

Executive Summary Edition

2024

Farm

Analysis

Report of

Moorhead

This is the 49th 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 2023, 78 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 47.4 years old with 23.3 years of farming experience. Farms averaged 1,936 acres per farm with 353 acres of that owned. Sugarbeets generated the largest gross dollar amount per farm (\$508,313). Corn (\$385,757) stayed in 2nd ahead of Soybeans at (\$350,869). Wheat was fourth at (\$169,431). The largest single expense was land rent (\$307,733) per farm, which is 21.9% of total cash expenses. Seed expense was 2nd at (\$192,485). Fertilizer (\$174,179), Repairs (\$139,106) and Chemicals (\$123,478) were the next three expenses.

*Net Farm Income (\$304,891) increased by 7.0% from the last years amount of \$284,881. Most of the increase in the net farm income was directly related to increased in accounts receivable in 2024 compared to 2023. Many farms saw better than expected yields for weather conditions and positive profitability even with greatly increased input costs. Information about our Farm Business Management program and other financial reports can be found at our website: **www.NorthlandFBM-Moorhead.com***

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NORTHLAND
COMMUNITY & TECHNICAL COLLEGE

Statement of Cash Flows - Total of 78 Farms in Analysis Report

Soybeans	\$27,367,782	
Sugarbeets	\$39,648,414	
Corn	\$30,089,046	
Wheat	\$13,215,618	
Other Crops	\$5,101,434	
Government Pymts	\$625,170	
Remaining Farm Income (Ins, etc)	\$17,389,320	
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Total Cash Farm Income		\$133,436,784
Fertilizer	\$13,585,962	
Land Rent	\$24,003,174	
Seed	\$15,013,830	
Chemicals	\$9,631,284	
Repairs	\$10,850,268	
Fuel	\$4,692,090	
Crop Insurance	\$3,761,940	
Remaining Farm Expenses	\$27,948,492	
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Total Farm Expense		(\$109,487,040)
Net Cash from Hedging		(\$195,000)
Net Nonfarm Income		\$4,107,792
Apparent Family Living Income & SS Tax Paid		(\$10,061,844) (\$2,932,176)
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Cash From Operating Activities		\$14,868,516
Sale of Machinery	\$5,056,974	
Sale of Farm Land	\$525,018	
Sale of Other Farm Assets	\$848,484	
Sale of Nonfarm Assets	\$1,445,574	
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Total Sales of Assets		\$7,876,050
Purchase of Machinery	(\$18,838,716)	
Purchase of Farm Land	(\$7,768,878)	
Pur of Farm Bldgs/Tiling	(\$4,622,436)	
Pur of Other Farm Assets	(\$2,664,792)	
Pur of Nonfarm Assets	(\$4,321,590)	
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Total Purchase of Assets		(\$38,216,412)
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Cash From Investing Activities		(\$30,340,362)
Money Borrowed		\$91,300,170
Principal Payments		(\$74,301,396)
Gifts & Inheritances		(\$714,480)
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Cash From Financing Activities		\$16,284,294
Net change in cash balance:		\$812,448
Inventory Change:	\$8,294,286	

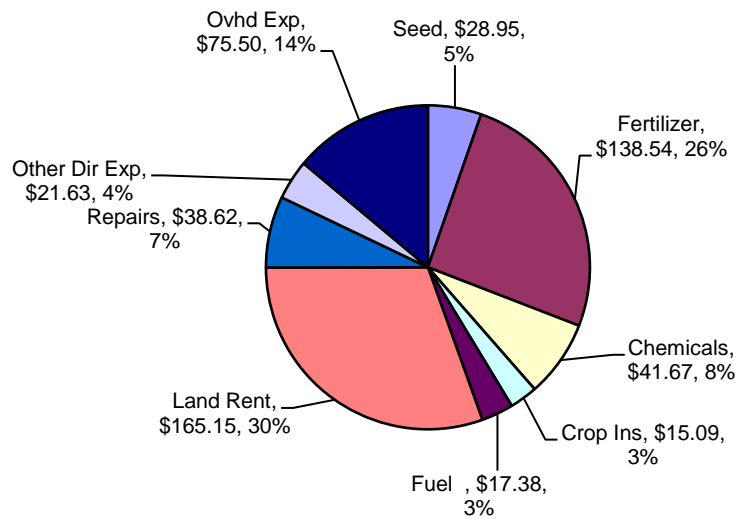
Farm Financial Scorecard

Liquidity	This Year	5-Year Ave	Strong	Vulnerable
	Current ratio	1.79	2.01	2.0
Working Capital to Gross Rev.	34.1%	35.4%	30%	10%
*Working Capital to Oper. Exp.	46.8%	51.1%	40%	20%
Solvency (market)				
Note: These solvency ratios include deferred liabilities				
Farm debt/asset ratio	46%	45%	30%	60%
Farm equity/asset ratio	54%	55%	70%	40%
Farm debt/equity ratio	0.84	0.80	0.43	1.50
Profitability (Cost)				
Rate of return on farm assets	6.0%	8.8%	8%	4%
Rate of return on farm equity	6.6%	12.4%	10%	3%
Operating profit margin	13.8%	18.1%	25%	15%
Asset Turnover Ratio	43.2%	47.1%	45%	30%
Repayment Capacity (Accrual)				
*Debt Coverage Ratio	1.71	2.64	1.75	1.25
Replacement Coverage Ratio	1.39	2.05	1.50	1.10
Term-debt coverage ratio	1.89	2.97	1.75	1.25
Financial Efficiency				
Operating-expense ratio	72.8%	70.0%	60%	80%
Depreciation-expense ratio	5.8%	5.0%	5%	10%
Interest-expense ratio	5.2%	3.9%	5%	10%
Net farm income ratio	16.2%	20.9%	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 (Avg of all Farms)



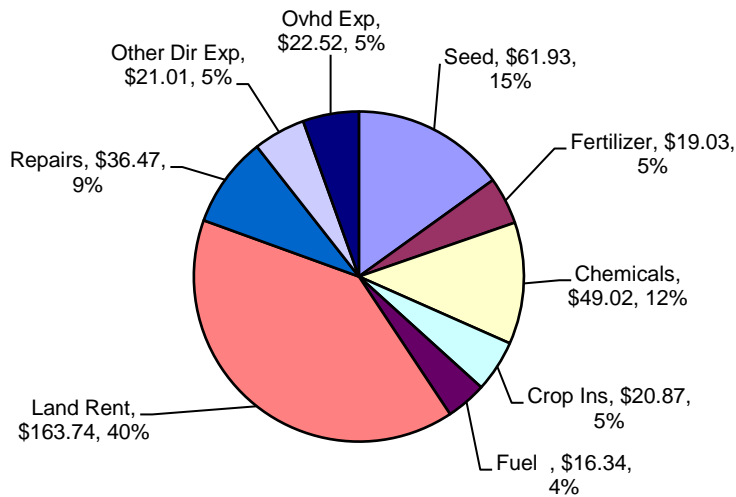
	My Farm	
	\$/A.	%
Seed		
Fertilizer		
Chemicals		
Crop Ins		
Fuel		
Repairs		
Land Rent		
Other Dir		
Ovhd Exp		

	2019	2020	2021	2023	2024
Yield	63.47	58.08	70.30	71.55	75.84
**Total Costs/Acre	\$415.63	\$405.32	\$544.65	\$557.51	\$551.03
Total Costs/Bu	\$6.55	\$6.98	\$7.75	\$7.79	\$7.27

	My Farm	
	\$/A.	%
Yield		
Costs/A.		
Costs/bu.		

**-does not include principal pymts or personal draw

Soybeans - Cash Rented (Avg of all Farms)



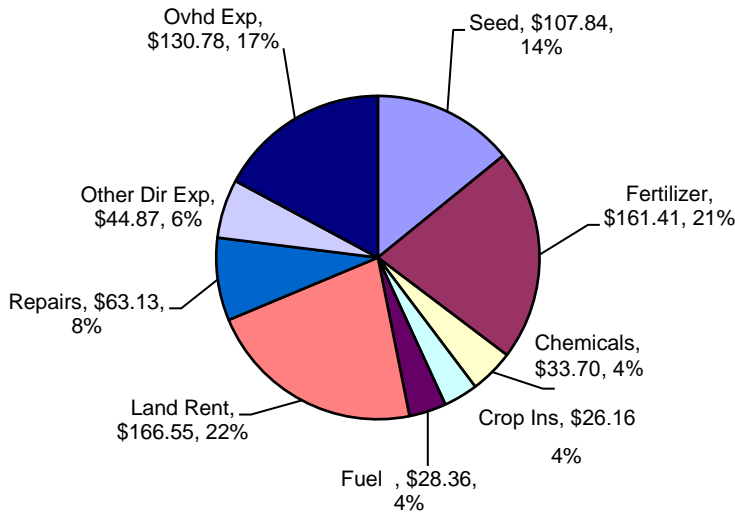
	My Farm	
	\$/A.	%
Seed		
Fertilizer		
Chemicals		
Crop Ins		
Fuel		
Repairs		
Land Rent		
Other Dir		
Ovhd Exp		

	2019	2020	2021	2023	2024
Yield	37.30	31.07	44.17	39.73	40.22
**Total Costs/Acre	\$368.66	\$380.23	\$432.59	\$466.47	\$465.50
Total Costs/Bu	\$9.88	\$12.24	\$9.79	\$11.74	\$11.57

	My Farm	
	\$/A.	%
Yield		
Costs/A.		
Costs/Bu.		

**-does not include principal pymts or personal draw

Corn - Cash Rented (Avg of all Farms)



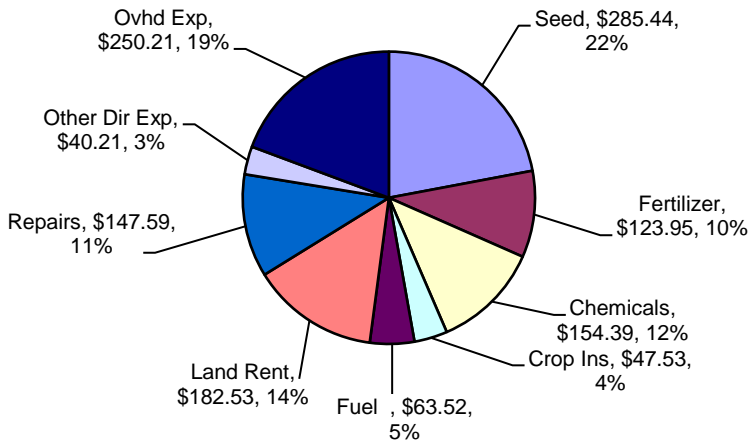
	My Farm	
	\$/A.	%
Seed		
Fertilizer		
Chemicals		
Crop Ins		
Fuel		
Repairs		
Land Rent		
Other Dir		
Ovhd Exp		

	2019	2020	2021	2023	2024
Yield	164.58	131.27	175.58	164.71	174.32
**Total Costs/Acre	\$591.32	\$601.35	\$769.01	\$775.83	\$770.76
Total Costs/Bu	\$3.59	\$4.58	\$4.38	\$4.71	\$4.42

**-does not include principal pymts or personal draw

	My Farm
Yield	
Costs/A.	
Costs/Bu.	

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



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

	2019	2020	2021	2023	2024
Yield	25.49	29.20	26.35	28.44	30.04
**Total Costs/Acre	\$1,092.87	\$1,143.00	\$1,320.17	\$1,408.65	\$1,434.06
Total Costs/Ton	\$42.87	\$39.14	\$50.10	\$49.53	\$47.74

**-does not include principal pymts or personal draw

	My Farm
Yield	
Costs/A.	
Costs/T.	