How Do Farms Stack Up Historically?

Historical information for Southwest, South Central & Southeast Minnesota

The source of the green, yellow, and red credit risk rating is from "Weighing the Variables" by David M. Kohl. He considers the six (6) color coded factors below to be key indicators of financial credit quality.

Green	The farm bu											* MINNESOTA STATE
Early Yellow	The farm business has some early caution signs The farm business has some major caution signs											
Late Yellow	The farm bu											
Red				e major ob	SIGUIES							
Ţ	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Current Ratio												
Top 10 Percent	3.21	2.37	2.12	2.28	2.30	2.24	2.22	2.30	2.69	2.92	3.43	
High 20 Percent	2.90	2.40	2.24	2.21	2.21	2.11	2.20	2.20	2.39	2.83	3.29	
Average Farms	2.50	2.03	1.79	1.64	1.62	1.57	1.51	1.51	1.98	2.47	2.83	
Low 20 Percent	1.48	1.60	1.23	1.23	1.19	1.12	1.07	1.07	1.23	1.75	1.76	
Farm Debt to Asset Ratio	(Market)											
Top 10 Percent	38%	39%	42%	38%	39%	40%	39%	40%	40%	41%	38%	Same III
High 20 Percent	40%	38%	40%	39%	40%	41%	39%	41%	41%	41%	40%	Vinnosota IN Jost
Average Farms	42%	40%	43%	45%	45%	45%	46%	46%	44%	44%	43%	COMMUNITY & TECHNICAL COLLEGE
Low 20 Percent		46%	52%	54%	54%	53%	55%	54%	51%	51%	53%	Canby • Granite Falls
•												Jackson • Pipestone • Worthington
Rate of Return on Farm A	ssets - R	ent/Leas	e Majority	y of Asse	ets (Cost)						
Top 10 Percent	17.9%	7.8%	12.5%	5.8%	5.8%	6.8%	5.9%	7.8%	12.3%	15.7%	14.4%	
High 20 Percent	17.3%	7.4%	10.4%	5.2%	5.6%	6.3%	5.2%	7.2%	11.4%	15.1%	14.1%	
Average Farms	13.7%	2.6%	3.7%	0.8%	1.4%	1.9%	1.0%	3.4%	7.8%	11.4%	10.7%	
Low 20 Percent	1.0%	-6.2%	-5.5%	-5.2%	-4.0%	-3.8%	-4.0%	-3.4%	-1.7%	-0.4%	-1.7%	
Term Debt Coverage Rati	0											
Top 10 Percent		236%	336%	197%	199%	215%	233%	273%	403%	574%	562%	1
High 20 Percent	491%	218%	297%	178%	190%	203%	208%	246%	375%	553%	529%	South Central College
												South (entral (ollege
Average Farms	363%	102%	133%	77%	90%	102%	91%	148%	274%	389%	372%	
Average Farms Low 20 Percent	363% 94%	<u>102%</u> 67%	<mark>133%</mark> 47%	77% -46%	<u>90%</u> -20%	<u>102%</u> -13%	<u>91%</u> -21%	148% 3.0%	274% 72.0%	389% 109.0%	372% 85.0%	V Courr Central Conege
Low 20 Percent	94%											Court Central Conege
Low 20 Percent Operating Expense Ratio	94%	67%	47%	-46%	-20%	-13%	-21%	3.0%	72.0%	109.0%	85.0%	
Low 20 Percent Operating Expense Ratio Top 10 Percent	94% 57.6%	67% 73.2%	47% 73.3%	-46% 73.8%	-20% 72.7%	-13% 72.8%	-21% 72.7%	3.0% 73.3%	72.0% 67.4%	109.0% 62.6%	85.0% 62.0%	Coutin Central Contege
Low 20 Percent Operating Expense Ratio Top 10 Percent High 20 Percent	94% 57.6% 59.9%	67% 73.2% 72.5%	47% 73.3% 73.8%	-46% 73.8% 74.5%	-20% 72.7% 73.8%	-13% 72.8% 74.2%	-21% 72.7% 74.7%	3.0% 73.3% 74.3%	72.0% 67.4% 68.4%	109.0% 62.6% 62.5%	85.0% 62.0% 63.4%	Coutin Central Contege
Low 20 Percent Operating Expense Ratio Top 10 Percent High 20 Percent Average Farms	94% 57.6% 59.9% 64.7%	67% 73.2% 72.5% 81.4%	47% 73.3% 73.8% 79.8%	-46% 73.8% 74.5% 84.6%	-20% 72.7% 73.8% 83.0%	-13% 72.8% 74.2% 82.3%	-21% 72.7% 74.7% 84.3%	3.0% 73.3% 74.3% 79.4%	72.0% 67.4% 68.4% 71.2%	109.0% 62.6% 62.5% 66.6%	85.0% 62.0% 63.4% 67.6%	Coutin Central Contege
Low 20 Percent Operating Expense Ratio Top 10 Percent High 20 Percent	94% 57.6% 59.9% 64.7%	67% 73.2% 72.5%	47% 73.3% 73.8%	-46% 73.8% 74.5%	-20% 72.7% 73.8%	-13% 72.8% 74.2%	-21% 72.7% 74.7%	3.0% 73.3% 74.3%	72.0% 67.4% 68.4%	109.0% 62.6% 62.5%	85.0% 62.0% 63.4%	Coutin Central Contege
Low 20 Percent Operating Expense Ratio Top 10 Percent High 20 Percent Average Farms Low 20 Percent Interest Expense Ratio	94% 57.6% 59.9% 64.7% 86.3%	67% 73.2% 72.5% 81.4% 99.9%	47% 73.3% 73.8% 79.8% 99.2%	-46% 73.8% 74.5% 84.6% 99.6%	-20% 72.7% 73.8% 83.0% 96.2%	-13% 72.8% 74.2% 82.3% 96.6%	-21% 72.7% 74.7% 84.3% 97.4%	3.0% 73.3% 74.3% 79.4% 95.3%	72.0% 67.4% 68.4% 71.2% 89.2%	109.0% 62.6% 62.5% 66.6% 87.9%	85.0% 62.0% 63.4% 67.6%	Coutin Central Contege
Low 20 Percent Operating Expense Ratio Top 10 Percent High 20 Percent Average Farms Low 20 Percent Interest Expense Ratio Top 10 Percent	94% 57.6% 59.9% 64.7% 86.3% 2.5%	67% 73.2% 72.5% 81.4% 99.9%	47% 73.3% 73.8% 79.8%	-46% 73.8% 74.5% 84.6% 99.6% 3.0%	-20% 72.7% 73.8% 83.0%	-13% 72.8% 74.2% 82.3% 96.6% 3.2%	-21% 72.7% 74.7% 84.3%	3.0% 73.3% 74.3% 79.4%	72.0% 67.4% 68.4% 71.2% 89.2% 2.8%	109.0% 62.6% 62.5% 66.6% 87.9% 2.0%	85.0% 62.0% 63.4% 67.6% 88.7%	
Low 20 Percent Operating Expense Ratio Top 10 Percent High 20 Percent Average Farms Low 20 Percent Interest Expense Ratio Top 10 Percent High 20 Percent	94% 57.6% 59.9% 64.7% 86.3% 2.5% 2.7%	67% 73.2% 72.5% 81.4% 99.9% 2.9% 3.1%	47% 73.3% 73.8% 79.8% 99.2% 2.2% 2.4%	-46% 73.8% 74.5% 84.6% 99.6% 3.0% 3.2%	-20% 72.7% 73.8% 83.0% 96.2% 3.3% 3.5%	-13% 72.8% 74.2% 82.3% 96.6% 3.2% 3.4%	-21% 72.7% 74.7% 84.3% 97.4% 3.9%	3.0% 73.3% 74.3% 79.4% 95.3% 3.4% 3.7%	72.0% 67.4% 68.4% 71.2% 89.2% 2.8% 3.1%	109.0% 62.6% 62.5% 66.6% 87.9% 2.0% 2.2%	85.0% 62.0% 63.4% 67.6% 88.7% 2.0% 2.2%	
Low 20 Percent Operating Expense Ratio Top 10 Percent High 20 Percent Average Farms Low 20 Percent Interest Expense Ratio Top 10 Percent	94% 57.6% 59.9% 64.7% 86.3% 2.5% 2.7% 3.4%	67% 73.2% 72.5% 81.4% 99.9%	47% 73.3% 73.8% 79.8% 99.2% 2.2%	-46% 73.8% 74.5% 84.6% 99.6% 3.0%	-20% 72.7% 73.8% 83.0% 96.2% 3.3%	-13% 72.8% 74.2% 82.3% 96.6% 3.2%	-21% 72.7% 74.7% 84.3% 97.4% 3.9%	3.0% 73.3% 74.3% 79.4% 95.3% 3.4%	72.0% 67.4% 68.4% 71.2% 89.2% 2.8%	109.0% 62.6% 62.5% 66.6% 87.9% 2.0%	85.0% 62.0% 63.4% 67.6% 88.7%	

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