

Year at a Glance Data for the Average Farm	Southern Minnesota	State FBM Data	Local Area	Your Farm Data	Your Farm Goal
	1,476 Farms	2,154 Farms			
Income Statement					
Gross Cash Farm Income	\$1,077,094	\$1,092,140	_____	_____	_____
Total Cash Operating Expense	\$884,679	\$893,176	_____	_____	_____
Net Cash Farm Income	\$192,415	\$198,964	_____	_____	_____
Net Operating Profit	\$358,401	\$362,113	_____	_____	_____
Net Farm Income	\$311,240	\$311,252	_____	_____	_____
Median Farm Income	\$177,614	\$176,616	_____	_____	_____
Balance Sheet (Market)					
Total Assets - 12/31	\$3,784,820	\$3,791,346	_____	_____	_____
Total Liabilities - 12/31	\$1,521,487	\$1,552,675	_____	_____	_____
Net Worth - 12/31	\$2,263,333	\$2,627,114	_____	_____	_____
Change in Net Worth	\$298,940	\$294,250	_____	_____	_____
Financial Standards Measures					
Working Capital - 12/31	\$601,008	\$566,754	_____	_____	_____
Debt to Asset Ratio - 12/31	43%	43%	_____	_____	_____
Rate of Return on Farm Assets - Cost	10.7%	10.7%	_____	_____	_____
Rate of Return on Farm Equity - Cost	15.8%	15.8%	_____	_____	_____
Term Debt Coverage Ratio	3.72	3.54	_____	_____	_____
Asset Turnover Rate	40.8%	41.5%	_____	_____	_____
Operating Expense Ratio	67.6%	67.5%	_____	_____	_____
Interest Expense Ratio	3.0%	3.1%	_____	_____	_____
Operator Information					
Average Age of the Farmer	47.5	47.2	_____	_____	_____
Average Years Farming	23.2	23.0	_____	_____	_____
Personal Spending & Income					
Total Cash Family Living Expense	\$71,120	\$72,170	_____	_____	_____
Total Non Farm Income	\$45,240	\$42,436	_____	_____	_____

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	(+)	\$311,240	\$311,252
Depreciation	(+)	\$60,366	\$61,470
Family Living (Excl Health/Med)	(-)	\$61,726	\$62,756
Social Security and Income Tax	(-)	\$12,924	\$12,693
Health and Medical Expense	(-)	\$9,394	\$9,414
Retirement Accounts	(-)	\$11,990	\$12,745
Principal Payments	(-)	\$68,527	\$72,467
Balance	(=)	\$206,508	\$202,647

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 20 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>	
	2022	5 Yr Ave	2022	5 Yr Ave	2022	5 Yr Ave	2022	5 Yr Ave
<u>Liquidity</u>								
Current Ratio	1.76	1.37	2.83	2.07	3.29	2.56		
Working Capital	\$ 94,396	55,938	601,008	343,434	1,780,470	1,023,225		
Working Capital to Gross Inc.	% 24.0%	12.2%	49.4%	34.1%	59.7%	44.3%		
<u>Solvency (Market)</u>								
Farm Debt to Asset Ratio	% 53%	53%	43%	45%	40%	40%		
Farm Equity to Asset Ratio	% 47%	47%	57%	55%	60%	60%		
Farm Debt to Equity Ratio	% 1.11	1.11	0.74	0.80	0.66	0.68		
<u>Profitability (Cost)</u>								
Rate of Return on Farm Assets	% -1.7%	-2.2%	10.7%	6.9%	14.1%	10.6%		
Rate of Return on Farm Equity	% -9.2%	-11.9%	15.8%	9.0%	19.9%	14.7%		
Operating Profit Margin	% -5.7%	-7.5%	26.2%	17.5%	32.0%	25.1%		
Net Farm Income	\$ -5,822	-44,005	311,240	175,678	945,479	576,378		
<u>Repayment Capacity (Accrual)</u>								
Capital Debt Repayment Cap.	\$ 48,886	22,810	361,773	226,432	999,879	634,983		
Capital Debt Repayment Margin	\$ -7,937	-56,492	259,211	137,783	798,494	473,482		
Replacement Margin	\$ -21,921	-80,653	224,856	106,018	726,122	411,861		
Term Debt Coverage Ratio	0.85	0.50	3.72	2.55	5.29	3.82		
Replacement Coverage Ratio	0.69	0.39	2.64	1.85	3.65	2.71		
<u>Efficiency</u>								
Asset Turnover Rate (Cost)	% 29.0%	29.7%	40.8%	37.2%	44.1%	41.1%		
Operating Expense Ratio	% 88.7%	91.7%	67.6%	73.8%	63.4%	68.7%		
Depreciation Expense Ratio	% 7.3%	7.1%	5.0%	5.7%	4.5%	5.1%		
Interest Expense Ratio	% 5.4%	6.6%	3.0%	4.2%	2.2%	3.0%		
Net Farm Income Ratio	% -1.4%	-5.4%	24.5%	16.4%	29.9%	23.5%		

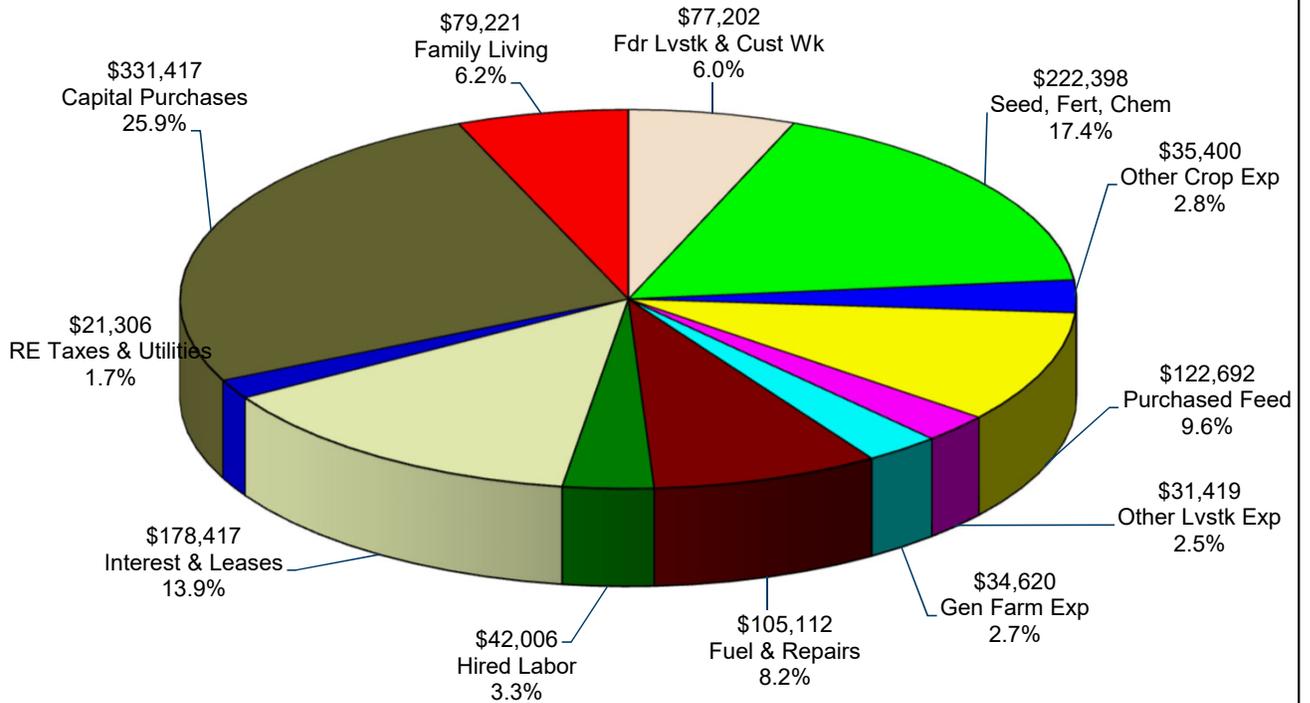
Farm Financial Scorecard

Using Recommended Measures from the Farm Financial Standards Council (FFSC)

	Your Farm:			Desired Trend
Liquidity				
Current Ratio	_____	Vulnerable 1.3 2.0 Strong		↑
Working Capital as % of Gross Revenue	_____ %	10% 30%		↑
Working Capital as % of Operating Expense*	_____ %	20% 40%		↑
Solvency				
Debt-to-Asset Ratio	_____ %	Vulnerable 60% 30% Strong		↓
Equity-to-Asset Ratio*	_____ %	40% 70%		↑
Debt-to-Equity Ratio*	_____	1.5 0.43		↓
Profitability				
Rate of Return on Assets	_____ %	Vulnerable 4% 8% Strong		↑
Rate of Return on Equity	_____ %	3% 10%		↑
Operating Profit Margin Ratio	_____ %	15% 25%		↑
Asset Turnover Ratio	_____ %	30% 45%		↑
Repayment Capacity				
Debt Coverage Ratio	_____	Vulnerable 1.25 1.75 Strong		↑
Replacement Coverage Ratio	_____	1.1 1.5		↑
Term Debt & Finance Lease Coverage Ratio*	_____	1.25 1.75		↑
Financial Efficiency				
Operating Expense Ratio	_____ %	Vulnerable 80% 60% Strong		↓
Depreciation Expense Ratio	_____ %	10% 5%		↓
Interest Expense Ratio	_____ %	10% 5%		↓
Net Farm Income Ratio	_____ %	10% 20%		↑

* Denotes Acceptable Alternate Measures of the FFSC (<https://ffsc.org/>)

Each farmer, on average, spent \$1,281,210 in the Greater Community in 2022



Average Money Spent by Each Farmer in the Greater Community:	\$1,281,210
Average Money Spent by Each Farmer in a 40 Yr. Career:	\$51,248,400
Money Spent in Community by 1,476 Farmers:	\$1,891,065,960

Your Goals based on current year Analysis

Short Term

Timeline

1	
2	
3	
4	

Intermediate and LongTerm

Timeline

1	
2	
3	
4	