

Farm Business Management



2014
ANNUAL
REPORT



Northern Minnesota



April, 2015



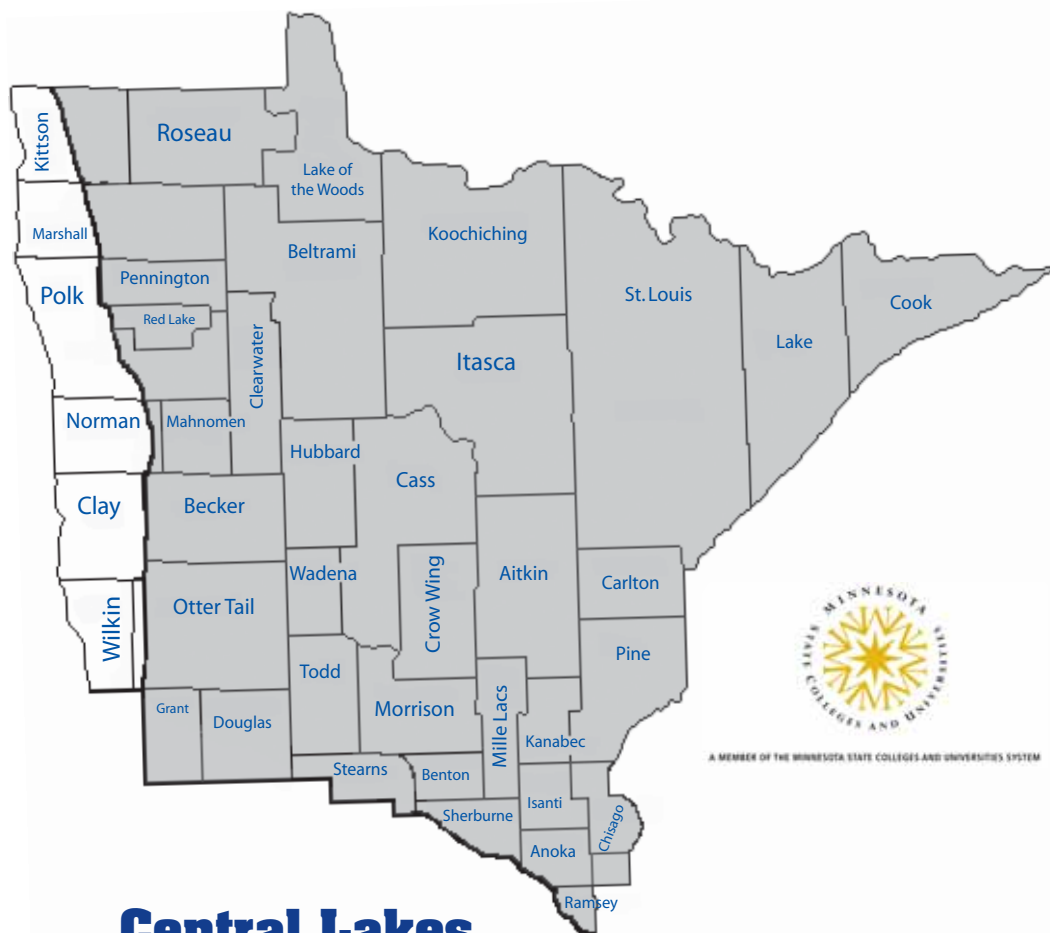
www.fbm.mnscu.edu

A Management Education Program through AgCentric, Northern Center of Excellence for Agriculture

A MEMBER OF THE MINNESOTA STATE COLLEGES AND UNIVERSITIES SYSTEM

Northern Minnesota Annual Report Instructors and Locations

Northland



A MEMBER OF THE MINNESOTA STATE COLLEGES AND UNIVERSITIES SYSTEM

Central Lakes

St. Cloud

Alexandria



Greg Dvergsten
Thief River Falls
(218) 686-7273



Ron Dvergsten
Thief River Falls
(218) 686-5448



Doug Fjerstad
Fosston
(218) 280-8843




Greg Kalinoski
Red Lake Falls
(218) 686-2626



Paul Oehlke
Fergus Falls
(218) 899-2690



ADawn Melbye
Thief River Falls
(218) 684-1047



Josh Tjosaas
Moorhead
(320) 583-5056




Randy Zimmerman
Ulen
(701) 212-6759



Bob Stommes
Melrose
(320) 256-4340




Nate Converse
Little Falls
(218) 296-1272



Thaddeus McCamant
Staples
(218) 894-9709




Bob Rick
Staples
(218) 820-8699




Lee Todnem
Mora
(715) 808-1268




Ed Uhlenkamp
Staples
(320) 360-2747



Brad Burkland
St. Cloud
(320) 309-3571



Ken Thiesen
St. Cloud
(320) 309-3293



Jim Molenaar
St. Cloud
(320) 308-5074



Bill Januszewski
Alexandria
(218) 329-2373

2014 Annual Report Overview

Farm Business Management Education has been a part of agricultural education programs in Minnesota since 1953. FBM Programs are now an integral part of the Minnesota State Colleges and University System, delivered through eight two-year colleges. In 2014, the Northern Minnesota Annual Report is being printed for the first time. The eleven year partnership between Northland Community & Technical College and Central Lakes College Farm Business Management Programs has been expanded to include Alexandria Technical & Community College, Ridgewater College, and St. Cloud Technical & Community College. A complete list of Instructors who have students with data in this report is found on the inside of the front cover.

This report and two (2) other regional reports include statewide data for each of the livestock enterprises. Regional livestock enterprise information can be obtained from each of the colleges that offer Farm Business Management, or a Farm Business Management Instructor from that college. Other colleges with Farm Business Management Programs include: Minnesota West Community & Technical College, Riverland Community & Technical College, and South Central College.

In 2014, the Northern Minnesota Annual Report includes data from 566 farms. The Minnesota State FBM Program database includes data from 2047 farms.

Explanation of Data Processing and Report Format

This report was prepared under the direction of Ron Dvergsten and DelRay Lecy through AgCentric, Northern Center of Excellence for Agriculture. A special thank you goes to Rosemary Gustafson, Northland Community & Technical College, for her assistance.

The tables in this report were created using FINPACK and RankEm Central, copyrighted software of the Center for Farm Financial Management, University of Minnesota.

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, which 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 operating, whether easily assigned or are allocated, are listed as Direct Expenses. Costs which are general in nature, whether fixed or variable, are listed as Overhead Expenses.

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

Analysis Section

Financial
Crops
Livestock

Criteria to determine the "20%" categories

Net Farm Income
Return to Overhead
Return to Overhead

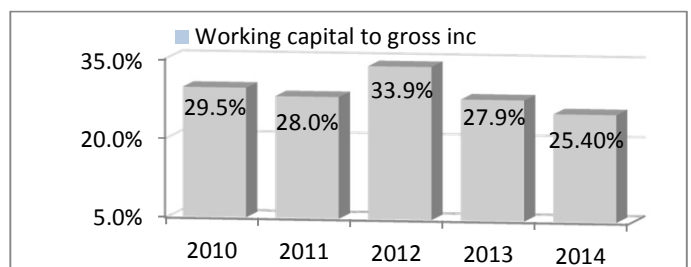
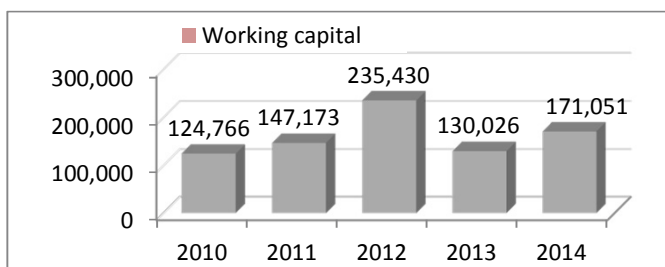
NOTE: Some cover photos are courtesy of the USDA Natural Resources Conservation Service

TABLE OF CONTENTS

Description	Page Number	
Annual Report and Data Processing Overview	1	
Table of Contents	2	
Northern Minnesota Financial Information	5-Year Financial Trend Summary	3
	Average money spent by each Farmer	4
	Year at a Glance	5
	Farm Income Statement	6 - 7
	Summary Farm Income Statement	8
	Inventory Changes	9
	Balance Sheet - "Cost Value Basis" and "Market Value Basis"	10-11
	Definitions of Financial Standards Measures	12-13
	Financial Standards Measures and "How does your Farm Stack Up"	14-15
	Profitability Measures	16
	Liquidity and Replacement Capacity Measures	17
	Graphic Summary of Selected Financial Guideline Measures	18
	Operator and Labor Information	19
	Household & Personal Expense Reported	20
	Nonfarm Summary	21
	Financial Summary: Selected Factors sorted by Net Farm Income	22
	Financial Summary: Selected Factors sorted by Gross Income	23
Financial Summary: Selected Factors sorted by Type of Farm with graphs	24-25	
Financial Summary: Selected Factors sorted by Crop Acres	26	
Crop Production and Marketing Summary	27	
Overview of Enterprise Tables and Machine Cost per Acre	28	
Five Year Graphic History of Selected Crop Data	29	
Northern Minnesota Crop Enterprises	Corn	30-31
	Soybeans	32-33
	Spring Wheat	34-35
	Corn Silage	36-37
	Hay, Alfalfa	38-39
	Hay, Mixed	40-41
	Hay, Grass	42
	Establish Alfalfa Hay, Pasture, and Prevented Planting	43
	Organic Crops: Corn Silage, Alfalfa Hay, and Pasture	44
	Organic Crops: Barley, Soybeans, and Corn	45
	Irrigated Crops: Corn and Corn Silage	46
	Irrigated Crops: Soybeans, Alfalfa Hay, Dark Red Kidney Beans, and Strawberries	47
	Other Crops: Barley, Oats, Seed Soybeans, and Food Soybeans	48
Other Crops: Rye, Winter Wheat, Perennial Rye Grass Seed, and Navy Beans	49	
Statewide Livestock Enterprises	Dairy Cows	50-51
	Dairy Cows - Organic Production	52
	Dairy Cows - Sorted by Herd Size	53
	Graphic Summary of Selected Dairy Factors	54
	Dairy Cows and Dairy Replacements Combined (All Dairy)	55
	Dairy Feeders and Dairy Finishing	56-57
	Dairy Replacement Heifers	58
	Beef Finishing	59
	Beef Cow-Calf Average and Sorted by Herd Size	60-61
	Hogs, Finish Feeder Pigs & Weaning to Finish (Contract Grower)	62-63
Enterprise Trend Summary	64	

Financial Trend Summary
Northern Minnesota Farm Business Management Data

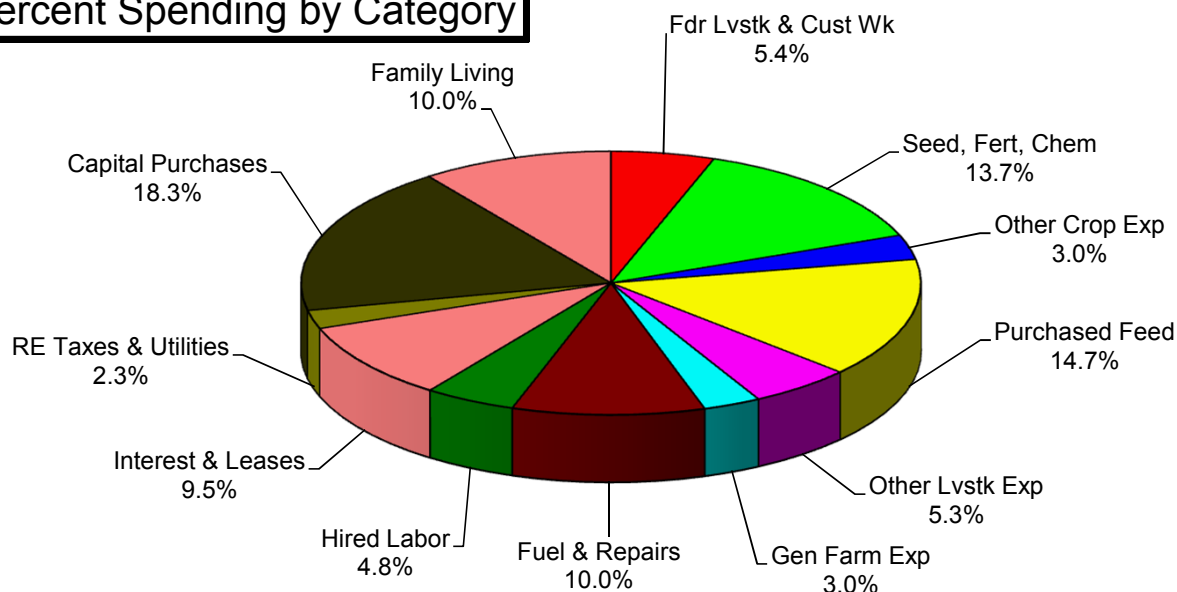
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Income Statement					
Gross Cash Farm Income	375,936	489,148	609,139	595,950	658,798
Total Cash Farm Expense	313,387	389,571	473,448	467,633	522,485
Net Cash Farm Income	62,549	99,577	135,691	128,317	136,314
Inventory change	57,491	45,283	94,606	-16,741	18,383
Depreciation	-23,486	-29,184	-34,864	-36,037	-40,880
Net Farm Income From Operations	96,554	115,675	195,433	75,539	113,816
Gain or loss on capital sales	485	1,197	155	-296	279
Average Net Farm Income	97,040	116,872	195,588	75,243	114,095
Median Net Farm Income	56,727	66,755	102,641	27,886	46,104
Profitability (Cost)					
Rate of Return on Assets	9.7%	9.6%	13.9%	4.4%	6.4%
Rate of Return on Equity	15.1%	14.4%	22.2%	4.5%	8.3%
Operating Profit Margin	23.3%	22.1%	29.1%	12.7%	17.8%
Asset Turnover Rate	41.8%	43.7%	47.7%	34.6%	36.2%
Liquidity & Repayment (end of year)					
Current Assets	269,641	298,668	433,205	320,139	379,735
Current Liabilities	144,874	151,495	197,776	190,113	208,684
Current Ratio	1.86	1.97	2.19	1.68	1.82
Working capital	124,766	147,173	235,430	130,026	171,051
Working capital to gross inc	29.5%	28.0%	33.9%	27.9%	25.40%
Term Debt Coverage Ratio	2.28	2.47	3.24	1.31	1.75
Replacement coverage ratio	1.97	2.10	2.79	1.15	1.50
Term debt to EBITDA	-	-	-	-	2.45
Solvency (Market)					
Number of Farms	408	395	405	412	566
Total Assets	1,287,246	1,480,387	1,846,773	1,685,236	2,032,113
Total Liabilities	625,782	670,483	830,038	785,428	883,164
Net Worth	661,463	809,903	1,016,735	899,809	1,148,949
Net Worth Change	89,151	116,594	174,381	64,982	111,833
Farm Debt to Asset Ratio	51%	47%	47%	44%	44%
Total Debt to Asset Ratio	49%	45%	45%	47%	43%
Change in total net worth %	-	-	-	-	11%
Nonfarm Information					
Net Nonfarm Income	24,694	27,828	24,030	26,161	25,050
Farms Reporting Liv Expenses	56	49	53	51	88
Total Family Living Expense	38,253	40,784	46,842	43,192	51,248
Total Living, Invest, & Cap Purch	48,578	50,363	77,238	60,826	69,840
Crop Acres					
Total Crop Acres	717	712	836	749	697
Total Crop Acres Owned	246	251	299	278	253
Total Crop Acres Cash Rented	460	452	521	462	432
Total Crop Acres Share Rent	11	9	17	9	12
Machinery value per crop acre	-	-	-	-	607



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	\$39,336
To Agri-Business	Seed, Fertilizer, and Chemicals	\$99,945
	Other Direct Crop Expense	\$22,127
	Purchased Feed	\$106,845
	Other Direct Livestock Expense	\$38,861
	Fuel, Lubricants & Repairs	\$73,223
	General Farm Expenses	\$21,845
Individuals	Hired Labor	\$34,676
Utility Company	Utilities	\$11,438
Lenders or Other Farmers	Use of Capital: Interest & Leases	\$69,160
Local Government	Real Estate Taxes	\$5,029
Agri-Business or Other Farmers	Breeding Livestock, Machinery, Equipment, Buildings, Land, and Other.	\$133,695
Household and Personal Expense	Food, Clothing, Furnishings, Education, Contributions, Medical, Gifts, Recreation, Taxes, Capital Expenditures & Investments.	\$73,068
<i>Average Money Spent by Each Farmer in the Greater Community:</i>		<i>\$729,248</i>
<i>Average Money Spent by Each Farmer in a 30 Yr Career:</i>		<i>\$21,877,440</i>
<i>Money Spent in Community by 566 Farmers:</i>		<i>\$412,754,368</i>

Percent Spending by Category



<u>Year at a Glance</u>					
<i>Data for the Average Farm</i>	Northern Minnesota	State FBM Data	Local Area	Your Farm Data	Your Farm Goal
	566	2047			
	<u>Farms</u>	<u>Farms</u>			
<u>Income Statement</u>					
Gross Cash Farm Income	\$658,798	\$867,528			
Total Cash Operating Expense	\$522,485	\$718,033			
Net Cash Farm Income	\$136,314	\$149,495			
Net Operating Profit	\$132,946	\$150,420			
Net Farm Income	\$114,095	\$95,740			
Median Farm Income	\$46,104	\$40,950			
<u>Balance Sheet (Market)</u>					
Total Assets - 12/31	\$2,032,113	\$2,899,931			
Total Liabilities - 12/31	\$883,164	\$1,213,523			
Net Worth - 12/31	\$1,148,949	\$1,686,407			
Change in Net Worth	\$111,833	\$88,652			
<u>Financial Standards Measures</u>					
Working Capital - 12/31	\$171,051	\$252,084			
Debt to Asset Ratio - 12/31	44%	43%			
Rate of Return on Farm Assets - Cost	6.4%	3.8%			
Rate of Return on Farm Equity - Cost	8.3%	3.7%			
Term Debt Coverage Ratio	1.75	1.30			
Asset Turnover Rate	36.2%	35.9%			
Operating Expense Ratio	73.1%	78.9%			
Interest Expense Ratio	3.9%	3.8%			
<u>Operator Information</u>					
Average Age of the Farmer	47.0	48.3			
Average Years Farming	22.2	24.5			
<u>Personal Spending & Income</u>					
Total Cash Family Living Expense	\$50,978	\$63,584			
Total Non Farm Income	\$25,050	\$31,013			

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 the year:

		<u>Northern Minnesota</u>	<u>State Data</u>
Net Farm Income	(+)	\$114,095	\$95,740
Depreciation	(+)	\$40,880	\$56,012
Family Living (Excl Health/Med)	(-)	\$45,229	\$53,493
Social Security and Income Tax	(-)	\$10,256	\$16,833
Health and Medical Expense	(-)	\$7,887	\$11,190
Retirement Accounts	(-)	\$1,042	\$5,995
Principal Payments	(-)	\$59,279	\$70,078
Balance	(=)	\$31,282	-\$5,837

Farm Income Statement
Northern Minnesota Farm Business Management Data
(Farms Sorted By Net Farm Income)

	<u>Avg. Of</u> <u>All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	566	113	113	114
Sale of Crops				
Barley	2,743	10,094	-	2,411
Beans, Edible	6,892	654	1,634	23,971
Corn	48,517	77,286	30,910	60,489
Corn Silage	678	374	123	2,604
Hay, Alfalfa	2,015	2,213	1,904	2,617
Hay, Other	2,256	2,963	1,838	2,941
Fruit and Vegetable Crops	3,073	688	7,672	-
Organic Crops	1,628	543	6,653	-
Soybeans	76,695	124,378	44,878	105,877
Soybeans Food	747	2,159	536	334
Sunflowers	1,053	4,309	879	-
Oats	802	709	328	1,766
Wheat, Spring	41,441	54,601	26,316	67,350
Wheat, Winter	778	2,161	132	941
Grass Seed	3,780	3,700	1,173	12,513
Other Crop Enterprises	4,072	5,022	4,586	8,212
Miscellaneous crop income	240	36	142	-
Total Crop Sales	197,410	291,890	129,704	292,026
Sale of Livestock				
Beef Cow-Calf, Beef Calves	10,184	10,264	8,686	14,428
Beef, Background Beef	15,706	9,630	7,200	43,827
Beef, Finishing	7,378	883	6,706	21,335
Beef Finish Cull Cows	1,760	4,089	542	3,950
Dairy, Milk	271,628	37,813	100,250	927,656
Dairy Calves	5,002	574	1,675	17,475
Dairy Heifers (for sale)	1,446	318	635	5,306
Dairy Feeders & Backgrounding	11,760	441	1,476	48,008
Dairy Finishing	15,308	1,328	13,775	36,678
Hogs, Weaning to Finish	5,645	-	-	19,732
Other Livestock Enterprises	2,205	2,379	1,708	2,799
Cull breeding livestock	20,925	5,974	9,536	62,221
Misc. livestock income	1,204	439	701	2,538
Total Livestock & Product Sales	370,151	74,132	152,890	1,205,953
Other farm income				
Crop government payments	521	781	361	1,057
CRP payments	659	1,377	603	407
Livestock govt payments	93	20	330	78
Other government payments	7,138	5,032	6,697	11,893
Custom work income	15,171	23,498	7,954	31,882
Patronage dividends, cash	6,884	5,104	3,699	17,207
Insurance income	40,745	55,828	21,108	67,664
Contract livestock income	6,019	3,226	1,952	21,225
Other farm income	14,007	6,460	12,935	32,394
Total Other Farm Income	91,237	101,326	55,639	183,807
Gross Cash Farm Income	658,798	467,348	338,233	1,681,786

Farm Income Statement
Northern Minnesota Farm Business Management Data
(Farms Sorted By Net Farm Income)

	<u>Average</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	566	113	113	114
Direct Crop Expense				
Seed	36,281	42,139	22,409	67,296
Fertilizer	48,157	63,343	29,536	86,554
Crop chemicals	15,507	19,091	8,641	28,312
Crop insurance	10,099	14,638	6,024	15,080
Drying Expense	2,308	3006	1545	3,582
Crop miscellaneous	9,720	10,588	5,362	19,884
Total Direct Crop Expense	122,072	152,805	73,517	220,708
Direct Livestock Expense				
Feeder livestock purchase	30,175	11704	9,831	97,350
Purchased feed	106,845	22,959	41,370	355,633
Breeding fees	2,970	313	1,051	10,120
Veterinary	7,463	1,551	3,071	24,536
Supplies and related	13,584	3,628	5,367	43,346
Contract production exp.	3,139	480	605	12,928
Livestock hauling and trucking	2,828	816	1,887	6,814
Livestock marketing	2,950	971	1,450	9,245
Bedding	5,927	574	1,355	21,894
Total Direct Livestock Expense	175,881	42,996	65,987	581,866
Other Farm Expense				
Interest	25,854	27,296	17,682	47,737
CCC Buybacks	1,202	4,711	209	1,092
Fuel & oil	32,367	31,598	18,341	69,853
Repairs	40,856	37,028	23,162	89,142
Custom hire	9,161	3,166	3,474	28,752
Hired labor	34,676	17,416	10,866	110,797
Land rent	35,917	46,649	18,499	66,115
Machinery & bldg leases	7,389	6,437	2,403	19,894
Real estate taxes	5,029	4,703	3,832	8,524
Farm insurance	9,089	8,405	5,830	19,136
Utilities	11,438	7,188	7,143	27,170
Dues & professional fees	3,395	4,076	2,184	6,004
Miscellaneous	8,159	9,388	6,162	16,083
Total Other Farm Expense	224,532	208,061	119,787	510,299
Total cash expense	522,485	403,862	259,291	1,312,873
Net cash farm income	136,313	63,486	78,942	368,913
Inventory Changes				
Prepays and supplies	4,116	-5,914	1,058	31,472
Accounts receivable	1,742	-4,316	-6686	17,331
Hedging acct. & Oth Cur Assets	9,063	724	890	43,728
Crops and feed	-23,111	-69,888	-12,443	-17,738
Market livestock	18,162	-1,172	6,635	59,465
Breeding livestock	2,989	-2,650	4,181	12,714
Accounts payable	479	-7,009	-1,894	9,739
Accrued Interest & other assets	4,943	-1,481	733	22,692
Total inventory change	18,383	-91,706	-7,526	179,403
Net operating profit	154,696	-28,220	71,416	548,316
Depreciation				
Machinery and equipment	-29,866	-32,790	-15,909	-60,528
Titled vehicles	-2,902	-3,499	-2,064	-4,843
Buildings and improvements	-8,112	-5,797	-3,788	-19,248
Total depreciation	-40,880	-42,086	-21,751	-84,619
Net farm income from operations	113,816	-70,307	49,665	463,698
Gain or loss on capital sales	279	-230	26	22
Net farm income	114,095	-70,537	49,691	463,720

Summary Farm Income Statement
Northern Minnesota Farm Business Management Data
(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	566	113	113	114
Crop sales	197,414	291,887	129,703	292,026
Crop inventory change	-23,111	-69,888	-12,442	-17,738
Gross crop income	174,303	221,999	117,261	274,288
Livestock sales	348,073	67,787	142,728	1,141,192
Livestock inventory change	18,162	-1,172	6,635	59,465
Gross livestock income	366,235	66,615	149,362	1,200,657
Government payments	8,411	7,211	7,991	13,435
Other cash farm income	104,900	100,463	57,811	235,133
Change in accounts receivable	1,742	-4,316	-6,686	17,331
Gain or loss on hedging accounts	-601	174	29	-2,362
Change in other assets	14,734	-12	1,497	68,465
Gain or loss on breeding lvst	2,989	-2,650	4,181	12,714
Gross farm income	672,713	389,483	331,446	1,819,661
Cash operating expenses	496,630	376,565	241,610	1,265,136
Change in prepaids and supplies	-4,116	5,914	-1,058	-31,472
Change in growing crops	-467	-686	-195	-728
Change in accounts payable	-479	7,009	1,894	-9,739
Depreciation	40,880	42,086	21,751	84,619
Total operating expense	532,449	430,888	264,002	1,307,815
Interest paid	25,854	27,296	17,682	47,737
Change in accrued interest	594	1,605	97	412
Total interest expense	26,449	28,901	17,779	48,149
Total expenses	558,897	459,790	281,781	1,355,963
Net farm income from operations	113,816	-70,306	49,665	463,698
Gain or loss on capital sales	279	-230	26	22
Net farm income	114,095	-70,537	49,691	463,720

Inventory Changes
Northern Minnesota Farm Business Management Data
(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	566	113	113	114
Net cash farm income	136,314	63,486	78,941	368,914
Crops and Feed				
Ending inventory	192,010	167,173	107,819	417,455
Beginning inventory	215,122	237,061	120,261	435,193
Inventory change	-23,111	-69,888	-12,442	-17,738
Market Livestock				
Ending inventory	60,918	16,989	36,143	170,882
Beginning inventory	42,756	18,161	29,509	111,417
Inventory change	18,162	-1,172	6,635	59,465
Accts Receivable				
Ending inventory	37,775	21,221	10,858	111,732
Beginning inventory	36,033	25,537	17,544	94,402
Inventory change	1,742	-4,316	-6,686	17,331
Prepaid Expenses and Supplies				
Ending inventory	45,450	36,360	19,224	107,768
Beginning inventory	41,335	42,274	18,166	76,296
Inventory change	4,116	-5,914	1,058	31,472
Hedging Activities				
Ending inventory	858	431	451	2,272
Withdrawals	321	384	318	276
Beginning inventory	668	388	295	1,499
Deposits	1,111	254	445	3,412
Gain or loss	-601	174	29	-2,362
Other Current Assets				
Ending inventory	14,085	5,516	4,332	54,186
Beginning inventory	4,420	4,967	3,470	8,097
Inventory change	9,665	549	862	46,090
Breeding Livestock				
Ending inventory	140,883	43,348	72,661	402,502
Capital sales	2,824	1,233	6,755	2,595
Beginning inventory	132,714	41,657	70,198	376,592
Capital purchases	8,004	5,574	5,037	15,792
Depreciation, capital adjust	2,989	-2,650	4,181	12,714
Other Capital Assets				
Ending inventory	54,893	33,822	22,507	151,249
Capital sales	441	504	67	1,299
Beginning inventory	47,790	31,916	20,954	124,809
Capital purchases	2,007	2,285	790	4,635
Depreciation, capital adjust	5,537	124	830	23,104
Accounts Payable				
Beginning inventory	20,845	15,741	10,378	52,964
Ending inventory	20,366	22,749	12,271	43,225
Inventory change	479	-7,009	-1,894	9,739
Accrued Interest				
Beginning inventory	5,381	8,889	4,468	5,769
Ending inventory	5,975	10,493	4,566	6,181
Inventory change	-594	-1,605	-97	-412
Total inventory change	18,383	-91,706	-7,525	179,403
Net operating profit	154,696	-28,220	71,416	548,316

Balance Sheet at Cost Values
Northern Minnesota Farm Business Management Data
(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	566	113	113	114
Assets				
Current Farm Assets				
Cash and checking balance	21,921	13,075	11,996	60,130
Prepaid expenses & supplies	45,450	36,360	19,224	107,768
Growing crops	2,662	2,582	2,119	5,929
Accounts receivable	37,775	21,221	10,858	111,732
Hedging accounts	858	431	451	2,272
Crops held for sale or feed	191,696	162,339	108,242	418,339
Crops under government loan	7,032	29,808	649	2,733
Market livestock held for sale	60,918	16,989	36,143	170,882
Other current assets	11,423	2,934	2,213	48,258
Total current farm assets	379,735	285,739	191,895	928,044
Intermediate Farm Assets				
Breeding livestock	140,883	43,348	72,661	402,502
Machinery and equipment	382,264	398,111	215,692	782,243
Titled vehicles	26,534	36,393	14,172	45,010
Other intermediate assets	23,409	11,328	8,520	73,790
Total intermediate farm assets	573,090	489,180	311,045	1,303,545
Long Term Farm Assets				
Farm land	347,397	389,583	270,474	555,319
Buildings and improvements	199,197	134,530	94,348	484,683
Other long-term assets	31,484	22,494	13,987	77,459
Total long-term farm assets	578,078	546,607	378,809	1,117,461
Total Farm Assets	1,530,903	1,321,526	881,749	3,349,050
Total Nonfarm Assets	158,440	156,195	119,122	178,585
Total Assets	1,689,343	1,477,721	1,000,872	3,527,635
Liabilities				
Current Farm Liabilities				
Accrued interest	5,980	10,516	4,567	6,181
Accounts payable	20,320	22,749	12,271	43,225
Current notes	119,529	184,354	57,666	206,898
Government crop loans	3,576	15,338	340	1,307
Principal due on term debt	59,279	58,229	33,010	125,828
Total current farm liabilities	208,684	291,187	107,854	383,439
Total intermediate farm liabs	149,822	158,384	84,470	310,869
Total long term farm liabilities	313,004	328,288	227,480	535,143
Total farm liabilities	671,511	777,860	419,804	1,229,450
Total nonfarm liabilities	33,158	41,695	20,724	29,635
Total liabilities	704,669	819,555	440,528	1,259,085
Net worth (farm and nonfarm)	984,674	658,166	560,344	2,268,549
Net worth change	80,649	-85,137	30,063	374,724
Percent net worth change	9 %	-11 %	6 %	20 %
Ratio Analysis				
Current farm liabilities / assets	55 %	102 %	56 %	41 %
Intermediate farm liab. / assets	26 %	32 %	27 %	24 %
Long term farm liab. / assets	54 %	60 %	60 %	48 %
Total debt to asset ratio	42 %	55 %	44 %	36 %

Balance Sheet at Market Values
Northern Minnesota Farm Business Management Data
(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	566	113	113	114
Assets				
Current Farm Assets				
Cash and checking balance	21,921	13,075	11,996	60,130
Prepaid expenses & supplies	45,450	36,360	19,224	107,768
Growing crops	2,662	2,582	2,119	5,929
Accounts receivable	37,775	21,221	10,858	111,732
Hedging accounts	858	431	451	2,272
Crops held for sale or feed	191,696	162,339	108,242	418,339
Crops under government loan	7,032	29,808	649	2,733
Market livestock held for sale	60,918	16,989	36,143	170,882
Other current assets	11,423	2,934	2,213	48,258
Total current farm assets	379,735	285,739	191,895	928,044
Intermediate Farm Assets				
Breeding livestock	144,609	43,424	74,583	414,977
Machinery and equipment	433,530	470,729	252,023	850,739
Titled vehicles	29,228	40,407	15,350	49,217
Other intermediate assets	24,464	11,972	8,644	78,466
Total intermediate farm assets	631,831	566,532	350,601	1,393,399
Long Term Farm Assets				
Farm land	590,778	622,929	484,843	907,885
Buildings and improvements	218,544	149,497	110,663	511,839
Other long-term assets	39,234	24,002	14,797	81,939
Total long-term farm assets	848,556	796,428	610,304	1,501,663
Total Farm Assets	1,860,122	1,648,699	1,152,800	3,823,106
Total Nonfarm Assets	171,991	175,503	127,040	194,885
Total Assets	2,032,113	1,824,202	1,279,840	4,017,991
Liabilities				
Current Farm Liabilities				
Accrued interest	5,980	10,516	4,567	6,181
Accounts payable	20,320	22,749	12,271	43,225
Current notes	119,529	184,354	57,666	206,898
Government crop loans	3,576	15,338	340	1,307
Principal due on term debt	59,279	58,229	33,010	125,828
Total current farm liabilities	208,684	291,187	107,854	383,439
Total intermediate farm liabs	149,822	158,384	84,470	310,869
Total long term farm liabilities	313,004	328,288	227,480	535,143
Total farm liabilities	671,511	777,860	419,804	1,229,450
Total nonfarm liabilities	33,158	41,695	20,724	29,635
Total liabs excluding deferreds	704,669	819,555	440,528	1,259,085
Total deferred liabilities	178,495	147,712	103,743	389,530
Total liabilities	883,164	967,267	544,271	1,648,616
Retained earnings	984,674	658,166	560,344	2,268,549
Market valuation equity	164,275	198,769	175,225	100,826
Net worth (farm and nonfarm)	1,148,949	856,935	735,569	2,369,375
Net worth excluding deferreds	1,327,444	1,004,647	839,312	2,758,906
Net worth change	111,833	-29,048	48,658	395,181
Percent net worth change	11 %	-3 %	7 %	20 %
Ratio Analysis				
Current farm liabilities / assets	55 %	102 %	56 %	41 %
Intermediate farm liab. / assets	24 %	28 %	24 %	22 %
Long term farm liab. / assets	37 %	41 %	37 %	36 %
Total debt to asset ratio	43 %	53 %	43 %	41 %
Debt to assets excl deferreds	35 %	45 %	34 %	31 %

Financial Guideline Measures

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

Liquidity

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

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

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

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

Solvency

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

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

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

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

Profitability

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

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

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

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

Financial Guideline Measures

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.

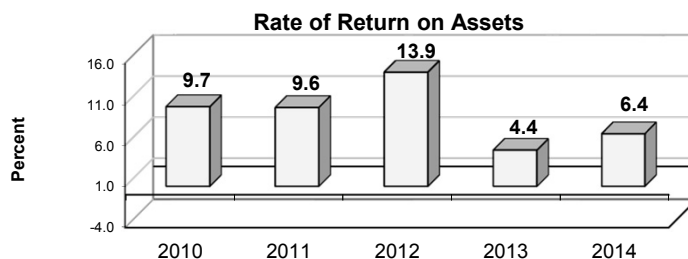
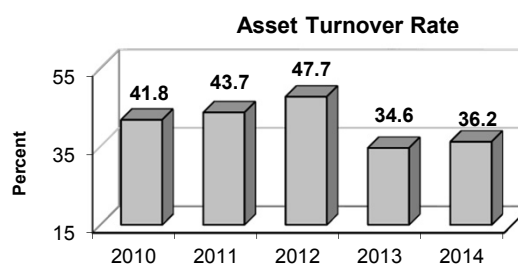
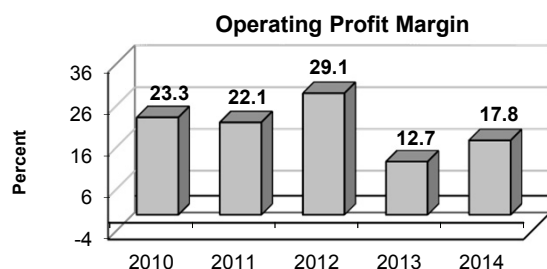
Interest Expense Ratio: This ratio indicates the percent of the gross farm income, which is used to pay farm interest expenses.

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

Financial Standards Measures
Northern Minnesota Farm Business Management Data
(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	566	113	113	114
Liquidity				
Current ratio	1.82	0.98	1.78	2.42
Working capital	171,051	-5,448	84,041	544,605
Working capital to gross inc.	25.4%	-1.4%	25.4%	29.9%
Solvency (market)				
Farm debt to asset ratio	44%	55%	44%	40%
Farm equity to asset ratio	56%	45%	56%	60%
Farm debt to equity ratio	0.78	1.21	0.79	0.66
Profitability (cost)				
Rate of return on farm assets	6.4%	-5.8%	4.3%	13.3%
Rate of return on farm equity	8.3%	-17.8%	4.3%	19.0%
Operating profit margin	17.8%	-21.6%	13.4%	30.6%
Net farm income	114,095	-70,537	49,691	463,720
EBIDTA	181,145	681	89,195	596,465
Repayment Capacity				
Capital debt repayment capacity	135,240	-28,826	59,609	490,423
Capital debt repayment margin	57,842	-107,054	14,525	331,790
Replacement margin	45,181	-120,602	6,730	311,864
Term debt coverage ratio	1.75	-0.37	1.32	3.09
Replacement coverage ratio	1.50	-0.31	1.13	2.75
Efficiency				
Asset turnover rate (cost)	36.2%	26.7%	32.3%	43.4%
Operating expense ratio	73.1%	99.8%	73.1%	67.2%
Depreciation expense ratio	6.1%	10.8%	6.6%	4.7%
Interest expense ratio	3.9%	7.4%	5.4%	2.6%
Net farm income ratio	17.0%	-18.1%	15.0%	25.5%

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



How does your Farm Stack Up?

Northern Minnesota Farm Business Management Data

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.

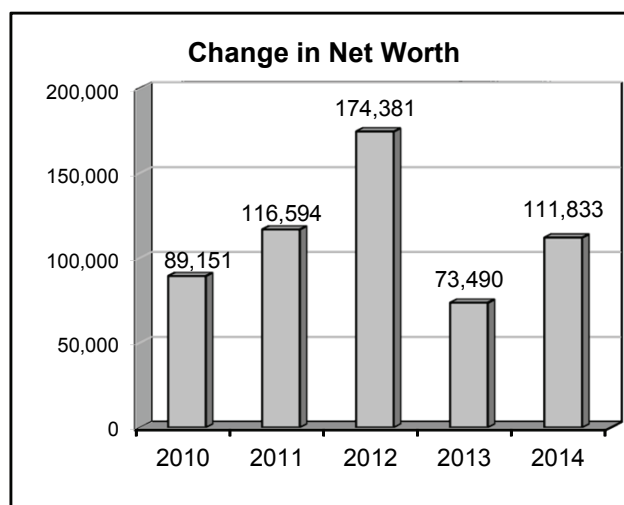
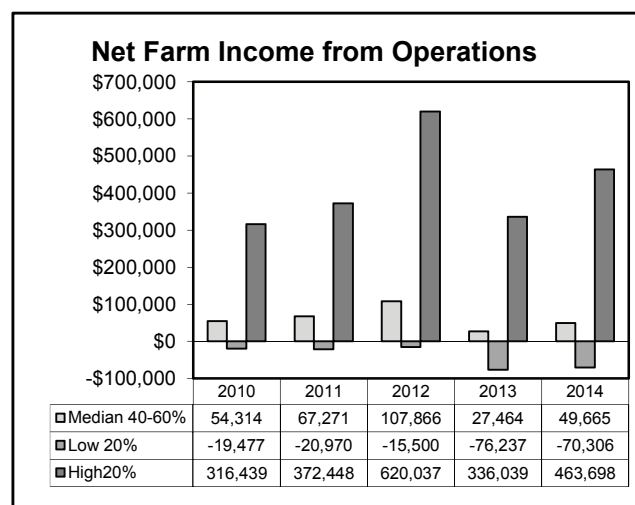
Evaluation Chart	Low Farms		Average		High Farms		Your Farm	
	2014	5 Yr Ave	2014	5 Yr Ave	2014	5 Yr Ave	2014	5 Yr Ave
<u>Liquidity</u>								
Current Ratio	0.98	0.97	1.82	1.90	2.42	2.40		
Working Capital	\$ (5,448)	(3,257)	171,051	161,689	544,605	525,395		
Working Capital to Gross Inc.	% -1.4%	-1.7%	25.4%	28.9%	29.9%	37.2%		
<u>Solvency (Market)</u>								
Farm Debt to Asset Ratio	% 55%	58%	44%	47%	40%	42%		
Farm Equity to Asset Ratio	% 45%	42%	56%	53%	60%	58%		
Farm Debt to Equity Ratio	% 1.21	1.38	0.78	0.87	0.66	0.73		
<u>Profitability (Cost)</u>								
Rate of Return on Farm Assets	% -5.8%	-4.8%	6.4%	8.8%	13.3%	14.7%		
Rate of Return on Farm Equity	% -17.8%	-23.8%	8.3%	12.9%	19.0%	21.5%		
Operating Profit Margin	% -21.6%	-19.4%	17.8%	21.0%	30.6%	29.9%		
Net Farm Income	\$ -70,537	-40,845	114,095	119,768	463,720	422,816		
EBIDTA	\$ 681	6,070	181,145	177,529	596,465	541,098		
<u>Repayment Capacity (Accrual)</u>								
Capital Debt Repayment Cap.	\$ -28,826	-3,646	135,240	140,986	490,423	449,014		
Capital Debt Repayment Margin	\$ -107,054	-54,734	57,842	75,939	331,790	317,174		
Replacement Margin	\$ -120,602	-62,152	45,181	65,613	311,864	295,486		
Term Debt Coverage Ratio	-0.37	0.08	1.75	2.21	3.09	3.45		
Replacement Coverage Ratio	-0.31	0.07	1.5	1.90	2.75	2.95		
<u>Efficiency</u>								
Asset Turnover Rate (Cost)	% 26.7%	25.1%	36.2%	40.8%	43.4%	48.7%		
Operating Expense Ratio	% 99.8%	96.0%	73.1%	69.3%	67.2%	63.4%		
Depreciation Expense Ratio	% 10.8%	8.6%	6.1%	5.7%	4.7%	5.1%		
Interest Expense Ratio	% 7.4%	9.5%	3.9%	4.5%	2.6%	3.1%		
Net Farm Income Ratio	% -18.1%	-14.5%	17.0%	20.7%	25.5%	28.5%		

Profitability Measures
Northern Minnesota Farm Business Management Data
(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	566	113	113	114
Profitability (assets valued at cost)				
Net farm income from operations	113,816	-70,306	49,665	463,698
Rate of return on assets	6.4 %	-5.8 %	4.3 %	13.3 %
Rate of return on equity	8.3 %	-17.8 %	4.3 %	19.0 %
Operating profit margin	17.8 %	-21.6 %	13.4 %	30.6 %
Asset turnover rate	36.2 %	26.7 %	32.3 %	43.4 %
Farm interest expense	26,449	28,901	17,779	48,149
Value of operator lbr and mgmt.	45,212	34,796	30,056	94,425
Return on farm assets	95,053	-76,201	37,388	417,422
Average farm assets	1,477,846	1,320,386	865,927	3,149,857
Return on farm equity	68,604	-105,102	19,609	369,273
Average farm equity	825,179	590,660	450,944	1,943,066
Value of farm production	534,705	352,380	279,904	1,366,133
	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	566	113	113	114
Profitability (assets valued at market)				
Net farm income from operations	146,063	-17,184	67,331	494,074
Rate of return on assets	7.1 %	-1.4 %	4.9 %	12.5 %
Rate of return on equity	10.1 %	-6.8 %	6.0 %	18.9 %
Operating profit margin	23.8 %	-6.5 %	19.7 %	32.8 %
Asset turnover rate	29.9 %	21.7 %	24.8 %	38.0 %
Farm interest expense	26,449	28,901	17,779	48,149
Value of operator lbr and mgmt.	45,212	34,796	30,056	94,425
Return on farm assets	127,300	-23,078	55,054	447,798
Average farm assets	1,787,985	1,626,723	1,127,650	3,593,012
Return on farm equity	100,851	-51,979	37,275	399,650
Average farm equity	997,048	767,696	624,464	2,115,832
Value of farm production	534,705	352,380	279,904	1,366,133

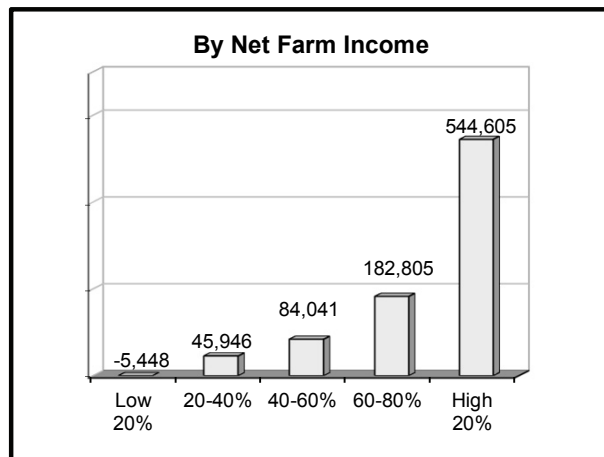
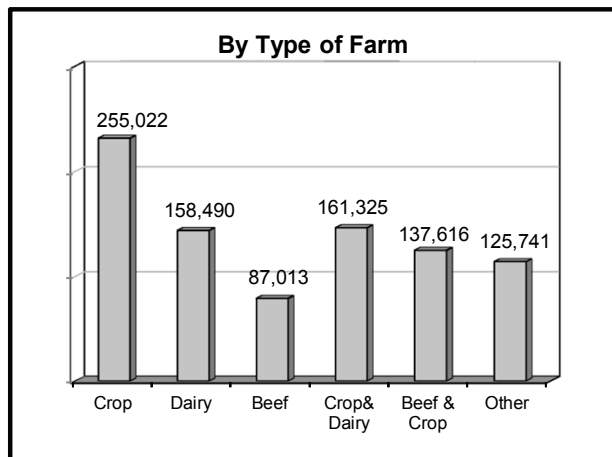
Liquidity & Repayment Capacity Measures
Northern Minnesota Farm Business Management Data
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 20%	40 - 60%	High 20%
Number of farms	566	113	113	114
Liquidity				
Current ratio	1.82	0.98	1.78	2.42
Working capital	171,051	-5,448	84,041	544,605
Working capital to gross inc.	25.4%	-1.4%	25.4%	29.9%
Current assets	379,735	285,739	191,895	928,044
Current liabilities	208,684	291,187	107,854	383,439
Gross revenues (accrual)	672,713	389,483	331,446	1,819,661
Repayment capacity				
Net farm income from operations	113,816	-70,306	49,665	463,698
Depreciation	40,880	42,086	21,751	84,619
Personal income	25,050	35,912	22,677	12,720
Family living/owner withdrawals	-53,117	-43,851	-42,599	-88,651
	-58	-169	16	-24
Payments on personal debt	-2,658	-3,479	-1,956	-1,910
Income taxes paid	-10,206	-11,045	-4,007	-19,611
Interest on term debt	21,474	21,857	14,078	39,558
Capital debt repayment capacity	135,240	-28,826	59,609	490,423
Scheduled term debt payments	-77,397	-78,228	-45,085	-158,633
Capital debt repayment margin	57,842	-107,054	14,525	331,790
Cash replacement allowance	-12,662	-13,548	-7,795	-19,926
Replacement margin	45,181	-120,602	6,730	311,864
Term debt coverage ratio	1.75	-0.37	1.32	3.09
Replacement coverage ratio	1.50	-0.31	1.13	2.75

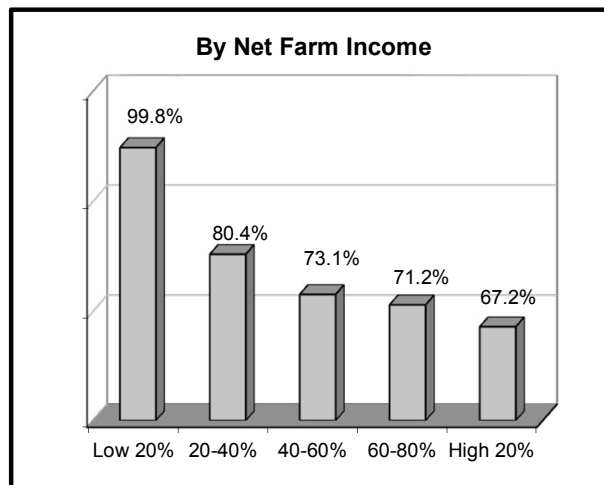
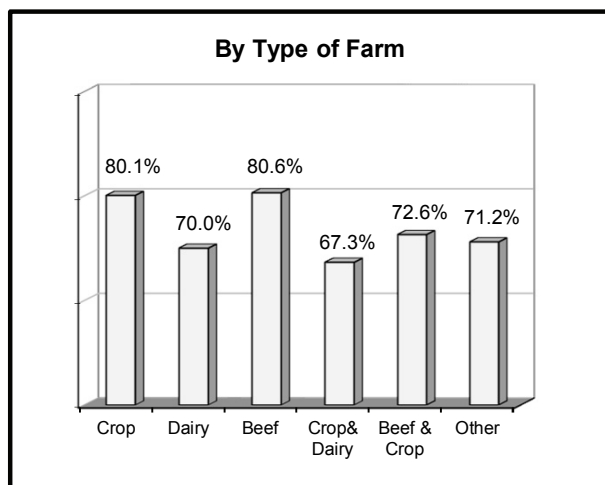


Selected Financial Guideline Measures
Northern Minnesota Farm Business Management Data

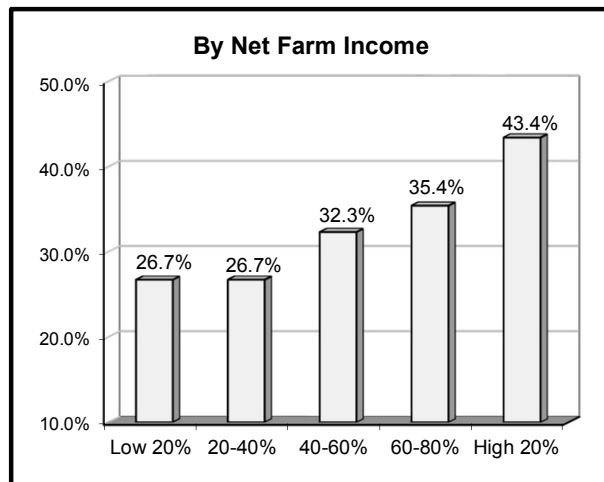
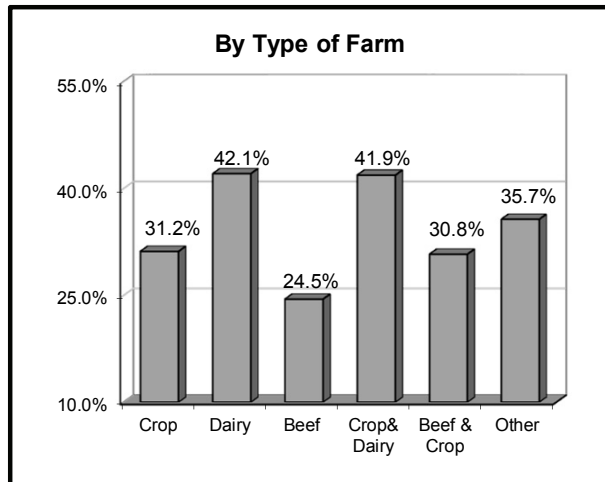
Working Capital



Operating Expense Ratio



Asset Turnover Rate



Operator and Labor Information
Northern Minnesota Farm Business Management Data
(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	566	113	113	114
Operator Information				
Average number of operators	1.2	1.1	1.1	1.6
Average age of operators	47.0	47.2	47.6	46.8
Average number of years farming	22.2	21.8	23.3	23.2
Results Per Operator				
Working capital	141,847	-5,011	73,617	338,338
Total assets (market)	1,685,165	1,677,939	1,121,100	2,496,191
Total liabilities	732,379	889,712	476,764	1,024,208
Net worth (market)	952,786	788,227	644,336	1,471,982
Net worth excl deferred liabs	1,100,806	924,095	735,211	1,713,980
Gross farm income	557,859	358,255	290,336	1,130,471
Total farm expense	463,475	422,924	246,831	842,397
Net farm income from operations	94,384	-64,669	43,505	288,074
Net nonfarm income	20,773	33,033	19,864	7,902
Family living & tax withdrawals	52,560	50,650	40,811	67,273
Total acres owned	269.0	335.5	226.7	300.0
Total crop acres	578.2	814.6	418.1	670.5
Crop acres owned	209.9	290.3	155.5	228.1
Crop acres cash rented	358.6	508.0	253.9	431.5
Crop acres share rented	9.7	16.3	8.7	10.8
Total pasture acres	37.4	28.7	31.5	63.0
Labor Analysis				
Number of farms	566	113	113	114
Total unpaid labor hours	2,668	1,898	2,490	4,157
Total hired labor hours	2,182	965	858	6,991
Total labor hours per farm	4,850	2,863	3,348	11,148
Unpaid hours per operator	2,213	1,746	2,181	2,582
Value of farm production / hour	110.24	123.08	83.60	122.55
Net farm income / unpaid hour	42.66	-37.03	19.95	111.55
Average hourly hired labor wage	17.62	20.00	14.59	17.87
Partnerships & LLCs				
Number of farms	74	13	12	29
Number of operators	2.0	1.5	1.8	2.6
Owner withdrawals per farm	92,870	-	-	135,640
Withdrawals per operator	46,435	-	-	56,517
Corporations				
Number of farms	17	2	2	10
Number of operators	2.1	-	-	2.2

Household and Personal Expenses
Northern Minnesota Farm Business Management Data
(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	88	17	18	14
Average family size	3.2	2.2	3.3	3.9
Family Living Expenses				
Food and meals expense	7,850	6,557	7,936	8,184
Medical care	3,126	3,111	1,786	3,961
Health insurance	4,445	3,453	3,561	3,726
Cash donations	1,419	1,407	1,916	2,159
Household supplies	3,125	2,163	1,307	2,310
Clothing	1,603	1,367	987	3,270
Personal care	4,041	6,193	3,841	1,705
Child / Dependent care	511	533	884	550
Alimony and child support	125	-	-	-
Gifts	1,375	1,601	1,170	1,458
Education	1,014	986	1,167	1,334
Recreation	2,917	2,147	2,614	3,771
Utilities (household share)	2,622	2,567	2,264	2,796
Personal vehicle operating exp	3,717	3,356	5,029	1,871
Household real estate taxes	294	524	52	474
Dwelling rent	156	-	25	-
Household repairs	1,598	2,816	808	3,029
Personal interest	1,489	2,139	1,171	36
Disability / Long term care ins	316	447	116	350
Life insurance payments	2,242	1,308	1,613	3,263
Personal property insurance	212	225	54	272
Miscellaneous	6,781	3,417	7,469	7,304
Total cash family living expense	50,978	46,316	45,768	51,820
Family living from the farm	270	71	657	286
Total family living	51,248	46,387	46,425	52,105
Other Nonfarm Expenditures				
Income taxes	11,271	23,334	3,344	20,560
Furnishing & appliance purchases	133	69	510	-
Nonfarm vehicle purchases	2,411	1,718	931	1,147
Nonfarm real estate purchases	3,202	1,176	2,995	-
Other nonfarm capital purchases	804	-	-2,722	1,065
Nonfarm savings & investments	1,042	-2,772	265	3,502
Total other nonfarm expenditures	18,862	23,526	5,322	26,274
Total cash family living investment & nonfarm capital purch	69,840	69,842	51,090	78,093

Nonfarm Summary
Northern Minnesota Farm Business Management Data
(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	566	113	113	114
Nonfarm Income				
Personal wages & salary	17,609	25,107	17,236	5,756
Net nonfarm business income	2,262	3,620	919	1,978
Personal rental income	327	449	193	221
Personal interest income	84	60	12	162
Personal cash dividends	127	194	47	30
Tax refunds	1,192	1,590	1,131	668
Other nonfarm income	3,447	4,893	3,139	3,905
Total nonfarm income	25,050	35,912	22,677	12,720
Gifts and inheritances	1,153	3,903	114	1,478
Nonfarm Assets (market)				
Checking & savings	6,438	4,084	3,933	7,040
Stocks & bonds	7,180	12,643	3,274	6,493
Other current assets	1,682	421	833	5,175
Furniture & appliances	8,717	8,526	8,236	7,435
Nonfarm vehicles	14,022	18,128	10,928	14,032
Cash value of life ins.	4,592	2,475	6,192	5,068
Retirement accounts	37,645	31,900	31,036	38,229
Other intermediate assets	7,413	4,879	4,784	13,476
Nonfarm real estate	70,221	84,695	48,309	73,299
Personal bus. investment	5,068	704	3,020	16,281
Other long term assets	9,015	7,049	6,493	8,357
Total nonfarm assets	171,991	175,503	127,040	194,885
Nonfarm Liabilities				
Accrued interest	54	138	15	16
Accounts payable	1,631	1,187	3,119	2,476
Current notes	1,298	1,666	1,108	486
Princ due on term debt	2,890	3,964	1,943	2,272
Total current liabilities	8,545	9,707	6,565	10,924
Intermediate liabilities	4,629	7,455	3,060	3,347
Long term liabilities	19,984	24,534	11,099	15,364
Total nonfarm liabilities	33,158	41,695	20,724	29,635
Nonfarm net worth	138,833	133,807	106,316	165,250
Nonfarm debt to asset ratio	19 %	24 %	16 %	15 %

Financial Summary
Northern Minnesota Farm Business Management Data
(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	566	113	113	114
Income Statement				
Gross cash farm income	658,798	467,348	338,233	1,681,786
Total cash farm expense	522,485	403,862	259,291	1,312,873
Net cash farm income	136,314	63,486	78,941	368,914
Inventory change	18,383	-91,706	-7,525	179,403
Depreciation	-40,880	-42,086	-21,751	-84,619
Net farm income from operations	113,816	-70,306	49,665	463,698
Gain or loss on capital sales	279	-230	26	22
Average net farm income	114,095	-70,537	49,691	463,720
Median net farm income	46,104	-48,720	45,925	292,681
Profitability (cost)				
Rate of return on assets	6.4 %	-5.8 %	4.3 %	13.3 %
Rate of return on equity	8.3 %	-17.8 %	4.3 %	19.0 %
Operating profit margin	17.8 %	-21.6 %	13.4 %	30.6 %
Asset turnover rate	36.2 %	26.7 %	32.3 %	43.4 %
Profitability (market)				
Rate of return on assets	7.1 %	-1.4 %	4.9 %	12.5 %
Rate of return on equity	10.1 %	-6.8 %	6.0 %	18.9 %
Operating profit margin	23.8 %	-6.5 %	19.7 %	32.8 %
Asset turnover rate	29.9 %	21.7 %	24.8 %	38.0 %
Liquidity & Repayment (end of year)				
Current assets	379,735	285,739	191,895	928,044
Current liabilities	208,684	291,187	107,854	383,439
Current ratio	1.82	0.98	1.78	2.42
Working capital	171,051	-5,448	84,041	544,605
Working capital to gross inc	25.4 %	-1.4 %	25.4 %	29.9 %
Term debt coverage ratio	1.75	-0.37	1.32	3.09
Replacement coverage ratio	1.50	-0.31	1.13	2.75
Term debt to EBITDA	2.45	668.70	3.40	1.35
Solvency (end of year at cost)				
Number of farms	566	113	113	114
Total assets	1,689,343	1,477,721	1,000,872	3,527,635
Total liabilities	704,669	819,555	440,528	1,259,085
Net worth	984,674	658,166	560,344	2,268,549
Net worth change	80,649	-85,137	30,063	374,724
Farm debt to asset ratio	44 %	59 %	48 %	37 %
Total debt to asset ratio	42 %	55 %	44 %	36 %
Change in earned net worth %	9 %	-11 %	6 %	20 %
Solvency (end of year at market)				
Number of farms	566	113	113	114
Total assets	2,032,113	1,824,202	1,279,840	4,017,991
Total liabilities	883,164	967,267	544,271	1,648,616
Net worth	1,148,949	856,935	735,569	2,369,375
Total net worth change	111,833	-29,048	48,658	395,181
Farm debt to asset ratio	44 %	55 %	44 %	40 %
Total debt to asset ratio	43 %	53 %	43 %	41 %
Change in total net worth %	11 %	-3 %	7 %	20 %
Nonfarm Information				
Net nonfarm income	25,050	35,912	22,677	12,720
Farms reporting living expenses	88	17	18	14
Total family living expense	51,248	46,387	46,425	52,105
Total living, invest, cap. purch	69,840	69,842	51,090	78,093
Crop Acres				
Total crop acres	697	886	477	1,079
Total crop acres owned	253	316	177	367
Total crop acres cash rented	432	552	290	695
Total crop acres share rented	12	18	10	17
Machinery value per crop acre	607	519	511	754

Financial Summary
Northern Minnesota Farm Business Management Data
(Farms Sorted By Gross Farm Income)

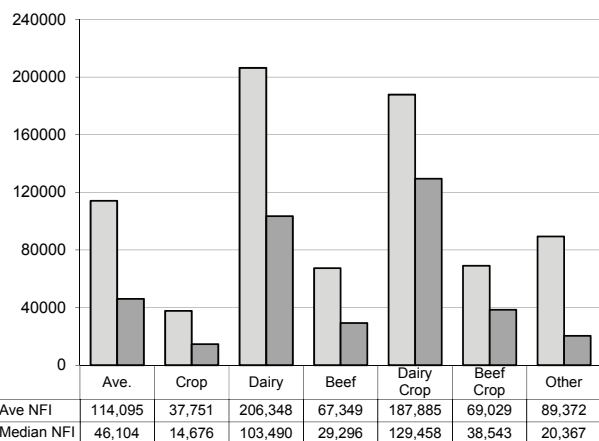
	<u>Less than 50,000</u>	<u>50,001 - 100,000</u>	<u>100,001 - 250,000</u>	<u>250,001 - 500,000</u>	<u>500,001 - 1,000,000</u>	<u>Over 1,000,000</u>
Number of farms	41	48	116	130	133	98
Income Statement						
Gross cash farm income	30,536	77,885	172,238	358,913	708,979	2,111,805
Total cash farm expense	40,862	72,625	138,016	277,625	552,651	1,683,278
Net cash farm income	-10,326	5,260	34,221	81,288	156,328	428,526
Inventory change	7,347	6,936	6,576	34,056	-9,040	59,007
Depreciation	-3,984	-8,922	-12,493	-24,891	-49,029	-115,721
Net farm income from operations	-6,964	3,274	28,304	90,453	98,259	371,812
Gain or loss on capital sales	-	-	200	1,091	-13	-52
Average net farm income	-6,964	3,274	28,504	91,543	98,247	371,760
Median net farm income	-3,309	6,766	30,593	58,495	106,271	271,655
Profitability (cost)						
Rate of return on assets	-3.0 %	-0.8 %	3.1 %	7.6 %	4.6 %	8.3 %
Rate of return on equity	-13.8 %	-6.6 %	2.0 %	10.7 %	5.1 %	11.2 %
Operating profit margin	-25.0 %	-3.7 %	12.0 %	22.0 %	13.1 %	20.4 %
Asset turnover rate	11.8 %	20.5 %	25.7 %	34.5 %	35.5 %	40.5 %
Profitability (market)						
Rate of return on assets	-0.4 %	1.0 %	3.7 %	7.8 %	6.7 %	8.5 %
Rate of return on equity	-4.6 %	-1.4 %	4.0 %	11.1 %	9.2 %	12.6 %
Operating profit margin	-4.8 %	6.1 %	20.4 %	28.6 %	23.2 %	23.8 %
Asset turnover rate	9.1 %	15.6 %	18.3 %	27.1 %	28.7 %	35.7 %
Liquidity & Repayment (end of year)						
Current assets	27,389	51,094	109,269	251,415	417,743	1,126,894
Current liabilities	25,562	44,415	69,014	113,476	255,219	594,222
Current ratio	1.07	1.15	1.58	2.22	1.64	1.90
Working capital	1,828	6,680	40,255	137,939	162,525	532,672
Working capital to gross inc	4.9 %	8.0 %	22.3 %	34.8 %	23.0 %	25.0 %
Term debt coverage ratio	1.48	1.38	1.20	2.01	1.30	2.04
Replacement coverage ratio	1.27	1.14	1.02	1.69	1.11	1.79
Term debt to EBITDA	45.73	7.71	4.48	2.62	2.66	1.88
Solvency (end of year at cost)						
Number of farms	41	48	116	130	133	98
Total assets	411,489	516,563	759,544	1,166,790	1,866,064	4,352,305
Total liabilities	216,053	249,965	348,426	505,728	763,969	1,736,899
Net worth	195,436	266,598	411,118	661,062	1,102,095	2,615,406
Net worth change	23,241	19,602	20,647	66,912	53,065	261,248
Farm debt to asset ratio	63 %	56 %	51 %	47 %	43 %	41 %
Total debt to asset ratio	53 %	48 %	46 %	43 %	41 %	40 %
Change in earned net worth %	13 %	8 %	5 %	11 %	5 %	11 %
Solvency (end of year at market)						
Number of farms	41	48	116	130	133	98
Total assets	514,907	646,720	1,019,502	1,456,843	2,295,860	4,949,193
Total liabilities	238,782	288,484	424,552	614,057	961,834	2,237,080
Net worth	276,125	358,235	594,950	842,787	1,334,026	2,712,113
Total net worth change	30,686	27,745	33,793	90,445	111,864	307,674
Farm debt to asset ratio	53 %	49 %	44 %	43 %	42 %	44 %
Total debt to asset ratio	46 %	45 %	42 %	42 %	42 %	45 %
Change in total net worth %	13 %	8 %	6 %	12 %	9 %	13 %
Nonfarm Information						
Net nonfarm income	48,905	50,815	27,722	21,361	19,138	12,203
Farms reporting living expenses	8	10	17	22	19	12
Total family living expense	41,671	31,512	46,442	45,472	65,811	68,417
Total living, invest, cap. purch	46,342	41,660	49,819	55,858	103,734	109,318
Crop Acres						
Total crop acres	97	139	286	528	839	1,742
Total crop acres owned	58	83	140	213	293	552
Total crop acres cash rented	40	56	142	309	527	1,161
Total crop acres share rented	-	1	4	6	19	29
Machinery value per crop acre	465	690	524	542	587	663

Financial Summary
Northern Minnesota Farm Business Management Data
(Farms Sorted By Farm Type)

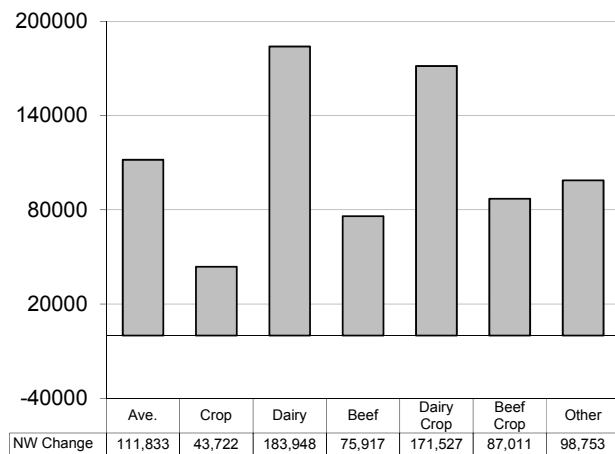
	<u>Avg. Of All Farms</u>	<u>Crop</u>	<u>Dairy</u>	<u>Beef</u>	<u>Crop and Dairy</u>	<u>Crop and Beef</u>	<u>Other</u>
Number of farms	566	152	185	31	17	40	138
Income Statement							
Gross cash farm income	658,798	588,545	897,467	518,635	828,996	404,190	482,906
Total cash farm expense	522,485	427,690	704,994	531,539	624,470	330,602	405,720
Net cash farm income	136,314	160,855	192,473	-12,905	204,526	73,588	77,186
Inventory change	18,383	-78,288	59,648	101,291	32,501	19,510	49,348
Depreciation	-40,880	-44,858	-46,117	-20,312	-49,143	-24,153	-37,939
Net farm income from operations	113,816	37,709	206,003	68,074	187,885	68,945	88,596
Gain or loss on capital sales	279	42	345	-726	-	84	776
Average net farm income	114,095	37,751	206,348	67,349	187,885	69,029	89,372
Median net farm income	46,104	14,676	103,490	29,296	129,458	38,543	20,367
Profitability (cost)							
Rate of return on assets	6.4 %	1.0 %	11.0 %	6.0 %	9.5 %	5.8 %	6.3 %
Rate of return on equity	8.3 %	-0.4 %	16.1 %	7.5 %	13.3 %	7.9 %	8.9 %
Operating profit margin	17.8 %	3.4 %	26.0 %	24.4 %	22.8 %	18.7 %	17.7 %
Asset turnover rate	36.2 %	31.2 %	42.1 %	24.5 %	41.9 %	30.8 %	35.7 %
Profitability (market)							
Rate of return on assets	7.1 %	3.4 %	10.8 %	6.4 %	8.9 %	5.7 %	6.7 %
Rate of return on equity	10.1 %	3.8 %	16.4 %	9.1 %	12.5 %	8.0 %	10.1 %
Operating profit margin	23.8 %	13.3 %	30.3 %	29.2 %	25.9 %	23.0 %	23.6 %
Asset turnover rate	29.9 %	25.4 %	35.7 %	21.9 %	34.4 %	24.9 %	28.6 %
Liquidity & Repayment (end of year)							
Current assets	379,735	510,154	294,054	441,615	354,495	319,296	352,316
Current liabilities	208,684	255,132	135,564	354,602	193,169	181,681	226,575
Current ratio	1.82	2.00	2.17	1.25	1.84	1.76	1.55
Working capital	171,051	255,022	158,490	87,013	161,325	137,616	125,741
Working capital to gross inc	25.4 %	48.8 %	16.9 %	14.3 %	19.1 %	33.2 %	23.5 %
Term debt coverage ratio	1.75	0.57	2.54	2.13	1.71	1.78	1.66
Replacement coverage ratio	1.50	0.44	2.28	1.90	1.66	1.53	1.46
Term debt to EBITDA	2.45	3.46	1.90	2.39	2.16	3.20	2.96
Solvency (end of year at cost)							
Number of farms	566	152	185	31	17	40	138
Total assets	1,689,343	1,864,152	1,817,943	1,345,738	1,949,655	1,211,663	1,506,311
Total liabilities	704,669	666,323	720,239	724,402	780,403	581,620	742,332
Net worth	984,674	1,197,829	1,097,705	621,336	1,169,251	630,043	763,979
Net worth change	80,649	-11,600	160,097	63,469	149,218	70,089	74,289
Farm debt to asset ratio	44 %	37 %	42 %	57 %	43 %	50 %	52 %
Total debt to asset ratio	42 %	36 %	40 %	54 %	40 %	48 %	49 %
Change in earned net worth %	9 %	-1 %	17 %	11 %	15 %	13 %	11 %
Solvency (end of year at market)							
Number of farms	566	152	185	31	17	40	138
Total assets	2,032,113	2,288,852	2,131,354	1,508,234	2,344,375	1,488,922	1,858,055
Total liabilities	883,164	887,522	896,023	841,149	952,051	705,053	908,404
Net worth	1,148,949	1,401,329	1,235,331	667,085	1,392,324	783,869	949,651
Total net worth change	111,833	43,722	183,948	75,917	171,527	87,011	98,753
Farm debt to asset ratio	44 %	39 %	42 %	57 %	41 %	47 %	49 %
Total debt to asset ratio	43 %	39 %	42 %	56 %	41 %	47 %	49 %
Change in total net worth %	11 %	3 %	17 %	13 %	14 %	12 %	12 %
Nonfarm Information							
Net nonfarm income	25,050	32,622	12,643	35,471	13,439	40,061	28,358
Farms reporting living expenses	88	22	28	6	2	6	23
Total family living expense	51,248	61,588	55,681	30,804	-	47,236	44,038
Total living, invest, cap. purch	69,840	105,626	69,428	33,850	-	57,147	52,002
Crop Acres							
Total crop acres	697	1,283	367	388	786	594	580
Total crop acres owned	253	469	160	113	279	224	177
Total crop acres cash rented	432	790	201	275	504	361	394
Total crop acres share rented	12	25	6	-	3	8	10
Machinery value per crop acre	607	448	1,054	492	718	520	650

Selected Factors by Type of Farm

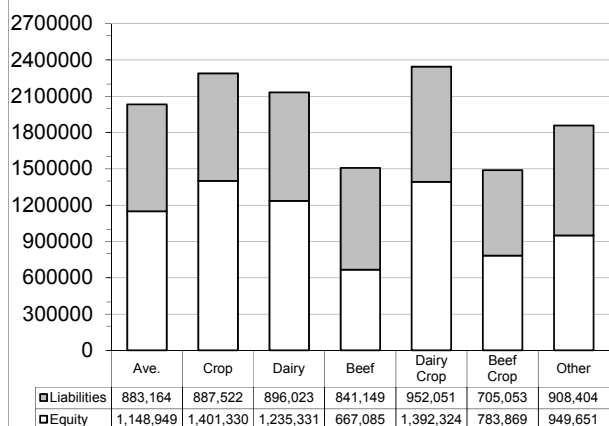
Net Farm Income



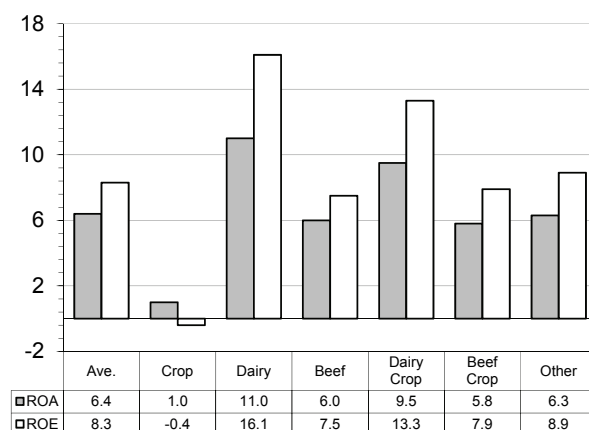
Change in Net Worth



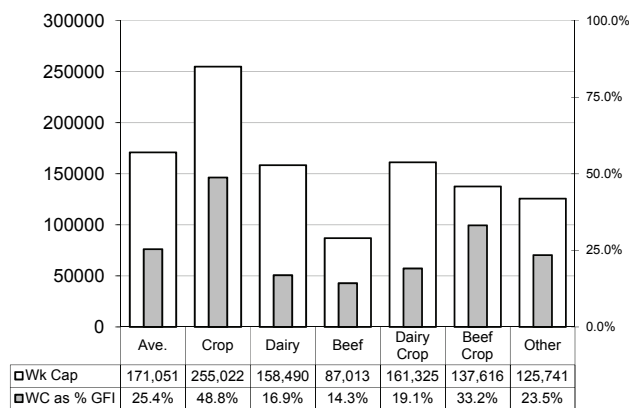
Total Assets shown as Equity & Liabilities



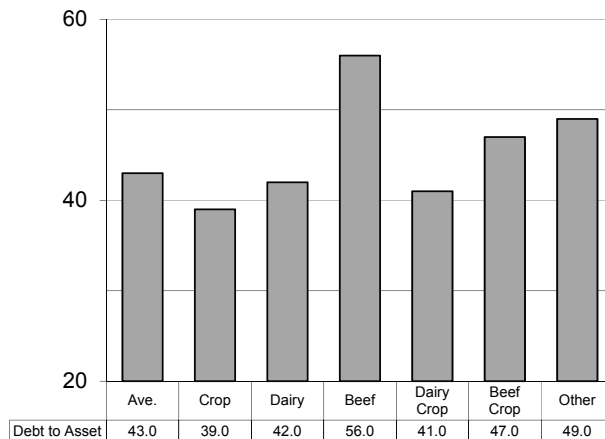
Rate of Return on Assets & Equity (%)



Working Capital



Ending Debt to Asset Ratio (%)



Financial Summary
Northern Minnesota Farm Business Management Data
(Farms Sorted By Total 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	85	127	126	102	55	27	42
Income Statement							
Gross cash farm income	297,437	260,116	414,468	766,048	1,158,302	1,416,302	1,820,808
Total cash farm expense	243,059	207,749	331,527	631,474	873,869	1,181,411	1,381,692
Net cash farm income	54,379	52,368	82,941	134,574	284,433	234,891	439,116
Inventory change	12,745	15,226	24,139	75,788	1,512	37,690	-99,697
Depreciation	-17,056	-14,479	-27,713	-44,480	-77,112	-87,600	-117,462
Net farm income from operations	50,068	53,115	79,367	165,882	208,833	184,981	221,957
Gain or loss on capital sales	-242	193	522	1,151	-20	-	-714
Average net farm income	49,826	53,309	79,889	167,032	208,813	184,981	221,242
Median net farm income	20,569	36,651	45,897	54,576	79,009	99,547	104,959
Profitability (cost)							
Rate of return on assets	6.1 %	6.5 %	6.5 %	8.8 %	7.3 %	5.2 %	4.3 %
Rate of return on equity	8.9 %	9.1 %	8.4 %	13.0 %	9.7 %	5.9 %	4.6 %
Operating profit margin	19.5 %	19.6 %	19.7 %	21.9 %	19.1 %	13.3 %	12.4 %
Asset turnover rate	31.3 %	33.0 %	32.8 %	40.1 %	38.2 %	39.4 %	34.3 %
Profitability (market)							
Rate of return on assets	6.5 %	6.3 %	8.1 %	8.2 %	9.6 %	5.2 %	5.0 %
Rate of return on equity	9.9 %	8.6 %	11.6 %	12.5 %	14.4 %	6.3 %	6.6 %
Operating profit margin	25.7 %	26.1 %	30.7 %	24.6 %	29.6 %	15.2 %	17.1 %
Asset turnover rate	25.3 %	24.2 %	26.3 %	33.4 %	32.5 %	34.2 %	29.1 %
Liquidity & Repayment (end of year)							
Current assets	128,070	103,790	204,922	443,455	612,297	918,421	1,329,501
Current liabilities	110,183	59,839	108,742	212,201	346,773	601,652	694,403
Current ratio	1.16	1.73	1.88	2.09	1.77	1.53	1.91
Working capital	17,887	43,951	96,180	231,254	265,525	316,769	635,098
Working capital to gross inc	5.8 %	16.3 %	22.3 %	27.3 %	23.0 %	21.7 %	37.6 %
Term debt coverage ratio	1.67	1.76	1.88	2.23	1.71	1.56	1.24
Replacement coverage ratio	1.47	1.56	1.61	1.96	1.55	1.33	0.98
Term debt to EBITDA	2.95	3.34	2.85	2.33	2.23	2.16	1.92
Solvency (end of year at cost)							
Number of farms	85	127	126	102	55	27	42
Total assets	786,090	774,954	1,214,853	1,907,628	2,782,865	3,312,278	4,448,451
Total liabilities	400,992	370,430	521,169	828,150	1,106,403	1,448,361	1,539,821
Net worth	385,098	404,525	693,684	1,079,478	1,676,462	1,863,917	2,908,630
Net worth change	42,633	46,832	62,467	138,429	146,396	107,433	74,856
Farm debt to asset ratio	55 %	53 %	47 %	46 %	41 %	45 %	35 %
Total debt to asset ratio	51 %	48 %	43 %	43 %	40 %	44 %	35 %
Change in earned net worth %	12 %	13 %	10 %	15 %	10 %	6 %	3 %
Solvency (end of year at market)							
Number of farms	85	127	126	102	55	27	42
Total assets	959,900	1,021,817	1,494,721	2,264,661	3,301,866	3,791,122	5,265,555
Total liabilities	464,228	444,553	640,994	1,014,013	1,400,409	1,826,526	2,121,887
Net worth	495,672	577,264	853,727	1,250,647	1,901,458	1,964,595	3,143,669
Total net worth change	55,209	60,977	97,754	150,493	248,201	137,007	138,951
Farm debt to asset ratio	51 %	46 %	44 %	45 %	42 %	45 %	40 %
Total debt to asset ratio	48 %	44 %	43 %	45 %	42 %	48 %	40 %
Change in total net worth %	13 %	12 %	13 %	14 %	15 %	7 %	5 %
Nonfarm Information							
Net nonfarm income	26,488	32,916	23,615	23,793	22,052	23,093	12,082
Farms reporting living expenses	16	29	16	15	2	5	5
Total family living expense	41,582	47,893	50,410	47,941	-	67,372	88,130
Total living, invest, cap. purch	48,535	62,596	60,617	58,323	-	93,799	195,071
Crop Acres							
Total crop acres	27	178	362	716	1,237	1,807	2,931
Total crop acres owned	20	97	175	266	428	538	970
Total crop acres cash rented	6	79	186	439	803	1,228	1,890
Total crop acres share rented	-	2	2	11	7	41	71
Machinery value per crop acre	1,405	971	747	621	613	561	504

Crop Production and Marketing Summary
Northern Minnesota Farm Business Management Data
(Farms Sorted By Net Farm Income)

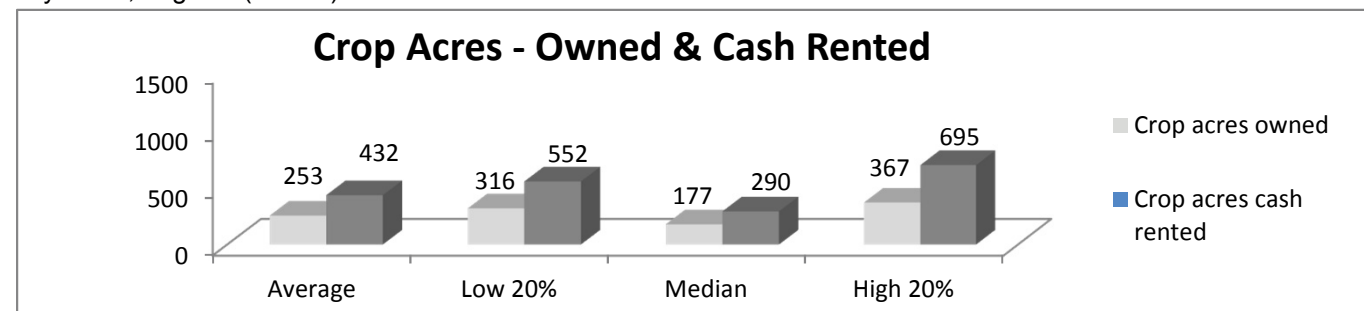
	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	566	113	113	114
Acreage Summary				
Total acres owned	324	365	259	483
Total crop acres	697	886	477	1,079
Crop acres owned	253	316	177	367
Crop acres cash rented	432	552	290	695
Crop acres share rented	12	18	10	17
Total pasture acres	45	31	36	101
Percent crop acres owned	36%	36%	37%	34%
Mach invest/crop acre cost	538	447	439	692
Mach invest/crop acre market	607	519	511	754

Average Price Received (Cash Sales Only)

Soybeans per bushel	11.38	11.36	10.93	11.85
Corn per bushel	4.02	3.88	3.90	4.36
Wheat, Spring per bushel	6.31	5.92	5.79	6.76
Hay, Alfalfa per ton	142.67	138.89	131.62	168.95
Oats per bushel	3.61	3.33	3.56	4.24
Hay, Grass per ton	110.15	103.10	99.52	129.75
Hay, Mixed per ton	103.33	98.51	106.96	-
Corn Silage per ton	38.37	32.76	35.42	42.77
Barley per bushel	6.28	6.18	-	-
Rye per bushel	7.20	-	7.22	6.50
Beans, Dark Red Kidney per cwt	55.06	-	-	-
Beans, Navy per cwt	29.79	-	-	-
Corn, Organic per bushel	12.21	-	-	-
Soybeans, Organic per bushel	16.53	-	-	-

Average Yield Per Acre

Corn (bushel)	118.75	114.27	115.72	128.56
Soybeans (bushel)	32.87	30.90	32.16	35.59
Corn Silage (ton)	13.76	12.01	12.22	14.50
Hay, Alfalfa (ton)	3.85	3.17	3.24	4.46
Wheat, Spring (bushel)	61.59	54.55	58.27	66.30
Hay, Grass (ton)	2.15	2.27	2.11	2.15
Hay, Mixed (ton)	1.90	1.51	2.19	2.63
Oats (bushel)	66.16	70.16	44.04	73.20
Barley (bushel)	45.67	43.89	-	-
Rye (bushel)	29.17	21.80	-	26.99
Beans, Navy (cwt)	14.59	-	-	-
Corn, Organic (bushel)	84.74	36.73	-	-
Soybeans, Organic (bushel)	15.46	24.65	-	-



Individual Enterprise Analysis Tables

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

Crop report 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.

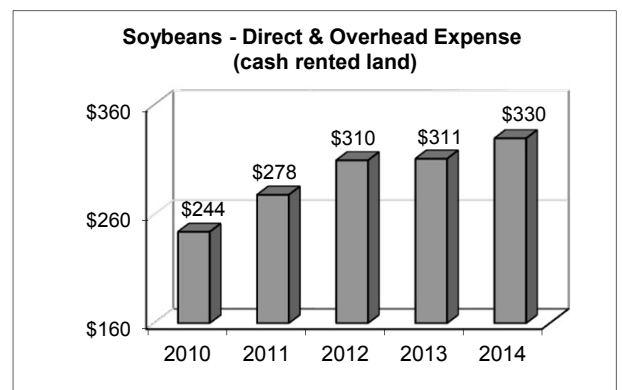
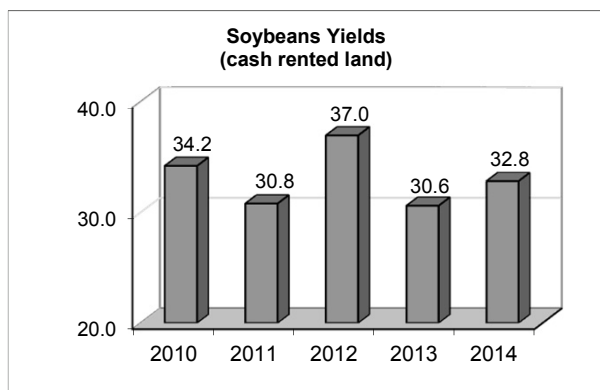
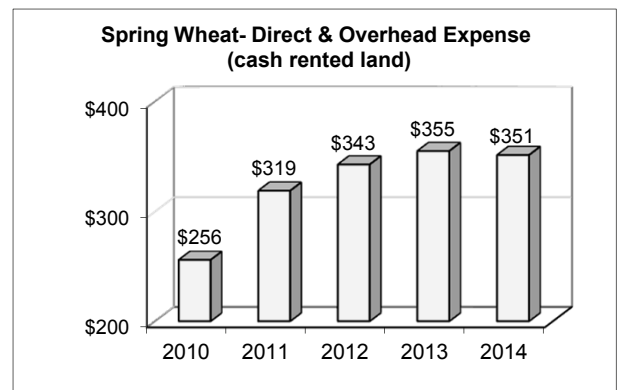
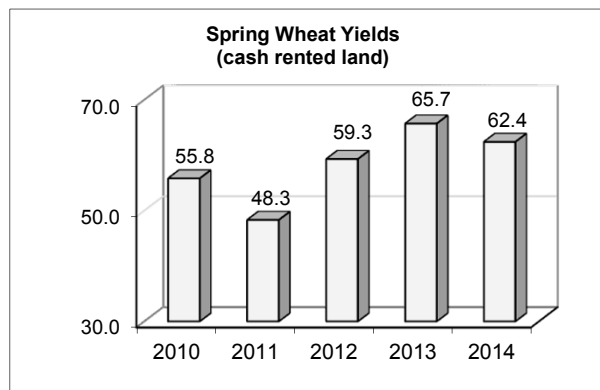
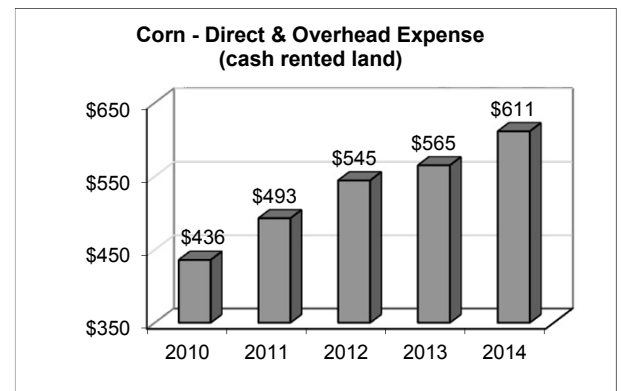
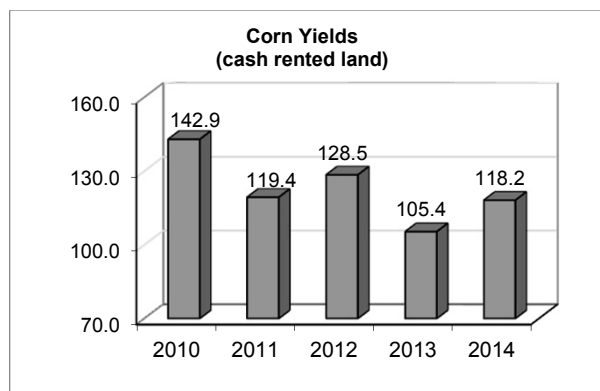
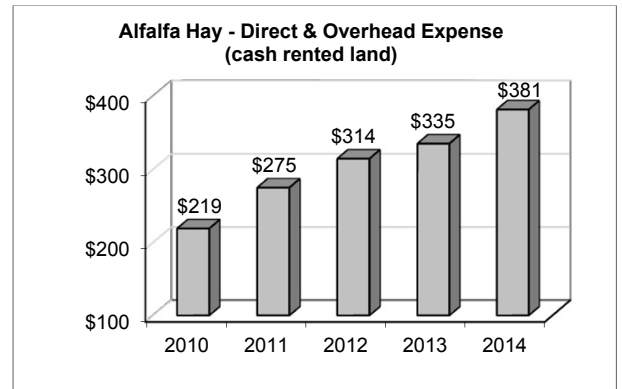
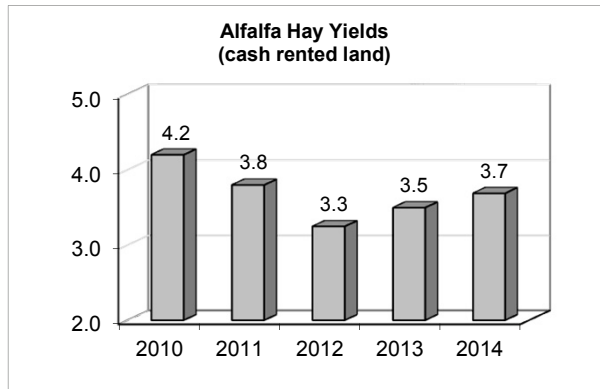
Towards the bottom of both the crop and livestock enterprise tables, are four (4) factors that show varying levels of Cost of Production. Those factors include a cost of production based on: direct costs, overhead & direct costs, total cost less government payments and/or other revenue, and total cost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

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. A machinery cost summary for five prominent Northern Minnesota crops is listed below. Data is taken from the owned land enterprise tables.

Crop	2010	2011	2012	2013	2014
Alfalfa Hay	\$122.97	\$134.95	\$150.94	\$145.46	\$190.49
Corn	\$118.92	\$142.37	154.11	152.35	\$162.84
Corn Silage	\$146.13	\$184.16	\$185.94	\$178.58	\$229.01
Soybeans	\$70.06	\$87.20	\$88.40	\$85.28	\$87.39
Spring Wheat	\$73.46	\$84.21	\$94.18	\$87.97	\$86.33

Five Year History of Crop Yields and Cost of Production

Northern Minnesota Farm Business Management Data



Crop Enterprise Analysis
Northern Minnesota Farm Business Management Data
(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 farms	170	34	34
Yield per acre (bu.)	118.76	113.70	129.27
Operators share of yield %	100.00	100.00	100.00
Value per bu.	3.42	3.48	3.53
Other product return per acre	3.97	6.66	3.52
Total product return per acre	410.68	402.26	459.27
Crop insurance per acre	86.01	64.67	135.94
Other crop income per acre	9.58	4.00	26.06
Gross return per acre	506.27	470.93	621.27
Direct Expenses			
Seed	101.25	97.16	100.67
Fertilizer	124.34	112.88	121.45
Crop chemicals	27.02	26.04	25.10
Crop insurance	21.51	20.40	23.47
Drying expense	15.73	12.63	15.63
Storage	1.23	0.32	-
Packaging and supplies	0.47	0.66	0.67
Fuel & oil	38.40	43.58	37.80
Repairs	49.52	50.26	33.40
Custom hire	13.15	12.12	6.64
Hired labor	1.04	-	0.18
Machinery leases	2.24	2.83	4.13
Hauling and trucking	1.50	0.76	0.66
Marketing	0.68	0.72	0.37
Operating interest	5.78	6.49	5.06
Miscellaneous	3.20	2.97	3.70
Total direct expenses per acre	407.08	389.81	378.93
Return over direct exp per acre	99.19	81.11	242.34
Overhead Expenses			
Hired labor	14.70	20.29	13.88
Machinery leases	1.87	4.07	0.72
Building leases	0.99	0.03	1.01
RE & pers. property taxes	18.12	13.52	19.94
Farm insurance	10.21	9.95	8.55
Utilities	7.10	6.64	6.65
Dues & professional fees	4.59	3.06	4.58
Interest	51.44	66.52	52.18
Mach & bldg depreciation	58.34	43.82	66.50
Miscellaneous	7.26	5.70	8.64
Total overhead expenses per acre	174.59	173.61	182.64
Total dir & ovhd expenses per acre	581.67	563.42	561.57
Net return per acre	-75.40	-92.49	59.70
Government payments	0.29	-	1.16
Net return with govt pmts	-75.12	-92.49	60.86
Labor & management charge	51.43	37.43	50.11
Net return over lbr & mgt	-126.54	-129.92	10.75
Cost of Production			
Total direct expense per bu.	3.43	3.43	2.93
Total dir & ovhd exp per bu.	4.90	4.96	4.34
Less govt & other income	4.06	4.29	3.05
With labor & management	4.49	4.62	3.44
Net value per unit	3.42	3.48	3.53
Machinery cost per acre	162.84	162.93	148.07
Est. labor hours per acre	4.25	3.95	3.94

Crop Enterprise Analysis
Northern Minnesota Farm Business Management Data
(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 farms	200	40	40
Yield per acre (bu.)	118.20	115.36	128.43
Operators share of yield %	100.00	100.00	100.00
Value per bu.	3.49	3.48	3.49
Other product return per acre	4.07	6.23	8.56
Total product return per acre	416.31	407.68	456.61
Hedging gains/losses per acre	0.30	-	-
Crop insurance per acre	100.05	71.39	149.91
Other crop income per acre	4.97	3.39	7.56
Gross return per acre	521.63	482.46	614.08
Direct Expenses			
Seed	98.79	98.78	97.11
Fertilizer	129.22	127.14	117.03
Crop chemicals	26.44	24.92	24.58
Crop insurance	20.96	17.63	19.20
Drying expense	14.82	13.65	8.79
Storage	1.57	2.13	-
Fuel & oil	37.43	32.10	37.13
Repairs	49.23	47.96	38.18
Custom hire	11.14	9.28	6.42
Hired labor	1.77	0.16	1.61
Land rent	101.95	84.72	92.17
Machinery leases	4.02	4.80	0.71
Utilities	0.52	0.17	1.13
Hauling and trucking	1.09	0.60	0.64
Marketing	0.77	0.48	0.15
Operating interest	6.94	8.69	5.52
Miscellaneous	2.29	1.71	2.95
Total direct expenses per acre	508.96	474.91	453.32
Return over direct exp per acre	12.67	7.54	160.76
Overhead Expenses			
Hired labor	18.22	19.60	14.35
Machinery leases	3.82	1.87	0.66
Building leases	0.73	0.12	0.23
Farm insurance	7.59	7.50	8.38
Utilities	5.34	4.10	6.43
Dues & professional fees	4.97	4.64	4.60
Interest	6.92	8.52	5.35
Mach & bldg depreciation	48.83	42.93	51.45
Miscellaneous	5.78	7.23	4.34
Total overhead expenses per acre	102.20	96.52	95.80
Total dir & ovhd expenses per acre	611.16	571.44	549.12
Net return per acre	-89.53	-88.98	64.96
Government payments	0.26	0.01	1.25
Net return with govt pmts	-89.27	-88.97	66.21
Labor & management charge	42.30	36.81	41.98
Net return over lbr & mgt	-131.57	-125.78	24.23
Cost of Production			
Total direct expense per bu.	4.31	4.12	3.53
Total dir & ovhd exp per bu.	5.17	4.95	4.28
Less govt & other income	4.24	4.25	2.97
With labor & management	4.60	4.57	3.30
Net value per unit	3.49	3.48	3.49
Machinery cost per acre	155.90	142.88	133.34
Est. labor hours per acre	3.74	3.03	3.55

Crop Enterprise Analysis
Northern Minnesota Farm Business Management Data
(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 farms	148	29	30
Yield per acre (bu.)	33.02	33.64	38.17
Operators share of yield %	100.00	100.00	100.00
Value per bu.	9.73	9.66	9.90
Other product return per acre	0.12	-	-
Total product return per acre	321.52	324.79	377.71
Crop insurance per acre	18.08	18.68	30.32
Other crop income per acre	2.65	0.77	4.99
Gross return per acre	342.25	344.24	413.01
Direct Expenses			
Seed	62.30	63.58	58.46
Fertilizer	32.44	35.63	34.94
Crop chemicals	20.87	26.85	22.18
Crop insurance	15.67	14.64	16.64
Drying expense	0.33	0.60	0.05
Fuel & oil	21.96	22.38	20.34
Repairs	24.08	28.27	17.98
Custom hire	6.68	8.58	3.15
Hired labor	0.55	1.43	0.94
Machinery leases	0.84	0.37	1.27
Hauling and trucking	0.89	1.07	0.36
Marketing	0.53	0.29	0.20
Operating interest	3.59	3.93	1.73
Miscellaneous	1.23	0.98	1.13
Total direct expenses per acre	191.96	208.59	179.39
Return over direct exp per acre	150.28	135.64	233.62
Overhead Expenses			
Hired labor	8.82	8.48	8.44
Machinery leases	1.43	0.92	0.33
RE & pers. property taxes	12.49	11.80	15.67
Farm insurance	5.90	6.33	5.22
Utilities	4.32	5.06	3.52
Dues & professional fees	2.53	2.65	2.58
Interest	26.88	22.35	25.52
Mach & bldg depreciation	31.85	24.09	36.72
Miscellaneous	3.18	2.25	3.28
Total overhead expenses per acre	97.41	83.93	101.28
Total dir & ovhd expenses per acre	289.37	292.53	280.67
Net return per acre	52.87	51.71	132.34
Government payments	0.30	0.21	0.85
Net return with govt pmts	53.17	51.92	133.20
Labor & management charge	28.28	29.60	28.06
Net return over lbr & mgt	24.89	22.32	105.13
Cost of Production			
Total direct expense per bu.	5.81	6.20	4.70
Total dir & ovhd exp per bu.	8.76	8.70	7.35
Less govt & other income	8.12	8.11	6.41
With labor & management	8.98	8.99	7.14
Net value per unit	9.73	9.66	9.90
Machinery cost per acre	87.39	84.73	79.78
Est. labor hours per acre	1.94	2.27	1.74

Crop Enterprise Analysis
Northern Minnesota Farm Business Management Data
(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 farms	194	39	39
Yield per acre (bu.)	32.83	31.33	39.52
Operators share of yield %	100.00	100.00	100.00
Value per bu.	9.78	10.06	9.93
Other product return per acre	0.03	0.09	0.10
Total product return per acre	321.01	315.36	392.59
Hedging gains/losses per acre	0.04	-	-
Crop insurance per acre	17.08	10.73	26.78
Other crop income per acre	4.07	6.46	7.45
Gross return per acre	342.20	332.55	426.82
Direct Expenses			
Seed	63.91	65.97	61.32
Fertilizer	31.20	28.61	23.14
Crop chemicals	20.78	19.43	26.65
Crop insurance	16.57	17.01	17.58
Drying expense	0.54	0.00	1.75
Fuel & oil	21.62	23.51	20.91
Repairs	23.84	24.50	22.09
Custom hire	5.20	4.44	5.13
Hired labor	1.53	0.77	-
Land rent	80.62	72.05	81.54
Machinery leases	2.16	0.34	2.14
Hauling and trucking	0.45	0.69	0.44
Marketing	0.36	0.25	0.70
Operating interest	3.27	2.41	3.29
Miscellaneous	1.60	1.24	1.62
Total direct expenses per acre	273.65	261.23	268.31
Return over direct exp per acre	68.55	71.32	158.51
Overhead Expenses			
Hired labor	7.25	7.39	8.67
Machinery leases	2.88	1.79	5.26
Building leases	0.72	0.89	0.48
Farm insurance	4.90	4.60	5.14
Utilities	3.82	4.07	4.08
Dues & professional fees	2.74	2.01	3.19
Interest	3.66	2.44	4.51
Mach & bldg depreciation	26.24	22.32	28.02
Miscellaneous	3.73	1.79	3.37
Total overhead expenses per acre	55.94	47.30	62.72
Total dir & ovhd expenses per acre	329.59	308.53	331.04
Net return per acre	12.61	24.02	95.79
Government payments	0.43	0.13	-
Net return with govt pmts	13.04	24.15	95.79
Labor & management charge	25.24	25.12	27.07
Net return over lbr & mgt	-12.20	-0.97	68.72
Cost of Production			
Total direct expense per bu.	8.34	8.34	6.79
Total dir & ovhd exp per bu.	10.04	9.85	8.38
Less govt & other income	9.38	9.29	7.51
With labor & management	10.15	10.09	8.19
Net value per unit	9.78	10.06	9.93
Machinery cost per acre	83.48	78.08	85.32
Est. labor hours per acre	1.65	1.66	1.80

Crop Enterprise Analysis
Northern Minnesota Farm Business Management Data
(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 farms	74	15	15
Yield per acre (bu.)	60.20	60.52	70.23
Operators share of yield %	100.00	100.00	100.00
Value per bu.	5.62	5.39	5.74
Other product return per acre	0.28	1.71	-
Total product return per acre	338.87	328.06	402.99
Crop insurance per acre	9.45	7.89	15.89
Other crop income per acre	4.92	7.10	14.82
Gross return per acre	353.24	343.04	433.70
Direct Expenses			
Seed	23.06	26.23	23.02
Fertilizer	97.25	96.90	84.06
Crop chemicals	31.20	30.08	27.65
Crop insurance	13.66	16.27	10.27
Drying expense	4.34	3.31	4.44
Fuel & oil	21.94	21.31	21.06
Repairs	21.23	22.38	19.65
Custom hire	7.08	5.30	5.15
Hired labor	1.20	-	0.73
Machinery leases	0.44	0.91	0.92
Hauling and trucking	0.56	-	0.33
Marketing	0.62	2.05	0.01
Operating interest	2.90	4.44	2.20
Miscellaneous	1.32	0.97	0.53
Total direct expenses per acre	226.80	230.15	200.02
Return over direct exp per acre	126.44	112.89	233.69
Overhead Expenses			
Hired labor	12.65	10.38	12.83
Machinery leases	1.29	2.84	0.43
RE & pers. property taxes	10.21	10.15	12.45
Farm insurance	6.13	5.76	5.08
Utilities	4.51	4.14	3.78
Dues & professional fees	2.52	3.15	2.19
Interest	18.72	26.08	18.74
Mach & bldg depreciation	33.91	24.87	40.16
Miscellaneous	3.65	3.24	4.35
Total overhead expenses per acre	93.61	90.60	100.02
Total dir & ovhd expenses per acre	320.40	320.75	300.04
Net return per acre	32.83	22.29	133.67
Government payments	0.35	-	-
Net return with govt pmts	33.18	22.29	133.67
Labor & management charge	27.23	26.39	26.49
Net return over lbr & mgt	5.95	-4.10	107.17
Cost of Production			
Total direct expense per bu.	3.77	3.80	2.85
Total dir & ovhd exp per bu.	5.32	5.30	4.27
Less govt & other income	5.07	5.02	3.84
With labor & management	5.53	5.46	4.21
Net value per unit	5.62	5.39	5.74
Machinery cost per acre	86.33	79.42	89.08
Est. labor hours per acre	1.79	1.87	1.89

Crop Enterprise Analysis
Northern Minnesota Farm Business Management Data
(Farms Sorted By Return to Overhead)

Wheat, Spring on Cash Rent

	<u>Avg. Of All Farms</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	101	20	21
Yield per acre (bu.)	62.39	57.44	68.19
Operators share of yield %	100.00	100.00	100.00
Value per bu.	5.56	5.46	5.93
Other product return per acre	0.39	-	1.16
Total product return per acre	347.59	313.75	405.54
Hedging gains/losses per acre	0.08	-	-
Crop insurance per acre	5.52	4.01	18.03
Other crop income per acre	8.34	3.78	23.02
Gross return per acre	361.53	321.54	446.59
Direct Expenses			
Seed	23.13	23.84	22.90
Fertilizer	94.69	94.34	84.84
Crop chemicals	29.09	27.92	27.23
Crop insurance	13.58	14.30	13.02
Drying expense	3.83	1.71	4.24
Packaging and supplies	0.17	0.62	0.04
Fuel & oil	21.91	20.29	17.37
Repairs	23.35	20.57	23.15
Custom hire	6.79	5.45	4.99
Hired labor	1.84	-	0.85
Land rent	71.67	64.62	64.53
Machinery leases	1.63	5.47	1.61
Operating interest	2.86	3.51	2.54
Miscellaneous	1.52	1.70	1.30
Total direct expenses per acre	296.07	284.34	268.60
Return over direct exp per acre	65.45	37.20	177.99
Overhead Expenses			
Hired labor	8.68	11.04	10.72
Machinery leases	2.54	2.20	4.17
Building leases	0.86	0.02	0.12
Farm insurance	5.07	3.87	4.74
Utilities	3.94	3.05	2.81
Dues & professional fees	2.23	1.89	1.83
Interest	2.90	3.51	3.58
Mach & bldg depreciation	25.84	26.74	25.82
Miscellaneous	3.20	1.64	3.56
Total overhead expenses per acre	55.26	53.96	57.35
Total dir & ovhd expenses per acre	351.33	338.30	325.95
Net return per acre	10.20	-16.76	120.64
Government payments	0.14	-	-
Net return with govt pmts	10.33	-16.76	120.64
Labor & management charge	24.77	21.39	25.27
Net return over lbr & mgt	-14.43	-38.15	95.37
Cost of Production			
Total direct expense per bu.	4.75	4.95	3.94
Total dir & ovhd exp per bu.	5.63	5.89	4.78
Less govt & other income	5.40	5.75	4.16
With labor & management	5.80	6.13	4.53
Net value per unit	5.57	5.46	5.93
Machinery cost per acre	83.46	82.62	78.87
Est. labor hours per acre	1.54	1.38	1.55

Crop Enterprise Analysis
Northern Minnesota Farm Business Management Data
(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 farms	151	30	31
Yield per acre (ton)	14.31	14.88	17.35
Operators share of yield %	100.00	100.00	100.00
Value per ton	35.05	34.47	35.24
Total product return per acre	501.67	512.72	611.48
Crop insurance per acre	83.27	58.09	142.68
Other crop income per acre	1.20	2.14	0.51
Gross return per acre	586.14	572.94	754.67
Direct Expenses			
Seed	92.84	94.41	94.26
Fertilizer	73.60	73.40	70.15
Crop chemicals	28.69	30.92	28.49
Crop insurance	17.84	14.90	23.78
Storage	4.16	5.83	1.01
Packaging and supplies	3.30	2.55	4.54
Fuel & oil	51.84	55.85	53.78
Repairs	71.04	65.98	60.53
Custom hire	40.88	50.71	28.40
Hired labor	1.07	0.18	2.16
Machinery leases	2.93	0.62	3.80
Utilities	0.68	0.28	0.27
Operating interest	4.01	5.12	2.87
Miscellaneous	3.47	3.83	3.58
Total direct expenses per acre	396.36	404.59	377.60
Return over direct exp per acre	189.78	168.36	377.07
Overhead Expenses			
Custom hire	0.13	-	0.52
Hired labor	29.41	23.21	34.29
Machinery leases	5.09	0.86	2.19
Building leases	0.59	1.80	-
RE & pers. property taxes	12.92	16.10	12.76
Farm insurance	11.29	10.80	10.82
Utilities	6.59	8.80	6.69
Dues & professional fees	3.18	3.84	2.90
Interest	48.41	35.76	37.91
Mach & bldg depreciation	54.71	53.35	60.84
Miscellaneous	7.78	9.20	5.40
Total overhead expenses per acre	180.10	163.71	174.30
Total dir & ovhd expenses per acre	576.47	568.30	551.90
Net return per acre	9.68	4.64	202.77
Government payments	-	-	-
Net return with govt pmts	9.68	4.64	202.77
Labor & management charge	54.31	64.59	45.56
Net return over lbr & mgt	-44.63	-59.95	157.21
Cost of Production			
Total direct expense per ton	27.70	27.20	21.76
Total dir & ovhd exp per ton	40.28	38.20	31.81
Less govt & other income	34.38	34.16	23.56
With labor & management	38.17	38.50	26.18
Net value per unit	35.05	34.47	35.24
Machinery cost per acre	229.01	227.70	211.58
Est. labor hours per acre	5.22	6.53	4.90

Crop Enterprise Analysis
Northern Minnesota Farm Business Management Data
(Farms Sorted By Return to Overhead)

Corn Silage on Cash Rent

	<u>Avg. Of All Farms</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	148	29	30
Yield per acre (ton)	13.37	12.97	15.60
Operators share of yield %	100.00	100.00	100.00
Value per ton	35.02	35.85	35.86
Total product return per acre	468.38	465.03	559.58
Crop insurance per acre	104.47	74.04	167.30
Other crop income per acre	2.20	1.02	0.02
Gross return per acre	575.04	540.08	726.90
Direct Expenses			
Seed	94.83	95.32	83.18
Fertilizer	82.03	94.38	70.96
Crop chemicals	26.69	30.33	27.30
Crop insurance	18.29	14.47	19.23
Storage	2.16	2.08	0.80
Packaging and supplies	4.87	2.83	3.79
Fuel & oil	51.28	43.13	48.85
Repairs	66.13	68.83	48.48
Custom hire	35.89	31.83	13.71
Hired labor	1.21	0.50	1.79
Land rent	89.51	68.19	65.97
Machinery leases	12.50	0.51	0.64
Operating interest	4.36	5.13	3.05
Miscellaneous	3.42	3.72	1.31
Total direct expenses per acre	493.18	461.23	389.07
Return over direct exp per acre	81.86	78.85	337.84
Overhead Expenses			
Hired labor	29.51	31.04	25.20
Machinery leases	6.61	10.48	0.16
Building leases	0.50	0.47	0.00
Farm insurance	6.74	7.00	6.07
Utilities	5.88	4.42	5.25
Dues & professional fees	3.51	3.07	1.89
Interest	8.74	8.32	5.41
Mach & bldg depreciation	52.48	45.12	52.29
Miscellaneous	6.27	7.16	3.39
Total overhead expenses per acre	120.25	117.08	99.67
Total dir & ovhd expenses per acre	613.43	578.31	488.74
Net return per acre	-38.39	-38.22	238.17
Government payments	-	-	-
Net return with govt pmts	-38.39	-38.22	238.17
Labor & management charge	49.47	49.23	53.18
Net return over lbr & mgt	-87.86	-87.46	184.99
Cost of Production			
Total direct expense per ton	36.87	35.55	24.93
Total dir & ovhd exp per ton	45.86	44.58	31.32
Less govt & other income	37.89	38.79	20.60
With labor & management	41.59	42.59	24.01
Net value per unit	35.02	35.85	35.86
Machinery cost per acre	229.45	204.22	166.01
Est. labor hours per acre	5.06	4.55	4.03

Crop Enterprise Analysis
Northern Minnesota Farm Business Management Data
(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 farms	116	23	24
Yield per acre (ton)	4.04	3.32	5.66
Operators share of yield %	100.00	100.00	100.00
Value per ton	176.49	204.63	222.65
Total product return per acre	712.22	678.96	1,260.76
Crop insurance per acre	1.61	1.50	0.49
Other crop income per acre	3.72	1.34	12.84
Gross return per acre	717.56	681.80	1,274.09
Direct Expenses			
Fertilizer	37.97	28.56	56.45
Crop chemicals	3.95	6.19	5.33
Non-chemical crop protect	0.21	0.23	1.02
Crop insurance	4.65	5.30	3.65
Storage	4.60	6.20	5.80
Packaging and supplies	2.24	0.53	5.62
Fuel & oil	49.27	43.06	59.39
Repairs	65.30	74.20	63.54
Custom hire	16.45	39.61	21.97
Hired labor	1.27	0.17	-
Machinery leases	1.57	6.83	0.27
Operating interest	4.62	7.56	2.34
Miscellaneous	4.26	2.50	2.44
Total direct expenses per acre	196.38	220.93	227.81
Return over direct exp per acre	521.18	460.87	1,046.27
Overhead Expenses			
Hired labor	27.63	26.56	21.30
Machinery leases	1.52	4.18	0.04
RE & pers. property taxes	14.51	14.43	15.13
Farm insurance	12.44	11.21	12.91
Utilities	7.89	9.41	9.55
Dues & professional fees	3.99	4.33	4.64
Interest	52.30	59.79	65.29
Mach & bldg depreciation	55.82	54.55	65.64
Miscellaneous	7.37	6.53	8.16
Total overhead expenses per acre	183.46	190.99	202.65
Total dir & ovhd expenses per acre	379.84	411.92	430.47
Net return per acre	337.71	269.88	843.62
Government payments	0.06	-	-
Net return with govt pmts	337.77	269.88	843.62
Labor & management charge	51.22	53.13	49.26
Net return over lbr & mgt	286.55	216.75	794.36
Cost of Production			
Total direct expense per ton	48.66	66.59	40.23
Total dir & ovhd exp per ton	94.13	124.15	76.02
Less govt & other income	92.79	123.29	73.67
With labor & management	105.48	139.30	82.36
Net value per unit	176.49	204.63	222.65
Machinery cost per acre	190.49	227.18	209.54
Est. labor hours per acre	5.80	6.10	5.76

Crop Enterprise Analysis
Northern Minnesota Farm Business Management Data
(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 farms	103	20	21
Yield per acre (ton)	3.69	3.79	5.24
Operators share of yield %	100.00	100.00	100.00
Value per ton	174.36	164.67	207.94
Total product return per acre	643.28	624.59	1,090.23
Crop insurance per acre	2.37	0.18	0.31
Other crop income per acre	1.24	3.08	-
Gross return per acre	646.88	627.85	1,090.55
Direct Expenses			
Fertilizer	39.18	30.48	34.17
Crop chemicals	5.74	8.07	3.74
Crop insurance	3.81	4.05	5.52
Storage	2.93	0.46	1.61
Packaging and supplies	2.54	0.26	1.80
Fuel & oil	44.05	45.81	40.80
Repairs	57.17	71.69	49.67
Custom hire	24.74	35.55	12.07
Hired labor	2.47	1.05	0.31
Land rent	84.40	87.96	68.69
Machinery leases	2.56	4.18	0.17
Hauling and trucking	0.24	-	0.91
Operating interest	4.87	6.65	2.06
Miscellaneous	2.20	3.14	1.02
Total direct expenses per acre	276.90	299.37	222.54
Return over direct exp per acre	369.98	328.48	868.01
Overhead Expenses			
Hired labor	22.43	27.70	20.84
Machinery leases	3.12	6.15	0.06
Building leases	0.52	0.66	0.35
Farm insurance	9.01	9.04	7.76
Utilities	6.48	9.65	5.51
Dues & professional fees	4.12	4.44	2.98
Interest	6.40	10.68	4.94
Mach & bldg depreciation	46.15	45.10	60.97
Miscellaneous	6.36	9.91	4.90
Total overhead expenses per acre	104.59	123.33	108.32
Total dir & ovhd expenses per acre	381.48	422.70	330.85
Net return per acre	265.40	205.15	759.69
Government payments	-	-	-
Net return with govt pmts	265.40	205.15	759.69
Labor & management charge	43.27	47.47	40.02
Net return over lbr & mgt	222.13	157.68	719.67
Cost of Production			
Total direct expense per ton	75.05	78.93	42.45
Total dir & ovhd exp per ton	103.40	111.45	63.10
Less govt & other income	102.43	110.58	63.04
With labor & management	114.16	123.10	70.68
Net value per unit	174.36	164.67	207.94
Machinery cost per acre	179.25	215.29	162.13
Est. labor hours per acre	4.73	5.33	4.73

Crop Enterprise Analysis
Northern Minnesota Farm Business Management Data
(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 farms	40	8	8
Yield per acre (ton)	1.86	2.47	3.34
Operators share of yield %	100.00	100.00	100.00
Value per ton	94.07	75.85	156.28
Total product return per acre	175.33	187.54	521.97
Crop insurance per acre	1.07	-	9.58
Other crop income per acre	0.45	-	4.04
Gross return per acre	176.85	187.54	535.59
Direct Expenses			
Seed	0.95	-	-
Fertilizer	12.32	23.46	2.34
Crop chemicals	0.35	-	3.10
Crop insurance	0.74	0.70	2.77
Storage	0.28	-	0.53
Packaging and supplies	1.28	1.22	0.32
Fuel & oil	27.14	22.40	26.01
Repairs	35.35	30.08	62.42
Custom hire	13.54	6.36	32.53
Hired labor	1.57	0.78	-
Operating interest	1.73	6.38	1.44
Miscellaneous	0.84	-	0.04
Total direct expenses per acre	96.09	91.37	131.49
Return over direct exp per acre	80.76	96.17	404.09
Overhead Expenses			
Hired labor	3.50	13.67	8.58
Machinery leases	0.37	1.26	-
RE & pers. property taxes	8.46	12.39	11.37
Farm insurance	4.95	2.98	6.22
Utilities	3.35	4.59	3.65
Dues & professional fees	1.68	0.70	3.50
Interest	22.45	62.97	10.00
Mach & bldg depreciation	27.04	20.04	40.33
Miscellaneous	4.68	2.46	8.77
Total overhead expenses per acre	76.48	121.05	92.41
Total dir & ovhd expenses per acre	172.56	212.42	223.90
Net return per acre	4.29	-24.88	311.69
Government payments	-	-	-
Net return with govt pmts	4.29	-24.88	311.69
Labor & management charge	33.63	24.38	69.92
Net return over lbr & mgt	-29.35	-49.26	241.77
Cost of Production			
Total direct expense per ton	51.55	36.96	39.37
Total dir & ovhd exp per ton	92.59	85.92	67.04
Less govt & other income	91.77	85.92	62.96
With labor & management	109.82	95.78	83.90
Net value per unit	94.07	75.85	156.28
Machinery cost per acre	104.39	83.44	161.43
Est. labor hours per acre	2.96	2.90	4.21

Crop Enterprise Analysis
Northern Minnesota Farm Business Management Data
(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 farms	43	8	9
Yield per acre (ton)	1.91	1.50	3.79
Operators share of yield %	100.00	100.00	100.00
Value per ton	102.85	95.48	141.81
Total product return per acre	196.92	142.90	538.00
Crop insurance per acre	1.03	-	5.11
Other crop income per acre	0.69	-	6.41
Gross return per acre	198.63	142.90	549.52
Direct Expenses			
Fertilizer	8.66	2.05	11.93
Crop chemicals	0.38	0.87	2.82
Crop insurance	1.57	-	0.34
Packaging and supplies	1.23	0.90	-
Fuel & oil	28.50	24.29	26.05
Repairs	33.28	24.66	37.96
Custom hire	5.13	9.11	12.54
Hired labor	2.21	0.56	1.53
Land rent	34.93	16.44	57.80
Machinery leases	1.15	-	-
Operating interest	1.96	2.29	4.53
Miscellaneous	1.24	0.66	-
Total direct expenses per acre	120.23	81.84	155.51
Return over direct exp per acre	78.40	61.06	394.01
Overhead Expenses			
Hired labor	7.07	11.55	3.66
Machinery leases	4.85	2.60	0.28
Building leases	0.18	0.23	0.65
Farm insurance	4.30	3.94	6.55
Utilities	2.00	1.19	3.80
Dues & professional fees	1.01	1.64	3.01
Interest	4.55	2.09	8.34
Mach & bldg depreciation	24.66	27.68	43.73
Miscellaneous	3.58	6.89	3.86
Total overhead expenses per acre	52.22	57.81	73.88
Total dir & ovhd expenses per acre	172.45	139.65	229.39
Net return per acre	26.18	3.25	320.13
Government payments	-	-	-
Net return with govt pmts	26.18	3.25	320.13
Labor & management charge	28.73	36.48	39.80
Net return over lbr & mgt	-2.55	-33.23	280.33
Cost of Production			
Total direct expense per ton	62.80	54.68	40.99
Total dir & ovhd exp per ton	90.07	93.31	60.46
Less govt & other income	89.17	93.31	57.43
With labor & management	104.18	117.68	67.92
Net value per unit	102.85	95.48	141.81
Machinery cost per acre	100.88	88.67	125.87
Est. labor hours per acre	2.71	3.32	2.86

Crop Enterprise Analysis
Northern Minnesota Farm Business Management Data
(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 farms	80	16	16
Yield per acre (ton)	2.07	2.20	3.17
Operators share of yield %	100.00	100.00	100.00
Value per ton	89.60	79.38	111.87
Total product return per acre	185.61	174.66	354.91
Crop insurance per acre	0.30	0.70	-
Other crop income per acre	0.26	0.33	-
Gross return per acre	186.17	175.69	354.91
Direct Expenses			
Fertilizer	19.24	27.38	10.87
Storage	0.84	-	-
Packaging and supplies	0.96	0.22	-
Fuel & oil	19.98	15.65	24.64
Repairs	25.90	22.53	29.22
Custom hire	5.01	0.54	2.90
Hired labor	1.22	-	-
Land rent	47.23	29.98	45.82
Machinery leases	0.83	0.10	0.15
Operating interest	4.76	6.00	4.00
Miscellaneous	1.04	1.05	0.41
Total direct expenses per acre	127.01	103.47	118.02
Return over direct exp per acre	59.16	72.23	236.89
Overhead Expenses			
Hired labor	13.31	17.42	7.32
Machinery leases	2.41	1.77	0.91
Building leases	0.60	1.02	0.32
Farm insurance	2.88	1.69	3.33
Utilities	2.09	0.80	3.69
Dues & professional fees	1.21	0.45	1.26
Interest	4.98	4.83	6.22
Mach & bldg depreciation	23.21	16.22	37.25
Miscellaneous	3.02	1.98	3.76
Total overhead expenses per acre	53.72	46.19	64.05
Total dir & ovhd expenses per acre	180.73	149.66	182.07
Net return per acre	5.44	26.03	172.83
Government payments	0.32	-	3.16
Net return with govt pmts	5.76	26.03	175.99
Labor & management charge	17.52	11.50	27.06
Net return over lbr & mgt	-11.76	14.54	148.93
Cost of Production			
Total direct expense per ton	61.31	47.02	37.20
Total dir & ovhd exp per ton	87.25	68.02	57.39
Less govt & other income	86.82	67.55	56.39
With labor & management	95.28	72.77	64.92
Net value per unit	89.60	79.38	111.87
Machinery cost per acre	80.48	60.55	98.41
Est. labor hours per acre	2.28	1.71	3.63

Crop Enterprise Analysis
Northern Minnesota Farm Business Management Data
(Farms Sorted By Return to Overhead)
Owned and Rented Acres Combined *

	<u>Establish Alfalfa Hay</u>	<u>Pasture</u>	<u>Intensive Pasture</u>	<u>Prevented Planting</u>
Number of farms	65	73	5	124
Yield per acre	1.23	1.59	4.50	236.52
Operators share of yield %	100.00	100.00	100.00	100.00
Value	165.43	15.37	25.19	1.00
Total product return per acre	205.03	24.73	113.44	236.52
Other crop income per acre	5.33	0.58	-	-
Gross return per acre	209.30	25.02	113.44	236.52
Direct Expenses				
Seed	94.91	0.14	5.26	3.20
Fertilizer	36.69	0.70	0.44	9.03
Crop chemicals	4.85	-	-	3.27
Crop insurance	3.08	-	-	18.08
Packaging and supplies	1.73	-	-	-
Fuel & oil	48.30	3.26	10.80	17.45
Repairs	58.48	4.24	18.58	20.21
Custom hire	17.84	0.15	-	4.80
Hired labor	1.01	-	2.59	0.40
Land Rent	53.31	10.26	25.52	43.35
Utilities	0.17	-	0.94	-
Operating interest	4.07	0.41	0.30	3.24
Miscellaneous	2.06	0.27	0.02	1.21
Total direct expenses per acre	330.29	19.44	64.44	124.23
Return over direct exp per acre	-120.98	5.59	49.00	112.29
Overhead Expenses				
Hired labor	27.16	1.37	1.85	9.46
Mach and bldg leases	4.09	0.52	1.77	1.39
RE & pers. property taxes	5.99	2.35	7.35	5.01
Farm insurance	8.64	0.66	2.12	4.51
Utilities	5.24	0.41	2.07	2.85
Dues & professional fees	3.69	-	0.74	1.74
Interest	30.29	4.45	3.78	14.20
Mach & bldg depreciation	50.16	3.40	9.77	27.30
Miscellaneous	7.47	0.78	5.54	3.57
Total overhead expenses per acre	142.73	13.96	35.00	70.03
Total dir & ovhd expenses per acre	473.02	33.40	99.44	194.26
Net return per acre	-263.72	-8.38	14.00	42.27
Government payments	-	-	-	-
Net return with govt pmts	-263.72	-8.38	14.00	42.27
Labor & management charge	44.56	3.57	52.54	24.48
Net return over lbr & mgt	-308.27	-11.95	-38.54	17.79
Cost of Production				
Total direct expense per bu.	267.89	12.22	14.31	-
Total dir & ovhd exp per bu.	383.66	21.00	22.08	-
Less govt & other income	379.33	20.63	22.08	-
With labor & management	415.47	22.88	33.75	-
Net value per unit	165.43	15.37	25.19	1.00
Machinery cost per acre	186.27	11.93	40.58	70.74
Est. labor hours per acre	5.39	0.29	3.09	2.03

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

Crop Enterprise Analysis
Northern Minnesota Farm Business Management Data
(Farms Sorted By Return to Overhead)

Organic Crops *

	<u>Corn Silage</u>	<u>Hay, Alfalfa</u>	<u>Pasture</u>
Number of farms	5	7	5
Yield per acre (unit)	6.39	2.55	5.69
Operators share of yield %	100.00	100.00	100.00
Value per unit	61.91	167.74	14.80
Total product return per acre	395.00	428.43	84.22
Crop insurance per acre	15.60	-	-
Other crop income per acre	-	8.12	-
Gross return per acre	411.10	436.55	84.22
Direct Expenses			
Seed	105.42	-	5.35
Fertilizer	111.46	21.17	-
Non-chemical crop protect	0.77	0.80	-
Crop insurance	3.92	1.45	-
Fuel & oil	46.32	23.44	5.32
Repairs	76.53	45.65	10.22
Custom hire	7.63	27.59	-
Land rent	48.10	30.14	7.75
Organic certification	2.95	1.70	1.70
Operating interest	2.19	1.93	0.57
Miscellaneous	-	2.13	2.05
Total direct expenses per acre	405.29	159.86	32.97
Return over direct exp per acre	5.81	276.69	51.26
Overhead Expenses			
Hired labor	18.87	18.35	1.40
Machinery & Building leases	9.81	4.48	2.94
RE & pers. property taxes	15.96	3.98	20.55
Farm insurance	6.52	10.57	3.05
Utilities	5.28	5.47	1.52
Dues & professional fees	7.78	2.77	0.24
Interest	14.35	18.30	20.25
Mach & bldg depreciation	39.82	23.11	5.83
Miscellaneous	5.55	7.68	2.86
Total overhead expenses per acre	123.93	94.70	58.65
Total dir & ovhd expenses per acre	529.22	254.56	91.61
Net return per acre	-118.12	181.99	-7.39
Government payments	-	-	-
Net return with govt payments	-118.12	181.99	-7.39
Labor & Management charge	34.09	24.74	4.13
Net return over lbr & mgt	-152.21	157.25	-11.52
Cost of Production			
Total direct expense per unit	63.44	62.59	5.79
Total dir & ovhd exp per unit	82.84	99.67	16.10
Less govt & other income	80.40	96.49	16.10
With labor & management	85.73	106.17	16.82
Net value per unit	61.91	167.74	14.80
Machinery cost per acre	183.51	130.83	23.93
Est. labor hours per acre	6.02	3.99	0.89

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

Crop Enterprise Analysis
Northern Minnesota Farm Business Management Data
(Farms Sorted By Return to Overhead)

Organic Crops *

	<u>Barley</u>	<u>Soybeans</u>	<u>Corn</u>
Number of farms	5	5	6
Yield per acre (unit)	36.19	13.51	67.29
Operators share of yield %	100.00	100.00	100.00
Value per unit	10.01	27.10	11.38
Total product return per acre	362.18	366.19	765.48
Crop insurance per acre	53.44	162.81	153.86
Other crop income per acre	42.39	-	-
Gross return per acre	458.01	529.01	919.34
Direct Expenses			
Seed	23.83	36.12	91.50
Fertilizer	43.94	16.53	72.63
Non-chemical crop protect	-	-	0.35
Crop insurance	10.59	21.45	15.22
Drying expense	4.02	-	12.53
Packaging and supplies	5.66	12.46	-
Fuel & oil	19.07	17.36	36.70
Repairs	64.18	36.68	94.57
Custom hire	40.04	-	32.38
Hired labor	23.19	-	13.24
Land rent	57.35	19.91	40.84
Utilities	0.53	-	0.30
Organic certification	2.56	5.41	6.48
Operating interest	10.28	10.94	10.74
Miscellaneous	2.39	0.80	3.19
Total direct expenses per acre	307.63	177.66	430.66
Return over direct exp per acre	150.37	351.34	488.67
Overhead Expenses			
Hired labor	24.79	1.01	3.54
Machinery & Building leases	0.26	0.33	1.62
RE & pers. property taxes	1.84	8.76	11.32
Farm insurance	13.70	12.81	14.82
Utilities	11.48	3.97	8.74
Dues & professional fees	3.78	3.92	4.25
Interest	6.85	20.30	35.03
Mach & bldg depreciation	22.95	20.19	44.81
Miscellaneous	0.02	6.54	6.33
Total overhead expenses per acre	85.67	77.84	130.45
Total dir & ovhd expenses per acre	393.30	255.50	561.12
Net return per acre	64.71	273.51	358.22
Government payments	-	-	-
Net return with govt payments	64.71	273.51	358.22
Labor & Management charge	28.22	25.81	34.52
Net return over lbr & mgt	36.48	247.70	323.70
Cost of Production			
Total direct expense per unit	8.50	13.15	6.40
Total dir & ovhd exp per unit	10.87	18.91	8.34
Less govt & other income	8.22	6.86	6.05
With labor & management	9.00	8.77	6.56
Net value per unit	10.01	27.10	11.38
Machinery cost per acre	140.45	88.88	214.95
Est. labor hours per acre	3.74	2.32	5.03

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

Crop Enterprise Analysis
Northern Minnesota Farm Business Management Data
(Farms Sorted By Return to Overhead)

Irrigated Crops *

	Corn		Corn Silage	
	<u>Average</u>	<u>High 20%</u>	<u>Average</u>	<u>High 20%</u>
Number of farms	49	10	19	5
Yield per acre	153.80	155.75	21.30	21.07
Operators share of yield %	100.00	100.00	100.00	100.00
Value	3.48	3.70	37.23	50.01
Other product return per acre	15.92	9.76	-	-
Total product return per acre	551.04	585.57	793.04	1053.57
Crop insurance per acre	119.91	217.21	85.32	74.32
Other crop income per acre	7.12	6.32	-	-
Gross return per acre	678.08	809.09	878.36	1127.89
Direct Expenses				
Seed	112.23	102.63	101.28	84.13
Fertilizer	165.83	148.68	97.44	90.36
Crop chemicals	34.08	39.82	32.77	25.02
Crop insurance	21.77	29.55	18.82	8.43
Drying expense	14.31	19.12	-	-
Storage	1.33	1.17	0.10	-
Irrigation energy	20.51	18.58	17.62	11.04
Packaging and supplies	0.89	0.79	10.48	-
Fuel & oil	44.61	47.35	67.81	55.64
Repairs	52.71	45.15	73.45	53.09
Custom hire	10.12	3.51	36.07	-
Hired labor	0.91	0.61	0.22	-
Land Rent	64.73	45.65	24.80	2.93
Machinery leases	0.36	0.51	2.05	-
Utilities	0.56	0.36	2.11	5.08
Hauling and trucking	1.49	0.09	-	-
Operating interest	9.97	5.35	6.61	3.75
Miscellaneous	4.04	0.82	7.83	-
Total direct expenses per acre	560.59	509.73	499.46	339.46
Return over direct exp per acre	117.49	299.36	378.90	788.43
Overhead Expenses				
Hired labor	23.07	33.30	41.41	31.86
Mach and bldg leases	8.19	1.08	5.04	38.37
RE & pers. property taxes	9.46	15.29	12.24	12.27
Farm insurance	10.78	9.96	12.17	6.15
Utilities	5.54	5.43	6.58	8.64
Dues & professional fees	6.63	5.49	3.60	3.42
Interest	38.64	60.75	40.12	39.38
Mach & bldg depreciation	82.49	97.57	69.33	50.32
Miscellaneous	11.95	11.87	6.67	24.56
Total overhead expenses per acre	196.75	240.75	197.17	214.97
Total dir & ovhd expenses per acre	757.34	750.48	696.63	554.43
Net return per acre	-79.26	58.61	181.74	573.46
Government payments	-	-	-	-
Net return with govt pmts	-79.25	58.61	181.74	573.46
Labor & management charge	54.33	58.04	66.17	58.02
Net return over lbr & mgt	-133.58	0.57	115.57	515.44
Cost of Production				
Total direct expense per bu.	3.64	3.27	23.45	16.11
Total dir & ovhd exp per bu.	4.92	4.82	32.70	26.32
Less govt & other income	3.99	3.32	28.70	22.79
With labor & management	4.35	3.69	31.80	25.54
Net value per unit	3.49	3.70	37.23	50.01
Machinery cost per acre	195.84	195.24	255.30	221.73
Est. labor hours per acre	3.90	4.26	6.34	3.77

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

Crop Enterprise Analysis
Northern Minnesota Farm Business Management Data
(Farms Sorted By Return to Overhead)
Irrigated Crops *

	<u>Soybeans</u>	<u>Dark Red Kidney Beans</u>	<u>Hay, Alfalfa</u>	<u>Strawberries</u>
Number of farms	16	6	11	7
Yield per acre	43.83	20.91	5.01	4,522.18
Operators share of yield %	100.00	100.00	100.00	100.00
Value	9.85	54.62	202.72	2.41
Total product return per acre	431.87	1,141.90	1,015.57	10,903.90
Crop insurance per acre	16.15	29.20	16.20	-
Other crop income per acre	3.05	-	4.58	-
Gross return per acre	451.07	1,171.10	1,036.35	10,903.90
Direct Expenses				
Seed	55.94	114.83	-	-
Fertilizer	32.65	102.52	64.19	271.35
Crop chemicals	39.27	94.19	11.03	228.25
Crop insurance	14.39	27.70	5.53	-
Marketing	-	-	-	333.92
Storage	-	-	2.78	-
Irrigation energy	18.43	18.07	22.07	70.15
Packaging and supplies	-	-	8.83	186.55
Fuel & oil	18.19	55.42	72.77	326.17
Repairs	27.73	52.41	74.63	595.87
Custom hire and Trucking	8.94	8.62	38.92	221.75
Hired labor	0.92	-	1.30	1,764.33
Land Rent	66.48	33.26	36.62	8.21
Operating interest	4.55	29.70	6.76	16.26
Miscellaneous	6.37	0.35	13.20	620.59
Total direct expenses per acre	293.86	537.70	358.63	4,643.37
Return over direct exp per acre	157.21	633.40	677.72	6,260.53
Overhead Expenses				
Hired labor	9.99	22.91	42.02	204.99
Mach and bldg leases	2.90	13.56	-	172.96
RE & pers. property taxes	6.46	7.76	5.61	113.23
Farm insurance	7.01	11.75	17.32	258.22
Utilities	2.88	4.98	5.54	52.34
Dues & professional fees	2.12	5.86	5.39	299.90
Interest	14.28	34.48	28.21	446.34
Mach & bldg depreciation	30.51	74.21	91.15	770.50
Miscellaneous	1.69	13.06	4.47	784.96
Total overhead expenses per acre	77.85	188.58	199.71	3,103.44
Total dir & ovhd expenses per acre	371.71	726.28	558.34	7,746.81
Net return per acre	79.37	444.82	478.01	3,157.09
Government payments	-	-	-	-
Net return with govt pmts	79.37	444.82	478.01	3,157.09
Labor & management charge	27.36	86.29	62.89	1,905.46
Net return over lbr & mgt	52.01	358.53	415.12	1,251.62
Cost of Production				
Total direct expense per bu.	6.70	25.72	71.59	1.03
Total dir & ovhd exp per bu.	8.48	34.74	111.45	1.71
Less govt & other income	8.04	33.34	107.31	1.71
With labor & management	8.67	37.47	119.86	2.13
Net value per unit	9.85	54.62	202.72	2.41
Machinery cost per acre	86.66	209.25	277.80	1,627.24
Est. labor hours per acre	2.28	3.67	5.12	481.06

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

Crop Enterprise Analysis
Northern Minnesota Farm Business Management Data
(Farms Sorted By Return to Overhead)
Owned and Rented Acres Combined *

	<u>Barley</u>	<u>Oats</u>	<u>Soybeans, Seed</u>	<u>Soybeans, Food</u>
Number of farms	11	54	8	7
Yield per acre	45.82	65.92	40.12	21.10
Operators share of yield %	100.00	100.00	100.00	100.00
Value	5.28	3.29	10.44	13.79
Other product return per acre	1.79	5.47	-	-
Total product return per acre	243.63	222.61	418.97	290.89
Crop insurance per acre	65.94	5.83	35.69	55.01
Other crop income per acre	11.70	36.23	16.98	2.53
Gross return per acre	321.26	264.67	471.63	348.43
Direct Expenses				
Seed	17.23	22.37	56.14	29.86
Fertilizer	72.39	40.39	27.51	41.72
Crop chemicals	26.25	6.26	26.91	31.96
Crop insurance	17.25	7.76	14.37	18.73
Drying expense	3.76	0.25	-	0.75
Fuel & oil	33.08	20.54	17.09	21.08
Repairs	35.79	24.02	30.00	23.41
Custom hire	1.29	9.11	15.91	8.47
Hired labor	0.50	1.24	-	5.42
Land Rent	48.50	26.49	86.67	59.69
Hauling and trucking	-	0.58	0.21	-
Operating interest	5.38	2.71	1.59	1.73
Miscellaneous	3.13	3.59	3.78	0.51
Total direct expenses per acre	264.69	165.30	280.60	243.33
Return over direct exp per acre	56.57	99.36	191.04	105.10
Overhead Expenses				
Hired labor	8.57	8.71	5.85	4.62
Machinery leases	6.42	1.49	-	1.48
Building leases	2.40	0.30	0.90	0.15
RE & pers. property taxes	2.05	5.41	6.00	3.86
Farm insurance	6.91	4.53	4.61	6.03
Utilities	6.51	2.86	3.99	4.06
Dues & professional fees	3.29	1.90	2.75	1.71
Interest	15.72	23.10	13.71	10.87
Mach & bldg depreciation	35.16	26.97	43.92	27.41
Miscellaneous	2.21	5.75	1.92	3.68
Total overhead expenses per acre	89.23	81.04	83.65	63.86
Total dir & ovhd expenses per acre	353.93	246.34	364.24	307.19
Net return per acre	-32.67	18.33	107.39	41.24
Government payments	-	0.20	-	-
Net return with govt pmts	-32.67	18.52	107.39	41.24
Labor & management charge	29.52	26.09	31.97	27.34
Net return over lbr & mgt	-62.19	-7.57	75.42	13.91
Cost of Production				
Total direct expense per bu.	5.78	2.51	6.99	11.53
Total dir & ovhd exp per bu.	7.72	3.74	9.08	14.56
Less govt & other income	5.99	3.01	7.77	11.83
With labor & management	6.63	3.41	8.56	13.13
Net value per unit	5.28	3.29	10.61	13.86
Machinery cost per acre	116.29	84.74	100.55	82.32
Est. labor hours per acre	1.57	2.93	1.85	1.70

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

Crop Enterprise Analysis
Northern Minnesota Farm Business Management Data
(Farms Sorted By Return to Overhead)
Owned and Rented Acres Combined *

	<u>Rye</u>	<u>Winter Wheat</u>	<u>Perennial Rye Grass</u>	<u>Navy Beans</u>
Number of farms	12	9	8	6
Yield per acre	29.68	45.65	1024.59	14.59
Operators share of yield %	100.00	100.00	100.00	100.00
Value	7.17	5.90	0.70	29.82
Other product return per acre	18.36	-	-	-
Total product return per acre	231.21	269.48	712.45	435.17
Crop insurance per acre	-	-	-	50.09
Other crop income per acre	25.31	9.80	0.97	4.74
Gross return per acre	256.51	279.28	713.42	490.00
Direct Expenses				
Seed	20.46	21.40	17.07	51.68
Fertilizer	38.88	76.97	106.11	65.40
Crop chemicals	-	19.81	50.99	66.02
Crop insurance	0.94	14.50	14.19	28.98
Drying expense	-	2.08	5.71	-
Fuel & oil	22.72	21.89	27.49	25.35
Repairs	25.46	22.96	30.64	48.10
Custom hire	13.10	8.41	15.98	9.97
Hired labor	6.68	-	0.89	2.57
Land Rent	38.50	48.75	27.20	61.25
Operating interest	6.95	3.77	3.58	6.14
Miscellaneous	1.89	3.32	1.17	2.54
Total direct expenses per acre	176.52	242.94	301.01	368.00
Return over direct exp per acre	79.99	36.34	412.41	122.00
Overhead Expenses				
Hired labor	6.83	8.51	15.61	30.66
Mach and bldg leases	0.78	4.88	2.70	4.61
RE & pers. property taxes	1.01	3.09	3.28	6.06
Farm insurance	5.43	5.37	8.49	6.31
Utilities	2.84	3.13	6.03	6.08
Dues & professional fees	3.38	1.75	2.72	2.88
Interest	4.31	5.67	5.59	20.06
Mach & bldg depreciation	33.82	25.44	47.92	31.41
Miscellaneous	1.88	1.06	8.93	3.17
Total overhead expenses per acre	60.28	58.89	101.27	111.25
Total dir & ovhd expenses per acre	236.80	301.83	402.28	479.24
Net return per acre	19.71	-22.55	311.14	10.76
Government payments	-	0.61	-	-
Net return with govt pmts	19.71	-21.94	311.14	10.76
Labor & management charge	19.52	22.65	46.05	19.41
Net return over lbr & mgt	0.20	-44.59	265.09	-8.66
Cost of Production				
Total direct expense per bu.	5.95	5.32	0.29	25.22
Total dir & ovhd exp per bu.	7.98	6.61	0.39	32.84
Less govt & other income	6.51	6.38	0.39	29.08
With labor & management	7.17	6.88	0.44	30.41
Net value per unit	7.17	5.90	0.70	29.82
Machinery cost per acre	96.10	82.18	123.97	120.18
Est. labor hours per acre	2.16	1.48	2.02	2.37

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

Livestock Enterprise Analysis
Northern Minnesota Farm Business Management Data
(Farms Sorted By Return to Overhead)
***** Dairy -- Average Per Cwt. Of Milk *****
Excluding Organic & Organic Transition

	<u>Avg. Of All Farms</u>		<u>40 - 60%</u>		<u>High 20%</u>	
Number of farms	378		79		75	
	Quantity	Value	Quantity	Value	Quantity	Value
Milk sold (hd)	99.37	24.20	99.10	24.00	99.48	24.49
Dairy Calves sold (hd)	0.00	0.36	0.00	0.30	0.00	0.43
Transferred out (hd)	0.00	0.24	0.00	0.26	0.00	0.28
Cull sales (hd)	0.00	1.52	0.00	1.50	0.00	1.59
Other income		0.14		0.16		0.13
Purchased (hd)	0.00	-0.14	0.00	-0.13	0.00	-0.05
Transferred in (hd)	0.00	-0.48	0.00	-0.79	0.00	-0.42
Inventory change (hd)	0.00	0.31	0.00	0.25	0.00	0.33
Dairy repl net cost		-2.51		-2.19		-2.18
Gross margin		23.64		23.39		24.61
Direct Expenses						
Protein Vit Minerals (lb.)	16.65	3.96	15.04	3.88	15.78	4.22
Complete Ration (lb.)	6.06	1.57	4.23	2.04	2.83	0.68
Corn (bu.)	0.28	1.03	0.27	0.89	0.27	1.04
Corn Silage (lb.)	76.02	1.45	71.69	1.45	73.95	1.46
Hay, Alfalfa (lb.)	10.49	0.94	8.37	0.76	10.19	0.83
Haylage, Alfalfa (lb.)	17.20	0.69	17.14	0.62	15.89	0.64
Other feed stuffs (lb)	15.26	0.58	24.52	0.70	16.43	0.70
Breeding fees		0.22		0.22		0.22
Veterinary		0.48		0.43		0.44
BST		0.21		0.26		0.18
Supplies		1.27		1.33		1.11
Fuel & oil		0.49		0.50		0.50
Repairs		0.76		0.75		0.73
Custom hire		0.29		0.27		0.16
Hired labor		1.10		1.60		0.32
Utilities		0.15		0.22		0.06
Bedding		0.38		0.32		0.37
Total direct expenses		15.57		16.23		13.67
Return over direct expense		8.07		7.16		10.93
Overhead Expenses						
Hired labor		0.76		0.46		1.48
Building leases		0.21		0.21		0.23
Farm insurance		0.20		0.20		0.23
Utilities		0.29		0.19		0.35
Interest		0.36		0.28		0.36
Mach & bldg depreciation		0.71		0.59		0.85
Miscellaneous		0.28		0.28		0.28
Total overhead expenses		2.81		2.21		3.77
Total dir & ovhd expenses		18.38		18.44		17.45
Net return		5.26		4.95		7.16
Labor & management charge		0.94		0.67		1.12
Net return over lbr & mgt		4.32		4.27		6.04
Cost of Production Per Cwt. Of Milk						
Total direct expense per unit		15.57		16.23		13.67
Total dir & ovhd expense per unit		18.38		18.44		17.45
With other revenue adjustments		19.06		19.22		17.43
With labor and management		20.00		19.90		18.55
Est. labor hours per unit		0.17		0.17		0.17
Other Information						
Number of cows		184.4		223.2		231.0
Milk produced per cow		23,765		24,594		25,144
Total milk sold		4,354,362		5,439,104		5,778,718
Lb. of milk sold per FTE		1,625,320		1,667,988		1,633,205
Culling percentage		30.4		32.0		31.0
Turnover rate		37.5		38.7		37.6
Cow death loss percent		6.5		6.4		5.9
Percent of barn capacity		110.4		108.5		114.6
Feed cost per day		6.66		6.96		6.60
Feed cost per cwt. of milk		10.22		10.34		9.58
Feed cost per cow		2,429.70		2,541.78		2,409.64
Avg. milk price per cwt.		24.36		24.22		24.62
Milk price / feed margin		14.13		13.89		15.03

Livestock Enterprise Analysis
Northern Minnesota Farm Business Management Data
(Farms Sorted By Return to Overhead)
***** Dairy -- Average Per Cow *****
Excluding Organic & Organic Transition

	<u>Avg. Of All Farms</u>		<u>40 - 60%</u>		<u>High 20%</u>	
Number of farms	378		79		75	
	Quantity	Value	Quantity	Value	Quantity	Value
Milk sold (hd)	23,613.9	5,751.59	24,371.4	5,903.64	25,014.1	6,157.35
Dairy Calves sold (hd)	0.3	85.39	0.3	74.65	0.4	107.46
Transferred out (hd)	0.7	56.62	0.7	64.86	0.7	71.10
Cull sales (hd)	0.3	360.98	0.3	369.86	0.3	399.22
Other income		33.70		39.35		33.92
Purchased (hd)	0.0	-33.03	0.0	-30.89	0.0	-12.06
Transferred in (hd)	0.4	-113.53	0.4	-193.56	0.4	-106.49
Inventory change (hd)	0.0	72.98	0.0	61.65	0.0	83.16
Dairy repl net cost		-597.25		-538.24		-547.70
Gross margin		5,617.96		5,751.93		6,186.76
Direct Expenses						
Protein Vit Minerals (lb.)	3,956.3	940.77	3,698.0	954.78	3,967.8	1,060.89
Complete Ration (lb.)	1,439.1	372.80	1,040.7	501.12	712.6	171.33
Corn (bu.)	65.5	245.95	66.7	218.69	67.8	262.48
Corn Silage (lb.)	18,066.1	343.84	17,631.8	356.66	18,595.4	367.68
Hay, Alfalfa (lb.)	2,492.7	222.99	2,057.6	187.22	2,562.9	209.01
Haylage, Alfalfa (lb.)	4,088.6	164.58	4,215.6	151.99	3,994.7	161.78
Other feed stuffs (lb)	3,626.6	138.78	6,029.9	171.32	4,131.5	176.46
Breeding fees		51.34		54.64		54.53
Veterinary		113.99		105.65		111.44
BST		49.78		63.28		44.65
Supplies		301.36		326.23		279.61
Fuel & oil		117.58		122.96		126.15
Repairs		181.55		183.98		184.12
Custom hire		68.76		67.47		40.44
Hired labor		262.25		392.30		81.00
Utilities		34.72		54.04		14.77
Bedding		89.29		78.50		91.99
Total direct expenses		3,700.33		3,990.82		3,438.33
Return over direct expense		1,917.62		1,761.11		2,748.43
Overhead Expenses						
Hired labor		179.64		113.33		373.20
Building leases		50.86		51.20		58.48
Farm insurance		47.67		48.71		56.92
Utilities		69.56		46.63		86.99
Interest		85.05		68.53		90.80
Mach & bldg depreciation		168.16		145.76		212.66
Miscellaneous		67.50		70.06		69.34
Total overhead expenses		668.43		544.22		948.39
Total dir & ovhd expenses		4,368.76		4,535.04		4,386.72
Net return		1,249.20		1,216.89		1,800.04
Labor & management charge		223.19		165.51		281.38
Net return over lbr & mgt		1,026.01		1,051.37		1,518.67
Cost of Production Per Cwt. Of Milk						
Total direct expense per unit		15.57		16.23		13.67
Total dir & ovhd expense per unit		18.38		18.44		17.45
With other revenue adjustments		19.06		19.22		17.43
With labor and management		20.00		19.90		18.55
Est. labor hours per unit		40.68		40.91		42.88
Other Information						
Number of cows		184.4		223.2		231.0
Milk produced per cow		23,765		24,594		25,144
Total milk sold		4,354,362		5,439,104		5,778,718
Lb. of milk sold per FTE		1,625,320		1,667,988		1,633,205
Culling percentage		30.4		32.0		31.0
Turnover rate		37.5		38.7		37.6
Cow death loss percent		6.5		6.4		5.9
Percent of barn capacity		110.4		108.5		114.6
Feed cost per day		6.66		6.96		6.60
Feed cost per cwt. of milk		10.22		10.34		9.58
Feed cost per cow		2,429.70		2,541.78		2,409.64
Avg. milk price per cwt.		24.36		24.22		24.62
Milk price / feed margin		14.13		13.89		15.03

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

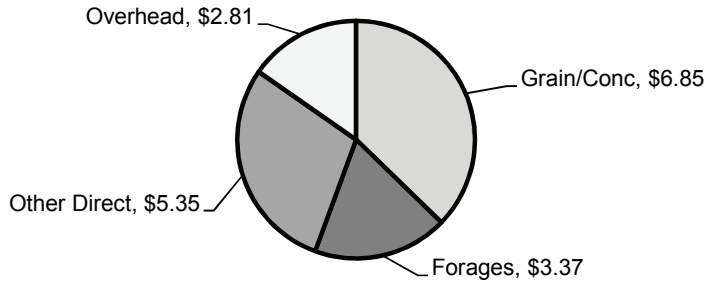
Organic Dairy -- Average Per Cow

	<u>Avg. Of All Farms</u>		<u>33 - 66%</u>		<u>High 34%</u>	
Number of farms	15		5		6	
	Quantity	Value	Quantity	Value	Quantity	Value
Milk sold (hd)	12,729.2	3,978.38	9,592.8	2,943.26	15,002.8	4,765.23
Dairy Calves sold (hd)	0.1	31.08	0.0	22.19	0.1	21.30
Transferred out (hd)	0.8	55.47	0.9	26.83	0.9	97.99
Cull sales (hd)	0.3	322.48	0.3	301.86	0.3	353.09
Other income		121.09		138.26		47.29
Purchased (hd)	0.0	-86.54	0.0	-9.73	0.1	-175.97
Transferred in (hd)	0.3	-114.77	0.3	-136.49	0.4	-144.58
Inventory change (hd)	0.0	88.79	-0.1	-46.50	0.1	221.29
Dairy repl net cost		-592.04		-384.80		-603.81
Gross margin		3,807.30		2,854.88		4,587.43
Direct Expenses						
Protein Vit Minerals (lb.)	470.5	264.98	184.2	84.39	555.6	339.64
Complete Ration (lb.)	587.5	63.53	448.9	90.35	918.4	68.42
Corn (bu.)	12.7	146.36	-	-	26.9	309.44
Corn Silage (lb.)	825.2	30.94	2,427.9	91.05	-	-
Haylage, Alfalfa (lb.)	3,063.6	153.18	-	-	6,477.1	323.86
Barley, Organic (bu.)	10.1	80.79	1.6	14.04	11.9	79.28
Corn, Organic (bu.)	22.3	248.09	18.8	213.31	15.5	156.29
Corn Silage, Organic (lb.)	7,263.9	159.15	8,043.8	157.48	8,870.7	191.52
Hay, Alfalfa, Organic (lb.)	5,640.8	475.01	8,938.1	609.62	1,670.7	148.11
Pasture, Organic (aum)	2.3	106.90	2.3	70.51	1.3	88.96
Hay, Grass, Organic (lb.)	613.6	57.47	-	-	683.5	84.68
Other feed stuffs (lb)	2,872.9	180.87	5.9	90.55	3,710.0	212.37
Veterinary		35.24		14.19		45.94
Supplies		214.50		187.01		214.79
Fuel & oil		86.41		100.50		76.80
Repairs		161.25		147.11		160.82
Hired labor		88.78		71.24		123.66
Marketing		41.92		52.39		37.86
Bedding		86.47		30.19		154.12
Total direct expenses		2,681.85		2,023.93		2,816.56
Return over direct expense		1,125.45		830.94		1,770.87
Overhead Expenses						
Hired labor		140.14		101.98		214.88
Utilities		50.05		57.48		59.82
Interest		76.46		102.84		80.77
Mach & bldg depreciation		88.58		72.27		105.37
Miscellaneous		139.76		109.67		123.26
Total overhead expenses		494.99		444.25		584.11
Total dir & ovhd expenses		3,176.84		2,468.18		3,400.67
Net return		630.46		386.70		1,186.76
Labor & management charge		262.21		226.18		242.75
Net return over lbr & mgt		368.25		160.52		944.01
Cost of Production Per Cwt. Of Milk						
Total direct expense per unit		20.57		20.50		18.61
Total dir & ovhd expense per unit		24.36		25.00		22.47
With other revenue adjustments		26.45		27.00		23.89
With labor and management		28.47		29.29		25.50
Est. labor hours per unit		39.30		33.55		46.39
Other Information						
Number of cows		87.7		89.5		103.8
Milk produced per cow		13,041		9,871		15,132
Total milk sold		1,116,858		858,169		1,556,544
Lb. of milk sold per FTE		906,847		800,532		905,520
Culling percentage		28.9		31.7		28.9
Turnover rate		33.6		36.4		32.3
Cow death loss percent		4.1		4.7		2.9
Percent of barn capacity		96.4		101.7		95.6
Feed cost per day		5.39		3.89		5.49
Feed cost per cwt. of milk		15.09		14.40		13.23
Feed cost per cow		1,967.27		1,421.30		2,002.57
Avg. milk price per cwt.		31.25		30.68		31.76
Milk price / feed margin		16.17		16.28		18.53

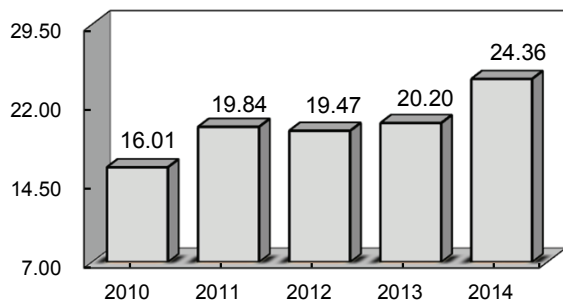
Livestock Enterprise Analysis
Northern Minnesota Farm Business Management Data
(Farms Sorted By Enterprise Size)
***** Dairy -- Average Per Cow -- By Herd Size *****
Excluding Organic & Organic Transition

	<u>Up to</u> <u>50</u>		<u>50</u> <u>100</u>		<u>100</u> <u>200</u>		<u>200</u> <u>500</u>		<u>Over</u> <u>500</u>	
Number of farms	49		139		95		65		30	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Milk sold (hd)	16,830.7	4,111.82	20,228.8	4,925.24	21,839.4	5,346.45	23,855.4	5,860.79	26,383.4	6,367.91
Dairy Calves sold (hd)	0.1	46.48	0.2	68.77	0.3	65.66	0.3	74.34	0.4	116.00
Transferred out (hd)	0.7	58.34	0.7	85.90	0.7	42.81	0.7	67.62	0.6	42.34
Cull sales (hd)	0.3	294.12	0.3	353.00	0.3	339.82	0.3	334.54	0.3	404.01
Other income		66.98		35.57		38.89		49.52		13.89
Purchased (hd)	0.1	-147.44	0.0	-72.35	0.0	-49.17	0.0	-14.81	0.0	-13.66
Transferred in (hd)	0.3	-99.48	0.4	-84.36	0.3	-80.03	0.4	-135.83	0.4	-126.84
Inventory change (hd)	0.0	130.86	0.0	87.72	0.0	73.03	0.0	82.86	0.0	53.66
Dairy repl net cost		-594.36		-581.16		-608.55		-579.56		-613.08
Gross margin		3,867.32		4,819.40		5,170.21		5,739.81		6,244.24
Direct Expenses										
Protein Vit Minerals (lb.)	2,330.7	610.31	2,976.5	751.76	3,019.0	786.66	3,748.2	943.49	5,204.6	1,131.51
Complete Ration (lb.)	987.2	171.05	1,901.3	227.25	1,577.6	398.69	1,745.5	383.93	939.2	426.99
Corn (bu.)	59.8	225.24	65.2	249.45	58.3	224.15	73.1	256.94	63.6	248.93
Corn Silage (lb.)	15,503.2	267.69	16,317.8	289.83	17,098.7	304.80	18,374.9	353.41	19,293.6	386.60
Hay, Alfalfa (lb.)	4,621.1	425.65	4,454.4	437.85	2,631.6	234.49	2,474.4	218.59	1,424.2	112.49
Haylage, Alfalfa (lb.)	2,527.8	119.94	3,397.3	145.06	3,387.0	148.58	4,730.8	185.29	4,352.9	167.76
Other feed stuffs (lb)	2,045.5	123.91	1,925.5	100.58	6,765.1	131.71	1,894.6	130.52	4,198.5	167.24
Veterinary		86.38		97.03		114.88		127.77		111.21
BST		5.08		12.83		23.95		53.90		80.04
Supplies	309.84		327.38		331.21		331.87		371.92	
Fuel & oil		72.26		87.86		107.16		115.86		141.16
Repairs		139.95		157.88		167.25		192.51		193.61
Custom hire		22.99		38.73		38.30		65.00		105.42
Hired labor		24.96		67.26		134.28		287.60		414.28
Hauling and trucking		72.01		62.83		52.02		36.82		33.04
Bedding		53.39		74.70		80.44		100.06		94.14
Total direct expenses		2,730.65		3,128.27		3,278.59		3,783.57		4,186.36
Return over direct expense		1,136.67		1,691.13		1,891.63		1,956.24		2,057.88
Overhead Expenses										
Hired labor		33.85		111.13		147.77		214.74		208.39
Building leases		23.51		14.72		29.91		67.47		66.02
Utilities		101.18		99.34		69.80		70.22		53.62
Interest		80.13		82.39		100.82		100.53		64.58
Mach & bldg depreciation		110.94		166.02		192.04		184.53		146.32
Miscellaneous		133.10		124.17		114.88		119.39		106.46
Total overhead expenses		482.72		597.77		655.22		756.89		645.39
Total dir & ovhd expenses		3,213.37		3,726.04		3,933.81		4,540.46		4,831.75
Net return		653.95		1,093.36		1,236.40		1,199.35		1,412.48
Labor & management charge		414.39		313.09		263.92		186.97		177.72
Net return over lbr & mgt		239.56		780.27		972.48		1,012.38		1,234.77
Cost of Production Per Cwt. Of Milk										
Total direct expense per unit		16.01		15.42		14.92		15.70		15.80
Total dir & ovhd expense per unit		18.84		18.36		17.90		18.84		18.23
With other revenue adjustments		20.51		18.95		18.83		19.51		18.78
With labor and management		22.94		20.49		20.03		20.29		19.45
Est. labor hours per unit		47.61		40.77		36.79		40.71		42.24
Other Information										
Number of cows		38.6		73.4		140.6		313.0		796.6
Milk produced per cow		17,058		20,293		21,971		24,099		26,497
Total milk sold		650,159		1,485,536		3,071,083		7,466,323		21,017,922
Lb. of milk sold per FTE		989,789		1,389,145		1,662,277		1,640,578		1,748,922
Culling percentage		26.2		29.4		28.1		28.2		34.2
Turnover rate		35.9		36.7		35.3		35.9		40.5
Cow death loss percent		8.4		6.4		6.2		7.0		6.2
Percent of barn capacity		85.6		105.3		107.6		115.7		112.6
Feed cost per day		5.33		6.03		6.11		6.77		7.24
Feed cost per cwt. of milk		11.40		10.85		10.15		10.26		9.97
Feed cost per cow		1,943.78		2,201.77		2,229.10		2,472.17		2,641.53
Avg. milk price per cwt.		24.43		24.35		24.48		24.57		24.14
Milk price / feed margin		13.04		13.50		14.34		14.31		14.17

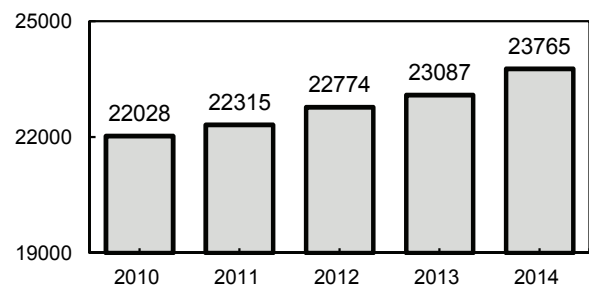
Summary of Selected Dairy Enterprise Factors



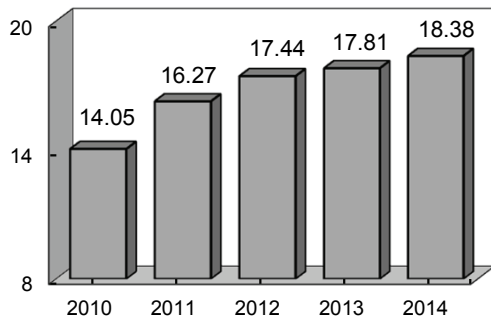
Ave Milk Price Recv'd



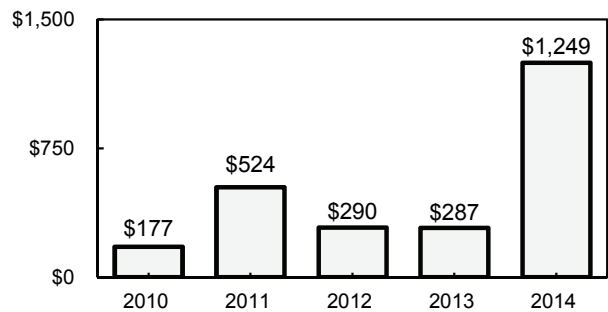
Milk Production per Cow



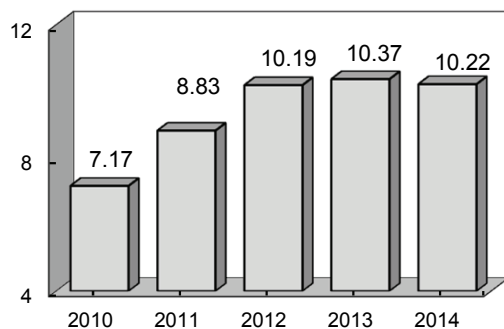
Dir & Ovhd Exp per CWT



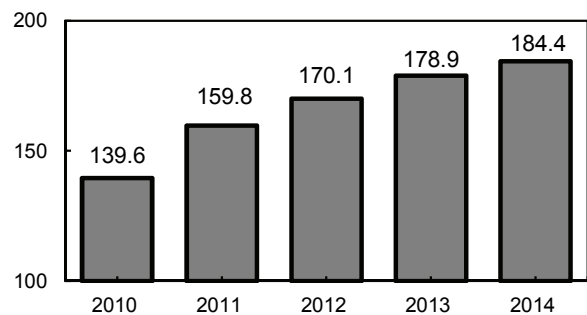
Net Return per Cow



Feed Cost per CWT



Ave. Number of Cows



Livestock Enterprise Analysis
Northern Minnesota Farm Business Management Data
(Farms Sorted By Return to Overhead)
*****Dairy and Repl Heifers -- Average Per Cow*****
Excluding Organic & Organic Transition

	Avg. Of All Farms		40 - 60%		High 20%	
Number of farms	311		62		63	
	Quantity	Value	Quantity	Value	Quantity	Value
Milk sold (hd)	23,727.4	5,763.03	23,802.0	5,818.13	25,352.7	6,226.24
Dairy Calves sold (hd)	-	155.99	-	151.25	-	195.40
Transferred out (hd)	-	31.47	-	41.29	-	37.26
Cull sales (hd)	-	368.73	-	370.26	-	422.13
Other income	-	32.24	-	43.34	-	21.00
Purchased (hd)	-	-50.27	-	-34.21	-	-17.29
Transferred in (hd)	-	-13.67	-	-27.86	-	-7.91
Inventory change (hd)	-	119.96	-	84.64	-	148.12
Gross margin		6,407.68		6,446.94		7,024.97
Direct Expenses						
Protein Vit Minerals (lb.)	4,438.3	996.91	4,203.0	989.39	4,697.8	1,171.65
Complete Ration (lb.)	1,755.3	468.09	981.2	626.05	885.0	263.74
Corn (bu.)	73.2	275.63	74.5	239.25	77.3	297.63
Corn Silage (lb.)	22,618.1	428.96	21,253.2	423.72	23,902.2	460.78
Hay, Alfalfa (lb.)	3,337.4	281.45	3,284.5	278.17	3,331.5	253.29
Haylage, Alfalfa (lb.)	4,422.3	176.30	4,064.8	156.23	4,577.5	182.56
Other feed stuffs (lb)	5,032.3	220.07	4,752.1	211.57	6,616.5	259.34
Breeding fees		66.97		73.58		69.71
Veterinary		130.49		131.53		126.32
Supplies		379.90		379.83		349.95
Contract production exp.		114.43		174.65		48.19
Fuel & oil		130.72		116.75		148.99
Repairs		216.14		235.83		214.24
Custom hire		79.41		77.29		47.45
Hired labor		286.02		412.02		89.07
Bedding		111.76		90.33		115.96
Total direct expenses		4,363.26		4,616.18		4,098.88
Return over direct expense		2,044.42		1,830.76		2,926.08
Overhead Expenses						
Hired labor		198.70		83.74		469.59
Building leases		60.98		53.29		87.79
Farm insurance		54.35		54.99		62.38
Utilities		82.92		66.75		104.61
Interest		99.53		94.35		101.10
Mach & bldg depreciation		191.29		192.67		226.65
Miscellaneous		77.90		83.43		73.90
Total overhead expenses		765.67		629.22		1,126.02
Total dir & ovhd expenses		5,128.93		5,245.40		5,224.90
Net return		1,278.75		1,201.54		1,800.06
Labor & management charge		261.48		215.89		321.20
Net return over lbr & mgt		1,017.27		985.65		1,478.87
Cost of Production Per Cwt. Of Milk						
Total direct expense per unit		18.28		19.20		16.11
Total dir & ovhd expense per unit		21.49		21.82		20.53
With other revenue adjustments		18.90		19.40		17.47
With labor and management		20.00		20.29		18.74
Est. labor hours per unit		48.25		46.84		51.71
Other Information						
Number of cows		186.1		198.6		240.0
Milk produced per cow		23,872		24,037		25,444
Total milk sold		4,415,963		4,726,558		6,084,461
Lb. of milk sold per FTE		1,377,012		1,422,970		1,372,809
Culling percentage		30.3		31.1		32.0
Turnover rate		37.4		37.6		38.5
Cow death loss percent		6.5		6.3		5.9
Percent of barn capacity		110.1		108.8		115.2
Feed cost per day		7.80		8.01		7.92
Feed cost per cwt. of milk		11.93		12.17		11.35
Feed cost per cow		2,847.41		2,924.37		2,889.00
Avg. milk price per cwt.		24.29		24.44		24.56
Milk price / feed margin		12.36		12.28		13.20

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

Dairy Feeder -- Average Per Cwt. Produced

	<u>Avg. Of All Farms</u>		<u>40 - 60%</u>		<u>High 20%</u>	
Number of farms	22		5		5	
	Quantity	Value	Quantity	Value	Quantity	Value
Dairy Feeder sold (lb)	144.98	268.94	163.31	312.84	118.05	186.83
Transferred out (lb)	6.60	10.84	-	-	7.28	12.16
Other income		0.92		-		0.96
Purchased (lb)	-59.75	-154.80	-82.10	-212.77	-9.62	-18.38
Transferred in (lb)	-5.24	-17.62	-0.46	-11.47	-6.68	-13.42
Inventory change (lb)	12.64	63.50	19.24	74.46	-9.82	32.80
Gross margin		171.78		163.06		200.95
Direct Expenses						
Protein Vit Minerals (lb.)	143.46	29.63	164.44	30.60	96.11	25.77
Milk Replacer (lb.)	5.43	7.51	4.38	5.77	5.17	7.92
Milk (lb.)	25.60	5.86	29.35	6.77	-	-
Creep / Starter (lb.)	4.89	1.83	7.55	2.83	-	-
Complete Ration (lb.)	42.35	4.38	24.05	1.91	-	-
Corn (bu.)	6.39	24.27	6.55	24.95	4.85	18.56
Corn Silage (lb.)	86.47	1.41	10.96	0.14	264.77	4.18
Hay, Alfalfa (lb.)	42.44	4.43	3.32	0.17	60.48	5.68
Other feed stuffs (lb)	48.30	2.46	28.53	0.95	29.76	1.55
Veterinary		4.70		6.29		0.06
Supplies		2.38		1.94		0.50
Fuel & oil		2.78		1.73		5.13
Repairs		3.16		2.07		6.12
Utilities		0.70		1.08		-
Marketing		0.32		0.02		1.08
Bedding		4.66		5.52		2.74
Total direct expenses		100.48		92.71		79.29
Return over direct expense		71.30		70.36		121.67
Overhead Expenses						
Hired labor		1.48		1.45		0.83
RE & pers. property taxes		0.84		0.99		0.34
Farm insurance		1.31		0.94		2.90
Utilities		1.58		0.67		4.47
Interest		2.78		1.49		6.99
Mach & bldg depreciation		5.88		4.45		7.91
Miscellaneous		1.85		2.17		1.35
Total overhead expenses		15.71		12.17		24.79
Total dir & ovhd expenses		116.19		104.87		104.07
Net return		55.59		58.19		96.88
Labor & management charge		8.45		8.14		8.08
Net return over lbr & mgt		47.14		50.05		88.80
Cost of Production Per Cwt. Produced						
Total direct expense per unit		137.53		148.48		61.70
Total dir & ovhd expense per unit		147.90		155.93		81.47
With other revenue adjustments		147.90		155.93		81.47
With labor and management		153.47		160.91		87.92
Est. labor hours per unit		0.93		0.87		0.80
Other Information						
No. purchased or trans in		185		580		57
Number sold or trans out		143		425		62
Percentage death loss		7.2		6.8		5.6
Avg. daily gain (lb.)		1.20		1.07		1.48
Lb. of conc / lb. of gain		5.54		5.63		3.72
Lb. of feed / lb. of gain		6.93		6.24		5.50
Feed cost per cwt. of gain		81.78		74.08		63.65
Feed cost per head		234.07		211.71		342.51
Avg wgt / Dairy Feeder sold		486		505		676
Avg purch price / head		486.89		540.96		173.54
Avg sales price / cwt.		185.50		191.56		158.27

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

Dairy Finishing -- Average Per Cwt. Produced

	Avg. Of All Farms		40 - 60%		High 20%	
Number of farms	91		18		19	
	Quantity	Value	Quantity	Value	Quantity	Value
Dairy Finish sold (lb)	123.67	161.63	103.56	136.85	104.32	142.44
Transferred out (lb)	0.16	0.37	-	-	-	0.53
Other income		1.98		0.58		1.79
Purchased (lb)	-35.89	-63.07	-24.61	-50.37	-15.71	-26.10
Transferred in (lb)	-2.56	-6.25	-2.57	-4.55	-1.90	-8.88
Inventory change (lb)	13.12	54.00	23.06	63.00	11.94	67.03
Gross margin		148.66		145.51		176.80
Direct Expenses						
Protein Vit Minerals (lb.)	94.33	18.18	126.66	19.53	75.14	13.78
Milk Replacer (lb.)	1.12	1.68	1.52	2.23	1.47	2.36
Complete Ration (lb.)	12.98	2.20	6.57	1.59	36.69	4.48
Corn (bu.)	10.20	39.11	10.45	39.31	9.09	33.28
Corn Silage (lb.)	209.63	3.45	234.78	2.98	129.61	2.25
Hay, Alfalfa (lb.)	24.67	1.77	60.48	4.02	20.76	1.98
Hay, Grass (lb.)	31.17	1.79	35.03	2.10	40.66	2.09
DDGS, dry (lb.)	29.12	2.15	6.00	0.67	39.17	3.88
Other feed stuffs (lb)	100.75	3.94	70.54	2.17	32.56	2.72
Veterinary		2.22		2.37		2.29
Supplies		2.86		1.90		2.17
Contract production exp.		0.63		1.70		0.97
Fuel & oil		2.09		1.65		1.69
Repairs		2.86		2.91		2.50
Marketing		0.81		1.08		0.60
Bedding		1.54		3.16		1.35
Operating interest		1.62		1.69		0.45
Total direct expenses		88.90		91.07		78.85
Return over direct expense		59.76		54.44		97.94
Overhead Expenses						
Hired labor		1.62		1.65		2.50
Farm insurance		1.10		1.24		0.78
Utilities		1.01		1.21		1.21
Interest		1.70		1.43		0.99
Mach & bldg depreciation		3.81		3.70		4.59
Miscellaneous		1.87		1.61		1.57
Total overhead expenses		11.10		10.85		11.65
Total dir & ovhd expenses		100.00		101.92		90.50
Net return		48.66		43.59		86.29
Labor & management charge		5.77		5.46		3.99
Net return over lbr & mgt		42.89		38.13		82.31
Cost of Production Per Cwt. Produced						
Total direct expense per unit		82.64		79.57		43.16
Total dir & ovhd expense per unit		91.60		90.05		54.33
With other revenue adjustments		91.52		90.05		54.33
With labor and management		96.18		95.32		58.15
Est. labor hours per unit		0.50		0.47		0.51
Other Information						
No. purchased or trans in		149		173		130
Number sold or trans out		123		129		105
Percentage death loss		3.0		3.5		2.5
Avg. daily gain (lb.)		2.50		2.45		2.41
Lb. of conc / lb. of gain		7.50		7.63		6.71
Lb. of feed / lb. of gain		9.10		9.57		7.92
Feed cost per cwt. of gain		74.27		74.60		66.83
Feed cost per head		743.19		834.89		811.37
Average purchase weight		411		275		267
Avg wgt / Dairy Finish sold		1,418		1,411		1,468
Avg purch price / head		723.11		561.83		444.31
Avg sales price / cwt.		130.69		132.15		136.55

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

Dairy Replacement Heifers -- Average Per Head

	<u>Avg. Of All Farms</u>		<u>40 - 60%</u>		<u>High 20%</u>	
Number of farms	357		72		72	
	Quantity	Value	Quantity	Value	Quantity	Value
Replacements sold (hd)	0.1	58.95	0.1	47.30	0.1	68.69
Transferred out (hd)	0.4	609.82	0.4	619.07	0.5	765.96
Cull sales (hd)	0.0	4.65	0.0	4.09	0.0	6.19
Other income		1.33		1.34		2.64
Purchased (hd)	0.0	-17.47	0.0	-6.41	0.0	-13.29
Transferred in (hd)	0.6	-142.63	0.6	-148.30	0.6	-155.32
Inventory change (hd)	0.0	50.96	0.0	32.16	0.0	137.00
Gross margin		565.67		549.25		812.18
Direct Expenses						
Protein Vit Minerals (lb.)	378.9	95.48	256.0	65.67	278.0	74.38
Milk Replacer (lb.)	15.2	17.34	30.0	19.94	8.4	11.38
Milk (lb.)	123.5	25.16	134.1	31.92	78.1	17.44
Creep / Starter (lb.)	654.3	4.76	10.9	2.38	1,989.8	16.44
Complete Ration (lb.)	330.4	59.42	389.4	56.15	316.4	48.70
Corn (bu.)	6.0	22.50	5.9	22.21	8.6	32.41
Corn Silage (lb.)	4,374.4	79.99	4,496.9	82.43	3,673.3	67.87
Hay, Alfalfa (lb.)	756.1	59.18	519.8	38.02	689.4	59.57
Hay, Grass (lb.)	740.4	39.24	800.7	43.74	669.7	34.93
Haylage, Alfalfa (lb.)	856.8	32.37	947.0	38.84	775.6	26.57
Other feed stuffs (lb)	1,489.8	45.51	1,458.2	50.45	999.1	28.37
Breeding fees		14.49		15.41		13.01
Veterinary		17.46		16.83		21.82
Supplies		24.18		23.54		18.55
Contract production exp.		89.34		70.09		9.26
Fuel & oil		20.86		20.01		24.45
Repairs		31.79		32.58		35.05
Hired labor		23.51		37.16		9.14
Bedding		21.22		23.56		12.78
Total direct expenses		723.80		690.92		562.11
Return over direct expense		-158.13		-141.67		250.07
Overhead Expenses						
Hired labor		31.00		23.59		49.02
Building leases		12.11		4.02		31.61
Utilities		12.73		14.45		16.40
Interest		15.10		19.40		15.18
Mach & bldg depreciation		28.92		32.81		32.69
Miscellaneous		20.40		22.69		21.26
Total overhead expenses		120.26		116.97		166.16
Total dir & ovhd expenses		844.06		807.89		728.27
Net return		-278.39		-258.63		83.91
Labor & management charge		38.29		42.17		38.23
Net return over lbr & mgt		-316.68		-300.81		45.68
Cost of Production Per Head Per Day						
Total direct expense per unit		2.27		2.21		1.60
Total dir & ovhd expense per unit		2.60		2.53		2.06
With other revenue adjustments		2.60		2.53		2.06
With labor and management		2.70		2.65		2.16
Est. labor hours per unit		7.03		7.88		7.24
Other Information						
No. purchased or trans in		104		98		100
Number sold or trans out		89		83		87
Average number of head		168		164		151
Percentage death loss		9.0		9.0		6.1
Feed cost per average head		480.95		451.75		418.06
Feed cost/head sold/trans		904.43		889.59		724.73
Total cost/head sold/trans		1,853.15		1,904.59		1,367.71
Feed cost per head per day		1.32		1.24		1.15
Avg. purch price / head		1,339.49		1,375.45		576.41
Avg. sales price / head		601.40		669.59		669.28

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

Beef Finishing -- Average Per Cwt. Produced

	Avg. Of All Farms		40 - 60%		High 20%	
Number of farms	63		12		13	
	Quantity	Value	Quantity	Value	Quantity	Value
Finish Beef sold (lb)	192.67	290.15	184.15	271.48	178.09	272.39
Transferred out (lb)	1.55	2.42	1.55	3.38	-	-
Cull sales (lb)	0.01	0.01	-	-	-	-
Other income		-0.51		1.14		1.06
Purchased (lb)	-83.88	-165.34	-72.98	-140.56	-71.33	-130.06
Transferred in (lb)	-5.51	-12.77	-6.50	-17.07	-4.18	-9.20
Inventory change (lb)	-5.97	35.70	-7.94	22.96	-3.38	35.90
Gross margin		149.67		141.33		170.09
Direct Expenses						
Protein Vit Minerals (lb.)	34.80	7.81	46.48	10.17	26.82	5.36
Complete Ration (lb.)	19.65	2.70	21.81	5.18	46.31	4.92
Corn (bu.)	7.02	26.51	7.72	29.31	5.54	21.02
Corn Silage (lb.)	444.55	7.69	361.21	6.26	650.95	11.01
Hay, Alfalfa (lb.)	31.57	1.94	60.34	4.40	15.68	0.90
Hay, Grass (lb.)	50.84	2.19	37.39	1.95	37.54	1.55
DDGS, dry (lb.)	61.10	4.01	70.66	3.87	40.61	3.20
DDGS, wet (lb.)	53.17	1.93	65.18	1.97	13.75	0.18
Other feed stuffs (lb)	84.48	2.99	50.39	1.59	43.19	1.86
Veterinary		2.37		2.08		3.43
Supplies		3.66		4.10		3.38
Fuel & oil		2.62		2.79		2.79
Repairs		2.93		3.45		2.80
Custom hire		1.05		3.74		0.80
Hauling and trucking		1.78		1.05		1.14
Marketing		4.89		0.44		0.23
Operating interest		2.75		2.66		3.56
Total direct expenses		79.82		85.02		68.12
Return over direct expense		69.85		56.30		101.97
Overhead Expenses						
Hired labor		2.33		1.62		3.55
Machinery leases		0.37		0.04		1.21
Farm insurance		1.26		0.94		1.86
Interest		1.19		1.13		1.72
Mach & bldg depreciation		4.76		4.91		3.55
Miscellaneous		2.19		1.61		2.51
Total overhead expenses		12.09		10.24		14.39
Total dir & ovhd expenses		91.91		95.26		82.51
Net return		57.76		46.07		87.58
Labor & management charge		7.34		10.68		6.33
Net return over lbr & mgt		50.42		35.38		81.25
Cost of Production Per Cwt. Produced						
Total direct expense per unit		113.57		116.80		95.69
Total dir & ovhd expense per unit		119.79		122.31		103.77
With other revenue adjustments		120.90		123.21		103.77
With labor and management		124.68		128.96		107.33
Est. labor hours per unit		0.49		0.53		0.51
Other Information						
No. purchased or trans in		272		213		375
Number sold or trans out		281		232		390
Percentage death loss		0.7		0.7		0.5
Avg. daily gain (lb.)		2.73		2.72		2.86
Lb. of conc / lb. of gain		6.12		6.57		4.77
Lb. of feed / lb. of gain		8.53		8.93		7.49
Feed cost per cwt. of gain		57.77		64.71		49.99
Feed cost per head		403.54		452.26		364.37
Average purchase weight		652		641		580
Avg wgt / Finish Beef sold		1,356		1,359		1,308
Avg purch price / cwt.		197.11		192.59		182.35
Avg sales price / cwt.		150.60		147.43		152.95

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

Beef Cow-Calf -- Average Per Cow

	Avg. Of All Farms		40 - 60%		High 20%	
Number of farms	107		22		22	
	Quantity	Value	Quantity	Value	Quantity	Value
Beef Calves sold (lb)	234.2	497.29	122.4	274.78	302.7	652.81
Transferred out (lb)	220.8	517.30	339.5	846.04	156.9	421.83
Cull sales (lb)	84.6	179.46	51.3	204.53	131.6	175.32
Other income		5.17		7.84		4.73
Purchased (lb)	-24.2	-98.01	-9.4	-108.92	-56.7	-159.36
Transferred in (lb)	-49.1	-104.14	-80.7	-196.14	-50.1	-88.46
Inventory change (lb)	145.6	290.69	-16.4	146.07	529.5	560.89
Gross margin		1,295.14		1,183.45		1,590.67
Direct Expenses						
Protein Vit Minerals (lb.)	413.6	39.01	134.4	32.10	201.3	32.78
Complete Ration (lb.)	181.5	26.29	159.0	22.16	123.0	23.16
Corn Silage (lb.)	5,224.9	88.93	6,730.5	117.57	3,826.8	61.35
Hay, Alfalfa (lb.)	1,198.1	71.12	1,390.0	82.74	1,155.7	71.63
Hay, Grass (lb.)	3,931.7	170.03	3,811.8	139.11	3,575.7	149.43
Pasture (aum)	5.0	62.73	3.2	47.17	4.7	91.89
Other feed stuffs (lb)	1,535.8	50.38	1,041.0	29.14	1,302.7	51.31
Veterinary		27.93		24.36		27.01
Supplies		34.37		36.91		15.09
Fuel & oil		39.11		34.16		34.58
Repairs		44.98		28.07		49.01
Hired labor		3.46		9.78		1.11
Marketing		6.42		5.28		10.18
Bedding		7.51		4.82		10.66
Operating interest		12.46		4.43		9.98
Total direct expenses		684.74		617.80		639.16
Return over direct expense		610.40		565.65		951.51
Overhead Expenses						
Hired labor		11.10		5.02		7.25
RE & pers. property taxes		7.20		4.30		9.49
Farm insurance		16.79		14.31		18.50
Utilities		17.91		10.69		20.10
Interest		25.79		18.88		28.10
Mach & bldg depreciation		57.29		49.01		44.60
Miscellaneous		22.69		16.67		19.41
Total overhead expenses		158.77		118.89		147.45
Total dir & ovhd expenses		843.51		736.69		786.62
Net return		451.63		446.76		804.06
Labor & management charge		111.40		96.43		101.46
Net return over lbr & mgt		340.23		350.33		702.60
Cost of Production Per Cwt. Produced						
Total direct expense per unit		111.51		151.36		62.80
Total dir & ovhd expense per unit		137.36		180.49		77.29
With other revenue adjustments		115.78		166.00		51.75
With labor and management		133.92		189.62		61.72
Est. labor hours per unit		9.92		7.62		9.50
Other Information						
Number of cows		67.8		69.7		77.9
Pregnancy percentage		96.8		97.0		98.3
Pregnancy loss percentage		3.4		4.5		3.4
Culling percentage		13.1		14.2		13.1
Calving percentage		93.5		92.6		94.9
Weaning percentage		87.3		87.2		88.5
Calves sold per cow		0.79		0.83		0.81
Calf death loss percent		5.8		6.9		3.9
Cow death loss percent		2.4		2.9		1.9
Cows per FTE		282.1		367.3		294.7
Average weaning weight		533		503		547
Lb. weaned/exposed female		465		439		484
Feed cost per cow		508.48		469.99		481.55
Avg wgt/ Beef Calves sold		615		526		651
Avg price / cwt.		212.33		224.54		215.66

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

Beef Cow-Calf -- Average Per Cow -- By Herd Size

	Up to 50		50 100		100 200		200 500	
Number of farms	53		33		17		4	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Beef Calves sold (lb)	241.8	532.36	232.7	506.74	222.4	500.14	252.6	430.19
Transferred out (lb)	151.2	352.88	227.1	551.19	213.1	473.10	305.2	730.46
Cull sales (lb)	84.2	164.29	89.3	155.44	82.5	135.72	79.2	337.52
Other income		10.12		5.96		3.39		1.31
Purchased (lb)	-15.7	-63.92	-29.4	-172.03	-9.1	-49.20	-54.3	-82.40
Transferred in (lb)	-31.3	-76.48	-43.4	-72.20	-52.1	-129.63	-75.9	-151.79
Inventory change (lb)	59.1	296.90	346.5	313.66	48.2	369.20	24.2	74.25
Gross margin		1,217.47		1,300.60		1,312.59		1,339.53
Direct Expenses								
Beet Pulp (dry) (lb.)	475.3	7.21	879.7	13.35	175.7	3.14	1,484.7	24.02
Protein Vit Minerals (lb.)	1,248.2	52.22	240.0	39.62	278.7	39.86	70.6	20.37
Complete Ration (lb.)	39.2	13.82	308.3	41.91	206.3	26.86	31.7	6.93
Corn Silage (lb.)	3,182.3	55.67	4,524.0	79.60	6,398.3	104.58	6,706.4	115.74
Hay, Alfalfa (lb.)	2,166.5	123.36	1,502.8	86.96	743.0	52.70	346.7	13.87
Hay, Grass (lb.)	3,676.6	156.31	4,054.2	188.19	4,397.4	193.15	3,021.2	100.66
Pasture (aum)	4.3	44.53	2.6	46.83	7.9	82.26	5.2	77.66
Other feed stuffs (lb)	1,210.6	44.06	485.3	32.39	1,185.6	45.76	591.4	38.10
Veterinary		27.30		22.16		30.29		36.01
Supplies		43.29		40.95		26.25		45.61
Fuel & oil		34.89		39.90		38.40		43.89
Repairs		46.42		48.66		43.53		38.51
Custom hire		11.73		1.52		8.73		8.73
Bedding		7.49		6.49		11.52		1.48
Operating interest		7.83		11.42		17.77		9.23
Total direct expenses		676.13		699.96		724.80		580.83
Return over direct expense		541.34		600.64		587.79		758.70
Overhead Expenses								
Hired labor		8.57		11.09		9.25		17.86
RE & pers. property taxes		11.59		10.50		2.98		3.74
Farm insurance		18.65		16.08		18.20		13.22
Utilities		27.52		15.77		20.37		6.03
Interest		36.23		25.08		22.79		21.15
Mach & bldg depreciation		67.11		69.03		48.86		38.28
Miscellaneous		36.08		22.63		18.75		15.06
Total overhead expenses		205.75		170.17		141.20		115.34
Total dir & ovhd expenses		881.88		870.13		866.00		696.16
Net return		335.59		430.47		446.59		643.36
Labor & management charge		149.26		112.37		97.12		93.92
Net return over lbr & mgt		186.33		318.09		349.47		549.44
Cost of Production Per Cwt. Produced								
Total direct expense per unit		137.46		84.69		143.18		109.15
Total dir & ovhd expense per unit		179.29		105.28		171.07		130.82
With other revenue adjustments		141.71		87.06		140.27		133.71
With labor and management		172.05		100.65		159.46		151.36
Est. labor hours per unit		13.06		9.51		9.78		7.41
Other Information								
Number of cows		25.5		73.0		137.9		286.3
Pregnancy percentage		95.9		96.4		97.1		97.9
Pregnancy loss percentage		5.5		1.5		5.0		1.7
Culling percentage		12.2		11.6		9.4		25.0
Calving percentage		90.6		95.0		92.2		96.2
Weaning percentage		83.7		88.4		85.8		92.1
Calves sold per cow		0.70		0.81		0.79		0.86
Calf death loss percent		7.0		6.7		5.7		3.0
Cow death loss percent		3.3		2.9		1.9		1.1
Cows per FTE		214.3		294.6		286.4		378.1
Average weaning weight		519		514		531		587
Lb. weaned/exposed female		434		454		456		541
Feed cost per cow		497.19		528.85		548.32		397.35
Avg wgt/ Beef Calves sold		573		601		619		697
Avg price / cwt.		220.19		217.73		224.90		170.32

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

Hogs, Finish Feeder Pigs -- Average Per Cwt. Carcass Sold

	<u>Avg. Of All Farms</u>		<u>40 - 60%</u>		<u>High 20%</u>	
Number of farms	35		6		7	
	Quantity	Value	Quantity	Value	Quantity	Value
Finish Hogs sold (lb)	135.59	99.82	134.05	93.83	135.76	101.99
Transferred out (lb)	0.06	0.05	0.12	0.17	-	-
Cull sales (lb)	0.76	0.38	0.00	0.01	1.83	0.87
Other income		1.94		-1.26		6.96
Purchased (lb)	-19.60	-28.99	-22.43	-34.73	-16.48	-27.68
Transferred in (lb)	-3.51	-5.11	-0.91	-1.12	-2.60	-2.92
Inventory change (lb)	2.27	1.46	15.90	10.06	1.41	2.11
Gross margin		69.55		66.95		81.33
Direct Expenses						
Protein Vit Minerals (lb.)	81.45	16.44	98.77	20.85	91.12	20.73
Complete Ration (lb.)	34.99	4.91	-	-	0.77	0.11
Corn (bu.)	3.74	15.64	4.28	18.23	4.33	16.54
Other feed stuffs (lb)	9.24	0.72	6.34	0.76	6.08	0.56
Veterinary		0.54		0.62		0.92
Supplies		1.53		1.37		0.63
Contract production exp.		0.82		-		-
Fuel & oil		0.67		0.29		0.38
Repairs		0.91		1.35		0.80
Custom hire		2.65		0.91		5.56
Hauling and trucking		0.78		0.18		0.30
Marketing		1.15		0.07		1.37
Total direct expenses		46.74		44.63		47.91
Return over direct expense		22.81		22.31		33.42
Overhead Expenses						
Hired labor		0.90		0.30		0.95
Building leases		3.18		0.94		6.03
Farm insurance		0.44		0.76		0.29
Utilities		0.58		0.75		0.48
Interest		0.41		0.61		0.18
Mach & bldg depreciation		1.52		1.92		1.36
Miscellaneous		0.75		0.63		0.84
Total overhead expenses		7.78		5.90		10.13
Total dir & ovhd expenses		54.52		50.53		58.04
Net return		15.03		16.41		23.29
Labor & management charge		2.42		4.98		1.66
Net return over lbr & mgt		12.61		11.44		21.63
Cost of Production/Cwt. Carcass Sold						
Total direct expense per unit		78.92		70.34		75.46
Total dir & ovhd expense per unit		86.70		76.24		85.59
With other revenue adjustments		84.84		77.58		78.70
With labor and management		87.25		82.56		80.36
Est. labor hours per unit		0.12		0.18		0.08
Other Information						
No. purchased or trans in		6,749		2,873		11,033
Number sold or trans out		6,401		2,651		10,218
Percentage death loss		2.1		2.4		0.7
Percent substandard hogs		2		1		2
Avg. daily gain (lb.)		1.45		1.88		1.27
Lb. of feed / lb. of gain		2.90		2.74		2.84
Feed cost per cwt. of gain		32.60		31.42		31.62
Feed cost per head		77.11		75.78		80.72
Average purchase weight		44		45		35
Avg wgt / Finish Hogs sold		281		282		284
Avg purch price / head		65.79		70.24		58.50
Avg sales price / cwt.		73.61		69.99		75.12
Average carcass weight		212		212		213
Average price / cwt. carcass		98.79		93.36		100.96

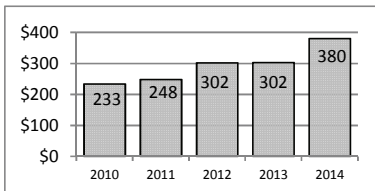
Livestock Enterprise Analysis
Northern Minnesota Farm Business Management Data
(Farms Sorted By Return to Overhead)

Hogs, Weaning to Finish (Contract Grower) -- Average Per Head

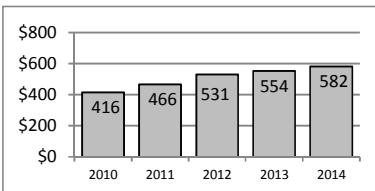
	Avg. Of All Farms		40 - 60%		High 20%	
Number of farms	63		12		13	
	Quantity	Value	Quantity	Value	Quantity	Value
Other income		37.72		37.14		44.26
Gross margin		37.72		37.14		44.26
Direct Expenses						
Supplies		1.73		1.32		1.16
Contract production exp.		1.45		2.99		-
Fuel & oil		1.94		2.06		1.36
Repairs		3.09		2.66		1.83
Custom hire		0.61		0.36		0.75
Hired labor		0.92		0.59		0.23
Livestock leases		0.36		0.73		-
Utilities		1.13		0.74		0.49
Total direct expenses		11.23		11.44		5.82
Return over direct expense		26.49		25.70		38.44
Overhead Expenses						
Hired labor		0.31		0.02		0.26
Building leases		0.86		4.45		-
RE & pers. property taxes		0.71		0.48		0.51
Farm insurance		1.48		1.01		1.49
Utilities		1.20		1.02		2.08
Interest		3.70		3.93		6.21
Mach & bldg depreciation		10.23		5.56		17.74
Miscellaneous		0.91		0.62		1.16
Total overhead expenses		19.41		17.10		29.45
Total dir & ovhd expenses		30.64		28.54		35.27
Net return		7.08		8.60		8.98
Labor & management charge		5.00		4.27		4.32
Net return over lbr & mgt		2.08		4.33		4.67
Cost of Production Per Pig Space						
Total direct expense per unit		-		-		-
Total dir & ovhd expense per unit		-		-		-
With other revenue adjustments		-		-		-
With labor and management		-		-		-
Est. labor hours per unit		0.32		0.29		0.22
Other Information						
Number of pigs		7,528		5,892		9,069
Pigs per pig space (per year)		2.40		2.02		2.44
Pigs per 100 sq. ft. (per yr)		33.31		34.18		31.49
Net return per 100 sq. ft.		98.15		145.59		115.91
Net return per labor hour		22.39		29.49		40.68
Square feet per pig space		7.22		5.91		7.75

Selected Crop & Livestock Enterprise Trend Summary
Northern Minnesota Farm Business Management Data

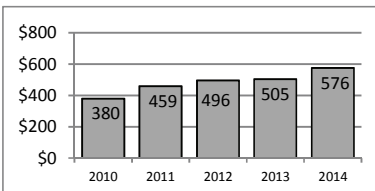
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>Total Dir&Ovhd Expense</u>
<u>Alfalfa Hay</u>						
Yield per Acre	3.6	3.6	3.3	3.3	4.0	
Value per Ton	\$77.11	\$89.32	\$131.79	\$153.38	\$176.49	
Fuel, Oil, Repairs per Acre	\$69.58	\$83.79	\$95.25	\$91.09	\$114.57	
Total Dir & Ovhd Exp per Acre	\$233.21	\$247.68	\$302.02	\$302.28	\$379.84	
Net Return per Acre	\$57.05	\$74.89	\$150.49	\$218.54	\$337.71	
Total Direct Expenses per Ton	\$34.04	\$37.68	\$50.72	\$51.79	\$48.66	
Total Dir & Ovhd Exp per Ton	\$65.13	\$69.17	\$91.87	\$91.64	\$94.13	



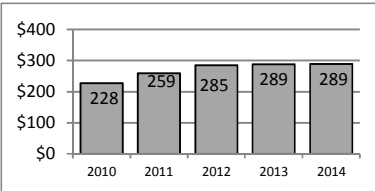
<u>Corn</u>						
Yield per Acre	143.4	121.7	128.9	108.5	118.8	
Value per Bushel	\$4.61	\$5.72	\$6.49	\$4.02	\$3.42	
Fuel, Oil, Repairs per Acre	\$66.19	\$87.13	\$88.45	\$88.78	\$87.92	
Total Dir & Ovhd Exp per Acre	\$415.50	\$465.97	\$530.74	\$553.77	\$581.67	
Net Return per Acre	\$249.14	\$248.53	\$320.53	-\$44.10	-\$75.40	
Total Direct Expenses per Bu.	\$2.01	\$2.77	\$2.97	\$3.71	\$3.43	
Total Dir & Ovhd Exp per Bushel	\$2.90	\$3.83	\$3.91	\$5.11	\$4.90	



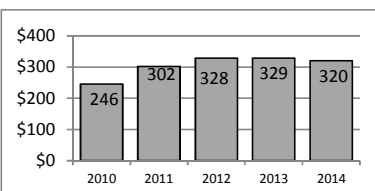
<u>Corn Silage</u>						
Yield per Acre	18.4	15.2	15.1	11.7	14.3	
Value per Ton	\$31.88	\$39.05	\$50.65	\$40.01	\$35.05	
Fuel, Oil, Repairs per Acre	\$74.47	\$98.93	\$103.50	\$100.48	\$122.88	
Total Dir & Ovhd Exp per Acre	\$380.24	\$458.64	\$495.91	\$504.52	\$576.47	
Net Return per Acre	\$208.71	\$157.19	\$285.57	\$155.90	\$9.68	
Total Direct Expenses per Ton	\$13.68	\$21.60	\$22.91	\$31.22	\$27.70	
Total Dir & Ovhd Exp per Ton	\$20.62	\$30.09	\$32.86	\$43.05	\$40.28	



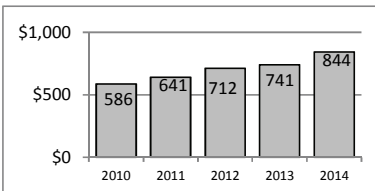
<u>Soybeans</u>						
Yield per Acre	35.2	31.5	37.8	33.4	33.0	
Value per Bushel	\$10.55	\$11.41	\$13.87	\$12.52	\$9.73	
Fuel, Oil, Repairs per Acre	\$37.29	\$49.03	\$49.01	\$45.26	\$46.04	
Total Dir & Ovhd Exp per Acre	\$227.84	\$259.44	\$285.21	\$288.53	\$289.37	
Net Return per Acre	\$147.05	\$112.02	\$243.72	\$139.81	\$52.87	
Total Direct Expenses per Bu.	\$4.17	\$5.53	\$5.15	\$5.76	\$5.81	
Total Dir & Ovhd Exp per Bushel	\$6.48	\$8.23	\$7.55	\$8.65	\$8.76	



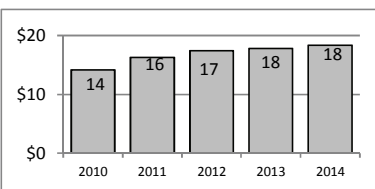
<u>Spring Wheat</u>						
Yield per Acre	52.5	48.0	60.8	66.5	60.2	
Value per Bushel	\$6.63	\$7.99	\$8.30	\$6.24	\$5.62	
Fuel, Oil, Repairs per Acre	\$37.31	\$44.65	\$50.14	\$44.21	\$43.17	
Total Dir & Ovhd Exp per Acre	\$245.71	\$301.89	\$328.49	\$329.01	\$320.40	
Net Return per Acre	\$108.02	\$97.69	\$182.39	\$95.54	\$32.83	
Total Direct Expenses per Bu.	\$3.32	\$4.63	\$4.01	\$3.56	\$3.77	
Total Dir & Ovhd Exp per Bushel	\$4.68	\$6.29	\$5.40	\$4.95	\$5.32	



<u>Beef Cow Calf</u>						
Price Rec'd/Cwt Calf Sold	\$114.79	\$132.13	\$146.91	\$152.83	\$212.33	
Total Feed Cost/Cow	\$359.75	\$388.03	\$445.53	\$479.03	\$508.48	
Return over Feed/Cow	\$279.52	\$380.97	\$354.44	\$298.68	\$786.66	
Net Return/Cow	\$53.60	\$127.61	\$88.27	\$36.61	\$451.63	
Total Direct & Ovhd Expenses	\$585.68	\$641.39	\$711.70	\$741.10	\$843.51	



<u>Dairy Cows</u>						
Production/Cow	21,669	22,343	22,774	23,087	23,765	
Price Rec'd/Cwt Milk	\$16.24	\$19.84	\$19.47	\$20.20	\$24.36	
Total Feed Cost/Cwt Milk	\$7.22	\$8.82	\$10.19	\$10.37	\$10.22	
Return over Feed/Cwt Milk	\$7.85	\$9.79	\$8.53	\$8.69	\$13.42	
Net Return/Cwt Milk	\$0.92	\$2.35	\$1.27	\$1.24	\$5.26	
Total Direct & Ovhd Expenses	\$14.15	\$16.27	\$17.44	\$17.81	\$18.38	



Minnesota Farm Business Management Education

Vision:

To provide educational opportunities for students to be successful in a competitive agricultural environment.

Mission:

To deliver management education for decision-making that achieves an individual's business goals.

Guiding Principles:

- 1. Improved Quality of Life in Rural Communities*
 - 2. Achievement of Student Goals*
 - 3. Awareness of the Global Importance of Agriculture*
 - 4. Integrity in Student Interaction*
 - 5. Timely and Student-Focused Programming*
-

MnSCU and Participating College Websites:

State FBM Website: fbm.mnscu.edu

Alexandria Technical and Community College: alextech.edu

Central Lakes College Website: clcmn.edu

Northland Community & Technical College Website: northlandcollege.edu

Ridgewater College: ridgewater.edu

St. Cloud Technical and Community College: sctcc.edu



Keith Olander, Director
1830 Airport Road
Staples, MN 56479

Office Phone: 218-894-5163
Email: kolander@clcmn.edu

Website: Agcentric.org

AgCentric, Northern Center of Excellence for Agriculture, is committed to helping our region meet the evolving challenges of global agriculture through agricultural education, workforce development, collaboration and advocacy.

MyFarm Financial Scorecard

Year:

Name:

Liquidity

This Year

5-Year Ave

Strong

Vulnerable

Current ratio

1.7

1.1

Working capital

25%

10%

Working cap to gross revenue

Solvency (market)

Note: These solvency ratios include deferred liabilities

Farm debt/asset ratio

30%

60%

Farm equity/asset ratio

70%

40%

Farm debt/equity ratio

0.43

1.50

Profitability (Cost)

Rate of return on farm assets

8%

4%

Rate of return on farm equity

10%

3%

Operating profit margin

25%

15%

Net farm income

EBITDA

Repayment Capacity (Accrual)

Capital debt repay capacity

Capital debt repay margin

Replacement margin

Term-debt coverage ratio

Replacement margin ratio

1.50

1.20

1.40

1.10

Financial Efficiency

Asset-turnover rate (market)

45%

30%

Operating-expense ratio

60%

80%

Depreciation-expense ratio

5%

15%

Interest-expense ratio

5%

10%

Net farm income ratio

20%

10%