

Crop Enterprise Analysis
Minnesota and North Dakota Farm Business Mgmt Education
Red River Valley, 2006
(Farms Sorted By Net Return)

Wheat, Spring on Cash Rent

| | <u>Avg. Of All Farms</u> | <u>Low 20%</u> | <u>40 - 60%</u> | <u>High 20%</u> |
|------------------------------------|------------------------------|----------------|-----------------|-----------------|
| Number of fields | 270 | 43 | 70 | 48 |
| Number of farms | 164 | 32 | 33 | 33 |
| Acres | 291.54 | 260.17 | 252.19 | 276.71 |
| Yield per acre (bu.) | 53.28 | 44.58 | 52.60 | 58.48 |
| Operators share of yield % | 100.00 | 100.00 | 100.00 | 100.00 |
| Value per bu. | 4.45 | 4.23 | 4.43 | 4.66 |
| Total product return per acre | 236.85 | 188.37 | 232.87 | 272.53 |
| Miscellaneous income per acre | 3.23 | 3.89 | 7.18 | 2.62 |
| Gross return per acre | 240.09 | 192.27 | 240.04 | 275.15 |
| Direct Expenses | | | | |
| Seed | 12.87 | 13.09 | 12.67 | 12.14 |
| Fertilizer | 45.28 | 46.87 | 46.22 | 42.69 |
| Crop chemicals | 18.44 | 19.26 | 18.35 | 14.77 |
| Crop insurance | 10.93 | 10.87 | 11.75 | 10.17 |
| Fuel & oil | 12.61 | 13.23 | 12.87 | 11.83 |
| Repairs | 12.59 | 14.47 | 12.66 | 12.19 |
| Custom hire | 2.46 | 6.57 | 1.67 | 1.53 |
| Land rent | 66.30 | 64.91 | 64.40 | 64.73 |
| Machinery leases | 0.33 | 1.91 | - | 0.00 |
| Operating interest | 5.09 | 5.23 | 6.07 | 3.78 |
| Miscellaneous | 0.56 | 0.56 | 0.28 | 0.22 |
| Total direct expenses per acre | 187.46 | 196.96 | 186.92 | 174.04 |
| Return over direct exp per acre | 52.63 | -4.70 | 53.12 | 101.11 |
| Overhead Expenses | | | | |
| Custom hire | 2.13 | 1.94 | 2.77 | 1.49 |
| Hired labor | 6.18 | 5.86 | 5.08 | 8.48 |
| Machinery leases | 1.64 | 1.76 | 1.83 | 1.31 |
| Farm insurance | 3.89 | 5.31 | 3.33 | 2.71 |
| Utilities | 2.05 | 2.46 | 2.31 | 1.69 |
| Dues & professional fees | 2.22 | 2.74 | 2.05 | 2.37 |
| Interest | 3.92 | 3.92 | 4.68 | 2.63 |
| Mach & bldg depreciation | 10.88 | 11.51 | 10.87 | 10.73 |
| Miscellaneous | 2.45 | 3.27 | 2.39 | 2.27 |
| Total overhead expenses per acre | 35.36 | 38.79 | 35.31 | 33.67 |
| Total dir & ovhd expenses per acre | 222.81 | 235.75 | 222.24 | 207.71 |
| Net return per acre | 17.28 | -43.48 | 17.81 | 67.44 |
| Government payments | 15.31 | 14.72 | 15.83 | 14.63 |
| Net return with govt pmnts | 32.58 | -28.77 | 33.64 | 82.07 |
| Labor & management charge | 17.00 | 17.09 | 17.43 | 17.55 |
| Net return over lbr & mgt | 15.58 | -45.85 | 16.21 | 64.52 |
| Cost of Production | | | | |
| Total direct expense per bu. | 3.52 | 4.42 | 3.55 | 2.98 |
| Total dir & ovhd exp per bu. | 4.18 | 5.29 | 4.23 | 3.55 |
| Less govt & other income | 3.83 | 4.87 | 3.79 | 3.26 |
| With labor & management | 4.15 | 5.25 | 4.12 | 3.56 |
| Machinery cost per acre | 46.12 | 55.02 | 47.15 | 41.27 |
| Est. labor hours per acre | 1.20 | 1.31 | 1.15 | 1.28 |