



NUTS & BOLTS

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Go East, Young Instructor! Go East!

Farm and ranch business management instructors, young and otherwise, will do exceptionally well to follow this advice in June. Everyone should have received at least one mailing from the NFRBMEA Conference planners in Ohio. If you have not, go to our Web site at www.nfrbmea.org to get everything you need to make your plans.

This is only the second NFRBMEA conference in our 33 year history to be conducted east of the Mississippi and the first to be held in Ohio. The conference planners have arranged a busy schedule of educational events tailored to the needs of farm and ranch business management instructors. Nationally known speakers as well as local experts will be there to give us an unequalled opportunity to update our knowledge and skills. We are expecting at least 100 instructors from across the nation to attend.

We are still looking for folks for the First-Timer's scholarship. To earn this scholarship, this must be the first NFRBMEA conference you will attend and you must be the first one from your state to register. This scholarship pays your registration (a \$220 value). You must pay your own membership dues of \$30. Details on the [Web](#).

The Exchange of Ideas Event is still open. Send in your Idea and receive \$100 in cash. The limit is one Idea per person, five Ideas per conference. See details on the [Web](#).

Conference Dates to Remember:

Early Bird Registration is due prior to May 20.

Sunday, June 12 – Registration begins at 3. Picnic at 6.

Thursday, June 16 – Conference ends at 11:30 a.m.

Wednesday, June 15 – President Ron's Birthday

An Invitation from NAFBAS



National Association of Farm Business Analysis Specialists

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Illinois invites you to join us for:

A Window on Washington, DC

**NAFBAS Conference 2005
Doubletree Hotel, Crystal City, VA
June 26-30, 2005**

The Illinois NAFBAS members have been busy planning an action-packed and informative conference in our nation's capitol. Where better to get a handle on the heartbeat of the nation, and what we might expect in the near future for agriculture?

The fun and information will begin with registration

from 2pm – 5pm on Sunday afternoon. We will be using the Metrorail for transportation to some of our meetings during the week, so we want everyone to be comfortable with getting around the city using the Metro. Sunday afternoon there will be “Metro-experienced” Illinois field staff available to help you get to the Metro stop and take your first ride. But be sure to return to the hotel that evening for your official welcome and reception.

We'll spend Monday morning at the hotel for World Ag Issues, and after lunch you're free to explore on your own. Tuesday will be USDA Day. We will be boarding

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“I hope to see you in Ohio!”

A message from Ron Dvergsten, NFRBMEA President

“I Hope to See You in Ohio!” sounds like a title to a country western song. Seriously, I believe our Ohio membership have organized another excellent NFRBMEA conference. After reviewing the conference materials, I am sure that you agree that we have a great conference coming up! Keep in mind that this will be the last NFRBMEA conference organized strictly by our membership for a number of years, and possibly forever! Also the 2005 NFRBMEA Conference will be the first ever hosted by Ohio.

You may have noticed in the tour information of the conference mailing, the “President Dvergsten” tour. I would like to thank the Ohio conference planners for making the arrangements to incorporate a stop at the NFL Hall of Fame into the tour schedule. I will be on this tour and those of you that choose this tour can help me celebrate my birthday.

One of my favorite activities at NFRBMEA conferences is the “[Exchange of Ideas](#)” event. This activity allows members to share educational tools or activities that they use with their students and their fellow NFRBMEA members. To top it off, if you have an idea to share and are one of the five selected, there is a \$100 award for your efforts and contribution. This year, National Crop In-



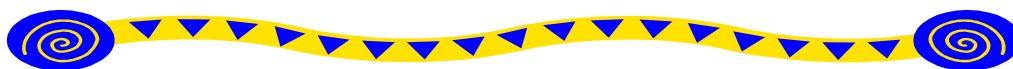
surance is sponsoring this event. Along these same lines, if any of you have educational tools that are in electronic format and that you are willing to share, the Resources Committee is still looking for items to put into the Resource Library on the NFRBMEA website.

If you have never attended a NFRBMEA conference and are planning on joining us in Wooster don't forget to apply for the [First Timers' Scholarship](#). One person per state is eligible for the scholarships. National Crop Insurance is also sponsoring the five First Timers' Scholarships.

As I approach the end of my term as President of the NFRBMEA, I would like to thank all of the NFRBMEA board members, conference planners, committee members and all of our sponsors. It takes team work to make any organization work effectively. As I have served as your President, I truly felt that I was part of a team. I hope that several of you wish to join the team by serving on

the board as an officer, or serve on one of our committees. Successful organizations always need new members in their leadership with fresh ideas.

Once again, “I Hope to See You in Ohio!”



Ethanol Facts

With ethanol gaining in importance as a fuel source and as a source of wealth in our ag economy, it may be useful to have a few facts at hand in our discussions.

A bushel of corn will yield about 2.75 gallons of ethanol at 6.6 pounds per gallon. Byproducts include 17 pounds of dried distillers grain and 17 pounds of carbon dioxide per bushel. Carbon dioxide can often be sold at

about a penny per pound. A gallon of gasoline weighs about 6.2 pounds per gallon and contains about 125,000 BTUs of energy. A gallon of ethanol contains about 84,400 BTUs of energy. Gasohol (a 10% mix of ethanol and 90% gasoline) contains about 120,000 BTUs.

Ethanol yields between 130% to 200% more energy than is consumed in its manufacture.

Making 2005 a great year

By Mark Berg, Northland College Farm Business Management

Farming is a system, that is, all things are connected. All things influence the outcome of another. Farming is not only the work and inputs connected with producing crops or raising livestock, but also how we think, our planning, our goals etc.

Dan Millman said, "By expanding our deepest beliefs about what is possible, we change our experience of life." When we think back to the settling of this countryside, in the late 1800's, we find this to be true. Many pioneers were certainly visionary. In "System Management" it is very important we have a picture of where we want to be and how we want to live.

When the pioneers came onto this prairie, they did not see what was there. They saw what was not there. They saw farms, towns, railroads, roads, and families. Guess what we had twenty years after the pioneers' arrival? The farms, towns, railroads, roads, and families

they created out of very little but a dream, a vision.

The future lies before us. What we will do with it? In the living of our lives, we are only limited to the degree of the clarity of the vision we hold of our ideal farm business, of our ideal lifestyle. A problem exists when we have no idea, no picture of the future, except the day-to-day jobs we will face each day.

In managing a farm, we know that seeing is not believing, believing is seeing. Just like the pioneers, to the degree our vision is clear, our vision will be achieved. To the degree we believe in our goals, our goals will be achieved. This makes operating our business fun and success possible. Take some time to envision how you want your world to be, how you want your future to turn out. Your vision is the promise of what you will, at last, unveil.



Without a vision, the farm may perish

By Paul Ramsey, North Central Technical College, Detroit Lakes, MN

It has been a long time biblical statement that "without a vision the people will perish." The wisdom in this statement has to do with the goals and vision statement that a farm business should have. When a business has a good vision statement, it provides focus and direction to the decisions to be made. The long term and short term goals are also easier to write down. A catch-phrase vision statement can keep a business on task.

There are several other reasons to have a farm business vision statement. Number one on the list is that it provides a sense of direction and stimulation for growth. The number two reason is that it gives the people in the business sense of unity for involvement and purpose. Another thing a good vision statement does is it will help to clarify decision-making. Most of us need all the help we can get on that one.

When you are busy with the day to day chores a vision statement will help to keep you focused on what is im-

portant on that priority list. A vision statement will help motivate the people over the long haul. When the days are long, hard and you sometimes wonder "Why did I ever get into this?" the vision statement will provide a handle to hold on to.



A well thought out vision statement will help to empower and call people to attempt the seemingly impossible task before them. Sometimes day to day tasks can really take the zap out of you, a reminder of the vision statement with a short delightful daydream can create some well needed enthusiasm. The leaders of your farm business will remain fired up and act like the spark plug they should.

Vision and goals are often overlooked, but like a sharpened ax it makes the work go a lot easier. One of the farmers I work with has a simple effective vision for the family business: To produce more high quality milk for people to consume. Milk is still God's most nearly perfect food.

National Council Report

By Rich Baumann, FBM instructor, SCTC, New Ulm, Minnesota
NFRBMEA Representative to the National Council

First, I want to thank the NFRBMEA board for the opportunity to serve our organization as your representative to The National Council for Agricultural Education.

To date, I have taken part in three conference calls of The Council on December 15th, January 26th and April 13, 2005. I also attended my first meeting of the full Council in Alexandria, Virginia and Washington, D.C. on March 4-7. On Friday, March 4th, I got up at 3 AM to get to the Minneapolis airport to catch a 7:15 plane to Washington, D.C. There are two other Council members from Minnesota, and the treasurer of The Council, an appointed position, is also from Minnesota, so the four of us traveled together.

There was about a one-hour orientation for new members of The Council before the meeting of the full Council was called to order at 4:00 PM. We heard a proposal from Steve Rhea for a rather aggressive plan for communications and marketing for ag education as developed by the firm of Rhea and Kaiser. Questions and discussion followed. The proposal and action plan are being offered pro bono by Rhea and Kaiser. Further discussion on the proposal took place on Saturday.

The second business session was called to order at 8:00 AM Saturday morning. There was discussion on a number of items during the day. Rather than go into detail on each item, [go here to read the minutes](#) from The Council meeting. I encourage you to ask me about any specific items that you may have questions on.

On Sunday, March 6th, several of us visited the new Museum of the American Indian (not sure if that is exactly correct) in the morning, before our meeting at 1:00 PM. The Council board meeting activity for Sunday was to participate in the ACTE National Policy Seminar. We attended a number of sessions on how to be an effective advocate for Career and Technical Education with senators and representatives. (Much of this information would be valuable on the state level, also.) Much discussion centered on Perkins funding, because President Bush had recommended its repeal. It was up for discussion in both the Senate and House several days later, so the timing was perfect.

Sunday evening we attended the Ag Ed dinner meeting with advocacy state representatives funded in part by NAAE.

On Monday I joined the delegation of Minnesota ACTE members at the National Policy Seminar as we planned our strategy for Capital Hill visits that afternoon. We split into smaller groups to meet with the education representatives of each Minnesota senator and representative. I attended meetings at the offices of Senator Norm Coleman and Representative John Kline. I also visited the office of Representative Gil Gutknecht. These meetings were quite informative and interesting. (It should be noted that later that week the Senate voted 99 to 0 to re-authorize Perkins funding, going against the wishes of the Administration.)

My first full meeting of The Council was a very good experience. It was interesting to meet many people involved in agricultural education at all levels and from many parts of the country. It was obvious that Gary Thome and other former members of The Council have helped bring recognition of the importance of farm and ranch management education to the agricultural education field, but it was also obvious that many people in the field of agricultural education still are not aware of us. It will be an on-going effort to keep people informed of who we are and what we do.

If you would like more information on The Council, go to their website at www.teamaged.org/councilindex.cfm. I think all of our members should be encouraged to keep up with what The Council is and what it does.



The NFRBMEA newsletter, "NUTS & BOLTS" and our web site at www.nfrbmea.org are sponsored, in part, by a grant from the Cenex Harvest States Foundation.

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Inver Grove Heights, MN 55077

Resource book for students

Every farm and ranch business management instructor has his or her tools of the trade. These are the fact sheets that contain many of the facts and figures we are going to be called upon to know on an almost daily basis.

This past fall the fourteen farm management instructors in the Southeastern Region of Minnesota put together a Farm Management Resource Book for our students. Every student now has a “go-to” document where it is likely that they will find answers to common questions. At about forty pages, the first edition was not intended to be all encompassing. It will always be a work in progress and will require constant updating to remain useful.

The book covers topics like income tax management, government program payments, field measurement, crop storage facility capacities, dairy benchmarks, beef ideas, hog benchmarks and much more. Contact information for each instructor is listed to emphasize our team structure and to encourage students to call or e-mail us for answers. Lenders and other ag professionals also appreciate receiving a copy. Our college printing department did all our printing and binding for about two dollars a book.

While not a new idea, the resource book has already proven to be a useful tool among our students. We intend to update it annually and get it into electronic format so we can load it on our computers and give it away on a disk or send parts via e-mail. It will also show up on the college farm business management web site.

Photo ops



Do you have any photos from NFRBMEA events that reflect some part of our history? Maybe you would like to donate a duplicate to our historian, Laurie Morris, to keep in our NFRBMEA files for posterity. Laurie's contact information is on the last page of every *NUTS & BOLTS*.

Distinguished Service Awards

Each year we recognize a few members and friends of NFRBMEA for their outstanding service. We present them with plaques at our annual conference and record their names on our Web site to show our appreciation for their service. There is no formal nominating procedure for the Distinguished Service Awards. If you know of someone who you believe is deserving of the award, be sure to contact a Board member with their name and accomplishments. It is likely that your nomination will be approved during the fall Board meeting.

MEMBERSHIP UPDATE

We finished our year with 185 members plus 22 affiliate members and our Honorary Lifetime Member, Dr. Edgar Persons. We would like to make the 2005-2006 year show even more growth. We need your help to recruit new members into our NFRBMEA family.

Will you be a NFRBMEA leader?

We are looking for a few good folks to join our Board of Directors. Give it some thought. The treasurer's term is two years. (2005 is not an election year for the treasurer.) The president is on the Board for three years as president-elect, president and past-president. The secretary's term is one year.

The rigors of office are not too demanding. Our Board meets on Sunday prior to the annual conference. We meet again in the fall, sometimes at the site of the upcoming conference, or at a centralized site. The NFRBMEA covers the cost of the fall Board meeting room, travel and meals. We also conduct business via e-mail and have at least two conference calls per year. We welcome any and all who would like to give NFRBMEA leadership a try. We need new ideas and “experienced” ideas as well. Contact a Board member if you are interested.

There is always a need for committee members, too. Check our Web site for [committee listings](#). Committees are always open to volunteers.

(“INVITATION”, continued from page 1)

the Metro for the trip to the USDA for our meeting that morning at the USDA building. Lunch will be on your own at the USDA cafeteria which comes highly recommended for both quality and price. On Wednesday we will once again board the Metro to head to Capitol Hill. After our morning sessions with various Capitol Hill lobbyists, administrators and Congressmen, you will have the afternoon free to visit with your representatives (if you have previously arranged a meeting) or visit the various monuments, museums and other sites along the National Mall. That evening we will gather at the Doubletree’s *Windows Over Washington* for a family meal and gathering overlooking the Potomac and the sites of Washington by night. Don’t make your getaway on Thursday too soon, because after the morning business meeting, we will have the keynote speaker of the conference in Mr. Dennis Avery. He is the director of Global Food Issues at the Hudson Institute and has written the book “Saving the Planet with Pesticides and Plastic: The Environmental Triumph of High-Yield Farming.” Mr. Avery is touted as a thought-provoking

speaker on global food issues and other agricultural policies.

Our schedule of actual speakers is flexible with the minute by minute changes that can occur in Washington, but we can assure you that you will be listening to some of the people that have their finger on the pulse of agriculture in the nation’s capitol, including the new Under Secretary of Agriculture Charles Connor and Senate Finance Counsel Elizabeth Paris.

We hope that you’ll plan to join us as we transplant Illinois to the heart of DC.

Roberta Boarman
NAFBAS President 2005

Editors’ Note: Additional information and registration materials for the NAFBAS Conference can be found on their website at www.nafb.org/2005_conference.htm.



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The Voice of Experience

By Wayne Pike

I just finished reading a book titled, "Blink", by Malcolm Gladwell. It is a book about how quickly and accurately we can make decisions based on what we have learned via years of experience. In any particular situation, Gladwell says, we have usually made up our minds in the first two seconds whether something is right or wrong, fits or does not fit, will make us safe or put us in danger, or will make us happy or sad. We do this automatically and unconsciously.

The opposite side of this benefit of experience is how often it cannot be trusted. Although we may have experience on our side, new situations that seem to fit the old format can trigger instant mistakes with detrimental consequences. Experience can be a two-edged sword guided haphazardly by emotional tides and popular theories of the moment.

As my farm management instructor colleagues age, I notice my own tendency to rely on my tender years of experience. For example, not long ago I went to see a

farmer who thought that he might be interested in our farm management program. As I drove up the long driveway to the house, I noticed many things about the farm that led me to think that here was a farm business in trouble. Too many fences were in disrepair, the narrow driveway was in need of gravel and a group of thin white-faced beef cows huddled around the barn. This and a few more things suggested financial stress. I did not allow my preconceptions to influence my treatment of this potential student, but this time I was right. I hate it when I am right.

But, I have been wrong, too. I don't like that much either. But, for some reason, when I am wrong, it is only after the most careful and meticulous consideration. Some of the biggest and most far-reaching mistakes I have ever made were with the aid of a powerful computer and the latest farm financial modeling software. That is really annoying.

("VOICE", continued on page 8)

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(“VOICE”, continued from page 7)

What kind of world is it anyway? We can be right on a moment's notice and we can be wrong after days of study and thought. Perhaps this is a result of the world's changing faster than we can forget the outdated lessons from the past. I have often heard talk about a person having either thirty years of experience or having one year of experience thirty times. Somewhere in the middle would have to be a happy medium. It is good to be at something long enough to be familiar with it, but we have to avoid mistaking a long history with the imminent and pressing future.



I'm Glad it's Spring

Now that spring is here, this true story is not quite as grim as it was at first. I rely on an old Farmall 460 to run a very tired old snowblower to keep our yard passable in winter. Last fall, when a snow storm was threatening, I went out to make sure the tractor and the snowblower would work when needed. I tried to start the tractor. The battery was dead. I charged the battery. The tractor started and ran for about three seconds. Out of gas. The fuel barrel was empty. There wasn't a mouthful of spare gas on the farm. Sent a son to town for gas. Got the tractor started. Rear tire was completely flat. Pumped it up. Found the parts to the three-point hitch. Dropped one on my finger. Found the Band-Aids. Stuck one on my finger. Got the snowblower hitched to the tractor. Found a grease gun. It didn't work. Found another grease gun. It didn't work. Found another grease gun. It didn't work. Took parts from three grease guns and made one that worked. That's why nobody ever throws anything away around here. You just might need it. This is also why we hitch up the snowblower when it isn't snowing. Heaven help me, now I probably should get the lawnmowers going. I'm glad it's spring.

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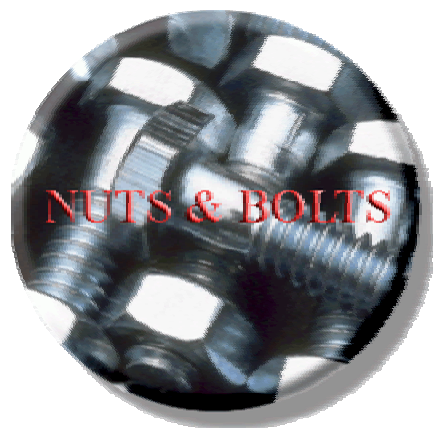
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