

<u><b>Year at a Glance</b></u>	<b>Northern Minnesota</b>	<b>State FBM Data</b>	<b>Local Area</b>	<b>Your Farm Data</b>	<b>Your Farm Goal</b>
<i>Data for the Average Farm</i>					
	<b>615</b>	<b>2209</b>			
	<b><u>Farms</u></b>	<b><u>Farms</u></b>			
<b><u>Income Statement</u></b>					
Gross Cash Farm Income	\$585,946	\$734,201	_____	_____	_____
Total Cash Operating Expense	\$505,816	\$646,508	_____	_____	_____
Net Cash Farm Income	\$80,130	\$87,693	_____	_____	_____
Net Operating Profit	\$101,904	\$95,925	_____	_____	_____
Net Farm Income	\$59,306	\$49,068	_____	_____	_____
Median Farm Income	\$25,857	\$24,817	_____	_____	_____
<b><u>Balance Sheet (Market)</u></b>					
Total Assets - 12/31	\$2,267,883	\$2,897,360	_____	_____	_____
Total Liabilities - 12/31	\$1,026,167	\$1,265,455	_____	_____	_____
Net Worth - 12/31	\$1,241,716	\$1,631,905	_____	_____	_____
Change in Net Worth	\$48,792	\$39,220	_____	_____	_____
<b><u>Financial Standards Measures</u></b>					
Working Capital - 12/31	\$140,409	\$180,805	_____	_____	_____
Debt to Asset Ratio - 12/31	48%	46%	_____	_____	_____
Rate of Return on Farm Assets - Cost	3.1%	1.8%	_____	_____	_____
Rate of Return on Farm Equity - Cost	2.0%	-0.3%	_____	_____	_____
Term Debt Coverage Ratio	1.27	1.08	_____	_____	_____
Asset Turnover Rate	30.6%	32.4%	_____	_____	_____
Operating Expense Ratio	77.9%	81.9%	_____	_____	_____
Interest Expense Ratio	5.4%	5.3%	_____	_____	_____
<b><u>Operator Information</u></b>					
Average Age of the Farmer	46.5	47.3	_____	_____	_____
Average Years Farming	21.5	23.2	_____	_____	_____
<b><u>Personal Spending &amp; Income</u></b>					
Total Cash Family Living Expense	\$50,173	\$57,859	_____	_____	_____
Total Non Farm Income	\$31,318	\$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>Northern Minnesota</u>	<u>Your Data</u>
Net Farm Income	(+)	\$59,306	\$ _____
Depreciation	(+)	\$42,395	\$ _____
Family Living (Excl Health/Med)	(-)	\$39,252	\$ _____
Social Security and Income Tax	(-)	\$5,331	\$ _____
Health and Medical Expense	(-)	\$7,418	\$ _____
Retirement Accounts	(-)	\$985	\$ _____
Principal Payments	(-)	\$57,262	\$ _____
Balance	(=)	-\$8,547	\$ _____

## How does your Farm Stack Up?

### Northern 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.

For additional information, please see the back cover of this report. A "Financial Scorecard" is provided in color for your use.

<b>Evaluation Chart</b>	<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
<b><u>Liquidity</u></b>								
Current Ratio	1.03	1.05	1.51	1.62	1.88	2.22		
Working Capital	\$ 8,937	20,341	140,409	146,227	503,803	481,160		
Working Capital to Gross Inc.	% 2.0%	3.6%	22.9%	24.3%	34.0%	34.8%		
<b><u>Solvency (Market)</u></b>								
Farm Debt to Asset Ratio	% 59%	57%	48%	46%	43%	40%		
Farm Equity to Asset Ratio	% 41%	43%	52%	54%	57%	60%		
Farm Debt to Equity Ratio	% 1.44	1.33	0.91	0.86	0.76	0.68		
<b><u>Profitability (Cost)</u></b>								
Rate of Return on Farm Assets	% -5.2%	-5.4%	3.1%	3.2%	7.9%	8.6%		
Rate of Return on Farm Equity	% -18.9%	-18.6%	2.0%	2.4%	10.3%	11.3%		
Operating Profit Margin	% -23.2%	-22.5%	10.0%	10.0%	21.9%	22.9%		
Net Farm Income	\$ -100,234	-91,446	59,306	64,817	305,419	305,745		
EBIDTA	\$ -1,707	1,084	135,326	136,662	432,003	430,608		
<b><u>Repayment Capacity (Accrual)</u></b>								
Capital Debt Repayment Cap.	\$ -11,357	-22,420	101,946	100,249	337,083	341,336		
Capital Debt Repayment Margin	\$ -99,330	-116,598	21,728	20,533	195,842	202,112		
Replacement Margin	\$ -114,419	-131,658	2,241	4,428	150,483	168,138		
Term Debt Coverage Ratio	-0.13	-0.25	1.27	1.26	2.39	2.43		
Replacement Coverage Ratio	-0.11	-0.21	1.02	1.05	1.81	1.96		
<b><u>Efficiency</u></b>								
Asset Turnover Rate (Cost)	% 22.5%	23.7%	30.6%	31.3%	35.9%	36.9%		
Operating Expense Ratio	% 100.4%	99.8%	77.9%	77.4%	70.8%	69.5%		
Depreciation Expense Ratio	% 9.2%	9.6%	6.9%	7.1%	5.7%	6.1%		
Interest Expense Ratio	% 8.7%	8.1%	5.4%	4.9%	3.8%	3.3%		
Net Farm Income Ratio	% -22.1%	-18.4%	9.7%	10.6%	20.6%	21.5%		

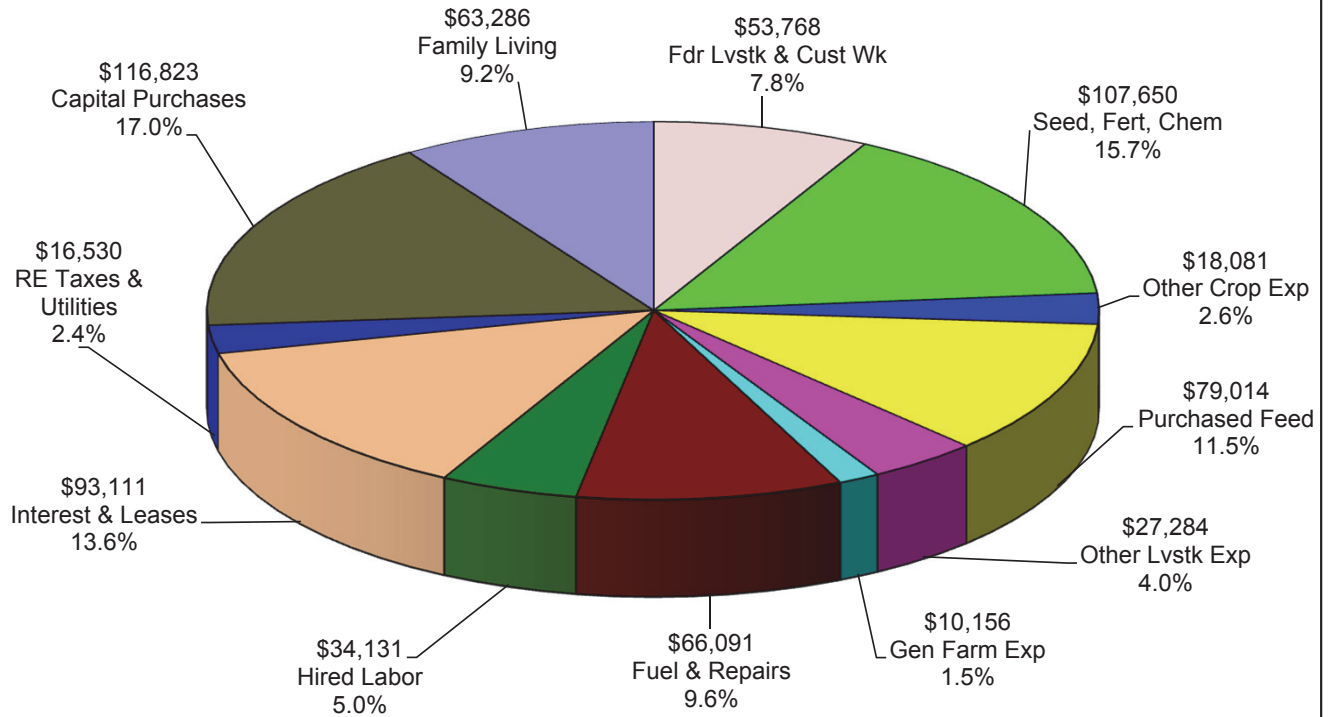
# MyFarm Financial Scorecard

Year: \_\_\_\_\_

Name: \_\_\_\_\_

	This Year	5-Year Ave	Strong		Vulnerable
<b>Liquidity</b>					
Current ratio			2.0		1.3
Working capital					
Working cap to gross revenue			30%		10%
<b>Solvency (market)</b>	Note: These solvency ratios include deferred liabilities				
Farm debt/asset ratio			30%		60%
Farm equity/asset ratio			70%		40%
Farm debt/equity ratio			0.43		1.50
<b>Profitability (Cost)</b>					
Rate of return on farm assets			8%		4%
Rate of return on farm equity			10%		3%
Operating profit margin			25%		15%
Net farm income					
EBITDA					
<b>Repayment Capacity (Accrual)</b>					
Capital debt repay capacity					
Capital debt repay margin					
Replacement margin					
Term-debt coverage ratio			1.75		1.25
Replacement margin ratio			1.50		1.10
<b>Financial Efficiency</b>					
Asset-turnover rate (market)			45%		30%
Operating-expense ratio			60%		80%
Depreciation-expense ratio			5%		10%
Interest-expense ratio			5%		10%
Net farm income ratio			20%		10%

**Each farmer, on average, spent \$685,925 in the Greater Community in 2018**



**Average Money Spent by Each Farmer in the Greater Community: \$685,925**

**Average Money Spent by Each Farmer in a 40 Yr Career: \$27,437,000**

**Money Spent in Community by 615 Farmers: \$421,843,875**

**Your Goals based on current year Analysis**

*Short Term*

*Timeline*

1	_____
2	_____
3	_____
4	_____

*Intermediate and LongTerm*

*Timeline*

1	_____
2	_____
3	_____
4	_____