

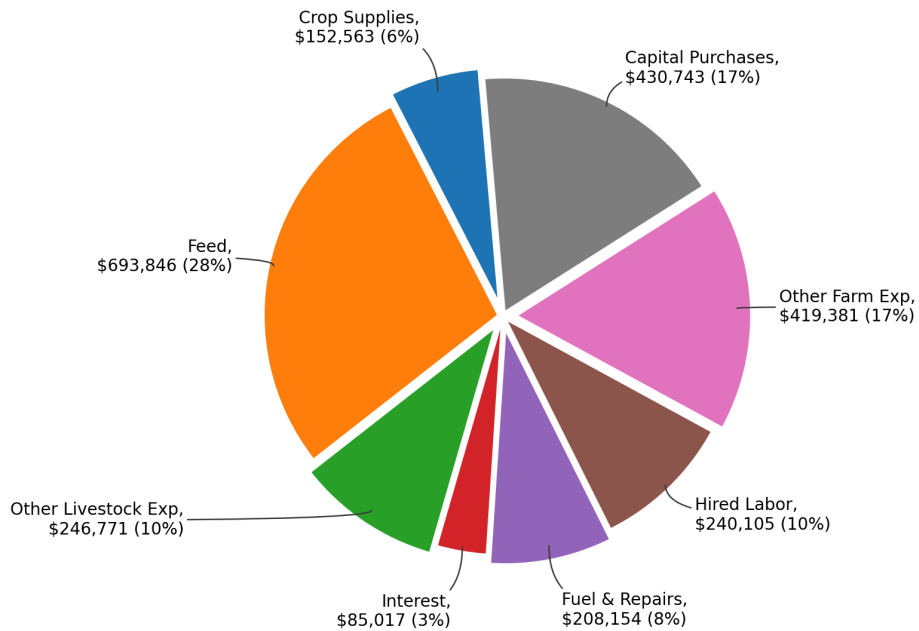
Farm Business Management Program Database

Dairy Farm Sort - 2025

Financial Sort By Gross Revenue & Enterprise Sort Data by Herd Size
 Selected Production Practice Sorts, 5-yr & Long Term Trends of Selected Data

April 2026

Average Dollars Spent by a Dairy Farm: \$2,565,163



In Cooperation with the Center for Farm Financial Management, University of Minnesota
 Compiled by Nathan Converse

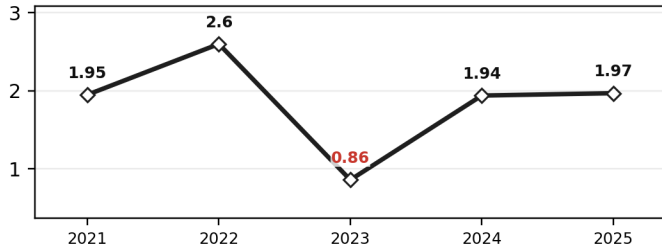
Contact: Keith Olander @ keith.olander@clcmn.edu or Tina LeBrun @ tina.lebrun@southcentral.edu
 Farm Business Management Website: agcentric.org or centerofagriculture.org

A Brief Overview of 2025

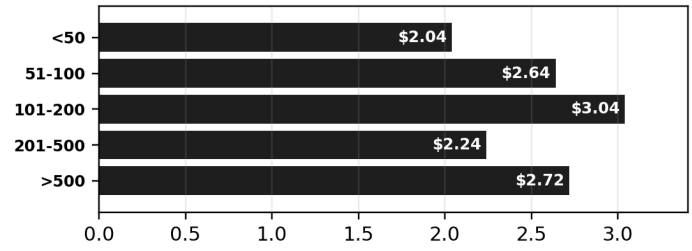
This report summarizes data from the Minnesota State Farm Business Management (FBM) Database to provide specialized information for Minnesota dairy producers.

The farms in this report show both whole-farm financial structure and dairy enterprise insights by herd size.

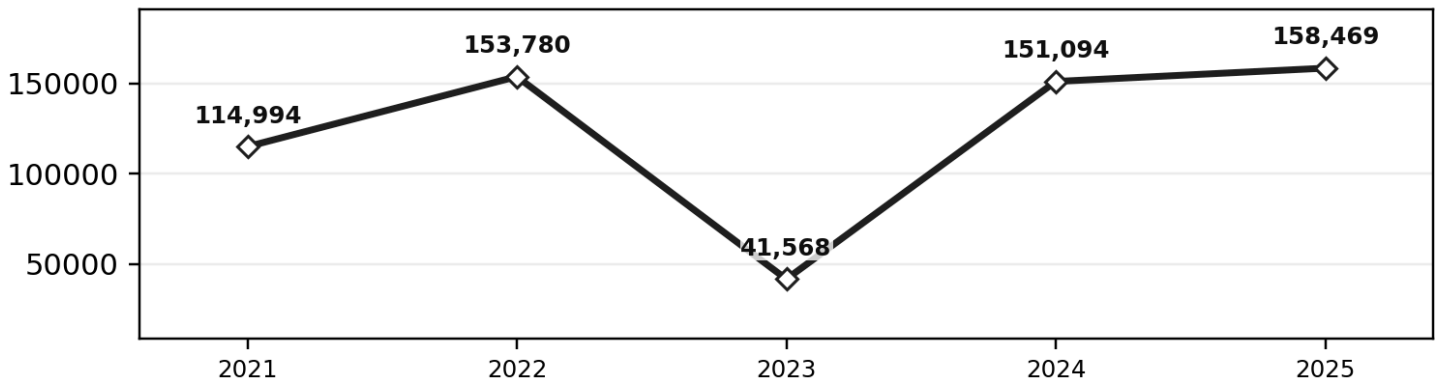
Debt Coverage Ratios Improve in 2025



Net Return by Herd Size



Net Farm Income Improves in 2025



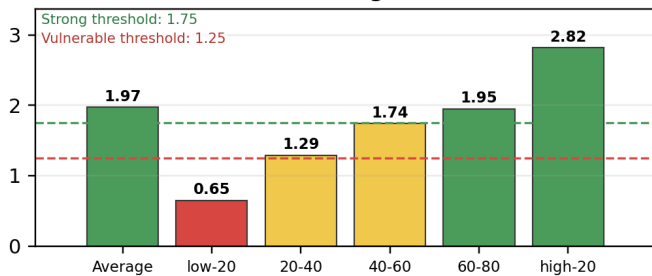
Selected Financial Standards Measures by Gross Farm Income Group

Measure	Average	low-20	20-40	40-60	60-80	high-20
Income Statement						
Gross cash farm income	2,374,745	1,610,426	858,841	1,480,624	2,180,234	5,708,315
Total cash farm expense	2,045,836	1,544,765	749,950	1,276,155	1,844,365	4,786,908
Net cash farm income	328,909	65,662	108,891	204,468	335,870	921,407
Average net farm income	292,966	-62,008	76,059	160,138	296,862	983,399
Median net farm income	158,469	-11,160	77,843	157,152	291,128	722,037
Solvency (end of year at market)						
Total assets (market)	5,069,492	3,878,141	2,243,774	3,252,717	4,784,522	11,124,303
Total liabilities (market)	1,729,839	2,007,217	748,758	935,793	1,694,051	3,252,384
Net worth (market)	3,339,653	1,870,924	1,495,017	2,316,923	3,090,471	7,871,918
Total net worth change (market)	343,679	-19,218	102,420	192,298	354,176	1,077,778

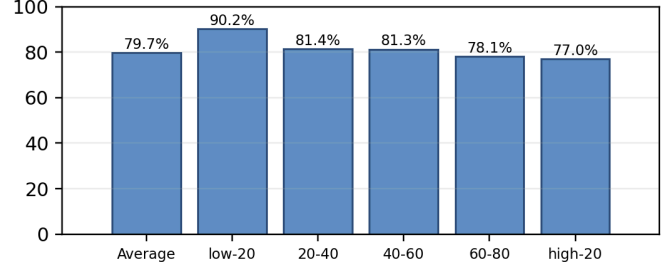
Financial Standards Measures

Measure	Average	low-20	20-40	40-60	60-80	high-20
Liquidity						
Number of farms	233	46	47	46	47	47
Current ratio	2.27	1.44	1.72	2.19	2.47	2.75
Working capital	444,573	152,162	125,726	282,277	435,385	1,217,641
Working capital to oper expense	22.6%	10.5%	17.5%	22.6%	24.8%	26.3%
Solvency (market)						
Farm debt to asset ratio	43%	62%	44%	36%	43%	37%
Farm equity to asset ratio	57%	38%	56%	64%	57%	63%
Change in total net worth %	11%	-1%	7%	9%	13%	16%
Profitability (cost)						
Rate of return on farm assets	7.1%	-0.4%	3.8%	4.9%	6.8%	11%
Rate of return on farm equity	8.5%	-10.5%	2.8%	5.1%	8.4%	14.3%
Operating profit margin	15.9%	-1.1%	9.1%	10.8%	15.8%	22.8%
Net farm income (avg)	292,966	-62,008	76,059	160,138	296,862	983,399
EBITDA	2.54	9.10	3.44	2.18	2.65	1.74
Repayment Capacity						
Debt repayment capacity	419,225	129,717	130,796	222,695	398,394	1,204,190
Debt repayment margin	-30,154	-261,757	-8,689	-143,265	49,133	206,483
Debt coverage ratio	1.97	0.65	1.29	1.74	1.95	2.82
Replacement coverage ratio	1.66	0.55	1.17	1.47	1.63	2.35
Term debt to EBITDA	2.54	9.10	3.44	2.18	2.65	1.74
Efficiency						
Asset turnover rate	44.8%	37.4%	41.6%	45.5%	43.2%	48.3%
Operating expense ratio	79.7%	90.2%	81.4%	81.3%	78.1%	77.0%
Depreciation expense ratio	5%	6.6%	5.7%	5.7%	5.2%	4.2%
Interest expense ratio	3.5%	7%	4.1%	2.7%	3.5%	2.6%
Net farm income ratio	11.8%	-3.8%	8.8%	10.4%	13.2%	16.2%

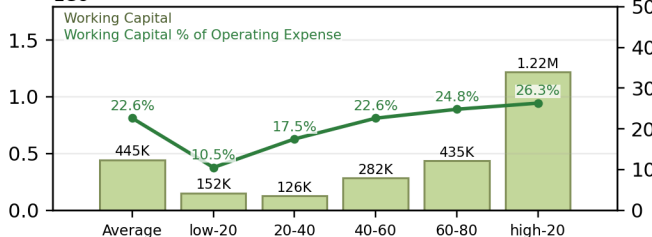
Debt Coverage Ratio



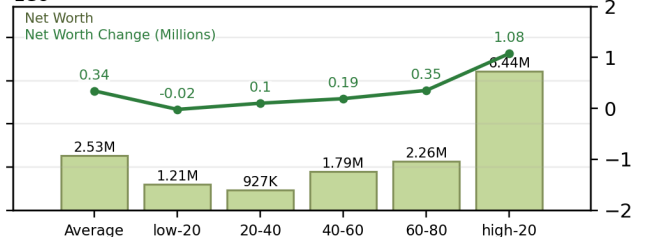
Operating Expense Ratio



Working Capital



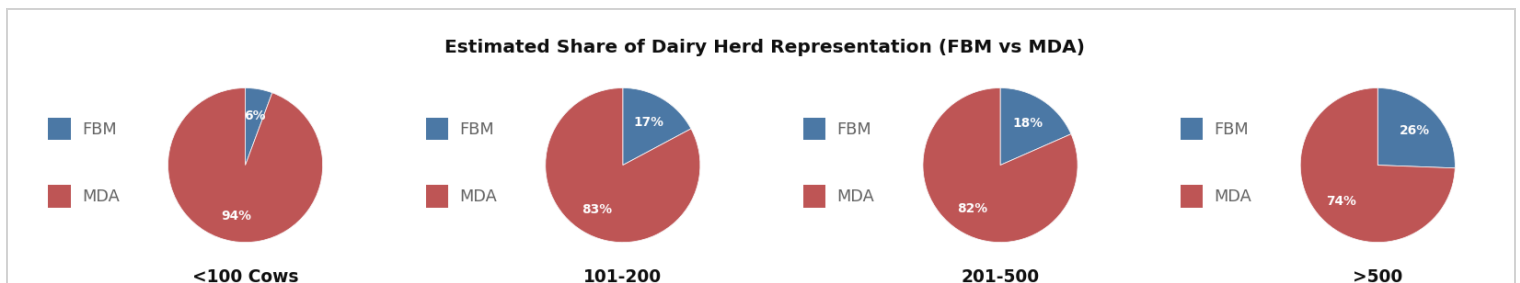
Net Worth Factors



Dairy Cow Enterprise

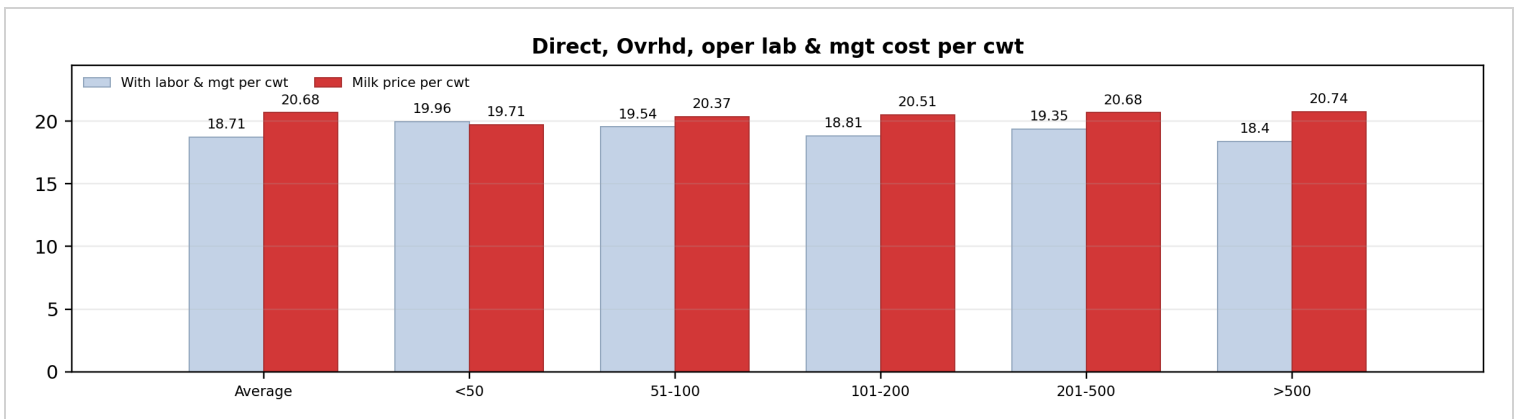
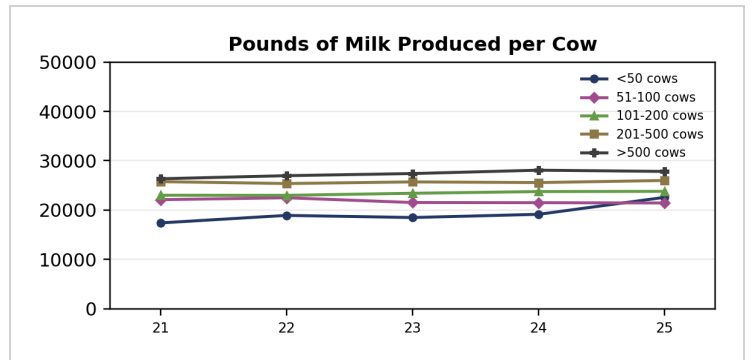
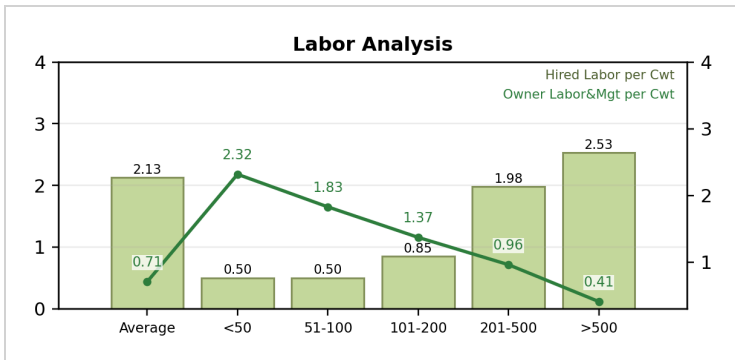
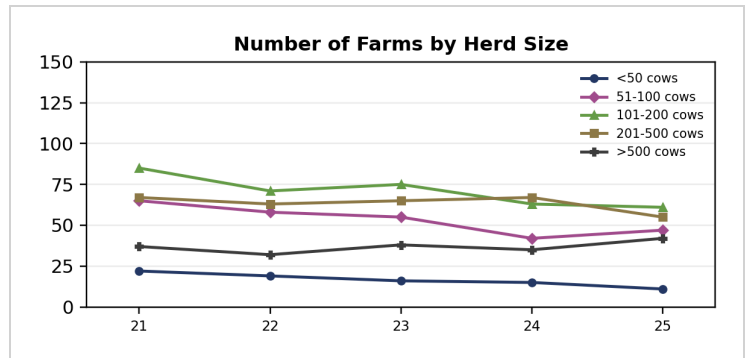
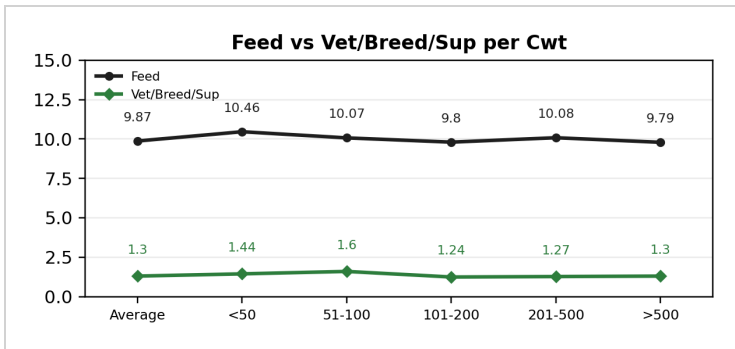
Measure	Average	Up to 50	51 to 100	101 to 200	201 to 500	Over 500
Number Of Farms	216	11	47	61	55	42
Milk sold (hd)	5,469.63	4,446.34	4,344.89	4,864.47	5,335.94	5,753.24
Dairy Calves sold (hd)	400.99	116.75	210.25	316.63	369.29	449.88
Transferred out (hd)	100.43	278.97	236.56	129.19	169.20	54.59
Cull sales (hd)	469.42	486.59	451.56	502.23	451.81	470.70
Government payments	0.34	N/A	0.12	2.45	0.07	0.03
Other income (includes DRP insurance)	36.33	55.99	19.27	23.96	14.05	48.74
Purchased & Transferred in (hd)	-128.18	-36.45	-167.70	-108.96	-76.07	-149.82
Inventory change (hd)	99.63	-73.49	49.69	78.20	46.98	130.36
Dairy repl cost	-696.83	-471.69	-591.97	-721.63	-675.68	-710.99
Gross margin	5,773.75	4,823.81	4,576.95	5,102.15	5,664.25	6,067.31
Direct Expenses						
Protein/Concentrate	1,445.03	1,049.32	1,028.29	1,193.59	1,424.33	1,544.86
Corn & Corn Silage	750.89	701.41	661.86	689.66	736.92	777.10
Hay, Alfalfa	186.39	341.54	273.47	266.29	169.01	167.45
Other forages	189.97	246.10	174.18	141.06	235.22	183.57
Breeding fees	59.19	60.04	54.26	49.45	54.81	63.31
Veterinary	109.67	106.96	116.85	84.67	108.99	114.56
Supplies	176.76	159.04	171.25	161.81	167.17	184.22
Fuel & oil	102.08	93.88	93.42	103.80	115.84	97.24
Repairs	258.79	264.97	233.44	235.67	280.91	257.20
Custom hire & hired labor	521.06	60.80	58.26	180.02	366.50	695.68
Hauling, & Trucking	147.86	171.89	116.98	138.03	137.33	156.34
Marketing	58.74	55.25	44.36	51.07	58.23	61.80
Bedding	87.46	34.03	79.21	97.40	88.02	86.41
Miscellaneous	4.84	5.59	0.47	2.58	0.60	7.30
Total direct expenses	4,275.50	3,619.55	3,242.10	3,564.13	4,104.04	4,584.35
Return over direct expense	1,498.25	1,204.27	1,334.85	1,538.02	1,560.21	1,482.95
Total overhead expenses	795.97	743.09	769.47	812.91	977.61	725.30
Net return						
Labor & management charge	187.56	523.42	392.01	326.34	250.06	113.78
Net return over lbr & mgt	514.73	-62.24	173.37	398.77	332.54	643.88
Cost of Production per CWT						
Total direct expense per cwt.	16.10	16.03	15.12	14.98	15.79	16.47
Total dir& ovhd expense per cwt.	19.09	19.32	18.71	18.40	19.55	19.08
With other revenue adjustments	18.01	17.65	17.71	17.44	18.39	17.99
With labor and management	18.71	19.96	19.54	18.81	19.35	18.40
Est. labor hours per unit	37.45	43.69	35.93	35.36	35.71	38.62
Other Information						
Avg. number of Cows	331	38.90	76.50	144.80	296.30	1,008.20
Milk produced per Cow	26,563	22,584	21,436	23,794	25,999	27,833
Lb. of Milk Sold/FTE	1,773,230.97	1,292,286.56	1,491,511.27	1,682,268.10	1,820,148.42	1,801,721.91
Milk quality (ECM / fat+protein per cow)	29,323 / 1,994	24,103 / 1,630	23,778 / 1,631	26,233 / 1,791	28,931 / 1,967	30,643 / 2,081
Turnover rate	33.40	41.40	34.60	33.60	33.80	33
Feed cost per head per day	7.19	6.47	5.92	6.39	7.18	7.47
Feed cost per cwt of milk	9.87	10.46	10.07	9.80	10.08	9.79
Feed cost per Cow	2,622.61	2,361.19	2,159.17	2,332.62	2,620.85	2,725.80
Avg. milk price per cwt.	20.68	19.71	20.37	20.51	20.68	20.74
Milk price / feed margin	10.81	9.25	10.30	10.70	10.60	10.95

In cooperation with the Minnesota Department of Agriculture, we have estimated that the data in this report represents the following percentage of dairy herds in the state of Minnesota:



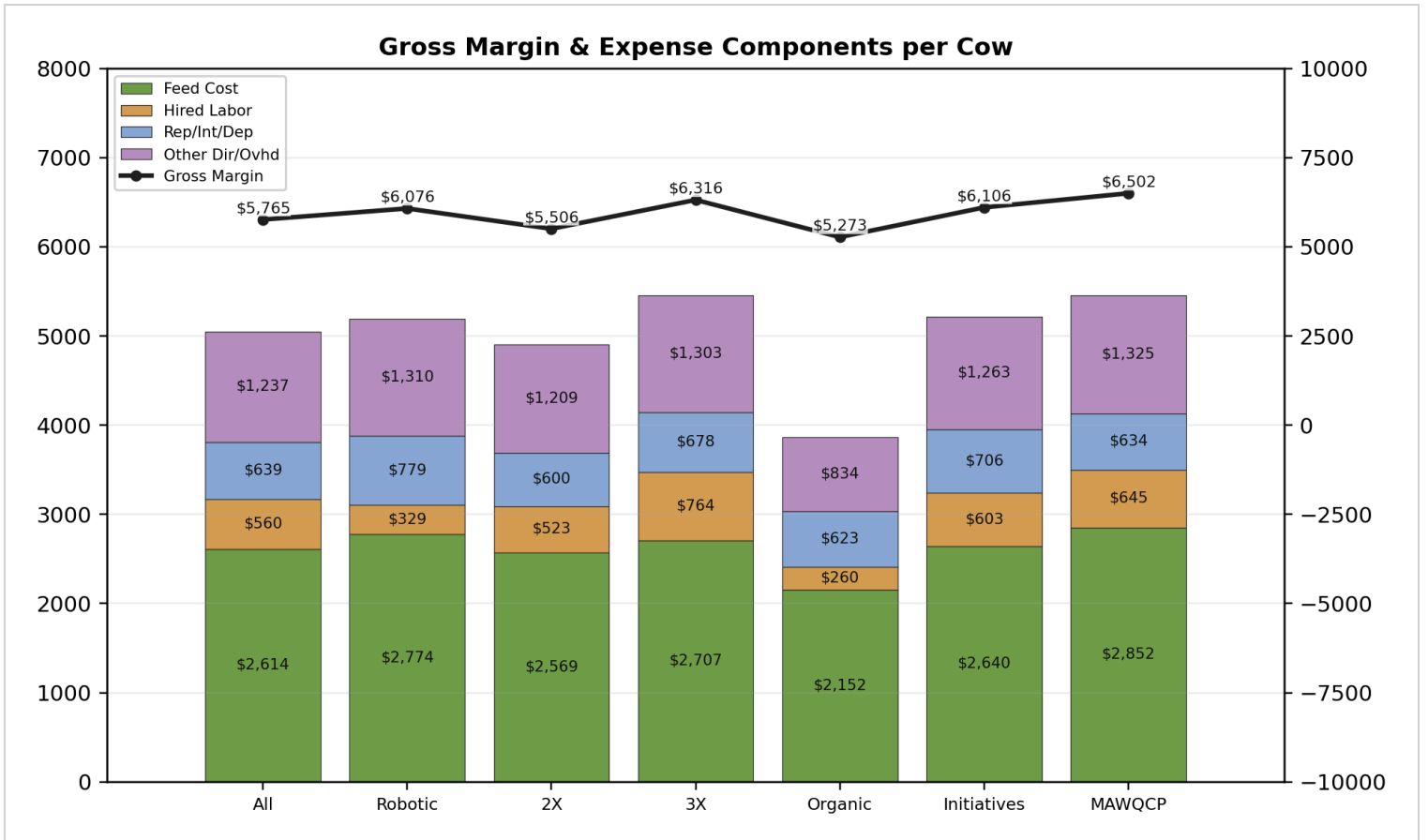
Selected Dairy Enterprise Factors

Measure	State Avg	Up to 50	51 to 100	101 to 200	201 to 500	Over 500
Number of Farms	216	11	47	61	55	42
Avg # of Cows	331	38.90	76.50	144.80	296.30	1,008.20
Milk Prod. Per Cow	26,563	22,584	21,436	23,794	25,999	27,833
Feed Cost per Cwt	9.87	10.46	10.07	9.80	10.08	9.79
Interest per Cwt	0.50	0.51	0.64	0.55	0.48	0.49
Vet, Breeding & Supplies / Cwt	1.30	1.44	1.60	1.25	1.27	1.30
Hired Labor per Cwt	2.13	0.50	0.50	0.85	1.98	2.53
Deprec/Lease per Cwt	0.87	1.19	1.14	1.12	1.10	0.72
Milk Price per Cwt	20.68	19.71	20.37	20.51	20.68	20.74
Dir & Ovhd Cost per Cwt	19.09	19.32	18.71	18.40	19.55	19.08
Return over Dir & Ovhd per Cow	702.28	461.18	565.38	725.12	582.60	757.66
Herd Profit over Dir&Ovhd	232,454.68	17,939.90	43,251.57	104,997.38	172,624.38	763,872.81
Owner Labor&Mgt per Cwt	0.71	2.32	1.83	1.37	0.96	0.41
Net per Cow after Labor&Mgt	514.73	-62.24	173.37	398.77	332.54	643.88
Herd Profit over Labor&Mgt	170,375.63	-2,421.14	13,262.81	57,741.90	98,531.60	649,159.82



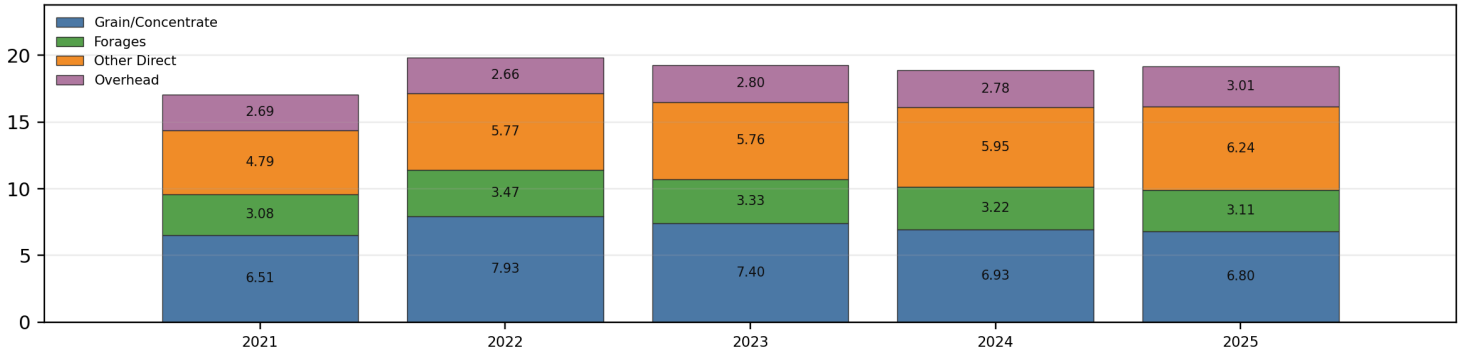
Additional Selected Sorts within Dairy Enterprise

Measure	All	Robotic Dairy	Non-Robotic Traditional 2X	Non-Robotic 3X Milking	Organic	Dairy Initiatives	MAWQCP (preliminary)
Number of Farms	231	31	161	23	15	51	22
Number of Cows	315.10	243	278.30	820.50	85.10	329.70	487.40
Milk Produced per Cow	26,345	27,410	25,746	28,297	14,166	26,946	28,526
Milk Sold per Cwt	20.73	20.58	20.46	20.87	35.60	21	21.07
Gross Margin	21.88	22.17	21.39	22.32	37.22	22.66	22.79
Feed Cost per Cwt	9.92	10.12	9.98	9.57	15.19	9.80	10
Breeding Fees	0.22	0.18	0.23	0.22	0.22	0.24	0.21
Veterinary	0.41	0.40	0.41	0.42	0.26	0.41	0.33
Repairs	0.98	1.07	0.95	0.97	1.72	1.12	1.00
Hired Labor per Cwt	2.12	1.20	2.03	2.70	1.83	2.24	2.26
Interest	0.50	0.56	0.47	0.53	1.12	0.51	0.36
Depreciation	0.87	1.18	0.82	0.85	1.48	0.92	0.83
Total Dir & Ovhd Cost per Cwt	19.17	18.95	19.04	19.27	27.31	19.34	19.13
Net Return per Cwt	2.71	3.22	2.35	3.05	9.91	3.32	3.67
Cost of Prod - O&D per Cwt	19.17	18.95	19.04	19.27	27.31	19.34	19.13
Turnover Rate	33.20	35.50	33.70	32	24.20	34.20	32.90
Lbs of fat & protein per Cwt	7.50	7.58	7.37	7.76	7.33	7.63	7.71
Energy Corrected Milk per Cwt	110.39	111.20	109.03	113.01	109.33	111.71	112.46
Cwt of Milk Sold/FTE	17,568.02	21,609.90	17,557.28	16,956.50	8,882.62	17,602.56	17,612.99
Average Milk Price per Cwt	20.82	20.67	20.55	20.97	36.19	21.13	21.15

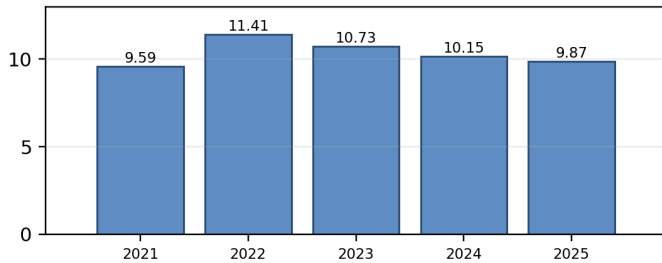


Five-Year Dairy Cost Trends

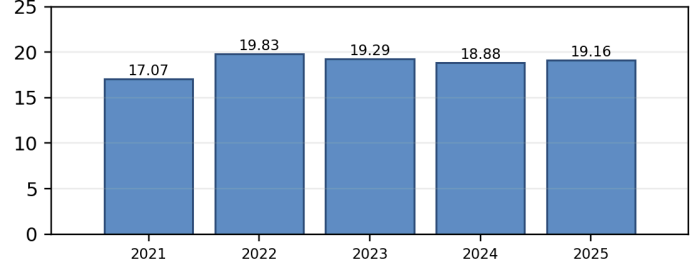
Direct & Overhead Cost of Production



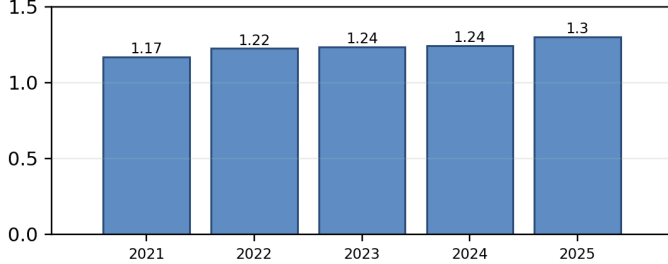
Feed Cost per CWT



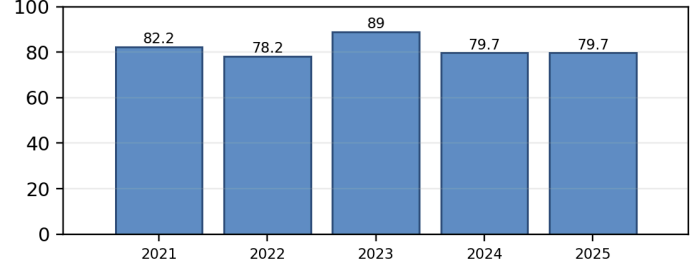
Dir & Ovhd Exp per CWT



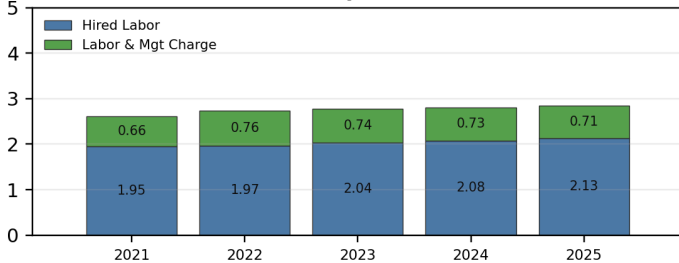
Vet, Breeding & Supplies



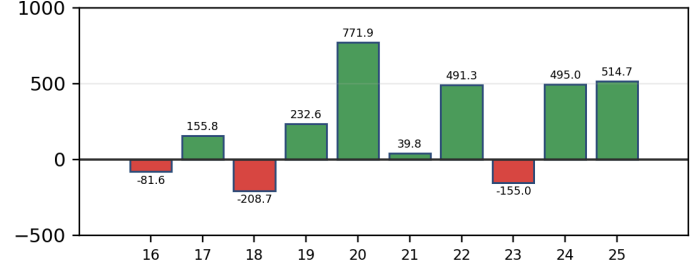
Operating Expense Ratio



Labor per CWT

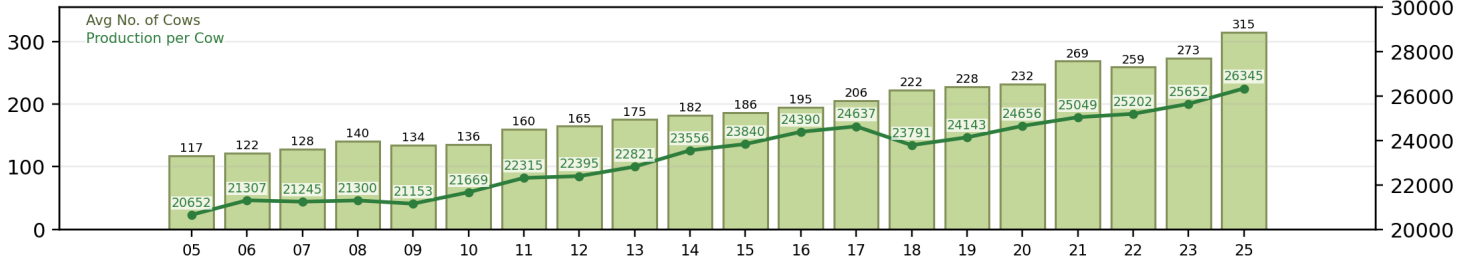


Net Return after Dir, Ovhd, & Labor

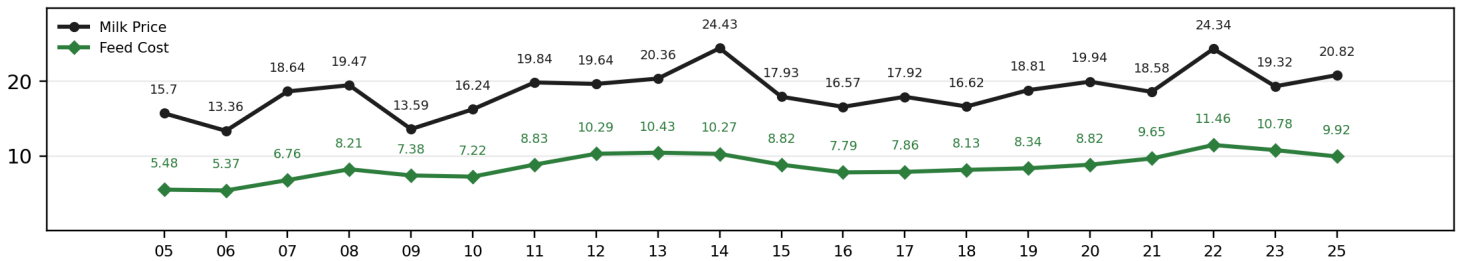


Long-Term Milk Price and Cost Trends

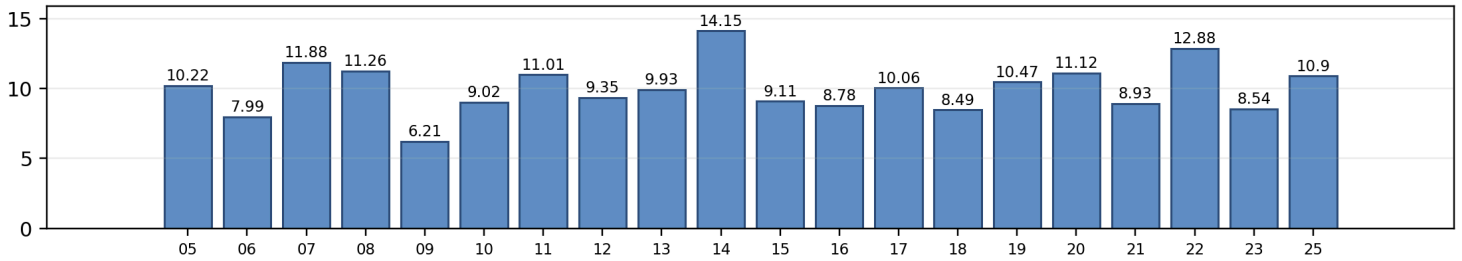
Avg No. of Cows & Production per Cow



Milk Price & Feed Cost / CWT



Milk Price Less Feed Cost



10-Year Avg Milk Price Received vs. Total Direct, Ovhd, & Labor

