



Farm/Ranch Business Management Education

Year 2012

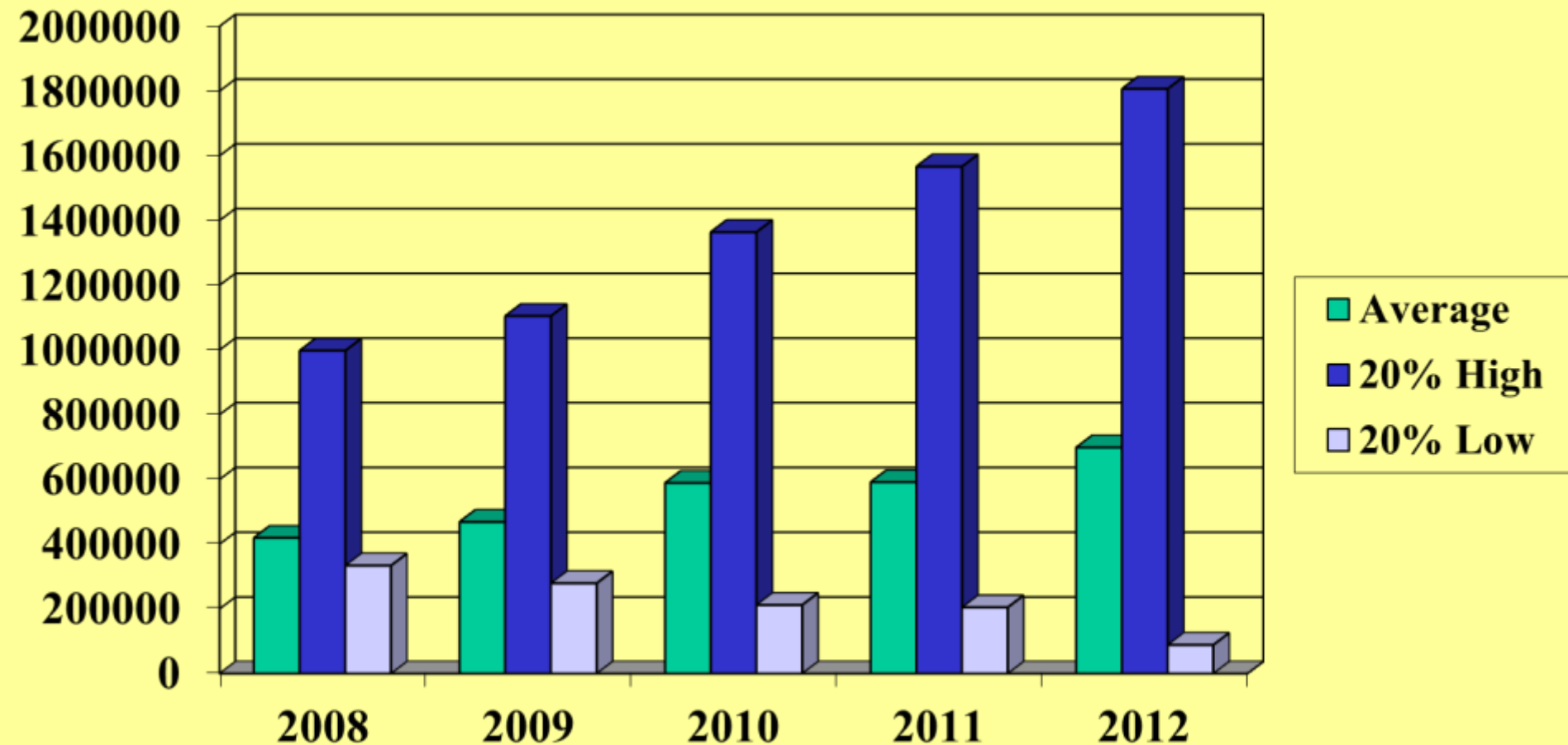
Jerry Tuhy, Instructor

Bismarck State College at Dickinson REC

ND  FARM
MANAGEMENT EDUCATION

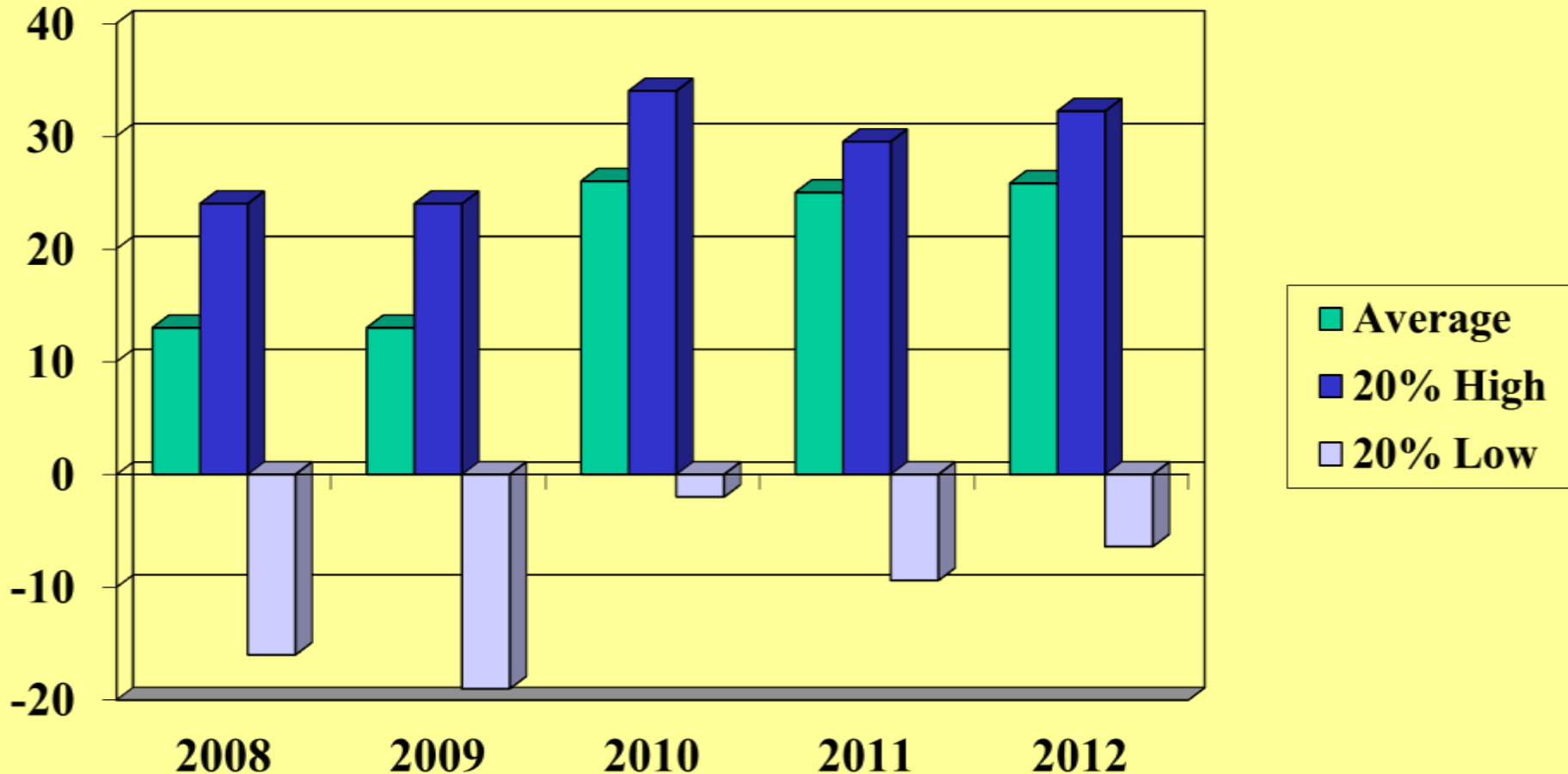
Gross Farm Income (Accrual)

Per farm for year



Net Farm Income Ratio (%)

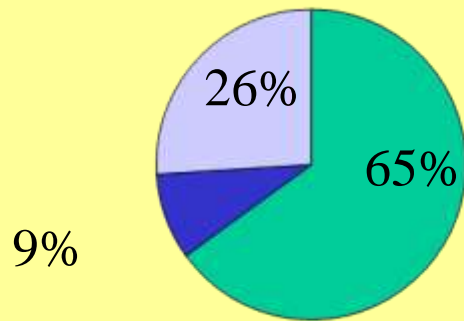
percentage of gross \$ that is net \$



Net Farm Income Ratio

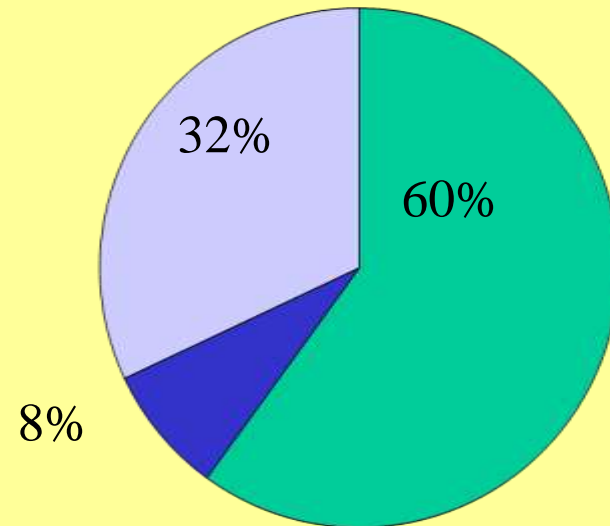
% of Gross available for Family living and Increasing Net Worth

average

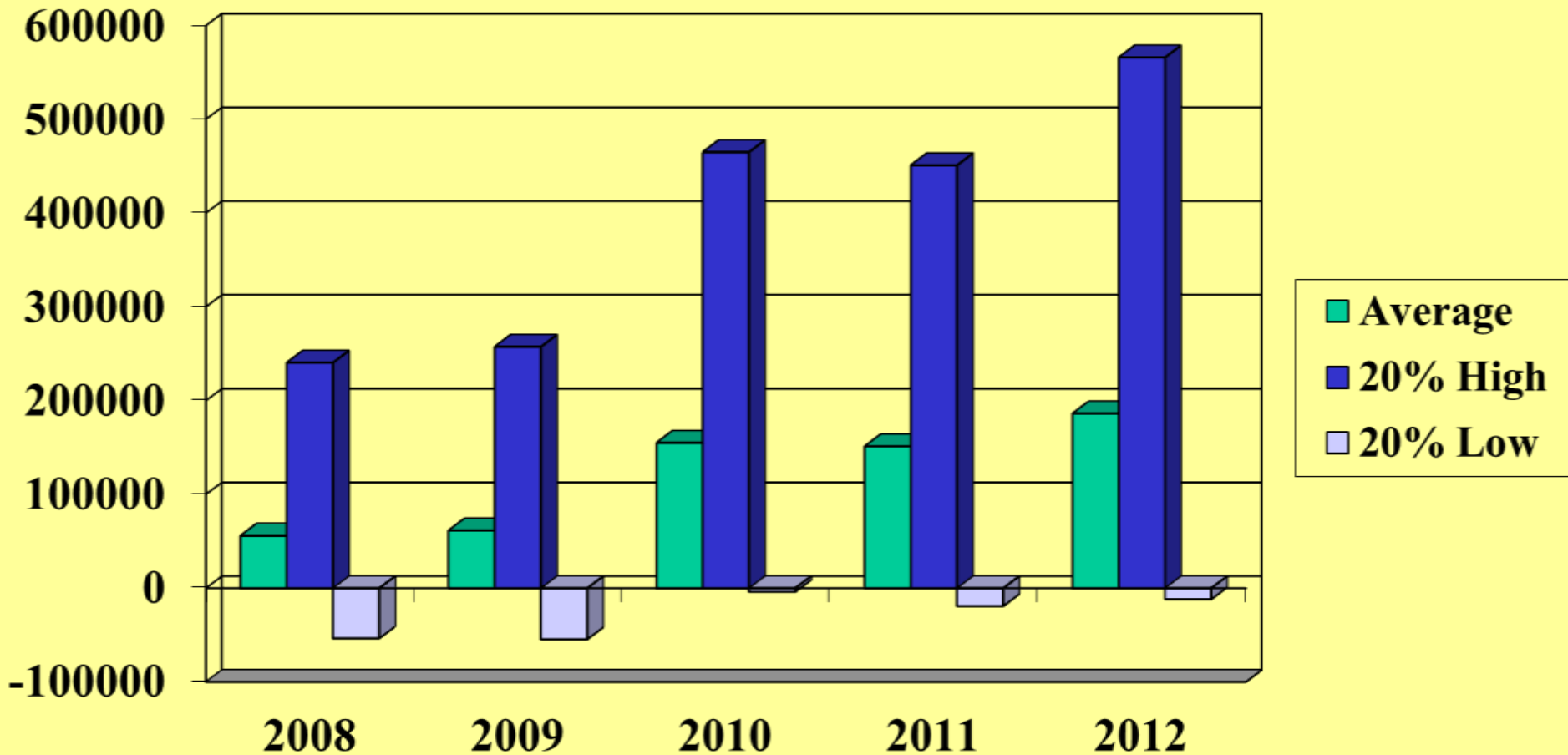


- 0per exp
- Int. & Depr
- Net Income Ratio

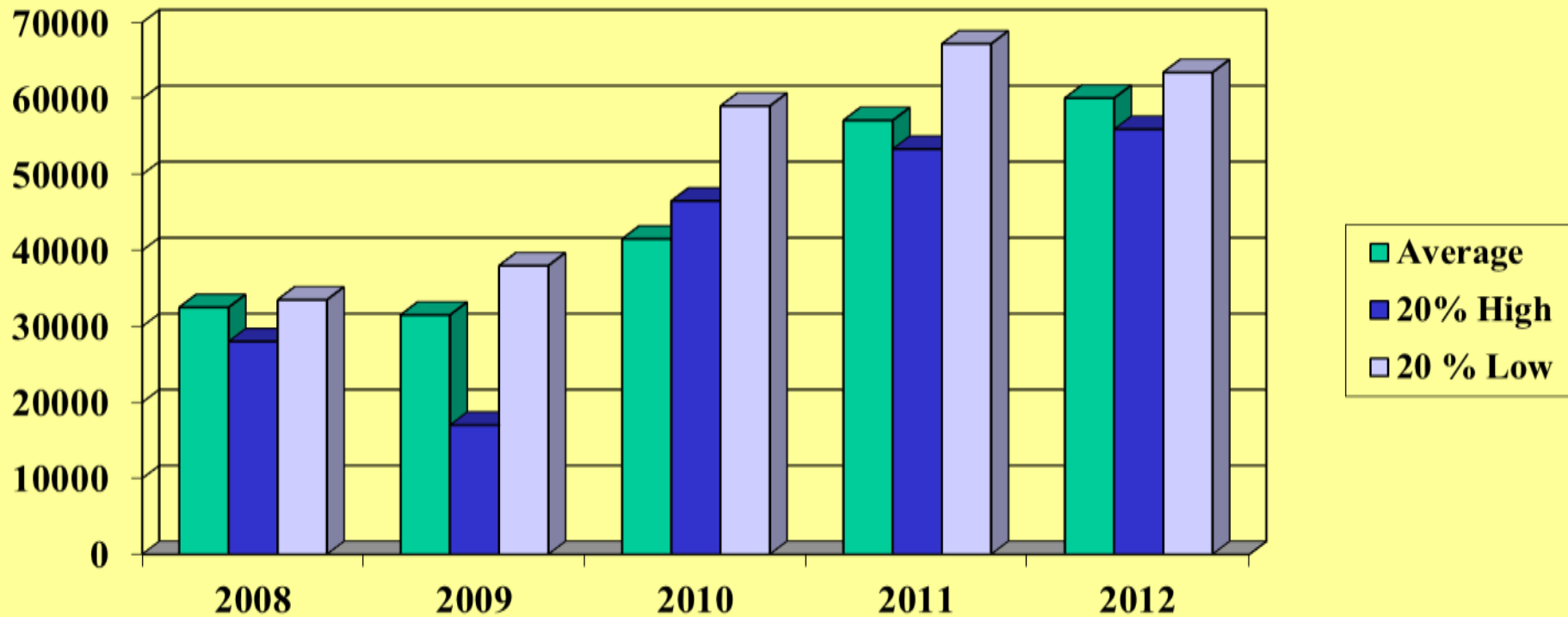
high profit



\$ Net Farm Income = “Profit”

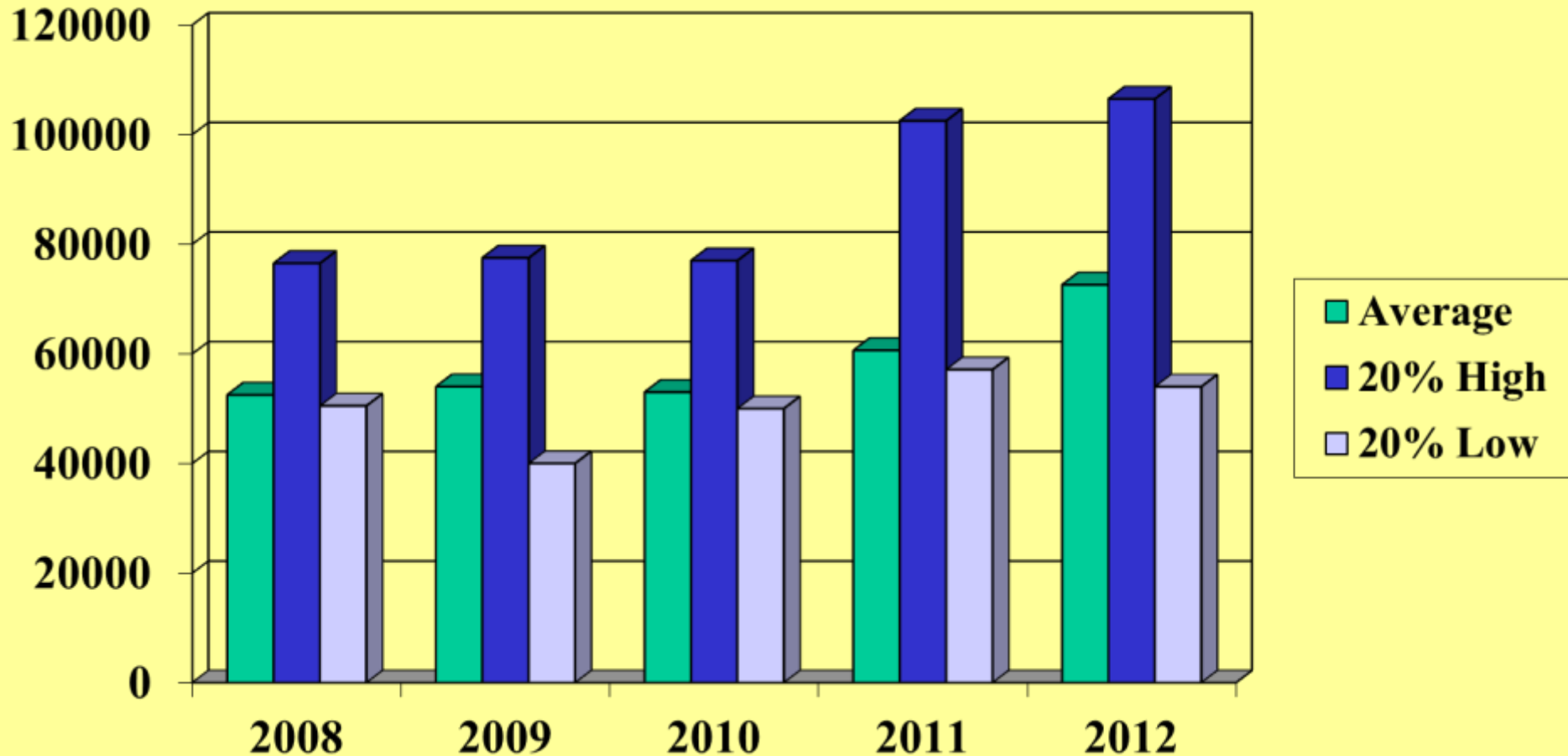


\$ Net “Non-Farm” Income



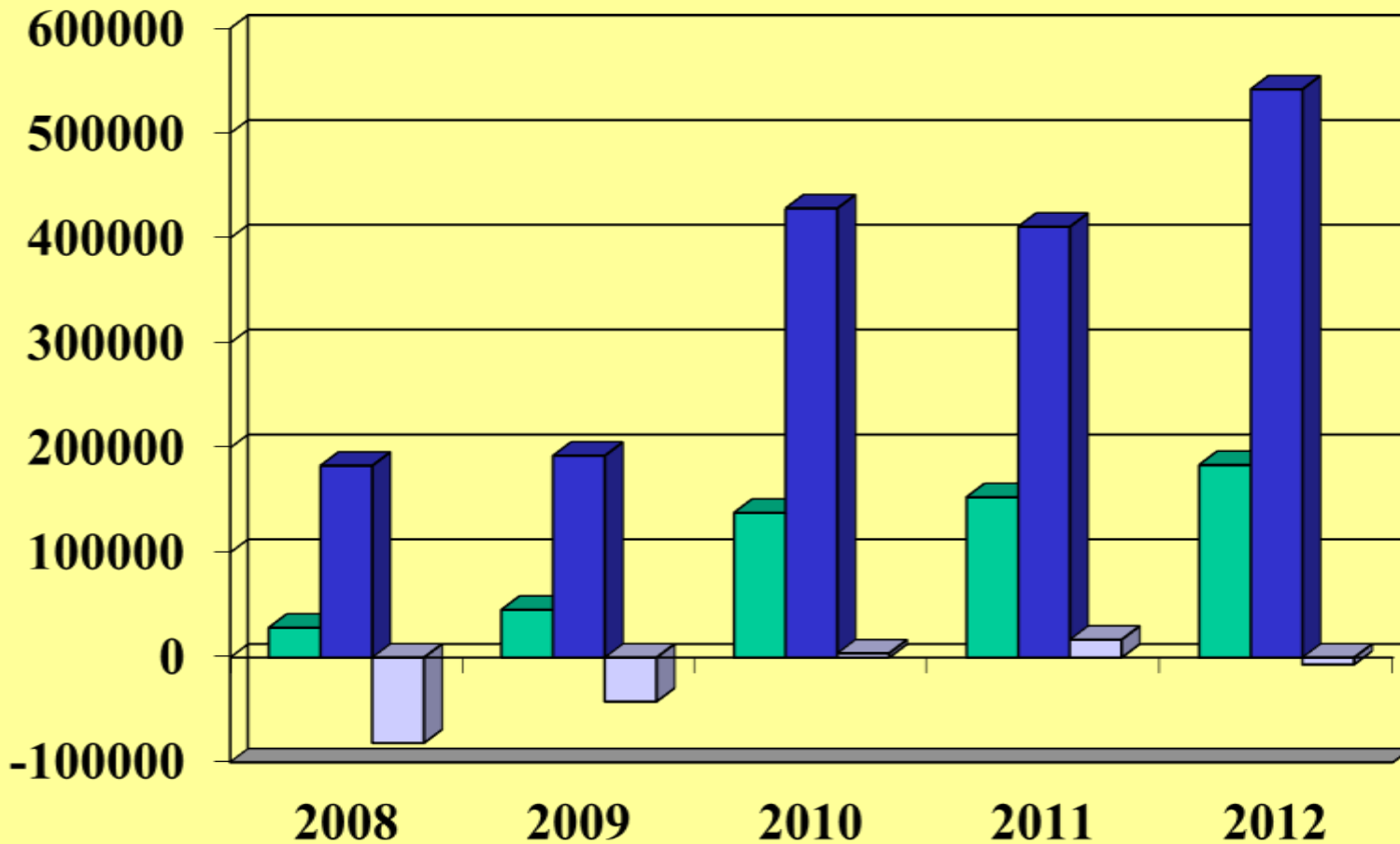
Family Living & Income Taxes

\$ spent/year



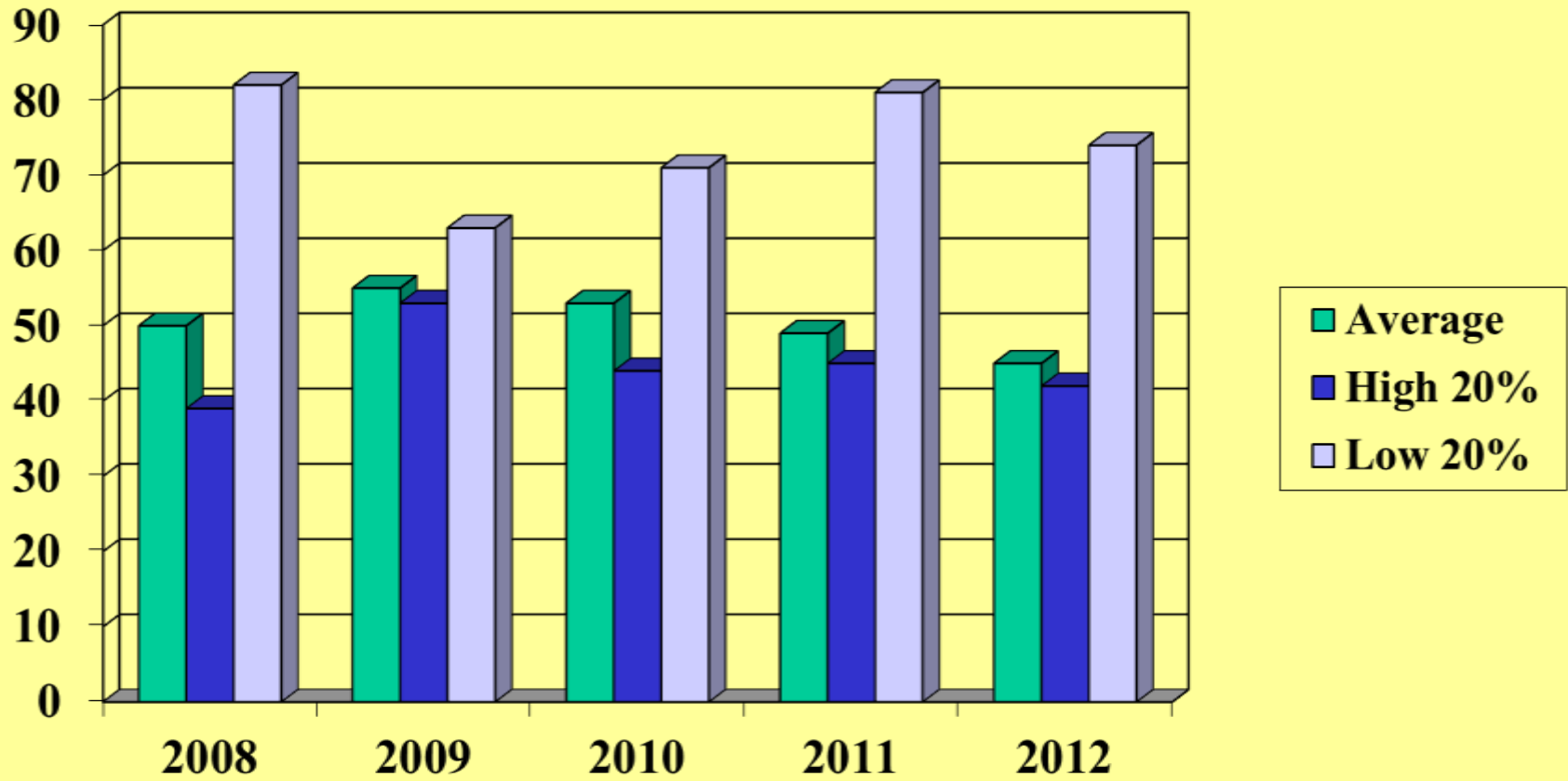
Change in Retained Earnings

\$ of equity gain per yr (cost basis)



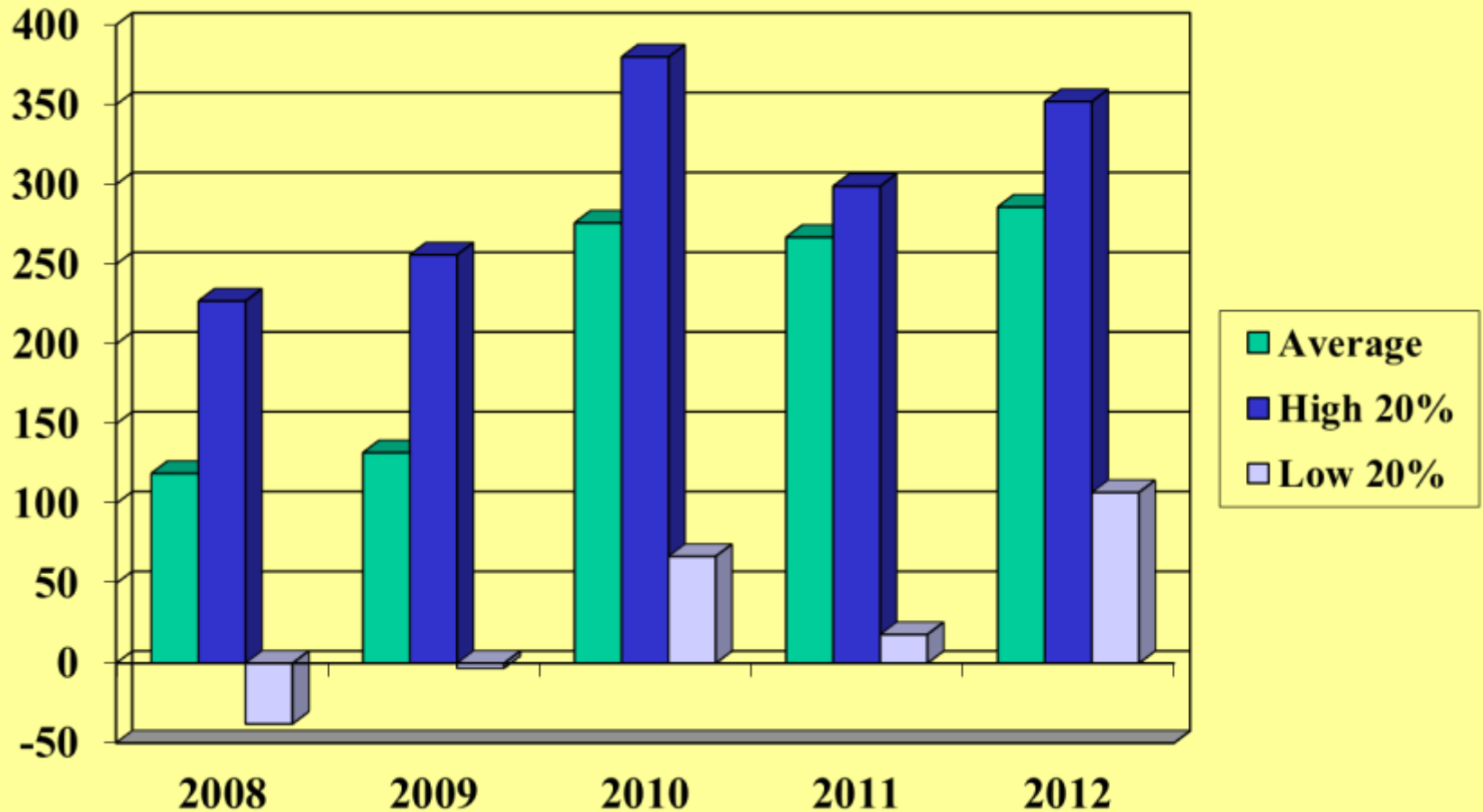
- Average
- 20% High
- 20% Low

Farm Debt/Asset Ratio (%) end year cost basis

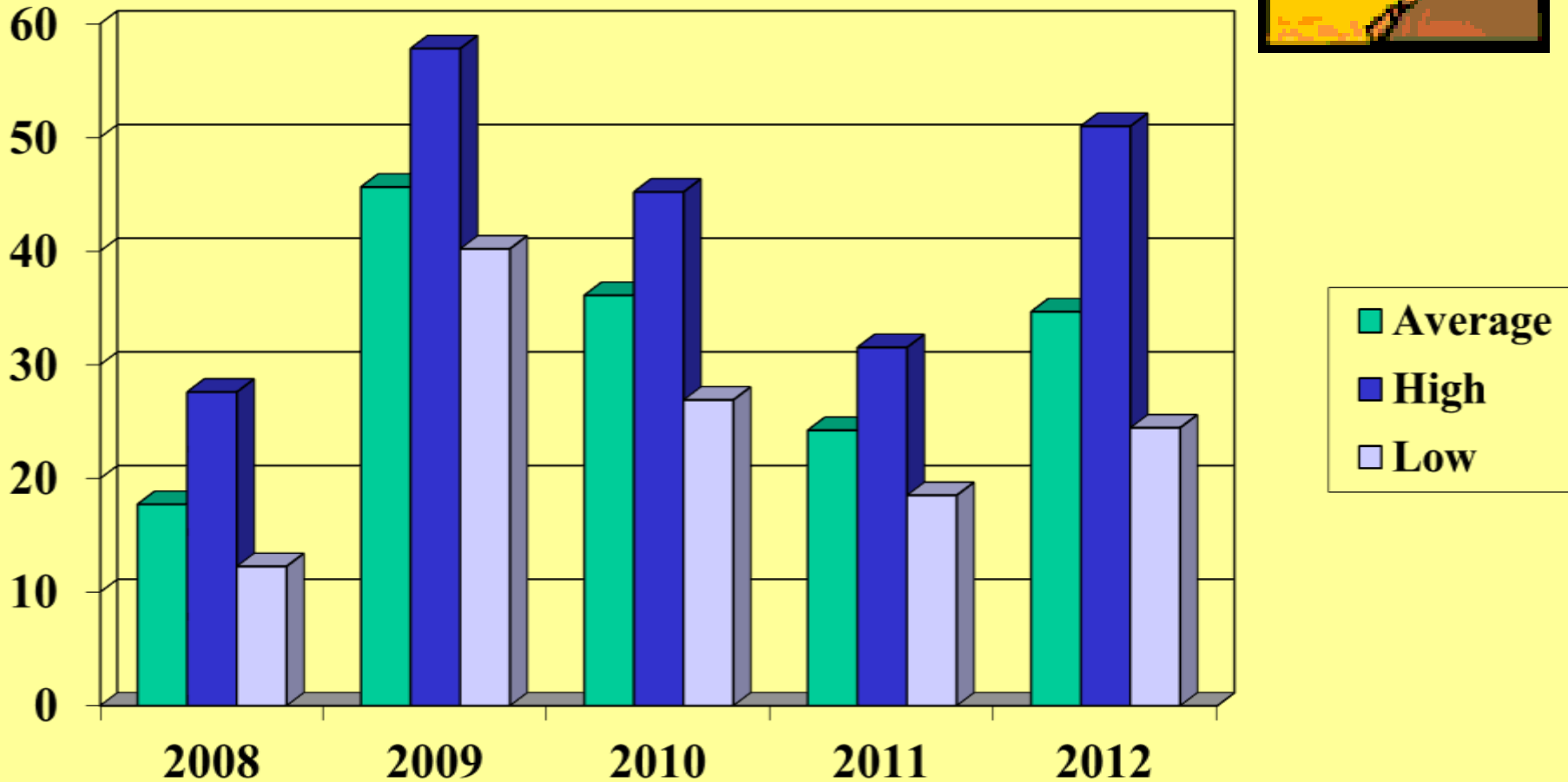


Term Debt Coverage Ratio

a 100% ratio means “we can make all debt payments”

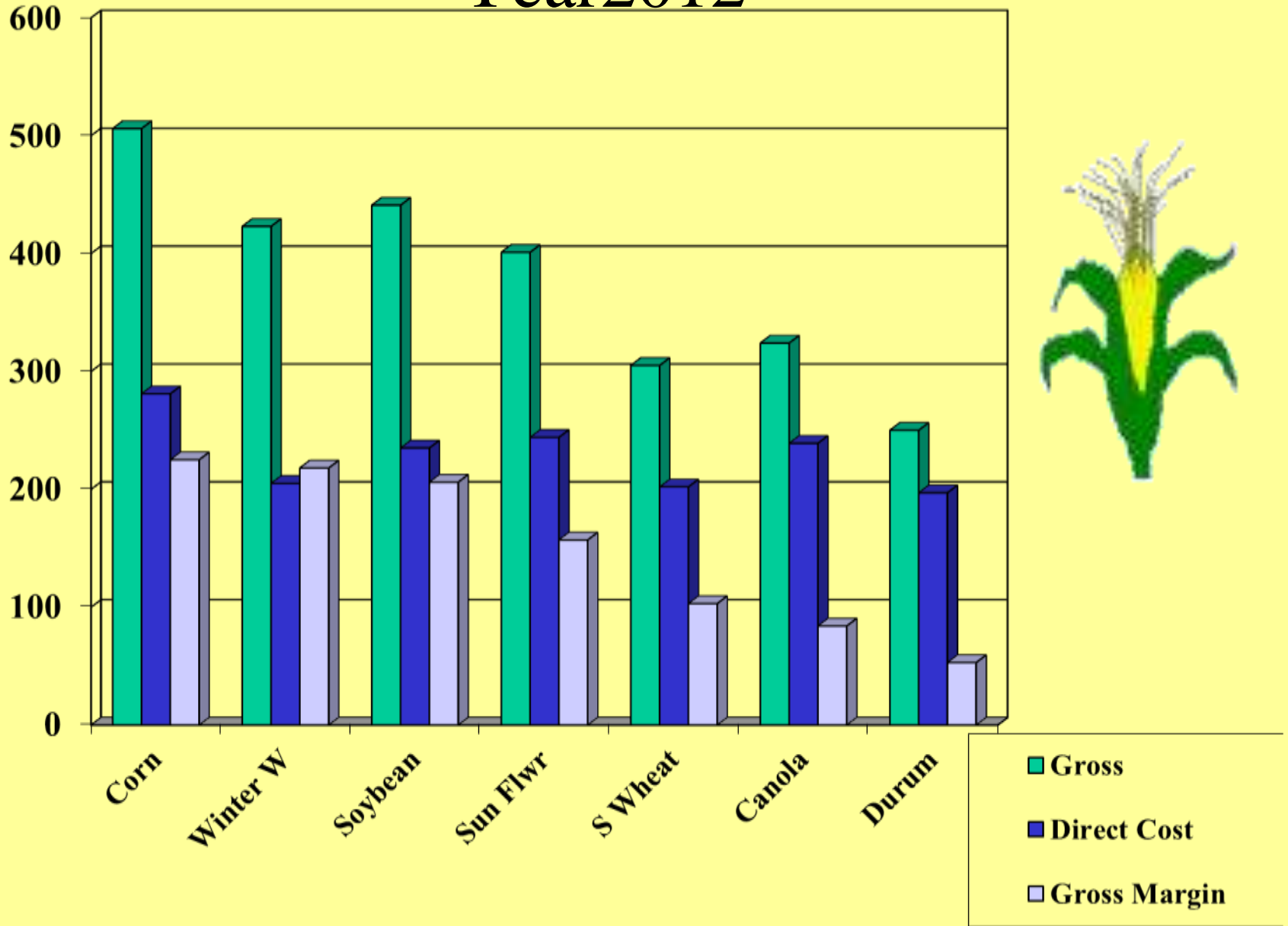


Spring Wheat on Cash Rented (Bu. Yield/Acre)

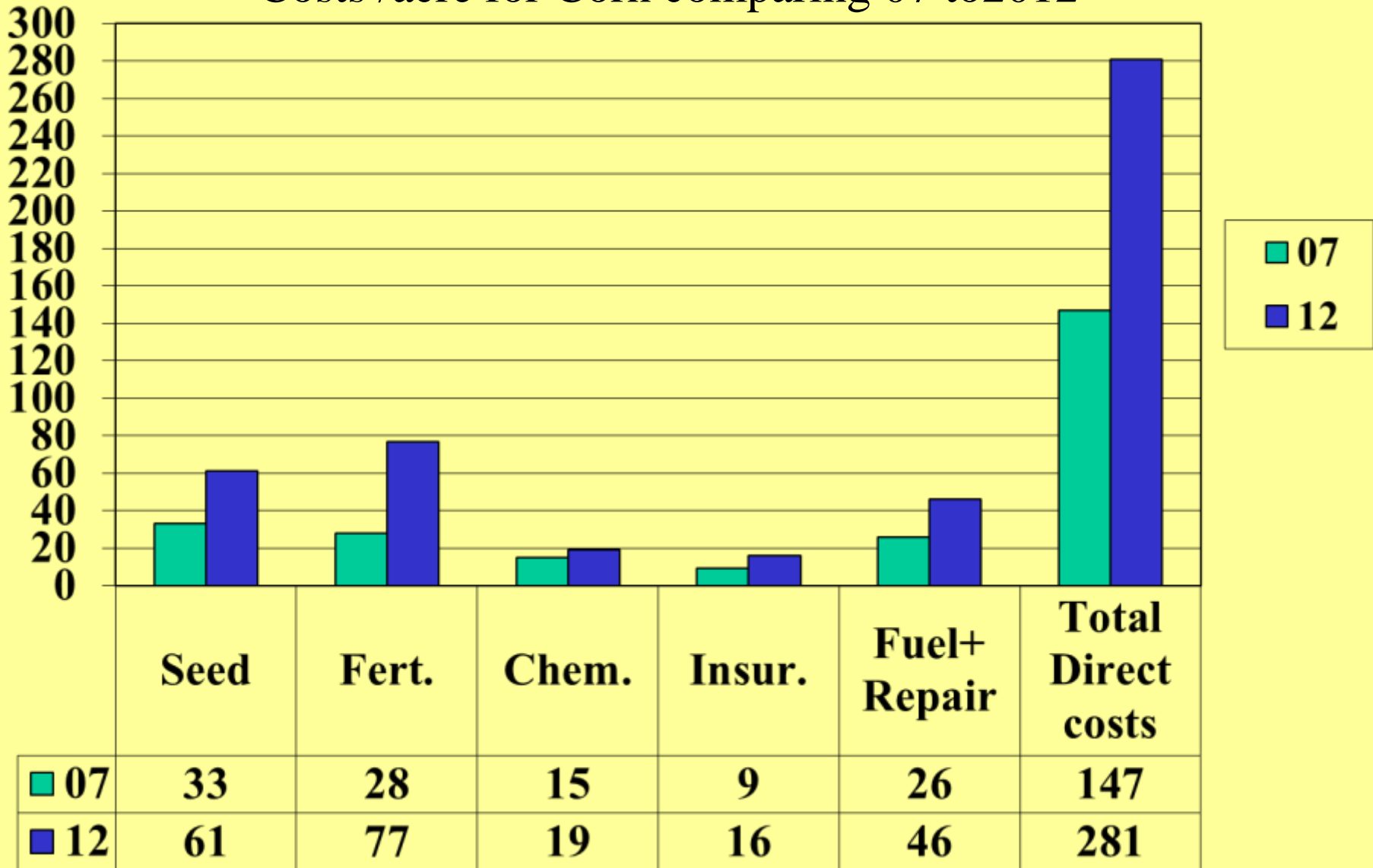


Crop Contributions to Overheads

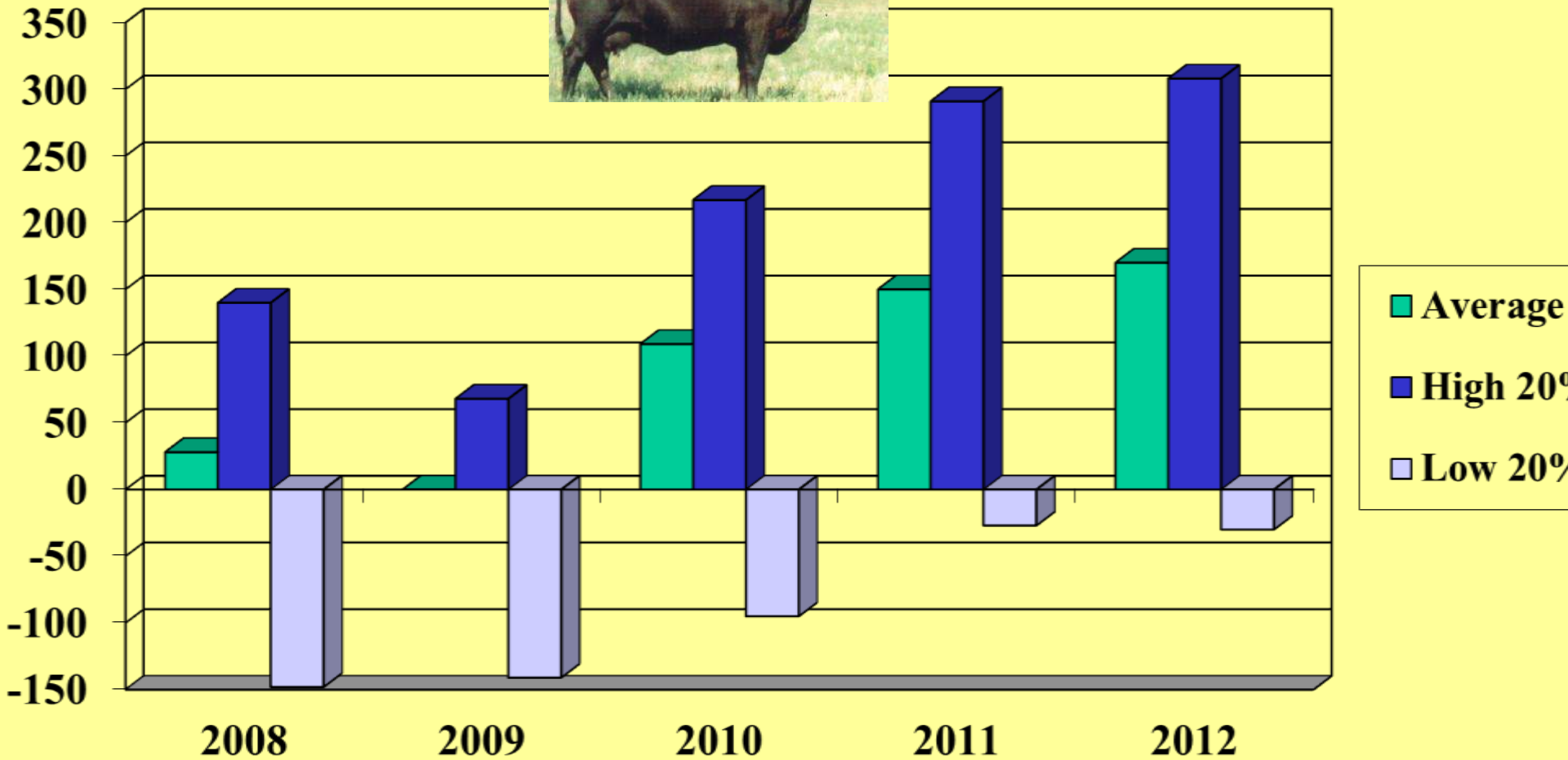
Year 2012



Costs /acre for Corn comparing 07 to 2012

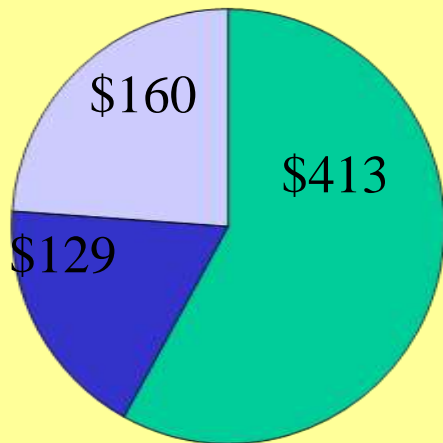


\$ Net income /Beef Cow

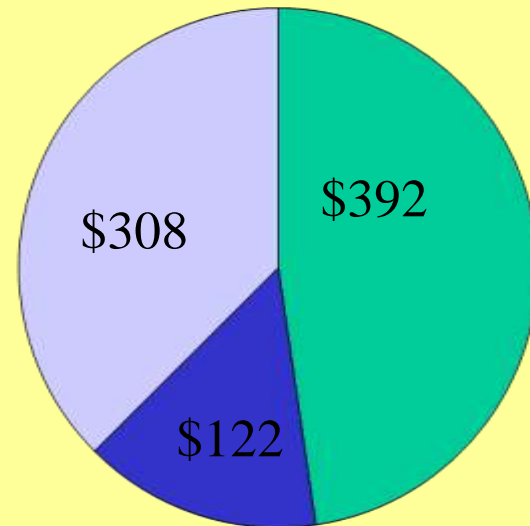


Beef cow costs, returns 2012 per cow (fuel&repairs in OVHD)

average



high profit



■ direct ■ overheads ■ net \$

How are low profit and high profit
Beef herds different ? For 2012 year.

	Low Profit	High Profit
Value of calf/cow	\$745	\$810
Depreciation per cow	\$130	-\$10
Direct cost/cow	\$488	\$392
Overhead expense/cow	\$158	\$122
Cost per cwt (D&Ovhd)	\$134	\$98
Culling percentage	19.1	15

More info on these websites

www.finbin.umn.edu- sort data by State, region, year.

Whole farm, crop or livestock enterprise data available

ifsam.cffm.umn.edu- learn to use financial statements in day-to-day management. understand how to interpret financial statements.

www.ndfarmmanagement.com- instructor contacts, regional data, news, resources for farm/ranch managers.