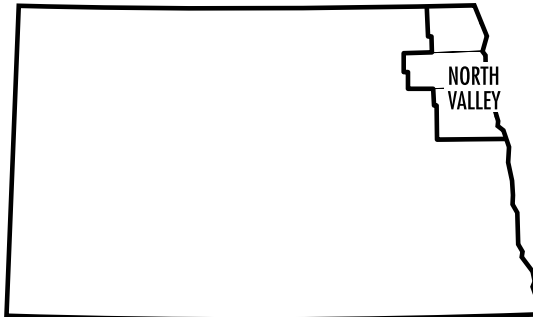




FARM MANAGEMENT PLANNING GUIDE

February 2025

Projected 2025 Crop Budgets



North Valley North Dakota

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This region consists of three counties: Grand Forks, Pembina and Walsh.

The 2025 crop budgets provide an estimate of revenues and costs for selected crops. Each set of budgets are developed for a multi-county region. There is considerable variation in soil type and productivity, weather conditions, as well as management and production practices within each region. Therefore, **THESE BUDGETS ARE ONLY INTENDED TO BE USED AS A GUIDE. EVERY INDIVIDUAL IS HIGHLY ENCOURAGED TO DEVELOP THEIR OWN BUDGETS!**

The profitability budget accounts for full economic opportunity costs for land and machinery investment, regardless of farm operator equity position. The bottom line is the return to labor and management. This is the expected “payment” to the producer for the labor and managerial efforts required by the crop enterprise. Each individual must make the decision whether it is sufficient.

The budget can be changed to conform to the more common definition of accounting profit (return to unpaid labor and management and the owner equity)

by replacing the machinery investment and land charge cost items with your per acre interest and rental expense of machinery and land, and real estate tax if land is owned.

The budget can be used for long run decisions if the revenues and costs are realistic for several years. (Crop prices, direct costs, and the land charge are best estimates for only the 2025 crop year, but crop yields are historic averages and machinery ownership costs are an average for the total length of ownership). If the budget shows a high return to labor and management, and is representative for several years, increased acreage and corresponding investment should be considered. However, if long-run returns to labor and management are unsatisfactory, the best decision may be to exit the crop enterprise and employ the machinery and land investment, and labor and management, in a different enterprise or investment.

For short-run planning decisions you can omit the indirect costs if the land and machinery required to produce the different enterprises are in place. Simply compare the crop enterprises by calculating return over direct costs. Labor requirements and risk should also be considered. Insurance is not available for some crops.

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The budget can be used to estimate cashflow by making a few modifications. Machinery depreciation should be omitted and the machinery investment number replaced with your per acre principal and interest payment on machinery debt. For owned land, the land charge should be replaced with your per acre real estate tax and principal and interest payment on land debt.

The 2018 Farm Bill continues the Price Loss Coverage (PLC) and Agricultural Risk Coverage (ARC) support programs. PLC and ARC payments have been omitted from the budgets because those payments, if any, are tied to historic farm program base acres, not to current crop selection or production.

Primary Assumptions:

Crops are planted on dryland recrop ground. Costs of moving crop to local market/storage are included.

Market Price: Best estimates of NDSU Extension economists. The greater of projected market price and marketing loan rate is used.

Market Yields: Average yield for the 7-year period 2017-2023, after the low and high yield years are removed. Yields for safflower, yellow mustard, buckwheat, millet, rye and chickpea are from NDSU Extension agronomists and industry sources.

Fertilizer: Cost of fertilizer applied, based on soil test, to meet yield goal. N fertilizer can be reduced if previous crop was soybean, dry bean, field pea or lentil.

Fertilizer Prices:

Nitrogen	- .52/lb
Phosphorus	- .67/lb
Potassium	- .42/lb

Seed Prices:

Spring Wheat	14.00/bu
Durum	16.00/bu
Barley	11.00/bu
Corn GM	3.00/thou.kern.
Soybean GM	.34/thou.kern.
Dry Bean	1.05/thou.kern.
Oil Sunflower	1.71/thou.kern.
Conf. Sunflower	3.02/thou.kern.
Canola	15.80/lb
Flax	20.00/bu
Field Pea	20.00/bu
Oat	8.00/bu
Mustard	.98/lb
Winter Wheat	12.00/bu

Fuel Prices:

Diesel	2.65/gal
Gasoline	2.90/gal

Lubrication Charge: 15% of fuel cost

Crop Insurance: Revenue Protection used for all wheat, barley, soybean, corn, canola, sunflower, field pea, dry bean and lentil with a 75% coverage level and enterprise units. APH insurance was used for other crops for which 70% coverage and optional units were assumed.

Miscellaneous: Soil testing, machinery rent and custom work.

Operating Interest: Direct costs charged 7.5% interest for 6-month period.

Misc. Overhead: Machinery housing and insurance at .5% and .85%, respectively, of average machinery investment (also, liability insurance and license fees of trucks). In addition, \$5.00 per acre is assumed for general farm utilities, farm publications, meetings, dues, income tax preparation, legal fees, etc.

Land Charge: Average cash rent.

Machinery Investment: 4.0% real interest rate, over the years of machine ownership, is charged on average machinery investment. The real, or inflation adjusted, rate is the commercial rate minus the inflation rate. Ave. mach. investment = (Purchase price + Disposal price)/2

Depreciation: (Purchase price - disposal price / years ownership)

Spring Wheat

Durum

	Per Acre	Your Figures	Per Acre	Your Figures
Market Yield	63	_____	56	_____
Market Price	6.32	_____	7.32*	_____
MARKET REVENUE	398.16	_____	409.92	_____
DIRECT COSTS				
-Seed	28.00	_____	32.00	_____
-Herbicides	23.90	_____	23.90	_____
-Fungicides**	18.50	_____	18.50	_____
-Insecticides***	0.00	_____	0.00	_____
-Fertilizer	109.49	_____	95.77	_____
-Crop Insurance	6.80	_____	10.70	_____
-Fuel & Lubrication	20.54	_____	20.13	_____
-Repairs	26.14	_____	25.91	_____
-Drying	0.00	_____	0.00	_____
-Miscellaneous	10.00	_____	10.00	_____
-Operating Interest	9.13	_____	8.88	_____
	=====	=====	=====	=====
SUM OF LISTED DIRECT COSTS	252.50	_____	245.79	_____
INDIRECT (FIXED) COSTS				
-Misc. Overhead	11.08	_____	10.94	_____
-Machinery Depreciation	31.13	_____	30.64	_____
-Machinery Investment	16.07	_____	15.87	_____
-Land Charge	97.00	_____	97.00	_____
	=====	=====	=====	=====
SUM OF LISTED INDIRECT COSTS	155.28	_____	154.45	_____
SUM OF ALL LISTED COSTS	407.78	_____	400.24	_____
RETURN TO LABOR & MANAGEMENT	(9.62)	_____	9.68	_____
LISTED COSTS PER BUDGET UNIT	(bu) :		(bu) :	
-Direct Costs	4.01	_____	4.39	_____
-Indirect Costs	2.46	_____	2.76	_____
-Total Costs	6.47	_____	7.15	_____

Wheat notes:

*Durum price is for milling quality. There is high risk of lower quality and lower price.

**Includes seed treatment, an early season foliar fungicide, and a late season fungicide which is recommended when conditions are favorable for fusarium head blight (scab).

***Cereal grain aphid insecticide would cost about \$4. Wheat midge insecticide would cost about \$6.

Malting Barley

Corn Grain

	Per Acre	Your Figures	Per Acre	Your Figures
Market Yield	77	_____	140	_____
Market Price	4.97*	_____	4.00	_____
MARKET REVENUE	382.69	_____	560.00	_____
DIRECT COSTS				
-Seed	22.00	_____	94.50*	_____
-Herbicides	22.70	_____	35.50	_____
-Fungicides	18.50**	_____	0.00	_____
-Insecticides	0.00	_____	0.00	_____
-Fertilizer	79.41	_____	125.65	_____
-Crop Insurance	5.90	_____	13.20	_____
-Fuel & Lubrication	21.21	_____	27.55	_____
-Repairs	26.30	_____	34.83	_____
-Drying	0.00	_____	28.00	_____
-Miscellaneous	10.00	_____	10.00	_____
-Operating Interest	7.73	_____	13.85	_____
	=====	=====	=====	=====
SUM OF LISTED DIRECT COSTS	213.75	_____	383.08	_____
INDIRECT (FIXED) COSTS				
-Misc. Overhead	11.18	_____	14.49	_____
-Machinery Depreciation	31.21	_____	48.11	_____
-Machinery Investment	15.92	_____	24.03	_____
-Land Charge	97.00	_____	97.00	_____
	=====	=====	=====	=====
SUM OF LISTED INDIRECT COSTS	155.31	_____	183.63	_____
SUM OF ALL LISTED COSTS	369.06	_____	566.71	_____
RETURN TO LABOR & MANAGEMENT	13.63	_____	(6.71)	_____
LISTED COSTS PER BUDGET UNIT	(bu) :		(bu) :	
-Direct Costs	2.78	_____	2.74	_____
-Indirect Costs	2.02	_____	1.31	_____
-Total Costs	4.79	_____	4.05	_____

Barley notes:

*There is risk of not making malting barley quality. Use \$3.25 for feed barley.

**Includes seed treatment, an early season foliar fungicide, and a late season fungicide which is recommended when conditions are favorable for fusarium head blight (scab).

Corn notes:

*GM corn with herbicide tolerance and above ground insect control traits.

Soybean

Drybean

	Per Acre	Your Figures	Per Acre	Your Figures
Market Yield	34	_____	1760	_____
Market Price	9.52	_____	0.27	_____
MARKET REVENUE	323.68	_____	475.20	_____
DIRECT COSTS				
-Seed	65.80*	_____	86.63	_____
-Herbicides	35.40	_____	54.70*	_____
-Fungicides	0.00	_____	20.00**	_____
-Insecticides	4.00**	_____	0.00	_____
-Fertilizer	4.27	_____	54.49	_____
-Crop Insurance	6.50	_____	20.50	_____
-Fuel & Lubrication	16.67	_____	19.19	_____
-Repairs	23.94	_____	27.53	_____
-Drying	0.00	_____	0.00	_____
-Miscellaneous	2.00	_____	20.00	_____
-Operating Interest	5.95	_____	11.36	_____
	=====	=====	=====	=====
SUM OF LISTED DIRECT COSTS	164.53	_____	314.40	_____
INDIRECT (FIXED) COSTS				
-Misc. Overhead	10.28	_____	11.14	_____
-Machinery Depreciation	28.56	_____	33.18	_____
-Machinery Investment	14.59	_____	17.16	_____
-Land Charge	97.00	_____	97.00	_____
	=====	=====	=====	=====
SUM OF LISTED INDIRECT COSTS	150.43	_____	158.48	_____
SUM OF ALL LISTED COSTS	314.96	_____	472.88	_____
RETURN TO LABOR & MANAGEMENT	8.72	_____	2.32	_____
LISTED COSTS PER BUDGET UNIT	(bu) :		(lb) :	
-Direct Costs	4.84	_____	0.179	_____
-Indirect Costs	4.42	_____	0.090	_____
-Total Costs	9.26	_____	0.269	_____

Soybean notes:

*GM soybeans with herbicide tolerance. The cost includes \$8 for inoculant and fungicide treatment in addition to seed expense.

**Insecticide for soybean aphid, spider mite, or foliage-feeding caterpillars.

Drybean notes:

*Includes dessicant prior to straight cutting.

**Fungicide for white mold. A second treatment may be necessary. Fungicide for rust at \$4-\$12 plus application maybe necessary.

Oil Sunflower

Confectionery Sunflower

	Per Acre	Your Figures	Per Acre	Your Figures
Market Yield	1950	_____	1540	_____
Market Price	0.202	_____	0.283	_____
MARKET REVENUE	393.90	_____	435.82	_____
DIRECT COSTS				
-Seed	41.04	_____	60.40	_____
-Herbicides	28.60	_____	31.60	_____
-Fungicides	0.00*	_____	0.00*	_____
-Insecticides	5.00**	_____	10.00**	_____
-Fertilizer	63.22	_____	46.97	_____
-Crop Insurance	12.50	_____	18.00	_____
-Fuel & Lubrication	19.71	_____	18.95	_____
-Repairs	24.85	_____	24.42	_____
-Drying	7.80	_____	6.16	_____
-Miscellaneous	20.00	_____	30.00	_____
-Operating Interest	8.35	_____	9.24	_____
	=====	=====	=====	=====
SUM OF LISTED DIRECT COSTS	231.07	_____	255.74	_____
INDIRECT (FIXED) COSTS				
-Misc. Overhead	11.62	_____	11.36	_____
-Machinery Depreciation	33.32	_____	32.41	_____
-Machinery Investment	17.73	_____	17.35	_____
-Land Charge	97.00	_____	97.00	_____
	=====	=====	=====	=====
SUM OF LISTED INDIRECT COSTS	159.67	_____	158.12	_____
SUM OF ALL LISTED COSTS	390.74	_____	413.86	_____
RETURN TO LABOR & MANAGEMENT	3.16	_____	21.96	_____
LISTED COSTS PER BUDGET UNIT	(lb) :		(lb) :	
-Direct Costs	0.118	_____	0.166	_____
-Indirect Costs	0.082	_____	0.103	_____
-Total Costs	0.200	_____	0.269	_____

Oil Sunflower notes:

*Fungicide for rust would cost \$4 plus application.

**One spraying for head feeding insects (red seed weevil, lygus bug and banded moths). Custom application cost of \$8 is under "Miscellaneous."

Confection Sunflower notes:

*Fungicide for rust would cost \$4 plus application.

**Two sprayings for head feeding insects (red seed weevil, lygus bug and banded moths) at about \$5 per application. Each custom application cost of \$8 is under "Miscellaneous."

Canola

Flax

	Per Acre	Your Figures	Per Acre	Your Figures
Market Yield	2010	_____	23	_____
Market Price	0.187	_____	11.12	_____
MARKET REVENUE	375.87	_____	255.76	_____
DIRECT COSTS				
-Seed	79.00	_____	20.00	_____
-Herbicides	15.60	_____	27.10	_____
-Fungicides	0.00*	_____	0.00*	_____
-Insecticides	0.00	_____	0.00	_____
-Fertilizer	107.65	_____	39.29	_____
-Crop Insurance	10.50	_____	15.00	_____
-Fuel & Lubrication	17.18	_____	19.31	_____
-Repairs	23.43	_____	26.48	_____
-Drying	0.00	_____	0.00	_____
-Miscellaneous	10.00	_____	2.00	_____
-Operating Interest	9.88	_____	5.59	_____
	=====	=====	=====	=====
SUM OF LISTED DIRECT COSTS	273.24	_____	154.77	_____
INDIRECT (FIXED) COSTS				
-Misc. Overhead	10.12	_____	10.65	_____
-Machinery Depreciation	28.48	_____	30.53	_____
-Machinery Investment	13.99	_____	16.02	_____
-Land Charge	97.00	_____	97.00	_____
	=====	=====	=====	=====
SUM OF LISTED INDIRECT COSTS	149.59	_____	154.20	_____
SUM OF ALL LISTED COSTS	422.83	_____	308.97	_____
RETURN TO LABOR & MANAGEMENT	(46.96)	_____	(53.21)	_____
LISTED COSTS PER BUDGET UNIT	(lb) :		(bu) :	
-Direct Costs	0.136	_____	6.73	_____
-Indirect Costs	0.074	_____	6.70	_____
-Total Costs	0.210	_____	13.43	_____

Canola notes:

*Fungicide for white mold would cost about \$18 plus application.

Flax notes:

*Fungicide treatment for pasmo has shown good yield response.

Field Pea

Oat

	Per Acre	Your Figures	Per Acre	Your Figures
Market Yield	47.5475	_____	65	_____
Market Price	8.00	_____	2.52	_____
MARKET REVENUE	380.38	_____	163.80	_____
DIRECT COSTS				
-Seed	60.00	_____	16.00	_____
-Herbicides	34.90	_____	12.30	_____
-Fungicides	3.00	_____	0.00	_____
-Insecticides	0.00	_____	0.00	_____
-Fertilizer	14.61	_____	66.19	_____
-Crop Insurance	10.00	_____	10.90	_____
-Fuel & Lubrication	19.33	_____	15.95	_____
-Repairs	26.56	_____	22.49	_____
-Drying	0.00	_____	0.00	_____
-Miscellaneous	6.50	_____	10.00	_____
-Operating Interest	6.56	_____	5.77	_____
	=====	=====	=====	=====
SUM OF LISTED DIRECT COSTS	181.46	_____	159.60	_____
INDIRECT (FIXED) COSTS				
-Misc. Overhead	10.96	_____	10.47	_____
-Machinery Depreciation	31.86	_____	28.28	_____
-Machinery Investment	16.17	_____	14.20	_____
-Land Charge	97.00	_____	39.00	_____
	=====	=====	=====	=====
SUM OF LISTED INDIRECT COSTS	155.99	_____	91.95	_____
SUM OF ALL LISTED COSTS	337.45	_____	251.55	_____
RETURN TO LABOR & MANAGEMENT	42.93	_____	(87.75)	_____
LISTED COSTS PER BUDGET UNIT				
	(bu) :		(bu) :	
-Direct Costs	3.82	_____	2.46	_____
-Indirect Costs	3.28	_____	1.41	_____
-Total Costs	7.10	_____	3.87	_____

Yellow Mustard

Winter Wheat

	Per Acre	Your Figures	Per Acre	Your Figures
Market Yield	850	_____	69*	_____
Market Price	0.30	_____	5.63	_____
MARKET REVENUE	255.00	_____	388.47	_____
DIRECT COSTS				
-Seed	11.76	_____	15.60	_____
-Herbicides	12.90	_____	26.80	_____
-Fungicides	0.00	_____	10.00	_____
-Insecticides	6.00*	_____	0.00	_____
-Fertilizer	31.84	_____	121.26	_____
-Crop Insurance	0.00**	_____	6.80	_____
-Fuel & Lubrication	16.05	_____	18.89	_____
-Repairs	22.79	_____	24.43	_____
-Drying	0.00	_____	0.00	_____
-Miscellaneous	2.00	_____	10.00	_____
-Operating Interest	3.87	_____	8.77	_____
	=====	=====	=====	=====
SUM OF LISTED DIRECT COSTS	107.21	_____	242.55	_____
INDIRECT (FIXED) COSTS				
-Misc. Overhead	9.88	_____	10.74	_____
-Machinery Depreciation	26.53	_____	29.68	_____
-Machinery Investment	13.99	_____	14.87	_____
-Land Charge	97.00	_____	97.00	_____
	=====	=====	=====	=====
SUM OF LISTED INDIRECT COSTS	147.40	_____	152.29	_____
SUM OF ALL LISTED COSTS	254.61	_____	394.84	_____
RETURN TO LABOR & MANAGEMENT	0.39	_____	(6.37)	_____
LISTED COSTS PER BUDGET UNIT	(lb) :		(lb) :	
-Direct Costs	0.126	_____	3.515	_____
-Indirect Costs	0.173	_____	2.207	_____
-Total Costs	0.300	_____	5.722	_____

Yellow Mustard notes:

*Insecticide seed treatment for flea beetles.

**Crop insurance is not available in this region.

Winter Wheat notes:

*Yield is per harvested acre. There is some risk of acreage abandonment in spring.

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