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Staff Paper

2000 Business Analysis Summary for Cash Grain Farms

Sherrill B. Nott

Staff Paper 2001-31

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2000 BUSINESS ANALYSIS SUMMARY FOR CASH GRAIN FARMS

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Staff Paper No. 2001-31, 48 pages
by

Sherrill B. Nott¹

Introduction

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Data Source

The sources of the 45 cash grain farms analyzed in this report were Telfarm/MicroTel at Michigan State University, plus the AgriSolutions offices in East Lansing, Adrian, and Mt. Pleasant.

Farm types were assigned using the 1992 Census of Agriculture's Standard Industrial Classification (SIC) definitions. Basically, any farm with 50 percent or more of value of farm sales from one item becomes a farm of that type. Cash grain farms have 50 percent or more of value of combined sales from corn, soybeans, wheat, all varieties of navy beans, oats, and other small grains.

This report is a summary of the financial and production records kept by cash grain farmers enrolled in the Telfarm/MicroTel record program through Michigan State University Extension, or were accounting clients of AgriSolutions in Michigan. Farm records were included if a Finan² summary was completed on 2000 data including beginning and ending balance sheets, plus income and expenses. The summary was included if cash discrepancy was less than 10% of gross cash inflow, and if the debt discrepancy was less than \$1,000. The averages are reported in the tables below; it should be recognized that considerable variability exist in the data. The unweighted mean of the net farm income for the 45 farms was \$19,003; the standard deviation of the mean was \$92,750; and the median was \$16,168. The unweighted mean of acres cropped (owned plus rented) on the 45 farms that reported acreage was 1,217 acres; the standard deviation of the mean was 1,023 acres and the median was 979 acres.

This report has three purposes: 1)to provide statistical information about the financial results on cash grain farms during 2000; 2)to provide production costs for comparative analysis and forward planning; and 3)to provide information on the trends in resource use, income and costs during the last few years. For cash grain farm averages for 1995, see Staff Paper No. 96-86, Michigan Farm Database,

² Finan = financial analysis, one of the parts of Finpack, a financial software package from the Center for Farm Financial Management at the University of Minnesota.

New Directions for 1995; it contains averages of 48 cash grain farms calculated with Finansum. Staff Paper No. 97-27, Business Analysis Summary for Cash Grain Farms, contains averages of 37 cash grain farms for 1996. Staff Paper No. 98-21, 1997 Business Analysis Summary for Cash Grain Farms, contains averages of 38 cash grain farms for 1997. Staff Paper No. 99-35, 1998 Business Analysis Summary for Cash Grain Farms, contains averages of 60 cash grain farms for 1998. Staff Paper No. 2000-29, 1999 Business Analysis Summary for Cash Grain Farms, contains averages of 51 cash grain farms for 1999. These staff papers are available at: <http://www.msu.edu/user/nott>

RankEm³ allows rapid analysis of group averages with some degree of choice over how the results are presented. I prefer to show the average of the high or low 25 percent of farms by net farm income, but only if the 25 percent means 6 or more farms. The farm was accepted in the average regardless of whether the farm was a proprietorship, partnership, limited liability company, or corporation. RankEm will produce a variety of report options; I included a subset in this publication.

The farms included in the averages below are not a random sample. They kept their financial records with Michigan State University's Telfarm/MicroTel accounting project, or had their accounting supervised by AgriSolutions. A higher percentage of these farms use debt capital than do all farms in the state. The averages may be representative of bigger and better managed cash grain farms.

This document may be found and downloaded from the following:

<http://www.msu.edu/user/nott>

³ RankEm is provided by the Center for Farm Financial Management to produce statistical summaries from Finan data files.

Table 1.

Crop Production and Marketing Summary
Michigan Cash Grain Farms, All Sizes, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	45	11	12
Acreage Summary			
Total acres owned	530	457	688
Total crop acres	1,170	1,406	1,388
Crop acres owned	409	394	633
Crop acres cash rented	730	1,001	756
Crop acres share rented	31	10	-
Total pasture acres	2	5	-
Average Price Received (Cash Sales Only)			
Soybeans per bushel, \$	4.79	4.77	4.86
Corn per bushel, \$	1.89	1.81	1.89
Wheat, Winter per bushel, \$	2.09	-	2.02

Table 2.

Farm Income Statement
Michigan Cash Grain Farms, All Sizes, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	45	11	12
Cash Farm Income			
Beans, Black Turtle	1,152	-	4,321
Beans, Dark Red Kidney	472	-	-
Beans, Light Red Kidney	158	-	592
Beans, Navy	7,267	-	-
Carrots	202	-	-
Corn	113,729	123,168	124,379
Corn Silage	1,071	-	4,016
Corn, Seed	12,656	-	47,459
Cucumbers	3,970	-	9,186
Hay, Alfalfa	331	1,356	-
Hay, Mixed	890	2,768	-
Oats	440	-	-
Soybeans	93,074	124,717	103,531
Speltz	136	-	-
Straw	410	232	455
Sugar Beets	4,860	-	-
Sweet Corn	829	-	-
Wheat, Winter	15,378	9,722	20,794
Miscellaneous crop income	58	-	-
Beef Cow-Calf, Beef Calves	1,104	-	-
Beef, Finish Beef Calves	942	-	-
Beef, Finish Yrlg Steers	593	2,285	130
Sheep, Market Lambs, Mkt Lambs	246	-	-
Misc. livestock income	331	-	1,227
Transition payments	7,975	1,744	16,178
CRP payments	2,356	-	-
Other government payments	72,671	84,967	90,061
Custom work income	16,539	52,818	5,396
Patronage dividends, cash	439	209	312
Insurance income	3,104	8,233	267
Cash from hedging accounts	765	25	208
Other farm income	7,501	8,081	10,180
Gross Cash Farm Income	371,648	420,326	438,691

Table 3.

Farm Income Statement, continued
Michigan Cash Grain Farms, All Sizes, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	45	11	12
Cash Farm Expense			
Seed	29,270	40,338	31,056
Fertilizer	44,759	60,806	55,402
Crop chemicals	33,933	45,492	24,748
Crop insurance	3,486	4,589	5,578
Drying fuel	1,724	981	4,089
Crop utilities	805	-	-
Crop hauling and trucking	305	65	30
Crop marketing	1,364	2,341	939
Crop other direct expense	252	485	451
Crop miscellaneous	1,861	3,051	3,187
Feeder livestock purchase	698	1,910	-
Purchased feed	1,372	3,042	770
Breeding fees	102	312	4
Veterinary	365	1,326	41
Livestock supplies	324	694	321
Interest	25,932	40,573	23,104
Packaging and supplies	714	155	604
Fuel & oil	11,883	12,329	13,173
Repairs	24,737	23,226	32,145
Custom hire	14,321	30,980	6,207
Hired labor	18,409	35,441	15,356
Land rent	49,985	47,996	65,640
Machinery & bldg leases	10,467	5,363	16,910
Real estate taxes	7,965	6,059	7,050
Farm insurance	9,063	14,265	6,919
Utilities	4,783	4,069	6,834
Dues & professional fees	2,246	2,236	2,152
Hedging account deposits	1,353	-	42
Other direct expense	319	409	719
Car and truck	260	491	296
Supplies	1,718	2,455	726
Miscellaneous	5,531	6,336	4,161
Total cash expense	310,306	397,815	328,651
Net cash farm income	61,342	22,510	110,039
Inventory Changes			
Crops and feed	3,125	-44,115	38,545
Market livestock	5	884	-8
Accounts receivable	4,171	4,732	1,686
Prepaid expenses and supplies	-685	3,433	3,809
Accounts payable	-6,303	-8,308	-6,639
Total inventory change	313	-43,374	37,392
Net operating profit	61,656	-20,864	147,431
Depreciation and Other Capital Adjustments			
Breeding livestock	-63	-51	-
Machinery and equipment	-35,642	-53,218	-27,360
Buildings and improvements	-6,269	-4,709	-7,970
Other farm capital	-678	-1,845	-16
Total depr. and other capital adj	-42,653	-59,823	-35,346
Net farm income	19,003	-80,687	112,085

Table 4.

Inventory Changes
Michigan Cash Grain Farms, All Sizes, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	45	11	12
Net cash farm income	61,342	22,510	110,039
Crops and Feed			
Ending inventory	175,500	83,653	312,591
Beginning inventory	172,375	127,769	274,046
Inventory change	3,125	-44,115	38,545
Market Livestock			
Ending inventory	1,606	2,168	33
Beginning inventory	1,601	1,284	42
Inventory change	5	884	-8
Accts Receivable & Other Current Assets			
Ending inventory	31,090	28,901	30,655
Beginning inventory	26,919	24,170	28,969
Inventory change	4,171	4,732	1,686
Prepaid Expenses and Supplies			
Ending inventory	37,064	44,600	54,765
Beginning inventory	37,749	41,167	50,956
Inventory change	-685	3,433	3,809
Accounts Payable & Accrued Expenses			
Beginning inventory	16,593	13,884	29,377
Ending inventory	22,896	22,192	36,016
Inventory change	-6,303	-8,308	-6,639
Total inventory change	313	-43,374	37,392
Net operating profit	61,656	-20,864	147,431

Table 5.

Depreciation and Other Capital Adjustments
Michigan Cash Grain Farms, All Sizes, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	45	11	12
Net operating profit	61,656	-20,864	147,431
Breeding Livestock			
Ending inventory	2,188	97	125
Capital sales	135	-	-
Beginning inventory	2,295	148	125
Capital purchases	92	-	-
Depreciation, capital adjust.	-63	-51	-
Machinery and Equipment			
Ending inventory	144,939	221,879	119,720
Capital sales	6,426	12,046	2,892
Beginning inventory	133,325	223,714	111,617
Capital purchases	53,683	63,430	38,356
Depreciation, capital adjust.	-35,642	-53,218	-27,360
Buildings and Improvements			
Ending inventory	52,291	67,142	35,788
Capital sales	-	-	-
Beginning inventory	52,137	64,948	42,852
Capital purchases	6,423	6,904	906
Depreciation, capital adjust.	-6,269	-4,709	-7,970
Other Capital Assets			
Ending inventory	19,777	17,962	24,059
Capital sales	8,660	9,323	16,079
Beginning inventory	18,809	16,145	21,034
Capital purchases	10,306	12,985	19,120
Depreciation, capital adjust.	-678	-1,845	-16
Total depreciation, capital adj.	-42,653	-59,823	-35,346
Net farm income	19,003	-80,687	112,085

Table 6.

Profitability Measures
Michigan Cash Grain Farms, All Sizes, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	45	11	12
Profitability (assets valued at cost)			
Net farm income	19,003	-80,687	112,085
Labor and management earnings	-3,081	-90,408	78,286
Rate of return on assets	1.1 %	-10.6 %	8.6 %
Rate of return on equity	-5.2 %	-93.4 %	10.8 %
Operating profit margin	2.4 %	-19.6 %	18.1 %
Asset turnover rate	48.4 %	54.0 %	47.9 %
Interest on farm net worth	22,084	9,721	33,799
Farm interest expense	27,298	41,182	25,998
Value of operator lbr and mgmt.	37,413	34,240	51,723
Return on farm assets	8,889	-73,746	86,360
Average farm assets	779,103	697,645	998,999
Return on farm equity	-18,410	-114,928	60,362
Average farm equity	356,262	123,071	558,435
Value of farm production	376,816	376,823	478,143
	Avg. Of All Farms	Low 25%	High 25%
Number of farms	45	11	12
Profitability (assets valued at market)			
Net farm income	43,153	-49,183	158,133
Labor and management earnings	-11,731	-83,687	90,873
Rate of return on assets	2.5 %	-3.7 %	8.5 %
Rate of return on equity	0.6 %	-14.5 %	9.5 %
Operating profit margin	8.8 %	-11.2 %	27.7 %
Asset turnover rate	28.2 %	32.8 %	30.6 %
Interest on farm net worth	54,884	34,504	67,260
Farm interest expense	27,298	41,182	25,998
Value of operator lbr and mgmt.	37,413	34,240	51,723
Return on farm assets	33,039	-42,242	132,407
Average farm assets	1,337,580	1,149,636	1,561,561
Return on farm equity	5,741	-83,423	106,409
Average farm equity	914,739	575,062	1,120,998
Value of farm production	376,816	376,823	478,143

Table 7.

Liquidity Measures
Michigan Cash Grain Farms, All Sizes, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	45	11	12
Liquidity (cash)			
Net cash farm income	61,342	22,510	110,039
Net nonfarm income	31,816	29,358	47,970
Family living and taxes	48,685	25,161	100,704
Real estate principal payments	12,147	7,294	15,213
Cash available for interm. debt	32,327	19,413	42,092
Average intermediate debt	129,450	192,098	96,205
Years to turnover interm. debt	4.0	9.9	2.3
Expense as a % of income	83 %	95 %	75 %
Interest as a % of income	7 %	10 %	5 %
Liquidity (accrual)			
Total accrual farm income	378,949	381,826	478,913
Total accrual operating expense	317,294	402,690	331,481
Net accrual operating income	61,656	-20,864	147,431
Net nonfarm income	31,816	29,358	47,970
Family living and taxes	48,685	25,161	100,704
Real estate principal payments	12,147	7,294	15,213
Available for intermediate debt	32,640	-23,961	79,484
Average intermediate debt	129,450	192,098	96,205
Years to turnover interm. debt	4.0	**	1.2
Expense as a % of income	84 %	105 %	69 %
Interest as a % of income	7 %	11 %	5 %

** Income insufficient to meet debt servicing requirements

Table 8.

Balance Sheet at Cost Values
Michigan Cash Grain Farms, All Sizes, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms		Low 25%		High 25%	
	45		11		12	
Number of farms	Beginning	Ending	Beginning	Ending	Beginning	Ending
Assets						
Current Farm Assets						
Cash and checking balance	24,886	18,769	39,052	17,524	12,702	9,605
Prepaid expenses & supplies	37,749	37,064	41,167	44,600	50,956	54,765
Growing crops	12,286	14,587	18,490	18,208	8,820	13,250
Accounts receivable	12,530	12,683	5,680	8,857	13,366	12,438
Hedging accounts	712	681	0	18	2,668	2,445
Crops held for sale or feed	163,102	168,483	122,678	83,653	263,341	301,306
Crops under government loan	9,273	7,017	5,091	0	10,705	11,285
Market livestock held for sale	1,601	1,606	1,284	2,168	42	33
Other current assets	1,391	3,139	0	1,818	4,115	2,522
Total current farm assets	263,530	264,029	233,440	176,846	366,714	407,649
Intermediate Farm Assets						
Breeding livestock	2,295	2,188	148	97	125	125
Machinery and equipment	133,325	144,939	223,714	221,879	111,617	119,720
Other intermediate assets	12,830	15,337	2,808	6,653	18,034	23,617
Total intermediate farm assets	148,449	162,465	226,670	228,629	129,776	143,462
Long Term Farm Assets						
Farm land	299,259	305,629	188,793	184,175	426,220	442,095
Buildings and improvements	52,137	52,291	64,948	67,142	42,852	35,788
Other long-term assets	5,980	4,440	13,337	11,309	3,000	443
Total long-term farm assets	357,375	362,359	267,077	262,626	472,071	478,325
Total Farm Assets	769,354	788,853	727,188	668,101	968,561	1,029,436
Total Nonfarm Assets	166,313	164,161	330,086	331,020	36,766	43,636
Total Assets	935,666	953,014	1,057,274	999,121	1,005,328	1,073,072
Liabilities						
Current Farm Liabilities						
Accrued interest	5,537	6,903	7,308	7,916	6,536	9,429
Accounts payable	11,056	15,993	6,576	14,276	22,841	26,587
Current notes	100,731	101,519	203,125	202,878	106,511	103,838
Government crop loans	8,931	6,567	4,531	0	10,705	10,353
Principal due on term debt	35,615	39,422	38,030	53,898	39,196	36,951
Total current farm liabilities	161,869	170,404	259,570	278,969	185,789	187,157
Total intermediate farm liabs	104,060	102,780	153,490	154,089	73,339	74,434
Total long term farm liabilities	158,470	148,099	152,126	150,904	186,980	173,428
Total farm liabilities	424,399	421,283	565,186	583,961	446,108	435,018
Total nonfarm liabilities	9,966	11,079	16,506	17,592	1,244	3,635
Total liabilities	434,365	432,362	581,692	601,554	447,352	438,653
Net worth (farm and nonfarm)	501,301	520,652	475,582	397,567	557,975	634,419
Net worth change	19,351		-78,014		76,443	
Ratio Analysis						
Current farm liabilities / assets	61 %	65 %	111 %	158 %	51 %	46 %
Curr. & interm farm liab. / assets	65 %	64 %	90 %	107 %	52 %	47 %
Long term farm liab. / assets	44 %	41 %	57 %	57 %	40 %	36 %
Total debt to asset ratio	46 %	45 %	55 %	60 %	44 %	41 %

Table 9.

Balance Sheet at Market Values
Michigan Cash Grain Farms, All Sizes, 2000
(Farms Sorted By Net Farm Income)

Number of farms	Avg. Of All Farms		Low 25%		High 25%	
	45	45	11	11	12	12
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Assets						
Current Farm Assets						
Cash and checking balance	24,886	18,769	39,052	17,524	12,702	9,605
Prepaid expenses & supplies	37,749	37,064	41,167	44,600	50,956	54,765
Growing crops	12,286	14,587	18,490	18,208	8,820	13,250
Accounts receivable	12,530	12,683	5,680	8,857	13,366	12,438
Hedging accounts	712	681	0	18	2,668	2,445
Crops held for sale or feed	163,102	168,483	122,678	83,653	263,341	301,306
Crops under government loan	9,273	7,017	5,091	0	10,705	11,285
Market livestock held for sale	1,601	1,606	1,284	2,168	42	33
Other current assets	1,391	3,139	0	1,818	4,115	2,522
Total current farm assets	263,530	264,029	233,440	176,846	366,714	407,649
Intermediate Farm Assets						
Breeding livestock	2,315	2,206	148	97	167	167
Machinery and equipment	325,543	348,749	374,375	391,944	333,203	344,170
Other intermediate assets	12,830	15,337	2,808	6,653	18,034	23,617
Total intermediate farm assets	340,688	366,292	377,332	398,693	351,403	367,954
Long Term Farm Assets						
Farm land	651,245	664,103	474,526	475,890	717,211	764,845
Buildings and improvements	54,313	60,541	64,792	73,106	69,772	74,132
Other long-term assets	5,980	4,440	13,337	11,309	3,000	443
Total long-term farm assets	711,537	729,084	552,655	560,305	789,983	839,420
Total Farm Assets	1,315,755	1,359,404	1,163,427	1,135,845	1,508,100	1,615,022
Total Nonfarm Assets	232,832	228,798	422,209	425,308	90,256	85,519
Total Assets	1,548,587	1,588,202	1,585,635	1,561,152	1,598,356	1,700,541
Liabilities						
Current Farm Liabilities						
Accrued interest	5,537	6,903	7,308	7,916	6,536	9,429
Accounts payable	11,056	15,993	6,576	14,276	22,841	26,587
Current notes	100,731	101,519	203,125	202,878	106,511	103,838
Government crop loans	8,931	6,567	4,531	0	10,705	10,353
Principal due on term debt	35,615	39,422	38,030	53,898	39,196	36,951
Total current farm liabilities	161,869	170,404	259,570	278,969	185,789	187,157
Total intermediate farm liabs	104,060	102,780	153,490	154,089	73,339	74,434
Total long term farm liabilities	158,470	148,099	152,126	150,904	186,980	173,428
Total farm liabilities	424,399	421,283	565,186	583,961	446,108	435,018
Total nonfarm liabilities	9,966	11,079	16,506	17,592	1,244	3,635
Total liabs excluding deferreds	434,365	432,362	581,692	601,554	447,352	438,653
Total deferred liabilities	0	0	0	0	0	0
Total liabilities	434,365	432,362	581,692	601,554	447,352	438,653
Retained earnings	501,301	520,652	475,582	397,567	557,975	634,419
Market valuation equity	612,920	635,188	528,361	562,031	593,029	627,469
Net worth (farm and nonfarm)	1,114,222	1,155,840	1,003,943	959,598	1,151,004	1,261,888
Net worth excluding deferreds	1,114,222	1,155,840	1,003,943	959,598	1,151,004	1,261,888
Net worth change		41,618		-44,344		110,883
Ratio Analysis						
Current farm liabilities / assets	61 %	65 %	111 %	158 %	51 %	46 %
Curr. & interm farm liab. / assets	44 %	43 %	68 %	75 %	36 %	34 %
Long term farm liab. / assets	22 %	20 %	28 %	27 %	24 %	21 %
Total debt to asset ratio	28 %	27 %	37 %	39 %	28 %	26 %
Debt to assets excl deferreds	28 %	27 %	37 %	39 %	28 %	26 %

Table 10.

Statement Of Cash Flows
Michigan Cash Grain Farms, All Sizes, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	45	11	12
Beginning cash (farm & nonfarm)	30,095	39,279	12,702
Cash From Operating Activities			
Gross cash farm income	371,648	420,326	438,691
Net nonfarm income	31,816	29,358	47,970
Total cash farm expense	-310,306	-397,815	-328,651
Apparent family living expense	-41,810	-23,401	-83,947
Income and social security tax	-6,876	-1,760	-16,757
Cash from operations	44,473	26,707	57,305
Cash From Investing Activities			
Sale of breeding livestock	135	-	-
Sale of machinery & equipment	6,426	12,046	2,892
Sale of farm land	9,009	-	8,042
Sale of farm buildings	-	-	-
Sale of other farm assets	8,660	9,323	16,079
Sale of nonfarm assets	3,845	-	-
Purchase of breeding livestock	-92	-	-
Purchase of machinery & equip.	-53,683	-63,430	-38,356
Purchase of farm land	-3,667	-	-10,560
Purchase of farm buildings	-6,423	-6,904	-906
Purchase of other farm assets	-10,306	-12,985	-19,120
Purchase of nonfarm assets	-3,922	-	-2,691
Cash from investing activities	-50,018	-61,949	-44,621
Cash From Financing Activities			
Money borrowed	146,457	227,194	171,195
Transfers in from nonfarm sources	29,138	4,882	74,061
Principal payments	-155,415	-215,706	-188,837
Dividends paid	-	-	-
Transfers out to nonfarm uses	-22,899	-1,210	-72,200
Cash from financing activities	-2,719	15,160	-15,781
Net change in cash balance	-8,264	-20,082	-3,097
Ending cash (farm & nonfarm)	21,831	19,197	9,605

Table 11.

Financial Standards Measures
Michigan Cash Grain Farms, All Sizes, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	45	11	12
Liquidity			
Current ratio	1.55	0.63	2.18
Working capital	93,625	-102,122	220,492
Solvency (market)			
Farm debt to asset ratio	31 %	51 %	27 %
Farm equity to asset ratio	69 %	49 %	73 %
Farm debt to equity ratio	45 %	106 %	37 %
Profitability (cost)			
Rate of return on farm assets	1.1 %	-10.6 %	8.6 %
Rate of return on farm equity	-5.2 %	-93.4 %	10.8 %
Operating profit margin	2.4 %	-19.6 %	18.1 %
Net farm income	19,003	-80,687	112,085
Repayment Capacity			
Term debt coverage ratio	118 %	-7 %	202 %
Capital replacement margin	8,691	-55,333	55,495
Efficiency			
Asset turnover rate (cost)	48.4 %	54.0 %	47.9 %
Operating expense ratio	76.5 %	94.7 %	63.8 %
Depreciation expense ratio	11.3 %	15.7 %	7.4 %
Interest expense ratio	7.2 %	10.8 %	5.4 %
Net farm income ratio	5.0 %	-21.1 %	23.4 %

Table 12.

Operator and Labor Information
Michigan Cash Grain Farms, All Sizes, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	45	11	12
Operator Information			
Average number of operators	1.3	1.1	1.7
Results Per Operator			
Working capital	70,102	-93,612	131,637
Total assets (market)	1,189,170	1,431,056	1,015,248
Total liabilities	323,732	551,424	261,882
Net worth (market)	865,438	879,632	753,366
Net worth excl deferred liabs	865,438	879,632	753,366
Gross farm income	283,739	350,007	285,918
Total farm expense	269,510	423,971	219,001
Net farm income	14,229	-73,963	66,917
Net nonfarm income	23,823	26,912	28,639
Family living withdrawals	36,453	23,064	60,122
Total acres owned	397.1	418.8	410.7
Total crop acres	876.0	1,288.7	828.9
Crop acres owned	306.1	361.5	377.7
Crop acres cash rented	546.8	917.8	451.1
Crop acres share rented	23.2	9.3	-
Total pasture acres	1.8	5.0	-
Labor Analysis			
Number of farms	45	11	12
Total unpaid labor hours	2,793	2,459	3,941
Total hired labor hours	1,636	2,499	1,358
Total labor hours per farm	4,429	4,958	5,299
Unpaid hours per operator	2,091	2,254	2,353
Value of farm production / hour	85.09	76.00	90.24
Net farm income / unpaid hour	6.80	-32.82	28.44

Table 13.

Financial Summary
Michigan Cash Grain Farms, All Sizes, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	45	11	12
Income Statement			
Gross cash farm income	371,648	420,326	438,691
Total cash farm expense	310,306	397,815	328,651
Net cash farm income	61,342	22,510	110,039
Inventory change	313	-43,374	37,392
Depreciation and capital adjust	-42,653	-59,823	-35,346
Net farm income	19,003	-80,687	112,085
Profitability (cost)			
Labor and management earnings	-3,081	-90,408	78,286
Rate of return on assets	1.1 %	-10.6 %	8.6 %
Rate of return on equity	-5.2 %	-93.4 %	10.8 %
Operating profit margin	2.4 %	-19.6 %	18.1 %
Asset turnover rate	48.4 %	54.0 %	47.9 %
Profitability (market)			
Labor and management earnings	-11,731	-83,687	90,873
Rate of return on assets	2.5 %	-3.7 %	8.5 %
Rate of return on equity	0.6 %	-14.5 %	9.5 %
Operating profit margin	8.8 %	-11.2 %	27.7 %
Asset turnover rate	28.2 %	32.8 %	30.6 %
Liquidity			
Term debt coverage ratio	118.5 %	-7.1 %	202.4 %
Expense as a percent of income	83.7 %	105.5 %	69.2 %
Interest as a percent of income	7.2 %	10.8 %	5.4 %
Solvency (cost)			
Number of farms	45	11	12
Ending farm assets	788,853	668,101	1,029,436
Ending farm liabilities	421,283	583,961	435,018
Ending total assets	953,014	999,121	1,073,072
Ending total liabilities	432,362	601,554	438,653
Ending net worth	520,652	397,567	634,419
Net worth change	19,351	-78,014	76,443
Ending farm debt to asset ratio	53 %	87 %	42 %
Beg total debt to asset ratio	46 %	55 %	44 %
End total debt to asset ratio	45 %	60 %	41 %
Solvency (market)			
Number of farms	45	11	12
Ending farm assets	1,359,404	1,135,845	1,615,022
Ending farm liabilities	421,283	583,961	435,018
Ending total assets	1,588,202	1,561,152	1,700,541
Ending total liabilities	432,362	601,554	438,653
Ending net worth	1,155,840	959,598	1,261,888
Net worth change	41,618	-44,344	110,883
Ending farm debt to asset ratio	31 %	51 %	27 %
Beg total debt to asset ratio	28 %	37 %	28 %
End total debt to asset ratio	27 %	39 %	26 %
Nonfarm Information			
Net nonfarm income	31,816	29,358	47,970

Table 14.

Crop Production and Marketing Summary
Michigan Cash Grain Farms, 1 - 799.9 Acres, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 33%	High 34%
Number of farms	19	6	7
Acreage Summary			
Total acres owned	384	411	480
Total crop acres	542	557	595
Crop acres owned	258	332	282
Crop acres cash rented	269	225	292
Crop acres share rented	15	-	21
Average Price Received (Cash Sales Only)			
Corn per bushel, \$	1.83	-	-
Soybeans per bushel, \$	4.62	-	4.57
Wheat, Winter per bushel, \$	1.97	-	-

Table 15.

Farm Income Statement
Michigan Cash Grain Farms, 1 - 799.9 Acres, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 33%	High 34%
Number of farms	19	6	7
Cash Farm Income			
Corn	46,919	39,852	54,093
Corn Silage	2,536	-	6,885
Hay, Alfalfa	785	2,486	-
Hay, Mixed	909	2,412	401
Oats	1,042	-	2,829
Soybeans	39,581	44,928	37,735
Speltz	322	-	-
Straw	178	308	-
Wheat, Winter	11,054	10,001	15,281
Miscellaneous crop income	20	-	53
Beef Cow-Calf, Beef Calves	965	-	2,618
Beef, Finish Yrlg Steers	1,323	4,190	-
Cull breeding livestock	97	-	263
Transition payments	3,997	3,197	8,109
Other government payments	31,705	30,278	36,215
Custom work income	5,628	10,746	5,681
Patronage dividends, cash	167	383	103
Insurance income	1,255	3,257	406
Cash from hedging accts	206	46	-
Other farm income	4,240	6,273	4,302
Gross Cash Farm Income	152,929	158,356	174,976

Table 16.

Farm Income Statement, continued
Michigan Cash Grain Farms, 1 - 799.9 Acres, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 33%	High 34%
Number of farms	19	6	7
Cash Farm Expense			
Seed	14,973	23,594	12,227
Fertilizer	15,662	21,292	15,432
Crop chemicals	13,612	12,013	12,061
Crop insurance	920	970	620
Drying fuel	953	1,612	856
Crop marketing	441	447	187
Crop other direct expense	565	889	773
Crop miscellaneous	785	938	957
Feeder livestock purchase	1,106	3,502	-
Purchased feed	562	1,376	347
Veterinary	205	560	76
Livestock supplies	112	293	53
Interest	11,854	15,510	9,398
Packaging and supplies	361	285	342
Fuel & oil	5,272	6,290	5,601
Repairs	11,917	15,243	10,160
Custom hire	4,761	2,302	7,864
Hired labor	3,576	4,118	5,755
Land rent	13,890	12,010	12,318
Machinery & bldg leases	3,321	3,415	1,820
Real estate taxes	6,193	5,137	6,906
Farm insurance	5,119	7,435	3,889
Utilities	2,907	2,697	3,491
Dues & professional fees	1,361	1,008	1,151
Hedging account deposits	44	-	120
Other direct expense	277	729	129
Car and truck	615	900	507
Supplies	632	1,077	260
Miscellaneous	4,236	3,665	6,035
Total cash expense	126,231	149,303	119,332
Net cash farm income	26,698	9,053	55,644
Inventory Changes			
Crops and feed	5,333	5,706	3,407
Market livestock	618	1,622	289
Accounts receivable	765	859	3,435
Prepaid expenses and supplies	-693	-3,842	1,253
Accounts payable	-3,514	-10,808	-251
Total inventory change	2,509	-6,464	8,133
Net operating profit	29,207	2,589	63,777
Depreciation and Other Capital Adjustments			
Breeding livestock	195	-94	611
Machinery and equipment	-24,182	-33,620	-26,266
Buildings and improvements	-1,140	-1,031	-792
Other farm capital	-558	-1,561	777
Total depr. and other capital adj	-25,685	-36,307	-25,670
Net farm income	3,522	-33,718	38,107

Table 17.

Liquidity Measures
Michigan Cash Grain Farms, 1 - 799.9 Acres, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 33%	High 34%
Number of farms	19	6	7
Liquidity (cash)			
Net cash farm income	26,698	9,053	55,644
Net nonfarm income	20,606	24,127	17,228
Family living and taxes	28,820	24,772	31,644
Real estate principal payments	10,418	8,887	5,830
Cash available for interm. debt	8,065	-478	35,397
Average intermediate debt	47,959	75,356	54,485
Years to turnover interm. debt	5.9	**	1.5
Expense as a % of income	83 %	94 %	68 %
Interest as a % of income	8 %	10 %	5 %
Liquidity (accrual)			
Total accrual farm income	159,645	166,542	182,107
Total accrual operating expense	130,439	163,953	118,330
Net accrual operating income	29,207	2,589	63,777
Net nonfarm income	20,606	24,127	17,228
Family living and taxes	28,820	24,772	31,644
Real estate principal payments	10,418	8,887	5,830
Available for intermediate debt	10,574	-6,942	43,530
Average intermediate debt	47,959	75,356	54,485
Years to turnover interm. debt	4.5	**	1.3
Expense as a % of income	82 %	98 %	65 %
Interest as a % of income	8 %	11 %	5 %

** Income insufficient to meet debt servicing requirements

Table 18.

Balance Sheet at Cost Values
Michigan Cash Grain Farms, 1 - 799.9 Acres, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms		Low 33%		High 34%	
	19		6		7	
Number of farms						
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Assets						
Current Farm Assets						
Cash and checking balance	23,262	21,339	19,305	13,638	38,522	40,986
Prepaid expenses & supplies	9,667	8,974	9,897	6,055	16,311	17,565
Growing crops	10,847	12,158	9,923	9,058	6,644	7,115
Accounts receivable	4,965	4,730	3,216	4,906	768	4,606
Hedging accounts	0	68	0	33	0	157
Crops held for sale or feed	54,460	62,740	55,650	70,690	93,052	96,459
Crops under government loan	2,947	0	9,333	0	0	0
Market livestock held for sale	1,600	2,218	2,353	3,975	2,325	2,614
Other current assets	380	0	0	0	1,032	0
Total current farm assets	108,128	112,228	109,678	108,355	158,654	169,503
Intermediate Farm Assets						
Breeding livestock	1,959	2,218	272	177	5,086	5,868
Machinery and equipment	56,967	51,567	90,350	69,214	52,979	48,293
Other intermediate assets	11,772	13,802	2,997	1,704	26,568	35,490
Total intermediate farm assets	70,699	67,587	93,618	71,095	84,633	89,651
Long Term Farm Assets						
Farm land	146,147	145,670	105,009	105,009	133,621	133,193
Buildings and improvements	26,220	25,236	25,408	24,377	29,404	28,612
Other long-term assets	2,887	2,426	601	978	4,296	3,669
Total long-term farm assets	175,254	173,332	131,018	130,364	167,321	165,473
Total Farm Assets	354,081	353,147	334,315	309,814	410,609	424,627
Total Nonfarm Assets	151,076	148,456	100,483	94,815	198,862	196,334
Total Assets	505,157	501,603	434,798	404,629	609,471	620,961
Liabilities						
Current Farm Liabilities						
Accrued interest	1,569	2,289	1,470	3,480	1,342	1,641
Accounts payable	7,067	9,861	7,270	16,068	9,663	9,615
Current notes	30,963	25,698	47,272	47,216	34,497	21,251
Government crop loans	2,623	0	8,307	0	0	0
Principal due on term debt	19,423	16,879	27,317	27,652	12,166	15,741
Total current farm liabilities	61,645	54,727	91,636	94,416	57,668	48,248
Total intermediate farm liabs	33,978	40,338	47,110	61,572	46,108	48,971
Total long term farm liabilities	67,774	60,129	71,012	66,628	49,800	42,357
Total farm liabilities	163,397	155,194	209,758	222,616	153,577	139,576
Total nonfarm liabilities	17,809	18,344	18,488	18,608	4,199	4,018
Total liabilities	181,206	173,538	228,245	241,224	157,776	143,593
Net worth (farm and nonfarm)	323,951	328,065	206,553	163,404	451,695	477,368
Net worth change	4,114		-43,149		25,673	
Ratio Analysis						
Current farm liabilities / assets	57 %	49 %	84 %	87 %	36 %	28 %
Curr. & interm farm liab. / assets	53 %	53 %	68 %	87 %	43 %	38 %
Long term farm liab. / assets	39 %	35 %	54 %	51 %	30 %	26 %
Total debt to asset ratio	36 %	35 %	52 %	60 %	26 %	23 %

Table 19.

Balance Sheet at Market Values
Michigan Cash Grain Farms, 1 - 799.9 Acres, 2000
(Farms Sorted By Net Farm Income)

Number of farms	Avg. Of All Farms 19		Low 33% 6		High 34% 7	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Assets						
Current Farm Assets						
Cash and checking balance	23,262	21,339	19,305	13,638	38,522	40,986
Prepaid expenses & supplies	9,667	8,974	9,897	6,055	16,311	17,565
Growing crops	10,847	12,158	9,923	9,058	6,644	7,115
Accounts receivable	4,965	4,730	3,216	4,906	768	4,606
Hedging accounts	0	68	0	33	0	157
Crops held for sale or feed	54,460	62,740	55,650	70,690	93,052	96,459
Crops under government loan	2,947	0	9,333	0	0	0
Market livestock held for sale	1,600	2,218	2,353	3,975	2,325	2,614
Other current assets	380	0	0	0	1,032	0
Total current farm assets	108,128	112,228	109,678	108,355	158,654	169,503
Intermediate Farm Assets						
Breeding livestock	1,959	2,218	272	177	5,086	5,868
Machinery and equipment	179,642	188,266	205,385	208,407	206,554	217,805
Other intermediate assets	11,772	13,802	2,997	1,704	26,568	35,490
Total intermediate farm assets	193,373	204,286	208,654	210,288	238,208	259,162
Long Term Farm Assets						
Farm land	469,893	460,850	410,900	410,900	662,709	694,008
Buildings and improvements	51,043	53,700	76,240	79,407	61,603	65,174
Other long-term assets	2,887	2,426	601	978	4,296	3,669
Total long-term farm assets	523,823	516,976	487,741	491,285	728,608	762,850
Total Farm Assets	825,324	833,490	806,073	809,928	1,125,470	1,191,515
Total Nonfarm Assets	210,511	211,294	123,084	119,720	302,743	298,886
Total Assets	1,035,835	1,044,784	929,157	929,648	1,428,214	1,490,401
Liabilities						
Current Farm Liabilities						
Accrued interest	1,569	2,289	1,470	3,480	1,342	1,641
Accounts payable	7,067	9,861	7,270	16,068	9,663	9,615
Current notes	30,963	25,698	47,272	47,216	34,497	21,251
Government crop loans	2,623	0	8,307	0	0	0
Principal due on term debt	19,423	16,879	27,317	27,652	12,166	15,741
Total current farm liabilities	61,645	54,727	91,636	94,416	57,668	48,248
Total intermediate farm liabs	33,978	40,338	47,110	61,572	46,108	48,971
Total long term farm liabilities	67,774	60,129	71,012	66,628	49,800	42,357
Total farm liabilities	163,397	155,194	209,758	222,616	153,577	139,576
Total nonfarm liabilities	17,809	18,344	18,488	18,608	4,199	4,018
Total liabs excluding deferreds	181,206	173,538	228,245	241,224	157,776	143,593
Total deferred liabilities	0	0	0	0	0	0
Total liabilities	181,206	173,538	228,245	241,224	157,776	143,593
Retained earnings	323,951	328,065	206,553	163,404	451,695	477,368
Market valuation equity	530,679	543,181	494,359	525,019	818,743	869,440
Net worth (farm and nonfarm)	854,629	871,246	700,912	688,423	1,270,438	1,346,808
Net worth excluding deferreds	854,629	871,246	700,912	688,423	1,270,438	1,346,808
Net worth change		16,617		-12,489		76,370
Ratio Analysis						
Current farm liabilities / assets	57 %	49 %	84 %	87 %	36 %	28 %
Curr. & interm farm liab. / assets	32 %	30 %	44 %	49 %	26 %	23 %
Long term farm liab. / assets	13 %	12 %	15 %	14 %	7 %	6 %
Total debt to asset ratio	17 %	17 %	25 %	26 %	11 %	10 %
Debt to assets excl deferreds	17 %	17 %	25 %	26 %	11 %	10 %

Table 20.

Statement Of Cash Flows
Michigan Cash Grain Farms, 1 - 799.9 Acres, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 33%	High 34%
Number of farms	19	6	7
Beginning cash (farm & nonfarm)	28,229	19,722	51,648
Cash From Operating Activities			
Gross cash farm income	152,929	158,356	174,976
Net nonfarm income	20,606	24,127	17,228
Total cash farm expense	-126,231	-149,303	-119,332
Apparent family living expense	-24,360	-22,367	-26,594
Income and social security tax	-4,461	-2,405	-5,050
Cash from operations	18,484	8,409	41,227
Cash From Investing Activities			
Sale of breeding livestock	-	-	-
Sale of machinery & equipment	612	120	771
Sale of farm land	12,301	-	-
Sale of farm buildings	-	-	-
Sale of other farm assets	2,762	-	227
Sale of nonfarm assets	5	-	-
Purchase of breeding livestock	-63	-	-171
Purchase of machinery & equip.	-19,393	-12,605	-22,351
Purchase of farm land	-	-	-
Purchase of farm buildings	-156	-	-
Purchase of other farm assets	-4,889	-645	-7,743
Purchase of nonfarm assets	-2,809	-	-1,357
Cash from investing activities	-11,630	-13,129	-30,625
Cash From Financing Activities			
Money borrowed	52,085	93,807	25,702
Transfer in from nonfarm sources	11,666	-	28,759
Principal payments	-63,305	-91,635	-40,236
Dividends paid	-	-	-
Transfer out to nonfarm uses	-8,113	-467	-21,621
Cash from financing activities	-7,667	1,705	-7,396
Net change in cash balance	-813	-3,016	3,206
Ending cash (farm & nonfarm)	27,417	16,706	54,854

Table 21.

Financial Standards Measures
Michigan Cash Grain Farms, 1 - 799.9 Acres, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 33%	High 34%
Number of farms	19	6	7
Liquidity			
Current ratio	2.05	1.15	3.51
Working capital	57,501	13,939	121,254
Solvency (market)			
Farm debt to asset ratio	19 %	27 %	12 %
Farm equity to asset ratio	81 %	73 %	88 %
Farm debt to equity ratio	23 %	38 %	13 %
Profitability (cost)			
Rate of return on farm assets	-2.1 %	-13.1 %	4.7 %
Rate of return on farm equity	-10.2 %	-56.4 %	3.7 %
Operating profit margin	-4.6 %	-26.1 %	10.8 %
Net farm income	3,522	-33,718	38,107
Repayment Capacity			
Term debt coverage ratio	102 %	21 %	288 %
Capital replacement margin	433	-26,538	37,194
Efficiency			
Asset turnover rate (cost)	44.7 %	50.2 %	43.7 %
Operating expense ratio	73.8 %	87.9 %	59.7 %
Depreciation expense ratio	16.1 %	21.8 %	14.1 %
Interest expense ratio	7.9 %	10.5 %	5.3 %
Net farm income ratio	2.2 %	-20.2 %	20.9 %

Table 22.

Operator and Labor Information
Michigan Cash Grain Farms, 1 - 799.9 Acres, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 33%	High 34%
Number of farms	19	6	7
Operator Information			
Average number of operators	1.2	1.2	1.3
Results Per Operator			
Working capital	47,501	11,948	94,309
Total assets (market)	863,082	796,841	1,159,201
Total liabilities	143,357	206,764	111,684
Net worth (market)	719,725	590,077	1,047,517
Net worth excl deferred liabs	719,725	590,077	1,047,517
Gross farm income	131,881	142,750	141,638
Total farm expense	128,971	171,651	112,000
Net farm income	2,910	-28,901	29,639
Net nonfarm income	17,022	20,681	13,399
Family living withdrawals	23,808	21,233	24,612
Total acres owned	317.1	352.6	373.1
Total crop acres	448.0	477.5	462.4
Crop acres owned	213.2	284.5	219.1
Crop acres cash rented	222.3	193.0	226.9
Crop acres share rented	12.6	-	16.4
Total pasture acres	4.8	8.6	5.6
Labor Analysis			
Number of farms	19	6	7
Total unpaid labor hours	2,051	2,249	2,534
Total hired labor hours	207	232	270
Total labor hours per farm	2,259	2,481	2,804
Unpaid hours per operator	1,695	1,927	1,971
Value of farm production / hour	70.03	65.13	65.04
Net farm income / unpaid hour	1.72	-15.00	15.04

Table 23.

Financial Summary
Michigan Cash Grain Farms, 1 - 799.9 Acres, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 33%	High 34%
Number of farms	19	6	7
Income Statement			
Gross cash farm income	152,929	158,356	174,976
Total cash farm expense	126,231	149,303	119,332
Net cash farm income	26,698	9,053	55,644
Inventory change	2,509	-6,464	8,133
Depreciation and capital adjust	-25,685	-36,307	-25,670
Net farm income	3,522	-33,718	38,107
Profitability (cost)			
Labor and management earnings	-9,484	-43,309	21,342
Rate of return on assets	-2.1 %	-13.1 %	4.7 %
Rate of return on equity	-10.2 %	-56.4 %	3.7 %
Operating profit margin	-4.6 %	-26.1 %	10.8 %
Asset turnover rate	44.7 %	50.2 %	43.7 %
Profitability (market)			
Labor and management earnings	-27,585	-40,871	29,419
Rate of return on assets	0.2 %	-1.7 %	6.2 %
Rate of return on equity	-1.6 %	-5.3 %	6.1 %
Operating profit margin	1.1 %	-8.6 %	39.3 %
Asset turnover rate	19.1 %	20.0 %	15.7 %
Liquidity			
Term debt coverage ratio	101.8 %	21.5 %	288.2 %
Expense as a percent of income	81.7 %	98.4 %	65.0 %
Interest as a percent of income	7.9 %	10.5 %	5.3 %
Solvency (cost)			
Number of farms	19	6	7
Ending farm assets	353,147	309,814	424,627
Ending farm liabilities	155,194	222,616	139,576
Ending total assets	501,603	404,629	620,961
Ending total liabilities	173,538	241,224	143,593
Ending net worth	328,065	163,404	477,368
Net worth change	4,114	-43,149	25,673
Ending farm debt to asset ratio	44 %	72 %	33 %
Beg total debt to asset ratio	36 %	52 %	26 %
End total debt to asset ratio	35 %	60 %	23 %
Solvency (market)			
Number of farms	19	6	7
Ending farm assets	833,490	809,928	1,191,515
Ending farm liabilities	155,194	222,616	139,576
Ending total assets	1,044,784	929,648	1,490,401
Ending total liabilities	173,538	241,224	143,593
Ending net worth	871,246	688,423	1,346,808
Net worth change	16,617	-12,489	76,370
Ending farm debt to asset ratio	19 %	27 %	12 %
Beg total debt to asset ratio	17 %	25 %	11 %
End total debt to asset ratio	17 %	26 %	10 %
Nonfarm Information			
Net nonfarm income	20,606	24,127	17,228

Table 24.

Crop Production and Marketing Summary
Michigan Cash Grain Farms, 800 - 1,199.9 Acres, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 50%	High 50%
Number of farms	12	6	6
Acreage Summary			
Total acres owned	520	665	374
Total crop acres	832	776	889
Crop acres owned	377	407	346
Crop acres cash rented	446	350	543
Crop acres share rented	9	19	-
Average Price Received (Cash Sales Only)			
Soybeans per bushel, \$	4.84	5.04	-
Corn per bushel, \$	1.91	-	-
Wheat, Winter per bushel, \$	2.14	-	-

Table 25.

Farm Income Statement
Michigan Cash Grain Farms, 800 - 1,199.9 Acres, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 50%	High 50%
Number of farms	12	6	6
Cash Farm Income			
Beans, Dark Red Kidney	1,769	3,538	-
Beans, Navy	19,615	39,229	-
Carrots	756	1,512	-
Corn	85,830	91,947	79,713
Corn, Seed	22,324	-	44,647
Cucumbers	14,888	11,402	18,373
Hay, Mixed	1,541	1,946	1,136
Haylage, Mixed	217	-	433
Soybeans	73,616	63,018	84,214
Straw	706	569	843
Sugar Beets	6,259	12,518	-
Wheat, Winter	11,772	7,848	15,696
Government Payments	65,659	64,990	66,329
Beef Cow-Calf, Beef Calves	2,613	67	5,159
Beef, Finish Beef Calves	3,534	-	7,067
Sheep, Market Lambs, Mkt Lambs	923	-	1,846
Other farm income	13,032	18,615	7,448
Gross Cash Farm Income	325,051	317,198	332,903

Table 26.

Farm Income Statement, continued
Michigan Cash Grain Farms, 800 - 1,199.9 Acres, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 50%	High 50%
	12	6	6
Number of farms	12	6	6
Cash Farm Expense			
Seed	22,810	22,106	23,515
Fertilizer	42,242	43,978	40,505
Crop chemicals	23,132	29,469	16,795
Crop insurance	2,656	1,860	3,453
Crop utilities	3,019	6,038	-
Crop hauling and trucking	970	1,941	-
Crop marketing	1,746	3,241	252
Crop miscellaneous	402	729	75
Feeder livestock purchase	866	-	1,732
Purchased feed	1,376	385	2,368
Breeding fees	70	-	140
Livestock supplies	202	57	347
Livestock marketing	109	-	219
Interest	21,225	23,736	18,714
Packaging and supplies	1,149	2,299	-
Fuel & oil	12,548	12,256	12,839
Repairs	25,826	28,055	23,598
Custom hire	7,723	6,674	8,772
Hired labor	9,481	11,150	7,812
Land rent	55,133	34,613	75,652
Machinery & bldg leases	4,664	4,760	4,567
Real estate taxes	6,862	11,257	2,467
Farm insurance	7,942	9,865	6,019
Utilities	4,567	3,675	5,459
Dues & professional fees	1,863	1,779	1,947
Hedging account deposits	158	-	317
Other direct expense	81	162	-
Supplies	1,316	1,061	1,570
Miscellaneous	4,067	6,283	1,851
Total cash expense	264,205	267,425	260,985
Net cash farm income	60,846	49,773	71,918
Inventory Changes			
Crops and feed	18,378	-590	37,346
Market livestock	-951	-692	-1,211
Accounts receivable	2,637	3,236	2,039
Prepaid expenses and supplies	7,322	8,866	5,779
Accounts payable	-8,861	-6,616	-11,106
Total inventory change	18,526	4,204	32,847
Net operating profit	79,371	53,977	104,766
Depreciation and Other Capital Adjustments			
Breeding livestock	-546	-83	-1,008
Machinery and equipment	-26,516	-42,791	-10,241
Buildings and improvements	-10,384	-6,145	-14,624
Other farm capital	637	714	560
Total depr. and other capital adj	-36,808	-48,305	-25,312
Net farm income	42,563	5,673	79,453

Table 27.

Liquidity Measures
Michigan Cash Grain Farms, 800 - 1,199.9 Acres, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 50%	High 50%
Number of farms	12	6	6
Liquidity (cash)			
Net cash farm income	60,846	49,773	71,918
Net nonfarm income	66,863	47,771	85,955
Family living and taxes	71,319	31,938	110,699
Real estate principal payments	13,455	16,723	10,187
Cash available for interm. debt	42,935	48,883	36,987
Average intermediate debt	113,767	126,136	101,398
Years to turnover interm. debt	2.6	2.6	2.7
Expense as a % of income	81 %	84 %	78 %
Interest as a % of income	7 %	7 %	6 %
Liquidity (accrual)			
Total accrual farm income	345,115	319,152	371,077
Total accrual operating expense	265,743	265,175	266,311
Net accrual operating income	79,371	53,977	104,766
Net nonfarm income	66,863	47,771	85,955
Family living and taxes	71,319	31,938	110,699
Real estate principal payments	13,455	16,723	10,187
Available for intermediate debt	61,460	53,087	69,834
Average intermediate debt	113,767	126,136	101,398
Years to turnover interm. debt	1.9	2.4	1.5
Expense as a % of income	77 %	83 %	72 %
Interest as a % of income	8 %	8 %	7 %

Table 28.

Balance Sheet at Cost Values
Michigan Cash Grain Farms, 800 - 1,199.9 Acres, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms		Low 50%		High 50%	
	12		6		6	
Number of farms	Beginning	Ending	Beginning	Ending	Beginning	Ending
Assets						
Current Farm Assets						
Cash and checking balance	9,305	14,065	12,794	15,887	5,816	12,243
Prepaid expenses & supplies	25,066	32,388	25,755	34,621	24,376	30,156
Growing crops	7,087	8,044	5,073	7,597	9,100	8,492
Accounts receivable	17,732	20,236	24,925	26,637	10,539	13,836
Hedging accounts	1,788	1,463	0	0	3,575	2,925
Crops held for sale or feed	172,015	190,393	139,377	138,787	204,653	241,999
Crops under government loan	0	0	0	0	0	0
Market livestock held for sale	3,428	2,476	992	300	5,864	4,653
Other current assets	500	0	1,000	0	0	0
Total current farm assets	236,918	269,065	209,915	223,828	263,922	314,303
Intermediate Farm Assets						
Breeding livestock	5,378	4,570	1,167	1,083	9,590	8,057
Machinery and equipment	115,056	156,496	141,097	189,693	89,016	123,299
Other intermediate assets	2,674	5,378	3,377	1,327	1,971	9,429
Total intermediate farm assets	123,109	166,444	145,641	192,104	100,577	140,784
Long Term Farm Assets						
Farm land	352,469	363,517	389,399	379,745	315,539	347,289
Buildings and improvements	38,896	41,729	50,605	50,231	27,188	33,228
Other long-term assets	4,258	2,723	3,500	4,811	5,017	636
Total long-term farm assets	395,623	407,970	443,503	434,787	347,743	381,153
Total Farm Assets	755,650	843,479	799,059	850,718	712,242	836,239
Total Nonfarm Assets	119,373	108,893	210,093	184,798	28,654	32,987
Total Assets	875,024	952,371	1,009,152	1,035,516	740,896	869,226
Liabilities						
Current Farm Liabilities						
Accrued interest	4,328	9,265	5,612	8,578	3,044	9,951
Accounts payable	8,492	12,416	6,556	10,206	10,427	14,625
Current notes	91,719	102,201	87,786	86,524	95,652	117,877
Government crop loans	0	0	0	0	0	0
Principal due on term debt	33,316	40,703	37,171	45,558	29,461	35,849
Total current farm liabilities	137,855	164,584	137,125	150,865	138,584	178,303
Total intermediate farm liabs	85,708	96,076	96,891	106,393	74,525	85,758
Total long term farm liabilities	197,031	197,637	230,528	217,715	163,534	177,558
Total farm liabilities	420,593	458,296	464,543	474,973	376,643	441,619
Total nonfarm liabilities	2,171	3,106	4,091	5,962	250	250
Total liabilities	422,764	461,402	468,635	480,935	376,893	441,869
Net worth (farm and nonfarm)	452,260	490,969	540,517	554,581	364,003	427,357
Net worth change	38,709		14,064		63,354	
Ratio Analysis						
Current farm liabilities / assets	58 %	61 %	65 %	67 %	53 %	57 %
Curr. & interm farm liab. / assets	62 %	60 %	66 %	62 %	58 %	58 %
Long term farm liab. / assets	50 %	48 %	52 %	50 %	47 %	47 %
Total debt to asset ratio	48 %	48 %	46 %	46 %	51 %	51 %

Table 29.

Balance Sheet at Market Values
Michigan Cash Grain Farms, 800 - 1,199.9 Acres, 2000
(Farms Sorted By Net Farm Income)

Number of farms	Avg. Of All Farms 12		Low 50% 6		High 50% 6	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Assets						
Current Farm Assets						
Cash and checking balance	9,305	14,065	12,794	15,887	5,816	12,243
Prepaid expenses & supplies	25,066	32,388	25,755	34,621	24,376	30,156
Growing crops	7,087	8,044	5,073	7,597	9,100	8,492
Accounts receivable	17,732	20,236	24,925	26,637	10,539	13,836
Hedging accounts	1,788	1,463	0	0	3,575	2,925
Crops held for sale or feed	172,015	190,393	139,377	138,787	204,653	241,999
Crops under government loan	0	0	0	0	0	0
Market livestock held for sale	3,428	2,476	992	300	5,864	4,653
Other current assets	500	0	1,000	0	0	0
Total current farm assets	236,918	269,065	209,915	223,828	263,922	314,303
Intermediate Farm Assets						
Breeding livestock	5,412	4,595	1,233	1,133	9,590	8,057
Machinery and equipment	310,092	345,821	354,072	395,351	266,111	296,292
Other intermediate assets	2,674	5,378	3,377	1,327	1,971	9,429
Total intermediate farm assets	318,177	355,794	358,683	397,812	277,672	313,777
Long Term Farm Assets						
Farm land	651,384	689,097	728,967	760,001	573,800	618,193
Buildings and improvements	25,896	36,729	11,667	15,833	40,125	57,625
Other long-term assets	4,258	2,723	3,500	4,811	5,017	636
Total long-term farm assets	681,538	728,549	744,134	780,645	618,942	676,454
Total Farm Assets	1,236,634	1,353,409	1,312,732	1,402,284	1,160,535	1,304,533
Total Nonfarm Assets	143,973	129,717	216,513	197,884	71,433	61,550
Total Assets	1,380,606	1,483,126	1,529,244	1,600,169	1,231,969	1,366,083
Liabilities						
Current Farm Liabilities						
Accrued interest	4,328	9,265	5,612	8,578	3,044	9,951
Accounts payable	8,492	12,416	6,556	10,206	10,427	14,625
Current notes	91,719	102,201	87,786	86,524	95,652	117,877
Government crop loans	0	0	0	0	0	0
Principal due on term debt	33,316	40,703	37,171	45,558	29,461	35,849
Total current farm liabilities	137,855	164,584	137,125	150,865	138,584	178,303
Total intermediate farm liabs	85,708	96,076	96,891	106,393	74,525	85,758
Total long term farm liabilities	197,031	197,637	230,528	217,715	163,534	177,558
Total farm liabilities	420,593	458,296	464,543	474,973	376,643	441,619
Total nonfarm liabilities	2,171	3,106	4,091	5,962	250	250
Total liabs excluding deferreds	422,764	461,402	468,635	480,935	376,893	441,869
Total deferred liabilities	0	0	0	0	0	0
Total liabilities	422,764	461,402	468,635	480,935	376,893	441,869
Retained earnings	452,260	490,969	540,517	554,581	364,003	427,357
Market valuation equity	505,583	530,755	520,093	564,652	491,073	496,857
Net worth (farm and nonfarm)	957,843	1,021,723	1,060,610	1,119,233	855,076	924,214
Net worth excluding deferreds	957,843	1,021,723	1,060,610	1,119,233	855,076	924,214
Net worth change		63,881		58,623		69,138
Ratio Analysis						
Current farm liabilities / assets	58 %	61 %	65 %	67 %	53 %	57 %
Curr. & interm farm liab. / assets	40 %	42 %	41 %	41 %	39 %	42 %
Long term farm liab. / assets	29 %	27 %	31 %	28 %	26 %	26 %
Total debt to asset ratio	31 %	31 %	31 %	30 %	31 %	32 %
Debt to assets excl deferreds	31 %	31 %	31 %	30 %	31 %	32 %

Table 30.

Statement Of Cash Flows
Michigan Cash Grain Farms, 800 - 1,199.9 Acres, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 50%	High 50%
Number of farms	12	6	6
Beginning cash (farm & nonfarm)	20,972	36,128	5,816
Cash From Operating Activities			
Gross cash farm income	325,051	317,198	332,903
Net nonfarm income	66,863	47,771	85,955
Total cash farm expense	-264,205	-267,425	-260,985
Apparent family living expense	-63,968	-30,132	-97,803
Income and social security tax	-7,351	-1,806	-12,896
Cash from operations	56,390	65,606	47,174
Cash From Investing Activities			
Sale of breeding livestock	507	-	1,013
Sale of machinery & equipment	2,570	4,469	671
Sale of farm land	6,265	12,529	-
Sale of farm buildings	-	-	-
Sale of other farm assets	13,673	7,914	19,433
Sale of nonfarm assets	1,000	2,000	-
Purchase of breeding livestock	-244	-	-488
Purchase of machinery & equip.	-70,525	-95,856	-45,194
Purchase of farm land	-13,750	-6,380	-21,121
Purchase of farm buildings	-13,217	-5,771	-20,664
Purchase of other farm assets	-14,205	-6,460	-21,950
Purchase of nonfarm assets	-6,191	-7,333	-5,049
Cash from investing activities	-94,118	-94,888	-93,348
Cash From Financing Activities			
Money borrowed	168,520	154,608	182,431
Transfers in from nonfarm sources	4,472	8,944	-
Principal payments	-138,834	-149,043	-128,625
Dividends paid	-	-	-
Transfers out to nonfarm uses	-1,478	-1,751	-1,205
Cash from financing activities	32,680	12,759	52,602
Net change in cash balance	-5,048	-16,524	6,428
Ending cash (farm & nonfarm)	15,924	19,604	12,243

Table 31.

Financial Standards Measures
Michigan Cash Grain Farms, 800 - 1,199.9 Acres, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 50%	High 50%
Number of farms	12	6	6
Liquidity			
Current ratio	1.63	1.48	1.76
Working capital	104,481	72,963	135,999
Solvency (market)			
Farm debt to asset ratio	34 %	34 %	34 %
Farm equity to asset ratio	66 %	66 %	66 %
Farm debt to equity ratio	51 %	51 %	51 %
Profitability (cost)			
Rate of return on farm assets	3.2 %	-0.7 %	7.3 %
Rate of return on farm equity	-0.2 %	-9.1 %	8.4 %
Operating profit margin	7.4 %	-1.8 %	15.4 %
Net farm income	42,563	5,673	79,453
Repayment Capacity			
Term debt coverage ratio	192 %	159 %	247 %
Capital replacement margin	41,594	32,639	50,549
Efficiency			
Asset turnover rate (cost)	42.8 %	38.6 %	47.3 %
Operating expense ratio	69.4 %	74.7 %	64.9 %
Depreciation expense ratio	10.7 %	15.1 %	6.8 %
Interest expense ratio	7.6 %	8.4 %	6.9 %
Net farm income ratio	12.3 %	1.8 %	21.4 %

Table 32.

Operator and Labor Information
Michigan Cash Grain Farms, 800 - 1,199.9 Acres, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 50%	High 50%
Number of farms	12	6	6
Operator Information			
Average number of operators	1.4	1.3	1.5
Results Per Operator			
Working capital	73,320	54,722	89,670
Total assets (market)	1,040,790	1,200,126	900,714
Total liabilities	323,791	360,702	291,343
Net worth (market)	716,999	839,425	609,372
Net worth excl deferred liabs	716,999	839,425	609,372
Gross farm income	242,186	239,364	244,666
Total farm expense	212,317	235,110	192,279
Net farm income	29,869	4,255	52,387
Net nonfarm income	46,921	35,828	56,673
Family living withdrawals	50,048	23,954	72,988
Total acres owned	364.7	498.9	246.8
Total crop acres	584.1	582.0	586.0
Crop acres owned	264.3	305.5	228.1
Crop acres cash rented	313.2	262.4	357.9
Crop acres share rented	6.5	14.0	-
Total pasture acres	-	-	-
Labor Analysis			
Number of farms	12	6	6
Total unpaid labor hours	3,295	3,364	3,225
Total hired labor hours	1,410	1,279	1,541
Total labor hours per farm	4,705	4,643	4,766
Unpaid hours per operator	2,312	2,523	2,126
Value of farm production / hour	72.77	68.63	76.79
Net farm income / unpaid hour	12.92	1.69	24.64

Table 33.

Financial Summary
Michigan Cash Grain Farms, 800 - 1,199.9 Acres, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 50%	High 50%
Number of farms	12	6	6
Income Statement			
Gross cash farm income	325,051	317,198	332,903
Total cash farm expense	264,205	267,425	260,985
Net cash farm income	60,846	49,773	71,918
Inventory change	18,526	4,204	32,847
Depreciation and capital adjust	-36,808	-48,305	-25,312
Net farm income	42,563	5,673	79,453
Profitability (cost)			
Labor and management earnings	20,956	-15,635	57,547
Rate of return on assets	3.2 %	-0.7 %	7.3 %
Rate of return on equity	-0.2 %	-9.1 %	8.4 %
Operating profit margin	7.4 %	-1.8 %	15.4 %
Asset turnover rate	42.8 %	38.6 %	47.3 %
Profitability (market)			
Labor and management earnings	20,175	-9,699	50,050
Rate of return on assets	4.2 %	2.4 %	6.2 %
Rate of return on equity	3.3 %	0.6 %	6.2 %
Operating profit margin	15.9 %	10.1 %	20.9 %
Asset turnover rate	26.4 %	23.5 %	29.7 %
Liquidity			
Term debt coverage ratio	192.2 %	158.5 %	246.5 %
Expense as a percent of income	77.0 %	83.1 %	71.8 %
Interest as a percent of income	7.6 %	8.4 %	6.9 %
Solvency (cost)			
Number of farms	12	6	6
Ending farm assets	843,479	850,718	836,239
Ending farm liabilities	458,296	474,973	441,619
Ending total assets	952,371	1,035,516	869,226
Ending total liabilities	461,402	480,935	441,869
Ending net worth	490,969	554,581	427,357
Net worth change	38,709	14,064	63,354
Ending farm debt to asset ratio	54 %	56 %	53 %
Beg total debt to asset ratio	48 %	46 %	51 %
End total debt to asset ratio	48 %	46 %	51 %
Solvency (market)			
Number of farms	12	6	6
Ending farm assets	1,353,409	1,402,284	1,304,533
Ending farm liabilities	458,296	474,973	441,619
Ending total assets	1,483,126	1,600,169	1,366,083
Ending total liabilities	461,402	480,935	441,869
Ending net worth	1,021,723	1,119,233	924,214
Net worth change	63,881	58,623	69,138
Ending farm debt to asset ratio	34 %	34 %	34 %
Beg total debt to asset ratio	31 %	31 %	31 %
End total debt to asset ratio	31 %	30 %	32 %
Nonfarm Information			
Net nonfarm income	66,863	47,771	85,955

Table 34.

Crop Production and Marketing Summary
Michigan Cash Grain Farms, 1,200 Acres or More, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 50%	High 50%
Number of farms	14	7	7
Acreage Summary			
Total acres owned	738	673	803
Total crop acres	2,311	2,676	1,946
Crop acres owned	641	559	723
Crop acres cash rented	1,599	1,975	1,223
Crop acres share rented	71	141	-
Average Price Received (Cash Sales Only)			
Corn per bushel, \$	1.89	-	1.93
Soybeans per bushel, \$	4.82	-	4.88
Wheat, Winter per bushel, \$	2.12	-	2.04

Table 35.

Farm Income Statement
Michigan Cash Grain Farms, 1,200 Acres or More, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 50%	High 50%
Number of farms	14	7	7
Cash Farm Income			
Beans, Black Turtle	3,703	-	7,407
Beans, Light Red Kidney	507	-	1,015
Beans, Navy	6,520	13,039	-
Corn	228,315	266,629	190,000
Corn, Seed	21,545	-	43,089
Hay, Mixed	307	614	-
Soybeans	182,350	203,346	161,354
Straw	471	162	780
Sugar Beets	10,256	20,513	-
Sweet Corn	2,664	5,328	-
Wheat, Winter	24,337	23,251	25,422
Government Payments	162,057	158,569	165,544
Beef, Finish Yrlg Steers	111	-	222
Other farm income	65,279	108,791	21,769
Gross Cash Farm Income	708,422	800,242	616,602

Table 36.

Farm Income Statement, continued
Michigan Cash Grain Farms, 1,200 Acres or More, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 50%	High 50%
	14	7	7
Number of farms	14	7	7
Cash Farm Expense			
Seed	54,209	60,452	47,966
Fertilizer	86,407	93,999	78,815
Crop chemicals	70,769	100,970	40,567
Crop insurance	7,680	7,408	7,953
Drying fuel	4,249	1,347	7,150
Crop marketing	2,289	3,106	1,472
Crop miscellaneous	4,572	3,681	5,463
Purchased feed	2,467	3,615	1,319
Breeding fees	249	491	7
Veterinary	837	1,603	70
Livestock supplies	717	883	550
Interest	49,073	70,496	27,649
Packaging and supplies	821	-	1,641
Fuel & oil	20,285	23,156	17,415
Repairs	41,202	41,031	41,374
Custom hire	32,952	48,921	16,982
Hired labor	46,192	72,169	20,214
Land rent	94,558	103,144	85,973
Machinery & bldg leases	25,140	21,357	28,923
Real estate taxes	11,315	14,647	7,983
Farm insurance	15,376	20,000	10,752
Utilities	7,514	5,233	9,796
Dues & professional fees	3,776	5,188	2,365
Hedging account deposits	4,154	8,236	71
Other direct expense	579	35	1,123
Supplies	3,538	7,077	-
Miscellaneous	8,717	8,956	8,478
Total cash expense	599,636	727,198	472,073
Net cash farm income	108,786	73,043	144,529
Inventory Changes			
Crops and feed	-12,946	-56,296	30,405
Market livestock	-7	-	-14
Accounts receivable	10,109	1,462	18,755
Prepaid expenses and supplies	-7,538	-18,204	3,127
Accounts payable	-7,895	600	-16,389
Total inventory change	-18,277	-72,439	35,884
Net operating profit	90,509	604	180,413
Depreciation and Other Capital Adjustments			
Breeding livestock	-	-	-
Machinery and equipment	-59,019	-72,314	-45,723
Buildings and improvements	-9,703	-13,380	-6,026
Other farm capital	-1,968	-4,009	73
Total depr. and other capital adj	-70,690	-89,704	-51,677
Net farm income	19,819	-89,099	128,736

Table 37.

Liquidity Measures
Michigan Cash Grain Farms, 1,200 Acres or More, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 50%	High 50%
Number of farms	14	7	7
Liquidity (cash)			
Net cash farm income	108,786	73,043	144,529
Net nonfarm income	16,990	32,674	1,307
Family living and taxes	56,245	32,690	79,800
Real estate principal payments	13,370	9,712	17,028
Cash available for interm. debt	56,161	63,314	49,008
Average intermediate debt	253,487	391,380	115,594
Years to turnover interm. debt	4.5	6.2	2.4
Expense as a % of income	85 %	91 %	77 %
Interest as a % of income	7 %	9 %	4 %
Liquidity (accrual)			
Total accrual farm income	705,577	745,407	665,747
Total accrual operating expense	615,068	744,803	485,334
Net accrual operating income	90,509	604	180,413
Net nonfarm income	16,990	32,674	1,307
Family living and taxes	56,245	32,690	79,800
Real estate principal payments	13,370	9,712	17,028
Available for intermediate debt	37,884	-9,125	84,892
Average intermediate debt	253,487	391,380	115,594
Years to turnover interm. debt	6.7	**	1.4
Expense as a % of income	87 %	100 %	73 %
Interest as a % of income	7 %	9 %	4 %

** Income insufficient to meet debt servicing requirements

Table 38.

Balance Sheet at Cost Values
Michigan Cash Grain Farms, 1,200 Acres or More, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms		Low 50%		High 50%	
	14		7		7	
Number of farms	Beginning	Ending	Beginning	Ending	Beginning	Ending
Assets						
Current Farm Assets						
Cash and checking balance	40,446	19,314	57,288	25,785	23,604	12,842
Prepaid expenses & supplies	86,732	79,193	105,359	87,155	68,104	71,232
Growing crops	18,695	23,491	24,217	28,063	13,174	18,918
Accounts receivable	18,339	17,002	21,812	16,571	14,865	17,433
Hedging accounts	755	842	0	0	1,510	1,684
Crops held for sale or feed	302,906	293,211	225,986	169,038	379,825	417,385
Crops under government loan	25,805	22,554	15,259	15,911	36,351	29,196
Market livestock held for sale	36	29	0	0	71	57
Other current assets	3,527	10,090	0	2,857	7,055	17,323
Total current farm assets	497,241	465,726	449,922	345,381	544,560	586,071
Intermediate Farm Assets						
Breeding livestock	107	107	0	0	214	214
Machinery and equipment	252,611	261,754	319,245	339,443	185,977	184,064
Other intermediate assets	22,970	25,958	16,325	19,369	29,614	32,547
Total intermediate farm assets	275,688	287,818	335,570	358,812	215,805	216,825
Long Term Farm Assets						
Farm land	461,444	473,097	489,685	512,991	433,204	433,204
Buildings and improvements	98,659	98,060	148,786	149,918	48,531	46,202
Other long-term assets	11,652	8,645	23,034	17,219	270	71
Total long-term farm assets	571,755	579,802	661,505	680,128	482,005	479,477
Total Farm Assets	1,344,684	1,333,347	1,446,998	1,384,320	1,242,371	1,282,373
Total Nonfarm Assets	227,225	232,848	428,143	431,325	26,308	34,370
Total Assets	1,571,909	1,566,194	1,875,140	1,815,645	1,268,679	1,316,743
Liabilities						
Current Farm Liabilities						
Accrued interest	11,957	11,142	13,929	11,766	9,985	10,517
Accounts payable	18,669	27,379	11,339	12,902	26,000	41,857
Current notes	203,139	203,836	304,084	305,817	102,195	101,856
Government crop loans	25,147	21,108	13,943	14,619	36,351	27,597
Principal due on term debt	59,560	68,918	68,629	89,517	50,491	48,318
Total current farm liabilities	318,472	332,383	411,923	434,621	225,022	230,145
Total intermediate farm liabs	214,901	193,269	340,388	308,942	89,414	77,596
Total long term farm liabilities	248,505	225,026	323,392	297,939	173,619	152,113
Total farm liabilities	781,878	750,678	1,075,702	1,041,502	488,054	459,854
Total nonfarm liabilities	6,005	8,054	10,092	10,092	1,918	6,016
Total liabilities	787,883	758,732	1,085,794	1,051,594	489,972	465,870
Net worth (farm and nonfarm)	784,026	807,462	789,346	764,052	778,707	850,873
Net worth change	23,436		-25,294		72,166	
Ratio Analysis						
Current farm liabilities / assets	64 %	71 %	92 %	126 %	41 %	39 %
Curr. & interm farm liab. / assets	69 %	70 %	96 %	106 %	41 %	38 %
Long term farm liab. / assets	43 %	39 %	49 %	44 %	36 %	32 %
Total debt to asset ratio	50 %	48 %	58 %	58 %	39 %	35 %

Table 39.

Balance Sheet at Market Values
Michigan Cash Grain Farms, 1,200 Acres or More, 2000
(Farms Sorted By Net Farm Income)

Number of farms	Avg. Of All Farms		Low 50%		High 50%	
	14	14	7	7	7	7
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Assets						
Current Farm Assets						
Cash and checking balance	40,446	19,314	57,288	25,785	23,604	12,842
Prepaid expenses & supplies	86,732	79,193	105,359	87,155	68,104	71,232
Growing crops	18,695	23,491	24,217	28,063	13,174	18,918
Accounts receivable	18,339	17,002	21,812	16,571	14,865	17,433
Hedging accounts	755	842	0	0	1,510	1,684
Crops held for sale or feed	302,906	293,211	225,986	169,038	379,825	417,385
Crops under government loan	25,805	22,554	15,259	15,911	36,351	29,196
Market livestock held for sale	36	29	0	0	71	57
Other current assets	3,527	10,090	0	2,857	7,055	17,323
Total current farm assets	497,241	465,726	449,922	345,381	544,560	586,071
Intermediate Farm Assets						
Breeding livestock	143	143	0	0	286	286
Machinery and equipment	536,797	569,056	592,300	626,544	481,294	511,568
Other intermediate assets	22,970	25,958	16,325	19,369	29,614	32,547
Total intermediate farm assets	559,910	595,157	608,625	645,913	511,194	544,401
Long Term Farm Assets						
Farm land	897,246	918,522	1,154,246	1,156,389	640,247	680,655
Buildings and improvements	83,108	90,235	104,428	114,779	61,788	65,690
Other long-term assets	11,652	8,645	23,034	17,219	270	71
Total long-term farm assets	992,007	1,017,402	1,281,709	1,288,387	702,305	746,417
Total Farm Assets	2,049,158	2,078,284	2,340,256	2,279,681	1,758,059	1,876,888
Total Nonfarm Assets	339,290	337,479	590,559	587,446	88,021	87,512
Total Assets	2,388,448	2,415,763	2,930,815	2,867,127	1,846,081	1,964,400
Liabilities						
Current Farm Liabilities						
Accrued interest	11,957	11,142	13,929	11,766	9,985	10,517
Accounts payable	18,669	27,379	11,339	12,902	26,000	41,857
Current notes	203,139	203,836	304,084	305,817	102,195	101,856
Government crop loans	25,147	21,108	13,943	14,619	36,351	27,597
Principal due on term debt	59,560	68,918	68,629	89,517	50,491	48,318
Total current farm liabilities	318,472	332,383	411,923	434,621	225,022	230,145
Total intermediate farm liabs	214,901	193,269	340,388	308,942	89,414	77,596
Total long term farm liabilities	248,505	225,026	323,392	297,939	173,619	152,113
Total farm liabilities	781,878	750,678	1,075,702	1,041,502	488,054	459,854
Total nonfarm liabilities	6,005	8,054	10,092	10,092	1,918	6,016
Total liabs excluding deferreds	787,883	758,732	1,085,794	1,051,594	489,972	465,870
Total deferred liabilities	0	0	0	0	0	0
Total liabilities	787,883	758,732	1,085,794	1,051,594	489,972	465,870
Retained earnings	784,026	807,462	789,346	764,052	778,707	850,873
Market valuation equity	816,538	849,569	1,055,674	1,051,481	577,402	647,657
Net worth (farm and nonfarm)	1,600,564	1,657,031	1,845,020	1,815,533	1,356,109	1,498,529
Net worth excluding deferreds	1,600,564	1,657,031	1,845,020	1,815,533	1,356,109	1,498,529
Net worth change	56,467	56,467	-29,488	-29,488	142,421	142,421
Ratio Analysis						
Current farm liabilities / assets	64 %	71 %	92 %	126 %	41 %	39 %
Curr. & interm farm liab. / assets	50 %	50 %	71 %	75 %	30 %	27 %
Long term farm liab. / assets	25 %	22 %	25 %	23 %	25 %	20 %
Total debt to asset ratio	33 %	31 %	37 %	37 %	27 %	24 %
Debt to assets excl deferreds	33 %	31 %	37 %	37 %	27 %	24 %

Table 40.

Statement Of Cash Flows
Michigan Cash Grain Farms, 1,200 Acres or More, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 50%	High 50%
Number of farms	14	7	7
Beginning cash (farm & nonfarm)	40,446	57,288	23,604
Cash From Operating Activities			
Gross cash farm income	708,422	800,242	616,602
Net nonfarm income	16,990	32,674	1,307
Total cash farm expense	-599,636	-727,198	-472,073
Apparent family living expense	-46,499	-26,484	-66,514
Income and social security tax	-9,746	-6,206	-13,286
Cash from operations	69,531	73,027	66,036
Cash From Investing Activities			
Sale of breeding livestock	-	-	-
Sale of machinery & equipment	17,620	19,127	16,114
Sale of farm land	6,893	-	13,786
Sale of farm buildings	-	-	-
Sale of other farm assets	12,367	13,420	11,315
Sale of nonfarm assets	11,493	22,986	-
Purchase of breeding livestock	-	-	-
Purchase of machinery & equip.	-85,782	-111,639	-59,925
Purchase of farm land	-	-	-
Purchase of farm buildings	-9,105	-14,512	-3,697
Purchase of other farm assets	-14,316	-14,657	-13,975
Purchase of nonfarm assets	-3,488	-6,690	-286
Cash from investing activities	-64,317	-91,965	-36,669
Cash From Financing Activities			
Money borrowed	255,624	316,498	194,749
Transfers in from nonfarm sources	73,991	21,020	126,961
Principal payments	-294,636	-350,082	-239,189
Dividends paid	-	-	-
Transfers out to nonfarm uses	-61,325	0	-122,650
Cash from financing activities	-26,347	-12,564	-40,129
Net change in cash balance	-21,133	-31,503	-10,762
Ending cash (farm & nonfarm)	19,314	25,785	12,842

Table 41.

Financial Standards Measures
Michigan Cash Grain Farms, 1,200 Acres or More, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 50%	High 50%
Number of farms	14	7	7
Liquidity			
Current ratio	1.40	0.79	2.55
Working capital	133,343	-89,240	355,926
Solvency (market)			
Farm debt to asset ratio	36 %	46 %	25 %
Farm equity to asset ratio	64 %	54 %	75 %
Farm debt to equity ratio	57 %	84 %	32 %
Profitability (cost)			
Rate of return on farm assets	1.3 %	-4.5 %	7.7 %
Rate of return on farm equity	-5.5 %	-37.0 %	8.8 %
Operating profit margin	2.4 %	-8.6 %	14.6 %
Net farm income	19,819	-89,099	128,736
Repayment Capacity			
Term debt coverage ratio	90 %	23 %	171 %
Capital replacement margin	-8,306	-68,041	51,429
Efficiency			
Asset turnover rate (cost)	52.5 %	52.4 %	52.6 %
Operating expense ratio	80.3 %	90.8 %	68.7 %
Depreciation expense ratio	10.0 %	12.0 %	7.8 %
Interest expense ratio	6.8 %	9.2 %	4.2 %
Net farm income ratio	2.8 %	-12.0 %	19.3 %

Table 42.

Operator and Labor Information
Michigan Cash Grain Farms, 1,200 Acres or More, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 50%	High 50%
Number of farms	14	7	7
Operator Information			
Average number of operators	1.4	1.0	1.9
Results Per Operator			
Working capital	93,340	-89,240	191,653
Total assets (market)	1,691,034	2,867,127	1,057,754
Total liabilities	531,112	1,051,594	250,853
Net worth (market)	1,159,922	1,815,533	806,900
Net worth excl deferred liabs	1,159,922	1,815,533	806,900
Gross farm income	493,904	745,407	358,479
Total farm expense	480,031	834,507	289,160
Net farm income	13,873	-89,099	69,320
Net nonfarm income	11,893	32,674	704
Family living withdrawals	39,372	32,690	42,969
Total acres owned	516.8	673.4	432.5
Total crop acres	1,617.7	2,676.2	1,047.8
Crop acres owned	448.6	559.3	389.1
Crop acres cash rented	1,119.6	1,975.5	658.7
Crop acres share rented	49.5	141.4	-
Total pasture acres	-	-	-
Labor Analysis			
Number of farms	14	7	7
Total unpaid labor hours	3,369	2,214	4,525
Total hired labor hours	3,767	5,659	1,876
Total labor hours per farm	7,137	7,874	6,400
Unpaid hours per operator	2,359	2,214	2,436
Value of farm production / hour	98.52	94.21	103.81
Net farm income / unpaid hour	5.88	-40.24	28.45

Table 43.

Financial Summary
Michigan Cash Grain Farms, 1,200 Acres or More, 2000
(Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 50%	High 50%
Number of farms	14	7	7
Income Statement			
Gross cash farm income	708,422	800,242	616,602
Total cash farm expense	599,636	727,198	472,073
Net cash farm income	108,786	73,043	144,529
Inventory change	-18,277	-72,439	35,884
Depreciation and capital adjust	-70,690	-89,704	-51,677
Net farm income	19,819	-89,099	128,736
Profitability (cost)			
Labor and management earnings	-14,993	-111,418	81,431
Rate of return on assets	1.3 %	-4.5 %	7.7 %
Rate of return on equity	-5.5 %	-37.0 %	8.8 %
Operating profit margin	2.4 %	-8.6 %	14.6 %
Asset turnover rate	52.5 %	52.4 %	52.6 %
Profitability (market)			
Labor and management earnings	-17,564	-162,079	126,951
Rate of return on assets	2.8 %	-2.7 %	9.7 %
Rate of return on equity	0.7 %	-10.4 %	11.0 %
Operating profit margin	8.1 %	-8.3 %	26.5 %
Asset turnover rate	34.1 %	32.1 %	36.6 %
Liquidity			
Term debt coverage ratio	89.7 %	23.1 %	171.0 %
Expense as a percent of income	87.2 %	99.9 %	72.9 %
Interest as a percent of income	6.8 %	9.2 %	4.2 %
Solvency (cost)			
Number of farms	14	7	7
Ending farm assets	1,333,347	1,384,320	1,282,373
Ending farm liabilities	750,678	1,041,502	459,854
Ending total assets	1,566,194	1,815,645	1,316,743
Ending total liabilities	758,732	1,051,594	465,870
Ending net worth	807,462	764,052	850,873
Net worth change	23,436	-25,294	72,166
Ending farm debt to asset ratio	56 %	75 %	36 %
Beg total debt to asset ratio	50 %	58 %	39 %
End total debt to asset ratio	48 %	58 %	35 %
Solvency (market)			
Number of farms	14	7	7
Ending farm assets	2,078,284	2,279,681	1,876,888
Ending farm liabilities	750,678	1,041,502	459,854
Ending total assets	2,415,763	2,867,127	1,964,400
Ending total liabilities	758,732	1,051,594	465,870
Ending net worth	1,657,031	1,815,533	1,498,529
Net worth change	56,467	-29,488	142,421
Ending farm debt to asset ratio	36 %	46 %	25 %
Beg total debt to asset ratio	33 %	37 %	27 %
End total debt to asset ratio	31 %	37 %	24 %
Nonfarm Information			
Net nonfarm income	16,990	32,674	1,307

Per Unit Income and Expense

Table 44 gives the per acre cash income, cash expense and depreciation for 37 of the 45 cash grain farms. Eight of the 45 did not report individual crop yields. The 37 had an unweighted average of 1,153 acres. These included owned acres plus land cash and share rented.

Table 44.

Average Income and Expense Items, Michigan, 2000 Cash Grain Farms, Per Acre

		Your Farm
Total Crop Acres	1,258.0	
Income Items per Acre		
Corn	\$111	_____
Soybeans	72	_____
Government	68	_____
Custom work	13	_____
Wheat	12	_____
All Other Income	31	_____
Expense Items per Acre		
Seed	\$22.36	_____
Fertilizer	35.59	_____
Crop chemicals	27.61	_____
Crop insurance	3.29	_____
Drying fuel	1.55	_____
Crop marketing	1.29	_____
Crop miscellaneous	2.95	_____
Livestock cost items	2.76	_____
Interest	19.85	_____
Fuel and oil	9.31	_____
Repairs	18.56	_____
Custom hire	13.24	_____
Hired labor	17.30	_____
Land rent	38.47	_____
Leases	9.29	_____
Real estate taxes	6.06	_____
Farm insurance	6.45	_____
Utilities	3.98	_____
Dues, prof. fees	1.54	_____
Miscellaneous	7.92	_____
Machine depreciation	32.44	_____
Buildings depreciation	4.27	_____