

# **NFRBMEA** INC.

2004-2005  
Annual Report



**National Farm and Ranch Business  
Management Education Association, Inc.**

**NFRBMEA INC.**

## **Mission Statement**

**To promote and support farm and ranch business management education. We accomplish our mission by providing in-service education to our members and by communicating and networking with others.**

National Farm and Ranch Business Management Education Association, Inc.  
is recognized by the Internal Revenue Service as 501 (c) (3) corporation.

**[www.nfrbmea.org](http://www.nfrbmea.org)**

## 2004-05 Board of Directors

- ◆ **President**  
Ron Dvergsten, Thief River Falls, MN.
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Wayne Pike, Rochester, MN.
- ◆ **Historian**  
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- ◆ **Webmaster / Nuts & Bolts Co-Editor**  
Deb Pike, Rochester, MN.

In 2004, NFRBMEA assumed the sponsorship and appointment of a representative to the National Council for Agriculture Education. This is the first time a member of the "The Council" has been selected by NFRBMEA. Richard Baumann, FBM Instructor at South Central Technical College at Mankato, MN was appointed to our seat. Gary Thome, NFRBMEA member and FBM instructor with Riverland College, Austin, MN, formerly represented us through the National Association of Agricultural Educators on The Council.

## History of NFRBMEA, Inc.

In 1973, instructors using the farm/ranch analysis developed in Minnesota, were invited to Faribault, Minnesota, for three days to participate in an exchange of ideas and to make improvements to that analysis. The instructors enjoyed and learned from each other's experiences so much it was decided to meet again next year. Instructors wanted to show what was going on in their state, leading to continued yearly conferences in other states conducting adult farm/ranch business management education programs. The association was named and the constitution was ratified at Pierre, South Dakota, in 1985.

We are an association of Farm Business Management (FBM) instructors who work in approximately 16 states and provinces. These instructors each work with 40-50 farm operators on a yearly basis. They both teach and consult with these farmers on business planning & analysis, financing & credit, cash flow budgeting, business accounting, tax planning, financial ratios, and financial benchmarking.

The NFRBMEA meets annually and continues to expand its activities to serve its members. Each conference has workshops, tours and top-notch speakers. Information is designed to be taken home and put to use.

Knowledge disseminated and networking created by our organization has a direct impact on making better farm business managers and strengthens the whole agricultural community.

## Communications

The ***NUTS & BOLTS*** newsletter is published three times each year. Each issue is full of useful information chosen from the best current ideas in farm and ranch management education submitted by members and others. This newsletter is sent to members electronically or by hard-copy.

An excellent website containing history, pictures from conferences, job openings, newsletters, conference information, meeting minutes, officer information, and frequently asked questions is available at:

[www.nfrbmea.org](http://www.nfrbmea.org)

## Membership

Active membership is open to current and retired instructors, coordinators, supervisors, and teacher educators. Affiliate membership is open to individuals, students, and organizations that support the efforts of NFRBMEA.

### NFRBMEA MEMBER BENEFITS

- Provides networking opportunities with colleagues
- Member newsletter *NUTS & BOLTS* published three times each year
- Establishing guidelines for quality farm and ranch business management educational programs
- Liaison with professional groups including:
  - National Association of Agricultural Educators (NAAE)
  - National Young Farmers Educational Association
  - National Council for Agricultural Education (The Council)
  - National Association of Farm Business Analysis Specialists (NAFBAS)
- Annual Conference opportunities include:
  - Information about the latest trends and programs in farm and ranch business management education
  - Information on instructional technology
  - Tours of farm and non-farm businesses
  - Formal instruction in management principles, leadership, etc.

### MEMBERSHIP BY STATE

	Active	Affiliate		Active	Affiliate
Alberta		1	Arizona	1	
Colorado	11	1	Georgia	1	
Iowa	5		Idaho	1	
Illinois		1	Kansas	1	
Kentucky		1	Minnesota	78	10
Missouri	3	1	North Dakota	17	2
Nebraska	2	1	New York	1	
Ohio	24	1	Oklahoma	9	
Oregon	3		South Dakota	5	
Texas	1		Utah	1	
Virginia	1		Washington	2	3
Wisconsin	18				

**TOTALS      185 Active      22 Affiliate**

Dr. Ed Persons holds Honorary Lifetime Membership.

## Committees

### **National Institute Committee**

Wayne Pike, Committee Chair  
Jim Kelm  
Ira Beckman  
Dr. Dick Joerger  
Tom Weygandt  
Ron Dvergsten

### **Resources Committee**

Ron VanNurden, Committee Chair  
Charles Duell  
Jon Farquharson  
Deb Pike  
Ron Dvergsten

### **Industry Relations/Alliances Committee**

Tom Weygandt, Committee Chair  
Jim Kelm  
Ira Beckman  
John Caster

### **2006 NFRBMEA Conference Planning Committee**

Jim Kelm      Conference Chair  
Doug Wertish  
Larry Oraskovich  
Tim Holtquist  
Ron Dvergsten

## NAFBAS Cooperation

NFRBMEA is continuing to develop its relationship with the National Association of Farm Business Analysis Specialists (NAFBAS). It became apparent that the two organizations are almost identical in size, mission, budgets, and clientele.

A joint meeting of the boards of the organizations was held in September, 2004. Cooperative efforts are ongoing in these areas:

- The boards agreed to hold joint annual conferences in 2006, 2007, and 2008.
- A Memorandum of Understanding was signed setting out expectations and responsibilities of each organization for the upcoming conferences.
- Boards agreed to share email lists of each other's members.
- The fall board meetings will be coordinated so that the boards may meet with each other for a portion of their respective meetings.

## National Institute

### A PROPOSAL FOR FUNDS TO CONDUCT A FEASIBILITY STUDY FOR A NATIONAL PROFESSIONAL DEVELOPMENT INSTITUTE FOR MANAGEMENT EDUCATION AND AGRICULTURAL PROFESSIONALS

<sup>1</sup>*Richard Joerger, Norm Bohmbach, Ira Beckman, Wayne Pike, Richard Baumann, Ron Dvergsten, Jim Kelm, and Tim Holtquist*

#### Background and Need

Over 400 agricultural education professionals from the National Farm and Ranch Business Management Education Association (NFRBMEA) and the National Association of Farm Business Analysis Specialists (NAFBAS) work with over 40,000 farmers and ranchers each year. After educating thousands of students for many years, a large number of the current management educators are now nearing retirement age. As a result, a large need exists for initial and continuing preparation of educators if the quality of education is to continue. Recruitment, and provision for professional and continuing education needs, unquestionably, lead to a sufficient supply of informed and effective professionals. Professional development needs exist for many others within the food and fiber industry. More specifically, perennial professional development needs exist for agribusiness professionals including accountants, rural appraisers, agricultural lenders, insurance agents, pest management specialists, etc.

Quality professional development efforts are informed by timely and on-going assessments of the professional development needs of individuals. Evidence of the nature and need for continuing and professional development by farm business and production management educators was verified for the membership of the NFRBMEA through a study recently completed to determine the professional needs of their U.S. and Canadian members. The findings confirmed that different professional development needs do exist for instructors with differing years of experience and from different types of farm business and production management programs.

The next step is to assist instructors in securing access to timely and high quality professional development activities and education. There is currently an absence of national access to professional development programming that is directed by the needs of the professionals in agriculture, changing technologies, and shifting needs for management and technical education for landowners and producers.

A very high proportion of the members of the National Farm and Ranch Business Management Education Association were prepared as teachers, and the majority have teaching experience in formal secondary and/or adult settings. Too, they have experienced the benefits of on-going professional development efforts. Consequently, they are an ideal group of professionals to investigate the suitability of a national institute to host and meet the professional development needs of their colleagues in agriculture.

#### Purpose of the Proposal

The purpose of this proposal is to secure resources that can be used to determine if the establishment of a national professional development institute is feasible and desirable for professionals\* who provide education, consulting, and a variety of services to farmers and ranchers. Specifically,

## National Institute (cont.)

the funds will be used to:

- ∅ determine the professional development needs of other agribusiness professionals (Networking);
- ∅ explore existing professional development programs of agricultural organizations; investigate alternative delivery modes;
- ∅ establish course and workshop subject matter titles;
- ∅ create tentative working agreements and partnerships among agricultural organizations;
- ∅ identify and create operating agreements with potential host institutions;
- ∅ determine the market for participant\* enrollment in institute courses and workshops;
- ∅ identifying a pool of potential course and workshop presenters;
- ∅ establish the financial requirements of establishing and maintaining an institute (i.e., business plan)
- ∅ establish links with funders (private and public)

### Potential Activities of a Professional Development Institute

Funds would be used to determine the feasibility of an institute that may provide the following types of professional development activities and opportunities:

- ∅ Courses for credit as well as workshops, seminars etc. for continuing development credit. Programming delivered through: traditional face-to-face instruction; online courses; courses in a box; taken at various times at a specified site or in decentralized settings around the USA; combined course formats and delivery systems
- ∅ A variety of instructors with proven teaching expertise and knowledge
- ∅ Courses based upon needs and grouped according to individual development
- ∅ Funding to attend and participate provided by organizations, businesses, and individuals
- ∅ Sources of scholarships to be sought out by Institute leaders

### Potential Budget for Investigating Feasibility of National Professional Development Institute

A two-year planning period is needed to investigate: strategies used by others for creating a similar organization with parallel purposes; partnering organizations that may have needs for professional development programming for members, potential market; identification of sponsoring organizations for providing course credit and possibly providing the infrastructure for an institute; the creation of a business plan; identification of sources of start-up funds; and selection of individuals to lead and operate the institute.

**Year I** One person spending 50 -75 days plus expenses, supplies, travel funds  
(Initiate all efforts, determine interest for participation, sponsorship of infrastructure, etc.)

**Year II** One person spending 50-75 days plus expenses, supplies, travel funds  
(Create final business plan, establish feasibility and if so, secure commitments of all participants, secure start-up resources; create infrastructure, etc.)

*Anticipated Start-up Annual Resources for 2 Years = \$40 – 70K per year*

\*NFRBMEA and NAFBAS; American Society of Farm Managers and Rural Appraisers; American Society of Consultants; crop consultants; state NAAE – affiliate; high school agricultural education teachers; agricultural lenders; NYFEA instructors; accountants; postsecondary education agricultural educators; extension educators (regional & state); commodity organization employees and leaders; state and national departments of agriculture personnel; university personnel and students; program administrators, and others.

<sup>†</sup>These individuals met at MAAE Conference in Minnesota and discussed approaches to creating an effort to determine if institute is an approach to meet nationwide professional development needs of farm business management education and other professional agriculturalists from across the USA.

## Income Statement 2004-05

<u>Inflows</u>	<u>Actual 03-04</u>	<u>Actual 04-05</u>	<u>Budget 05-06</u>
Advertising	1225.00	175.00	800.00
Conference Profit	4100.96	12491.28	2000.00
Dues	3240.00	3870.00	4100.00
Interest Earned	121.56	92.29	100.00
Seed Money In	1000.00	1000.00	2000.00
Contributions/Donation	<u>1829.10</u>	2500.00	<u>8500.00</u>
Web Page Sponsor		<u>269.10</u>	
<b>TOTAL REVENUE</b>	<b>11516.62</b>	<b>20397.67</b>	<b>17500.00</b>
<u>Outflows</u>			
Awards/Recognition	841.96	139.38	500.00
Board Meeting Expense			1000.00
Spring Conf Call	248.33	462.43	550.00
Conference Meet.	297.85	332.84	500.00
Fall Board Meet.	<u>3356.00</u>	<u>3666.10</u>	<u>3500.00</u>
Total Board Meeting Exp.	3902.18	4461.37	5550.00
Exchange of Ideas	400.00	500.00	500.00
First Timer's Sch.	800.00	800.00	1000.00
Legal & Prof.	300.00	300.00	300.00
Postage		86.21	50.00
Pubs/ Nuts & Bolts	1000.00	1000.00	1300.00
Recruitment/Retention	3270.00	144.00	3000.00
Seed Money Out	3000.00	192.07	1000.00
Supplies, Copies	357.50	312.32	200.00
Web Page Expense	<u>2269.40</u>	2494.04	2500.00
National Council		1200.00	<u>1500.00</u>
Board Mileage Exp.		1128.24	
Board Registration		<u>300.00</u>	
<b>TOTAL EXPENSES</b>	<b>16141.04</b>	<b>13057.63</b>	<b>17500.00</b>
<b>Inflows– Outflow</b>	<b>(4624.42)</b>	<b>7340.04</b>	—

## Balance Sheet as of 03-31-2005

### ASSETS

#### Cash and Bank Accounts

Checking	1287.71
MM Savings	<u>18674.92</u>

Total cash and bank accounts 19962.63

#### Other Assets

2006 Conference Seed Money	192.07
2005 Conference Seed Money	<u>2000.00</u>

Total Other Assets 2192.07

**Total Assets 22154.70**

### LIABILITIES

**Total Liabilities 0.00**

**EQUITY 22154.70**

Vic Richardson  
Accountant & Tax Preparer  
Independent Auditors' Report  
NFRBMEA Board

I have audited the balance sheet of the National Farm and Ranch Business Management Education Association, Inc., as of March 31 2005 and the related statements of revenues, expenditures and other changes and cash flows for the years then ended. It is my responsibility to express an opinion on these financial statements based on our audit.

I conducted the audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain a reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates as well as evaluating the overall financial statement presentation. I believe that the audit provides a reasonable basis for our opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the NFRBMEA, Inc. as of March 31, 2005 and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## 2004 Conference, Wisconsin Dells, WI

### **MONDAY, JUNE 7, 2004**

8:00-9:00 a.m. **Buffet Breakfast**

8:00-11:00 a.m. **Registration**

9:00-10:30 a.m. **Welcome, Introductions & Keynote Speakers**, Environment & Agriculture.

Ben Brancel, state FSA Director, and Jim Porterfield, director of research for the American Farm Bureau Foundation for Agriculture.

10:45-11:00 a.m. **Break & View Trade Show**

11:00-11:45 a.m. **Break-out Sessions--Choose one of the following:**

- Discovery Farm Concept-Director Dennis Frame
- Grazing Dairy Success with Environmental Benefit-UW Ag Agent Laura Paine
- Farming and Conservation Together-FACT staff
- Preserving Pure Groundwater-Central Wis. Groundwater Center staff
- Phosphorus Indexing, Wis. Plan & How to Teach Farmers-UW Soil Scientist Grad Student Laura Ward Good
- Ag Safety & Health Current Issues, Controversies & Research-National Farm Medicine Center Safety Specialist Dr. Mark Purschwitz

Noon-2:00 p.m. Buffet Lunch with Business Session and View Trade Show

2:00-2:45 p.m. **Break-out Sessions--Choose one of the following:**

- Nutrient Management-Discovery Farms Director Dennis Frame
- Grazing Dairy Success with Environmental Benefit-UW Ag Agent Laura Paine
- Farming and Conservation Together-FACT staff
- Preserving Pure Groundwater-Central Wis. Groundwater Center staff
- Phosphorus Indexing, Wis. Plan & How to Teach Farmers-UW Soil Scientist Grad Student Laura Ward Good
- Ag Safety & Health Current Issues, Controversies & Research-National Farm Medicine Center Safety Specialist Dr. Mark Purschwitz

3:00-3:30 p.m. **Break & View Trade Show**

3:30-4:15 p.m. Repeat Break-out Sessions from 2:00-2:45 p.m.

4:15-6:00 p.m. **Dinner on your own**

6:00 p.m. **Leave Hotel for Dells Boat tour**

### **TUESDAY, JUNE 8, 2004**

7:30-8:30 a.m. Plated Breakfast

7:30-8:30 a.m. **First Timers' Breakfast Meeting** -Ron Dvergsten, NFRBMEA President-Elect

8:30-9:45 a.m. Agricultural Economics -"How to use the Farm Financial Standards" Mr. Darrell L. Dunteman, Ag Executive Managing Editor

#### **Panel Discussion on Dairy Initiatives & Profitability**

Serving on the panel are Dr. Bruce Jones, Director of the Center for Dairy Profitability at the UW-Madison; Mr. Gary Sipiorski, President of Citizens State Bank, Loyal and Chairman of the Growing Wisconsin Agriculture Commission; and Mr. Terry Johnson, Vice-President of FCS Financial Services North Central Region.

9:45-10:00 a.m. Break

## 2004 Conference, Wisconsin Dells, WI (cont.)

10:00-10:45 a.m. **Break-out Sessions--Choose one of the following:**

- UW Corn & Soybean Economics-UW Ag Extension Agent Don Genrich
- Crop Insurance-National Crop Insurance Company Agent
- FINPAK-University of Minnesota Center for Farm Financial Management - Dale Nordquist
- Web Equity Manager for FSA (Farm Service Agency)

10:45-11:30 a.m. **Break-out Sessions--Choose one of the following:**

- UW Corn & Soybean Economics-UW Ag Extension Agent Don Genrich
- Crop Insurance-National Crop Insurance Company Agent
- FINPAK-University of Minnesota Center for Farm Financial Management - Dale Nordquist
- Dairy Profitability, UW Center for Dairy Profitability - Dr. Bruce Jones

11:30 a.m.-12:30 p.m. Buffet Lunch

12:30-5:30 p.m. **Bus Leaves for Ag Industry Tours at 12:30 p.m.**

Tour Guide: Peter Brandt, Doug Marshall, Mike Sabel

**Cranberry Bog (Farm) and Cranberry Museum**

**John Wagner & Roger Schroeder Dairy Farm**

5:30 p.m. Back at the Hotel--Evening meal on your own and evening on your own

### **WEDNESDAY, JUNE 9, 2004**

7:00-8:30 a.m. Buffet Breakfast

8:00-9:15 a.m. Program-Marketing Wisconsin Products

**Marketing Panel Mr. Rod Nilsestuen** - Secretary of Wisconsin Department of Agriculture

-Healthy Grown Potatoes, **Deana Sexson**

-Organic Foods, **Organic Valley Cooperative**

-**Wisconsin Milk Marketing Board (WMMB), Matt Joyce**

9:30 a.m. Bus leaves to Foremost Farms

9:45 a.m. **Foremost Farms and Equity Livestock Cooperative Program**

Noon Lunch at Foremost Farms

1:30 p.m. Tour **U.S.D.A. Dairy Forage Research Center**

3:45 p.m. Tour **Cedar Grove Cheese**

5:30 p.m. Back at the Hotel - evening meal on your own and evening on your own

### **THURSDAY, JUNE 10, 2004**

8:30 a.m. Plated Breakfast

8:30-9:45 a.m. **Master Storytelling Breakfast**

9:45 a.m. Break

10:00-10:30 a.m. **Dr. Richard Joerger** – University of Minnesota, Report of Agriculture Educator Survey and Study

10:30-11:30 a.m. **Final Business Meeting** – Tom Weygandt

12:00 **Adjourn** and head home or tour scenic Wisconsin - Ron Dvergsten, President NFRBMEA

12:00 **Post-Conference Board Meeting** - Ron Dvergsten, President NFRBMEA

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Their generous support makes the our programs possible.**



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See our website: [www.nfrbmea.org](http://www.nfrbmea.org) for complete contact information.

Views of the 2004 Annual Conference,  
Wisconsin Dells, WI. June 2004

What's my punch-line?



Committee work



Touring the milk lab.

National Council Report



*"Most people see 'vision' as the ability to see the future. But in today's rapidly changing world, vision is also the ability to accurately assess current changes and take advantage of them. Vision is being alert to opportunities."* Pastor Rick Warren