#### Worksheet 2.1

### **EVALUATING FARM RESOURCES**

Earlier in this workbook, you worked on gathering information for what you want to see happen to the farm in the future. It is now important to look at what natural resources and farm infrastructure you have at your disposal. Use this worksheet to rate the overall condition of your farm resources, including the state of buildings, local agriculture support infrastructure, and the potential to expand and/or develop new markets.

Part I: Natural Resources

Poor	Adequate	Strong
		•
	Poor	Poor Adequate

# Part II: On-Farm Buildings and Infrastructure

Building 1:	Poor	Adequate	Strong
Current Condition			
Capacity			
Layout/Design			
Building 2:	Poor	Adequate	Strong
Current Condition			
Capacity			
Layout/Design			
Building 3:	Poor	Adequate	Strong
Current Condition			
Capacity			
Layout/Design			
Building 4:	Poor	Adequate	Strong
Current Condition			
Capacity			
Layout/Design			
Fencing			
Fuel Storage (tanks)			
Feed Storage:			
Crop Storage:			
Other:			

Notes:			

#### Part III: Local and Community Infrastructure

Take some time and think about the community where your farm is located. Does it have the elements needed to support the type of use you envision for your land, or the type of enterprise you would like to operate on your land? Your assessment of local services and support is important to identifying gaps that with community attention could be improved.

Resource	Poor	Adequate	Strong
Availability of farm supplies			
Repair services			
Availability of financing			
Availability of business support (training, tax professionals, etc.)			
Competitive tenant market			
Availability of processing			
Competitive labor market			
Road system			
Local zoning policies			
County and Municipal government support of agriculture			
Community support of agriculture			
Local Farmers Market			
Urban pressure			
County economic development			
Availability of health services			
Timber Markets			
Notes:			

Notes:			
	 	 _	

#### Part IV: Farm Asset Net Worth Statement

Use this worksheet to sketch your farm's net worth. Later worksheets will help you estimate the value of your overall estate. Supply the information to the page below by completing the schedules [noted in parentheses] following. Note that not all schedules will apply to all situations and operations.

Farm Assets	Cost Basis	Market Value	Farm Liabilities	Market Value
Farm checking (M)			Accounts payable (N)	
Crops held for sale or feed (A)			Farm taxes due	
Investment in growing crops (B)			Current notes and credit lines (O)	
Commercial feed on hand (C)			Accrued interest - short (P)	
Prepaid Expenses (D)				
Market livestock (E)			Accrued interest - fixed (P)	
Supplies on hand (F)				
Accounts receivable (G)			Other current liabilities	
Other current assets				
Total Current Assets			Total Current Liabilities	
Unpaid cooperative distributions (H)			Notes and contracts, remainder	
Breeding livestock (I)				
Machinery and equipment (J)				
Buildings and improvements (K)				
Farmland (L)				
Timberland (L.1)				
Merchantable Timber (L.2)				
Pre-Merchantable Timber (L.3)				
Other fixed assets			Total Fixed Liabilities	
Total Fixed Assets				
a. Total Farm Assets			b. Total Farm Liabilities	
c. Farm Net Worth (a - b)			Current Assets (market) Current Liabilities =	Ratio
			Current Assets (market) Current Liabilities =	Debt to Asset Ratio

#### Part IV: Supporting Schedules

Tart IV.	Supporting S	oneduies .		
Schedule	A: Crops Held f	or Sale or Feed		
Description	Unit	Price per Unit	Quantity	Value
			Total	
Schedule F	B: Investment in	Growing Crops		
 Description		Acres	\$/acre	Value
		110102	φ, ωστο	, 0100
			Total	
a			·	
	C: Commercial			T. 1
 Description	Unit	Price per Unit	Quantity	Value
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	<u> </u>			
			TD + 1	
			Total	
 Sche	dule D. Prepaid	Expenses		
Description	Unit	Price per Unit	Quantity	Value
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~	1 1 2 2 2	N. T. 1	T		
So	chedule E:	Market	1		
Description	Nun	nber	Average weight	Price per head	Value
	_				
	chedule F: S				T. 1
Description	U1	nıt	Price per Unit	Quantity	Value
				Total	
Schedule G. Accounts Receiv	vable		Schedule	H. Unpaid	
	Value	Cooperative Distributions			
Description	value		Source		Value
Total				Total	
Sc	hedule I. B	reeding	Livestock		
Description	Nun		Average	Price per	Value
			weight	head	
	1		I		

Schedule J: Machinery and Equipment								
Description	(a) Previous Cost Basis	(b) Cost of Purchases/ Trades	(c) Depreciation	(d) Cost Basis of items sold	New Cost Basis (a+b-c-d)	Current market value		
					Total			

	Schedule K: Buildings and Improvements								
Description	(a) Previous Cost Basis	(b) Cost of Purchases/ Trades	(c) Deprecia- tion	(d) Cost Basis of items sold	New Cost Basis (a+b-c-d)	Current market value			
					Total				

Schedule L: Farmland								
Description and number	(a)	(b)	(c)	(d)	New Cost	Current		
of acres	Previous	Cost of	Cost basis	Cost Basis	Basis	market		
	Cost Basis	Purchases/	of land	of items	(a+b-c)	value		
		Trades	sold	sold				
					Total	·		

Schedule L.1: Timberland								
Description and number	(a)	(b)	(c)	(d)	New Cost	Current		
of acres	Previous	Cost of	Cost basis	Cost Basis	Basis	market		
	Cost Basis	Purchases/	of land	of items	(a+b-c)	value		
		Trades	sold	sold				
					Total			

Schedule L.2: Marketable Timber						
Description and number	(a)	(b)	(c)	(d)	New Cost	Current
of acres	Previous	Cost of	Cost basis	Cost Basis	Basis	market
	Cost Basis	Purchases/	of land	of items	(a+b-c)	value
		Trades	sold	sold		
Total						

Schedule L.3: Premarketable Timber						
Description and number	(a)	(b)	(c)	(d)	New Cost	Current
of acres	Previous	Cost of	Cost basis	Cost Basis	Basis	market
	Cost Basis	Purchases/	of land	of items	(a+b-c)	value
		Trades	sold	sold		
Total						

Schedule M: Far		on hand, Cho urities, and (	_		lances, Sav	vings	,
Description			nstitution		Number	Т	Value
Farm Cash							
Checking Account	İ						
Checking Account							
Savings Account							
Farm Securities							
Farm Certificates							
					Tot	al	
	Schedule	N: Farm A	ccounts F	Pavahla	·		
		cription	ecounts 1	ауаыс			Value
	Desi	сприон					varae
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					Tot	al	
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	O: Cur	rent Farm N				Ι Δ α	crued interest
Description/Purpose		Institution		Balance-owed		Accided interest	
					Total		
				,	Total	ļ	
	dule P: I	Fixed Farm	Notes and	Contrac	ts		,
Description	Interest rate	Date Due	Balance Owed	in 12	Due in 12 Remair months		Accrued interest
	İ						
		Total					

### Part V: Management (Human Resource) Assessment

This worksheet could certainly challenge your objectivity, particularly where family members are involved. Please duplicate for multiple relevant individuals, particularly if you are looking at business succession issues. This sheet is also useful for deciding who is best suited to handle important tasks like land management, entity management, etc. Duplicate, complete, and discuss steps that can be taken to improve challenging areas.

Skill/Trait	Comments
Farm production management	
Financial management	
Marketing management	
Personnel/Labor management	
Organization	
Scheduling	
Creativity	
Innovation	
Decision-making ability	
Ability to listen	
Logical thinking ability	
Work ethic	
Other:	
Other:	
Other:	
Other:	
Notes:	