

# 2023

# FARM

# ANALYSIS

# REPORT OF

# MOORHEAD

48<sup>th</sup> Edition

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**NORTHLAND**  
COMMUNITY & TECHNICAL COLLEGE

**Farm Business Management Program**

**[www.NorthlandFBM-Moorhead.com](http://www.NorthlandFBM-Moorhead.com)**

March 15, 2024

## INTRODUCTION

This is the 48<sup>th</sup> edition of this report published by the Northland College-Moorhead MN. Farm Business Management Department. The original numbers for this report came from pages of the account book and/or from computerized records kept by each farm family enrolled in the farm management education program provided by Northland Community and Technical College, Thief River Falls, MN. After a closeout procedure to check the accuracy of the records, the analysis is generated for each individual enrollee.

We use the FINPACK and RANKEM software system developed by the Center for Farm Financial Management, University of Minnesota Extension, to do our year-end analysis. This is an excellent farm financial computer package because it incorporates the year-end analysis with a farmer's beginning and ending Balance Sheet and with their projected Cash Flow.

Use your imagination and figure out ways to use the tables. There are many factors that can affect a farm operations' profitability. We encourage you to look and compare your numbers to the averages and see where you could fine-tune your farming operation. Please feel free to contact Ron or Josh to schedule a review meeting with them before spring planting.

Information about our Farm Business Management program and other financial reports can be found at our website: [www.NorthlandFBM-Moorhead.com](http://www.NorthlandFBM-Moorhead.com)

We wish you a Successful and Prosperous year!

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# Recommended Farm Financial Ratios

Explanations of the FFSC recommended measures on the scorecard and where to find the information for each measure

## Measures from the Balance Sheet

The *balance sheet* provides information on both a business's both **liquidity** and **solvency** positions. **Liquidity** is the ability of the farm business to meet financial obligations as they came due, or to generate enough cash to pay for family living expenses, taxes, and to make on-time debt payments. **Solvency** is the ability of the farm business to meet all of its debts if it were sold at the current point in time.

### Recommended Liquidity Ratios

- Current Ratio  
Measures the extent to which current farm assets, if sold tomorrow, would pay off the farm's current liabilities.
- Working Capital as % of Gross Revenue  
Measures the operating capital available against the size of the business.
- Working Capital as % of Operating Expense\*  
Measures the operating capital available against the amount of the business's operating expenses.

### Recommended Solvency Ratios

- Debt-to-Asset Ratio  
Is the bank's share of the farm business. Compares total farm debt to total farm assets. A higher ratio indicates greater financial risk & lower borrowing capacity.
- Equity-to-Asset Ratio\*  
Is the farmer's share of the business. Compares total farm equity to total farm assets. *Debt-to-Asset ratio + Equity-to-Asset ratio must = 100%*.
- Debt-to-Equity Ratio\*  
Compares the creditor's investment to the farm owner's investment. It also indicates how much the farmer has leveraged their equity in the business.

## Measures from the Income Statement

The *income statement* is a financial statement which provides information regarding the **profitability** of the farm business. **Profitability** is the difference between the value of goods produced and the cost of the resources used in their production.

### Recommended Profitability Measures

- Rate of Return on Assets  
Can be thought of as the average interest rate being earned on all (yours and the creditor's) investments in the farm.
- Rate of Return on Equity  
Represents the interest rate being earned by your investment in the farm. This interest rate or return can be compared to returns available if your equity were invested elsewhere, such as a Certificate of Deposit or the stock market.
- Operating Profit Margin Ratio  
Shows the operating efficiency of the farm business. If expenses are low relative to the value of farm production, or revenue, the business will have a healthy operating profit margin. A low profit margin ratio can be caused by low product prices, high operating expenses, or inefficient production.
- Asset Turnover Ratio  
Measures efficiency in using capital. You could think of it as a measure of capital productivity. Generating a high level of production with a low level of capital investment will show as a high asset turnover rate. If, on the other hand, the turnover is low you will want to explore methods to use the capital invested more efficiently or sell some low-return investments. It could mean getting rid of that swampy parcel on the back 40 and getting something that produces income.

# Recommended Farm Financial Ratios (cont.)

Explanations of the FFSC recommended measures on the scorecard and where to find the information for each measure

## Measures from the Cash-Flow Statement

The *cash-flow statement* provides information on a business's **repayment capacity**. **Repayment capacity** shows the borrower's (i.e. your) ability to repay debts on time. It includes non-farm income and as such is **not** a measure of business performance alone.

### Recommended Repayment Capacity

- Debt Coverage Ratio  
Indicates whether your business generated enough income to cover current interest expense and all intermediate and long-term debt payments.
- Replacement Coverage Ratio  
A ratio of less than 1.0 indicates that you did not generate enough income to cover debt payments and unfunded capital purchases.
- Term Debt & Finance Lease Coverage Ratio\*  
Indicates whether your business generated enough income to cover all intermediate and long-term debt payments. A ratio of less than 1.0 indicates the business had to liquidate inventories, run up open accounts, borrow additional funds, or sell assets to make scheduled payments.

## Measures from *all* the Financial Statements

Using all the financial statements can provide valuable insight into the **financial efficiency** of a farm business. These measures show where each dollar of income generated is spent.

### Recommended Financial Efficiency

- Operating Expense Ratio  
Shows the proportion of farm income that is used to pay operating expenses, excluding depreciation and interest expense.
- Interest Expense Ratio  
Shows how much of gross farm income is used to pay for interest on borrowed capital.
- Depreciation & Amortization Expense Ratio  
Indicates how fast the business wears out capital. It tells what proportion of gross farm income is needed to maintain the capital used by the business. It is important to note that a depreciation expense ratio of less than 3% **could** indicate the operation is not replacing inefficient assets and may have higher repair expenses.
- Net Farm Income (Income from Operations) Ratio  
Compares profit to gross revenue. It shows how much is left after all farm expenses, except for unpaid labor and management, are paid.

# Other Important Farm Financial Measures

Other important measures (and their calculations) that are utilized in the scorecard

## Working Capital

Measures the operating capital available in the short-term from within the business.

Total Current Farm Assets  
(-) Total Current Farm Liabilities  
**= Working Capital**

## Net Farm Income (NFI)

Represents the return to three things that you have invested in the farm business:

- 1) Your labor
- 2) Your management, and
- 3) Your equity.

NFI is the reward for investing your unpaid family labor, management, and money in the farm instead of elsewhere. Anything left in the business and not taken out to pay for family living expenses or taxes, will increase the net worth of the farm.

Gross Accrual Farm Revenue  
(-) Total Accrual Operating Expense (including Depreciation & Amortization Expense)  
**= Income from Operations**  
(-) Farm Interest Expense  
**= Net Farm Income**

## Value of Farm Production (VFP)

VFP is a measure of the value a farm operation has added to products sold.

Gross Cash Farm Revenue  
(-) Feeder Livestock Purchased  
(-) Purchased Feed  
(+/-) Changes in Inventories  
**= Value of Farm Production**

## Repayment and Replacement Capacity Calculations

Income from Operations  
(+/-) Miscellaneous Revenue / Expenses  
(+) Non-farm Income  
(+) Depreciation / Amortization Expenses  
(-) Income Tax Expense  
(-) Owner Withdrawals  
**= Repayment and Replacement Capacity<sup>1</sup>**

Repayment and Replacement Capacity  
(-) Interest Expense on Current Debt  
**= Term Debt Repayment & Replacement Capacity**

Prior Year Current Portion of Long-Term Debt  
(+) Prior Year Current Portion of Finance Leases  
(+) Interest Expense on Term Debt  
(+) Interest Expense on Finance Leases  
**= Total Principal & Interest on Term Debt and Finance Leases**

Total Principal & Interest on Term Debt and Finance Leases  
(+) Interest Expense on Current Debt  
(+) Payment on Unpaid Operating Debt from Prior Period (loss carryover)  
(+) Annual Payments on Personal Liabilities  
**= Total Debt Repayment**

Repayment & Replacement Capacity  
(-) Total Debt Repayment  
**= Repayment Margin**

Repayment Margin  
(-) Unfunded Capital Expenditures<sup>2</sup>  
**= Replacement Margin**

**1** = Measures the amount generated from farm and non-farm sources, to cover debt repayment and capital replacement.

**2** = Portion of depreciable capital asset purchases not funded by term debt and finance leases. This measure is the amount of internally generated funds used for investing activities related to depreciable capital assets.

# Financial Standards Measures

## Moorhead Farm Business Management Program - Northland College

	<u>5-yr Average</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>Number of Farms</b>	82.6	88	79	80	87	79
* New FFSC Ratio in 2022.						
<b>Liquidity</b>						
Current Ratio	1.92	2.01	2.46	2.01	1.76	1.38
Working Cap/Gross Revenue	32.9%	36.0%	40.4%	34.2%	32.5%	21.6%
*Working Cap/Oper Expense	52.1%	47.9%	64.4%	51.7%	44.5%	
<b>Solvency (market)</b>						
Farm Debt to Asset	44%	44%	43%	45%	45%	44%
Farm Equity to Asset	56%	56%	57%	55%	55%	56%
Farm Debt to Equity	0.79	0.79	0.75	0.83	0.80	0.80
<b>Profitability (cost)</b>						
Rate of Return on Assets	7.5%	6.0%	15.0%	10.6%	6.3%	-0.3%
Rate of Return on Equity	10.3%	7.2%	23.5%	16.5%	8.2%	-3.8%
Operating Profit Margin	15.2%	13.0%	26.7%	22.1%	15.0%	-0.8%
Asset Turnover Rate	46.0%	46.4%	56.3%	48.1%	41.6%	37.5%
<b>Repayment Capacity</b>						
*Debt Coverage ratio	2.88	1.87	4.24	3.26	2.14	
Term Debt Coverage Ratio	2.68	2.05	4.70	3.77	2.46	0.40
Replacement Coverage Ratio	1.82	1.44	3.13	2.58	1.70	0.26
<b>Efficiency</b>						
Operating Exp Ratio	72.6%	75.2%	62.7%	66.1%	73.0%	86.1%
Depreciation Exp Ratio	5.2%	5.0%	4.4%	4.9%	5.1%	6.7%
Interest Exp Ratio	3.8%	4.0%	2.8%	3.3%	4.2%	4.9%
Net Farm Inc Ratio	18.2%	15.8%	30.1%	25.6%	17.0%	2.3%

**Farm Income Statement**  
**2023 Moorhead Farm Business Management Annual Report**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	88	17	17	18
<b>Cash Farm Income</b>				
Barley	9,732	11,831	21,294	3,269
Beans, Black Turtle	30,137	123,824	-	11,909
Corn	395,220	641,274	248,249	581,341
Corn Silage	7,495	38,798	-	-
Hay, Alfalfa	16,314	21,158	2,919	-
Soybeans	394,258	240,280	222,853	604,342
Sugar Beets	498,822	-	230,995	1,273,503
Sunflowers	9,271	10,674	-	15,903
Wheat, Spring	205,716	76,724	68,149	428,102
Hay	1,536	2,528	536	1,340
Miscellaneous crop income	12,639	5,923	5,585	17,625
Misc. livestock income	19,382	97,734	-	-
CRP payments	608	1,770	187	796
Conservation govt payment	1,157	1,462	1,841	-
Other government payments	7,168	5,123	4,708	21,169
Custom work income	18,615	6,731	5,052	38,438
Patronage dividends, cash	30,718	18,110	12,657	62,322
Crop insurance income Sale	22,232	11,714	12,388	17,547
of resale items	908	-	4,552	141
Farm rental income	30,569	21,786	9,026	74,202
Other farm income	36,503	15,006	8,222	44,350
Gross Cash Farm Income	1,749,149	1,352,448	859,213	3,196,300

**Farm Income Statement (continued)**  
**2023 Moorhead Farm Business Management Annual Report**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	88	17	17	18
<b>Cash Farm Expense</b>				
Seed and plants	189,756	128,888	105,660	369,384
Fertilizer	213,140	207,032	116,380	343,021
Crop chemicals	123,292	104,880	58,708	208,134
Crop insurance	52,336	59,416	26,378	75,723
Drying expense	3,600	1,098	1,741	8,894
Storage	2,337	2,906	421	311
Irrigation energy	434	-	-	2,122
Packaging and supplies	280	-	389	-
Crop miscellaneous	7,243	2,267	1,969	16,214
Consultants	5,153	3,747	3,246	7,959
Feeder livestock purchase	4,552	23,566	-	-
Purchased feed	4,690	23,832	-	-
Veterinary	354	1,462	7	-
Supplies	179	510	282	-
Contract production exp.	499	2,585	-	-
Interest	63,016	73,175	31,683	118,075
Processing (off-farm)	61	317	-	-
Fuel & oil	61,976	61,483	33,465	98,716
Repairs	136,434	130,775	57,166	227,866
Custom hire	19,192	8,495	13,708	26,443
Hired labor	74,573	63,494	15,903	104,662
Land rent	266,041	215,602	144,717	487,012
Stock/quota lease	33,052	-	20,105	100,200
Machinery leases	18,736	5,315	9,556	12,882
Building leases	3,519	961	912	9,042
Real estate taxes	13,057	9,709	5,797	23,386
Farm insurance	20,887	18,633	12,464	33,674
Utilities	10,663	10,706	4,582	17,641
Hauling and trucking	10,564	1,261	4,853	27,463
Marketing	1,987	5,525	755	1,132
Dues & professional fees	9,815	7,536	4,752	16,922
Purchase of resale items	3,642	3,750	267	-
Miscellaneous	12,734	6,884	5,019	12,918
Advertising & promotion	40	209	-	-
Total cash expense	1,367,835	1,186,019	680,884	2,349,794
Net cash farm income	381,314	166,429	178,329	846,506
<b>Inventory Changes</b>				
Prepays and supplies	-37,955	-53,460	27,813	-55,872
Accounts receivable	20,920	61,084	9,265	43,990
Hedging accounts	-1,870	-45,778	4,090	33,024
Other current assets	1,209	871	4,948	423
Crops and feed	-11,632	-79,112	-37,244	114,296
Market livestock	-1,162	-8,082	-	-
Breeding livestock	1,184	6,444	-	-
Other assets	27,223	12	8,311	86,769
Accounts payable	1,065	-25,696	-19,885	-21,148
Accrued interest	-8,302	-19,409	-4,623	5,167
Total inventory change	-9,320	-163,127	-7,325	206,649
Net operating profit	371,994	3,303	171,005	1,053,155
<b>Depreciation</b>				
Machinery and equipment	-72,925	-67,042	-28,769	-136,917
Titled vehicles	-6,471	-5,990	-4,616	-10,995
Buildings and improvements	-10,317	-7,576	-3,397	-20,787
Total depreciation	-89,713	-80,608	-36,782	-168,700
Net farm income from operations	282,281	-77,306	134,222	884,454
Gain or loss on capital sales	2,600	3,771	1,580	-6,275
Net farm income	284,881	-73,534	135,802	878,180



**Inventory Changes**  
**2023 Moorhead Farm Business Management Annual Report**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	88	17	17	18
Net cash farm income	381,314	166,429	178,329	846,506
<b>Crops and Feed</b>				
Ending inventory	864,266	428,178	402,165	1,654,008
Beginning inventory	875,897	507,290	439,409	1,539,712
Inventory change	-11,632	-79,112	-37,244	114,296
<b>Market Livestock</b>				
Ending inventory	19,988	99,151	-	-
Beginning inventory	21,150	107,232	-	-
Inventory change	-1,162	-8,082	-	-
<b>Accts Receivable</b>				
Ending inventory	83,229	100,342	33,315	169,173
Beginning inventory	62,309	39,258	24,050	125,183
Inventory change	20,920	61,084	9,265	43,990
<b>Prepaid Expenses and Supplies</b>				
Ending inventory	191,467	116,555	83,191	390,755
Beginning inventory	229,422	170,015	55,378	446,627
Inventory change	-37,955	-53,460	27,813	-55,872
<b>Hedging Activities</b>				
Ending inventory	18,540	8,057	7,528	58,454
Withdrawals	14,508	4,706	9,412	39,389
Beginning inventory	23,066	34,728	6,938	47,725
Deposits	11,851	23,813	5,912	17,094
Gain or loss	-1,870	-45,778	4,090	33,024
<b>Other Current Assets</b>				
Ending inventory	2,635	1,753	4,948	1,251
Beginning inventory	1,426	882	-	828
Inventory change	1,209	871	4,948	423
<b>Breeding Livestock</b>				
Ending inventory	18,440	89,076	59	-
Capital sales	1,241	6,422	-	-
Beginning inventory	18,389	88,802	59	-
Capital purchases	109	253	-	-
Depreciation, capital adjust	1,184	6,444	-	-
<b>Other Capital Assets</b>				
Ending inventory	443,124	90,190	246,185	1,062,350
Capital sales	1,392	-	-	-
Beginning inventory	394,816	80,967	210,195	913,456
Capital purchases	22,477	9,212	27,679	62,126
Depreciation, capital adjust	27,223	12	8,311	86,769
<b>Accounts Payable</b>				
Beginning inventory	68,351	42,702	7,985	74,447
Ending inventory	67,286	68,398	27,869	95,595
Inventory change	1,065	-25,696	-19,885	-21,148
<b>Accrued Interest</b>				
Beginning inventory	30,551	44,209	13,550	54,324
Ending inventory	38,854	63,618	18,174	49,157
Inventory change	-8,302	-19,409	-4,623	5,167
Total inventory change	-9,320	-163,127	-7,325	206,649
Net operating profit	371,994	3,303	171,005	1,053,155

**Depreciation**  
**2023 Moorhead Farm Business Management Annual Report**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	88	17	17	18
Net operating profit	371,994	3,303	171,005	1,053,155
<b>Machinery and Equipment</b>				
Ending inventory	876,453	828,048	340,907	1,704,218
Capital sales	57,275	74,471	15,218	126,105
Beginning inventory	751,578	700,673	293,409	1,457,654
Capital purchases	255,075	268,886	91,485	509,587
Depreciation, capital adjust.	-72,925	-67,042	-28,769	-136,917
<b>Titled Vehicles</b>				
Ending inventory	69,725	68,813	47,454	129,435
Capital sales	1,664	1,374	2,233	4,306
Beginning inventory	56,875	63,097	37,769	91,065
Capital purchases	20,985	13,080	16,535	53,672
Depreciation, capital adjust.	-6,471	-5,990	-4,616	-10,995
<b>Buildings and Improvements</b>				
Ending inventory	343,000	390,949	93,092	683,835
Capital sales	2,870	2,411	-	11,754
Beginning inventory	288,894	302,478	94,070	601,522
Capital purchases	67,293	98,458	2,419	114,854
Depreciation, capital adjust.	-10,317	-7,576	-3,397	-20,787
Total depreciation, capital adj.	-89,713	-80,608	-36,782	-168,700
Net farm income from operations	282,281	-77,306	134,222	884,454
Gain or loss on capital sales	2,600	3,771	1,580	-6,275
Net farm income	284,881	-73,534	135,802	878,180

**Profitability Measures**  
**2023 Moorhead Farm Business Management Annual Report**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	88	17	17	18
<b>Profitability (assets valued at cost)</b>				
Net farm income from operations	282,281	-77,306	134,222	884,454
Rate of return on assets	6.0 %	-2.5 %	6.0 %	10.9 %
Rate of return on equity	7.2 %	-13.7 %	7.3 %	15.8 %
Operating profit margin	13.0 %	-6.0 %	12.0 %	22.3 %
Asset turnover rate	46.4 %	40.9 %	50.4 %	48.8 %
Farm interest expense	71,318	92,584	36,307	112,908
Value of operator lbr and mgmt.	123,719	89,997	68,983	224,064
Return on farm assets	229,880	-74,718	101,546	773,299
Average farm assets	3,822,866	3,022,567	1,683,815	7,119,505
Return on farm equity	158,562	-167,302	65,240	660,391
Average farm equity	2,200,848	1,223,847	892,638	4,171,118
Value of farm production	1,771,906	1,235,869	848,316	3,474,496
	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	88	17	17	18
<b>Profitability (assets valued at market)</b>				
Net farm income from operations	366,575	126,964	189,634	949,309
Rate of return on assets	5.5 %	3.2 %	5.7 %	8.1 %
Rate of return on equity	7.6 %	2.0 %	7.9 %	12.6 %
Operating profit margin	17.7 %	10.5 %	18.5 %	24.1 %
Asset turnover rate	31.2 %	30.2 %	31.0 %	33.6 %
Farm interest expense	71,318	92,584	36,307	112,908
Value of operator lbr and mgmt.	123,719	89,997	68,983	224,064
Return on farm assets	314,174	129,552	156,958	838,153
Average farm assets	5,683,865	4,096,992	2,736,633	10,346,874
Return on farm equity	242,856	36,967	120,651	725,246
Average farm equity	3,198,405	1,856,144	1,525,839	5,749,094
Value of farm production	1,771,906	1,235,869	848,316	3,474,496

**Liquidity & Repayment Capacity Measures**  
**2023 Moorhead Farm Business Management Annual Report**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	88	17	17	18
<b>Liquidity</b>				
Current ratio	2.01	1.17	1.98	2.17
Working capital	642,202	126,597	296,854	1,264,817
Change in working capital	-107,734	-389,021	-47,111	77,492
Working capital to gross revenue	36.0 %	9.8 %	35.0 %	36.4 %
Working capital to oper expense	47.9 %	10.6 %	46.3 %	54.8 %
Current assets	1,278,966	870,805	598,254	2,342,988
Current liabilities	636,764	744,209	301,401	1,078,172
Gross revenues (accrual)	1,784,790	1,287,016	848,583	3,474,496
Total operating expenses	1,341,477	1,191,130	641,272	2,308,434
<b>Repayment capacity</b>				
Net farm income from operations	282,281	-77,306	134,222	884,454
Depreciation	89,713	80,608	36,782	168,700
Personal income	37,828	40,277	58,309	34,590
Family living/owner withdrawals	-113,517	-86,639	-76,161	-157,314
Cash discrepancy	-8	54	163	-7
Income taxes	-37,063	-24,210	-27,615	-54,322
Interest expense	75,355	97,026	38,124	120,365
Debt repayment capacity	334,589	29,811	163,826	996,468
Debt payments	179,047	190,055	90,788	346,797
Repayment margin	155,542	-160,244	73,038	649,670
Cash replacement allowance	-53,447	-34,736	-21,621	-85,691
Replacement margin	102,095	-194,980	51,418	563,980
Debt coverage ratio	1.87	0.16	1.80	2.87
Term debt coverage ratio	2.05	0.00	2.00	3.11
Replacement coverage ratio	1.44	0.13	1.46	2.30

**Balance Sheet at Cost Values**  
**2023 Moorhead Farm Business Management Annual Report**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of</u> <u>All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	88	17	17	18
<b>Assets</b>				
<b>Current Farm Assets</b>				
Cash and checking balance	98,841	116,770	67,107	69,347
Prepaid expenses & supplies	191,467	116,555	83,191	390,755
Growing crops	509	1,753	-	834
Accounts receivable	83,229	100,342	33,315	169,173
Hedging accounts	18,540	8,057	7,528	58,454
Crops held for sale or feed	864,266	428,178	402,165	1,654,008
Crops under government loan	-	-	-	-
Market livestock held for sale	19,988	99,151	-	-
Other current assets	2,126	-	4,948	417
Total current farm assets	1,278,966	870,805	598,254	2,342,988
<b>Intermediate Farm Assets</b>				
Breeding livestock	18,440	89,076	59	-
Machinery and equipment	876,453	828,048	340,907	1,704,218
Titled vehicles	69,725	68,813	47,454	129,435
Other intermediate assets	390,287	41,873	200,642	1,028,430
Total intermediate farm assets	1,354,905	1,027,811	589,062	2,862,084
<b>Long Term Farm Assets</b>				
Farm land	976,689	837,010	407,936	1,654,321
Buildings and improvements	343,000	390,949	93,092	683,835
Other long-term assets	52,837	48,316	45,544	33,920
Total long-term farm assets	1,372,527	1,276,276	546,572	2,372,076
Total Farm Assets	4,006,398	3,174,892	1,733,888	7,577,147
Total Nonfarm Assets	477,106	451,871	328,603	1,149,489
Total Assets	4,483,504	3,626,763	2,062,491	8,726,637
<b>Liabilities</b>				
<b>Current Farm Liabilities</b>				
Accrued interest	38,854	63,618	18,174	49,157
Accounts payable	67,286	68,398	27,869	95,595
Current notes	414,196	490,798	201,174	699,061
Government crop loans	-	-	-	-
Principal due on term debt	116,428	121,394	54,184	234,358
Total current farm liabilities	636,764	744,209	301,401	1,078,172
Total intermediate farm liabs	277,094	303,328	188,655	525,620
Total long term farm liabilities	823,171	980,682	334,175	1,508,237
Total farm liabilities	1,737,029	2,028,219	824,230	3,112,029
Total nonfarm liabilities	167,842	157,693	93,573	412,859
Total liabilities	1,904,871	2,185,912	917,803	3,524,888
Net worth (farm and nonfarm)	2,578,633	1,440,851	1,144,687	5,201,748
Net worth change	187,966	-123,310	81,361	705,753
Percent net worth change	8 %	-8 %	8 %	16 %
<b>Ratio Analysis</b>				
Current farm liabilities / assets	50 %	85 %	50 %	46 %
Intermediate farm liab. / assets	20 %	30 %	32 %	18 %
Long term farm liab. / assets	60 %	77 %	61 %	64 %
Total debt to asset ratio	42 %	60 %	44 %	40 %

**Balance Sheet at Market Values**  
**2023 Moorhead Farm Business Management Annual Report**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of</u> <u>All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	88	17	17	18
<b>Assets</b>				
<b>Current Farm Assets</b>				
Cash and checking balance	98,841	116,770	67,107	69,347
Prepaid expenses & supplies	191,467	116,555	83,191	390,755
Growing crops	509	1,753	-	834
Accounts receivable	83,229	100,342	33,315	169,173
Hedging accounts	18,540	8,057	7,528	58,454
Crops held for sale or feed	864,266	428,178	402,165	1,654,008
Crops under government loan	-	-	-	-
Market livestock held for sale	19,988	99,151	-	-
Other current assets	2,126	-	4,948	417
<b>Total current farm assets</b>	<b>1,278,966</b>	<b>870,805</b>	<b>598,254</b>	<b>2,342,988</b>
<b>Intermediate Farm Assets</b>				
Breeding livestock	18,493	88,625	59	-
Machinery and equipment	1,157,099	970,341	501,284	2,244,548
Titled vehicles	90,245	81,280	66,193	151,406
Other intermediate assets	604,655	136,437	304,252	1,268,003
<b>Total intermediate farm assets</b>	<b>1,870,492</b>	<b>1,276,683</b>	<b>871,787</b>	<b>3,663,958</b>
<b>Long Term Farm Assets</b>				
Farm land	2,264,108	1,720,264	1,149,537	3,931,791
Buildings and improvements	419,635	421,004	143,616	824,234
Other long-term assets	81,755	71,030	52,792	106,875
<b>Total long-term farm assets</b>	<b>2,765,497</b>	<b>2,212,298</b>	<b>1,345,945</b>	<b>4,862,901</b>
<b>Total Farm Assets</b>	<b>5,914,955</b>	<b>4,359,786</b>	<b>2,815,986</b>	<b>10,869,846</b>
<b>Total Nonfarm Assets</b>	<b>656,796</b>	<b>539,891</b>	<b>519,989</b>	<b>1,503,918</b>
<b>Total Assets</b>	<b>6,571,751</b>	<b>4,899,676</b>	<b>3,335,975</b>	<b>12,373,764</b>
<b>Liabilities</b>				
<b>Current Farm Liabilities</b>				
Accrued interest	38,854	63,618	18,174	49,157
Accounts payable	67,286	68,398	27,869	95,595
Current notes	414,196	490,798	201,174	699,061
Government crop loans	-	-	-	-
Principal due on term debt	116,428	121,394	54,184	234,358
<b>Total current farm liabilities</b>	<b>636,764</b>	<b>744,209</b>	<b>301,401</b>	<b>1,078,172</b>
<b>Total intermediate farm liabs</b>	<b>277,094</b>	<b>303,328</b>	<b>188,655</b>	<b>525,620</b>
<b>Total long term farm liabilities</b>	<b>823,171</b>	<b>980,682</b>	<b>334,175</b>	<b>1,508,237</b>
<b>Total farm liabilities</b>	<b>1,737,029</b>	<b>2,028,219</b>	<b>824,230</b>	<b>3,112,029</b>
<b>Total nonfarm liabilities</b>	<b>167,842</b>	<b>157,693</b>	<b>93,573</b>	<b>412,859</b>
<b>Total liabs excluding deferreds</b>	<b>1,904,871</b>	<b>2,185,912</b>	<b>917,803</b>	<b>3,524,888</b>
<b>Total deferred liabilities</b>	<b>905,029</b>	<b>460,164</b>	<b>453,691</b>	<b>1,768,744</b>
<b>Total liabilities</b>	<b>2,809,900</b>	<b>2,646,076</b>	<b>1,371,494</b>	<b>5,293,632</b>
<b>Retained earnings</b>	<b>2,578,633</b>	<b>1,440,851</b>	<b>1,144,687</b>	<b>5,201,748</b>
<b>Market valuation equity</b>	<b>1,183,218</b>	<b>812,750</b>	<b>819,793</b>	<b>1,878,384</b>
<b>Net worth (farm and nonfarm)</b>	<b>3,761,851</b>	<b>2,253,600</b>	<b>1,964,481</b>	<b>7,080,132</b>
<b>Net worth excluding deferreds</b>	<b>4,666,880</b>	<b>2,713,764</b>	<b>2,418,171</b>	<b>8,848,876</b>
<b>Net worth change</b>	<b>298,330</b>	<b>93,987</b>	<b>174,291</b>	<b>818,904</b>
<b>Percent net worth change</b>	<b>9 %</b>	<b>4 %</b>	<b>10 %</b>	<b>13 %</b>
<b>Ratio Analysis</b>				
Current farm liabilities / assets	50 %	85 %	50 %	46 %
Intermediate farm liab. / assets	15 %	24 %	22 %	14 %
Long term farm liab. / assets	30 %	44 %	25 %	31 %
Total debt to asset ratio	43 %	54 %	41 %	43 %
Debt to assets excl deferreds	29 %	45 %	28 %	28 %

**Statement Of Cash Flows**  
**2023 Moorhead Farm Business Management Annual Report**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	88	17	17	18
Beginning cash (farm & nonfarm)	105,979	135,093	93,927	41,754
<b>Cash Provided By Operating Activities</b>				
Gross cash farm income	1,749,149	1,352,448	859,213	3,196,300
Total cash farm expense	-1,367,835	-1,186,019	-680,884	-2,349,794
Net cash from hedging transactions	2,656	-19,107	3,500	22,295
Cash provided by operating	383,970	147,322	181,829	868,801
<b>Cash Provided By Investing Activities</b>				
Sale of breeding livestock	1,241	6,422	-	-
Sale of machinery & equipment	57,569	74,312	16,468	119,887
Sale of titled vehicles	1,804	1,635	2,563	4,249
Sale of farm land	20,154	-	-	-
Sale of farm buildings	3,579	6,078	-	11,754
Sale of other farm assets	1,597	-	-	-
Sale of nonfarm assets	10,457	10,715	12,159	16,908
Purchase of breeding livestock	-109	-253	-	-
Purchase of machinery & equip.	-255,075	-268,886	-91,485	-509,587
Purchase of titled vehicles	-20,985	-13,080	-16,535	-53,672
Purchase of farm land	-164,589	-180,294	-14,118	-222,783
Purchase of farm buildings	-67,293	-98,458	-2,419	-114,854
Purchase of other farm assets	-22,477	-9,212	-27,679	-62,126
Purchase of nonfarm assets	-68,569	-78,231	-54,423	-183,795
Cash provided by investing	-502,697	-549,250	-175,470	-994,018
<b>Cash Provided By Financing Activities</b>				
Money borrowed	934,485	885,183	274,005	1,899,842
Principal payments	-693,008	-432,962	-232,185	-1,521,436
Personal income	37,828	40,277	58,309	34,590
Family living/owner withdrawals	-113,063	-86,639	-76,161	-157,314
Income and social security tax	-38,971	-27,164	-18,141	-48,892
Capital contributions	17,826	15,848	-	1,115
Capital distributions	-	-	-	-
Dividends paid	-455	-	-	-
Cash gifts and inheritances	905	3,444	59	507
Gifts given	-3,657	-	-2,941	-9,979
Other cash flows	-	-	-	-
Cash provided by financing	141,891	397,987	2,946	198,434
Net change in cash balance	23,164	-3,942	9,305	73,217
Ending cash (farm & nonfarm)	129,135	131,206	103,395	114,963
Discrepancy	8	-54	-163	7

**Financial Standards Measures**  
**2023 Moorhead Farm Business Management Annual Report**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	88	17	17	18
<b>Liquidity</b>				
Current ratio	2.01	1.17	1.98	2.17
Working capital to gross revenue	36.0 %	9.8 %	35.0 %	36.4 %
Working capital to oper expense	47.9 %	10.6 %	46.3 %	54.8 %
<b>Solvency (market)</b>				
Farm debt to asset ratio	44 %	57 %	44 %	44 %
Farm equity to asset ratio	56 %	43 %	56 %	56 %
Farm debt to equity ratio	0.79	1.32	0.79	0.79
<b>Profitability (cost)</b>				
Rate of return on farm assets	6.0 %	-2.5 %	6.0 %	10.9 %
Rate of return on farm equity	7.2 %	-13.7 %	7.3 %	15.8 %
Operating profit margin	13.0 %	-6.0 %	12.0 %	22.3 %
Asset turnover rate	46.4 %	40.9 %	50.4 %	48.8 %
<b>Repayment Capacity</b>				
Debt coverage ratio	1.87	0.16	1.80	2.87
Term debt coverage ratio	2.05	0.00	2.00	3.11
Replacement coverage ratio	1.44	0.13	1.46	2.30
<b>Efficiency</b>				
Operating expense ratio	75.2 %	92.5 %	75.6 %	66.4 %
Depreciation expense ratio	5.0 %	6.3 %	4.3 %	4.9 %
Interest expense ratio	4.0 %	7.2 %	4.3 %	3.2 %
Net farm income ratio	15.8 %	-6.0 %	15.8 %	25.5 %



**Crop Production and Marketing Summary**  
**2023 Moorhead Farm Business Management Annual Report**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	88	17	17	18
<b>Acreage Summary</b>				
Total acres owned	462	460	204	760
Total crop acres	2,078	1,785	1,074	3,485
Crop acres owned	373	317	195	641
Crop acres cash rented	1,646	1,402	831	2,819
Crop acres share rented	59	66	48	25
Total pasture acres	40	198	-	-
Percent crop acres owned	18 %	18 %	18 %	18 %
Mach invest/crop acre cost	422	465	335	485
Mach invest/crop acre market	560	542	487	640
<b>Average Price Received (Cash Sales Only)</b>				
Soybeans per bushel	13.39	13.97	12.91	13.33
Corn per bushel	5.51	5.07	5.55	5.93
Wheat, Spring per bushel	7.95	7.30	7.61	8.10
Soybeans Seed per bushel	14.50	-	-	-
Hay, Alfalfa per ton	130.21	-	-	-
Barley per bushel	7.50	-	-	-
Sunflowers per cwt	26.58	-	-	-
<b>Average Yield Per Acre</b>				
Soybeans (bushel)	39.67	37.92	38.06	41.67
Corn (bushel)	166.51	165.46	162.41	169.85
Sugar Beets (ton)	29.13	-	28.51	28.75
Wheat, Spring (bushel)	72.37	72.61	76.02	75.44
Hay, Alfalfa (ton)	3.34	3.24	-	-
Soybeans Seed (bushel)	36.81	-	-	-
Barley (bushel)	95.66	-	-	-
Beans, Black Turtle (cwt)	25.18	-	-	-
Soybeans, Food (bushel)	34.79	-	-	-
Hay, Grass (ton)	1.28	-	-	-

**Household and Personal Expenses**  
**2023 Moorhead Farm Business Management Annual Report**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>High 20%</u>
Number of farms	15	5
Average family size	2.9	3.0
Family Living Expenses		
Food and meals expense	20,611	18,872
Medical care	6,371	7,951
Health insurance	6,990	10,246
Cash donations	1,947	1,409
Household supplies	5,965	4,710
Clothing	5,367	5,457
Personal care	4,763	3,887
Child / Dependent care	833	-
Alimony and child support	6,800	20,400
Gifts	3,904	1,705
Education	3,840	4,358
Recreation	15,198	16,196
Utilities (household share)	4,669	5,670
Personal vehicle operating exp	6,444	6,003
Household real estate taxes	2,755	3,958
Dwelling rent	333	1,000
Household repairs	8,762	6,283
Personal interest	7,632	12,105
Disability / Long term care ins	441	737
Life insurance payments	5,563	6,515
Personal property insurance	2,311	2,953
Miscellaneous	5,071	5,163
Total cash family living expense	126,569	145,579
Family living from the farm	300	-
Total family living	126,869	145,579
Other Nonfarm Expenditures		
Income taxes	35,786	40,301
Furnishing & appliance purchases	768	1,502
Nonfarm vehicle purchases	3,453	-
Nonfarm real estate purchases	13,608	4,407
Other nonfarm capital purchases	78,618	239,369
Nonfarm savings & investments	24,378	42,107
Total other nonfarm expenditures	156,611	327,687
Total cash family living investment & nonfarm capital purch	283,180	473,265

**Statement Of Owner's Equity**  
**2023 Moorhead Farm Business Management Annual Report**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	88	17	17	18
Beginning net worth	3,463,521	2,159,613	1,790,189	6,261,228
Net farm income	284,881	-73,534	135,802	878,180
Personal income	37,828	40,277	58,309	34,590
Family living/owner withdrawals	-113,063	-86,639	-76,161	-157,314
Discrepancy	454	2,448	163	-7
Dividends paid	-455	-	-	-
Income taxes (accrued)	-37,063	-24,210	-27,615	-54,322
Change in personal assets	-905	-919	-5,871	7,274
Change in nonfarm accounts payable	1,213	-24	-385	5,708
Total change in retained earnings	172,429	-144,995	84,243	714,110
Capital contributions	17,826	15,848	-	1,115
Gifts and inheritances received	905	3,444	59	507
Debts forgiven	-	-	-	-
Gifts given	-3,657	-	-2,941	-9,979
Capital distributions	-	-	-	-
Total change in contributed capital	15,074	19,292	-2,882	-8,357
Chg in mkt value of capital assets	127,806	235,261	101,340	197,218
Change in deferred liabilities (-)	-17,441	-17,964	-8,410	-84,067
Total change in market valuation	110,364	217,297	92,930	113,151
Total change in net worth	297,868	91,594	174,292	818,904
Ending net worth	3,761,851	2,253,600	1,964,481	7,080,132

**Operator and Labor Information**  
**2023 Moorhead Farm Business Management Annual Report**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	88	17	17	18
<b>Operator Information</b>				
Average number of operators	1.1	1.0	1.0	1.3
Average age of operators	46.9	46.4	42.5	48.1
Average number of years farming	22.7	21.8	18.7	23.8
<b>Results Per Operator</b>				
Working capital	561,879	133,260	288,372	989,856
Total assets (market)	5,749,792	5,157,554	3,240,661	9,683,815
Total liabilities	2,458,453	2,785,343	1,332,308	4,142,842
Net worth (market)	3,291,339	2,372,211	1,908,353	5,540,973
Net worth excl deferred liabs	4,083,172	2,856,594	2,349,081	6,925,207
Gross farm income	1,561,558	1,354,754	824,338	2,719,171
Total farm expense	1,314,583	1,436,128	693,951	2,026,989
Net farm income from operations	246,975	-81,374	130,387	692,182
Net nonfarm income	33,097	42,397	56,643	27,071
Family living & tax withdrawals	131,753	116,626	100,651	165,633
Total acres owned	404.0	484.6	198.4	594.8
Total crop acres	1,817.9	1,879.0	1,043.4	2,727.5
Crop acres owned	326.1	333.9	189.8	501.4
Crop acres cash rented	1,440.5	1,476.1	807.0	2,206.5
Crop acres share rented	51.2	69.1	46.5	19.7
Total pasture acres	35.1	208.4	-	-
<b>Labor Analysis</b>				
Number of farms	86	15	17	18
Total unpaid labor hours	1,803	1,593	1,756	2,222
Total hired labor hours	2,677	2,505	832	4,026
Total labor hours per farm	4,480	4,098	2,588	6,248
Unpaid hours per operator	1,561	1,604	1,706	1,739
Value of farm production / hour	403.18	332.16	327.80	556.12
Net farm income / unpaid hour	160.68	-51.97	76.44	398.00
Average hourly hired labor wage	30.82	30.02	24.49	29.63
<b>Partnerships &amp; LLCs</b>				
Number of farms	10	2	-	4
Number of operators	1.9	-	-	-
Owner withdrawals per farm	-	-	-	-
Withdrawals per operator	-	-	-	-
<b>Corporations</b>				
Number of farms	7	2	2	1
Number of operators	1.3	-	-	-

**Nonfarm Summary**  
**2023 Moorhead Farm Business Management Annual Report**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	88	17	17	18
<b>Nonfarm Income</b>				
Personal wages & salary	25,080	36,149	40,013	11,367
Net nonfarm business income	3,277	2,529	7,568	6,333
Personal rental income	175	106	-	757
Personal interest income	477	5	-	876
Tax refunds	798	261	14	2,629
Other nonfarm income	8,021	1,226	10,714	12,629
Total nonfarm income	37,828	40,277	58,309	34,590
Gifts and inheritances	905	3,444	59	507
<b>Nonfarm Assets (market)</b>				
Checking & savings	30,295	14,436	36,288	45,616
Stocks & bonds	18,262	-	42,461	40,270
Other current assets	10,614	14,969	11,055	21,744
Furniture & appliances	9,586	10,490	6,682	14,044
Nonfarm vehicles	41,321	40,209	53,888	67,612
Cash value of life ins.	11,630	1,859	11,761	20,531
Retirement accounts	158,388	94,297	166,392	277,284
Other intermediate assets	27,731	120,358	3,715	15,293
Nonfarm real estate	256,447	200,754	187,347	589,723
Personal bus. investment	14,624	2,941	400	68,338
Other long term assets	77,899	39,576	-	343,464
Total nonfarm assets	656,796	539,891	519,989	1,503,918
<b>Nonfarm Liabilities</b>				
Accrued interest	790	456	303	1,609
Accounts payable	35,958	7,264	23,103	76,424
Current notes	423	127	138	582
Princ due on term debt	9,828	12,817	7,872	19,395
Total current liabilities	46,998	20,664	31,417	98,010
Intermediate liabilities	13,719	46,812	9,441	5,883
Long term liabilities	107,125	90,217	52,716	308,966
Total nonfarm liabilities	167,842	157,693	93,573	412,859
Nonfarm net worth	488,954	382,197	426,416	1,091,059
Nonfarm debt to asset ratio	26 %	29 %	18 %	27 %

**Financial Summary Excluding Deferred Liabilities**  
**2023 Moorhead Farm Business Management Annual Report**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	88	17	17	18
<b>Income Statement</b>				
Gross cash farm income	1,749,149	1,352,448	859,213	3,196,300
Total cash farm expense	1,367,835	1,186,019	680,884	2,349,794
Net cash farm income	381,314	166,429	178,329	846,506
Inventory change	-9,320	-163,127	-7,325	206,649
Depreciation	-89,713	-80,608	-36,782	-168,700
Net farm income from operations	282,281	-77,306	134,222	884,454
Gain or loss on capital sales	2,600	3,771	1,580	-6,275
Average net farm income	284,881	-73,534	135,802	878,180
Median net farm income	138,298	-51,906	130,157	813,338
<b>Profitability (cost)</b>				
Rate of return on assets	6.0 %	-2.5 %	6.0 %	10.9 %
Rate of return on equity	7.2 %	-13.7 %	7.3 %	15.8 %
Operating profit margin	13.0 %	-6.0 %	12.0 %	22.3 %
Asset turnover rate	46.4 %	40.9 %	50.4 %	48.8 %
<b>Profitability (market)</b>				
Rate of return on assets	5.5 %	3.2 %	5.7 %	8.1 %
Rate of return on equity	6.2 %	1.7 %	6.5 %	10.3 %
Operating profit margin	17.7 %	10.5 %	18.5 %	24.1 %
Asset turnover rate	31.2 %	30.2 %	31.0 %	33.6 %
<b>Liquidity &amp; Repayment (end of year)</b>				
Current assets	1,278,966	870,805	598,254	2,342,988
Current liabilities	636,764	744,209	301,401	1,078,172
Current ratio	2.01	1.17	1.98	2.17
Working capital	642,202	126,597	296,854	1,264,817
Change in working capital	-107,734	-389,021	-47,111	77,492
Working capital to gross revenue	36.0 %	9.8 %	35.0 %	36.4 %
Working capital to oper expense	47.9 %	10.6 %	46.3 %	54.8 %
Debt coverage ratio	1.87	0.16	1.80	2.87
Term debt coverage ratio	2.05	0.00	2.00	3.11
Replacement coverage ratio	1.44	0.13	1.46	2.30
Term debt to EBITDA	2.16	11.52	2.40	1.55
<b>Solvency (end of year at cost)</b>				
Number of farms	88	17	17	18
Total assets	4,483,504	3,626,763	2,062,491	8,726,637
Total liabilities	1,904,871	2,185,912	917,803	3,524,888
Net worth	2,578,633	1,440,851	1,144,687	5,201,748
Net worth change	187,966	-123,310	81,361	705,753
Farm debt to asset ratio	43 %	64 %	48 %	41 %
Total debt to asset ratio	42 %	60 %	44 %	40 %
Change in earned net worth %	8 %	-8 %	8 %	16 %
<b>Solvency (end of year at market)</b>				
Number of farms	88	17	17	18
Total assets	6,571,751	4,899,676	3,335,975	12,373,764
Total liabilities	1,904,871	2,185,912	917,803	3,524,888
Net worth	4,666,880	2,713,764	2,418,171	8,848,876
Total net worth change	315,772	111,952	182,702	902,971
Farm debt to asset ratio	29 %	47 %	29 %	29 %
Total debt to asset ratio	29 %	45 %	28 %	28 %
Change in total net worth %	7 %	4 %	8 %	11 %
<b>Nonfarm Information</b>				
Net nonfarm income	37,828	40,277	58,309	34,590
Farms reporting living expenses	15	3	3	5
Total family living expense	126,869	-	-	145,579
Total living, invest, cap. purch	283,180	-	-	473,265
<b>Crop Acres</b>				
Total crop acres	2,078	1,785	1,074	3,485
Total crop acres owned	373	317	195	641
Total crop acres cash rented	1,646	1,402	831	2,819
Total crop acres share rented	59	66	48	25
Machinery value per crop acre	560	542	487	640

**Summary Farm Income Statement**  
**2023 Moorhead Farm Business Management Annual Report**  
**(Farms Sorted By Net Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	88	17	17	18
Crop sales	1,579,870	1,173,014	800,581	2,936,697
Crop inventory change	-11,632	-79,112	-37,244	114,296
Gross crop income	1,568,239	1,093,902	763,337	3,050,993
Livestock sales	17,946	90,176	-	-
Livestock inventory change	-1,162	-8,082	-	-
Gross livestock income	16,784	82,094	-	-
Government payments	9,290	9,366	6,735	21,965
Other cash farm income	141,408	76,608	51,897	237,638
Change in accounts receivable	20,920	61,084	9,265	43,990
Gain or loss on hedging accounts	-1,870	-45,778	4,090	33,024
Change in other assets	28,201	12	13,258	86,885
Gain or loss on breeding lvst	1,184	6,444	-	-
Gross farm income	1,784,790	1,287,016	848,583	3,474,496
Cash operating expenses	1,304,819	1,112,843	649,201	2,231,720
Change in prepaids and supplies	37,955	53,460	-27,813	55,872
Change in growing crops	-231	-871	-	-306
Change in accounts payable	-1,065	25,696	19,885	21,148
Depreciation	89,713	80,608	36,782	168,700
Total operating expense	1,431,190	1,271,738	678,055	2,477,134
Interest paid	63,016	73,175	31,683	118,075
Change in accrued interest	8,302	19,409	4,623	-5,167
Total interest expense	71,318	92,584	36,307	112,908
Total expenses	1,502,508	1,364,322	714,361	2,590,042
Net farm income from operations	282,281	-77,306	134,222	884,454
Gain or loss on capital sales	2,600	3,771	1,580	-6,275
Net farm income	284,881	-73,534	135,802	878,180

## Per Operator Information

### Moorhead Farm Business Management Program - Northland College

	<u>5-yr Average</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>Number of Farms</b>	82.6	88	79	80	87	79
<b>Operator Information</b>						
Ave Age of Operator	47.4	46.9	47.6	47.5	47.6	47.2
Ave Years Farming	23.8	22.7	23.6	23.6	24.9	24.4
Net Farm Income / Op	284,204	246,975	562,372	384,349	204,698	22,624
Net Non-farm Income	32,072	33,097	35,134	36,082	31,106	24,939
Family Living + Income Taxes	115,159	131,753	132,797	120,231	91,386	99,626
<b>Crop Acres per Operator</b>						
Total Crop Acres	1,846.5	1,817.9	1,755.8	1,962.9	1,888.7	1,807.1
Crop Acres Owned	365.9	326.1	299.9	413.3	426.1	363.9
Crop Acres Cash Rented	1,458.4	1,440.5	1,411.9	1,546.0	1,487.9	1,405.5
Crop Acres Share Rented	43.6	51.2	44.1	40.2	44.8	37.6
<b>Labor Analysis</b>						
Total labor Hours per farm	4,882	4,480	4,438	5,058	5,163	5,271
Value of farm prod/hour	328.93	403.18	457.22	316.58	254.03	213.62
Net farm Income / unpaid hour	168.50	160.68	347.95	209.76	111.34	12.78



**Crop Enterprise Analysis**  
**2023 Moorhead Farm Business Management Annual Report**  
**(Farms Sorted By Return to Overhead)**

**Barley on Cash Rent**

	<u>Avg. Of All Farms</u>
Number of farms	5
Acres	176.70
Yield per acre (bu.)	94.46
Operators share of yield %	100.00
Value per bu.	7.02
Total product return per acre	663.10
Other crop income per acre	0.79
Gross return per acre	663.89
<b>Direct Expenses</b>	
Seed and plants	25.71
Fertilizer	104.48
Crop chemicals	42.42
Crop insurance	18.62
Fuel & oil	26.49
Repairs	44.10
Custom hire	17.12
Land rent	142.73
Operating interest	8.37
Miscellaneous	9.71
Total direct expenses per acre	439.73
Return over direct exp per acre	224.15
<b>Overhead Expenses</b>	
Hired labor	21.80
Machinery leases	5.27
Farm insurance	10.13
Utilities	5.49
Dues & professional fees	4.71
Interest	4.07
Mach & bldg depreciation	18.33
Miscellaneous	1.74
Total overhead expenses per acre	71.54
Total dir & ovhd expenses per acre	511.28
Net return per acre	152.61
Government payments	-
Net return with govt pmts	152.61
Labor & management charge	42.85
Net return over lbr & mgt	109.76
<b>Cost of Production</b>	
Total direct expense per bu.	4.66
Total dir & ovhd exp per bu.	5.41
Less govt & other income	5.40
With labor & management	5.86
Net value per unit	7.02
Machinery cost per acre	114.31
Est. labor hours per acre	1.84

**Crop Enterprise Analysis**  
**2023 Moorhead Farm Business Management Annual Report**  
**(Farms Sorted By Return to Overhead)**

**Corn on Owned Land**

	<u>Avg. Of</u> <u>All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	33	6	6	7
Acres	262.43	375.55	379.02	344.51
Yield per acre (bu.)	168.47	161.90	169.41	173.31
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	4.48	4.22	4.67	4.67
Total product return per acre	755.33	682.72	791.84	809.71
Hedging gains/losses per acre	-5.61	-0.21	-39.33	17.14
Crop insurance per acre	14.87	3.61	42.54	3.75
Other crop income per acre	7.53	5.20	1.31	17.28
Gross return per acre	772.12	691.31	796.36	847.88
<b>Direct Expenses</b>				
Seed and plants	100.70	110.16	85.75	104.20
Fertilizer	185.19	201.50	189.51	170.06
Crop chemicals	37.71	37.64	45.03	31.94
Crop insurance	27.79	21.33	47.42	19.82
Drying expense	4.66	4.70	2.65	7.89
Fuel & oil	35.90	36.63	34.06	36.14
Repairs	67.53	81.89	66.68	54.24
Custom hire	4.05	1.42	2.95	9.18
Machinery leases	0.18	-	-	0.64
Marketing	0.47	1.24	-	0.20
Operating interest	14.96	15.40	18.98	12.70
Miscellaneous	4.80	6.64	0.79	5.11
Total direct expenses per acre	483.94	518.55	493.82	452.11
Return over direct exp per acre	288.17	172.77	302.54	395.76
<b>Overhead Expenses</b>				
Hired labor	40.06	59.64	35.62	32.94
Machinery leases	9.53	22.67	7.70	1.66
Building leases	1.62	0.47	0.71	2.18
RE & pers. property taxes	28.73	25.50	30.24	29.81
Farm insurance	10.12	10.20	9.14	9.62
Utilities	7.61	12.53	4.89	4.20
Dues & professional fees	4.91	6.08	3.69	4.24
Interest	94.22	77.96	149.30	56.78
Mach & bldg depreciation	55.83	46.51	55.91	66.20
Miscellaneous	5.00	7.26	2.52	4.51
Total overhead expenses per acre	257.62	268.80	299.73	212.14
Total dir & ovhd expenses per acre	741.56	787.35	793.55	664.26
Net return per acre	30.55	-96.04	2.81	183.62
Government payments	-	-	-	-
Net return with govt pmts	30.55	-96.04	2.81	183.62
Labor & management charge	65.25	50.41	60.02	81.80
Net return over lbr & mgt	-34.70	-146.45	-57.22	101.82
<b>Cost of Production</b>				
Total direct expense per bu.	2.87	3.20	2.91	2.61
Total dir & ovhd exp per bu.	4.40	4.86	4.68	3.83
Less govt & other income	4.30	4.81	4.66	3.61
With labor & management	4.69	5.12	5.01	4.08
Net value per unit	4.45	4.22	4.44	4.77
Machinery cost per acre	169.20	180.89	164.55	164.15
Est. labor hours per acre	2.89	3.87	2.25	2.81

**Crop Enterprise Analysis**  
**2023 Moorhead Farm Business Management Annual Report**  
**(Farms Sorted By Return to Overhead)**

**Corn on Cash Rent**

	<u>Avg. Of</u> <u>All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	60	12	12	12
Acres	629.17	408.58	921.67	620.56
Yield per acre (bu.)	164.71	159.49	162.78	165.50
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	4.55	4.23	4.65	4.62
Total product return per acre	749.68	673.98	756.49	764.07
Hedging gains/losses per acre	-1.35	-0.11	-24.51	26.02
Crop insurance per acre	23.64	2.28	30.60	51.90
Other crop income per acre	4.67	4.57	2.99	9.96
Gross return per acre	776.64	680.73	765.56	851.95
<b>Direct Expenses</b>				
Seed and plants	101.05	111.88	94.59	101.19
Fertilizer	186.08	199.42	176.42	162.47
Crop chemicals	38.08	39.27	41.68	27.32
Crop insurance	27.38	21.01	36.09	20.75
Drying expense	6.01	8.32	4.83	10.95
Storage	1.43	0.60	3.35	0.43
Fuel & oil	35.19	41.73	32.76	28.98
Repairs	71.17	78.10	69.32	51.70
Custom hire	8.04	7.42	1.19	11.36
Hired labor	1.18	0.10	-	2.17
Land rent	160.57	161.39	153.39	158.21
Marketing	1.06	1.12	0.13	0.68
Operating interest	15.20	14.13	20.35	3.84
Miscellaneous	3.60	4.88	1.90	5.17
Total direct expenses per acre	656.02	689.37	635.99	585.21
Return over direct exp per acre	120.62	-8.64	129.58	266.74
<b>Overhead Expenses</b>				
Hired labor	32.48	44.96	31.76	32.13
Machinery leases	7.69	18.73	3.65	5.97
Building leases	1.69	0.34	0.11	4.08
Farm insurance	9.61	13.90	9.64	5.94
Utilities	5.38	8.96	5.03	3.40
Dues & professional fees	4.11	5.79	3.29	3.16
Interest	7.27	6.08	7.01	5.86
Mach & bldg depreciation	47.30	43.41	57.35	48.29
Miscellaneous	4.28	5.49	2.85	4.13
Total overhead expenses per acre	119.81	147.65	120.69	112.96
Total dir & ovhd expenses per acre	775.83	837.02	756.67	698.17
Net return per acre	0.81	-156.29	8.89	153.78
Government payments	-	-	-	-
Net return with govt pmts	0.81	-156.29	8.89	153.78
Labor & management charge	63.26	57.38	57.16	64.68
Net return over lbr & mgt	-62.45	-213.67	-48.27	89.09
<b>Cost of Production</b>				
Total direct expense per bu.	3.98	4.32	3.91	3.54
Total dir & ovhd exp per bu.	4.71	5.25	4.65	4.22
Less govt & other income	4.55	5.21	4.59	3.69
With labor & management	4.93	5.57	4.94	4.08
Net value per unit	4.54	4.23	4.50	4.77
Machinery cost per acre	171.50	188.41	162.37	146.01
Est. labor hours per acre	2.55	3.53	1.93	2.67

# Corn on Cash Rented Land

## Moorhead Farm Business Management Program - Northland College

	<u>5-yr Average</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Number of Fields	48	60	49	48	39	46
Acres	536.24	629.17	459.59	625.95	483.42	483.07
Yield per Acre	159.54	164.71	175.58	131.27	164.58	161.57
** Value per Unit	4.72	4.55	6.11	5.45	4.08	3.40
Product Value	751.80	749.68	1,073.69	715.18	671.89	548.58
Other Income	35.78	26.96	-9.77	38.77	51.95	71.01
<b>Gross Return</b>	<b>787.59</b>	<b>776.64</b>	<b>1,063.91</b>	<b>753.95</b>	<b>723.84</b>	<b>619.59</b>
<b>Direct Costs</b>						
Seed	92.70	101.05	95.68	89.97	88.37	88.45
Fertilizer	148.30	186.08	205.23	126.37	118.45	105.36
Chemicals	33.03	38.08	37.82	30.31	30.88	28.08
Crop Insurance	24.23	27.38	27.47	22.06	23.77	20.48
Fuel & Oil	30.24	35.19	41.93	24.40	24.89	24.81
Repairs	56.12	71.17	66.73	50.68	47.51	44.52
Custom Hire	7.16	8.04	9.36	6.06	7.31	5.05
Land Rent	140.95	160.57	153.99	137.67	122.87	129.64
Other Direct Exp	30.85	36.52	24.77	22.01	30.47	40.49
Total Direct	562.29	656.02	664.48	509.54	494.51	486.88
Return over Direct	225.30	120.62	399.43	244.41	229.33	132.71
<b>Overhead Costs</b>						
Other Labor	27.38	32.48	25.72	23.55	29.02	26.14
Intermediate Interest	5.20	7.27	6.30	4.11	3.79	4.55
Depreciation	42.78	47.30	46.55	38.88	37.21	43.94
Other Overhead Exp	28.59	32.76	25.96	25.27	26.79	32.15
Total Ovhd Expenses	103.95	119.81	104.53	91.81	96.81	106.79
<b>Total Direct/Ovhd Expenses</b>	<b>666.24</b>	<b>775.83</b>	<b>769.01</b>	<b>601.35</b>	<b>591.32</b>	<b>593.68</b>
<b>*** Net Return</b>	<b>121.35</b>	<b>0.81</b>	<b>294.90</b>	<b>152.60</b>	<b>132.52</b>	<b>25.91</b>

\*\* - Value per Unit is a combination of actual Fall selling price and/or value on Dec 31st of that crop year.

\*\*\* - Net Return does **not** include direct government income or principal payment expenses or personal draw expenses

**Crop Enterprise Analysis**  
**2023 Moorhead Farm Business Management Annual Report**  
**(Farms Sorted By Return to Overhead)**

**Hay, Alfalfa on Owned Land**

	<u>Avg. Of All Farms</u>
Number of farms	6
Acres	120.75
Yield per acre (ton)	3.27
Operators share of yield %	100.00
Value per ton	158.29
Total product return per acre	517.83
Crop insurance per acre	6.21
Other crop income per acre	5.23
Gross return per acre	529.26
<b>Direct Expenses</b>	
Seed and plants	4.63
Fertilizer	53.46
Crop chemicals	8.19
Crop insurance	2.28
Packaging and supplies	2.01
Fuel & oil	33.37
Repairs	83.25
Custom hire	0.55
Operating interest	14.73
Miscellaneous	0.60
Total direct expenses per acre	203.07
Return over direct exp per acre	326.19
<b>Overhead Expenses</b>	
Hired labor	67.38
Machinery leases	23.54
RE & pers. property taxes	22.99
Farm insurance	8.44
Utilities	10.42
Dues & professional fees	2.18
Interest	46.92
Mach & bldg depreciation	38.56
Miscellaneous	3.33
Total overhead expenses per acre	223.76
Total dir & ovhd expenses per acre	426.83
Net return per acre	102.43
Government payments	-
Net return with govt pmts	102.43
Labor & management charge	47.03
Net return over lbr & mgt	55.41
<b>Cost of Production</b>	
Total direct expense per ton	62.08
Total dir & ovhd exp per ton	130.48
Less govt & other income	126.98
With labor & management	141.35
Net value per unit	158.29
Machinery cost per acre	177.69
Est. labor hours per acre	4.59

**Crop Enterprise Analysis**  
**2023 Moorhead Farm Business Management Annual Report**  
**(Farms Sorted By Return to Overhead)**

**Hay, Alfalfa on Cash Rent**

	<u>Avg. Of All Farms</u>
Number of farms	10
Acres	131.65
Yield per acre (ton)	3.54
Operators share of yield %	100.00
Value per ton	158.77
Total product return per acre	562.67
Crop insurance per acre	7.18
Other crop income per acre	0.42
Gross return per acre	570.27
<b>Direct Expenses</b>	
Fertilizer	60.51
Crop chemicals	7.58
Crop insurance	4.12
Packaging and supplies	12.97
Fuel & oil	41.61
Repairs	85.72
Custom hire	0.49
Land rent	136.69
Hauling and trucking	7.82
Operating interest	20.86
Miscellaneous	0.85
Total direct expenses per acre	379.23
Return over direct exp per acre	191.05
<b>Overhead Expenses</b>	
Hired labor	22.50
Machinery leases	9.36
Building leases	4.17
Farm insurance	9.79
Utilities	4.92
Dues & professional fees	3.52
Interest	8.89
Mach & bldg depreciation	57.85
Miscellaneous	1.41
Total overhead expenses per acre	122.40
Total dir & ovhd expenses per acre	501.63
Net return per acre	68.64
Government payments	-
Net return with govt pmts	68.64
Labor & management charge	68.21
Net return over lbr & mgt	0.43
<b>Cost of Production</b>	
Total direct expense per ton	107.01
Total dir & ovhd exp per ton	141.55
Less govt & other income	139.40
With labor & management	158.65
Net value per unit	158.77
Machinery cost per acre	199.73
Est. labor hours per acre	2.83

**Crop Enterprise Analysis**  
**2023 Moorhead Farm Business Management Annual Report**  
**(Farms Sorted By Return to Overhead)**

**Soybeans on Owned Land**

	<u>Avg. Of</u> <u>All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	36	7	7	8
Acres	290.43	191.69	271.99	360.62
Yield per acre (bu.)	38.87	34.18	38.68	39.96
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	12.46	12.25	12.65	12.66
Total product return per acre	484.29	418.73	489.32	505.93
Hedging gains/losses per acre	-0.16	0.21	-	-0.68
Crop insurance per acre	17.50	14.01	5.17	20.00
Other crop income per acre	7.18	7.42	11.84	9.01
Gross return per acre	508.80	440.37	506.34	534.26
<b>Direct Expenses</b>				
Seed and plants	66.95	63.18	71.95	63.36
Fertilizer	19.29	27.95	36.26	18.85
Crop chemicals	50.62	58.16	60.08	46.82
Crop insurance	22.73	20.84	24.09	21.19
Storage	0.86	0.70	0.16	1.07
Fuel & oil	18.96	21.14	18.45	19.44
Repairs	36.30	43.46	25.31	35.12
Custom hire	8.12	7.50	22.45	2.12
Marketing	0.51	0.80	0.86	0.37
Operating interest	8.52	12.80	7.15	4.81
Miscellaneous	4.68	4.28	4.64	4.61
Total direct expenses per acre	237.54	260.81	271.38	217.75
Return over direct exp per acre	271.26	179.56	234.95	316.51
<b>Overhead Expenses</b>				
Hired labor	20.94	23.68	15.33	23.77
Machinery leases	6.14	0.11	1.36	0.58
Building leases	0.98	0.64	0.56	2.10
RE & pers. property taxes	29.07	29.23	16.42	35.29
Farm insurance	8.55	11.02	6.70	10.41
Utilities	3.61	8.10	1.48	3.11
Dues & professional fees	4.20	4.49	4.70	3.93
Interest	71.51	103.92	60.52	29.68
Mach & bldg depreciation	26.62	36.53	30.83	34.09
Miscellaneous	3.04	7.77	1.70	2.36
Total overhead expenses per acre	174.66	225.49	139.61	145.32
Total dir & ovhd expenses per acre	412.20	486.30	410.99	363.07
Net return per acre	96.60	-45.93	95.35	171.19
Government payments	-	-	-	-
Net return with govt pmts	96.60	-45.93	95.35	171.19
Labor & management charge	34.49	42.36	33.36	40.90
Net return over lbr & mgt	62.11	-88.29	61.98	130.29
<b>Cost of Production</b>				
Total direct expense per bu.	6.11	7.63	7.02	5.45
Total dir & ovhd exp per bu.	10.60	14.23	10.63	9.09
Less govt & other income	9.97	13.59	10.19	8.38
With labor & management	10.86	14.83	11.05	9.40
Net value per unit	12.46	12.26	12.65	12.64
Machinery cost per acre	94.92	105.97	101.29	86.07
Est. labor hours per acre	1.71	1.52	0.97	1.83

**Crop Enterprise Analysis**  
**2023 Moorhead Farm Business Management Annual Report**  
**(Farms Sorted By Return to Overhead)**

**Soybeans on Cash Rent**

	<u>Avg. Of</u> <u>All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	69	13	14	14
Acres	662.06	449.01	949.04	485.94
Yield per acre (bu.)	39.73	34.00	40.25	42.95
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	12.50	12.48	12.48	12.56
Total product return per acre	496.53	424.45	502.37	539.33
Hedging gains/losses per acre	-0.05	-0.91	0.08	-
Crop insurance per acre	15.23	21.35	20.19	5.48
Other crop income per acre	5.08	4.42	3.73	4.75
Gross return per acre	516.80	449.32	526.37	549.56
<b>Direct Expenses</b>				
Seed and plants	64.39	67.23	61.52	63.50
Fertilizer	22.25	30.32	28.28	7.83
Crop chemicals	49.99	54.84	46.80	44.25
Crop insurance	23.57	25.56	24.39	23.62
Storage	0.76	0.57	1.15	0.12
Fuel & oil	19.39	23.23	22.52	13.71
Repairs	39.21	49.46	42.44	29.36
Custom hire	7.14	8.96	2.86	7.36
Hired labor	0.10	-	-	0.70
Land rent	159.47	161.19	156.82	139.63
Machinery leases	0.29	0.49	0.78	-
Marketing	0.77	0.34	0.88	0.10
Operating interest	7.55	11.43	10.47	3.97
Miscellaneous	3.47	5.96	4.21	0.65
Total direct expenses per acre	398.36	439.57	403.11	334.82
Return over direct exp per acre	118.44	9.75	123.26	214.74
<b>Overhead Expenses</b>				
Hired labor	16.37	20.91	25.02	6.64
Machinery leases	5.41	4.94	10.01	3.81
Building leases	0.83	1.44	1.56	0.86
Farm insurance	7.93	9.27	7.77	6.88
Utilities	3.19	4.86	3.24	3.90
Dues & professional fees	3.99	3.19	3.67	3.94
Interest	3.86	2.19	4.57	3.13
Mach & bldg depreciation	24.20	29.21	18.65	23.19
Miscellaneous	2.34	3.53	2.68	2.27
Total overhead expenses per acre	68.11	79.55	77.18	54.61
Total dir & ovhd expenses per acre	466.47	519.12	480.29	389.43
Net return per acre	50.33	-69.80	46.08	160.13
Government payments	-	-	-	-
Net return with govt pmts	50.33	-69.80	46.08	160.13
Labor & management charge	36.37	38.78	29.86	38.76
Net return over lbr & mgt	13.96	-108.57	16.22	121.37
<b>Cost of Production</b>				
Total direct expense per bu.	10.03	12.93	10.02	7.80
Total dir & ovhd exp per bu.	11.74	15.27	11.93	9.07
Less govt & other income	11.23	14.54	11.34	8.83
With labor & management	12.15	15.68	12.08	9.73
Net value per unit	12.50	12.46	12.48	12.56
Machinery cost per acre	96.66	115.71	97.94	76.85
Est. labor hours per acre	1.49	1.52	1.93	1.33



# Soybeans on Cash Rented Land

## Moorhead Farm Business Management Program - Northland College

	<u>5-yr Average</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Number of Fields	58	69	61	50	58	54
Acres	657.34	662.06	704.68	675.08	694.96	549.93
Yield per Acre	38.20	39.73	44.17	31.07	37.30	38.72
** Value per Unit	11.43	12.50	13.96	12.41	10.08	8.21
Product Value	438.52	496.53	616.75	385.56	375.82	317.93
Other Income	37.08	20.26	7.65	51.60	42.13	63.77
<b>Gross Return</b>	<b>475.60</b>	<b>516.80</b>	<b>624.40</b>	<b>437.16</b>	<b>417.96</b>	<b>381.69</b>
<b>Direct Costs</b>						
Seed	61.84	64.39	62.61	60.42	58.42	63.35
Fertilizer	14.55	22.25	16.43	13.36	8.23	12.47
Chemicals	39.73	49.99	48.12	37.18	30.93	32.42
Crop Insurance	21.30	23.57	24.80	21.53	18.19	18.41
Fuel & Oil	16.54	19.39	22.42	13.92	12.92	14.03
Repairs	31.31	39.21	35.70	28.49	27.59	25.58
Custom Hire	4.93	7.14	5.64	4.08	2.87	4.90
Land Rent	141.60	159.47	147.67	136.90	134.96	129.01
Other Direct Exp	11.54	12.94	10.92	9.35	12.72	11.79
Total Direct	343.34	398.36	374.33	325.23	306.83	311.96
Return over Direct	132.26	118.44	250.07	111.92	111.13	69.73
<b>Overhead Costs</b>						
Other Labor	13.59	16.37	12.82	12.78	15.55	10.43
Intermediate Interest	3.52	3.86	3.68	3.80	3.09	3.18
Depreciation	23.45	24.20	24.37	21.30	22.84	24.55
Other Overhead Exp	19.95	23.68	17.39	17.12	20.35	21.23
Total Ovhd Expenses	60.52	68.11	58.26	55.00	61.83	59.39
<b>Total Direct/Ovhd Expenses</b>	<b>403.86</b>	<b>466.47</b>	<b>432.59</b>	<b>380.23</b>	<b>368.66</b>	<b>371.35</b>
<b>*** Net Return</b>	<b>71.74</b>	<b>50.33</b>	<b>191.81</b>	<b>56.93</b>	<b>49.30</b>	<b>10.34</b>

\*\* - Value per Unit is a combination of actual Fall selling price and/or value on Dec 31st of that crop year.

\*\*\* - Net Return does **not** include direct government income or principal payment expenses or personal draw expenses

**Crop Enterprise Analysis**  
**2023 Moorhead Farm Business Management Annual Report**  
**(Farms Sorted By Return to Overhead)**

**Soybeans Seed on Owned Land**

	<u>Avg. Of All Farms</u>
Number of farms	5
Acres	164.43
Yield per acre (bu.)	39.07
Operators share of yield %	100.00
Value per bu.	13.24
Total product return per acre	517.29
Crop insurance per acre	12.27
Gross return per acre	529.56
<b>Direct Expenses</b>	
Seed and plants	62.26
Fertilizer	27.47
Crop chemicals	59.25
Crop insurance	15.91
Storage	4.27
Fuel & oil	18.65
Repairs	44.39
Custom hire	1.52
Operating interest	13.13
Miscellaneous	1.20
Total direct expenses per acre	248.05
Return over direct exp per acre	281.51
<b>Overhead Expenses</b>	
Hired labor	17.62
Machinery leases	6.99
Building leases	0.38
RE & pers. property taxes	28.12
Farm insurance	6.14
Utilities	2.68
Dues & professional fees	4.40
Interest	141.98
Mach & bldg depreciation	21.10
Miscellaneous	4.94
Total overhead expenses per acre	234.35
Total dir & ovhd expenses per acre	482.40
Net return per acre	47.16
Government payments	-
Net return with govt pmts	47.16
Labor & management charge	34.58
Net return over lbr & mgt	12.58
<b>Cost of Production</b>	
Total direct expense per bu.	6.35
Total dir & ovhd exp per bu.	12.35
Less govt & other income	12.03
With labor & management	12.92
Net value per unit	13.24
Machinery cost per acre	97.31
Est. labor hours per acre	1.24

**Crop Enterprise Analysis**  
**2023 Moorhead Farm Business Management Annual Report**  
**(Farms Sorted By Return to Overhead)**

**Soybeans Seed on Cash Rent**

	<u>Avg. Of All Farms</u>
Number of farms	7
Acres	790.18
Yield per acre (bu.)	36.48
Operators share of yield %	100.00
Value per bu.	13.46
Total product return per acre	490.97
Crop insurance per acre	39.18
Other crop income per acre	1.47
Gross return per acre	531.62
<b>Direct Expenses</b>	
Seed and plants	64.51
Fertilizer	32.39
Crop chemicals	57.65
Crop insurance	17.63
Storage	1.82
Fuel & oil	20.96
Repairs	45.22
Custom hire	1.93
Land rent	166.85
Hauling and trucking	1.12
Operating interest	9.46
Miscellaneous	3.39
Total direct expenses per acre	422.93
Return over direct exp per acre	108.68
<b>Overhead Expenses</b>	
Hired labor	22.55
Machinery leases	4.78
Farm insurance	8.46
Utilities	4.55
Dues & professional fees	4.17
Interest	3.48
Mach & bldg depreciation	42.43
Miscellaneous	4.14
Total overhead expenses per acre	94.57
Total dir & ovhd expenses per acre	517.50
Net return per acre	14.11
Government payments	-
Net return with govt pmts	14.11
Labor & management charge	37.11
Net return over lbr & mgt	-23.00
<b>Cost of Production</b>	
Total direct expense per bu.	11.59
Total dir & ovhd exp per bu.	14.19
Less govt & other income	13.07
With labor & management	14.09
Net value per unit	13.46
Machinery cost per acre	117.56
Est. labor hours per acre	1.32

**Crop Enterprise Analysis**  
**2023 Moorhead Farm Business Management Annual Report**  
**(Farms Sorted By Return to Overhead)**

**Wheat, Spring on Owned Land**

	<u>Avg. Of</u> <u>All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	27	5	6	6
Acres	239.83	324.56	192.34	272.43
Yield per acre (bu.)	75.02	63.95	76.03	81.84
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	7.14	7.10	6.99	7.37
Total product return per acre	535.54	454.01	531.42	603.15
Crop insurance per acre	4.84	5.04	6.06	-
Other crop income per acre	11.52	5.95	8.87	21.50
Gross return per acre	551.90	465.00	546.35	624.66
<b>Direct Expenses</b>				
Seed and plants	29.46	27.91	33.58	25.01
Fertilizer	150.98	155.02	152.76	147.57
Crop chemicals	46.58	44.67	42.67	50.87
Crop insurance	20.74	16.82	19.03	21.06
Drying expense	0.84	0.80	-	1.83
Storage	2.68	-	1.55	-
Fuel & oil	20.46	19.67	20.43	20.22
Repairs	39.55	42.48	34.78	31.34
Custom hire	5.39	1.68	2.15	2.51
Hired labor	0.38	1.51	-	-
Operating interest	10.85	10.05	9.49	7.77
Miscellaneous	4.24	1.84	1.52	3.50
Total direct expenses per acre	332.15	322.44	317.96	311.68
Return over direct exp per acre	219.75	142.56	228.38	312.97
<b>Overhead Expenses</b>				
Hired labor	14.94	18.11	12.80	10.09
Machinery leases	5.00	14.02	3.28	0.50
Building leases	0.69	0.67	0.31	0.13
RE & pers. property taxes	30.32	36.46	32.86	25.23
Farm insurance	10.09	7.82	10.27	10.76
Utilities	4.16	3.18	4.68	2.47
Dues & professional fees	4.16	3.73	3.35	4.31
Interest	78.96	119.32	87.69	58.83
Mach & bldg depreciation	30.03	15.73	27.43	38.86
Miscellaneous	2.24	1.41	1.82	2.79
Total overhead expenses per acre	180.60	220.45	184.49	153.97
Total dir & ovhd expenses per acre	512.76	542.88	502.46	465.65
Net return per acre	39.14	-77.88	43.89	159.00
Government payments	-	-	-	-
Net return with govt pmts	39.14	-77.88	43.89	159.00
Labor & management charge	40.97	28.49	39.53	49.28
Net return over lbr & mgt	-1.82	-106.38	4.36	109.73
<b>Cost of Production</b>				
Total direct expense per bu.	4.43	5.04	4.18	3.81
Total dir & ovhd exp per bu.	6.84	8.49	6.61	5.69
Less govt & other income	6.62	8.32	6.41	5.43
With labor & management	7.16	8.76	6.93	6.03
Net value per unit	7.14	7.10	6.99	7.37
Machinery cost per acre	99.73	92.92	89.41	93.07
Est. labor hours per acre	1.53	1.69	1.34	1.16

**Crop Enterprise Analysis**  
**2023 Moorhead Farm Business Management Annual Report**  
**(Farms Sorted By Return to Overhead)**

**Wheat, Spring on Cash Rent**

	<u>Avg. Of</u> <u>All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	55	11	11	11
Acres	482.03	420.90	501.70	490.97
Yield per acre (bu.)	71.55	56.47	74.66	84.53
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	7.25	7.06	7.13	7.50
Total product return per acre	518.87	398.94	532.12	633.61
Hedging gains/losses per acre	0.99	3.25	-	-
Crop insurance per acre	5.85	7.04	4.16	1.00
Other crop income per acre	5.16	4.00	5.14	3.81
Gross return per acre	530.88	413.24	541.42	638.42
<b>Direct Expenses</b>				
Seed and plants	30.03	26.33	32.17	26.71
Fertilizer	154.83	157.29	160.91	150.01
Crop chemicals	44.87	36.17	45.18	41.75
Crop insurance	18.38	14.05	16.39	21.01
Drying expense	0.70	1.66	0.20	0.97
Storage	1.78	0.25	5.19	1.23
Fuel & oil	18.71	19.16	15.73	19.53
Repairs	38.67	42.63	34.39	35.63
Custom hire	9.78	2.51	8.59	9.83
Land rent	158.88	161.84	155.66	165.54
Marketing	0.49	0.22	0.05	0.82
Operating interest	6.28	6.87	6.97	5.48
Miscellaneous	4.82	4.44	6.12	5.78
Total direct expenses per acre	488.22	473.42	487.56	484.28
Return over direct exp per acre	42.65	-60.19	53.86	154.13
<b>Overhead Expenses</b>				
Hired labor	15.37	25.45	12.64	7.99
Machinery leases	5.06	15.54	1.44	3.28
Building leases	1.05	1.03	1.07	1.83
Farm insurance	7.70	7.44	9.88	6.21
Utilities	3.26	3.83	4.51	2.85
Dues & professional fees	3.93	5.23	3.63	3.53
Interest	3.82	3.28	3.92	4.23
Mach & bldg depreciation	26.59	26.55	34.39	24.29
Miscellaneous	2.51	5.93	1.78	1.65
Total overhead expenses per acre	69.28	94.28	73.27	55.86
Total dir & ovhd expenses per acre	557.51	567.70	560.83	540.14
Net return per acre	-26.63	-154.47	-19.41	98.28
Government payments	-	-	-	-
Net return with govt pmnts	-26.63	-154.47	-19.41	98.28
Labor & management charge	38.20	36.74	37.63	40.01
Net return over lbr & mgt	-64.83	-191.21	-57.03	58.26
<b>Cost of Production</b>				
Total direct expense per bu.	6.82	8.38	6.53	5.73
Total dir & ovhd exp per bu.	7.79	10.05	7.51	6.39
Less govt & other income	7.62	9.80	7.39	6.33
With labor & management	8.16	10.45	7.89	6.81
Net value per unit	7.27	7.12	7.13	7.50
Machinery cost per acre	100.23	106.99	95.13	94.50
Est. labor hours per acre	1.33	1.95	1.19	1.05

# Spring Wheat on Cash Rented Land

## Moorhead Farm Business Management Program - Northland College

	<u>5-yr Average</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Number of Fields	54	55	50	48	57	62
Acres	532.31	482.03	503.78	555.59	543.31	576.82
Yield per Acre	64.93	71.55	70.30	58.08	63.47	61.25
** Value per Unit	7.10	7.25	9.13	8.74	5.59	4.77
Product Value	463.01	518.87	641.58	507.48	355.02	292.08
Other Income	40.73	12.00	7.70	28.86	39.88	115.20
<b>Gross Return</b>	<b>503.74</b>	<b>530.88</b>	<b>649.28</b>	<b>536.35</b>	<b>394.90</b>	<b>407.28</b>
<b>Direct Costs</b>						
Seed	26.18	30.03	30.91	23.50	24.13	22.33
Fertilizer	116.73	154.83	166.93	91.77	80.48	89.66
Chemicals	36.34	44.87	41.87	27.38	34.75	32.82
Crop Insurance	16.44	18.38	20.99	13.75	14.25	14.81
Fuel & Oil	16.55	18.71	22.86	14.22	13.15	13.83
Repairs	31.19	38.67	34.74	28.27	27.59	26.69
Custom Hire	6.37	9.78	6.99	2.92	6.38	5.79
Land Rent	141.89	158.88	144.10	134.76	138.44	133.26
Other Direct Exp	13.54	14.07	13.33	10.60	13.94	15.76
Total Direct	405.43	488.22	482.73	348.17	353.10	354.95
Return over Direct	98.30	42.65	166.54	188.17	41.81	52.33
<b>Overhead Costs</b>						
Other Labor	13.60	15.37	12.19	12.41	15.47	12.55
Intermediate Interest	3.61	3.82	3.92	4.54	2.97	2.81
Depreciation	23.96	26.59	25.44	22.47	20.92	24.40
Other Overhead Exp	21.50	23.51	20.37	17.73	23.17	22.71
Total Ovhd Expenses	62.67	69.28	61.92	57.15	62.53	62.47
<b>Total Direct/Ovhd Expenses</b>	<b>468.11</b>	<b>557.51</b>	<b>544.65</b>	<b>405.32</b>	<b>415.63</b>	<b>417.42</b>
<b>*** Net Return</b>	<b>35.63</b>	<b>-26.63</b>	<b>104.62</b>	<b>131.03</b>	<b>-20.72</b>	<b>-10.14</b>

\*\* - Value per Unit is a combination of actual Fall selling price and/or value on Dec 31st of that crop year.

\*\*\* - Net Return does **not** include direct government income or principal payment expenses or personal draw expenses

**Crop Enterprise Analysis**  
**2023 Moorhead Farm Business Management Annual Report**  
**Sugarbeets - Excluding Joint Ventures**  
**(Farms Sorted By Return to Overhead)**

**Sugar Beets on Owned Land**

	<u>Avg. Of All Farms</u>
Number of farms	15
Acres	158.18
Yield per acre (ton)	28.20
Operators share of yield %	100.00
Value per ton	84.74
Total product return per acre	2,389.97
Crop insurance per acre	0.73
Other crop income per acre	8.81
Gross return per acre	2,399.51
<b>Direct Expenses</b>	
Seed and plants	268.00
Fertilizer	144.37
Crop chemicals	163.15
Crop insurance	39.54
Fuel & oil	76.33
Repairs	159.35
Custom hire	22.45
Hired labor	40.12
Hauling and trucking	22.70
Operating interest	42.17
Miscellaneous	10.29
Total direct expenses per acre	988.46
Return over direct exp per acre	1,411.05
<b>Overhead Expenses</b>	
Hired labor	70.51
Machinery leases	24.13
Building leases	2.22
RE & pers. property taxes	31.64
Farm insurance	15.93
Utilities	12.42
Dues & professional fees	8.25
Interest	84.77
Mach & bldg depreciation	136.44
Miscellaneous	8.24
Total overhead expenses per acre	394.56
Total dir & ovhd expenses per acre	1,383.02
Net return per acre	1,016.49
Government payments	-
Net return with govt pmts	1,016.49
Labor & management charge	158.82
Net return over lbr & mgt	857.67
<b>Cost of Production</b>	
Total direct expense per ton	35.05
Total dir & ovhd exp per ton	49.04
Less govt & other income	48.70
With labor & management	54.33
Net value per unit	84.74
Machinery cost per acre	412.27
Est. labor hours per acre	5.77

**Crop Enterprise Analysis**  
**2023 Moorhead Farm Business Management Annual Report**  
**Sugarbeets - Excluding Joint Ventures**  
**(Farms Sorted By Return to Overhead)**

**Sugar Beets on Cash Rent**

	<u>Avg. Of</u> <u>All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	34	6	7	7
Acres	260.52	246.68	272.21	106.37
Yield per acre (ton)	28.44	26.86	29.87	30.00
Operators share of yield %	100.00	100.00	100.00	100.00
Value per ton	79.79	72.89	81.79	93.82
Total product return per acre	2,269.35	1,957.64	2,443.41	2,814.66
Crop insurance per acre	2.17	8.17	-	-
Other crop income per acre	4.08	7.34	3.48	1.12
Gross return per acre	2,275.60	1,973.15	2,446.89	2,815.77
<b>Direct Expenses</b>				
Seed and plants	280.46	270.22	279.60	307.22
Fertilizer	137.84	130.26	159.07	113.13
Crop chemicals	151.40	155.81	162.23	137.71
Crop insurance	46.79	46.68	57.48	51.02
Fuel & oil	71.60	62.61	95.35	81.70
Repairs	151.80	127.47	182.97	139.57
Custom hire	32.67	116.67	29.41	25.41
Hired labor	36.40	45.36	42.30	23.26
Land rent	170.28	157.49	162.43	167.13
Hauling and trucking	37.42	29.73	72.65	59.50
Operating interest	25.33	28.16	14.56	23.50
Miscellaneous	14.05	40.80	15.13	5.64
Total direct expenses per acre	1,156.04	1,211.25	1,273.17	1,134.78
Return over direct exp per acre	1,119.56	761.89	1,173.73	1,680.99
<b>Overhead Expenses</b>				
Hired labor	71.03	93.54	80.13	18.87
Machinery leases	20.23	42.95	5.97	6.63
Building leases	4.72	0.78	4.39	0.19
Farm insurance	17.96	10.44	23.33	6.93
Utilities	11.59	12.16	15.27	8.11
Dues & professional fees	8.56	6.37	10.56	7.05
Interest	10.67	2.60	16.07	27.50
Mach & bldg depreciation	92.36	87.10	107.60	57.45
Miscellaneous	15.47	42.93	12.92	6.61
Total overhead expenses per acre	252.61	298.88	276.23	139.34
Total dir & ovhd expenses per acre	1,408.65	1,510.14	1,549.40	1,274.12
Net return per acre	866.95	463.01	897.50	1,541.65
Government payments	-	-	-	-
Net return with govt pmnts	866.95	463.01	897.50	1,541.65
Labor & management charge	151.65	117.26	140.44	154.29
Net return over lbr & mgt	715.30	345.75	757.06	1,387.36
<b>Cost of Production</b>				
Total direct expense per ton	40.65	45.10	42.62	37.83
Total dir & ovhd exp per ton	49.53	56.23	51.87	42.47
Less govt & other income	49.31	55.65	51.75	42.43
With labor & management	54.64	60.02	56.45	47.58
Net value per unit	79.79	72.89	81.79	93.82
Machinery cost per acre	371.00	418.23	428.09	335.85
Est. labor hours per acre	5.90	7.95	5.37	4.68



# Sugarbeets on Cash Rented Land (excluding joint venture)

## Moorhead Farm Business Management Program - Northland College

	<u>5-yr Average</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Number of Fields	28	34	27	23	27	31
Acres	266.66	260.52	227.21	296.22	276.46	272.91
Yield per Acre	25.81	28.44	26.35	29.20	25.49	19.57
** Value per Unit	52.94	79.79	67.19	49.07	37.76	30.87
Product Value	1,407.92	2,269.35	1,770.56	1,433.10	962.27	604.33
Other Income	67.92	6.25	10.59	9.98	38.45	274.31
<b>Gross Return</b>	<b>1,475.84</b>	<b>2,275.60</b>	<b>1,781.15</b>	<b>1,443.08</b>	<b>1,000.72</b>	<b>878.65</b>
<b>Direct Costs</b>						
Seed	240.11	280.46	245.59	223.54	225.78	225.18
Fertilizer	99.39	137.84	117.79	81.74	75.49	84.11
Chemicals	139.90	151.40	163.77	146.31	119.92	118.08
Crop Insurance	37.98	46.79	46.39	34.81	32.01	29.91
Fuel & Oil	61.34	71.60	82.15	51.65	47.55	53.74
Repairs	122.94	151.80	135.99	111.47	112.08	103.36
Direct Labor	32.91	36.40	39.06	34.31	33.84	20.93
Custom Hire	48.43	70.09	79.27	67.28	14.94	10.55
Land Rent	149.45	170.28	147.07	153.23	145.27	131.42
Other Direct Exp	46.73	39.38	23.70	20.81	59.52	90.25
Total Direct	979.97	1,156.04	1,080.77	925.16	870.34	867.53
Return over Direct	495.87	1,119.56	700.38	517.92	130.38	11.12
<b>Overhead Costs</b>						
Other Labor	67.34	71.03	66.30	50.43	82.31	66.64
Intermediate Interest	10.53	10.67	13.58	11.06	8.59	8.74
Depreciation	88.81	92.36	91.23	91.36	73.76	95.34
Other Overhead Exp	67.73	78.55	68.28	64.99	57.87	68.97
Total Ovhd Expenses	234.41	252.61	239.40	217.84	222.53	239.69
<b>Total Direct/Ovhd Expenses</b>	<b>1,214.38</b>	<b>1,408.65</b>	<b>1,320.17</b>	<b>1,143.00</b>	<b>1,092.87</b>	<b>1,107.22</b>
<b>*** Net Return</b>	<b>261.46</b>	<b>866.95</b>	<b>460.98</b>	<b>300.08</b>	<b>-92.15</b>	<b>-228.58</b>

\*\* - Value per Unit is a combination of actual Fall selling price and/or value on Dec 31st of that crop year.

\*\*\* - Net Return does **not** include direct government income or principal payment expenses or personal draw expenses

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**(Farms Sorted By Return to Overhead)**

**Sugar Beets on Cash Rent**

	<u>Avg. Of</u> <u>All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	31	6	6	7
Acres	244.74	350.70	246.63	178.34
Yield per acre (ton)	29.12	26.24	28.64	31.25
Operators share of yield %	100.00	100.00	100.00	100.00
Value per ton	86.71	89.16	88.10	88.74
Total product return per acre	2,525.28	2,339.44	2,523.40	2,773.22
Crop insurance per acre	2.32	2.95	7.69	-
Other crop income per acre	4.95	4.87	3.91	11.45
Gross return per acre	2,532.55	2,347.26	2,535.00	2,784.66
<b>Direct Expenses</b>				
Seed and plants	289.88	296.26	294.45	266.76
Fertilizer	142.39	142.09	151.22	132.73
Crop chemicals	156.76	160.60	143.59	179.37
Crop insurance	48.36	47.28	45.75	41.42
Fuel & oil	74.69	87.81	59.31	62.03
Repairs	136.07	152.00	140.09	82.73
Custom hire	21.44	35.39	7.86	20.50
Hired labor	40.01	28.04	30.05	37.17
Land rent	166.16	177.82	172.44	156.70
Stock/quota lease	330.43	429.24	291.05	299.09
Machinery leases	0.17	0.60	-	-
Hauling and trucking	53.66	70.75	26.28	85.35
Operating interest	27.84	41.75	29.17	18.10
Miscellaneous	8.27	9.60	5.58	8.96
Total direct expenses per acre	1,496.13	1,679.24	1,396.83	1,390.91
Return over direct exp per acre	1,036.42	668.02	1,138.17	1,393.76
<b>Overhead Expenses</b>				
Hired labor	54.41	65.72	40.71	65.59
Machinery leases	16.57	10.64	10.69	15.04
Building leases	4.20	1.95	0.51	7.79
Farm insurance	13.08	11.50	11.50	14.97
Utilities	9.55	6.02	7.55	10.93
Dues & professional fees	6.85	7.47	9.22	5.64
Interest	14.40	16.84	12.58	16.13
Mach & bldg depreciation	87.67	98.82	80.46	108.58
Miscellaneous	9.07	12.09	6.51	8.12
Total overhead expenses per acre	215.82	231.05	179.73	252.78
Total dir & ovhd expenses per acre	1,711.94	1,910.29	1,576.56	1,643.69
Net return per acre	820.61	436.97	958.45	1,140.98
Government payments	-	-	-	-
Net return with govt pmts	820.61	436.97	958.45	1,140.98
Labor & management charge	149.51	141.22	151.74	147.93
Net return over lbr & mgt	671.10	295.75	806.71	993.04
<b>Cost of Production</b>				
Total direct expense per ton	51.37	64.00	48.77	44.51
Total dir & ovhd exp per ton	58.78	72.81	55.04	52.60
Less govt & other income	58.53	72.51	54.63	52.23
With labor & management	63.66	77.89	59.93	56.97
Net value per unit	86.71	89.16	88.10	88.74
Machinery cost per acre	343.06	389.48	306.61	295.94
Est. labor hours per acre	4.70	4.33	4.26	5.23

## Farm Financial Scorecard

	This Year		5-Year Ave		Strong		Vulnerable	
					2.0	1.3		
<b>Liquidity</b>								
Current ratio	2.01	1.92	30%	10%	X			
Working Capital to Gross Rev.	36.0%	32.9%	40%	20%		X		
*Working Capital to Oper. Exp.	47.9%	52.1%	X					
<b>Solvency (market)</b>	Note: These solvency ratios include deferred liabilities							
Farm debt/asset ratio	44%	44%	30%	60%		X		
Farm equity/asset ratio	56%	56%	70%	40%			X	
Farm debt/equity ratio	0.79	0.79	0.43	1.50		X		
<b>Profitability (Cost)</b>								
Rate of return on farm assets	6.0%	7.5%	8%	4%		X		
Rate of return on farm equity	7.2%	10.3%	10%	3%			X	
Operating profit margin	13.0%	15.2%	25%	15%				X
Asset Turnover Ratio	46.4%	46.0%	45%	30%		X		
<b>Repayment Capacity (Accrual)</b>								
*Debt Coverage Ratio	1.87	2.88	1.75	1.25		X		
Replacement Coverage Ratio	2.05	2.68	1.50	1.10		X		
Term-debt coverage ratio	1.44	1.82	1.75	1.25			X	
<b>Financial Efficiency</b>								
Operating-expense ratio	75.2%	72.6%	60%	80%			X	
Depreciation-expense ratio	5.0%	5.2%	5%	10%		X		
Interest-expense ratio	4.0%	3.8%	5%	10%		X		
Net farm income ratio	15.8%	18.2%	20%	10%			X	

\*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