

Minnesota State Colleges and Universities

State Farm Business Management Program Database

Five Year State Summary - 2002-2006

Summary Income Statement & Average Money Spent
Financial Summary
Financial Standards Measures
Current year data by Region
Selected Financial Charts

Location of the Regional Program Center:

Minnesota Region:

Central Lakes Community and Technical College	Northeast and East Central
Minnesota West Community and Technical College	Southwestern
Northland Community and Technical College	Northwestern & Red River Valley
Ridgewater Community and Technical College	Central and West Central
Riverland Community and Technical College	Southeastern
South Central College	South Central

April, 2007



A MEMBER OF THE MINNESOTA STATE COLLEGES
AND UNIVERSITIES SYSTEM



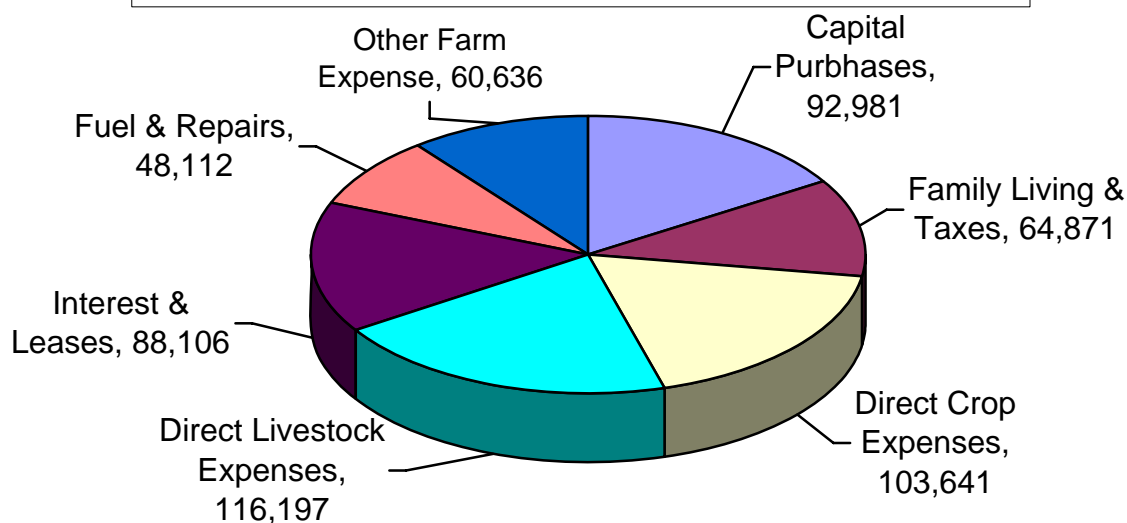
In Cooperation with the
Center for Farm Financial Management
University of Minnesota

For more information, visit the
Farm Business Management Program Website: www.mgt.org

Summary Farm Income Statement
(Farms Sorted By Years)
Minnesota State Colleges & Universities - Farm Business Management

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Number of farms	2332	2247	2234	2266	2166
Farm Revenue					
Crop sales	214,302	169,985	179,335	174,324	153,849
Change in crop and feed inventory	47,255	24,961	850	7,267	18,704
Livestock sales	206,067	208,743	198,421	152,215	139,965
Change in mkt livestock inventory	1,129	3,453	4,799	2,302	-565
Government payments	27,139	49,788	23,762	28,172	14,467
Other cash income	40,884	39,857	36,840	29,312	29,811
Change in accounts receivable	979	-4308	9226	-144	305
Gross revenue	537,755	492,479	453,233	393,448	356,536
Farm Expenses					
Cash operating expenses	395,062	361,409	336,393	293,349	259,281
Change in prepaid exp & supplies	149	4,788	3,712	3,258	-3,194
Change in accounts payable	6,420	-4	586	-673	-2242
Depreciation & other capital adj	26,107	25,604	24,954	24,549	24,323
Total operating expense	414,600	382,229	357,049	315,313	289,040
Interest paid	21,630	24,997	22,932	23,369	23,433
Change in accrued interest	9,553	1052	491	-111	-10
Total expense	445,783	408,278	380,472	338,571	312,463
Net farm income	91,971	84,198	72,761	54,880	44,075

Average Money Spent by each Farm in 2006 totals
\$574,544



**Financial Summary
(Farms Sorted By Years)**

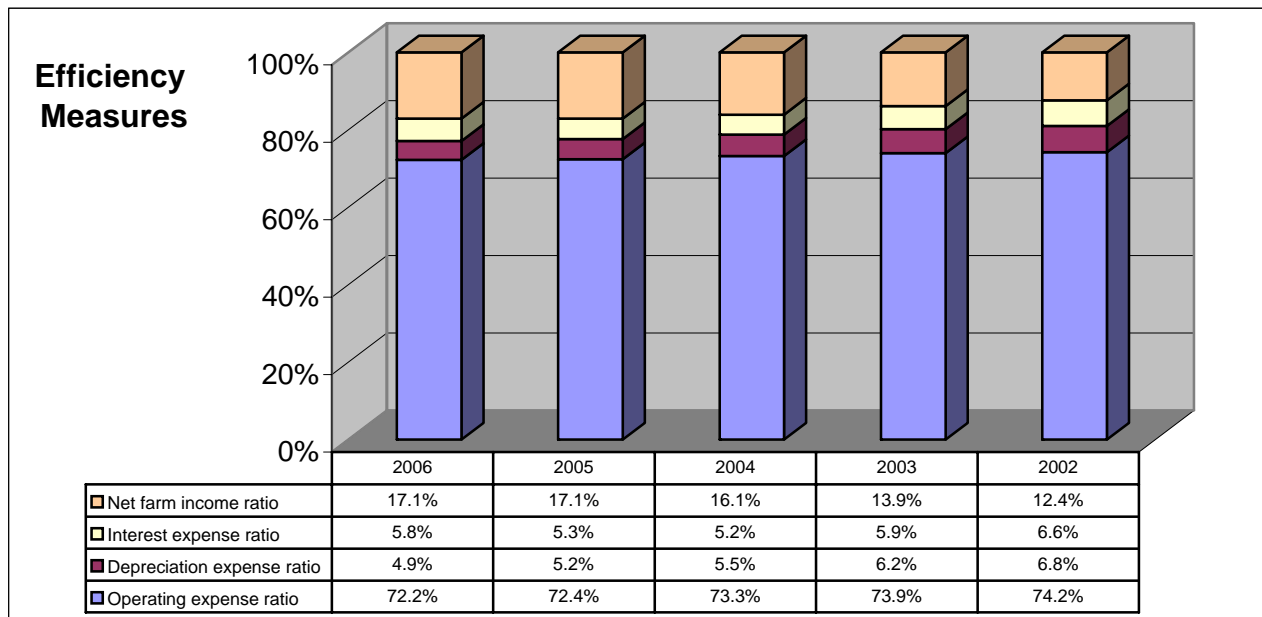
Minnesota State Colleges & Universities - Farm Business Management

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Number of farms	2332	2247	2234	2266	2166
Income Statement					
Gross cash farm income	488,392	468,370	438,358	384,026	338,094
Total cash farm expense	416,694	386,406	359,325	316,718	282,714
Net cash farm income	71,698	81,964	79,033	67,308	55,380
Inventory change	46,380	27,839	18,682	12,121	13,019
Depreciation and capital adjust	-26,107	-25,604	-24,954	-24,549	-24,323
Net farm income	91,971	84,198	72,761	54,880	44,075
Profitability (cost)					
Labor and management earnings	62,570	57,722	49,125	33,716	24,343
Rate of return on assets	9.1%	8.5%	8.0%	6.5%	5.8%
Rate of return on equity	11.8%	11.5%	10.9%	7.4%	5.4%
Operating profit margin	19.7%	18.5%	17.6%	14.9%	13.7%
Asset turnover rate	46.1%	46.1%	45.6%	43.8%	42.3%
Liquidity					
Ending current ratio	1.57	1.52	1.48	1.43	1.37
Ending working capital	114,233	90,647	76,346	62,873	53,883
End working capital to gross inc	23.4%	19.4%	17.4%	16.4%	15.9%
Term debt coverage ratio	178.3%	174.3%	162.8%	140.8%	128.7%
Expense as a percent of income	78.0%	77.7%	78.4%	79.8%	80.8%
Interest as a percent of income	5.8%	5.3%	5.2%	5.9%	6.6%
Solvency (market)					
Number of sole proprietors	2,332	2,247	2,234	2,266	2,165
Ending farm assets	1,378,353	1,256,228	1,132,961	1,011,283	950,425
Ending farm liabilities	662,952	604,441	560,354	514,391	497,298
Ending total assets	1,548,641	1,412,415	1,273,818	1,143,305	1,070,572
Ending total liabilities	703,945	639,662	590,327	543,310	522,043
Ending net worth	844,696	772,753	683,491	599,994	548,529
Net worth change	90,504	89,850	74,211	61,192	37,249
Ending farm debt to asset ratio	48%	48%	49%	51%	52%
Beg total debt to asset ratio	46%	46%	48%	49%	49%
End total debt to asset ratio	45%	45%	46%	48%	49%
Nonfarm Information					
Net nonfarm income	24,249	23,678	21,589	21,602	20,556
Farms reporting living expenses	893	873	924	981	1,195
Total family living expense	41,399	39,162	38,616	34,941	32,308
Total living, invest, & capital	66,293	59,573	57,656	51,755	49,729
Crop Acres					
Total acres owned	273	275	275	270	269
Total crop acres	782	761	754	734	709
Total crop acres owned	217	218	222	212	206
Total crop acres cash rented	541	520	505	493	470
Total crop acres share rented	23	24	27	29	33

**Financial Standards Measures
(Farms Sorted By Years)**

Minnesota State Colleges & Universities - Farm Business Management

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Number of farms	2332	2247	2234	2266	2166
Liquidity					
Current ratio	1.57	1.52	1.48	1.43	1.37
Working capital	114,233	90,647	76,346	62,873	53,883
Solvency (market)					
Farm debt to asset ratio	48%	48%	49%	51%	52%
Farm equity to asset ratio	52%	52%	51%	49%	48%
Farm debt to equity ratio	93%	93%	98%	104%	110%
Profitability (cost)					
Rate of return on farm assets	9.1%	8.5%	8.0%	6.5%	5.8%
Rate of return on farm equity	11.8%	11.5%	10.9%	7.4%	5.4%
Operating profit margin	19.7%	18.5%	17.6%	14.9%	13.8%
Net farm income	91,971	84,198	72,761	54,880	44,086
Repayment Capacity					
Term debt coverage ratio	178%	174%	163%	141%	129%
Capital replacement margin	47,929	43,951	35,569	22,456	14,951
Efficiency					
Asset turnover rate (cost)	46.1%	46.1%	45.6%	43.8%	42.2%
Operating expense ratio	72.2%	72.4%	73.3%	73.9%	74.2%
Depreciation expense ratio	4.9%	5.2%	5.5%	6.2%	6.8%
Interest expense ratio	5.8%	5.3%	5.2%	5.9%	6.6%
Net farm income ratio	17.1%	17.1%	16.1%	13.9%	12.4%



Financial Summary
(Farms Sorted By Report Region)

Minnesota State Colleges & Universities - Farm Business Management

	<u>NC&NW</u>	<u>Valley</u>	<u>WC&C</u>	<u>SW&SC</u>	<u>SE</u>
Number of farms	462	241	500	810	453
Income Statement					
Gross cash farm income	317,821	604,651	463,503	532,228	546,713
Total cash farm expense	274,250	508,716	391,571	448,854	478,788
Net cash farm income	43,571	95,935	71,932	83,374	67,924
Inventory change	13,979	90,424	43,404	53,707	48,959
Depreciation and capital adjust	-17,994	-26,783	-25,385	-30,116	-27,441
Net farm income	39,556	159,576	89,951	106,964	89,443
Profitability (cost)					
Labor and management earnings	18,443	117,688	57,504	79,204	57,064
Rate of return on assets	4.5%	11.6%	8.6%	11.1%	7.8%
Rate of return on equity	2.8%	15.8%	10.5%	16.2%	9.4%
Operating profit margin	11.8%	21.7%	19.1%	22.8%	17.5%
Asset turnover rate	38.6%	53.6%	44.9%	48.6%	44.6%
Liquidity					
Ending current ratio	1.28	1.55	1.63	1.61	1.63
Ending working capital	36,124	152,956	120,290	135,625	132,535
End working capital to gross inc	11.4%	25.3%	26.0%	25.5%	24.2%
Term debt coverage ratio	115.4%	226.1%	165.9%	206.7%	170.2%
Expense as a percent of income	82.9%	73.0%	77.5%	76.6%	80.6%
Interest as a percent of income	7.0%	5.6%	5.5%	5.6%	5.7%
Solvency (cost)					
Number of sole proprietors	462	241	500	810	453
Ending farm assets	772,460	1,369,785	1,057,000	1,044,386	1,157,712
Ending farm liabilities	411,554	621,692	495,133	551,251	598,493
Ending total assets	872,807	1,546,741	1,184,894	1,199,619	1,326,273
Ending total liabilities	436,350	666,343	524,387	595,919	626,460
Ending net worth	436,458	880,398	660,507	603,699	699,814
Net worth change	32,559	111,798	64,212	84,100	70,245
Ending farm debt to asset ratio	53%	45%	47%	53%	52%
Beg total debt to asset ratio	49%	45%	44%	51%	47%
End total debt to asset ratio	50%	43%	44%	50%	47%
Solvency (market)					
Number of sole proprietors	462	241	500	810	453
Ending farm assets	931,270	1,637,821	1,315,755	1,462,099	1,602,767
Ending farm liabilities	479,934	769,972	595,224	706,511	772,558
Ending total assets	1,043,797	1,843,596	1,461,377	1,655,725	1,799,450
Ending total liabilities	507,108	820,847	627,886	759,314	808,800
Ending net worth	536,689	1,022,749	833,491	896,411	990,650
Net worth change	45,046	123,741	83,934	98,289	111,640
Ending farm debt to asset ratio	52%	47%	45%	48%	48%
Beg total debt to asset ratio	48%	46%	43%	46%	45%
End total debt to asset ratio	49%	45%	43%	46%	45%
Nonfarm Information					
Net nonfarm income	21,156	16,006	20,494	28,966	26,095
Farms reporting living expenses	110	49	139	456	181
Total family living expense	30,258	40,864	43,985	45,123	36,316
Total living, invest, & capital	43,470	62,164	59,699	73,975	66,684
Crop Acres					
Total acres owned	387	394	255	215	234
Total crop acres	744	1,727	837	700	583
Total crop acres owned	269	355	229	179	178
Total crop acres cash rented	458	1,296	587	488	396
Total crop acres share rented	17	77	22	33	9

Five Year History of Selected Financial Measures

