

# “FINANCIALLY MANAGING LONG LAYOUTS”

UNIVERSITY OF  
MARYLAND  
EXTENSION



## GROWER LUNCH BREAKS NOTES OCTOBER 7, 2020

MidAtlantic Farm Credit's Amber Rash gave a talk on “Financially Managing Long Layouts” and other financial matters.

Amber Rash is a 9-year loan officer with MAFC located in Denton, Maryland. Her contact info is: office 410-47-2323; cell 302-233-0792; email [ARash@mafc.com](mailto:ARash@mafc.com), and her MidAtlantic Farm Credit office is located at 379 Deep Shore Road, Denton, 21629. If you have questions, she can help and/or put you in contact with your local MAFC loan officer.

Jenny Rhodes started us off by introducing Amber, as Jon Moyle moderated and helped with technical difficulties in the background.

### Links to Watch Amber's Zoom presentation:

- [https://drive.google.com/file/d/1q2QSkDxphY\\_mlpbgalm90tW2O-j-Hqpr/view?usp=drive\\_web](https://drive.google.com/file/d/1q2QSkDxphY_mlpbgalm90tW2O-j-Hqpr/view?usp=drive_web)
  - There are a few minutes of static at the start but the rest is perfect
- Link to Amber's Power Point slides: [GLB\Financially Managing Poultry Layouts.pptx](#)

### So much great information but here are some top points:

- MAFC offers MANY financial products
  - Farm
  - Operating
  - Personal/Auto
  - Equipment
  - Building/Fence
  - Leases
  - Lot
  - Home
  - Term Loans for Full/PT Farmers Homeowners
- TALK to your Lender
  - If you're having problems, be PRO-ACTIVE, not reactive
  - Schedule a meeting with your loan officer, whomever that is
    - Be open and honest
    - Don't fear letting them know your facing difficulties
  - Your lender is your business partner
    - Get ahead of the situation = better service
- PRIORITIZE needs vs wants
- EVALUATE your business plan
- BE PROACTIVE in your houses, utilize downtime
- TAKE CARE OF YOURSELF – we are here for you!!

## MidAtlantic Farm Credit Offers

**Tremendous Experience - Constant Commitment - Expert Advice - #1 Priority is Ag**

*“Agriculture is cyclical with long layouts and stress of operations – we can help you get you through that.”*

- Patronage Refunds – As a cooperative, a portion of Farm Credit **profits** are returned back to borrowers, significantly reducing cost of borrowing
- Close Partnerships – with government and farm organizations; able to get best resources to members to assist farmers getting into and staying in business

## 5 Ways to Financially Manage Poultry Layouts:

- **Talk to Your Lender** – whomever it may be
  - Schedule a meeting in person or phone to get on the same page with each other to have honest open conversations. The sooner they are aware of what’s going on, it helps lender to help you find the best solutions
  - Can help you:
    - Evaluate current and future debt
    - Provide additional financing
    - Offer restructure options
    - Look for opportunities to refi for lower interest rates
  - In order to do this, Lenders will need from you:
    - Financial statements, balance sheets – what do you have/what do you owe
    - Tax returns
    - Profit and loss statements
    - Flock settlement sheets (6 flocks preferred)
    - Your ideas too! Bring ideas and solutions – this is your operation
    - Let’s be proactive instead of reactive!
- **Prioritize Needs vs Wants**
  - Farmers, non-farmers, everyone has to evaluate when income gets tight
  - Is it time to reevaluate your lifestyle?
  - Create a monthly or quarterly budget
    - Helps to visualize income and expenses; where is all your money going?
    - Free online templates for you to use
  - How does budgeting affect the big picture?
  - Save on necessities
    - Groceries vs dining out, gas, electric bills, etc.
  - Evaluate luxuries vs wants
    - Are there things you don’t necessarily need?
      - Monthly subscriptions,
      - Items to sell? Things you don’t use enough - motorcycle, camper, extra vehicles, equipment, household item, etc.
      - What are the things we can do without until your finances come around?
- **Be Proactive in Your Houses**
  - What can you be doing to get your house ready for next flock
  - Capitalizing your downtime

- Make repairs and replacements
- Clean fans, reflector shields on radiant heaters, etc. – improves efficiency
- Patches to walls or roof
- Talk to your flock supervisor! They want you to be successful and may have some good ideas that can help next flock do better and bring in more cash flow
- Extension folks may have ideas too. Experts in poultry and can help with some one-on-one help

➤ **Evaluate Your Business Plan**

- Sit down and put into writing
- If you don't have one, this is definitely the time to do so
  - **Create/Revamp Your Plan**
    - Past results, flock sheets, what did you do well, where you need improvements
    - Current stats
    - Market opportunities, anything your looking to do differently
    - Long and short term goals, next year, 6 mos. 10 or 20 years
    - SWOT analysis – **S**trengths, **W**eaknesses, **O**pportunities, and **T**hreats and how you can get a handle on those four areas? Talk to lender, extension agent, flock advisor on how can you improve
  - Ask yourself the hard questions:
    - Can you diversity your operation
    - Can you increase profits/product in your current other areas
    - Is there anyone involved in operation who could pick up a full/pt job that doesn't take away from the success of the operation
    - Any areas where expenses are outweighing profits that you could cut back
    - Do you have employees you no longer need, something you can do yourself

➤ **Take Care of Yourself!**

- Financial strain takes a toll on your health – we want you to feel that things are going well
- Struggle can cause arguments, stress, depression and more
  - When you take care of others and your operation, you need to make yourself a priority! Even in these tough times, step back and take a look at yourself and find ways to de-stress, take a walk, see grandchildren, practice a hobby, whatever it takes to take care of your own mental health
- Self-Reflection - Where are you projecting?
  - See if you are taking your stress out on family, friends, flock supervisors, loan officers, creating that stress community? Know that others are looking to help you.
- **MAFC Member Assistance Program – [mafc.com/map](http://mafc.com/map)**
  - **Free resources for:**
    - **Counseling**
    - **Legal & Financial Services**
    - **Identity Theft Recovery**
    - **And more!**

It's difficult to stay positive with our world and pandemic, you are not alone! Others are here to help you through good times and bad, including MidAtlantic Farm Credit, or if you have another lender, and we all here to help you to succeed!

**Afterthoughts/Take-aways:**

Jenny noted, when you are in a financial situation and don't know which way to go, talk to others, loan officer, accountant, friends, other farmers, extension agents, they may have some really good ideas that may work that you haven't thought of.

Efficiency of your farm – cutting down is so important and Jon Moyle talked about cutting back. Do I need this data package with tv or telephone? Call the companies involved and see if you can work out a better deal. Jenny changed dumpster service to every other week and they have made out fine.

Employees – during longer layouts – sit down and figure out what’s going to work – maybe someone else can use that person in the meantime as an alternative during downtime.

QuickBooks – Amy and Jenny say it’s one of the best tools out there. It helps them stay organized.

Budgets: looking at expenses other than farm expenses. Are you taking a look at gas, phone, groceries, internet, that come out automatically, credit card bills that may be creeping up, is there something you can do about these expenses now? Really evaluate what you can do now instead of in a year when things are more out of control.

Definitely do one-on-one situation meeting with a loan office to help find out what is best for you. Amber says It’s NOT a blanket situation, where one situation fits all. They personalize what makes it work best for each person.

You can download free budget templates. Excel is good too, as long as you can picture what’s going on with your cash flow.

Printing checks will help you keep record of plus it saves time! Brenda found cheaper checks at Walmart!

**Take care of yourself is so important!** Look at your whole life. Jon suggests getting away from the phone, from your daily routine – take a walk, do something you enjoy.

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## JOIN US NEXT WEEK!

### “Cool Weather Ventilation – Bird Health”

University of Delaware Cooperative Extension Agent, **Georgie Cartanza**  
**Wednesday, Oct. 21, Noon**

**Register at:** <https://umd.zoom.us/meeting/register/tJ0kfuyhqjzpGNzp8wlhemiV6PeHRsJpxntO>

## SET YOUR CALENDAR:

- [October 21 “Cool Weather Ventilation – Bird Health” – UDE – Georgie Cartanza](#)
- [November 4 “Value of Litter Management” – DuPont – Dr. Jordan Gruber](#)
- [December 2 “Recognition of Common Broiler Diseases” – Zoetis – Dan Bautista, DVM](#)

