

Information for Budgets/Cash Flow

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Moorhead Site

Information needed for your budgets and cash flow

- At NCTC FBM Moorhead-we emphasize the importance of completing a FINAN with enterprise analysis which allows us to get a good starting point for the next year's cash flow and budget.
- If we don't have that information or you are a new farmer to the program, we will use our area averages for a starting point to develop your budgets and cash flow.

Last Year (2019)	3 Year Avg	5 Year Avg
Soybeans	Soybeans	Soybeans
32.7255 bu.	34.3705 bu.	36.9508 bu.
8.25	8.3197	8.4811
269.99	285.95	313.38
55.54	61.58	36.55
325.53	347.53	349.94
67.54	68.68	67.96
	13.74	13.88
38.13	31.01	28.58
17.94	15.54	15.16
4.90	7.44	6.51
2.78	3.69	3.01

Information needed for your budget and cash flow

	Long Range
Product	Corn
Yield	175 ... bu.
Price	3.50 ...
Product income	612.50
Miscellaneous income	...
Gross income	612.50
Seed	88.00 ...
Fertilizer	105.00 ...
Crop chemicals	25.00 ...
Organic crop protection	...
Crop insurance	18.00 ...
Drying expense	15.00 ...
Storage	...
Packaging and supplies	...
Custom hire	...
Hired labor	...
Hauling and trucking	...
Consultants	...
Total direct expenses	251.00
Return over direct expenses	361.50
Labor hours	5.4

- All needed information for budgets on a per acre basis:
 - Yield (Typical a 3-year average)
 - Price (We use FSA Planning Prices for most crops)
 - Misc. Income (Straw, etc.)
 - Seed
 - Fertilizer
 - Crop Chemicals
 - Organic Crop Protection
 - Crop Insurance
 - Drying Expense

Information needed for your budget and cash flow

- The following information is helpful especially if you have specific data for certain crops and allows adjusting your crop plan easier for multiple cash flows.
- Storage
- Packaging and Supplies
- Custom Hire
- Hired Labor
- Hauling and trucking
- Consultants

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Information needed for your budget and cash flow

Type of plan	Monthly plan, crop & livestock budgets
Beginning balance sheet	January 1, 2005
Year the plan begins	2005
Beginning month	January
Ending month (first year)	December
Crop and livestock budgets	2005 Budgets

- Typically cash flows are 12 months, but can be set for less than 12 months. We can also do multiple year cash flows which are helpful to look at long range plans as well as cash flow plans regarding loans that will be paid off in the next year or two versus refinancing options.

Information needed for your budget and cash flow

- Planned Crops and Acres, along with Share %
- Must have corresponding information in budgets as well as need labor hours in budgets to enter correctly.

Crop budget	Share %	2005 Acres	2006 Acres (optional)
Corn	100%	74	
Corn Silage	100%	15	
Oats, with alfalfa establish	100%	15	
Hay, Alfalfa	100%	46	
Corn	60%	70	
Soybeans	60%	70	
	100%		
Total		290.00	

Information needed for your budget and cash flow

Soybeans -- Year 1 2005

Crop Soybeans

	Unit	Total	Jan	Feb	Mar
Beginning inventory					
Produced	bu.	1,596			
Purchased	bu.				
Purchase price	\$/bu.				
Total purchase cost					
Total available	bu.				
Sold	bu.	1,596			
Sales price	\$/bu.				
Total income		8,459			
Used	bu.				
Ending inventory	bu.				
Beginning inventory value	\$/bu.				
Ending inventory value	\$/bu.	9.00			

- Crop Inventory Entry

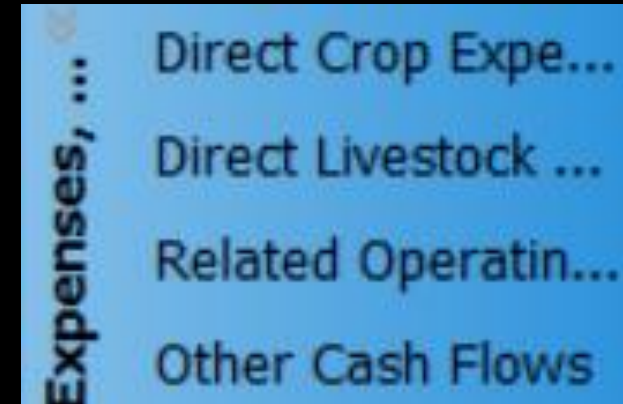
FINPACK brings in inventory from the balance sheet and you work with your instructor to develop/enter when inventory, both old and new crop, will be sold and values when sold.

Prices and amounts are entered in planned months. If prices are unknown for new crop sales, FSA planning prices will be used. If crop is planned to be carried over at the end of year, we value with ending inventory value (most likely FSA prices).

- Crop Inventory
- Soybeans
 - Corn
 - Hay, Alfalfa
 - Corn Silage
 - Oats
 - Wheat, Spring
 - Blank Crop Inven...

Information needed for your budget and cash flow

- Direct Crop and Livestock Expenses are calculated based on acres and budgets and FINPACK allocates to specific months, but you can adjust when the amounts are paid.



	Total	Last Year	3 Year Avg.	5 Year Avg.	Jan	Feb	Mar
Seed	9,228	12,570	8,666	7,412	0
Fertilizer	9,115	8,763	7,936	7,890			
Crop chemicals	6,520	6,009	5,902	5,760			
Organic crop protection							
Crop insurance	1,887	2,121	707	824			
Drying expense	1,624	2,093	698	865			
Storage							
Packaging and supplies							
Custom hire	2,406	2,355	2,308	2,275			
Hired labor		3,857	3,430	3,410			
Hauling and trucking			3,540	2,124			
Consultants							
Total	30,780	37,768	33,186	30,559			

Information needed for your budget and cash flow

Expenses, ...

- Direct Crop Expe...
- Direct Livestock ...
- Related Operatin...
- Other Cash Flows

	Total	Last Year	3 Year Avg.	5 Year Avg.	Jan	Feb
Storage	0					
Fuel & oil	5,500	4,986	5,661	5,135		
Repairs	12,000	14,479	10,504	9,263		
Custom hire		2,355	2,308	2,275		
Hired labor	4,000	3,857	3,430	3,410		
Owner wages & benefits						
Land rent						
Stock/quota lease						
Machinery leases						
Building leases						
Livestock leases						
Real estate taxes	3,900	3,756	3,456	3,234		
Farm insurance	3,800	3,739	4,335	3,669		
Utilities	7,000	5,725	5,704	4,994	1	1
Consultants						
Marketing		4,837	1,612	2,296		
Office & administrative						
Licenses & registrations						
Advertising & promotion						
Dues & professional fees	700	654	218	259	1	1
Organic certification						
Miscellaneous	600	516	925	850	1	1
Accounts payable	2,032				1	
Total	39,532	44,904	38,152	35,384		

- Related Operating Expenses will be needed to be entered in directly (history helps give an idea from your FINAN for these expenses), otherwise we will work together to get correct amounts.
- We will also work to allocate to correct months of expenses, all of this helps determine expected borrowing needs of the producer.

Information needed for your budget and cash flow

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• Related Operating Expenses Needed-above those in budgets:

- Storage
- Fuel and Oil
- Repairs
- Custom Hire
- Hired Labor
- Owner Wages and Benefits (Corp, etc.)
- Land Rent
- Stock/quota lease (JV for beets)

Information needed for your budget and cash flow

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- Direct Livestock ...
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- Machinery leases
- Building leases
- Livestock leases
- Real estate taxes
- Farm insurance
- Utilities
- Consultants
- Marketing
- Dues and professional fees
- Organic certification
- Miscellaneous

Information needed for your budget and cash flow

- Accounts payable needs to be entered from the balance sheet and make sure entered in correct month.

Accounts payable	2,032				1		
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Information needed for your budget and cash flow

- Expenses, ...
- Direct Crop Expe...
- Direct Livestock ...
- Related Operatin...
- Other Cash Flows

- Other cash flow information:

- CCC market loan gain
- Direct and CC govt. payments
- CRP Payments
- Conservation govt payments
- Other government payments
- Custom work income
- Contract livestock income
- Renewable energy income
- Farm rental income
- Patronage dividends, cash-Unit Retains for Sugarbeets
- Crop insurance income

	Total	Last Year	3 Year Avg.	5 Year Avg.	Jan	Feb
CCC market loan gain	0			268		
Direct & CC govt payments	2,768	2,768	3,128	4,201	1	
CRP payments						
Conservation govt payment						
Other government payments	7,345				612.08	612.08
Custom work income						
Contract livestock income						
Renewable energy income						
Farm rental income						
Patronage dividends, cash	600	551	504	434		
Crop insurance income						
Other farm income	465	465	507	377	1	1
Personal wages & salary	17,500	16,760	5,587	9,373	1	1
Personal business income						
Personal rental income						
Personal interest income		398	133	209		
Personal cash dividends						
Tax refunds						
Other personal income						
Gifts and inheritances						
Cash gifts given						
Family living/Owner draw	45,000	46,956	44,033	40,062	1	1
Income & social sec taxes	10,000	8,557	2,852	3,840		

Information needed for your budget and cash flow

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CRP payments						
Conservation govt payment						
Other government payments	7,345				612.08	612.08
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Income & social sec taxes	10,000	8,557	2,852	3,840		

- Other farm income
- Personal wages and salary
- Personal business income
- Personal rental income
- Personal interest income
- Personal cash dividends
- Tax refunds
- Other personal income
- Gifts and inheritances
- Cash gifts given
- Family living/Owner draw
- Income & Social Security taxes (Need to match balance sheet entry)

Information needed for your budget and cash flow

- Planned capital purchases and sales-expected items, asset type and amounts along with expected month of purchase or sale.

Description	Asset Type	Total Purchase Price
Boars	Breeding livestock	600 ...
Planter	Machinery and equipment	5,500

Description	Asset Type	Total Sales Price	Balance Sheet Value	Jan

Information needed for your budget and cash flow

Lender	Description	Loan Term	Amount Borrowed	Jan
Unassigned	cattle	Current	0	
Unassigned	Cows	Intermediate		
Unassigned	Hay Equip	Intermediate		
Unassigned	Mach	Intermediate		
Unassigned	RE	Long term		
Credit Card	CC	Personal, current		
Unassigned	Vehicle	Personal, intermedia		
Unassigned	House	Personal, long term		
Unassigned	1st Ntl catt	Current	26,325	
Unassigned	1sr Ntl PTR	Intermediate	5,000	

- New Borrowings if needed include amount borrowed and month of borrowing.

Information needed for your budget and cash flow

- Loan Payments include all previous loan payments as well as new borrowings which will all need interest rates and P&I Payment. If new borrowings are paying off old loans, you will need to show the payoff in the month of payoff including principal and interest payoff from refinance.

		2005						
Lender	Description	Loan Term	Principal Balance	Accrued Interest	Amount Borrowed	Interest Rate	P & I Payment	Jan
Unassigned	cattle	Current	22,650	461		3.50	23,677	
Unassigned	Cows	Intermediate	16,030			3.25	5,680	473.41
Unassigned	Hay Equip	Intermediate	7,593	248		3.25	2,932	
Unassigned	Mach	Intermediate	63,910	406		3.25	12,071	
Unassigned	RE	Long term	70,621	637		4.25	8,596	
Credit Card	CC	Personal, current	1,200			21.45	1,200	1
Unassigned	Vehicle	Personal, intermedi	12,486			3.99	3,000	1
Unassigned	House	Personal, long term	125,444	249		4.27	10,500	1
Unassigned	1st Ntl catt	Current			26,325	7.50	23,677	
Unassigned	1sr Ntl PTR	Intermediate			5,000	7.00	990	

Information needed for your budget and cash flow

Annual Operating Loan -- Year 1 2005

2005 beginning annual operating principal balance 10,568
2005 beginning annual operating accrued interest 99

	Jan	Feb	Ma
Minimum cash balance	500	500	
Operating loan interest rate	7.25	7.25	

	Jan	Feb	Ma
Interest payment required?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- Annual Operating Loan Page
- Need to have a minimum cash balance entered for each month, operating loan interest rate in each month and when interest payments on operating are made.
- All of this helps to calculate operating borrowing needs.

Ending Balance Sheet entry

- You work with your instructor to make entries on the ending balance sheet.

Ending Balance Sheet

	Beginning Balance Sheet	Ending 2005
Prepaid expenses and supplies	7,647	7647 ...
Growing crops		
Accounts receivable	14,242	14,242
Hedging accounts		
Other current assets		
Accounts payable and other accrued expenses	2,880	
Personal accounts payable		
Personal income taxes payable	12,500	

	2005
Value of labor and management	