



*\*Data for this North Dakota State Average Beef Summary report was derived from operations with at least 50 head of beef cows and 50% of commodity sales coming from beef enterprises\**

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<b>Farm Income Statement</b>			
<b>North Dakota Farm Business Management Education Program</b>			
<b>2009 Beef Farm Report (50% sales/50 head criteria)</b>			
<b>(Farms Sorted By Net Farm Income)</b>			
	Avg. Of		
	All Farms	Low 20%	High 20%
Number of farms	79	15	16
Cash Farm Income			
Crop Income	30,480	36,121	63,872
Beef Income	150,672	157,106	265,137
Other Livestock Income	2,746	8,694	-
Government payments	17,427	10,464	39,145
Other farm income	21,087	13,040	30,493
Gross Cash Farm Income	222,412	225,425	398,647
Cash Farm Expense			
Seed	6,790	9,088	8,942
Fertilizer	11,386	13,715	24,022
Crop chemicals	6,817	6,956	12,283
Crop insurance	4,744	4,501	8,626
Crop miscellaneous	707	1,316	1,071
Feeder livestock purchase	23,363	36,477	65,954
Purchased feed	28,400	34,732	41,467
Breeding fees	591	526	534
Veterinary	5,152	6,068	9,529
Livestock Supplies	3,284	2,588	4,296
Marketing	3,432	6,044	7,770
Interest	16,007	26,429	21,190
Fuel & oil	15,241	18,742	19,812
Repairs	19,449	20,107	26,229
Custom hire	8,796	8,937	15,321
Hired labor	3,976	4,429	8,676
Land rent	27,727	30,013	42,901
Machinery & Building leases	1,032	1,174	1,487
Real estate taxes	2,711	1,925	4,491
Farm insurance	3,857	4,587	5,031
Utilities	4,436	4,710	6,108
Miscellaneous	5,540	7,002	9,074
Total cash expense	203,436	250,067	344,813
Net cash farm income	18,976	-24,642	53,834
Total inventory change	15,243	5,828	63,339
Net operating profit	34,219	-18,813	117,173
Total depreciation	-14,184	-25,334	-17,154
Net farm income	20,035	-44,147	100,019

**Livestock Enterprise Analysis**  
**North Dakota Farm Business Management Education Program**  
**2009 Beef Report (Farms Sorted By Net Return Per Unit)**

**Beef Cow-Calf -- Average Per Cow**

	Avg. Of All Farms		Low 20%		40 - 60%		High 20%	
Number of farms	45		8		9		10	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Beef Calves sold (lb)	166.3	159.16	283.0	247.96	211.7	206.90	128.9	127.64
Transferred out (lb)	351.5	343.35	215.8	214.96	336.9	323.23	384.2	379.48
Cull sales (lb)	-	132.42	-	120.11	-	72.99	-	154.82
Other income		14.07		0.60		3.27		23.15
Purchased (lb)		-87.23		-28.16		-116.34		-162.85
Transferred in (lb)		-83.09		-64.93		-71.15		-91.12
Inventory change (lb)		-21.85		-93.70		37.95		30.27
Gross margin		456.83		396.85		456.84		461.39
<b>Direct Expenses</b>								
Protein Vit Minerals (lb.)	51.5	12.09	36.1	5.81	67.7	14.70	22.7	5.13
Creep / Starter (lb.)	87.5	7.81	12.1	1.03	163.0	15.61	33.3	3.25
Complete Ration (lb.)	91.5	5.45	16.2	9.84	124.8	7.93	46.0	2.11
Corn Silage (lb.)	1,984.7	20.07	1,039.1	10.94	3,460.7	33.06	2,801.8	31.25
Hay, Alfalfa (lb.)	448.7	12.80	609.9	19.29	483.0	9.30	497.7	17.96
Hay, Grass (lb.)	5,068.7	118.91	6,085.8	165.07	5,405.5	120.97	3,953.9	67.75
Pasture (aum)	7.2	105.35	6.5	105.52	5.9	73.00	7.9	109.25
Other feed stuffs (lb)	883.7	15.73	424.0	13.20	334.4	10.87	424.9	9.47
Breeding fees		1.95		6.74		-		2.52
Veterinary		20.02		21.46		25.44		16.59
Supplies		9.80		9.40		24.77		3.99
Fuel & oil		19.15		23.36		22.81		17.91
Repairs		24.29		31.20		20.72		25.03
Custom hire		4.96		0.03		3.92		10.28
Marketing		2.79		7.49		0.81		0.96
Operating interest		7.77		16.94		5.27		6.60
Total direct expenses		388.95		447.30		389.19		330.06
Return over direct expense		67.88		-50.46		67.65		131.33
<b>Overhead Expenses</b>								
Hired labor		5.48		3.19		5.57		5.99
Farm insurance		7.46		10.55		6.13		5.74
Utilities		8.53		12.62		6.40		7.49
Interest		11.33		35.75		9.92		8.11
Mach & bldg depreciation		19.94		23.43		22.29		20.14
Miscellaneous		10.32		9.43		7.96		11.23
Total overhead expenses		63.06		94.98		58.28		58.70
Total dir & ovhd expenses		452.02		542.28		447.47		388.76
Net return		4.81		-145.43		9.37		72.63
Labor & management charge		54.12		89.24		43.33		44.10
Net return over lbr & mgt		-49.31		- 234.67		-33.96		28.53
<b>Cost of Production Per Cwt. Produced</b>								
Total direct expense per unit		75.11		89.49		71.02		64.27
Total dir& ovhd expense per unit		87.28		108.49		81.65		75.70
With other revenue adjustments		96.26		122.25		94.75		84.73
With labor and management		106.71		140.10		102.66		93.32

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	Avg. Of All Farms	Low 20%	40 - 60%	High 20%
Number of farms	45	8	9	10
<b>Other Information</b>				
Number of cows	208.5	123.6	186.8	300.2
Pregnancy percentage	96.4	98.9	94.9	95.4
Pregnancy loss percentage	2.2	0.7	2.5	3.4
Culling percentage	19.5	19.0	11.5	21.1
Calving percentage	94.2	98.3	92.6	92.2
Weaning percentage	88.4	86.7	87.6	85.6
Calf death loss percent	6.7	12.8	5.4	7.8
Cow death loss percent	2.2	2.4	2.7	2.7
Average weaning weight	558	550	571	571
Lbs weaned/exposed female	493	477	500	489
Feed cost per cow	298.21	330.69	285.44	246.17
Avg wgt/ Beef Calves sold	587	590	629	579
Avg price / cwt.	95.69	87.61	97.73	99.00

The 2009 summary reports are based on data from individual farm analysis completed by farm/ranch families enrolled in the statewide Farm and Ranch Business Management Education program in North Dakota. Data was compiled by Andrew Swenson, NDSU Extension Farm Management Specialist.

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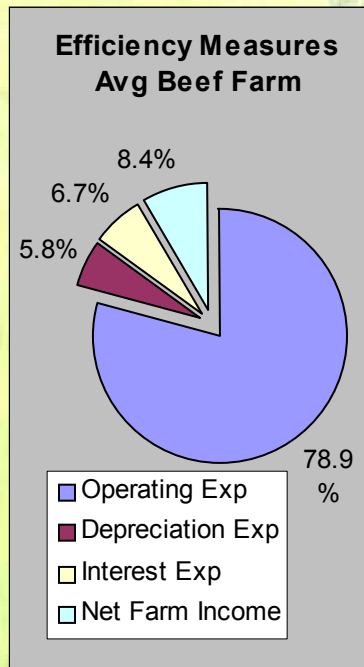
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**Financial Standards Measures**

North Dakota Farm Business Management Education Program  
2009 Beef Farm Report (Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 20%	High 20%
<b>Number of farms</b>	79	15	16
<b>Liquidity</b>			
Current ratio	1.36	1.06	1.48
Working capital	58,480	11,855	136,118
Working capital to gross inc	24.5 %	5.1 %	29.6 %
<b>Solvency (cost)</b>			
Farm debt to asset ratio	47 %	66 %	40 %
<b>Profitability (cost)</b>			
Rate of return on farm assets	1.0 %	-5.1 %	5.6 %
Rate of return on farm equity	-1.9 %	-21.6 %	6.5 %
Net farm income	20,035	-44,147	100,019
<b>Repayment Capacity</b>			
Term debt coverage ratio	0.77	0.11	1.54
<b>Efficiency</b>			
Operating expense ratio	78.9 %	98.0 %	69.7 %
Depreciation expense ratio	5.8 %	6.5 %	5.4 %
Interest expense ratio	6.7 %	11.5 %	4.6 %
Net farm income ratio	8.4 %	-19.2 %	21.7 %

The N.D. Farm Management Education Association recognizes the listed organizations for their contribution toward the production and distribution of the N.D. Farm and Ranch Business Management Regional and State Averages for 2009:

**Basin Electric Power Cooperative**  
**CHS Foundation**  
**North Dakota Farm Bureau**  
**North Dakota Farmers Union**

## Cost-Return Projection – Beef Cow-Calf Enterprise (Per Cow), 2010 <sup>1</sup>

						N.D. Avg.	Your Numbers
<b>VARIABLE COST PER COW:</b>							
1.	Summer Pasture					\$ 90.00	\$
2.	Hay--Forage					140.00	
3.	Other feed					20.00	
4.	Protein and Mineral					15.00	
5.	Hired Labor, Custom Hire					12.00	
6.	Veterinary, Drugs, and Supplies					17.00	
7.	Utilities, Fuel, and Oil					30.00	
8.	Facilities and Equipment Repairs					22.00	
9.	Breeding Charge					10.00	
10.	Marketing					10.00	
11.	Miscellaneous					20.00	
12.	Interest					10.00	
<b>A. TOTAL VARIABLE COSTS</b>						<b>\$ 396.00</b>	<b>\$</b>
<b>FIXED COSTS PER COW</b>							
13.	Depreciation					\$ 18.00	\$
14.	Interest					12.00	
15.	Insurance					9.00	
16.	Cow interest, death loss					60.00	
<b>B. TOTAL FIXED COSTS</b>						<b>\$ 99.00</b>	<b>\$</b>
<b>C. TOTAL COSTS PER COW (A + B)</b>						<b>\$ 495.00</b>	<b>\$</b>
						<b>Your Numbers</b>	
<b>RETURNS PER COW <sup>2</sup></b>		<b>%</b>	<b>x</b>	<b>Weight</b>	<b>x</b>	<b>Price</b>	
17.	Steers: .45 x 550 x 1.16		x		x	\$ 287.10	\$
18.	Heifers: .26 x 530 x 1.04		x		x	143.31	
19.	Cull cows; .14 x 1100 x .50		x		x	77.00	
20.	Cull heifers: .05 x 900 x .90		x		x	40.50	
<b>D. GROSS RETURNS PER COW</b>						<b>\$ 547.91</b>	<b>\$</b>
<b>E. RETURN OVER VARIABLE COSTS (D - A)</b>						<b>\$ 151.91</b>	<b>\$</b>
<b>F. RETURN OVER TOTAL COSTS (D - C) <sup>3</sup></b>						<b>\$ 52.91</b>	<b>\$</b>
<sup>1</sup> Information in this budget is based on the <u>North Dakota Farm and Ranch Business Management Annual Report, 2009</u> .							
<sup>2</sup> Returns are based on a 90 percent weaning rate, 45 steers sold, 26 heifers sold, 19 heifers kept for replacement, 14 cull cow s sold, and 5 cull heifers sold. Prices are projected for fall.							
<sup>3</sup> Return over total costs is return to unpaid family labor, management, and equity.							

The above cow/calf budget was developed by Tim Petry, Livestock Economist, NDSU Extension Service in Fargo, ND. For more livestock economic and marketing information, access his website at: [www.ag.ndsu.edu/livestockeconomics](http://www.ag.ndsu.edu/livestockeconomics)



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## Balance Sheet at Cost Values

North Dakota Farm Business Management Education Program

2009 Beef Farm Report (Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 20%	High 20%
<b>Number of farms</b>	79	15	16
<b>Assets</b>			
<b>Current Farm Assets</b>			
Cash and checking balance	13,337	8,501	35,273
Prepaid expenses & supplies	6,380	2,050	14,067
Growing crops	1,054	1,464	-
Accounts receivable	13,976	16,344	15,247
Hedging accounts	181	200	704
Crops held for sale or feed	84,266	81,778	149,773
Crops under government loan	1,315	5,144	1,670
Market livestock held for sale	99,644	104,769	204,489
Other current assets	58	3	160
<b>Total current farm assets</b>	<b>220,211</b>	<b>220,253</b>	<b>421,382</b>
<b>Intermediate Farm Assets</b>			
Breeding livestock	161,890	179,453	233,503
Machinery and equipment	147,543	145,542	251,641
Titled vehicles	14,869	20,010	22,491
Other intermediate assets	2,198	3,169	3,671
<b>Total intermediate farm assets</b>	<b>326,500</b>	<b>348,174</b>	<b>511,306</b>
<b>Long Term Farm Assets</b>			
Farm land	219,002	219,606	389,721
Buildings and improvements	34,618	33,107	58,422
Other long-term assets	1,689	1,139	4,033
<b>Total long-term farm assets</b>	<b>255,308</b>	<b>253,852</b>	<b>452,175</b>
<b>Total Farm Assets</b>	<b>802,019</b>	<b>822,279</b>	<b>1,384,863</b>
<b>Total Nonfarm Assets</b>	<b>123,068</b>	<b>82,472</b>	<b>225,758</b>
<b>Total Assets</b>	<b>925,087</b>	<b>904,750</b>	<b>1,610,622</b>
<b>Liabilities</b>			
<b>Current Farm Liabilities</b>			
Accrued interest	8,768	12,164	12,487
Accounts payable	7,437	7,235	6,139
Current notes	115,743	144,168	222,975
Government crop loans	570	1,669	1,249
Principal due on term debt	29,212	43,164	42,413
<b>Total current farm liabilities</b>	<b>161,730</b>	<b>208,399</b>	<b>285,264</b>
<b>Total intermediate farm liabs</b>	<b>118,191</b>	<b>198,034</b>	<b>133,180</b>
<b>Total long term farm liabilities</b>	<b>99,505</b>	<b>138,289</b>	<b>129,232</b>
<b>Total farm liabilities</b>	<b>379,427</b>	<b>544,722</b>	<b>547,676</b>
<b>Total nonfarm liabilities</b>	<b>22,241</b>	<b>21,770</b>	<b>30,218</b>
<b>Total liabilities</b>	<b>401,668</b>	<b>566,491</b>	<b>577,894</b>
<b>Net worth (farm and nonfarm)</b>	<b>523,419</b>	<b>338,259</b>	<b>1,032,727</b>
<b>Net worth change</b>	<b>22,112</b>	<b>-31,274</b>	<b>68,920</b>

**Our Mission**

**"To provide lifelong learning opportunities in economic and financial management for individuals involved in the farming and ranching business"**

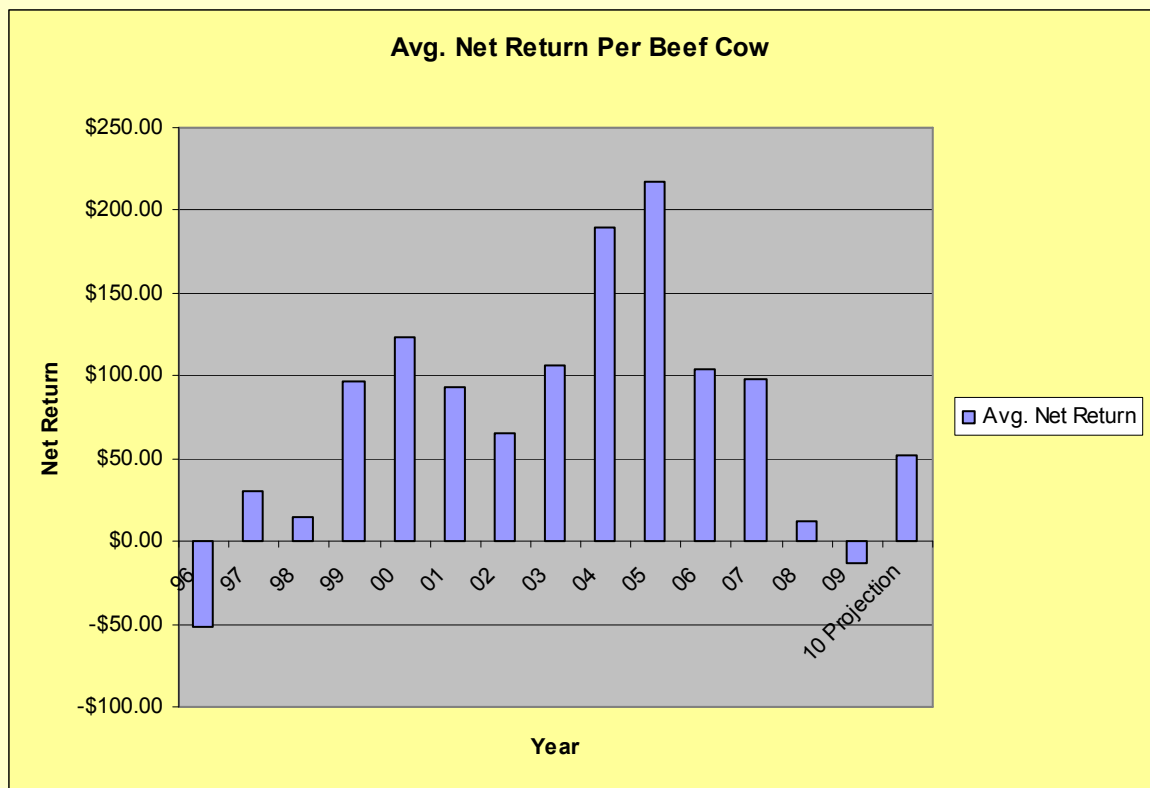


# 2009

## North Dakota State Beef Average Summary

Historical Data:

**Average Beef Net Returns from Farm/Ranch Management Programs  
from 1996 to 2009 with a 2010 projection.** (see NDSU enterprise budget included in brochure)



Over the time frame in the above graph, the 20% most profitable ranches averaged over \$300 per cow more profit than the 20% least profitable ranches. The high profits ranches averaged \$224 per cow, the lowest profit averaged -\$86, and the average net was \$82 per cow.

Farm Business Management Programs are designed to provide education to farm owners and operators. The purpose of the program is to assist clients in meeting their business and personal goals. This is best accomplished through the use of quality records and sound business decisions.