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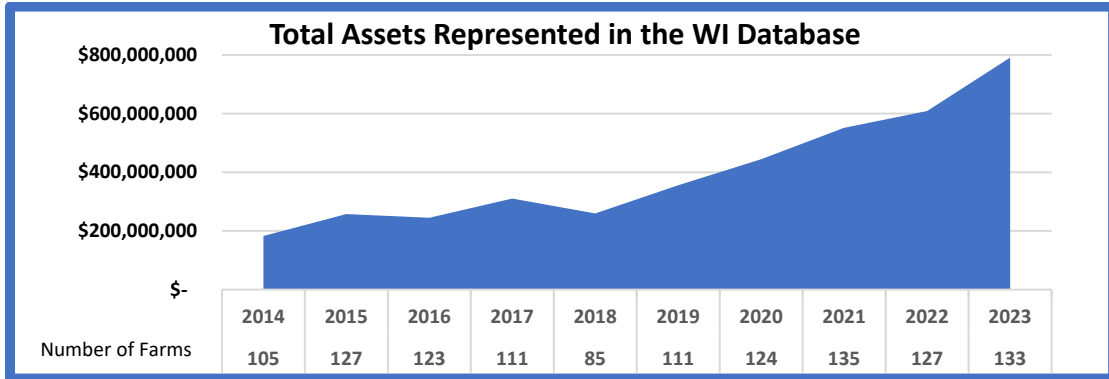
FARM BUSINESS & PRODUCTION MANAGEMENT

2023 Executive Summary

May 2024

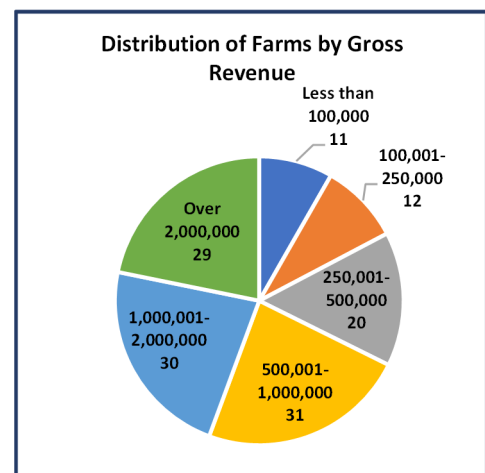
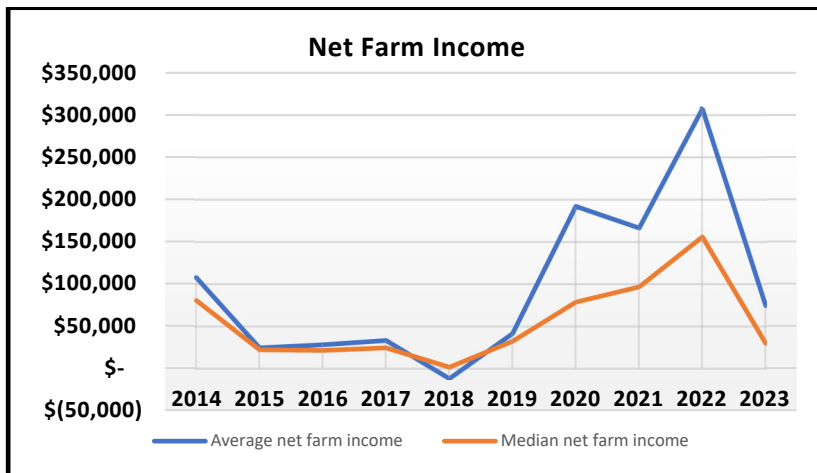
Executive Summary 2023 Annual Report of Wisconsin Farm Business and Production Management Program

There were 133 farms that completed a farm financial analysis, up six from 2022. This report accounts for \$791,323,400 of total farm assets, and over 101,000 crop acres.

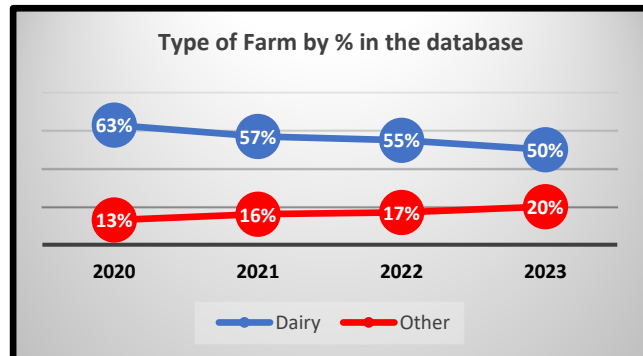
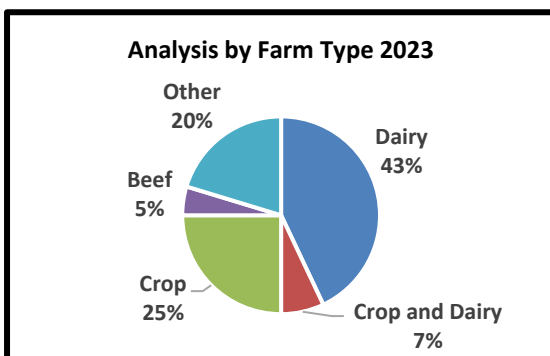


The average net farm income was \$74,514, with a median net farm income of \$30,006. Average net farm income was down 76% from 2022. Profitability levels returned to levels not seen since 2019.

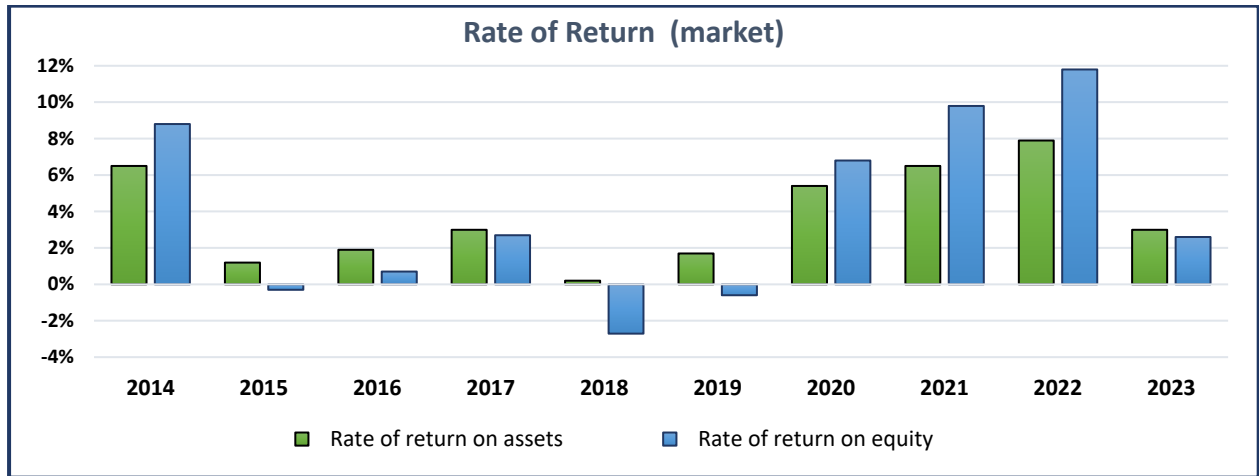
The farms in the database represent a diverse set of farm producers with a large range in size and type of farm.



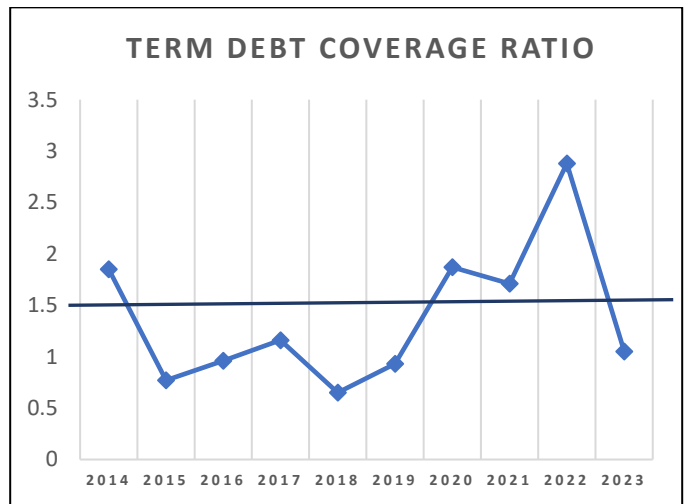
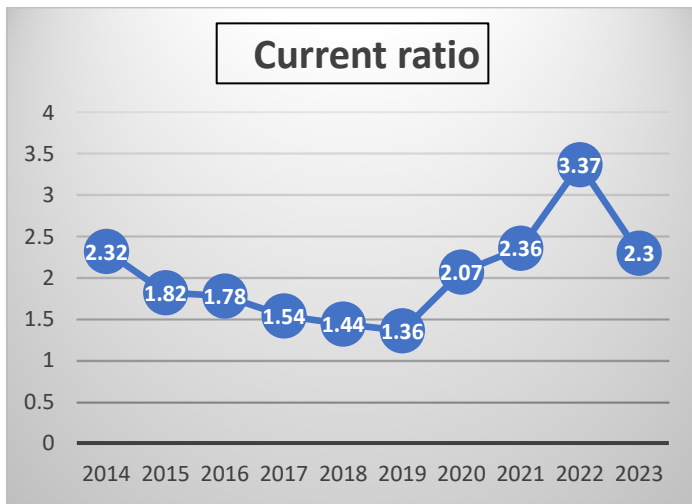
Farms are identified by their “type of farm”, if more than 70% of their gross farm income came from that source. “Other” farm type, represents farms that are diversified and have a combination of revenue streams such as: dairy, beef and crop income, or may have a large amount of custom hire income. Since 2020 we have seen a decline in the percentage of the number of farms that fall into “dairy”, yet the “other” farm type continues to increase, which may suggest that farms submitting data are becoming more diversified.



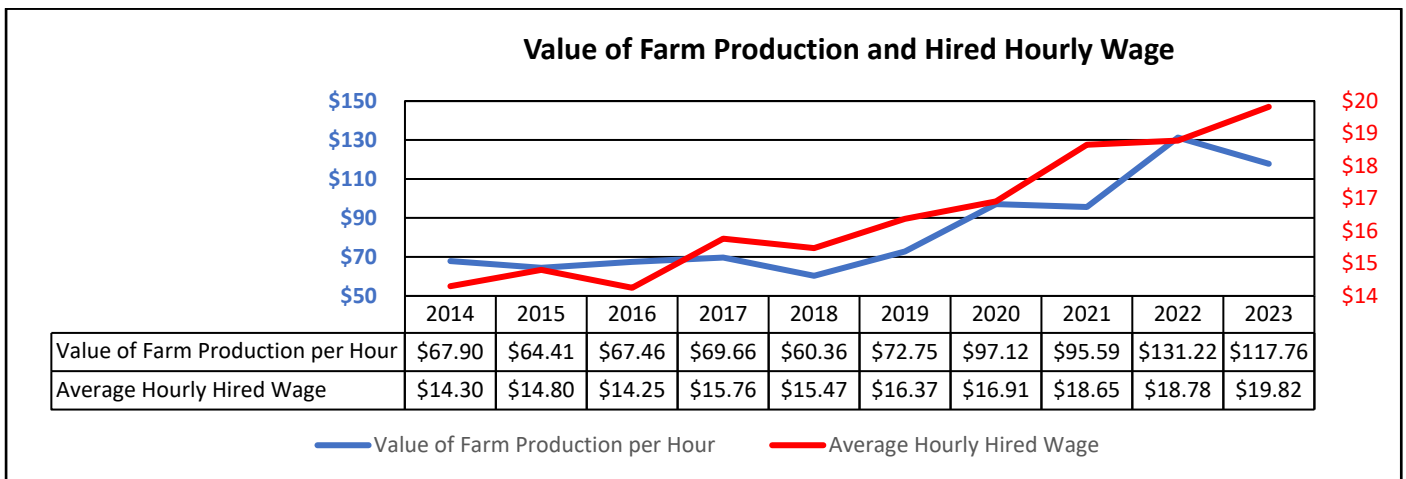
The rate of return on farm assets and equity saw a large reduction in 2023 compared to 2020-2022. Farming is cyclical and there are cycles of good times and bad.



A current ratio over 2 and a term debt coverage ratio over 1.5 are considered to be strong. While the current ratio remains strong, the term debt coverage ratio has weakened, which means farms may have a harder time making their debt payments, unless prices increase in 2024.

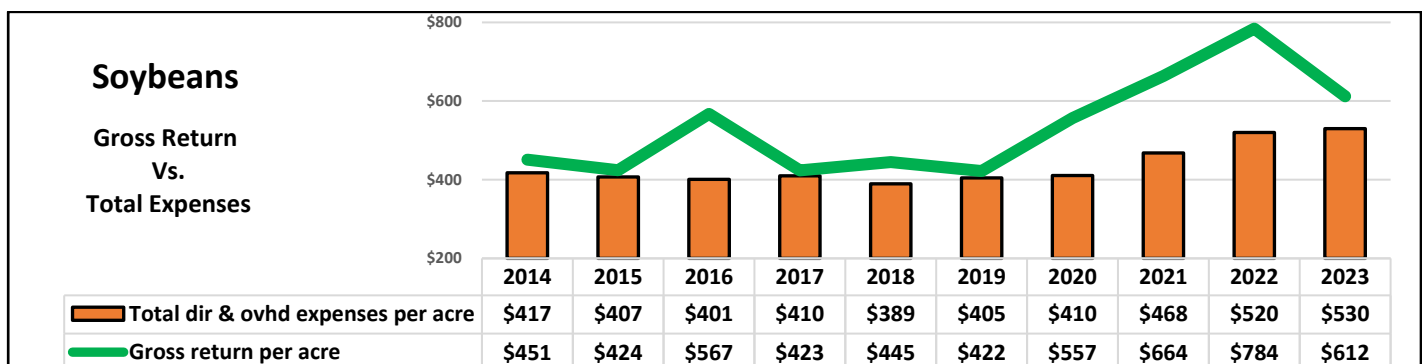
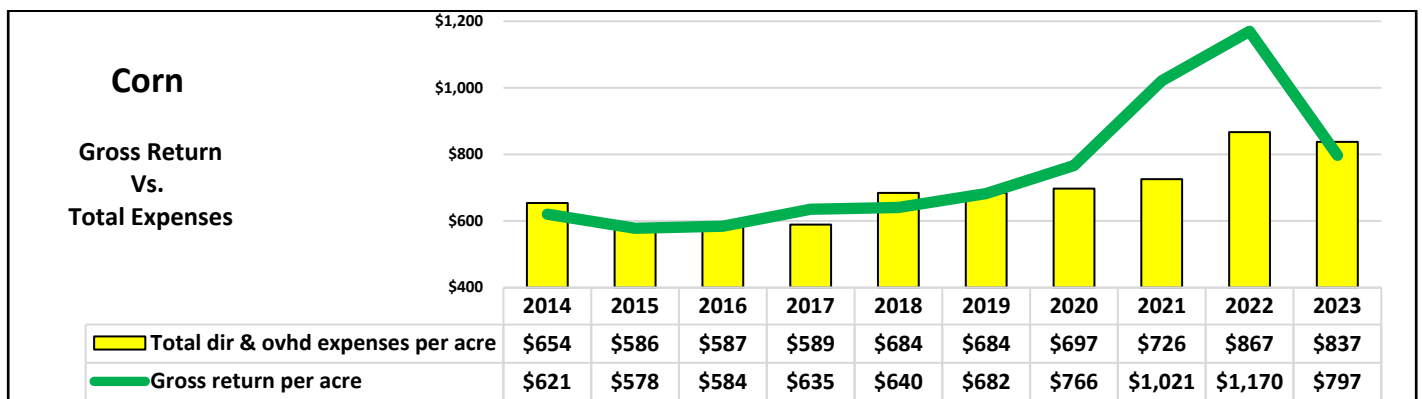
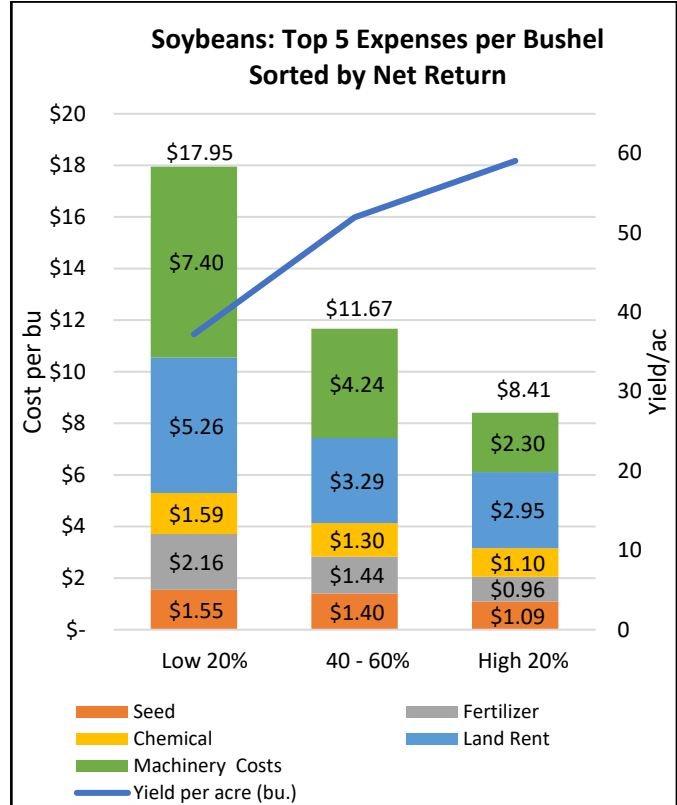
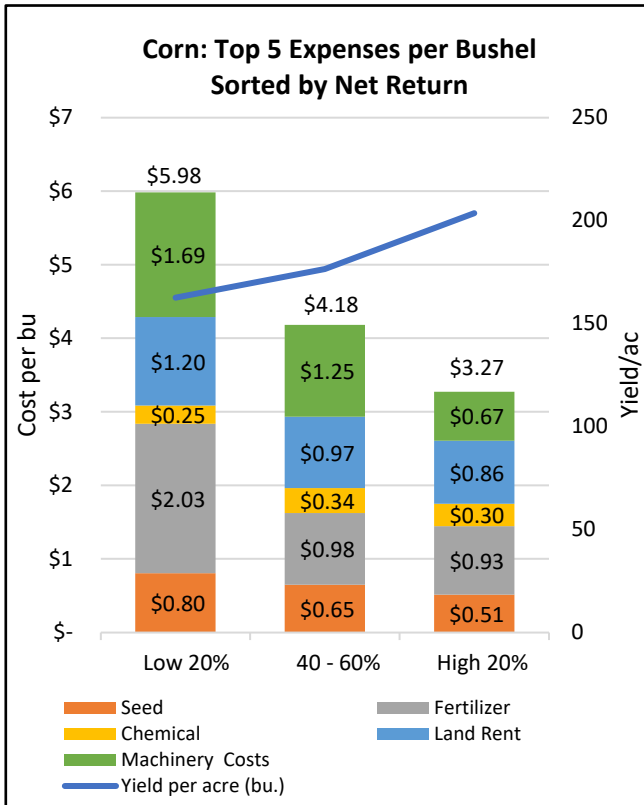


Farmers don't always put a value on their time. If they did, the 2023 average value of farm production per hour was \$117.76. The average hired hourly wage was \$19.82/hour.



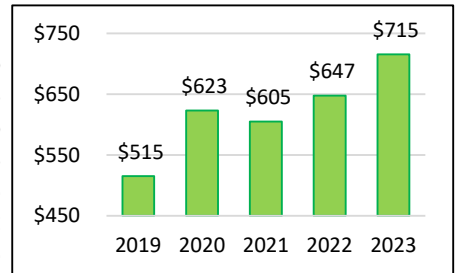
Crops: Yields in Wisconsin overall were good, despite the dry weather many experienced. Corn averaged 176.5 bu per acre, soybeans 48.4 bu per acre, corn silage 21.2 ton per acre and alfalfa 5.2 ton per acre. Sorting farms by their profitability and looking at the top five expenses of corn and soybeans, yield played a critical role in profitability and overall expense per bushel. Average value per bushel of corn was \$4.29 and soybeans was \$12.20 in 2023.

Machinery Cost per acre includes: fuel and oil, repairs, custom hire, machinery interest, machinery lease payments machinery depreciation and interest on intermediate debt.

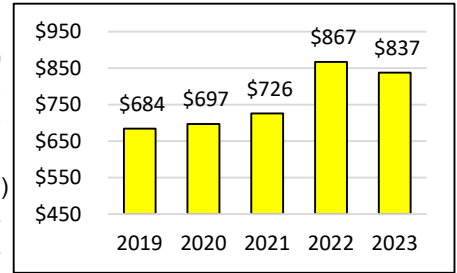


Selected Crop and Livestock Enterprise Trend Summary Data

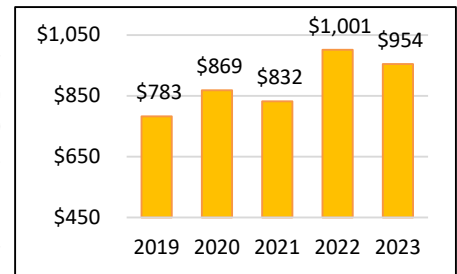
	2019	2020	2021	2022	2023
Alfalfa Hay (not including new seeding)					
Yield per acre (ton)	5.3	6.2	6.0	5.7	5.2
Value per ton	\$186.16	\$200.14	\$196.63	\$189.14	\$190.65
Fuel, oil, repairs per acre	\$89.88	\$102.46	\$103.82	\$113.53	\$114.08
Total dir & ovhd expenses per ac	\$515.34	\$622.93	\$604.87	\$647.46	\$715.25
Machinery cost per acre	\$220.64	\$243.20	\$245.95	\$248.26	\$313.98
Net return per acre	\$483.03	\$681.66	\$577.56	\$434.71	\$282.16
Total direct expenses per ton	\$65.27	\$72.14	\$75.11	\$87.28	\$109.72
Total dir & ovhd exp per ton	\$99.10	\$100.15	\$100.64	\$113.39	\$136.76



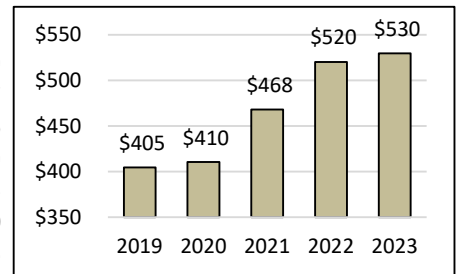
	2019	2020	2021	2022	2023
Corn					
Yield per acre (bu.)	174.4	179.7	189.4	182.9	176.8
Value per bu.	\$3.58	\$3.78	\$5.27	\$6.18	\$4.29
Fuel, oil, repairs per acre	\$76.14	\$70.79	\$90.77	\$110.17	\$98.40
Total dir & ovhd expenses per ac	\$684.38	\$697.01	\$725.67	\$867.07	\$837.39
Machinery cost per acre	\$179.54	\$180.27	\$194.11	\$213.55	\$205.34
Net return per acre	\$(2.13)	\$69.46	\$295.37	\$302.72	\$(40.30)
Total direct expenses per bu.	\$3.01	\$3.11	\$3.16	\$4.02	\$4.04
Total dir & ovhd expenses per bu	\$3.92	\$3.88	\$3.83	\$4.74	\$4.74



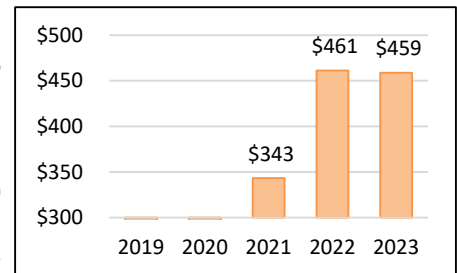
	2019	2020	2021	2022	2023
Corn Silage					
Yield per acre (ton)	22.8	22.6	22.8	25.4	21.3
Value per ton	\$37.56	\$36.68	\$45.73	\$51.50	\$45.87
Fuel, oil, repairs per acre	\$104.68	\$104.72	\$105.11	\$124.84	\$115.50
Total dir & ovhd expenses per ac	\$782.69	\$868.67	\$832.28	\$1,001.33	\$954.49
Machinery cost per acre	\$264.56	\$273.78	\$271.79	\$309.85	\$307.14
Net return per acre	\$95.88	\$35.03	\$212.36	\$307.22	\$29.91
Total direct expenses per ton	\$24.55	\$30.02	\$29.11	\$32.79	\$38.01
Total dir & ovhd exp per ton	\$34.35	\$38.43	\$36.46	\$39.44	\$44.87



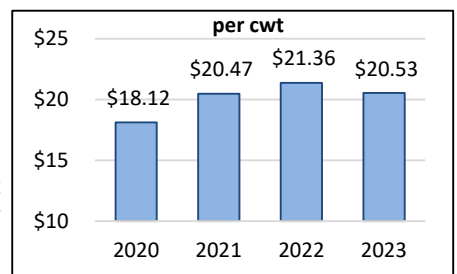
	2019	2020	2021	2022	2023
Soybeans					
Yield per acre (bu.)	43.9	51.2	53.4	55.4	48.4
Value per bu.	\$8.76	\$9.71	\$12.19	\$14.04	\$12.20
Fuel, oil, repairs per acre	\$30.70	\$39.07	\$42.44	\$63.64	\$56.07
Total dir & ovhd expenses per ac	\$404.56	\$410.43	\$468.09	\$520.16	\$529.65
Machinery cost per acre	\$67.56	\$96.48	\$104.76	\$122.75	\$118.90
Net return per acre	\$17.43	\$146.36	\$195.64	\$264.30	\$82.24
Total direct expenses per bu	\$7.67	\$6.53	\$7.47	\$8.08	\$9.49
Total dir & ovhd exp per bu.	\$9.21	\$8.02	\$8.77	\$9.39	\$10.96



	2019	2020	2021	2022	2023
Wheat					
Yield per acre (bu.)	-	-	68.4	83.6	81.4
Value per bu.	-	-	\$5.67	\$7.72	\$5.25
Fuel, oil, repairs per acre	-	-	\$42.00	\$59.49	\$51.76
Total dir & ovhd expenses per ac	-	-	\$343.23	\$461.15	\$458.68
Machinery cost per acre	-	-	\$91.18	\$113.46	\$99.22
Net return per acre	-	-	\$103.80	\$186.71	\$6.30
Total direct expenses per bu.	-	-	\$4.02	\$4.28	\$4.51
Total dir & ovhd exp per bu.	-	-	\$5.02	\$5.52	\$5.64

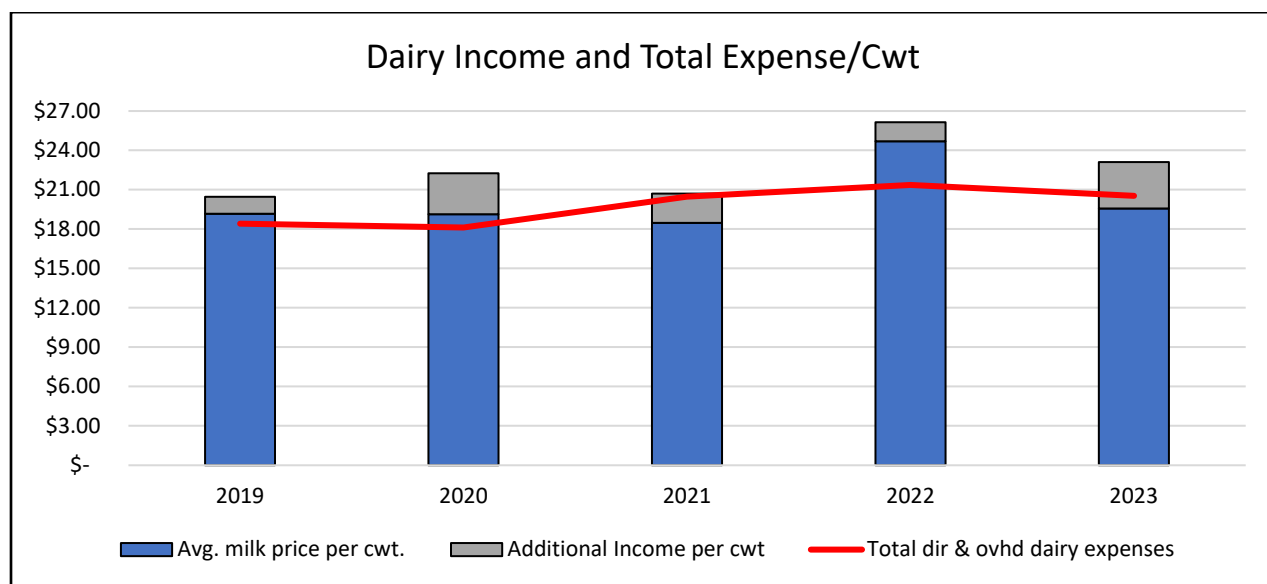


	2020	2021	2022	2023
Dairy				
Production/Cow Energy Corrected	27,988	29,846	29,953	31,734
Price recv'd/cwt milk	\$19.12	\$18.47	\$24.68	\$19.56
Total feed cost/cow	\$2,577	\$3,313	\$3,340	\$3,423
Total feed cost/cwt milk	\$9.67	\$11.86	\$12.02	\$11.64
Return over feed/cwt milk	\$9.45	\$6.60	\$12.66	\$7.92
Net return/cwt milk	\$3.14	\$(0.85)	\$3.96	\$0.87
Total direct & avhd expenses	\$18.12	\$20.47	\$21.36	\$20.53

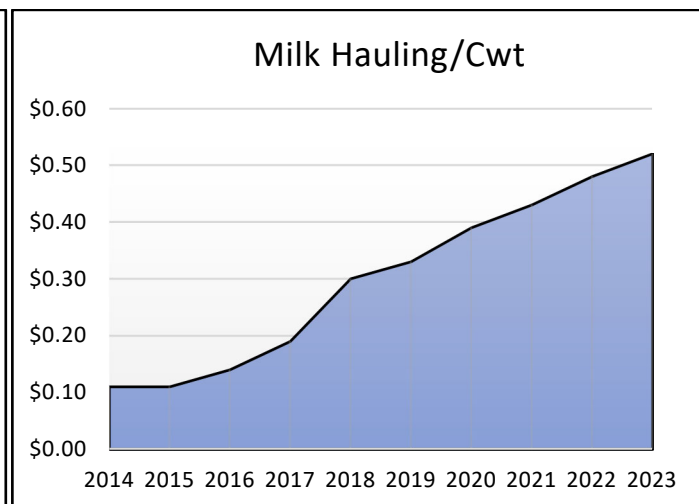
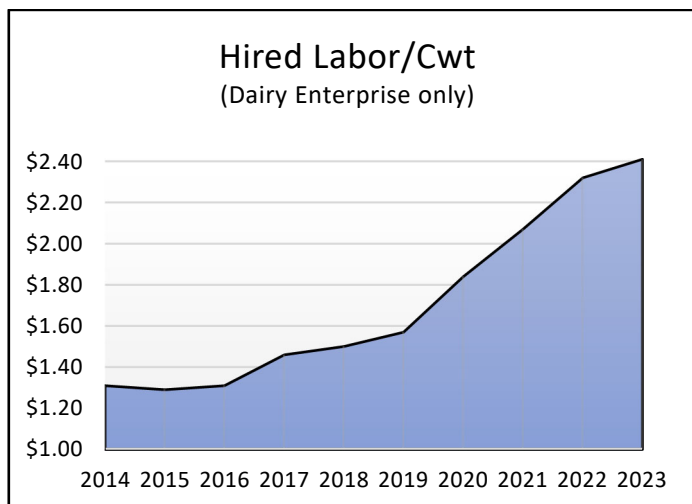


Dairy: Looking at the past five years, it is important to note how important the additional income is to the dairy enterprise. There has been a significant increase in the value of dairy calf sales, and cull sales this past year.

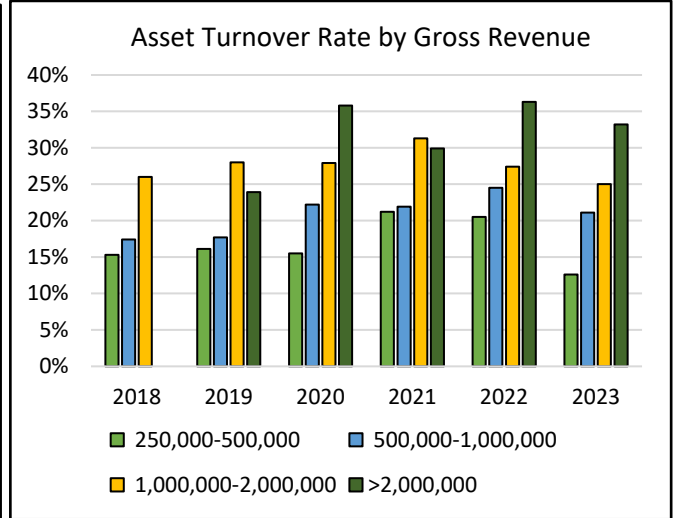
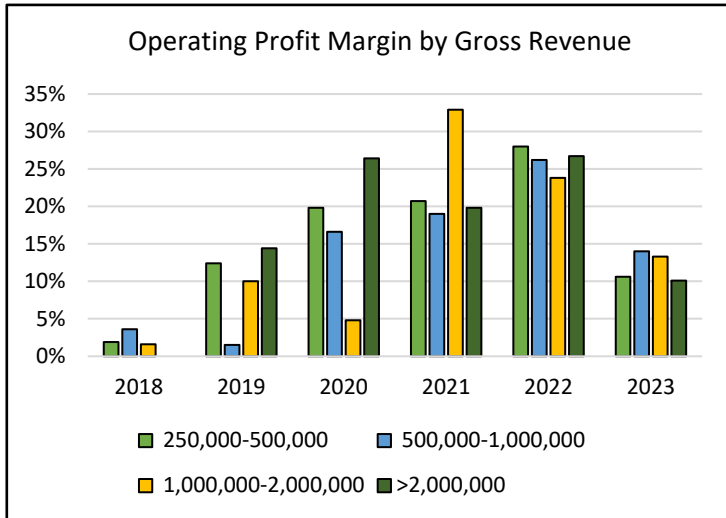
	2019	2020	2021	2022	2023
Avg. milk price per cwt.	\$19.16	\$19.12	\$18.47	\$24.68	\$19.56
Total dir & ovhd dairy expenses	\$18.41	\$18.12	\$20.47	\$21.36	\$20.53
Difference	\$0.75	\$1.00	\$(2.00)	\$3.32	\$(0.97)
Additional Income per cwt.					
Dairy Calves sold	\$0.18	\$0.24	\$0.49	\$0.32	\$1.00
Cull sales	\$0.84	\$0.72	\$0.75	\$0.94	\$1.20
Insurance income (LGM or DRP)	\$0.02	\$0.06	\$0.06	\$0.03	\$0.45
Government payments (DMC)	\$0.25	\$2.11	\$0.93	\$0.17	\$0.89
Additional Income per cwt	\$ 1.29	\$ 3.13	\$ 2.23	\$ 1.46	\$ 3.54
Net per cwt.	\$ 2.04	\$ 4.13	\$ 0.23	\$ 4.78	\$ 2.57



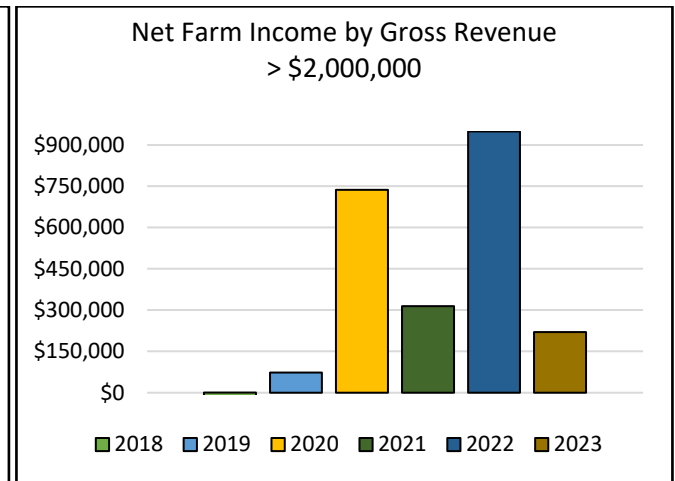
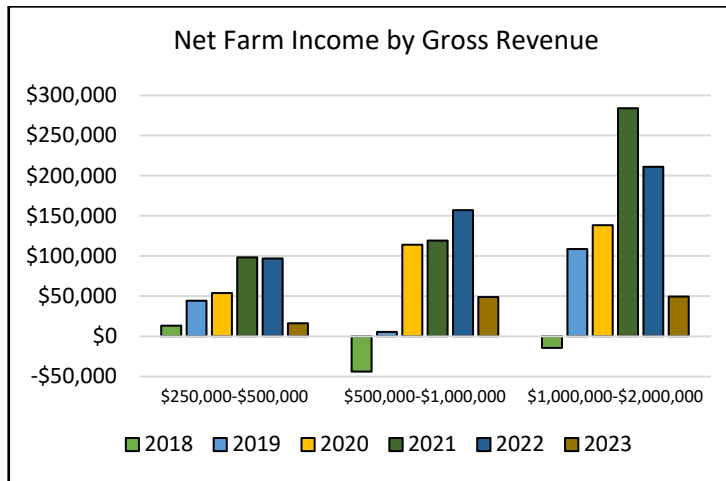
Other factors that have continued to increase in the dairy enterprise are labor and milk hauling costs. Labor has increased 84% and hauling costs have risen more than 300%, in the past 10 years.



Other key performance measures: Farms with greater than \$250,000 gross revenue were compared. Operating profit margin shows the efficiency of the farm business. A low profit margin ratio can be caused by low product prices, high operating expenses, or inefficient production. In 2022 and 2023, margins were similar among the groups, whereas in 2019-2021 they showed more variability. An operating profit margin over 25% is considered strong. Asset turnover rate, measures the efficiency in using capital. Generating a high level of production with a low level of capital investment will show a high asset turnover. The breakdown in asset turnover rate by gross revenue, shows similar trends among the groups over time.

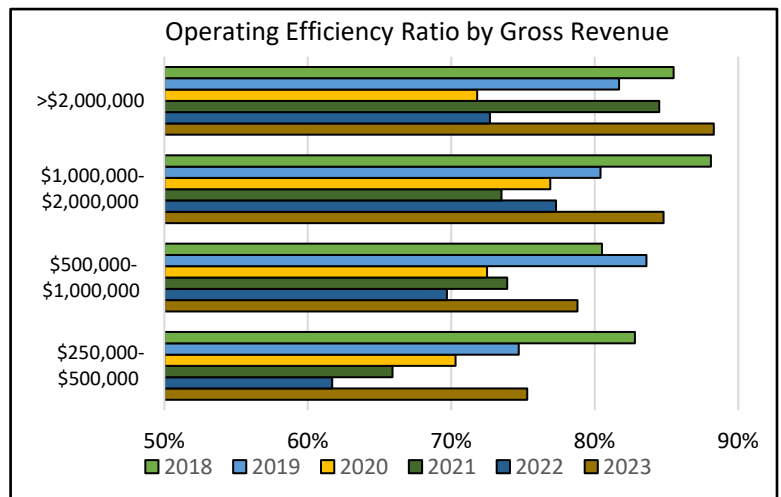


Net farm income represents the three things invested in the farm business: unpaid family labor, management, and equity. Sorting by gross farm revenue shows the general returns over time.



Operating efficiency shows the proportion of farm income that is used to pay operating expenses, excluding interest and depreciation.

In other words, for every dollar that came into the farm business, how many cents were used to pay operating expenses. An operating expense ratio less than 80% or eighty cents is good, but less than 60% or sixty cents is considered excellent. On years where farm income and commodity prices are strong we typically see a lower operating expense ratio.



Environmental Report: The past four years, we have been collecting whole farm data on farms who identified as implementing environmental practices such as: no-till, strip-till, planting cover crops, grazing, installing field edge boundaries and/or pollinator habitat. This year 84 of the 133 farms in the Wisconsin database identified as implementing a practice. That is up from 44 farms in 2022! Average farm assets were similar in 2020 and 2021, but the average assets increased in 2022 and 2023 among the environmental group. This could be due to adding some larger farms to the database. In 2020-2022 the farms implementing an environmental practice had a stronger current ratio, better return on assets and a lower farm debt to asset percentage. This year, the current ratio was slightly less compared to the traditional farming practices, but the rate of return on assets and farm debt to assets remained stronger. In our observations and in what the data suggests, those farms implementing an environmental practice tend to be better farm managers. The whole farm-key metrics data and year-year comparisons can be found in our Wisconsin 2023 Annual Farm Financial Report at <https://www.cffm.umn.edu/farm-business-management-annual-reports/>.

	2020		2021		2022		2023	
	Traditional	Environmental Practice	Traditional	Environmental Practice	Traditional	Environmental Practice	Traditional	Environmental Practice
Number of Farms	94	30	94	41	83	44	49	84
Current Ratio	1.95	2.39	2.12	3.23	3.21	3.61	2.42	2.27
Rate of Return on Assets	5.1%	5.9%	5.4%	9.5%	6.4%	9.8%	1.5%	3.5%
Farm Debt to Asset	51%	43%	50%	45%	48%	41%	49%	46%

Cover Crop Analysis: This is the third year of running a “Cover Crop Analysis” report. This report gives an enterprise look at the actual costs and outcomes that occurred when planting after a cover crop. There are costs and benefits from implementing farm practices that exceed conventional practices to provide a greater support in environmental sustainability. Decisions to implement a new practice are impacted by the balancing act of environmental sustainability and financial viability. Caution should be used when analyzing the numbers, there are a limited number of farms with a cover crop analysis. One should note, this is statewide data, and there are variations of soil type and growing seasons from Southern Wisconsin to Northern Wisconsin. Below are a few highlights of the year-over-year data comparing enterprises with cover crop data to that of conventional farming enterprises without a cover crop.

Additional cover crop data from project partners can be found at <https://www.agcentric.org/farm-business-management/annual-fbm-reports/>.

		2021		2022		2023	
		Combined Crop and Cover Crop	Conventional State Average	Combined Crop and Cover Crop	Conventional State Average	Combined Crop and Cover Crop	Conventional State Average
Corn	# of Farms	6	55	15	64	18	70
	Yield (bu)	181	190.2	184.62	182.69	172.3	177.5
	Net Return	\$ 256.40	\$ 289.74	\$ 205.19	\$ 302.64	\$ (94.76)	\$ (45.26)
	Mach Cost	\$ 152.53	\$ 198.26	\$ 237.71	\$ 218.10	\$ 220.24	\$ 210.28
	Seed	\$ 113.80	\$ 108.41	\$ 133.53	\$ 107.16	\$ 119.77	\$ 117.66
	Fertilizer	\$ 126.60	\$ 132.11	\$ 219.00	\$ 217.20	\$ 192.90	\$ 200.78
	Chemical	\$ 47.87	\$ 42.98	\$ 64.23	\$ 57.81	\$ 57.25	\$ 58.14
	Other Direct Excluding Land	\$ 151.58	\$ 196.59	\$ 240.53	\$ 223.27	\$ 206.61	\$ 218.10
Corn Silage	# of Farms	11	43	13	45	23	50
	Yield (ton)	22.5	22.2	26.24	24.78	20.6	21.9
	Net Return	\$ 136.56	\$ 191.23	\$ 281.63	\$ 274.10	\$ (79.52)	\$ 28.09
	Mach Cost	\$ 245.24	\$ 296.73	\$ 317.64	\$ 330.90	\$ 321.02	\$ 353.41
	Seed	\$ 139.32	\$ 109.53	\$ 152.70	\$ 109.03	\$ 136.36	\$ 126.47
	Fertilizer	\$ 141.60	\$ 117.53	\$ 175.74	\$ 207.56	\$ 206.28	\$ 188.54
	Chemical	\$ 93.77	\$ 37.42	\$ 109.05	\$ 87.95	\$ 67.36	\$ 49.40
	Other Direct Excluding Land	\$ 267.78	\$ 288.35	\$ 357.70	\$ 305.36	\$ 330.79	\$ 345.36
Soybeans	# of Farms	5	33	6	45	10	45
	Yield (bu)	58.8	54	51	55.6	43.8	49.1
	Net Return	\$ 197.95	\$ 198.19	\$ 114.63	\$ 228.38	\$ (75.17)	\$ 96.74
	Mach Cost	\$ 199.02	\$ 104.88	\$ 143.58	\$ 150.89	\$ 123.14	\$ 125.48
	Seed	\$ 105.97	\$ 52.97	\$ 68.61	\$ 58.36	\$ 79.72	\$ 57.40
	Fertilizer	\$ 81.61	\$ 64.32	\$ 46.27	\$ 72.44	\$ 75.60	\$ 73.05
	Chemical	\$ 53.72	\$ 43.68	\$ 63.68	\$ 56.18	\$ 77.63	\$ 63.37
	Other Direct Excluding Land	\$ 192.13	\$ 104.21	\$ 146.74	\$ 132.16	\$ 128.26	\$ 127.18

COVER CROP ANALYSIS 2023

CORN GRAIN WITH COVER CROP ENTERPRISE ANALYSIS **Owned and Rented Acres Combined**

Wisconsin Farm Business and Production Management Database

Cover Crop Analysis Comparison

Column 1: Grown after Cover Crop-This is the traditional crop (corn) grown after a cover crop.

Column 2: Cover Crop Only-The costs in this column are those associated to the cover crop.

Column 3: Corn & Cover Crop Combined-Are the combined totals of column 1 & 2.

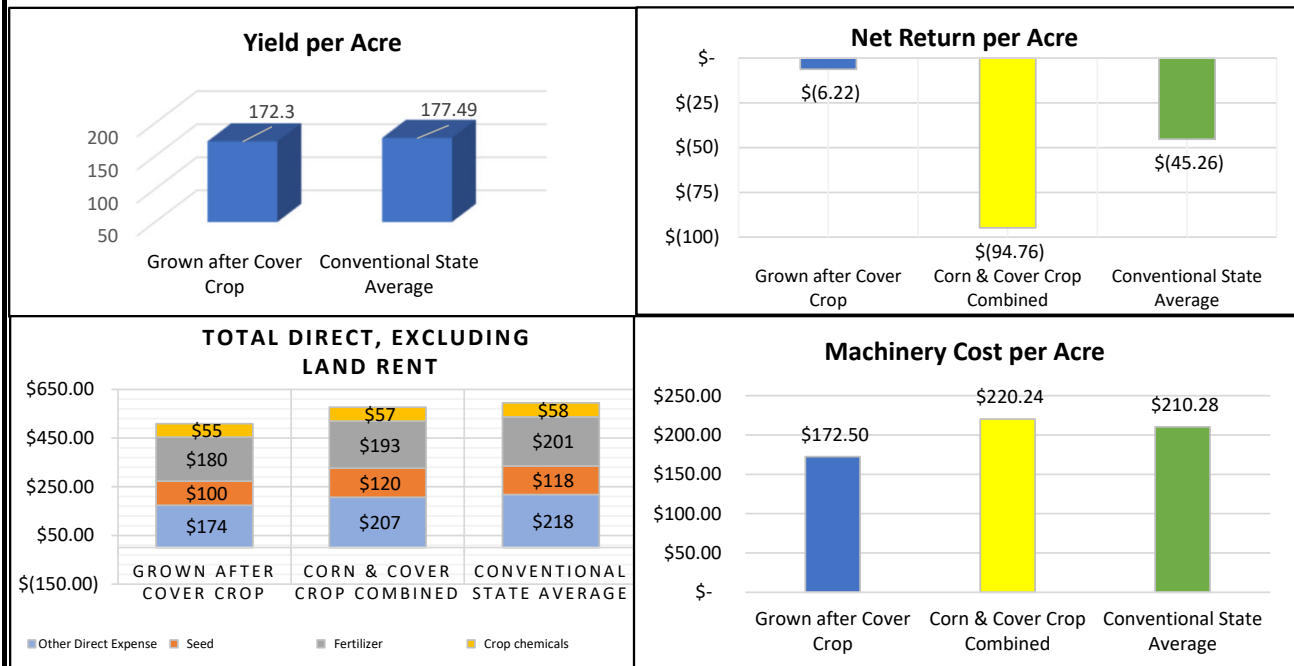
Column 4: State average of the corn fields not grown after a cover crop.

In general in 2023, corn did not see good net returns. This is due to the yield, price, and weather conditions at planting. The average corn acres of the 18 cover crop farms was 158 acres per farm, where as, the 70 farms that planted without a cover crop was 280 acres per farm. In column 2, the "gross return per acre" contains the value the cover crop that was harvested for forage. Not all farms harvest their cover crop.

	Grown after Cover Crop	Cover Crop	Corn & Cover Crop Combined	Conventional State Average
Number of farms	18	18	18	70
Yield per acre (bu.)	172.3	-	-	177.49
Value per bu.	\$ 4.29	-	-	\$ 4.29
Crop Insurance Income	\$ 11.66	-	\$ 11.66	\$ 11.77
Other crop income per acre*	\$ 0.40	\$ 6.96	\$ 7.36	\$ 0.70
Gross return per acre	\$ 751.99	\$ 9.58	\$ 773.63	\$ 801.56
Selected Direct Expenses				
Seed	\$ 99.84	\$ 19.93	\$ 119.77	\$ 117.66
Fertilizer	\$ 180.44	\$ 12.45	\$ 192.90	\$ 200.78
Crop chemicals	\$ 55.46	\$ 1.79	\$ 57.25	\$ 58.14
Fuel & oil	\$ 32.43	\$ 9.06	\$ 41.49	\$ 38.03
Repairs	\$ 61.58	\$ 17.25	\$ 78.83	\$ 60.78
Custom hire	\$ 15.83	\$ 4.62	\$ 20.45	\$ 47.98
Total direct expenses per acre	\$ 649.06	\$ 67.15	\$ 716.21	\$ 722.79
Return over direct exp per acre	\$ 114.99	\$ (57.57)	\$ 57.42	\$ 78.78
Total overhead expenses per acre	\$ 121.21	\$ 30.96	\$ 152.17	\$ 124.03
Total dir. & vozhd expenses per acre	\$ 770.27	\$ 98.11	\$ 868.38	\$ 846.82
Net Return per Acre	\$ (6.22)	\$ (88.54)	\$ (94.76)	\$ (45.26)
Net return over labor and management	\$ (69.55)	\$ (106.01)	\$ (175.56)	\$ (94.40)
Cost of Production with labor & mgt	\$ 4.70	-	\$ 5.32	\$ 4.82
Machinery cost per acre	\$ 172.50	\$ 47.74	\$ 220.24	\$ 210.28
Land Cost**	\$ 151.37	\$ 1.12	\$ 152.49	\$ 165.07

*Other crop income may include government payments for conservation related production practices and/or stover sales.

**For owned and rented acres combined, land cost is calculated as the sum of: Land Rent, Interest & RE Taxes



COVER CROP ANALYSIS 2023

CORN SILAGE WITH COVER CROP ENTERPRISE ANALYSIS **Owned and Rented Acres Combined**

Wisconsin Farm Business and Production Management Database

Cover Crop Analysis Comparison

Column 1: Grown after Cover Crop-This is the traditional crop (corn silage) grown after a cover crop.

Column 2: Cover Crop Only-The costs in this column are those associated to the cover crop.

Column 3: Corn Silage & Cover Crop Combined-Are the combined totals of column 1 & 2.

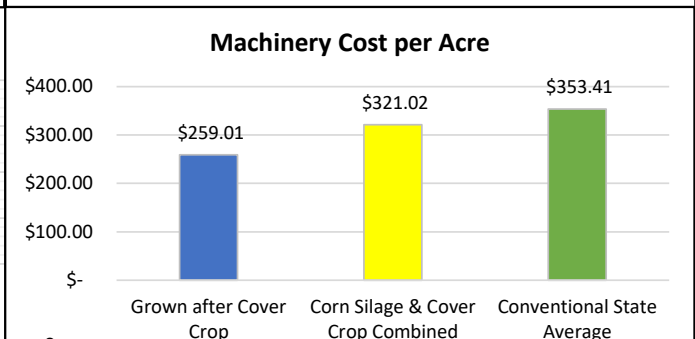
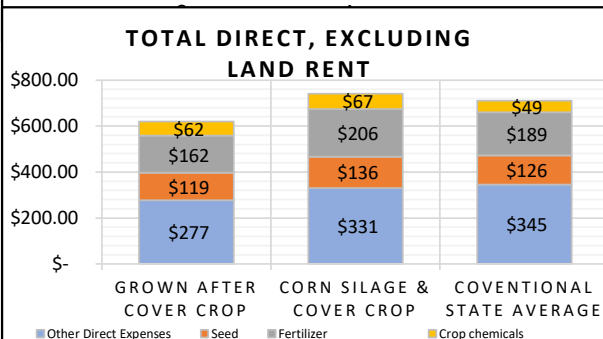
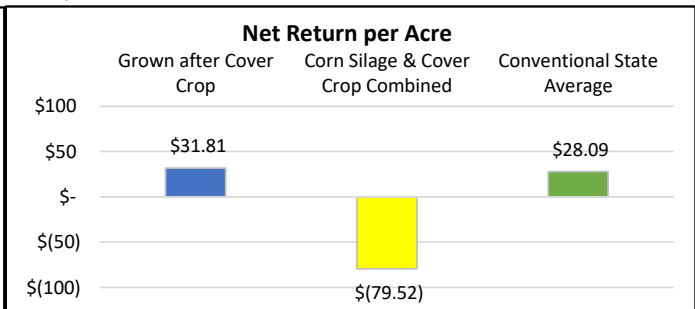
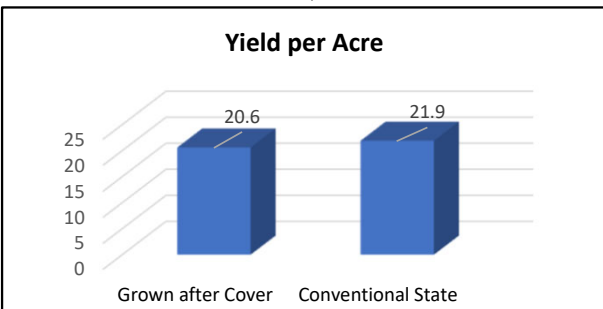
Column 4: State average of the corn silage fields not grown after a cover crop.

In 2023, corn silage grown after a cover crop showed a slight yield decrease. Some farms may have experienced a reduction in yield due to the drought. In 2021 and 2022, the corn silage acres planted after a cover crop showed a slight increase per acre. The average corn silage acres of the 23 cover crop farms was 375 acres per farm, where as, the 45 farms that planted without a cover crop was 180 acres per farm. In column 2, the "gross return per acre" contains the value of the cover crop that was harvested for forage. Not all farms harvest their cover crop.

	Grown after Cover Crop	Cover Crop Only	Corn Silage & Cover Crop Combined	Conventional State Average
Number of farms	23	23	23	50
Yield per acre (ton)	20.6	-	-	21.9
Value per ton	\$ 45.32	-	-	\$ 46.37
Crop Insurance Income	\$ 5.49	-	\$ 5.49	\$ 10.92
Other crop income per acre*	\$ 0.07	\$ 0.25	\$ 0.32	\$ 0.08
Gross return per acre	\$ 939.05	\$ 40.39	\$ 1,398.61	\$ 1,028.00
Selected Direct Expenses				
Seed	\$ 119.20	\$ 17.17	\$ 136.36	\$ 126.47
Fertilizer	\$ 161.57	\$ 44.70	\$ 206.28	\$ 188.54
Crop chemicals	\$ 62.05	\$ 5.31	\$ 67.36	\$ 49.40
Fuel & oil	\$ 54.79	\$ 14.35	\$ 69.14	\$ 49.44
Repairs	\$ 44.66	\$ 15.10	\$ 59.76	\$ 81.47
Custom hire	\$ 126.44	\$ 20.20	\$ 146.64	\$ 158.27
Total direct expenses per acre	\$ 789.87	\$ 120.56	\$ 910.44	\$ 826.32
Return over direct exp per acre	\$ 149.18	\$ (79.93)	\$ 69.25	\$ 201.68
Total overhead expenses per acre	\$ 117.37	\$ 31.40	\$ 148.77	\$ 173.60
Total dir & ovhd expenses per acre	\$ 907.24	\$ 151.96	\$ 1,059.21	\$ 999.91
Net return per acre	\$ 31.81	\$ (111.33)	\$ (79.52)	\$ 28.09
Net return over labor and management	\$ (3.29)	\$ (120.03)	\$ (123.32)	\$ (8.33)
Cost of Production with labor & mgt	\$ 45.48	-	\$ 50.57	\$ 46.75
Machinery cost per acre	\$ 259.01	\$ 62.01	\$ 321.02	\$ 353.41
**Land Cost	\$ 165.95	\$ 1.45	\$ 199.46	\$ 199.00

*Other crop income may include government payments for conservation related production practices.

**For owned and rented acres combined, land cost is calculated as the sum of: Land Rent, Interest & RE Taxes



COVER CROP ANALYSIS 2023

SOYBEANS WITH COVER CROP ENTERPRISE ANALYSIS ** Owned and Rented Acres Combined** Wisconsin Farm Business and Production Management Database

Cover Crop Analysis Comparison

Column 1: Grown after Cover Crop-This is the traditional crop (soybeans) grown after a cover crop.

Column 2: Cover Crop Only-The costs in this column are those associated to the cover crop.

Column 3: Soybeans & Cover Crop Combined-Are the combined totals of column 1 & 2.

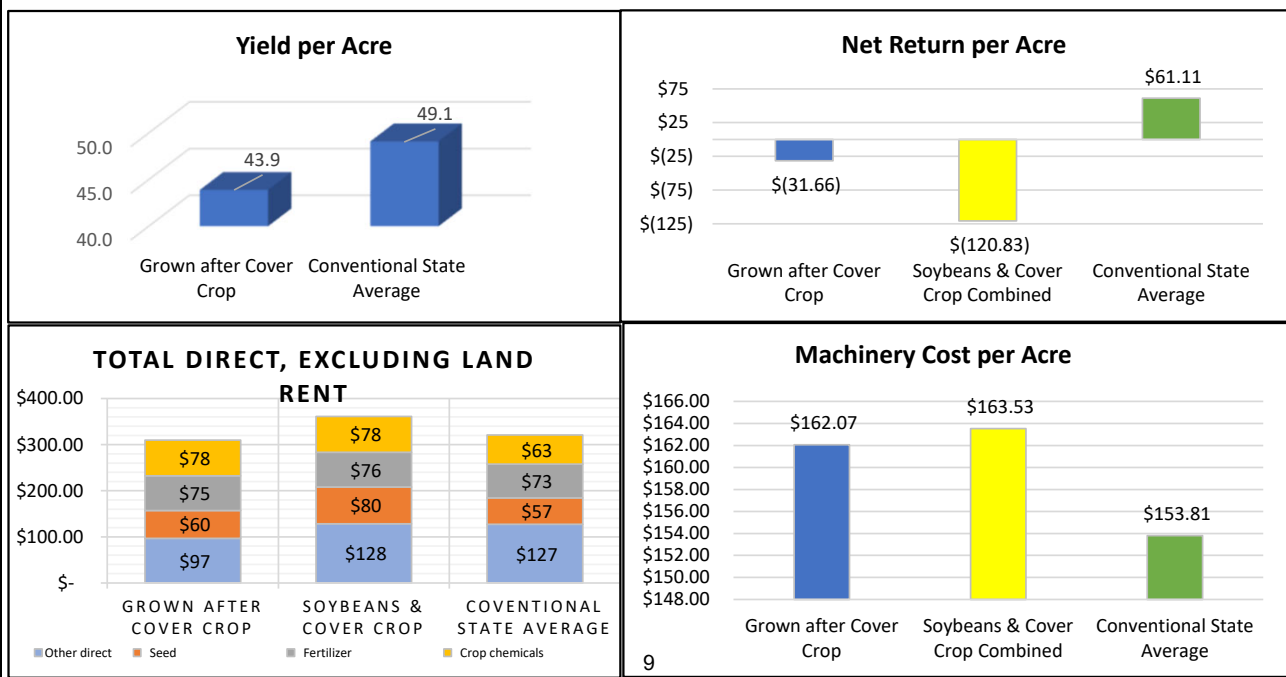
Column 4: State average of the soybean fields not grown after a cover crop.

In 2023, soybeans grown after a cover crop showed a yield decrease. This is a small dataset, and comes from farms across the state. Some farms may have experienced a reduction in yield due to the drought. In 2021, soybeans planted after a cover crop showed a 4.8 bushel increase per acre. The average planted soybean acres of the 10 cover crop farms was 185 acres, where as, the 45 farms that planted without a cover crop planted 237 acres. In column 2, the "gross return per acre" contains the value of the cover crop that was harvested for forage. Not all farms harvest their cover crop.

	Grown after Cover Crop	Cover Crop Only	Soybeans & Cover Crop Combined	Conventional State Average
Number of farms	10	10	10	45
Yield per acre (bu.)	43.9	-	-	49.1
Value per bu.	\$ 11.88	-	-	\$ 12.25
Crop Insurance Income	\$ 4.64	-	\$ 4.64	\$ 23.60
Other crop income per acre*	\$ 0.29	\$ 1.38	\$ 1.68	\$ 1.10
Gross return per acre	\$ 525.36	\$ 6.56	\$ 531.92	\$ 626.91
Selected Direct Expenses				
Seed	\$ 60.39	\$ 19.33	\$ 79.72	\$ 57.40
Fertilizer	\$ 75.07	\$ 0.53	\$ 75.60	\$ 73.05
Crop chemicals	\$ 77.63	-	\$ 77.63	\$ 63.37
Fuel & oil	\$ 16.54	\$ 8.40	\$ 24.94	\$ 20.07
Repairs	\$ 31.69	\$ 16.02	\$ 16.02	\$ 37.26
Custom hire	\$ 4.75	\$ 4.07	\$ 8.82	\$ 27.02
Total direct expenses per acre	\$ 461.54	\$ 51.23	\$ 512.77	\$ 458.25
Return over direct exp per acre	\$ 63.82	\$ (44.67)	\$ 19.15	\$ 168.66
Total overhead expenses per acre	\$ 65.12	\$ 29.20	\$ 94.32	\$ 71.92
Total dir & ovhd expenses per acre	\$ 526.67	\$ 80.42	\$ 607.09	\$ 530.17
Net Return Per Acre	\$ (1.30)	\$ (73.87)	\$ (75.17)	\$ 96.74
Net return over labor & management	\$ (31.66)	\$ (89.17)	\$ (120.83)	\$ 61.11
Cost of Production with labor and mgt	\$ 12.60	-	\$ 14.71	\$ 11.00
Machinery cost per acre	\$ 80.99	\$ 42.15	\$ 123.14	\$ 125.48
Land Cost	\$ 162.07	\$ 1.46	\$ 163.53	\$ 153.81

*Other crop income may include government payments for conservation related production practices and/or stover sales.

**For owned and rented acres combined, land cost is calculated as the sum of: Land Rent, Interest & RE Taxes



Key Financial Numbers by Size	2023 Gross Farm Income						Farm Financial Scorecard Table
	Less than 100,000	100,001-250,000	250,001-500,000	500,001-1,000,000	1,000,001-2,000,000	Over 2,000,000	
Number of farms	11	12	20	31	30	29	Vulnerable < 1.3 Okay 1.3 - 2 Strong > 2
Current ratio	5.88	4.79	2.04	2.40	2.40	2.23	< 10% 10-30% > 30%
Working capital to gross revenue	76.2 %	67.2 %	33.6 %	37.3 %	28.9 %	20.0 %	< 20% 20-40% < 40%
Working capital to operating expense	105.2 %	92.1 %	44.7 %	47.3 %	34.1 %	22.6 %	> 1.25 1.25-1.75 > 1.75
Term debt coverage ratio	2.45	1.22	0.84	1.12	0.89	1.13	< 60% 30-60% < 30%
Farm debt to asset ratio	31 %	25 %	39 %	46 %	49 %	49 %	< 80% 60-80% > 60%
Operating expense ratio	72.4 %	73.0 %	75.3 %	78.8 %	84.8 %	88.3 %	< 10% 5-10% < 5%
Depreciation expense ratio	11.1 %	13.9 %	10.9 %	9.2 %	6.4 %	4.8 %	> 10% 5-10% < 5%
Interest expense ratio	10.8 %	6.6 %	9.5 %	5.8 %	5.6 %	3.9 %	< 10% 10-20% < 20%
Net farm income ratio	5.7 %	6.5 %	4.3 %	6.2 %	3.2 %	3.0 %	< 4% 4-8% > 8%
Rate of return on assets	0.4 %	4.0 %	1.3 %	3.0 %	3.3 %	3.4 %	< 3% 3-10% > 10%
Rate of return on equity	-0.3 %	-0.5 %	-0.1 %	2.8 %	3.0 %	3.0 %	
Average net farm income	\$ 2,632	\$ 15,021	\$ 16,140	\$ 48,939	\$ 49,398	\$ 219,975	
Median net farm income	\$ 246	\$ 28,222	\$ 23,139	\$ 21,946	\$ 63,397	\$ 171,030	
Net worth	\$ 792,922	\$ 1,431,411	\$ 1,656,362	\$ 1,703,839	\$ 2,502,938	\$ 8,209,684	
Net nonfarm income	\$ 44,114	\$ 24,419	\$ 20,814	\$ 7,714	\$ 20,711	\$ 3,975	
Family living/owner withdrawals	\$ (21,990)	\$ (27,353)	\$ (44,483)	\$ (54,025)	\$ (75,986)	\$ (123,535)	
Machinery value per crop acre	\$ 1,696	\$ 1,705	\$ 1,480	\$ 1,209	\$ 1,138	\$ 1,427	
Total crop acres	43	189	296	380	844	1,924	
Total crop acres owned	37	93	152	124	219	507	
Average Age of Operator	44.6	47.8	45.2	48.5	47.6	50.9	
Average number of operators	1.1	1	1.6	1.5	1.9	2.3	
Total labor hours per farm	1,293	1,803	3,671	4,987	8,515	42,910	
Total hired labor hours	37	111	1,048	2,472	6,167	41,260	
Average hourly hired labor wage	\$ 13.01	\$ 23.05	\$ 13.85	\$ 16.63	\$ 16.66	\$20.59	
Value of farm production / hour	\$ 36.78	\$ 96.76	\$ 87.59	\$ 124.80	\$128.39	\$117.82	

Key Financial Numbers by Type	2023 Data By Type of Farm						Farm Financial Scorecard Table
	Avg. of All Farms	Crop	Dairy	Beef	Crop and Dairy	Other	
Number of farms	133	32	55	6	9	26	Vulnerable < 1.3 Okay 1.3 - 2 Strong > 2
Current ratio	2.30	2.63	2.25	1.74	2.08	2.43	< 10% 10-30% > 30%
Working capital to gross revenue	23.6 %	42.0 %	18.3 %	29.8 %	28.3 %	36.2 %	< 20% 20-40% < 40%
Working capital to operating expense	27.3 %	51.2 %	20.3 %	34.6 %	35.3 %	48.3 %	> 1.25 1.25-1.75 > 1.75
Term debt coverage ratio	1.07	1.20	0.68	1.63	1.35	1.89	< 60% 30-60% < 30%
Farm debt to asset ratio	47 %	40 %	48 %	43 %	44 %	49 %	< 80% 60-80% > 60%
Operating expense ratio	86.5 %	82.2 %	90.0 %	86.3 %	80.1 %	74.9 %	< 10% 5-10% < 5%
Depreciation expense ratio	5.6 %	8.5 %	5.0 %	3.7 %	6.9 %	6.9 %	> 10% 5-10% < 5%
Interest expense ratio	4.5 %	4.9 %	4.4 %	5.1 %	4.1 %	5.1 %	< 10% 10-20% < 20%
Net farm income ratio	3.4 %	4.4 %	0.6 %	4.9 %	8.9 %	13.2 %	< 4% 4-8% > 8%
Rate of return on assets	3.0 %	2.9 %	2.2 %	3.2 %	5.5 %	5.9 %	< 3% 3-10% > 10%
Rate of return on equity	2.6 %	2.6 %	0.8 %	1.9 %	7.1 %	8.1 %	
Average net farm income	\$74,514	\$ 35,095	\$ 25,708	\$ 27,887	\$ 201,328	\$200,635	
Median net farm income	\$30,006	\$ 5,393	\$ 34,068	\$ (581)	\$ 222,179	\$73,592	
Net worth	\$3,195,596	\$ 1,756,777	\$ 4,835,645	\$ 932,123	\$ 3,396,726	\$2,338,987	
Net nonfarm income	\$16,318	\$ 20,088	\$ 13,665	\$ 22,922	\$ 11,027	\$12,718	
Family living/owner withdrawals	\$(41,546)	\$(42,004)	\$(85,194)	\$(47,464)	\$(128,586)	\$(53,272)	
Machinery value per crop acre	\$1,340	\$ 865	\$ 1,677	\$ 1,830	\$ 996	\$1,438	
Total crop acres	764	801	821	92	1390	639	
Total crop acres owned	223	161	322	25	270	141	
Average Age of Operator	48.3	48.2	49.1	43.3	47.7	47.0	
Average number of operators	1.7	1.3	2.0	1.2	2.1	1.6	
Total labor hours per farm	13,519	2,416	25,010	1,353	10,077	9,119	
Total hired labor hours	11,393	550	22,684	293	8052	6,763	
Average hourly hired labor wage	\$ 19.82	\$ 24.78	\$ 19.58	\$ 16.26	\$ 23.04	\$ 19.66	
Value of farm production / hour	\$ 117.76	\$ 285.79	\$ 102.51	\$ 149.85	\$ 171.10	\$ 127.31	

Summary

The 2023 Wisconsin Executive Summary Report is a result of the time and commitment from the contributing Farm Business & Production Management farm students, instructors, and the support from their prospective colleges. Five instructors at four Wisconsin Technical Colleges compiled data from 133 farms. The farm students, who provided the data for this report deserve special recognition for their commitment to maintaining sustainable businesses by committing to education and farm financial analysis.



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This report was developed using FINPACK and RANKEM software developed by the Center for Farm Financial Management at the University of Minnesota. <https://www.cffm.umn.edu>

Additional farm financial reports can be queried from the Center for Farm Financial Management FINBIN website. <https://finbin.umn.edu>.

This report was created through the efforts of the WI FBPM instructors and edited by Sara Maass-Pate, Farm Business & Production Management Instructor at Fox Valley Technical College and the USDA NIFA Farm Business Management Benchmarking Grant, "Expanding a diverse database to aid in making high risk decisions under volatile profit margins and adoptions of climate smart technologies.", award number 2023-38504-41023.