

<u>Year at a Glance</u> <i>Data for the Average Farm</i>	Southern Minnesota	State FBM Data	Local Area	Your Farm Data	Your Farm Goal
	1,460 <u>Farms</u>	2,209 <u>Farms</u>			
<u>Income Statement</u>					
Gross Cash Farm Income	\$759,254	\$734,201	_____	_____	_____
Total Cash Operating Expense	\$675,400	\$646,508	_____	_____	_____
Net Cash Farm Income	\$83,855	\$87,693	_____	_____	_____
Net Operating Profit	\$78,584	\$95,925	_____	_____	_____
Net Farm Income	\$32,866	\$49,068	_____	_____	_____
Median Farm Income	\$20,655	\$24,817	_____	_____	_____
<u>Balance Sheet (Market)</u>					
Total Assets - 12/31	\$2,887,340	\$2,796,806	_____	_____	_____
Total Liabilities - 12/31	\$1,240,160	\$1,204,121	_____	_____	_____
Net Worth - 12/31	\$1,647,180	\$1,592,685	_____	_____	_____
Change in Net Worth	\$30,522	\$39,220	_____	_____	_____
<u>Financial Standards Measures</u>					
Working Capital - 12/31	\$175,969	\$180,805	_____	_____	_____
Debt to Asset Ratio - 12/31	46%	46%	_____	_____	_____
Rate of Return on Farm Assets - Cost	1.0%	1.8%	_____	_____	_____
Rate of Return on Farm Equity - Cost	-2.0%	-0.3%	_____	_____	_____
Term Debt Coverage Ratio	0.91	1.08	_____	_____	_____
Asset Turnover Rate	32.3%	24.7%	_____	_____	_____
Operating Expense Ratio	84.3%	81.9%	_____	_____	_____
Interest Expense Ratio	5.4%	5.3%	_____	_____	_____
<u>Operator Information</u>					
Average Age of the Farmer	48	47	_____	_____	_____
Average Years Farming	24	23	_____	_____	_____
<u>Personal Spending & Income</u>					
Total Cash Family Living Expense	\$58,828	\$58,139	_____	_____	_____
Total Non Farm Income	\$41,383	\$37,849	_____	_____	_____

Net farm income dollars are used to pay for family living, social security and income tax, retirement accounts, medical and health expenses, and loan principle payments. A positive balance indicates revenue for other uses, while a negative balance indicates a need for revenue from other sources.

The following list shows expenses for the year:

		<u>Southern Minnesota</u>	<u>State Data</u>
Net Farm Income	(+)	\$32,866	\$49,068
Depreciation	(+)	\$49,741	\$49,696
Family Living (Excl Health/Med)	(-)	\$49,229	\$48,876
Social Security and Income Tax	(-)	\$8,470	\$8,123
Health and Medical Expense	(-)	\$9,599	\$9,263
Retirement Accounts	(-)	\$7,903	\$6,638
Principal Payments	(-)	\$58,911	\$59,610
Balance	(=)	-\$51,505	-\$33,746

How does your Farm Stack Up?

Southern Minnesota Farm Business Management Data

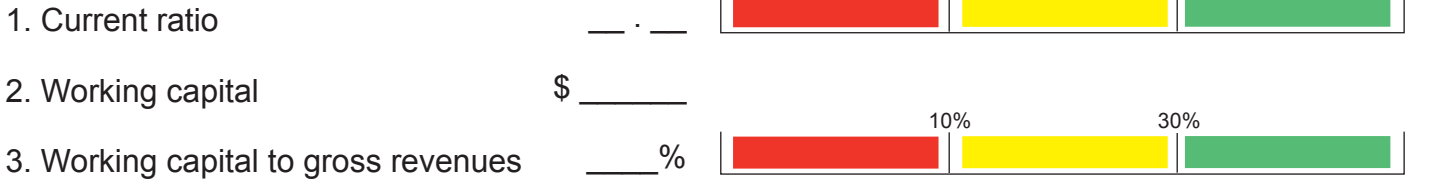
Below is a summary of the low, average, and high farms using the 21 Financial Standards Measures. The numbers listed below are intended to provide a general overview of the farm situation for the current year and over a five year period. The current year data provides a snapshot of the conditions that represent the present while the five year data provides a longer term look at these factors to enable their use in potential decision making activities.

Evaluation Chart	<u>Low Farms</u>		<u>Average</u>		<u>High Farms</u>		<u>Your Farm</u>	
	2018	5 Yr Ave	2018	5 Yr Ave	2018	5 Yr Ave	2018	5 Yr Ave
<u>Liquidity</u>								
Current Ratio	1.07	1.17	1.51	1.63	2.20	2.19		
Working Capital	\$ 49,084	100,111	175,969	220,510	538,247	597,034		
Working Capital to Gross Inc.	% 4.1%	9.7%	23.2%	26.7%	41.3%	38.5%		
<u>Solvency (Market)</u>								
Farm Debt to Asset Ratio	% 55%	54%	46%	45%	39%	40%		
Farm Equity to Asset Ratio	% 45%	46%	54%	55%	61%	60%		
Farm Debt to Equity Ratio	% 1.22	1.15	0.86	0.82	0.65	0.67		
<u>Profitability (Cost)</u>								
Rate of Return on Farm Assets	% -4.0%	-4.5%	1.0%	17.6%	5.2%	6.5%		
Rate of Return on Farm Equity	% -16.8%	-15.7%	-2.0%	-0.2%	5.9%	8.3%		
Operating Profit Margin	% -12.3%	-14.0%	3.2%	5.2%	15.2%	17.7%		
Net Farm Income	\$ -125,961	-111,561	32,866	53,451	217,827	277,946		
EBIDTA	\$ 30,981	23,717	119,332	142,343	329,987	409,536		
<u>Repayment Capacity (Accrual)</u>								
Capital Debt Repayment Cap.	\$ -30,585	-37,828	78,607	90,714	249,412	303,029		
Capital Debt Repayment Margin	\$ -176,406	-168,648	-7,388	-1,021	129,489	163,389		
Replacement Margin	\$ -219,099	-204,682	-38,253	-29,883	79,853	116,122		
Term Debt Coverage Ratio	-0.21	-0.29	0.91	0.99	2.08	2.15		
Replacement Coverage Ratio	-0.16	-0.23	0.67	0.75	1.47	1.61		
<u>Efficiency</u>								
Asset Turnover Rate (Cost)	% 32.3%	32.0%	32.3%	33.2%	34.3%	36.4%		
Operating Expense Ratio	% 97.4%	97.8%	84.3%	82.8%	74.7%	74.2%		
Depreciation Expense Ratio	% 6.6%	7.1%	6.5%	6.6%	6.1%	5.9%		
Interest Expense Ratio	% 6.6%	5.8%	5.4%	4.5%	3.9%	3.3%		
Net Farm Income Ratio	% -10.6%	-10.7%	4.3%	6.4%	16.7%	17.3%		

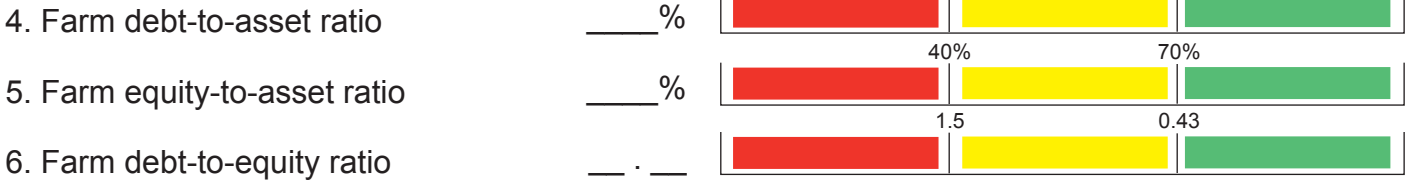
Farm Finance Scorecard

Year _____

Liquidity



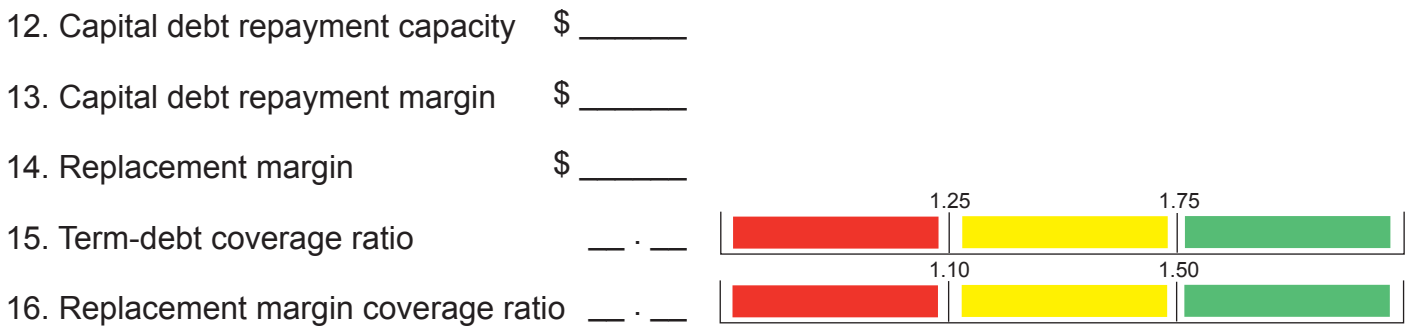
Solvency



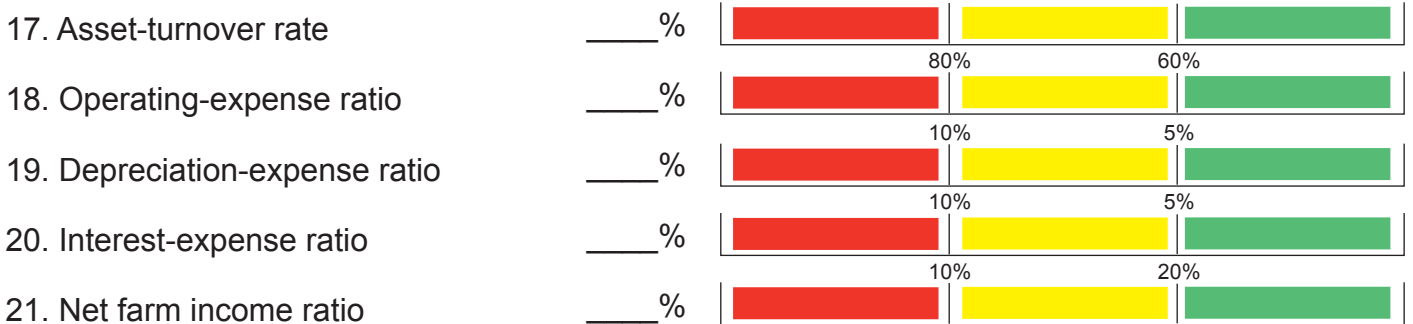
Profitability



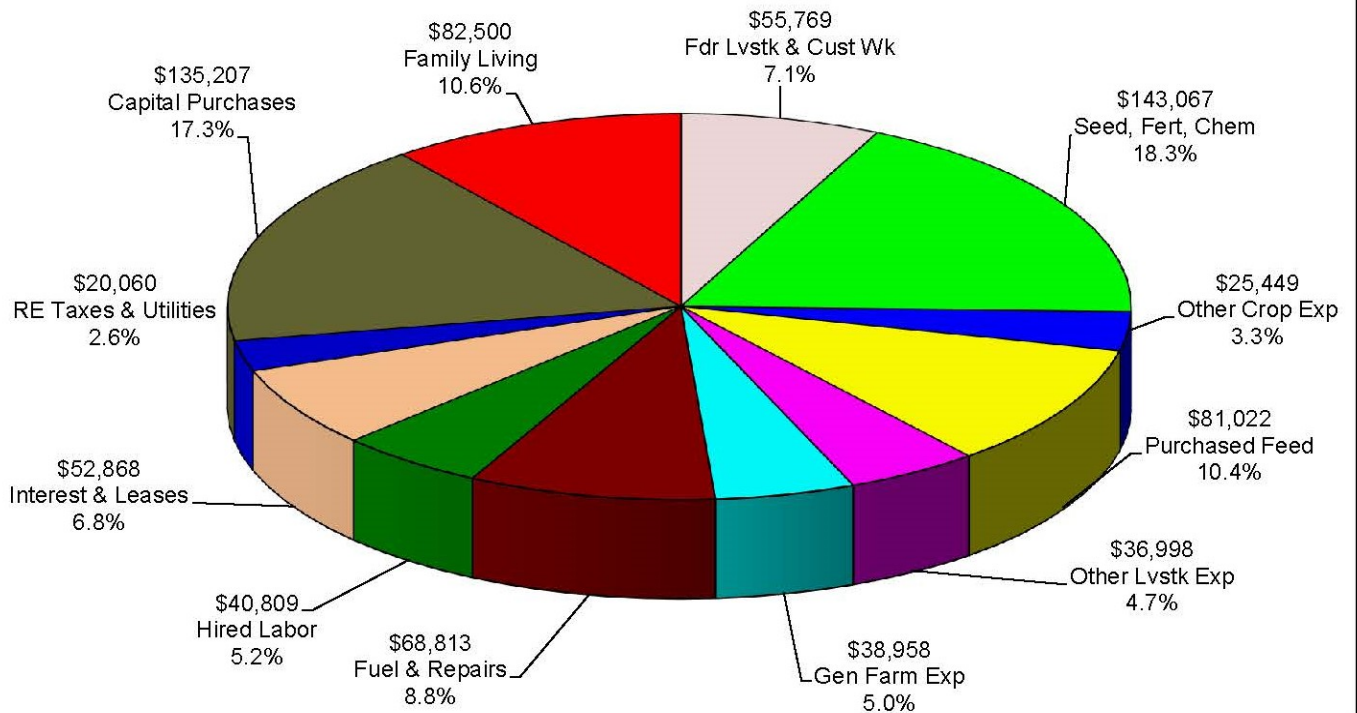
Repayment capacity



Financial efficiency



Each farmer, on average, spent \$781,520 in the Greater Community in 2018



<i>Average Money Spent by Each Farmer in the Greater Community:</i>	\$781,520
<i>Average Money Spent by Each Farmer in a 40 Yr. Career:</i>	\$31,260,800
<i>Money Spent in Community by 1,460 Farmers:</i>	\$1,141,019,200

Your Goals based on current year Analysis

Short Term

Timeline

- 1 _____
- 2 _____
- 3 _____
- 4 _____

Intermediate and LongTerm

Timeline

- 1 _____
- 2 _____
- 3 _____
- 4 _____