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United States  
Department of  
Agriculture

Rural Business-  
Cooperative Service

RBS Research  
Report 186

# Financial Profile

## The 100 Largest Agricultural Cooperatives



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Published June 2001



## Preface

The agricultural community continues to suffer from depressed commodity prices. The decline in turn affects all agri-businesses including cooperatives. A preliminary report from the Rural Business-Cooperative Service on 1999 cooperative statistics (the latest available) indicates there are 3,466 agriculture cooperatives across the United States. The business volume for all marketing, farm supply, and related service cooperatives dropped nearly 5 percent from 1998 to 1999.

This report focuses on the 100 largest cooperatives because of their importance to the financial health of all cooperatives. This importance is illustrated by their contribution to the total business of all agriculture cooperatives. While they represent only 3 percent of the total number of agriculture

cooperatives, they account for 58 percent of the total gross business volume. They also control 59 percent of the total assets.

These cooperatives vary tremendously in the type of business they perform and their volume of business. These cooperatives include manufacturing, farm supply sales, marketing, and processing, with business volume ranging from \$63 million to \$10.8 billion. The category in which a cooperative is included is based on the type of commodity it markets or processes for its members. While more than half of the largest cooperatives sell farm supply, only those that sell predominantly farm supply are included in that category. Cooperatives involved with several commodities and not easily categorized are classified as diversified cooperatives.

## Highlights

The combined total revenue of the largest 100 agriculture cooperatives declined slightly to \$67.2 billion in 1999, down 0.22 percent from 1998. The decline is due mostly to lower farm supply sales and service revenue. Sales for the last 2 years were as follows:

Year	Total Operating Revenues
	<i>Billion dollars</i>
1998	67.3
1999	67.2

While total revenue remained fairly stagnant, gross margins improved 4.5 percent to \$6.5 billion in 1999, due mostly to lower payments to members for commodities marketed through the cooperative. Gross margins as a percent of total revenues is illustrated below:

Year	Gross Profit Margins
	<i>Percent</i>
1998	14.5
1999	15.1

While sales were down slightly, net margins tumbled by 38 percent to \$547 million in 1999. Higher operating expenses were the main cause in lowering net margins.

Year	Net Margins
	<i>Million dollars</i>
1998	883.8
1999	546.8

Combined assets for the 100 largest agriculture cooperatives were valued at \$28.2 billion, up 7 percent from 1998. Nearly every category of assets increased in value.

Year	Total Assets
	<i>Billion dollars</i>
1998	26.3
1999	28.2

Total liabilities jumped 9 percent in 1999. Leading the increase was long-term debt, which jumped 17 percent. Short-term debt increased a hefty 15 percent.

Year	Short-term Debt	Long-term Debt
	<i>Billion dollars</i>	
1998	2.9	5.5
1999	3.3	6.4

Member equity increased 3.2 percent. The largest increase was attributed to issuance of preferred stock. Sources of member equity are:

Year	1998	1999
	<i>Billion dollars</i>	
Preferred Stock	1.4	1.6
Common Stock	0.7	0.7
Certificates and Credit	5.6	5.7
Unallocated	1.8	1.9
Total	9.5	9.9

The liquidity for the largest 100 agriculture cooperatives continues to slowly erode. This is illustrated in the current and quick ratios. The relatively larger drop in the quick ratio would lead to the conclusion of inventory buildup.

Year	Current	Quick
	<i>Ratio</i>	
1998	1.37	0.76
1999	1.36	0.74

Cooperatives continue to increase their leverage. Total member equity increased but not at the same rate as their liabilities, thereby, lowering member ownership as defined by debt-to-assets. Long-term financing continues to gravitate toward borrowed funds and away from member equity financing.

Year	Debt-to-Asset	Long-term Debt to Assets
	<i>Percent</i>	
1998	59	.50
1999	60	.58

Due to stagnant sales and increased assets, the largest agriculture cooperatives showed continued declining efficiency in the use of their assets. This has been a trend over the past 3 years.

Year	Local Asset Turnover	Fixed Asset Turnover
	<i>Percent</i>	
1998	3.5	15.5
1999	3.2	14.8





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# Stagnant sales hamper cooperatives

David Chesnick  
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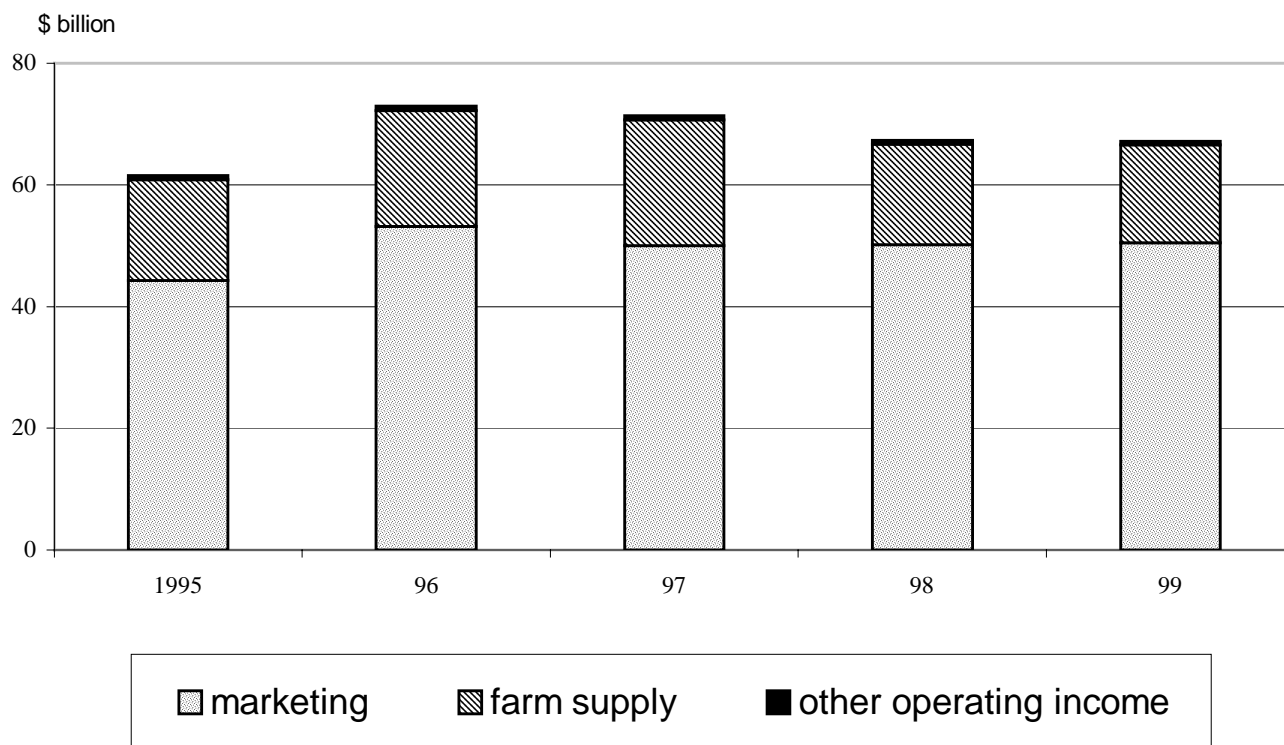
Low farm prices and adverse weather continue to pressure the agricultural community. For the third straight year, total operating revenues for the largest 100 agricultural cooperatives slipped. While there are some bright spots, most of these cooperatives did not fare well in 1999. Revenues of 64 of the 100 largest cooperatives declined. The hardest hit were cotton and grain cooperatives, which accounted for the majority of lower sales.

Figure 1 shows total sales for all cooperatives over a 5-year period. As illustrated, marketing revenues have generally held their own during that last 3 years. Farm supply sales, on the other hand, have declined steadily from their high in 1997 of \$20.6 billion.

Other operating income also dropped.

Table 1 compares operating statements for the largest 100 agriculture cooperatives between 1998 and 1999. Total farm supply sales for all cooperatives fell 2.7 percent from \$16.6 to \$16.1 billion. Cotton and grain cooperatives also took large hits to their revenues. Cotton fell 23 percent from \$2.4 to \$1.8 billion while grain fell 19 percent from \$3.7 to \$3 billion. Production of both cotton and grain increased from 1998. However, the prices received for the commodities fell and suppressed the overall sales for these cooperatives. Appendix tables 1-9 provide a 5-year consolidated operating statement by commodity type.

Figure 1--Sources of total operating revenue, 1995-99



The bright points included increases in total revenue by sugar, dairy, fruit/vegetable, and poultry/livestock cooperatives. However, their gains couldn't overcome the drop in the other sectors.

Sugar prices were down but the volume sold pushed up total sales revenue. Sugar gained 15 percent to end 1999 with \$1.3 billion in total sales.

Table 1--**Consolidated Statement of Operations, 1998-99, Top 100 Cooperatives**

	1999	1998	Difference	Percent Change
<i>\$ thousand</i>				
<b>Revenues</b>				
Marketing	50,481,262	50,104,312	376,950	0.8
Farm Supply	16,143,245	16,598,476	(455,231)	-2.7
Total Sales	66,624,507	66,702,788	(78,281)	-0.1
Other Operating Revenues	541,922	612,823	(70,901)	-11.6
Total Operating Revenues	67,166,429	67,315,611	(149,182)	-0.2
Cost of Goods Sold	60,667,323	61,094,980	(427,657)	-0.7
Gross Margin	6,499,106	6,220,631	278,475	4.5
<b>Expenses</b>				
Operating Expenses	5,751,883	5,230,018	521,865	10.0
Net Operating Margins	747,223	990,613	(243,390)	-24.6
Other Revenues (Expenses)				
Interest Expense	(634,149)	(566,210)	(67,939)	12.0
Interest Revenue	69,123	92,045	(22,922)	-24.9
Other Income	359,583	341,188	18,395	5.4
Other Expenses	(54,696)	(60,211)	5,515	-9.2
Patronage Revenue	47,783	96,999	(49,216)	-50.7
Net Margins from Operations	534,867	894,424	(359,557)	-40.2
Non-Operating Rev. (Exp.)	11,974	(10,582)	22,556	-213.2
Net Margins	546,841	883,842	(337,001)	-38.1

Dairy enjoyed higher prices earlier in the year but they dropped by the end the year. Higher production throughout the year pushed total revenues up. Dairy gained 7 percent in sales, ending the year with \$18.4 billion of total operating revenues.

Fruit/vegetable prices were mixed but volume was up for most commodities. This pushed total sales revenue to its highest level in the past 5 years. These cooperatives gained a modest 4

percent and ended 1999 with total operating revenues at \$7 billion.

Poultry/livestock gained substantially by 7 percent, thus ending the year with \$2.4 billion total operating revenues. Much of the increase was due to increased production.

## Gross margins resilient to sluggish sales

Gross margins for the top 100 cooperatives jumped 4 percent despite the stagnant sales. The major contributor was the poultry/livestock sector. While all those cooperatives increased, one cooperative in particular accounted for nearly one-third of the total increase for all top 100 cooperatives.

Sugar, fruit/vegetable, and diversified cooperatives showed higher levels of gross margins. The cost of processing and payments to producers did not increase as much as the sales for both the sugar and fruit/vegetable cooperatives. Therefore, the gross margins for these cooperatives climbed 4 percent and 6 percent, respectively. Diversified cooperatives increased their gross margins 4 percent due to a decline in their cost of goods sold relative to lower sales.

While dairy cooperatives increased their overall sales, their gross margins remained level due to higher processing costs and payments to members.

## Higher expenses hurt operating income

Increased operating expenses for the 100 largest cooperatives wiped out any gains made from higher gross margins. Operating expenses jumped 10 percent in 1999, the largest increase in the 5-year period examined. Some of the increase can be attributed to labor expenses. The average increase for labor was 5 percent in 1999. Some cooperatives and commodity sectors controlled their labor expenses while others could not.

Cotton and rice cooperatives controlled their labor and total operating costs. Cotton cooperatives showed an 8-percent decline in total operating expenses, mostly due to lower labor costs. Rice cooperatives not only cut labor costs but also achieved more operating efficiency. Operating expenses declined 5 percent as a result.

All the other cooperative sectors showed higher labor costs, pushing up operating expenses.

Despite the best efforts by some cooperatives to control these costs, higher labor costs more than offset any other operating efficiency.

Dairy and poultry/livestock cooperatives had the largest increase in labor, which put tremendous pressure on their operating costs. Dairy cooperatives averaged 16 percent increase in labor, pushing total operating expenses up 3 percent. Poultry/livestock cooperatives saw their labor expenses increase by an average of 12 percent. This added pressure forced a 14-percent increase in total operating expenses.

The increase in labor for the diversified, fruit/vegetable, farm supply, and sugar cooperative sectors only added to their increased operating expenses. Diversified cooperatives increased operating expenses 17 percent with average labor cost climbing 7 percent. While labor for fruit/vegetable and sugar cooperatives increased an average of 3 percent, they had an 11- and 19-percent increase in their total operating expenses respectively. Farm supply cooperatives saw a 13 percent increase in operating expenses with labor increasing by an average of 5 percent.

These overall higher operating expenses hurt operating margins. Operating margins for all cooperatives fell 25 percent to \$747 million in 1999. All sectors except poultry/livestock and sugar cooperatives ended the year with lower operating margins.

Poultry/livestock cooperatives had a tremendous turnaround from 1998 to 1999. Their operations in 1998 lost \$80 million but, significantly, they gained \$199 million in 1999. Most of the progress can be attributed to higher sales and reduced cost. Yet, maintaining their efficiencies, despite higher labor costs, helped their operations.

Sugar cooperatives increased their sales enough to offset increases in their cost of goods sold and operating costs. They posted a 46-percent increase in their operating revenues and ended the year with \$30 million in operating income.

Cotton and rice cooperatives, hit by lower sales, couldn't recover enough through streamlining their operations. Their operating revenue dropped 17 and 44 percent and ended the year at \$64 million and \$18 million, respectively. Dairy cooperative

operating margins fell 11 percent to \$186 million, mostly due to higher operational expenses.

Diversified and fruit/vegetable cooperatives lost 45 percent and 38 percent of their operating revenue from 1998 and ended the year with income from operations at \$183 million and \$117 million respectively. Higher operating costs hurt those sectors.

Operating revenues for farm supply cooperatives continued declining throughout the 5 years studied. In 1999, lower sales and higher expenses pushed these cooperatives into a net operating loss. This was the only commodity group to show a loss.

Lower interest rates made debt financing more attractive. But higher debt pushed interest expense to levels not seen since the early to mid 1980s. Interest expense jumped 12 percent to \$634 million in 1999. While this is not a crisis, cooperatives should be concerned if interest rates begin to climb.

Most of the increase in interest expense can be attributed to diversified and fruit/vegetable cooperatives. They accounted for two-thirds of the total increase in interest expense and debt.

All diversified cooperatives showed higher interest expense, but the fruit/vegetable sector's increase was mostly attributed to one cooperative. Diversified cooperatives increased their interest expense by 21 percent to \$231 million. Fruit/vegetable cooperatives jumped 29 percent to \$148 million.

Farm supply and sugar cooperatives also showed increased interest expense. Similar to the fruit/vegetable group, these two cooperative groups had one main cooperative that pushed interest expense higher, while those in other groups remained fairly constant. The other sectors all showed lower interest expense.

Patronage refunds received for all cooperatives fell to the lowest level in the decade. Patronage refunds from other cooperatives declined 51 percent to \$48 million in 1999. Cotton and dairy cooperatives were the only sectors to receive higher patronage refunds. Cotton had \$1.7 million more patronage refunds in 1999, up 90 percent, while dairy cooperatives grew only 30 percent to \$8 million.

The major decline occurred in the diversified and grain cooperatives. In 1998, these cooperatives accounted for three-quarters of all patronage received. By 1999 that figure was down to nearly one-half. The grain cooperatives received \$21 million, down 34 percent while diversified cooperatives received \$6 million, an 86-percent reduction.

Patronage refunds for fruit/vegetable and farm supply cooperatives fell 20 percent to \$6.2 million and 57 percent to \$3 million, respectively. Sugar, rice and poultry/livestock cooperatives generally do not receive much patronage refunds, accounting for less than 1 percent of total refunds received.

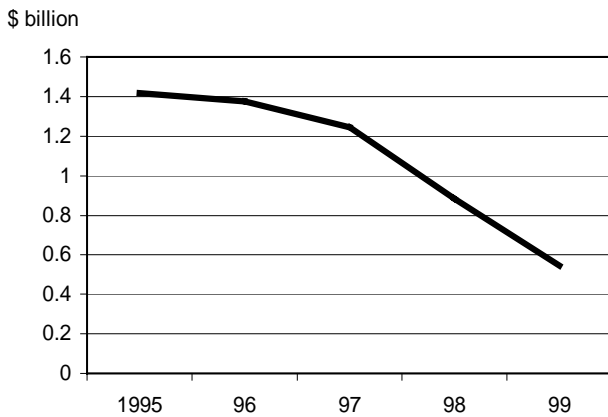
Interest income for all cooperatives--revenues earned on member accounts and finance subsidiaries--dropped 25 percent to \$69 million. For some cooperatives, interest income is substantial and represents up to 7 percent of total revenues. For most cooperatives, however, this amounts to less than 1 percent. Every commodity group had lower interest income.

Other income/expenses represents earnings or losses associated with the operations of joint ventures or unconsolidated subsidiaries. This income is usually indirectly related to operations. For all cooperatives, other income/expense reached record levels, jumping 9 percent to \$305 million. While most sectors showed higher amounts of other income, much of the increase is attributed to the diversified and fruit/vegetable cooperatives. They accounted for 85 percent of the total increase. Dairy and poultry/livestock cooperatives were the only groupings to show lower other income. Usually these other income/expenses amounts are not substantial. However, eight cooperatives would have ended 1999 with a loss if it weren't for income generated by these sources.

## Net margins continue to slide

After peaking in 1995, net margins before distribution for the largest agriculture cooperatives have declined (figure 2).

Figure 2 -Net margins before distribution, 1995-99



Poultry/livestock and sugar cooperatives were the only sectors to increase net margins before distribution. Both had operating losses in 1998. Their lower costs of goods sold relative to their revenues led to higher gross margins that were able to absorb higher expenses--thus, allowing poultry/livestock cooperatives to turn a \$137 million net loss in 1998 into \$95 million net margin in 1999. Sugar cooperatives posted \$2 million of net margins in 1999 after losing more than \$7 million in 1998.

Net margins for cotton cooperatives declined 6 percent to \$58 million, due largely to lower sales in 1999, although, they were able to minimize the decline by lowering their operating and interest expenses.

Despite higher revenues, net margins for dairy and fruit/vegetable cooperatives fell. Dairy cooperatives declined 26 percent to \$223 million in 1999 while the fruit/vegetable sectors dropped 92 percent to \$7 million. Higher operating expenses coupled with a drop in other income caused the

dairy net margins to decline. Fruit/vegetable cooperatives not only had higher operating expenses but also higher interest expenses that ate into margins.

Diversified cooperatives had the largest nominal decline in net margins, falling \$203 million to end the year with \$134 million. Similar to the fruit/vegetable cooperatives, the biggest cause for this drop was higher operating and interest expense.

Not only did sagging grain prices hurt grain cooperatives, but so did operating expenses. Net margins dropped by 41 percent in 1999 to \$81 million.

Despite streamlining their operations in response to lower revenues, rice cooperatives couldn't fully cover their revenue shortfall. Net margins fell 39 percent to \$13 million in 1999.

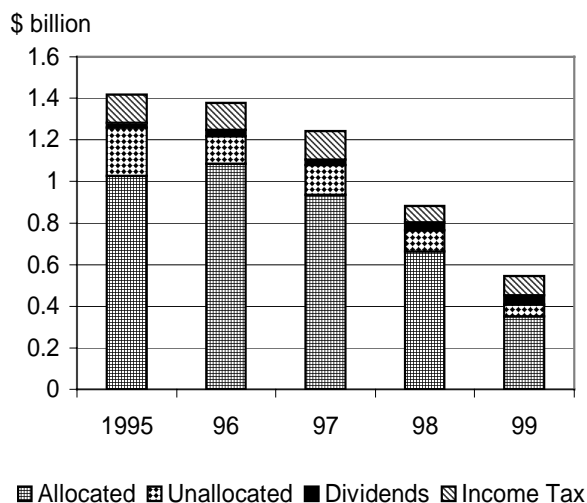
The hardest hit of all commodity groups was the farm supply cooperatives. Unlike other cooperatives, where lower sales equate to lower payment to members, farm supply cooperatives are price takers for the goods they sell. The percentage of cost of goods sold to total revenues has been increasing for the past 5 years. That, along with increased operating expenses, pushed their net margins into the red. This was the first time since the mid-1980s that this sector ended the year with a net loss

## Allocated patronage refunds decline

Members earned less allocated patronage refunds in 1999. Figure 3 (next page) compares the combined distribution for the largest agricultural cooperatives. Not only were there less margins to distribute, but those cooperatives also allocated a smaller percent of their income than in past years. Cooperatives allocated only 64 percent of their net margins to members in 1999, compared with 75 percent in the prior years.

Cotton cooperatives paid higher dividends on member investments and retained less patronage in 1999. Dairy and diversified cooperatives allocated a higher percentage of their margins than they did in 1998. Allocating more margins to members and less to the unallocated account

Figure 3--Distribution of net margins, 1995-99



reduced the amount of taxes paid. This helped offset lower net margins.

While some fruit/vegetable cooperatives that suffered a net loss allocated it to their members'

equity account, farm supply cooperatives deducted most losses from their unallocated account. This allowed them to allocate some patronage back to members despite operating losses.

Grain cooperatives allocated similar proportions to their various equity accounts as they did in 1998. Poultry/livestock and sugar cooperatives used net margins in 1999 to replenish their unallocated equity account, which had absorbed prior losses. Rice cooperatives allocated less equity to members to offset lower margins.

## Total assets jump with accumulated debt

Despite slumping sales, cooperatives continue to increase assets. They jumped 7 percent in 1999, to reach a value of \$28.2 billion. Figure 4 compares various asset components for the 100 largest agriculture cooperatives. A composite balance sheet for them is presented in table 2. Appendix tables 10-18 provide a 5-year consolidated balance sheet by commodity type.

Current assets increased 5 percent to \$13.7 billion. However, percent of current assets to total

assets fell for the fifth straight year. Cash balances were the only current assets to increase as a percent of total assets. Cooperatives were holding a higher percentage of cash in 1999 than in 1998.

The largest increase in assets occurred in investments, most attributed to joint ventures with non-cooperative related businesses. These investments jumped 29 percent to \$1.9 billion. All investments climbed 13.9 percent and ended the year at \$4 billion.

Property, plant, and equipment (PP&E) expanded at 7 percent to \$8.4 billion. These fixed assets represent 30 percent of total assets, unchanged from 1998.

Cotton cooperatives increased their asset base by \$48 million. Most of this was due to higher current assets, most notably inventory and marketing agreements, which pushed current assets up 17 percent. Increased non-cooperative investments of 61 percent added \$13 million to their asset base. The increase in these two areas resulted in an 8 percent increase in total assets.

Assets held by dairy cooperatives did not change substantially in 1999. However, there was some reallocation within their asset base. Current assets fell 7 percent due to better control over their accounts receivable, which fell 15 percent. Receivables as a percent of total sales fell from 8.1 to 6.4 percent in 1999. Inventory increased 9 percent to \$647 million, mostly due to higher sales volume. The other major change occurred in their investment accounts. Dairy cooperatives are

Figure 4-Asset allocation, 1995-99

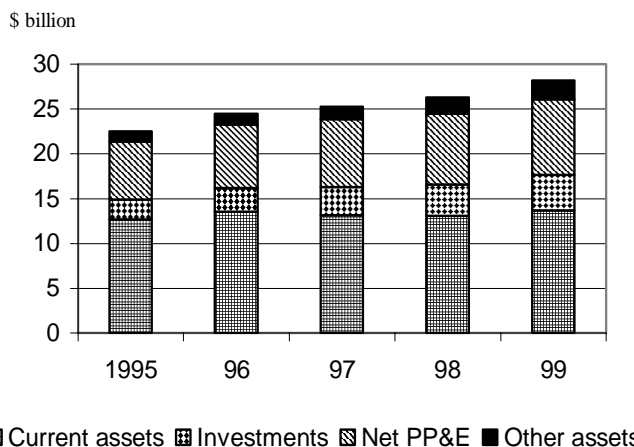




Table 2-Combined Balance Sheet- Top 100 Cooperatives, 1998-99

	1999	1998	Difference	Percent change
<b>Current Assets</b>				
		<i>\$ thousand</i>		
Cash	859,316	745,714	113,602	15.2
Accounts Receivable	5,701,565	5,460,916	240,649	4.4
Inventory	6,024,047	5,698,768	325,279	5.7
Other Current Assets	1,102,297	1,176,749	(74,452)	-6.3
<b>Total Current Assets</b>	<b>13,687,225</b>	<b>13,082,147</b>	<b>605,078</b>	<b>4.6</b>
<b>Investments</b>				
Cooperative Banks	347,327	352,640	(5,313)	-1.5
Other Cooperatives	1,772,266	1,699,544	72,722	4.3
Other Investments	1,879,667	1,459,836	419,831	28.8
<b>Total Investments</b>	<b>3,999,260</b>	<b>3,512,020</b>	<b>487,240</b>	<b>13.9</b>
Net PP&E	8,434,763	7,883,924	550,839	7.0
Other Assets	2,035,927	1,807,042	228,885	12.7
<b>Total Assets</b>	<b>28,157,175</b>	<b>26,285,133</b>	<b>1,872,042</b>	<b>7.1</b>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Total Short-term Debt	3,308,836	2,885,950	422,886	14.7
Accounts Payable	3,667,197	3,347,622	319,575	9.5
Member Payables	422,870	595,287	(172,417)	-29.0
Patron and Pool Liabilities	1,164,744	1,305,463	(140,719)	-10.8
Other Current Liabilities	1,578,185	1,494,550	83,635	5.6
<b>Total Current Liabilities</b>	<b>10,141,832</b>	<b>9,628,872</b>	<b>512,960</b>	<b>5.3</b>
L-Term Debt Less Current Portion	6,428,116	5,516,117	911,999	17
Other Liabilities/Deferred Credits	1,180,176	1,094,291	85,885	7.8
<b>Total Noncurrent Liabilities</b>	<b>7,608,292</b>	<b>6,610,408</b>	<b>997,884</b>	<b>15.1</b>
<b>Total Liabilities</b>	<b>17,750,124</b>	<b>16,239,280</b>	<b>1,510,844</b>	<b>9.3</b>
Minority Interest	534,774	481,846	52,928	11.0
<b>Member Equity</b>				
Preferred Stock	1,572,153	1,421,296	150,857	10.6
Common Stock	727,470	678,745	48,725	7.2
Equity Certificates And Credits	5,703,341	5,617,068	86,273	1.5
Unallocated Capital	1,869,313	1,846,898	22,415	1.2
<b>Total Equity</b>	<b>9,872,277</b>	<b>9,564,007</b>	<b>308,270</b>	<b>3.2</b>
<b>Total Liabilities And Equity</b>	<b>28,157,175</b>	<b>26,285,133</b>	<b>1,872,042</b>	<b>7.1</b>

investing less in other cooperatives and more in non-cooperative ventures. This trend started in 1997 and continued into 1999. Most of these investments were joint ventures in processing plants.

The diversified and fruit/vegetable cooperatives showed substantial increases in every category. Diversified cooperatives ended 1999 with \$10.4 billion in assets, up 13 percent. The increase

accounted for nearly one-half of the total increase for all cooperatives. Leading the increase for the diversified group was the jump in current assets, which accounted for nearly one-half of their total increase. The largest increase was in accounts receivable, followed by inventory and cash. While the cash buildup is good, the increased receivables and inventory, coupled with sluggish sales, can become a potential problem later if the trend continues. The other major increase occurred in investments in joint ventures and other unconsolidated non-cooperative business ventures.

Fruit/vegetable cooperatives found their asset base jumping 16 percent to \$4.5 billion. The increase was spread over all categories, but investments in subsidiaries and joint ventures were the most notable, almost doubling to \$364 million.

Farm supply cooperatives had a moderate 4-percent increase that was spread over all assets. This nudged their assets base to \$3.5 billion. The only notable change was the continued decline in cash balances. Most of the decline can be attributed to investments in fixed assets, subsidiaries, and joint ventures.

Grain cooperatives also showed a moderate 5-percent increase in their asset base, ending 1999 at \$2.1 billion. Unlike farm supply, grain concentrated its increase in investments in cooperatives and fixed assets. Sugar cooperatives increased their asset base by 9 percent to \$1.2 billion. Similar to grain cooperatives, most was due to investments in fixed assets and investments in other cooperatives.

Rice and Poultry/Livestock cooperatives were the only sectors to have declining assets. Poultry/livestock cooperatives fell 22 percent to \$978 million and rice cooperatives fell 7 percent to end 1999 with \$486 million. Declining current assets caused most of the drop in both commodity groups. Discontinued operations in the poultry/livestock sector contributed heavily to lower overall assets. Rice cooperatives lowered their inventories and receivables in the face of lower sales revenue.

## Expansion of assets fueled by higher debt

Eighty percent of asset expansion was financed by liabilities that climbed 9 percent to \$17.8 billion in 1999. Leading the way was total debt, short- and long-term, which increased by \$1.3 billion.

Current liabilities increase 5 percent to \$10.1 billion because of short-term debt or accounts payable. Those liabilities owed to members, either through cash patronage and other revolving equity or pool liabilities, fell by \$313 million. All this leads to higher leverage on the cooperatives and greater influence from those outside the cooperative community.

Cotton cooperatives financed short-term credit needs through cooperative banks and Government sources, while lowering other liabilities. For their long-term financing, these cooperatives used cooperative banks and increased self-financing through the issuance of cooperative bonds.

Dairy cooperatives lowered their current liabilities 6 percent or \$97 million less than in 1998. Use of commercial banks increased for short-term financing. However, a larger decline in liabilities owed to members pushed down total current liabilities. Non-current liabilities only increase a slight 1 percent. Therefore, their total liabilities fell 4 percent to \$2.4 billion.

Diversified cooperatives had increases in most of their current and non-current liabilities except those owed to members. Commercial banks dominated short-term financing. Long-term financing was obtained mostly from issuing bonds. Cooperative banks are also more involved in these financings. Use of insurance companies to finance long-term needs also is increasing.

Current liabilities fell a modest 1 percent for fruit/vegetable cooperatives. Declining member liabilities are the main cause for this drop. While cooperative banks still provide a majority of the short-term financing, commercial banks are beginning to own more of the fruit/vegetable cooperatives loans. Long-term financing for this

commodity group shot up a whopping 45 percent to \$886 million. Most was due to cooperative banks, but bond issues continue to play a larger role. Overall, the fruit/vegetable cooperatives showed proportional increases in liabilities to assets. However, there was a transfer of financing from short- to long-term.

Total liabilities increased 13 percent to \$1.9 billion for farm supply cooperatives. Most was due to the 20-percent increase in long-term debt, which jumped \$140 million. Bonds and commercial bank loans were the largest contributors. Like the fruit/vegetable cooperatives, farm supply cooperatives appear to be transferring their debt from short- to long-term sources.

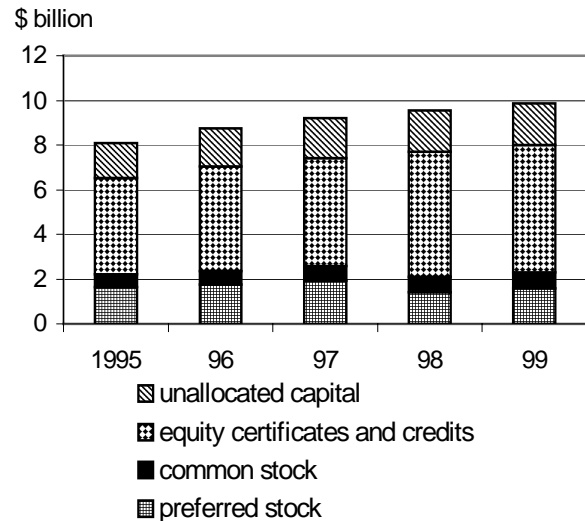
Grain cooperatives increased their short-term debt by 35 percent, largely with cooperative banks. However, they also paid down member liabilities. The final result was an increase in current liabilities by 3 percent to \$767 million. Long-term debt substantially increased 17 percent, most of it being accumulated by cooperative banks. Total liabilities were up \$66 million to 1.1 billion in 1999.

Both poultry/livestock and rice cooperatives had lower total liabilities in 1999 than in 1998. Nearly every liability category declined in value for both groups of cooperatives. Poultry/livestock had the most dramatic drop, cutting total debt 49 percent to the lowest level since 1995. While some member liabilities increased, the drop in total debt pushed total liabilities down 32 percent to \$675 million. On the other hand, long-term debt shot up 35 percent, pushing total liabilities to \$753 million.

## Equity climbs but is overshadowed by debt

Equity for the largest agriculture cooperatives increased 3 percent to its highest level of \$9.9 billion. Figure 5 illustrates the amount of the various sources of equity. Every category of equity increased, including common stock, preferred stock, equity certificates, and credit. The equity jumped \$286 million to end the year at \$8 billion.

Figure 5- Sources of equity, 1995-99



*Unallocated equity increased 1 percent to \$1.9 billion.*

Rice cooperatives had less of a decline than poultry/livestock cooperatives, yet they too had the least amount of debt in the last 5 years. This pushed total liabilities down 15 percent to \$249 million.

Sugar cooperatives ended 1999 with high levels of total liabilities. While short-term debt fell 30 percent, member liabilities jumped 65 percent, limiting the decline in current liabilities to only a 13

Cotton cooperatives increased their equity holdings by 1 percent. However, more importantly, they continued to shift their equity from the unallocated account to their members' account. Member equity jumped 5 percent to \$263 million, while unallocated equity fell 27 percent to \$25 million in 1999.

Dairy cooperatives replaced some of their debt financing with equity financing. Equity increased 5 percent to \$1.6 billion in 1999 and was evenly distributed between allocated and unallocated forms.

Diversified cooperatives increased their equity position by a modest 1 percent to \$3.1 billion, due exclusively to allocated equity.

One fruit/vegetable cooperative issued a substantial amount of preferred stock. This influenced the overall holding of equity for such

cooperatives. That issuance just about accounted for the total 13 percent increase in equity for that sector. These cooperatives ended the year with \$1.3 billion of total equity.

Farm supply cooperatives were the only sector to have a declining balance of equity. These cooperatives absorbed the losses for that year with their unallocated equity. Unallocated equity dropped 19 percent, pushing down total equity 5 percent to \$1.7 billion.

Grain cooperatives proportionally increased most equity accounts. Total equity was up 5 percent to \$946 million.

Poultry/livestock cooperatives increased their equity stock by 17 percent to end the year with \$303 million. However, most was attributed to one cooperative that replenished its unallocated account. Member equity did not change much.

Rice cooperatives continue to build their equity reserves with total equity reaching \$237 million in 1999. The 3-percent increase in total equity was concentrated in the unallocated account. While the value of member equity has fluctuated 1 or 2 percent over the past 8 years, unallocated equity increased steadily by an average of 11 percent.

Despite tight net margins, sugar cooperatives continue to build member equity. The losses in 1997 and 1998 were deducted from unallocated equity. The resulting negative balance continued in 1999. However, the jump in member equity pushed total equity up 7 percent to \$438 million.

## Performance continues to take a beating

The average performance measures for all 100 cooperatives continued to deteriorate during 1999. The tools developed to analyze the cooperatives' financial information include several performance measurements or ratios used throughout the business community. A 5-year list of average ratios for the top 100 largest cooperatives is presented in Table 3 (next page).

The current and quick ratios examine the cooperative liquidity, which have been eroding

during the past 4 years. The current ratio fell from 1.37 to 1.36 and the quick ratio fell from 0.76 to 0.74 between 1998 and 1999. This shows cooperatives are relying more heavily on outside sources to finance day-to-day operations. Short-term debt and accounts payable are increasing faster than current assets.

Other ratios, such as days-to-sell inventory and days-in-accounts receivable, also point toward lower liquidity. Days-to-sell inventory represents the average number of days a cooperative holds inventory before it is sold. The value of this ratio increased from 51.6 to 54.1 days. Similarly, days-in-accounts receivable represents the average number of days cash is tied up in accounts receivable. This value increased from 27.8 to 32.1 days.

Taking these two values together gives a view of a business's cash cycle. Adding these values gives the average length of time it takes a cooperative to convert its cash reserves into inventories, sell the inventories, and convert it back to cash. An increasing value would indicate that the cooperative needs to get a handle on its inventory and/or accounts receivable.

Leverage ratios highlight the risk associated with financing and the cooperatives' ability to meet its long-term and short-term obligations. The debt-to-asset ratio illustrates how assets are financed. In 1999, the debt-to-asset ratio was 0.6, up slightly from 0.59 in 1998. It shows only 40 percent of the assets were financed directly by members.

Examining long-term financing, we focus on the long-term debt-to-equity ratio. This ratio jumped from 0.5 in 1998 to 0.58 in 1999.

While leveraging a cooperative is not necessarily bad, it puts more risk on the business. The biggest risk comes from defaulting on loans. An examination of the times-interest-earned ratio provides a quick look at that scenario. This ratio looks at the number of times interest expense is covered by net margins with interest added back in. This ratio fell from 5.2 in 1998 to 3.8 in 1999. While there is no current crisis, the leverage ratio shows that cooperatives are leveraging themselves when their businesses are showing some financial stress.

**Table 3-Financial ratios, 1995-99, All Top 100 Cooperatives**

	1999	1998	1997	1996	1995
Current Ratio	1.36	1.37	1.39	1.39	1.38
Quick Ratio	0.74	0.76	0.78	0.79	0.75
Debt-to-Assets	0.60	0.59	0.60	0.61	0.61
L-T Debt-to-Equity	0.58	0.50	0.50	0.45	0.41
Times Interest Earned	3.78	5.16	4.33	4.56	4.51
Local Assets Turnover	3.19	3.47	3.70	3.59	3.32
Fixed Asset Turnover	14.85	15.48	17.00	16.30	15.87
Gross Profit Margin	15.12	14.47	13.92	13.82	14.68
Net Operating Margin	1.76	2.01	2.04	2.04	2.43
Return on Total Assets	6.19	7.41	7.40	6.98	7.07
Return on Member Equity	9.05	12.13	11.81	10.45	10.95

Activity ratios show how well the cooperative uses its assets. Again, activity ratios are sliding. Local asset turnover, calculated by taking total revenues divided by local assets dropped from 3.5 to 3.2. This represents how much revenue is generated by each dollar invested in local assets. Local assets are total assets less investment in other cooperatives. This seems to indicate that revenues are not keeping pace with the growth in the cooperative's assets. Fixed asset turnover also fell from 15.5 to 14.9.

These ratios indicate cooperative assets are used less efficiently. While cooperatives are increasing assets, they are generating less revenue. However, ratios do not pinpoint problems; rather, they highlight areas of concern and prompt investigators to examine the cause of increases or decreases in values.

Although limited as an absolute indicator, profitability ratios show financial strength for the cooperative. We have already seen that cooperatives were less profitable and efficient with their assets, and so return on assets fell. Return on total assets, calculated as net margins plus taxes and interest

expense divided by total assets, fell from 7.4 to 6.2 in 1999. This ratio focuses on the operation itself regardless of how the cooperative was financed.

Return on member equity looks at the return on member investment after all expenses, including taxes and interest. This shows the effects of leveraging on the cooperative. While the return on assets fell 1.2 points, the return on member equity fell from 12.1 to 9.1. Leverage, in effect, caused a greater proportional drop in member returns. This is the risk of using borrowed capital. Interest must be paid, whereas members must take what is left over.

Cotton cooperatives ended 1999 with lower liquidity levels. This was due mostly to an increase in short-term nonrecourse loans from Government sources. While liquidity ratios in cotton cooperatives had the largest drop—dropping from 1.85 to 1.60—they still maintained the highest liquidity of all commodity groups. Their increased debt load also affected their risk and leverage. Both short- and long-term debt jumped, pushing up their debt-to-asset ratio from 0.50 to 0.54. Yet, they were still able to maintain margins to cover increased risk. While their times-interest-earned ratio fell from 9.6

to 6.0, they still averaged one of the highest ratio values of all commodity groups. Only dairy was higher. Its efficiency ratios fell, due mostly to lower revenues. However, dairy maintained its profitability ratios with returns on member equity holding steady at 19.1—the highest of any commodity group.

Between 1998 and 1999, the current ratio for dairy cooperatives increased from 1.27 to 1.29 while their quick ratio fell from 0.89 to 0.85. This indicates that most of the higher liquidity may be due to larger inventories. The decline in their debt-to-asset ratio and a jump in long-term debt-to-equity show that dairy cooperatives increased long-term debt and paid off their liabilities owed to members and other accounts payable. The efficiency ratios showed better use of the cooperatives' assets because both local and fixed asset turnovers increased. While profitability ratios declined, they still averaged a higher return on member equity than most sectors. All in all, dairy cooperatives fared well in 1999.

Diversified cooperatives increased their debt load as reflected in their financial information. The current ratio fell slightly from 1.41 to 1.36 while the quick ratio held steady at 0.9. In this situation, a smaller increase in inventory levels relative to other current assets and liabilities indicates better inventory control in a time of stagnant sales. While short-term debt has generally fluctuated, 1999 recorded a record amount. Long-term debt has steadily increased. These factors have pushed down member ownership to only 30 percent of total assets. Times-interest-earned ratio fell from 2.8 to 1.8 times in 1999. However, the biggest effect of leverage is illustrated by return on member equity. This ratio fell from 11.3 to 4.5 percent. Since the diversified cooperatives include some of the largest cooperatives, they can weather short-term adverse conditions in agriculture. However, higher leverage increases the risk and can limit the amount of credit available to these cooperatives.

The performance of the fruit/vegetable cooperatives showed mixed results in 1999. They improved their liquidity by lowering current member payables and increasing current assets. This is

especially true in the cash account, which jumped 34 percent. While overall liabilities expanded at the same rate as the assets, long-term debt became more prominent in financing. The debt-to-asset ratio dropped slightly from 0.68 to 0.67 while the long-term debt-to-equity ratio jumped from 0.73 to 0.88. Higher debt means higher interest payments, which ultimately led to lower margins. The times-interest-earned ratio was cut in half to 2.6. A dip from 2.2 to 2.1 and 10.6 to 9.9 in the local and fixed asset turnover ratios was caused by a larger increase in assets compared with sales generated by those assets. The higher leverage also hit members' return. Return on assets fell from 5.8 to 4.4 in 1999 and return on members' equity fell from 9.8 to 6.1.

Farm supply cooperatives as a whole were the only commodity group to show a net loss. However, one of these cooperatives had a substantial loss and excessively effected that sector. If one examines the average ratios, a different picture appears because of the limited effect of a single cooperative. Liquidity ratios slightly declined in both current and quick ratios. Higher amounts of short-term debt and accounts payable, along with better control over inventory and accounts receivable, pushed the current ratio from 1.5 to 1.4. While overall liabilities as a percentage of assets didn't rise by much, long-term debt jumped considerably. The 20-percent increase in long-term debt, which was due mostly to one cooperative, skewed the average leverage ratio. Excluding this cooperative, the leverage and efficiency ratios were not much different from prior years. Profitability for farm supply cooperatives followed the overall average and was down. Return on member equity fell from 5.55 to 3.66 in 1999.

Liquidity slid for grain cooperatives due to higher short-term debt. The current ratio fell from 1.32 to 1.27. The amount of total debt increased at the same rate as assets, leaving leverage ratios untouched from the prior year. However, lower revenues dropped the times-interest-earned from 5.3 to 4.1. Efficiency ratios were hit by lower revenues. Excess capacity built was not fully used in 1999, so investing in fixed assets skewed the results. The fixed asset turnover dropped from 11.1 to 8.6. As

would be expected, lower margins pushed profitability ratios to 5-year lows with the return on members' equity falling from 13.1 to 9.5.

Poultry/livestock cooperatives, on the other hand, improved from the previous year, due to some major restructuring within this sector. They maintained their liquidity in the face of declining assets. One of the areas where these cooperatives improved is elimination of some debt. Total debt fell 49 percent in 1999, due mostly to short-term debt. This maintained their liquidity. Less debt also improved the leverage ratios. The debt-to-asset ratio fell from 0.81 to 0.78 and long-term debt-to-equity fell from 0.98 to 0.79 between 1998 and 1999.

While the leverage ratios are high compared with other sectors, any improvement was welcome considering the tough times the industry had been facing. Efficiency ratios were improved due to higher sales and lower asset levels. Profitability ratios were up, but due to high debt levels, return on member equity lagged behind the return on total assets. However, the changes within this sector were beneficial.

Rice cooperatives have also changed in the past few years. Some of these changes proved to be beneficial. Inventory and debt levels were reduced. The declining short-term debt and other current liabilities more than offset their declining current assets. This pushed up their liquidity and lowered their leverage. The current ratio jumped from 1.33 to 1.56 while the debt-to-asset ratio fell from 0.59 to 0.51. Efficiency ratios were fairly stagnant. Unfortunately, declining sales pushed down their margins despite lower interest payments. Therefore, all profitability ratios were down from 1998.

The sugar cooperatives transferred some of their short-term to long-term debt to increase liquidity. The current ratio was up from 1.19 to 1.22. However, their leverage was also bumped up with the debt-to-assets jumping from 0.59 to 0.63. Lower inventories pushed down current assets, but the drop in short-term debt more than offset the drop in inventories. Efficiency ratios dropped slightly, but this had more to do with plant expansion and updating than slipping efficiency. These investments should help with efficiency as processing capacity is

reached. Profitability ratios were up slightly. After suffering through earlier losses, sugar cooperatives regained stability in 1999. However, higher interest payments minimized the return on member equity, which was up from -0.55 to 0.42.

## **Cooperatives must brace for the future**

Overall, cooperatives are finding themselves in a catch 22-position. Depressed agricultural prices are shrinking cooperatives' profits. Traditional equity financing for cooperatives relies on their net margins, so they are turning to outside sources to help fund operations. This puts more pressure on expenses. Higher interest payments are cutting deeper into net margins. Cooperatives need to borrow funds for expansion. Delaying investments will make it hard to increase operating efficiencies and will cut net margins.

While it is not a time to panic, cooperatives will need to balance their capital and investment needs. Many cooperatives are taking a proactive approach to funding and to the way they are conducting their operations. New forms of equity are being issued to both members and nonmembers. Mergers, consolidations, and joint ventures with both cooperatives and non-cooperatives also help streamline operations, but some questions remain. Will the agricultural economy finally recover enough for the remaining cooperatives to survive? Can these cooperatives weather a tight agriculture economy or further changes coming?





## Appendix Tables

Appendix Table 1--Consolidated Statement of Operations, 1995-99, Cotton Cooperatives

	1999	1998	1997	1996	1995	1998-99	1997-98	1996-97	1995-96
	<i>\$ thousand</i>					<i>Percent change</i>			
Revenues									
Marketing	1,837,987	2,384,251	2,469,164	2,315,824	2,711,470	-23	-3	7	-15
Farm Supply	53,888	87,167	84,418	50,935	4,892	-38	3	66	941
Total Sales	1,891,875	2,471,418	2,553,582	2,366,759	2,716,362	-23	-3	8	-13
Other Operating Revenues	21,524	21,334	16,849	22,305	81,031	1	27	-24	-72
Total Operating Revenues	1,913,399	2,492,752	2,570,431	2,389,064	2,797,393	-23	-3	8	-15
Cost of Goods Sold	1,772,141	2,330,960	2,403,721	2,210,565	2,583,035	-24	-3	9	-14
Gross Margin	141,258	161,792	166,710	178,499	214,358	-13	-3	-7	-17
Expenses									
Operating Expenses	76,935	84,045	92,145	88,004	124,044	-8	-9	5	-29
Net Operating Margins	64,323	77,747	74,565	90,495	90,314	-17	4	-18	0
Other Revenues (Expenses)									
Interest Expense	(11,975)	(20,401)	(21,097)	(22,634)	(33,677)	-41	-3	-7	-33
Interest Revenue	1,290	1,876	1,653	2,054	3,131	-31	13	-20	-34
Other Income	871	419	396	943	2,308	108	6	-58	-59
Other Expenses			(311)	(180)			-100		
Patronage Revenue	3,678	1,938	1,899	1,884	1,487	90	2	1	27
Net Margins from Operations	58,187	61,579	57,105	72,562	63,563	-6	8	-21	14
Non-Operating Rev.(Exp.)					2,392				
Net Margins	58,187	61,579	57,105	72,562	65,955	-6	8	-21	10

Appendix Table 2--Consolidated Statement of Operations, 1995-99, Dairy Cooperatives

	1999	1998	1997	1996	1995	1998-99	1997-98	1996-97	1995-96
	<i>\$ thousand</i>					<i>Percent change</i>			
Revenues									
Marketing	18,280,818	17,049,647	16,180,062	16,434,715	14,832,587	7	5	-2	11
Farm Supply	100,682	91,111	152,670	116,376	126,562	11	-40	31	-8
Total Sales	18,381,500	17,140,758	16,332,732	16,551,091	14,959,149	7	5	-1	11
Other Operating Revenues	39,551	30,052	90,308	128,012	122,508	32	-67	-29	4
Total Operating Revenues	18,421,051	17,170,810	16,423,040	16,679,103	15,081,657	7	5	-2	11
Cost of Goods Sold	17,346,530	16,099,183	15,399,420	15,540,608	13,899,702	8	5	-1	12
Gross Margin	1,074,521	1,071,627	1,023,620	1,138,495	1,181,955	0	5	-10	-4
Expenses									
Operating Expenses	888,381	862,056	854,997	959,375	996,238	3	1	-11	-4
Net Operating Margins	186,140	209,571	168,623	179,120	185,717	-11	24	-6	-4
Other Revenues (Expenses)									
Interest Expense	(57,564)	(59,118)	(56,871)	(47,715)	(47,598)	-3	4	19	0
Interest Revenue	9,175	9,930	9,090	10,223	9,383	-8	9	-11	9
Other Income	92,417	140,177	12,831	8,757	9,280	-34	992	47	-6
Other Expenses	(25,622)	(19,415)	(5,962)	(8,854)	(4,990)	32	226	-33	77
Patronage Revenue	7,954	6,139	53,254	32,116	9,442	30	-88	66	240
Net Margins from Operations	212,500	287,284	180,965	173,647	161,234	-26	59	4	8
Non-Operating Rev.(Exp.)	10,266	12,955	14,665	12,048	9,613	-21	-12	22	25
Net Margins	222,766	300,239	195,630	185,695	170,847	-26	53	5	9

Appendix Table 3--Consolidated Statement of Operations, 1995-99, Diversified Cooperatives

	1999	1998	1997	1996	1995	1998-99	1997-98	1996-97	1995-96
Revenues	<i>\$ thousand</i>					<i>Percent change</i>			
Marketing	15,235,251	15,323,197	15,614,098	18,663,100	13,084,946	-1	-2	-16	43
Farm Supply	9,074,853	9,068,022	11,754,241	10,866,790	9,452,204	0	-23	8	15
Total Sales	24,310,104	24,391,219	27,368,339	29,529,890	22,537,150	0	-11	-7	31
Other Operating Revenues	198,005	283,058	288,184	271,996	270,405	-30	-2	6	1
Total Operating Revenues	24,508,109	24,674,277	27,656,523	29,801,886	22,807,555	-1	-11	-7	31
Cost of Goods Sold	22,933,173	23,153,752	26,015,574	28,184,208	21,207,822	-1	-11	-8	33
Gross Margin	1,574,936	1,520,525	1,640,949	1,617,678	1,599,733	4	-7	1	1
Expenses									
Operating Expenses	1,391,707	1,185,517	1,232,160	1,230,067	1,134,461	17	-4	0	8
Net Operating Margins	183,229	335,008	408,789	387,611	465,272	-45	-18	5	-17
Other Revenues (Expenses)									
Interest Expense	(230,744)	(191,346)	(177,411)	(192,734)	(157,624)	21	8	-8	22
Interest Revenue	18,689	26,355	27,633	30,548	30,810	-29	-5	-10	-1
Other Income	130,567	132,487	87,202	128,775	66,614	-1	52	-32	93
Other Expenses	(10,017)	(29,857)	(8,396)	(9,102)	(4,837)	-66	256	-8	88
Patronage Revenue	5,919	41,963	138,837	149,686	90,928	-86	-70	-7	65
Net Margins from Operations	97,643	314,610	476,654	494,784	491,163	-69	-34	-4	1
Non-Operating Rev.(Exp.)	36,448	22,000	(8,584)	(5,868)	(17,983)	66	-356	46	-67
Net Margins	134,091	336,610	468,070	488,916	473,180	-60	-28	-4	3

Appendix Table 4--Consolidated Statement of Operations, 1995-99, Fruit/Vegetable Cooperatives

	1999	1998	1997	1996	1995	1998-99	1997-98	1996-97	1995-96
Revenues	<i>\$ thousand</i>					<i>Percent change</i>			
Marketing	6,950,291	6,686,178	6,686,751	6,594,532	6,227,025	4	0	1	6
Farm Supply	8,206	9,124	7,352	7,211	5,944	-10	24	2	21
Total Sales	6,958,497	6,695,302	6,694,103	6,601,743	6,232,969	4	0	1	6
Other Operating Revenues	46,608	53,663	73,405	72,828	59,618	-13	-27	1	22
Total Operating Revenues	7,005,105	6,748,965	6,767,508	6,674,571	6,292,587	4	0	1	6
Cost of Goods Sold	5,158,549	5,001,281	5,091,142	5,080,164	4,709,630	3	-2	0	8
Gross Margin	1,846,556	1,747,684	1,676,366	1,594,407	1,582,957	6	4	5	1
Expenses									
Operating Expenses	1,730,006	1,558,227	1,474,926	1,462,718	1,384,371	11	6	1	6
Net Operating Margins	116,550	189,457	201,440	131,689	198,586	-38	-6	53	-34
Other Revenues (Expenses)									
Interest Expense	(148,053)	(114,925)	(108,441)	(118,556)	(95,896)	29	6	-9	24
Interest Revenue	414	637	677	1,502	11,892	-35	-6	-55	-87
Other Income	66,359	7,386	7,045	4,532	3,381	798	5	55	34
Other Expenses	(14,653)	(1,383)	(1,877)	(2,671)	(5,317)	960	-26	-30	-50
Patronage Revenue	6,230	7,818	4,161	(2,200)	4,325	-20	88	-289	-151
Net Margins from Operations	26,847	88,990	103,005	14,296	116,971	-70	-14	621	-88
Non-Operating Rev.(Exp.)	(19,942)	(1,375)	4,606	4,000		1350	-130	15	
Net Margins	6,905	87,615	107,611	18,296	116,971	-92	-19	488	-84

Appendix Table 5--Consolidated Statement of Operations, 1995-99, Farm Supply Cooperatives

	1999	1998	1997	1996	1995	1998-99	1997-98	1996-97	1995-96
	<i>\$ thousand</i>					<i>Percent change</i>			
Revenues									
Marketing	333,401	411,934	490,317	968,561	431,141	-19	-16	-49	125
Farm Supply	4,941,583	4,997,477	5,601,949	5,344,633	4,792,641	-1	-11	5	12
Total Sales	5,274,984	5,409,411	6,092,266	6,313,194	5,223,782	-2	-11	-3	21
Other Operating Revenues	78,679	80,512	64,685	76,439	61,433	-2	24	-15	24
Total Operating Revenues	5,353,663	5,489,923	6,156,951	6,389,633	5,285,215	-2	-11	-4	21
Cost of Goods Sold	4,763,957	4,841,535	5,427,568	5,521,411	4,405,831	-2	-11	-2	25
Gross Margin	589,706	648,388	729,383	868,222	879,384	-9	-11	-16	-1
Expenses									
Operating Expenses	610,620	541,294	519,467	502,572	457,303	13	4	3	10
Net Operating Margins	(20,914)	107,094	209,916	365,650	422,081	-120	-49	-43	-13
Other Revenues (Expenses)									
Interest Expense	(80,756)	(77,479)	(68,879)	(71,611)	(56,956)	4	12	-4	26
Interest Revenue	14,399	27,176	42,694	35,817	30,002	-47	-36	19	19
Other Income	25,015	22,622	22,518	23,865	16,744	11	0	-6	43
Other Expenses	(241)	(1,715)	(146)	(6,499)	(5,741)	-86	1075	-98	13
Patronage Revenue	2,987	6,886	93,740	81,724	12,014	-57	-93	15	580
Net Margins from Operations	(59,510)	84,584	299,843	428,946	418,144	-170	-72	-30	3
Non-Operating Rev.(Exp.)	(6,660)	(279)	(556)	362	(303)	2287	-50	-254	-219
Net Margins	(66,170)	84,305	299,287	429,308	417,841	-178	-72	-30	3

Appendix Table 6--Consolidated Statement of Operations, 1995-99, Grain Cooperatives

	1999	1998	1997	1996	1995	1998-99	1997-98	1996-97	1995-96
	<i>\$ thousand</i>					<i>Percent change</i>			
Revenues									
Marketing	3,019,610	3,719,977	4,102,781	3,987,438	3,026,667	-19	-9	3	32
Farm Supply	1,957,945	2,337,557	2,359,195	2,167,819	1,627,636	-16	-1	9	33
Total Sales	4,977,555	6,057,534	6,461,976	6,155,257	4,654,303	-18	-6	5	32
Other Operating Revenues	116,472	107,060	126,613	103,972	105,259	9	-15	22	-1
Total Operating Revenues	5,094,027	6,164,594	6,588,589	6,259,229	4,759,562	-17	-6	5	32
Cost of Goods Sold	4,656,770	5,690,402	6,132,119	5,838,283	4,329,593	-18	-7	5	35
Gross Margin	437,257	474,192	456,470	420,946	429,969	-8	4	8	-2
Expenses									
Operating Expenses	387,382	375,741	364,614	309,546	291,302	3	3	18	6
Net Operating Margins	49,875	98,451	91,856	111,400	138,667	-49	7	-18	-20
Other Revenues (Expenses)									
Interest Expense	(29,211)	(29,569)	(31,970)	(46,671)	(26,667)	-1	-8	-31	75
Interest Revenue	12,279	12,963	9,513	5,703	4,901	-5	36	67	16
Other Income	27,096	21,543	8,386	6,051	9,708	26	157	39	-38
Other Expenses	(431)	(67)	(803)	(20)	(1,938)	543	-92	3915	-99
Patronage Revenue	20,988	31,840	33,570	33,109	21,497	-34	-5	1	54
Net Margins from Operations	80,596	135,161	110,552	109,572	146,168	-40	22	1	-25
Non-Operating Rev.(Exp.)	268	2,028	88	(144)	(187)	-87	2205	-161	-23
Net Margins	80,864	137,189	110,640	109,428	145,981	-41	24	1	-25

Appendix Table 7--Consolidated Statement of Operations, 1995-99, Poultry/Livestock Cooperatives

	1999	1998	1997	1996	1995	1998-99	1997-98	1996-97	1995-96
	<i>\$ thousand</i>					<i>Percent change</i>			
Revenues									
Marketing	2,441,238	2,275,374	2,230,814	2,010,097	1,865,252	7	2	11	8
Farm Supply			659,300	543,486	433,450		-100	21	25
Total Sales	2,441,238	2,275,374	2,890,114	2,553,583	2,298,702	7	-21	13	11
Other Operating Revenues	7,101	6,715	6,049	6,005	6,162	6	11	1	-3
Total Operating Revenues	2,448,339	2,282,089	2,896,163	2,559,588	2,304,864	7	-21	13	11
Cost of Goods Sold	2,229,361	2,275,047	2,708,379	2,320,173	2,127,548	-2	-16	17	9
Gross Margin	218,978	7,042	187,784	239,415	177,316	3010	-96	-22	35
Expenses									
Operating Expenses	99,732	87,216	185,614	172,040	147,965	14	-53	8	16
Net Operating Margins	119,246	(80,174)	2,170	67,375	29,351	-249	-3795	-97	130
Other Revenues (Expenses)									
Interest Expense	(32,418)	(33,129)	(31,375)	(24,227)	(21,164)	-2	6	30	14
Interest Revenue	10,734	10,758	19,795	14,841	13,558	0	-46	33	9
Other Income	5,966	10,974	8,106	5,962	12,895	-46	35	36	-54
Other Expenses				(1,577)	(9,625)				
Patronage Revenue	27	230	12,924	711	583	-88	-98	1718	22
Net Margins from Operations	103,555	(91,341)	11,620	63,085	25,598	-213	-886	-82	146
Non-Operating Rev.(Exp.)	(8,406)	(45,911)	(1,843)	(4,330)	(741)	-82	2391		
Net Margins	95,149	(137,252)	9,777	58,755	24,857	-169	-1504	-83	136



Appendix Table 8--Consolidated Statement of Operations, 1995-99, Rice Cooperatives

	1999	1998	1997	1996	1995	1998-99	1997-98	1996-97	1995-96
	<i>\$ thousand</i>					<i>Percent change</i>			
Revenues									
Marketing	1,128,537	1,167,781	1,217,314	1,086,505	1,134,840	-3	-4	12	-4
Farm Supply	3,247	2,511	3,397	4,186	3,281	29	-26	-19	28
Total Sales	1,131,784	1,170,292	1,220,711	1,090,691	1,138,121	-3	-4	12	-4
Other Operating Revenues	4,846	2,725	9,133	18,085	19,035	78	-70	-49	-5
Total Operating Revenues	1,136,630	1,173,017	1,229,844	1,108,776	1,157,156	-3	-5	11	-4
Cost of Goods Sold	836,702	845,055	912,156	784,814	818,853	-1	-7	16	-4
Gross Margin	299,928	327,962	317,688	323,962	338,303	-9	3	-2	-4
Expenses									
Operating Expenses	281,785	295,492	292,252	299,913	319,357	-5	1	-3	-6
Net Operating Margins	18,143	32,470	25,436	24,049	18,946	-44	28	6	27
Other Revenues (Expenses)									
Interest Expense	(6,933)	(11,971)	(18,328)	(14,750)	(10,503)	-42	-35	24	40
Interest Revenue									
Other Income	2,611	1,875	1,840	1,209	1,576	39	2	52	-23
Other Expenses	(908)	(1,517)	(2,190)	(205)	(844)	-40	-31		-76
Patronage Revenue	-	185	318	726	1,036	-100	-42	-56	-30
Net Margins from Operations	12,913	21,042	7,076	11,029	10,211	-39	197	-36	8
Non-Operating Rev.(Exp.)									
Net Margins	12,913	21,042	7,076	11,029	10,211	-39	197	-36	8

Appendix Table 9--Consolidated Statement of Operations, 1995-99, Sugar Cooperatives

	1999	1998	1997	1996	1995	1998-99	1997-98	1996-97	1995-96
	<i>\$ thousand</i>					<i>Percent change</i>			
Revenues									
Marketing	1,254,129	1,085,973	1,074,537	1,038,977	992,786	15	1	3	5
Farm Supply	2,841	5,507	6,379	7,386	5,271	-48	-14	-14	40
Total Sales	1,256,970	1,091,480	1,080,916	1,046,363	998,057	15	1	3	5
Other Operating Revenues	29,136	27,704	15,044	13,642	15,256	5	84	10	-11
Total Operating Revenues	1,286,106	1,119,184	1,095,960	1,060,005	1,013,313	15	2	3	5
Cost of Goods Sold	970,140	857,765	846,198	815,417	795,180	13	1	4	3
Gross Margin	315,966	261,419	249,762	244,588	218,133	21	5	2	12
Expenses									
Operating Expenses	285,335	240,430	222,609	230,293	206,166	19	8	-3	12
Net Operating Margins	30,631	20,989	27,153	14,295	11,967	46	-23	90	19
Other Revenues (Expenses)									
Interest Expense	(36,495)	(28,272)	(30,948)	(18,440)	(23,139)	29	-9	68	-20
Interest Revenue	2,143	2,350	2,321	867	684	-9	1	168	27
Other Income	8,681	3,705	1,672	4,835	1,577	134	122	-65	207
Other Expenses	(2,824)	(6,257)	(16,893)	(785)	(1,159)	-55	-63	2052	-32
Patronage Revenue			4,997	2,040	2,129		-100	145	-4
Net Margins from Operations	2,136	(7,485)	(11,698)	2,812	(7,941)	-129	-36	-516	-135
Non-Operating Rev.(Exp.)									
Net Margins	2,136	(7,485)	(11,698)	2,812	(7,941)	-129	-36	-516	-135

Appendix Table 10--Consolidated Balance Sheet, 1995-99, Cotton Cooperatives

	1999	1998	1997	1996	1995	1998-99	1997-98	1996-97	1995-96
	<i>\$ thousand</i>					<i>Percent change</i>			
Current Assets									
Cash	26,370	26,462	48,475	61,428	69,516	0	-45	-21	-12
Accounts Receivable	118,359	126,334	123,584	119,223	97,126	-6	2	4	23
Inventory	225,202	223,843	156,790	181,579	125,334	1	43	-14	45
Other Current Assets	68,569	26,550	39,467	18,677	77,942	158	-33	111	-76
Total Current Assets	438,500	403,189	368,316	380,907	369,918	9	9	-3	3
Investment									
Cooperatives	20,743	20,453	23,418	23,919	23,943	1	-13	-2	0
Other Investments	35,478	22,104	22,576	26,186	24,272	61	-2	-14	8
Total Investments	56,221	42,557	45,994	50,105	48,215	32	-7	-8	4
Net PP&E	164,122	165,294	180,777	164,662	142,358	-1	-9	10	16
Other Assets	15,168	14,732	1,680	2,000	2,115	3	777	-16	-5
Total Assets	674,011	625,772	596,767	597,674	562,606	8	5	0	6
Liabilities									
Short Term Debt	230,382	165,450	117,426	157,584	135,567	39	41	-25	16
Accounts Payable	15,772	22,707	28,520	32,110	30,581	-31	-20	-11	5
Member Liabilities	39,172	76,316	68,061	61,865	60,178	-49	12	10	3
Other Current Liabilities	19,044	21,947	12,014	14,294	14,343	-13	83	-16	0
Total Current Liabilities	304,370	286,420	226,021	265,853	240,669	6	27	-15	10
L-T Debt Less Current	74,324	47,119	72,205	44,597	43,520	58	-35	62	2
Other Liabilities	7,350	6,609	5,474	4,300	3,602	11	21	27	19
Total Noncurrent Liabilities	81,674	53,728	77,679	48,897	47,122	52	-31	59	4
Total Liabilities	386,044	340,148	303,700	314,750	287,791	13	12	-4	9
Minority Interest	-	-	-	-	-				
Member Equity									
Preferred Stock	-	-	-	-	-				
Common Stock	8	8	4,254	4,300	4,260	0	-100	-1	1
Equity Certificates/Credits	263,192	251,696	244,267	222,810	215,368	5	3	10	3
Unallocated Capital	24,767	33,920	44,546	55,814	55,187	-27	-24	-20	1
Total Equity	287,967	285,624	293,067	282,924	274,815	1	-3	4	3
Total Liabilities And Equity	674,011	625,772	596,767	597,674	562,606	8	5	0	6

Appendix Table 11--Consolidated Balance Sheet, 1995-99, Dairy Cooperatives

	1999	1998	1997	1996	1995	1998-99	1997-98	1996-97	1995-96
	<i>\$ thousand</i>					<i>Percent change</i>			
Current Assets									
Cash	232,215	244,745	246,240	230,248	221,944	-5	-1	7	4
Accounts Receivable	1,176,958	1,384,776	1,143,755	1,183,021	1,148,293	-15	21	-3	3
Inventory	646,642	594,741	630,752	647,216	557,576	9	-6	-3	16
Other Current Assets	52,566	44,769	73,660	52,582	39,242	17	-39	40	34
Total Current Assets	2,108,381	2,269,031	2,094,407	2,113,067	1,967,055	-7	8	-1	7
Investment									
Cooperatives	188,386	220,721	624,668	384,879	309,725	-15	-65	62	24
Other Investments	852,082	750,960	98,879	66,338	132,688	13	659	49	-50
Total Investments	1,009,457	941,159	605,892	381,841	379,413	7	55	59	1
Net PP&E	1,074,905	1,015,904	1,108,992	1,089,404	1,006,946	6	-8	2	8
Other Assets	97,919	74,880	98,553	103,767	122,173	31	-24	-5	-15
Total Assets	4,290,662	4,300,974	3,907,844	3,688,079	3,475,587	0	10	6	6
Liabilities									
Short Term Debt	185,841	176,289	270,781	210,354	212,455	5	-35	29	-1
Accounts Payable	602,393	632,963	518,925	571,350	531,924	-5	22	-9	7
Member Liabilities	652,925	734,798	646,014	663,887	619,327	-11	14	-3	7
Other Current Liabilities	217,091	211,592	220,814	241,283	236,827	3	-4	-8	2
Total Current Liabilities	1,658,250	1,755,642	1,656,534	1,686,874	1,600,533	-6	6	-2	5
L-T Debt Less Current	615,346	609,665	605,816	533,696	494,755	1	1	14	8
Other Liabilities	83,828	79,930	33,259	40,826	49,947	5	140	-19	-18
Total Noncurrent Liabilities	699,174	689,595	639,075	574,522	544,702	1	8	11	5
Total Liabilities	2,357,424	2,445,237	2,295,609	2,261,396	2,145,235	-4	7	2	5
Minority Interest	302,658	302,140	178,925	35,309	3,882	0	69	407	810
Member Equity									
Preferred Stock	71,306	75,128	75,274	63,639	62,774	-5	0	18	1
Common Stock	25	25	26	26	29	0	-4	0	-10
Equity Certificates/Credits	1,185,296	1,147,992	1,082,957	1,085,351	1,041,232	3	6	0	4
Unallocated Capital	373,953	330,452	275,053	242,358	222,435	13	20	13	9
Total Equity	1,630,580	1,553,597	1,433,310	1,391,374	1,326,470	5	8	3	5
Total Liabilities And Equity	4,290,662	4,300,974	3,907,844	3,688,079	3,475,587	0	10	6	6

Appendix Table 12--Consolidated Balance Sheet, 1995-99, Diversified Cooperatives

	1999	1998	1997	1996	1995	1998-99	1997-98	1996-97	1995-96
	<i>\$ thousand</i>					<i>Percent change</i>			
Current Assets									
Cash	275,005	138,727	97,013	65,045	51,832	98	43	49	25
Accounts Receivable	2,394,744	2,054,621	2,096,090	2,184,442	1,886,422	17	-2	-4	16
Inventory	2,089,886	1,933,855	2,123,005	2,299,258	2,132,770	8	-9	-8	8
Other Current Assets	553,405	422,144	321,018	372,308	310,082	31	32	-14	20
Total Current Assets	5,313,040	4,549,347	4,637,126	4,921,053	4,381,106	17	-2	-6	12
Investment									
Cooperatives	1,001,584	964,909	971,781	854,639	641,365	4	-1	14	33
Other Investments	320,675	187,733	203,019	128,551	152,680	71	-8	58	-16
Total Investments	1,322,259	1,152,642	1,174,800	983,190	794,045	15	-2	19	24
Net PP&E	2,513,678	2,438,856	2,326,308	2,220,868	1,972,419	3	5	5	13
Other Assets	1,249,567	1,090,665	862,299	703,404	649,279	15	26	23	8
Total Assets	10,398,544	9,231,510	9,000,533	8,828,515	7,796,849	13	3	2	13
Liabilities									
Short Term Debt	1,400,642	844,339	1,074,218	1,260,020	1,097,712	66	-21	-15	15
Accounts Payable	1,762,825	1,495,236	1,570,611	1,562,056	1,300,586	18	-5	1	20
Member Liabilities	236,958	287,138	179,453	182,223	185,352	-17	60	-2	-2
Other Current Liabilities	765,603	745,348	897,514	899,554	806,010	3	-17	0	12
Total Current Liabilities	4,166,028	3,372,061	3,721,796	3,903,853	3,389,660	24	-9	-5	15
L-T Debt Less Current	2,490,564	2,200,385	1,989,736	1,886,573	1,661,708	13	11	5	14
Other Liabilities	560,857	528,210	300,370	281,859	204,981	6	76	7	38
Total Noncurrent Liabilities	3,051,421	2,728,595	2,290,106	2,168,432	1,866,689	12	19	6	16
Total Liabilities	7,217,449	6,100,656	6,011,902	6,072,285	5,256,349	18	1	-1	16
Minority Interest	109,380	95,398	80,562	70,394	68,639	15	18	14	3
Member Equity									
Preferred Stock	144,053	149,063	691,789	672,740	666,687	-3	-78	3	1
Common Stock	538,435	483,937	468,003	433,915	400,464	11	3	8	8
Equity Certificates/Credits	1,953,725	1,965,511	1,400,753	1,241,719	1,099,314	-1	40	13	13
Unallocated Capital	435,502	436,945	347,524	337,462	305,396	0	26	3	10
Total Equity	3,071,715	3,035,456	2,908,069	2,685,836	2,471,861	1	4	8	9
Total Liabilities And Equity	10,398,544	9,231,510	9,000,533	8,828,515	7,796,849	13	3	2	13

Appendix Table 13--Consolidated Balance Sheet, 1995-99, Fruit/Vegetable Cooperatives

	1999	1998	1997	1996	1995	1998-99	1997-98	1996-97	1995-96
	<i>\$ thousand</i>					<i>Percent change</i>			
Current Assets									
Cash	114,955	85,669	86,599	93,607	70,749	34	-1	-7	32
Accounts Receivable	734,956	677,184	605,180	632,405	627,745	9	12	-4	1
Inventory	1,319,506	1,229,123	1,091,301	1,068,204	1,112,909	7	13	2	-4
Other Current Assets	190,529	174,881	134,405	137,422	192,011	9	30	-2	-28
Total Current Assets	2,359,946	2,166,857	1,917,485	1,931,638	2,003,414	9	13	-1	-4
Investment									
Cooperatives	103,205	106,857	126,958	126,586	131,236	-3	-16	0	-4
Other Investments	364,241	184,728	198,395	203,508	188,357	97	-7	-3	8
Total Investments	467,446	291,585	325,353	330,094	319,593	60	-10	-1	3
Net PP&E	1,358,489	1,130,171	1,103,209	1,120,477	1,081,623	20	2	-2	4
Other Assets	283,033	250,788	153,309	145,840	138,364	13	64	5	5
Total Assets	4,468,914	3,839,401	3,499,356	3,528,049	3,542,994	16	10	-1	0
Liabilities									
Short Term Debt	503,250	490,530	422,656	475,495	519,549	3	16	-11	-8
Accounts Payable	420,977	373,945	318,893	330,138	355,442	13	17	-3	-7
Member Liabilities	352,940	465,301	431,884	440,339	403,327	-24	8	-2	9
Other Current Liabilities	246,245	208,200	210,887	163,974	160,265	18	-1	29	2
Total Current Liabilities	1,523,412	1,537,976	1,384,320	1,409,946	1,438,583	-1	11	-2	-2
L-T Debt Less Current	1,390,836	958,948	835,869	888,050	877,301	45	15	-6	1
Other Liabilities	233,332	215,338	173,060	151,683	128,135	8	24	14	18
Total Noncurrent Liabilities	1,624,168	1,174,286	1,008,929	1,039,733	1,005,436	38	16	-3	3
Total Liabilities	3,147,580	2,712,262	2,393,249	2,449,679	2,444,019	16	13	-2	0
Minority Interest	43,000	-	-	-	-				
Member Equity									
Preferred Stock	261,016	105,361	99,391	92,656	93,113	148	6	7	0
Common Stock	140,701	146,056	138,393	127,998	130,433	-4	6	8	-2
Equity Certificates/Credits	606,254	631,430	621,305	625,101	656,743	-4	2	-1	-5
Unallocated Capital	270,363	244,292	247,018	232,615	218,686	11	-1	6	6
Total Equity	1,278,334	1,127,139	1,106,107	1,078,370	1,098,975	13	2	3	-2
Total Liabilities And Equity	4,468,914	3,839,401	3,499,356	3,528,049	3,542,994	16	10	-1	0

Appendix Table 14--Consolidated Balance Sheet, 1995-99, Farm Supply Cooperatives

	1999	1998	1997	1996	1995	1998-99	1997-98	1996-97	1995-96
	<i>\$ thousand</i>					<i>Percent change</i>			
Current Assets									
Cash	57,182	113,859	248,272	276,351	379,431	-50	-54	-10	-27
Accounts Receivable	515,410	454,462	605,486	595,292	535,143	13	-25	2	11
Inventory	747,179	669,242	601,756	599,475	559,395	12	11	0	7
Other Current Assets	50,662	54,755	150,218	302,270	241,063	-7	-64	-50	25
Total Current Assets	1,370,433	1,292,318	1,605,732	1,773,388	1,715,032	6	-20	-9	3
Investment									
Cooperatives	524,370	515,561	476,295	419,130	348,894	2	8	14	20
Other Investments	72,627	70,491	76,652	64,711	58,191	3	-8	18	11
Total Investments	596,997	586,052	552,947	483,841	407,085	2	6	14	19
Net PP&E	1,406,667	1,368,739	1,218,265	1,016,615	945,067	3	12	20	8
Other Assets	170,679	165,474	127,683	163,363	108,525	3	30	-22	51
Total Assets	3,544,776	3,412,583	3,504,627	3,437,207	3,175,709	4	-3	2	8
Liabilities									
Short Term Debt	242,610	209,891	314,273	325,013	275,161	16	-33	-3	18
Accounts Payable	487,495	429,964	426,599	426,990	347,724	13	1	0	23
Member Liabilities	23,707	38,464	127,390	178,195	421,243	-38	-70	-29	-58
Other Current Liabilities	97,960	98,022	85,944	102,057	77,414	0	14	-16	32
Total Current Liabilities	851,772	776,341	954,206	1,032,255	1,121,542	10	-19	-8	-8
L-T Debt Less Current	848,971	709,140	646,939	575,401	533,278	20	10	12	8
Other Liabilities	156,411	152,193	144,884	127,400	115,586	3	5	14	10
Total Noncurrent Liabilities	1,005,382	861,333	791,823	702,801	648,864	17	9	13	8
Total Liabilities	1,857,154	1,637,674	1,746,029	1,735,056	1,770,406	13	-6	1	-2
Minority Interest	7,444	7,121	6,011	6,646	6,118	5	18	-10	9
Member Equity									
Preferred Stock	959,163	958,078	945,238	827,484	707,573	0	1	14	17
Common Stock	14,794	14,797	14,515	13,212	11,941	0	2	10	11
Equity Certificates/Credits	312,250	308,538	301,026	401,622	270,765	1	2	-25	48
Unallocated Capital	393,971	486,375	491,808	453,187	408,906	-19	-1	9	11
Total Equity	1,680,178	1,767,788	1,752,587	1,695,505	1,399,185	-5	1	3	21
Total Liabilities And Equity	3,544,776	3,412,583	3,504,627	3,437,207	3,175,709	4	-3	2	8

Appendix Table 15--Consolidated Balance Sheet, 1995-99, Grain Cooperatives

	1999	1998	1997	1996	1995	1998-99	1997-98	1996-97	1995-96
	<i>\$ thousand</i>					<i>Percent change</i>			
Current Assets									
Cash	90,862	101,714	96,784	77,603	48,235	-11	5	25	61
Accounts Receivable	321,533	337,944	370,612	373,094	334,160	-5	-9	-1	12
Inventory	458,840	437,839	469,097	622,960	620,002	5	-7	-25	0
Other Current Assets	80,881	72,319	85,688	108,199	93,504	12	-16	-21	16
Total Current Assets	952,116	949,816	1,022,181	1,181,856	1,095,901	0	-7	-14	8
Investment									
Cooperatives	226,640	199,044	175,662	152,036	137,609	14	13	16	10
Other Investments	57,280	55,562	48,452	37,430	12,218	3	15	29	206
Total Investments	283,920	254,606	224,114	189,466	149,827	12	14	18	26
Net PP&E	786,055	712,332	615,012	563,722	515,329	10	16	9	9
Other Assets	102,897	99,901	111,753	79,646	80,359	3	-11	40	-1
Total Assets	2,124,988	2,016,655	1,973,060	2,014,690	1,841,416	5	2	-2	9
Liabilities									
Short Term Debt	289,940	214,616	264,482	497,836	378,694	35	-19	-47	31
Accounts Payable	189,203	206,932	258,106	238,216	239,028	-9	-20	8	0
Member Liabilities	167,126	212,169	191,463	172,925	175,555	-21	11	11	-1
Other Current Liabilities	120,569	113,994	109,929	95,559	105,726	6	4	15	-10
Total Current Liabilities	766,838	747,711	823,980	1,004,536	899,003	3	-9	-18	12
L-T Debt Less Current	312,260	266,843	238,085	158,209	145,258	17	12	50	9
Other Liabilities	29,294	27,510	30,304	27,978	20,951	6	-9	8	34
Total Noncurrent Liabilities	341,554	294,353	268,389	186,187	166,209	16	10	44	12
Total Liabilities	1,108,392	1,042,064	1,092,369	1,190,723	1,065,212	6	-5	-8	12
Minority Interest	70,297	75,744	86,550	85,443	84,431	-7	-12	1	1
Member Equity									
Preferred Stock	77,161	74,151	61,454	58,267	54,883	4	21	5	6
Common Stock	29,227	29,639	20,230	20,715	21,028	-1	47	-2	-1
Equity Certificates/Credits	615,554	582,432	524,079	481,395	443,608	6	11	9	9
Unallocated Capital	224,357	212,625	188,378	178,147	172,254	6	13	6	3
Total Equity	946,299	898,847	794,141	738,524	691,773	5	13	8	7
Total Liabilities And Equity	2,124,988	2,016,655	1,973,060	2,014,690	1,841,416	5	2	-2	9



Appendix Table 16--Consolidated Balance Sheet, 1995-99, Poultry/Livestock Cooperatives

	1999	1998	1997	1996	1995	1998-99	1997-98	1996-97	1995-96
	<i>\$ thousand</i>					<i>Percent change</i>			
Current Assets									
Cash	36,667	21,538	26,439	26,821	22,152	70	-19	-1	21
Accounts Receivable	207,268	208,526	344,045	317,441	259,049	-1	-39	8	23
Inventory	200,273	186,165	296,900	271,146	227,820	8	-37	9	19
Other Current Assets	67,195	344,683	98,978	53,760	36,727	-81	248	84	46
Total Current Assets	511,403	760,912	766,362	669,168	545,748	-33	-1	15	23
Investment									
Cooperatives	5,135	5,342	35,479	5,377	27,717	-4	-85	560	-81
Other Investments	106,199	125,623	102,461	104,728	70,200	-15	23	-2	49
Total Investments	111,334	130,965	137,940	110,105	97,917	-15	-5	25	12
Net PP&E	255,874	263,879	302,887	263,944	234,406	-3	-13	15	13
Other Assets	99,635	92,224	57,412	43,494	51,271	8	61	32	-15
Total Assets	978,246	1,247,980	1,264,601	1,086,711	929,342	-22	-1	16	17
Liabilities									
Short Term Debt	193,604	436,020	324,321	241,613	195,244	-56	34	34	24
Accounts Payable	111,200	96,085	156,690	133,699	125,080	16	-39	17	7
Member Liabilities	11,568	8,047	7,526	31,582	15,200	44	7	-76	108
Other Current Liabilities	81,306	57,333	58,139	69,745	55,695	42	-1	-17	25
Total Current Liabilities	397,678	597,485	546,676	476,639	391,219	-33	9	15	22
L-T Debt Less Current	201,424	335,467	268,512	191,324	139,874	-40	25	40	37
Other Liabilities	75,582	55,953	54,014	44,361	40,129	35	4	22	11
Total Noncurrent Liabilities	277,006	391,420	322,526	235,685	180,003	-29	21	37	31
Total Liabilities	674,684	988,905	869,202	712,324	571,222	-32	14	22	25
Minority Interest	1,048	676	28,458	28,172	23,972	55	-98	1	18
Member Equity									
Preferred Stock	2,696	2,757	2,766	2,329	2,221	-2	0	19	5
Common Stock	116	118	117	121	147	-2	1	-3	-18
Equity Certificates/Credits	215,129	208,917	213,248	218,030	225,518	3	-2	-2	-3
Unallocated Capital	84,573	46,607	150,810	125,735	106,262	81	-69	20	18
Total Equity	302,514	258,399	366,941	346,215	334,148	17	-30	6	4
Total Liabilities And Equity	978,246	1,247,980	1,264,601	1,086,711	929,342	-22	-1	16	17

Appendix Table 17--Consolidated Balance Sheet, 1995-99, Rice Cooperatives

	1999	1998	1997	1996	1995	1998-99	1997-98	1996-97	1995-96
	<i>\$ thousand</i>					<i>Percent change</i>			
Current Assets									
Cash	20,235	3,836	9,390	4,111	10,392	428	-59	128	-60
Accounts Receivable	100,988	112,644	103,156	92,882	97,180	-10	9	11	-4
Inventory	137,556	183,732	210,716	206,603	164,900	-25	-13	2	25
Other Current Assets	6,889	396	1,279	5,370	9,363	1640	-69	-76	-43
Total Current Assets	265,668	300,608	324,541	308,966	281,835	-12	-7	5	10
Investment									
Cooperatives	15,266	13,845	12,511	12,741	10,930	10	11	-2	17
Other Investments	19,690	20,907	20,795	15,904	14,737	-6	1	31	8
Total Investments	34,956	34,752	33,306	28,645	25,667	1	4	16	12
Net PP&E	182,009	181,622	183,821	177,650	165,003	0	-1	3	8
Other Assets	3,101	4,244	2,654	3,215	5,232	-27	60	-17	-39
Total Assets	485,734	521,226	544,322	518,476	477,737	-7	-4	5	9
Liabilities									
Short Term Debt	112,330	135,610	183,461	147,446	137,712	-17	-26	24	7
Accounts Payable	28,690	33,057	33,014	44,529	31,584	-13	0	-26	41
Member Liabilities	31,823	35,335	25,658	24,777	25,735	-10	38	4	-4
Other Current Liabilities	8,929	16,191	10,242	13,462	8,806	-45	58	-24	53
Total Current Liabilities	181,772	220,193	252,375	230,214	203,837	-17	-13	10	13
L-T Debt Less Current	66,913	71,183	67,136	65,665	57,814	-6	6	2	14
Other Liabilities	-	-	-	-	-				
Total Noncurrent Liabilities	66,913	71,183	67,136	65,665	57,814	-6	6	2	14
Total Liabilities	248,685	291,376	319,511	295,879	261,651	-15	-9	8	13
Minority Interest									
Member Equity									
Preferred Stock									
Common Stock	8	8	8	8	9	0	0	0	-11
Equity Certificates/Credits	161,636	159,832	160,297	161,512	161,948	1	0	-1	0
Unallocated Capital	75,405	70,010	64,506	61,077	54,129	8	9	6	13
Total Equity	237,049	229,850	224,811	222,597	216,086	3	2	1	3
Total Liabilities And Equity	485,734	521,226	544,322	518,476	477,737	-7	-4	5	9

Appendix Table 18--Consolidated Balance Sheet, 1995-99, Sugar Cooperatives

	1999	1998	1997	1996	1995	1998-99	1997-98	1996-97	1995-96
	<i>\$ thousand</i>					<i>Percent change</i>			
Current Assets									
Cash	5,825	9,164	14,331	8,217	10,238	-36	-36	74	-20
Accounts Receivable	131,349	104,425	109,143	93,015	97,013	26	-4	17	-4
Inventory	198,963	240,228	228,236	128,687	172,046	-17	5	77	-25
Other Current Assets	31,601	36,252	27,937	19,032	16,694	-13	30	47	14
Total Current Assets	367,738	390,069	379,647	248,951	295,991	-6	3	52	-16
Investment									
Cooperatives	65,275	35,974	33,181	53,907	33,336	81	8	-38	62
Other Investments	51,395	41,728	44,636	53,242	14,647	23	-7	-16	264
Total Investments	116,670	77,702	77,817	107,149	47,983	50	0	-27	123
Net PP&E	692,964	607,127	514,103	426,619	358,875	14	18	21	19
Other Assets	13,928	14,134	15,081	15,734	9,062	-1	-6	-4	74
Total Assets	1,191,300	1,089,032	986,648	798,453	711,911	9	10	24	12
Liabilities									
Short Term Debt	150,237	213,205	148,536	52,305	114,692	-30	44	184	-54
Accounts Payable	48,642	56,733	44,656	44,736	43,441	-14	27	0	3
Member Liabilities	71,395	43,182	97,302	75,546	69,881	65	-56	29	8
Other Current Liabilities	21,438	21,923	21,580	20,268	17,952	-2	2	6	13
Total Current Liabilities	291,712	335,043	312,074	192,855	245,966	-13	7	62	-22
L-T Debt Less Current	427,478	317,367	304,251	280,376	160,551	35	4	9	75
Other Liabilities	33,522	28,548	26,138	22,366	26,784	17	9	17	-16
Total Noncurrent Liabilities	461,000	345,915	330,389	302,742	187,335	33	5	9	62
Total Liabilities	752,712	680,958	642,463	495,597	433,301	11	6	30	14
Minority Interest	947	767	518	338	82	23	48	53	312
Member Equity									
Preferred Stock	56,758	56,758	50,686	46,861	45,191	0	12	8	4
Common Stock	4,156	4,157	4,156	4,154	4,119	0	0	0	1
Equity Certificates/Credits	390,305	360,720	294,809	238,726	218,016	8	22	23	9
Unallocated Capital	(13,578)	(14,328)	(5,984)	12,777	11,202	-5	139	-147	14
Total Equity	437,641	407,307	343,667	302,518	278,528	7	19	14	9
Total Liabilities And Equity	1,191,300	1,089,032	986,648	798,453	711,911	9	10	24	12