

Financial Ratios for Cooperative:												Computation
Ratio	Target	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	
Liquidity												
Working Capital to Sales	>8%	69.0%	253.5%	104.0%	141.1%	125.8%	60.8%	52.4%	31.8%	33.6%	52.7%	(Current Assets- Current Liabilities)/Operating Income
Debt Service Coverage	>2.0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	(Depreciation + Interest Expense+ Margins)/(Interest Expense +Principle payments)
Current Ratio	>1.8	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	(Current Assets)/Current Liabilities
Interest Cover Ratio	>3.0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	(Operating Margins+Interest Expense)/Interest Expense
Days Sales in Receivables	n/a	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	365*Accounts Receivable/Operating Income
Solvency												
Term Debt to Total Fixed Assets	<50%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Long Term Debt/(Total Fixed Assets-Net)
Local Leverage Ratio	<50%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Total Long Term Debt/(Total Members Equity-Equity in Associated Organizations)
Ownership Percentage	>50%	113.2%	108.9%	102.5%	21.9%	50.2%	57.7%	58.5%	69.4%	38.5%	34.8%	Total Debt/Total Assets
Total Debt to EBITDA	<3.0	0	0	0	0	0	0	0	0	0	0	Total Debt/(Earnings before Interest, Taxes, Depreciation or Amortization)
EBITDA/Interest	>5.0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	(Earnings before Interest, Taxes, Depreciation, and Amortization)/Total Interest Expense
Days Sales in Payables	n/a	0.0	0.0	0.0	463.1	633.4	724.1	1253.3	1105.3	1915.3	3056.9	365*Accounts Payable/Operating Income
Writeoffs as % Revenue	<5%	0	0	0	0	0	0	0	0	0	0	Amount written off/Total Operating and non-Operating Income
Profitability												
Return on Sales	>2.5%	-0.010260363	0.144158887	0.261270077	-2.820823655	0.127726886	0.262249932	0.130904702	0.400884426	-1.457437766	-3.844861538	Total Operating Margin/Operating Income
Return on Assets	>8%	-0.011732754	0.022427029	0.050744911	-0.22954419	0.011166798	0.041974782	0.020221385	0.101899977	-0.194127198	-0.253661644	Operating Margin/(Current Assets+Net Fixed Assets)
Productivity Ratio	<10%	0.83141753	0.35108068	0.529024041	3.487355633	0.972273114	0.731808619	0.869085298	0.599115574	2.357812709	4.522182091	(Total Expenses-Cost of Goods sold)/Total Operating Income
Labor to Gross Income Ratio	<30%-40%	0	0	0	0	0.17339624	0.434941426	0.544497412	0.394339139	0.195365675	0	Labor Expense/Total Income
Days Sales in Inventory	n/a	\$ 205	\$ 722	\$ 237	\$ 485	\$ 439	\$ 209	\$ 178	\$ 77	\$ 105	\$ 168	365*Value of Inventory/Operating Income

Financial Ratios for Cooperative:													Computation
Ratio	Target	Year 1992	Year 1993	Year 1994	Year 1995	Year 1996	Year 1997	Year 1998	Year 1999	Year 2000	Year 2001	Year 2002	
Liquidity													
Working Capital to Sales	>8%	69.0%	253.5%	104.0%	141.1%	125.8%	60.8%	52.4%	31.8%	33.6%	52.7%	29.9%	(Current Assets- Current Liabilities)/Operating Income
Debt Service Coverage	>2.0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	(Depreciation + Interest Expense+ Margins)/(Interst Expense +Principle payments)
Current Ratio	>1.5	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	Current Assets/Current Liabilities
Interest Cover Ratio	>3.0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	(Operating Margins+Interest Expense)/Interest Expense
Days Sales in Receivables	n/a	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	365*Accounts Receivable/Operating Income
Solvency													
Term Debt to Total Fixed Assets	<50%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Long Term Debt/(Total Fixed Assets-Net)
Local Leverage Ratio	<50%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Total Long Term Debt/(Total Members Equity-Equity in Associated Organizations)
Ownership Percentage	>40%	113.2%	108.9%	102.5%	21.9%	50.2%	57.7%	58.5%	69.4%	38.5%	34.8%	24.5%	Total Equity/Total Assets
Total Debt to EBITDA	<3.0	0	0	0	0	0	0	0	0	0	0	0	Total Debt/(Earnings before Interest, Taxes, Depreciation or Amortization)
EBITDA/Interest Days Sales in Payables	>5.0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	(Earnings before Interest, Taxes, Depreciation, and Amortization)/Total Interest Expense
Writeoffs as % Revenue	<5%	0	0	0	0	0	0	0	0	0	0	0	365*Accounts Payable/Operating Income
Profitability													
Return on Sales	>2.5%	-0.010260363	0.144158887	0.261270077	-2.820823655	0.127726886	0.262249932	0.130904702	0.400884426	-1.457437766	-3.844861538	0.401128931	Total Operating Margin/Operating Income
Return on Assets	>8%	-0.011732754	0.022427029	0.050744911	-0.22954419	0.011166798	0.041974782	0.020221385	0.101899977	-0.194127198	-0.253661644	0.066426111	Operating Margin/(Current Assets+Net Fixed Assets)
Productivity Ratio Labor to Gross Income Ratio	<10%	0.83141753	0.35108068	0.529024041	3.497355633	0.872273114	0.731808619	0.869095298	0.599115574	2.357812709	4.522182051	0.304562893	(Total Expenses-Cost of Goods sold)/Total Operating Income
Days sales in Inventory	<30%-40%	0	0	0	0	0.17339624	0.434941426	0.544497412	0.394339139	0.195365675	0	0	Labor Expense/Total Income
	n/a	\$ 205	\$ 722	\$ 237	\$ 485	\$ 439	\$ 209	\$ 178	\$ 77	\$ 105	\$ 168	\$ 69	365* value of Inventory/Operating Income