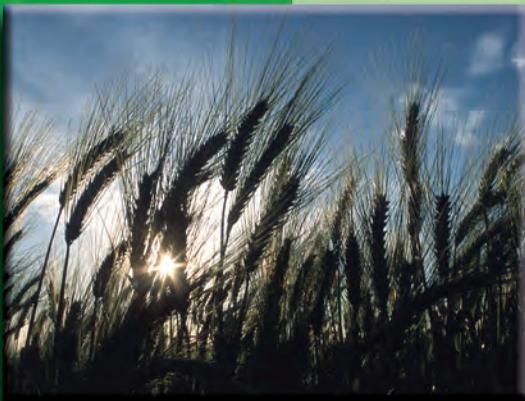


# Farm Business Management



## 2008 ANNUAL REPORT



North Central &  
Northwestern  
Minnesota  
Report No. 53



April, 2009



A MEMBER OF THE MINNESOTA STATE COLLEGES  
AND UNIVERSITIES SYSTEM



## ***2008 Annual Report Overview***

The 2008 North Central and Northwestern Minnesota Farm Business Management Education Program Annual Report has been printed for the sixth 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 2008 State Farm Business Management Education Program database includes data from over 2318 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](http://www.mgt.org)**

**Northland College Website: [www.northlandcollege.edu](http://www.northlandcollege.edu)**

**Central Lakes College Website: [www.clcmn.edu](http://www.clcmn.edu)**

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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>
Detroit Lakes	Mark Berg
Detroit Lakes	Paul Ramsey
East Grand Forks	Betsy Jensen
Fergus Falls	Paul Oehlke
Fertile/Hawley	Jon Christensen
Fosston	Doug Fjerstad
Moorhead	Rick Morgan
Mahnomen/Ulen	Randy Zimmerman
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	Nate Converse
	Dave Stish
Milaca	Lee Todnem
Pierz	Tom Lippert
Staples	Bob Rick
Staples	Keith Olander

The preparation of this report was done under the direction of Ron Dvergsten, Dean of Management Education at Northland Community & Technical College; and DelRay Lecy, 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; Kent Hanson, Vice President of Academic Affairs and Student Services, Northland Community & Technical College; and Dr. Richard Joerger, System Director for Agriculture and Business Program Curriculum, Minnesota State Colleges and Universities. A special thank you goes to Shirley Judd, Central Lakes College, and Rosemary Gustafson, 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:

<u>Analysis Section</u>	<u>Criteria to determine the "20%" categories</u>
Financial	Net Farm Income
Crops	Return to Overhead
Livestock	Return to Overhead

## Average Money Spent by Each Farmer

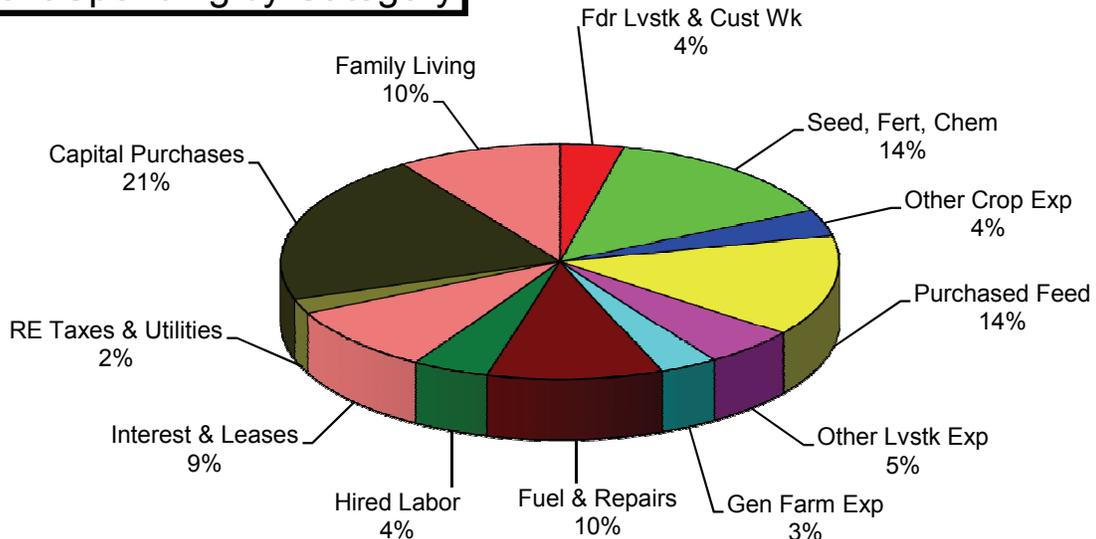
<u>Where the Money was Spent:</u>	<u>What the Money was used for:</u>	<u>Amount</u>
To Other Farmers	Feeder Livestock and Custom Work	\$19,605
To Agri-Business	Seed, Fertilizer, and Chemicals	\$75,894
	Other Direct Crop Expense	\$19,565
	Purchased Feed	\$74,248
	Other Direct Livestock Expense	\$29,113
	Fuel, Lubricants & Repairs	\$54,499
	General Farm Expenses	\$17,855
Individuals	Hired Labor	\$23,734
Utility Company	Utilities	\$7,926
Lenders or Other Farmers	Use of Capital: Interest & Leases	\$49,519
Local Government	Real Estate Taxes	\$2,811
Agri-Business or Other Farmers	Breeding Livestock, Machinery, Equipment, Buildings, Land, and Other.	\$110,558
Household and Personal Expense	Food, Clothing, Furnishings, Education, Contributions, Medical, Gifts, Recreation, Taxes, Capital Expenditures & Investments.	\$51,093

**Average Money Spent by Each Farmer in the Greater Community: \$536,420**

**Increase in Money Spent by Each Farmer, compared to last year: \$73,022**

**Average Money Spent by Each Farmer in a 30 Yr Career: \$16,092,600**  
**Money Spent in Community by 398 Farmers: \$213,495,160**

### Percent Spending by Category



<b>Year at a Glance</b>	<b>Area Average</b>	<b>State Ave.</b>	<b>Local Ave.</b>	<b>Your Farm</b>	<b>Your Goal</b>
	<b>398</b>	<b>2318</b>			
	<b><u>Farms</u></b>	<b><u>Farms</u></b>			
<b><u>Pages 6 &amp; 7:</u></b>					
Gross Cash Farm Income	\$446,183	\$665,602	_____	_____	_____
Total Cash Operating Expense	\$374,769	\$547,921	_____	_____	_____
Net Cash Farm Income	\$71,414	\$117,681	_____	_____	_____
Net Operating Profit	\$111,536	\$173,225	_____	_____	_____
Net Farm Income	\$87,483	\$139,888	_____	_____	_____
Median Farm Income	\$40,908	\$89,882	_____	_____	_____
<b><u>Page 11:</u></b>					
Total Assets - 12/31	\$1,244,165	\$1,888,454	_____	_____	_____
Total Liabilities - 12/31	\$605,789	\$848,995	_____	_____	_____
Net Worth - 12/31	\$638,376	\$1,039,459	_____	_____	_____
Change in Net Worth	\$70,627	\$104,288	_____	_____	_____
<b><u>Page 12:</u></b>					
Working Capital - 12/31	\$107,581	\$213,093	_____	_____	_____
Debt to Asset Ratio - 12/31	51%	46%	_____	_____	_____
Rate of Return on Farm Assets - Cost	9.0%	10.5%	_____	_____	_____
Rate of Return on Farm Equity - Cost	12.4%	14.6%	_____	_____	_____
Term Debt Coverage Ratio	1.96	2.37	_____	_____	_____
Asset Turnover Rate	46.2%	48.3%	_____	_____	_____
Operating Expense Ratio	72.1%	70.4%	_____	_____	_____
Interest Expense Ratio	5.1%	4.9%	_____	_____	_____
<b><u>Page 17:</u></b>					
Average Age of the Farmer	44.8	47.0	_____	_____	_____
Average Years Farming	20.6	23.6	_____	_____	_____
<b><u>Page 18 &amp; 19:</u></b>					
Total Cash Family Living Expense	\$34,275	\$51,019	_____	_____	_____
Total Non Farm Income	\$22,911	\$24,834	_____	_____	_____

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

The following list shows expenses for 2008:

	<u>Area</u>	<u>&lt; Median &gt;</u>	<u>State</u>
Family Living (Excl Health/Med)	\$26,609		\$37,865
Social Security and Income Tax	\$1,415		\$6,310
Health and Medical Expense	\$7,273		\$7,343
Retirement Accounts	\$368		\$3,039
Principal Payments	\$20,840		\$36,553
Balance	(\$15,597)		(\$1,228)

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

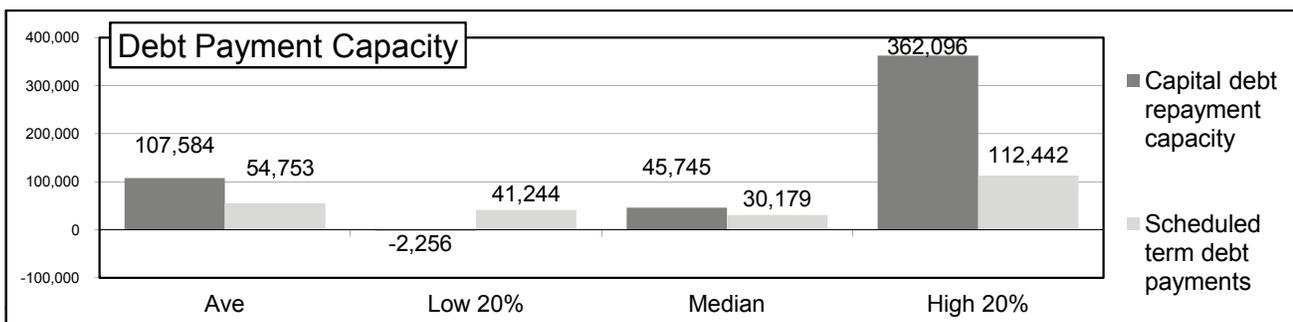
	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	398	79	79	80
<b>Sale of Crops</b>				
Barley	3,114	8	290	7,330
Beans, Edible	4,544	-	-	21,661
Canola	777	-	489	2,233
Corn	29,998	3,596	20,465	89,165
Corn Silage	948	174	3,690	96
Hay, Alfalfa	2,935	561	1,588	3,203
Hay, Other	1,984	896	4,028	1,752
Organic Crops	2,074	380	1,213	5,839
Potatoes	493	212	398	7
Soybeans	61,644	9,333	21,364	198,748
Sunflowers	5,182	132	4,054	16,486
Sunflowers, Confectionary	1,206	-	-	4,732
Wheat, Spring	44,849	10,067	16,822	155,977
Sugarbeets	2,586	-	321	12,487
Grass Seed	1,802	-	-	8,966
Other Crop Enterprises	5,130	3,089	2,046	15,245
Miscellaneous crop income	283	82	297	186
<b>Total Crop Sales</b>	<b>169,549</b>	<b>28,530</b>	<b>77,065</b>	<b>544,113</b>
<b>Sale of Livestock</b>				
Beef Cow-Calf, Beef Calves	5,974	7,793	7,149	3,279
Beef, Background Beef	4,460	8,141	6,423	247
Beef, Finishing	8,125	7,555	2,536	14,294
Dairy, Milk	179,343	72,736	101,491	442,917
Dairy Calves	2,049	526	3,771	3,892
Dairy Heifers (for sale)	1,072	636	182	100
Dairy Feeders & Backgrounding	1,003	743	2,865	391
Dairy Finishing	3,157	2,009	5,374	1,987
Hogs, Finish Feeder Pigs	1,549	7,802	-	-
Hogs, Weaning to Finish	5,129	7,947	-	17,615
Other Livestock Enterprises	5,757	22,488	756	3,797
Cull breeding livestock	8,645	5,479	4,942	16,928
Misc. livestock income	563	902	656	200
<b>Total Livestock &amp; Product Sales</b>	<b>226,826</b>	<b>144,757</b>	<b>136,145</b>	<b>505,647</b>
<b>Other farm income</b>				
Direct & CC govt payments	8,952	3,249	5,412	23,127
CRP payments	1,243	954	613	2,505
Livestock govt payments	510	754	602	379
Other government payments	8,824	2,387	4,540	19,676
Custom work income	5,574	2,021	8,476	8,211
Patronage dividends, cash	2,724	934	1,446	6,750
Insurance income	12,207	4,976	12,002	27,869
Contract livestock income	2,373	458	25	1,064
Other farm income	7,401	3,407	5,229	14,213
<b>Total Other Farm Income</b>	<b>49,808</b>	<b>19,140</b>	<b>38,345</b>	<b>103,794</b>
<b>Gross Cash Farm Income</b>	<b>446,183</b>	<b>192,427</b>	<b>251,555</b>	<b>1,153,554</b>

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

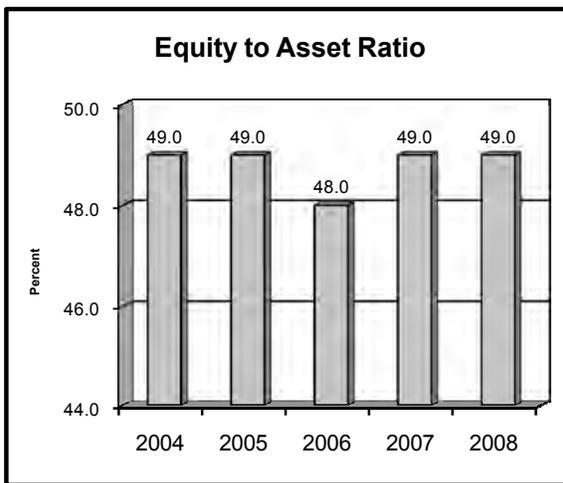
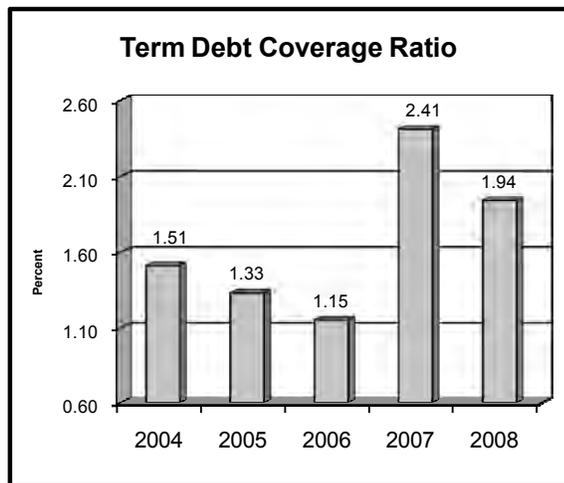
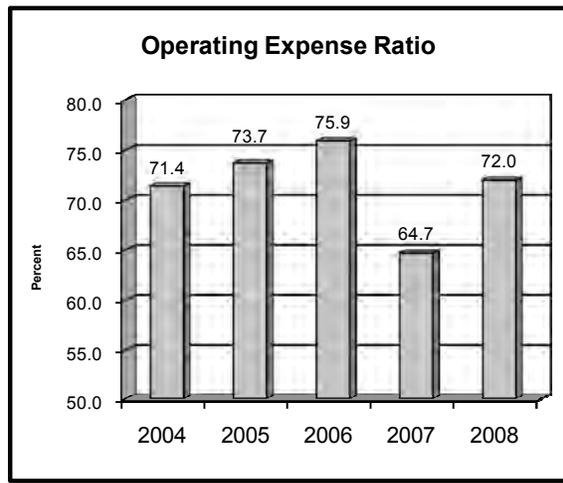
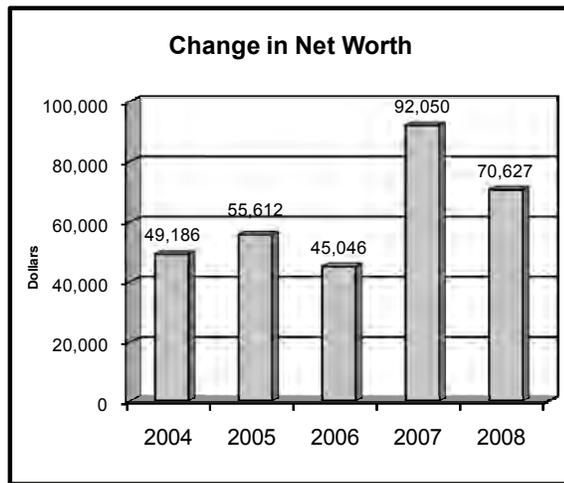
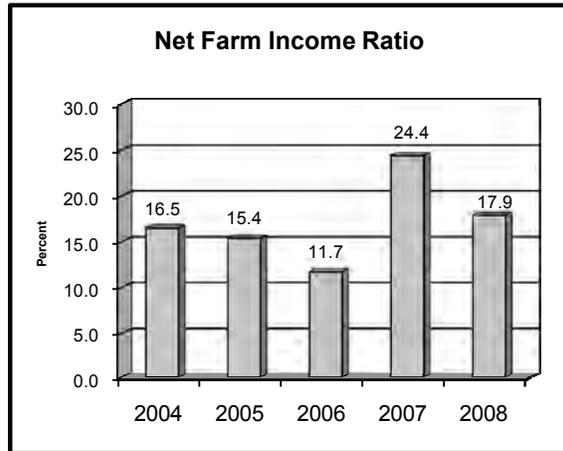
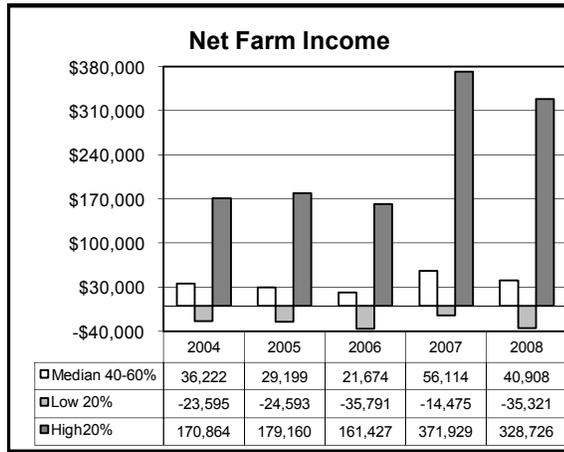
	<b>Average</b>	<b>Low 20%</b>	<b>40 - 60%</b>	<b>High 20%</b>
<b>Number of farms</b>	<b>398</b>	<b>79</b>	<b>79</b>	<b>80</b>
<b>Direct Crop Expense</b>				
Seed	21,955	5,907	11,646	60,948
Fertilizer	37,162	11,568	20,291	107,570
Crop chemicals	16,777	3,816	7,607	51,664
Crop insurance	13,242	3,722	7,196	39,204
Drying Expense	1,833	398	1,479	4,833
Crop miscellaneous	4,490	1,548	2,281	12,179
<b>Total Direct Crop Expense</b>	<b>95,459</b>	<b>26,959</b>	<b>50,500</b>	<b>276,398</b>
<b>Direct Livestock Expense</b>				
Feeder livestock purchase	10,688	12,473	6,793	26,664
Purchased feed	74,248	59,424	44,500	160,024
Breeding fees	1,996	1,132	1,004	4,198
Veterinary	5,937	3,018	3,834	12,524
Supplies and related	8,630	4,590	5,362	19,841
Contract production exp.	4,453	2,090	512	13,962
Livestock hauling and trucking	2,031	1,813	1,960	2,292
Livestock marketing	2,255	1,493	1,755	4,194
Bedding	3,811	1,609	1,706	11,481
<b>Total Direct Livestock Expense</b>	<b>114,049</b>	<b>87,642</b>	<b>67,426</b>	<b>255,180</b>
<b>Other Farm Expense</b>				
Interest	24,743	19,745	16,621	47,893
CCC Buybacks	5,900	0	2,311	17,805
Fuel & oil	26,643	11,741	16,580	64,889
Repairs	27,856	13,273	16,437	65,343
Custom hire	8,917	4,425	4,949	23,242
Hired labor	23,734	4,518	8,489	75,743
Land rent	20,091	4,594	10,020	62,409
Machinery & bldg leases	4,685	1,981	2,684	11,042
Real estate taxes	2,811	2,070	2,117	4,928
Farm insurance	4,776	2,661	3,700	9,622
Utilities	7,926	5,873	6,042	14,859
Dues & professional fees	2,181	755	1,157	6,385
Miscellaneous	4,998	3,775	4,038	7,322
<b>Total Other Farm Expense</b>	<b>165,261</b>	<b>75,411</b>	<b>95,145</b>	<b>411,482</b>
<b>Total cash expense</b>	<b>374,769</b>	<b>190,012</b>	<b>213,071</b>	<b>943,060</b>
<b>Net cash farm income</b>	<b>71,414</b>	<b>2,415</b>	<b>38,484</b>	<b>210,494</b>
<b>Inventory Changes</b>				
Prepays and supplies	4,041	-1,414	-1,982	19,318
Accounts receivable	4,489	-1,898	1,559	28,632
Gr. Crops, Hedging acct. & Oth Cur Assets	1,532	49	659	5,956
Crops and feed	43,109	11,021	20,381	131,049
Market livestock	-3,609	-7,600	541	-9,091
Breeding livestock	-3,623	-13,506	-2,172	2,513
Accounts payable	-7,535	-6,749	-2,637	-14,387
Accrued Interest & other assets	1,718	-3,900	503	9,870
<b>Total inventory change</b>	<b>40,122</b>	<b>-23,998</b>	<b>16,852</b>	<b>173,860</b>
<b>Net operating profit</b>	<b>111,536</b>	<b>-21,583</b>	<b>55,336</b>	<b>384,354</b>
<b>Depreciation</b>				
Machinery and equipment	-18,505	-9,573	-11,781	-41,920
Titled vehicles	-1,448	-1,637	-1,138	-2,667
Buildings and improvements	-4,394	-2,576	-2,335	-10,923
<b>Total depreciation</b>	<b>-24,346</b>	<b>-13,786</b>	<b>-15,254</b>	<b>-55,509</b>
<b>Net farm income from operations</b>	<b>87,190</b>	<b>-35,369</b>	<b>40,082</b>	<b>328,845</b>
Gain or loss on capital sales	293	48	826	-119
<b>Net farm income</b>	<b>87,483</b>	<b>-35,321</b>	<b>40,908</b>	<b>328,726</b>

**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	398	79	79	80
<b>Profitability (assets valued at cost)</b>				
Net farm income from operations	87,190	-35,369	40,082	328,845
Rate of return on assets	9.0%	-7.1%	5.6%	15.8%
Rate of return on equity	12.4%	-38.6%	5.1%	23.6%
Operating profit margin	19.4%	-34.6%	13.6%	27.3%
Asset turnover rate	46.2%	20.5%	41.1%	57.7%
Farm interest expense	25,206	20,850	16,974	48,228
Value of operator lbr and mgmt.	33,992	22,088	26,760	67,098
Return on farm assets	78,404	-36,607	30,296	309,975
Average farm assets	875,557	516,976	539,989	1,964,221
Return on farm equity	53,198	-57,457	13,322	261,747
Average farm equity	430,191	148,931	263,291	1,108,486
Value of farm production	404,830	105,766	222,089	1,134,330
<b>Liquidity</b>				
Current ratio	1.69	0.92	1.45	2.12
Working Capital	107,581	-8,384	41,205	402,408
Working Capital to Gross Inc	22.0%	-4.7%	15.1%	30.5%
Current assets	263,257	90,363	133,457	761,851
Current liabilities	155,677	98,747	92,251	359,443
Gross revenues (accrual)	489,765	177,663	273,382	1,321,018
<b>Repayment capacity</b>				
Net farm income from operations	87,190	-35,369	40,082	328,845
Depreciation	24,346	13,786	15,254	55,509
Personal income	22,911	38,916	16,673	18,913
Family living/owner withdrawals (-)	-39,903	-30,393	-33,882	-67,377
Payments on personal debt (-)	-3,657	-4,335	-3,752	-3,798
Income taxes paid (-)	-4,049	-3,404	-1,415	-7,407
Interest on term debt	20,746	18,543	12,784	37,410
Capital debt repayment capacity	107,584	-2,256	45,745	362,096
Scheduled term debt payments (-)	54,753	41,244	30,179	112,442
Capital debt repayment margin	52,832	-43,500	15,566	249,654
Cash replacement allowance (-)	6,084	3,136	5,790	10,573
Replacement margin	46,748	-46,635	9,776	239,081
Term debt coverage ratio	1.96	-0.05	1.52	3.22
Replacement coverage ratio	1.77	-0.05	1.27	2.94



## Five Year History of Selected Financial Measures



**Balance Sheet at Cost Values**  
**Northland and 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	398	79	79	80
<b>Assets</b>				
<b>Current Farm Assets</b>				
Cash and checking balance	9,658	3,940	6,904	23,778
Prepaid expenses & supplies	23,035	3,308	5,356	80,322
Growing crops	2,290	489	1,304	6,153
Accounts receivable	27,112	6,178	14,785	85,151
Hedging accounts	627	-	175	2,250
Crops held for sale or feed	162,823	49,212	72,147	500,566
Crops under government loan	11,501	1,543	7,642	33,241
Market livestock held for sale	25,264	25,005	24,346	30,111
Other current assets	947	689	798	279
Total current farm assets	263,257	90,363	133,457	761,851
<b>Intermediate Farm Assets</b>				
Breeding livestock	115,202	83,998	77,645	215,607
Machinery and equipment	209,725	108,402	140,805	469,213
Titled vehicles	13,396	11,370	10,280	25,829
Other intermediate assets	15,717	6,287	7,227	47,192
Total intermediate farm assets	354,040	210,056	235,957	757,840
<b>Long Term Farm Assets</b>				
Farm land	191,433	144,136	128,312	333,063
Buildings and improvements	116,657	69,648	73,159	273,241
Other long-term assets	15,517	5,144	6,609	42,714
Total long-term farm assets	323,607	218,928	208,080	649,018
Total Farm Assets	940,905	519,347	577,494	2,168,710
Total Nonfarm Assets	101,656	100,297	84,391	134,764
Total Assets	1,042,561	619,644	661,884	2,303,474
<b>Liabilities</b>				
<b>Current Farm Liabilities</b>				
Accrued interest	6,123	5,862	3,286	12,317
Accounts payable	23,244	16,293	14,838	44,834
Current notes	80,673	49,509	49,926	192,993
Government crop loans	5,373	823	3,362	14,733
Principal due on term debt	40,264	26,259	20,840	94,566
Total current farm liabilities	155,677	98,747	92,251	359,443
Total intermediate farm liabs	139,143	108,320	86,305	259,117
Total long term farm liabilities	184,395	179,404	124,872	310,936
Total farm liabilities	479,214	386,470	303,429	929,495
Total nonfarm liabilities	28,042	26,235	31,610	31,765
Total liabilities	507,257	412,705	335,039	961,260
Net worth (farm and nonfarm)	535,304	206,939	326,845	1,342,214
Net worth change	66,853	-28,509	23,085	266,927
<b>Ratio Analysis</b>				
Current farm liabilities / assets	59 %	109 %	69 %	47 %
Intermediate farm liab. / assets	39 %	52 %	37 %	34 %
Long term farm liab. / assets	57 %	82 %	60 %	48 %
Total debt to asset ratio	49 %	67 %	51 %	42 %

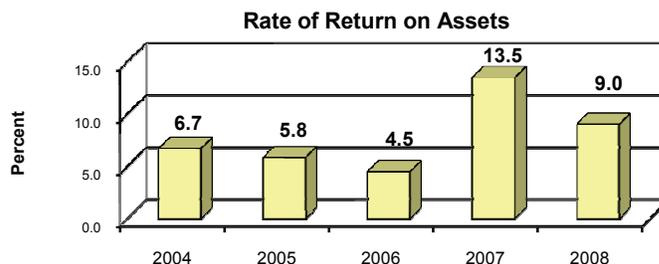
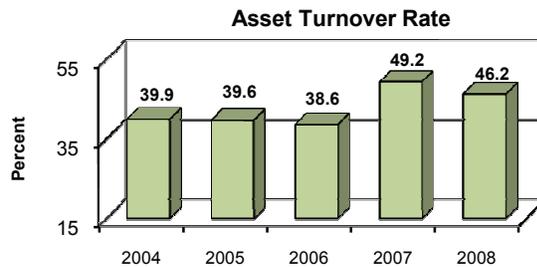
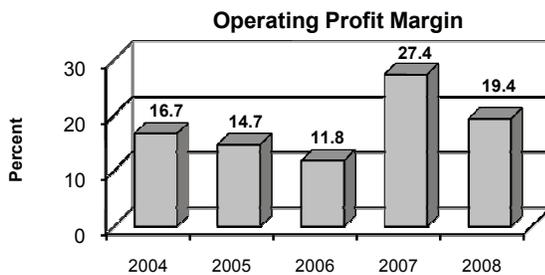
**Balance Sheet at Market Values**  
**Northland and Central Lakes Community and Technical Colleges**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	398	79	79	80
<b>Assets</b>				
<b>Current Farm Assets</b>				
Cash and checking balance	9,658	3,940	6,904	23,778
Prepaid expenses & supplies	23,035	3,308	5,356	80,322
Growing crops	2,290	489	1,304	6,153
Accounts receivable	27,112	6,178	14,785	85,151
Hedging accounts	627	-	175	2,250
Crops held for sale or feed	162,823	49,212	72,147	500,566
Crops under government loan	11,501	1,543	7,642	33,241
Market livestock held for sale	25,264	25,005	24,346	30,111
Other current assets	947	689	798	279
Total current farm assets	263,257	90,363	133,457	761,851
<b>Intermediate Farm Assets</b>				
Breeding livestock	119,351	87,582	80,437	227,695
Machinery and equipment	248,185	125,187	170,400	554,265
Titled vehicles	14,678	12,233	11,290	28,550
Other intermediate assets	18,127	6,359	7,448	58,571
Total intermediate farm assets	400,340	231,362	269,575	869,080
<b>Long Term Farm Assets</b>				
Farm land	317,731	268,170	232,403	479,682
Buildings and improvements	129,627	78,832	81,875	299,551
Other long-term assets	20,961	5,192	6,394	70,701
Total long-term farm assets	468,319	352,194	320,672	849,934
Total Farm Assets	1,131,917	673,918	723,703	2,480,865
Total Nonfarm Assets	112,248	118,382	92,185	146,458
Total Assets	1,244,165	792,300	815,888	2,627,323
<b>Liabilities</b>				
<b>Current Farm Liabilities</b>				
Accrued interest	6,123	5,862	3,286	12,317
Accounts payable	23,244	16,293	14,838	44,834
Current notes	80,673	49,509	49,926	192,993
Government crop loans	5,373	823	3,362	14,733
Principal due on term debt	40,264	26,259	20,840	94,566
Total current farm liabilities	155,677	98,747	92,251	359,443
Total intermediate farm liabs	139,143	108,320	86,305	259,117
Total long term farm liabilities	184,395	179,404	124,872	310,936
Total farm liabilities	479,214	386,470	303,429	929,495
Total nonfarm liabilities	28,042	26,235	31,610	31,765
Total liabs excluding deferreds	507,257	412,705	335,039	961,260
Total deferred liabilities	98,532	53,159	55,574	246,042
Total liabilities	605,789	465,865	390,612	1,207,302
Retained earnings	535,304	206,939	326,845	1,342,214
Market valuation equity	103,072	119,496	98,430	77,807
Net worth (farm and nonfarm)	638,376	326,435	425,275	1,420,021
Net worth excluding deferreds	736,908	379,595	480,849	1,666,063
Net worth change	70,627	-10,820	28,936	255,237
<b>Ratio Analysis</b>				
Current farm liabilities / assets	59 %	109 %	69 %	47 %
Intermediate farm liab. / assets	35 %	47 %	32 %	30 %
Long term farm liab. / assets	39 %	51 %	39 %	37 %
Total debt to asset ratio	49 %	59 %	48 %	46 %
Debt to assets excl deferreds	41 %	52 %	41 %	37 %

**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	398	79	79	80
<b>Liquidity</b>				
Current ratio	1.69	0.92	1.45	2.12
Working capital	107,581	-8,384	41,205	402,408
Working capital to gross inc.	22.0%	-4.7%	15.1%	30.5%
<b>Solvency (market)</b>				
Farm debt to asset ratio	51%	65%	49%	47%
Farm equity to asset ratio	49%	35%	51%	53%
Farm debt to equity ratio	1.04	1.84	0.98	0.90
<b>Profitability (cost)</b>				
Rate of return on farm assets	9.0%	-7.1%	5.6%	15.8%
Rate of return on farm equity	12.4%	-38.6%	5.1%	23.6%
Operating profit margin	19.4%	-34.6%	13.6%	27.3%
Net farm income	87,483	-35,321	40,908	328,726
EBIDTA	136,742	-733	72,310	432,582
<b>Repayment Capacity</b>				
Capital debt repayment capacity	107,584	-2,256	45,745	362,096
Capital debt repayment margin	52,832	-43,500	15,566	249,654
Replacement margin	46,748	-46,635	9,776	239,081
Term debt coverage ratio	1.96	-0.05	1.52	3.22
Replacement coverage ratio	1.77	-0.05	1.27	2.94
<b>Efficiency</b>				
Asset turnover rate (cost)	46.2%	20.5%	41.1%	57.7%
Operating expense ratio	72.1%	100.4%	73.5%	67.3%
Depreciation expense ratio	5.0%	7.8%	5.6%	4.2%
Interest expense ratio	5.1%	11.1%	6.1%	3.6%
Net farm income ratio	17.9%	-19.9%	15.0%	24.9%

**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 using the 21 Financial Standards Measures. The numbers listed below are intended to provide a general overview of the farm situation for the current year and over a five year period. The current year data provides a snapshot of the conditions that represent the present while the five year data provides a longer term look at these factors to enable their use in potential decision making activities.

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

<b>Evaluation Chart</b>		<b>Low Farms</b>		<b>Average</b>		<b>High Farms</b>		<b>Your Farm</b>	
		<b>2008</b>	<b>5 Yr Ave</b>	<b>2008</b>	<b>5 Yr Ave</b>	<b>2008</b>	<b>5 Yr Ave</b>	<b>2008</b>	<b>5 Yr Ave</b>
<b>Liquidity</b>									
Current Ratio		0.92	0.91	1.69	1.51	2.12	1.83		
Working Capital	\$	-8384.00	(9,881)	107,581	63,344	402,408	213,594		
Working Capital to Gross Inc.	%	-4.7%	---	22.0%	---	30.5%	---		
<b>Solvency (Market)</b>									
Farm Debt to Asset Ratio	%	65%	61%	51%	51%	47%	49%		
Farm Equity to Asset Ratio	%	35%	39%	49%	49%	53%	51%		
Farm Debt to Equity Ratio	%	1.84	1.57	1.04	1.05	0.90	0.96		
<b>Profitability (Cost)</b>									
Rate of Return on Farm Assets	%	-7.1%	-5.1%	9.0%	8.1%	15.8%	14.5%		
Rate of Return on Farm Equity	%	-38.6%	-26.9%	12.4%	10.7%	23.6%	22.4%		
Operating Profit Margin	%	-34.6%	-22.1%	19.4%	18.6%	27.3%	27.8%		
Net Farm Income	\$	(35,321)	(24,694)	87,483	68,279	328,726	238,441		
EBIDTA	\$	(733)	---	136,742	---	432,582	---		
<b>Repayment Capacity (Accrual)</b>									
Capital Debt Repayment Cap.	\$	(2,256)	---	107,584	---	362,096	---		
Capital Debt Repayment Margin	\$	(43,500)	(26,927)	52,832	37,700	249,654	166,190		
Replacement Margin	\$	(46,635)	---	46,748	---	239,081	---		
Term Debt Coverage Ratio		-0.05	0.35	1.96	1.72	3.22	2.58		
Replacement Coverage Ratio		-0.05	---	1.77	---	2.94	---		
<b>Efficiency</b>									
Asset Turnover Rate (Cost)	%	20.5%	23.8%	46.2%	42.4%	57.7%	51.6%		
Operating Expense Ratio	%	100.4%	91.1%	72.1%	70.5%	67.3%	65.9%		
Depreciation Expense Ratio	%	7.8%	12.1%	5.0%	5.7%	4.2%	4.3%		
Interest Expense Ratio	%	11.1%	11.9%	5.1%	5.9%	3.6%	4.5%		
Net Farm Income Ratio	%	-19.9%	-15.3%	17.9%	17.9%	24.9%	25.2%		

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## ***Financial Guideline Measures***

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

### **Liquidity**

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

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

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

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

### **Solvency**

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

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

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

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

### **Profitability**

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

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

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

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

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## ***Financial Guideline Measures***

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**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.

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

### **Repayment Capacity**

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

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

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

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

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

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

### **Efficiency**

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

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

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

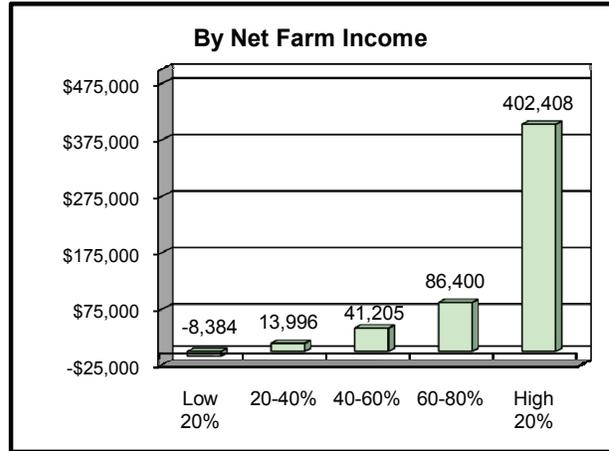
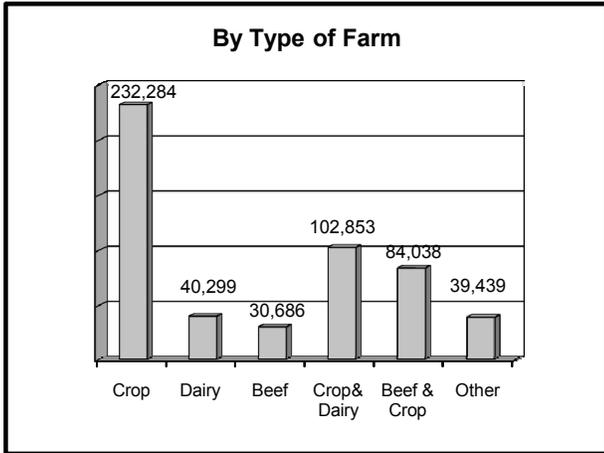
**Depreciation Expense Ratio:** This ratio indicates the percent of the gross farm income, which is used to cover the depreciation expense.

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

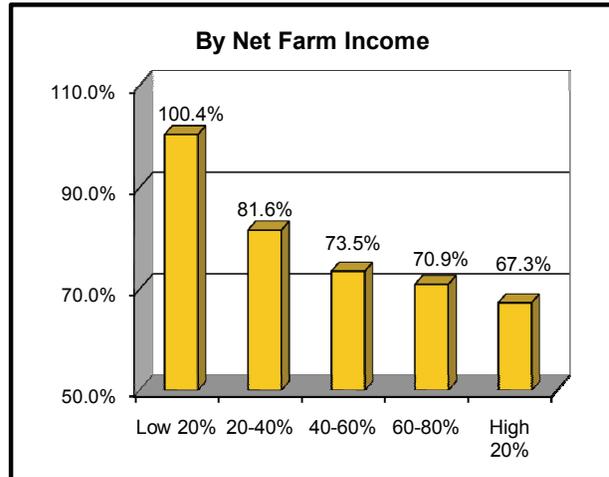
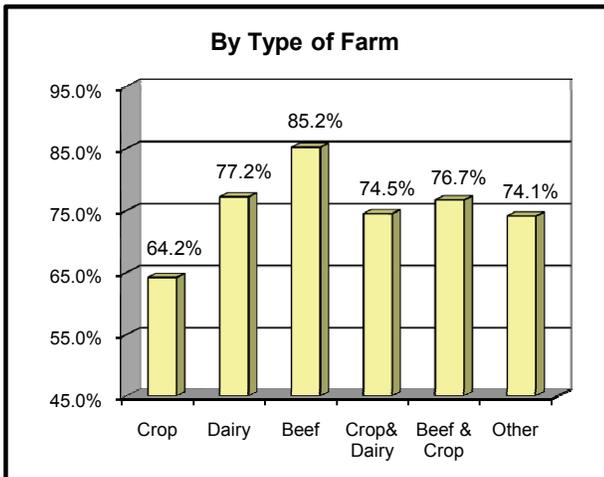
**Net Farm Income Ratio:** The ratio indicates the percent of the gross farm income, which remains after all expenses.

## Selected Financial Guideline Measures

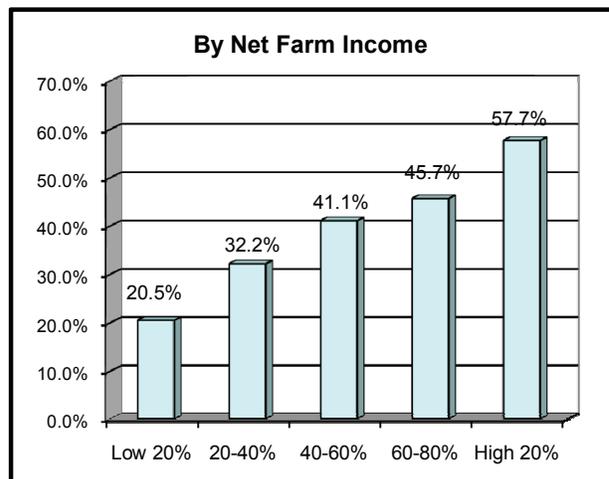
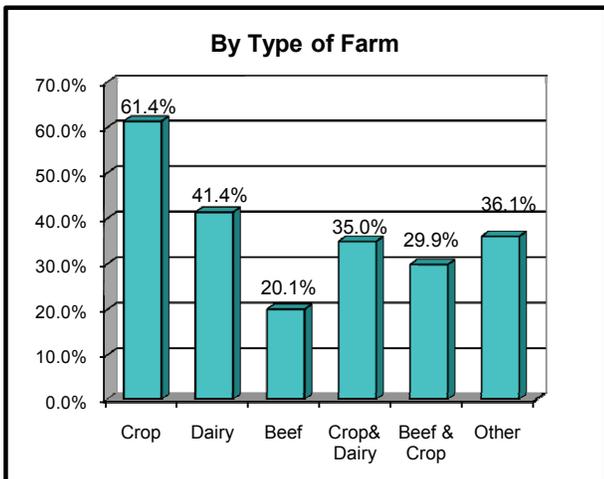
### Working Capital



### Operating Expense Ratio



### Asset Turnover Rate



**Operator and Labor Information**  
**Northland and 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	398	79	79	80
<b>Operator Information</b>				
Average number of operators	1.2	1.1	1.1	1.5
Average age of operators	44.8	43.9	43.7	47.1
Average number of years farming	20.6	18.0	20.3	24.6
<b>Results Per Operator</b>				
Working capital	90,946	-7,792	38,162	265,397
Total assets (market)	1,051,779	736,373	755,629	1,732,777
Total liabilities	512,115	432,980	361,763	796,242
Net worth (market)	539,664	303,393	393,866	936,535
Net worth excl deferred liabs	622,959	352,800	445,335	1,098,805
Gross farm income	414,032	165,122	253,191	871,240
Total farm expense	340,324	197,994	216,070	654,360
Net farm income from operations	73,708	-32,872	37,122	216,880
Net nonfarm income	19,368	36,169	15,441	12,473
Family living & tax withdrawals	37,156	31,412	32,689	49,322
Total acres owned	293.0	216.9	215.9	422.8
Total crop acres	604.3	271.4	408.3	1,187.1
Crop acres owned	205.6	115.5	146.1	350.8
Crop acres cash rented	388.1	139.8	258.4	813.3
Crop acres share rented	10.5	16.0	3.8	23.1
Total pasture acres	37.6	60.4	73.0	12.4
<b>Labor Analysis</b>				
Number of farms	398	79	79	80
Total unpaid labor hours	2,727	2,248	2,459	3,769
Total hired labor hours	2,022	636	606	6,344
Total labor hours per farm	4,748	2,884	3,065	10,113
Unpaid hours per operator	2,305	2,090	2,277	2,486
Value of farm production / hour	85.26	36.67	72.46	112.17
Net farm income / unpaid hour	31.98	-15.73	16.30	87.25
Average hourly hired labor wage	12.72	7.94	13.86	13.15
<b>Partnerships &amp; LLCs</b>				
Number of farms	40	4	4	20
Number of operators	2.1	2.0	2.3	2.4
Owner withdrawals per farm	63,766	-	-	77,596
Withdrawals per operator	28,630	-	-	26,990
<b>Corporations</b>				
Number of farms	13	2	2	5
Number of operators	2.1	-	-	2.6

**Household and Personal Expenses**  
**Northland and 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	69	14	18	10
Average family size	3.2	3.0	3.2	3.5
<b>Family Living Expenses</b>				
Food and meals expense	7,436	5,825	6,928	8,941
Medical care	3,002	1,314	3,321	6,750
Health insurance	3,170	1,629	3,952	4,728
Cash donations	1,508	590	2,417	2,854
Household supplies	1,875	1,560	1,431	3,966
Clothing	849	788	603	1,745
Personal care	1,305	729	766	3,074
Child / Dependent care	179	118	142	-
Alimony and child support	126	-	-	870
Gifts	1,113	478	947	2,907
Education	697	579	504	1,130
Recreation	1,471	750	1,501	2,831
Utilities (household share)	1,695	2,012	1,539	2,538
Personal vehicle operating exp	2,841	2,760	3,204	2,395
Household real estate taxes	190	276	96	208
Dwelling rent	73	-	280	-
Household repairs	1,205	1,259	904	1,982
Personal interest	1,235	2,043	289	27
Disability / Long term care ins	241	20	467	422
Life insurance payments	1,002	681	1,235	1,914
Personal property insurance	274	387	44	378
Miscellaneous	2,288	1,866	1,078	4,074
Total cash family living expense	33,772	25,645	31,648	53,734
Family living from the farm	503	879	1,141	-
Total family living	34,275	26,524	32,788	53,734
<b>Other Nonfarm Expenditures</b>				
Income taxes	5,048	3,366	2,711	14,033
Furnishing & appliance purchases	203	39	167	716
Nonfarm vehicle purchases	1,832	524	354	-
Nonfarm real estate purchases	8,259	2,466	8,475	4,872
Other nonfarm capital purchases	5,329	-137	1,459	27,873
Nonfarm savings & investments	1,046	-1,246	368	6,860
Total other nonfarm expenditures	21,717	5,011	13,534	54,354
Total cash family living investment & nonfarm capital purch	55,489	30,657	45,181	108,088

**Nonfarm Summary**  
**Northland and 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	398	79	79	80
<b>Nonfarm Income</b>				
Personal wages & salary	16,193	31,107	11,011	11,534
Net nonfarm business income	2,010	2,061	907	2,551
Personal rental income	341	427	79	742
Personal interest income	209	74	116	774
Personal cash dividends	-7	41	-593	328
Tax refunds	1,744	2,553	1,795	1,050
Other nonfarm income	2,421	2,653	3,357	1,932
Total nonfarm income	22,911	38,916	16,673	18,913
Gifts and inheritances	2,317	56	2,351	777
<b>Nonfarm Assets (market)</b>				
Checking & savings	2,546	1,015	1,337	7,699
Stocks & bonds	3,427	1,063	1,279	7,429
Other current assets	879	720	159	1,953
Furniture & appliances	8,448	7,809	10,411	7,504
Nonfarm vehicles	9,143	8,275	10,062	9,446
Cash value of life ins.	4,168	2,530	2,052	6,836
Retirement accounts	18,078	26,469	9,219	26,141
Other intermediate assets	6,745	6,897	7,108	7,882
Nonfarm real estate	50,220	59,025	43,664	58,781
Personal bus. investment	412	775	25	473
Other long term assets	8,183	3,804	6,869	12,315
Total nonfarm assets	112,248	118,382	92,185	146,458
<b>Nonfarm Liabilities</b>				
Accrued interest	32	35	31	18
Accounts payable	1,330	822	1,665	2,277
Current notes	1,627	3,106	622	165
Princ due on term debt	2,161	2,087	2,612	2,131
Total current liabilities	5,151	6,050	4,929	4,591
Intermediate liabilities	4,568	3,450	4,276	3,439
Long term liabilities	18,324	16,735	22,405	23,735
Total nonfarm liabilities	28,042	26,235	31,610	31,765
Nonfarm net worth	84,206	92,147	60,575	114,693
Nonfarm debt to asset ratio	25 %	22 %	34 %	22 %

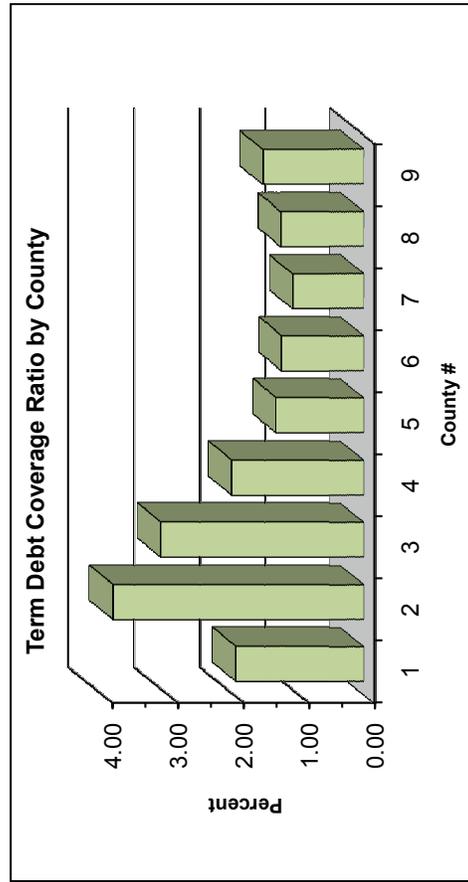
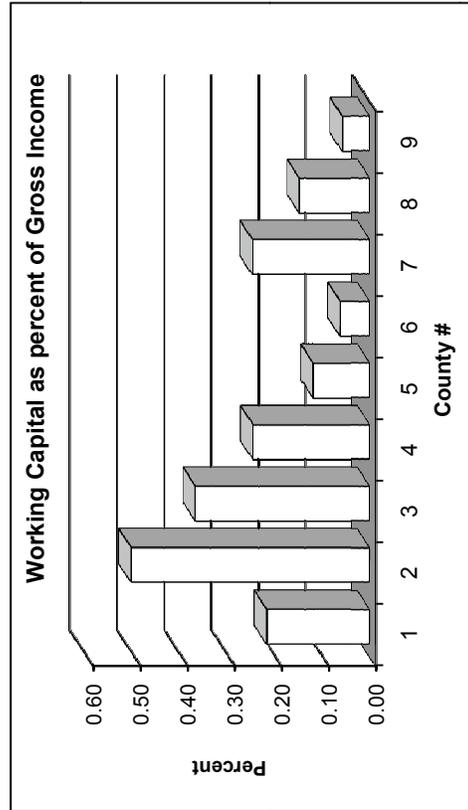
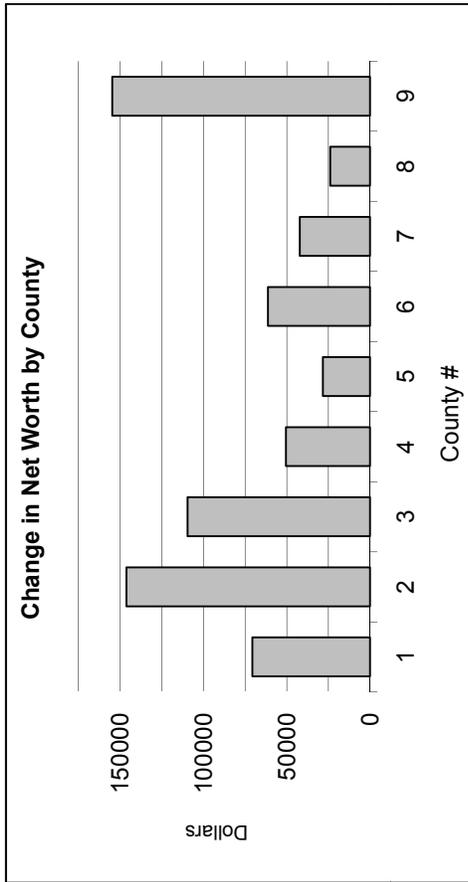
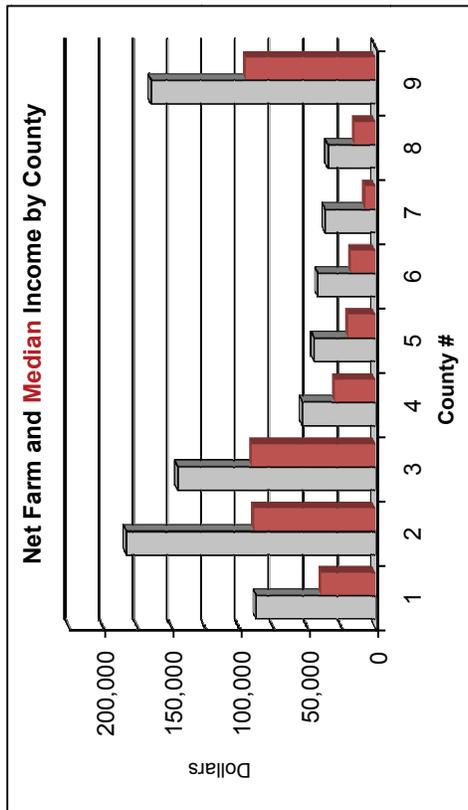
**Financial Summary**  
**Northland and Central Lakes Community and Technical Colleges**  
**(Farms Sorted By Gross Farm Income)**

	<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	37	46	114	106	58	37
<b>Income Statement</b>						
Gross cash farm income	31,270	72,788	166,172	358,017	713,470	2,021,646
Total cash farm expense	46,656	74,032	142,761	291,137	593,667	1,688,061
Net cash farm income	-15,386	-1,244	23,411	66,881	119,803	333,585
Inventory change	14,058	3,210	10,026	27,120	69,733	195,633
Depreciation and capital adjust	-4,703	-8,261	-10,777	-20,897	-41,693	-88,480
Average net farm income from opr	-6,031	-6,294	22,660	73,104	147,843	440,737
Median net farm income from opr.	-7,717	-4,699	17,943	78,297	113,306	355,146
<b>Profitability (cost)</b>						
Rate of return on assets	-4.4 %	-3.1 %	3.4 %	8.3 %	10.3 %	13.5 %
Rate of return on equity	-27.8 %	-14.3 %	0.2 %	10.7 %	15.0 %	20.5 %
Operating profit margin	-23.3 %	-17.8 %	9.8 %	18.7 %	20.4 %	24.3 %
Asset turnover rate	18.8 %	17.6 %	34.4 %	44.2 %	50.5 %	55.8 %
<b>Liquidity &amp; Repayment (end of year)</b>						
Current assets	40,601	51,245	92,868	210,678	469,832	1,101,294
Current liabilities	31,644	46,169	65,186	120,371	276,720	606,063
Current ratio	1.28	1.11	1.42	1.75	1.70	1.82
Working capital	8,957	5,076	27,682	90,307	193,111	495,231
Working capital to gross inc	18.8 %	6.4 %	15.5 %	23.1 %	24.7 %	22.3 %
Term debt coverage ratio	0.84	0.50	1.20	1.97	2.05	2.54
Replacement coverage ratio	0.74	0.44	1.03	1.66	1.88	2.41
<b>Solvency (end of year at cost)</b>						
Number of farms	37	46	114	106	58	37
Total farm assets	243,161	366,055	463,442	794,068	1,455,231	3,438,851
Total farm liabilities	178,417	206,657	269,316	398,945	752,855	1,566,592
Total assets	312,808	454,154	545,443	903,135	1,586,053	3,582,982
Total liabilities	205,862	234,125	294,589	422,451	784,963	1,611,105
Net worth	106,946	220,029	250,855	480,685	801,090	1,971,877
Net worth change	5,751	-198	21,639	48,927	95,492	357,089
Farm debt to asset ratio	73 %	56 %	58 %	50 %	52 %	46 %
Total debt to asset ratio	66 %	52 %	54 %	47 %	49 %	45 %
<b>Solvency (end of year at market)</b>						
Number of farms	37	46	114	106	58	37
Total farm assets	311,088	442,544	633,747	971,384	1,707,671	3,902,074
Total farm liabilities	178,417	206,657	269,316	398,945	752,855	1,566,592
Total assets	392,711	544,428	726,145	1,090,374	1,844,855	4,060,590
Total liabilities	227,053	261,860	346,930	495,666	954,413	1,978,670
Net worth	165,657	282,568	379,215	594,708	890,442	2,081,920
Net worth change	5,486	-22	32,954	49,409	97,041	359,060
Farm debt to asset ratio	57 %	47 %	42 %	41 %	44 %	40 %
Total debt to asset ratio	58 %	48 %	48 %	45 %	52 %	49 %
<b>Nonfarm Information</b>						
Net nonfarm income	37,904	36,569	22,713	18,082	18,527	12,251
Farms reporting living expenses	9	10	19	19	9	3
Total family living expense	23,142	29,660	30,668	35,308	55,100	-
Total living, invest, cap. purch	31,109	42,517	45,809	57,746	104,247	-
<b>Crop Acres</b>						
Total acres owned	149	201	268	303	588	715
Total crop acres	176	189	365	615	1,374	2,238
Total crop acres owned	73	88	139	224	488	600
Total crop acres cash rented	91	100	220	387	831	1,632
Total crop acres share rented	12	1	6	4	55	6

**Financial Summary**  
**Northland and 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	398	79	79	80
<b>Income Statement</b>				
Gross cash farm income	446,183	192,427	251,555	1,153,554
Total cash farm expense	374,769	190,012	213,071	943,060
Net cash farm income	71,414	2,415	38,484	210,494
Inventory change	40,122	-23,997	16,852	173,860
Depreciation and capital adjust	-24,346	-13,786	-15,254	-55,509
Average net farm income from opr	87,190	-35,369	40,082	328,845
Median net farm income from opr.	39,821	-28,643	39,529	241,584
<b>Profitability (cost)</b>				
Rate of return on assets	9.0 %	-7.1 %	5.6 %	15.8 %
Rate of return on equity	12.4 %	-38.6 %	5.1 %	23.6 %
Operating profit margin	19.4 %	-34.6 %	13.6 %	27.3 %
Asset turnover rate	46.2 %	20.5 %	41.1 %	57.7 %
<b>Liquidity &amp; Repayment (end of year)</b>				
Current assets	263,257	90,363	133,457	761,851
Current liabilities	155,677	98,747	92,251	359,443
Current ratio	1.69	0.92	1.45	2.12
Working capital	107,581	-8,384	41,205	402,408
Working capital to gross inc	22.0 %	-4.7 %	15.1 %	30.5 %
Term debt coverage ratio	1.96	-0.05	1.52	3.22
Replacement coverage ratio	1.77	-0.05	1.27	2.94
<b>Solvency (end of year at cost)</b>				
Number of farms	398	79	79	80
Total farm assets	940,905	519,347	577,494	2,168,710
Total farm liabilities	479,214	386,470	303,429	929,495
Total assets	1,042,561	619,644	661,884	2,303,474
Total liabilities	507,257	412,705	335,039	961,260
Net worth	535,304	206,939	326,845	1,342,214
Net worth change	66,853	-28,509	23,085	266,927
Farm debt to asset ratio	51 %	74 %	53 %	43 %
Total debt to asset ratio	49 %	67 %	51 %	42 %
<b>Solvency (end of year at market)</b>				
Number of farms	398	79	79	80
Total farm assets	1,131,917	673,918	723,703	2,480,865
Total farm liabilities	479,214	386,470	303,429	929,495
Total assets	1,244,165	792,300	815,888	2,627,323
Total liabilities	605,789	465,865	390,612	1,207,302
Net worth	638,376	326,435	425,275	1,420,021
Net worth change	70,627	-10,820	28,936	255,237
Farm debt to asset ratio	42 %	57 %	42 %	37 %
Total debt to asset ratio	49 %	59 %	48 %	46 %
<b>Nonfarm Information</b>				
Net nonfarm income	22,911	38,916	16,673	18,913
Farms reporting living expenses	69	14	18	10
Total family living expense	34,275	26,524	32,788	53,734
Total living, invest, cap. purch	55,489	30,657	45,181	108,088
<b>Crop Acres</b>				
Total acres owned	347	233	233	641
Total crop acres	715	292	441	1,800
Total crop acres owned	243	124	158	532
Total crop acres cash rented	459	150	279	1,233
Total crop acres share rented	12	17	4	35

**Selected Factors by County Group**



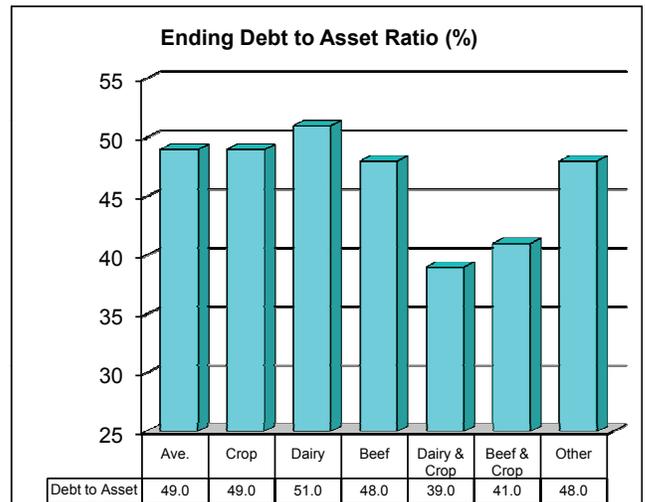
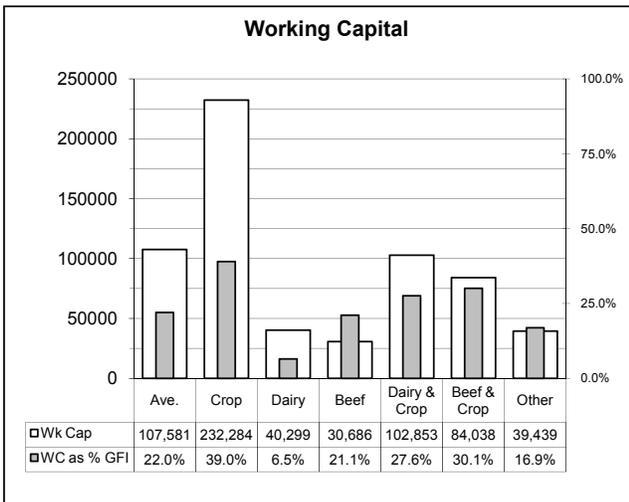
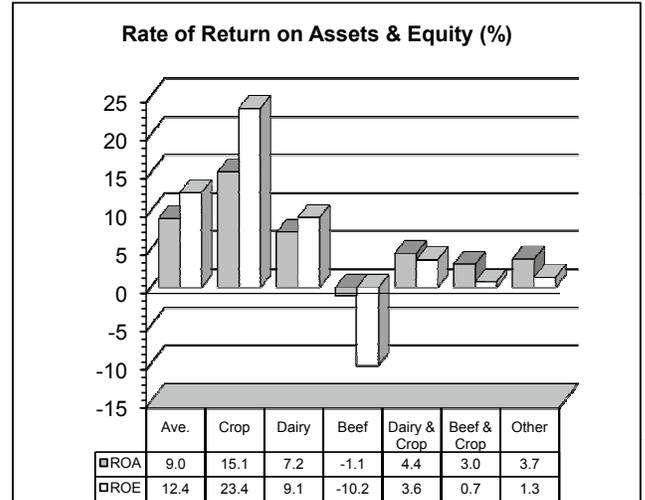
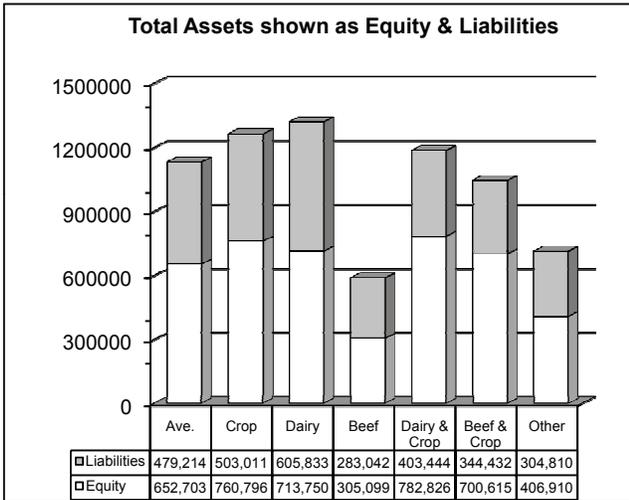
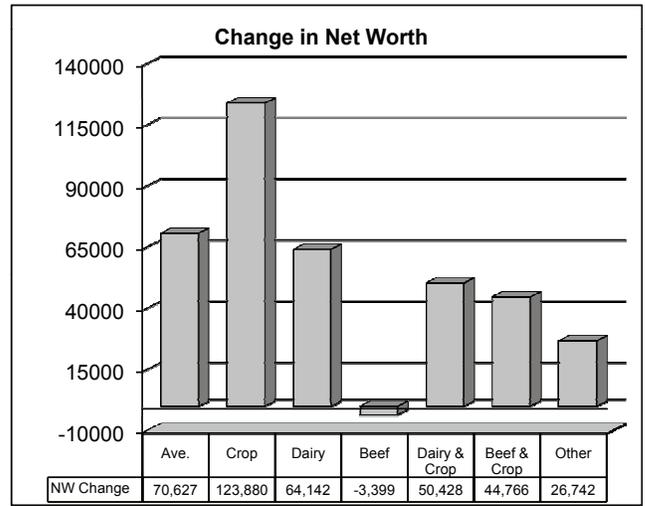
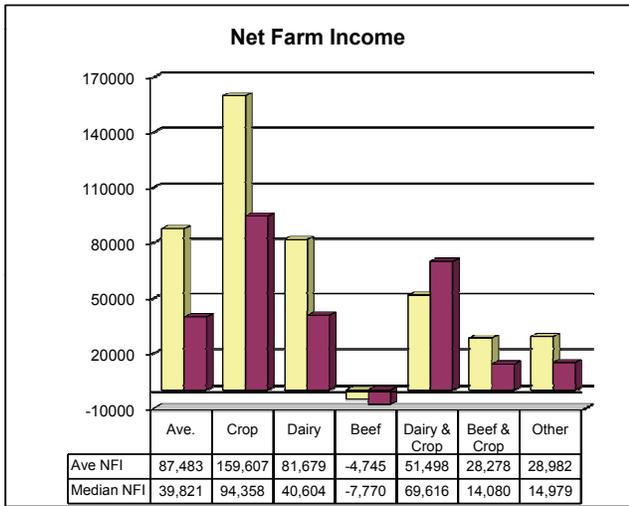
County #	1	2	3	4	5	6	7	8	9
Counties	All Farms	Kittson Roseau Marshall	Pennington Polk Red Lake	Clay Mahnommen Norman Wilkin	Becker Otter Tail Wadena Todd Douglas	Beltrami Clearwater Koochiching LOW	Aitkin Cass Carlton Crow Wing Hubbard Itasca St. Louis	Isanti Kanabec Mille Lacs Pine Sherburne Washington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

<b>Financial Summary Northland and Central Lakes Community &amp; Technical Colleges</b>													
<b>County Group Summary</b>													
	Average	37	75	45	1113	15	23	52	38				
		Kitson Roseau Marshall	Pennington Polk Red Lake	Clay Mahnommen Norman Wilkin	Becker Douglas Otter Tail Todd Wadena	Beltrami Clearwater Koochiching	Aitkin, Cass Carleton Crow Wing Hubbard, Itasca St. Louis	Isanti Kanabec Mille Lacs, Pine Sherburne Washington	Benton Morrison Steamers				
	398												
<b>Income Statement</b>													
Gross Cash Farm Income	446,183	467,190	545,921	260,095	325,928	343,530	256,576	298,666	1,163,994				
Total Cash Farm Expense	374,769	374,321	452,026	216,362	268,982	311,294	223,224	259,834	998,943				
Net Cash Farm Income	71,414	92,869	93,895	43,733	56,945	32,236	33,352	38,832	165,051				
Inventory Change	40,122	113,646	79,117	22,880	7,979	28,519	20,141	16,518	56,541				
Dep & Capital Adjustment	-24,346	-23,837	-27,681	-13,098	-19,850	-18,484	-16,738	-20,650	-56,924				
Net Farm Income	87,190	182,678	145,330	53,514	45,075	42,270	36,756	34,700	164,669				
Median Farm Income	39,821	88,736	90,419	29,842	20,148	18,222	7,699	15,387	94,964				
<b>Profitability (Cost)</b>													
Rate of Return on Assets	9.0%	17.1%	12.8%	7.3%	5.7%	5.4%	4.4%	4.8%	8.5%				
Rate of Return on Equity	12.4%	26.2%	18.0%	8.7%	6.1%	4.6%	3.8%	2.6%	11.6%				
Operating Profit Margin	19.4%	29.3%	21.8%	19.3%	14.1%	12.4%	12.5%	12.4%	19.6%				
Asset Turnover Rate	46.2%	58.4%	58.6%	37.7%	40.1%	43.9%	35.0%	38.9%	43.6%				
<b>Liquidity &amp; Repayment (end of year)</b>													
Current assets	263,257	470,526	442,098	186,607	144,031	160,050	146,607	162,640	402,809				
Current liabilities	155,677	183,558	211,640	115,051	103,677	136,048	79,349	115,272	330,050				
Current ratio	1.69	2.56	2.09	1.62	1.39	1.18	1.85	1.41	1.22				
Working capital	107,581	286,969	230,458	71,556	40,354	24,002	67,258	47,368	72,758				
Working capital to gross inc	22.0%	50.7%	37.1%	24.9%	12.0%	6.3%	25.0%	14.9%	5.8%				
Term debt coverage ratio	1.96	3.83	3.10	2.02	1.34	1.25	1.08	1.26	1.54				
Replacement coverage ratio	1.77	3.51	2.66	1.76	1.19	1.08	0.99	1.08	1.50				
<b>Solvency (end of year at market)</b>													
Number of Farms	398	37	75	45	113	15	23	52	38				
Total farm assets	1,131,917	1,268,752	1,197,043	884,364	857,349	933,562	773,007	998,678	2,457,632				
Total farm liabilities	479,214	451,508	449,673	349,337	398,487	439,554	286,303	439,812	1,144,693				
Total assets	1,244,165	1,388,261	1,308,341	969,334	936,731	1,025,575	899,939	1,173,173	2,608,641				
Total liabilities	605,789	658,199	600,489	435,631	467,643	518,540	372,628	619,813	1,333,895				
Net worth	638,376	730,063	707,852	533,704	469,088	507,035	527,310	553,361	1,274,746				
Net worth change	70,627	146,273	109,510	50,456	28,331	61,260	42,140	23,923	154,744				
Farm debt to asset ratio	42%	36%	38%	40%	46%	47%	37%	44%	47%				
Total debt to asset ratio	49%	47%	46%	45%	50%	51%	41%	53%	51%				
<b>Nonfarm Information</b>													
Net Nonfarm Income	22,911	23,339	27,399	26,484	14,334	30,943	29,374	27,665	21,320				
Farm Reporting Liv Expenses	69	-	6	5	24	-	-	22	7				
Total Family Living Expense	34,275	-	55,799	33,267	27,545	-	-	35,622	27,754				
Total Liv, Invest, & Cap Purch	55,489	-	87,175	45,631	35,715	-	-	57,186	64,138				
<b>Crop Acres</b>													
Total Acres Owned	347	842	438	366	194	512	223	240	269				
Total Crop Acres	715	1357	1337	520	399	666	507	468	516				
Total Crop Acres Owned	243	684	354	215	147	230	70	126	185				
Total Crop Acres Cash Rented	459	635	947	304	251	407	437	336	329				
Total Crop Acres Share Rent	12	38	35	1	1	29	-	5	2				

**Financial Summary**  
**Northland and 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	398	130	131	28	18	25	63
<b>Income Statement</b>							
Gross cash farm income	446,183	507,927	587,152	149,875	360,347	263,551	222,242
Total cash farm expense	374,769	417,882	496,048	140,659	302,451	222,610	185,365
Net cash farm income	71,414	90,046	91,104	9,217	57,896	40,940	36,877
Inventory change	40,122	97,166	19,708	-4,000	16,139	3,737	7,655
Depreciation and capital adjust	-24,346	-27,591	-29,250	-9,583	-22,537	-16,399	-17,356
Average net farm income from opr	87,190	159,621	81,561	-4,367	51,498	28,278	27,176
Median net farm income from opr.	39,821	94,358	40,604	-7,770	69,616	14,080	14,541
<b>Profitability (cost)</b>							
Rate of return on assets	9.0 %	15.1 %	7.2 %	-1.1 %	4.4 %	3.0 %	3.7 %
Rate of return on equity	12.4 %	23.4 %	9.1 %	-10.2 %	3.6 %	0.7 %	1.3 %
Operating profit margin	19.4 %	24.6 %	17.3 %	-5.6 %	12.7 %	10.0 %	10.1 %
Asset turnover rate	46.2 %	61.4 %	41.4 %	20.1 %	35.0 %	29.9 %	36.1 %
<b>Liquidity &amp; Repayment (end of year)</b>							
Current assets	263,257	448,502	185,132	117,443	210,144	216,536	129,839
Current liabilities	155,677	216,217	144,834	86,757	107,290	132,499	90,400
Current ratio	1.69	2.07	1.28	1.35	1.96	1.63	1.44
Working capital	107,581	232,284	40,299	30,686	102,853	84,038	39,439
Working capital to gross inc	22.0 %	39.0 %	6.5 %	21.1 %	27.6 %	30.1 %	16.9 %
Term debt coverage ratio	1.96	3.49	1.32	0.74	1.47	1.66	1.38
Replacement coverage ratio	1.77	3.00	1.25	0.67	1.22	1.41	1.17
<b>Solvency (end of year at cost)</b>							
Number of farms	398	130	131	28	18	25	63
Total farm assets	940,905	1,079,945	1,101,729	495,258	944,385	809,940	549,726
Total farm liabilities	479,214	503,011	605,833	283,042	403,444	344,432	304,810
Total assets	1,042,561	1,198,650	1,186,532	583,220	1,102,178	890,602	650,362
Total liabilities	507,257	537,782	629,335	294,891	438,096	367,190	336,688
Net worth	535,304	660,869	557,197	288,330	664,083	523,412	313,674
Net worth change	66,853	134,543	45,696	-1,610	58,794	34,356	20,199
Farm debt to asset ratio	51 %	47 %	55 %	57 %	43 %	43 %	55 %
Total debt to asset ratio	49 %	45 %	53 %	51 %	40 %	41 %	52 %
<b>Solvency (end of year at market)</b>							
Number of farms	398	130	131	28	18	25	63
Total farm assets	1,131,917	1,263,807	1,319,583	588,141	1,186,270	1,045,047	711,720
Total farm liabilities	479,214	503,011	605,833	283,042	403,444	344,432	304,810
Total assets	1,244,165	1,393,394	1,411,581	699,127	1,353,442	1,135,700	824,975
Total liabilities	605,789	680,253	716,261	336,212	529,219	462,972	394,677
Net worth	638,376	713,141	695,320	362,915	824,223	672,728	430,298
Net worth change	70,627	123,880	64,142	-3,399	50,428	44,766	26,742
Farm debt to asset ratio	42 %	40 %	46 %	48 %	34 %	33 %	43 %
Total debt to asset ratio	49 %	49 %	51 %	48 %	39 %	41 %	48 %
<b>Nonfarm Information</b>							
Net nonfarm income	22,911	25,396	10,947	34,524	21,281	41,580	30,409
Farms reporting living expenses	69	16	26	7	4	2	14
Total family living expense	34,275	41,935	34,203	27,781	34,584	-	27,710
Total living, invest, cap. purch	55,489	75,010	56,164	33,943	52,130	-	34,648
<b>Crop Acres</b>							
Total acres owned	347	524	223	244	418	421	235
Total crop acres	715	1,410	304	359	623	598	373
Total crop acres owned	243	446	127	79	304	243	123
Total crop acres cash rented	459	931	176	280	319	352	243
Total crop acres share rented	12	33	1	-	-	3	7

## Selected Factors by Type of Farm



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

	<u>Less than 100</u>	<u>101 - 250</u>	<u>251 - 500</u>	<u>501 - 1,000</u>	<u>1,001 - 1,500</u>	<u>1,501 - 2,000</u>	<u>2,001 - 5,000</u>
Number of farms	67	77	84	80	35	13	40
<b>Income Statement</b>							
Gross cash farm income	210,130	219,199	254,207	386,877	662,707	896,310	1,380,589
Total cash farm expense	177,498	190,228	209,571	320,998	588,328	725,408	1,147,734
Net cash farm income	32,632	28,971	44,636	65,879	74,378	170,902	232,854
Inventory change	-2,296	-7,292	11,360	29,137	85,423	90,933	204,626
Depreciation and capital adjust	-8,876	-11,581	-17,392	-26,247	-39,830	-42,651	-61,667
Average net farm income from opr	21,459	10,099	38,604	68,769	119,972	219,184	375,813
Median net farm income from opr.	10,454	6,226	22,811	67,802	107,168	181,141	306,755
<b>Profitability (cost)</b>							
Rate of return on assets	3.9 %	1.1 %	4.8 %	6.7 %	9.1 %	12.0 %	16.1 %
Rate of return on equity	1.5 %	-5.8 %	3.5 %	7.6 %	12.7 %	17.9 %	24.5 %
Operating profit margin	11.5 %	3.7 %	14.6 %	16.5 %	17.8 %	23.2 %	25.5 %
Asset turnover rate	33.9 %	30.7 %	32.7 %	40.9 %	50.8 %	51.7 %	63.3 %
<b>Liquidity &amp; Repayment (end of year)</b>							
Current assets	51,601	74,063	131,802	230,732	437,875	628,735	951,871
Current liabilities	51,322	74,343	75,015	146,783	272,762	303,710	483,938
Current ratio	1.01	1.00	1.76	1.57	1.61	2.07	1.97
Working capital	279	-280	56,787	83,949	165,114	325,025	467,933
Working capital to gross inc	0.1 %	-0.1 %	20.9 %	20.0 %	22.0 %	33.4 %	29.7 %
Term debt coverage ratio	0.97	0.85	1.29	1.71	1.98	2.18	3.32
Replacement coverage ratio	0.89	0.76	1.12	1.51	1.83	1.96	3.10
<b>Solvency (end of year at cost)</b>							
Number of farms	67	77	84	80	35	13	40
Total farm assets	392,738	492,901	685,109	928,166	1,355,667	1,729,823	2,478,174
Total farm liabilities	287,064	309,198	339,557	459,878	722,532	784,256	1,088,727
Total assets	450,959	594,015	783,924	1,037,980	1,493,535	1,828,395	2,614,825
Total liabilities	309,643	334,697	375,049	477,158	759,787	796,021	1,135,330
Net worth	141,315	259,318	408,876	560,822	733,748	1,032,374	1,479,495
Net worth change	8,953	5,670	30,071	49,330	91,163	167,087	311,409
Farm debt to asset ratio	73 %	63 %	50 %	50 %	53 %	45 %	44 %
Total debt to asset ratio	69 %	56 %	48 %	46 %	51 %	44 %	43 %
<b>Solvency (end of year at market)</b>							
Number of farms	67	77	84	80	35	13	40
Total farm assets	486,591	652,443	849,399	1,101,942	1,633,497	2,060,052	2,855,835
Total farm liabilities	287,064	309,198	339,557	459,878	722,532	784,256	1,088,727
Total assets	548,991	765,698	962,045	1,224,141	1,775,143	2,169,534	3,007,178
Total liabilities	339,268	379,761	430,281	563,118	923,284	987,786	1,455,402
Net worth	209,723	385,937	531,765	661,023	851,859	1,181,749	1,551,776
Net worth change	22,621	11,292	31,841	48,589	108,273	159,045	308,703
Farm debt to asset ratio	59 %	47 %	40 %	42 %	44 %	38 %	38 %
Total debt to asset ratio	62 %	50 %	45 %	46 %	52 %	46 %	48 %
<b>Nonfarm Information</b>							
Net nonfarm income	16,734	32,817	23,257	22,840	16,645	28,101	18,322
Farms reporting living expenses	11	25	13	8	3	4	5
Total family living expense	27,925	32,709	29,350	35,688	-	61,531	48,445
Total living, invest, cap. purch	35,725	49,697	46,065	90,216	-	90,299	84,075
<b>Crop Acres</b>							
Total acres owned	108	182	270	351	608	514	920
Total crop acres	23	173	360	694	1,231	1,615	2,718
Total crop acres owned	14	91	176	232	427	438	837
Total crop acres cash rented	8	81	178	453	794	1,153	1,805
Total crop acres share rented	0	1	6	8	10	24	76

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## **Individual Enterprise Analysis Tables**

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

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

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

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

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

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

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

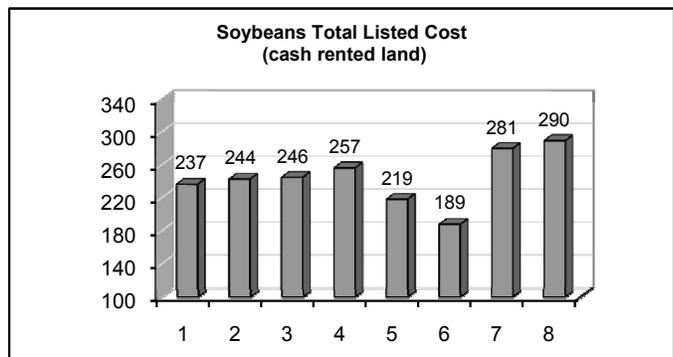
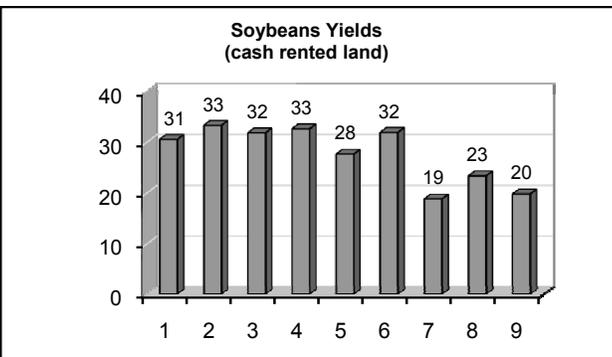
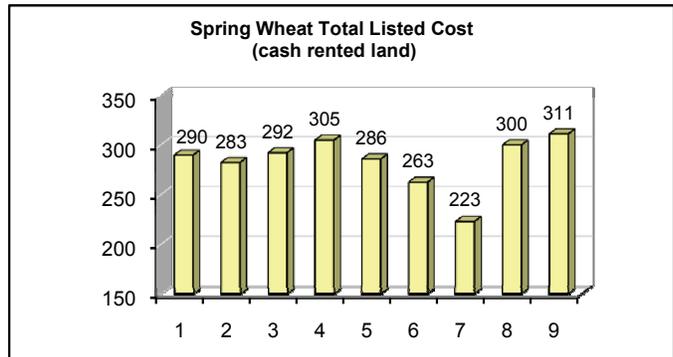
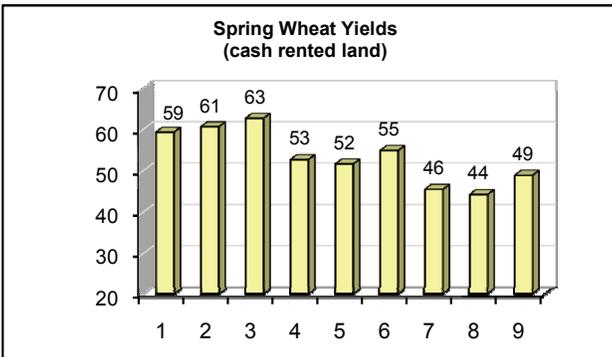
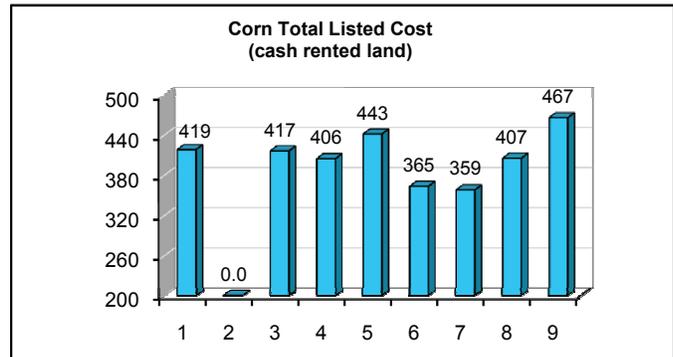
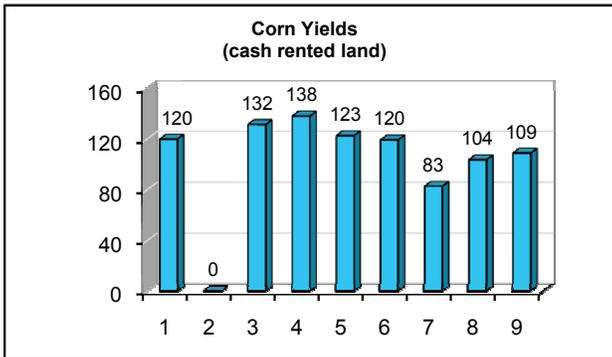
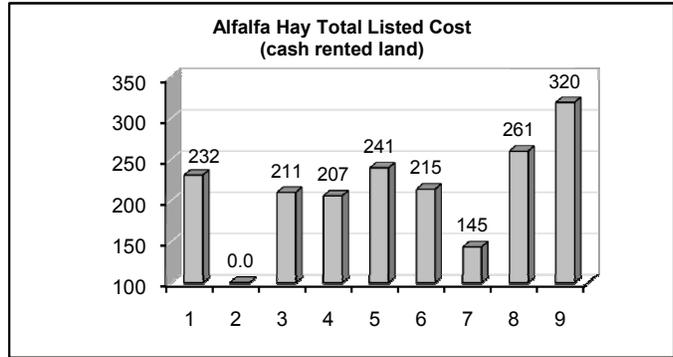
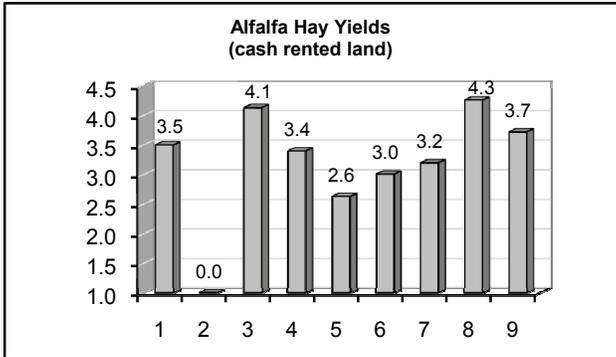
Towards the bottom of both the crop and livestock enterprise tables, are four (4) factors that show varying levels of Cost of Production. Those factors include a cost of production based on: direct costs, overhead & direct costs, total cost less government payments and/or other revenue, and total cost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

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Machinery Cost per Acre is a factor used to combine all costs related to machinery usage. The Machinery Cost per Acre includes: Fuel & Oil, Repairs, Custom hire, Machinery leases, Interest on machinery debt, and Machinery depreciation. Below is a machinery cost summary for five prominent Northern Minnesota crops.

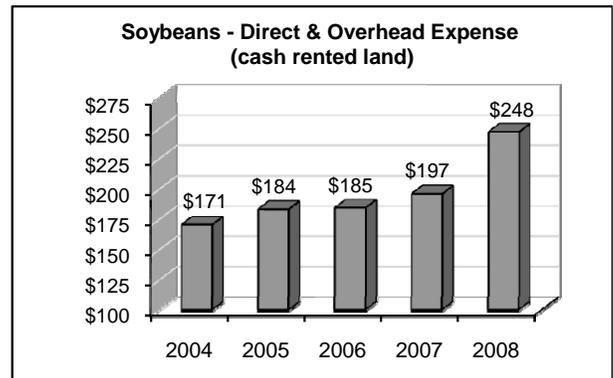
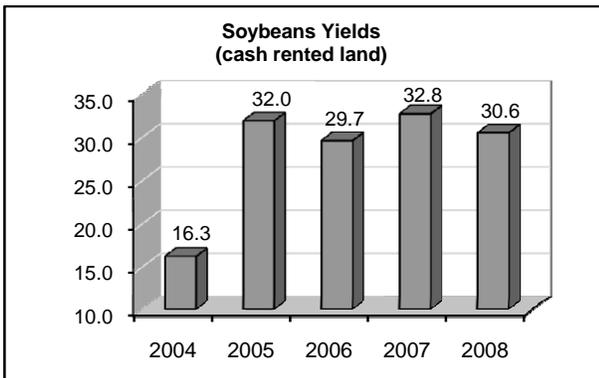
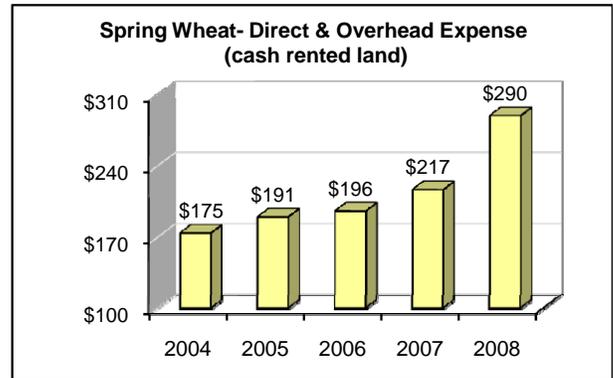
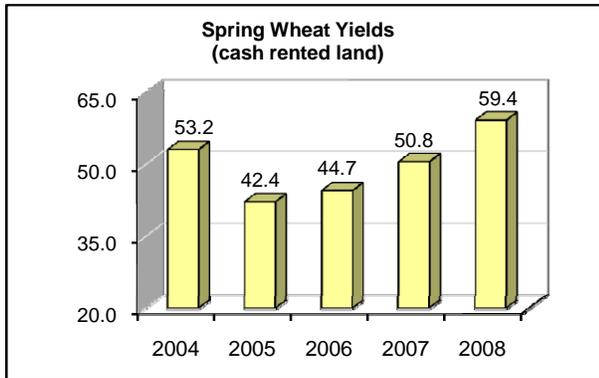
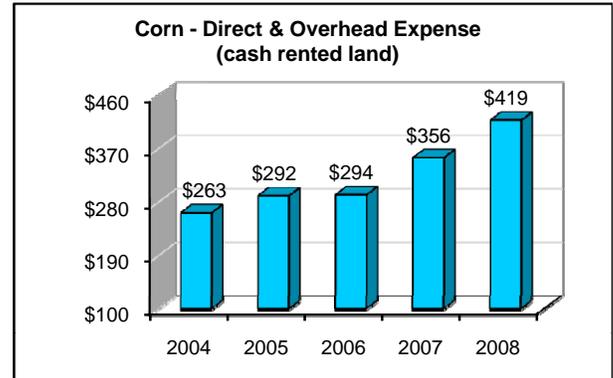
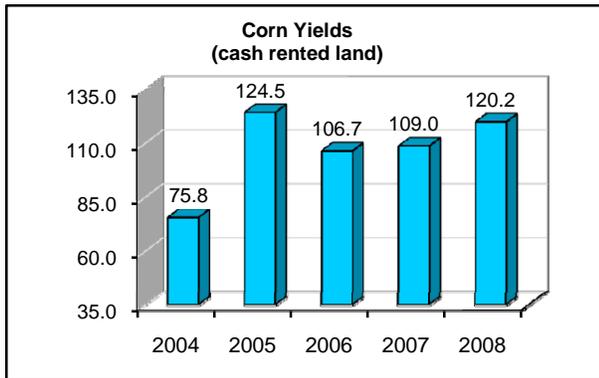
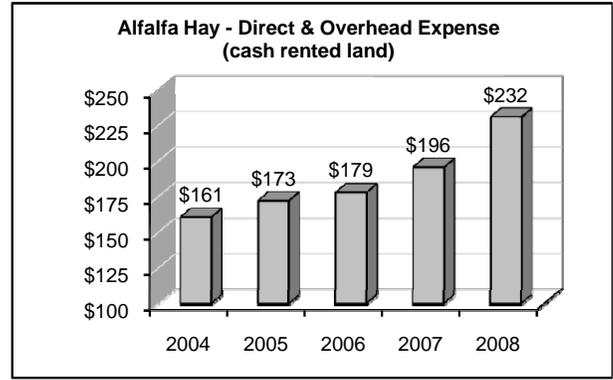
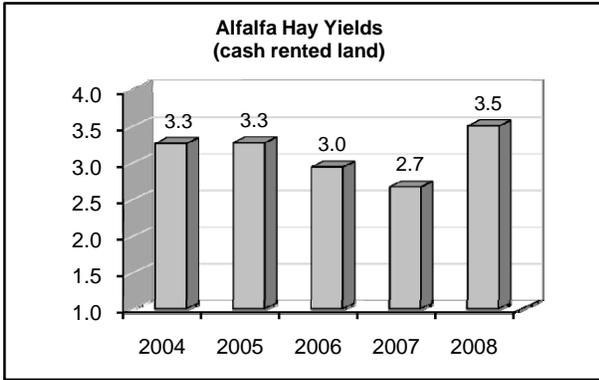
<b>Machinery Cost per Acre</b>				
<b>Crop</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>3-year Average</b>
Alfalfa Hay	\$ 101.39	\$ 109.81	\$ 136.32	\$ 115.84
Corn	\$ 89.89	\$ 107.82	\$ 119.12	\$ 105.59
Corn Silage	\$ 110.61	\$ 134.83	\$ 160.35	\$ 135.26
Soybeans	\$ 53.95	\$ 60.27	\$ 69.42	\$ 61.09
Spring Wheat	\$ 53.65	\$ 58.75	\$ 66.90	\$ 59.77

## Crop Yields and Total Listed Cost 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, 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



**Crop Enterprise Analysis**  
**Northland and 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	110	22	25
Number of farms	101	20	21
Acres	88.16	57.81	65.26
Yield per acre (bu.)	122.96	122.02	133.37
Operators share of yield %	100.00	100.00	100.00
Value per bu.	3.54	3.45	3.63
Total product return per acre	435.36	420.43	483.70
Hedging gains/losses per acre	0.23	-	-
Crop insurance per acre	18.64	11.72	59.32
Other crop income per acre	2.38	7.96	3.06
Gross return per acre	456.61	440.11	546.08
<b>Direct Expenses</b>			
Seed	54.90	54.47	47.75
Fertilizer	85.53	87.43	60.69
Crop chemicals	23.09	19.90	22.99
Crop insurance	25.43	22.70	21.60
Drying expense	24.35	35.55	17.50
Fuel & oil	32.96	35.64	32.39
Repairs	35.63	35.34	29.22
Custom hire	6.37	3.72	3.14
Utilities	0.80	0.76	0.10
Hauling and trucking	0.58	0.26	0.28
Marketing	0.76	0.10	1.66
Operating interest	10.50	7.59	7.14
Miscellaneous	1.64	0.50	1.21
Total direct expenses per acre	302.53	303.97	245.67
Return over direct exp per acre	154.08	136.15	300.40
<b>Overhead Expenses</b>			
Custom hire	2.91	1.04	1.69
Hired labor	12.00	5.07	8.15
Machinery leases	1.37	0.54	1.68
Building leases	0.25	1.38	0.20
RE & pers. property taxes	9.67	8.63	9.86
Farm insurance	5.13	5.81	4.60
Utilities	4.64	3.47	4.24
Dues & professional fees	1.73	1.80	1.65
Interest	38.98	36.14	46.72
Mach & bldg depreciation	34.11	29.93	35.03
Miscellaneous	5.93	5.64	5.78
Total overhead expenses per acre	116.71	99.45	119.60
Total dir & ovhd expenses per acre	419.24	403.42	365.27
Net return per acre	37.37	36.70	180.81
Government payments	14.60	17.73	12.31
Net return with govt pmts	51.96	54.43	193.12
Labor & management charge	36.97	43.36	34.82
Net return over lbr & mgt	15.00	11.07	158.30
<b>Cost of Production</b>			
Total direct expense per bu.	2.46	2.49	1.84
Total dir & ovhd exp per bu.	3.41	3.31	2.74
Less govt & other income	3.12	3.00	2.18
With labor & management	3.42	3.35	2.44
Net value per unit	3.54	3.45	3.63
Machinery cost per acre	119.12	112.42	110.00
Est. labor hours per acre	3.69	4.03	4.57

**Crop Enterprise Analysis**  
**Northland and 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	135	39	24
Number of farms	109	22	22
Acres	135.72	112.09	209.13
Yield per acre (bu.)	120.17	114.23	138.28
Operators share of yield %	100.00	100.00	100.00
Value per bu.	3.60	3.56	3.81
Total product return per acre	432.74	406.99	526.20
Hedging gains/losses per acre	0.29	0.61	-
Crop insurance per acre	35.11	29.03	63.28
Other crop income per acre	1.68	0.84	2.80
Gross return per acre	469.81	437.46	592.28
<b>Direct Expenses</b>			
Seed	55.40	55.81	53.98
Fertilizer	91.08	98.95	87.11
Crop chemicals	23.86	18.72	26.81
Crop insurance	28.64	27.69	26.06
Drying expense	17.34	22.32	20.89
Fuel & oil	31.15	29.25	30.89
Repairs	33.67	28.17	27.79
Custom hire	6.46	6.88	3.98
Land rent	46.19	44.40	49.95
Machinery leases	0.48	-	1.38
Hauling and trucking	0.92	0.59	0.21
Marketing	0.86	0.30	1.46
Operating interest	9.96	9.84	10.14
Miscellaneous	1.66	0.27	0.47
Total direct expenses per acre	347.68	343.20	341.11
Return over direct exp per acre	122.13	94.27	251.17
<b>Overhead Expenses</b>			
Custom hire	2.31	3.12	0.91
Hired labor	14.12	8.11	12.24
Machinery leases	3.95	6.47	2.60
Building leases	0.60	0.03	1.16
Farm insurance	3.78	3.68	4.25
Utilities	3.12	3.40	2.97
Dues & professional fees	1.69	1.49	2.88
Interest	10.04	8.42	9.79
Mach & bldg depreciation	27.57	25.10	26.63
Miscellaneous	4.53	2.56	4.95
Total overhead expenses per acre	71.70	62.39	68.39
Total dir & ovhd expenses per acre	419.38	405.59	409.51
Net return per acre	50.43	31.88	182.78
Government payments	13.98	14.92	14.53
Net return with govt pmts	64.41	46.79	197.31
Labor & management charge	33.02	31.24	33.93
Net return over lbr & mgt	31.39	15.55	163.38
<b>Cost of Production</b>			
Total direct expense per bu.	2.89	3.00	2.47
Total dir & ovhd exp per bu.	3.49	3.55	2.96
Less govt & other income	3.07	3.15	2.38
With labor & management	3.34	3.43	2.62
Net value per unit	3.60	3.57	3.81
Machinery cost per acre	113.14	104.52	102.01
Est. labor hours per acre	3.34	3.39	3.00

**Crop Enterprise Analysis**  
**Northland and 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	110	21	21
Number of farms	104	21	21
Acres	53.89	54.72	48.96
Yield per acre (ton)	15.67	16.06	18.89
Operators share of yield %	100.00	100.00	100.00
Value per ton	29.31	30.75	33.19
Total product return per acre	459.26	493.92	627.14
Crop insurance per acre	36.08	8.08	55.85
Other crop income per acre	4.75	6.11	10.88
Gross return per acre	500.10	508.11	693.87
<b>Direct Expenses</b>			
Seed	50.44	50.19	46.68
Fertilizer	61.90	51.99	43.28
Crop chemicals	29.63	33.22	27.48
Crop insurance	21.20	19.33	13.57
Packaging and supplies	0.75	-	-
Fuel & oil	44.51	45.37	33.85
Repairs	46.10	37.98	41.88
Custom hire	18.13	35.53	8.39
Hired labor	2.46	0.35	1.89
Machinery leases	0.59	-	1.29
Operating interest	5.52	6.83	4.42
Miscellaneous	4.47	2.45	6.94
Total direct expenses per acre	285.69	283.23	229.67
Return over direct exp per acre	214.41	224.88	464.21
<b>Overhead Expenses</b>			
Custom hire	2.33	1.99	3.61
Hired labor	16.72	11.52	5.64
Machinery leases	3.11	9.01	1.84
Building leases	0.53	0.90	1.28
RE & pers. property taxes	7.25	6.64	8.43
Farm insurance	5.09	3.99	4.13
Utilities	3.24	4.05	2.90
Dues & professional fees	1.27	1.11	1.37
Interest	38.58	32.15	44.48
Mach & bldg depreciation	35.07	35.62	35.80
Miscellaneous	4.89	5.85	6.23
Total overhead expenses per acre	118.09	112.82	115.72
Total dir & ovhd expenses per acre	403.78	396.04	345.39
Net return per acre	96.31	112.07	348.48
Government payments	10.86	10.82	12.59
Net return with govt pmts	107.17	122.89	361.08
Labor & management charge	35.18	38.19	31.28
Net return over lbr & mgt	72.00	84.70	329.80
<b>Cost of Production</b>			
Total direct expense per ton	18.24	17.63	12.16
Total dir & ovhd exp per ton	25.77	24.65	18.28
Less govt & other income	22.47	23.10	14.08
With labor & management	24.72	25.47	15.74
Net value per unit	29.31	30.75	33.19
Machinery cost per acre	160.35	172.22	136.13
Est. labor hours per acre	5.99	5.55	3.92

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

**Corn Silage on Cash Rent**

	<u>Avg. Of</u> <u>All Farms</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of fields	74	14	15
Number of farms	73	14	15
Acres	103.81	84.69	82.96
Yield per acre (ton)	15.74	15.31	18.03
Operators share of yield %	100.00	100.00	100.00
Value per ton	28.45	28.51	32.25
Total product return per acre	447.68	436.46	581.41
Crop insurance per acre	43.82	59.68	97.16
Other crop income per acre	4.93	-	11.82
Gross return per acre	496.43	496.15	690.39
<b>Direct Expenses</b>			
Seed	54.59	55.75	54.23
Fertilizer	59.45	51.79	78.86
Crop chemicals	29.34	35.83	26.74
Crop insurance	24.82	24.97	18.74
Packaging and supplies	2.47	-	0.22
Fuel & oil	47.10	43.55	47.55
Repairs	48.49	35.71	40.14
Custom hire	22.82	14.22	4.14
Hired labor	3.59	0.05	0.20
Land rent	35.35	34.70	27.38
Machinery leases	0.77	-	1.11
Operating interest	4.24	3.75	3.61
Miscellaneous	4.66	10.39	1.60
Total direct expenses per acre	337.68	310.70	304.51
Return over direct exp per acre	158.75	185.45	385.88
<b>Overhead Expenses</b>			
Custom hire	9.03	0.26	2.49
Hired labor	27.40	16.03	9.05
Machinery leases	5.13	8.34	1.73
Building leases	1.35	3.12	2.83
Farm insurance	4.17	3.01	2.84
Utilities	2.85	2.68	2.83
Dues & professional fees	0.65	0.78	0.60
Interest	12.86	16.91	13.59
Mach & bldg depreciation	31.93	53.32	33.82
Miscellaneous	3.97	5.78	3.58
Total overhead expenses per acre	99.34	110.23	73.37
Total dir & ovhd expenses per acre	437.02	420.93	377.88
Net return per acre	59.41	75.22	312.51
Government payments	10.88	10.82	13.17
Net return with govt pmts	70.28	86.04	325.67
Labor & management charge	27.56	31.13	28.88
Net return over lbr & mgt	42.72	54.91	296.79
<b>Cost of Production</b>			
Total direct expense per ton	21.46	20.30	16.89
Total dir & ovhd exp per ton	27.77	27.50	20.96
Less govt & other income	23.98	22.89	14.19
With labor & management	25.73	24.92	15.79
Net value per unit	28.45	28.51	32.25
Machinery cost per acre	175.31	166.66	143.80
Est. labor hours per acre	6.52	6.19	5.38

**Crop Enterprise Analysis**  
**Northland and 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	94	19	18
Number of farms	89	18	18
Acres	59.00	44.00	48.64
Yield per acre (ton)	3.36	3.37	5.33
Operators share of yield %	100.00	100.00	100.00
Value per ton	90.57	82.82	109.60
Total product return per acre	304.67	278.96	583.79
Crop insurance per acre	2.89	-	-
Other crop income per acre	1.24	-	1.95
Gross return per acre	308.79	278.96	585.75
<b>Direct Expenses</b>			
Seed	0.95	2.28	-
Fertilizer	30.73	25.37	19.60
Crop chemicals	1.78	3.48	2.35
Crop insurance	3.35	3.83	3.45
Fuel & oil	40.56	38.34	30.92
Repairs	39.21	36.68	38.89
Custom hire	4.70	4.98	13.20
Hired labor	0.36	0.32	0.56
Operating interest	6.34	5.43	4.09
Miscellaneous	3.53	1.93	4.75
Total direct expenses per acre	131.51	122.63	117.82
Return over direct exp per acre	177.28	156.33	467.93
<b>Overhead Expenses</b>			
Custom hire	2.91	2.40	0.36
Hired labor	9.66	6.97	13.21
Machinery leases	2.88	0.44	0.53
Building leases	0.57	-	0.78
RE & pers. property taxes	7.71	9.58	6.42
Farm insurance	6.97	8.92	5.70
Utilities	4.75	7.55	2.55
Dues & professional fees	1.92	2.39	0.70
Interest	30.41	28.19	39.77
Mach & bldg depreciation	38.58	34.09	49.58
Miscellaneous	4.91	4.43	2.20
Total overhead expenses per acre	111.28	104.95	121.82
Total dir & ovhd expenses per acre	242.79	227.58	239.64
Net return per acre	66.00	51.38	346.11
Government payments	11.57	15.07	9.29
Net return with govt pmts	77.57	66.45	355.40
Labor & management charge	40.44	37.30	33.67
Net return over lbr & mgt	37.13	29.16	321.72
<b>Cost of Production</b>			
Total direct expense per ton	39.10	36.41	22.12
Total dir & ovhd exp per ton	72.18	67.57	44.99
Less govt & other income	67.51	63.09	42.88
With labor & management	79.54	74.17	49.20
Net value per unit	90.57	82.82	109.60
Machinery cost per acre	136.32	122.70	142.56
Est. labor hours per acre	4.38	3.72	6.30

**Crop Enterprise Analysis**  
**Northland and 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	74	15	15
Number of farms	66	13	14
Acres	67.56	51.44	75.93
Yield per acre (ton)	3.51	4.43	4.34
Operators share of yield %	100.00	100.00	100.00
Value per ton	90.16	73.99	110.93
Total product return per acre	316.04	327.68	481.50
Crop insurance per acre	0.89	-	-
Gross return per acre	316.93	327.68	481.50
<b>Direct Expenses</b>			
Seed	2.77	-	4.18
Fertilizer	25.93	46.06	21.68
Crop chemicals	1.84	3.24	2.94
Crop insurance	1.27	1.26	1.80
Packaging and supplies	0.76	2.37	1.62
Fuel & oil	34.47	28.73	43.11
Repairs	34.09	30.51	37.00
Custom hire	9.64	9.57	12.25
Hired labor	1.17	0.08	-
Land rent	35.10	44.02	38.95
Operating interest	5.65	2.74	2.83
Miscellaneous	3.70	0.74	5.84
Total direct expenses per acre	156.38	169.32	172.18
Return over direct exp per acre	160.55	158.35	309.32
<b>Overhead Expenses</b>			
Custom hire	4.81	1.27	12.40
Hired labor	17.60	11.75	24.58
Machinery leases	2.11	0.30	6.69
Building leases	0.60	-	1.95
Farm insurance	4.95	4.55	4.09
Utilities	3.24	3.52	2.90
Dues & professional fees	1.76	2.55	0.56
Interest	8.30	8.61	6.95
Mach & bldg depreciation	28.17	30.47	34.05
Miscellaneous	3.66	1.56	2.88
Total overhead expenses per acre	75.20	64.58	97.05
Total dir & ovhd expenses per acre	231.58	233.91	269.23
Net return per acre	85.35	93.77	212.27
Government payments	9.93	14.43	11.93
Net return with govt pmts	95.28	108.19	224.20
Labor & management charge	29.16	37.17	25.00
Net return over lbr & mgt	66.12	71.03	199.20
<b>Cost of Production</b>			
Total direct expense per ton	44.61	38.24	39.67
Total dir & ovhd exp per ton	66.06	52.82	62.02
Less govt & other income	62.98	49.56	59.28
With labor & management	71.29	57.96	65.03
Net value per unit	90.16	73.99	110.93
Machinery cost per acre	119.10	106.94	150.22
Est. labor hours per acre	4.49	4.11	5.93

**Crop Enterprise Analysis**  
**Northland and 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	56	12	10
Number of farms	45	9	9
Acres	65.84	62.62	81.64
Yield per acre (ton)	2.52	2.71	3.16
Operators share of yield %	100.00	100.00	100.00
Value per ton	68.34	63.51	79.79
Total product return per acre	172.08	172.06	252.18
Other crop income per acre	0.32	0.04	1.42
Gross return per acre	172.40	172.11	253.60
<b>Direct Expenses</b>			
Seed	1.03	-	1.33
Fertilizer	16.02	18.04	8.63
Crop chemicals	0.33	1.31	0.07
Crop insurance	1.62	3.97	0.05
Packaging and supplies	0.53	1.55	0.37
Fuel & oil	26.52	27.89	28.13
Repairs	24.10	26.86	21.95
Custom hire	3.28	3.41	2.21
Operating interest	3.69	0.79	5.23
Miscellaneous	2.90	2.44	2.16
Total direct expenses per acre	80.02	86.27	70.14
Return over direct exp per acre	92.38	85.83	183.46
<b>Overhead Expenses</b>			
Custom hire	0.55	0.48	-
Hired labor	4.41	5.86	6.70
Machinery leases	0.28	0.83	0.04
RE & pers. property taxes	7.10	8.72	5.18
Farm insurance	3.56	3.00	3.95
Utilities	2.65	3.90	2.41
Dues & professional fees	0.87	0.62	0.51
Interest	21.13	10.66	19.61
Mach & bldg depreciation	20.41	16.51	22.61
Miscellaneous	4.19	2.39	4.49
Total overhead expenses per acre	65.13	52.97	65.50
Total dir & ovhd expenses per acre	145.16	139.24	135.63
Net return per acre	27.24	32.87	117.97
Government payments	4.76	4.52	6.13
Net return with govt pmts	32.00	37.39	124.10
Labor & management charge	21.88	17.96	19.38
Net return over lbr & mgt	10.12	19.43	104.71
<b>Cost of Production</b>			
Total direct expense per ton	31.78	31.85	22.19
Total dir & ovhd exp per ton	57.65	51.40	42.92
Less govt & other income	55.63	49.71	40.53
With labor & management	64.33	56.34	46.66
Net value per unit	68.34	63.51	79.79
Machinery cost per acre	78.69	77.53	75.50
Est. labor hours per acre	2.79	2.33	2.80

**Crop Enterprise Analysis**  
**Northland and 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	65	10	12
Number of farms	51	10	11
Acres	97.61	214.40	63.02
Yield per acre (ton)	2.15	2.02	3.39
Operators share of yield %	100.00	100.00	100.00
Value per ton	71.24	61.83	86.35
Total product return per acre	152.90	124.70	292.63
Other crop income per acre	0.41	0.16	-
Gross return per acre	153.31	124.86	292.63
<b>Direct Expenses</b>			
Seed	2.05	0.23	1.28
Fertilizer	9.63	7.06	1.51
Crop insurance	1.08	0.50	0.13
Packaging and supplies	1.04	-	0.79
Fuel & oil	22.70	21.20	22.53
Repairs	22.65	20.01	24.96
Custom hire	2.33	0.21	7.18
Hired labor	0.74	-	-
Land rent	14.46	9.32	22.20
Operating interest	3.64	4.62	0.79
Miscellaneous	2.27	2.49	1.93
Total direct expenses per acre	82.60	65.64	83.29
Return over direct exp per acre	70.71	59.23	209.34
<b>Overhead Expenses</b>			
Custom hire	0.18	0.11	0.61
Hired labor	4.50	1.59	5.72
Machinery leases	1.19	1.07	0.10
Building leases	0.48	1.16	-
Farm insurance	2.64	2.99	2.80
Utilities	2.19	1.96	2.18
Dues & professional fees	0.57	0.50	0.12
Interest	4.65	3.54	5.13
Mach & bldg depreciation	16.12	12.73	21.33
Miscellaneous	2.84	3.09	3.16
Total overhead expenses per acre	35.35	28.73	41.14
Total dir & ovhd expenses per acre	117.95	94.37	124.43
Net return per acre	35.36	30.50	168.20
Government payments	5.09	3.96	9.73
Net return with govt pmts	40.45	34.45	177.93
Labor & management charge	18.14	14.88	20.31
Net return over lbr & mgt	22.30	19.57	157.62
<b>Cost of Production</b>			
Total direct expense per ton	38.49	32.54	24.58
Total dir & ovhd exp per ton	54.96	46.79	36.72
Less govt & other income	52.40	44.75	33.85
With labor & management	60.85	52.13	39.84
Net value per unit	71.24	61.83	86.35
Machinery cost per acre	68.65	58.76	78.46
Est. labor hours per acre	2.64	1.47	4.09

**Crop Enterprise Analysis**  
**Northland and 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	54	10	11
Number of farms	53	10	11
Acres	27.06	33.73	21.45
Yield per acre (ton)	2.23	2.14	3.77
Operators share of yield %	100.00	100.00	100.00
Value per ton	63.65	66.10	66.74
Total product return per acre	141.75	141.45	251.31
Other crop income per acre	1.05	-	4.00
Gross return per acre	142.80	141.45	255.31
<b>Direct Expenses</b>			
Fertilizer	5.96	4.97	19.77
Crop insurance	0.41	-	1.95
Packaging and supplies	2.21	4.91	1.17
Fuel & oil	22.07	22.59	18.03
Repairs	20.79	22.51	19.38
Custom hire	3.70	7.71	0.63
Operating interest	3.23	5.90	1.31
Miscellaneous	4.19	3.10	0.48
Total direct expenses per acre	62.55	71.69	62.74
Return over direct exp per acre	80.25	69.76	192.57
<b>Overhead Expenses</b>			
Hired labor	7.77	18.25	3.44
Machinery leases	0.53	0.07	0.49
Building leases	0.19	0.44	0.51
RE & pers. property taxes	6.78	7.83	6.80
Farm insurance	3.52	3.78	3.36
Utilities	2.40	1.95	2.60
Dues & professional fees	0.51	0.20	0.58
Interest	32.82	36.00	22.19
Mach & bldg depreciation	22.14	34.98	28.35
Miscellaneous	3.56	4.57	3.29
Total overhead expenses per acre	80.23	108.08	71.60
Total dir & ovhd expenses per acre	142.78	179.77	134.34
Net return per acre	0.02	-38.32	120.97
Government payments	3.17	3.23	1.51
Net return with govt pmts	3.19	-35.09	122.48
Labor & management charge	23.70	22.18	20.59
Net return over lbr & mgt	-20.51	-57.27	101.89
<b>Cost of Production</b>			
Total direct expense per ton	28.08	33.50	16.66
Total dir & ovhd exp per ton	64.11	84.00	35.67
Less govt & other income	62.21	82.49	34.21
With labor & management	72.85	92.86	39.68
Net value per unit	63.65	66.10	66.74
Machinery cost per acre	75.02	95.14	69.79
Est. labor hours per acre	3.55	4.72	2.89

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

**Hay, Grass on Cash Rent**

	<u>Avg. Of All Farms</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of fields	71	21	11
Number of farms	54	11	11
Acres	104.01	46.90	83.74
Yield per acre (ton)	1.87	1.46	2.58
Operators share of yield %	100.00	100.00	100.00
Value per ton	64.33	61.77	69.96
Total product return per acre	120.11	90.07	180.41
Crop insurance per acre	0.15	-	-
Other crop income per acre	0.33	-	-
Gross return per acre	120.58	90.07	180.41
<b>Direct Expenses</b>			
Fertilizer	8.73	-	14.77
Packaging and supplies	0.96	1.62	1.71
Fuel & oil	18.08	15.08	15.39
Repairs	14.69	12.54	10.26
Custom hire	4.60	2.64	0.92
Land rent	15.52	5.32	17.10
Operating interest	2.62	0.91	0.98
Miscellaneous	3.13	4.38	1.51
Total direct expenses per acre	68.32	42.50	62.64
Return over direct exp per acre	52.25	47.58	117.77
<b>Overhead Expenses</b>			
Custom hire	0.57	0.01	1.31
Hired labor	3.44	5.48	0.37
Farm insurance	1.51	2.52	1.32
Utilities	0.85	1.26	1.41
Dues & professional fees	0.37	0.10	1.08
Interest	4.17	2.58	2.39
Mach & bldg depreciation	13.71	20.02	14.00
Miscellaneous	2.87	2.25	1.69
Total overhead expenses per acre	27.48	34.22	23.57
Total dir & ovhd expenses per acre	95.81	76.71	86.21
Net return per acre	24.77	13.36	94.20
Government payments	1.65	1.54	5.89
Net return with govt pmts	26.42	14.90	100.09
Labor & management charge	12.74	15.50	18.76
Net return over lbr & mgt	13.68	-0.60	81.33
<b>Cost of Production</b>			
Total direct expense per ton	36.60	29.14	24.29
Total dir & ovhd exp per ton	51.32	52.61	33.43
Less govt & other income	50.18	51.55	31.14
With labor & management	57.00	62.18	38.42
Net value per unit	64.33	61.77	69.96
Machinery cost per acre	55.29	51.99	43.59
Est. labor hours per acre	2.12	2.21	2.79

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

**Soybeans on Owned Land**

	<u>Avg. Of All Farms</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of fields	122	25	27
Number of farms	101	20	21
Acres	156.58	164.20	180.44
Yield per acre (bu.)	33.08	32.72	36.97
Operators share of yield %	100.00	100.00	100.00
Value per bu.	9.43	8.96	10.08
Total product return per acre	311.82	293.34	372.73
Hedging gains/losses per acre	0.04	-	-
Crop insurance per acre	15.96	21.18	23.10
Other crop income per acre	2.34	-	1.54
Gross return per acre	330.16	314.52	397.37
<b>Direct Expenses</b>			
Seed	37.75	39.28	35.93
Fertilizer	20.15	27.47	17.19
Crop chemicals	25.91	24.12	22.25
Crop insurance	23.15	25.87	20.15
Drying expense	0.68	0.73	0.69
Fuel & oil	19.51	17.77	21.29
Repairs	20.37	22.34	16.61
Custom hire	4.15	4.32	3.75
Machinery leases	0.38	-	0.51
Hauling and trucking	0.67	0.01	-
Marketing	0.21	0.13	0.59
Operating interest	4.71	2.70	6.20
Miscellaneous	0.30	0.18	0.16
Total direct expenses per acre	157.93	164.91	145.31
Return over direct exp per acre	172.23	149.60	252.06
<b>Overhead Expenses</b>			
Custom hire	2.14	3.17	0.10
Hired labor	5.69	6.35	6.74
Machinery leases	1.03	0.71	0.21
Building leases	0.69	1.29	0.17
RE & pers. property taxes	7.51	8.39	7.68
Farm insurance	3.85	4.18	4.50
Utilities	3.44	2.70	3.50
Dues & professional fees	1.59	2.16	1.83
Interest	24.05	23.63	20.88
Mach & bldg depreciation	18.81	17.23	25.14
Miscellaneous	3.19	2.40	4.84
Total overhead expenses per acre	71.99	72.21	75.59
Total dir & ovhd expenses per acre	229.92	237.12	220.90
Net return per acre	100.24	77.40	176.47
Government payments	14.22	12.97	14.67
Net return with govt pmnts	114.46	90.37	191.14
Labor & management charge	27.10	26.61	28.13
Net return over lbr & mgt	87.35	63.75	163.00
<b>Cost of Production</b>			
Total direct expense per bu.	4.77	5.04	3.93
Total dir & ovhd exp per bu.	6.95	7.25	5.97
Less govt & other income	5.97	6.20	4.91
With labor & management	6.79	7.02	5.67
Net value per unit	9.43	8.96	10.08
Machinery cost per acre	69.42	67.94	71.22
Est. labor hours per acre	1.86	1.68	1.91

**Crop Enterprise Analysis**  
**Northland and 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	208	49	39
Number of farms	136	27	28
Acres	224.88	211.00	205.16
Yield per acre (bu.)	30.60	32.06	33.35
Operators share of yield %	100.00	100.00	100.00
Value per bu.	9.31	8.92	9.98
Total product return per acre	284.78	285.98	332.85
Hedging gains/losses per acre	0.97	-	-
Crop insurance per acre	26.17	19.20	42.35
Other crop income per acre	4.19	-	2.13
Gross return per acre	316.11	305.18	377.33
<b>Direct Expenses</b>			
Seed	38.24	40.99	34.18
Fertilizer	22.40	20.39	14.96
Crop chemicals	27.62	25.91	25.55
Crop insurance	23.32	23.89	22.79
Drying expense	0.71	0.75	0.44
Fuel & oil	19.32	20.67	23.17
Repairs	20.18	20.41	19.06
Custom hire	3.26	1.81	3.70
Land rent	45.76	45.62	48.43
Machinery leases	0.59	0.03	1.21
Marketing	0.32	0.64	0.47
Operating interest	5.45	4.48	6.46
Miscellaneous	0.95	0.18	0.31
Total direct expenses per acre	208.11	205.77	200.72
Return over direct exp per acre	108.00	99.41	176.61
<b>Overhead Expenses</b>			
Custom hire	1.77	3.54	0.41
Hired labor	4.70	5.93	5.93
Machinery leases	2.75	2.14	0.41
Building leases	0.45	0.61	0.84
Farm insurance	2.83	3.43	3.45
Utilities	2.53	3.22	2.84
Dues & professional fees	1.66	1.97	1.93
Interest	4.78	4.98	4.97
Mach & bldg depreciation	15.42	17.27	19.25
Miscellaneous	2.69	2.97	4.32
Total overhead expenses per acre	39.59	46.05	44.34
Total dir & ovhd expenses per acre	247.71	251.83	245.06
Net return per acre	68.41	53.36	132.27
Government payments	13.48	12.88	14.72
Net return with govt pmts	81.89	66.24	146.99
Labor & management charge	22.40	22.88	26.49
Net return over lbr & mgt	59.49	43.36	120.50
<b>Cost of Production</b>			
Total direct expense per bu.	6.80	6.42	6.02
Total dir & ovhd exp per bu.	8.10	7.85	7.35
Less govt & other income	6.63	6.85	5.57
With labor & management	7.36	7.57	6.37
Net value per unit	9.34	8.92	9.98
Machinery cost per acre	67.12	70.07	70.58
Est. labor hours per acre	1.71	1.73	1.70

**Crop Enterprise Analysis**  
**Northland and 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	100	21	28
Number of farms	77	16	16
Acres	159.51	160.51	121.45
Yield per acre (bu.)	60.51	60.14	70.14
Operators share of yield %	100.00	100.00	100.00
Value per bu.	6.56	6.23	7.02
Total product return per acre	396.93	374.75	492.50
Hedging gains/losses per acre	0.16	-	-
Crop insurance per acre	0.68	1.27	0.12
Other crop income per acre	1.49	0.52	0.48
Gross return per acre	399.27	376.54	493.11
<b>Direct Expenses</b>			
Seed	29.40	25.36	31.61
Fertilizer	73.33	72.59	69.82
Crop chemicals	31.37	27.77	27.10
Crop insurance	30.02	31.24	30.96
Drying expense	2.35	2.07	4.23
Fuel & oil	20.80	19.77	22.23
Repairs	17.09	19.05	17.24
Custom hire	5.86	6.03	7.26
Hauling and trucking	0.54	0.23	0.18
Operating interest	4.01	2.04	2.41
Miscellaneous	1.00	0.54	0.56
Total direct expenses per acre	215.78	206.69	213.60
Return over direct exp per acre	183.50	169.85	279.50
<b>Overhead Expenses</b>			
Custom hire	1.78	3.91	1.27
Hired labor	4.84	7.82	4.51
Machinery leases	1.63	1.29	1.32
Building leases	1.00	1.20	0.12
RE & pers. property taxes	5.81	6.17	5.90
Farm insurance	3.24	4.06	2.32
Utilities	3.10	2.85	2.76
Dues & professional fees	1.69	2.47	1.17
Interest	20.79	16.08	19.15
Mach & bldg depreciation	16.52	15.14	23.03
Miscellaneous	2.36	1.98	2.62
Total overhead expenses per acre	62.77	62.97	64.18
Total dir & ovhd expenses per acre	278.55	269.66	277.78
Net return per acre	120.72	106.88	215.33
Government payments	14.06	13.43	19.17
Net return with govt pmts	134.78	120.31	234.49
Labor & management charge	27.93	27.05	32.63
Net return over lbr & mgt	106.85	93.26	201.86
<b>Cost of Production</b>			
Total direct expense per bu.	3.57	3.44	3.05
Total dir & ovhd exp per bu.	4.60	4.48	3.96
Less govt & other income	4.33	4.23	3.68
With labor & management	4.79	4.68	4.14
Net value per unit	6.56	6.23	7.02
Machinery cost per acre	66.90	67.21	75.31
Est. labor hours per acre	1.70	1.92	1.74

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

**Wheat, Spring on Cash Rent**

	<u>Avg. Of</u> <u>All Farms</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of fields	142	26	32
Number of farms	107	22	22
Acres	226.28	351.71	185.06
Yield per acre (bu.)	59.42	60.04	62.06
Operators share of yield %	100.00	100.00	100.00
Value per bu.	6.53	6.22	7.44
Total product return per acre	388.12	373.33	461.86
Hedging gains/losses per acre	1.57	5.44	-
Crop insurance per acre	0.97	0.18	0.10
Other crop income per acre	2.97	1.88	5.32
Gross return per acre	393.63	380.84	467.28
<b>Direct Expenses</b>			
Seed	27.79	26.96	26.72
Fertilizer	72.94	67.01	72.42
Crop chemicals	28.91	25.72	20.90
Crop insurance	29.03	32.18	27.55
Drying expense	1.78	2.55	1.01
Fuel & oil	19.08	18.96	16.15
Repairs	19.35	20.38	16.40
Custom hire	3.68	1.36	4.25
Land rent	43.87	49.29	35.19
Hauling and trucking	0.46	0.24	0.51
Operating interest	3.86	2.54	4.31
Miscellaneous	0.96	0.64	0.78
Total direct expenses per acre	251.71	247.82	226.20
Return over direct exp per acre	141.92	133.01	241.08
<b>Overhead Expenses</b>			
Custom hire	2.71	3.14	2.25
Hired labor	5.15	5.11	4.15
Machinery leases	1.95	1.13	2.41
Farm insurance	3.28	3.47	2.44
Utilities	2.61	2.39	2.65
Dues & professional fees	1.72	1.80	1.42
Interest	4.09	2.68	4.28
Mach & bldg depreciation	13.90	12.25	16.38
Miscellaneous	2.90	2.08	2.61
Total overhead expenses per acre	38.30	34.04	38.60
Total dir & ovhd expenses per acre	290.02	281.86	264.80
Net return per acre	103.61	98.97	202.48
Government payments	14.41	13.63	12.56
Net return with govt pmts	118.02	112.60	215.04
Labor & management charge	23.34	21.86	25.31
Net return over lbr & mgt	94.68	90.74	189.73
<b>Cost of Production</b>			
Total direct expense per bu.	4.24	4.13	3.64
Total dir & ovhd exp per bu.	4.88	4.69	4.27
Less govt & other income	4.55	4.34	3.98
With labor & management	4.94	4.71	4.38
Net value per unit	6.56	6.31	7.44
Machinery cost per acre	64.07	59.65	61.25
Est. labor hours per acre	1.53	1.38	1.43

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

	<b>Barley</b>		<b>Winter Wheat</b>	
	<b>Owned Avg.</b>	<b>Rented Avg.</b>	<b>Owned Avg.</b>	<b>Rented Avg.</b>
Number of fields	17	17	13	25
Number of farms	17	14	12	23
Acres	65.16	151.34	83.50	125.94
Yield per acre (bu.)	76.81	80.78	44.86	56.46
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	4.59	5.17	5.67	5.77
Total product return per acre	352.29	417.72	254.52	325.90
Crop insurance per acre	-	-	3.83	7.63
Other crop income per acre	2.16	3.38	29.68	9.45
Gross return per acre	354.45	421.10	288.03	342.98
<b>Direct Expenses</b>				
Seed	13.34	13.95	14.13	16.05
Fertilizer	51.11	63.69	58.95	55.93
Crop chemicals	19.43	21.57	16.88	16.42
Crop insurance	11.26	15.20	28.08	33.51
Fuel & oil	23.54	22.88	22.42	19.41
Repairs	24.51	22.77	17.98	22.45
Custom hire	2.11	1.17	4.96	2.79
Machinery leases	-	-	1.33	1.32
Land Rent	-	32.87	-	43.67
Marketing	0.20	-	-	-
Operating interest	5.44	5.84	3.31	4.27
Miscellaneous	0.83	0.71	1.90	1.60
Total direct expenses per acre	151.79	200.64	169.94	217.43
Return over direct exp per acre	202.66	220.46	118.08	125.55
<b>Overhead Expenses</b>				
Custom hire	2.44	2.31	0.79	2.62
Hired labor	5.85	6.36	4.82	8.46
Machinery & bldg leases	0.88	3.01	6.72	1.90
RE & pers. property taxes	5.40	-	6.96	-
Farm insurance	3.84	2.97	2.25	2.50
Utilities	2.83	2.37	2.37	2.67
Dues & professional fees	2.64	3.52	0.98	1.43
Interest	21.41	8.14	16.81	5.35
Mach & bldg depreciation	16.14	14.91	13.09	14.17
Miscellaneous	4.01	3.48	2.19	4.51
Total overhead expenses per acre	65.44	47.06	56.99	43.60
Total dir & ovhd expenses per acre	217.23	247.70	226.93	261.03
Net return per acre	137.22	173.40	61.10	81.95
Government payments	10.11	11.59	14.65	13.96
Net return with govt pmts	147.33	184.99	75.75	95.91
Labor & management charge	22.19	20.42	19.65	19.14
Net return over lbr & mgt	125.13	164.58	56.10	76.77
<b>Cost of Production</b>				
Total direct expense per bu.	1.98	2.48	3.79	3.85
Total dir & ovhd exp per bu.	2.83	3.07	5.06	4.62
Less govt & other income	2.67	2.88	3.98	4.07
With labor & management	2.96	3.13	4.42	4.41
Net value per unit	4.59	5.17	5.67	5.77
Machinery cost per acre	73.87	73.60	70.73	69.41
Est. labor hours per acre	1.71	1.29	1.29	1.61

**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</u> <u>All Farms</u>	<u>Avg. Of</u> <u>All Farms</u>
Number of fields	20	24
Number of farms	19	23
Acres	30.5	45.59
Yield per acre (ton)	1.35	1.68
Operators share of yield %	100	100
Value per ton	68.99	69.68
Total product return per acre	93.37	116.76
Other crop income per acre	3.59	0.23
Gross return per acre	96.96	116.99
<b>Direct Expenses</b>		
Seed	46.72	41.42
Fertilizer	44.46	21.86
Crop chemicals	4.94	2.33
Crop insurance	4.24	2.36
Fuel & oil	2.53	41.09
Repairs	47.38	43.60
Custom hire	44.79	6.59
Land Rent	12.90	34.86
Operating interest	14.58	7.66
Miscellaneous	1.73	2.51
Total direct expenses per acre	224.35	204.28
Return over direct exp per acre	-127.38	-87.29
<b>Overhead Expenses</b>		
Custom hire	0.75	4.33
Hired labor	14.00	12.21
Mach & bldg leases	3.17	2.50
RE & pers. property taxes	6.10	-
Farm insurance	4.68	4.64
Utilities	3.71	4.19
Dues & professional fees	1.47	1.26
Interest	26.11	11.31
Mach & bldg depreciation	43.68	36.85
Miscellaneous	4.88	3.45
Total overhead expenses per acre	108.56	80.74
Total dir & ovhd expenses per acre	332.91	285.02
Net return per acre	-235.94	-168.03
Government payments	7.54	11.70
Net return with govt pmts	-228.40	-156.33
Labor & management charge	33.37	31.86
Net return over lbr & mgt	-261.77	-188.20
<b>Cost of Production</b>		
Total direct expense per ton	165.77	121.91
Total dir & ovhd exp per ton	245.98	170.10
Less govt & other income	237.76	162.98
With labor & management	262.41	181.99
Net Value per unit	68.99	69.68
Machinery cost per acre	159.81	143.85
Est. labor hours per acre	4.49	4.32

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

**Sunflowers, Confectionary Sunflowers on Cash Rent, and Perennial Rye Grass Owned**

	Sunflowers	Sunflowers Conf	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	7
Number of farms	15	6	4
Acres	192.83	200.02	170.57
Yield per acre (unit)	15.34	16.45	969.26
Operators share of yield %	100	100	100
Value per unit	25.46	37.29	0.51
Total product return per acre	390.56	613.52	495.02
Crop insurance per acre	35.12	-	-
Other crop income per acre	0.38	0.19	-
Gross return per acre	426.06	613.72	495.02
<b>Direct Expenses</b>			
Seed	26.61	30.44	11.94
Fertilizer	53.75	69.62	82.95
Crop chemicals	26.14	45.07	39.81
Crop insurance	26.35	33.19	0.60
Drying expense	5.20	4.57	-
Fuel & oil	28.31	26.48	23.33
Repairs	25.80	22.46	14.16
Custom hire	2.49	6.25	9.24
Land rent	36.11	41.28	-
Hauling and trucking	0.41	-	-
Operating interest	3.89	1.47	1.55
Miscellaneous	0.58	-	0.76
Total direct expenses per acre	235.63	280.84	184.35
Return over direct exp per acre	190.44	332.88	310.67
<b>Overhead Expenses</b>			
Custom hire	3.05	2.96	1.10
Hired labor	4.65	9.11	3.15
Machinery & Building leases	6.03	1.64	2.63
RE & pers. Property taxes	-	-	4.03
Farm insurance	4.61	3.61	2.09
Utilities	2.27	2.07	1.72
Dues & professional fees	1.28	1.95	1.03
Interest	3.04	4.04	7.22
Mach & bldg depreciation	16.23	19.42	16.04
Miscellaneous	4.62	2.72	2.42
Total overhead expenses per acre	45.78	47.51	41.43
Total dir & ovhd expenses per acre	281.40	328.35	225.78
Net return per acre	144.66	285.37	269.24
Government payments	14.00	13.10	19.65
Net return with govt payments	158.66	298.47	288.88
Labor & Management charge	28.36	31.68	29.45
Net return over lbr & mgt	130.30	266.78	259.43
<b>Cost of Production</b>			
Total direct expense per unit	15.36	17.07	0.19
Total dir & ovhd exp per unit	18.34	19.96	0.23
Less govt & other income	15.11	19.15	0.21
With labor & management	16.96	21.08	0.24
Net value per unit	25.46	37.29	0.51
Machinery cost per acre	84.37	81.16	69.91
Est. labor hours per acre	1.72	2.02	1.33

**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	9	23	24	12
Number of farms	6	16	20	12
Acres	131.11	153.86	56.29	69.38
Yield per acre	36.95	159.74	4.60	20.24
Operators share of yield %	100.00	100.00	100.00	100.00
Value	9.17	3.81	144.39	30.74
Total product return per acre	338.66	608.42	664.64	622.02
Crop insurance per acre	26.22	3.85	6.28	0.85
Other crop income per acre	-	5.69	3.24	11.65
Gross return per acre	364.88	617.97	674.16	634.52
<b>Direct Expenses</b>				
Seed	29.75	60.29	0.28	59.97
Fertilizer	18.28	130.11	38.11	93.57
Crop chemicals	27.02	31.40	11.37	30.86
Crop insurance	29.90	31.18	-	11.13
Drying expense	0.69	11.68	-	-
Irrigation energy	6.05	22.87	17.31	12.43
Fuel & oil	10.00	31.98	37.69	55.74
Repairs	14.30	45.10	52.68	43.06
Custom hire	16.43	17.11	11.60	27.15
Land Rent	66.12	42.37	47.37	1.38
Hauling and trucking	3.23	6.17	-	-
Machinery leases	-	-	8.48	1.49
Operating interest	7.04	8.85	16.60	11.90
Miscellaneous	17.68	12.66	11.90	22.63
Total direct expenses per acre	246.48	451.76	253.38	371.30
Return over direct exp per acre	118.39	166.21	420.78	263.22
<b>Overhead Expenses</b>				
Custom hire	6.71	4.67	3.52	6.31
Hired labor	14.93	20.97	15.10	19.22
Mach and bldg leases	2.06	3.06	5.72	8.51
RE & pers. property taxes	2.28	2.98	5.21	6.09
Farm insurance	2.07	3.58	6.61	3.44
Utilities	1.79	3.44	4.97	7.44
Interest	8.02	23.12	28.80	40.52
Mach & bldg depreciation	20.64	35.37	39.95	54.17
Miscellaneous	8.16	8.51	10.71	13.18
Total overhead expenses per acre	66.66	105.69	120.58	158.87
Total dir & ovhd expenses per acre	313.14	557.46	373.96	530.17
Net return per acre	51.74	60.51	300.20	104.35
Government payments	18.56	18.37	4.35	11.08
Net return with govt pmts	70.30	78.89	304.55	115.43
Labor & management charge	11.79	33.55	53.74	45.35
Net return over lbr & mgt	58.51	45.34	250.80	70.08
<b>Cost of Production</b>				
Total direct expense per bu.	6.67	2.83	55.05	18.35
Total dir & ovhd exp per bu.	8.48	3.49	81.24	26.20
Less govt & other income	7.26	3.32	78.23	25.03
With labor & management	7.58	3.53	89.91	27.27
Net value per unit	9.17	3.81	144.39	30.74
Machinery cost per acre	73.86	148.41	159.96	194.38
Est. labor hours per acre	1.84	4.22	4.23	5.21

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

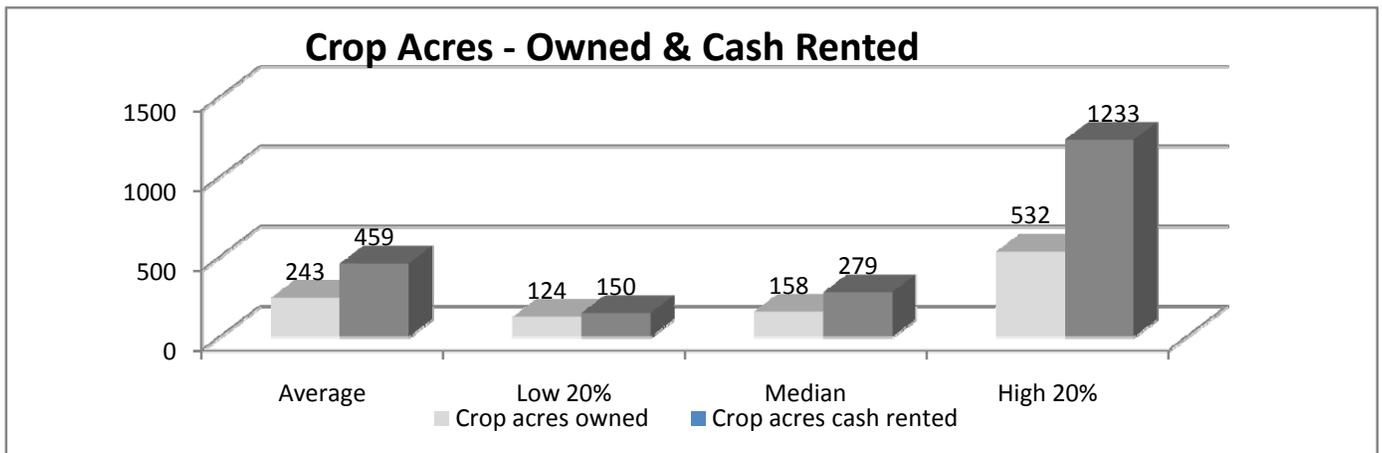
\*\* Alfalfa Hay data is Statewide Data.

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

	<b>Oats on Owned</b>		<b>Oats on Cash Rent</b>
	<b>Avg. Of All Farms</b>	<b>High 20%</b>	<b>Avg. Of All Farms</b>
Number of fields	21	5	19
Number of farms	21	5	19
Acres	27.3	28.74	42.87
Yield per acre (bu.)	62.11	78.81	72.84
Operators share of yield %	100	100	100
Value per bu.	2.26	2.66	2.68
Total product return per acre	140.45	209.84	195.48
Crop Insurance per acre	0.25	-	1.96
Other crop income per acre	20.97	40.85	31.84
Gross return per acre	161.67	250.69	229.28
<b>Direct Expenses</b>			
Seed	11.38	13.11	13.66
Fertilizer	23.23	8.00	34.16
Crop chemicals	2.72	2.04	1.77
Crop insurance	4.08	3.22	5.62
Fuel & oil	19.88	19.73	19.73
Repairs	19.05	19.84	20.38
Custom hire	3.17	8.75	6.97
Land rent	-	-	22.16
Operating interest	4.23	4.90	3.45
Miscellaneous	2.22	1.37	2.93
Total direct expenses per acre	89.96	80.99	130.81
Return over direct exp per acre	71.71	169.70	98.47
<b>Overhead Expenses</b>			
Custom hire	-	-	0.81
Hired labor	4.17	4.44	4.41
Machinery & bldg leases	1.11	0.02	-
RE & pers. property taxes	4.87	3.73	-
Farm insurance	2.63	3.51	2.76
Utilities	2.18	3.18	1.14
Interest	10.95	17.27	4.13
Mach & bldg depreciation	16.99	21.41	14.84
Miscellaneous	5.28	3.69	4.25
Total overhead expenses per acre	48.19	57.25	32.34
Total dir & ovhd expenses per acre	138.15	138.24	163.15
Net return per acre	23.51	112.45	66.14
Government payments	9.94	9.34	7.80
Net return with govt pmts	33.45	121.79	73.94
Labor & management charge	27.22	43.42	17.39
Net return over lbr & mgt	6.22	78.37	56.55
<b>Cost of Production</b>			
Total direct expense per bu.	1.45	1.03	1.80
Total dir & ovhd exp per bu.	2.22	1.75	2.24
Less govt & other income	1.72	1.12	1.67
With labor & management	2.16	1.67	1.91
Net value per unit	2.26	2.66	2.68
Machinery cost per acre	64.47	73.54	66.35
Est. labor hours per acre	2.90	5.73	2.68

**Crop Production and Marketing 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	398	79	79	80
<b>Acreage Summary</b>				
Total acres owned	347	233	233	641
Total crop acres	715	292	441	1,800
Crop acres owned	243	124	158	532
Crop acres cash rented	459	150	279	1,233
Crop acres share rented	12	17	4	35
Total pasture acres	45	65	79	19
<b>Average Price Received (Cash Sales Only)</b>				
Soybeans per bushel	10.27	9.99	10.53	10.27
Wheat, Spring per bushel	7.66	7.29	7.97	7.78
Corn per bushel	4.07	4.60	4.51	4.00
Hay, Alfalfa per ton	88.90	90.52	65.50	89.02
Hay, Grass per ton	75.23	-	77.41	-
Oats per bushel	3.02	-	2.70	-
Sunflowers per cwt	22.29	-	-	22.67
Hay, Mixed per ton	92.73	79.55	122.72	-
Wheat, Winter per bushel	6.04	-	-	5.40
Barley per bushel	4.52	-	-	4.12
Corn Silage per ton	27.01	-	24.62	-
Grass Seed, Perennial Rye per lb	0.37	-	-	0.37
Sunflowers, Confectionary per cwt	28.12	-	-	-
<b>Average Yield Per Acre</b>				
Soybeans (bushel)	31.51	27.91	28.00	32.60
Wheat, Spring (bushel)	59.26	51.89	51.24	62.01
Corn (bushel)	123.85	103.97	116.85	137.13
Corn Silage (ton)	15.92	14.43	13.85	17.08
Hay, Alfalfa (ton)	3.47	3.00	3.18	3.74
Hay, Grass (ton)	1.94	1.74	1.98	1.95
Hay, Mixed (ton)	2.29	2.06	2.43	2.33
Oats (bushel)	67.20	72.92	61.10	-
Haylage, Alfalfa (ton)	8.25	9.05	6.21	8.55
Wheat, Winter (bushel)	52.23	31.86	33.82	52.31
Barley (bushel)	79.42	-	-	80.95
Sunflowers (cwt)	16.10	-	-	16.21



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

	<b>Dairy Cows - Rotational Grazing</b>		<b>Dairy Cows - Organic Production</b>			
	Average		Average		High	
Number of farms	19		27		6	
	Quantity	Value	Quantity	Value	Quantity	Value
Milk sold (lb)	12,523.30	2,954.12	12,470.50	3,179.47	13,305.60	3,522.66
Milk used in home (lb)	15.60	5.51	19.30	6.29	26.90	7.01
Milk fed to animals (lb)	223.40	71.04	348.50	97.06	270.90	143.09
Dairy Calves sold (hd)	0.30	20.31	0.20	14.45	0.30	20.29
Transferred out (hd)	0.60	33.37	0.70	74.76	0.60	114.30
Cull sales (hd)	0.20	107.26	0.20	105.73	0.20	125.76
Butchered (hd)	0.00	3.02	0.00	7.34	0.00	1.27
Other income		10.04		10.55		26.10
Purchased (hd)	0.00	-40.02	0.10	-95.88	0.00	-20.76
Transferred in (hd)	0.30	-86.74	0.30	-144.71	0.30	-313.92
Inventory change (hd)	0.00	115.52	0.10	168.93	0.10	220.13
Dairy Replac. net cost		-333.79		-350.89		-262.10
Gross margin		2,859.64		3,073.08		3,583.81
<b>Direct Expenses</b>						
Protein Vit Minerals (lb.)	241.90	110.81	627.20	184.21	187.10	60.16
Complete Ration (lb.)	1,627.70	219.39	682.20	99.26	1,503.80	174.87
Corn and Grains (bu.)	27.60	172.12	44.32	296.42	29.81	230.55
Corn & Other Silage (lb.)	10,438.80	131.76	6,478.10	93.42	13,751.90	108.46
Hav. Alfalfa (lb.)	4,858.50	311.86	3,270.60	224.98	3,110.40	215.61
Hav. Grass & Other (lb.)	870.40	31.99	2,606.30	135.11	7.10	0.18
Havlaqe. Alfalfa (lb.)	253.50	5.88	2,050.70	71.94	-	-
Pasture (aum)	11.50	178.15	8.20	136.72	4.50	193.55
Other feed stuffs	969.00	24.85	2,209.10	74.97	0.30	4.47
Breeding fees		16.75		23.73		34.30
Veterinary		35.80		30.35		25.51
Supplies		91.54		133.45		187.42
DHIA		14.95				
Fuel & oil		84.97		73.86		103.35
Repairs		107.52		207.31		290.77
Custom hire		9.24		13.79		-
Hired Labor		8.24		46.18		5.06
Hauling and trucking		31.12		23.62		12.08
Marketing		22.26		28.67		29.18
Bedding		25.51		22.82		11.18
Operating Interest		34.42		15.74		14.92
Total direct expenses		1,669.12		1,822.81		1,494.72
Return over direct expense		1,190.52		1,250.27		2,089.09
<b>Overhead Expenses</b>						
Hired labor		173.76		186.93		258.68
Machinery & bldg leases		11.40		15.14		31.89
Farm insurance		25.17		26.91		26.97
Utilities		51.41		70.37		77.30
Interest		89.86		94.50		50.86
Mach & bldg depreciation		126.09		109.68		125.72
Miscellaneous		60.69		56.75		69.73
Total overhead expenses		538.39		560.28		641.16
Total dir & ovhd expenses		2,207.51		2,383.09		2,135.88
Net return		652.13		689.99		1,447.93
Labor & management charge		279.42		273.44		464.69
Net return over lbr & mgt		372.71		416.55		983.25
<b>Cost of Production</b>						
Total direct expense per cwt.		13.08		14.20		10.99
Total dir & ovhd expense per cwt.		17.30		18.56		15.70
With other revenue adjustments		18.64		20.20		16.35
With labor and management		20.83		22.33		19.77
Est. labor hours per unit		36.70		40.49		54.38
<b>Other Information</b>						
Number of Cows		87.2		78.8		65.8
Milk produced per Cow		12.762		12.838		13.603
Culling percentage		23.1		19.2		18.5
Turnover rate		29.0		25.3		24.1
Cow death loss percentage		5.3		5.1		5.3
Percent of barn capacity		96.8		102.0		99.2
Feed cost per day		3.25		3.61		2.71
Feed cost per cwt of milk		9.30		10.26		7.26
Feed cost per Cow		1,186.81		1,317.04		987.85
Avg. milk price per cwt.		23.59		25.50		26.47

**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	105	189	111	59	20
	Value	Value	Value	Value	Value
Milk sold (lb)	3,219.85	3,667.35	3,859.19	4,440.88	4,672.64
Milk used in home (lb)	3.57	1.93	0.71	0.05	-
Milk fed to animals (lb)	20.84	12.17	17.91	13.16	12.02
Dairy Calves sold (hd)	75.19	33.81	28.25	30.80	27.39
Transferred out (hd)	101.84	62.50	63.27	36.16	30.74
Cull sales (hd)	149.23	149.41	138.05	131.95	168.60
Butchered (hd)	7.32	5.53	1.81	1.85	0.11
Other income	7.67	15.13	8.07	-2.96	-35.87
Purchased (hd)	-128.07	-89.96	-107.35	-141.60	-88.74
Transferred in (hd)	-146.96	-110.82	-140.97	-99.80	-39.90
Inventory change (hd)	30.29	44.12	91.72	126.54	58.22
Dairy Replac. net cost	-241.69	-411.86	-364.11	-374.36	-452.24
Gross margin	3,099.08	3,379.30	3,596.55	4,162.65	4,352.97
<b>Direct Expenses</b>					
Protein Vit Minerals (lb.)	363.57	468.41	535.52	671.65	699.64
Complete Ration (lb.)	184.26	212.80	236.58	274.58	193.65
Corn (bu.)	205.08	240.97	243.36	233.92	222.37
Corn Silage (lb.)	160.03	210.56	221.08	249.89	265.21
Hay, Alfalfa (lb.)	280.87	233.96	234.50	199.44	138.53
Haylage, Alfalfa (lb.)	49.55	138.75	104.09	152.00	150.97
Other feed stuffs	173.37	109.42	139.12	104.63	159.80
Breeding fees	35.87	43.69	40.44	49.36	37.56
Veterinary	87.23	92.25	102.28	124.01	136.18
BST	3.63	8.76	15.14	36.76	74.55
Supplies	181.35	183.93	181.97	208.29	165.94
Fuel & oil	79.66	83.90	99.96	111.99	122.37
Repairs	116.80	115.45	100.17	97.42	104.43
Custom hire	12.04	21.04	37.97	45.23	79.13
Hired labor	21.08	34.10	68.34	169.68	143.65
Utilities	36.65	24.34	24.01	29.68	26.44
Hauling and trucking	67.72	56.52	44.22	52.53	38.71
Marketing	34.68	38.68	36.67	39.45	58.64
Bedding	19.64	38.65	50.79	73.39	80.26
Total direct expenses	2,113.09	2,356.17	2,516.18	2,923.90	2,898.05
Return over direct expense	985.99	1,023.13	1,080.37	1,238.75	1,454.93
<b>Overhead Expenses</b>					
Hired labor	43.74	92.02	179.85	294.95	404.51
Mach & bldg leases	10.51	19.09	19.53	67.80	119.47
Farm insurance	40.27	33.71	34.25	36.07	31.99
Utilities	74.02	76.62	55.22	44.87	44.84
Dues & professional fees	11.35	8.20	7.54	12.25	24.27
Interest	99.27	105.55	128.12	113.05	115.88
Mach & bldg depreciation	110.62	125.00	141.70	137.74	124.19
Miscellaneous	64.80	51.07	42.18	45.41	29.64
Total overhead expenses	454.59	511.28	608.40	752.13	894.78
Total dir & ovhd expenses	2,567.68	2,867.44	3,124.58	3,676.03	3,792.83
Net return	531.40	511.85	471.97	486.62	560.15
Labor & management charge	369.30	300.80	240.02	204.48	128.84
Net return over lbr & mgt	162.09	211.06	231.95	282.14	431.31
<b>Cost of Production</b>					
Total direct expense per cwt.	12.85	12.37	12.75	12.71	12.07
Total dir & ovhd expense per cwt.	15.62	15.05	15.83	15.98	15.79
With other revenue adjustments	16.50	16.64	17.25	17.24	17.17
With labor and management	18.75	18.21	18.47	18.13	17.71
Est. labor hours per unit	48.28	42.44	36.47	42.75	43.83
<b>Other Information</b>					
Number of Cows	38.9	72.5	142.4	306.8	842.2
Milk produced per Cow	16,438	19,053	19,739	23,011	24,016
Culling percentage	23.8	24.6	23.2	22.0	28.0
Turnover rate	32.6	32.8	31.7	29.9	36.6
Cow death loss percentage	7.7	7.2	8.1	7.6	8.5
Percent of barn capacity	91.6	104.4	107.8	110.6	116.9
Feed cost per day	3.88	4.42	4.70	5.17	5.01
Feed cost per cwt of milk	8.62	8.48	8.68	8.20	7.62
Feed cost per Cow	1,416.72	1,614.87	1,714.24	1,886.12	1,830.18
Avg. milk price per cwt.	19.76	19.33	19.64	19.36	19.51

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

**Dairy -- Average Per Cwt of Milk**

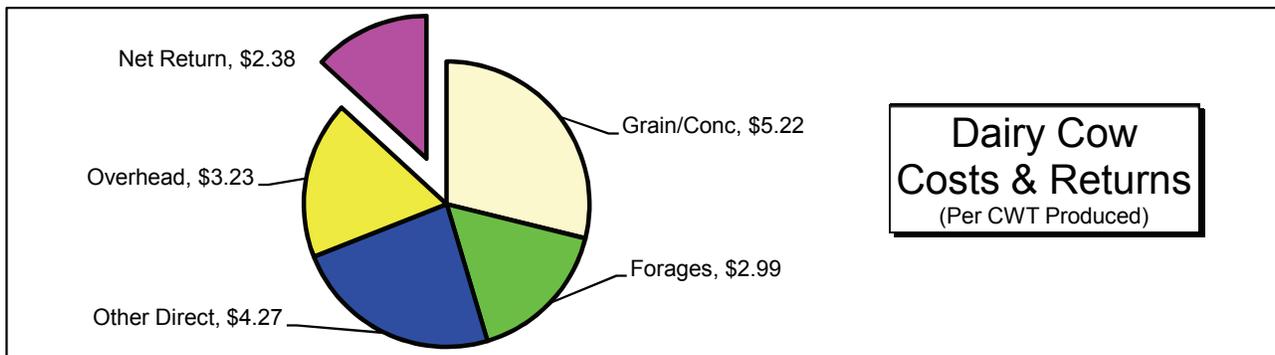
	Average of All Farms		40 - 60%		High 20%	
	493		98		99	
	Quantitv	Value	Quantitv	Value	Quantitv	Value
Number of farms						
Milk sold (lb)	99.61	19.40	99.71	19.56	99.58	19.48
Milk used in home (lb)	0.02	0.00	0.02	0.00	0.01	0.00
Milk fed to animals (lb)	0.37	0.07	0.28	0.05	0.40	0.08
Dairy Calves sold (hd)	0.00	0.15	0.00	0.14	0.00	0.16
Transferred out (hd)	0.00	0.24	0.00	0.22	0.00	0.26
Cull sales (hd)	0.00	0.69	0.00	0.65	0.00	0.67
Butchered (hd)	0.00	0.01	0.00	0.01	0.00	0.01
Other income		-0.02		0.00		0.03
Less purchased (hd)	0.00	-0.51	0.00	-0.56	0.00	-0.29
Less transferred in (hd)	0.00	-0.47	0.00	-0.50	0.00	-0.42
Inventory change (hd)	0.00	0.37	0.00	0.35	0.00	0.53
Dairy Replac. net cost		-1.84		-1.88		-1.42
Gross margin		18.09		18.04		19.07
<b>Direct Expenses</b>						
Protein Vit Minerals (lb.)	14.27	2.75	18.39	3.15	14.37	2.62
Complete Ration (lb.)	8.02	1.07	5.08	0.84	6.73	0.81
Corn (bu.)	0.27	1.10	0.27	1.13	0.24	0.98
Corn Silage (lb.)	72.66	1.10	76.15	1.20	69.40	1.02
Hav. Alfalfa (lb.)	14.52	0.96	15.89	1.05	11.57	0.78
Havlage, Alfalfa (lb.)	22.97	0.62	22.12	0.61	19.10	0.53
Other feed stuffs	9.88	0.62	5.38	0.45	10.11	0.60
Breeding fees		0.20		0.18		0.19
Veterinary		0.53		0.55		0.51
BST		0.16		0.18		0.14
Supplies		0.93		0.96		0.79
Fuel & oil		0.49		0.51		0.45
Repairs		0.49		0.53		0.41
Custom hire		0.21		0.24		0.19
Hired Labor		0.48		0.34		0.10
Hauling and trucking		0.23		0.21		0.16
Marketing		0.20		0.27		0.19
Bedding		0.28		0.36		0.28
Operating Interest		0.07		0.06		0.03
Total direct expenses		12.48		12.85		10.78
Return over direct expense		5.61		5.19		8.29
<b>Overhead Expenses</b>						
Hired labor		1.12		1.22		1.69
Building leases		0.22		0.08		0.20
Farm insurance		0.16		0.15		0.18
Utilities		0.26		0.27		0.29
Interest		0.54		0.63		0.51
Mach & bldg depreciation		0.62		0.65		0.66
Miscellaneous		0.31		0.35		0.29
Total overhead expenses		3.23		3.36		3.80
Total dir & ovhd expenses		15.71		16.21		14.58
Net return		2.38		1.84		4.48
Labor & management charge		1.05		1.04		0.98
Net return over lbr & mgt		1.33		0.80		3.51
<b>Cost of Production</b>						
Total direct expense per cwt.		12.48		12.85		10.78
Total dir & ovhd expense per cwt.		15.71		16.21		14.58
With other revenue adjustments		17.09		17.79		15.07
With labor and management		18.14		18.82		16.05
Est. labor hours per unit		0.20		0.20		0.18
<b>Other Information</b>						
Number of Cows		140.4		152.3		188.4
Milk produced per Cow		21.300		21.300		23.061
Culling percentage		24.4		24.6		24.7
Turnover rate		32.7		32.2		31.7
Cow death loss percentage		7.9		7.3		6.7
Percent of barn capacity		108.6		107.8		109.6
Feed cost per day		4.79		4.92		4.64
Feed cost per cwt of milk		8.21		8.44		7.34
Feed cost per Cow		1,749.31		1,796.67		1,691.81
Avg. milk price per cwt.		19.47		19.62		19.56

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

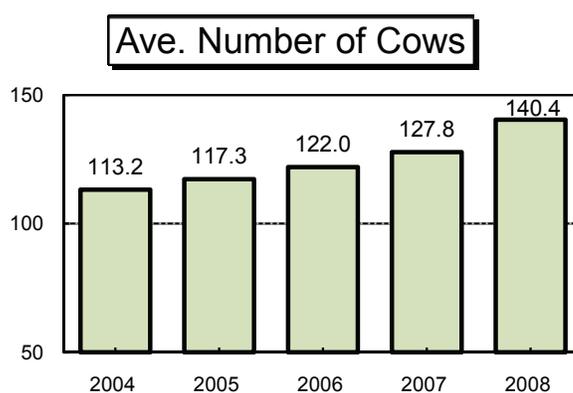
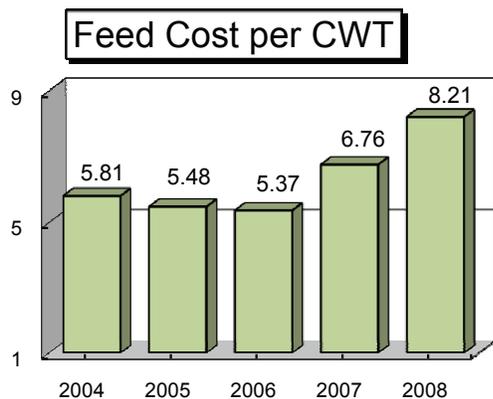
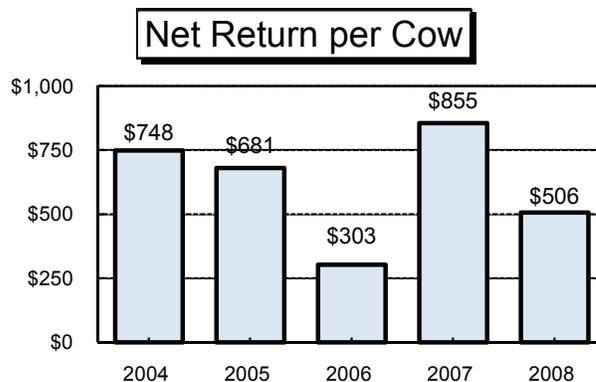
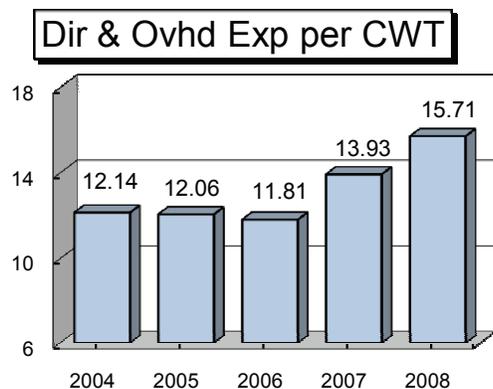
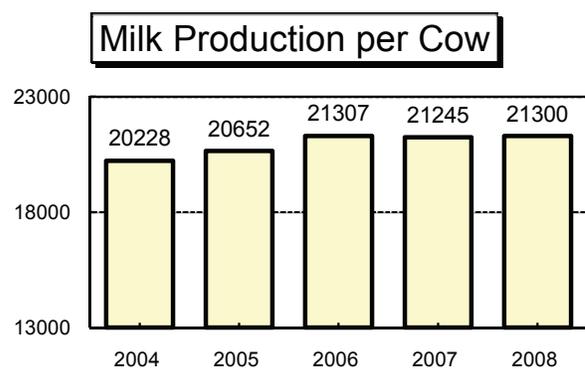
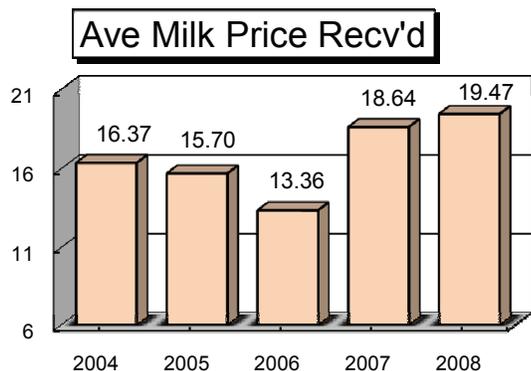
**Dairy -- Average Per Cow**

	Average of All Farms		40 - 60%		High 20%	
	493		98		99	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of farms						
Milk sold (lb)	21,217.10	4,131.63	21,237.20	4,166.89	22,964.90	4,491.83
Milk used in home (lb)	3.80	0.78	3.80	0.67	3.20	0.69
Milk fed to animals (lb)	78.80	14.15	58.70	11.71	92.60	17.52
Dairy Calves sold (hd)	0.30	32.68	0.30	29.43	0.30	35.79
Transferred out (hd)	0.60	50.26	0.60	47.85	0.60	59.55
Cull sales (hd)	0.20	146.85	0.20	139.00	0.20	154.04
Butchered (hd)	0.00	2.48	0.00	1.66	0.00	1.47
Other income		-3.98		-0.92		6.96
Purchased (hd)	0.10	-109.30	0.10	-119.40	0.00	-67.24
Transferred in (hd)	0.30	-100.29	0.30	-106.84	0.30	-97.24
Inventory change (hd)	0.10	78.92	0.10	74.10	0.10	121.34
Dairy Replac. net cost		-391.29		-401.31		-327.93
Gross margin		3,852.90		3,842.86		4,396.80
<b>Direct Expenses</b>						
Protein Vit Minerals (lb.)	3,039.80	586.18	3,916.40	671.78	3,314.80	603.40
Complete Ration (lb.)	1,708.60	228.61	1,082.00	179.50	1,551.00	187.63
Corn (bu.)	57.10	233.32	57.60	241.33	56.00	225.79
Corn Silage (lb.)	15,476.90	233.68	16,219.50	255.17	16,003.10	234.11
Hav. Alfalfa (lb.)	3,093.50	204.04	3,384.60	224.63	2,668.10	180.60
Haylage, Alfalfa (lb.)	4,892.50	131.73	4,712.10	129.08	4,404.70	122.08
Other feed stuffs	2,105.40	131.73	1,146.20	95.18	2,331.10	138.20
Breeding fees		42.51		39.37		43.25
Veterinary		113.04		116.10		117.43
BST		33.25		37.93		32.70
Supplies		197.64		206.47		183.81
Fuel & oil		104.06		109.19		104.29
Repairs		105.10		112.89		94.57
Custom hire		44.93		52.08		43.68
Hired Labor		103.18		73.46		23.11
Hauling and trucking		49.08		45.61		37.36
Marketing		43.00		57.02		42.83
Bedding		59.57		76.81		64.76
Operating Interest		14.36		12.87		6.52
Total direct expenses		2,659.04		2,736.46		2,486.12
Return over direct expense		1,193.86		1,106.39		1,910.68
<b>Overhead Expenses</b>						
Hired labor		238.61		260.91		388.59
Building leases		46.13		17.29		46.43
Farm insurance		34.52		32.05		40.41
Utilities		55.69		56.88		66.29
Interest		114.89		134.88		117.04
Mach & bldg depreciation		131.22		138.68		152.10
Miscellaneous		66.42		74.74		65.89
Total overhead expenses		687.47		715.43		876.74
Total dir & ovhd expenses		3,346.51		3,451.89		3,362.86
Net return		506.39		390.96		1,033.94
Labor & management charge		223.49		221.00		225.52
Net return over lbr & mgt		282.90		169.96		808.42
<b>Cost of Production</b>						
Total direct expense per cwt.		12.48		12.85		10.78
Total dir & ovhd expense per cwt.		15.71		16.21		14.58
With other revenue adjustments		17.09		17.79		15.07
With labor and management		18.14		18.82		16.05
Est. labor hours per unit		41.92		42.60		41.18
<b>Other Information</b>						
Number of Cows		140.4		152.3		188.4
Milk produced per Cow		21,300		21,300		23,061
Culling percentage		24.4		24.6		24.7
Turnover rate		32.7		32.2		31.7
Cow death loss percentage		7.9		7.3		6.7
Percent of barn capacity		108.6		107.8		109.6
Feed cost per day		4.79		4.92		4.64
Feed cost per cwt of milk		8.21		8.44		7.34
Feed cost per Cow		1,749.31		1,796.67		1,691.81
Avg. milk price per cwt.		19.47		19.62		19.56

## Summary of Selected Dairy Enterprise Factors



The data on this page is from the Dairy Cow Enterprise includes a "Net Cost for Dairy Replacements", new in 2008.



**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%	
	351		70		71	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of farms						
Milk sold (hd)	21,400.30	4,175.72	21,565.30	4,218.52	22,806.60	4,473.23
Milk used in home (hd)	3.40	0.70	2.90	0.58	1.50	0.31
Milk fed to animals (hd)	66.30	12.58	108.90	22.30	56.90	13.16
Dairy Calves sold (hd)	0.30	65.52	0.30	48.99	0.40	85.58
Transferred out (hd)	0.60	20.99	0.70	17.62	0.60	20.89
Cull sales (hd)	0.20	149.53	0.20	142.63	0.20	149.41
Butchered (hd)	0.00	3.20	0.00	2.06	0.00	2.90
Other income		5.83		1.04		7.52
Purchased (hd)	0.10	-111.47	0.00	-57.88	0.10	-85.27
Transferred in (hd)	0.30	-13.67	0.30	-4.69	0.30	-18.58
Inventory change (hd)	0.00	130.15	0.00	90.91	0.10	199.42
Dairy repl net cost		-4.21		-10.59		-
Gross margin		4,434.87		4,471.48		4,848.56
<b>Direct Expenses</b>						
Protein Vit Minerals (lb.)	4,042.10	639.30	3,514.20	623.84	3,779.90	656.12
Complete Ration (lb.)	34,752.50	265.79	1,548.80	306.69	1,184.10	202.62
Corn (bu.)	63.30	258.86	72.00	298.77	61.10	243.82
Corn Silage (lb.)	19,968.20	299.68	20,389.30	319.16	19,947.90	287.95
Hav. Alfalfa (lb.)	3,581.10	235.35	3,269.30	230.47	2,906.90	195.62
Havlage, Alfalfa (lb.)	5,992.00	158.22	7,126.30	190.91	5,283.30	142.20
Other feed stuffs	3,290.10	185.96	2,910.20	174.37	3,461.10	182.63
Breeding fees		52.98		59.80		54.87
Veterinary		121.64		124.28		123.44
BST		35.54		30.85		30.95
Supplies		182.49		183.79		170.76
Contract production exp.		100.54		68.69		139.24
Fuel & oil		116.65		128.09		113.21
Repairs		132.31		131.13		118.01
Custom hire		51.35		46.79		47.00
Hired Labor		126.66		137.06		24.95
Utilities		29.38		32.18		9.72
Hauling and trucking		51.30		59.11		36.23
Marketing		44.92		65.11		45.40
Bedding		75.53		71.18		82.16
Total direct expenses		3,164.44		3,282.30		2,906.89
Return over direct expense		1,270.42		1,189.17		1,941.67
<b>Overhead Expenses</b>						
Hired labor		279.59		232.18		453.25
Building leases		53.13		22.87		50.63
Farm insurance		39.19		39.07		44.79
Utilities		62.43		65.50		74.80
Interest		132.92		129.53		144.59
Mach & bldg depreciation		150.88		174.44		168.96
Miscellaneous		71.81		70.66		66.89
Total overhead expenses		789.96		734.25		1,003.91
Total dir & ovhd expenses		3,954.40		4,016.55		3,910.80
Net return		480.46		454.92		937.76
Labor & management charge		255.34		296.71		254.73
Net return over lbr & mgt		225.13		158.21		683.02
<b>Cost of Production</b>						
Total direct expense per cwt.		14.74		15.14		12.71
Total dir & ovhd expense per cwt.		18.42		18.53		17.10
With other revenue adjustments		17.27		17.47		15.52
With labor and management		18.46		18.84		16.64
Est. labor hours per unit		49.78		47.86		45.57
<b>Other Information</b>						
Number of Cows		151.9		150.3		210.6
Milk produced per Cow		21,470		21,677		22,865
Culling percentage		24.2		25.1		23.9
Turnover rate		32.8		33.2		31.4
Cow death loss percentage		8.2		8.0		7.2
Percent of barn capacity		110.9		109.8		110.5
Feed cost per day		5.61		5.89		5.24
Feed cost per cwt of milk		9.53		9.93		8.36
Feed cost per Cow		2,046.43		2,151.62		1,910.96
Avg. milk price per cwt.		19.51		19.56		19.61

**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%	
	435		87		87	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of farms						
Replacements sold (hd)	0.10	41.47	0.10	41.30	0.10	44.69
Transferred out (hd)	0.40	577.93	0.40	569.24	0.40	705.65
Cull sales (hd)	0.00	4.43	0.00	4.20	0.00	2.54
Butchered (hd)	0.00	1.20	0.00	2.06	0.00	0.93
Other income		2.47		2.37		5.26
Purchased (hd)	0.00	-27.15	0.00	-14.49	0.00	-20.08
Transferred in (hd)	0.60	-133.96	0.60	-132.55	0.60	-126.94
Inventory change (hd)	0.10	82.15	0.10	53.04	0.10	187.15
Gross margin		548.54		525.18		799.20
<b>Direct Expenses</b>						
Protein Vit Minerals (lb.)	1,186.70	61.88	277.10	58.93	251.20	53.71
Milk / Milk Replacer (lb.)	53.10	22.25	53.40	14.53	58.50	20.15
Complete Ration (lb.)	291.60	38.30	236.40	37.09	139.90	19.11
Corn (bu.)	6.90	27.60	7.40	28.88	5.00	19.30
Corn Silage (lb.)	4,864.30	73.00	4,836.90	70.85	5,191.30	76.97
Hav, Alfalfa (lb.)	1,164.30	69.65	919.30	46.27	1,040.20	62.55
Hav, Grass & Other (lb.)	820.90	26.39	1,107.50	36.92	753.70	27.73
Havlage, Alfalfa (lb.)	814.40	20.56	667.00	18.51	889.50	24.07
Pasture (aum)	0.40	3.33	1.40	5.97	0.10	1.24
Other feed stuffs	827.50	29.94	921.20	38.48	609.00	22.59
Breeding fees		12.27		13.36		11.05
Veterinary		15.03		14.74		15.17
Supplies		15.88		18.30		14.19
Contract production exp.		92.03		113.95		66.44
Fuel & oil		17.54		16.54		18.80
Repairs		19.98		20.89		18.94
Custom hire		3.02		1.58		1.72
Hired labor		9.16		6.90		5.90
Utilities		2.14		2.62		1.55
Hauling and trucking		1.87		1.76		1.08
Bedding		13.37		10.16		17.52
Total direct expenses		575.17		577.24		499.77
Return over direct expense		-26.64		-52.07		299.44
<b>Overhead Expenses</b>						
Hired labor		40.52		31.62		60.78
Building leases		6.18		6.91		5.85
Farm insurance		5.85		5.65		5.48
Utilities		9.85		11.26		9.69
Interest		19.41		14.82		21.97
Mach & bldg depreciation		22.60		23.72		24.90
Miscellaneous		11.54		10.78		13.06
Total overhead expenses		115.95		104.76		141.75
Total dir & ovhd expenses		691.12		682.01		641.52
Net return		-142.58		-156.83		157.69
Labor & management charge		40.09		44.52		37.55
Net return over lbr & mgt		-182.67		-201.35		120.14
<b>Cost of Production - Per head per day</b>						
Total direct expense per Head.		1.78		1.82		1.25
Total dir & ovhd expense per Head		2.09		2.11		1.64
With other revenue adjustments		2.09		2.10		1.62
With labor and management		2.20		2.22		1.73
Est. labor hours per unit		7.27		7.73		7.64
<b>Other Information</b>						
No. purchased or trans in		74		58		97
Number sold or trans out		60		48		83
Average number of head		116		93		164
Percentage death loss		10.3		10.7		7.6
Feed cost per average head		372.88		356.43		327.41
Feed cost/head sold/trans		722.00		688.88		641.97
Total cost/head sold/trans		1,553		1,569		1,236
Feed cost per head per day		1.02		0.98		0.90
Avg. purch price / head		1,457		2,356		1,628
Avg. sales price / head		430		366		694

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

**Dairy Finishing -- Average Per Cwt. Produced**

	Average of All Farms		40 - 60%		High 20%	
	104		21		21	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of farms						
Dairy Finish sold (lb)	115.00	94.95	102.99	84.63	100.78	84.64
Transferred out (lb)	0.75	0.63	-	-	-	-
Cull sales (lb)	1.08	0.68	3.09	1.82	-	-
Butchered (lb)	2.38	1.94	3.76	2.93	0.79	1.04
Other income		-		-		-
Purchased (lb)	-21.93	-18.77	-18.71	-14.85	-12.15	-10.95
Transferred in (hd)	-4.41	-4.34	-4.33	-3.00	-4.05	-5.85
Inventory change (lb)	7.13	1.58	13.19	6.61	14.63	9.17
Gross margin		76.67		78.14		78.06
<b>Direct Expenses</b>						
Corn Distillers Grn (dry) (lb.)	27.64	1.02	21.20	1.54	4.70	0.37
Protein Vit Minerals (lb.)	62.54	11.99	49.10	10.69	43.06	8.73
Complete Ration (lb)	21.42	2.40	16.49	2.12	78.06	4.11
Corn (bu.)	9.30	38.74	9.78	40.67	7.12	25.21
Corn Silage (lb.)	233.04	3.56	230.11	3.45	163.70	2.39
Hay, Alfalfa (lb.)	32.09	1.84	54.20	3.47	45.39	2.00
Other feed stuffs	123.29	5.29	68.39	3.66	62.16	4.86
Veterinary		1.83		2.30		0.96
Supplies		1.86		1.05		0.74
Contract production exp.		0.16		0.04		0.85
Fuel & oil		1.91		2.07		1.40
Repairs		2.18		2.32		1.71
Custom Hire		1.04		0.56		0.20
Hauling and trucking		0.50		0.84		0.41
Marketing		0.79		0.60		0.52
Bedding		1.31		2.86		0.49
Operating interest		1.20		1.35		0.17
Total direct expenses		77.60		79.57		55.13
Return over direct expense		-0.93		-1.44		22.93
<b>Overhead Expenses</b>						
Hired labor		1.31		1.15		1.94
Farm insurance		0.91		0.59		0.64
Utilities		1.17		1.32		1.19
Interest		1.28		0.86		0.88
Mach & bldg depreciation		2.37		1.65		2.96
Miscellaneous		1.44		1.31		1.22
Total overhead expenses		8.48		6.88		8.82
Total dir & ovhd expenses		86.08		86.45		63.95
Net return		-9.42		-8.32		14.11
Labor & management charge		4.87		6.52		4.20
Net return over lbr & mgt		-14.29		-14.84		9.91
<b>Cost of Production</b>						
Total direct expense per cwt.		83.37		83.56		61.23
Total dir & ovhd expense per cwt.		90.70		90.24		69.99
With other revenue adjustments		90.70		90.24		69.99
With labor and management		94.91		96.57		74.15
Est. labor hours per unit		0.57		0.47		0.52
<b>Other Information</b>						
No. purchased or trans in		93		113		60
Number sold or trans out		77		84		45
Percentage death loss		4.6		4.5		4.5
Avg. daily gain (lbs)		2.29		2.37		2.35
Lbs of conc / lb of gain		6.68		6.42		5.33
Lbs of feed / lb of gain		8.48		8.19		6.83
Feed cost per cwt of gain		64.84		65.60		47.68
Average purchase weight		307		289		254
Avg wgt / Dairy Finish sold		1368		1362		1343
Avg. purch price / head		263.21		229.72		229.14
Avg. sales price / cwt		82.56		82.17		83.99

**Livestock Enterprise Analysis**  
**Farm Business Management Statewide Data**  
**(Farms Sorted By Return to Overhead)**  
**Beef Finishing -- Average Per Cwt. Produced**

	Average of All Farms		40 - 60%		High 20%	
	80		19		16	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of farms						
Finish Beef sold (lb)	186.15	169.64	174.16	160.93	209.43	190.66
Transferred out (hd)	3.58	3.54	0.37	0.30	0.62	0.50
Butchered (hd)	1.36	1.30	0.47	0.46	0.48	1.01
Hedging gain/loss		2.98		5.55		-
Other Income		0.07		0.12		-
Purchased (hd)	-58.47	-60.51	-59.13	-62.45	-23.39	-22.42
Transferred in (hd)	-7.68	-7.90	-3.09	-3.11	-10.63	-10.78
Inventory change (hd)	-24.94	-31.93	-12.77	-24.43	-76.51	-63.14
Gross Margin		77.17		77.36		95.83
<b>Direct Expenses</b>						
Protein Vit Minerals (lb.)	45.07	7.43	30.53	5.69	64.68	8.27
Complete Ration (lb.)	35.31	3.45	78.42	7.42	-	0.08
Corn (bu.)	8.23	32.74	6.18	25.43	8.02	30.62
Corn Silage (lb.)	350.91	5.22	347.73	5.44	454.87	6.34
Hay, Alfalfa (lb.)	49.77	2.34	29.77	1.30	30.93	1.77
Hay, Grass & Other (lb.)	34.14	1.41	26.23	1.04	9.03	0.40
Other feed stuffs	175.78	4.99	216.69	6.06	60.00	1.99
Veterinary		1.47		1.38		1.38
Supplies		0.94		0.34		2.09
Contract production exp.		2.49		5.94		0.00
Fuel & oil		2.27		1.75		4.54
Repairs		30.84		1.58		4.13
Custom Hire		1.08		1.08		0.08
Hired Labor		0.37		0.06		-
Machinery Leases		0.09		-		0.70
Utilities		0.28		0.15		0.40
Hauling and trucking		1.68		2.74		0.96
Marketing		0.77		0.47		0.73
Bedding		0.15		0.05		-
Operating interest		2.78		3.52		1.78
Total direct expenses		74.08		71.43		66.27
Return over direct expense		3.09		5.93		29.55
<b>Overhead Expenses</b>						
Hired labor		1.22		1.16		2.79
Farm insurance		0.81		0.53		1.77
Utilities		0.72		0.48		1.01
Interest		1.57		1.70		1.95
Mach & bldg depreciation		3.69		3.22		5.56
Miscellaneous		1.43		1.04		2.55
Total overhead expenses		9.44		8.12		15.64
Total dir & ovhd expenses		83.52		79.56		81.91
Net return		-6.35		-2.19		13.92
Labor & management charge		6.09		5.88		6.72
Net return over lbr & mgt		-12.44		-8.07		7.20
<b>Cost of Production</b>						
Total direct expense per unit		91.25		92.22		76.94
Total dir & ovhd expense per cwt.		96.23		96.88		84.38
With other revenue		94.63		93.63		84.38
With labor and management		97.83		97.00		87.58
Est. labor hours per unit		0.61		0.61		0.75
<b>Other Information</b>						
No. purchased or trans in		131		189		116
Number sold or trans out		170		250		190
Percentage death loss		1.2		1.1		1.3
Avg. daily gain (lbs)		2.12		2.58		1.48
Lbs of conc / lb of gain		7.01		6.52		5.66
Lbs of feed / lb of gain		9.14		8.38		7.64
Feed cost per cwt of gain		57.58		52.38		49.46
Feed cost per head		369.49		302.29		493.46
Average purchase weight		620		621		489
Ave wgt / finish beef sold		1,291		1,277		1,331
Avg. purch price / cwt		103.49		105.6		95.86
Avg. sales price / cwt		91.13		92.4		91.04

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

**Beef Cow-Calf - Average Per Cow**

	Average of All Farms		40 - 60%		High 20%	
	119		24		24	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of farms						
Beef Calves sold (lb)	214.40	216.29	284.40	278.23	253.20	255.57
Transferred out (lb)	248.10	252.58	181.40	187.04	274.80	292.04
Cull sales (lb)	160.90	96.38	108.60	72.91	122.00	88.13
Butchered (lb)	4.90	4.63	6.00	5.23	5.50	3.90
Other income		2.65		-		9.34
Purchased (lb)	-31.80	-59.18	-57.70	-49.46	-21.60	-23.64
Transferred in (lb)	-40.70	-44.01	-45.50	-53.10	-60.00	-58.73
Inventory change (lb)	0.90	-18.83	-29.40	-58.32	2.80	29.33
Gross margin		450.50		382.52		595.95
<b>Direct Expenses</b>						
Protein Vit Minerals (lb.)	315.40	22.79	439.20	16.65	86.80	19.04
Complete Ration (lb.)	366.70	7.40	15.80	3.54	11.80	2.63
Corn (bu.)	2.40	9.26	3.10	12.41	1.80	6.21
Corn Silage (lb.)	3977.40	55.86	2312.40	30.33	3705.50	57.49
Hay, Alfalfa (lb.)	1891.90	82.28	784.80	35.38	2144.10	72.53
Hay, Grass & Other (lb.)	3786.20	111.96	4623.40	130.81	2805.60	69.78
Pasture (aum)	8.50	46.20	3.20	35.45	12.60	56.59
Other feed stuffs	1500.40	15.00	1763.40	7.98	3257.90	15.08
Breeding fees		4.94		4.94		0.44
Veterinary		25.20		22.67		32.32
Supplies		12.73		12.56		10.91
Fuel & oil		0.78		-		3.06
Repairs		22.99		18.23		29.09
Custom hire		24.51		33.72		31.15
Hired labor		4.03		0.98		0.28
Utilities		2.34		4.50		0.19
Hauling and trucking		4.43		2.24		2.82
Marketing		3.64		3.83		4.46
Bedding		2.97		2.85		-
Operating interest		9.76		4.50		7.79
Total direct expenses		469.07		371.80		412.58
Return over direct expense		-18.57		10.72		183.37
<b>Overhead Expenses</b>						
Hired labor		5.21		0.53		4.58
Real Estate Taxes		3.60		1.94		4.15
Farm insurance		8.36		7.00		8.03
Utilities		9.87		4.30		11.00
Interest		20.11		18.62		22.15
Mach & bldg depreciation		33.84		27.45		29.75
Miscellaneous		12.99		12.47		15.32
Total overhead expenses		93.98		70.89		96.55
Total dir & ovhd expenses		563.05		442.69		509.13
Net return		-112.55		-60.18		86.82
Labor & management charge		74.39		80.76		63.74
Net return over lbr & mgt		-186.93		-140.93		23.09
<b>Cost of Production</b>						
Total direct expense per cwt.		84.26		83.02		71.54
Total dir & ovhd expense per cwt.		101.14		98.85		88.29
With other revenue adjustments		102.93		111.75		79.33
With labor and management		116.29		129.79		90.38
Est. labor hours per unit		7.87		6.54		7.54
<b>Other Information</b>						
Number of cows		67.4		66.3		84.5
Pregnancy percentage		96.1		95.9		97.2
Pregnancy loss percentage		0.9		1.2		0.4
Culling percentage		13.9		11.9		11.9
Calving percentage		95.2		94.8		96.9
Weaning percentage		88.7		86.8		90.8
Calves sold per cow		0.83		0.86		0.89
Calf death loss percent		6.0		6.8		5.2
Cow death loss percent		2.6		2.1		1.7
Average weaning weight		530		501		563
Lbs weaned/exposed female		470		435		511
Feed cost per cow		350.75		272.55		299.36
Avg wgt/Beef Calves sold		599		617		596
Avg price / cwt		100.88		97.83		100.94

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

**Hogs, Finish Feeder Pigs - Average Per Cwt. Produced**

	Average		40 -60%		High 20%	
	Quantity	Value	Quantity	Value	Quantity	Value
Number of farms	69		15		14	
Finish Hogs sold (lb)	135.51	67.68	135.06	65.61	137.5	73.4
Transferred out (lb)	0.96	0.53	1.17	0.58	-	-
Cull sales (lb)	0.49	0.1	-	-	-	-
Butchered (lb)	0.13	0.07	0.31	0.16	0.03	0.02
Other income		1.24		1.34		0.76
Purchased (hd)	-14.92	-19.33	-13.79	-16.52	-24.05	-28.9
Transferred in (hd)	-7.69	-8	-13.43	-13.18	-	-
Inventory change (lb)	-0.42	0.6	5.23	4.18	2.77	4.35
Gross margin		42.88		42.17	-	49.63
<b>Direct Expenses</b>						
Protein Vit Minerals (lb.)	48.01	9.03	72.40	14.08	53.33	8.35
Complete Ration (lb.)	105.14	13.11	33.27	3.64	48.70	5.19
Corn (bu.)	2.92	12.92	3.69	16.86	3.60	15.15
Soybeans (bu.)	0.01	0.14	0.07	0.75	-	-
Other feed stuffs	2.32	0.16	0.03	0.01	7.80	0.47
Veterinary		0.47		0.32		0.50
Supplies		0.66		1.03		0.43
Contract production exp.		1.53		1.39		-
Fuel & oil		0.60		0.49		0.27
Repairs		0.57		1.03		0.38
Custom hire		0.38		0.64		0.79
Hired labor		0.37		0.12		0.01
Bldg & livestock leases		0.63		-		-
Hauling and trucking		0.64		0.85		0.81
Marketing		0.31		0.31		0.27
Operating interest		0.69		0.39		0.86
Total direct expenses		42.21		41.90		33.48
Return over direct expense		0.67		0.27		16.15
<b>Overhead Expenses</b>						
Hired Labor		0.06		0.31		0.18
Mach & bldg leases		1.96		1.73		6.15
Farm insurance		0.34		0.50		0.29
Utilities		0.26		0.30		0.19
Interest		0.61		0.62		0.37
Mach & bldg depreciation		1.00		1.55		0.62
Miscellaneous		0.47		0.39		0.88
Total overhead expenses		4.69		5.40		8.68
Total dir & ovhd expenses		46.90		47.30		42.15
Net return		-4.02		-5.13		7.47
Labor & management charge		2.01		2.99		1.41
Net return over lbr & mgt		-6.03		-8.13		6.06
<b>Cost of Production</b>						
Total direct expense per cwt.		68.77		67.27		58.01
Total dir& ovhd expense per cwt.		73.47		72.67		66.69
With other revenue adjustments		72.23		71.32		65.93
With labor and management		74.24		74.32		67.34
Est. labor hours per unit		0.15		0.19		0.09
<b>Other Information</b>						
No. purchased or trans in		5,033		4,435		6,218
Number sold or trans out		4,796		4,015		5,683
Percentage death loss		3.5		3.1		3.0
Percent substandard hogs		2.0		2.0		3.0
Avg. daily gain (lbs)		1.62		1.59		1.69
Lbs of feed / lb of gain		2.8		2.73		2.68
Feed cost per cwt of gain		31.00		30.85		25.08
Feed cost per head		69.15		69.23		57.39
Average purchase weight		38		41		43
Avg wgt / Finish Hog sold		266		264		271
Avg purch price / head		49.72		49.52		52.07
Avg sales price / cwt.		49.95		48.58		53.38
Average carcass weight		201		199		204
Average price / cwt. Carcass		67.08		65.19		72.37

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

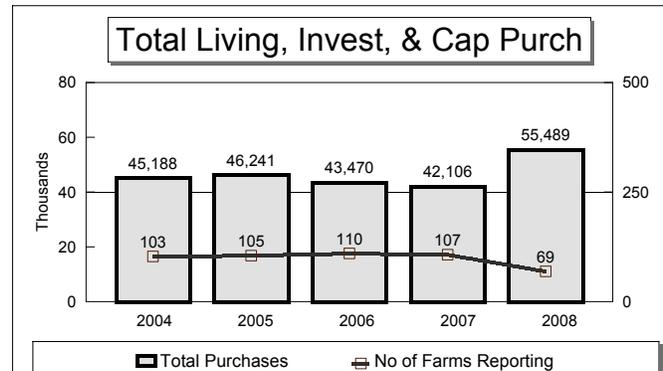
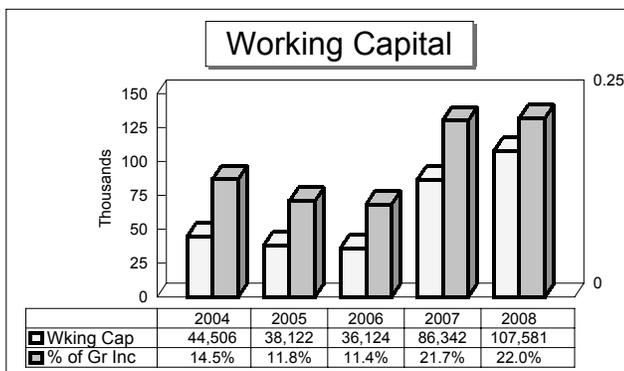
**Hogs, Farrow To Finish - Average**

	<u>Per CWT</u>		<u>Per Litter</u>	
Number of farms	23		23	
	<u>Quantity</u>	<u>Value</u>	<u>Quantity</u>	<u>Value</u>
Raised Hogs sold (lb)	137.91	66.17	2,492.20	1,195.70
Transferred out (lb)	0.40	0.19	7.20	3.41
Cull sales (lb)	7.42	1.80	134.00	32.51
Butchered (lb)	0.09	0.04	1.60	0.77
Hedging Gain/Loss		0.09		1.65
Purchased (lb)	-1.59	-2.03	-28.80	-36.61
Transferred in (lb)	-0.06	-0.04	-1.10	-0.70
Inventory change (lb)	-12.99	-2.82	-234.70	-51.00
Gross margin		63.40		1145.73
<b>Direct Expenses</b>				
Corn Distillers Grn (dry) (lb.)	21.28	1.89	384.50	34.22
Protein Vit Minerals (lb.)	70.96	13.02	1282.40	235.21
Complete Ration (lb.)	39.30	9.26	710.20	167.36
Corn (bu.)	4.69	18.44	84.80	333.31
Soybeans (bu.)	0.00	0.05	0.10	0.82
Other feed stuffs	1.20	0.22	21.60	3.97
Breeding fees		0.76		13.77
Veterinary		2.64		47.79
Supplies		1.58		28.86
Fuel & oil		0.82		14.86
Repairs		1.05		18.89
Custom hire		3.25		58.71
Hired labor		2.52		45.49
Utilities		0.76		13.73
Hauling and trucking		0.06		1.15
Marketing		0.56		10.03
Bedding		0.01		
Operating interest		0.47		8.50
Total direct expenses		57.37		1036.69
Return over direct expense		6.03		109.04
<b>Overhead Expenses</b>				
Hired Labor		1.65		29.78
Building leases		1.61		29.18
RE & pers. property taxes		0.13		
Farm insurance		0.70		12.56
Utilities		0.46		8.32
Interest		0.84		15.11
Mach & bldg depreciation		1.65		29.81
Miscellaneous		0.70		15.11
Total overhead expenses		7.74		139.87
Total dir & ovhd expenses		65.11		1176.56
Net return		-1.71		-30.83
Labor & management charge		2.23		40.35
Net return over lbr & mgt		-3.94		-71.18
<b>Cost of Production</b>				
Total direct expense per cwt.		57.37		57.37
Total dir& ovhd expense per cwt.		65.11		65.11
With other revenue adjustments		64.51		64.51
With labor and management		66.75		66.75
Est. labor hours per unit		0.31		5.65
<b>Other Information</b>				
Average number of sows		332.9		
Litters farrowed		701		
Litters per sow		2.1		
Litters per crate		11.7		
Pigs born per litter		9.2		
Pigs weaned per litter		9.7		
Pigs weaned per sow		20.8		
Pigs sold per litter		9.7		
Percent substandard hogs		2.0		
Lbs of feed / lb of gain		3.02		
Feed cost / cwt. of gain		32.69		
Feed cost per litter		774.89		
Avg wgt/Raised Hog sold		256		
Avg price / cwt		47.98		
Average carcass weight		188		
Average price / cwt. carcass		65.91		

## Financial Summary

### Trends

	2004	2005	2006	2007	2008
<b>Income Statement</b>					
Gross Cash Farm Income	306,049	322,930	317,821	398,086	446,183
Total Cash Farm Expense	242,120	263,786	274,250	330,462	374,769
Net Cash Farm Income	63,929	59,144	43,571	67,624	71,414
Inventory Change	7,252	7,825	13,979	65,953	40,122
Dep & Capital Adjustment	(19,524)	(16,141)	(17,994)	(22,563)	(24,346)
Average Net Farm Income	51,656	50,828	39,556	111,015	87,483
Median Net Farm Income				54,712	39,821
<b>Profitability (Cost)</b>					
Rate of Return on Assets	6.7%	5.8%	4.5%	13.5%	9.0%
Rate of Return on Equity	8.0%	6.3%	2.8%	21.6%	12.4%
Operating Profit Margin	16.7%	14.7%	11.8%	27.4%	19.4%
Asset Turnover Rate	39.9%	39.6%	38.6%	49.2%	46.2%
<b>Liquidity</b>					
Current Assets					263,257
Current Liabilities					155,677
Current Ratio	1.45	1.33	1.28	1.63	1.69
Working capital	44,506	38,122	36,124	86,342	107,581
Working capital to gross inc	14.5%	11.8%	11.4%	21.7%	22.0%
Term Debt Coverage Ratio	1.52	1.33	1.15	2.41	1.96
Replacement coverage ratio					1.77
<b>Solvency (Market)</b>					
Number of Farms	417	444	462	494	398
Total Farm Assets	800,022	884,470	931,270	1,025,765	1,131,917
Total Farm Liabilities	409,364	448,387	479,934	527,429	479,214
Total Assets	900,916	988,338	1,043,797	1,134,923	1,244,165
Total Liabilities	430,308	472,316	507,108	554,555	605,789
Net Worth	470,609	516,022	536,689	580,369	638,376
Net Worth Change	49,186	55,612	45,046	92,050	70,627
Farm Debt to Asset Ratio	51%	51%	52%	51%	42%
Beg Total Debt to Asset Ratio	50%	49%	48%	51%	
Total Debt to Asset Ratio	48%	48%	49%	49%	49%
<b>Nonfarm Information</b>					
Net Nonfarm Income	20,120	21,261	21,156	21,920	22,911
Farms Reporting Liv Expenses	103	105	110	107	69
Total Family Living Expense	31,585	28,867	30,258	28,508	34,275
Total Living, Invest, & Cap Purch	45,188	46,241	43,470	42,106	55,489
<b>Crop Acres</b>					
Total Acres Owned	401	392	387	359	347
Total Crop Acres	720	766	744	752	715
Total Crop Acres Owned	268	268	269	243	243
Total Crop Acres Cash Rented	433	479	458	492	459
Total Crop Acres Share Rent	19	19	17	16	12



## Crop & Livestock Trends

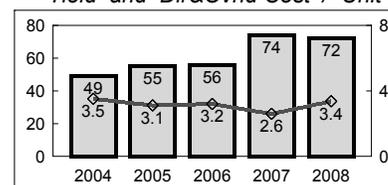
2004 2005 2006 2007 2008

Selected Data

### Alfalfa Hay

Yield per Acre	3.5	3.1	3.2	2.6	3.4
Value per Ton	\$74.49	\$74.33	\$80.15	\$89.16	\$90.57
Fuel, Oil, Repairs per Acre	\$50.99	\$54.98	\$56.17	\$63.97	\$79.77
Total Dir & Ovhd Exp per Acre	\$172.95	\$170.92	\$175.02	\$192.87	\$242.79
Net Return per Acre	\$93.95	\$66.77	\$82.34	\$46.54	\$66.00
Total Direct Expenses per Ton	\$23.69	\$28.19	\$28.41	\$37.77	\$39.10
Total Dir & Ovhd Exp per Ton	\$49.10	\$54.97	\$55.58	\$74.27	\$72.18

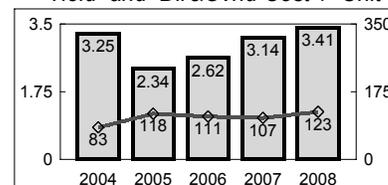
Yield and Dir&Ovhd Cost / Unit



### Corn

Yield per Acre	82.6	118.0	110.9	107.2	123.0
Value per Bushel	\$2.03	\$2.08	\$2.73	\$3.77	\$3.54
Fuel, Oil, Repairs per Acre	\$43.84	\$45.97	\$48.88	\$62.47	\$68.59
Total Dir & Ovhd Exp per Acre	\$268.22	\$276.12	\$290.64	\$336.97	\$419.24
Net Return per Acre	(\$37.17)	(\$8.74)	\$28.92	\$99.77	\$37.37
Total Direct Expenses per Bu.	\$2.13	\$1.56	\$1.70	\$2.13	\$2.46
Total Dir & Ovhd Exp per Bushel	\$3.25	\$2.34	\$2.62	\$3.14	\$3.41

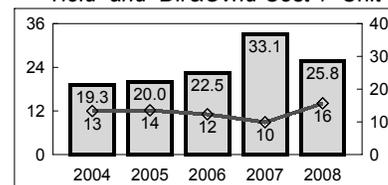
Yield and Dir&Ovhd Cost / Unit



### Corn Silage

Yield per Acre	13.3	13.5	12.3	9.9	15.7
Value per Ton	\$19.47	\$19.81	\$20.97	\$26.57	\$29.31
Fuel, Oil, Repairs per Acre	\$53.98	\$61.00	\$60.34	\$72.43	\$90.61
Total Dir & Ovhd Exp per Acre	\$255.54	\$271.22	\$276.59	\$328.10	\$403.78
Net Return per Acre	\$35.45	\$20.65	\$13.70	\$40.92	\$96.31
Total Direct Expenses per Ton	\$11.94	\$13.09	\$14.35	\$21.60	\$18.24
Total Dir & Ovhd Exp per Ton	\$19.26	\$20.03	\$22.45	\$33.10	\$25.77

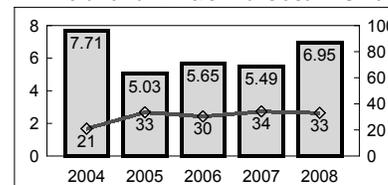
Yield and Dir&Ovhd Cost / Unit



### Soybeans

Yield per Acre	20.9	33.5	30.4	34.1	33.1
Value per Bushel	\$5.83	\$5.59	\$5.98	\$8.94	\$9.43
Fuel, Oil, Repairs per Acre	\$28.12	\$29.87	\$30.02	\$33.48	\$39.88
Total Dir & Ovhd Exp per Acre	\$160.90	\$168.55	\$171.62	\$187.06	\$229.92
Net Return per Acre	\$21.89	\$23.79	\$25.38	\$127.81	\$100.24
Total Direct Expenses per Bu.	\$4.69	\$3.11	\$3.57	\$3.34	\$4.77
Total Dir & Ovhd Exp per Bushel	\$7.71	\$5.03	\$5.65	\$5.49	\$6.95

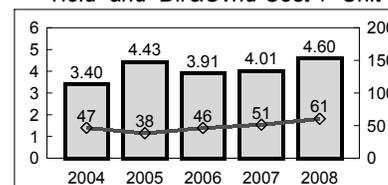
Yield and Dir&Ovhd Cost / Unit



### Spring Wheat

Yield per Acre	46.6	38.3	46.4	51.4	60.5
Value per Bushel	\$3.40	\$3.64	\$4.49	\$6.38	\$6.56
Fuel, Oil, Repairs per Acre	\$23.77	\$26.87	\$30.63	\$31.85	\$37.89
Total Dir & Ovhd Exp per Acre	\$158.19	\$169.93	\$181.38	\$206.02	\$278.55
Net Return per Acre	\$17.97	(\$22.12)	\$39.55	\$125.12	\$120.72
Total Direct Expenses per Bu.	\$2.32	\$2.97	\$2.70	\$2.77	\$3.57
Total Dir & Ovhd Exp per Bushel	\$3.40	\$4.43	\$3.91	\$4.01	\$4.60

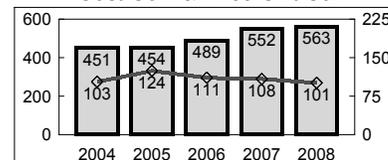
Yield and Dir&Ovhd Cost / Unit



### Beef Cow Calf

Price Recv'd/Cwt Calf Sold	\$102.97	\$124.12	\$110.74	\$108.47	\$100.88
Total Feed Cost/Cow	\$279.03	\$277.80	\$290.60	\$327.27	\$350.75
Return over Feed/Cow	\$287.67	\$345.01	\$260.08	\$196.87	\$99.75
Net Return/Cow	\$116.11	\$168.89	\$61.38	(\$27.42)	(\$112.55)
Total Direct & Ovhd Expenses	\$450.59	\$453.92	\$489.31	\$551.55	\$563.05

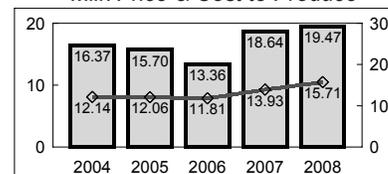
Cost/Cow & Price/Cwt Calf



### Dairy Cows

Production/Cow	20,228	20,652	21,307	21,245	21,300
Price Recv'd/Cwt Milk	\$16.37	\$15.70	\$13.36	\$18.64	\$19.47
Total Feed Cost/Cwt Milk	\$5.81	\$5.48	\$5.37	\$6.76	\$8.21
Return over Feed/Cwt Milk	\$10.03	\$9.87	\$7.86	\$11.19	\$9.88
Net Return/Cwt Milk	\$3.70	\$3.30	\$1.42	\$4.02	\$2.38
Total Direct & Ovhd Expenses	\$12.14	\$12.06	\$11.81	\$13.93	\$15.71

Milk Price & Cost to Produce



## ***Program Information***

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 3500 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. Advanced Farm Business Management – Certificate Program
4. Current Issues in Farm Business Management – Certificate Program
5. Agriculture Commodity Marketing – Certificate Program

Like most educational programs, members benefit from the instruction in relation to 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 that business 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

\_\_\_\_\_ %

