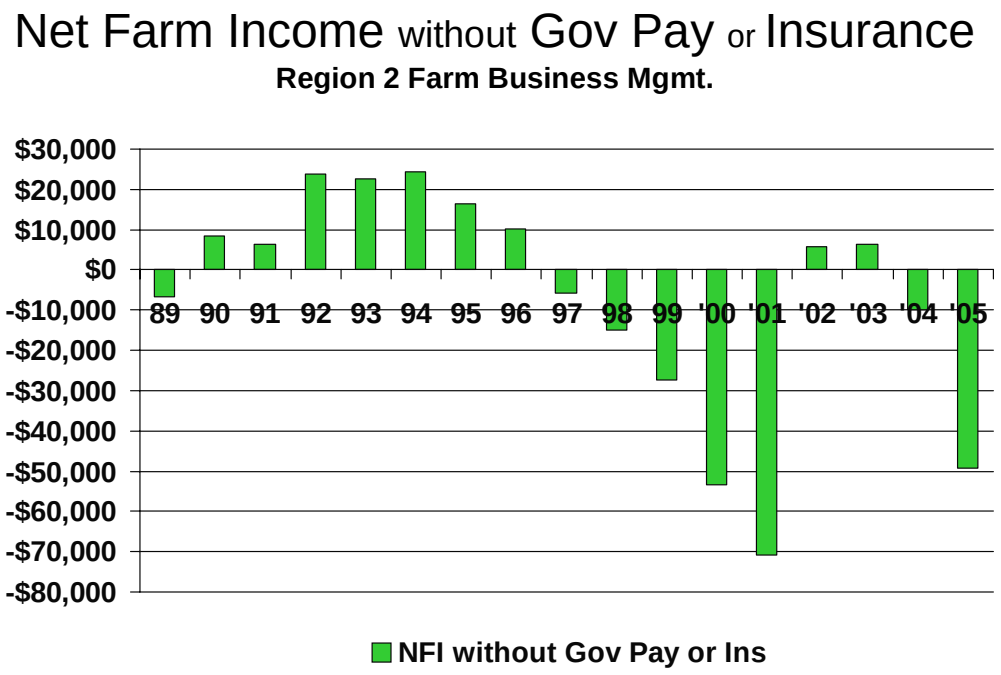
Farm Business Management

This report summarizes the individual farm records for farmers enrolled in the Farm Business Management program in the North Central Region of North Dakota. This comprises the counties, excluding Red River Valley farms, in Cavalier, Towner, Rolette, Bottineau, Renville, Ward, McHenry, Pierce, Benson, Ramsey, Nelson, Walsh and Pembina Counties. This summarized data is provided to you for purposes of crop enterprise budgeting for the upcoming crop season. Partial data included is for the crop season 2005. Complete data is available upon request from Kevin Misek the farm management instructor at the Langdon Research Extension Center.

The "Crop Enterprise Analysis" table shows the physical production, gross return, direct costs, indirect costs, total costs and net return. The net return is the gross return per acre minus the direct and indirect costs. Net return represents the return to the operators labor, management and equity. The net return does not take into account government payments. Cost of production is represented as a direct cost per bushel or hundred weight and a total cost per bushel or hundred weight, which includes the indirect costs. This is the actual dollars required to produce a bushel or hundred weight of each commodity.

Value per bushel or hundred weight is the market price received plus any loan deficiency payment. Government payments are listed at the bottom of each table but are not included in the profit or loss per acre. The following graph displays their importance in today's farm business management.