

Minnesota State Colleges and Universities

State Farm Business Management Program Database

Five Year State Summary - 2000-2004

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

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

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A MEMBER OF THE MINNESOTA STATE COLLEGES
AND UNIVERSITIES SYSTEM



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

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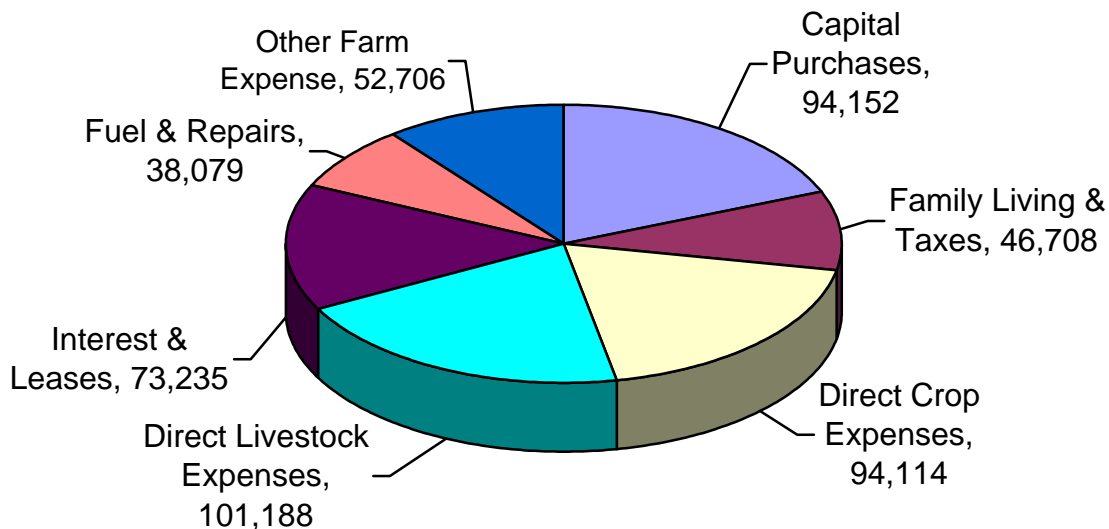
Farm Management Program Website: www.mgt.org

**Summary Farm Income Statement
(Farms Sorted By Years)**

Minnesota State Colleges & Universities - Farm Business Management

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Number of farms	2234	2266	2166	2418	2293
Farm Revenue					
Crop sales	179,335	174,324	153,849	124,949	121,591
Change in crop and feed inventory	850	7,267	18,704	-11,230	13,150
Livestock sales	198,421	152,215	139,965	153,780	129,555
Change in mkt livestock inventory	4,799	2,302	-565	1,390	3,600
Government payments	23,762	28,172	14,467	49,372	48,173
Other cash income	36,840	29,312	29,811	18,708	21,056
Change in accounts receivable	9226	-144	305	1521	3181
Gross revenue	453,233	393,448	356,536	338,490	340,306
Farm Expenses					
Cash operating expenses	336,393	293,349	259,281	257,504	240,497
Change in prepaid exp & supplies	3,712	3,258	-3,194	699	2,807
Change in accounts payable	586	-673	-2242	-171	-655
Depreciation & other capital adj	24,954	24,549	24,323	21,570	20,475
Total operating expense	357,049	315,313	289,040	278,546	258,820
Interest paid	22,932	23,369	23,433	26,051	24,864
Change in accrued interest	491	-111	-10	90	539
Total expense	380,472	338,571	312,463	304,687	284,223
Net farm income	72,761	54,880	44,075	33,806	56,083

**Average Money Spent by each Farm in 2004 totals
\$500,182**



Financial Summary
(Farms Sorted By Years)

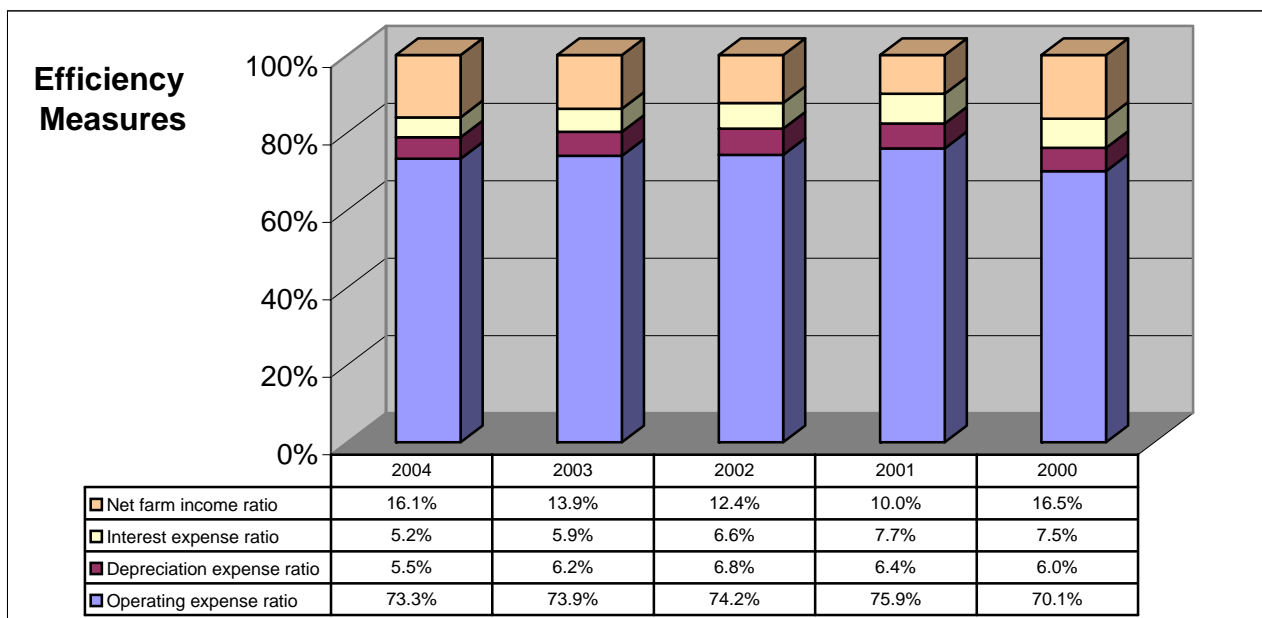
Minnesota State Colleges & Universities - Farm Business Management

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Number of farms	2234	2266	2166	2418	2293
Income Statement					
Gross cash farm income	438,358	384,026	338,094	346,810	320,375
Total cash farm expense	359,325	316,718	282,714	283,555	265,361
Net cash farm income	79,033	67,308	55,380	63,256	55,014
Inventory change	18,682	12,121	13,019	-7,880	21,544
Depreciation and capital adjust	-24,954	-24,549	-24,323	-21,570	-20,475
Net farm income	72,761	54,880	44,075	33,806	56,083
Profitability (cost)					
Labor and management earnings	49,125	33,716	24,343	14,554	38,256
Rate of return on assets	8.0%	6.5%	5.8%	5.2%	8.9%
Rate of return on equity	10.9%	7.4%	5.4%	2.9%	10.6%
Operating profit margin	17.6%	14.9%	13.7%	12.7%	19.9%
Asset turnover rate	45.6%	43.8%	42.3%	40.6%	45.0%
Liquidity					
Ending current ratio	1.48	1.43	1.37	1.36	1.55
Ending working capital	76,346	62,873	53,883	45,405	62,836
End working capital to gross inc	17.4%	16.4%	15.9%	13.1%	19.6%
Term debt coverage ratio	162.8%	140.8%	128.7%	110.8%	163.8%
Expense as a percent of income	78.4%	79.8%	80.8%	83.6%	77.5%
Interest as a percent of income	5.2%	5.9%	6.6%	7.7%	7.5%
Solvency (market)					
Number of sole proprietors	2,234	2,266	2,165	2,418	2,292
Ending farm assets	1,132,961	1,011,283	950,425	885,331	827,360
Ending farm liabilities	560,354	514,391	497,298	451,840	422,602
Ending total assets	1,273,818	1,143,305	1,070,572	999,330	937,631
Ending total liabilities	590,327	543,310	522,043	472,116	441,036
Ending net worth	683,491	599,994	548,529	527,214	496,595
Net worth change	74,211	61,192	37,249	32,767	37,329
Ending farm debt to asset ratio	49%	51%	52%	51%	51%
Beg total debt to asset ratio	48%	49%	49%	48%	48%
End total debt to asset ratio	46%	48%	49%	47%	47%
Nonfarm Information					
Net nonfarm income	21,589	21,602	20,556	20,340	18,700
Farms reporting living expenses	924	981	1,195	1,175	1,133
Total family living expense	38,616	34,941	32,308	30,258	29,465
Total living, invest, & capital	57,656	51,755	49,729	50,712	48,328
Crop Acres					
Total acres owned	275	270	269	281	274
Total crop acres	754	734	709	712	696
Total crop acres owned	222	212	206	219	213
Total crop acres cash rented	505	493	470	458	444
Total crop acres share rented	27	29	33	35	39

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

Minnesota State Colleges & Universities - Farm Business Management

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Number of farms	2234	2266	2166	2418	2293
Liquidity					
Current ratio	1.48	1.43	1.37	1.36	1.55
Working capital	76,346	62,873	53,883	45,405	62,836
Solvency (market)					
Farm debt to asset ratio	49%	51%	52%	51%	51%
Farm equity to asset ratio	51%	49%	48%	49%	49%
Farm debt to equity ratio	98%	104%	110%	104%	104%
Profitability (cost)					
Rate of return on farm assets	8.0%	6.5%	5.8%	5.2%	8.9%
Rate of return on farm equity	10.9%	7.4%	5.4%	2.9%	10.6%
Operating profit margin	17.6%	14.9%	13.8%	12.8%	19.9%
Net farm income	72,761	54,880	44,086	33,738	56,283
Repayment Capacity					
Term debt coverage ratio	163%	141%	129%	111%	164%
Capital replacement margin	35,569	22,456	14,951	5,388	28,639
Efficiency					
Asset turnover rate (cost)	45.6%	43.8%	42.2%	40.5%	44.9%
Operating expense ratio	73.3%	73.9%	74.2%	75.9%	70.1%
Depreciation expense ratio	5.5%	6.2%	6.8%	6.4%	6.0%
Interest expense ratio	5.2%	5.9%	6.6%	7.7%	7.5%
Net farm income ratio	16.1%	13.9%	12.4%	10.0%	16.5%



2004 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	417	144	500	741	423
Income Statement					
Gross cash farm income	306,049	576,711	407,934	440,721	542,747
Total cash farm expense	242,120	446,290	330,791	365,264	462,919
Net cash farm income	63,929	130,420	77,143	75,457	79,829
Inventory change	7,252	-31,587	23,466	21,049	37,417
Depreciation and capital adjust	-19,524	-22,712	-24,395	-27,813	-26,277
Net farm income	51,656	76,121	76,214	68,693	90,969
Profitability (cost)					
Labor and management earnings	33,061	36,707	50,735	48,740	65,237
Rate of return on assets	6.7%	4.70%	8.3%	8.5%	9.2%
Rate of return on equity	8.0%	4.40%	11.4%	12.5%	13.5%
Operating profit margin	16.7%	10.30%	18.8%	17.6%	19.6%
Asset turnover rate	39.9%	45.20%	44.30%	48.30%	47.20%
Liquidity					
Ending current ratio	145%	1.25	1.56	1.45	1.49
Ending working capital	44506	48,049	83,545	77,698	83,756
End working capital to gross inc	14.5%	8.30%	20.5%	17.6%	15.4%
Term debt coverage ratio	151.5%	88.70%	165.5%	170.3%	184.1%
Expense as a percent of income	77.2%	82.10%	76.6%	78.8%	79.5%
Interest as a percent of income	5.9%	5.00%	4.9%	5.3%	5.0%
Solvency (market)					
Number of sole proprietors	417	121	500	741	423
Ending farm assets	800,022	1,302,085	1,091,461	1,156,203	1,312,793
Ending farm liabilities	409,364	673,406	519,138	577,502	663,797
Ending total assets	900,916	1,528,169	1,212,238	1,307,306	1,483,318
Ending total liabilities	430,308	745,840	544,417	610,671	693,896
Ending net worth	470,609	782,329	667,821	696,634	789,423
Net worth change	49,186	56,594	78,896	70,004	103,890
Ending farm debt to asset ratio	51%	52%	48%	50%	51%
Beg total debt to asset ratio	50%	49%	46%	48%	49%
End total debt to asset ratio	48%	49%	45%	47%	47%
Nonfarm Information					
Net nonfarm income	20,120	14,961	19,486	24,545	24,313
Farms reporting living expenses	103	17	164	436	193
Total family living expense	31,585	40,414	38,869	40,177	36,904
Total living, invest, & capital	45,188	66,076	55,315	58,044	62,372
Crop Acres					
Total acres owned	401	389	248	216	240
Total crop acres	720	1,746	749	665	567
Total crop acres owned	268	365	225	180	191
Total crop acres cash rented	433	1,340	499	454	361
Total crop acres share rented	19	41	25	32	15

Five Year History of Selected Financial Measures

