



Financial and Business Development Resources
for Farmers

March 14, 2024



The Cultivating Success™ Program was established in 2000 by...



University of Idaho
Extension



Food Systems

WASHINGTON STATE UNIVERSITY

Visit us at www.cultivatinguccess.org



2023 Webinar Series

Supporting Direct Marketing Farms and Ranches in Idaho

3/5 Session 1

Here to Help! University of Idaho
Extension – Recording on website

3/7 Session 2

Soil Health & Climate Smart Ag –
Recording on website

3/12 Session 3

Farmland Preservation & Wildlife
Habitat – recording on website

3/14 Session 4

Financial & Business Resources

3/19 Session 5

Value-Added & Growing Markets

3/21 Session 6

Idaho State Department of Ag



Your Hosts



Melissa Hamilton

Extension Educator, Community Development,
Ag/Horticulture

University of Idaho Extension, Southern District
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Colette DePhelps

Area Educator, Community Food Systems

University of Idaho Extension, Northern District
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Today's Speakers



Marie Baker

District III, Regional Director
Small Business Development Center
mariebaker@boisestate.edu



Ransom Satterlee

Farm Loan Manager (FLM)
Farm Service Agency (FSA)
ransom.satterlee@usda.gov



Jesika Harper

Vice President
AgWest Farm Credit
jesika.harper@agwestfc.com

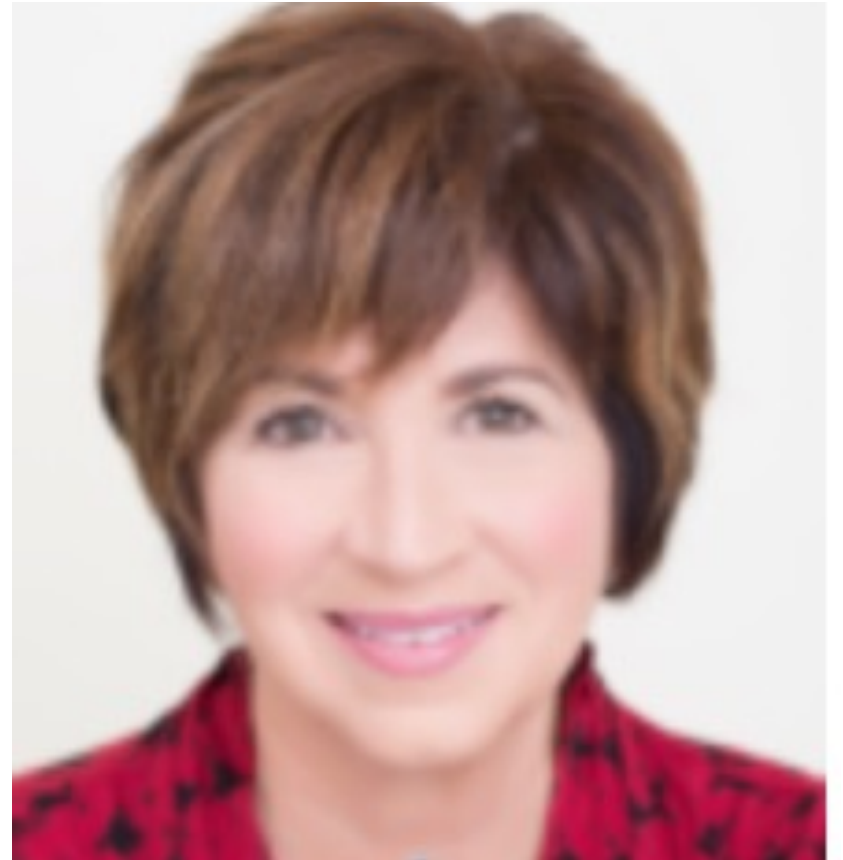
First Speaker – Small Business Development Center

Marie Baker

Region II Director

Small Business Development Center

mariebaker@boisestate.edu





SOUTHWEST REGION - Idaho SBDC

Ada, Adams, Boise, Canyon, Elmore, Gem, Owyhee, Payette, Valley & Washington Counties

Accelerating Business Success

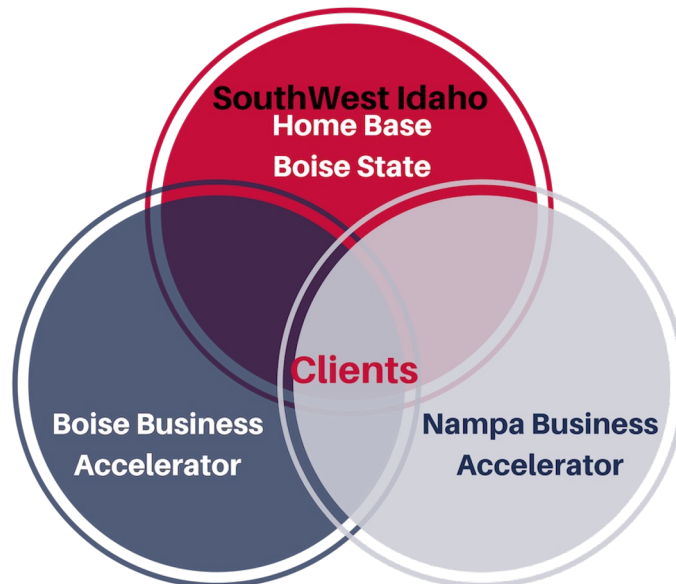
Marie Baker-Region III Director

www.IdahoSBDC.org



History

- Founded 1986
- Home location at Boise State
- Expanded to six locations
- Two Accelerators in SW Idaho





Region III- Business Accelerators-Nampa





Region III- Business Accelerators-Boise



Partnership with City of Boise



funding

Region III

Funded through a Cooperative Agreement with the U.S. Small Business Administration, the State of Idaho and Boise State University.



What We Do

Building Better Communities to the Improve the Lives of Others.

What We Believe?

Welcome Dreamers. Build Community.

Raise the Bar. Protect the Entrepreneur.

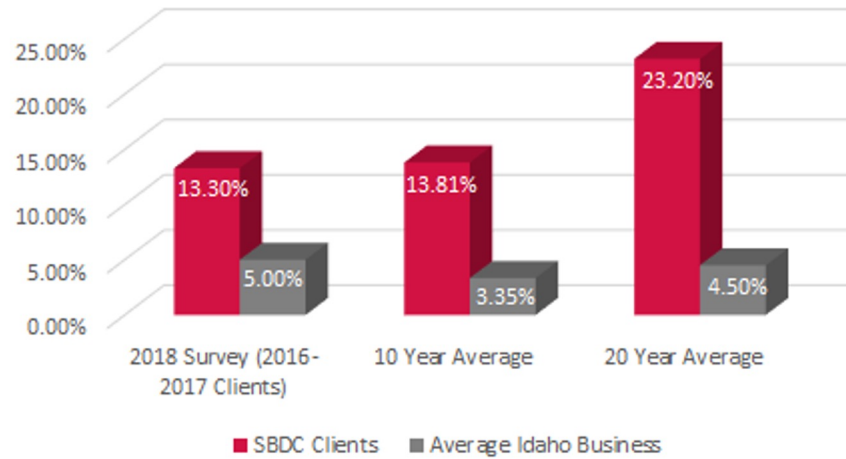
How We Do It

Consulting. Accelerators. Training. Referrals.

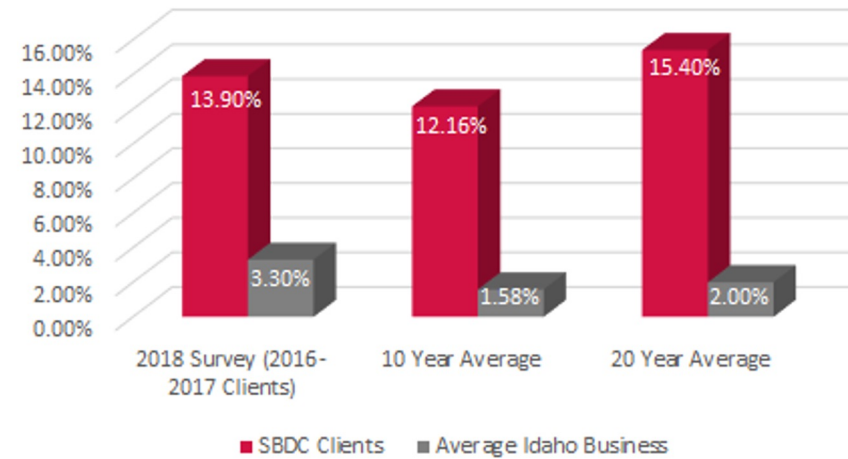


Impact

Sales Growth



Employment Growth



20 year avg. (1997-2017)

Data from third party researcher, Dr. Jim Chrisman, *Economic Impact of Small Business Development Center Counseling in Idaho*



Thank You
Idaho SBDC
Marie Baker-Region III Director

www.IdahoSBDC.org

mariebaker@boisestate.edu



Second Speaker – Farm Service Agency (FSA)

Ransom Satterlee

Farm Loan Manager (FLM)

Farm Service Agency

ransom.satterlee@usda.gov





**FARM SERVICE AGENCY
(FSA) DIRECT LOANS**



OVERVIE

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FSA's Purpose

Direct Loans

FSA Contacts

FSA PURPOSE

The Farm Service Agency (FSA) is a branch within the United States Department of Agriculture (USDA) focused on equitably serving farmers & ranchers.

FSA offices are in 25 out of 39 counties here in Washington state.

Originally the Farm Security Administration, the Agency was established as part of the New Deal passed in 1937 to combat rural poverty during the Great Depression.





DIRECT LOANS

FSA provides direct loans to family-size farmers and ranchers who can't obtain credit elsewhere.

Loans can be used to:

- Purchase land
- Expand livestock operations
- Buy equipment
- Provide operating capital (chemical/fertilizer, fuel, supplies, etc.)

DIRECT LOANS- ELIGIBILITY & TERMS

There are 2 basic qualifications regarding eligibility: eligible farm enterprise and general eligibility requirements.

Direct operating loans (OL) go up to \$400,000

Farm Ownership loans (FO) go up to \$600,000

Interest rates change monthly

Loan term varies 1-7 years (OL) or up to 40 (FO)





CONTACTS

Spokane Valley FSA
Office (WA Only):

- Ransom Satterlee
- Ryan Hutchins

Lewiston FSA Office
(ID Only):

- Brian Hill
- Dustin Carter

<https://offices.sc.egov.usda.gov/locator/app>

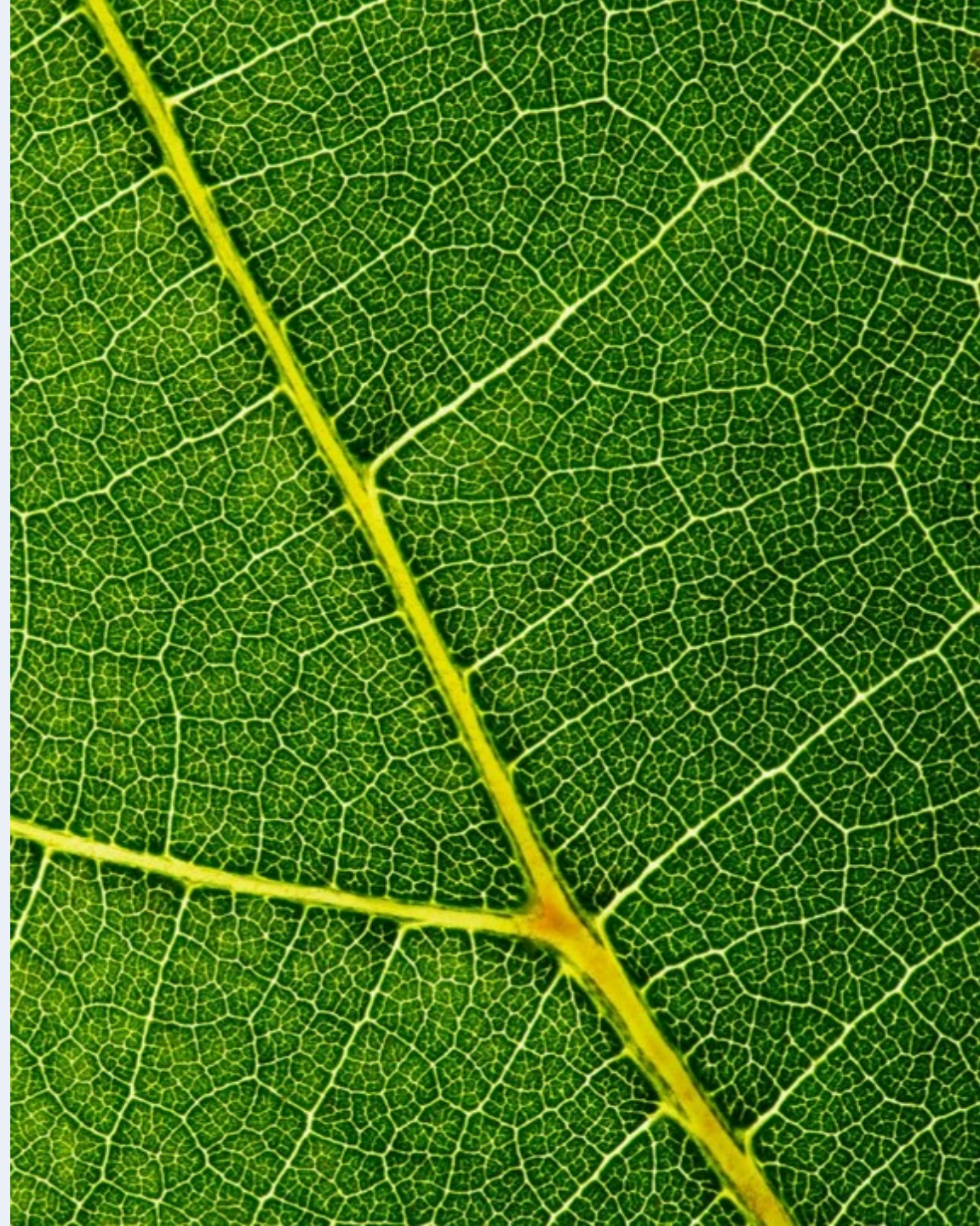
THANK YOU

Ransom Satterlee

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Spokane FSA Office: (509) 381- 6734



Third Speaker – AgWest Farm Credit

Jesika Harper

Vice President

AgWest Farm Credit

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Cultivating Success

AgVision Program-AgWest Farm Credit

Jesika Harper
VP-AgVision





AgWest Farm Credit is a financial cooperative providing financing and related services to farmers, ranchers, timber harvesters and aquatic producers throughout the West.

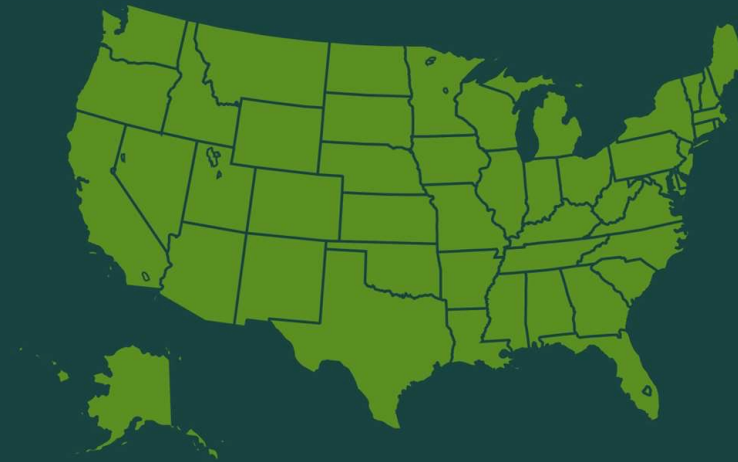


The Farm Credit System

Part of the 107-year-old Farm Credit System, the leading provider of credit to American agriculture

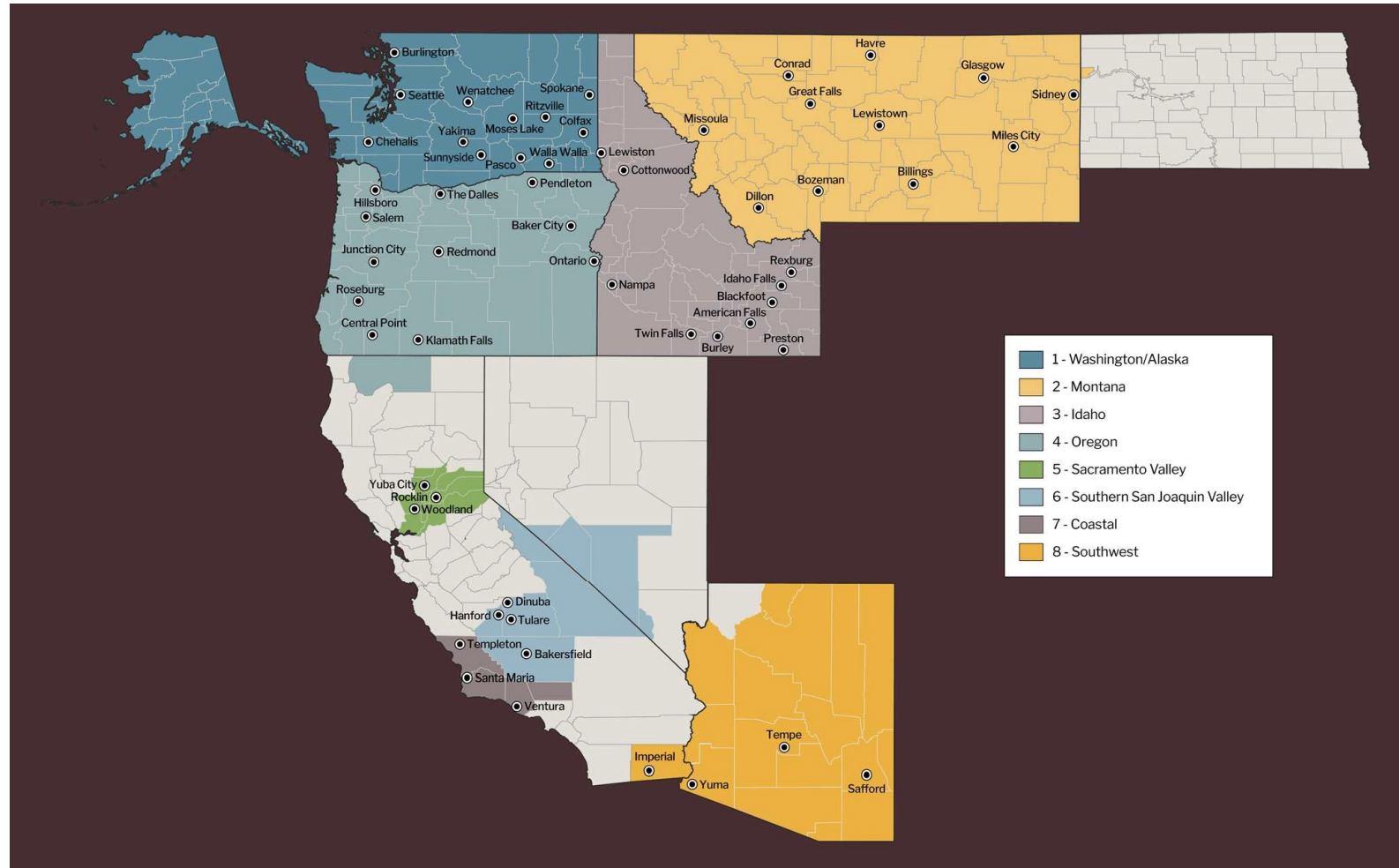
Nationwide network of lending cooperatives owned by customer-members

Specific mission: support agriculture and rural communities with reliable, consistent credit and financial services





AgWest Coverage Area





Products & services

Real estate financing

Operating lines of credit

Rural residential home & land loans

Equipment financing

Crop & livestock insurance

Appraisals

Financial services





Additional products & services

Specialized lending for agribusiness, timber & aquatic producers

Financing and education for young, beginning & small producers

Management education & networking





AgVision[®] Program

Financing for Young, Beginning, and Small Farming Operations

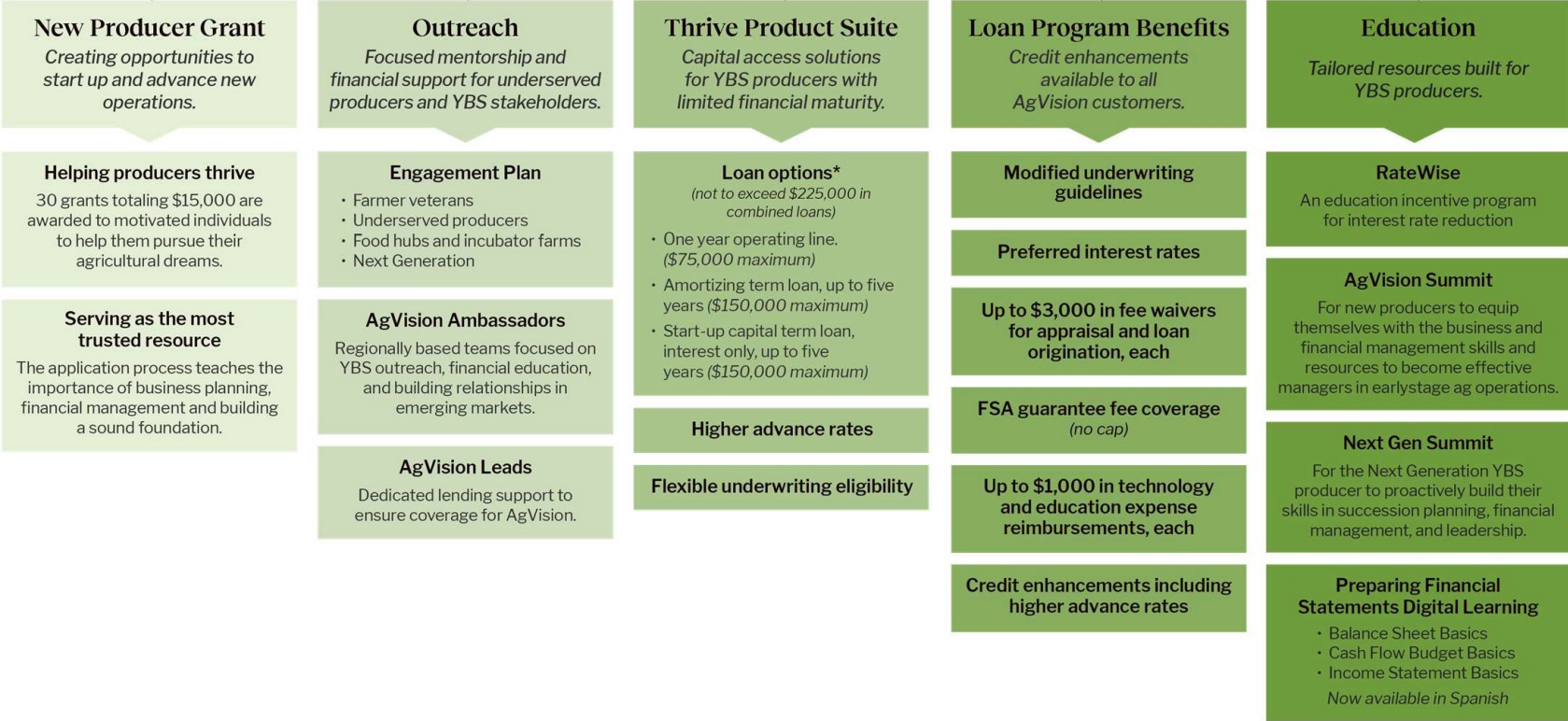
- Young is 35 years of age or younger, OR
- Beginning is 10 years of farm management experience or less, OR
- Small is annual gross farm production less than \$350,000





AgVision

A program to help young, beginning and small producers thrive.





AgVision RateWise™ Program

- Earn credits for continuing education.
- Remit credits for interest rate reductions on new loans.
- Accumulate and use credits as long as you qualify for the AgVision program.

Register at agwestfc.com/RateWise





AgVision- Thrive

One-year operating line

- Maximum loan amount of \$75,000
- For farm inputs, supplies, labor, etc.

Start-up capital for new ventures

- Up to \$150,000
- For business start-up costs and/or down payment assistance used with an amortizing term loan.

Amortizing term loan, up to five years.

- Up to \$150,000
- For capital purchases: equipment, livestock, improvements, etc.



Financing your Farm Vision

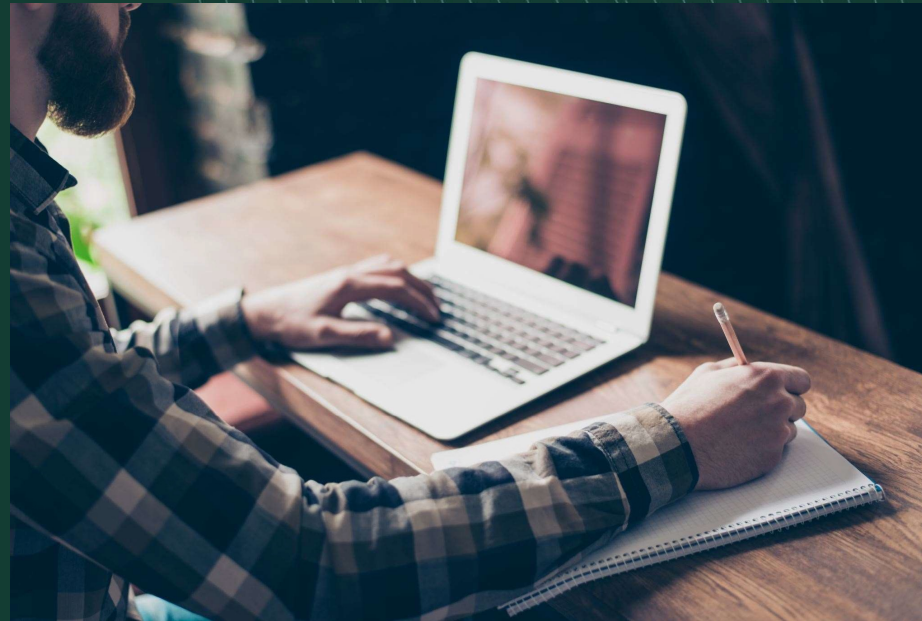
Understanding How Lending
Decisions Are Made





Business Plan

- A clear vision for your farm plan
- Required for some products in the AgVision program
- Educational resources available





The 5 C's of Credit

1

Character

Educational background, management skills, business plan and credit history

2

Capital

Balance Sheet

3

Capacity

Income Statement

4

Collateral

Asset pledged as security

5

Conditions

Terms of the loan



Integrated Set of Financial Statements

Cash Flow Budget

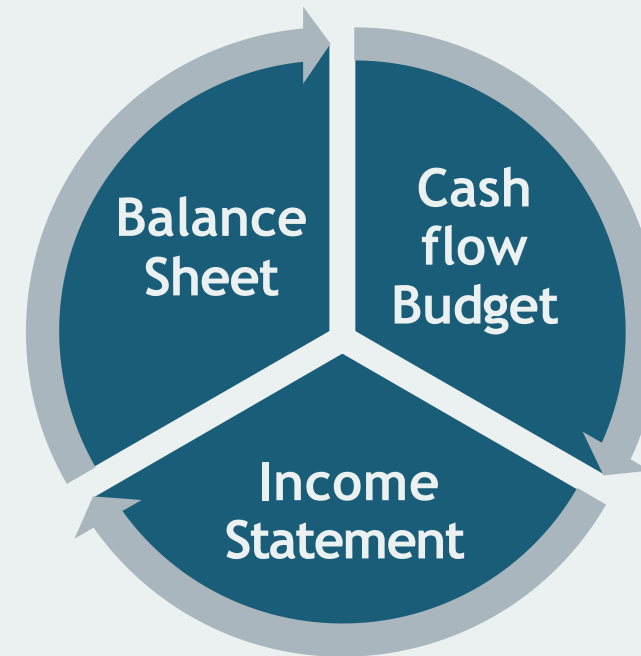
- Helps producers plan for the year ahead

Income Statement

- The statement of operations in terms of income and expenses

Balance Sheet

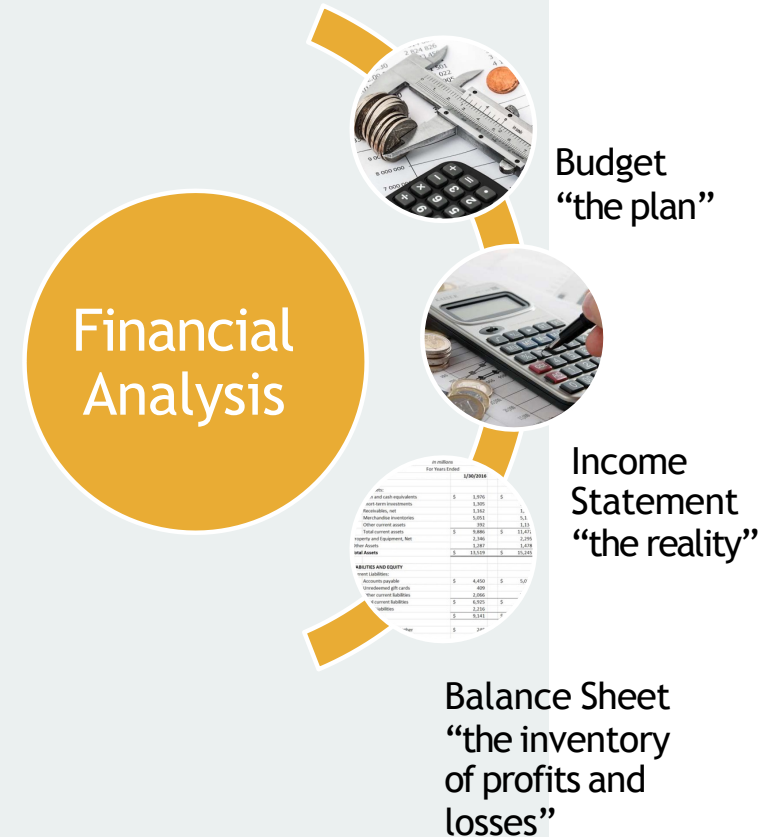
- Statement of financial position





Financial Statements as a Business Tool

- Measures overall financial condition (e.g., strengths and weaknesses)
- Assesses ability to pursue opportunities, take on risk and manage adversity
- Establishes a baseline for understanding trends and evaluating performance
- Supports informed production decisions





Education and Resources

Preparing Financials



Balance sheet basics (video + Excel template)

Capture every item that is owned and owed with a balance sheet.



Cash flow budget basics (video + Excel template)

Plan for growth and manage spending with a projection of your monthly cash flows.



Income statement basics (video + Excel template)

Understand your net income and evaluate the financial performance of your business.



Preparing ag financial docs (web page + PDF download)

See how use of different financial statements positions your operation for future success.

Agwestfc.com/education-and-resources





New Producer Grants

Creating opportunities for new producers.



AgWest
celebrates the
ingenuity and
passion of
aspiring new
producers

This program was developed for those who have a vision for their operation but may not be ready for traditional financing. Successful applicants will receive a one-time \$15,000 grant to support the startup of their operation.

Through this program, AgWest is committing to:

- Creating opportunities for new producers.
- Providing support through educational resources.
- Connecting, building relationships and inspiring others.



Application requirements

- Review the Strategic Business
- View three recorded webinars on AgWestFC.com covering financial statement basics.
- Submit a business plan and cash flow budget.
- Submit a one-page essay.

Deadline to apply: May 31, 2024



AgVision@AgWestFC.com





Resources mentioned in the webinar

- Farm Commons
<https://farmcommons.org/>
- Farm Raise
https://www.farmraise.com/?gad_source=1&gclid=Cj0KCQjwncWvBhD_ARIsAEb2HW-aGbywOgZUYg8tDQOIfBh5SEAol--EkhhkosCXCYhfp_hX_snp3BYaAoFNEALw_wcB
- Business Plan free online tool <https://agplan.umn.edu/>
- AgWest resources shared:
 - <https://agwestfc.com/about/community-engagement/grants/new-producer-grant>
 - <https://agwestfc.com/education-and-resources/financial-tools/preparing-financial-statements>



Please take our post-webinar evaluation!



Evaluation Link will also

- Automatically launch after the webinar closes
- Be sent to you tomorrow in a follow-up email

<https://www.cultivatingsuccess.org/recordedwebinars>



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