

FARM BUSINESS MANAGEMENT

2016 ANNUAL REPORT



MyFarm Financial Scorecard

Year: _____

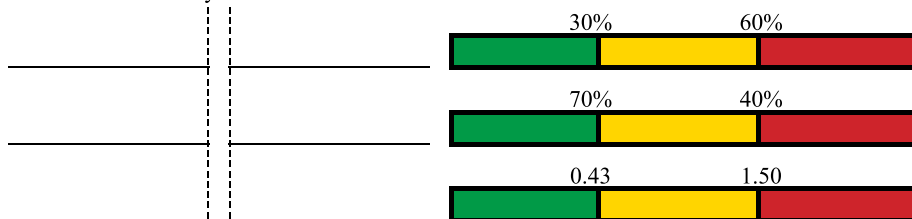
Name: _____

Liquidity

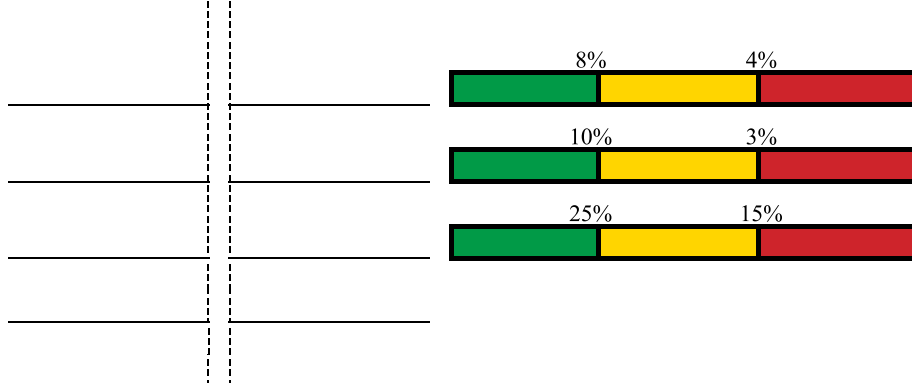


Solvency (market)

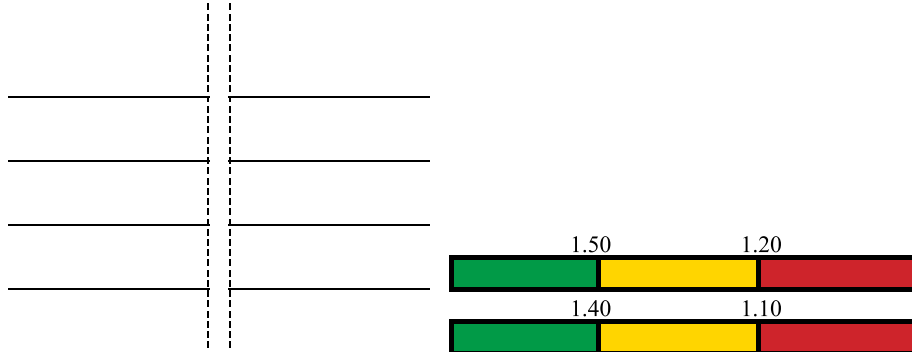
Note: These solvency ratios include deferred liabilities



Profitability (Cost)



Repayment Capacity (Accrual)



Financial Efficiency

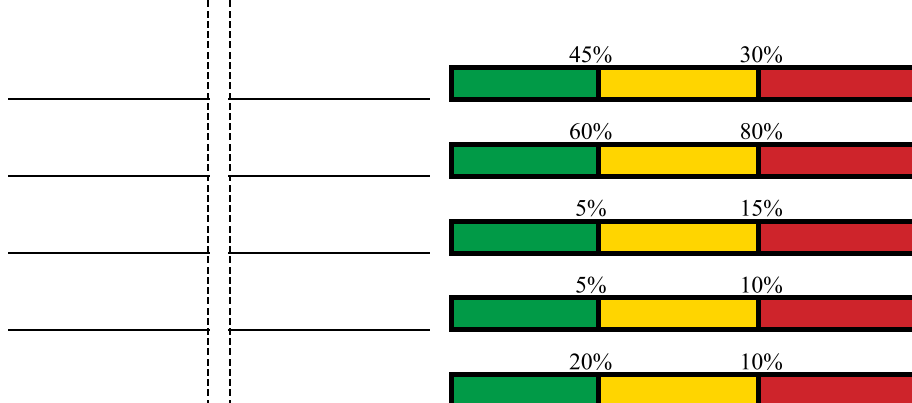


TABLE OF CONTENTS

<u>Description</u>	<u>Page Number</u>
Table of Contents	
Program Faculty	2-3
Southern Minnesota Financial Information	Executive Summary
	4-5
	Financial Trend Summary
	6
	Year at a Glance
	7
	Financial Summary by Farm Type
	8
	Financial Summary by Number of Years Farming
	9
	Average Money Spent by Each Farmer
	10
	Southern MN Center of Agriculture
	11
	Financial Summary by Gross Farm Income
	12
	Financial Summary by Net Farm Income
	13
Southern Minnesota Crop Enterprises	Farm Income Statement- Income & Expense
	14-15
	Balance Sheet- "Cost Values & Market Values"
	16-17
	Definitions of Financial Guideline Measures
	18-19
	Financial Standards Measures
	20
	Profitability Measures by Net Farm Income
	21
	Liquidity & Repayment Capacity Measures by Net Income
	22
	Operator and Labor Information by Net Farm Income
	23
	Household and Personal Expenses by Net Farm Income
	24
	Nonfarm Summary by Net Farm Income
	25
Statewide Livestock Enterprise	Financial Summary by Crop Acres
	26
	Crop Production and Marketing Summary by Net Farm Income
	27
	Individual Enterprise Analysis Tables
	28
	Selected Crop & Livestock Enterprise Trend Summary
	29
	Corn on Owned Land
	30
	Corn on Cash Rent
	31
	Soybeans on Owned Land
	32
	Soybeans on Cash Rent
	33
	Wheat, Spring on Owned Land
	34
	Wheat, Spring on Cash Rent
	35
	Corn Silage on Owned Land
	36
	Corn Silage on Cash Rent
	37
	Hay, Alfalfa on Owned Land
	38
	Hay, Alfalfa on Cash Rent
	39
	Corn, Organic on Owned Land
	40
	Corn, Organic on Cash Rent
	41
	Sweet Corn, Processing on Owned Land
	42
	Sweet Corn, Processing on Cash Rent
	43
	Peas, Processing on Cash Rent
	44
	Sugar Beets on Cash Rent
	45
	Oats on Owned Land
	46
	Oats on Cash Rent
	47
	Establish Hay, Alfalfa on Owned Land
	48
	Establish Hay, Alfalfa on Cash Rent
	49
	South Central College AgriBusiness Programs
	50
	Minnesota West Community & Technical College AgriBusiness Programs
	51
	Dairy, Average Per Cwt. Of Milk
	52
	Dairy, Average Per Cow
	53
	Dairy and Repl Heifers, Average Per Cwt. of Milk
	54
	Dairy and Repl Heifers, Average Per Cow
	55
	Dairy Finishing, Average Per Cwt. Produced
	56
	Dairy by Herd Size, Average Per Cow
	57
	Dairy Organic, Average Per Cwt. of Milk
	58
	Dairy Organic, Average Per Cow
	59
	Riverland Community College AgriBusiness Programs
	60
	Ridgewater College AgriBusiness Programs
	61
	Beef Backgrounding, Average Per Head
	62
	Beef Cow Calf, Average Per Cow
	63-64
	Beef Finishing, Average Per Cwt. Produced
	65
	Hogs, Weaning to Finish, Average Per Cwt. Carcass Sold
	66
	Hogs, Weaning to Finish (Contract Grower), Average Per Pig Space
	67
	Hogs, Finish Feeder Pigs, Average Per Cwt. Carcass Sold
	68

PROGRAM FACULTY

The following instructors contributed data to this report. Instructors are located throughout Southern Minnesota and office locations are listed below.

Minnesota West Community & Technical College

LOCATION:	INSTRUCTOR:	
Jackson	Mike Dierks	(507) 847-7937
Jackson/Lakefield	Larry Griffin	(507) 847-7936
Marshall	Mike Boersma	(605) 690-5336
	Paul Lanoue	(507) 829-1851
	Troy Otto	(507) 530-5239
	Lori Van Overbeke	(507) 530-8344
	Brad Verly	(507) 828-8506
Truman	Kent Janssen	(507) 776-2974
Welcome	Aaron Brudellie	(320) 894-2033
	Bob Roesler	(507) 728-8400
	Justin Williamson	(507) 728-8400
Walnut Grove	Linda Carter	(507) 828-6651
Worthington	Mike Dierks	(507) 372-3427

Ridgewater College

LOCATION:	INSTRUCTOR:	
Barrett	Deron Erickson	(320) 808-5187
Belgrade	Mike Mastey	(320) 254-8068
Hutchinson	Paul Filzen	(320) 249-1960
	Shawn Meyer	(320) 249-1958
Lac qui Parle	Kami Schoenfeld	(320) 212-5255
Renville	Doug Lind	(320) 979-4609
Willmar	Zach Rada	(320) 222-7561

Riverland Community College

LOCATION:	INSTRUCTOR:	
Adams/Albert Lea	Barry Kurtz	(507) 582-1221
Austin	Eric Deters	(507) 259-6262
	Dave Marr	(507) 438-7076
Kenyon	Jennifer Smith	(507) 384-8676
	Rex Quam	(507) 301-1140
	Kyle Huneke	(507) 438-4924
Leroy	Wayne Pike	(507) 251-1937
Owatonna	Eric Deters	(507) 259-6262
Plainview	Tom Anderson	(507) 259-6269
St. Charles	Jack LaValla	(507) 951-9453
Spring Valley	Dan Miller	(507) 259-6270

South Central College

LOCATION:	INSTRUCTOR:	
Blue Earth	Al Roesler	(507) 526-2894
Fairfax	Brad Augustin	(507) 766-1985
Faribault	Eric Kinsley	(507) 332-5845
	Jeff Schultz	(507) 838-7459
	Mark Wehe	(507) 332-5836
Glencoe	Myron Oftedahl	(507) 995-5346
Mankato	Tina LeBrun	(507) 327-3732
	Brent Roiger	(507) 389-7304
	Pam Uhlenkamp	(507) 351-0463
Montgomery	Ira Beckman	(612) 756-2843
Nicollet	Robin Schwieger	(507) 232-3916
Sleepy Eye	Wayne Schoper	(507) 766-6677
Waldorf	Todd Stencel	(507) 521-1232

Our Mission:

The Southern Minnesota Center of Agriculture will align students with the resources of academic institutions and industry to develop and sustain the workforce needs of agriculture in Southern Minnesota.

Our Vision:

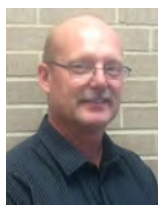
The Southern Minnesota Center of Agriculture will serve as a dominate force in the promotion of education in agriculture careers, aligning colleges and curriculums across the region.

The Southern Minnesota Center of Agriculture was established to promote and establish agricultural education excellence in Minnesota across the industry. We work to establish partnerships with key businesses and organizations in the agriculture industry to meet workforce demands, training needs, and to deliver the highest quality agricultural education for the region.

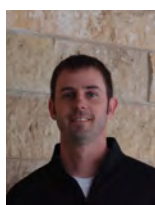
The Center serves as a starting point for those pursuing a career in the agriculture industry. Follow us on Facebook at [facebook.com/centerofagriculture](https://www.facebook.com/centerofagriculture) or on Twitter at [@centerofag](https://twitter.com/centerofag) to stay up to date on all things ag education in the region!

<http://www.centerofagriculture.org/>

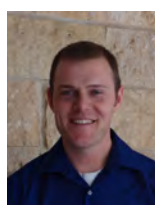
Farm Business Management Faculty



Mike Dierks
Minnesota West
507-372-3427



Aaron Brudellie
Minnesota West
320-894-2033



Paul Lanoue
Minnesota West
507-829-1851



Troy Otto
Minnesota West
507-530-5239



Lori Van Overbeke
Minnesota West
507-530-8344



Kent Janssen
Minnesota West
507-776-2974



Bob Roesler
Minnesota West
507-728-8400



Justin Williamson
Minnesota West
507-728-8400



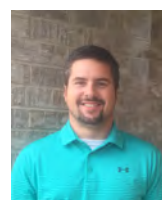
Mike Boersma
Minnesota West
605-690-5336



Larry Griffin
Minnesota West
507-847-7936



Linda Carter
Minnesota West
507-828-6651



Brad Verly
Minnesota West
507-828-8506



Mark Wehe
South Central
507-332-5836



Eric Kinsley
South Central
507-332-5845



Jeff Schultz
South Central
507-838-7459



Pam Uhlenkamp
South Central
507-351-0463



Tina LeBrun
South Central
507-327-3732



Ira Beckman
South Central
612-756-2843



Al Roesler
South Central
507-526-2894



Brad Augustin
South Central
507-766-1985



Myron Oftedahl
South Central
507-995-5346



Todd Stencel
South Central
507-521-1232



Brent Roiger
South Central
507-389-7304



Wayne Schoper
South Central
507-766-6677



Robin Schwieger
South Central
507-232-3916



Kyle Huneke
Riverland
507-438-4924



Dave Marr
Riverland
507-438-7076



Barry Kurtz
Riverland
507-582-1221



Dan Miller
Riverland
507-259-6270



Eric Deters
Riverland
507-259-6262



Jennifer Smith
Riverland
507-384-8676



Rex Quam
Riverland
507-301-1140



Wayne Pike
Riverland
507-251-1937



Tom Anderson
Riverland
507-259-6269



Jack LaValla
Riverland
507-951-9453



Kami Schoenfeld
Ridgewater
320-212-5255



Deron Erickson
Ridgewater
320-808-5187



Paul Filzen
Ridgewater
320-249-1960



Mike Mastey
Ridgewater
320-254-8068



Shawn Meyer
Ridgewater
320-249-1958



Zach Rada
Ridgewater
320-222-7561



Doug Lind
Ridgewater
320-979-4609

2016 Annual Report – Executive Summary

The 2016 farm year was headlined by very good crop yields which helped reduce more significant deterioration of farm finances. Similar to 2015, many crop yields were near or set all-time Southern Minnesota records. This production, along with slightly lower input prices did lead to a slightly improved accrual adjusted net farm income.

Average net farm income for the 1,380 farms in the Southern Minnesota database was \$46,742 for 2016. This slightly improved by 26.1% from the extremely low \$37,070 reported in 2015. Median net farm income increased slightly from the very reduced 2015 level of \$22,434 to this year's level of \$33,071.

Financial Factors	2013	2014	2015	2016
Average Net Farm Income	\$73,678	\$96,337	\$37,070	\$46,742
Median Net Farm Income	\$43,030	\$39,913	\$22,434	\$33,071

Continued low commodity prices of nearly all major commodities has led to the second lowest average accrual adjusted net farm income in the past decade. The only previous year lower than 2016 (\$46,742) was 2015 (\$37,070). With two of lowest levels of net farm income in back to back years; in the past decade, many of the key farm financial ratios continue to show low profitability or continued deterioration.

Some of the key financial measures for farms in Southern Minnesota in 2016 remain to be a concern for many. Working capital fell from \$255,346 at the end of 2015 to \$218,537 at the end of 2016 which was a 14.4% decrease. Even with lower working capital levels the working capital to gross revenue level of 27.5% remained steady due to continued decreases of gross revenue for most operations.

Term debt coverage is a key financial measure that ag lenders consider in loan decisions. The 2016 Southern Minnesota average was 0.90 compared to 0.77 in 2015, and 3.63 in 2012. Although this is a slight improvement from 2015 the level is still below 1.00 meaning working capital must be used to offset shortage of income in the operation in 2016 to cover debt payments. This is the second year in a row this has occurred for the average operation in Southern Minnesota.

With reduced revenue generated in 2016, the operating expense ratio remained at levels that keep our database average

Financial Factors	2013	2014	2015	2016
Working Capital	\$252,603	\$279,637	\$255,346	\$218,537
Working Capital as % of Gross	36.8%	29.9%	27.4%	27.5%
Term Debt Coverage Ratio	1.02	1.33	0.77	0.90
Operating Expense Ratio	81.4%	79.8%	84.6%	83.0%

in the red zone, based on our financial scorecard on the inside cover of this report. 80% is the start of the red zone area, and we ended the 2016 year at 83.0%, compared to 84.6% in 2015 and 64.7% back in 2012. This ratio tells us that for every dollar of farm revenue produced, it took 83 cents to cover the annual operating expenses; excluding interest paid, loan payments or depreciation, and family living. When operating expenses take that large of a slice of the gross revenue, cash flow issues are created for most farms. This makes 4 years running near this level. Trend information for the 2012-2016 financial summary can be found on page 6 of this report. A quick look at 2016 can be found on page 7, year at a glance. The impact of spending on the farm economy of Southern Minnesota by the average farmer in this report can be found on page 10.

2016 Annual Report – Executive Summary

Our three major livestock enterprises in Southern Minnesota are dairy, beef cow-calf and swine operations. On a statewide basis, these enterprises were all near breakeven or below in 2016.

Dairy farms generated a net return/cow of \$108.61 compared to \$1,249 in 2014. This reduction in profit is tied directly to the drop in average price received for milk, which

reduced by \$1.55 per hundredweight to a level of \$16.20 in 2016 compared to 2015 and reduction

Statewide FBM Data	Dairy			
	2013	2014	2015	2016
Gross Margin	\$4,400	\$5,618	\$4,187	\$3,767
Feed Cost / Cow	\$2,393	\$2,430	\$2,108	\$1,899
Dir & Ovhd Expense/Cow	\$4,113	\$4,369	\$3,897	\$3,659
Net Return/Cow	\$287	\$1,249	\$289	\$109
Average Milk Price	\$20.20	\$24.36	\$17.75	\$16.20
Dir & Ovhd Exp/Cwt Milk	\$17.81	\$18.38	\$16.22	\$14.87

Statewide FBM Data	Beef Cow-Calf			
	2013	2014	2015	2016
Gross Margin	\$778	\$1,295	\$864	\$633
Feed Cost / Cow	\$479	\$508	\$439	\$413
Dir & Ovhd Exp/Cow	\$741	\$844	\$747	\$718
Net Return / Cow	\$37	\$452	\$117	(\$84)
Ave \$/CWT calf sold	\$152.83	\$212.33	\$206.46	\$156.42

of \$8.16 per hundredweight from 2014 levels.

Beef cow/calf enterprises showed net losses of \$-84.29 in 2016 compared to a positive \$117 return in 2015 on a per cow basis. Lower sale prices more

than offset the slightly reduced production costs.

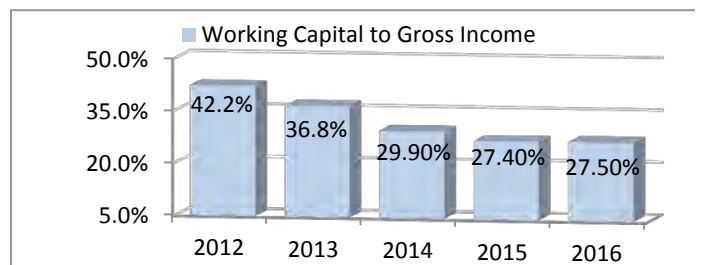
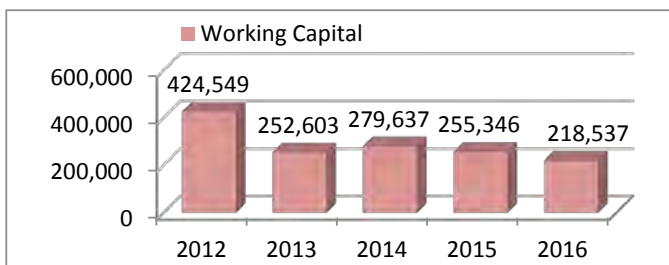
Swine returns were poor in 2016. Those producers with wean-finish operations on average experienced net losses of \$0.64 per hundredweight carcass sold while finish feeder pig producers showed net losses of \$2.03 per hundredweight carcass sold. The only positive net returns generated were for contract growers in 2016 on an average of \$10.07 per pig space.

2016 was another superb year for crop production in Southern Minnesota but; yet again, net returns stayed low or remained negative. Some isolated areas experienced extensive hail damage or experienced excessive rainfall, but most farms produced one of the best crops ever. The average yield per acre for the Southern half of Minnesota was 205 bushels for corn, 61 bushels for soybeans; an extremely productive year for crop yields. Even though farms experienced at or near record yields in 2016, returns were average in soybeans, and negative returns were seen in corn for the 4th straight year. Below displays the 4-year history for these crops on rented land.

Rented Land		Yield per Acre	Value per Unit	Gross Revenue /Acre	Dir & Ovhd Expense /Acre	Net Return /Acre	Dir & Ovhd Expense /Unit
Corn	2013	169.8	\$4.53	\$885.77	\$899.94	(\$14.16)	\$5.30
	2014	163.8	\$3.98	\$812.95	\$864.21	(\$51.26)	\$5.28
	2015	205.9	\$3.54	\$738.04	\$793.30	(\$55.26)	\$3.85
	2016	204.8	\$3.37	\$705.31	\$760.67	(\$55.36)	\$3.71
Soybeans	2013	47.0	\$12.62	\$612.43	\$534.35	\$78.07	\$11.36
	2014	47.0	\$10.21	\$536.88	\$532.59	\$4.29	\$11.33
	2015	60.1	\$8.63	\$525.63	\$518.64	\$6.99	\$8.63
	2016	61.3	\$9.40	\$588.03	\$503.22	\$84.82	\$8.21

Financial Trend Summary
Southern Minnesota Farm Business Management Data

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Income Statement					
Gross Cash Farm Income	900,988	941,264	925,932	840,341	791,868
Total Cash Farm Expense	700,646	741,773	776,714	724,501	683,984
Net Cash Farm Income	200,342	199,492	149,218	115,841	107,885
Inventory Change	120,787	-71,671	4,824	-23,760	-8,742
Depreciation	-50,127	-55,497	-58,851	-56,164	-54,856
Net Farm Income From Operations	271,001	72,323	95,191	35,915	44,287
Gain or Loss on Capital Sales	1,543	1,355	1,146	1,155	2,456
Average Net Farm Income	272,544	73,678	96,337	37,070	46,742
Median Net Farm Income	181,062	43,030	39,913	22,434	33,071
Profitability (Cost)					
Rate of Return on Assets	13.7%	2.6%	3.7%	0.8%	1.40%
Rate of Return on Equity	20.5%	1.6%	3.5%	-1.7%	-0.70%
Operating Profit Margin	28.5%	7.4%	10.1%	2.5%	4.40%
Asset Turnover Rate	48.0%	35.4%	36.5%	33.0%	32.10%
Liquidity & Repayment (End of Year)					
Current Assets	707,697	511,618	631,535	578,379	568,571
Current Liabilities	283,148	259,015	351,898	353,033	350,034
Current Ratio	2.5	1.98	1.79	1.64	1.62
Working Capital	424,549	252,603	279,637	255,346	218,537
Working Capital to Gross Income	42.2%	36.8%	29.90%	27.40%	27.50%
Term Debt Coverage Ratio	3.63	1.02	1.33	0.77	0.90
Replacement Coverage Ratio	2.93	0.83	1.05	0.60	0.68
Term Debt to EBITDA	-	-	2.97	4.26	4.23
Solvency (Market)					
Number of Farms	1,167	947	1,347	1,287	1,380.00
Total Assets	2,637,095	2,422,077	3,089,636	2,987,149	3,063,428
Total Liabilities	1,118,120	971,184	1,280,133	1,271,496	1,292,302
Net Worth	1,722,479	1,642,929	1,809,503	1,715,654	1,771,126
Net Worth Change	267,167	103,679	86,583	34,810	51,239
Farm Debt to Asset Ratio	42%	40%	43%	45%	45%
Total Debt to Asset Ratio	41%	40%	41%	43%	42%
Change in Total Net Worth %	-	-	5%	2%	3%
Nonfarm Information					
Net Nonfarm Income	35,265	33,202	34,228	36,528	36,099
Farms Reporting Liv Expenses	309	350	409	368	338
Total Family Living Expense	64,429	67,848	66,073	62,829	60,731
Total Living, Invest, & Cap Purch	108,746	118,506	110,312	101,316	86,584
Crop Acres					
Total Crop Acres	686	678	697	683	693
Total Crop Acres Owned	195	203	198	184	186
Total Crop Acres Cash Rented	472	457	484	483	493
Total Crop Acres Share Rent	19	18	16	16	14
Machinery Value Per Crop Acre	-	-	861	879	880



<u>Year at a Glance</u> <i>Data for the Average Farm</i>	Southern Minnesota	State FBM Data	Local Area	Your Farm Data	Your Farm Goal
	1380 <u>Farms</u>	2103 <u>Farms</u>			
<u>Income Statement</u>					
Gross Cash Farm Income	\$791,868	\$739,342	_____	_____	_____
Total Cash Operating Expense	\$683,984	\$634,157	_____	_____	_____
Net Cash Farm Income	\$107,885	\$105,184	_____	_____	_____
Net Operating Profit	\$99,143	\$109,005	_____	_____	_____
Net Farm Income	\$46,742	\$57,237	_____	_____	_____
Median Farm Income	\$33,071	\$34,321	_____	_____	_____
<u>Balance Sheet (Market)</u>					
Total Assets - 12/31	\$3,063,428	\$2,915,331	_____	_____	_____
Total Liabilities - 12/31	\$1,292,302	\$1,238,075	_____	_____	_____
Net Worth - 12/31	\$1,771,126	\$1,677,256	_____	_____	_____
Change in Net Worth	\$51,239	\$59,468	_____	_____	_____
<u>Financial Standards Measures</u>					
Working Capital - 12/31	\$218,537	\$208,056	_____	_____	_____
Debt to Asset Ratio - 12/31	45%	45%	_____	_____	_____
Rate of Return on Farm Assets - Cost	1.4%	2.0%	_____	_____	_____
Rate of Return on Farm Equity - Cost	-0.7%	0.4%	_____	_____	_____
Term Debt Coverage Ratio	0.90	1.04	_____	_____	_____
Asset Turnover Rate	32.1%	31.9%	_____	_____	_____
Operating Expense Ratio	83.0%	80.8%	_____	_____	_____
Interest Expense Ratio	4.6%	4.7%	_____	_____	_____
<u>Operator Information</u>					
Average Age of the Farmer	48.9	48.3	_____	_____	_____
Average Years Farming	25.3	24.3	_____	_____	_____
<u>Personal Spending & Income</u>					
Total Cash Family Living Expense	\$60,731	\$58,526	_____	_____	_____
Total Non Farm Income	\$36,099	\$33,082	_____	_____	_____

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>Southern Minnesota</u>	<u>State Data</u>
Net Farm Income	(+)	\$46,742	\$57,237
Depreciation	(+)	\$54,856	\$53,496
Family Living (Excl Health/Med)	(-)	\$57,553	\$49,107
Social Security and Income Tax	(-)	\$13,253	\$10,793
Health and Medical Expense	(-)	\$12,430	\$10,436
Retirement Accounts	(-)	\$3,423	\$2,920
Principle Payments	(-)	\$64,402	\$63,286
Balance	(=)	-\$49,463	-\$25,809

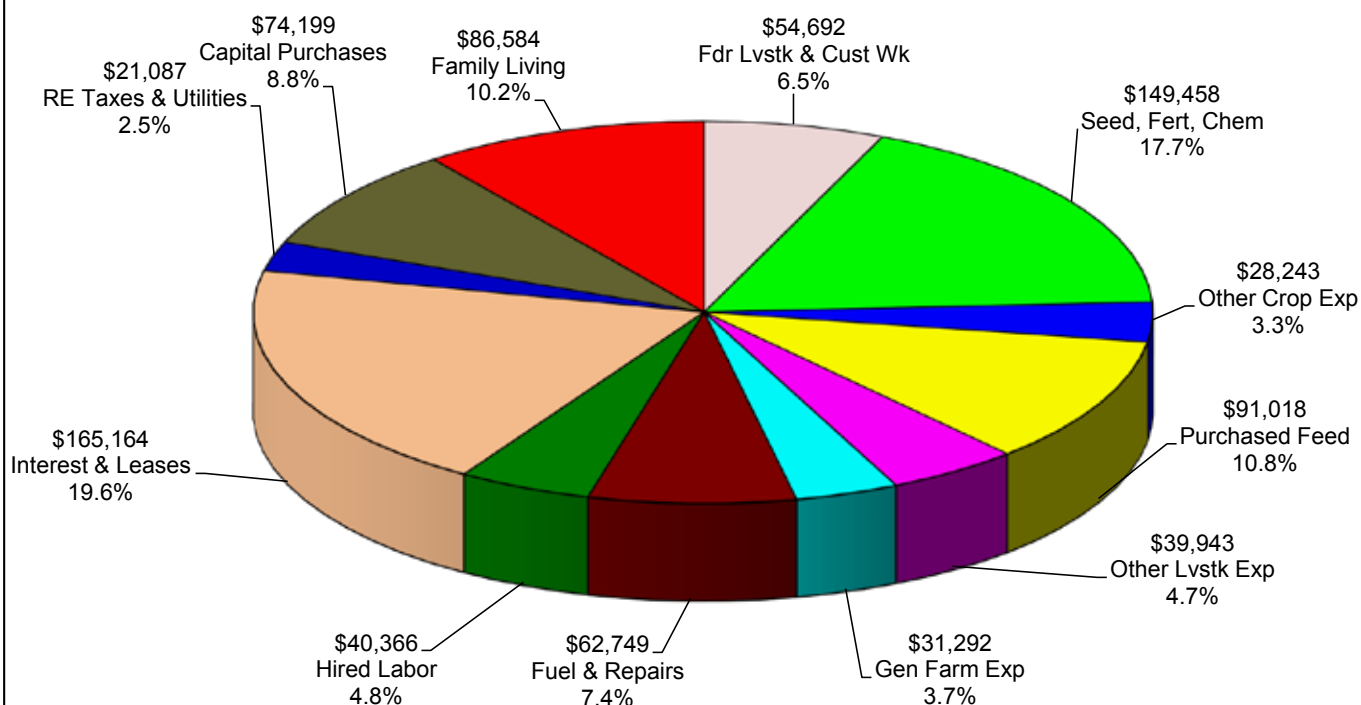
Financial Summary
Southern Minnesota Farm Business Management Data
(Farms Sorted By Farm Type)

	<u>Avg. Of All Farms</u>	<u>Crop</u>	<u>Dairy</u>	<u>Hog</u>	<u>Beef</u>	<u>Crop and Dairy</u>	<u>Crop and Hog</u>	<u>Crop and Beef</u>	<u>Other</u>
Number of farms	1380	743	166	44	25	58	32	51	257
Income Statement									
Gross cash farm income	791,868	653,960	1,279,386	1,885,573	1,025,556	853,952	1,624,612	600,265	591,337
Total cash farm expense	683,984	551,823	1,180,276	1,784,191	869,129	738,569	1,412,923	530,486	470,831
Net cash farm income	107,885	102,136	99,110	101,382	156,428	115,383	211,689	69,779	120,507
Inventory change	-8,742	-751	3,893	-12,450	-139,181	-34,124	17,745	-37,667	-18,125
Depreciation	-54,856	-53,607	-67,150	-65,997	-34,637	-65,118	-94,612	-35,414	-47,583
Net farm income from operations	44,287	47,778	35,854	22,936	-17,390	16,141	134,823	-3,303	54,799
Gain or loss on capital sales	2,456	3,616	3,428	1,025	-124	1,789	40	-79	-38
Average net farm income	46,742	51,394	39,282	23,961	-17,515	17,930	134,863	-3,381	54,761
Median net farm income	33,071	35,311	34,684	5,111	-6,312	19,072	74,621	9,300	37,644
Profitability (cost)									
Rate of return on assets	1.4 %	1.6 %	0.4 %	0.4 %	0.1 %	-0.3 %	3.1 %	-0.7 %	2.7 %
Rate of return on equity	-0.7 %	-0.1 %	-2.5 %	-4.4 %	-8.6 %	-3.2 %	2.3 %	-6.4 %	1.4 %
Operating profit margin	4.4 %	5.1 %	1.1 %	1.3 %	0.8 %	-1.0 %	8.7 %	-2.7 %	9.2 %
Asset turnover rate	32.1 %	31.2 %	41.3 %	33.2 %	17.9 %	30.4 %	35.1 %	26.5 %	29.2 %
Profitability (market)									
Rate of return on assets	2.0 %	2.0 %	1.5 %	1.4 %	1.4 %	0.9 %	3.2 %	0.9 %	3.0 %
Rate of return on equity	1.3 %	1.5 %	0.0 %	-0.9 %	-2.3 %	-0.5 %	3.3 %	-1.4 %	2.9 %
Operating profit margin	8.5 %	9.0 %	4.4 %	5.3 %	10.1 %	3.8 %	12.1 %	4.5 %	14.2 %
Asset turnover rate	23.9 %	22.8 %	33.6 %	26.2 %	14.0 %	23.0 %	26.6 %	19.1 %	21.2 %
Liquidity & Repayment (end of year)									
Current assets	568,571	629,554	427,263	882,486	743,204	464,524	1,129,324	467,992	388,693
Current liabilities	350,034	374,282	260,835	695,567	579,625	271,815	607,519	335,727	248,176
Current ratio	1.62	1.68	1.64	1.27	1.28	1.71	1.86	1.39	1.57
Working capital	218,537	255,272	166,428	186,918	163,579	192,708	521,806	132,265	140,517
Working capital to gross inc	27.5 %	38.3 %	12.8 %	9.8 %	17.9 %	23.1 %	31.4 %	23.0 %	24.4 %
Term debt coverage ratio	0.90	0.99	0.65	0.48	0.18	0.64	1.12	0.49	1.15
Replacement coverage ratio	0.68	0.71	0.53	0.44	0.16	0.50	0.87	0.34	0.92
Term debt to EBITDA	4.23	3.96	5.09	5.30	8.84	5.16	3.20	6.70	3.82
Solvency (end of year at cost)									
Number of farms	1,380	743	166	44	25	58	32	51	257
Total assets	2,287,867	2,411,523	2,411,724	2,740,844	2,171,195	2,325,920	3,718,189	1,634,007	1,732,703
Total liabilities	991,186	984,236	1,073,340	1,510,579	1,391,195	941,776	1,564,691	865,747	803,810
Net worth	1,296,682	1,427,288	1,338,384	1,230,265	780,000	1,384,144	2,153,498	768,260	928,892
Net worth change	19,827	34,290	-15,799	-44,936	-24,059	-15,031	39,523	-23,728	30,900
Farm debt to asset ratio	46 %	44 %	46 %	58 %	67 %	42 %	44 %	56 %	50 %
Total debt to asset ratio	43 %	41 %	45 %	55 %	64 %	40 %	42 %	53 %	46 %
Change in earned net worth %	2 %	2 %	-1 %	-4 %	-3 %	-1 %	2 %	-3 %	3 %
Solvency (end of year at market)									
Number of farms	1,380	743	166	44	25	58	32	51	257
Total assets	3,063,428	3,279,515	2,973,915	3,483,902	2,868,495	3,072,232	4,918,196	2,297,798	2,371,875
Total liabilities	1,292,302	1,323,860	1,300,641	1,843,426	1,600,841	1,249,143	2,035,799	1,118,602	1,033,119
Net worth	1,771,126	1,955,655	1,673,274	1,640,476	1,267,653	1,823,089	2,882,397	1,179,196	1,338,756
Total net worth change	51,239	65,778	16,107	-9,906	24,188	16,664	90,417	10,732	55,650
Farm debt to asset ratio	45 %	43 %	45 %	56 %	59 %	42 %	43 %	52 %	46 %
Total debt to asset ratio	42 %	40 %	44 %	53 %	56 %	41 %	41 %	49 %	44 %
Change in total net worth %	3 %	3 %	1 %	-1 %	2 %	1 %	3 %	1 %	4 %
Nonfarm Information									
Net nonfarm income	36,099	43,415	15,255	18,950	33,832	17,570	29,645	39,745	35,302
Farms reporting living expenses	338	215	19	11	5	12	9	6	58
Total family living expense	60,731	61,463	58,053	83,949	-	63,252	-	-	53,615
Total living, invest, cap. purch	86,584	87,086	70,208	137,971	-	61,041	-	-	79,578
Crop Acres									
Total crop acres	693	897	391	503	342	637	1,078	554	363
Total crop acres owned	186	233	96	139	136	227	217	167	112
Total crop acres cash rented	493	641	295	361	190	411	857	371	245
Total crop acres share rented	14	22	0	3	16	-	5	16	6
Machinery value per crop acre	880	779	1,464	912	1,096	1,050	930	783	1,114

Financial Summary
Southern Minnesota Farm Business Management Data
(Farms Sorted By Number of Years Farming)

	<u>Avg. Of All Farms</u>	<u>10 or Less</u>	<u>11 - 20</u>	<u>21 - 30</u>	<u>31 - 40</u>	<u>Over 40</u>
Number of farms	1380	295	179	231	342	333
Income Statement						
Gross cash farm income	791,868	392,108	611,692	863,066	958,705	1,022,127
Total cash farm expense	683,984	351,421	515,211	750,600	822,561	880,785
Net cash farm income	107,885	40,687	96,481	112,466	136,144	141,342
Inventory change	-8,742	23,828	-5,466	-11,142	-14,360	-31,920
Depreciation	-54,856	-22,119	-39,533	-61,519	-70,366	-71,543
Net farm income from operations	44,287	42,396	51,481	39,805	51,418	37,880
Gain or loss on capital sales	2,456	651	301	2,685	6,761	631
Average net farm income	46,742	43,047	51,782	42,490	58,179	38,510
Median net farm income	33,071	26,495	43,083	26,372	38,660	29,526
Profitability (cost)						
Rate of return on assets	1.4 %	3.4 %	2.7 %	1.3 %	1.4 %	0.5 %
Rate of return on equity	-0.7 %	3.1 %	1.4 %	-1.7 %	-0.6 %	-1.5 %
Operating profit margin	4.4 %	9.5 %	7.1 %	3.9 %	4.8 %	1.7 %
Asset turnover rate	32.1 %	35.4 %	38.2 %	32.1 %	29.5 %	32.0 %
Profitability (market)						
Rate of return on assets	2.0 %	3.5 %	3.3 %	2.0 %	1.9 %	1.4 %
Rate of return on equity	1.3 %	4.2 %	3.3 %	0.9 %	1.2 %	0.6 %
Operating profit margin	8.5 %	11.6 %	10.7 %	8.3 %	9.2 %	6.1 %
Asset turnover rate	23.9 %	30.5 %	30.4 %	24.3 %	21.2 %	23.1 %
Liquidity & Repayment (end of year)						
Current assets	568,571	262,413	412,625	631,605	720,580	723,777
Current liabilities	350,034	171,634	232,892	444,259	456,665	396,168
Current ratio	1.62	1.53	1.77	1.42	1.58	1.83
Working capital	218,537	90,778	179,733	187,346	263,915	327,609
Working capital to gross inc	27.5 %	21.8 %	28.9 %	22.0 %	27.4 %	32.3 %
Term debt coverage ratio	0.90	1.45	1.30	0.81	0.83	0.71
Replacement coverage ratio	0.68	1.27	0.98	0.63	0.62	0.51
Term debt to EBITDA	4.23	4.36	3.82	4.64	4.42	3.84
Solvency (end of year at cost)						
Number of farms	1,380	295	179	231	342	333
Total assets	2,287,867	1,091,710	1,601,212	2,503,249	2,977,622	2,858,824
Total liabilities	991,186	633,306	771,814	1,203,171	1,252,265	1,010,958
Net worth	1,296,682	458,404	829,397	1,300,078	1,725,358	1,847,866
Net worth change	19,827	41,719	32,065	23,370	16,568	-5,256
Farm debt to asset ratio	46 %	60 %	51 %	51 %	45 %	38 %
Total debt to asset ratio	43 %	58 %	48 %	48 %	42 %	35 %
Change in earned net worth %	2 %	10 %	4 %	2 %	1 %	0 %
Solvency (end of year at market)						
Number of farms	1,380	295	179	231	342	333
Total assets	3,063,428	1,264,476	2,008,363	3,320,992	4,135,025	3,945,002
Total liabilities	1,292,302	715,947	926,461	1,525,096	1,682,270	1,437,543
Net worth	1,771,126	548,529	1,081,901	1,795,896	2,452,754	2,507,459
Total net worth change	51,239	50,689	55,853	61,261	57,000	36,378
Farm debt to asset ratio	45 %	59 %	49 %	49 %	43 %	39 %
Total debt to asset ratio	42 %	57 %	46 %	46 %	41 %	36 %
Change in total net worth %	3 %	10 %	5 %	4 %	2 %	1 %
Nonfarm Information						
Net nonfarm income	36,099	42,249	37,388	40,348	35,068	28,068
Farms reporting living expenses	338	56	40	61	87	94
Total family living expense	60,731	51,820	56,646	65,628	66,036	59,689
Total living, invest, cap. purch	86,584	68,627	70,778	87,030	100,695	90,660
Crop Acres						
Total crop acres	693	338	552	758	859	869
Total crop acres owned	186	49	95	177	277	269
Total crop acres cash rented	493	276	453	571	562	582
Total crop acres share rented	14	13	4	9	20	18
Machinery value per crop acre	880	548	738	885	953	965

Each farmer, on average, spent \$844,795 in the Greater Community in 2016



Average Money Spent by Each Farmer in the Greater Community:

\$844,795

Average Money Spent by Each Farmer in a 40 Yr. Career:
Money Spent in Community by 1,380 Farmers:

\$33,791,800
\$1,165,817,100

2016 Report Overview

Farm Business Management Education has been a part of agricultural education in Minnesota since 1953. FBM Programs are now an integral part of Minnesota State, delivered through eight two-year colleges. In 2016 the Southern Minnesota Annual Report is an expansion of a multi-year partnership between Minnesota West Community & Technical College and South Central College most recently including Riverland Community College and Ridgewater College.

This report was prepared following statewide leadership by Ron Dvergsten on database management, guidance and assistance by DelRay Lecy, Al Bruderie, Aaron Bruderie and Justin Williamson. A complete listing of instructors who have students with data in this report is found on page 3 of this Annual Report. Statewide leadership on this report and Farm Business Management Education is provided by Keith Olander, Dean of AgCentric and Brad Schloesser, Dean of the Southern MN Center of Agriculture.

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 table. 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 consists of: a size indicator, a total and per unit income, direct & overhead expenses, and other information. Costs which are considered operating 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) - Criteria to determine the "20%" categories

(Financial) - Net Farm Income

(Crops) - Return to Overhead

(Statewide Livestock) - Return to Overhead



MINNESOTA STATE

Extraordinary Education. Exceptional Value.



Farm Business Management

Optimize Your Yield!

For many, farming is a family tradition. But in today's world, running a farm can also be a challenging, multi-faceted global business! Let the expert instructors from the Farm Business Management program assist you in implementing best farming practices that will maximize your farm's potential!

- Farm records management
- Tax planning assistance
- Farm data analysis
- Business plan evaluation

Scholarships and tuition assistance options available!



"The Farm Business Management program has helped us grow our farming operation through careful financial analysis,

capitalizing on opportunities, and dynamic transition planning. Farm Business Management is a key part of our farm's success."

Mark & Sara Hewitt

Farm Business Management Program Students

For more information on
Farm Business Management
contact: Shelly Kitzberger
(507) 389-7497

Members of the Minnesota State system and
Equal Opportunity Employers and Educators.

Visit us at www.centerofagriculture.org or



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

	<u>Avg. Of All Farms</u>	<u>Less than 100,000</u>	<u>100,001 - 250,000</u>	<u>250,001 - 500,000</u>	<u>500,001 - 1,000,000</u>	<u>1,000,001- 2,000,000</u>	<u>Over 2,000,000</u>
Number of farms	1380	115	257	330	354	214	110
Income Statement							
Gross cash farm income	791,868	54,317	174,758	368,347	702,473	1,377,866	3,422,961
Total cash farm expense	683,984	57,348	149,714	311,911	589,247	1,186,760	3,030,325
Net cash farm income	107,885	-3,030	25,044	56,437	113,226	191,106	392,637
Inventory change	-8,742	15,525	10,364	8,707	-3,003	-35,235	-98,018
Depreciation	-54,856	-7,168	-16,631	-29,902	-55,479	-97,822	-183,289
Net farm income from operations	44,287	5,326	18,776	35,241	54,744	58,049	111,330
Gain or loss on capital sales	2,456	211	847	5,475	2,466	2,456	-534
Average net farm income	46,742	5,537	19,623	40,716	57,210	60,505	110,796
Median net farm income	33,071	3,951	20,533	38,730	56,348	51,837	91,598
Profitability (cost)							
Rate of return on assets	1.4 %	0.2 %	1.6 %	1.6 %	1.9 %	1.2 %	1.1 %
Rate of return on equity	-0.7 %	-4.0 %	-1.2 %	-0.4 %	0.4 %	-1.2 %	-1.2 %
Operating profit margin	4.4 %	1.4 %	6.2 %	6.0 %	6.4 %	3.5 %	2.8 %
Asset turnover rate	32.1 %	17.8 %	25.4 %	26.6 %	29.7 %	33.3 %	39.2 %
Profitability (market)							
Rate of return on assets	2.0 %	0.5 %	1.3 %	2.4 %	2.5 %	1.8 %	1.8 %
Rate of return on equity	1.3 %	-1.7 %	-0.2 %	1.9 %	2.2 %	0.7 %	0.8 %
Operating profit margin	8.5 %	3.7 %	7.7 %	13.0 %	11.8 %	7.0 %	5.6 %
Asset turnover rate	23.9 %	12.7 %	17.0 %	18.1 %	21.5 %	25.9 %	31.7 %
Liquidity & Repayment (end of year)							
Current assets	568,571	64,959	149,811	298,861	555,251	1,015,302	2,056,359
Current liabilities	350,034	33,732	96,212	182,678	322,190	648,028	1,285,674
Current ratio	1.62	1.93	1.56	1.64	1.72	1.57	1.60
Working capital	218,537	31,226	53,599	116,183	233,060	367,275	770,685
Working capital to gross inc	27.5 %	44.1 %	28.5 %	30.7 %	32.6 %	26.9 %	22.8 %
Term debt coverage ratio	0.90	1.90	1.08	0.99	1.05	0.77	0.73
Replacement coverage ratio	0.68	1.54	0.85	0.73	0.74	0.59	0.59
Term debt to EBITDA	4.23	8.91	5.34	4.45	3.85	4.28	3.91
Solvency (end of year at cost)							
Number of farms	1,380	115	257	330	354	214	110
Total assets	2,287,867	559,702	903,493	1,534,600	2,388,814	3,732,274	6,453,899
Total liabilities	991,186	282,202	420,680	633,557	948,346	1,663,593	2,967,918
Net worth	1,296,682	277,500	482,813	901,043	1,440,468	2,068,680	3,485,982
Net worth change	19,827	29,064	20,762	35,050	26,983	17,808	-56,785
Farm debt to asset ratio	46 %	57 %	53 %	46 %	42 %	46 %	47 %
Total debt to asset ratio	43 %	50 %	47 %	41 %	40 %	45 %	46 %
Change in earned net worth %	2 %	12 %	4 %	4 %	2 %	1 %	-2 %
Solvency (end of year at market)							
Number of farms	1,380	115	257	330	354	214	110
Total assets	3,063,428	743,348	1,295,959	2,207,155	3,294,414	4,815,078	8,036,126
Total liabilities	1,292,302	321,603	528,124	838,203	1,273,587	2,184,106	3,780,081
Net worth	1,771,126	421,745	767,836	1,368,953	2,020,826	2,630,971	4,256,045
Total net worth change	51,239	32,371	27,249	62,006	67,159	62,078	22,394
Farm debt to asset ratio	45 %	48 %	45 %	42 %	41 %	47 %	48 %
Total debt to asset ratio	42 %	43 %	41 %	38 %	39 %	45 %	47 %
Change in total net worth %	3 %	8 %	4 %	5 %	3 %	2 %	1 %
Nonfarm Information							
Net nonfarm income	36,099	60,593	44,980	39,255	32,897	24,255	13,617
Farms reporting living expenses	338	21	66	103	93	42	13
Total family living expense	60,731	41,570	49,310	57,308	65,685	72,703	102,658
Total living, invest, cap. purch	86,584	61,311	68,623	71,043	102,283	100,309	185,091
Crop Acres							
Total crop acres	693	79	228	425	734	1,213	2,085
Total crop acres owned	186	42	85	151	222	280	383
Total crop acres cash rented	493	35	134	255	499	920	1,675
Total crop acres share rented	14	1	9	19	13	14	26
Machinery value per crop acre	880	801	795	875	922	891	848

Financial Summary
Southern Minnesota Farm Business Management Data
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>20 - 40%</u>	<u>40 - 60%</u>	<u>60 - 80%</u>	<u>High 20%</u>
Number of farms	1380	276	276	276	276	276
Income Statement						
Gross cash farm income	791,868	1,222,783	451,263	436,125	594,514	1,254,657
Total cash farm expense	683,984	1,121,811	408,389	368,384	490,003	1,031,333
Net cash farm income	107,885	100,972	42,874	67,741	104,511	223,324
Inventory change	-8,742	-119,204	-11,879	-3,844	11,847	79,371
Depreciation	-54,856	-78,801	-33,206	-34,876	-42,154	-85,244
Net farm income from operations	44,287	-97,033	-2,210	29,021	74,204	217,451
Gain or loss on capital sales	2,456	-1,743	1,330	719	518	11,455
Average net farm income	46,742	-98,776	-881	29,740	74,722	228,906
Median net farm income	33,071	-70,649	-2,549	28,455	71,399	177,347
Profitability (cost)						
Rate of return on assets	1.4 %	-4.0 %	-1.1 %	1.3 %	3.4 %	5.6 %
Rate of return on equity	-0.7 %	-14.2 %	-6.3 %	-0.8 %	3.1 %	6.9 %
Operating profit margin	4.4 %	-12.6 %	-3.3 %	4.7 %	11.0 %	16.2 %
Asset turnover rate	32.1 %	31.3 %	32.7 %	28.6 %	30.5 %	34.5 %
Profitability (market)						
Rate of return on assets	2.0 %	-0.9 %	0.3 %	1.9 %	3.3 %	4.4 %
Rate of return on equity	1.3 %	-5.5 %	-2.2 %	1.1 %	3.6 %	5.7 %
Operating profit margin	8.5 %	-3.6 %	1.2 %	9.2 %	14.6 %	16.7 %
Asset turnover rate	23.9 %	23.7 %	23.0 %	20.3 %	22.5 %	26.7 %
Liquidity & Repayment (end of year)						
Current assets	568,571	738,487	292,578	306,180	448,118	1,057,494
Current liabilities	350,034	618,298	193,960	200,936	258,227	478,749
Current ratio	1.62	1.19	1.51	1.52	1.74	2.21
Working capital	218,537	120,189	98,618	105,244	189,891	578,745
Working capital to gross inc	27.5 %	10.5 %	21.9 %	24.0 %	30.9 %	43.3 %
Term debt coverage ratio	0.90	-0.20	0.65	1.03	1.31	1.90
Replacement coverage ratio	0.68	-0.16	0.49	0.74	0.98	1.37
Term debt to EBITDA	4.23	19.59	6.86	4.46	3.15	2.30
Solvency (end of year at cost)						
Number of farms	1,380	276	276	276	276	276
Total assets	2,287,867	2,851,449	1,340,691	1,522,568	1,982,839	3,741,791
Total liabilities	991,186	1,566,228	628,396	637,194	761,015	1,363,095
Net worth	1,296,682	1,285,221	712,295	885,374	1,221,823	2,378,696
Net worth change	19,827	-134,614	-164	23,005	45,700	165,209
Farm debt to asset ratio	46 %	58 %	51 %	45 %	41 %	38 %
Total debt to asset ratio	43 %	55 %	47 %	42 %	38 %	36 %
Change in earned net worth %	2 %	-9 %	0 %	3 %	4 %	7 %
Solvency (end of year at market)						
Number of farms	1,380	276	276	276	276	276
Total assets	3,063,428	3,794,895	1,892,989	2,122,641	2,672,115	4,834,499
Total liabilities	1,292,302	1,938,778	817,095	831,944	1,008,773	1,864,919
Net worth	1,771,126	1,856,117	1,075,894	1,290,698	1,663,342	2,969,580
Total net worth change	51,239	-55,765	21,746	42,425	71,231	176,560
Farm debt to asset ratio	45 %	54 %	47 %	42 %	40 %	40 %
Total debt to asset ratio	42 %	51 %	43 %	39 %	38 %	39 %
Change in total net worth %	3 %	-3 %	2 %	3 %	4 %	6 %
Nonfarm Information						
Net nonfarm income	36,099	36,822	47,222	39,527	32,569	24,352
Farms reporting living expenses	338	48	69	69	78	74
Total family living expense	60,731	65,019	51,836	58,037	58,576	71,026
Total living, invest, cap. purch	86,584	75,701	67,947	81,415	88,311	114,022
Crop Acres						
Total crop acres	693	888	444	429	568	1,137
Total crop acres owned	186	222	117	142	170	280
Total crop acres cash rented	493	666	316	278	382	832
Total crop acres share rented	14	10	12	8	15	25
Machinery value per crop acre	880	932	858	954	873	823

Farm Income Statement
Southern 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	1380	276	276	276
Cash Farm Income				
Beans, Dark Red Kidney	1,108	5,541	-	-
Beans, Light Red Kidney	1,116	5,582	-	-
Beans, Navy	325	365	-	553
Corn	220,720	268,187	132,283	390,845
Corn Silage	901	571	1,522	1,145
Corn, Seed	179	639	-	258
Hay, Alfalfa	1,485	1,860	853	3,171
Hay, Grass	189	104	327	181
Hay, Mixed	50	181	29	8
Oats	145	201	140	38
Peas, Processing	1,385	2,307	534	2,315
Popcorn	209	-	-	1,047
Potatoes	27	137	-	-
Soybeans	147,887	167,240	98,140	244,770
Soybeans Seed	466	269	-	1,767
Stover	55	25	2	205
Straw	151	103	40	430
Sugar Beets	4,652	13,788	2,205	4,995
Sunflowers	117	-	-	-
Sweet Corn, Processing	2,801	4,121	2,500	3,503
Wheat, Spring	799	921	339	1,261
Rented Out	290	-	190	568
Corn, Waxy	101	-	505	-
Soybeans, Organic	317	-	140	1,402
Corn, Organic	2,033	327	2,010	7,169
Hay, Alfalfa, Organic	63	-	298	15
Oats, Organic	84	-	57	313
Peas, Organic	30	-	-	150
Wheat, Spring, Organic	166	-	-	831
Vegetables, Assorted	192	412	462	-
Miscellaneous crop income	488	284	364	159
Beef Cow-Calf, Beef Calves	2,577	3,565	1,170	3,397
Beef Replacement Heifers	60	166	78	-
Beef Backgrounding	850	3,416	457	-
Beef Finishing	26,665	56,252	13,140	29,092
Beef Finish Yearlings	1,545	2,971	12	2,436
Dairy, Milk	150,131	284,994	76,417	215,279
Dairy, Dairy Calves	2,892	5,012	2,017	4,002
Dairy Heifers (for sale)	85	210	57	152
Dairy Replacement Heifers	729	1,019	561	535
Dairy Finishing	24,753	76,220	6,553	12,128
Goats, Dairy, Goat Milk	295	-	84	-
Hogs, Farrow To Finish, Raised Hog	11,822	45,595	189	446
Hogs, Feeder Pig Prod, Feeder Pigs	132	640	-	1
Hogs, Finish Feeder Pigs	27,346	45,837	15,986	42,927
Honey Production, Honey	130	-	648	-
Sheep, Feeder Lamb Prod, Fdr Lambs	46	29	19	150
Sheep, Lamb Finishing	401	-	1,789	-
Sheep, Market Lamb Prod, Mkt Lambs	367	727	149	-
Turkeys	1,219	-	-	2,069
Bison Finishing	115	-	-	576
Hogs, Farrow to Weaning, Weaning P	7,218	5,089	-	28,164
Hogs, Weaning to Feeder	2,949	10,614	-	43
Hogs, Weaning to Finish	27,508	84,068	10,349	19,856
Dairy Feeder	2,364	2,301	2,820	4,463
Dairy Backgrounding	68	243	58	-
Cull breeding livestock	10,259	21,396	4,859	13,182
Misc. livestock income	4,180	5,343	1,084	7,496
Crop government payments	19,150	23,608	11,194	33,642
CRP payments	491	343	494	651
Livestock govt payments	152	294	130	79
Other government payments	3,818	4,974	2,396	6,624
Custom work income	28,163	20,407	14,097	66,246
Patronage dividends, cash	6,534	9,218	4,104	10,308
Crop insurance income	5,956	6,397	2,127	14,144
Property insurance income	2,426	1,752	577	6,804
Sale of resale items	3,799	3,479	687	8,344
Livestock insurance inc	104	347	42	37
Contract livestock income	9,956	7,296	7,537	21,224
Other farm income	16,076	15,791	11,301	33,060
Gross Cash Farm Income	791,868	1,222,783	436,125	1,254,657

Farm Income Statement (continued)
Southern 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	1380	276	276	276
Cash Farm Expense				
Seed	62,352	80,040	39,366	100,104
Fertilizer	57,547	77,684	36,112	93,019
Crop chemicals	29,559	38,057	18,945	49,338
Crop insurance	12,022	16,293	7,157	19,307
Drying expense	3,895	5,667	2,529	5,851
Storage	1,421	2,041	850	1,594
Irrigation energy	247	924	34	193
Packaging and supplies	307	503	180	563
Crop custom hire	3,501	4,501	2,671	5,003
Crop hauling and trucking	1,459	2,177	1,155	2,557
Crop marketing	1,419	1,337	1,012	2,047
Crop miscellaneous	2,884	2,898	1,651	4,319
Crop consultants	1,088	1,594	468	2,062
Feeder livestock purchase	45,228	97,736	25,515	46,798
Purchased feed	91,018	200,551	35,357	116,146
Breeding fees	2,929	6,154	1,246	3,395
Veterinary	8,430	21,639	3,618	8,463
BST	2,140	5,040	313	3,799
Supplies	7,469	13,184	3,494	11,626
DHIA	630	1,149	408	723
Contract production exp.	7,295	15,617	1,733	8,457
Livestock insurance	139	224	133	248
Livestock custom hire	1,039	2,521	572	1,205
Livestock leases	967	4,423	229	95
Grazing fees	79	132	14	79
Livestock hauling and trucking	2,513	4,880	1,505	3,321
Livestock marketing	2,684	5,809	1,079	2,622
Bedding	3,297	7,023	1,627	4,134
Livestock consultants	411	547	58	1,152
Interest	36,246	61,528	22,506	47,845
Fuel & oil	20,039	30,721	11,822	30,633
Repairs	39,114	58,572	24,327	55,496
Repair, machinery	2,615	4,385	1,399	5,063
Repair, livestock equip	343	314	239	1,045
Custom hire	9,464	16,064	6,133	12,031
Repair, buildings	608	1,006	126	1,226
Hired labor	40,366	77,892	15,123	69,756
Land rent	113,367	155,738	60,959	196,796
Machinery leases	6,663	8,043	2,601	14,519
Building leases	8,888	16,793	2,874	15,499
Real estate taxes	8,946	11,046	6,385	13,429
Farm insurance	12,111	17,160	7,404	17,844
Utilities	12,141	18,516	7,528	18,025
Dues & professional fees	4,225	6,130	2,174	7,197
Purchase of resale items	5,015	3,854	703	13,415
Miscellaneous	9,862	13,705	7,050	13,295
Total cash expense	683,984	1,121,811	368,384	1,031,333
Net cash farm income	107,885	100,972	67,741	223,324
Inventory Changes				
Prepays and supplies	-13,112	-29,027	-6,063	-13,264
Accounts receivable	63	-6,870	46	4,967
Hedging accounts	1,125	-1,460	384	5,980
Other current assets	475	-1,807	569	2,288
Crops and feed	9,462	-20,932	4,726	50,672
Market livestock	-9,135	-47,724	-4,944	8,744
Breeding livestock	744	-1,623	95	3,733
Other assets	1,668	-1,195	1,551	5,566
Accounts payable	253	-8,425	478	10,059
Accrued interest	-285	-141	-687	627
Total inventory change	-8,742	-119,204	-3,844	79,371
Net operating profit	99,143	-18,232	63,898	302,695
Depreciation				
Machinery and equipment	-37,740	-51,569	-23,880	-61,378
Titled vehicles	-4,216	-6,184	-3,005	-5,252
Buildings and improvements	-12,900	-21,048	-7,992	-18,614
Total depreciation	-54,856	-78,801	-34,876	-85,244
Net farm income from operations	44,287	-97,033	29,021	217,451
Gain or loss on capital sales	2,456	-1,743	719	11,455
Net farm income	46,742	-98,776	29,740	228,906

Balance Sheet at Cost Values
Southern 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	1380	276	276	276
Assets				
Current Farm Assets				
Cash and checking balance	30,047	26,073	19,124	67,153
Prepaid expenses & supplies	78,387	87,830	45,786	159,874
Growing crops	464	398	84	73
Accounts receivable	32,628	45,863	12,057	64,366
Hedging accounts	5,810	6,893	1,857	14,974
Crops held for sale or feed	355,160	417,933	202,386	675,321
Crops under government loan	-	-	-	-
Market livestock held for sale	59,909	145,646	22,200	61,098
Other current assets	6,164	7,849	2,686	14,636
Total current farm assets	568,571	738,487	306,180	1,057,494
Intermediate Farm Assets				
Breeding livestock	85,323	162,691	44,620	107,119
Machinery and equipment	411,501	570,215	260,930	627,439
Titled vehicles	33,177	43,935	23,298	44,240
Other intermediate assets	29,692	40,825	22,604	52,968
Total intermediate farm assets	559,694	817,667	351,452	831,767
Long Term Farm Assets				
Farm land	598,621	628,940	466,440	1,013,434
Buildings and improvements	287,136	387,337	181,492	456,630
Other long-term assets	45,015	64,804	23,718	83,712
Total long-term farm assets	930,771	1,081,081	671,650	1,553,775
Total Farm Assets	2,059,037	2,637,235	1,329,281	3,443,036
Total Nonfarm Assets	228,831	214,214	193,286	298,755
Total Assets	2,287,867	2,851,449	1,522,567	3,741,791
Liabilities				
Current Farm Liabilities				
Accrued interest	8,462	14,121	5,928	10,226
Accounts payable	17,549	35,573	8,262	21,575
Current notes	259,620	475,423	144,330	349,702
Government crop loans	-	-	-	-
Principal due on term debt	64,402	93,181	42,415	97,246
Total current farm liabilities	350,034	618,298	200,936	478,749
Total intermediate farm liabs	140,308	242,927	75,156	190,951
Total long term farm liabilities	459,023	664,890	324,814	642,920
Total farm liabilities	949,364	1,526,114	600,906	1,312,620
Total nonfarm liabilities	41,821	40,113	36,288	50,476
Total liabilities	991,186	1,566,228	637,194	1,363,095
Net worth (farm and nonfarm)	1,296,682	1,285,221	885,374	2,378,696
Net worth change	19,827	-134,614	23,005	165,209
Percent net worth change	2 %	-9 %	3 %	7 %
Ratio Analysis				
Current farm liabilities / assets	62 %	84 %	66 %	45 %
Intermediate farm liab. / assets	25 %	30 %	21 %	23 %
Long term farm liab. / assets	49 %	62 %	48 %	41 %
Total debt to asset ratio	43 %	55 %	42 %	36 %

Balance Sheet at Market Values
Southern 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	1380	276	276	276
Assets				
Current Farm Assets				
Cash and checking balance	30,047	26,073	19,124	67,153
Prepaid expenses & supplies	78,387	87,830	45,786	159,874
Growing crops	464	398	84	73
Accounts receivable	32,628	45,863	12,057	64,366
Hedging accounts	5,810	6,893	1,857	14,974
Crops held for sale or feed	355,160	417,933	202,386	675,321
Crops under government loan	-	-	-	-
Market livestock held for sale	59,909	145,646	22,200	61,098
Other current assets	6,164	7,849	2,686	14,636
Total current farm assets	568,571	738,487	306,180	1,057,494
Intermediate Farm Assets				
Breeding livestock	94,161	178,527	50,010	117,397
Machinery and equipment	599,553	812,729	400,363	919,629
Titled vehicles	48,189	63,347	32,328	67,147
Other intermediate assets	38,302	50,326	30,647	66,981
Total intermediate farm assets	780,205	1,104,928	513,347	1,171,154
Long Term Farm Assets				
Farm land	989,676	1,114,661	782,223	1,514,094
Buildings and improvements	379,951	496,012	247,107	603,335
Other long-term assets	53,085	74,210	31,304	96,680
Total long-term farm assets	1,422,711	1,684,883	1,060,634	2,214,108
Total Farm Assets	2,771,487	3,528,297	1,880,160	4,442,757
Total Nonfarm Assets	291,941	266,598	242,481	391,742
Total Assets	3,063,428	3,794,895	2,122,641	4,834,499
Liabilities				
Current Farm Liabilities				
Accrued interest	8,462	14,121	5,928	10,226
Accounts payable	17,549	35,573	8,262	21,575
Current notes	259,620	475,423	144,330	349,702
Government crop loans	-	-	-	-
Principal due on term debt	64,402	93,181	42,415	97,246
Total current farm liabilities	350,034	618,298	200,936	478,749
Total intermediate farm liabs	140,308	242,927	75,156	190,951
Total long term farm liabilities	459,023	664,890	324,814	642,920
Total farm liabilities	949,364	1,526,114	600,906	1,312,620
Total nonfarm liabilities	41,821	40,113	36,288	50,476
Total liabs excluding deferreds	991,186	1,566,228	637,194	1,363,095
Total deferred liabilities	301,116	372,550	194,750	501,824
Total liabilities	1,292,302	1,938,778	831,944	1,864,919
Retained earnings	1,296,682	1,285,221	885,374	2,378,696
Market valuation equity	474,444	570,896	405,324	590,884
Net worth (farm and nonfarm)	1,771,126	1,856,117	1,290,698	2,969,580
Net worth excluding deferreds	2,072,242	2,228,667	1,485,448	3,471,404
Net worth change	51,239	-55,765	42,425	176,560
Percent net worth change	3 %	-3 %	3 %	6 %
Ratio Analysis				
Current farm liabilities / assets	62 %	84 %	66 %	45 %
Intermediate farm liab. / assets	18 %	22 %	15 %	16 %
Long term farm liab. / assets	32 %	39 %	31 %	29 %
Total debt to asset ratio	42 %	51 %	39 %	39 %
Debt to assets excl deferreds	32 %	41 %	30 %	28 %

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 that 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 pay 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 relationship 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 gross farm income, which remains after all expenses.

Financial Standards Measures
Southern 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	1380	276	276	276
Liquidity				
Current ratio	1.62	1.19	1.52	2.21
Working capital	218,537	120,189	105,244	578,745
Working capital to gross inc	27.5 %	10.5 %	24.0 %	43.3 %
Solvency (market)				
Farm debt to asset ratio	45 %	54 %	42 %	40 %
Farm equity to asset ratio	55 %	46 %	58 %	60 %
Farm debt to equity ratio	0.81	1.16	0.72	0.68
Profitability (cost)				
Rate of return on farm assets	1.4 %	-4.0 %	1.3 %	5.6 %
Rate of return on farm equity	-0.7 %	-14.2 %	-0.8 %	6.9 %
Operating profit margin	4.4 %	-12.6 %	4.7 %	16.2 %
Net farm income	46,742	-98,776	29,740	228,906
EBITDA	135,674	43,437	87,091	349,913
Repayment Capacity				
Capital debt repayment capacity	85,288	-28,461	62,263	254,004
Capital debt repayment margin	-9,238	-173,066	1,844	120,146
Replacement margin	-39,490	-204,920	-21,520	68,814
Term debt coverage ratio	0.90	-0.20	1.03	1.90
Replacement coverage ratio	0.68	-0.16	0.74	1.37
Efficiency				
Asset turnover rate (cost)	32.1 %	31.3 %	28.6 %	34.5 %
Operating expense ratio	83.0 %	96.2 %	80.1 %	73.8 %
Depreciation expense ratio	6.9 %	6.9 %	8.0 %	6.4 %
Interest expense ratio	4.6 %	5.4 %	5.3 %	3.5 %
Net farm income ratio	5.9 %	-8.7 %	6.8 %	17.1 %

Profitability Measures
Southern 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	1380	276	276	276
Profitability (assets valued at cost)				
Net farm income from operations	44,287	-97,033	29,021	217,451
Rate of return on assets	1.4 %	-4.0 %	1.3 %	5.6 %
Rate of return on equity	-0.7 %	-14.2 %	-0.8 %	6.9 %
Operating profit margin	4.4 %	-12.6 %	4.7 %	16.2 %
Asset turnover rate	32.1 %	31.3 %	28.6 %	34.5 %
Farm interest expense	36,531	61,669	23,193	47,218
Value of operator lbr and mgmt.	51,709	70,465	34,635	76,257
Return on farm assets	29,109	-105,828	17,580	188,412
Average farm assets	2,042,201	2,676,856	1,316,014	3,359,777
Return on farm equity	-7,422	-167,497	-5,614	141,194
Average farm equity	1,105,323	1,181,388	722,657	2,056,602
Value of farm production	654,759	838,900	376,931	1,160,264
	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	1380	276	276	276
Profitability (assets valued at market)				
Net farm income from operations	70,936	-21,518	46,058	222,391
Rate of return on assets	2.0 %	-0.9 %	1.9 %	4.4 %
Rate of return on equity	1.3 %	-5.5 %	1.1 %	5.7 %
Operating profit margin	8.5 %	-3.6 %	9.2 %	16.7 %
Asset turnover rate	23.9 %	23.7 %	20.3 %	26.7 %
Farm interest expense	36,531	61,669	23,193	47,218
Value of operator lbr and mgmt.	51,709	70,465	34,635	76,257
Return on farm assets	55,758	-30,314	34,616	193,352
Average farm assets	2,740,046	3,540,418	1,857,051	4,347,251
Return on farm equity	19,227	-91,983	11,423	146,134
Average farm equity	1,513,454	1,669,402	1,077,773	2,567,972
Value of farm production	654,759	838,900	376,931	1,160,264

Liquidity & Repayment Capacity Measures
Southern 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	1380	276	276	276
Liquidity				
Current ratio	1.62	1.19	1.52	2.21
Working capital	218,537	120,189	105,244	578,745
Working capital to gross inc	27.5 %	10.5 %	24.0 %	43.3 %
Current assets	568,571	738,487	306,180	1,057,494
Current liabilities	350,034	618,298	200,936	478,749
Gross revenues (accrual)	796,020	1,141,041	438,505	1,336,622
Repayment capacity				
Net farm income from operations	44,287	-97,033	29,021	217,451
Depreciation	54,856	78,801	34,876	85,244
Personal income	36,099	36,822	39,527	24,352
Family living/owner withdrawals	-62,484	-79,198	-48,367	-82,709
Cash discrepancy	-31	-60	2	-34
Payments on personal debt	-3,087	-3,125	-3,148	-3,023
Income taxes paid	-11,408	-6,421	-7,581	-23,726
Interest on term debt	27,026	41,692	17,933	36,414
Capital debt repayment capacity	85,288	-28,461	62,263	254,004
Scheduled term debt payments	-94,526	-144,605	-60,420	-133,858
Capital debt repayment margin	-9,238	-173,066	1,844	120,146
Cash replacement allowance	-30,253	-31,854	-23,364	-51,332
Replacement margin	-39,490	-204,920	-21,520	68,814
Term debt coverage ratio	0.90	-0.20	1.03	1.90
Replacement coverage ratio	0.68	-0.16	0.74	1.37

Operator and Labor Information
Southern 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	1380	276	276	276
Operator Information				
Average number of operators	1.2	1.4	1.1	1.3
Average age of operators	48.9	51.7	46.6	48.5
Average number of years farming	25.3	28.5	22.8	26.0
Results Per Operator				
Working capital	177,667	87,066	92,981	445,561
Total assets (market)	2,490,519	2,749,058	1,875,317	3,721,957
Total liabilities	1,050,621	1,404,469	735,008	1,435,754
Net worth (market)	1,439,898	1,344,589	1,140,309	2,286,204
Net worth excl deferred liabs	1,684,700	1,614,468	1,312,367	2,672,545
Gross farm income	647,152	826,581	387,412	1,029,031
Total farm expense	611,147	896,872	361,772	861,621
Net farm income from operations	36,004	-70,291	25,640	167,410
Net nonfarm income	29,348	26,674	34,922	18,748
Family living & tax withdrawals	60,098	62,066	49,427	81,968
Total acres owned	174.5	194.0	136.4	228.7
Total crop acres	563.6	643.0	379.1	875.6
Crop acres owned	151.4	160.6	125.9	215.6
Crop acres cash rented	400.8	475.1	246.0	640.8
Crop acres share rented	11.4	7.2	7.2	19.2
Total pasture acres	3.8	11.6	1.3	1.7
Labor Analysis				
Number of farms	1380	276	276	276
Total unpaid labor hours	2,112	2,355	1,780	2,724
Total hired labor hours	2,476	5,046	982	3,937
Total labor hours per farm	4,587	7,401	2,762	6,661
Unpaid hours per operator	1,717	1,706	1,573	2,097
Value of farm production / hour	142.73	113.35	136.45	174.17
Net farm income / unpaid hour	20.97	-41.20	16.30	79.82
Average hourly hired labor wage	19.11	20.37	14.87	18.84
Partnerships & LLCs				
Number of farms	193	57	25	56
Number of operators	2.0	2.1	1.9	2.0
Owner withdrawals per farm	116,693	72,759	-	188,926
Withdrawals per operator	56,895	39,687	-	84,414
Corporations				
Number of farms	71	28	9	15
Number of operators	1.7	1.9	-	1.3

Household and Personal Expenses
Southern 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	338	48	69	74
Average family size	2.8	2.9	2.9	2.9
Family Living Expenses				
Food and meals expense	7,851	7,897	8,810	7,820
Medical care	4,163	4,427	3,733	4,526
Health insurance	6,481	8,872	5,909	8,559
Cash donations	2,249	2,033	1,993	3,178
Household supplies	5,134	4,891	5,091	7,504
Clothing	1,913	1,560	2,112	2,330
Personal care	3,835	2,230	3,579	4,671
Child / Dependent care	616	542	139	606
Alimony and child support	84	20	342	-
Gifts	2,318	2,088	2,309	2,819
Education	1,877	4,217	2,223	1,840
Recreation	4,228	4,857	4,202	4,745
Utilities (household share)	2,730	2,691	2,776	2,990
Personal vehicle operating exp	3,241	2,956	3,457	3,239
Household real estate taxes	580	512	402	962
Dwelling rent	267	-	340	117
Household repairs	1,744	2,338	1,852	1,262
Personal interest	1,503	1,596	868	2,401
Disability / Long term care ins	503	632	423	578
Life insurance payments	3,902	4,456	3,680	4,597
Personal property insurance	367	202	248	382
Miscellaneous	4,842	5,738	3,363	5,741
Total cash family living expense	60,428	64,755	57,849	70,866
Family living from the farm	302	264	188	160
Total family living	60,731	65,019	58,037	71,026
Other Nonfarm Expenditures				
Income taxes	16,697	7,421	10,044	35,798
Furnishing & appliance purchases	261	244	85	689
Nonfarm vehicle purchases	3,315	2,455	2,139	5,130
Nonfarm real estate purchases	2,642	-353	3,229	-759
Other nonfarm capital purchases	-181	5,976	-222	-333
Nonfarm savings & investments	3,423	-4,798	8,291	2,632
Total other nonfarm expenditures	26,156	10,946	23,566	43,156
Total cash family living investment & nonfarm capital purch	86,584	75,701	81,415	114,022

Nonfarm Summary
Southern 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	1380	276	276	276
Nonfarm Income				
Personal wages & salary	24,884	22,399	31,019	13,864
Net nonfarm business income	2,869	5,058	2,133	2,097
Personal rental income	1,463	1,867	595	2,570
Personal interest income	408	808	133	590
Personal cash dividends	373	201	139	247
Tax refunds	1,318	1,556	1,196	865
Other nonfarm income	4,785	4,933	4,311	4,118
Total nonfarm income	36,099	36,822	39,527	24,352
Gifts and inheritances	7,724	5,731	5,526	21,190
Nonfarm Assets (market)				
Checking & savings	12,791	9,148	10,553	16,448
Stocks & bonds	13,267	13,201	5,901	17,671
Other current assets	9,447	8,329	2,263	27,942
Furniture & appliances	10,976	11,291	11,352	11,154
Nonfarm vehicles	18,986	15,869	19,135	22,514
Cash value of life ins.	16,317	12,203	11,839	23,902
Retirement accounts	85,714	74,365	71,146	110,247
Other intermediate assets	6,363	6,575	4,331	9,854
Nonfarm real estate	92,274	84,391	88,469	114,639
Personal bus. investment	10,847	13,632	6,335	18,322
Other long term assets	14,958	17,595	11,157	19,049
Total nonfarm assets	291,941	266,598	242,481	391,742
Nonfarm Liabilities				
Accrued interest	95	94	77	143
Accounts payable	841	173	345	1,682
Current notes	1,177	1,145	2,702	156
Princ due on term debt	3,049	3,016	3,094	2,979
Total current liabilities	8,800	6,539	7,408	14,406
Intermediate liabilities	4,465	4,441	5,863	2,031
Long term liabilities	28,556	29,133	23,018	34,039
Total nonfarm liabilities	41,821	40,113	36,288	50,476
Nonfarm net worth	250,119	226,484	206,193	341,267
Nonfarm debt to asset ratio	14 %	15 %	15 %	13 %

Financial Summary
Southern Minnesota Farm Business Management Data
(Farms Sorted By Total Acres)

	<u>Avg. Of All Farms</u>	<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	1380	210	205	322	350	145	67	77
Income Statement								
Gross cash farm income	791,868	474,849	256,626	435,773	773,305	1,266,652	1,649,961	2,676,007
Total cash farm expense	683,984	415,757	216,815	370,644	670,151	1,084,417	1,393,870	2,389,031
Net cash farm income	107,885	59,092	39,811	65,130	103,155	182,235	256,091	286,976
Inventory change	-8,742	2,413	-394	-5,752	-9,688	-24,590	-60,297	16,034
Depreciation	-54,856	-27,384	-20,271	-29,259	-54,667	-90,604	-122,506	-183,534
Net farm income from operations	44,287	34,122	19,147	30,119	38,800	67,040	73,289	119,476
Gain or loss on capital sales	2,456	489	311	2,918	4,503	2,579	-4,485	8,224
Average net farm income	46,742	34,610	19,458	33,037	43,303	69,619	68,804	127,699
Median net farm income	33,071	14,777	19,107	29,280	49,645	57,471	73,281	128,066
Profitability (cost)								
Rate of return on assets	1.4 %	2.2 %	1.3 %	1.5 %	1.1 %	1.3 %	1.6 %	1.5 %
Rate of return on equity	-0.7 %	0.3 %	-1.4 %	-0.7 %	-1.3 %	-0.4 %	-0.7 %	-0.3 %
Operating profit margin	4.4 %	7.2 %	5.6 %	5.4 %	3.6 %	3.9 %	5.1 %	4.0 %
Asset turnover rate	32.1 %	30.8 %	23.5 %	28.5 %	30.4 %	34.1 %	31.8 %	38.2 %
Profitability (market)								
Rate of return on assets	2.0 %	2.6 %	2.0 %	1.9 %	2.3 %	2.0 %	1.8 %	1.8 %
Rate of return on equity	1.3 %	1.9 %	1.0 %	1.1 %	1.7 %	1.5 %	0.6 %	0.8 %
Operating profit margin	8.5 %	10.7 %	12.0 %	9.8 %	10.5 %	7.9 %	7.4 %	5.8 %
Asset turnover rate	23.9 %	24.1 %	16.7 %	19.7 %	22.1 %	25.7 %	24.8 %	30.4 %
Liquidity & Repayment (end of year)								
Current assets	568,571	203,160	149,340	283,531	571,653	937,670	1,217,172	2,293,285
Current liabilities	350,034	156,197	90,283	172,039	354,834	531,035	890,743	1,418,043
Current ratio	1.62	1.30	1.65	1.65	1.61	1.77	1.37	1.62
Working capital	218,537	46,964	59,057	111,492	216,820	406,635	326,429	875,241
Working capital to gross inc	27.5 %	9.7 %	23.0 %	25.7 %	28.2 %	32.1 %	19.9 %	31.7 %
Term debt coverage ratio	0.90	1.04	1.03	1.03	0.79	0.92	0.75	0.91
Replacement coverage ratio	0.68	0.85	0.82	0.78	0.58	0.67	0.58	0.71
Term debt to EBITDA	4.23	4.64	5.83	4.69	4.14	3.51	4.82	3.95
Solvency (end of year at cost)								
Number of farms	1,380	210	205	322	350	145	67	77
Total assets	2,287,867	1,155,424	1,054,353	1,457,075	2,348,478	3,421,358	4,907,396	6,803,118
Total liabilities	991,186	598,669	488,198	614,443	961,211	1,321,962	2,379,064	3,167,874
Net worth	1,296,682	556,755	566,155	842,632	1,387,267	2,099,396	2,528,332	3,635,245
Net worth change	19,827	13,651	20,088	26,925	16,370	32,908	-8,698	19,646
Farm debt to asset ratio	46 %	55 %	51 %	47 %	44 %	40 %	51 %	48 %
Total debt to asset ratio	43 %	52 %	46 %	42 %	41 %	39 %	48 %	47 %
Change in earned net worth %	2 %	3 %	4 %	3 %	1 %	2 %	0 %	1 %
Solvency (end of year at market)								
Number of farms	1,380	210	205	322	350	145	67	77
Total assets	3,063,428	1,467,402	1,448,534	2,064,260	3,248,461	4,552,198	6,281,256	8,578,903
Total liabilities	1,292,302	694,423	594,113	799,174	1,281,781	1,840,983	3,038,803	4,111,825
Net worth	1,771,126	772,980	854,422	1,265,085	1,966,680	2,711,215	3,242,454	4,467,078
Total net worth change	51,239	26,122	36,104	44,857	68,278	79,936	28,418	74,975
Farm debt to asset ratio	45 %	50 %	44 %	42 %	42 %	42 %	51 %	50 %
Total debt to asset ratio	42 %	47 %	41 %	39 %	39 %	40 %	48 %	48 %
Change in total net worth %	3 %	3 %	4 %	4 %	4 %	3 %	1 %	2 %
Nonfarm Information								
Net nonfarm income	36,099	35,166	41,834	42,703	34,961	30,357	26,016	22,388
Farms reporting living expenses	338	31	54	81	109	33	19	11
Total family living expense	60,731	49,344	49,561	56,337	61,755	74,413	91,929	74,922
Total living, invest, cap. purch	86,584	86,174	62,581	79,936	85,898	105,000	129,826	131,398
Crop Acres								
Total crop acres	693	23	181	371	731	1,215	1,715	2,903
Total crop acres owned	186	13	87	147	219	269	414	485
Total crop acres cash rented	493	9	92	217	491	923	1,277	2,362
Total crop acres share rented	14	0	1	8	21	23	24	56
Machinery value per crop acre	880	2,105	1,162	976	933	885	935	684

Crop Production and Marketing Summary
Southern 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	1380	276	276	276
Acreage Summary				
Total acres owned	215	268	154	297
Total crop acres	693	888	429	1,137
Crop acres owned	186	222	142	280
Crop acres cash rented	493	656	278	832
Crop acres share rented	14	10	8	25
Total pasture acres	5	16	2	2
Percent crop acres owned	27 %	25 %	33 %	25 %
Mach invest/crop acre cost	606	655	624	560
Mach invest/crop acre market	880	932	954	823
Average Price Received (Cash Sales Only)				
Corn per bushel	3.46	3.43	3.44	3.47
Soybeans per bushel	9.18	9.06	9.12	9.33
Hay, Alfalfa per ton	88.34	100.56	74.34	87.94
Sweet Corn, Processing per ton	66.73	64.46	67.23	69.74
Wheat, Spring per bushel	4.71	4.66	4.69	4.84
Peas, Processing per lb	0.121	0.116	-	0.118
Oats per bushel	2.22	1.84	-	-
Hay, Grass per ton	57.66	-	-	-
Corn Silage per ton	28.02	-	-	-
Straw per ton	71.56	-	-	-
Corn, Organic per bushel	9.50	-	-	-
Sugar Beets per ton	39.11	-	-	-
Stover per ton	48.48	-	-	-
Average Yield Per Acre				
Corn (bushel)	205.19	202.04	205.06	210.48
Soybeans (bushel)	61.42	60.56	61.32	63.32
Hay, Alfalfa (ton)	5.77	5.61	5.85	6.00
Corn Silage (ton)	23.87	23.21	23.71	25.70
Sweet Corn, Processing (ton)	7.06	7.34	7.46	6.29
CRP (\$)	124.86	-	175.91	89.77
Hay, Grass (ton)	3.10	3.16	3.10	-
Wheat, Spring (bushel)	59.88	-	-	66.33
Oats (bushel)	77.42	58.37	88.26	-
Peas, Processing (lb)	3,388.22	3,218.29	-	3,537.52
Corn, Organic (bushel)	139.66	-	-	164.41
Rented Out (\$)	192.82	-	-	183.06
Custom Work (\$)	68.25	-	-	-
Oatlage (ton)	3.56	-	-	-
Sugar Beets (ton)	27.29	-	-	-
Hay, Mixed (ton)	4.49	-	-	-
Haylage, Alfalfa (ton)	9.62	-	-	-
Soybeans Seed (bushel)	56.49	-	-	63.23
Hay, Alfalfa, Organic (ton)	5.17	-	-	5.54
Oats, Organic (bushel)	81.64	-	-	-
Soybeans, Organic (bushel)	43.72	-	-	-
Pasture, Organic (aum)	6.22	-	-	-
Pasture (aum)	1.75	-	-	-
Hay, Mixed, Organic (ton)	4.09	-	-	-
Corn snaplage (ton)	8.45	-	-	-

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.

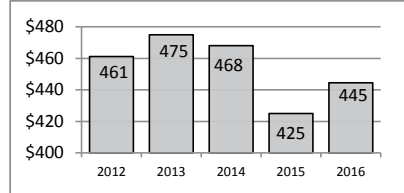
Towards the bottom of both the crop and livestock enterprise tables, are four (4) factors that show varying levels of cost of production. Those factors include a cost of production based on: direct costs, overhead & direct costs, total cost less government payments and/or other revenue, and total cost 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 seven prominent Southern Minnesota crops is listed below. Data is taken from the owned land enterprise tables.

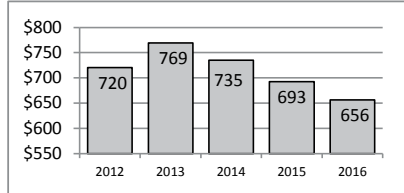
Crop	2012	2013	2014	2015	2016
Alfalfa Hay	\$221.05	\$236.67	\$232.87	\$190.26	\$214.02
Corn	\$163.97	\$174.60	\$166.70	\$141.12	\$139.52
Corn Silage	\$221.76	\$259.87	\$243.79	\$222.94	\$213.19
Peas	\$60.19	\$72.38	\$69.38	\$58.36	\$61.70
Soybeans	\$108.09	\$110.28	\$106.84	\$91.07	\$93.51
Spring Wheat	\$90.06	\$136.25	\$98.37	\$98.56	\$90.53
Sweet Corn	\$114.30	\$144.07	\$141.10	\$107.38	\$119.76

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

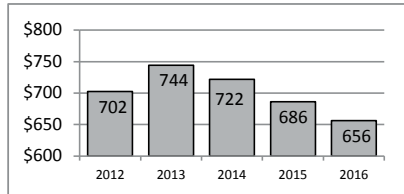
	2012	2013	2014	2015	2016	Total Dir&Ovhd Expense
Alfalfa Hay						
Yield per Acre	5.0	4.3	4.9	5.4	5.7	
Value per Ton	\$208.60	\$213.35	\$175.22	\$146.49	\$125.77	
Fuel, Oil, Repairs per Acre	\$119.94	\$127.05	\$116.80	\$81.54	\$86.00	
Total Dir & Ovhd Exp per Acre	\$461.18	\$475.02	\$468.01	\$425.02	\$444.60	
Net Return per Acre	\$576.55	\$461.47	\$404.09	\$363.36	\$269.75	
Total Direct Expenses per Ton	\$50.91	\$61.50	\$55.30	\$46.12	\$41.79	
Total Dir & Ovhd Exp per Ton	\$92.93	\$110.71	\$95.58	\$79.41	\$78.75	



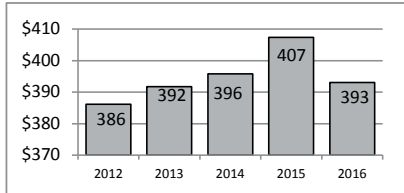
Corn						
Yield per Acre	177.7	172.7	165.4	207.2	206.4	
Value per Bushel	\$6.55	\$4.50	\$3.90	\$3.50	\$3.33	
Fuel, Oil, Repairs per Acre	\$89.16	\$90.76	\$83.90	\$69.38	\$65.11	
Total Dir & Ovhd Exp per Acre	\$720.44	\$769.15	\$735.06	\$692.79	\$656.07	
Net Return per Acre	\$488.35	\$124.60	\$71.74	\$39.05	\$46.61	
Total Direct Expenses per Bu.	\$2.81	\$3.08	\$3.04	\$2.22	\$2.11	
Total Dir & Ovhd Exp per Bushel	\$4.05	\$4.45	\$4.44	\$3.34	\$3.18	



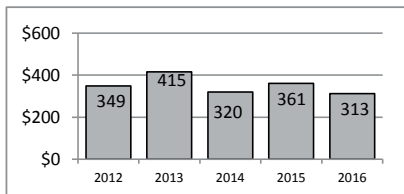
Corn Silage						
Yield per Acre	20.0	22.5	20.4	24.7	23.7	
Value per Ton	\$49.23	\$42.50	\$35.59	\$32.60	\$31.83	
Fuel, Oil, Repairs per Acre	\$105.73	\$124.98	\$119.85	\$83.07	\$84.09	
Total Dir & Ovhd Exp per Acre	\$702.45	\$744.43	\$721.80	\$686.41	\$656.49	
Net Return per Acre	\$374.07	\$267.64	\$127.48	\$118.76	\$112.18	
Total Direct Expenses per Ton	\$24.70	\$22.96	\$24.63	\$19.34	\$18.95	
Total Dir & Ovhd Exp per Ton	\$35.07	\$33.12	\$35.35	\$27.81	\$27.66	



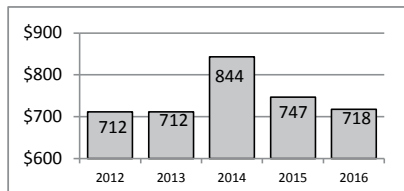
Soybeans						
Yield per Acre	51.2	47.4	48.1	60.3	62.1	
Value per Bushel	\$13.65	\$12.55	\$10.12	\$8.62	\$9.39	
Fuel, Oil, Repairs per Acre	\$58.26	\$56.33	\$52.88	\$44.42	\$42.01	
Total Dir & Ovhd Exp per Acre	\$386.13	\$391.69	\$395.82	\$407.40	\$393.11	
Net Return per Acre	\$332.68	\$222.35	\$145.53	\$116.85	\$200.18	
Total Direct Expenses per Bu.	\$4.26	\$4.64	\$4.58	\$3.82	\$3.52	
Total Dir & Ovhd Exp per Bushel	\$7.54	\$8.26	\$8.23	\$6.76	\$6.34	



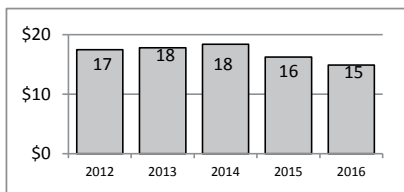
Spring Wheat						
Yield per Acre	53.9	43.8	52.5	63.7	61.9	
Value per Bushel	\$8.70	\$7.61	\$5.32	\$4.96	\$4.78	
Fuel, Oil, Repairs per Acre	\$45.52	\$55.85	\$40.57	\$39.46	\$35.45	
Total Dir & Ovhd Exp per Acre	\$348.88	\$415.34	\$320.40	\$361.09	\$312.75	
Net Return per Acre	\$176.27	\$9.42	\$32.83	\$37.44	\$28.19	
Total Direct Expenses per Bu.	\$4.13	\$5.84	\$4.34	\$3.08	\$2.67	
Total Dir & Ovhd Exp per Bushel	\$6.47	\$9.48	\$7.39	\$5.67	\$5.06	



Beef Cow Calf						
Price Recv'd/Cwt Calf Sold	\$146.91	\$152.83	\$212.33	\$206.46	\$156.42	
Total Feed Cost/Cow	\$445.53	\$479.03	\$508.48	\$438.89	\$412.73	
Return over Feed/Cow	\$445.53	\$298.68	\$786.66	\$425.07	\$220.56	
Net Return/Cow	\$88.27	\$36.61	\$451.63	\$117.23	-\$84.29	
Total Direct & Ovhd Expenses	\$711.70	\$741.10	\$843.51	\$746.72	\$717.58	



Dairy Cows						
Production/Cow	22,774	23,134	23,765	24,034	24,399	
Price Recv'd/Cwt Milk	\$19.47	\$20.19	\$24.36	\$17.75	\$16.20	
Total Feed Cost/Cwt Milk	\$10.19	\$10.36	\$10.22	\$8.77	\$7.71	
Return over Feed/Cwt Milk	\$8.53	\$8.70	\$14.13	\$8.98	\$8.49	
Net Return/Cwt Milk	\$1.27	\$1.25	\$5.26	\$1.20	\$0.44	
Total Direct & Ovhd Expenses	\$17.44	\$17.80	\$18.38	\$16.22	\$14.87	



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

Corn on Owned Land

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	697	139	140	140
Acres	167.82	145.40	171.53	191.28
Yield per acre (bu.)	206.42	185.55	208.72	216.56
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	3.33	3.22	3.32	3.45
Other product return per acre	0.83	0.92	0.47	0.43
Total product return per acre	688.33	599.22	692.73	747.51
Hedging gains/losses per acre	2.75	-2.53	0.11	5.65
Crop insurance per acre	7.01	4.96	8.59	12.59
Other crop income per acre	4.58	2.92	3.75	9.87
Gross return per acre	702.67	604.57	705.19	775.62
Direct Expenses				
Seed	122.61	126.14	125.69	118.68
Fertilizer	140.30	160.74	139.28	121.54
Crop chemicals	38.25	40.21	39.15	36.52
Crop insurance	17.78	18.31	18.84	16.50
Drying expense	11.52	13.11	14.55	9.42
Storage	2.10	5.44	1.58	1.53
Fuel & oil	20.34	21.90	20.27	19.33
Repairs	42.02	46.46	45.45	34.27
Repair, machinery	2.75	5.22	2.75	3.23
Custom hire	11.18	18.76	11.10	7.12
Hired labor	4.68	5.47	4.43	2.50
Machinery leases	1.86	2.46	1.39	1.99
Utilities	1.55	1.76	2.49	0.56
Hauling and trucking	2.14	1.50	1.59	1.08
Marketing	1.47	1.93	1.19	1.15
Operating interest	11.39	14.91	13.20	8.22
Miscellaneous	2.71	3.30	2.87	2.15
Total direct expenses per acre	434.67	487.61	445.82	385.81
Return over direct exp per acre	268.00	116.96	259.37	389.81
Overhead Expenses				
Hired labor	9.80	6.67	9.29	11.41
Machinery leases	1.49	1.02	1.93	1.82
Building leases	1.03	0.61	0.75	1.58
RE & pers. property taxes	37.77	38.22	38.48	38.78
Farm insurance	12.76	12.73	13.91	12.68
Utilities	6.29	6.47	5.87	6.30
Dues & professional fees	3.94	2.86	5.00	3.88
Interest	74.08	77.27	83.48	75.19
Mach & bldg depreciation	65.63	66.49	67.09	64.76
Miscellaneous	8.60	10.20	8.43	7.61
Total overhead expenses per acre	221.39	222.54	234.24	224.01
Total dir & ovhd expenses per acre	656.07	710.15	680.06	609.82
Net return per acre	46.61	-105.58	25.13	165.80
Government payments	31.27	26.29	33.34	33.27
Net return with govt pmts	77.88	-79.28	58.47	199.07
Labor & management charge	56.03	58.32	54.78	47.50
Net return over lbr & mgt	21.85	-137.60	3.69	151.56
Cost of Production				
Total direct expense per bu.	2.11	2.63	2.14	1.78
Total dir & ovhd exp per bu.	3.18	3.83	3.26	2.82
Less govt & other income	2.95	3.65	3.04	2.53
With labor & management	3.22	3.97	3.30	2.75
Net value per unit	3.34	3.21	3.32	3.48
Machinery cost per acre	139.52	158.45	142.64	127.76
Est. labor hours per acre	2.87	2.89	2.80	2.65

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

Corn on Cash Rent

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	900	180	180	180
Acres	371.86	353.92	395.11	325.16
Yield per acre (bu.)	204.77	191.61	206.36	214.30
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	3.37	3.28	3.39	3.41
Other product return per acre	0.28	0.04	0.26	1.02
Total product return per acre	690.76	628.18	700.73	731.65
Hedging gains/losses per acre	1.33	0.24	1.54	3.21
Crop insurance per acre	9.71	7.23	7.23	20.30
Other crop income per acre	3.50	2.18	2.63	6.20
Gross return per acre	705.31	637.82	712.14	761.35
Direct Expenses				
Seed	120.08	128.56	119.44	111.34
Fertilizer	136.25	156.14	140.85	115.64
Crop chemicals	37.50	39.95	36.89	38.19
Crop insurance	18.65	19.56	18.55	18.54
Drying expense	10.36	12.36	10.55	8.25
Storage	2.39	3.57	1.72	0.66
Fuel & oil	20.70	21.53	19.52	21.02
Repairs	35.94	40.14	35.64	32.29
Repair, machinery	3.51	5.39	3.00	2.94
Custom hire	9.60	13.46	7.70	6.77
Hired labor	4.78	6.91	4.39	1.25
Land rent	228.21	241.62	233.81	204.24
Machinery leases	4.97	7.10	4.32	1.68
Utilities	1.45	2.63	1.20	0.41
Hauling and trucking	2.01	2.46	1.44	0.76
Marketing	1.90	2.40	1.10	2.47
Operating interest	14.09	18.41	14.35	10.36
Miscellaneous	3.01	2.76	2.33	2.42
Total direct expenses per acre	655.41	724.96	656.81	579.23
Return over direct exp per acre	49.90	-87.14	55.33	182.13
Overhead Expenses				
Hired labor	11.69	7.06	9.83	19.32
Machinery leases	3.69	2.19	4.74	5.75
Building leases	2.11	1.74	3.62	1.50
Farm insurance	10.26	11.42	9.87	10.19
Utilities	4.98	4.32	5.09	5.65
Dues & professional fees	4.06	3.84	4.14	4.63
Interest	6.64	6.96	6.10	7.52
Mach & bldg depreciation	54.93	55.42	54.91	57.13
Miscellaneous	6.91	7.00	6.65	9.01
Total overhead expenses per acre	105.26	99.96	104.97	120.69
Total dir & ovhd expenses per acre	760.67	824.92	761.78	699.92
Net return per acre	-55.36	-187.09	-49.64	61.44
Government payments	30.26	27.91	28.23	31.49
Net return with govt pmts	-25.10	-159.19	-21.41	92.93
Labor & management charge	48.80	50.84	49.32	44.96
Net return over lbr & mgt	-73.90	-210.03	-70.72	47.97
Cost of Production				
Total direct expense per bu.	3.20	3.78	3.18	2.70
Total dir & ovhd exp per bu.	3.71	4.31	3.69	3.27
Less govt & other income	3.49	4.11	3.50	2.98
With labor & management	3.73	4.37	3.74	3.19
Net value per unit	3.38	3.28	3.40	3.42
Machinery cost per acre	131.87	143.30	127.62	127.23
Est. labor hours per acre	2.64	2.62	2.44	2.73

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

Soybeans on Owned Land

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	566	113	113	114
Acres	133.64	119.38	143.19	134.64
Yield per acre (bu.)	62.05	53.54	62.72	69.27
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	9.39	9.29	9.33	9.60
Other product return per acre	0.00	0.01	-	-
Total product return per acre	582.43	497.47	585.27	664.68
Hedging gains/losses per acre	-0.90	-3.50	-1.70	0.28
Crop insurance per acre	8.41	2.85	5.20	17.04
Other crop income per acre	3.35	0.99	3.98	4.71
Gross return per acre	593.29	497.81	592.75	686.72
Direct Expenses				
Seed	57.89	57.51	59.46	54.97
Fertilizer	25.63	40.21	29.78	17.49
Crop chemicals	47.31	48.70	50.55	41.15
Crop insurance	17.97	18.38	17.08	17.42
Storage	1.20	1.99	0.48	0.51
Fuel & oil	12.99	14.15	13.83	12.18
Repairs	26.70	33.02	25.75	22.55
Repair, machinery	2.32	5.14	1.62	1.93
Custom hire	8.62	12.45	6.55	5.61
Hired labor	3.05	1.58	5.04	0.97
Machinery leases	1.52	1.77	1.40	1.63
Utilities	1.16	1.90	0.62	0.75
Hauling and trucking	1.07	0.61	1.15	0.94
Marketing	1.76	1.92	1.44	1.28
Operating interest	6.96	9.78	6.65	5.95
Miscellaneous	2.50	2.02	2.33	2.39
Total direct expenses per acre	218.64	251.12	223.74	187.72
Return over direct exp per acre	374.65	246.69	369.01	499.00
Overhead Expenses				
Hired labor	5.96	8.39	5.44	8.11
Machinery leases	0.95	0.48	1.25	1.27
RE & pers. property taxes	35.80	35.01	36.75	39.44
Farm insurance	8.70	8.91	9.48	8.08
Utilities	3.97	4.42	4.55	3.53
Dues & professional fees	2.76	2.48	2.25	2.80
Interest	65.58	63.60	64.01	79.58
Mach & bldg depreciation	44.03	39.74	48.53	42.54
Miscellaneous	6.71	8.61	7.04	4.28
Total overhead expenses per acre	174.47	171.63	179.30	189.63
Total dir & ovhd expenses per acre	393.11	422.76	403.03	377.34
Net return per acre	200.18	75.06	189.72	309.38
Government payments	23.83	25.43	23.13	24.69
Net return with govt pmts	224.00	100.49	212.84	334.07
Labor & management charge	38.59	40.44	37.95	34.77
Net return over lbr & mgt	185.41	60.05	174.89	299.30
Cost of Production				
Total direct expense per bu.	3.52	4.69	3.57	2.71
Total dir & ovhd exp per bu.	6.34	7.90	6.43	5.45
Less govt & other income	5.78	7.41	5.94	4.77
With labor & management	6.40	8.17	6.54	5.27
Net value per unit	9.37	9.23	9.30	9.60
Machinery cost per acre	93.51	102.82	95.44	85.28
Est. labor hours per acre	1.82	2.06	1.78	1.71

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

Soybeans on Cash Rent

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	793	158	158	159
Acres	282.42	298.77	342.10	218.93
Yield per acre (bu.)	61.31	55.85	62.23	67.54
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	9.40	9.29	9.33	9.72
Other product return per acre	0.00	0.00	-	-
Total product return per acre	576.32	518.54	580.81	656.66
Hedging gains/losses per acre	0.58	-0.28	0.86	2.62
Crop insurance per acre	8.54	7.01	6.32	15.41
Other crop income per acre	2.60	1.08	4.26	3.95
Gross return per acre	588.03	526.35	592.25	678.64
Direct Expenses				
Seed	57.18	60.07	57.80	55.15
Fertilizer	23.59	30.93	21.98	17.43
Crop chemicals	45.46	51.22	46.50	43.08
Crop insurance	18.59	21.56	18.86	18.72
Storage	1.13	1.92	0.75	0.86
Fuel & oil	12.93	13.41	12.76	11.94
Repairs	23.35	21.66	20.40	23.46
Repair, machinery	2.49	5.53	2.55	1.05
Custom hire	6.72	9.01	7.00	4.19
Repair, buildings	0.26	0.24	0.51	0.11
Hired labor	3.38	5.91	4.05	0.65
Land rent	221.91	242.50	220.14	198.80
Machinery leases	3.50	6.35	2.96	1.11
Utilities	1.11	1.79	1.01	0.63
Hauling and trucking	0.87	0.52	1.35	0.85
Marketing	1.66	1.96	1.43	1.63
Operating interest	8.75	11.56	8.62	6.04
Miscellaneous	2.54	3.06	3.25	1.84
Total direct expenses per acre	435.41	489.24	431.92	387.54
Return over direct exp per acre	152.62	37.12	160.34	291.10
Overhead Expenses				
Hired labor	7.22	5.02	7.37	10.35
Machinery leases	2.36	2.30	2.36	4.86
Building leases	1.13	1.41	0.85	0.66
Farm insurance	6.93	7.14	6.68	7.20
Utilities	3.09	2.55	2.91	3.17
Dues & professional fees	2.63	2.50	2.55	3.60
Interest	4.03	3.63	4.81	3.87
Mach & bldg depreciation	35.53	35.13	36.98	36.94
Miscellaneous	4.89	4.35	4.86	7.26
Total overhead expenses per acre	67.81	64.03	69.37	77.92
Total dir & ovhd expenses per acre	503.22	553.27	501.29	465.46
Net return per acre	84.82	-26.91	90.96	213.18
Government payments	23.68	25.94	25.27	21.72
Net return with govt pmts	108.50	-0.97	116.23	234.90
Labor & management charge	32.16	31.45	31.54	34.38
Net return over lbr & mgt	76.34	-32.42	84.70	200.52
Cost of Production				
Total direct expense per bu.	7.10	8.76	6.94	5.74
Total dir & ovhd exp per bu.	8.21	9.91	8.05	6.89
Less govt & other income	7.63	9.30	7.46	6.24
With labor & management	8.16	9.87	7.97	6.75
Net value per unit	9.41	9.28	9.35	9.76
Machinery cost per acre	85.58	89.53	84.92	82.57
Est. labor hours per acre	1.69	1.81	1.57	1.82

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

Wheat, Spring on Owned Land

	<u>Avg. Of All Farms</u>
Number of farms	21
Acres	41.60
Yield per acre (bu.)	61.86
Operators share of yield %	100.00
Value per bu.	4.78
Other product return per acre	4.67
Total product return per acre	300.65
Crop insurance per acre	1.48
Other crop income per acre	38.81
Gross return per acre	340.94
Direct Expenses	
Seed	20.21
Fertilizer	67.53
Crop chemicals	20.06
Crop insurance	5.65
Fuel & oil	10.86
Repairs	22.53
Repair, machinery	2.06
Custom hire	9.79
Machinery leases	0.18
Utilities	0.10
Hauling and trucking	0.75
Marketing	0.34
Operating interest	4.08
Miscellaneous	1.14
Total direct expenses per acre	165.28
Return over direct exp per acre	175.66
Overhead Expenses	
Hired labor	8.29
Machinery leases	1.35
RE & pers. property taxes	31.86
Farm insurance	8.14
Utilities	4.08
Dues & professional fees	1.23
Interest	41.76
Mach & bldg depreciation	44.75
Miscellaneous	6.02
Total overhead expenses per acre	147.47
Total dir & ovhd expenses per acre	312.75
Net return per acre	28.19
Government payments	25.33
Net return with govt pmts	53.52
Labor & management charge	29.54
Net return over lbr & mgt	23.98
Cost of Production	
Total direct expense per bu.	2.67
Total dir & ovhd exp per bu.	5.06
Less govt & other income	3.92
With labor & management	4.40
Net value per unit	4.78
Machinery cost per acre	90.53
Est. labor hours per acre	1.83

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

Wheat, Spring on Cash Rent

	<u>Avg. Of All Farms</u>
Number of farms	31
Acres	46.66
Yield per acre (bu.)	58.69
Operators share of yield %	100.00
Value per bu.	4.64
Other product return per acre	28.98
Total product return per acre	301.42
Crop insurance per acre	0.64
Other crop income per acre	28.29
Gross return per acre	330.35
Direct Expenses	
Seed	28.31
Fertilizer	59.84
Crop chemicals	23.47
Crop insurance	6.41
Fuel & oil	13.50
Repairs	26.25
Custom hire	13.45
Hired labor	6.65
Land rent	172.03
Machinery leases	9.54
Hauling and trucking	0.12
Marketing	1.07
Operating interest	8.00
Miscellaneous	5.98
Total direct expenses per acre	374.62
Return over direct exp per acre	-44.27
Overhead Expenses	
Hired labor	5.13
Machinery leases	0.24
Building leases	0.80
Farm insurance	6.12
Utilities	4.80
Dues & professional fees	2.42
Interest	3.71
Mach & bldg depreciation	30.06
Miscellaneous	4.86
Total overhead expenses per acre	58.14
Total dir & ovhd expenses per acre	432.75
Net return per acre	-102.40
Government payments	13.51
Net return with govt pmts	-88.89
Labor & management charge	27.42
Net return over lbr & mgt	-116.31
Cost of Production	
Total direct expense per bu.	6.38
Total dir & ovhd exp per bu.	7.37
Less govt & other income	6.16
With labor & management	6.62
Net value per unit	4.64
Machinery cost per acre	92.99
Est. labor hours per acre	1.91

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

Corn Silage on Owned Land

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	117	23	24	24
Acres	57.52	57.52	36.88	71.66
Yield per acre (ton)	23.74	19.65	22.75	26.89
Operators share of yield %	100.00	100.00	100.00	100.00
Value per ton	31.83	29.63	30.01	37.69
Total product return per acre	755.52	582.18	682.65	1,013.27
Crop insurance per acre	12.86	10.35	17.52	18.77
Other crop income per acre	0.29	-	0.55	-
Gross return per acre	768.67	592.53	700.72	1,032.04
Direct Expenses				
Seed	118.22	126.48	114.40	110.11
Fertilizer	92.97	125.45	79.85	70.76
Crop chemicals	42.75	40.42	36.06	52.98
Crop insurance	14.09	15.85	15.55	13.20
Storage	5.25	15.36	-	3.32
Packaging and supplies	2.08	1.85	0.03	0.74
Fuel & oil	26.37	21.87	30.34	33.61
Repairs	56.18	57.50	55.17	73.16
Repair, machinery	1.54	-	-	-
Custom hire	70.10	95.36	61.54	98.71
Hired labor	4.23	-	0.81	2.07
Machinery leases	1.21	1.23	0.15	3.47
Utilities	0.35	0.19	0.21	0.94
Hauling and trucking	0.59	-	-	0.79
Operating interest	7.85	7.38	7.72	8.50
Miscellaneous	6.13	0.56	4.52	5.82
Total direct expenses per acre	449.91	509.50	406.37	478.18
Return over direct exp per acre	318.76	83.03	294.35	553.86
Overhead Expenses				
Hired labor	25.60	21.46	12.56	47.59
Machinery leases	3.92	6.68	5.02	2.10
Building leases	1.67	0.42	2.34	0.57
RE & pers. property taxes	28.59	26.63	23.60	27.22
Farm insurance	11.54	8.77	9.91	13.35
Utilities	8.48	9.06	8.56	8.71
Dues & professional fees	4.19	7.90	5.09	2.13
Interest	61.18	63.74	76.32	67.45
Mach & bldg depreciation	54.12	50.58	59.62	48.05
Miscellaneous	7.29	7.10	9.81	6.11
Total overhead expenses per acre	206.58	202.35	212.85	223.27
Total dir & ovhd expenses per acre	656.49	711.84	619.22	701.45
Net return per acre	112.18	-119.31	81.50	330.59
Government payments	28.12	21.53	22.76	27.99
Net return with govt pmts	140.30	-97.78	104.26	358.57
Labor & management charge	40.77	33.66	39.06	34.33
Net return over lbr & mgt	99.53	-131.45	65.20	324.25
Cost of Production				
Total direct expense per ton	18.95	25.93	17.86	17.78
Total dir & ovhd exp per ton	27.66	36.22	27.22	26.09
Less govt & other income	25.92	34.60	25.43	24.35
With labor & management	27.63	36.31	27.14	25.63
Net value per unit	31.83	29.63	30.01	37.69
Machinery cost per acre	213.19	232.38	211.75	256.63
Est. labor hours per acre	3.70	3.34	4.03	4.72

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

Corn Silage on Cash Rent

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	139	27	28	28
Acres	94.23	73.37	47.67	164.17
Yield per acre (ton)	24.02	21.61	23.85	26.16
Operators share of yield %	100.00	100.00	100.00	100.00
Value per ton	34.00	28.03	31.94	38.56
Total product return per acre	816.75	605.68	761.63	1,008.69
Crop insurance per acre	6.13	0.17	7.02	10.92
Other crop income per acre	1.81	0.23	0.71	4.37
Gross return per acre	824.69	606.08	769.35	1,023.98
Direct Expenses				
Seed	115.57	129.93	114.21	112.11
Fertilizer	84.82	115.30	103.75	67.83
Crop chemicals	40.74	36.70	42.63	41.03
Crop insurance	14.40	14.20	15.50	14.85
Storage	4.23	1.39	0.55	1.62
Packaging and supplies	8.44	6.44	0.18	17.35
Fuel & oil	31.53	24.43	26.16	43.74
Repairs	53.64	47.47	51.98	57.06
Repair, machinery	1.09	0.56	-	-
Custom hire	57.47	94.02	92.37	22.82
Hired labor	9.48	27.74	2.55	3.25
Land rent	202.33	227.50	191.42	202.96
Machinery leases	5.69	4.77	1.12	8.65
Utilities	0.89	0.57	-	0.75
Hauling and trucking	0.87	-	-	0.25
Operating interest	8.00	7.98	6.41	12.37
Miscellaneous	8.29	2.54	4.39	9.83
Total direct expenses per acre	647.50	741.56	653.24	616.47
Return over direct exp per acre	177.19	-135.48	116.11	407.51
Overhead Expenses				
Hired labor	34.06	11.03	10.16	68.68
Machinery leases	2.86	0.50	5.04	3.42
Building leases	3.78	0.52	0.63	7.47
Farm insurance	9.58	10.83	12.00	9.52
Utilities	4.97	4.64	8.51	5.09
Dues & professional fees	2.94	3.09	6.63	2.91
Interest	9.13	3.85	7.02	12.78
Mach & bldg depreciation	44.56	43.09	46.85	47.33
Miscellaneous	7.32	3.81	14.68	7.28
Total overhead expenses per acre	119.19	81.37	111.53	164.47
Total dir & ovhd expenses per acre	766.69	822.92	764.77	780.94
Net return per acre	58.00	-216.84	4.58	243.04
Government payments	24.24	25.68	27.17	18.62
Net return with govt pmts	82.24	-191.17	31.75	261.66
Labor & management charge	28.81	30.40	34.17	30.40
Net return over lbr & mgt	53.43	-221.57	-2.43	231.26
Cost of Production				
Total direct expense per ton	26.95	34.32	27.39	23.56
Total dir & ovhd exp per ton	31.92	38.08	32.07	29.85
Less govt & other income	30.58	36.88	30.60	28.56
With labor & management	31.78	38.28	32.04	29.72
Net value per unit	34.00	28.03	31.94	38.56
Machinery cost per acre	200.82	210.64	225.31	190.44
Est. labor hours per acre	4.31	3.45	3.85	6.42

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

Hay, Alfalfa on Owned Land

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	124	24	25	25
Acres	43.96	44.66	34.75	52.91
Yield per acre (ton)	5.65	4.65	5.77	6.54
Operators share of yield %	100.00	100.00	100.00	100.00
Value per ton	125.77	93.64	114.64	148.90
Other product return per acre	1.37	6.95	-	-
Total product return per acre	711.42	442.60	661.30	974.55
Crop insurance per acre	1.93	-	0.50	-
Other crop income per acre	0.99	3.10	2.41	-
Gross return per acre	714.35	445.70	664.20	974.55
Direct Expenses				
Seed	1.90	1.98	-	-
Fertilizer	44.18	42.16	53.49	24.68
Crop chemicals	5.67	4.78	8.85	6.42
Crop insurance	3.32	0.30	6.76	4.89
Storage	0.99	-	4.75	0.13
Packaging and supplies	1.55	2.10	-	-
Fuel & oil	24.38	27.83	23.50	25.83
Repairs	60.54	64.13	47.68	69.48
Repair, machinery	1.08	0.94	5.11	-
Custom hire	67.23	117.54	24.63	37.54
Repair, buildings	0.44	1.34	0.50	-
Hired labor	3.88	5.20	0.10	11.01
Machinery leases	1.74	0.30	0.10	0.08
Utilities	0.38	0.94	0.61	-
Hauling and trucking	0.19	0.45	0.67	-
Marketing	0.25	0.81	0.55	-
Operating interest	8.00	13.42	7.74	3.13
Miscellaneous	10.18	2.58	5.30	26.29
Total direct expenses per acre	235.91	286.82	190.34	209.48
Return over direct exp per acre	478.44	158.88	473.87	765.07
Overhead Expenses				
Hired labor	20.70	12.95	12.16	31.92
Machinery leases	5.11	4.20	10.21	3.69
Building leases	0.58	1.40	1.33	0.32
RE & pers. property taxes	28.24	34.41	26.58	29.55
Farm insurance	11.17	14.24	10.02	9.15
Utilities	7.52	7.94	6.97	6.82
Dues & professional fees	3.91	2.07	5.33	3.85
Interest	66.53	50.51	75.47	65.52
Mach & bldg depreciation	56.27	58.74	57.19	62.30
Miscellaneous	8.66	7.72	10.48	8.53
Total overhead expenses per acre	208.69	194.19	215.73	221.65
Total dir & ovhd expenses per acre	444.60	481.01	406.07	431.13
Net return per acre	269.75	-35.31	258.14	543.42
Government payments	14.73	21.16	17.98	11.67
Net return with govt pmts	284.48	-14.15	276.12	555.10
Labor & management charge	42.67	37.37	39.19	33.53
Net return over lbr & mgt	241.81	-51.52	236.93	521.57
Cost of Production				
Total direct expense per ton	41.79	61.65	33.00	32.01
Total dir & ovhd exp per ton	78.75	103.39	70.39	65.87
Less govt & other income	75.38	96.68	66.77	64.09
With labor & management	82.94	104.72	73.56	69.21
Net value per unit	125.77	93.64	114.64	148.90
Machinery cost per acre	214.02	266.62	169.46	195.76
Est. labor hours per acre	3.96	3.67	3.62	4.10

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

Hay, Alfalfa on Cash Rent

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	163	32	32	33
Acres	88.37	85.75	66.21	100.95
Yield per acre (ton)	5.80	4.91	5.51	6.80
Operators share of yield %	100.00	100.00	100.00	100.00
Value per ton	128.75	112.97	111.25	148.62
Total product return per acre	746.81	554.13	612.48	1,010.91
Crop insurance per acre	3.75	-	9.85	-
Other crop income per acre	0.91	3.41	0.55	0.80
Gross return per acre	751.47	557.54	622.88	1,011.71
Direct Expenses				
Seed	0.23	0.99	-	0.18
Fertilizer	52.35	64.14	65.67	29.74
Crop chemicals	9.58	12.33	8.37	10.75
Crop insurance	2.45	1.09	4.28	4.05
Storage	2.85	6.33	-	2.81
Packaging and supplies	4.73	1.78	0.61	4.23
Fuel & oil	28.71	23.99	22.48	32.40
Repairs	50.60	50.70	38.04	52.15
Repair, machinery	1.68	2.17	1.23	3.81
Custom hire	57.95	159.23	20.97	22.47
Hired labor	3.89	6.34	1.06	4.01
Land rent	203.22	251.85	173.95	176.58
Machinery leases	4.39	1.55	5.24	4.95
Utilities	0.56	0.52	0.25	0.13
Operating interest	7.81	8.20	8.47	7.18
Miscellaneous	9.34	8.80	5.68	8.22
Total direct expenses per acre	440.35	600.03	356.29	363.67
Return over direct exp per acre	311.12	-42.49	266.59	648.04
Overhead Expenses				
Hired labor	29.99	31.49	10.33	38.52
Machinery leases	3.67	7.93	5.70	0.67
Building leases	3.35	0.28	1.59	1.30
Farm insurance	8.19	6.79	9.98	9.13
Utilities	5.50	7.74	4.79	4.21
Dues & professional fees	2.79	3.55	3.06	2.82
Interest	8.20	4.95	4.06	10.38
Mach & bldg depreciation	44.27	35.24	51.11	44.60
Miscellaneous	5.96	4.25	8.26	7.37
Total overhead expenses per acre	111.91	102.22	98.88	119.01
Total dir & ovhd expenses per acre	552.26	702.24	455.17	482.68
Net return per acre	199.21	-144.71	167.71	529.03
Government payments	15.80	13.24	23.57	7.17
Net return with govt pmts	215.01	-131.46	191.28	536.20
Labor & management charge	31.86	26.94	33.45	28.77
Net return over lbr & mgt	183.15	-158.40	157.83	507.43
Cost of Production				
Total direct expense per ton	75.92	122.33	64.72	53.47
Total dir & ovhd exp per ton	95.21	143.17	82.68	70.96
Less govt & other income	91.68	139.77	76.51	69.79
With labor & management	97.18	145.26	82.58	74.02
Net value per unit	128.75	112.97	111.25	148.62
Machinery cost per acre	194.53	279.65	145.04	166.12
Est. labor hours per acre	3.75	3.15	2.69	4.71

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

Corn, Organic on Owned Land

	<u>Avg. Of All Farms</u>
Number of farms	12
Acres	51.28
Yield per acre (bu.)	144.69
Operators share of yield %	100.00
Value per bu.	8.62
Other product return per acre	1.30
Total product return per acre	1,247.93
Crop insurance per acre	15.75
Other crop income per acre	5.81
Gross return per acre	1,269.49
Direct Expenses	
Seed	104.23
Fertilizer	137.87
Non-chemical crop protect	3.29
Crop insurance	24.60
Drying expense	8.64
Storage	0.61
Fuel & oil	31.30
Repairs	81.44
Custom hire	13.53
Hired labor	10.70
Machinery leases	8.11
Hauling and trucking	0.82
Organic certification	6.17
Operating interest	6.90
Miscellaneous	9.61
Total direct expenses per acre	447.84
Return over direct exp per acre	821.65
Overhead Expenses	
Hired labor	14.25
Machinery leases	0.80
RE & pers. property taxes	37.82
Farm insurance	10.42
Utilities	9.20
Dues & professional fees	4.22
Interest	143.75
Mach & bldg depreciation	45.44
Miscellaneous	18.74
Total overhead expenses per acre	284.65
Total dir & ovhd expenses per acre	732.49
Net return per acre	536.99
Government payments	22.94
Net return with govt pmts	559.93
Labor & management charge	56.57
Net return over lbr & mgt	503.36
Cost of Production	
Total direct expense per bu.	3.10
Total dir & ovhd exp per bu.	5.06
Less govt & other income	4.75
With labor & management	5.14
Net value per unit	8.62
Machinery cost per acre	176.80
Est. labor hours per acre	5.57

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

Corn, Organic on Cash Rent

	<u>Avg. Of All Farms</u>
Number of farms	16
Acres	76.02
Yield per acre (bu.)	137.11
Operators share of yield %	100.00
Value per bu.	8.73
Other product return per acre	1.18
Total product return per acre	1,198.10
Crop insurance per acre	45.78
Other crop income per acre	2.45
Gross return per acre	1,246.33
Direct Expenses	
Seed	97.61
Fertilizer	90.32
Non-chemical crop protect	4.17
Crop insurance	30.29
Drying expense	13.00
Storage	0.35
Fuel & oil	29.74
Repairs	86.98
Custom hire	24.23
Hired labor	6.56
Land rent	179.32
Machinery leases	2.88
Hauling and trucking	1.25
Organic certification	4.48
Operating interest	8.84
Miscellaneous	15.32
Total direct expenses per acre	595.33
Return over direct exp per acre	651.00
Overhead Expenses	
Hired labor	23.95
Machinery leases	2.93
Building leases	0.06
Farm insurance	9.79
Utilities	7.31
Dues & professional fees	3.26
Interest	6.61
Mach & bldg depreciation	60.61
Miscellaneous	14.69
Total overhead expenses per acre	129.22
Total dir & ovhd expenses per acre	724.55
Net return per acre	521.78
Government payments	20.33
Net return with govt pmts	542.11
Labor & management charge	64.74
Net return over lbr & mgt	477.37
Cost of Production	
Total direct expense per bu.	4.34
Total dir & ovhd exp per bu.	5.28
Less govt & other income	4.78
With labor & management	5.25
Net value per unit	8.73
Machinery cost per acre	205.10
Est. labor hours per acre	4.45

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

Sweet Corn, Processing on Owned Land

	<u>Avg. Of All Farms</u>
Number of farms	31
Acres	67.34
Yield per acre (ton)	7.44
Operators share of yield %	100.00
Value per ton	64.72
Total product return per acre	481.32
Crop insurance per acre	7.49
Other crop income per acre	0.35
Gross return per acre	489.17
Direct Expenses	
Seed	4.26
Fertilizer	98.48
Crop chemicals	30.75
Crop insurance	5.29
Fuel & oil	18.78
Repairs	33.97
Repair, machinery	10.65
Custom hire	1.81
Hired labor	0.92
Machinery leases	1.28
Utilities	0.31
Hauling and trucking	0.68
Marketing	0.92
Operating interest	9.68
Miscellaneous	2.50
Total direct expenses per acre	220.30
Return over direct exp per acre	268.87
Overhead Expenses	
Hired labor	11.14
Machinery leases	3.32
Building leases	0.17
RE & pers. property taxes	40.52
Farm insurance	11.09
Utilities	6.08
Dues & professional fees	5.51
Interest	74.79
Mach & bldg depreciation	56.72
Miscellaneous	6.42
Total overhead expenses per acre	215.76
Total dir & ovhd expenses per acre	436.06
Net return per acre	53.10
Government payments	0.78
Net return with govt pmts	53.88
Labor & management charge	44.73
Net return over lbr & mgt	9.15
Cost of Production	
Total direct expense per ton	29.62
Total dir & ovhd exp per ton	58.63
Less govt & other income	57.47
With labor & management	63.49
Net value per unit	64.72
Machinery cost per acre	119.76
Est. labor hours per acre	2.21

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

Sweet Corn, Processing on Cash Rent

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	55	11	11	11
Acres	75.49	89.82	82.05	52.44
Yield per acre (ton)	6.83	6.39	5.80	7.92
Operators share of yield %	100.00	100.00	100.00	100.00
Value per ton	63.96	56.79	69.31	67.35
Total product return per acre	436.89	362.91	402.23	533.74
Crop insurance per acre	23.58	14.73	54.87	16.20
Other crop income per acre	2.58	-	-	-
Gross return per acre	463.05	377.64	457.11	549.94
Direct Expenses				
Seed	0.71	-	-	5.13
Fertilizer	90.95	75.22	104.20	79.07
Crop chemicals	31.60	25.92	29.80	38.14
Crop insurance	4.37	2.34	5.53	6.40
Fuel & oil	16.83	16.43	16.43	13.34
Repairs	26.85	26.04	24.37	27.08
Repair, machinery	5.46	8.34	2.53	-
Custom hire	4.92	1.78	5.79	10.41
Hired labor	3.48	12.94	-	-
Land rent	217.97	261.56	208.20	143.48
Machinery leases	0.97	0.43	-	-
Utilities	0.75	2.57	-	-
Hauling and trucking	0.52	-	0.11	1.12
Marketing	1.23	0.87	0.30	4.30
Operating interest	9.52	14.33	8.36	8.70
Miscellaneous	2.40	3.41	1.02	1.12
Total direct expenses per acre	418.55	452.18	406.65	338.29
Return over direct exp per acre	44.51	-74.55	50.46	211.65
Overhead Expenses				
Hired labor	17.48	9.49	25.81	6.65
Machinery leases	5.44	2.96	7.52	0.46
Building leases	1.05	2.27	1.19	1.04
Farm insurance	8.31	6.61	9.00	7.77
Utilities	5.25	4.00	3.64	4.03
Dues & professional fees	3.75	3.03	2.06	4.56
Interest	4.82	3.02	5.36	5.15
Mach & bldg depreciation	41.88	39.31	44.90	35.51
Miscellaneous	5.61	2.72	8.25	5.93
Total overhead expenses per acre	93.61	73.41	107.73	71.12
Total dir & ovhd expenses per acre	512.15	525.60	514.37	409.41
Net return per acre	-49.10	-147.96	-57.27	140.53
Government payments	1.27	1.99	-	-
Net return with govt pmts	-47.83	-145.97	-57.27	140.53
Labor & management charge	38.01	32.56	38.88	31.87
Net return over lbr & mgt	-85.84	-178.53	-96.15	108.66
Cost of Production				
Total direct expense per ton	61.28	70.75	70.07	42.69
Total dir & ovhd exp per ton	74.98	82.24	88.63	51.66
Less govt & other income	70.97	79.63	79.18	49.62
With labor & management	76.53	84.72	85.87	53.64
Net value per unit	63.96	56.79	69.31	67.35
Machinery cost per acre	98.72	89.47	100.92	87.44
Est. labor hours per acre	2.18	1.57	2.29	2.36

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

Peas, Processing on Cash Rent

	<u>Avg. Of All Farms</u>
Number of farms	29
Acres	59.17
Yield per acre (lb.)	3,167.69
Operators share of yield %	100.00
Value per lb.	0.12
Total product return per acre	393.64
Crop insurance per acre	48.01
Other crop income per acre	9.83
Gross return per acre	451.49
Direct Expenses	
Seed	8.10
Fertilizer	36.96
Crop chemicals	21.13
Crop insurance	6.66
Fuel & oil	8.73
Repairs	17.56
Repair, machinery	0.75
Custom hire	4.08
Repair, buildings	0.11
Hired labor	0.70
Land rent	217.29
Machinery leases	1.14
Utilities	0.45
Marketing	0.13
Operating interest	5.48
Miscellaneous	4.03
Total direct expenses per acre	333.31
Return over direct exp per acre	118.17
Overhead Expenses	
Hired labor	7.97
Machinery leases	2.50
Building leases	0.48
Farm insurance	3.68
Utilities	2.53
Dues & professional fees	1.37
Interest	2.12
Mach & bldg depreciation	19.82
Miscellaneous	2.46
Total overhead expenses per acre	42.94
Total dir & ovhd expenses per acre	376.25
Net return per acre	75.24
Government payments	1.45
Net return with govt pmts	76.69
Labor & management charge	13.87
Net return over lbr & mgt	62.82
Cost of Production	
Total direct expense per lb.	0.11
Total dir & ovhd exp per lb.	0.12
Less govt & other income	0.10
With labor & management	0.10
Net value per unit	0.12
Machinery cost per acre	52.97
Est. labor hours per acre	1.16

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

Sugar Beets on Cash Rent

	<u>Avg. Of All Farms</u>
Number of farms	15
Acres	180.69
Yield per acre (ton)	27.03
Operators share of yield %	100.00
Value per ton	31.17
Total product return per acre	842.64
Crop insurance per acre	42.88
Other crop income per acre	14.45
Gross return per acre	899.98
Direct Expenses	
Seed	199.11
Fertilizer	123.12
Crop chemicals	150.60
Crop insurance	40.53
Fuel & oil	36.07
Repairs	35.00
Repair, machinery	21.77
Custom hire	86.50
Hired labor	8.17
Land rent	252.14
Machinery leases	10.47
Hauling and trucking	64.64
Marketing	0.59
Operating interest	23.44
Miscellaneous	49.24
Total direct expenses per acre	1,101.39
Return over direct exp per acre	-201.41
Overhead Expenses	
Hired labor	18.13
Machinery leases	3.28
Building leases	0.18
Farm insurance	18.77
Utilities	11.38
Dues & professional fees	6.10
Interest	14.80
Mach & bldg depreciation	91.48
Miscellaneous	8.95
Total overhead expenses per acre	173.05
Total dir & ovhd expenses per acre	1,274.44
Net return per acre	-374.46
Government payments	13.96
Net return with govt pmts	-360.50
Labor & management charge	86.31
Net return over lbr & mgt	-446.80
Cost of Production	
Total direct expense per ton	40.74
Total dir & ovhd exp per ton	47.14
Less govt & other income	44.51
With labor & management	47.70
Net value per unit	31.17
Machinery cost per acre	286.44
Est. labor hours per acre	5.33

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

Oats on Owned Land

	<u>Avg. Of All Farms</u>
Number of farms	23
Acres	27.66
Yield per acre (bu.)	73.06
Operators share of yield %	100.00
Value per bu.	2.28
Other product return per acre	5.37
Total product return per acre	172.05
Other crop income per acre	31.49
Gross return per acre	203.55
Direct Expenses	
Seed	20.31
Fertilizer	13.87
Crop chemicals	6.22
Crop insurance	2.83
Fuel & oil	16.36
Repairs	17.99
Custom hire	5.06
Hired labor	0.88
Operating interest	3.94
Miscellaneous	1.37
Total direct expenses per acre	88.84
Return over direct exp per acre	114.71
Overhead Expenses	
Hired labor	5.86
Building leases	0.27
RE & pers. property taxes	18.84
Farm insurance	5.49
Utilities	3.50
Dues & professional fees	1.56
Interest	40.13
Mach & bldg depreciation	20.81
Miscellaneous	3.77
Total overhead expenses per acre	100.24
Total dir & ovhd expenses per acre	189.08
Net return per acre	14.47
Government payments	14.55
Net return with govt pmts	29.02
Labor & management charge	19.63
Net return over lbr & mgt	9.39
Cost of Production	
Total direct expense per bu.	1.22
Total dir & ovhd exp per bu.	2.59
Less govt & other income	1.88
With labor & management	2.15
Net value per unit	2.28
Machinery cost per acre	58.14
Est. labor hours per acre	2.06

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

Oats on Cash Rent

	<u>Avg. Of All Farms</u>
Number of farms	24
Acres	20.11
Yield per acre (bu.)	81.89
Operators share of yield %	100.00
Value per bu.	2.43
Other product return per acre	13.78
Total product return per acre	212.42
Other crop income per acre	21.49
Gross return per acre	233.92
Direct Expenses	
Seed	18.32
Fertilizer	19.33
Crop chemicals	10.40
Crop insurance	4.41
Fuel & oil	13.38
Repairs	22.85
Custom hire	4.81
Hired labor	0.78
Land rent	145.04
Operating interest	5.91
Miscellaneous	0.59
Total direct expenses per acre	245.81
Return over direct exp per acre	-11.90
Overhead Expenses	
Hired labor	2.43
Machinery leases	1.56
Building leases	1.58
Farm insurance	5.50
Utilities	3.51
Dues & professional fees	1.83
Interest	6.72
Mach & bldg depreciation	31.26
Miscellaneous	4.32
Total overhead expenses per acre	58.70
Total dir & ovhd expenses per acre	304.51
Net return per acre	-70.60
Government payments	11.57
Net return with govt pmts	-59.03
Labor & management charge	31.16
Net return over lbr & mgt	-90.19
Cost of Production	
Total direct expense per bu.	3.00
Total dir & ovhd exp per bu.	3.72
Less govt & other income	3.15
With labor & management	3.53
Net value per unit	2.43
Machinery cost per acre	78.95
Est. labor hours per acre	1.84

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

Establish Hay, Alfalfa on Owned Land

	<u>Avg. Of All Farms</u>
Number of farms	25
Acres	30.42
Yield per acre (ton)	3.63
Operators share of yield %	100.00
Value per ton	127.85
Total product return per acre	464.17
Other crop income per acre	0.39
Gross return per acre	464.56
Direct Expenses	
Seed	98.76
Fertilizer	48.88
Crop chemicals	4.11
Crop insurance	2.17
Packaging and supplies	2.45
Fuel & oil	15.84
Repairs	39.29
Custom hire	38.93
Hired labor	8.39
Machinery leases	2.14
Utilities	0.62
Marketing	0.27
Operating interest	3.45
Miscellaneous	16.42
Total direct expenses per acre	281.69
Return over direct exp per acre	182.87
Overhead Expenses	
Hired labor	12.68
Machinery leases	1.29
Building leases	0.48
RE & pers. property taxes	17.89
Farm insurance	6.56
Utilities	3.95
Dues & professional fees	3.20
Interest	42.94
Mach & bldg depreciation	37.89
Miscellaneous	6.56
Total overhead expenses per acre	133.46
Total dir & ovhd expenses per acre	415.15
Net return per acre	49.41
Government payments	16.98
Net return with govt pmts	66.39
Labor & management charge	33.48
Net return over lbr & mgt	32.91
Cost of Production	
Total direct expense per ton	77.59
Total dir & ovhd exp per ton	114.34
Less govt & other income	109.56
With labor & management	118.78
Net value per unit	127.85
Machinery cost per acre	134.72
Est. labor hours per acre	3.36

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

Establish Hay, Alfalfa on Cash Rent

	<u>Avg. Of All Farms</u>
Number of farms	41
Acres	49.89
Yield per acre (ton)	3.47
Operators share of yield %	100.00
Value per ton	126.41
Total product return per acre	439.05
Other crop income per acre	1.28
Gross return per acre	440.33
Direct Expenses	
Seed	114.36
Fertilizer	41.83
Crop chemicals	11.45
Crop insurance	2.25
Storage	8.13
Packaging and supplies	5.85
Fuel & oil	25.12
Repairs	44.29
Custom hire	29.24
Repair, buildings	0.17
Hired labor	8.25
Land rent	207.94
Machinery leases	5.61
Utilities	0.99
Hauling and trucking	0.11
Marketing	0.17
Organic certification	0.13
Operating interest	7.50
Miscellaneous	3.19
Total direct expenses per acre	516.59
Return over direct exp per acre	-76.26
Overhead Expenses	
Hired labor	23.77
Machinery leases	0.90
Building leases	5.54
Farm insurance	7.95
Utilities	3.78
Dues & professional fees	2.54
Interest	8.01
Mach & bldg depreciation	38.19
Miscellaneous	6.07
Total overhead expenses per acre	96.76
Total dir & ovhd expenses per acre	613.35
Net return per acre	-173.02
Government payments	14.64
Net return with govt pmts	-158.38
Labor & management charge	36.38
Net return over lbr & mgt	-194.76
Cost of Production	
Total direct expense per ton	148.74
Total dir & ovhd exp per ton	176.59
Less govt & other income	172.01
With labor & management	182.49
Net value per unit	126.41
Machinery cost per acre	145.37
Est. labor hours per acre	3.72

AgriBUSINESS



Begin your
Ag Career with a
High Yield Education

Agribusiness Programs

- Ag Service Technician
- Office Specialist/Manager
- Chemical Applicator
- Service & Management
- Production
- 2+2 Program
Ag Education Technology
- Professional Swine Manager
- Viticulture



For more information

www.southcentral.edu/ag | (507) 389-7205 | don.hermanson@southcentral.edu

A member of Minnesota State.
South Central College is an Equal Opportunity Employer and
Educator and has ADA accessible facilities.

LEARN WITH



PURPOSE

www.mnwest.edu • 800-658-2330 • info@mnwest.edu

AGRICULTURE PROGRAMS

AGRICULTURE • AGRICULTURE BUSINESS • AGRICULTURE BUSINESS MANAGEMENT
AGRICULTURE BUSINESS MARKETING • AGRICULTURE PLANT SCIENCE (GIS/GPS)
AGRICULTURE PRODUCTION • AGRICULTURE PRODUCTION MANAGEMENT
PRODUCTION AGRICULTURE

ONE OR TWO-YEAR PROGRAM OPTIONS

ASSOCIATE IN ARTS A.A. • ASSOCIATE IN SCIENCE A.S.
ASSOCIATE IN APPLIED SCIENCE A.A.S. • CERTIFICATE AND DIPLOMA



A member of Minnesota State. An Affirmative Action Equal Opportunity Educator/Employer.

Livestock Enterprise Analysis
Farm Business Management Statewide Combined Database
Dairy Excluding, Organic & Organic Transition
(Farms Sorted By Return to Overhead)

Dairy -- Average Per Cwt. Of Milk

	Avg. Of All Farms		Low 20%		40 - 60%		High 20%	
Number of farms	388		77		77		78	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Milk sold (hd)	99.19	16.20	98.94	15.79	98.93	16.06	99.36	16.54
Dairy Calves sold (hd)	0.00	0.28	0.00	0.28	0.00	0.32	0.00	0.26
Transferred out (hd)	0.00	0.17	0.00	0.12	0.00	0.12	0.00	0.27
Cull sales (hd)	0.00	1.00	0.00	0.98	0.00	1.08	0.00	0.93
Other income		0.18		0.23		0.23		0.14
Purchased (hd)	0.00	-0.15	0.00	-0.35	0.00	-0.23	0.00	-0.07
Transferred in (hd)	0.00	-0.32	0.00	-0.11	0.00	-0.11	0.00	-0.60
Inventory change (hd)	0.00	0.21	0.00	0.09	0.00	0.10	0.00	0.26
Dairy repl net cost		-2.26		-2.71		-2.70		-1.35
Gross margin		15.31		14.32		14.88		16.41
Direct Expenses								
Protein Vit Minerals (lb.)	23.40	2.66	19.39	1.64	12.22	2.74	46.52	2.99
Complete Ration (lb.)	6.39	1.34	9.23	2.86	11.43	1.41	2.60	0.60
Corn (bu.)	0.27	0.92	0.29	1.11	0.27	0.88	0.27	0.87
Corn Silage (lb.)	74.11	1.23	77.16	1.31	76.75	1.27	72.32	1.13
Hay, Alfalfa (lb.)	11.47	0.61	11.32	0.69	12.80	0.71	8.27	0.44
Haylage, Alfalfa (lb.)	19.22	0.57	22.43	0.60	13.16	0.39	22.67	0.72
Other feed stuffs (lb)	9.77	0.38	10.18	0.41	11.37	0.37	8.32	0.42
Breeding fees		0.20		0.25		0.19		0.20
Veterinary		0.46		0.53		0.49		0.40
Supplies		1.19		1.30		1.11		1.19
Fuel & oil		0.25		0.25		0.24		0.27
Repairs		0.52		0.64		0.51		0.50
Custom hire		0.23		0.36		0.15		0.21
Hired labor		1.00		1.78		0.89		0.41
Utilities		0.13		0.30		0.12		0.05
Marketing		0.20		0.24		0.19		0.18
Bedding		0.29		0.33		0.35		0.26
Total direct expenses		12.19		14.60		12.00		10.84
Return over direct expense		3.13		-0.28		2.88		5.58
Overhead Expenses								
Hired labor		0.75		0.12		0.75		1.30
Building leases		0.22		0.24		0.18		0.28
Utilities		0.27		0.16		0.28		0.35
Interest		0.35		0.37		0.33		0.31
Mach & bldg depreciation		0.68		0.61		0.68		0.70
Miscellaneous		0.42		0.42		0.43		0.42
Total overhead expenses		2.69		1.93		2.65		3.37
Total dir & ovhd expenses		14.87		16.52		14.65		14.20
Net return		0.44		-2.20		0.23		2.21
Labor & management charge		0.77		0.86		0.82		0.79
Net return over lbr & mgt		-0.33		-3.06		-0.58		1.42
Cost of Production Per Cwt. Of Milk								
Total direct expense per unit		12.19		14.60		12.00		10.84
Total dir & ovhd expense per unit		14.87		16.52		14.65		14.20
With other revenue adjustments		15.87		18.15		15.98		14.42
With labor and management		16.65		19.01		16.80		15.20
Est. labor hours per unit		0.17		0.19		0.18		0.16
Other Information								
Number of cows		199.9		161.9		174.1		259.8
Milk produced per cow		24,598		22,828		24,408		26,168
Total milk sold		4,878,597		3,656,131		4,204,302		6,755,081
Lb. of milk sold per FTE		1,659,068		1,444,673		1,548,529		1,792,889
Culling percentage		28.7		26.5		32.0		26.6
Turnover rate		35.8		35.2		38.5		32.1
Cow death loss percent		6.6		8.1		5.9		5.2
Percent of barn capacity		111.6		108.2		111.2		114.6
Feed cost per day		5.20		5.39		5.19		5.14
Feed cost per cwt. of milk		7.72		8.61		7.76		7.17
Feed cost per cow		1,898.73		1,965.99		1,894.09		1,877.29
Avg. milk price per cwt.		16.33		15.96		16.23		16.65
Milk price / feed margin		8.62		7.35		8.47		9.47

Livestock Enterprise Analysis
Farm Business Management Statewide Combined Database
Dairy Excluding, Organic & Organic Transition
(Farms Sorted By Return to Overhead)

Dairy -- Average Per Cow

	<u>Avg. Of All Farms</u>		<u>Low 20%</u>		<u>40 - 60%</u>		<u>High 20%</u>	
Number of farms	388		77		77		78	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Milk sold (hd)	24,399.2	3,985.44	22,584.6	3,604.20	24,147.2	3,918.99	25,999.7	4,327.67
Dairy Calves sold (hd)	0.3	68.76	0.3	62.87	0.4	77.49	0.3	66.99
Transferred out (hd)	0.7	41.43	0.6	26.63	0.7	29.68	0.7	71.03
Cull sales (hd)	0.3	245.20	0.3	223.78	0.3	264.25	0.3	243.34
Other income		43.28		51.40		56.56		37.37
Purchased (hd)	0.0	-37.41	0.1	-79.22	0.0	-55.18	0.0	-19.36
Transferred in (hd)	0.4	-78.42	0.3	-25.29	0.4	-27.65	0.3	-155.93
Inventory change (hd)	0.0	51.67	0.0	20.21	0.0	23.20	0.0	69.24
Dairy repl net cost		-556.78		-617.59		-658.45		-352.51
Gross margin		3,767.12		3,268.82		3,632.61		4,294.34
Direct Expenses								
Protein Vit Minerals (lb.)	5,756.5	654.05	4,426.4	374.13	2,983.3	668.53	12,172.8	782.26
Complete Ration (lb.)	1,572.1	330.67	2,106.4	651.95	2,789.7	342.96	679.6	157.15
Corn (bu.)	66.6	225.63	66.9	252.78	65.2	214.47	69.6	226.58
Corn Silage (lb.)	18,228.4	303.74	17,613.2	299.08	18,731.8	308.80	18,925.8	295.74
Hay, Alfalfa (lb.)	2,820.4	149.76	2,584.0	156.97	3,123.7	173.42	2,163.9	115.50
Haylage, Alfalfa (lb.)	4,727.7	140.50	5,120.0	137.42	3,212.3	96.36	5,933.4	189.34
Other feed stuffs (lb)	2,402.3	94.38	2,323.0	93.68	2,776.2	89.56	2,177.6	110.71
Breeding fees		48.78		57.07		46.25		52.07
Veterinary		113.32		121.74		119.81		104.16
Supplies		341.70		352.05		317.07		356.69
Fuel & oil		61.13		56.19		59.47		70.35
Repairs		127.33		146.09		124.11		129.74
Custom hire		57.75		81.28		37.61		53.71
Hired labor		246.18		407.20		217.08		108.35
Utilities		32.31		68.61		28.66		14.21
Bedding		70.47		76.19		84.59		68.82
Total direct expenses		2,997.71		3,332.41		2,928.75		2,835.38
Return over direct expense		769.40		-63.59		703.86		1,458.96
Overhead Expenses								
Hired labor		183.65		26.29		181.92		340.46
Building leases		53.81		55.18		44.92		72.73
Utilities		66.83		36.55		68.67		91.11
Interest		86.09		85.09		80.83		82.42
Mach & bldg depreciation		167.76		140.18		165.90		184.41
Miscellaneous		102.65		96.30		104.65		110.52
Total overhead expenses		660.79		439.59		646.90		881.65
Total dir & ovhd expenses		3,658.50		3,772.00		3,575.65		3,717.03
Net return		108.61		-503.18		56.96		577.31
Labor & management charge		190.21		195.70		199.68		205.81
Net return over lbr & mgt		-81.60		-698.88		-142.72		371.50
Cost of Production Per Cwt. Of Milk								
Total direct expense per unit		12.19		14.60		12.00		10.84
Total dir & ovhd expense per unit		14.87		16.52		14.65		14.20
With other revenue adjustments		15.87		18.15		15.98		14.42
With labor and management		16.65		19.01		16.80		15.20
Est. labor hours per unit		41.18		43.77		43.66		40.60
Other Information								
Number of cows		199.9		161.9		174.1		259.8
Milk produced per cow		24,598		22,828		24,408		26,168
Total milk sold		4,878,597		3,656,131		4,204,302		6,755,081
Lb. of milk sold per FTE		1,659,068		1,444,673		1,548,529		1,792,889
Culling percentage		28.7		26.5		32.0		26.6
Turnover rate		35.8		35.2		38.5		32.1
Cow death loss percent		6.6		8.1		5.9		5.2
Percent of barn capacity		111.6		108.2		111.2		114.6
Feed cost per day		5.20		5.39		5.19		5.14
Feed cost per cwt. of milk		7.72		8.61		7.76		7.17
Feed cost per cow		1,898.73		1,965.99		1,894.09		1,877.29
Avg. milk price per cwt.		16.33		15.96		16.23		16.65
Milk price / feed margin		8.62		7.35		8.47		9.47

Livestock Enterprise Analysis
Farm Business Management Statewide Combined Database
Dairy Repl Heifers Excluding Organic & Organic Transition
(Farms Sorted By Return to Overhead)

Dairy and Repl Heifers -- Average Per Cwt. Of Milk

	<u>Avg. Of All Farms</u>		<u>Low 20%</u>		<u>40 - 60%</u>		<u>High 20%</u>	
Number of farms	316		63		63		64	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Milk sold (hd)	99.16	16.18	98.69	15.80	99.46	16.36	99.09	16.38
Dairy Calves sold (hd)	-	0.42	-	0.34	-	0.48	-	0.53
Transferred out (hd)	-	0.08	-	0.06	-	0.07	-	0.08
Cull sales (hd)	-	1.04	-	0.99	-	1.04	-	1.08
Other income	-	0.20	-	0.26	-	0.18	-	0.20
Purchased (hd)	-	-0.22	-	-0.17	-	-0.15	-	-0.10
Transferred in (hd)	-	-0.04	-	-0.02	-	-0.05	-	-0.03
Inventory change (hd)	-	0.38	-	0.10	-	0.37	-	0.37
Gross margin		18.07		17.35		18.32		18.54
Direct Expenses								
Protein Vit Minerals (lb.)	24.93	2.86	6.82	1.41	11.26	2.41	57.54	3.27
Complete Ration (lb.)	7.90	1.64	8.85	3.62	12.48	2.21	3.19	0.78
Corn (bu.)	0.29	0.99	0.29	1.14	0.28	0.91	0.29	0.91
Corn Silage (lb.)	91.54	1.54	91.78	1.57	91.81	1.56	89.71	1.45
Hay, Alfalfa (lb.)	14.95	0.78	13.72	0.80	16.49	0.90	11.35	0.61
Haylage, Alfalfa (lb.)	20.60	0.60	25.42	0.69	16.01	0.47	20.49	0.63
Other feed stuffs (lb)	15.94	0.68	15.55	0.74	17.73	0.57	14.14	0.76
Veterinary		0.55		0.62		0.51		0.54
Supplies		1.91		2.11		2.04		1.71
Contract production exp.		0.55		0.90		0.73		0.25
Repairs		0.59		0.70		0.49		0.62
Custom hire		0.27		0.37		0.22		0.28
Hired labor		1.21		1.98		1.44		0.61
Utilities		0.14		0.31		0.15		0.05
Bedding		0.34		0.37		0.39		0.34
Total direct expenses		14.66		17.32		15.00		12.81
Return over direct expense		3.41		0.04		3.31		5.73
Overhead Expenses								
Hired labor		0.77		0.13		0.44		1.35
Building leases		0.25		0.27		0.23		0.29
Utilities		0.31		0.17		0.33		0.40
Interest		0.40		0.36		0.37		0.40
Mach & bldg depreciation		0.80		0.64		0.77		0.88
Miscellaneous		0.46		0.46		0.47		0.49
Total overhead expenses		2.98		2.04		2.61		3.81
Total dir & ovhd expenses		17.63		19.36		17.62		16.62
Net return		0.44		-2.00		0.70		1.92
Labor & management charge		0.88		0.75		0.93		0.93
Net return over lbr & mgt		-0.44		-2.75		-0.23		0.98
Cost of Production Per Cwt. Of Milk								
Total direct expense per unit		14.66		17.32		15.00		12.81
Total dir& ovhd expense per unit		17.63		19.36		17.62		16.62
With other revenue adjustments		15.87		17.99		15.74		14.59
With labor and management		16.74		18.74		16.67		15.52
Est. labor hours per unit		0.19		0.22		0.21		0.19
Other Information								
Number of cows		203.4		166.5		163.0		250.7
Milk produced per cow		24,665		23,678		24,385		26,258
Total milk sold		4,975,388		3,891,016		3,952,172		6,521,911
Lb. of milk sold per FTE		1,424,957		1,283,583		1,324,894		1,460,988
Culling percentage		29.2		27.0		29.5		28.9
Turnover rate		36.4		35.0		36.1		34.5
Cow death loss percent		6.7		7.7		6.1		5.2
Percent of barn capacity		111.7		111.9		107.7		115.1
Feed cost per day		6.15		6.47		6.04		6.06
Feed cost per cwt. of milk		9.10		9.97		9.03		8.42
Feed cost per cow		2,244.34		2,360.05		2,203.14		2,211.42
Avg. milk price per cwt.		16.32		16.01		16.45		16.53
Milk price / feed margin		7.22		6.04		7.41		8.11

Livestock Enterprise Analysis
Farm Business Management Statewide Combined Database
Dairy Repl Heifers Excluding Organic & Organic Transition
(Farms Sorted By Return to Overhead)

Dairy and Repl Heifers -- Average Per Cow

	Avg. Of All Farms		Low 20%		40 - 60%		High 20%	
Number of farms	316		63		63		64	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Milk sold (hd)	24,457.8	3,991.27	23,367.8	3,740.10	24,252.5	3,988.91	26,019.0	4,301.71
Dairy Calves sold (hd)	-	103.78	-	81.38	-	116.28	-	137.96
Transferred out (hd)	-	19.66	-	13.20	-	17.01	-	21.76
Cull sales (hd)	-	257.40	-	234.96	-	254.67	-	284.09
Other income	-	48.51	-	60.90	-	44.59	-	52.36
Purchased (hd)	-	-53.19	-	-39.98	-	-37.37	-	-26.10
Transferred in (hd)	-	-8.74	-	-5.81	-	-11.92	-	-6.84
Inventory change (hd)	-	93.53	-	22.84	-	89.54	-	96.37
Gross margin		4,456.40		4,109.28		4,466.20		4,868.35
Direct Expenses								
Protein Vit Minerals (lb.)	6,148.3	705.74	1,613.8	334.53	2,745.0	588.20	15,108.2	859.71
Complete Ration (lb.)	1,948.3	405.10	2,096.3	857.08	3,044.3	539.91	837.7	204.49
Corn (bu.)	71.7	243.12	69.5	269.51	67.1	221.54	75.0	240.13
Corn Silage (lb.)	22,577.7	379.90	21,731.5	371.44	22,388.7	380.50	23,555.8	380.22
Hay, Alfalfa (lb.)	3,687.1	193.58	3,248.7	189.72	4,019.9	219.72	2,981.5	161.25
Haylage, Alfalfa (lb.)	5,082.0	148.60	6,019.7	162.99	3,904.1	114.17	5,379.1	165.09
Other feed stuffs (lb)	3,932.2	168.29	3,681.5	174.77	4,323.1	139.11	3,712.6	200.53
Veterinary		134.74		146.04		124.66		140.52
Supplies		406.07		435.35		435.25		373.36
Contract production exp.		136.53		212.10		178.83		66.21
Fuel & oil		66.16		64.19		61.36		75.02
Repairs		145.36		165.84		120.37		162.71
Custom hire		65.88		87.53		53.33		73.24
Hired labor		297.49		468.55		350.39		159.09
Utilities		34.40		72.59		36.14		13.34
Bedding		83.75		88.37		95.34		88.21
Total direct expenses		3,614.72		4,100.61		3,658.82		3,363.12
Return over direct expense		841.68		8.68		807.38		1,505.23
Overhead Expenses								
Hired labor		188.71		30.09		107.17		354.58
Building leases		60.56		64.69		56.35		76.42
Utilities		76.29		40.68		80.53		106.08
Interest		98.50		84.80		91.11		105.23
Mach & bldg depreciation		196.17		152.55		186.57		230.73
Miscellaneous		113.92		109.93		115.73		128.56
Total overhead expenses		734.15		482.73		637.46		1,001.60
Total dir & ovhd expenses		4,348.87		4,583.34		4,296.28		4,364.72
Net return		107.53		-474.05		169.92		503.63
Labor & management charge		215.86		178.12		226.73		245.21
Net return over lbr & mgt		-108.33		-652.18		-56.81		258.42
Cost of Production Per Cwt. Of Milk								
Total direct expense per unit		14.66		17.32		15.00		12.81
Total dir & ovhd expense per unit		17.63		19.36		17.62		16.62
With other revenue adjustments		15.87		17.99		15.74		14.59
With labor and management		16.74		18.74		16.67		15.52
Est. labor hours per unit		48.06		50.97		51.25		49.87
Other Information								
Number of cows		203.4		166.5		163.0		250.7
Milk produced per cow		24,665		23,678		24,385		26,258
Total milk sold		4,975,388		3,891,016		3,952,172		6,521,911
Lb. of milk sold per FTE		1,424,957		1,283,583		1,324,894		1,460,988
Culling percentage		29.2		27.0		29.5		28.9
Turnover rate		36.4		35.0		36.1		34.5
Cow death loss percent		6.7		7.7		6.1		5.2
Percent of barn capacity		111.7		111.9		107.7		115.1
Feed cost per day		6.15		6.47		6.04		6.06
Feed cost per cwt. of milk		9.10		9.97		9.03		8.42
Feed cost per cow		2,244.34		2,360.05		2,203.14		2,211.42
Avg. milk price per cwt.		16.32		16.01		16.45		16.53
Milk price / feed margin		7.22		6.04		7.41		8.11

Livestock Enterprise Analysis
Farm Business Management Statewide Combined Database
Dairy Finishing Excluding Organic
(Farms Sorted By Return to Overhead)

Dairy Finishing -- Average Per Cwt. Produced

	Avg. Of All Farms		Low 20%		40 - 60%		High 20%	
Number of farms	112		22		23		23	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Dairy Finish sold (lb)	129.06	144.05	139.93	143.89	120.00	132.47	112.09	127.77
Transferred out (lb)	0.46	0.48	0.40	0.57	-	-	-	-
Cull sales (lb)	0.03	0.03	0.18	0.20	-	-	-	-
Other income		1.44		0.56		1.42		1.45
Purchased (lb)	-29.14	-40.48	-30.27	-43.09	-31.15	-41.20	-13.10	-22.79
Transferred in (lb)	-3.48	-4.03	-2.02	-3.65	-2.96	-4.26	-6.65	-6.47
Inventory change (lb)	1.99	-29.34	-8.76	-50.66	12.69	-18.52	6.71	-10.43
Gross margin		72.38		47.82		69.91		89.52
Direct Expenses								
Protein Vit Minerals (lb.)	58.09	12.22	101.62	18.54	57.88	12.75	51.73	11.03
Complete Ration (lb.)	39.14	4.12	3.87	3.65	22.35	3.08	39.36	4.54
Corn (bu.)	9.85	32.06	11.65	39.43	10.37	33.38	6.41	20.62
Corn Silage (lb.)	153.26	2.43	187.50	2.41	95.68	1.59	81.79	1.25
DDGS, dry (lb.)	34.00	1.96	-	-	50.00	2.22	50.31	2.61
Other feed stuffs (lb)	96.44	4.46	145.12	5.46	54.63	3.37	106.52	5.01
Veterinary		2.37		2.31		2.71		1.84
Supplies		2.46		3.71		2.89		1.60
Contract production exp.		1.16		-		1.56		-
Fuel & oil		1.02		1.64		0.75		1.20
Repairs		2.32		3.68		1.53		2.47
Custom hire		0.72		1.64		0.36		0.44
Hauling and trucking		0.95		1.10		1.37		0.41
Bedding		1.12		1.33		2.15		0.85
Operating interest		1.72		2.53		0.58		1.66
Total direct expenses		71.10		87.43		70.28		55.55
Return over direct expense		1.28		-39.61		-0.37		33.97
Overhead Expenses								
Hired labor		1.45		0.34		1.60		2.34
Building leases		0.70		0.15		0.78		1.39
Farm insurance		1.26		1.98		0.67		1.05
Utilities		0.93		1.29		0.67		1.09
Interest		1.88		1.39		1.02		2.42
Mach & bldg depreciation		3.29		4.20		2.62		3.35
Miscellaneous		1.04		1.62		0.84		0.93
Total overhead expenses		10.54		10.95		8.20		12.57
Total dir & ovhd expenses		81.64		98.38		78.48		68.12
Net return		-9.26		-50.57		-8.57		21.41
Labor & management charge		3.97		4.98		2.71		5.12
Net return over lbr & mgt		-13.22		-55.54		-11.27		16.29
Cost of Production Per Cwt. Produced								
Total direct expense per unit		110.93		131.14		110.70		83.69
Total dir & ovhd expense per unit		119.07		138.94		117.53		94.90
With other revenue adjustments		118.92		138.98		117.53		94.90
With labor and management		121.98		142.53		119.79		99.47
Est. labor hours per unit		0.42		0.67		0.32		0.47
Other Information								
No. purchased or trans in		185		138		178		180
Number sold or trans out		161		128		147		153
Percentage death loss		2.4		2.4		2.6		2.1
Avg. daily gain (lb.)		2.57		2.16		2.69		2.71
Lb. of conc / lb. of gain		7.23		8.08		7.20		5.53
Lb. of feed / lb. of gain		8.25		9.50		7.94		6.33
Feed cost per cwt. of gain		57.25		69.49		56.39		45.06
Feed cost per head		585.04		726.16		616.09		462.38
Average purchase weight		365		330		375		284
Avg wgt / Dairy Finish sold		1,423		1,424		1,427		1,408
Avg purch price / head		507.73		469.79		495.87		494.35
Avg sales price / cwt.		111.61		102.83		110.39		114.00

Livestock Enterprise Analysis
Farm Business Management Statewide Combined Database
Dairy Excluding Organic & Organic Transition
(Farms Sorted By Enterprise Size)

Dairy -- Average Per Cow

	Avg. Of All Farms		Up to 50		50 100		100 200		200 500		Over 500	
Number of farms	390		41		136		111		72		30	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Milk sold (hd)	24,384.1	3,983.87	16,590.1	2,651.79	20,427.0	3,290.22	22,997.2	3,721.15	24,647.9	4,016.54	26,866.9	4,439.80
Dairy Calves sold (hd)	0.3	68.58	0.2	49.48	0.2	54.53	0.3	60.64	0.3	68.01	0.4	79.92
Transferred out (hd)	0.7	41.31	0.6	66.91	0.7	70.60	0.6	37.80	0.7	42.62	0.7	30.02
Cull sales (hd)	0.3	245.09	0.2	167.94	0.3	224.22	0.3	243.17	0.3	248.46	0.3	255.49
Other income		43.28		38.65		34.99		28.65		60.67		40.48
Purchased (hd)	0.0	-37.30	0.1	-139.52	0.1	-77.31	0.0	-58.57	0.0	-20.72	0.0	-18.31
Transferred in (hd)	0.4	-78.20	0.3	-61.08	0.3	-96.75	0.3	-56.56	0.4	-87.83	0.4	-76.81
Inventory change (hd)	0.0	51.54	0.1	81.56	0.1	71.16	0.0	51.76	0.0	28.21	0.0	62.00
Dairy repl net cost		-557.00		-496.11		-480.13		-527.45		-539.81		-620.18
Gross margin		3,765.10		2,363.26		3,096.10		3,508.87		3,820.39		4,193.33
Direct Expenses												
Protein Vit Minerals (lb.)	5,749.7	654.91	1,878.0	329.50	19,794.1	626.38	2,914.0	602.64	2,883.4	640.14	4,852.9	726.72
Complete Ration (lb.)	1,567.6	329.73	1,777.2	207.40	1,372.2	184.97	2,145.7	334.63	2,072.4	381.50	871.0	343.79
Corn (bu.)	66.7	225.96	56.2	182.98	63.2	204.67	65.5	213.35	74.8	245.51	62.6	227.17
Corn Silage (lb.)	18,224.0	303.52	14,412.3	238.16	16,955.3	275.85	16,580.6	267.93	18,144.3	294.58	19,925.6	345.50
Hay, Alfalfa (lb.)	2,828.5	150.32	5,480.0	299.66	4,149.1	241.67	3,601.3	206.86	2,582.9	142.70	1,949.9	81.89
Haylage, Alfalfa (lb.)	4,739.9	140.99	1,176.8	29.53	3,127.2	99.38	3,158.3	98.85	5,081.8	146.08	6,164.8	182.79
Other feed stuffs (lb)	2,397.8	94.32	2,044.4	97.86	2,079.4	79.67	2,313.1	96.83	2,334.1	107.33	2,637.4	87.17
Veterinary		113.47		70.01		101.11		105.54		121.40		118.45
BST		48.30		3.61		11.29		17.20		51.33		79.90
Supplies		334.62		271.87		304.45		299.41		326.93		376.08
Fuel & oil		61.12		50.02		45.43		51.08		59.89		74.34
Repairs		127.54		105.62		120.91		130.62		117.31		138.01
Custom hire		57.59		20.14		39.99		47.00		58.08		71.92
Hired labor		245.48		13.44		40.55		120.12		300.02		360.86
Hauling and trucking		39.96		72.51		64.99		46.90		34.78		29.22
Bedding		70.44		28.64		46.12		73.79		81.07		70.96
Total direct expenses		2,998.27		2,020.96		2,487.42		2,712.75		3,108.64		3,314.74
Return over direct expense		766.83		342.30		608.68		796.12		711.75		878.59
Overhead Expenses												
Hired labor		184.02		20.23		87.39		124.68		203.71		246.75
Building leases		54.19		21.04		18.81		45.56		66.21		64.03
Utilities		66.83		103.29		91.31		73.00		62.64		55.67
Interest		86.00		89.07		78.20		120.38		95.52		60.85
Mach & bldg depreciation		167.54		100.42		150.66		197.39		174.09		154.89
Miscellaneous		102.59		120.14		110.84		113.55		106.42		89.03
Total overhead expenses		661.17		454.20		537.19		674.54		708.61		671.21
Total dir & ovhd expenses		3,659.44		2,475.16		3,024.61		3,387.30		3,817.24		3,985.96
Net return		105.66		-111.90		71.49		121.58		3.14		207.37
Labor & management charge		190.52		332.59		289.64		228.94		170.12		140.83
Net return over lbr & mgt		-84.86		-444.48		-218.16		-107.36		-166.97		66.55
Cost of Production Per Cwt. Of Milk												
Total direct expense per unit		12.20		12.05		12.11		11.74		12.47		12.24
Total dir & ovhd expense per unit		14.89		14.75		14.73		14.67		15.31		14.72
With other revenue adjustments		15.89		16.62		15.75		15.65		16.26		15.74
With labor and management		16.67		18.61		17.16		16.64		16.94		16.26
Est. labor hours per unit		41.16		41.85		37.50		35.15		41.84		45.37
Other Information												
Number of cows		199.5		38.6		74.0		142.6		318.5		913.4
Milk produced per cow		24,583		16,778		20,534		23,097		24,933		27,085
Total milk sold		4,864,433		639,946		1,511,197		3,278,292		7,850,806		24,540,657
Lb. of milk sold per FTE		1,658,743		1,109,934		1,525,118		1,831,798		1,649,519		1,658,210
Culling percentage		28.7		22.8		27.6		28.3		28.8		29.6
Turnover rate		35.8		32.4		35.5		35.2		35.8		36.4
Cow death loss percent		6.6		7.9		6.8		6.3		6.5		6.7
Percent of barn capacity		111.6		86.4		108.1		108.8		115.4		113.3
Feed cost per day		5.20		3.79		4.69		4.99		5.36		5.47
Feed cost per cwt. of milk		7.73		8.26		8.34		7.88		7.85		7.37
Feed cost per cow		1,899.76		1,385.09		1,712.59		1,821.09		1,957.84		1,995.02
Avg. milk price per cwt.		16.34		15.98		16.11		16.18		16.30		16.53
Milk price / feed margin		8.61		7.73		7.77		8.30		8.44		9.16

Livestock Enterprise Analysis
Farm Business Management Statewide Combined Database
Dairy Organic Only
(Farms Sorted By Return to Overhead)

Dairy -- Average Per Cwt. Of Milk

	<u>Avg. Of All Farms</u>	
Number of farms	17	
	Quantity	Value
Milk sold (hd)	97.67	34.48
Dairy Calves sold (hd)	0.00	0.48
Transferred out (hd)	0.00	0.35
Cull sales (hd)	0.00	0.98
Other income		0.79
Purchased (hd)	0.00	-0.05
Transferred in (hd)	0.00	-0.56
Inventory change (hd)	0.00	0.55
Dairy repl net cost		-3.32
Gross margin		33.71
Direct Expenses		
Protein Vit Minerals (lb.)	8.57	2.54
Complete Ration (lb.)	5.73	0.74
Corn (bu.)	0.13	1.07
Hay, Grass (lb.)	6.72	0.23
Haylage, Alfalfa (lb.)	30.55	0.99
Triticale (bu.)	0.02	0.16
Corn, Organic (bu.)	0.19	1.43
Corn Silage, Organic (lb.)	49.29	1.36
Hay, Alfalfa, Organic (lb.)	28.24	1.92
Pasture, Organic (aum)	0.02	0.50
Hay, Grass, Organic (lb.)	4.29	0.25
Hay, Mixed, Organic (lb.)	9.50	0.36
Corn snaplage (lb.)	2.51	0.20
Other feed stuffs (lb)	11.63	0.96
Supplies		3.51
Repairs		1.14
Hired labor		0.76
Total direct expenses		18.12
Return over direct expense		15.59
Overhead Expenses		
Hired labor		1.46
Building leases		0.30
Utilities		0.34
Interest		0.41
Mach & bldg depreciation		1.12
Miscellaneous		0.70
Total overhead expenses		4.32
Total dir & ovhd expenses		22.44
Net return		11.27
Labor & management charge		2.03
Net return over lbr & mgt		9.24
Cost of Production Per Cwt. Of Milk		
Total direct expense per unit		18.12
Total dir & ovhd expense per unit		22.44
With other revenue adjustments		23.85
With labor and management		25.87
Est. labor hours per unit		0.26
Other Information		
Number of cows		92.9
Milk produced per cow		14,910
Total milk sold		1,352,949
Lb. of milk sold per FTE		1,067,495
Culling percentage		20.6
Turnover rate		25.3
Cow death loss percent		3.4
Percent of barn capacity		94.1
Feed cost per day		5.19
Feed cost per cwt. of milk		12.70
Feed cost per cow		1,894.01
Avg. milk price per cwt.		35.30
Milk price / feed margin		22.60

Livestock Enterprise Analysis
Farm Business Management Statewide Combined Database
Dairy Organic Only
(Farms Sorted By Return to Overhead)

Dairy -- Average Per Cow

	<u>Avg. Of All Farms</u>	
Number of farms	17	
	Quantity	Value
Milk sold (hd)	14,562.6	5,140.48
Dairy Calves sold (hd)	0.3	71.41
Transferred out (hd)	0.6	52.05
Cull sales (hd)	0.2	146.75
Other income		117.96
Purchased (hd)	0.0	-6.96
Transferred in (hd)	0.3	-83.67
Inventory change (hd)	0.0	81.96
Dairy repl net cost		-494.76
Gross margin		5,025.96
Direct Expenses		
Protein Vit Minerals (lb.)	1,278.4	378.71
Complete Ration (lb.)	854.7	110.00
Corn (bu.)	20.0	160.04
Hay, Grass (lb.)	1,001.6	34.00
Haylage, Alfalfa (lb.)	4,554.7	147.77
Triticale (bu.)	2.4	24.21
Corn, Organic (bu.)	28.8	213.60
Corn Silage, Organic (lb.)	7,349.6	202.46
Hay, Alfalfa, Organic (lb.)	4,210.5	285.59
Pasture, Organic (aum)	2.7	73.97
Hay, Grass, Organic (lb.)	639.1	36.95
Hay, Mixed, Organic (lb.)	1,415.7	54.36
Corn snaplage (lb.)	373.6	29.66
Other feed stuffs (lb)	1,734.1	142.70
Supplies		476.65
Repairs		170.33
Hired labor		112.94
Utilities		47.42
Total direct expenses		2,701.34
Return over direct expense		2,324.62
Overhead Expenses		
Hired labor		217.08
Building leases		44.21
Interest		61.22
Mach & bldg depreciation		167.54
Miscellaneous		154.11
Total overhead expenses		644.17
Total dir & ovhd expenses		3,345.51
Net return		1,680.45
Labor & management charge		302.52
Net return over lbr & mgt		1,377.93
Cost of Production Per Cwt. Of Milk		
Total direct expense per unit		18.12
Total dir & ovhd expense per unit		22.44
With other revenue adjustments		23.85
With labor and management		25.87
Est. labor hours per unit		38.20
Other Information		
Number of cows		92.9
Milk produced per cow		14,910
Total milk sold		1,352,949
Lb. of milk sold per FTE		1,067,495
Culling percentage		20.6
Turnover rate		25.3
Cow death loss percent		3.4
Percent of barn capacity		94.1
Feed cost per day		5.19
Feed cost per cwt. of milk		12.70
Feed cost per cow		1,894.01
Avg. milk price per cwt.		35.30
Milk price / feed margin		22.60

HARVEST A MORE **SUCCESSFUL** BUSINESS

with one of our personalized, flexible, and accessible farm business programs designed to help working farmers improve their operations. Choose from Farm Business Management and Commodity Marketing. Instructors work directly with all family members involved, at the actual farm site.

OR, LEARN NEW SKILLS WITH ONE OF OUR FARM-RELATED PROGRAMS:

Diesel Technology (2-Year Mechanic Program)

Truck Driving (16 Week License Program)

Welding (One Semester Program)

NEW AG PROGRAMS NOW AVAILABLE

Agricultural Sciences
Biotechnology
Food Science Technology
Precision Agriculture





RIDGEWATER
COLLEGE

Make an Impact! Enroll in Agriculture



Excellent Program Options

- Agribusiness
- Agronomy Technology
- Agricultural Science & Technology
- Farm Operation & Management
- Dairy Management
- GPS/GIS Technology
- Agriculture Education: 2 + 2 Program with the University of MN and SDSU
- Ag Transfer: 2 + 2 Program with 4 Partnering Universities

Learn to maximize productivity, efficiency and profitability while doing something you love!

Ridgewater Distinctions

- Minnesota's LARGEST 2-YEAR AG PROGRAM
- HANDS-ON learning & adjacent CAMPUS FIELD
- 12 EXPERIENCED INSTRUCTORS
- Field trips and four PAID INTERNSHIPS
- VERY ACTIVE student agriculture organization

A member of Minnesota State
Ridgewater College is an affirmative action, equal opportunity employer and educator.

www.ridgewater.edu/agriculture

• 800-722-1151

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

Beef Backgrounding -- Average Per Head

	<u>Avg. Of All Farms</u>	
Number of farms	16	
	Quantity	Value
Backgnd Beef sold (lb)	779.4	995.49
Transferred out (lb)	17.9	57.59
Other income		42.27
Purchased (lb)	-325.3	-480.09
Transferred in (lb)	-122.9	-179.70
Inventory change (lb)	-18.3	-175.99
Gross margin		259.57
Direct Expenses		
Protein Vit Minerals (lb.)	125.7	27.87
Complete Ration (lb.)	793.1	33.45
Corn (bu.)	7.3	24.92
Corn Silage (lb.)	2,794.5	46.34
Hay, Grass (lb.)	1,069.5	37.12
DDGS, dry (lb.)	54.1	1.69
Other feed stuffs (lb)	290.5	6.60
Veterinary		16.86
Supplies		6.39
Livestock insurance		12.67
Fuel & oil		9.36
Repairs		15.06
Custom hire		4.60
Repair, buildings		0.92
Utilities		1.65
Marketing		2.30
Operating interest		32.53
Total direct expenses		280.32
Return over direct expense		-20.75
Overhead Expenses		
Hired labor		6.08
Utilities		3.27
Interest		7.65
Mach & bldg depreciation		18.05
Miscellaneous		9.46
Total overhead expenses		44.50
Total dir & ovhd expenses		324.83
Net return		-65.25
Labor & management charge		29.85
Net return over lbr & mgt		-95.10
Cost of Production Per Cwt. Produced		
Total direct expense per unit		139.29
Total dir & ovhd expense per unit		144.87
With other revenue adjustments		140.26
With labor and management		144.00
Est. labor hours per unit		2.91
Other Information		
No. purchased or trans in		253
Number sold or trans out		258
Percentage death loss		0.9
Avg. daily gain (lb.)		1.62
Lb. of conc / lb. of gain		4.25
Lb. of feed / lb. of gain		10.78
Feed cost per cwt. of gain		53.09
Feed cost per head		177.99
Average purchase weight		499
Avg wgt / Backgnd Beef sold		902
Avg purch price / cwt.		147.59
Avg sales price / cwt.		127.72

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

Beef Cow-Calf -- Average Per Cow

	Avg. Of All Farms		Low 20%		40 - 60%		High 20%	
Number of farms	116		23		23		24	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Beef Calves sold (lb)	184.5	288.52	158.1	236.32	149.1	205.38	230.5	428.30
Transferred out (lb)	243.9	339.75	224.6	291.20	312.0	426.93	194.6	283.06
Cull sales (lb)	69.1	130.59	85.1	126.47	74.3	138.49	46.8	110.98
Other income		5.54		1.65		4.60		6.42
Purchased (lb)	-15.4	-71.31	-9.6	-116.90	-4.2	-57.86	-19.2	-53.54
Transferred in (lb)	-29.8	-66.64	-51.1	-85.96	-42.0	-91.04	-21.7	-42.89
Inventory change (lb)	26.5	6.84	7.8	-210.05	-18.9	-26.32	54.8	131.34
Gross margin		633.29		242.75		600.17		863.68
Direct Expenses								
Protein Vit Minerals (lb.)	347.7	49.94	174.8	43.94	677.5	50.06	224.6	39.50
Complete Ration (lb.)	68.9	8.29	77.1	15.94	46.7	5.98	8.1	1.49
Corn (bu.)	3.0	9.55	6.7	20.72	3.5	11.32	2.0	6.41
Corn Silage (lb.)	4,905.0	78.54	6,206.6	100.64	3,211.5	45.37	4,542.7	78.40
Hay, Alfalfa (lb.)	1,165.3	53.35	1,582.6	69.48	1,754.7	80.55	327.8	21.04
Hay, Grass (lb.)	3,922.3	118.75	4,259.7	130.06	4,125.3	123.68	5,017.2	149.29
Haylage, Alfalfa (lb.)	529.7	12.94	57.2	2.10	169.6	4.17	-	-
Pasture (aum)	3.8	53.81	6.6	60.69	3.0	61.13	3.5	46.46
Other feed stuffs (lb)	1,564.9	27.56	227.2	12.58	1,700.3	19.28	1,858.9	34.80
Veterinary		29.37		23.79		35.69		23.98
Supplies		51.55		42.65		36.21		63.32
Fuel & oil		22.98		16.68		25.97		23.05
Repairs		49.30		52.52		47.10		70.20
Operating interest		12.44		5.61		14.16		6.86
Total direct expenses		578.38		597.41		560.69		564.78
Return over direct expense		54.91		-354.67		39.48		298.90
Overhead Expenses								
RE & pers. property taxes		7.87		8.25		8.67		9.78
Farm insurance		13.73		14.23		14.11		9.90
Utilities		13.27		21.91		12.91		6.74
Interest		28.71		30.14		19.71		48.19
Mach & bldg depreciation		48.29		80.97		45.10		34.70
Miscellaneous		27.33		19.24		20.00		20.26
Total overhead expenses		139.20		174.74		120.50		129.57
Total dir & ovhd expenses		717.58		772.15		681.19		694.35
Net return		-84.29		-529.40		-81.02		169.33
Labor & management charge		93.05		104.25		71.01		84.42
Net return over lbr & mgt		-177.33		-633.65		-152.02		84.90
Cost of Production Per Cwt. Produced								
Total direct expense per unit		120.26		143.25		118.12		115.93
Total dir & ovhd expense per unit		149.20		185.15		143.50		142.52
With other revenue adjustments		150.27		234.89		146.04		118.20
With labor and management		169.62		259.89		161.00		135.53
Est. labor hours per unit		8.56		9.32		7.10		8.08
Other Information								
Number of cows		69.4		47.3		75.7		82.4
Pregnancy percentage		95.8		91.1		94.8		97.0
Pregnancy loss percentage		1.9		3.7		2.7		0.2
Culling percentage		12.6		12.9		12.0		10.7
Calving percentage		94.0		87.7		92.2		96.9
Weaning percentage		89.1		83.3		86.6		91.1
Calves sold per cow		0.78		0.76		0.82		0.76
Calf death loss percent		5.1		6.6		5.7		4.4
Cow death loss percent		2.0		3.5		1.8		0.5
Cows per FTE		327.1		300.4		394.5		346.7
Average weaning weight		543		529		559		548
Lb. weaned/exposed female		483		441		484		500
Feed cost per cow		412.74		456.16		401.56		377.38
Avg wgt/ Beef Calves sold		582		570		618		543
Avg price / cwt.		156.42		149.48		137.72		185.84

Livestock Enterprise Analysis
Farm Business Management Statewide Combined Database
Beef Cow-Calf with Backgrounding
(Farms Sorted By Return to Overhead)

Beef Cow-Calf -- Average Per Cow

	<u>Avg. Of All Farms</u>	
Number of farms	10	
	Quantity	Value
Beef Calves sold (lb)	453.6	658.62
Transferred out (lb)	31.0	33.91
Cull sales (lb)	41.3	81.85
Other income		3.44
Purchased (lb)	-	-139.79
Transferred in (lb)	-4.2	-6.26
Inventory change (lb)	149.2	173.29
Gross margin		811.06
Direct Expenses		
Beet Pulp (dry) (lb.)	763.1	9.23
Protein Vit Minerals (lb.)	133.8	46.16
Creep / Starter (lb.)	47.2	3.83
Complete Ration (lb.)	154.5	5.09
Corn Silage (lb.)	1,338.8	21.24
Hay, Alfalfa (lb.)	933.5	27.58
Hay, Grass (lb.)	9,617.9	252.63
Pasture (aum)	5.1	72.98
Other feed stuffs (lb)	119.7	12.57
Veterinary		42.82
Supplies		41.93
Livestock insurance		5.13
Fuel & oil		30.57
Repairs		43.35
Hired labor		4.99
Livestock leases		33.32
Utilities		9.61
Operating interest		12.75
Total direct expenses		675.78
Return over direct expense		135.29
Overhead Expenses		
Interest		28.44
Mach & bldg depreciation		17.35
Miscellaneous		55.67
Total overhead expenses		101.46
Total dir & ovhd expenses		777.24
Net return		33.83
Labor & management charge		119.02
Net return over lbr & mgt		-85.19
Cost of Production Per Cwt. Produced		
Total direct expense per unit		100.19
Total dir & ovhd expense per unit		115.23
With other revenue adjustments		104.14
With labor and management		121.78
Est. labor hours per unit		7.61
Other Information		
Number of cows		97.1
Pregnancy percentage		98.5
Pregnancy loss percentage		2.3
Culling percentage		7.5
Calving percentage		96.3
Weaning percentage		91.1
Calves sold per cow		0.67
Calf death loss percent		6.2
Cow death loss percent		0.6
Cows per FTE		367.8
Average weaning weight		591
Lb. weaned/exposed female		539
Feed cost per cow		451.31
Avg wgt/ Beef Calves sold		711
Avg price / cwt.		145.21

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

Beef Finishing -- Average Per Cwt. Produced

	Avg. Of All Farms		Low 20%		40 - 60%		High 20%	
Number of farms	75		15		15		15	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Finish Beef sold (lb)	197.90	235.54	166.28	187.33	206.30	250.72	175.61	206.95
Transferred out (lb)	2.82	3.22	15.65	17.61	1.90	2.28	4.11	4.81
Other income		3.16		2.25		2.45		4.54
Purchased (lb)	-100.07	-153.89	-33.25	-50.61	-105.92	-188.63	-82.12	-119.18
Transferred in (lb)	-8.69	-12.33	-20.77	-27.24	-4.87	-7.71	-15.59	-21.47
Inventory change (lb)	6.93	-8.63	-30.24	-88.90	1.71	-4.64	17.56	13.87
Gross margin		67.08		40.43		54.47		89.51
Direct Expenses								
Protein Vit Minerals (lb.)	56.44	8.49	354.32	13.45	46.48	9.57	29.94	7.02
Complete Ration (lb.)	12.85	0.91	37.40	2.52	-	-	46.06	2.98
Barley (bu.)	0.08	0.16	1.05	2.10	-	-	-	-
Corn (bu.)	8.19	26.27	9.19	29.71	8.97	29.47	5.71	17.96
Corn Silage (lb.)	369.18	5.69	355.76	5.71	422.86	6.45	371.20	5.19
Corn, Ear (lb.)	6.23	0.27	-	-	-	-	45.92	1.97
Hay, Grass (lb.)	66.32	2.45	185.04	7.47	62.81	2.38	43.91	2.36
Haylage, Alfalfa (lb.)	19.31	0.61	-	-	-	-	73.96	1.73
DDGS, dry (lb.)	84.72	4.89	1.10	0.11	123.40	5.25	29.05	1.96
DDGS, wet (lb.)	12.01	0.41	14.07	0.50	-	-	77.53	2.54
Other feed stuffs (lb)	174.27	4.16	110.92	1.86	80.81	1.09	87.35	3.41
Veterinary		2.21		1.85		1.62		2.90
Supplies		2.38		3.30		2.06		2.55
Fuel & oil		1.58		1.90		0.91		1.15
Repairs		2.32		3.00		0.80		1.77
Hired labor		1.42		0.35		1.15		-
Hauling and trucking		1.11		0.29		2.04		1.14
Marketing		0.62		3.36		0.70		0.75
Operating interest		2.88		6.42		2.82		1.86
Total direct expenses		68.83		83.89		66.30		59.26
Return over direct expense		-1.75		-43.45		-11.83		30.25
Overhead Expenses								
Mach & bldg depreciation		4.25		3.66		3.33		3.46
Miscellaneous		5.06		5.75		3.73		4.86
Total overhead expenses		9.31		9.40		7.06		8.32
Total dir & ovhd expenses		78.13		93.29		73.36		67.58
Net return		-11.06		-52.86		-18.89		21.93
Labor & management charge		5.27		5.66		4.20		6.66
Net return over lbr & mgt		-16.33		-58.52		-23.10		15.27
Cost of Production Per Cwt. Produced								
Total direct expense per unit		120.81		136.53		127.97		103.09
Total dir & ovhd expense per unit		125.44		141.70		131.36		107.71
With other revenue adjustments		124.46		141.70		130.59		105.62
With labor and management		127.09		144.81		132.61		109.33
Est. labor hours per unit		0.38		0.45		0.36		0.44
Other Information								
No. purchased or trans in		257		61		265		177
Number sold or trans out		237		89		254		149
Percentage death loss		1.1		3.0		2.6		0.7
Avg. daily gain (lb.)		2.62		2.08		2.50		2.72
Lb. of conc / lb. of gain		6.79		9.72		6.75		5.85
Lb. of feed / lb. of gain		9.30		13.33		9.13		8.31
Feed cost per cwt. of gain		54.30		63.42		54.21		47.14
Feed cost per head		373.62		458.01		346.16		352.63
Average purchase weight		718		589		758		653
Avg wgt / Finish Beef sold		1,391		1,335		1,440		1,350
Avg purch price / cwt.		153.78		152.19		178.09		145.13
Avg sales price / cwt.		119.02		112.66		121.53		117.84

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

Hogs, Weaning to Finish -- Average Per Cwt. Carcass Sold

	Avg. Of All Farms		Low 20%		40 - 60%		High 20%	
Number of farms	38		7		7		8	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Wean-Fin Pig sold (lb)	135.13	67.39	134.18	68.42	134.90	65.55	134.83	71.58
Transferred out (lb)	0.02	0.08	0.05	0.27	-	-	0.17	0.44
Cull sales (lb)	0.64	0.15	0.45	0.10	1.00	0.22	0.71	0.19
Other income		1.57		0.02		2.24		2.04
Purchased (lb)	-7.06	-20.99	-6.28	-17.76	-7.22	-22.61	-5.75	-16.11
Transferred in (lb)	-0.41	-1.12	-1.61	-4.17	-	-	-1.93	-5.56
Inventory change (lb)	2.06	0.72	5.95	0.05	-0.13	0.58	-4.25	-1.07
Gross margin		47.86		46.94		45.98		52.24
Direct Expenses								
Protein Vit Minerals (lb.)	85.62	12.15	89.43	14.11	129.05	14.13	37.65	8.36
Complete Ration (lb.)	64.43	6.44	82.70	8.87	-	-	149.12	15.68
Corn (bu.)	3.51	11.53	4.06	13.71	3.43	11.20	2.55	8.12
Protein Supplement (lb.)	2.03	0.31	4.80	0.73	-	-	-	-
DDGS, dry (lb.)	29.36	1.83	0.69	0.04	53.02	3.30	24.38	1.64
Other feed stuffs (lb)	1.30	0.77	8.25	0.45	0.15	2.01	-	-
Veterinary		1.90		2.73		1.64		1.21
Supplies		1.41		0.79		1.01		0.92
Contract production exp.		3.11		6.72		4.05		-
Repairs		0.71		0.94		0.41		1.02
Custom hire		1.02		1.00		1.13		0.27
Hired labor		0.52		0.00		0.27		0.06
Hauling and trucking		0.61		1.24		0.63		0.53
Marketing		0.36		0.88		0.41		0.05
Operating interest		0.39		0.60		0.37		0.20
Total direct expenses		43.05		52.83		40.57		38.05
Return over direct expense		4.80		-5.90		5.42		14.19
Overhead Expenses								
Hired labor		0.85		0.94		0.87		1.41
Building leases		1.81		-		0.75		4.85
Farm insurance		0.39		0.48		0.32		0.50
Utilities		0.36		0.23		0.47		0.92
Interest		0.43		0.27		0.34		0.92
Mach & bldg depreciation		1.13		0.99		1.06		0.95
Miscellaneous		0.47		0.69		0.40		0.56
Total overhead expenses		5.44		3.60		4.21		10.12
Total dir & ovhd expenses		48.49		56.43		44.78		48.17
Net return		-0.64		-9.49		1.20		4.07
Labor & management charge		1.36		1.33		1.01		1.16
Net return over lbr & mgt		-2.00		-10.82		0.19		2.91
Cost of Production/Cwt. Carcass Sold								
Total direct expense per unit		64.27		74.59		62.37		60.46
Total dir & ovhd expense per unit		69.71		78.19		66.59		70.58
With other revenue adjustments		68.17		78.19		64.35		68.68
With labor and management		69.53		79.52		65.36		69.84
Est. labor hours per unit		0.13		0.12		0.10		0.18
Other Information								
No. purchased or trans in		15,520		12,897		26,973		6,864
Number sold or trans out		13,925		10,696		24,630		6,624
Percentage death loss		4.8		6.3		4.2		5.8
Percent substandard hogs		2		1		1		1
Avg. daily gain (lb.)		1.41		1.49		1.57		1.27
Lb. of feed / lb. of gain		2.93		3.08		3.02		2.85
Feed cost per cwt. of gain		25.32		28.56		23.83		27.24
Feed cost per head		66.70		75.61		63.69		71.71
Average purchase weight		13		14		14		14
Avg wgt / Wean-Fin Pig sold		270		280		277		251
Avg purch price / head		39.71		38.46		42.39		38.31
Avg sales price / cwt.		49.87		50.99		48.59		53.09
Average carcass weight		203		211		208		188
Average price / cwt. carcass		66.97		68.19		65.19		71.34

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

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

	Avg. Of All Farms		Low 20%		40 - 60%		High 20%	
Number of farms	59		11		12		12	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Other income		39.90		30.37		40.28		48.86
Gross margin		39.90		30.37		40.28		48.86
Direct Expenses								
Supplies		1.01		1.75		0.67		0.91
Contract production exp.		0.10		-		0.10		0.25
Fuel & oil		1.26		0.78		1.59		1.15
Repairs		3.79		7.36		4.03		1.93
Repair, livestock equip		0.29		-		1.16		-
Custom hire		0.42		0.42		0.38		0.15
Hired labor		0.84		2.07		0.45		0.68
Machinery leases		0.24		1.28		-		0.09
Utilities		1.71		2.04		1.28		2.48
Operating interest		0.23		0.52		0.12		0.26
Total direct expenses		9.91		16.23		9.78		7.89
Return over direct expense		30.00		14.13		30.50		40.97
Overhead Expenses								
Hired labor		0.64		0.16		0.89		0.56
Building leases		1.13		2.30		1.81		0.15
RE & pers. property taxes		0.70		0.83		0.40		0.70
Farm insurance		1.96		1.62		2.08		2.15
Utilities		1.47		0.18		2.08		1.75
Dues & professional fees		0.24		0.62		0.08		0.11
Interest		4.70		1.82		3.13		9.90
Mach & bldg depreciation		8.16		6.41		6.61		12.27
Miscellaneous		0.93		1.14		0.93		0.66
Total overhead expenses		19.93		15.09		18.00		28.25
Total dir & ovhd expenses		29.84		31.33		27.78		36.14
Net return		10.07		-0.96		12.50		12.73
Labor & management charge		5.51		3.61		5.82		6.77
Net return over lbr & mgt		4.56		-4.56		6.68		5.96
Cost of Production Per Pig Space								
Total direct expense per unit		9.91		16.23		9.78		7.89
Total dir & ovhd expense per unit		29.84		31.33		27.78		36.14
Est. labor hours per unit		0.34		0.30		0.31		0.26
Other Information								
Number of pigs		7,069		7,004		7,840		7,502
Pigs per pig space (per year)		2.31		2.47		2.29		2.23
Pigs per 100 sq. ft. (per yr)		30.11		31.50		35.89		29.33
Net return per 100 sq. ft.		131.03		-12.19		195.87		167.53
Net return per labor hour		29.62		-3.20		40.16		48.97
Square feet per pig space		7.68		7.85		6.38		7.60

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

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

	Avg. Of All Farms		Low 20%		40 - 60%		High 20%	
Number of farms	29		5		6		6	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Finish Hogs sold (lb)	135.57	67.31	134.61	58.33	136.12	65.77	133.82	71.05
Cull sales (lb)	0.72	0.19	-	-	0.38	0.09	-	-
Other income		1.36		0.05		0.03		3.58
Purchased (lb)	-17.88	-23.22	-23.33	-27.51	-4.76	-6.41	-22.22	-26.81
Transferred in (lb)	-3.86	-5.02	-	-	-16.56	-24.32	-	-
Inventory change (lb)	-3.13	-2.36	-0.99	-1.29	1.17	0.53	-0.85	-1.27
Gross margin		38.25		29.58		35.70		46.56
Direct Expenses								
Corn Distillers Grn (dry) (lb.)	2.62	0.19	17.01	1.06	-	-	7.58	0.59
Protein Vit Minerals (lb.)	53.71	8.33	66.69	12.37	18.06	3.10	18.16	4.13
Complete Ration (lb.)	109.38	9.26	36.88	4.32	115.13	12.90	227.90	17.74
Corn (bu.)	2.81	9.61	3.66	12.87	3.29	10.99	1.27	4.17
Other feed stuffs (lb)	1.16	0.10	-	-	2.03	0.14	-	-
Veterinary		0.78		0.46		1.21		0.57
Supplies		0.98		1.25		0.62		0.66
Contract production exp.		2.49		0.70		0.10		-
Fuel & oil		0.24		0.37		0.61		0.36
Repairs		0.55		0.30		0.84		1.08
Hauling and trucking		0.63		1.61		-		0.19
Marketing		0.23		0.44		0.25		-
Operating interest		0.65		0.70		0.37		1.21
Total direct expenses		34.05		36.45		31.14		30.71
Return over direct expense		4.20		-6.87		4.56		15.85
Overhead Expenses								
Hired labor		0.83		1.68		1.49		1.26
Building leases		2.33		-		2.25		6.48
RE & pers. property taxes		0.09		0.43		0.10		0.13
Farm insurance		0.36		0.93		0.43		0.35
Utilities		0.42		0.99		1.03		0.45
Dues & professional fees		0.41		0.16		0.07		1.09
Interest		0.32		0.21		0.58		0.51
Mach & bldg depreciation		0.92		0.55		1.01		0.67
Miscellaneous		0.55		0.21		0.27		1.50
Total overhead expenses		6.23		5.16		7.23		12.45
Total dir & ovhd expenses		40.28		41.61		38.37		43.16
Net return		-2.03		-12.03		-2.67		3.40
Labor & management charge		1.32		2.30		1.41		1.14
Net return over lbr & mgt		-3.35		-14.33		-4.08		2.26
Cost of Production/Cwt. Carcass Sold								
Total direct expense per unit		64.36		65.25		61.22		58.69
Total dir & ovhd expense per unit		70.59		70.41		68.44		71.14
With other revenue adjustments		69.34		70.36		68.44		67.65
With labor and management		70.66		72.66		69.85		68.79
Est. labor hours per unit		0.12		0.18		0.16		0.15
Other Information								
No. purchased or trans in		10,962		2,687		6,760		12,503
Number sold or trans out		10,358		2,686		6,259		11,528
Percentage death loss		4.8		2.1		5.2		7.7
Percent substandard hogs		2		1		3		0
Avg. daily gain (lb.)		1.57		1.91		1.53		1.79
Lb. of feed / lb. of gain		2.90		2.95		2.74		2.93
Feed cost per cwt. of gain		24.60		27.76		23.30		24.01
Feed cost per head		59.61		65.06		50.72		56.94
Average purchase weight		41		50		38		44
Avg wgt / Finish Hogs sold		278		288		262		287
Avg purch price / head		53.78		58.74		50.59		53.08
Avg sales price / cwt.		49.65		43.33		48.32		53.09
Average carcass weight		209		216		198		216
Average price / cwt. carcass		66.66		57.94		64.76		70.87

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*

MINNESOTA STATE and Participating College Websites:

State FBM Website: fbm.mnscu.edu

Alexandria Technical and Community College: alextech.edu

Central Lakes College Website: clcmn.edu

Minnesota West Community & Technical College: mnwest.edu

Northland Community & Technical College Website: northlandcollege.edu

Ridgewater College: ridgewater.edu

Riverland Community & Technical College: riverland.edu

South Central College: southcentral.edu

St. Cloud Technical and Community College: sctcc.edu



Keith Olander, Dean
1830 Airport Road
Staples, MN 56479
Office Phone: 218-894-5163
Email: kolander@clcmn.edu
Website: Agcentric.org



Brad Schloesser, Dean
1920 Lee Boulevard
North Mankato, MN 56003
Office Phone: 507-389-7263
Email: Brad.Schloesser@southcentral.edu
Website: centerofagriculture.org



Jump-Start Your Career in Agriculture!

The Southern Minnesota Center of Agriculture can help find the right college for you!

We have ag program options just for you!

- Agronomy
- Agricultural Education
- Agribusiness Production and Management
- Agribusiness Service Technician
- Agriculture Business Marketing
- Biofuels Technology
- & Much More!

Southern Minnesota Center of Agriculture Partners



Visit us at www.centerofagriculture.org or



For More Information

Brad Schloesser, Director
Southern MN Center of Agriculture
brad.schloesser@southcentral.edu
(507) 389-7263



MINNESOTA STATE
Agriculture Center of Excellence, South

A member of the GreenSeam

