

**Crop Enterprise Analysis**  
**North Dakota Farm Business Management Education Program**  
**State Report, 2006**  
**(Farms Sorted By Net Return)**

**Hay, Grass on Owned Land**

|                                    | <u>Avg. Of<br/>All Farms</u> | <u>Low 20%</u> | <u>40 - 60%</u> | <u>High 20%</u> |
|------------------------------------|------------------------------|----------------|-----------------|-----------------|
| Number of fields                   | 37                           | 5              | 6               | 10              |
| Number of farms                    | 29                           | 5              | 6               | 6               |
| Acres                              | 101.93                       | 93.46          | 140.47          | 42.65           |
| Yield per acre (ton)               | 1.05                         | 0.86           | 1.05            | 1.39            |
| Operators share of yield %         | 100.00                       | 100.00         | 100.00          | 100.00          |
| Value per ton                      | 31.45                        | 31.17          | 26.32           | 36.54           |
| Other product return per acre      | 0.08                         | -              | -               | 0.67            |
| Total product return per acre      | 33.01                        | 26.85          | 27.55           | 51.63           |
| Miscellaneous income per acre      | 0.23                         | -              | -               | 2.06            |
| Gross return per acre              | 33.24                        | 26.85          | 27.55           | 53.69           |
| <b>Direct Expenses</b>             |                              |                |                 |                 |
| Seed                               | 0.07                         | 0.55           | -               | -               |
| Fertilizer                         | 0.56                         | -              | 2.37            | 0.30            |
| Fuel & oil                         | 7.11                         | 8.50           | 6.98            | 8.82            |
| Repairs                            | 6.64                         | 11.89          | 2.90            | 6.97            |
| Custom hire                        | 0.11                         | 0.87           | -               | -               |
| Operating interest                 | 1.72                         | 3.64           | 0.27            | 1.68            |
| Miscellaneous                      | 0.75                         | 0.66           | 0.98            | 1.61            |
| Total direct expenses per acre     | 16.97                        | 26.10          | 13.50           | 19.40           |
| Return over direct exp per acre    | 16.27                        | 0.75           | 14.05           | 34.30           |
| <b>Overhead Expenses</b>           |                              |                |                 |                 |
| Hired labor                        | 2.19                         | 0.99           | 2.75            | 1.02            |
| RE & pers. property taxes          | 2.41                         | 3.06           | 1.45            | 2.22            |
| Farm insurance                     | 1.16                         | 2.28           | 0.70            | 0.80            |
| Utilities                          | 1.00                         | 1.73           | 0.30            | 0.54            |
| Dues & professional fees           | 0.29                         | 1.00           | 0.33            | 0.07            |
| Interest                           | 6.12                         | 17.81          | 1.76            | 4.00            |
| Mach & bldg depreciation           | 6.90                         | 9.70           | 8.22            | 5.47            |
| Miscellaneous                      | 1.45                         | 1.56           | 0.95            | 1.15            |
| Total overhead expenses per acre   | 21.52                        | 38.14          | 16.46           | 15.27           |
| Total dir & ovhd expenses per acre | 38.49                        | 64.25          | 29.96           | 34.66           |
| Net return per acre                | -5.25                        | -37.39         | -2.41           | 19.03           |
| Government payments                | 0.83                         | 2.35           | 0.28            | -               |
| Net return with govt pmts          | -4.42                        | -35.05         | -2.13           | 19.03           |
| Labor & management charge          | 9.59                         | 12.53          | 6.43            | 14.26           |
| Net return over lbr & mgt          | -14.00                       | -47.58         | -8.55           | 4.77            |
| <b>Cost of Production</b>          |                              |                |                 |                 |
| Total direct expense per ton       | 16.20                        | 30.30          | 12.90           | 13.91           |
| Total dir & ovhd exp per ton       | 36.75                        | 74.57          | 28.62           | 24.86           |
| Less govt & other income           | 35.67                        | 71.85          | 28.35           | 22.90           |
| With labor & management            | 44.82                        | 86.39          | 34.49           | 33.13           |
| Machinery cost per acre            | 21.74                        | 36.53          | 18.02           | 21.64           |
| Est. labor hours per acre          | 0.88                         | 1.07           | 0.60            | 1.29            |