	87.65	100.14	77.85
Transferred out (hd)	0.10	0.11	-	-	0.29	0.34
Butchered (hd)	2.54	2.07	1.56	1.27	2.33	2.00
Less purchased (hd)	-28.68	-33.84	-23.18	-30.49	-10.85	-13.57
Less transferred in (hd)	-4.85	-5.77	-3.67	-5.04	-9.09	-9.97
Inventory change (hd)	7.21	-3.11	14.20	2.97	17.18	10.72
Total production (hd)	100.00	54.99	100.00	56.36	100.00	67.36
Other income		0.10		0.39		-
Gross return		55.09		56.75		67.36
Direct Expenses						
Corn (bu.)	10.17	21.29	10.01	20.21	9.20	19.65
Corn Silage (lb.)	178.14	1.72	188.62	1.83	136.07	1.31
Hay, Alfalfa and other (lb.)	86.86	2.38	68.35	2.29	102.08	2.11
Complete Ration (lb.)	9.49	1.49	0.82	0.13	5.00	0.90
Protein Vit Minerals (lb.)	56.54	9.53	60.71	9.94	56.28	9.58
Other feed stuffs	19.08	2.12	15.71	2.11	25.91	2.28
Veterinary		1.85		1.85		1.14
Supplies		0.80		0.44		0.52
Fuel & oil		1.60		1.57		1.79
Repairs		2.53		3.07		1.92
Custom Hire		0.16		-		0.02
Hauling and trucking		0.57		0.33		0.36
Marketing		0.78		1.08		0.60
Bedding		0.56		0.32		0.24
Operating interest		1.56		1.54		0.53
Total direct expenses		48.94		46.68		42.94
Return over direct expense		6.15		10.07		24.42
Overhead Expenses						
Custom Hire		0.22		0.22		0.38
Hired labor		1.48		1.73		1.58
Machinery Leases		0.16		0.11		0.29
Building Leases		0.21		-		0.03
Real Estate Taxes		0.25		0.24		0.24
Farm insurance		0.91		1.00		1.08
Utilities		1.31		1.27		1.32
Interest		1.46		1.25		1.36
Mach & bldg depreciation		2.51		2.58		2.55
Miscellaneous		0.96		0.86		1.03
Total overhead expenses		9.47		9.27		9.87
Total dir & ovhd expenses		58.40		55.95		52.80
Net return		-3.32		0.80		14.55
Labor & management charge		5.16		4.94		5.04
Net return over lbr & mgt		-8.47		-4.14		9.51
Cost of Production						
Total direct expense per cwt.		72.35		70.19		53.53
Total dir & ovhd expense per cwt.		80.01		78.53		63.36
With other revenue adjustments		79.93		78.18		63.36
With labor and management		84.10		82.63		68.38
Est. labor hours per unit		0.62		0.47		0.73
Other Information						
No. purchased or trans in		87		97		80
Number sold or trans out		74		79		56
Percentage death loss		3.3		4.9		1.7
Avg. daily gain (lbs)		2.36		2.44		2.35
Lbs of conc / lb of gain		6.45		6.38		5.88
Lbs of feed / lb of gain		7.92		7.70		7.35
Feed cost per cwt of gain		38.53		36.50		35.83
Feed cost per head		374.69		339.48		423.10
Average purchase weight		360		302		216
Average sales weight		1,387		1,403		1,390
Avg. purch price / head		424.51		397.07		270.51
Avg. sales price / head		77.22		78.9		77.74

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

Beef, Background Beef -- Average Per Head

	<u>Avg. Of All Farms</u>	
Number of farms	15	
	Quantity	Value
Backgnd Beef sold (lb)	499.17	501.78
Transferred out (lb)	20.75	21.33
Butchered (lb)	7.70	6.55
Less purchased (lb)	-192.80	-228.97
Less transferred in (lb)	-159.69	-179.95
Inventory change (lb)	120.65	71.79
Total production (lb)	295.76	192.54
Other income		-
Gross return		192.54
Direct Expenses		
Corn (bu.)	15.37	29.83
Corn Silage (lb.)	1,909.40	15.38
Hay, Alfalfa (lb.)	168.06	5.76
Hay, Grass & Other (lb.)	409.91	11.10
Haylage, Alfalfa (lb.)	241.67	2.31
Haylage, Grass & Other (lb.)	8.13	0.14
Oats (bu.)	2.81	5.38
Pasture (aum)	0.09	0.51
Complete Ration (lb.)	38.10	1.35
Protein Vit Minerals (lb.)	118.25	13.63
Corn Distillers Grn (dry) (lb.)	45.62	2.14
Other feed stuffs	89.68	7.54
Veterinary		8.97
Supplies		2.48
Fuel & oil		7.01
Repairs		5.62
Hauling and trucking		2.15
Marketing		5.08
Bedding		0.67
Operating interest		7.21
Total direct expenses		134.26
Return over direct expense		58.29
Overhead Expenses		
Hired labor		0.46
Building leases		1.66
Farm insurance		2.55
Utilities		3.88
Interest		4.27
Mach & bldg depreciation		3.75
Miscellaneous		3.47
Total overhead expenses		20.05
Total dir & ovhd expenses		154.31
Net return		38.23
Labor & management charge		15.50
Net return over lbr & mgt		22.73
Cost of Production		
Total direct expense per cwt.		89.41
Total dir & ovhd expense per cwt.		93.26
With other revenue adjustments		93.26
With labor and management		96.24
Est. labor hours per unit		1.80
Other Information		
No. purchased or trans in		141
Number sold or trans out		116
Percentage death loss		1.8
Avg. daily gain (lbs)		1.90
Lbs of conc / lb of gain		4.09
Lbs of feed / lb of gain		8.72
Feed cost per cwt of gain		32.14
Feed cost per head		95.07
Average purchase weight		476
Average sales weight		839
Avg purch price / cwt		118.76
Avg sales price / cwt		100.52

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

Beef Cow-Calf -- Average Per Cow

	Avg. Of All Farms		40 - 60%		High 20%	
Number of farms	117		24		24	
	Quantity	Value	Quantity	Value	Quantity	Value
Beef Calves sold (lb)	231.87	256.77	171.05	189.24	228.22	258.29
Transferred out (lb)	245.88	262.95	297.48	316.46	325.78	351.38
Cull sales (lb)	110.28	87.51	121.84	105.41	94.21	90.45
Butchered (lb)	5.68	4.83	3.81	3.28	4.66	3.19
Less purchased (lb)	-77.55	-102.30	-81.87	-83.47	-57.06	-70.61
Less transferred in (lb)	-35.28	-38.46	-27.39	-33.98	-50.38	-46.38
Inventory change (lb)	79.89	75.74	23.69	5.70	175.22	128.35
Total production (lb)	560.77	547.04	508.62	502.63	720.65	714.67
Other income		3.65		6.56		4.47
Gross return		550.68		509.19		719.14
Direct Expenses						
Corn Silage (lb.)	4,694.42	42.85	5,541.24	55.86	4,147.61	39.36
Hay, Alfalfa (lb.)	1,818.68	55.06	1,758.47	58.07	1,143.19	36.61
Hay, Grass & Other (lb.)	4,516.30	98.51	3,290.82	76.23	5,631.27	100.17
Pasture (aum)	5.34	38.73	6.12	33.36	4.02	40.20
Hay, Grass, Organic (lb.)	120.80	3.40	112.78	4.51	334.66	8.37
Complete Ration (lb.)	100.88	10.65	73.94	5.96	69.41	8.56
Protein Vit Minerals (lb.)	152.70	24.36	59.98	11.44	177.26	22.38
Other feed stuffs	617.55	17.04	782.17	21.83	280.62	15.52
Breeding fees		4.80		6.75		6.71
Veterinary		22.85		24.57		22.61
Supplies		12.62		12.79		9.41
Fuel & oil		19.69		17.02		19.82
Repairs		31.11		31.72		30.76
Hauling and trucking		1.96		3.15		1.54
Marketing		5.69		4.81		5.46
Operating interest		8.96		5.17		6.74
Total direct expenses		398.28		373.25		374.21
Return over direct expense		152.40		135.94		344.93
Overhead Expenses						
Hired labor		6.35		7.89		10.96
RE & pers. property taxes		3.52		2.09		4.56
Farm insurance		9.53		7.04		10.26
Utilities		11.16		10.84		10.90
Dues & professional fees		3.08		1.34		3.68
Interest		18.67		15.92		20.45
Mach & bldg depreciation		29.14		21.79		33.51
Miscellaneous		9.59		9.08		8.96
Total overhead expenses		91.03		76.00		103.28
Total dir & ovhd expenses		489.31		449.25		477.48
Net return		61.38		59.94		241.66
Labor & management charge		78.26		61.20		97.43
Net return over lbr & mgt		-16.88		-1.26		144.23
Cost of Production						
Total direct expense per cwt.		71.02		73.39		51.93
Total dir & ovhd expense per cwt.		87.26		88.33		66.26
With other revenue adjustments		77.32		84.41		51.88
With labor and management		91.27		96.44		65.40
Est. labor hours per unit		9.44		7.38		11.22
Other Information						
Number of cows		79.7		77.6		104.6
Pregnancy percentage		96.6		97.6		96.4
Pregnancy loss percentage		1.2		0.8		1.6
Culling percentage		12.6		15.0		12.8
Calving percentage		95.4		96.8		94.9
Weaning percentage		89.4		90.9		89.2
Calves sold per cow		0.83		0.85		0.88
Calf death loss percent		6.2		5.2		4.8
Average weaning weight		539		534		573
Lbs weaned/exposed female		482		485		511
Feed cost per cow		290.60		267.27		271.16
Avg wgt/Beef Calf sold		597		580		640
Avg price / cwt		110.74		110.64		113.17

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

Hogs, Finish Feeder Pigs -- Average Per Head

	<u>Avg. Of All Farms</u>		<u>40 - 60%</u>		<u>High 20%</u>	
Number of farms	84		17		16	
	Quantity	Value	Quantity	Value	Quantity	Value
Finish Hogs sold (lb)	254.50	117.89	268.05	121.01	280.20	133.12
Transferred out (lb)	0.63	0.72	-	-	2.03	1.04
Cull sales (lb)	0.70	0.35	-	-	-	-
Butchered (lb)	0.10	0.04	0.13	0.05	0.01	0.01
Less purchased (lb)	-31.73	-39.49	-46.12	-48.72	-41.28	-44.74
Less transferred in (lb)	-13.99	-13.33	-5.49	-5.49	-7.52	-6.26
Inventory change (lb)	9.83	3.79	-1.85	-0.02	-12.36	-4.02
Total production (lb)	220.05	69.99	214.71	66.84	221.08	79.15
Other income		0.20		0.07		0.02
Gross return		70.19		66.91		79.17
Direct Expenses						
Corn (bu.)	4.66	9.56	6.66	13.86	6.64	14.39
Soybeans (bu.)	0.01	0.07	-	-	0.19	1.11
Complete Ration (lb.)	323.68	20.13	100.09	6.91	105.09	6.11
Protein Vit Minerals (lb.)	81.37	9.87	139.36	16.64	120.79	12.94
Other feed stuffs	2.05	0.27	8.03	0.55	6.83	0.56
Veterinary		1.29		0.80		0.41
Supplies		0.95		0.40		1.60
Contract production exp.		3.65		1.40		-
Fuel & oil		0.79		0.58		0.96
Repairs		1.04		1.03		1.32
Custom hire		1.55		1.20		0.00
Hauling and trucking		1.45		2.18		0.64
Marketing		0.92		1.30		0.44
Operating interest		1.48		1.02		1.88
Total direct expenses		53.04		47.88		42.36
Return over direct expense		17.16		19.03		36.81
Overhead Expenses						
Custom hire		0.21		0.01		0.56
Hired labor		1.37		1.80		0.81
Machinery leases		0.42		2.02		0.02
Building leases		3.77		6.07		0.47
Farm insurance		0.52		0.46		0.90
Utilities		0.58		0.40		1.59
Interest		1.09		0.91		1.01
Mach & bldg depreciation		1.65		1.10		2.55
Miscellaneous		0.72		0.76		1.76
Total overhead expenses		10.33		13.54		9.68
Total dir & ovhd expenses		63.37		61.42		52.04
Net return		6.82		5.49		27.13
Labor & management charge		2.36		2.35		3.82
Net return over lbr & mgt		4.46		3.14		23.31
Cost of Production						
Total direct expense per cwt.		39.85		38.07		34.50
Total dir & ovhd expense per cwt.		43.90		43.12		37.93
With other revenue adjustments		43.82		43.10		37.92
With labor and management		44.74		43.97		39.28
Est. labor hours per unit		0.22		0.22		0.36
Other Information						
No. purchased or trans in		7,350		6,609		2,600
Number sold or trans out		6,640		6,374		2,469
Percentage death loss		4.8		3.8		4.7
Avg. daily gain (lbs)		1.68		1.68		1.63
Lbs of conc / lb of gain		3.04		2.89		2.81
Lbs of feed / lb of gain		3.04		2.89		2.81
Feed cost per cwt of gain		18.14		17.68		15.88
Feed cost per head		39.91		37.96		35.10
Average purchase weight		39		49		43
Average sales weight		263		264		271
Avg purch price / head		48.18		51.33		47.05
Avg sales price / cwt		46.32		45.14		47.51

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

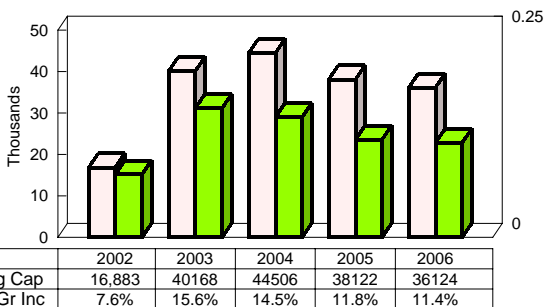
Hogs, Farrow To Finish - Average

	<u>Per CWT</u>		<u>Per Litter</u>	
Number of farms	47		47	
	<u>Quantity</u>	<u>Value</u>	<u>Quantity</u>	<u>Value</u>
Raised Hogs sold (lb)	94.90	44.65	2114.48	994.92
Transferred out (lb)	0.74	0.61	16.40	13.67
Cull sales (lb)	4.53	1.45	100.90	32.34
Butchered (lb)	0.27	0.13	6.08	2.93
Less purchased (lb)	-1.23	-1.39	-27.38	-30.91
Less transferred in (lb)	-0.11	-0.07	-2.47	-1.49
Inventory change (lb)	0.90	0.04	20.00	0.99
Total production (lb)	100.00	45.44	2228.01	1012.46
Other income		0.02		0.37
Gross return		45.46		1012.83
Direct Expenses				
Corn (bu.)	3.39	6.97	75.54	155.24
Complete Ration (lb.)	85.10	7.68	1895.94	171.12
Creep / Starter (lb.)	0.18	0.07	-	-
Protein Vit Minerals (lb.)	53.25	7.54	1186.32	168.04
Other feed stuffs	0.71	0.16	19.87	5.14
Breeding fees		0.74		16.39
Veterinary		1.81		40.27
Supplies		1.08		24.34
Contract production exp.		0.84		18.66
Fuel & oil		0.80		17.72
Repairs		1.12		25.01
Custom hire		1.31		29.21
Hired Labor		0.02		-
Livestock Leases		0.17		3.77
Hauling and trucking		0.24		5.41
Marketing		0.27		6.11
Operating interest		0.20		4.48
Total direct expenses		31.01		690.91
Return over direct expense		14.45		321.92
Overhead Expenses				
Custom Hire		0.26		5.78
Hired Labor		3.43		76.38
Building leases		0.35		7.91
Farm insurance		0.50		11.08
Utilities		0.85		18.88
Interest		1.08		23.96
Mach & bldg depreciation		1.59		35.37
Miscellaneous		0.60		13.38
Total overhead expenses		8.65		192.74
Total dir & ovhd expenses		39.66		883.65
Net return		5.80		129.18
Labor & management charge		1.85		41.19
Net return over lbr & mgt		3.95		87.98
Cost of Production				
Total direct expense per cwt.		31.01		31.01
Total dir & ovhd expense per cwt.		39.66		39.66
With other revenue adjustments		39.51		39.51
With labor and management		41.36		41.36
Est. labor hours per unit		0.30		6.67
Other Information				
Average number of sows		252.4		
Litters farrowed		505		
Litters per sow		2.00		
Litters per crate		11.63		
Pigs born per litter		10.67		
Pigs weaned per litter		9.46		
Pigs weaned per sow		18.88		
Number sold per litter		8.18		
Lbs of feed / lb of gain		3.31		
Feed cost / cwt. of gain		22.42		
Feed cost per litter		499.54		
Avg wgt/Raised Hog sold		258		
Avg price / cwt		47.05		

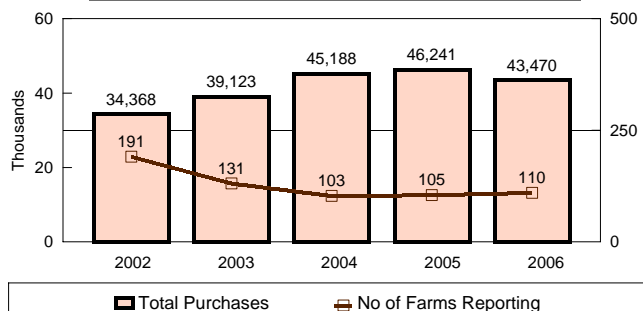
Financial Summary Trends

	2002	2003	2004	2005	2006
Income Statement					
Gross Cash Farm Income	221,968	256,709	306,049	322,930	317,821
Total Cash Farm Expense	180,868	205,680	242,120	263,786	274,250
Net Cash Farm Income	41,100	51,029	63,929	59,144	43,571
Inventory Change	3,328	8,954	7,252	7,825	13,979
Dep & Capital Adjustment	(17,946)	(19,571)	(19,524)	(16,141)	(17,994)
Net Farm Income	26,482	40,412	51,656	50,828	39,556
Profitability (Cost)					
Labor & Management Earnings	11,017	23,255	33,061	30,590	18,443
Rate of Return on Assets	3.8%	5.5%	6.7%	5.8%	4.5%
Rate of Return on Equity	1.3%	5.4%	8.0%	6.3%	2.8%
Operating Profit Margin	11.2%	15.0%	16.7%	14.7%	11.8%
Asset Turnover Rate	33.8%	37.0%	39.9%	39.6%	38.6%
Liquidity					
Ending current ratio	1.26	146%	145%	133%	128%
Ending working capital	16,883	40168	44506	38122	36124
End working capital to gross inc	7.6%	15.6%	14.5%	11.8%	11.4%
Term Debt Coverage Ratio	108.4%	138.7%	151.5%	133.3%	115.4%
Expense as a Percent of Income	80.6%	77.3%	77.2%	79.7%	82.9%
Interest as a Percent of Income	7.6%	6.6%	5.9%	6.0%	7.0%
Solvency (Market)					
Number of Sole Proprietors	350	440	417	444	462
Ending Farm Assets	581,959	735,057	800,022	884,470	931,270
Ending Farm Liabilities	309,796	379,431	409,364	448,387	479,934
Ending Total Assets	672,387	832,068	900,916	988,338	1,043,797
Ending Total Liabilities	327,015	398,318	430,308	472,316	507,108
Ending Net Worth	345,371	433,751	470,609	516,022	536,689
Net Worth Change	24,672	43,706	49,186	55,612	45,046
End Farm Debt to Asset Ratio	53%	52%	51%	51%	52%
Beg Total Debt to Asset Ratio	49%	49%	50%	49%	48%
End Total Debt to Asset Ratio	49%	48%	48%	48%	49%
Nonfarm Information					
Net Nonfarm Income	19,821	19,695	20,120	21,261	21,156
Farms Reporting Liv Expenses	191	131	103	105	110
Total Family Living Expense	24,982	29,023	31,585	28,867	30,258
Total Living, Invest, & Cap Purch	34,368	39,123	45,188	46,241	43,470
Crop Acres					
Total Acres Owned	392	401	401	392	387
Total Crop Acres	652	680	720	766	744
Total Crop Acres Owned	257	260	268	268	269
Total Crop Acres Cash Rented	365	396	433	479	458
Total Crop Acres Share Rent	30	24	19	19	17

Working Capital



Total Living, Invest, & Cap Purch



Crop & Livestock Trends

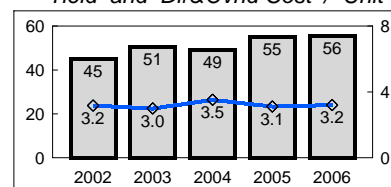
2002 2003 2004 2005 2006

Selected Data

Alfalfa Hay

Yield per Acre	3.2	3.0	3.5	3.1	3.2
Value per Ton	\$67.99	\$69.49	\$74.49	\$74.33	\$80.15
Fuel, Oil, Repairs per Acre	\$38.78	\$41.82	\$50.99	\$54.98	\$56.17
Total Dir & Ovhd Exp per Acre	\$142.19	\$149.15	\$172.95	\$170.92	\$175.02
Net Return per Acre	\$83.99	\$66.94	\$93.95	\$66.77	\$82.34
Total Direct Expenses per Ton	\$21.64	\$24.88	\$23.69	\$28.19	\$28.41
Total Dir & Ovhd Exp per Ton	\$44.89	\$50.56	\$49.10	\$54.97	\$55.58

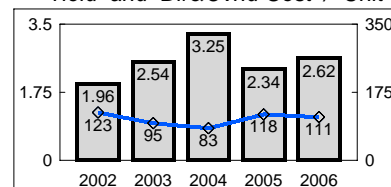
Yield and Dir&Ovhd Cost / Unit



Corn

Yield per Acre	123.2	95.4	82.6	118.0	110.9
Value per Bushel	\$2.08	\$2.24	\$2.03	\$2.08	\$2.73
Fuel, Oil, Repairs per Acre	\$38.05	\$41.26	\$43.84	\$45.97	\$48.88
Total Dir & Ovhd Exp per Acre	\$242.00	\$242.00	\$268.22	\$276.12	\$290.64
Net Return per Acre	\$17.26	(\$13.33)	(\$37.17)	(\$8.74)	\$28.92
Total Direct Expenses per Bu.	\$1.26	\$1.61	\$2.13	\$1.56	\$1.70
Total Dir & Ovhd Exp per Bushel	\$1.96	\$2.54	\$3.25	\$2.34	\$2.62

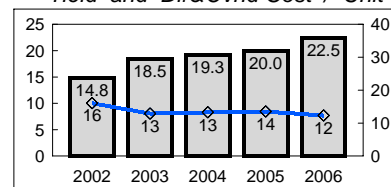
Yield and Dir&Ovhd Cost / Unit



Corn Silage

Yield per Acre	16.0	12.9	13.3	13.5	12.3
Value per Ton	\$19.68	\$19.54	\$19.47	\$19.81	\$20.97
Fuel, Oil, Repairs per Acre	\$44.63	\$45.65	\$53.98	\$61.00	\$60.34
Total Dir & Ovhd Exp per Acre	\$237.82	\$238.55	\$255.54	\$271.22	\$276.59
Net Return per Acre	\$79.28	\$35.23	\$35.45	\$20.65	\$13.70
Total Direct Expenses per Ton	\$8.56	\$10.99	\$11.94	\$13.09	\$14.35
Total Dir & Ovhd Exp per Ton	\$14.84	\$18.45	\$19.26	\$20.03	\$22.45

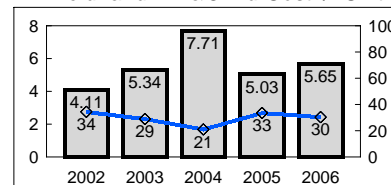
Yield and Dir&Ovhd Cost / Unit



Soybeans

Yield per Acre	34.4	28.9	20.9	33.5	30.4
Value per Bushel	\$5.25	\$6.50	\$5.83	\$5.59	\$5.98
Fuel, Oil, Repairs per Acre	\$25.91	\$25.90	\$28.12	\$29.87	\$30.02
Total Dir & Ovhd Exp per Acre	\$141.37	\$154.53	\$160.90	\$168.55	\$171.62
Net Return per Acre	\$43.84	\$38.73	\$21.89	\$23.79	\$25.38
Total Direct Expenses per Bu.	\$2.50	\$3.24	\$4.69	\$3.11	\$3.57
Total Dir & Ovhd Exp per Bushel	\$4.11	\$5.34	\$7.71	\$5.03	\$5.65

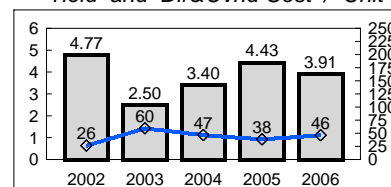
Yield and Dir&Ovhd Cost / Unit



Spring Wheat

Yield per Acre	26.5	59.5	46.6	38.3	46.4
Value per Bushel	\$3.97	\$3.64	\$3.40	\$3.64	\$4.49
Fuel, Oil, Repairs per Acre	\$19.52	\$21.02	\$23.77	\$26.87	\$30.63
Total Dir & Ovhd Exp per Acre	\$126.28	\$148.60	\$158.19	\$169.93	\$181.38
Net Return per Acre	\$8.70	\$68.21	\$17.97	(\$22.12)	\$39.55
Total Direct Expenses per Bu.	\$3.14	\$1.69	\$2.32	\$2.97	\$2.70
Total Dir & Ovhd Exp per Bushel	\$4.77	\$2.50	\$3.40	\$4.43	\$3.91

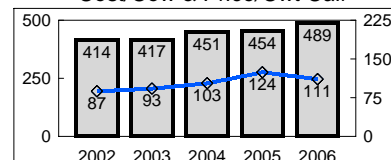
Yield and Dir&Ovhd Cost / Unit



Beef Cow Calf

Price Rec'd/Cwt Calf Sold	\$87.24	\$92.50	\$102.97	\$124.12	\$110.74
Total Feed Cost/Cow	\$252.29	\$256.44	\$279.03	\$277.80	\$290.60
Return over Feed/Cow	\$167.93	\$235.80	\$287.67	\$345.01	\$260.08
Net Return/Cow	\$6.34	\$75.73	\$116.11	\$168.89	\$61.38
Total Direct & Ovhd Expenses	\$413.87	\$416.51	\$450.59	\$453.92	\$489.31

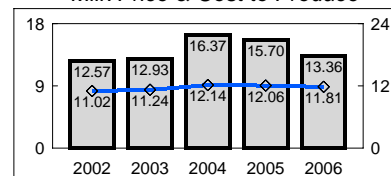
Cost/Cow & Price/Cwt Calf



Dairy Cows

Production/Cow	20,037	19,998	20,228	20,652	21,307
Price Rec'd/Cwt Milk	\$12.57	\$12.93	\$16.37	\$15.70	\$13.36
Total Feed Cost/Cwt Milk	\$5.13	\$5.44	\$5.81	\$5.48	\$5.37
Return over Feed/Cwt Milk	\$7.20	\$7.65	\$10.03	\$9.87	\$7.86
Net Return/Cwt Milk	\$1.31	\$1.84	\$3.70	\$3.30	\$1.42
Total Direct & Ovhd Expenses	\$11.02	\$11.24	\$12.14	\$12.06	\$11.81

Milk Price & Cost to Produce



Program Information

Half a century later, after serving thousands of farm businesses, Minnesota Farm Business Management Education has celebrated its golden anniversary. Farm Business Management Education has been a part of agriculture education programs in Minnesota since 1953. From the early cooperative efforts of the State Department of Education and the Department of Agriculture Education (University of Minnesota), the program has expanded to serve over 5000 farm families each year in six Farm Management areas. Programs are now an integral part of the Minnesota State College and University System, through eight two-year Colleges.

The Farm Business Management Program is an educational program that is designed to help farm families achieve their farm business and family goals. This is done through improved management organization and efficiency of their farm operations. This purpose has not changed over the years.

The programs became credit based in the 1992 Fiscal Year. A typical farm business management student registers for 10 semester credits per year. The courses have been designed to meet the unique needs of students who enroll on a part-time basis, while operating or managing a farm business. The program relies on individualized instruction to adequately address the needs of the individual farmer, making enrollment even more beneficial. To accomplish these purposes, programs have been organized to conform to the following guidelines:

- Farm families enroll in a specific management course.
- Each course has a specific objective and units of instruction to meet the objective.
- Courses are offered in sequence and farmers are expected to enroll in the first of the sequence of courses.
- There is continuity to each course. Each leads to the next course in the sequence.
- Instruction is primarily individualized on the farm or in the office with the farm family. Additional instruction is also offered in group or classroom settings.

Northland Community & Technical College now offers the following Farm Business Management Programs:

1. Farm Business Management – Diploma Program
2. Advanced Farm Business Management – Certificate Program
3. Farm Business Management Current Topics – Certificate Program
4. Agriculture Commodity Marketing – Certificate Program
5. Advanced Agriculture Commodity Marketing – Certificate Program
6. Precision Agriculture – Certificate Program

Central Lakes Community & Technical College now offers the following Farm Business Management Programs:

1. Essentials in Farm Business Management – Certificate Program
2. Applications in Farm Business Management – Certificate Program
3. Farm Business Management – Diploma Program
4. Advanced Farm Business Management – Certificate Program
5. Current Issues in Farm Business Management – Certificate Program
6. Agriculture Commodity Marketing – Certificate Program

Like most educational programs, members benefit from the instruction based on how much effort they put into study. Some farmers have benefited more and some less, depending upon how seriously they studied the results of their business analysis and the kind of decisions they made as a result of their analysis.

Farm Financial Scorecard

Liquidity

Strong

Vulnerable

2.0

1.0

Current ratio

_____ . _____



Working capital

\$ _____

Solvency (market)

Note: These solvency ratios exclude deferred liabilities

30%

70%

Farm debt/asset ratio

_____ %



70%

30%

Farm equity/asset ratio

_____ %



43%

233%

Farm debt/equity ratio

_____ %



Profitability (Cost)

Net farm income

\$ _____

8%

3%

Rate of return on farm assets

_____ %



15%

5%

Rate of return on farm equity

_____ %



25%

10%

Operating profit margin

_____ %



Repayment Capacity (Accrual)

Term-debt coverage ratio

_____ %

150%

110%



Capital-replacement margin

\$ _____

Financial Efficiency

Asset-turnover rate (market)

_____ %

Can vary depending on the type of farm

65%

80%

Operating-expense ratio

_____ %



5%

11%

Depreciation-expense ratio

_____ %



5%

11%

Interest-expense ratio

_____ %



20%

10%

Net farm income ratio

_____ %

