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Staff Paper

2000 Business Analysis Summary for Fruit Farms

Sherrill B. Nott

Staff Paper 2001-20

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Department of Agricultural Economics
MICHIGAN STATE UNIVERSITY
East Lansing, Michigan 48824

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2000 BUSINESS ANALYSIS SUMMARY FOR FRUIT FARMS

2000 Michigan Telfarm/MicroTel Data

Staff Paper No. 2001-20, 15 pages

by

Sherrill B. Nott¹

517-353-4522 or nott@msu.edu

Introduction

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Data Source

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. Fruit farms have 50 percent or more of value of combined sales from cherries, apples, and other fruits.

This report is a summary of the financial and production records kept by fruit farmers enrolled in the Telfarm/MicroTel record program through Michigan State University Extension. Farm records were

¹ Professor and Farm Management Specialist. Co-workers in the Telfarm/MicroTel project were R. Betz, L. Borton, R. Clark, B. Dartt, S. Harsh, M. Kelsey, G. Kole, T. Purdy, W. Schauer, G. Schwab, D. Stein, and C. Wolf with the assistance of Michigan State University Extension Agents.

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included if a Finan² summary was completed on 2000 data including beginning and ending balance sheets, income and expenses plus crop acres and yields. 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 16 farms was (\$6,498); the standard deviation of the mean was \$44,835 and the median was (\$7,817). The unweighted mean of acres cropped (owned plus rented) on the 16 farms was 135 acres; the standard deviation of the mean was 70 acres and the median was 131 acres.

This report has three purposes: 1)to provide statistical information about the financial results on fruit 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 fruit farm averages for 1995, see Staff Paper No. 96-86, Michigan Farm Database, New Directions for 1995; it contains averages of 23 fruit farms calculated with Finansum. Staff Paper No. 97-26, Business Analysis Summary for Fruit Farms, contains averages of 18 fruit farms for 1996. Staff Paper No. 98-14, 1997 Business Analysis Summary for Fruit Farms, contains averages of 18 fruit farms for 1997. Staff Paper No. 99-31, 1998 Business Analysis Summary for Fruit Farms contains averages of 16 fruit farms for 1998. Staff Paper No. 2000-18, 1999 Business Analysis Summary for Fruit Farms contains averages of 20 fruit farms for 1999. These staff papers are available from the author.

RankEm, analysis software also from the University of Minnesota, allows rapid analysis of group averages with some degree of choice over how the results are presented. 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. The averages may be representative of bigger and better managed fruit farms.

This document may be found and downloaded from the following:

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

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.

Table 1.

CROP PRODUCTION AND MARKETING SUMMARY, 2000Michigan Specialized Fruit Farms
(Farms Sorted by Net Farm Income)

	Average Of All Farms	Average Of Low 50%	Average Of High 50%
	<hr/>	<hr/>	<hr/>
Number of Farms	16	8	8
ACREAGE SUMMARY			
Total Acres Owned	208	217	199
Total Crop Acres	135	120	150
Crop Acres Owned	105	99	111
Crop Acres Cash Rented	30	21	39
Crop Acres Share Rented	1	-	1
Total Pasture Acres	-	-	-
AVERAGE PRICE RECEIVED (Cash Sales Only)			
Apples per bushel	3.33	-	-

Table 2.

FARM INCOME STATEMENT, 2000
Michigan Specialized Fruit Farms
(Farms Sorted by Net Farm Income)

	Average Of All Farms	Average Of Low 50%	Average Of High 50%
	<hr/>	<hr/>	<hr/>
Number of Farms	16	8	8
CASH FARM INCOME			
Apples	63,904	86,068	41,739
Asparagus	1,163	-	2,327
Cherries	53,468	57,857	49,079
Sweet Cherries	14,088	3,022	25,154
Tart Cherries	33,553	14,251	52,854
Grapes	3,601	4,371	2,830
Hay, Alfalfa	118	-	237
Oats	68	-	136
Peaches	9,606	13,663	5,548
Plums	671	-	1,341
Pumpkins	589	-	1,179
Rhubarb	284	-	568
Squash	1,843	-	3,687
Tomatoes	265	-	530
Other crops	4,538	-	9,075
Miscellaneous crop income	55	-	109
Beef, Finish Yrlg Steers	1,283	-	2,566
Other government payments	3,740	4,056	3,423
Custom work income	1,031	1,276	786
Patronage dividends, cash	5,541	4,710	373
Insurance income	5,348	10,125	572
Other farm income	21,691	42,607	775
Gross Cash Farm Income	223,447	242,007	204,887

Table 3.

FARM INCOME STATEMENT, 2000 (Continued)Michigan Specialized Fruit Farms
(Farms Sorted by Net Farm Income)

	Average Of All Farms	Average Of Low 50%	Average Of High 50%
Number of Farms	16	8	8
CASH FARM EXPENSE			
Seed	1,334	1,621	1,048
Fertilizer	3,933	3,355	4,512
Crop chemicals	35,340	39,974	30,705
Crop insurance	948	1,123	773
Crop marketing	1,154	941	1,367
Crop miscellaneous	3,500	2,608	4,392
Feeder livestock purchase	212	-	423
Purchased feed	173	49	297
Livestock supplies	216	1	431
Grazing fees	66	-	131
Interest	16,593	22,778	10,408
Fuel & oil	8,000	8,891	7,109
Repairs	16,298	17,582	15,015
Custom hire	6,966	8,790	5,142
Hired labor	62,028	89,700	34,356
Land rent	4,797	2,498	7,096
Machinery & bldg leases	3,345	4,499	2,191
Real estate taxes	3,639	4,079	3,199
Personal property taxes	94	19	169
Farm insurance	5,881	7,760	4,003
Utilities	5,396	6,977	3,816
Dues & professional fees	2,109	1,901	2,317
Miscellaneous	11,313	19,097	3,528
Total cash expense	193,333	244,241	142,426
Net cash farm income	30,113	-2,234	62,461
INVENTORY CHANGES			
Crops and feed	-20,510	-27,675	-13,344
Market livestock	-713	-	-1,425
Accounts receivable	-1,258	-2,342	-175
Prepaid expenses and supplies	-220	-1,591	1,151
Accounts payable	1,729	414	3,043
Total inventory change	-20,972	-31,194	-10,750
Net operating profit	9,141	-33,428	51,711
DEPRECIATION AND OTHER CAPITAL ADJUSTMENTS			
Breeding livestock	-1	-3	-
Machinery and equipment	-9,390	-11,021	-7,759
Buildings and improvements	-5,726	-4,014	-7,438
Other farm capital	-522	4,865	-5,909
Total depr. and other capital adj	-15,640	-10,173	-21,106
Net farm income	-6,498	-43,601	30,605

Table 4.

INVENTORY CHANGES, 2000
Michigan Specialized Fruit Farms
(Farms Sorted by Net Farm Income)

	Average Of All Farms	Average Of Low 50%	Average Of High 50%
Number of Farms	16	8	8
Net cash farm income	30,113	-2,234	62,461
CROPS AND FEED			
Ending inventory	65,756	53,775	77,738
Beginning inventory	86,266	81,450	91,082
Inventory change	-20,510	-27,675	-13,344
MARKET LIVESTOCK			
Ending inventory	975	-	1,950
Beginning inventory	1,688	-	3,375
Inventory change	-713	-	-1,425
ACCTS RECEIVABLE & OTHER CURRENT ASSETS			
Ending inventory	7,184	14,368	-
Beginning inventory	8,442	16,709	175
Inventory change	-1,258	-2,342	-175
PREPAID EXPENSES AND SUPPLIES			
Ending inventory	2,623	2,224	3,021
Beginning inventory	2,843	3,815	1,871
Inventory change	-220	-1,591	1,151
ACCOUNTS PAYABLE & ACCRUED EXPENSES			
Beginning inventory	16,451	22,848	10,054
Ending inventory	14,722	22,433	7,010
Inventory change	1,729	414	3,043
Total inventory change	-20,972	-31,194	-10,750
Net operating profit	9,141	-33,428	51,711

Table 5.

DEPRECIATION AND OTHER CAPITAL ADJUSTMENTS, 2000Michigan Specialized Fruit Farms
(Farms Sorted by Net Farm Income)

	Average Of All Farms	Average Of Low 50%	Average Of High 50%
Number of Farms	16	8	8
Net operating profit	9,141	-33,428	51,711
MACHINERY AND EQUIPMENT			
Ending inventory	43,097	47,128	39,067
Capital sales	532	438	626
Beginning inventory	48,066	54,242	41,890
Capital purchases	4,953	4,344	5,561
Depreciation, capital adj.	-9,390	-11,021	-7,759
BUILDINGS AND IMPROVEMENTS			
Ending inventory	84,072	84,944	83,201
Capital sales	-	-	-
Beginning inventory	77,897	80,749	75,045
Capital purchases	11,902	8,210	15,594
Depreciation, capital adj.	-5,726	-4,014	-7,438
OTHER CAPITAL ASSETS			
Ending inventory	41,765	65,963	17,567
Capital sales	10,371	17,311	3,430
Beginning inventory	45,021	73,855	16,188
Capital purchases	7,636	4,554	10,718
Depreciation, capital adj.	-522	4,865	-5,909
Total depreciation, capital adj.	-15,640	-10,173	-21,106
Net farm income	-6,498	-43,601	30,605

Table 6.

PROFITABILITY AND LIQUIDITY ANALYSIS, 2000Michigan Specialized Fruit Farms
(Farms Sorted by Net Farm Income)

	Avg. Of All Farms	Avg. Of Low 50%	Avg. Of High 50%	Avg. Of All Farms	Avg. Of Low 50%	Avg. Of High 50%
Number of Farms	16	8	8	16	8	8
PROFITABILITY						
	----- Cost -----			----- Market -----		
Net farm income	-6,498	-43,601	30,605	11,637	-39,604	62,878
Labor and management earnings	-16,478	-51,501	18,545	-23,619	-72,032	24,794
Rate of return on assets	-5.6 %	-10.1 %	-0.7 %	-0.7 %	-4.7 %	3.3 %
Rate of return on equity	-29.7 %	-60.6 %	-7.5 %	-3.9 %	-12.3 %	3.2 %
Operating profit margin	-12.0 %	-21.4 %	-1.6 %	-3.0 %	-19.5 %	15.4 %
Asset turnover rate	46.7 %	47.5 %	45.9 %	22.8 %	24.3 %	21.4 %
Interest on farm net worth	9,980	7,900	12,060	35,256	32,428	38,084
Farm interest expense	17,004	25,028	8,979	17,004	25,028	8,979
Value of operator lbr & mgmt.	34,670	26,713	42,628	34,670	26,713	42,628
Return on farm assets	-24,165	-45,286	-3,044	-6,030	-41,289	29,230
Average farm assets	429,518	446,611	412,424	878,543	871,079	886,008
Return on farm equity	-41,169	-70,314	-12,023	-23,033	-66,317	20,251
Average farm equity	138,570	115,992	161,149	587,596	540,459	634,732
Value of farm production	200,580	211,938	189,222	200,580	211,938	189,222
				Average Of All Farms	Average Of Low 50%	Average Of High 50%
Number of Farms				16	8	8
LIQUIDITY (Cash)						
Net cash farm income				30,113	-2,234	62,461
Net nonfarm income				18,191	26,457	9,924
Family living and taxes				37,423	26,350	48,496
Real estate principal payments				12,494	12,134	12,855
Cash available for interm. debt				-1,613	-14,260	11,035
Average intermediate debt				37,418	65,792	9,044
Years to turnover interm. debt				**	**	0.8
Expense as a % of income				87 %	101 %	70 %
Interest as a % of income				7 %	9 %	5 %
LIQUIDITY (Accrual)						
Total accrual farm income				200,966	211,990	189,943
Total accrual farm expense				191,825	245,418	138,232
Net accrual operating income				9,141	-33,428	51,711
Net nonfarm income				18,191	26,457	9,924
Family living and taxes				37,423	26,350	48,496
Real estate principal payments				12,494	12,134	12,855
Available for intermediate debt				-22,585	-45,454	284
Average intermediate debt				37,418	65,792	9,044
Years to turnover interm. debt				**	**	31.8
Expense as a % of income				95 %	116 %	73 %
Interest as a % of income				8 %	12 %	5 %

** Income insufficient to meet debt servicing requirements

Table 7.

BALANCE SHEET AT COST VALUES, 2000
Michigan Specialized Fruit Farms
(Farms Sorted by Net Farm Income)

Number of Farms	Average Of All Farms		Average Of Low 50 %		Average Of High 50 %	
	16		8		8	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
ASSETS						
Current Farm Assets						
Cash and checking balance	13,088	15,292	8,964	12,007	17,212	18,577
Prepaid expenses & supplies	2,843	2,623	3,815	2,224	1,871	3,021
Growing crops	-	-	-	-	-	-
Accounts receivable	8,442	7,184	16,709	14,368	175	-
Hedging accounts	-	-	-	-	-	-
Crops held for sale or feed	86,266	65,756	81,450	53,775	91,082	77,738
Crops under government loan	-	-	-	-	-	-
Market livestock held for sale	1,688	975	-	-	3,375	1,950
Other current assets	-	-	-	-	-	-
Total current farm assets	112,326	91,829	110,938	82,373	113,714	101,286
Intermediate Farm Assets						
Breeding livestock	-	11	-	23	-	-
Machinery and equipment	48,066	43,097	54,242	47,128	41,890	39,067
Other intermediate assets	35,824	33,508	55,667	49,635	15,982	17,381
Total intermediate farm assets	83,890	76,616	109,909	96,785	57,872	56,448
Long-Term Farm Assets						
Farm land	160,503	154,448	152,560	140,449	168,446	168,446
Buildings and improvements	77,897	84,072	80,749	84,944	75,045	83,201
Other long-term assets	9,197	8,257	18,187	16,328	206	185
Total long-term farm assets	247,596	246,776	251,496	241,721	243,697	251,832
Total Farm Assets	443,813	415,222	472,344	420,878	415,282	409,566
Total Nonfarm Assets	56,978	69,668	34,822	37,572	79,135	101,763
Total Assets	500,791	484,890	507,166	458,450	494,417	511,329
LIABILITIES						
Current Farm Liabilities						
Accrued interest	6,406	6,817	4,623	6,873	8,190	6,760
Accounts payable	10,044	7,905	18,224	15,560	1,864	250
Current notes	40,672	33,516	62,992	41,471	18,352	25,561
Government crop loans	-	-	-	-	-	-
Principal due on term debt	16,355	15,539	18,080	17,769	14,630	13,309
Total current farm liabilities	73,478	63,777	103,920	81,673	43,036	45,880
Intermediate Farm Liabilities	32,499	32,172	57,571	57,991	7,427	6,352
Long-term Farm Liabilities	191,801	188,169	181,466	178,618	202,136	197,720
Total Farm Liabilities	297,778	284,117	342,956	318,282	252,599	249,952
Total Nonfarm Liabilities	12,109	20,940	22,575	21,048	1,642	20,832
Total Liabilities	309,886	305,057	365,532	339,331	254,241	270,784
Net Worth (farm and nonfarm)	190,905	179,832	141,634	119,120	240,177	240,544
Net Worth Change		-11,073		-22,514		368
RATIO ANALYSIS						
Current Farm Liabilities / Assets	65 %	69 %	94 %	99 %	38 %	45 %
Curr. & Interm Farm Liab / Assets	54 %	57 %	73 %	78 %	29 %	33 %
Long Term Farm Liab. / Assets	77 %	76 %	72 %	74 %	83 %	79 %
Total Liabilities / Assets	62 %	63 %	72 %	74 %	51 %	53 %

Table 8.

BALANCE SHEET AT MARKET VALUES, 2000Michigan Specialized Fruit Farms
(Farms Sorted by Net Farm Income)

Number of Farms	Average Of All Farms		Average Of Low 50 %		Average Of High 50 %	
	16	8	8	8	8	8
	Beginning	Ending	Beginning	Ending	Beginning	Ending
ASSETS						
Current Farm Assets						
Cash and checking balance	13,088	15,292	8,964	12,007	17,212	18,577
Prepaid expenses & supplies	2,843	2,623	3,815	2,224	1,871	3,021
Growing crops	-	-	-	-	-	-
Accounts receivable	8,442	7,184	16,709	14,368	175	-
Hedging accounts	-	-	-	-	-	-
Crops held for sale or feed	86,266	65,756	81,450	53,775	91,082	77,738
Crops under government loan	-	-	-	-	-	-
Market livestock held for sale	1,688	975	-	-	3,375	1,950
Other current assets	-	-	-	-	-	-
Total current farm assets	112,326	91,829	110,938	82,373	113,714	101,286
Intermediate Farm Assets						
Breeding livestock	-	25	-	50	-	-
Machinery and equipment	138,164	137,794	142,977	141,957	133,351	133,631
Other intermediate assets	40,725	35,983	65,468	54,584	15,982	17,381
Total intermediate farm assets	178,889	173,801	208,444	196,590	149,333	151,012
Long-Term Farm Assets						
Farm land	467,669	478,343	479,400	465,949	455,938	490,738
Buildings and improvements	115,759	119,675	78,661	84,487	152,857	154,863
Other long-term assets	9,128	9,667	17,369	17,946	888	1,388
Total long-term farm assets	592,556	607,685	575,430	568,382	609,682	646,988
Total Farm Assets	883,771	873,315	894,813	847,345	872,729	899,286
Total Nonfarm Assets	194,735	218,403	144,371	150,420	245,098	286,386
Total Assets	1,078,506	1,091,718	1,039,184	997,765	1,117,827	1,185,672
LIABILITIES						
Current Farm Liabilities						
Accrued interest	6,406	6,817	4,623	6,873	8,190	6,760
Accounts payable	10,044	7,905	18,224	15,560	1,864	250
Current notes	40,672	33,516	62,992	41,471	18,352	25,561
Government crop loans	-	-	-	-	-	-
Principal due on term debt	16,355	15,539	18,080	17,769	14,630	13,309
Total current farm liabilities	73,478	63,777	103,920	81,673	43,036	45,880
Intermediate Farm Liabilities	32,499	32,172	57,571	57,991	7,427	6,352
Long-term Farm Liabilities	191,801	188,169	181,466	178,618	202,136	197,720
Total Farm Liabilities	297,778	284,117	342,956	318,282	252,599	249,952
Total Nonfarm Liabilities	12,109	20,940	22,575	21,048	1,642	20,832
Total Deferred Liabilities	-	-	-	-	-	-
Total Liabilities	309,886	305,057	365,532	339,331	254,241	270,784
Net Worth (farm and nonfarm)	768,620	786,661	673,652	658,434	863,587	914,888
Net Worth Change		18,041		-15,218		51,301
RATIO ANALYSIS						
Current Farm Liabilities / Assets	65 %	69 %	94 %	99 %	38 %	45 %
Curr. & Interm Farm Liab. / Assets	36 %	36 %	51 %	50 %	19 %	21 %
Long Term Farm Liabilities / Assets	32 %	31 %	32 %	31 %	33 %	31 %
Total Liabilities / Assets	29 %	28 %	35 %	34 %	23 %	23 %

Table 9.

STATEMENT OF CASH FLOWS, 2000
Michigan Specialized Fruit Farms
(Farms Sorted by Net Farm Income)

	Average Of All Farms	Average Of Low 50 %	Average Of High 50%
Number of Farms	16	8	8
(a) Beginning cash balance (farm & nonfarm)	18,944	9,277	28,612
CASH FROM OPERATING ACTIVITIES			
Gross cash farm income	223,447	242,007	204,887
Net nonfarm income (+)	18,191	26,457	9,924
Total cash farm expense (-)	-193,333	-244,241	-142,426
Apparent family living expense (-)	-31,794	-22,218	-41,371
Income and social security tax (-)	-5,628	-4,132	-7,125
(b) Cash from operations (=)	10,881	-2,127	23,889
CASH FROM INVESTING ACTIVITIES			
Sale of breeding livestock	-	-	-
Sale of machinery & equipment (+)	532	438	626
Sale of farm land (+)	15,781	31,563	-
Sale of farm buildings (+)	-	-	-
Sale of other farm assets (+)	10,371	17,311	3,430
Sale of nonfarm assets (+)	2,398	375	4,421
Purchase of breeding livestock (-)	-13	-25	-
Purchase of machinery & equip. (-)	-4,953	-4,344	-5,561
Purchase of farm land (-)	-	-	-
Purchase of farm buildings (-)	-11,902	-8,210	-15,594
Purchase of other farm assets (-)	-7,636	-4,554	-10,718
Purchase of nonfarm assets (-)	-14,377	971	-29,724
(c) Cash from investing activities (=)	-9,798	33,524	-53,121
CASH FROM FINANCING ACTIVITIES			
Money borrowed	87,033	91,295	82,771
Cash gifts and inheritances (+)	6,194	140	12,248
Principal payments (-)	-90,112	-117,040	-63,184
Dividends paid (-)	-	-	-
Gifts given (-)	-744	-	-1,489
(d) Cash from financing activities (=)	2,371	-25,605	30,346
(e) Net change in cash balance (b+c+d)	3,454	5,793	1,115
Ending cash balance (farm & nonfarm)	22,398	15,069	29,727

Table 10.

FINANCIAL GUIDELINES MEASURES, 2000Michigan Specialized Fruit Farms
(Farms Sorted by Net Farm Income)

	Average Of All Farms	Average Of Low 30 %	Average Of High 30 %
	<hr/>	<hr/>	<hr/>
Number of Farms	16	8	8
LIQUIDITY: end of year			
Current ratio	1.44	1.01	2.21
Working capital	28,053	699	55,406
SOLVENCY (Market): end of year			
Farm debt to asset ratio	33 %	38 %	28 %
Farm equity to asset ratio	67 %	62 %	72 %
Farm debt to equity ratio	48 %	60 %	38 %
PROFITABILITY			
Rate of return on farm assets	-5.6 %	-10.1 %	-0.7 %
Rate of return on farm equity	-29.7 %	-60.6 %	-7.5 %
Operating profit margin	-12.0 %	-21.4 %	-1.6 %
Net farm income	-6,498	-43,601	30,605
REPAYMENT CAPACITY			
Term debt coverage ratio	4 %	-68 %	92 %
Capital replacement margin	-27,566	-53,026	-2,105
EFFICIENCY			
Asset turnover rate (market)	46.7 %	47.5 %	45.9 %
Operating expense ratio	87.0 %	104.0 %	68.0 %
Depreciation expense ratio	7.8 %	4.8 %	11.1 %
Interest expense ratio	8.5 %	11.8 %	4.7 %
Net farm income ratio	-3.2 %	-20.6 %	16.1 %

Table 11.

FINANCIAL SUMMARY, 2000
Michigan Specialized Fruit Farms
(Farms Sorted by Net Farm Income)

	Average Of All Farms	Average Of Low 50 %	Average Of High 50 %
Number of Farms	16	8	8
INCOME STATEMENT			
Gross cash farm income	223,447	242,007	204,887
Total cash farm expense	193,333	244,241	142,426
Net cash farm income	30,113	-2,234	62,461
Inventory change	-20,972	-31,194	-10,750
Depreciation and capital adjust	-15,640	-10,173	-21,106
Net farm income	-6,498	-43,601	30,605
PROFITABILITY (cost)			
Labor and management earnings	-16,478	-51,501	18,545
Rate of return on assets	-5.6 %	-10.1 %	-0.7 %
Rate of return on equity	-29.7 %	-60.6 %	-7.5 %
Operating profit margin	-12.0 %	-21.4 %	-1.6 %
Asset turnover rate	46.7 %	47.5 %	45.9 %
PROFITABILITY (market)			
Labor and management earnings	-23,619	-72,032	27,794
Rate of return on assets	-0.7 %	-4.7 %	3.3 %
Rate of return on equity	-3.9 %	-12.3 %	3.2 %
Operating profit margin	-3.0 %	-19.5 %	15.4 %
Asset turnover rate	22.8 %	24.3 %	21.4 %
LIQUIDITY			
Term debt coverage ratio	4.1 %	-67.8 %	91.9 %
Expense as a percent of income	95.5 %	115.8 %	72.8 %
Interest as a percent of income	8.5 %	11.8 %	4.7 %
SOLVENCY (cost)			
Number of farms	16	8	8
Ending farm assets	415,222	420,878	409,566
Ending farm liabilities	284,117	318,282	249,952
Ending total assets	484,890	458,450	511,329
Ending total liabilities	305,057	339,331	270,784
Ending net worth	179,832	119,120	240,544
Net worth change	-11,073	-22,514	368
Ending farm debt to asset ratio	68 %	76 %	61 %
Beg total debt to asset ratio	62 %	72 %	51 %
End total debt to asset ratio	63 %	74 %	53 %
SOLVENCY (market)			
Number of farms	16	8	8
Ending farm assets	873,315	847,345	899,286
Ending farm liabilities	284,117	318,282	249,952
Ending total assets	1,091,718	997,765	1,185,672
Ending total liabilities	305,057	339,331	270,784
Ending net worth	786,661	658,434	914,888
Net worth change	18,041	-15,218	51,301
Ending farm debt to asset ratio	33 %	38 %	28 %
Beg total debt to asset ratio	29 %	35 %	23 %
End total debt to asset ratio	28 %	34 %	23 %
NONFARM INFORMATION			
Net nonfarm income	18,191	26,457	9,924

Table 12.

OPERATOR AND LABOR INFORMATION, 2000Michigan Specialized Fruit Farms
(Farms Sorted by Net Farm Income)

	Average Of All Farms	Average Of Low 50 %	Average Of High 50 %
Number of Farms	16	8	8
OPERATOR INFORMATION			
Average number of operators	1.4	1.4	1.4
Average age of operators	51.1	52.9	49.3
Average number of years farming	24.2	23.8	24.6
RESULTS PER OPERATOR			
Working capital	20,402	509	40,295
Total assets (market)	793,977	725,647	862,307
Total liabilities	221,860	246,786	196,934
Net worth (market)	572,117	478,861	665,373
Net worth excl deferred liabs	572,117	478,861	665,373
Gross farm income	146,157	154,175	138,140
Total farm expense	150,883	185,885	115,882
Net farm income	-4,726	-31,710	22,258
Net nonfarm income	13,230	19,242	7,218
Family living withdrawals	27,217	19,163	35,270
Total acres owned	151.0	157.6	144.5
Total crop acres	98.1	87.0	109.1
Crop acres owned	76.0	71.6	80.4
Crop acres cash rented	21.7	15.3	28.0
Crop acres share rented	0.4	-	0.7
LABOR ANALYSIS			
Number of farms	16	8	8
Total unpaid labor hours	2,506	1,894	3,119
Total hired labor hours	4,984	7,556	2,413
Total labor hours per farm	7,491	9,450	5,532
Unpaid hours per operator	1,823	1,378	2,268
Value of farm production / hour	26.78	22.43	34.21
Net farm income / unpaid hour	-2.59	-23.02	9.81