

Minnesota State Colleges and Universities

State
Farm Business Management Program
Database
2323 Farms

State Executive Summary (2005-2009)

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
Minnesota West Community and Technical College
Northland Community and Technical College
Ridgewater Community and Technical College
Riverland Community and Technical College
South Central College

Northeast and East Central
Southwestern
Northwestern & Red River Valley
Central and West Central
Southeastern
South Central

April, 2010



A MEMBER OF THE MINNESOTA STATE COLLEGES
AND UNIVERSITIES SYSTEM

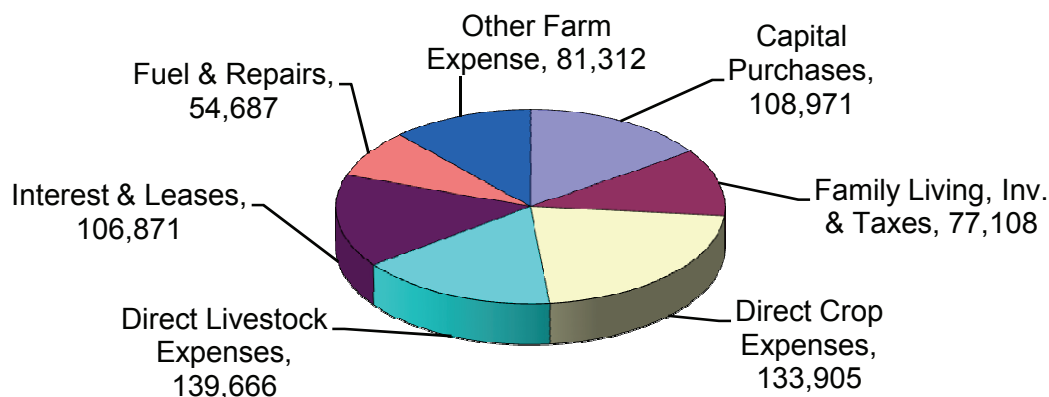
In Cooperation with the Center for Farm Financial Management University of Minnesota

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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>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Number of farms	2323	2318	2484	2332	2247
Farm Revenue					
Crop sales	348,613	351,329	271,993	214,302	169,985
Crop inventory change	4,602	23,223	66,326	47,255	24,961
Gross crop income	353,217	374,552	338,319	261,557	194,946
Livestock sales	168,428	237,586	251,152	206,067	208,743
Livestock inventory change	663	(3,103)	2,287	1,129	3,453
Gross livestock income	169,091	234,483	253,439	207,196	212,196
Government payments	21,465	19,262	15,721	27,139	49,788
Other cash income	74,143	57,428	47,801	40,884	39,857
Change in accounts receivable	(6,751)	12,681	8,957	979	(4,308)
Gain or loss on hedging accounts	(1,271)				
Change in other assets	2,756				
Gain or loss on breeding lvst	(1,092)				
Gross revenue	611,557	698,406	664,237	537,755	492,479
Farm Expenses					
Cash operating expenses	476,907	513,859	469,320	395,062	361,409
Change in prepaid exp & supplies	11,022	23,542	12,921	149	4,788
Change in growing crops	(452)				
Change in accts pay & other inv.	3,883	(921)	8,232	6,420	(4)
Depreciation	35,443	34,303	28,869	26,107	25,604
Total operating expense	526,802	525,541	477,036	414,600	382,229
Interest paid	31,366	34,087	23,552	21,630	24,997
Change in accrued interest	415	(121)	11,221	9,553	1,052
Total expense	558,584	559,507	511,809	445,783	408,278
Net farm income from operations	52,974	138,898	152,432	91,971	84,198
Gain or loss on capital sales	731				
Net farm income	53,704				

Average Money Spent by each Farm totals
\$691,704



Financial Summary
(Farms Sorted By Years)

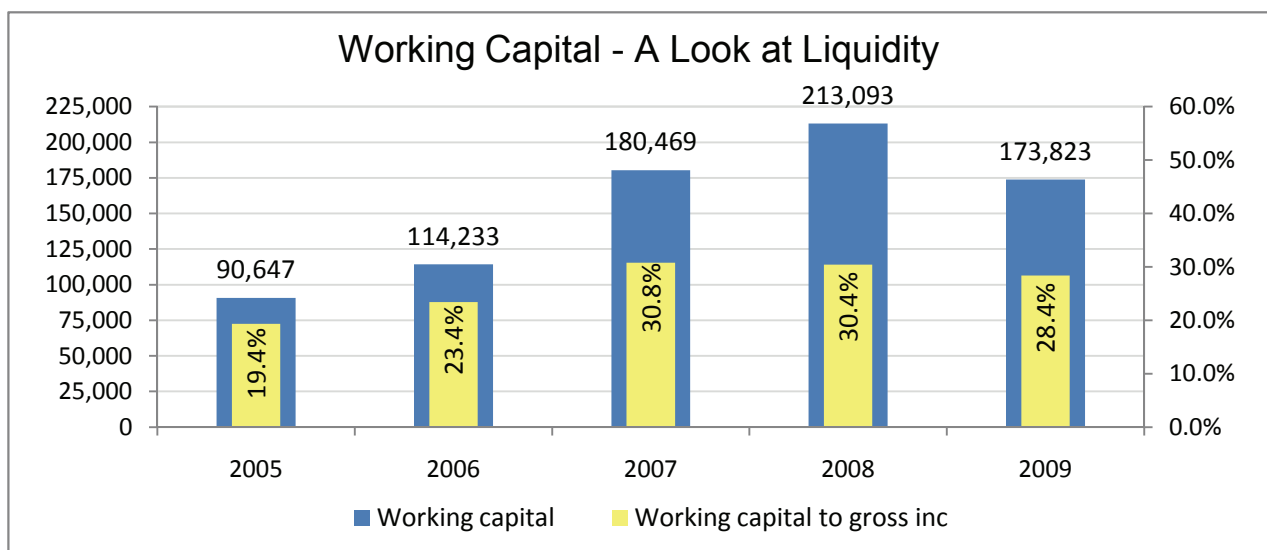
Minnesota State Colleges & Universities - Farm Business Management

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Number of farms	2323	2318	2484	2332	2247
Income Statement					
Gross cash farm income	612,651	665,602	586,667	488,392	468,370
Total cash farm expense	508,273	547,945	492,867	416,694	386,406
Net cash farm income	104,378	117,657	93,800	71,698	81,964
Inventory change	-15,962	55,544	87,502	46,380	27,839
Depreciation	-35,443	-34,304	-28,869	-26,107	-25,604
Net farm income from operations	52,974	138,898	152,432	91,971	84,198
Gain or loss on capital sales	731				
Average net farm income	53,704				
Median net farm income	32,405				
Profitability (cost)					
Rate of return on assets	3.2%	10.5%	13.8%	9.1%	8.5%
Rate of return on equity	1.4%	14.6%	20.7%	11.8%	11.5%
Operating profit margin	7.9%	21.7%	26.8%	19.7%	18.5%
Asset turnover rate	39.9%	48.3%	51.4%	46.1%	46.1%
Liquidity					
Current assets	422,285	448,301	391,748	316,051	263,916
Current liabilities	248,462	235,191	211,280	201,819	173,269
Ending current ratio	1.7	1.91	1.85	1.57	1.52
Ending working capital	173,823	213,110	180,469	114,233	90,647
End working capital to gross inc	28.40%	30.40%	30.8%	23.4%	19.4%
Term debt coverage ratio	1.04	2.37	2.63	1.78	1.74
Replacement coverage ratio	0.87	2.04			
Solvency (market)					
Number of farms	2,323	2,318	2,484	2,332	2,247
Total farm assets	1,761,595	1,712,759	1,533,932	1,378,353	1,256,228
Total farm liabilities	821,572	624,923	720,970	662,952	604,441
Total assets	1,955,532	1,887,932	1,710,221	1,548,641	1,412,415
Total liabilities	870,326	848,675	764,987	703,945	639,662
Net worth	1,085,206	1,039,257	945,235	844,696	772,753
Net worth change	59,000	104,306	139,936	90,504	89,850
Farm debt to asset ratio	47%	36%	47%	48%	48%
Total debt to asset ratio	45%	45%	45%	45%	45%
Nonfarm Information					
Net nonfarm income	26,495	24,834	24,532	24,249	23,678
Farms reporting living expenses	620	701	957	893	873
Total family living expense	51,948	51,019	43,517	41,399	39,162
Total living, invest, & capital	80,124	81,684	65,882	66,293	59,573
Crop Acres					
Total acres owned	269	266	269	273	275
Total crop acres	798	787	777	782	761
Total crop acres owned	226	220	211	217	218
Total crop acres cash rented	551	546	545	541	520
Total crop acres share rented	21	21	22	23	24

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

Minnesota State Colleges & Universities - Farm Business Management

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Number of farms	2323	2318	2484	2332	2247
Liquidity					
Current ratio	1.70	1.91	1.85	1.57	1.52
Working capital	173,823	213,093	180,469	114,233	90,647
Working capital to gross inc	28.4%	30.4%	30.8%	23.4%	19.4%
Solvency (market)					
Farm debt to asset ratio	47%	47%	47%	48%	48%
Farm equity to asset ratio	53%	53%	53%	52%	52%
Farm debt to equity ratio	0.87	0.88	0.89	0.93	0.93
Profitability (cost)					
Rate of return on farm assets	3.2%	10.5%	13.8%	9.1%	8.5%
Rate of return on farm equity	1.4%	14.6%	20.7%	11.8%	11.5%
Operating profit margin	7.9%	21.7%	26.8%	19.7%	18.5%
Net farm income	53,704	139,864	152,432	91,971	84,198
EBIDTA	120,198	207,167			
Repayment Capacity					
Capital debt repayment capacity	72,226	156,146			
Capital debt repayment margin	2,449	90,384	105,629	47,929	43,951
Replacement margin	-10,653	79,505			
Term debt coverage ratio	1.04	2.37	2.63	1.78	1.74
Replacement coverage ratio	0.87	2.04			
Efficiency					
Asset turnover rate (cost)	39.9%	48.3%	51.4%	46.1%	46.1%
Operating expense ratio	80.3%	70.4%	67.5%	72.2%	72.4%
Depreciation expense ratio	5.8%	4.9%	4.3%	4.9%	5.2%
Interest expense ratio	5.1%	4.9%	5.2%	5.8%	5.3%
Net farm income ratio	8.8%	20.0%	22.9%	17.1%	17.1%



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>Southern</u>
Number of farms	404	148	535	1238
Income Statement				
Gross cash farm income	346,440	925,336	569,192	680,619
Total cash farm expense	294,057	713,448	470,153	569,836
Net cash farm income	52,383	211,888	99,039	110,783
Inventory change	-19,314	-70,924	-8,282	-11,814
Depreciation	-22,377	-50,476	-34,168	-38,430
Net farm income from operations	10,692	90,488	56,589	60,539
Gain or loss on capital sales	279	2,823	305	811
Average net farm income	10,971	93,311	56,894	61,350
Median net farm income	-197	53,984	37,406	42,896
Profitability (cost)				
Rate of return on assets	-0.1%	3.0%	3.5%	3.7%
Rate of return on equity	-5.7%	2.1%	2.2%	2.2%
Operating profit margin	-0.3%	6.9%	8.9%	9.1%
Asset turnover rate	33.1%	43.7%	38.9%	40.9%
Liquidity & Repayment (end of				
Current assets	229,199	707,516	415,740	455,591
Current liabilities	162,774	429,225	234,129	262,030
Ending current ratio	1.41	1.65	1.78	1.74
Ending working capital	66,425	278,292	181,611	193,561
End working capital to gross inc	19.70%	31.90%	31.60%	28.30%
Term debt coverage ratio	0.55	1.01	1.07	1.13
Replacement coverage ratio	0.49	0.84	0.90	0.95
Solvency (cost)				
Number of sole proprietors	404	148	535	1,238
Ending farm assets	878,371	2,035,178	1,334,201	1,411,128
Ending farm liabilities	479,098	855,298	608,875	691,009
Ending total assets	981,196	2,249,625	1,470,706	1,602,757
Ending total liabilities	505,219	935,141	643,116	733,472
Ending net worth	475,977	1,313,876	827,235	868,728
Net worth change	-8,014	19,517	17,423	32,939
Ending farm debt to asset ratio	55%	42%	46%	49%
End total debt to asset ratio	51%	42%	44%	46%
Solvency (market)				
Number of sole proprietors	404	148	535	1,238
Ending farm assets	1,069,603	2,462,265	1,663,090	1,948,843
Ending farm liabilities	568,383	1,107,520	753,330	901,020
Ending total assets	1,183,532	2,715,142	1,818,556	2,179,052
Ending total liabilities	597,608	1,229,940	791,030	952,196
Ending net worth	585,925	1,485,202	1,027,526	1,226,856
Net worth change	6,744	87,679	56,709	73,457
Ending farm debt to asset ratio	53%	45%	45%	46%
End total debt to asset ratio	50%	45%	43%	44%
Nonfarm Information				
Net nonfarm income	23,056	18,314	21,503	30,709
Farms reporting living expenses	44	12	132	432
Total family living expense	36,031	61,493	50,863	53,635
Total living, invest, & capital	46,936	109,152	69,209	86,033
Crop Acres				
Total acres owned	350	429	256	229
Total crop acres	722	1,968	811	681
Total crop acres owned	258	414	230	192
Total crop acres cash rented	453	1,508	560	467
Total crop acres share rented	11	46	21	22

Five Year History of Selected Financial Measures

