

Executive Summary Edition

2022

Farm

Analysis

Report of

Moorhead

This is the 47th edition of this report published by the Northland College-Moorhead MN. Farm Business Management Department. The numbers for this report came from records kept by each farm family enrolled in the farm management education program provided by Northland Community and Technical College, Thief River Falls, MN.

In 2022, 79 farms (with an equivalent of 87 full-time operators), located mainly in western Clay, Norman, and Wilkin counties in Minnesota, were included in the averages. The average farmer was 47.6 years old with 23.6 years of farming experience. Farms averaged 1,756 acres per farm with 300 acres of that owned. Soybeans generated the largest gross dollar amount per farm (\$437,870). Sugarbeets (\$428,042) moved down to 2nd ahead of Corn (\$379,860). Wheat was fourth at (\$196,131). The largest single expense was land rent (\$246,205) per farm, which is 18.1% of total cash expenses. Fertilizer expense was a close 2nd at (\$228,494). Seed (\$201,748), Chemicals (\$155,782) and Repairs(\$115,190) were the next three expenses.

Net Farm Income (\$609,262) was the highest it has been in the past ten years which was 47.3% higher than 2021. Most of the increase in the net farm income was directly related to higher crop prices for old and new crop in 22. Many farms also experienced good yields and high profitability even with greatly increase input costs.

Information about our Farm Business Management program and other financial reports can be found at our website: **www.NorthlandFBM-Moorhead.com**

For more information contact:

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NORTHLAND
COMMUNITY & TECHNICAL COLLEGE

Statement of Cash Flows - Total of 79 Farms in Analysis Report

Soybeans	\$34,591,730
Sugarbeets	\$33,815,318
Corn	\$30,008,940
Wheat	\$15,494,349
Other Crops	\$4,600,012
Government Pymts	\$6,392,048
Remaining Farm Income (Ins, etc)	\$12,903,860

Total Cash Farm Income \$137,806,257

Fertilizer	\$18,051,026
Land Rent	\$19,450,195
Seed	\$15,938,092
Chemicals	\$12,306,778
Repairs	\$9,100,010
Fuel	\$5,860,141
Crop Insurance	\$3,978,835
Remaining Farm Expenses	\$22,589,023

Total Farm Expense (\$107,274,100)

Net Cash from Hedging (\$1,627,400)

Net Nonfarm Income \$2,997,971

Apparent Family Living (\$8,471,960)

Income & SS Tax Paid (\$2,448,368)

Cash From Operating Activities \$20,982,400

Sale of Machinery	\$2,782,775
Sale of Farm Land	\$1,628,269
Sale of Other Farm Assets	\$302,965
Sale of Nonfarm Assets	\$624,337

Total Sales of Assets \$5,338,346

Purchase of Machinery	(\$15,453,901)
Purchase of Farm Land	(\$6,407,374)
Pur of Farm Bldgs/Tiling	(\$3,278,737)
Pur of Other Farm Assets	(\$375,171)
Pur of Nonfarm Assets	(\$3,767,984)

Total Purchase of Assets (\$29,283,167)

Cash From Investing Activities (\$23,944,821)

Money Borrowed \$60,188,836

Principal Payments (\$56,913,575)

Gifts & Inheritances \$7,900

Cash From Financing Activities \$3,283,161

Net change in cash balance: \$320,740

Inventory Change: \$24,460,533

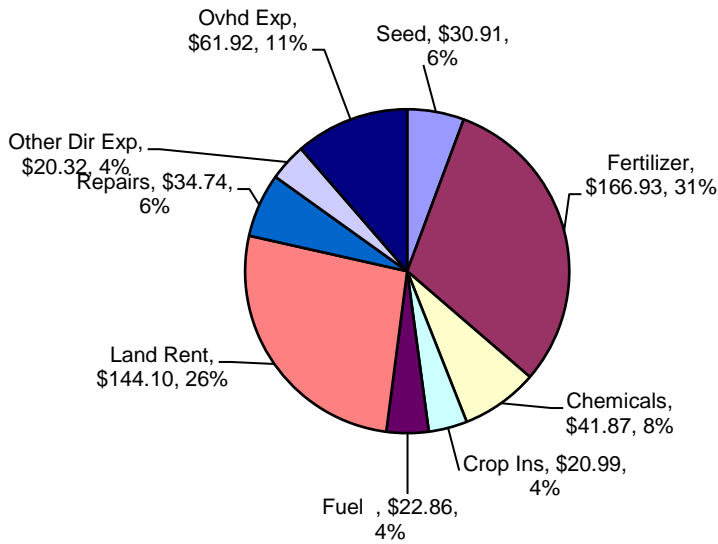
Farm Financial Scorecard

Liquidity	This Year		5-Year Ave		Strong	Vulnerable
Current ratio	2.46	1.82	2.0	1.3		
Working Capital to Gross Rev.	40.4%	30.5%	40%	20%		
*Working Capital to Oper. Exp.	64.4%	53.5%				
Solvency (market)						
Note: These solvency ratios include deferred liabilities						
Farm debt/asset ratio	43%	44%	30%	60%		
Farm equity/asset ratio	57%	56%	70%	40%		
Farm debt/equity ratio	0.75	0.80	0.43	1.50		
Profitability (Cost)						
Rate of return on farm assets	15.0%	7.0%	8%	4%		
Rate of return on farm equity	23.5%	9.5%	10%	3%		
Operating profit margin	26.7%	14.4%	25%	15%		
Asset Turnover Ratio	56.3%	44.8%	45%	30%		
Repayment Capacity (Accrual)						
*Debt Coverage Ratio	4.24	3.21	1.75	1.25		
Replacement Coverage Ratio	3.13	1.74	1.50	1.10		
Term-debt coverage ratio	4.70	2.57	1.75	1.25		
Financial Efficiency						
Operating-expense ratio	62.7%	73.1%	60%	80%		
Depreciation-expense ratio	4.4%	5.5%	5%	10%		
Interest-expense ratio	2.8%	4.0%	5%	10%		
Net farm income ratio	30.1%	17.4%	20%	10%		

*New recommended ratio from FFSC in 2022

Developed by: University of Vermont Extension and Center for Farm Financial Mgt, University of Minnesota
 Updated by: Josh Tjosaas, Farm Business Mgt Program, Northland College

Spring Wheat - Cash Rented (Ave of all Farms)



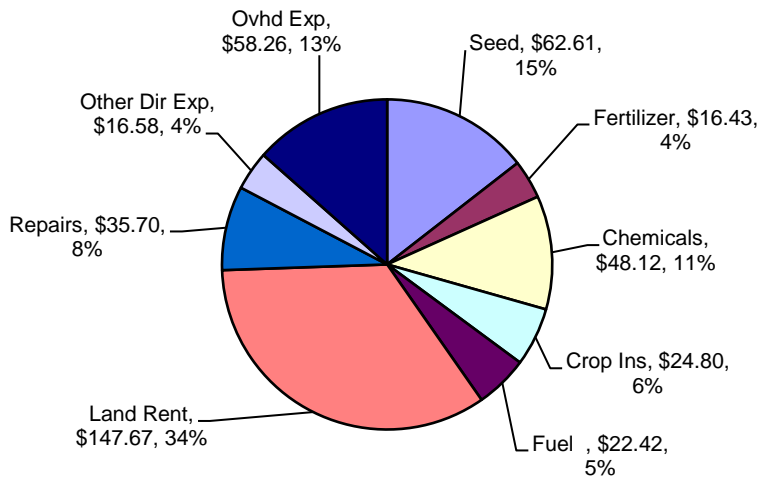
	My Farm	
	\$/A.	%
Seed		
Fertilizer		
Chemicals		
Crop Ins		
Fuel		
Repairs		
Land Rent		
Other Dir		
Ovhd Exp		

	2018	2019	2020	2021	2022
Yield	63.11	61.25	63.47	58.08	70.30
**Total Costs/Acre	\$393.45	\$417.42	\$415.63	\$405.32	\$544.65
Total Costs/Bu	\$6.23	\$6.82	\$6.55	\$6.98	\$7.75

	My Farm
Yield	
Costs/A.	
Costs/bu.	

**-does not include principal pymts or personal draw

Soybeans - Cash Rented (Ave of all Farms)



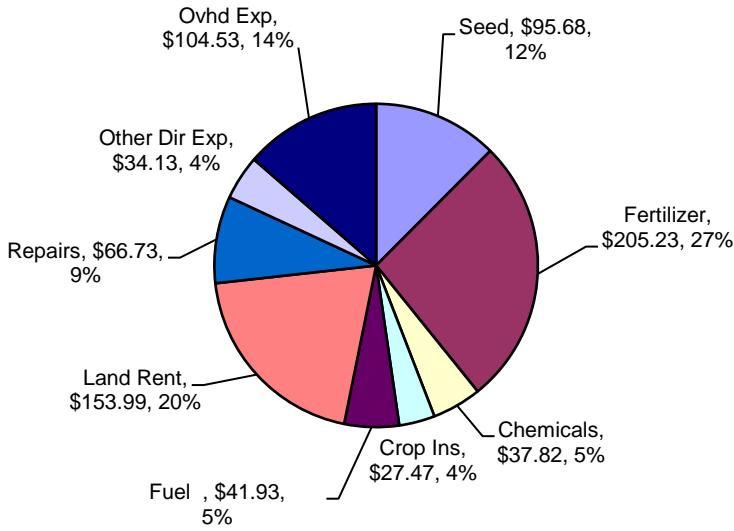
	My Farm	
	\$/A.	%
Seed		
Fertilizer		
Chemicals		
Crop Ins		
Fuel		
Repairs		
Land Rent		
Other Dir		
Ovhd Exp		

	2018	2019	2020	2021	2022
Yield	45.36	38.72	37.30	31.07	44.17
**Total Costs/Acre	\$372.10	\$371.35	\$368.66	\$380.23	\$432.59
Total Costs/Bu	\$8.20	\$9.59	\$9.88	\$12.24	\$9.79

	My Farm
Yield	
Costs/A.	
Costs/Bu.	

**-does not include principal pymts or personal draw

Corn - Cash Rented (Ave of all Farms)



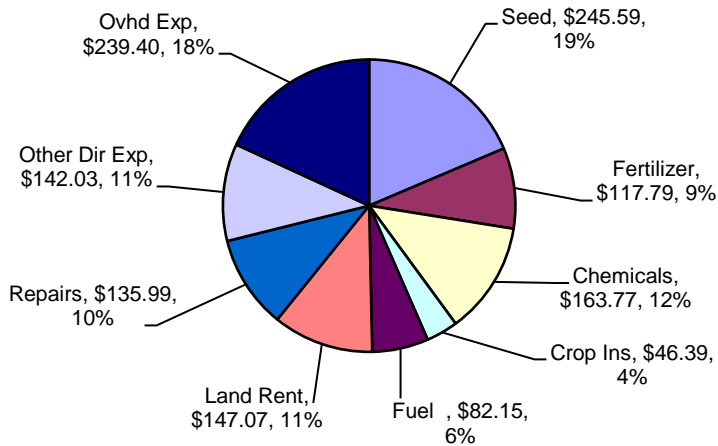
	My Farm	
	\$/A.	%
Seed		
Fertilizer		
Chemicals		
Crop Ins		
Fuel		
Repairs		
Land Rent		
Other Dir		
Ovhd Exp		

	2018	2019	2020	2021	2022
Yield	184.43	161.57	164.58	131.27	175.58
**Total Costs/Acre	\$576.32	\$593.68	\$591.32	\$601.35	\$769.01
Total Costs/Bu	\$3.12	\$3.67	\$3.59	\$4.58	\$4.38

	My Farm
Yield	
Costs/A.	
Costs/Bu.	

**-does not include principal pymts or personal draw

Sugarbeets-Cash Rented excluding Joint Venture (Ave of all Farms)



	My Farm	
	\$/A.	%
Seed		
Fertilizer		
Chemicals		
Crop Ins		
Fuel		
Repairs		
Land Rent		
Other Dir		
Ovhd Exp		

	2018	2019	2020	2021	2022
Yield	29.66	19.57	25.49	29.20	26.35
**Total Costs/Acre	\$1,058.83	\$1,107.22	\$1,092.87	\$1,143.00	\$1,320.17
Total Costs/Ton	\$35.70	\$56.58	\$42.87	\$39.14	\$50.10

	My Farm
Yield	
Costs/A.	
Costs/T.	

**-does not include principal pymts or personal draw