

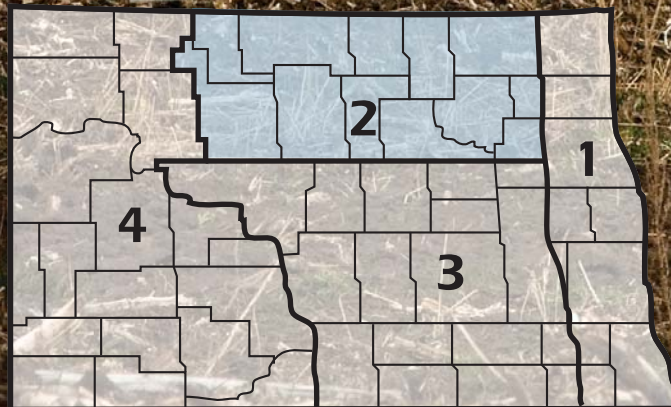
2012 ANNUAL REPORT

Region 2

North Dakota Farm and Ranch
Business Management Education



Regional Reporting Areas



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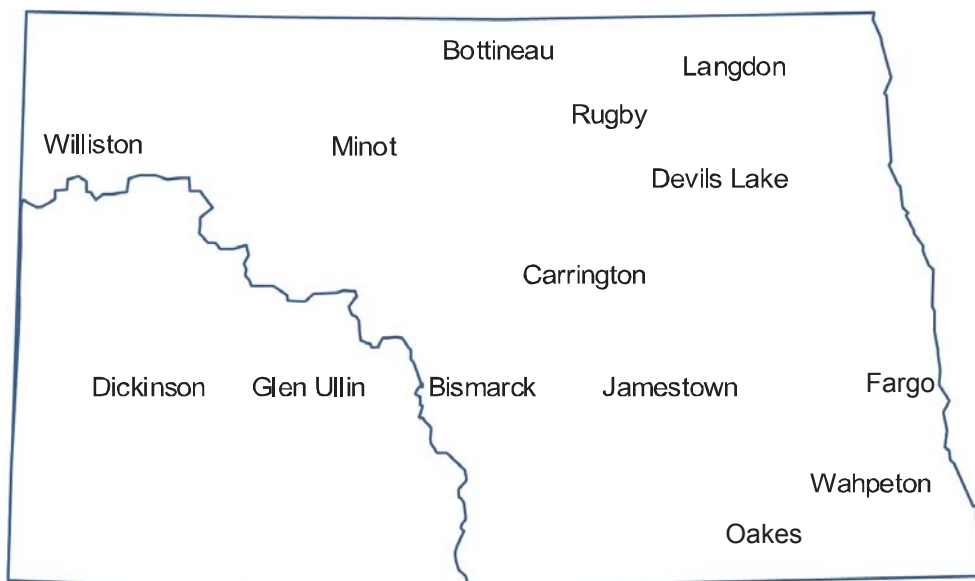
REGION 2 – NORTH CENTRAL AVERAGES 2012 ANNUAL REPORT

The North Central (Region 2) farm business analyses were submitted by the following instructors represented by their cooperating schools.

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This report was made possible by the farm families who cooperated with their farm management instructors in getting the records for 2012 closed out on a timely basis. The farm management instructors cited above generated the Finpack year-end farm analyses. Andrew Swenson, NDSU Extension Service, databased the Finpack analyses of farms and generated the comparative tables for this report.

Location of all Farm Business Management Education Programs in North Dakota



2012 North Central Report North Dakota Farm Business Management Education

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INTRODUCTION

This report summarizes the individual farm records of the specific region or the whole state as identified on the acknowledgement page. The current financial status of farm operators and net returns from each crop and livestock enterprise is reported. In addition to the average of all farms, the averages for the high, middle, and low-income groups are also presented. All participating farm/ranch families are provided a copy of the regional averages report. They can compare their own Finan business analysis to the regional and/or state averages report and study the areas that may need management improvement. A review of the comparative information may reveal how certain aspects of the business or enterprises excel and help answer why they are profitable.

The regional and state averages reports are divided into three major sections; farm operators' reports, crop reports and livestock reports. Explanatory notes precede each section. The first section contains 15 tables with whole farm financial and operator information. The last three tables of this section are financial summaries in which farms are categorized by gross revenue, age of operator and farm type, respectively. The second section provides performance information on crop enterprises. The third section provides performance results on livestock enterprises. Lastly, figures 1 through 10 provide trend information for various measures of finance and/or production.

The 2012 summary reports are based upon data generated by the Finan individual farm analysis completed by farm/ranch families enrolled in the statewide Adult Farm and Ranch Business Management Education program in North Dakota. Instructors pooled the individual business analysis and submitted the combined school data to the FINPACK Center located at North Dakota State University. The FINPACK Center did provide schools with local averages in order to assist instructors with obtaining relevant local management trends.

Farm/ranch families enrolled in the statewide program are encouraged to request assistance from their instructors to determine short-term cash flow and long-term projections. Each instructor has access to FINPACK computer programs, which can be used to generate annual or multi-year (cash flow) farm plans and/or long term alternative projections.

This is the 24th year that the regional averages have been generated in North Dakota based upon the four regions shown in the state map on the cover of this publication. A regional report has been generated and published for Regions 2, 3 and 4 identified on the North Dakota map. Most farms in Region 1 are located within the Red River Valley. Those farms are contained in a combined Minnesota-North Dakota Red River Valley report. The state averages report includes all farms participating in the North Dakota Farm Business Management Education Program that were represented in the regional averages and also those farms which were processed and submitted after the March deadline date. All of these reports may be ordered from Farm Business Management, P.O. Box 6022, Bismarck, ND, 58506-6022 for \$5 per copy. The reports are available online at www.ndfarmmanagement.com.

EXPLANATORY NOTES FOR THE FARM OPERATORS' REPORTS

The tables include the same number of farms, which were all of the farms whose records were judged to be of sufficient quality to be included in the overall report. However, the balance sheets include only sole proprietors. Partnerships and corporations are excluded because some debt is held outside of the business causing potential misinterpretations of the financial statement. The number of farms included in each of the crop tables varies because all farms do not have the same enterprises. Also, some farmers' records were complete enough to be included in the whole-farm tables, but at times, these same farmers' crop records were not complete enough to include in the respective crop and livestock tables.

Rounding of individual items for the report may have caused minor discrepancies with the printed totals which are calculated before rounding.

Farm Income Statement

This statement is a summary of income, expenses, or resultant profit or loss from farming operations during the calendar year.

The first section of the table lists cash farm income from all sources. There are three possible sources of cash income from crops. The first is income from cash sales. The second is income from crops stored under government loan programs when the loan is treated as income for the year in which the crop was stored. If the crop value has not been entered as income when it was stored, then it would be treated as cash income in the year it was sold. The third is Net Government Sales, which refers to the difference between income credited in the year a crop was stored and the actual cash income received at the time it was sold. There are two categories of cash income from livestock sales. "Raised" steer, hogs, and lambs refer to animals raised from birth to market weight on the farm. "Finished" animals refers to those purchased as feeders and fed to market weight. Government payments are grouped as "Direct, CCP & ACRE pymts;" "LDP payments" which are loan deficiency payments that may be received on production when local prices are below the county loan rate for the crop; "Other government payments" which refers to all other government payments such as disaster payments but not including CRP payments; and CRP payments.

The second section of the income statement lists cash expenses. "Labor" includes only labor hired. "Interest" includes only interest actually paid. No opportunity charges on farm equity capital or unpaid labor are included.

The difference between "Gross Cash Farm Income" and "Total Cash Expense" is the "Net Cash Farm Income." This is net farm income on a cash basis.

The last two sections of the income statement deal with the non-cash changes in the farm business. The "Inventory Changes" and "Depreciation" sections are used to convert the cash income statement (Net Cash Farm Income) derived from the first two sections into an accrual income statement. The final adjustment is for "Gain or loss on capital sales." The bottom line, labeled "Net farm Income," represents the return to the operator's and family's unpaid labor, management, and equity capital (net worth). In other words, it represents the return to all of the resources that are owned by the farm family and hence, not purchased or paid a wage. However, it does not include any debt forgiveness or asset repossessions.

Inventory Changes

This is the detailed statement of inventory changes that is summarized in the income statement. It includes beginning and ending inventories and the calculated changes.

Depreciation

This is the detailed statement of depreciation and other capital adjustments that is summarized in the income statement. It includes beginning and ending inventories, and capital sales and purchases.

Profitability Measures

This table shows profitability when capital assets are valued at cost. Various measures of performance are calculated. In the previous tables no opportunity costs are used. In this table, opportunity costs for labor, capital, and management are used. The measures and their components are described below.

"**Rate of return on assets**" is the "Return on farm assets" divided by "Average farm assets."

"**Rate of return on equity**" is the "Return of farm equity" divided by "Average farm equity."

"**Operating profit margin**" is the "Return on farm assets" divided by "Value of farm production."

"**Asset turnover rate**" is the "Value of farm production" divided by "Average farm assets."

"**Farm interest expense**" is the accrual interest cost, usually it will be different from the cash interest expense.

"**Value of operator's labor and management**" is an opportunity cost for unpaid operator's labor and management that is used in the calculation of several financial performance measures. A value of \$20,000 per full time operator plus 5% of value of farm production is used.

"**Return of farm assets**" is calculated by adding "Farm interest expense" to "Net farm income" and then subtracting the "Value of operator's labor and management."

"**Average farm assets**" is the average of beginning and ending total farm assets.

"**Return on farm equity**" is calculated by subtracting the "Value of operator's labor and management" from "Net farm income."

"**Average farm equity**" is the average of beginning and ending farm net worth.

"**Value of farm production**" is gross cash farm income minus purchased feed and feeder livestock and adjusted for inventory changes in crops, market livestock, accounts receivable and breeding livestock.

Liquidity & Repayment Capacity Measures

The table shows several measures of liquidity and repayment capacity. Calculation of repayment capacity starts with net farm income from operations and adds back the non-cash expense of depreciation. Personal income is also added. Family living expenses, personal debt payments and income taxes paid are subtracted to determine the capital debt repayment capacity.

Balance Sheets

The ending balance sheet statements and solvency measures are presented for sole proprietors only. Current assets are valued at market price at the time of the inventory which is December 31. In balance sheet at cost values, intermediate and long-term assets that are depreciable are valued at cost remaining (amount remaining to be depreciated, plus salvage value). Raised breeding livestock is valued at conservative market replacement costs. Land is valued at cost or conservative market value. In balance sheet at market values, the intermediate and long term assets are listed at market value, and deferred income tax liabilities are estimated.

Statement of Cash Flows

This statement organizes cash inflows and outflows by the following three categories: Operating activities, investing activities, and financing activities.

Financial Standards Measures

The Farm Financial Standards Task Force recommended the use of these financial measures to evaluate a farm's financial position and financial performance. These measures are grouped by: Liquidity, Solvency, Profitability, Repayment Capacity, and Efficiency.

Liquidity

Liquidity is the ability of the farm business to meet financial obligations in a timely manner, without disrupting normal business operations.

Current Ratio: The current ratio shows the value of current assets relative to current liabilities. It measures the extent current farm assets, if liquidated, would cover liabilities that are due during the next 12 months. The higher the ratio, the safer the short term position.

Working Capital: Working capital shows the dollar amount that current assets can or cannot cover current liabilities. It approximates the amount of capital available to purchase crop and livestock inputs and equipment necessary to produce farm products. The amount of working capital considered adequate must be related to the size of the farm business.

Working Capital to Gross Revenues: Measures operating capital available against the size of the business.

Solvency

Solvency is important in evaluating the risk position of the farm and family and in considering future borrowing capacity. Solvency measures the ability of the business to pay off all debts if liquidated.

Farm Debt To Asset Ratio: The farm debt to asset ratio measures the financial position or solvency of the farm or ranch by comparing the total liabilities to the total assets. It measures the portion of the farm assets that have debt against them. A higher ratio is considered an indicator of greater financial risk.

Farm Equity To Asset Ratio: The farm equity to asset ratio measures the farm equity relative to the value of the farm assets. It measures the proportion of the farm assets financed by the owner's equity whereas the debt to asset ratio measured the proportion of farm assets financed by debt.

Farm Debt To Equity Ratio: The farm debt to equity ratio measures the amount of farm debt relative to the amount of farm equity. It measures the amount of debt the farm has for every dollar of equity.

Profitability

Profitability is the measure of the value of goods produced by the business in relation to the cost of resources used in the production. Profitability calculated on a cost basis does not consider changes in market valuation of capital assets such as machinery and breeding livestock.

Rate of Return on Assets: Rate of return on assets is, in effect, the interest rate your farm earned in the past year on all money invested in the business. If assets are valued at market value, the rate of return on investment can be looked at as the "opportunity cost" of investing money in the farm instead of alternative investments. If assets are valued at cost (cost less depreciation), the rate of return represents the actual return on the average dollar invested in the business.

Rate of Return on Equity: Rate of return on equity is, in effect, the interest rate your investment in the business earned in the past year. If assets are valued at market value, this return can be compared with returns available if the assets were liquidated and invested in alternative investments. If assets are valued at cost, this represents the actual return to the amount of equity capital you have invested in the farm business.

If your return on assets is higher than your average interest rate, your return on equity will be still higher, reflecting the fact that there are residual returns to equity capital after paying all interest expense. This is positive use of financial leverage. If your return on assets is lower than your average interest rate, your return on equity will be still lower, reflecting the fact that borrowed capital did not earn enough to pay its interest cost. This is negative financial leverage. Profitability becomes a key concern when substantial debt capital is used in the business.

Operating Profit Margin: The operating profit margin is a measure of the profit margin from the employment of assets. It measures how effectively you are employing assets relative to the value of output produced. Low prices, high operating expenses, or production problems are all possible causes of a low operating profit margin.

Net Farm Income: Net farm income represents the returns to labor, management, and equity capital invested in the business. Without income from other sources, or appreciation of capital asset values, net farm income must cover family living expenses and taxes, or net worth will decrease.

EBITDA: This factor stands for: Earnings Before Interest, Taxes, Depreciation and Amortization. This represents a measure of earnings available for debt repayment.

Repayment Capacity

Repayment capacity shows the borrower's ability to repay term debts (longer than one year) on time. This includes non-farm income, and is therefore not a measure of business performance alone.

Capital Debt Repayment Capacity: Measures the amount generated from farm and non-farm sources, to cover debt repayment and capital replacement.

Capital Debt Repayment Margin: The amount of money remaining after all operating expenses, taxes, family living costs, and scheduled debt payments have been made. It is the money left, after paying all expenses, which is available for purchasing/financing new machinery, equipment, land or livestock.

Replacement Margin: The replacement margin is the amount of income remaining after paying principal and interest on term loans and unfunded (cash) capital purchases.

Term Debt Coverage Ratio: The term debt coverage ratio measures the ability of the business to cover all term debt payments. A number less than 100 percent indicates that the business, plus non-farm income, is not generating sufficient cash to meet all of the debt payments, after family living expenses and taxes have been paid. A number greater than 100 indicates the business is generating sufficient cash to pay all term debt obligations with some surplus margin remaining.

Replacement Margin Coverage Ratio: This represents the ability to term debt and unfunded capital purchases. A ratio under 1.0 indicated that you did not generate enough income to cover term debt payments and unfunded capital purchases.

Efficiency

These measures reflect the relationships between expense and income items to revenue and the efficiency of the farm business with regard to the use of cash and capital assets.

Asset Turnover: Asset turnover is a measure of how efficiently assets are used in the business. A farm with good operating profit margin and asset turnover will show a strong rate of return on farm assets. If operating profit margin is low, the asset turnover rate must be strong, or vice versa, to maintain the rate of return on assets.

Operating Expense Ratio: This ratio indicates the percent of the gross farm income, which is used to pay the operating expenses. Operating expenses do not include interest or depreciation expense.

Depreciation Expense Ratio: This ratio indicates the percent of the gross farm income, which is used to cover the depreciation expense.

Interest Expense Ratio: This ratio indicates the percent of the gross farm income, which is used to pay farm interest expenses.

Net Farm Income Ratio: The ratio indicates the percent of the gross farm income, which remains after all expenses.

Crop Production and Marketing Summary

This table contains three sections. The first section reports averages for total acres owned, crop land by tenure and total pasture acres. The next two sections show average price received and average yields for major crops. These tables are sorted on the basis of "Net farm income."

Household and Personal Expenses

For those farms that keep records, the household and personal expenses are summarized. The farms are grouped in the same ranking as in the Income Statement. Since not all farms keep these records, the number of farms in the low profit and high profit groups may be different. Averages are determined by the number of farms keeping these records. The Statement of Cash Flows presents calculated family living and includes all farms. Income tax paid is also shown in the Statement of Cash Flows and includes all farms.

Operator and Labor Information

This table reports the average for the number of operators per farm, the operator's age, and the number of years farming.

Nonfarm Summary

This table also reports nonfarm income. The figure reported is the average over all farms not just those reporting nonfarm income.

Farm Income Statement
North Dakota Farm Business Management Education
Region 2 - North Central North Dakota, 2012
(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	161	32	32	33
Cash Farm Income				
Barley	45,940	10,787	16,844	105,282
Beans, Black Turtle	4,724	-	-	-
Beans, Pinto	41,970	-	9,432	133,865
Canola	77,779	15,768	64,617	134,502
Corn	41,454	10,281	56,308	72,128
Flax	8,751	7,281	5,182	9,540
Hay, Alfalfa	733	3,678	-	11
Hay, Grass	415	1,525	492	-
Hay, Mixed	285	1,046	258	-
Hay, Mixed Alfalfa/Grass	417	-	-	828
Lentils	403	2,026	-	-
Mint	1,327	-	-	6,474
Oats	128	7	156	334
Peas, Field	2,969	4,111	1,504	6,129
Potatoes	3,739	-	-	-
Soybeans	107,716	16,467	97,859	227,189
Straw	109	184	-	153
Sunflowers	9,503	3,652	6,219	19,291
Sunflowers, Confectionary	2,762	5,505	-	3,921
Wheat, Durum	13,077	22,602	4,681	11,504
Wheat, Spring	151,861	37,533	143,310	309,593
Wheat, Winter	26,213	4,348	22,952	56,716
Soybeans, Food	288	-	1,447	-
Wheat, Spring, Organic	576	-	-	-
Buckwheat, Organic	133	-	-	-
Flax, Organic	65	326	-	-
Other Crops	1,225	-	-	5,975
Miscellaneous crop income	51	-	9	-
Beef Cow-Calf, Beef Calves	14,900	21,536	6,021	10,235
Beef Replacement Heifers	1,067	2,515	-	-
Beef Backgrounding	21,414	29,605	14,564	2,780
Beef Grazing	998	5,021	-	-
Honey Production, Honey	1,495	1,297	-	-
Sheep, Market Lamb Prod, Mkt Lamb	120	295	309	-
Sheep, Market Lamb Prod, Wool Cull breeding livestock	6,354	11,807	4,057	101
Misc. livestock income	1,925	2,774	13	-
Direct, CCP & ACRE pymts	17,014	4,663	13,895	33,442
CRP payments	1,828	1,348	1,356	2,933
Other government payments	7,818	6,066	5,636	9,560
Custom work income	6,438	1,750	5,668	8,846
Patronage dividends, cash	13,199	2,122	8,701	34,589
Crop insurance income	24,098	7,712	17,473	58,660
Property insurance income	1,493	1,501	536	152
Sale of resale items	162	-	-	-
Other farm income	9,539	5,795	5,727	13,976
Gross Cash Farm Income	674,496	253,047	515,224	1,278,710

Farm Income Statement (Continued)
North Dakota Farm Business Management Education
Region 2 - North Central North Dakota, 2012
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	161	32	32	33
Cash Farm Expense				
Seed	62,675	15,202	54,941	130,465
Fertilizer	102,292	29,087	75,687	215,499
Crop chemicals	61,995	16,356	45,560	129,431
Crop insurance	31,941	8,624	22,921	66,665
Drying expense	194	166	10	517
Storage	300	76	41	1,179
Irrigation energy	135	313	-	69
Crop marketing	221	101	155	343
Crop miscellaneous	1,309	602	295	1,658
Consultants	434	129	255	276
Feeder livestock purchase	4,855	14,905	281	612
Purchased feed	6,961	10,821	1,552	2,444
Breeding fees	101	329	-	35
Veterinary	1,791	1,924	951	479
Supplies	1,399	2,339	836	894
Livestock leases	229	16	573	207
Livestock marketing	248	520	134	-
Interest	18,757	13,428	14,179	28,559
CCC buyback	425	2,137	-	-
Fuel & oil	38,700	15,182	37,931	67,317
Repairs	43,985	21,625	36,953	68,454
Custom hire	19,446	10,928	16,231	31,699
Hired labor	13,947	4,842	7,731	29,017
Land rent	54,688	15,699	46,743	104,631
Machinery leases	3,631	738	1,581	6,597
Building leases	370	5	103	1,215
Real estate taxes	3,564	2,363	1,995	5,572
Farm insurance	7,254	4,424	6,157	12,779
Utilities	5,457	3,188	4,817	8,661
Dues & professional fees	1,967	1,726	2,019	2,234
Purchase of resale items	31	156	-	-
Miscellaneous	5,097	2,582	5,371	8,175
Total cash expense	494,397	200,532	386,001	925,682
Net cash farm income	180,099	52,516	129,223	353,028
Inventory Changes				
Prepays and supplies	7,964	-1,754	4,312	44,237
Accounts receivable	7,245	330	7,884	12,183
Hedging accounts	-143	154	-225	-512
Other current assets	-2,864	-232	-1,774	-6,951
Crops and feed	143,532	6,955	112,172	382,477
Market livestock	6,815	19,751	914	456
Breeding livestock	-1,375	-10,073	-1,185	1,421
Other assets	2,502	300	5,472	4,152
Accounts payable	-4,151	-1,157	-1,384	-14,348
Accrued interest	-2,634	105	-4,014	-6,107
Total inventory change	156,892	14,378	122,171	417,006
Net operating profit	336,991	66,893	251,394	770,034
Depreciation				
Machinery and equipment	-27,439	-8,914	-21,038	-49,958
Titled vehicles	-3,571	-3,396	-2,085	-4,445
Buildings and improvements	-3,538	-797	-1,555	-6,773
Total depreciation	-34,547	-13,108	-24,678	-61,175
Net farm income from operations	302,444	53,785	226,716	708,859
Gain or loss on capital sales	-129	-2,500	3,564	1,234
Net farm income	302,314	51,285	230,280	710,094

Inventory Changes
North Dakota Farm Business Management Education
Region 2 - North Central North Dakota, 2012
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of farms	161	32	32	33
Net cash farm income	180,099	52,516	129,223	353,028
Crops and Feed				
Ending inventory	435,184	75,497	319,075	1,034,778
Beginning inventory	291,651	68,542	206,903	652,302
Inventory change	143,532	6,955	112,172	382,477
Market Livestock				
Ending inventory	36,166	60,819	19,631	14,515
Beginning inventory	29,351	41,068	18,717	14,059
Inventory change	6,815	19,751	914	456
Accts Receivable				
Ending inventory	31,298	19,448	17,758	35,343
Beginning inventory	24,054	19,118	9,874	23,160
Inventory change	7,245	330	7,884	12,183
Prepaid Expenses and Supplies				
Ending inventory	64,667	6,714	36,366	169,576
Beginning inventory	56,703	8,468	32,055	125,339
Inventory change	7,964	-1,754	4,312	44,237
Hedging Activities				
Ending inventory	1,623	114	1,059	6,430
Withdrawals	277	688	-	56
Beginning inventory	1,304	27	929	4,873
Deposits	739	620	355	2,126
Gain or loss	-143	154	-225	-512
Other Current Assets				
Ending inventory	933	33	1,412	1,823
Beginning inventory	3,797	265	3,186	8,774
Inventory change	-2,864	-232	-1,774	-6,951
Breeding Livestock				
Ending inventory	60,399	97,008	36,788	16,996
Capital sales	2,901	2,953	2,418	3,978
Beginning inventory	53,275	92,554	30,230	16,926
Capital purchases	11,400	17,479	10,161	2,627
Depreciation, capital adjust	-1,375	-10,073	-1,185	1,421
Other Capital Assets				
Ending inventory	52,928	18,499	49,350	115,150
Capital sales	1,136	141	493	3,555
Beginning inventory	44,315	14,411	40,771	96,185
Capital purchases	7,247	3,930	3,600	18,369
Depreciation, capital adjust	2,502	300	5,472	4,152
Accounts Payable				
Beginning inventory	5,679	2,831	2,708	9,450
Ending inventory	9,830	3,989	4,092	23,798
Inventory change	-4,151	-1,157	-1,384	-14,348
Accrued Interest				
Beginning inventory	10,224	6,411	12,866	14,795
Ending inventory	12,858	6,305	16,879	20,901
Inventory change	-2,634	105	-4,014	-6,107
Total inventory change	156,892	14,378	122,171	417,006
Net operating profit	336,991	66,893	251,394	770,034

Depreciation
North Dakota Farm Business Management Education
Region 2 - North Central North Dakota, 2012
(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	161	32	32	33
Net operating profit	336,991	66,893	251,394	770,034
Machinery and Equipment				
Ending inventory	565,532	191,694	378,485	1,179,444
Capital sales	18,068	13,458	1,678	30,203
Beginning inventory	456,593	158,883	299,730	974,581
Capital purchases	154,446	55,183	101,470	285,024
Depreciation, capital adjust.	-27,439	-8,914	-21,038	-49,958
Titled Vehicles				
Ending inventory	46,591	38,145	30,088	60,385
Capital sales	894	116	1,803	649
Beginning inventory	39,174	35,109	22,211	54,811
Capital purchases	11,882	6,549	11,764	10,667
Depreciation, capital adjust.	-3,571	-3,396	-2,085	-4,445
Buildings and Improvements				
Ending inventory	96,049	36,420	39,243	221,495
Capital sales	9	-	-	45
Beginning inventory	72,600	30,801	27,070	170,237
Capital purchases	26,996	6,416	13,729	58,077
Depreciation, capital adjust.	-3,538	-797	-1,555	-6,773
Total depreciation, capital adj.	-34,547	-13,108	-24,678	-61,175
Net farm income from operations	302,444	53,785	226,716	708,859
Gain or loss on capital sales	-129	-2,500	3,564	1,234
Net farm income	302,314	51,285	230,280	710,094

Profitability Measures
North Dakota Farm Business Management Education
Region 2 - North Central North Dakota, 2012
(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	161	32	32	33
Profitability (assets valued at cost)				
Net farm income from operations	302,444	53,785	226,716	708,859
Rate of return on assets	16.1 %	5.0 %	18.5 %	19.8 %
Rate of return on equity	21.9 %	5.6 %	27.3 %	26.3 %
Operating profit margin	32.2 %	15.6 %	30.3 %	38.1 %
Asset turnover rate	50.1 %	32.1 %	61.0 %	52.0 %
Farm interest expense	21,391	13,323	18,192	34,666
Value of operator lbr and mgmt.	59,771	28,835	51,295	105,422
Return on farm assets	264,064	38,274	193,614	638,103
Average farm assets	1,639,723	762,474	1,046,684	3,223,514
Return on farm equity	242,673	24,951	175,422	603,437
Average farm equity	1,106,118	446,191	643,589	2,293,746
Value of farm production	821,226	244,581	638,422	1,675,830

Liquidity & Repayment Capacity Measures
North Dakota Farm Business Management Education
Region 2 - North Central North Dakota, 2012
(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	161	32	32	33
Liquidity				
Current ratio	2.59	1.90	2.18	2.89
Working capital	389,207	96,320	245,271	940,281
Working capital to gross inc	48.1 %	35.6 %	38.3 %	56.7 %
Current assets	634,712	203,318	453,355	1,437,545
Current liabilities	245,505	106,998	208,084	497,264
Gross revenues (accrual)	808,392	270,464	640,256	1,658,001
Repayment capacity				
Net farm income from operations	302,444	53,785	226,716	708,859
Depreciation	34,547	13,108	24,678	61,175
Personal income	34,858	49,194	33,363	30,683
Family living/owner withdrawals	-68,153	-42,371	-66,457	-94,029
Payments on personal debt	-5,348	-5,919	-5,103	-4,799
Income taxes paid	-20,204	-7,950	-15,721	-39,816
Interest on term debt	15,427	11,404	10,784	25,857
Capital debt repayment capacity	293,571	71,251	208,260	687,931
Scheduled term debt payments	-68,214	-37,132	-50,212	-118,302
Capital debt repayment margin	225,357	34,119	158,048	569,629
Cash replacement allowance	-18,175	-9,652	-7,662	-41,198
Replacement margin	207,182	24,468	150,385	528,431
Term debt coverage ratio	4.30	1.92	4.15	5.82
Replacement coverage ratio	3.40	1.52	3.60	4.31

Balance Sheet at Cost Values
North Dakota Farm Business Management Education
Region 2 - North Central North Dakota, 2012
(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	153	32	32	29
Assets				
Current Farm Assets				
Cash and checking balance	78,092	32,835	51,867	210,498
Prepaid expenses & supplies	61,165	6,714	36,366	160,798
Growing crops	975	2	1,412	2,075
Accounts receivable	31,516	19,448	17,758	37,459
Hedging accounts	712	114	1,059	2,062
Crops held for sale or feed	414,183	73,954	312,888	1,008,136
Crops under government loan	10,170	9,402	12,375	-
Market livestock held for sale	37,892	60,819	19,631	16,517
Other current assets	7	31	-	-
Total current farm assets	634,712	203,318	453,355	1,437,545
Intermediate Farm Assets				
Breeding livestock	61,464	97,008	36,788	19,341
Machinery and equipment	563,195	191,694	378,485	1,238,594
Titled vehicles	45,419	38,145	30,088	51,736
Other intermediate assets	29,255	1,438	27,998	78,093
Total intermediate farm assets	699,333	328,285	473,359	1,387,764
Long Term Farm Assets				
Farm land	345,056	237,611	195,890	541,885
Buildings and improvements	95,816	36,420	39,243	227,914
Other long-term assets	22,948	17,062	21,353	38,097
Total long-term farm assets	463,820	291,092	256,486	807,896
Total Farm Assets	1,797,864	822,696	1,183,199	3,633,205
Total Nonfarm Assets	204,968	160,617	181,006	280,274
Total Assets	2,002,832	983,313	1,364,205	3,913,479
Liabilities				
Current Farm Liabilities				
Accrued interest	12,839	6,309	16,879	20,845
Accounts payable	7,693	3,989	4,092	15,337
Current notes	159,559	63,845	138,621	348,585
Government crop loans	3,604	3,365	4,511	-
Principal due on term debt	61,809	29,492	43,980	112,496
Total current farm liabilities	245,505	106,998	208,084	497,264
Total intermediate farm liabs	166,395	87,550	129,984	280,687
Total long term farm liabilities	182,727	158,336	116,491	274,955
Total farm liabilities	594,626	352,884	454,560	1,052,907
Total nonfarm liabilities	47,845	40,102	46,479	60,703
Total liabilities	642,471	392,985	501,039	1,113,610
Net worth (farm and nonfarm)	1,360,361	590,327	863,166	2,799,869
Net worth change	253,223	49,291	188,306	594,997
Percent net worth change	23 %	9 %	28 %	27 %
Ratio Analysis				
Current farm liabilities / assets	39 %	53 %	46 %	35 %
Intermediate farm liab. / assets	24 %	27 %	27 %	20 %
Long term farm liab. / assets	39 %	54 %	45 %	34 %
Total debt to asset ratio	32 %	40 %	37 %	28 %

Statement Of Cash Flows
North Dakota Farm Business Management Education
Region 2 - North Central North Dakota, 2012
(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	161	32	32	33
Beginning cash (farm & nonfarm)	80,123	30,817	59,079	201,505
Cash Provided By Operating Activities				
Gross cash farm income	674,496	253,047	515,224	1,278,710
Total cash farm expense	-494,397	-200,532	-386,001	-925,682
Net cash from hedging transactions	-461	67	-355	-2,070
Cash provided by operating	179,637	52,583	128,867	350,958
Cash Provided By Investing Activities				
Sale of breeding livestock	2,945	3,001	2,528	3,978
Sale of machinery & equipment	16,605	10,815	1,819	28,248
Sale of titled vehicles	809	194	1,803	392
Sale of farm land	8,715	15,219	4,672	-
Sale of farm buildings	9	-	-	45
Sale of other farm assets	1,852	158	493	7,002
Sale of nonfarm assets	10,384	9,075	2,093	32,689
Purchase of breeding livestock	-11,400	-17,479	-10,161	-2,627
Purchase of machinery & equip.	-154,446	-55,183	-101,470	-285,024
Purchase of titled vehicles	-11,882	-6,549	-11,764	-10,667
Purchase of farm land	-43,704	-45,586	-35,156	-43,752
Purchase of farm buildings	-26,996	-6,416	-13,729	-58,077
Purchase of other farm assets	-7,247	-3,930	-3,600	-18,369
Purchase of nonfarm assets	-28,854	-15,226	-20,783	-51,191
Cash provided by investing	-243,210	-111,907	-183,256	-397,353
Cash Provided By Financing Activities				
Money borrowed	539,472	255,914	428,668	898,635
Principal payments	-427,176	-193,179	-331,439	-727,002
Personal income	34,858	49,194	33,363	30,683
Family living/owner withdrawals	-68,153	-42,371	-66,457	-94,029
Income and social security tax	-20,204	-7,950	-15,721	-39,816
Capital contributions	-	-	-	-
Capital distributions	-1,445	-	-	-7,048
Dividends paid	-	-	-	-
Cash gifts and inheritances	14,055	3,647	6,370	3,338
Gifts given	-513	-	-7	-1,457
Other cash flows	-	-	-	-
Cash provided by financing	70,895	65,255	54,778	63,302
Net change in cash balance	7,322	5,931	389	16,908
Ending cash (farm & nonfarm)	87,445	36,748	59,468	218,413

Financial Standards Measures
North Dakota Farm Business Management Education
Region 2 - North Central North Dakota, 2012
(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	161	32	32	33
Liquidity				
Current ratio	2.59	1.90	2.18	2.89
Working capital	389,207	96,320	245,271	940,281
Working capital to gross inc	48.1 %	35.6 %	38.3 %	56.7 %
Solvency (cost)				
Farm debt to asset ratio	33 %	43 %	38 %	29 %
Farm equity to asset ratio	67 %	57 %	62 %	71 %
Farm debt to equity ratio	0.49	0.75	0.62	0.41
Profitability (cost)				
Rate of return on farm assets	16.1 %	5.0 %	18.5 %	19.8 %
Rate of return on farm equity	21.9 %	5.6 %	27.3 %	26.3 %
Operating profit margin	32.2 %	15.6 %	30.3 %	38.1 %
Net farm income	302,314	51,285	230,280	710,094
EBIDTA	358,382	80,216	269,586	804,701
Repayment Capacity				
Capital debt repayment capacity	293,571	71,251	208,260	687,931
Capital debt repayment margin	225,357	34,119	158,048	569,629
Replacement margin	207,182	24,468	150,385	528,431
Term debt coverage ratio	4.30	1.92	4.15	5.82
Replacement coverage ratio	3.40	1.52	3.60	4.31
Efficiency				
Asset turnover rate (cost)	50.1 %	32.1 %	61.0 %	52.0 %
Operating expense ratio	57.0 %	70.3 %	57.9 %	52.1 %
Depreciation expense ratio	4.1 %	4.8 %	3.9 %	3.6 %
Interest expense ratio	2.6 %	4.9 %	2.8 %	2.1 %
Net farm income ratio	36.3 %	19.0 %	36.0 %	42.3 %

Crop Production and Marketing Summary
North Dakota Farm Business Management Education
Region 2 - North Central North Dakota, 2012
(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	161	32	32	33
Acreage Summary				
Total acres owned	853	750	498	1,071
Total crop acres	2,036	868	1,623	3,610
Crop acres owned	570	344	308	949
Crop acres cash rented	1,246	429	1,070	2,340
Crop acres share rented	220	94	245	321
Total pasture acres	400	549	210	114
Percent crop acres owned	28 %	40 %	19 %	26 %
Average Price Received (Cash Sales Only)				
Wheat, Spring per bushel	7.97	8.07	8.10	8.10
Soybeans per bushel	13.05	13.96	12.83	12.76
Canola per cwt	27.23	30.56	29.42	26.16
Barley per bushel	6.05	5.85	6.03	6.27
Corn per bushel	6.16	6.56	5.95	6.42
Wheat, Winter per bushel	7.33	-	7.59	7.31
Wheat, Durum per bushel	7.11	7.62	-	7.75
Beans, Pinto per cwt	38.14	-	-	38.37
Flax per bushel	13.81	13.99	-	14.42
Sunflowers per cwt	30.15	-	-	32.33
Hay, Mixed per ton	57.50	-	-	-
Oats per bushel	3.05	-	-	-
Average Yield Per Acre				
Wheat, Spring (bushel)	46.81	32.66	45.42	52.13
Pasture (aum)	0.886	0.876	0.883	0.926
Soybeans (bushel)	32.73	28.42	34.02	34.75
Barley (bushel)	66.14	56.91	66.98	71.38
Canola (cwt)	13.98	8.79	11.30	15.63
Hay, Grass (ton)	1.26	0.908	1.85	-
Corn (bushel)	103.06	86.13	101.56	120.06
Wheat, Winter (bushel)	61.48	58.27	57.61	66.52
Flax (bushel)	18.82	15.63	17.21	23.48
Hay, Alfalfa (ton)	1.71	1.45	1.94	-
Beans, Pinto (cwt)	17.89	-	-	19.17
Hay, Mixed Alfalfa/Grass (ton)	1.69	1.62	-	-
Sunflowers (cwt)	19.41	-	19.42	20.46
Wheat, Durum (bushel)	38.29	37.64	-	41.61
Hay, Mixed (ton)	1.07	1.52	-	1.13
Peas, Field (bushel)	41.84	-	-	41.63
Corn Silage (ton)	13.52	-	-	-
Hay, Small Grain (ton)	1.72	-	-	-
Oats (bushel)	71.10	-	65.12	-
Hay, Summer Annual Grass (ton)	1.77	-	-	-

Household and Personal Expenses
North Dakota Farm Business Management Education
Region 2 - North Central North Dakota, 2012
(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	113	20	24	23
Average family size	3.1	2.5	3.2	3.4
Family Living Expenses				
Food and meals expense	9,534	8,150	9,883	11,216
Medical care	4,897	3,840	4,251	5,682
Health insurance	7,991	6,760	7,591	9,519
Cash donations	2,917	1,716	2,964	4,062
Household supplies	7,957	4,549	8,560	11,825
Clothing	2,946	2,348	2,640	4,324
Personal care	7,227	4,012	6,931	9,894
Child / Dependent care	1,070	181	2,634	98
Alimony and child support	53	-	250	-
Gifts	3,098	1,377	3,584	5,229
Education	1,970	1,247	1,504	3,276
Recreation	7,141	3,706	6,977	10,534
Utilities (household share)	3,755	3,019	4,121	4,785
Personal vehicle operating exp	4,384	4,560	4,718	4,518
Household real estate taxes	267	375	20	359
Dwelling rent	386	685	-	359
Household repairs	2,867	1,527	3,985	3,779
Personal interest	1,609	2,131	1,841	908
Disability / Long term care ins	397	86	767	147
Life insurance payments	2,279	1,369	1,983	4,243
Personal property insurance	191	232	113	113
Miscellaneous	2,877	410	2,152	6,384
Total cash family living expense	75,815	52,282	77,468	101,251
Family living from the farm	498	2,027	105	125
Total family living	76,313	54,309	77,573	101,376
Other Nonfarm Expenditures				
Income taxes	21,921	9,807	17,613	37,191
Furnishing & appliance purchases	636	516	273	1,586
Nonfarm vehicle purchases	6,771	3,737	5,983	5,193
Nonfarm real estate purchases	13,702	2,963	13,610	18,315
Other nonfarm capital purchases	2,024	446	480	6,501
Nonfarm savings & investments	4,410	110	2,457	-347
Total other nonfarm expenditures	49,465	17,578	40,415	68,439
Total cash family living investment & nonfarm capital purch	125,280	69,860	117,883	169,690

Operator and Labor Information
North Dakota Farm Business Management Education
Region 2 - North Central North Dakota, 2012
(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	161	32	32	33
Operator Information				
Average number of operators	1.1	1.0	1.0	1.2
Average age of operators	43.8	39.2	43.8	47.4
Average number of years farming	20.3	16.7	20.8	24.6
Results Per Operator				
Working capital	384,829	93,401	245,271	845,171
Total assets (cost)	1,927,825	953,515	1,364,205	3,424,099
Total liabilities	610,865	381,077	501,039	953,533
Net worth (cost)	1,316,960	572,439	863,166	2,470,566
Gross farm income	788,969	262,268	640,256	1,457,980
Total farm expense	502,537	210,112	413,539	842,392
Net farm income from operations	286,432	52,156	226,716	615,588
Net nonfarm income	33,013	47,704	33,363	26,646
Family living & tax withdrawals	83,679	48,797	82,178	116,234
Total acres owned	807.9	726.9	497.8	929.7
Total crop acres	1,928.2	841.2	1,623.1	3,134.8
Crop acres owned	539.6	334.0	308.3	824.1
Crop acres cash rented	1,179.9	416.4	1,070.0	2,032.3
Crop acres share rented	208.6	90.9	244.8	278.4
Total pasture acres	379.1	532.4	209.9	99.0
Labor Analysis				
Number of farms	161	32	32	33
Total unpaid labor hours	2,226	1,716	2,156	2,483
Total hired labor hours	778	195	448	1,675
Total labor hours per farm	3,004	1,911	2,604	4,158
Unpaid hours per operator	2,109	1,664	2,156	2,157

Nonfarm Summary
North Dakota Farm Business Management Education
Region 2 - North Central North Dakota, 2012
(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	161	32	32	33
Nonfarm Income				
Personal wages & salary	19,473	28,744	19,502	15,414
Net nonfarm business income	706	2,902	1,484	5,931
Personal rental income	1,607	2,538	381	1,419
Personal interest income	532	144	91	2,001
Personal cash dividends	434	3	329	1,706
Tax refunds	964	1,330	1,050	467
Other nonfarm income	11,142	13,532	10,526	3,745
Total nonfarm income	34,858	49,194	33,363	30,683
Gifts and inheritances	14,055	3,647	6,370	3,338

Financial Summary
North Dakota Farm Business Management Education
Region 2 - North Central North Dakota, 2012
(Farms Sorted By Gross Farm Income)

	<u>Avg. Of All Farms</u>	<u>50,001 - 100,000</u>	<u>100,001 - 250,000</u>	<u>250,001 - 500,000</u>	<u>500,001 - 1,000,000</u>	<u>Over 1,000,000</u>
Number of farms	161	5	23	42	60	30
Income Statement						
Gross cash farm income	674,496	68,204	155,296	373,850	712,944	1,538,713
Total cash farm expense	494,397	45,297	118,565	291,404	538,000	1,068,591
Net cash farm income	180,099	22,907	36,731	82,446	174,944	470,122
Inventory change	156,892	7,370	49,840	109,653	193,946	260,231
Depreciation	-34,547	-3,173	-7,355	-16,786	-36,997	-81,685
Net farm income from operations	302,444	27,105	79,216	175,312	331,893	648,668
Gain or loss on capital sales	-129	-	-203	2,541	-2,829	1,562
Average net farm income	302,314	27,105	79,013	177,853	329,064	650,230
Median net farm income	238,054	31,036	71,771	145,308	313,600	560,973
Profitability (cost)						
Rate of return on assets	16.1 %	3.7 %	12.5 %	16.4 %	15.5 %	17.4 %
Rate of return on equity	21.9 %	3.5 %	19.2 %	24.1 %	20.8 %	23.0 %
Operating profit margin	32.2 %	19.4 %	32.2 %	31.0 %	31.9 %	33.0 %
Asset turnover rate	50.1 %	19.4 %	38.9 %	53.0 %	48.6 %	52.6 %
Liquidity & Repayment (end of year)						
Current assets	634,712	74,826	164,933	366,128	745,719	1,323,837
Current liabilities	245,505	21,592	74,477	146,661	289,083	494,202
Current ratio	2.59	3.47	2.21	2.50	2.58	2.68
Working capital	389,207	53,234	90,456	219,467	456,636	829,635
Working capital to gross inc	48.1 %	70.7 %	43.2 %	44.9 %	50.6 %	47.2 %
Term debt coverage ratio	4.30	2.14	2.75	3.91	4.25	4.83
Replacement coverage ratio	3.40	1.76	2.37	3.50	3.27	3.67
Solvency (end of year at cost)						
Number of sole proprietors	153	5	23	40	57	27
Total farm assets	1,797,864	398,337	581,340	1,000,663	2,109,769	3,677,195
Total farm liabilities	594,626	166,752	266,621	371,055	693,078	1,094,440
Total assets	2,002,832	438,092	712,903	1,161,811	2,342,740	3,988,683
Total liabilities	642,471	170,586	302,172	414,451	739,469	1,172,338
Net worth	1,360,361	267,506	410,731	747,360	1,603,271	2,816,346
Net worth change	253,223	24,318	72,684	153,573	251,543	609,553
Farm debt to asset ratio	33 %	42 %	46 %	37 %	33 %	30 %
Total debt to asset ratio	32 %	39 %	42 %	36 %	32 %	29 %
Nonfarm Information						
Net nonfarm income	34,858	17,957	40,545	40,847	39,686	15,682
Farms reporting living expenses	114	3	17	27	45	22
Total family living expense	77,158	-	55,386	66,784	77,933	109,676
Crop Acres						
Total acres owned	853	677	633	635	1,071	949
Total crop acres	2,036	254	666	1,425	2,278	3,816
Total crop acres owned	570	121	301	328	745	858
Total crop acres cash rented	1,246	98	223	871	1,324	2,626
Total crop acres share rented	220	35	141	226	209	333

Financial Summary
North Dakota Farm Business Management Education
Region 2 - North Central North Dakota, 2012
(Farms Sorted By Age Of Operator)

	<u>Avg. Of All Farms</u>	<u>Less Than 31</u>	<u>31 - 40</u>	<u>41 - 50</u>	<u>51 - 60</u>	<u>Over 60</u>
Number of farms	161	33	27	44	39	18
Income Statement						
Gross cash farm income	674,496	376,704	687,128	739,437	917,605	516,020
Total cash farm expense	494,397	296,310	517,333	512,574	688,615	357,916
Net cash farm income	180,099	80,394	169,795	226,863	228,990	158,105
Inventory change	156,892	107,753	173,880	142,466	221,151	117,532
Depreciation	-34,547	-11,958	-37,932	-37,978	-50,799	-27,286
Net farm income from operations	302,444	176,190	305,742	331,351	399,342	248,351
Gain or loss on capital sales	-129	-626	-250	1,306	-1,284	-42
Average net farm income	302,314	175,564	305,492	332,657	398,058	248,309
Median net farm income	238,054	137,130	197,407	300,528	305,914	171,132
Profitability (cost)						
Rate of return on assets	16.1 %	21.7 %	18.7 %	17.2 %	13.9 %	13.1 %
Rate of return on equity	21.9 %	44.4 %	27.2 %	24.5 %	17.6 %	15.2 %
Operating profit margin	32.2 %	32.1 %	30.7 %	33.5 %	31.2 %	34.3 %
Asset turnover rate	50.1 %	67.7 %	60.9 %	51.2 %	44.6 %	38.3 %
Liquidity & Repayment (end of year)						
Current assets	634,712	315,841	547,878	643,301	979,069	594,786
Current liabilities	245,505	156,690	220,754	280,028	352,748	138,694
Current ratio	2.59	2.02	2.48	2.30	2.78	4.29
Working capital	389,207	159,151	327,125	363,272	626,321	456,092
Working capital to gross inc	48.1 %	32.9 %	40.4 %	41.0 %	58.1 %	70.2 %
Term debt coverage ratio	4.30	4.24	5.20	3.75	4.24	5.67
Replacement coverage ratio	3.40	4.09	4.01	3.26	3.05	3.52
Solvency (end of year at cost)						
Number of sole proprietors	153	32	25	41	37	18
Total farm assets	1,797,864	882,110	1,558,420	1,923,297	2,641,204	1,739,192
Total farm liabilities	594,626	475,523	597,453	692,510	728,472	304,355
Total assets	2,002,832	983,752	1,749,395	2,132,039	2,925,886	1,974,835
Total liabilities	642,471	523,288	642,201	746,394	779,071	337,227
Net worth	1,360,361	460,465	1,107,194	1,385,645	2,146,815	1,637,608
Net worth change	253,223	191,065	217,712	264,678	343,065	202,280
Farm debt to asset ratio	33 %	54 %	38 %	36 %	28 %	17 %
Total debt to asset ratio	32 %	53 %	37 %	35 %	27 %	17 %
Nonfarm Information						
Net nonfarm income	34,858	39,584	45,526	23,346	35,913	36,049
Farms reporting living expenses	114	20	16	31	30	17
Total family living expense	77,158	59,649	79,185	86,677	88,633	58,239
Crop Acres						
Total acres owned	853	269	543	864	1,139	1,744
Total crop acres	2,036	1,091	2,093	2,185	2,744	1,784
Total crop acres owned	570	158	376	585	925	808
Total crop acres cash rented	1,246	768	1,376	1,476	1,534	740
Total crop acres share rented	220	165	341	124	285	236

Financial Summary
North Dakota Farm Business Management Education
Region 2 - North Central North Dakota, 2012
(Farms Sorted By Farm Type)

	<u>Avg. Of All Farms</u>	<u>Crop</u>	<u>Beef</u>	<u>Crop and Beef</u>	<u>Other</u>
Number of farms	161	120	15	15	11
Income Statement					
Gross cash farm income	674,496	767,386	207,645	454,238	598,121
Total cash farm expense	494,397	559,490	170,184	368,730	397,769
Net cash farm income	180,099	207,896	37,461	85,508	200,352
Inventory change	156,892	186,416	41,328	96,619	74,591
Depreciation	-34,547	-40,186	-11,907	-17,804	-26,741
Net farm income from operations	302,444	354,126	66,882	164,323	248,202
Gain or loss on capital sales	-129	261	-391	-1,625	-1,994
Average net farm income	302,314	354,387	66,491	162,698	246,208
Median net farm income	238,054	302,500	59,613	128,364	100,231
Profitability (cost)					
Rate of return on assets	16.1 %	17.5 %	7.1 %	9.8 %	13.0 %
Rate of return on equity	21.9 %	23.6 %	9.6 %	14.3 %	16.1 %
Operating profit margin	32.2 %	32.6 %	27.2 %	27.5 %	32.8 %
Asset turnover rate	50.1 %	53.7 %	26.2 %	35.8 %	39.6 %
Liquidity & Repayment (end of year)					
Current assets	634,712	712,188	205,346	422,260	721,950
Current liabilities	245,505	269,367	95,946	263,996	172,465
Current ratio	2.59	2.64	2.14	1.60	4.19
Working capital	389,207	442,821	109,400	158,263	549,485
Working capital to gross inc	48.1 %	47.8 %	43.0 %	28.1 %	81.1 %
Term debt coverage ratio	4.30	4.88	1.86	1.81	4.31
Replacement coverage ratio	3.40	3.73	1.67	1.71	3.33
Solvency (end of year at cost)					
Number of sole proprietors	153	113	15	15	10
Total farm assets	1,797,864	1,955,091	828,583	1,551,077	1,845,310
Total farm liabilities	594,626	622,359	393,642	666,942	474,248
Total assets	2,002,832	2,158,956	959,414	1,722,813	2,223,787
Total liabilities	642,471	672,318	419,048	700,559	553,197
Net worth	1,360,361	1,486,638	540,366	1,022,254	1,670,591
Net worth change	253,223	300,896	50,354	135,184	195,874
Farm debt to asset ratio	33 %	32 %	48 %	43 %	26 %
Total debt to asset ratio	32 %	31 %	44 %	41 %	25 %
Nonfarm Information					
Net nonfarm income	34,858	33,854	30,021	35,969	50,890
Farms reporting living expenses	114	86	9	11	8
Total family living expense	77,158	81,877	43,023	63,779	83,223
Crop Acres					
Total acres owned	853	786	1,128	1,176	775
Total crop acres	2,036	2,269	833	1,793	1,467
Total crop acres owned	570	591	348	718	438
Total crop acres cash rented	1,246	1,423	411	871	968
Total crop acres share rented	220	255	74	203	61

EXPLANATORY NOTES FOR CROPS TABLES

The "Crop Enterprise Analysis" tables show the average physical production, gross return, direct costs, overhead costs, and net returns per acre. The "Net Return per Acre" is the "Gross Return per Acre" minus the direct and overhead costs. "Net Return" represents the return to the operator's and family's unpaid labor, management, and equity. It represents the return to all of the resources which are owned by the farm family and hence, not purchased or paid a wage. Net returns are also calculated after a charge for unpaid operator labor and management and after an allocation of direct government payments. The last section of each crop table contains breakeven yield measures which provide useful standards or goals for the individual managers.

There are potentially three tables for each crop depending on the farmer's tenure on the land. The crop tables may be for (1) owned land, (2) cash rented land, and (3) share rented land. Individual farms may have data in all three tables if all three land tenure categories are represented in that farm business. When there are less than five farms with a particular crop and tenure, that table is not included in the report. Farms may be classified into the low 20%, the mid 20%, or the high 20% on the basis of net return per acre. The classification is done separately for each table, i.e., an individual farm may be in the low 20% for one crop, the high 20% for a second, and the middle 20% for a third crop. When there are less than 25 total farms with any particular crop and farmer's tenure, only overall averages are presented.

Several cost items, such as "utilities," "hired labor," and "interest paid," are listed under both "direct" and "overhead" costs because some of these costs are specific to that crop whereas others are general overhead costs of the farm. For example, "Machinery leases" as direct expense refers to machinery leased and used only in that crop enterprise; the most common example is the lease of equipment that is crop specific. However, cost of leasing machinery that is used for the entire farm operation is listed as an overhead cost. Interest payments are likewise divided into those incurred directly for a specific crop and those that are not. "Land Rent" is listed as a direct cost for each crop enterprise on cash rented land. In the case of double cropping, one-half of the rent is charged to each crop.

"Total direct expense per unit" and "Total dir & ovhd exp per unit" are calculated by dividing "Total direct expense per acre" and "Total dir & ovhd expenses per acre," respectively, by "Yield per acre." "With labor & management" is the breakeven yield after direct, overhead and a labor and management charge are considered. "Total exp less govt & oth income" is the breakeven yield after all costs (including a labor and management charge) are reduced by government payments and miscellaneous income.

In the last section of the crop table, "machinery cost per acre" is the sum of fuel, repairs, all custom hire and machinery leases, machinery depreciation and interest on intermediate debt.

Rounding of individual items for the report may have caused minor discrepancies with the calculated totals.

Crop Enterprise Analysis
North Dakota Farm Business Management Education
Region 2 - North Central North Dakota, 2012
(Farms Sorted By Net Return)

Barley 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 fields	62	15	11	14
Number of farms	40	8	8	8
Acres	142.05	101.58	138.09	182.97
Yield per acre (bu.)	65.56	51.38	61.91	77.21
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	6.50	6.26	5.97	6.85
Other product return per acre	0.12	-	0.72	-
Total product return per acre	426.52	321.76	370.59	528.79
Crop insurance per acre	1.00	5.77	-	-
Other crop income per acre	0.17	0.14	0.77	-
Gross return per acre	427.69	327.68	371.36	528.79
Direct Expenses				
Seed	19.93	21.07	16.67	19.28
Fertilizer	56.55	55.42	48.37	50.73
Crop chemicals	33.87	38.31	31.35	34.49
Crop insurance	18.31	23.23	17.17	20.71
Fuel & oil	18.12	16.99	19.69	15.06
Repairs	20.35	19.31	19.26	17.52
Custom hire	4.72	7.20	1.46	11.03
Operating interest	3.25	2.16	2.66	3.35
Miscellaneous	0.38	1.09	0.26	-
Total direct expenses per acre	175.48	184.79	156.89	172.16
Return over direct exp per acre	252.21	142.89	214.47	356.63
Overhead Expenses				
Custom hire	1.79	-	0.38	1.38
Hired labor	8.12	10.80	5.46	12.75
Machinery leases	1.06	0.35	0.32	1.06
RE & pers. property taxes	6.03	5.45	5.26	6.40
Farm insurance	3.62	4.33	3.14	2.87
Utilities	2.33	2.60	1.70	2.42
Dues & professional fees	1.10	1.15	0.31	1.76
Interest	14.86	14.19	10.72	17.90
Mach & bldg depreciation	15.97	20.67	12.83	12.04
Miscellaneous	2.92	6.23	1.90	2.72
Total overhead expenses per acre	57.82	65.77	42.01	61.29
Total dir & ovhd expenses per acre	233.30	250.56	198.90	233.45
Net return per acre	194.39	77.12	172.46	295.34
Government payments	10.37	10.18	10.54	9.47
Net return with govt pmts	204.77	87.30	183.00	304.81
Labor & management charge	25.70	22.80	28.77	26.87
Net return over lbr & mgt	179.07	64.50	154.23	277.94
Cost of Production				
Total direct expense per bu.	2.68	3.60	2.53	2.23
Total dir & ovhd exp per bu.	3.56	4.88	3.21	3.02
Less govt & other income	3.38	4.56	3.02	2.90
With labor & management	3.77	5.01	3.48	3.25
Net value per unit	6.50	6.26	5.97	6.85
Machinery cost per acre	63.79	64.74	56.37	59.13
Est. labor hours per acre	1.28	1.60	1.44	1.09

Crop Enterprise Analysis
North Dakota Farm Business Management Education
Region 2 - North Central North Dakota, 2012
(Farms Sorted By Net Return)

Barley 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 fields	113	14	28	16
Number of farms	58	11	11	12
Acres	161.64	170.78	164.52	225.64
Yield per acre (bu.)	66.13	49.83	67.43	83.21
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	6.61	6.33	6.75	6.63
Other product return per acre	0.05	-	0.21	-
Total product return per acre	437.10	315.32	455.21	552.00
Crop insurance per acre	0.68	4.68	-	-
Other crop income per acre	0.74	0.30	2.78	-
Gross return per acre	438.53	320.30	457.99	552.00
Direct Expenses				
Seed	22.05	20.73	23.83	25.25
Fertilizer	63.55	63.74	65.85	72.30
Crop chemicals	34.54	32.27	36.76	39.89
Crop insurance	19.55	18.80	23.18	17.68
Fuel & oil	18.35	20.39	19.01	16.64
Repairs	20.75	28.85	19.01	19.18
Custom hire	2.97	1.94	5.65	1.19
Land rent	42.73	40.49	43.45	47.70
Operating interest	3.15	3.57	2.23	2.87
Miscellaneous	0.29	0.35	0.03	0.28
Total direct expenses per acre	227.92	231.12	239.00	242.98
Return over direct exp per acre	210.61	89.17	218.99	309.02
Overhead Expenses				
Custom hire	1.98	3.07	1.55	4.94
Hired labor	7.82	5.73	10.13	6.98
Machinery leases	2.82	1.71	4.52	1.28
Farm insurance	3.46	3.99	4.12	2.84
Utilities	2.25	2.66	2.42	2.24
Dues & professional fees	0.96	0.18	0.25	0.72
Interest	3.61	5.27	3.80	3.70
Mach & bldg depreciation	15.50	17.15	21.79	12.78
Miscellaneous	2.88	1.53	2.72	1.57
Total overhead expenses per acre	41.27	41.30	51.30	37.06
Total dir & ovhd expenses per acre	269.19	272.42	290.30	280.05
Net return per acre	169.34	47.87	167.69	271.96
Government payments	9.80	10.54	9.48	8.37
Net return with govt pmts	179.14	58.41	177.16	280.33
Labor & management charge	28.38	27.91	30.46	30.75
Net return over lbr & mgt	150.76	30.51	146.70	249.58
Cost of Production				
Total direct expense per bu.	3.45	4.64	3.54	2.92
Total dir & ovhd exp per bu.	4.07	5.47	4.31	3.37
Less govt & other income	3.90	5.16	4.12	3.26
With labor & management	4.33	5.72	4.57	3.63
Net value per unit	6.61	6.33	6.75	6.63
Machinery cost per acre	64.15	78.00	71.84	58.35
Est. labor hours per acre	1.25	1.31	1.32	1.11

Crop Enterprise Analysis
North Dakota Farm Business Management Education
Region 2 - North Central North Dakota, 2012
(Farms Sorted By Net Return)

Beans, Pinto on Owned Land

	Avg. Of All Farms
Number of fields	23
Number of farms	12
Acres	93.75
Yield per acre (cwt.)	17.04
Operators share of yield %	100.00
Value per cwt.	34.94
Total product return per acre	595.59
Other crop income per acre	0.01
Gross return per acre	595.60
Direct Expenses	
Seed	51.58
Fertilizer	37.25
Crop chemicals	64.60
Crop insurance	40.43
Fuel & oil	16.11
Repairs	29.61
Custom hire	0.82
Operating interest	4.11
Miscellaneous	0.30
Total direct expenses per acre	244.79
Return over direct exp per acre	350.81
Overhead Expenses	
Custom hire	4.41
Hired labor	12.18
Machinery leases	2.24
RE & pers. property taxes	6.35
Farm insurance	3.89
Utilities	3.60
Dues & professional fees	0.91
Interest	15.52
Mach & bldg depreciation	21.85
Miscellaneous	2.30
Total overhead expenses per acre	73.25
Total dir & ovhd expenses per acre	318.03
Net return per acre	277.57
Government payments	4.08
Net return with govt pmts	281.65
Labor & management charge	35.56
Net return over lbr & mgt	246.08
Cost of Production	
Total direct expense per cwt.	14.36
Total dir & ovhd exp per cwt.	18.66
Less govt & other income	18.42
With labor & management	20.51
Net value per unit	34.94
Machinery cost per acre	78.06
Est. labor hours per acre	1.61

Crop Enterprise Analysis
North Dakota Farm Business Management Education
Region 2 - North Central North Dakota, 2012
(Farms Sorted By Net Return)

Beans, Pinto on Cash Rent

	Avg. Of All Farms
Number of fields	32
Number of farms	16
Acres	226.98
Yield per acre (cwt.)	18.33
Operators share of yield %	100.00
Value per cwt.	34.89
Total product return per acre	639.32
Crop insurance per acre	5.76
Other crop income per acre	0.02
Gross return per acre	645.10
Direct Expenses	
Seed	64.34
Fertilizer	42.17
Crop chemicals	87.27
Crop insurance	37.84
Fuel & oil	22.67
Repairs	27.05
Custom hire	9.33
Land rent	47.46
Operating interest	2.97
Miscellaneous	0.64
Total direct expenses per acre	341.75
Return over direct exp per acre	303.36
Overhead Expenses	
Custom hire	5.21
Hired labor	13.63
Machinery leases	2.70
Building leases	0.85
Farm insurance	4.50
Utilities	2.61
Dues & professional fees	0.26
Interest	5.89
Mach & bldg depreciation	22.53
Miscellaneous	2.99
Total overhead expenses per acre	61.16
Total dir & ovhd expenses per acre	402.91
Net return per acre	242.20
Government payments	6.65
Net return with govt pmts	248.85
Labor & management charge	40.23
Net return over lbr & mgt	208.61
Cost of Production	
Total direct expense per cwt.	18.65
Total dir & ovhd exp per cwt.	21.99
Less govt & other income	21.31
With labor & management	23.50
Net value per unit	34.89
Machinery cost per acre	93.57
Est. labor hours per acre	1.48

Crop Enterprise Analysis
North Dakota Farm Business Management Education
Region 2 - North Central North Dakota, 2012
(Farms Sorted By Net Return)

Canola on Owned Land

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of fields	45	7	8	11
Number of farms	38	7	7	8
Acres	192.67	154.70	123.29	207.73
Yield per acre (cwt.)	14.84	8.47	13.86	17.68
Operators share of yield %	100.00	100.00	100.00	100.00
Value per cwt.	26.24	26.27	26.27	26.23
Total product return per acre	389.24	222.62	364.03	463.85
Crop insurance per acre	12.61	37.39	3.53	10.39
Other crop income per acre	0.75	4.82	0.50	-
Gross return per acre	402.60	264.82	368.08	474.24
Direct Expenses				
Seed	50.59	48.10	48.46	50.72
Fertilizer	74.00	62.15	81.26	62.13
Crop chemicals	27.79	18.37	27.42	30.61
Crop insurance	16.09	14.10	17.33	12.99
Fuel & oil	18.31	17.39	19.25	17.65
Repairs	19.87	24.42	16.87	15.90
Custom hire	9.34	6.05	1.92	10.05
Operating interest	2.72	3.18	1.90	2.29
Miscellaneous	0.29	0.34	-	-
Total direct expenses per acre	219.01	194.10	214.40	202.35
Return over direct exp per acre	183.60	70.72	153.68	271.89
Overhead Expenses				
Custom hire	2.82	3.42	1.20	3.71
Hired labor	4.33	7.28	5.69	4.00
Machinery leases	0.54	2.62	0.42	0.15
RE & pers. property taxes	6.17	4.38	4.81	6.63
Farm insurance	3.15	3.01	3.94	3.49
Utilities	2.31	1.60	3.08	2.70
Dues & professional fees	0.79	2.70	0.86	0.42
Interest	12.86	16.82	19.61	8.37
Mach & bldg depreciation	15.93	13.29	16.00	17.70
Miscellaneous	2.25	1.07	2.81	2.34
Total overhead expenses per acre	51.15	56.20	58.41	49.51
Total dir & ovhd expenses per acre	270.16	250.30	272.81	251.86
Net return per acre	132.44	14.52	95.27	222.38
Government payments	10.61	8.47	11.78	11.90
Net return with govt pmts	143.06	22.99	107.05	234.28
Labor & management charge	25.84	22.94	25.78	30.08
Net return over lbr & mgt	117.22	0.05	81.27	204.20
Cost of Production				
Total direct expense per cwt.	14.76	22.90	15.47	11.44
Total dir & ovhd exp per cwt.	18.21	29.54	19.68	14.24
Less govt & other income	16.59	23.56	18.54	12.98
With labor & management	18.34	26.26	20.40	14.68
Net value per unit	26.24	26.27	26.27	26.23
Machinery cost per acre	67.82	69.60	57.74	65.40
Est. labor hours per acre	1.19	1.38	1.21	1.18

Crop Enterprise Analysis
North Dakota Farm Business Management Education
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(Farms Sorted By Net Return)

Canola on Cash Rent

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of fields	128	16	26	26
Number of farms	60	12	12	12
Acres	183.01	213.38	197.58	218.69
Yield per acre (cwt.)	13.61	12.22	14.04	17.53
Operators share of yield %	100.00	100.00	100.00	100.00
Value per cwt.	29.06	24.77	28.40	26.69
Total product return per acre	395.44	302.62	398.80	467.85
Crop insurance per acre	10.99	17.22	13.60	-
Other crop income per acre	0.32	0.74	0.50	-
Gross return per acre	406.76	320.58	412.90	467.85
Direct Expenses				
Seed	48.51	53.27	54.27	44.26
Fertilizer	76.04	93.95	71.38	63.16
Crop chemicals	23.78	25.83	28.53	17.18
Crop insurance	14.77	15.36	15.60	14.93
Fuel & oil	18.95	20.93	18.24	18.29
Repairs	19.14	22.91	20.82	14.38
Custom hire	4.70	5.00	6.53	3.66
Land rent	43.50	43.41	42.96	43.72
Operating interest	2.60	3.41	3.46	2.19
Miscellaneous	0.74	0.33	1.00	0.05
Total direct expenses per acre	252.74	284.39	262.80	221.81
Return over direct exp per acre	154.02	36.19	150.10	246.05
Overhead Expenses				
Custom hire	3.06	3.67	4.64	1.05
Hired labor	4.60	7.97	6.29	2.18
Machinery leases	3.60	2.62	0.93	5.53
Building leases	0.32	0.04	0.01	0.98
Farm insurance	3.11	2.35	4.05	3.47
Utilities	1.90	2.83	2.06	1.56
Dues & professional fees	0.58	1.10	0.56	0.71
Interest	2.80	3.72	3.02	1.47
Mach & bldg depreciation	13.69	14.49	18.56	14.31
Miscellaneous	2.05	1.91	2.88	1.87
Total overhead expenses per acre	35.72	40.70	43.00	33.14
Total dir & ovhd expenses per acre	288.46	325.09	305.80	254.94
Net return per acre	118.30	-4.51	107.10	212.91
Government payments	10.95	9.70	10.12	11.83
Net return with govt pmts	129.25	5.19	117.22	224.74
Labor & management charge	29.61	24.46	27.30	32.29
Net return over lbr & mgt	99.64	-19.27	89.92	192.45
Cost of Production				
Total direct expense per cwt.	18.57	23.28	18.71	12.65
Total dir & ovhd exp per cwt.	21.20	26.61	21.78	14.54
Less govt & other income	19.56	24.35	20.05	13.87
With labor & management	21.74	26.35	21.99	15.71
Net value per unit	29.06	24.77	28.40	26.69
Machinery cost per acre	65.02	72.15	71.00	58.15
Est. labor hours per acre	1.23	1.32	1.30	1.07

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Canola on Share Rent

	Avg. Of All Farms
Number of fields	22
Number of farms	15
Acres	131.27
Yield per acre (cwt.)	14.43
Operators share of yield %	63.45
Value per cwt.	28.52
Total product return per acre	261.23
Crop insurance per acre	4.02
Other crop income per acre	1.46
Gross return per acre	266.71
Direct Expenses	
Seed	34.72
Fertilizer	62.72
Crop chemicals	26.60
Crop insurance	8.42
Fuel & oil	13.79
Repairs	14.55
Custom hire	6.78
Operating interest	2.02
Miscellaneous	2.10
Total direct expenses per acre	171.69
Return over direct exp per acre	95.02
Overhead Expenses	
Custom hire	6.28
Hired labor	3.97
Machinery leases	0.70
Building leases	0.30
Farm insurance	3.35
Utilities	2.38
Dues & professional fees	0.38
Interest	2.09
Mach & bldg depreciation	20.05
Miscellaneous	2.17
Total overhead expenses per acre	41.67
Total dir & ovhd expenses per acre	213.36
Net return per acre	53.35
Government payments	6.80
Net return with govt pmts	60.14
Labor & management charge	23.81
Net return over lbr & mgt	36.34
Cost of Production	
Total direct expense per cwt.	18.75
Total dir & ovhd exp per cwt.	23.30
Less govt & other income	21.96
With labor & management	24.56
Net value per unit	28.52
Machinery cost per acre	62.37
Est. labor hours per acre	1.01

Crop Enterprise Analysis
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(Farms Sorted By Net Return)

Corn on Owned Land

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of fields	40	6	7	8
Number of farms	34	6	7	7
Acres	86.41	112.25	88.84	106.71
Yield per acre (bu.)	102.72	78.38	94.90	135.00
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	6.42	6.39	6.32	6.53
Other product return per acre	3.09	0.74	5.31	8.04
Total product return per acre	662.30	501.66	605.43	890.15
Hedging gains/losses per acre	-1.16	-	-	-
Crop insurance per acre	1.75	-	-	6.68
Other crop income per acre	0.02	-	-	-
Gross return per acre	662.91	501.66	605.43	896.83
Direct Expenses				
Seed	80.52	79.47	67.50	87.47
Fertilizer	99.98	110.87	74.73	129.77
Crop chemicals	21.93	21.03	20.35	23.24
Crop insurance	23.52	21.25	13.87	20.50
Drying expense	0.59	1.80	1.32	-
Fuel & oil	26.81	27.69	23.25	27.13
Repairs	36.08	45.03	31.04	36.49
Custom hire	5.90	21.29	5.80	0.61
Machinery leases	0.10	0.50	-	0.00
Operating interest	5.59	5.24	3.34	8.98
Miscellaneous	0.81	3.47	-	0.02
Total direct expenses per acre	301.83	337.66	241.21	334.21
Return over direct exp per acre	361.09	164.01	364.23	562.62
Overhead Expenses				
Custom hire	8.66	2.29	0.44	30.98
Hired labor	10.82	4.12	10.59	14.63
Machinery leases	3.03	0.57	8.56	0.75
RE & pers. property taxes	7.29	6.57	7.45	8.31
Farm insurance	4.96	3.10	3.02	7.64
Utilities	3.83	2.72	2.68	6.68
Dues & professional fees	1.62	1.20	1.15	0.08
Interest	21.00	24.28	15.49	23.29
Mach & bldg depreciation	31.54	39.36	37.07	21.22
Miscellaneous	3.65	1.25	3.46	5.72
Total overhead expenses per acre	96.39	85.45	89.91	119.31
Total dir & ovhd expenses per acre	398.22	423.11	331.12	453.52
Net return per acre	264.70	78.55	274.31	443.31
Government payments	8.96	10.04	9.33	9.70
Net return with govt pmts	273.66	88.59	283.65	453.02
Labor & management charge	43.20	36.94	32.26	59.73
Net return over lbr & mgt	230.46	51.65	251.39	393.29
Cost of Production				
Total direct expense per bu.	2.94	4.31	2.54	2.48
Total dir & ovhd exp per bu.	3.88	5.40	3.49	3.36
Less govt & other income	3.75	5.26	3.33	3.18
With labor & management	4.17	5.73	3.67	3.62
Net value per unit	6.41	6.39	6.32	6.53
Machinery cost per acre	112.57	138.02	100.17	120.21
Est. labor hours per acre	2.05	2.14	1.59	2.49

Crop Enterprise Analysis
North Dakota Farm Business Management Education
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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 fields	69	14	11	15
Number of farms	44	8	9	9
Acres	137.82	85.18	237.82	150.98
Yield per acre (bu.)	105.10	79.50	109.39	131.80
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	6.33	6.23	6.11	6.51
Other product return per acre	0.23	-	-	-
Total product return per acre	665.34	495.52	668.25	857.50
Hedging gains/losses per acre	-0.21	-	-	-
Crop insurance per acre	1.34	2.58	0.86	3.29
Other crop income per acre	0.65	-	-	-
Gross return per acre	667.13	498.10	669.11	860.79
Direct Expenses				
Seed	82.20	77.25	91.05	84.30
Fertilizer	97.26	110.41	109.26	104.18
Crop chemicals	20.51	18.63	24.55	20.14
Crop insurance	24.91	22.07	26.75	30.76
Drying expense	0.67	3.95	-	-
Fuel & oil	28.04	30.33	31.64	23.12
Repairs	35.91	34.89	38.59	28.12
Custom hire	5.81	16.13	0.71	7.31
Land rent	45.25	55.91	40.61	47.15
Operating interest	5.85	8.76	5.16	4.47
Miscellaneous	0.40	0.50	0.30	-
Total direct expenses per acre	346.80	378.82	368.63	349.56
Return over direct exp per acre	320.32	119.28	300.49	511.23
Overhead Expenses				
Custom hire	3.75	0.00	3.01	7.95
Hired labor	12.96	17.59	13.05	11.33
Machinery leases	3.93	1.95	1.75	3.35
Farm insurance	4.77	4.01	5.21	5.36
Utilities	3.19	3.55	2.59	3.53
Dues & professional fees	1.43	4.81	0.27	0.07
Interest	5.23	3.50	7.18	5.35
Mach & bldg depreciation	29.07	29.23	28.98	23.28
Miscellaneous	3.59	1.92	3.21	3.09
Total overhead expenses per acre	67.93	66.54	65.25	63.32
Total dir & ovhd expenses per acre	414.73	445.37	433.87	412.87
Net return per acre	252.40	52.74	235.24	447.91
Government payments	9.26	9.07	8.50	8.71
Net return with govt pmts	261.66	61.81	243.74	456.63
Labor & management charge	42.89	37.17	43.08	46.73
Net return over lbr & mgt	218.76	24.64	200.66	409.90
Cost of Production				
Total direct expense per bu.	3.30	4.77	3.37	2.65
Total dir & ovhd exp per bu.	3.95	5.60	3.97	3.13
Less govt & other income	3.84	5.46	3.88	3.04
With labor & management	4.25	5.92	4.27	3.40
Net value per unit	6.33	6.23	6.11	6.51
Machinery cost per acre	108.90	114.51	110.15	96.33
Est. labor hours per acre	1.90	2.25	1.72	1.59

Crop Enterprise Analysis
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Corn Silage on Owned Land

	Avg. Of All Farms
Number of fields	13
Number of farms	11
Acres	46.97
Yield per acre (ton)	13.38
Operators share of yield %	100.00
Value per ton	30.00
Other product return per acre	0.82
Total product return per acre	402.20
Gross return per acre	402.20
Direct Expenses	
Seed	61.60
Fertilizer	58.03
Crop chemicals	14.59
Crop insurance	13.02
Fuel & oil	30.08
Repairs	39.64
Custom hire	12.99
Machinery leases	0.53
Operating interest	6.64
Miscellaneous	0.30
Total direct expenses per acre	237.42
Return over direct exp per acre	164.79
Overhead Expenses	
Hired labor	9.94
Machinery leases	0.69
RE & pers. property taxes	5.75
Farm insurance	3.91
Utilities	1.93
Dues & professional fees	1.15
Interest	17.81
Mach & bldg depreciation	20.98
Miscellaneous	1.49
Total overhead expenses per acre	63.66
Total dir & ovhd expenses per acre	301.08
Net return per acre	101.13
Government payments	9.72
Net return with govt pmts	110.85
Labor & management charge	32.08
Net return over lbr & mgt	78.77
Cost of Production	
Total direct expense per ton	17.74
Total dir & ovhd exp per ton	22.50
Less govt & other income	21.71
With labor & management	24.11
Net value per unit	30.00
Machinery cost per acre	107.93
Est. labor hours per acre	2.28

Crop Enterprise Analysis
North Dakota Farm Business Management Education
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(Farms Sorted By Net Return)

CRP on Owned Land

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of fields	69	12	10	8
Number of farms	32	6	7	7
Acres	76.91	65.34	109.82	61.80
Yield per acre (\$)	32.69	28.56	32.50	39.72
Operators share of yield %	100.00	100.00	100.00	100.00
Value per \$	1.00	1.00	1.00	1.00
Other product return per acre	3.98	-	7.01	27.16
Total product return per acre	36.67	28.56	39.50	66.87
Gross return per acre	36.67	28.56	39.50	66.87
Direct Expenses				
Crop chemicals	1.25	4.74	-	-
Fuel & oil	0.98	1.13	2.02	0.58
Repairs	1.05	1.53	1.85	0.47
Miscellaneous	0.22	0.15	0.72	0.09
Total direct expenses per acre	3.51	7.55	4.59	1.14
Return over direct exp per acre	33.16	21.01	34.91	65.73
Overhead Expenses				
Hired labor	0.48	0.08	1.29	0.04
RE & pers. property taxes	5.63	5.37	4.62	5.86
Interest	9.56	24.83	4.68	15.37
Mach & bldg depreciation	0.99	0.73	2.20	0.64
Miscellaneous	0.64	0.93	1.04	0.30
Total overhead expenses per acre	17.29	31.94	13.83	22.21
Total dir & ovhd expenses per acre	20.80	39.49	18.42	23.36
Net return per acre	15.87	-10.93	21.08	43.52

Crop Enterprise Analysis
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Fallow on Cash Rent

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of fields	38	7	7	8
Number of farms	34	6	7	7
Acres	78.62	43.86	87.74	75.88
Yield per acre	0.00	0.00	0.00	0.00
Operators share of yield %	100.00	100.00	100.00	100.00
Value per 0	0.49	0.36	0.48	0.76
Total product return per acre	0.00	0.00	0.00	0.00
Gross return per acre	0.00	0.00	0.00	0.00
Direct Expenses				
Crop chemicals	2.93	4.94	0.47	1.31
Fuel & oil	7.59	8.20	6.24	4.44
Repairs	9.11	15.05	5.63	4.02
Land rent	34.15	54.91	41.91	27.62
Operating interest	1.59	3.51	0.63	0.59
Total direct expenses per acre	55.46	86.60	54.88	37.99
Return over direct exp per acre	-55.46	-86.60	-54.88	-37.99
Overhead Expenses				
Custom hire	1.55	3.88	0.82	0.77
Hired labor	2.25	4.20	2.11	1.24
Farm insurance	1.12	1.44	1.35	0.74
Utilities	0.86	1.51	0.78	0.53
Interest	1.59	2.58	1.39	0.36
Mach & bldg depreciation	6.43	4.53	6.30	4.25
Miscellaneous	1.06	1.07	0.82	0.53
Total overhead expenses per acre	14.87	19.20	13.55	8.42
Total dir & ovhd expenses per acre	70.33	105.79	68.43	46.40
Net return per acre	-70.33	-105.79	-68.43	-46.40
Government payments	9.79	9.06	9.91	9.38
Net return with govt pmts	-60.54	-96.74	-58.52	-37.03
Labor & management charge	9.47	13.57	11.45	7.34
Net return over lbr & mgt	-70.01	-110.31	-69.98	-44.37

Crop Enterprise Analysis
North Dakota Farm Business Management Education
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Flax on Cash Rent

	Avg. Of All Farms
Number of fields	31
Number of farms	13
Acres	90.88
Yield per acre (bu.)	17.72
Operators share of yield %	100.00
Value per bu.	13.44
Other product return per acre	0.03
Total product return per acre	238.08
Crop insurance per acre	4.83
Gross return per acre	242.91
Direct Expenses	
Seed	16.35
Fertilizer	43.67
Crop chemicals	26.91
Crop insurance	13.87
Fuel & oil	15.13
Repairs	13.90
Custom hire	4.45
Land rent	41.27
Operating interest	2.74
Total direct expenses per acre	178.30
Return over direct exp per acre	64.61
Overhead Expenses	
Custom hire	1.06
Hired labor	4.65
Farm insurance	3.07
Utilities	1.51
Dues & professional fees	0.67
Interest	2.26
Mach & bldg depreciation	7.90
Miscellaneous	3.25
Total overhead expenses per acre	24.37
Total dir & ovhd expenses per acre	202.67
Net return per acre	40.24
Government payments	9.62
Net return with govt pmts	49.86
Labor & management charge	21.30
Net return over lbr & mgt	28.56
Cost of Production	
Total direct expense per bu.	10.06
Total dir & ovhd exp per bu.	11.44
Less govt & other income	10.62
With labor & management	11.82
Net value per unit	13.44
Machinery cost per acre	44.26
Est. labor hours per acre	1.08

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(Farms Sorted By Net Return)

Hay, Alfalfa on Owned Land

	<u>Avg. Of All Farms</u>
Number of fields	35
Number of farms	22
Acres	60.83
Yield per acre (ton)	1.66
Operators share of yield %	100.00
Value per ton	68.23
Other product return per acre	1.38
Total product return per acre	114.49
Crop insurance per acre	0.05
Other crop income per acre	2.32
Gross return per acre	116.86
Direct Expenses	
Fertilizer	3.21
Crop insurance	0.25
Fuel & oil	10.23
Repairs	14.05
Operating interest	1.39
Miscellaneous	0.51
Total direct expenses per acre	29.64
Return over direct exp per acre	87.21
Overhead Expenses	
Custom hire	0.34
Hired labor	2.35
Machinery leases	0.48
RE & pers. property taxes	4.27
Farm insurance	2.62
Utilities	1.60
Dues & professional fees	0.79
Interest	8.55
Mach & bldg depreciation	8.21
Miscellaneous	0.26
Total overhead expenses per acre	29.45
Total dir & ovhd expenses per acre	59.10
Net return per acre	57.76
Government payments	1.66
Net return with govt pmts	59.42
Labor & management charge	12.68
Net return over lbr & mgt	46.74
Cost of Production	
Total direct expense per ton	17.88
Total dir & ovhd exp per ton	35.65
Less govt & other income	32.39
With labor & management	40.04
Net value per unit	68.23
Machinery cost per acre	34.64
Est. labor hours per acre	0.93

Crop Enterprise Analysis
North Dakota Farm Business Management Education
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Hay, Alfalfa on Cash Rent

	Avg. Of All Farms
Number of fields	24
Number of farms	17
Acres	50.41
Yield per acre (ton)	2.03
Operators share of yield %	100.00
Value per ton	63.95
Other product return per acre	0.27
Total product return per acre	129.97
Gross return per acre	129.97
Direct Expenses	
Fertilizer	2.42
Fuel & oil	10.23
Repairs	10.82
Land rent	20.06
Operating interest	1.73
Total direct expenses per acre	45.53
Return over direct exp per acre	84.44
Overhead Expenses	
Hired labor	1.56
Machinery leases	0.07
Farm insurance	1.99
Utilities	1.81
Dues & professional fees	0.39
Interest	1.92
Mach & bldg depreciation	7.36
Miscellaneous	0.63
Total overhead expenses per acre	15.73
Total dir & ovhd expenses per acre	61.26
Net return per acre	68.71
Government payments	1.34
Net return with govt pmts	70.05
Labor & management charge	11.59
Net return over lbr & mgt	58.46
Cost of Production	
Total direct expense per ton	22.45
Total dir & ovhd exp per ton	30.21
Less govt & other income	29.41
With labor & management	35.12
Net value per unit	63.95
Machinery cost per acre	29.89
Est. labor hours per acre	0.94

Crop Enterprise Analysis
North Dakota Farm Business Management Education
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(Farms Sorted By Net Return)

Hay, Grass on Owned Land

	Avg. Of All Farms
Number of fields	34
Number of farms	23
Acres	139.69
Yield per acre (ton)	1.20
Operators share of yield %	100.00
Value per ton	40.68
Total product return per acre	48.91
Crop insurance per acre	0.24
Gross return per acre	49.15
Direct Expenses	
Fuel & oil	8.96
Repairs	11.80
Operating interest	1.13
Miscellaneous	1.16
Total direct expenses per acre	23.05
Return over direct exp per acre	26.10
Overhead Expenses	
Hired labor	2.31
Machinery leases	0.47
RE & pers. property taxes	2.94
Farm insurance	1.05
Utilities	0.59
Dues & professional fees	0.22
Interest	6.97
Mach & bldg depreciation	6.46
Miscellaneous	0.91
Total overhead expenses per acre	21.91
Total dir & ovhd expenses per acre	44.95
Net return per acre	4.20
Government payments	0.22
Net return with govt pmts	4.42
Labor & management charge	11.85
Net return over lbr & mgt	-7.43
Cost of Production	
Total direct expense per ton	19.17
Total dir & ovhd exp per ton	37.39
Less govt & other income	37.01
With labor & management	46.86
Net value per unit	40.68
Machinery cost per acre	28.39
Est. labor hours per acre	0.91

Crop Enterprise Analysis
North Dakota Farm Business Management Education
Region 2 - North Central North Dakota, 2012
(Farms Sorted By Net Return)

Hay, Grass on Cash Rent

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of fields	71	10	25	12
Number of farms	33	6	6	7
Acres	118.82	131.60	142.99	73.99
Yield per acre (ton)	1.31	0.93	1.19	2.14
Operators share of yield %	100.00	100.00	100.00	100.00
Value per ton	38.47	37.34	37.09	37.74
Total product return per acre	50.22	34.77	44.31	80.91
Gross return per acre	50.22	34.77	44.31	80.91
Direct Expenses				
Fuel & oil	8.79	8.50	7.27	10.10
Repairs	10.33	10.18	9.77	7.74
Land rent	11.25	11.86	10.12	12.43
Operating interest	1.35	1.53	1.18	1.27
Miscellaneous	0.38	0.01	0.13	0.19
Total direct expenses per acre	32.10	32.08	28.48	31.74
Return over direct exp per acre	18.13	2.69	15.83	49.17
Overhead Expenses				
Hired labor	3.25	8.29	2.98	0.53
Farm insurance	1.24	1.59	1.14	0.90
Utilities	0.86	0.47	0.79	1.02
Interest	0.79	0.39	0.75	0.78
Mach & bldg depreciation	6.41	18.28	3.51	5.25
Miscellaneous	1.31	0.85	0.90	1.50
Total overhead expenses per acre	13.87	29.88	10.08	10.00
Total dir & ovhd expenses per acre	45.97	61.96	38.56	41.73
Net return per acre	4.26	-27.19	5.75	39.17
Government payments	0.24	-	0.07	-
Net return with govt pmts	4.50	-27.19	5.82	39.17
Labor & management charge	11.40	12.25	9.67	10.09
Net return over lbr & mgt	-6.90	-39.44	-3.85	29.09
Cost of Production				
Total direct expense per ton	24.58	34.46	23.84	14.80
Total dir & ovhd exp per ton	35.21	66.55	32.27	19.46
Less govt & other income	35.02	66.55	32.21	19.46
With labor & management	43.75	79.71	40.31	24.17
Net value per unit	38.47	37.34	37.09	37.74
Machinery cost per acre	26.43	36.87	21.45	24.14
Est. labor hours per acre	0.85	0.77	0.85	0.61

Crop Enterprise Analysis
North Dakota Farm Business Management Education
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Hay, Mixed Alfalfa/Grass on Owned Land

	<u>Avg. Of All Farms</u>
Number of fields	24
Number of farms	14
Acres	51.27
Yield per acre (ton)	1.31
Operators share of yield %	100.00
Value per ton	53.55
Other product return per acre	2.75
Total product return per acre	72.76
Gross return per acre	72.76
Direct Expenses	
Fertilizer	1.11
Fuel & oil	11.32
Repairs	13.13
Custom hire	4.39
Operating interest	1.53
Miscellaneous	0.72
Total direct expenses per acre	32.20
Return over direct exp per acre	40.56
Overhead Expenses	
Custom hire	0.62
Hired labor	1.86
Machinery leases	0.62
RE & pers. property taxes	4.46
Farm insurance	3.02
Utilities	1.84
Dues & professional fees	0.99
Interest	10.66
Mach & bldg depreciation	7.95
Miscellaneous	0.10
Total overhead expenses per acre	32.12
Total dir & ovhd expenses per acre	64.32
Net return per acre	8.44
Government payments	2.77
Net return with govt pmts	11.21
Labor & management charge	13.19
Net return over lbr & mgt	-1.98
Cost of Production	
Total direct expense per ton	24.63
Total dir & ovhd exp per ton	49.20
Less govt & other income	44.98
With labor & management	55.07
Net value per unit	53.55
Machinery cost per acre	39.00
Est. labor hours per acre	0.79

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Hay, Mixed Alfalfa/Grass on Cash Rent

	<u>Avg. Of All Farms</u>
Number of fields	29
Number of farms	19
Acres	62.58
Yield per acre (ton)	1.80
Operators share of yield %	100.00
Value per ton	43.80
Total product return per acre	78.93
Crop insurance per acre	0.07
Gross return per acre	79.00
Direct Expenses	
Fuel & oil	10.38
Repairs	11.87
Land rent	13.35
Machinery leases	0.61
Operating interest	1.55
Miscellaneous	0.09
Total direct expenses per acre	37.83
Return over direct exp per acre	41.16
Overhead Expenses	
Custom hire	0.14
Hired labor	1.82
Machinery leases	0.26
Farm insurance	1.86
Utilities	1.12
Dues & professional fees	0.83
Interest	2.43
Mach & bldg depreciation	5.59
Miscellaneous	1.46
Total overhead expenses per acre	15.51
Total dir & ovhd expenses per acre	53.34
Net return per acre	25.66
Government payments	1.42
Net return with govt pmts	27.07
Labor & management charge	12.38
Net return over lbr & mgt	14.70
Cost of Production	
Total direct expense per ton	20.99
Total dir & ovhd exp per ton	29.60
Less govt & other income	28.78
With labor & management	35.65
Net value per unit	43.80
Machinery cost per acre	31.07
Est. labor hours per acre	0.80

Crop Enterprise Analysis
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Pasture on Owned Land

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of fields	70	9	9	19
Number of farms	43	8	8	9
Acres	276.02	272.21	321.58	163.44
Yield per acre (aum)	0.88	0.51	0.89	1.43
Operators share of yield %	100.00	100.00	100.00	100.00
Value per aum	15.85	15.00	14.66	16.84
Other product return per acre	0.01	-	-	-
Total product return per acre	14.01	7.71	12.99	24.02
Crop insurance per acre	0.08	-	0.35	-
Gross return per acre	14.09	7.71	13.35	24.02
Direct Expenses				
Fertilizer	0.12	0.93	-	-
Crop chemicals	0.26	0.68	0.28	0.32
Crop insurance	0.16	0.52	-	-
Fuel & oil	0.61	0.66	0.78	0.66
Repairs	0.73	1.02	0.72	0.61
Miscellaneous	0.16	0.52	0.21	0.09
Total direct expenses per acre	2.04	4.33	1.99	1.68
Return over direct exp per acre	12.05	3.38	11.36	22.33
Overhead Expenses				
RE & pers. property taxes	2.79	2.10	3.36	3.03
Interest	5.42	14.92	4.46	4.39
Miscellaneous	0.82	0.82	0.91	0.88
Total overhead expenses per acre	9.03	17.83	8.73	8.30
Total dir & ovhd expenses per acre	11.08	22.16	10.72	9.98
Net return per acre	3.01	-14.46	2.62	14.03

Crop Enterprise Analysis
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Pasture on Cash Rent

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of fields	133	31	34	22
Number of farms	52	10	11	11
Acres	272.60	164.48	351.51	169.02
Yield per acre (aum)	0.89	0.86	0.77	0.99
Operators share of yield %	100.00	100.00	100.00	100.00
Value per aum	15.78	15.96	15.86	17.57
Other product return per acre	0.36	-	-	1.33
Total product return per acre	14.47	13.68	12.28	18.79
Crop insurance per acre	0.08	-	0.09	0.46
Gross return per acre	14.55	13.68	12.37	19.25
Direct Expenses				
Fertilizer	0.14	1.03	-	-
Crop chemicals	0.13	0.57	0.03	-
Fuel & oil	0.63	0.97	0.55	0.43
Repairs	0.84	1.73	0.66	0.66
Land rent	11.51	17.78	11.07	7.77
Miscellaneous	0.32	0.26	0.51	0.08
Total direct expenses per acre	13.58	22.32	12.82	8.94
Return over direct exp per acre	0.97	-8.63	-0.45	10.31
Overhead Expenses				
Mach & bldg depreciation	0.39	0.37	0.32	0.58
Miscellaneous	0.74	1.34	0.68	0.71
Total overhead expenses per acre	1.13	1.71	1.00	1.29
Total dir & ovhd expenses per acre	14.71	24.02	13.83	10.22
Net return per acre	-0.16	-10.34	-1.45	9.02

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Peas, Field on Owned Land

	<u>Avg. Of All Farms</u>
Number of fields	6
Number of farms	5
Acres	122.09
Yield per acre (bu.)	35.64
Operators share of yield %	100.00
Value per bu.	10.53
Total product return per acre	375.17
Crop insurance per acre	19.39
Gross return per acre	394.55
Direct Expenses	
Seed	48.78
Fertilizer	15.36
Crop chemicals	43.32
Crop insurance	16.41
Fuel & oil	18.29
Repairs	17.75
Custom hire	5.80
Operating interest	2.06
Miscellaneous	0.14
Total direct expenses per acre	167.92
Return over direct exp per acre	226.64
Overhead Expenses	
Hired labor	12.16
Machinery leases	0.44
RE & pers. property taxes	5.46
Farm insurance	3.28
Utilities	2.03
Dues & professional fees	0.40
Interest	15.43
Mach & bldg depreciation	25.17
Miscellaneous	5.71
Total overhead expenses per acre	70.07
Total dir & ovhd expenses per acre	237.99
Net return per acre	156.57
Government payments	9.17
Net return with govt pmts	165.74
Labor & management charge	27.74
Net return over lbr & mgt	138.00
Cost of Production	
Total direct expense per bu.	4.71
Total dir & ovhd exp per bu.	6.68
Less govt & other income	5.88
With labor & management	6.66
Net value per unit	10.53
Machinery cost per acre	64.97
Est. labor hours per acre	1.97

Crop Enterprise Analysis
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Prevented planting on Cash Rent

	Avg. Of All Farms
Number of fields	38
Number of farms	23
Acres	79.88
Yield per acre (bu.)	0.00
Operators share of yield %	100.00
Value per bu.	0.63
Total product return per acre	0.00
Crop insurance per acre	232.26
Gross return per acre	232.26
Direct Expenses	
Fertilizer	0.80
Crop chemicals	3.72
Crop insurance	16.94
Fuel & oil	7.41
Repairs	8.03
Land rent	36.06
Operating interest	0.80
Miscellaneous	0.04
Total direct expenses per acre	73.81
Return over direct exp per acre	158.46
Overhead Expenses	
Custom hire	0.69
Hired labor	5.52
Farm insurance	2.19
Utilities	1.07
Dues & professional fees	0.43
Interest	2.01
Mach & bldg depreciation	7.28
Miscellaneous	1.10
Total overhead expenses per acre	20.29
Total dir & ovhd expenses per acre	94.10
Net return per acre	138.16
Government payments	9.98
Net return with govt pmts	148.14
Labor & management charge	10.65
Net return over lbr & mgt	137.49

Crop Enterprise Analysis
North Dakota Farm Business Management Education
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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 fields	60	11	14	13
Number of farms	44	8	9	9
Acres	163.78	158.30	193.94	115.29
Yield per acre (bu.)	33.39	25.11	32.83	41.40
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	13.97	13.26	14.06	14.03
Total product return per acre	466.47	332.95	461.47	580.67
Hedging gains/losses per acre	-0.52	-2.93	-	-
Crop insurance per acre	6.86	13.20	4.13	-
Other crop income per acre	3.04	7.33	-	-
Gross return per acre	475.85	350.56	465.60	580.67
Direct Expenses				
Seed	64.88	65.68	64.55	53.82
Fertilizer	24.56	23.83	22.12	13.81
Crop chemicals	21.99	25.42	22.33	16.44
Crop insurance	17.47	16.33	15.76	18.74
Fuel & oil	18.06	17.27	19.01	19.38
Repairs	21.97	24.59	21.11	17.52
Custom hire	3.29	7.70	3.92	1.62
Operating interest	3.49	2.90	3.56	2.97
Miscellaneous	0.31	-	0.34	-
Total direct expenses per acre	176.00	183.73	172.70	144.31
Return over direct exp per acre	299.85	166.83	292.90	436.36
Overhead Expenses				
Custom hire	4.74	1.87	9.58	2.36
Hired labor	5.45	4.42	5.02	3.70
Machinery leases	0.80	0.35	0.77	0.21
RE & pers. property taxes	6.72	6.37	7.05	6.92
Farm insurance	4.13	4.67	3.89	3.62
Utilities	2.70	2.70	2.95	2.57
Dues & professional fees	1.25	2.90	1.67	0.47
Interest	13.89	19.75	9.39	17.36
Mach & bldg depreciation	18.93	17.53	16.64	25.87
Miscellaneous	2.95	4.25	2.13	2.24
Total overhead expenses per acre	61.56	64.80	59.08	65.32
Total dir & ovhd expenses per acre	237.56	248.53	231.78	209.63
Net return per acre	238.29	102.03	233.83	371.04
Government payments	10.32	7.67	10.07	11.93
Net return with govt pmts	248.61	109.70	243.89	382.97
Labor & management charge	28.23	25.52	26.16	32.25
Net return over lbr & mgt	220.38	84.18	217.74	350.72
Cost of Production				
Total direct expense per bu.	5.27	7.32	5.26	3.49
Total dir & ovhd exp per bu.	7.11	9.90	7.06	5.06
Less govt & other income	6.52	8.89	6.63	4.78
With labor & management	7.37	9.91	7.43	5.55
Net value per unit	13.95	13.14	14.06	14.03
Machinery cost per acre	69.44	72.12	71.88	68.86
Est. labor hours per acre	1.35	1.33	1.40	1.33

Crop Enterprise Analysis
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Soybeans on Cash Rent

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of fields	118	29	23	26
Number of farms	70	14	14	14
Acres	231.49	201.17	286.10	201.44
Yield per acre (bu.)	32.08	25.82	31.22	40.27
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	13.89	13.52	13.80	14.13
Total product return per acre	445.68	349.13	431.01	568.82
Hedging gains/losses per acre	-0.03	-	-	-
Crop insurance per acre	14.34	11.14	25.18	-
Other crop income per acre	1.89	2.83	3.24	1.39
Gross return per acre	461.88	363.10	459.42	570.21
Direct Expenses				
Seed	65.45	59.29	74.78	59.93
Fertilizer	27.59	25.60	28.18	25.86
Crop chemicals	19.04	16.29	16.55	17.85
Crop insurance	18.26	17.78	17.25	17.42
Fuel & oil	18.62	20.95	16.26	15.80
Repairs	23.36	23.42	23.70	22.20
Custom hire	3.63	5.18	3.52	1.63
Land rent	45.47	46.49	40.69	49.77
Operating interest	3.98	2.76	2.89	6.44
Miscellaneous	0.73	1.21	1.35	-
Total direct expenses per acre	226.12	218.97	225.17	216.90
Return over direct exp per acre	235.76	144.13	234.25	353.32
Overhead Expenses				
Custom hire	3.03	1.98	2.91	4.39
Hired labor	7.28	7.86	5.76	7.30
Machinery leases	3.47	4.12	6.28	4.81
Building leases	0.37	1.14	0.21	0.29
Farm insurance	3.82	3.63	3.88	3.61
Utilities	2.74	2.75	2.28	1.97
Dues & professional fees	1.11	0.80	0.83	0.90
Interest	3.95	3.73	3.74	3.87
Mach & bldg depreciation	18.70	21.19	18.32	18.72
Miscellaneous	2.26	3.36	0.86	1.47
Total overhead expenses per acre	46.73	50.56	45.07	47.31
Total dir & ovhd expenses per acre	272.85	269.53	270.24	264.21
Net return per acre	189.03	93.57	189.18	306.00
Government payments	10.42	10.30	10.54	9.75
Net return with govt pmts	199.45	103.87	199.72	315.75
Labor & management charge	29.63	27.71	27.74	34.54
Net return over lbr & mgt	169.82	76.16	171.98	281.21
Cost of Production				
Total direct expense per bu.	7.05	8.48	7.21	5.39
Total dir & ovhd exp per bu.	8.50	10.44	8.66	6.56
Less govt & other income	7.67	9.50	7.41	6.28
With labor & management	8.60	10.57	8.30	7.14
Net value per unit	13.89	13.52	13.80	14.13
Machinery cost per acre	73.00	78.55	73.04	69.17
Est. labor hours per acre	1.28	1.18	1.07	1.49

Crop Enterprise Analysis
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Soybeans on Share Rent

	<u>Avg. Of All Farms</u>
Number of fields	37
Number of farms	18
Acres	123.91
Yield per acre (bu.)	35.51
Operators share of yield %	58.68
Value per bu.	13.84
Total product return per acre	288.50
Crop insurance per acre	0.60
Other crop income per acre	1.25
Gross return per acre	290.35
Direct Expenses	
Seed	28.86
Fertilizer	13.22
Crop chemicals	11.11
Crop insurance	7.95
Fuel & oil	12.76
Repairs	13.87
Custom hire	0.99
Operating interest	1.60
Miscellaneous	8.94
Total direct expenses per acre	99.30
Return over direct exp per acre	191.05
Overhead Expenses	
Custom hire	5.75
Hired labor	4.44
Building leases	0.19
Farm insurance	2.54
Utilities	2.89
Interest	1.45
Mach & bldg depreciation	16.62
Miscellaneous	3.19
Total overhead expenses per acre	37.07
Total dir & ovhd expenses per acre	136.37
Net return per acre	153.98
Government payments	5.82
Net return with govt pmts	159.80
Labor & management charge	26.47
Net return over lbr & mgt	133.33
Cost of Production	
Total direct expense per bu.	4.76
Total dir & ovhd exp per bu.	6.54
Less govt & other income	6.18
With labor & management	7.45
Net value per unit	13.84
Machinery cost per acre	50.27
Est. labor hours per acre	1.17

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Sunflowers on Cash Rent

	Avg. Of All Farms
Number of fields	34
Number of farms	18
Acres	124.65
Yield per acre (cwt.)	18.95
Operators share of yield %	100.00
Value per cwt.	25.67
Other product return per acre	0.05
Total product return per acre	486.45
Crop insurance per acre	6.67
Gross return per acre	493.12
Direct Expenses	
Seed	39.11
Fertilizer	46.87
Crop chemicals	38.92
Crop insurance	18.14
Drying expense	0.23
Fuel & oil	19.02
Repairs	22.49
Custom hire	11.43
Land rent	41.48
Machinery leases	0.26
Operating interest	4.61
Miscellaneous	0.55
Total direct expenses per acre	243.09
Return over direct exp per acre	250.03
Overhead Expenses	
Hired labor	9.15
Machinery leases	0.25
Farm insurance	3.03
Utilities	1.42
Dues & professional fees	1.21
Interest	2.01
Mach & bldg depreciation	12.23
Miscellaneous	1.74
Total overhead expenses per acre	31.06
Total dir & ovhd expenses per acre	274.15
Net return per acre	218.97
Government payments	9.59
Net return with govt pmts	228.57
Labor & management charge	25.56
Net return over lbr & mgt	203.00
Cost of Production	
Total direct expense per cwt.	12.83
Total dir & ovhd exp per cwt.	14.47
Less govt & other income	13.61
With labor & management	14.96
Net value per unit	25.67
Machinery cost per acre	66.30
Est. labor hours per acre	1.49

Crop Enterprise Analysis
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(Farms Sorted By Net Return)

Wheat, Durum on Cash Rent

	<u>Avg. Of All Farms</u>
Number of fields	35
Number of farms	12
Acres	118.91
Yield per acre (bu.)	39.42
Operators share of yield %	100.00
Value per bu.	7.97
Total product return per acre	314.19
Crop insurance per acre	19.13
Other crop income per acre	0.02
Gross return per acre	333.34
Direct Expenses	
Seed	22.90
Fertilizer	76.06
Crop chemicals	34.42
Crop insurance	17.59
Fuel & oil	16.24
Repairs	15.28
Custom hire	11.01
Land rent	38.50
Operating interest	2.35
Miscellaneous	0.13
Total direct expenses per acre	234.49
Return over direct exp per acre	98.86
Overhead Expenses	
Custom hire	1.51
Hired labor	4.40
Machinery leases	2.74
Farm insurance	3.88
Utilities	2.07
Dues & professional fees	0.49
Interest	3.65
Mach & bldg depreciation	18.06
Miscellaneous	2.81
Total overhead expenses per acre	39.62
Total dir & ovhd expenses per acre	274.10
Net return per acre	59.24
Government payments	8.86
Net return with govt pmts	68.10
Labor & management charge	25.90
Net return over lbr & mgt	42.20
Cost of Production	
Total direct expense per bu.	5.95
Total dir & ovhd exp per bu.	6.95
Less govt & other income	6.24
With labor & management	6.90
Net value per unit	7.97
Machinery cost per acre	68.12
Est. labor hours per acre	1.06

Crop Enterprise Analysis
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(Farms Sorted By Net Return)

Wheat, Spring on Owned Land

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of fields	123	25	23	20
Number of farms	69	13	14	14
Acres	140.16	106.41	145.48	168.26
Yield per acre (bu.)	45.26	30.17	44.62	57.82
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	8.13	7.58	8.18	8.32
Other product return per acre	0.10	0.02	-	-
Total product return per acre	367.97	228.78	365.11	481.17
Hedging gains/losses per acre	-0.44	-	-2.28	-
Crop insurance per acre	5.40	15.50	12.11	3.36
Other crop income per acre	0.58	-	1.65	0.53
Gross return per acre	373.51	244.27	376.59	485.06
Direct Expenses				
Seed	18.93	21.05	17.01	16.48
Fertilizer	64.19	56.07	63.44	67.99
Crop chemicals	32.78	30.91	32.63	34.47
Crop insurance	17.32	18.92	18.70	15.53
Fuel & oil	16.47	16.94	17.61	15.90
Repairs	20.08	21.80	23.42	14.54
Custom hire	7.78	4.19	3.08	4.42
Operating interest	2.65	4.20	2.05	1.47
Miscellaneous	0.31	0.12	0.26	0.30
Total direct expenses per acre	180.53	174.19	178.21	171.11
Return over direct exp per acre	192.98	70.08	198.38	313.96
Overhead Expenses				
Custom hire	2.61	0.96	6.79	2.28
Hired labor	6.04	6.83	3.47	5.29
Machinery leases	0.75	0.56	0.88	0.67
RE & pers. property taxes	6.37	5.79	5.38	6.85
Farm insurance	3.51	3.93	4.10	3.52
Utilities	2.31	2.85	1.62	2.59
Dues & professional fees	1.08	2.30	1.01	0.34
Interest	14.13	18.97	16.57	10.49
Mach & bldg depreciation	15.28	10.56	17.12	16.43
Miscellaneous	2.45	1.95	3.38	3.92
Total overhead expenses per acre	54.53	54.68	60.32	52.36
Total dir & ovhd expenses per acre	235.06	228.87	238.53	223.47
Net return per acre	138.45	15.40	138.06	261.60
Government payments	10.35	10.62	9.89	11.62
Net return with govt pmts	148.80	26.02	147.95	273.21
Labor & management charge	25.32	20.93	30.12	28.39
Net return over lbr & mgt	123.48	5.09	117.83	244.82
Cost of Production				
Total direct expense per bu.	3.99	5.77	3.99	2.96
Total dir & ovhd exp per bu.	5.19	7.59	5.35	3.87
Less govt & other income	4.84	6.72	4.87	3.60
With labor & management	5.40	7.41	5.54	4.09
Net value per unit	8.12	7.58	8.13	8.32
Machinery cost per acre	64.50	57.30	70.79	55.03
Est. labor hours per acre	1.25	1.54	1.34	1.14

Crop Enterprise Analysis
North Dakota Farm Business Management Education
Region 2 - North Central North Dakota, 2012
(Farms Sorted By Net Return)

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 fields	240	44	53	32
Number of farms	99	19	20	20
Acres	195.30	144.08	232.47	278.13
Yield per acre (bu.)	47.34	32.84	46.94	64.25
Operators share of yield %	100.00	100.00	100.00	100.00
Value per bu.	8.16	7.75	8.07	8.37
Total product return per acre	386.49	254.50	378.61	538.00
Hedging gains/losses per acre	-0.05	-	-	-
Crop insurance per acre	5.94	9.46	10.89	-
Other crop income per acre	0.48	-	0.58	0.18
Gross return per acre	392.85	263.96	390.08	538.18
Direct Expenses				
Seed	21.13	20.50	20.33	18.69
Fertilizer	68.99	58.96	73.34	82.54
Crop chemicals	33.52	30.64	35.78	38.51
Crop insurance	18.32	17.56	19.88	21.96
Fuel & oil	18.45	17.73	17.50	19.17
Repairs	21.11	21.70	22.72	16.68
Custom hire	3.20	8.27	1.94	1.85
Land rent	43.17	37.06	43.15	51.18
Operating interest	3.47	3.34	2.91	2.02
Miscellaneous	0.57	0.65	0.42	1.25
Total direct expenses per acre	231.93	216.41	237.97	253.86
Return over direct exp per acre	160.92	47.55	152.11	284.32
Overhead Expenses				
Custom hire	2.56	0.42	4.24	3.20
Hired labor	5.91	6.00	5.53	6.68
Machinery leases	2.95	0.81	6.28	3.07
Building leases	0.36	0.00	0.33	1.36
Farm insurance	3.45	3.59	3.26	3.50
Utilities	2.30	1.85	2.27	2.35
Dues & professional fees	0.84	1.67	0.27	0.38
Interest	3.45	3.92	3.76	3.84
Mach & bldg depreciation	15.51	12.71	14.74	19.70
Miscellaneous	2.13	2.14	1.92	2.86
Total overhead expenses per acre	39.47	33.12	42.60	46.94
Total dir & ovhd expenses per acre	271.40	249.53	280.57	300.80
Net return per acre	121.45	14.43	109.51	237.38
Government payments	10.52	10.59	10.34	12.19
Net return with govt pmts	131.97	25.02	119.85	249.56
Labor & management charge	27.79	22.36	28.52	37.23
Net return over lbr & mgt	104.18	2.66	91.33	212.34
Cost of Production				
Total direct expense per bu.	4.90	6.59	5.07	3.95
Total dir & ovhd exp per bu.	5.73	7.60	5.98	4.68
Less govt & other income	5.38	6.99	5.51	4.49
With labor & management	5.96	7.67	6.12	5.07
Net value per unit	8.16	7.75	8.07	8.37
Machinery cost per acre	65.62	64.84	69.51	65.91
Est. labor hours per acre	1.24	1.29	1.22	1.28

Crop Enterprise Analysis
North Dakota Farm Business Management Education
Region 2 - North Central North Dakota, 2012
(Farms Sorted By Net Return)

Wheat, Spring on Share Rent

	<u>Avg. Of All Farms</u>	<u>Low 20%</u>	<u>40 - 60%</u>	<u>High 20%</u>
Number of fields	62	9	17	15
Number of farms	29	5	6	6
Acres	137.64	108.29	136.42	133.45
Yield per acre (bu.)	48.06	36.66	51.85	54.46
Operators share of yield %	65.92	68.19	63.71	69.50
Value per bu.	8.25	7.98	8.10	8.73
Total product return per acre	261.23	199.48	267.56	330.45
Crop insurance per acre	1.50	1.92	-	1.55
Other crop income per acre	1.95	-	-	1.17
Gross return per acre	264.69	201.40	267.56	333.17
Direct Expenses				
Seed	18.74	32.16	13.36	22.47
Fertilizer	55.60	69.29	63.02	61.18
Crop chemicals	31.57	33.81	34.11	36.16
Crop insurance	10.53	8.63	10.26	11.38
Fuel & oil	13.65	16.68	12.30	10.28
Repairs	19.25	21.75	14.61	24.82
Custom hire	5.17	1.50	8.00	2.89
Operating interest	3.49	4.51	2.41	5.26
Miscellaneous	3.93	-	0.48	3.64
Total direct expenses per acre	161.93	188.35	158.55	178.09
Return over direct exp per acre	102.75	13.05	109.01	155.08
Overhead Expenses				
Custom hire	2.05	0.18	0.04	6.08
Hired labor	5.47	8.90	7.21	4.73
Machinery leases	0.47	2.55	0.43	0.16
Building leases	0.14	-	0.51	0.02
Farm insurance	3.41	4.83	3.49	3.35
Utilities	2.56	2.27	3.22	2.01
Dues & professional fees	0.58	1.15	0.39	0.59
Interest	2.69	3.42	3.66	1.30
Mach & bldg depreciation	16.73	16.58	25.84	10.36
Miscellaneous	2.31	0.55	2.39	3.58
Total overhead expenses per acre	36.41	40.44	47.18	32.18
Total dir & ovhd expenses per acre	198.35	228.78	205.73	210.27
Net return per acre	66.34	-27.39	61.83	122.90
Government payments	6.61	7.54	6.34	7.11
Net return with govt pmts	72.95	-19.84	68.17	130.00
Labor & management charge	24.76	23.53	25.27	24.49
Net return over lbr & mgt	48.19	-43.37	42.90	105.52
Cost of Production				
Total direct expense per bu.	5.11	7.53	4.80	4.71
Total dir & ovhd exp per bu.	6.26	9.15	6.23	5.56
Less govt & other income	5.94	8.77	6.04	5.30
With labor & management	6.72	9.71	6.80	5.94
Net value per unit	8.25	7.98	8.10	8.73
Machinery cost per acre	58.09	62.14	61.10	54.47
Est. labor hours per acre	1.13	1.02	1.11	0.99

Crop Enterprise Analysis
North Dakota Farm Business Management Education
Region 2 - North Central North Dakota, 2012
(Farms Sorted By Net Return)

Wheat, Winter on Owned Land

	<u>Avg. Of All Farms</u>
Number of fields	25
Number of farms	16
Acres	151.06
Yield per acre (bu.)	63.20
Operators share of yield %	100.00
Value per bu.	7.72
Total product return per acre	488.17
Crop insurance per acre	1.67
Other crop income per acre	0.76
Gross return per acre	490.60
Direct Expenses	
Seed	17.99
Fertilizer	56.52
Crop chemicals	36.74
Crop insurance	18.69
Fuel & oil	16.66
Repairs	19.97
Custom hire	20.08
Operating interest	3.23
Miscellaneous	0.05
Total direct expenses per acre	189.92
Return over direct exp per acre	300.68
Overhead Expenses	
Custom hire	1.51
Hired labor	10.02
Machinery leases	2.17
RE & pers. property taxes	6.01
Farm insurance	3.06
Utilities	2.44
Dues & professional fees	0.88
Interest	15.91
Mach & bldg depreciation	15.07
Miscellaneous	2.71
Total overhead expenses per acre	59.78
Total dir & ovhd expenses per acre	249.69
Net return per acre	240.90
Government payments	10.09
Net return with govt pmts	250.99
Labor & management charge	25.83
Net return over lbr & mgt	225.16
Cost of Production	
Total direct expense per bu.	3.01
Total dir & ovhd exp per bu.	3.95
Less govt & other income	3.75
With labor & management	4.16
Net value per unit	7.72
Machinery cost per acre	75.82
Est. labor hours per acre	1.25

Crop Enterprise Analysis
North Dakota Farm Business Management Education
Region 2 - North Central North Dakota, 2012
(Farms Sorted By Net Return)

Wheat, Winter on Cash Rent

	Avg. Of All Farms
Number of fields	46
Number of farms	22
Acres	123.63
Yield per acre (bu.)	59.83
Operators share of yield %	100.00
Value per bu.	7.63
Other product return per acre	0.38
Total product return per acre	456.82
Crop insurance per acre	2.54
Gross return per acre	459.36
Direct Expenses	
Seed	17.80
Fertilizer	67.59
Crop chemicals	35.39
Crop insurance	17.87
Fuel & oil	18.48
Repairs	17.18
Custom hire	10.42
Land rent	42.27
Operating interest	2.97
Miscellaneous	0.20
Total direct expenses per acre	230.19
Return over direct exp per acre	229.18
Overhead Expenses	
Custom hire	1.79
Hired labor	7.80
Machinery leases	4.35
Farm insurance	2.93
Utilities	2.23
Dues & professional fees	1.74
Interest	3.12
Mach & bldg depreciation	14.60
Miscellaneous	3.36
Total overhead expenses per acre	41.92
Total dir & ovhd expenses per acre	272.10
Net return per acre	187.26
Government payments	9.71
Net return with govt pmts	196.97
Labor & management charge	26.18
Net return over lbr & mgt	170.79
Cost of Production	
Total direct expense per bu.	3.85
Total dir & ovhd exp per bu.	4.55
Less govt & other income	4.34
With labor & management	4.77
Net value per unit	7.63
Machinery cost per acre	68.00
Est. labor hours per acre	1.27

EXPLANATORY NOTES FOR LIVESTOCK TABLES

The "Livestock Enterprise Analysis" table shows the average physical production, gross returns, direct costs, overhead costs, and net return per unit. All costs are actual costs; no opportunity costs are included. The "Net Return" to the enterprise is the "Gross Margin" minus the direct and overhead costs. "Net Return" represents the return to the operators and family's unpaid labor, management, and equity. It represents the return to all of the resources, which are owned by the farm family and hence, not purchased or paid a wage. The last section of each livestock table contains both economic and technical efficiency measures, which are particularly useful to individual managers in assessing their performance as compared to their peers.

When there are less than five farms with a particular livestock enterprise, that enterprise is not included in the report. When there is a sufficient number (i.e., more than 24), farms are divided into low 20%, middle 20% and high 20% on the basis of returns to overhead costs. The classification is done separately for each livestock enterprise.

The "Dairy" enterprise contains the information for only the milking herd (which includes dry cows). "Dairy Replacement Heifers" are those heifers kept for replacement into the milking herd. "Dairy Heifers (for sale)" are heifers intended for feeding and sale. "Dairy Steers" includes only steers for feeding. The "Dairy and Replacement Heifers" table includes both "Dairy" and "Dairy Replacement Heifers."

"Lbs. feed per lb. of gain" is the lbs. of total feed divided by total gain. The total feed is calculated by adding total pounds of feed. For grains, these pounds per unit are used: corn, 56; oats, 32; barley, 48; grain sorghum, 56; wheat, 60; and millet, 48. For these roughages, the pounds are calculated by these factors: alfalfa haylage, 0.5; corn silage, 0.33; oatlage, 0.5; and sorghum silage, 0.33; and small grain silage, 0.33.

The calving and weaning percentages are calculated as the number of calves, which are calved and weaned, respectively, divided by the number of cows, which are supposed to bear young.

Rounding of individual items for the report has caused minor discrepancies with the calculated totals.

Livestock Enterprise Analysis
North Dakota Farm Business Management Education
Region 2 - North Central North Dakota, 2012
(Farms Sorted By Net Return Per Unit)

Beef Cow-Calf -- Average Per Cwt. Produced

	<u>Avg. Of All Farms</u>		<u>Low20%</u>		<u>40 - 60%</u>		<u>High 20%</u>	
	32		6		7		7	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Number of farms								
Beef Calves sold (lb)	29.28	45.95	42.14	60.90	23.47	34.67	29.86	48.64
Transferred out (lb)	70.71	108.41	57.77	90.68	76.53	114.08	70.14	110.17
Cull sales		33.15		27.21		25.75		26.51
Other income		0.66		0.46		0.40		0.61
Purchased		-37.30		-49.74		-13.64		-49.88
Transferred in		-32.66		-15.89		-40.47		-25.09
Inventory change		26.62		8.24		18.83		53.43
Gross margin		144.83		121.84		139.63		164.40
Direct Expenses								
Protein Vit Minerals (lb.)	61.62	3.04	11.29	3.18	239.69	3.79	10.03	2.59
Creep / Starter (lb.)	11.20	1.12	30.78	4.31	35.09	2.99	-	-
Aftermath Grazing (aum)	0.04	0.75	0.04	0.65	0.08	1.48	0.03	0.62
Corn Silage (lb.)	501.36	7.21	1,070.06	10.70	704.40	8.38	219.60	2.84
Hay, Alfalfa (lb.)	156.46	2.74	0.72	0.03	246.43	5.60	8.67	0.39
Hay, Grass (lb.)	1,427.81	25.37	1,831.03	30.29	1,285.08	26.41	1,579.14	27.98
Pasture (aum)	1.41	21.04	1.41	24.36	1.16	17.40	1.40	22.33
Other feed stuffs (lb)	67.48	2.40	80.99	0.77	38.26	0.55	76.72	1.67
Veterinary		6.61		7.67		8.23		6.03
Supplies		3.05		8.03		1.89		3.00
Fuel & oil		6.39		5.71		6.57		4.82
Repairs		10.75		22.22		13.65		4.90
Custom hire		1.14		1.66		0.24		1.18
Livestock leases		0.23		-		0.06		0.84
Operating interest		1.70		3.72		1.49		0.87
Total direct expenses		93.53		123.30		98.73		80.04
Return over direct expense		51.29		-1.46		40.90		84.35
Overhead Expenses								
Hired labor		2.51		4.98		3.98		1.19
Farm insurance		1.91		1.90		2.08		1.41
Utilities		2.76		3.36		3.78		1.91
Dues & professional fees		0.58		1.31		0.38		0.30
Interest		1.70		3.11		1.63		1.99
Mach & bldg depreciation		6.41		8.00		7.01		2.63
Miscellaneous		1.42		1.43		1.62		1.28
Total overhead expenses		17.29		24.09		20.49		10.71
Total dir & ovhd expenses		110.82		147.39		119.21		90.75
Net return		34.00		-25.55		20.42		73.64
Labor & management charge		16.17		19.52		13.23		16.82
Net return over lbr & mgt		17.83		-45.07		7.18		56.82
Cost of Production Per Cwt. Produced								
Total direct expense per unit		93.53		123.30		98.73		80.04
Total dir & ovhd expense per unit		110.82		147.39		119.21		90.75
With other revenue adjustments		121.02		177.76		128.74		85.78
With labor and management		137.19		197.28		141.97		102.60
Est. labor hours per unit		1.18		1.32		1.12		1.22
Other Information								
Number of cows		137.9		80.1		141.2		157.7
Pregnancy percentage		93.5		95.2		99.5		91.2
Pregnancy loss percentage		3.1		5.5		1.0		2.1
Culling percentage		16.1		14.3		13.3		14.1
Calving percentage		90.6		89.9		98.5		89.2
Weaning percentage		85.9		85.3		90.5		85.9
Calves sold per cow		0.91		0.92		0.90		0.95
Calf death loss percent		5.0		5.2		6.9		4.2
Cow death loss percent		2.0		4.8		2.1		1.4
Average weaning weight		529		503		558		525
Lb. weaned/exposed female		455		429		505		451
Feed cost per cow		309.68		325.81		337.11		292.87
Avg wgt/ Beef Calves sold		546		548		602		549
Avg price / cwt.		156.92		144.52		147.74		162.89

Livestock Enterprise Analysis
North Dakota Farm Business Management Education
Region 2 - North Central North Dakota, 2012
(Farms Sorted By Net Return Per Unit)

Beef Cow-Calf -- Average Per Cow

	Avg. Of All Farms		Low20%		40 - 60%		High 20%	
	32		6		7		7	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Number of farms								
Beef Calves sold (lb)	142.4	223.51	184.8	267.07	118.8	175.51	149.7	243.89
Transferred out (lb)	344.0	527.33	253.3	397.66	387.4	577.43	351.7	552.41
Cull sales		161.27		119.32		130.33		132.91
Other income		3.22		2.01		2.02		3.08
Purchased		-181.46		-218.16		-69.05		-250.08
Transferred in		-158.86		-69.70		-204.83		-125.82
Inventory change		129.49		36.15		95.33		267.91
Gross margin		704.50		534.34		706.74		824.30
Direct Expenses								
Protein Vit Minerals (lb.)	299.7	14.77	49.5	13.97	1,213.2	19.19	50.3	12.98
Creep / Starter (lb.)	54.5	5.44	135.0	18.90	177.6	15.12	-	-
Aftermath Grazing (aum)	0.2	3.63	0.2	2.84	0.4	7.52	0.2	3.13
Corn Silage (lb.)	2,438.8	35.06	4,692.8	46.93	3,565.3	42.40	1,101.1	14.22
Hay, Alfalfa (lb.)	761.1	13.34	3.1	0.14	1,247.3	28.33	43.5	1.96
Hay, Grass (lb.)	6,945.5	123.40	8,030.0	132.83	6,504.5	133.70	7,918.0	140.29
Pasture (aum)	6.9	102.36	6.2	106.83	5.9	88.09	7.0	111.95
Other feed stuffs (lb)	328.3	11.66	355.2	3.38	193.7	2.77	384.7	8.35
Veterinary		32.15		33.64		41.65		30.22
Supplies		14.85		35.22		9.59		15.06
Fuel & oil		31.09		25.06		33.27		24.16
Repairs		52.28		97.42		69.08		24.58
Custom hire		5.55		7.27		1.19		5.90
Livestock leases		1.12		-		0.30		4.20
Operating interest		8.27		16.31		7.53		4.35
Total direct expenses		454.99		540.73		499.72		401.35
Return over direct expense		249.51		-6.39		207.02		422.95
Overhead Expenses								
Hired labor		12.21		21.82		20.13		5.97
Farm insurance		9.30		8.34		10.55		7.05
Utilities		13.42		14.75		19.14		9.60
Dues & professional fees		2.84		5.76		1.93		1.49
Interest		8.26		13.63		8.26		10.00
Mach & bldg depreciation		31.16		35.09		35.46		13.17
Miscellaneous		6.91		6.27		8.22		6.42
Total overhead expenses		84.11		105.66		103.69		53.71
Total dir & ovhd expenses		539.10		646.39		603.41		455.06
Net return		165.40		-112.05		103.33		369.24
Labor & management charge		78.66		85.60		66.97		84.32
Net return over lbr & mgt		86.74		-197.64		36.36		284.92
Cost of Production Per Cwt. Produced								
Total direct expense per unit		93.53		123.30		98.73		80.04
Total dir & ovhd expense per unit		110.82		147.39		119.21		90.75
With other revenue adjustments		121.02		177.76		128.74		85.78
With labor and management		137.19		197.28		141.97		102.60
Est. labor hours per unit		5.75		5.79		5.65		6.12
Other Information								
Number of cows		137.9		80.1		141.2		157.7
Pregnancy percentage		93.5		95.2		99.5		91.2
Pregnancy loss percentage		3.1		5.5		1.0		2.1
Culling percentage		16.1		14.3		13.3		14.1
Calving percentage		90.6		89.9		98.5		89.2
Weaning percentage		85.9		85.3		90.5		85.9
Calves sold per cow		0.91		0.92		0.90		0.95
Calf death loss percent		5.0		5.2		6.9		4.2
Cow death loss percent		2.0		4.8		2.1		1.4
Average weaning weight		529		503		558		525
Lb. weaned/exposed female		455		429		505		451
Feed cost per cow		309.68		325.81		337.11		292.87
Avg wgt/ Beef Calves sold		546		548		602		549
Avg price / cwt.		156.92		144.52		147.74		162.89

Livestock Enterprise Analysis
North Dakota Farm Business Management Education
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(Farms Sorted By Net Return Per Unit)

Beef Cow-Calf Whole Herd w/backgrounding -- Average Per Cwt. Produced

	<u>Avg. Of All Farms</u>		<u>High 20%</u>	
	21		5	
	Quantity	Value	Quantity	Value
Number of farms				
Beef Calves sold (lb)	85.67	133.98	78.43	118.14
Cull sales (lb)	-	46.49	-	24.81
Other income		1.14		1.87
Purchased		-39.09		-61.60
Transferred in		-9.50		-16.34
Inventory change		39.50		93.00
Gross margin		172.53		159.88
Direct Expenses				
Protein Vit Minerals (lb.)	14.42	4.90	10.57	4.45
Creep / Starter (lb.)	5.15	0.68	28.15	3.72
Complete Ration (lb.)	34.63	0.78	92.07	0.23
Corn (bu.)	0.38	2.26	0.14	0.83
Corn Silage (lb.)	171.70	3.29	-	-
Hay, Alfalfa (lb.)	229.03	6.81	-	-
Hay, Grass (lb.)	1,624.80	40.43	1,352.29	29.56
Pasture (aum)	1.14	15.23	1.16	11.91
Other feed stuffs (lb)	78.24	4.21	133.03	4.10
Veterinary		5.05		3.16
Supplies		8.51		8.69
Fuel & oil		11.40		6.43
Repairs		12.29		8.17
Custom hire		2.13		0.20
Hired labor		1.18		0.32
Operating interest		1.59		0.99
Total direct expenses		120.73		82.76
Return over direct expense		51.79		77.12
Overhead Expenses				
Farm insurance		2.72		1.98
Utilities		2.20		2.24
Dues & professional fees		0.76		0.48
Interest		3.31		1.73
Mach & bldg depreciation		7.20		10.41
Miscellaneous		2.06		1.53
Total overhead expenses		18.25		18.37
Total dir & ovhd expenses		138.98		101.13
Net return		33.55		58.75
Labor & management charge		23.65		17.89
Net return over lbr & mgt		9.90		40.86
Cost of Production Per Cwt. Produced				
Total direct expense per unit		120.73		82.76
Total dir & ovhd expense per unit		138.98		101.13
With other revenue adjustments		117.51		95.50
With labor and management		141.16		113.38
Est. labor hours per unit		1.41		0.87
Other Information				
Number of cows		78.1		52.8
Pregnancy percentage		97.1		95.4
Pregnancy loss percentage		7.5		6.3
Culling percentage		20.7		14.4
Calving percentage		89.8		89.4
Weaning percentage		87.8		88.0
Calves sold per cow		0.77		0.75
Calf death loss percent		4.2		3.5
Cow death loss percent		1.8		1.5
Average weaning weight		561		575
Lb. weaned/exposed female		493		506
Feed cost per cow		404.41		320.14
Avg wgt/ Beef Calves sold		571		611
Avg price / cwt.		156.38		150.63

Livestock Enterprise Analysis
North Dakota Farm Business Management Education
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(Farms Sorted By Net Return Per Unit)

Beef Cow-Calf Whole Herd w/backgrounding -- Average Per Cow

	<u>Avg. Of All Farms</u>		<u>High 20%</u>	
	21		5	
	Quantity	Value	Quantity	Value
Number of farms		21		5
Beef Calves sold (lb)	440.9	689.40	458.2	690.17
Cull sales (lb)	-	239.24	-	144.93
Other income		5.89		10.91
Purchased		-201.12		-359.85
Transferred in		-48.90		-95.45
Inventory change		203.27		543.29
Gross margin		887.78		934.00
Direct Expenses				
Protein Vit Minerals (lb.)	74.2	25.21	61.7	26.02
Creep / Starter (lb.)	26.5	3.50	164.5	21.76
Complete Ration (lb.)	178.2	4.02	537.9	1.34
Corn (bu.)	2.0	11.65	0.8	4.84
Corn Silage (lb.)	883.5	16.92	-	-
Hay, Alfalfa (lb.)	1,178.5	35.05	-	-
Hay, Grass (lb.)	8,360.7	208.03	7,900.0	172.69
Oats (bu.)	4.5	14.08	2.0	5.06
Pasture (aum)	5.9	78.38	6.8	69.55
Other feed stuffs (lb)	398.1	7.56	775.2	18.88
Veterinary		25.96		18.44
Supplies		49.83		52.65
Fuel & oil		58.67		37.56
Repairs		63.25		47.73
Custom hire		10.97		1.19
Operating interest		8.17		5.79
Total direct expenses		621.26		483.50
Return over direct expense		266.51		450.51
Overhead Expenses				
Farm insurance		14.00		11.59
Utilities		11.31		13.09
Dues & professional fees		3.89		2.80
Interest		17.03		10.10
Mach & bldg depreciation		37.07		60.83
Miscellaneous		10.59		8.91
Total overhead expenses		93.89		107.32
Total dir & ovhd expenses		715.15		590.82
Net return		172.62		343.19
Labor & management charge		121.67		104.48
Net return over lbr & mgt		50.95		238.70
Cost of Production Per Cwt. Produced				
Total direct expense per unit		120.73		82.76
Total dir & ovhd expense per unit		138.98		101.13
With other revenue adjustments		117.51		95.50
With labor and management		141.16		113.38
Est. labor hours per unit		7.27		5.09
Other Information				
Number of cows		78.1		52.8
Pregnancy percentage		97.1		95.4
Pregnancy loss percentage		7.5		6.3
Culling percentage		20.7		14.4
Calving percentage		89.8		89.4
Weaning percentage		87.8		88.0
Calves sold per cow		0.77		0.75
Calf death loss percent		4.2		3.5
Cow death loss percent		1.8		1.5
Average weaning weight		561		575
Lb. weaned/exposed female		493		506
Feed cost per cow		404.41		320.14
Avg wgt/ Beef Calves sold		571		611
Avg price / cwt.		156.38		150.63

Livestock Enterprise Analysis
North Dakota Farm Business Management Education
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Beef Replacement Heifers -- Average Per Head

	<u>Avg. Of</u>	
	<u>All Farms</u>	
Number of farms	14	
	Quantity	Value
Beef Replace sold (hd)	0.17	248.90
Transferred out (hd)	0.96	1,339.52
Other income		1.30
Purchased (hd)	0.08	-99.06
Transferred in (hd)	1.17	-1,061.23
Inventory change (hd)	0.11	232.60
Gross margin		662.03
Direct Expenses		
Protein Vit Minerals (lb.)	1,712.94	5.54
Complete Ration (lb.)	239.88	11.85
Aftermath Grazing (aum)	0.22	4.03
Corn (bu.)	8.32	46.15
Corn Silage (lb.)	1,044.71	14.97
Hay, Alfalfa (lb.)	538.40	8.44
Hay, Grass (lb.)	3,187.49	64.10
Oats (bu.)	3.30	8.42
Pasture (aum)	5.06	78.06
DDGS, dry (lb.)	150.90	11.63
Other feed stuffs (lb)	154.37	4.19
Breeding fees		3.54
Veterinary		10.37
Supplies		2.29
Fuel & oil		6.61
Repairs		10.78
Custom hire		1.83
Operating interest		2.22
Total direct expenses		295.02
Return over direct expense		367.00
Overhead Expenses		
Hired labor		6.60
Farm insurance		2.66
Utilities		4.46
Mach & bldg depreciation		8.06
Miscellaneous		3.56
Total overhead expenses		25.35
Total dir & ovhd expenses		320.37
Net return		341.66
Labor & management charge		16.64
Net return over lbr & mgt		325.02
Est. labor hours per unit		1.27
Other Information		
No. purchased or trans in		34
Number sold or trans out		31
Average number of head		27
Percentage death loss		0.4
Feed cost per average head		257.39

Livestock Enterprise Analysis
North Dakota Farm Business Management Education
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(Farms Sorted By Net Return Per Unit)

Beef Backgrounding -- Average Per Cwt. Produced

	<u>Avg. Of All Farms</u>		<u>40 - 60%</u>		<u>High 20%</u>	
Number of farms	22		5		5	
	Quantity	Value	Quantity	Value	Quantity	Value
Backgnd Beef sold (lb)	277.08	407.66	266.47	416.73	225.15	312.40
Transferred out (lb)	74.44	93.59	37.00	51.43	88.10	98.52
Other income		0.37		0.30		0.75
Purchased (lb)	-3.77	-5.70	-	-	-7.63	-12.16
Transferred in (lb)	-313.03	-481.76	-249.50	-401.24	-238.99	-344.94
Inventory change (lb)	65.20	104.50	45.67	50.96	33.38	68.84
Gross margin		118.65		118.18		123.40
Direct Expenses						
Protein Vit Minerals (lb.)	113.58	1.00	4.99	2.10	3.54	0.88
Creep / Starter (lb.)	32.99	3.65	-	-	34.82	3.63
Complete Ration (lb.)	115.61	15.56	6.80	0.60	-	-
Barley (bu.)	0.13	0.75	0.45	2.72	-	-
Corn (bu.)	2.98	16.89	5.37	30.15	0.46	2.93
Corn Silage (lb.)	640.15	7.56	535.00	5.89	683.61	8.68
Hay, Alfalfa (lb.)	96.04	2.11	68.22	1.06	54.86	1.05
Hay, Grass (lb.)	786.62	13.40	996.51	16.29	498.69	9.09
Oats (bu.)	1.22	4.09	4.53	15.57	0.46	1.40
Pasture (aum)	0.25	6.37	-	-	0.63	15.76
Other feed stuffs (lb)	27.80	0.94	40.58	0.39	32.20	1.42
Supplies		1.99		0.59		1.92
Fuel & oil		2.80		3.17		1.82
Repairs		7.51		5.34		2.96
Marketing		3.63		7.26		0.19
Operating interest		1.49		1.30		0.44
Total direct expenses		89.73		92.43		52.18
Return over direct expense		28.92		25.75		71.23
Overhead Expenses						
Hired labor		2.21		0.96		0.42
Farm insurance		1.37		0.54		0.43
Utilities		2.09		1.70		0.74
Dues & professional fees		0.40		0.28		0.02
Interest		1.43		0.92		0.45
Mach & bldg depreciation		4.02		1.40		4.05
Miscellaneous		0.97		1.24		0.06
Total overhead expenses		12.48		7.05		6.17
Total dir & ovhd expenses		102.21		99.48		58.35
Net return		16.44		18.70		65.06
Labor & management charge		11.01		9.51		3.65
Net return over lbr & mgt		5.43		9.19		61.40
Cost of Production Per Cwt. Produced						
Total direct expense per unit		134.37		145.78		108.44
Total dir & ovhd expense per unit		137.92		148.11		110.41
With other revenue adjustments		137.92		148.11		110.41
With labor and management		141.05		151.24		111.58
Est. labor hours per unit		0.73		0.64		0.31
Other Information						
No. purchased or trans in		114		97		146
Number sold or trans out		96		82		131
Percentage death loss		0.3		0.3		0.3
Avg. daily gain (lb.)		1.21		1.45		1.26
Lb. of conc / lb. of gain		4.82		4.79		0.91
Lb. of feed / lb. of gain		15.98		17.63		8.92
Feed cost per cwt. of gain		72.31		74.76		44.84
Feed cost per head		79.28		88.13		94.68
Avg wgt / Backgnd Beef sold		670		646		777
Avg sales price / cwt.		147.13		156.39		138.75

Livestock Enterprise Analysis
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Beef Backgrounding -- Average Per Head

	<u>Avg. Of All Farms</u>		<u>40 - 60%</u>		<u>High 20%</u>	
Number of farms	22		5		5	
	Quantity	Value	Quantity	Value	Quantity	Value
Backgnd Beef sold (lb)	303.8	446.90	314.1	491.25	475.4	659.62
Transferred out (lb)	81.6	102.59	43.6	60.62	186.0	208.01
Other income		0.40		0.35		1.59
Purchased (lb)	-4.1	-6.25	-	-	-16.1	-25.68
Transferred in (lb)	-343.2	-528.14	-294.1	-472.99	-504.6	-728.32
Inventory change (lb)	71.5	114.56	53.8	60.07	70.5	145.34
Gross margin		130.07		139.31		260.56
Direct Expenses						
Protein Vit Minerals (lb.)	124.5	1.09	5.9	2.48	7.5	1.87
Creep / Starter (lb.)	36.2	4.00	-	-	73.5	7.67
Complete Ration (lb.)	126.7	17.06	8.0	0.71	-	-
Barley (bu.)	0.1	0.82	0.5	3.21	-	-
Corn (bu.)	3.3	18.52	6.3	35.54	1.0	6.18
Corn Silage (lb.)	701.8	8.29	630.7	6.94	1,443.4	18.33
Hay, Alfalfa (lb.)	105.3	2.31	80.4	1.25	115.8	2.22
Hay, Grass (lb.)	862.3	14.69	1,174.7	19.20	1,053.0	19.20
Oats (bu.)	1.3	4.48	5.3	18.35	1.0	2.95
Pasture (aum)	0.3	6.98	-	-	1.3	33.28
DDGS, dry (lb.)	7.8	0.80	-	-	25.2	2.52
Other feed stuffs (lb)	22.7	0.23	47.8	0.46	42.8	0.48
Supplies		2.18		0.70		4.05
Fuel & oil		3.07		3.73		3.85
Repairs		8.23		6.30		6.26
Marketing		3.98		8.56		0.40
Operating interest		1.63		1.53		0.93
Total direct expenses		98.37		108.96		110.16
Return over direct expense		31.70		30.35		150.39
Overhead Expenses						
Hired labor		2.42		1.13		0.88
Farm insurance		1.50		0.64		0.92
Utilities		2.29		2.00		1.57
Interest		1.56		1.09		0.95
Mach & bldg depreciation		4.40		1.66		8.54
Miscellaneous		1.50		1.80		0.17
Total overhead expenses		13.68		8.31		13.03
Total dir & ovhd expenses		112.04		117.27		123.20
Net return		18.02		22.04		137.36
Labor & management charge		12.07		11.21		7.72
Net return over lbr & mgt		5.96		10.83		129.65
Cost of Production Per Cwt. Produced						
Total direct expense per unit		134.37		145.78		108.44
Total dir & ovhd expense per unit		137.92		148.11		110.41
With other revenue adjustments		137.92		148.11		110.41
With labor and management		141.05		151.24		111.58
Est. labor hours per unit		0.80		0.75		0.65
Other Information						
No. purchased or trans in		114		97		146
Number sold or trans out		96		82		131
Percentage death loss		0.3		0.3		0.3
Avg. daily gain (lb.)		1.21		1.45		1.26
Lb. of conc / lb. of gain		4.82		4.79		0.91
Lb. of feed / lb. of gain		15.98		17.63		8.92
Feed cost per cwt. of gain		72.31		74.76		44.84
Feed cost per head		79.28		88.13		94.68
Avg wgt / Backgnd Beef sold		670		646		777
Avg sales price / cwt.		147.13		156.39		138.75

Figure 1. Gross Cash Income Per Farm

N.D. Farm Business Management Education Program – North Central Region

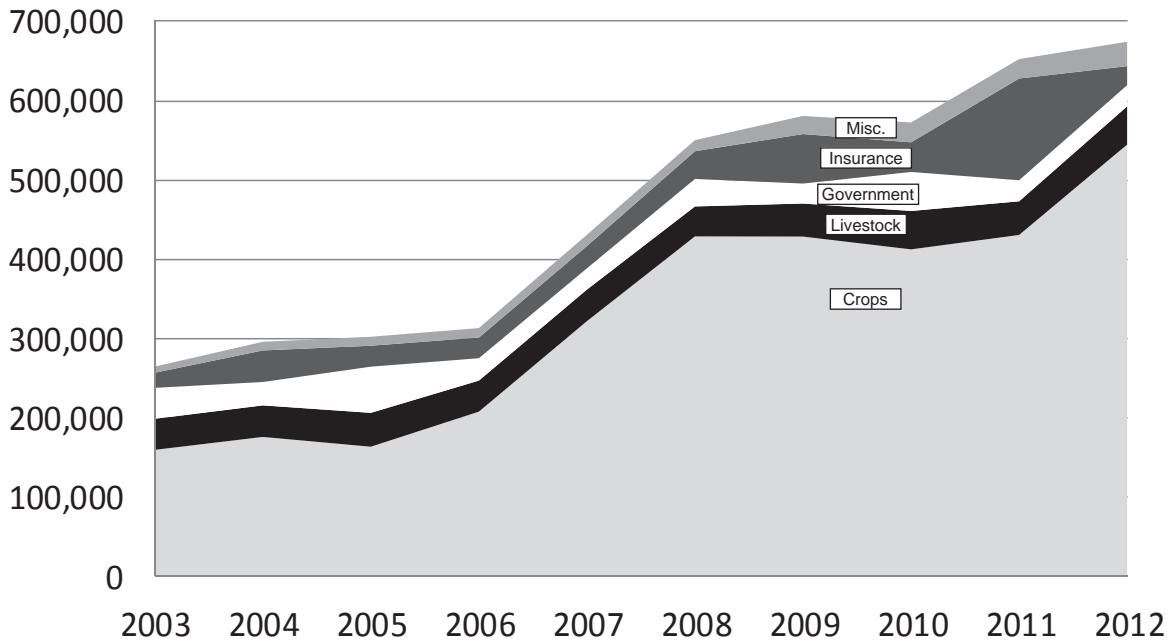


Figure 2. Net Farm Income (Accrual) Per Farm

N.D. Farm Business Management Education Program – North Central Region

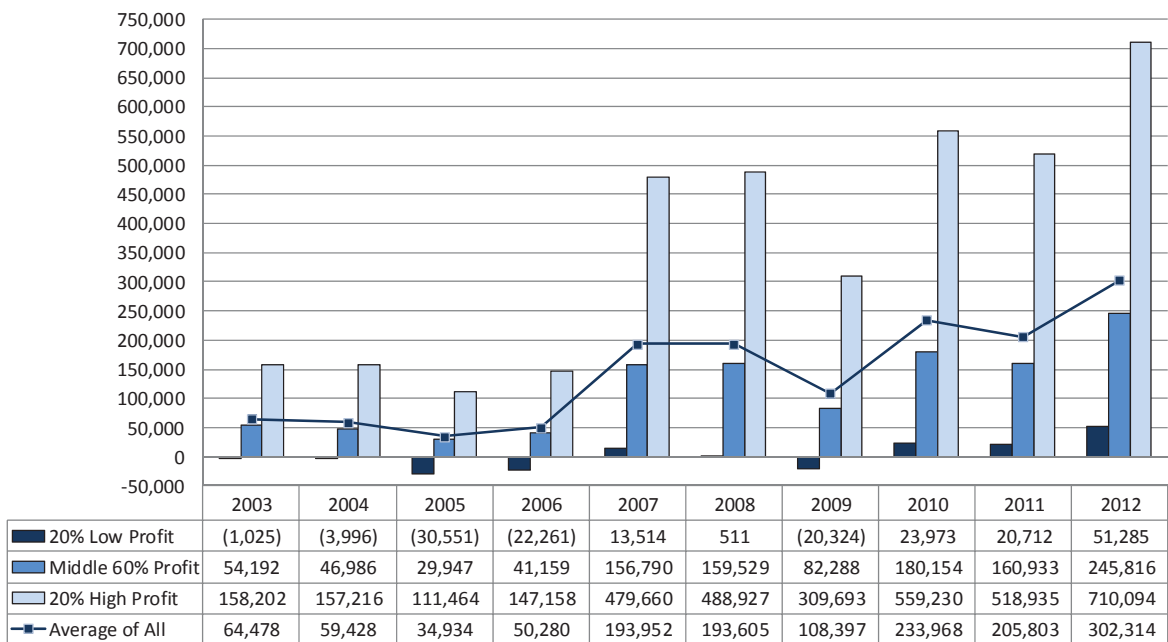


Figure 3. Financial Efficiency Measures (As Percent of Gross Revenue)

N.D. Farm Business Management Education Program – North Central Region

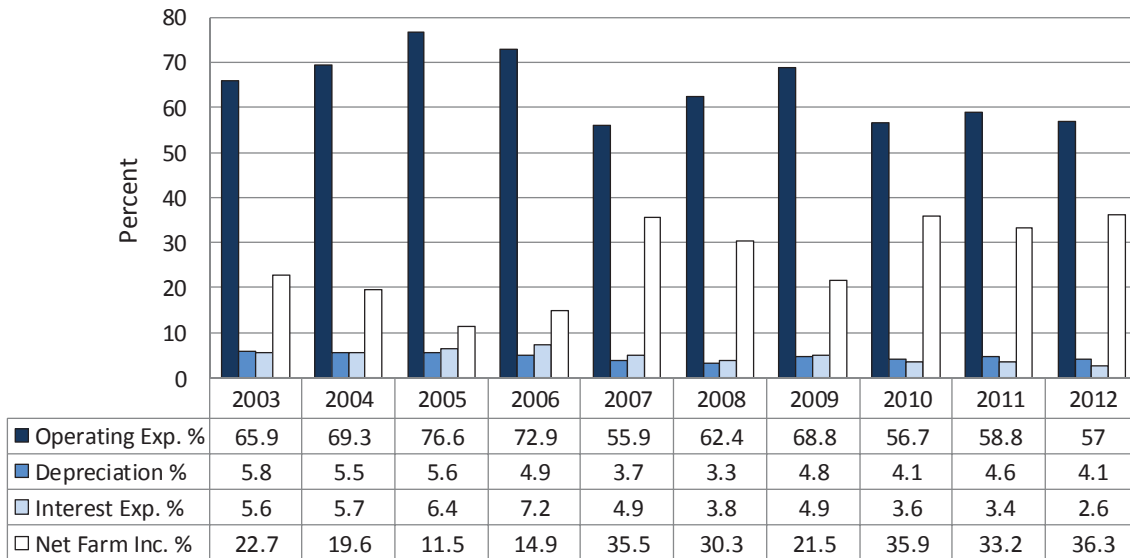


Figure 4. Profitability Measures Per Farm

N.D. Farm Business Management Education Program – North Central Region

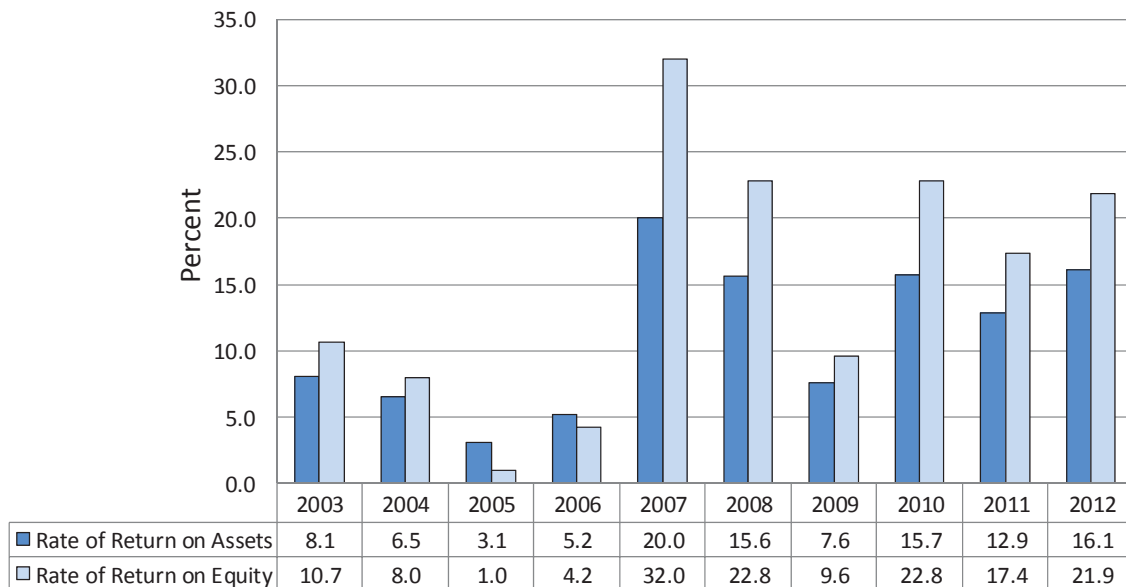


Figure 5. Assets and Liabilities Per Farm, 2012

N.D. Farm Business Management Education Program – North Central Region

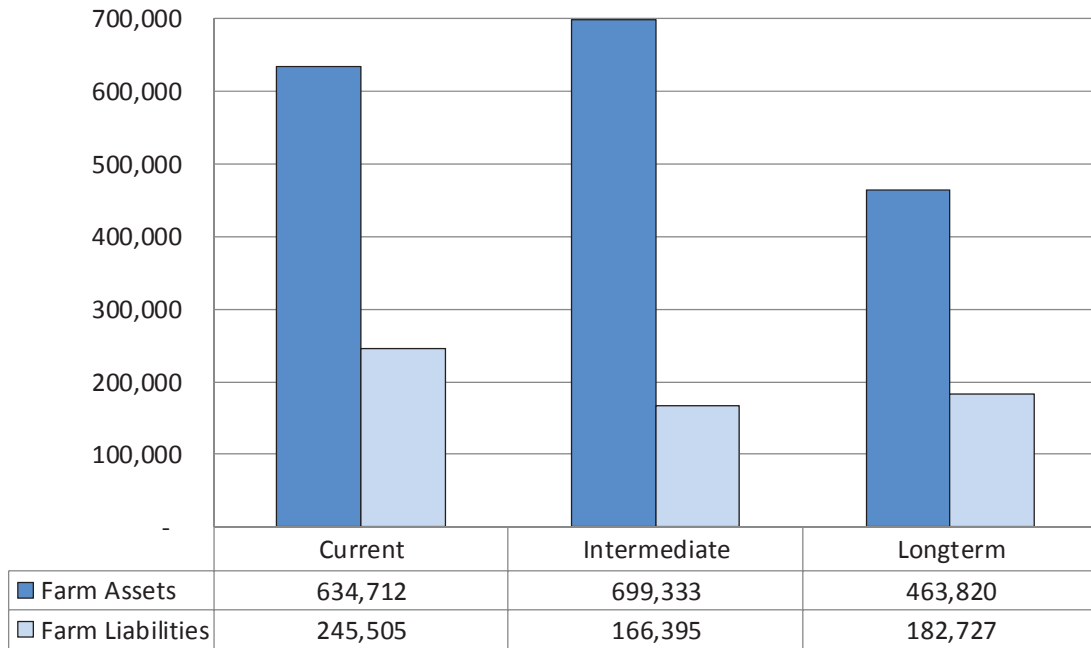


Figure 6. Total Farm Assets and Liabilities

N.D. Farm Business Management Education Program – North Central Region

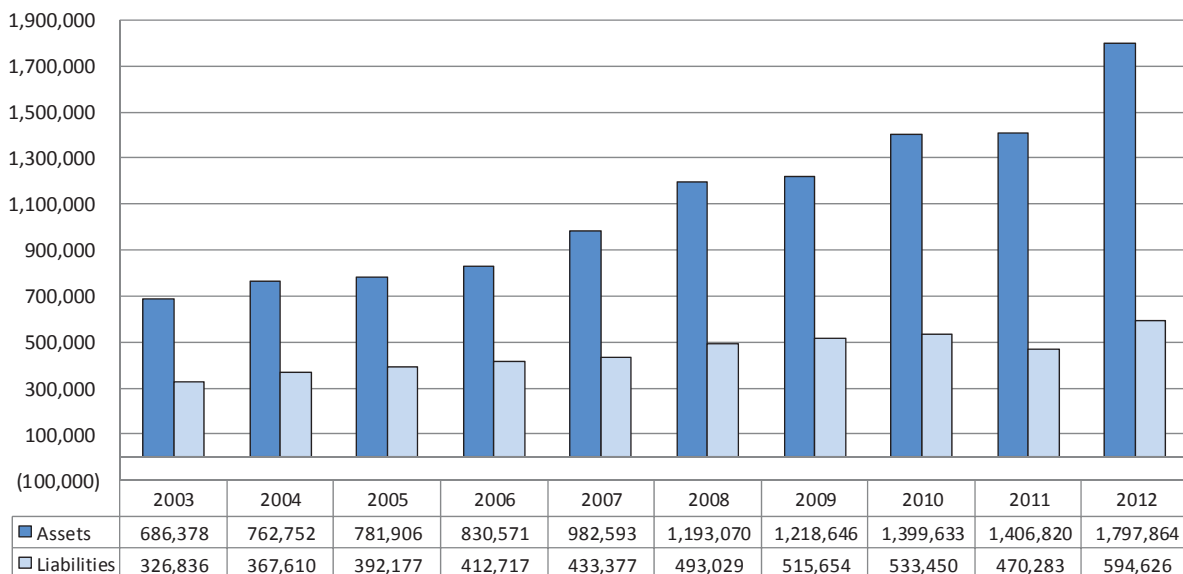


Figure 7. Household and Personal Expenses

N.D. Farm Business Management Education Program – North Central Region

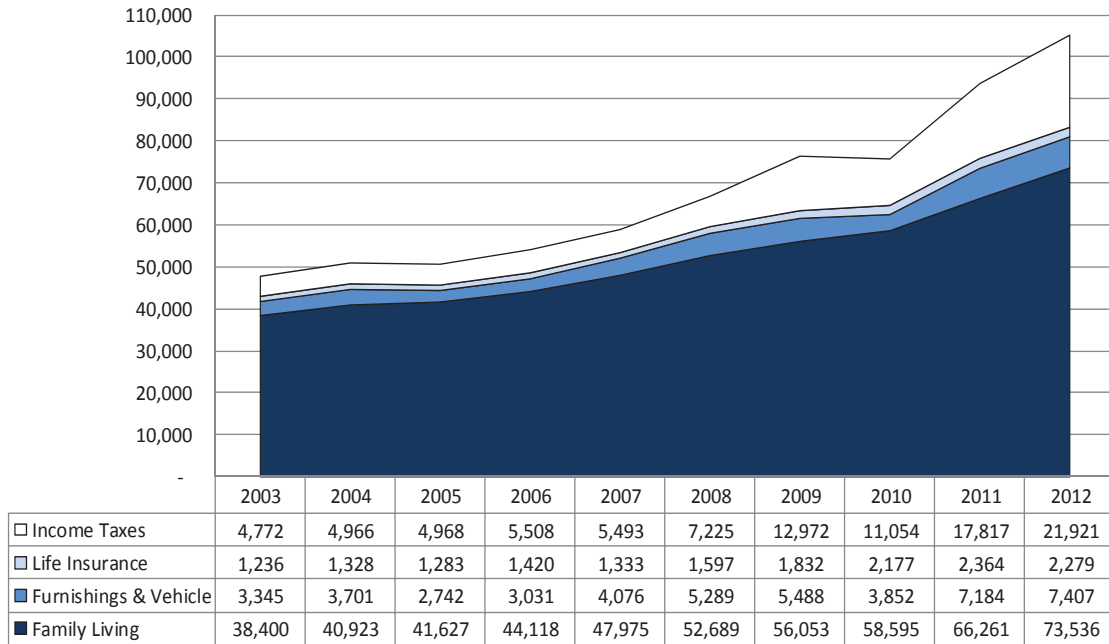


Figure 8. Crop Acreage Per Farm

N.D. Farm Business Management Education Program – North Central Region

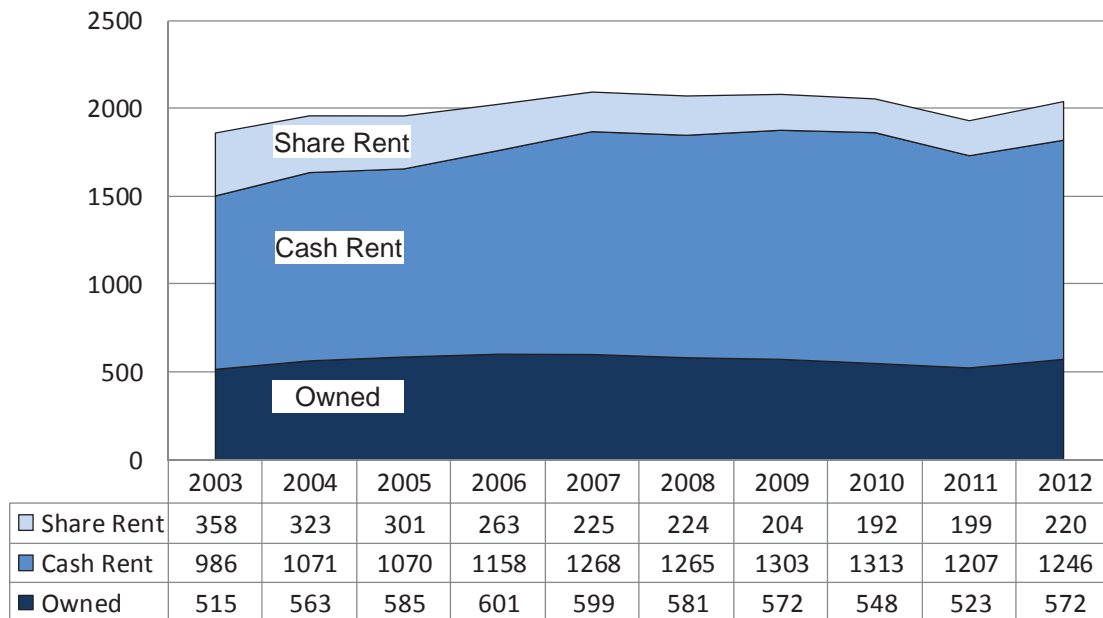


Figure 9. Spring Wheat Costs Per Acre

N.D. Farm Business Management Education Program – South Central Region

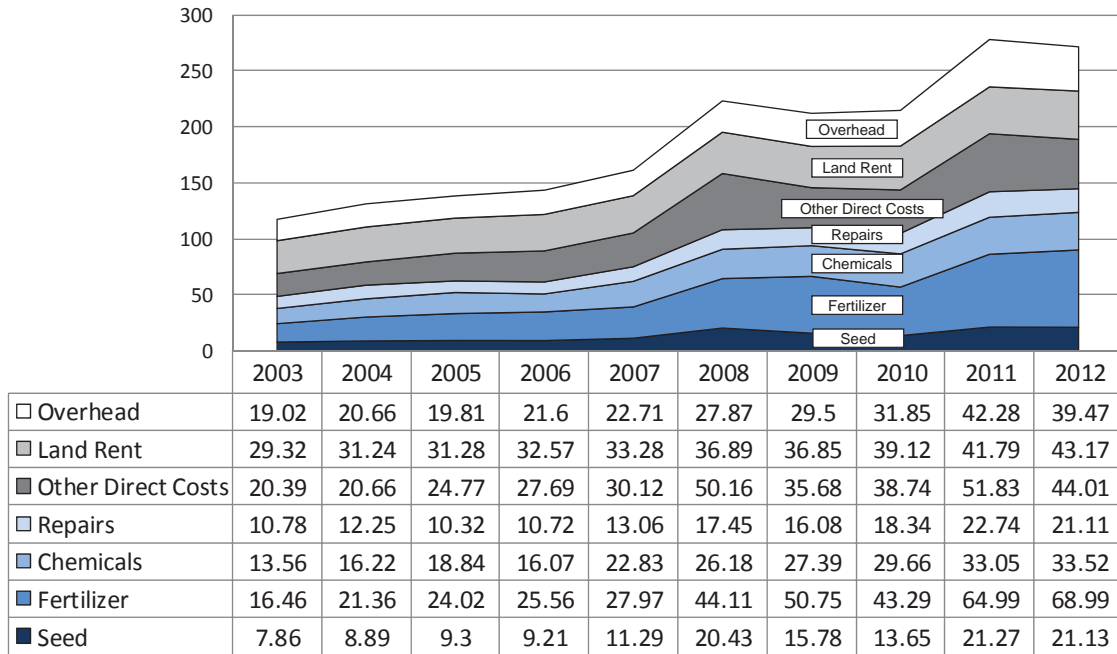
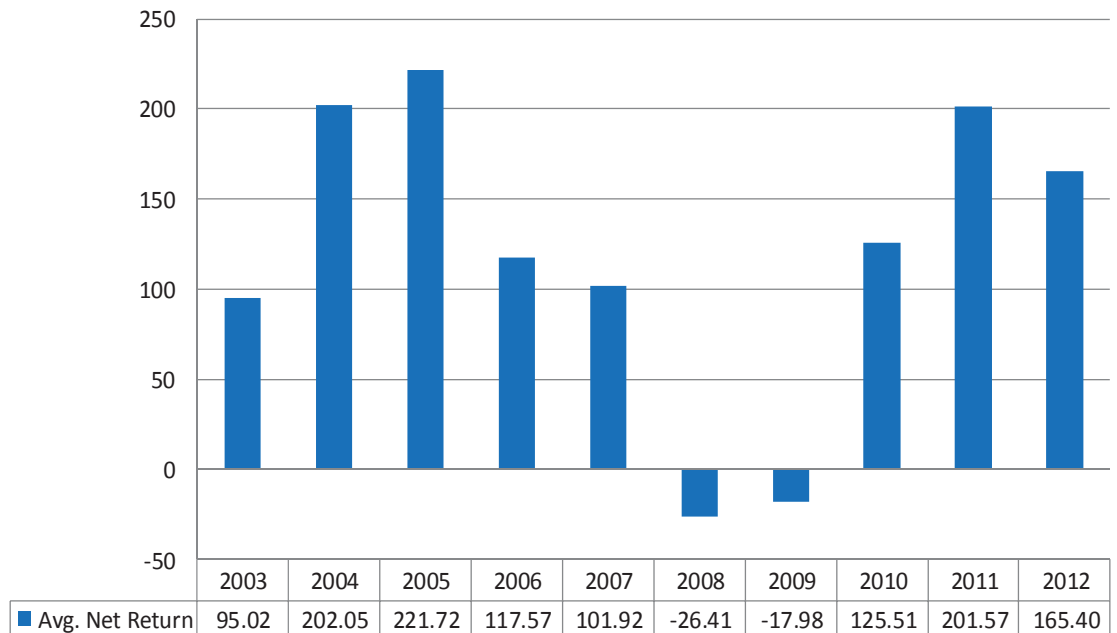


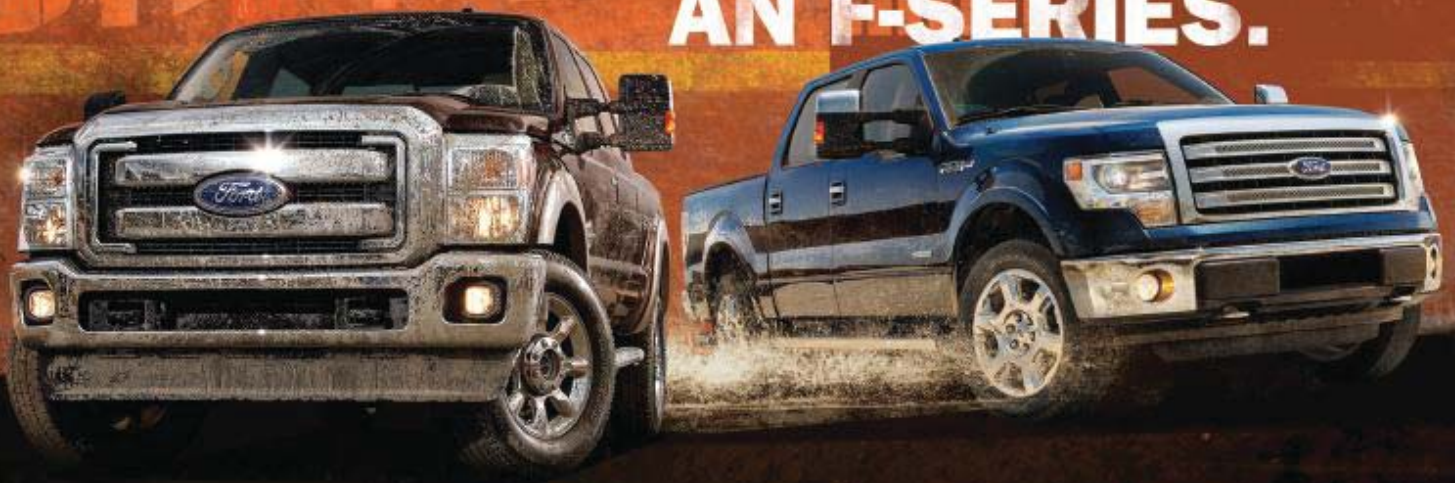
Figure 10. Average Net Return Per Beef Cow

N.D. Farm Business Management Education Program – North Central Region



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