

Department of Agricultural and Resource Economics

Program Impacts: MANAGE Extension Educational Program 2021

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Introduction

Area Specialists–Farm Management develop and teach educational programs in farm and financial management, marketing, recordkeeping and other economic-based subjects. The intent of this summary report is to provide administration and the public with an annual report of accomplishments and impacts of these educational programs. The report is divided into six sections: contacts, financial planning, production, educational meetings, success stories and other impacts. Data tables and/or explanations are included with each section.

The MANAGE program and the agriculture industry faced numerous challenges and changes during 2021. Commodity price volatility, rising input prices and supply chain issues were just a few of the industry challenges. Digital meetings and webinars have remained important methods to deliver educational programming. Easing of COVID-19 restrictions allowed a return to face-to-face group meetings, typically a strength of our educational delivery. Tori Marshall and Ty Wolaver joined the MANAGE team to provide farm and financial management assistance to producers across the state.

Contacts

Table 1. Direct Contacts

Personal Correspondence	On-Site Visits	Digital Contacts	Group Meetings	Total
28,101	1,723	5,105	5,362	40,291

From Table 1, specialists made over 40,000 educational programming contacts during 2021. Digital contacts via educational webinars and traditional group meetings are key for specialists in providing information and assistance to producers. On-site visits (1,723 contacts) provide direct, face-to-face assistance to Tennessee farmers, land owners and agribusinesses, and they remain a primary focus of the MANAGE program since its inception in 1986.

Financial Planning

Table 2. Financial Planning

Farm Financial Analyses	Average Debt/Asset Ratio	Average Gross Farm Income	Average Net Worth
63	0.26	\$360,354	\$3,553,942

One of the mainstays of the MANAGE educational program is its emphasis on farm-level financial planning. The financial planning comes in various forms, depending on the needs of the farm families. In 2021, 68 farm families participated in intensive one-on-one financial planning sessions, resulting in 63 complete financial plans (Table 2). These plans include base, or current farm enterprises, compared to potential enterprises which can assist farmers in selecting more profitable farming methods and making better financial decisions. The average debt/asset ratio in Table 2 shows that, on average, farm families owe 26 cents for every dollar of the value of their farm assets. The average net worth of \$3.55 million indicates that these farm families have a vested interest in protecting and growing their farm businesses.

Production

Production data are important in defining the farm situation in Tennessee and in describing the scope of the MANAGE program. Specialists provide intensive planning assistance with farm families across a range of agricultural production enterprises that includes beef, dairy, row crop, poultry, small ruminant, horticulture, fruits and vegetables, and value-added operations. The number of row crop acres for the farms represented ranged from zero to 2,560 acres with an average of 467 acres. For comparison, the 2017 USDA Census of Agriculture indicated the average farm size in Tennessee was 155 total acres (row crop, pasture and forest land). Specialists provide educational assistance to small-scale, beginning farmers as well as larger, more experienced operations.

Educational Meetings

Specialists teach or facilitate in group educational meetings across the state. In 2021, they taught or facilitated in 132 educational meetings. Specialists made educational presentations at 122 in-person or digital sessions with an audience of 5,952. Through these educational meetings, specialists teach such topics as budgeting, financial planning, taxes, computerized recordkeeping and other economic and production topics to agricultural producers and other educators. During 2021, the focus of these educational meetings included recordkeeping and tax planning, crop/livestock budgeting and marketing, and farm transition planning.

Success Stories

Tennessee Master Farm Manager Program: A highlight of the 2021 educational efforts was the continued statewide focus on the Tennessee Master Farm Manager Program. This intensive farm management program focuses on solid business principles and efficiently utilizing resources on the farms. Two statewide webinar educational series were offered during the year, and face-to-face meetings began following COVID-19 restrictions. Specialists and faculty from the Department of Agricultural and Resource Economics taught the individual sessions. The subject matter topics included financial statements, types of business structure, farm taxes and recordkeeping, equipment purchase decisions, cost of borrowing, farm and management transition, lease agreements, and trade issues.

Four hundred eighty-two (482) farmers, land, forest and agribusiness owners completed the eight-session educational series and received their certification for Tennessee Master Farm Manager. Through an end-of-program survey, participants indicated they were very satisfied with the educational series. Ninety-nine percent indicated they would recommend Master Farm Manager to others. When asked to estimate the economic impact the information could have on their operation, the participants reported a total impact of \$7,979,000 or \$14,023 per participant. Tennessee producers who complete the Master Farm Manager Program and meet additional requirements are eligible for 50 percent cost share projects available from the Tennessee Department of Agriculture's Tennessee Agricultural Enhancement Program. The Master Farm Manager Program will continue to be offered via a webinar format as well as in-person sessions in the future.

Comments from Master Farm Manager Participants:

- "Thank you so much for sharing your time and knowledge! I gained different perspectives on topics I was familiar with as well as learning about things I hadn't even started to think about yet. And [it was] presented in a way that I understand and can relate to, like a conversation with neighbors."
- "I really learned a lot that I am already putting into practice. The materials gave me metrics and terminology to analyze some trends that I've intuitively felt needed a closer look. It will help me re-structure some aspects of the farm to improve."
- "This class exceeded my expectations. Great material and presented very well. This was truly a job well done."
- "Excellent class! Well worth the time and effort to attend! Very grateful to the team who organizes and conducts this program."

Farmland Legacy Educational Series: Following an increase in interest and questions related to farm transition and succession planning, specialists and Department of Agricultural and Resource Economics faculty updated the Tennessee Farmland Legacy resource materials. The updated materials included a new workbook, educational presentations and website, farmlandlegacy.tennessee.edu.

To showcase the updated material, a five-session statewide webinar series was held in November 2021. The sessions were taught by specialists and guest speakers. One hundred twenty-five (125) farm families participated in the educational series. Sessions focused on family communication, estate planning tools, transition planning and working with professionals. Through an end-of-program survey, participants indicated that they were satisfied with the educational series. One hundred percent indicated they would recommend the series to others. When asked to estimate the economic impact the program could have on their operation, the participants reported an impact of \$25,714 per participant. Farmland legacy webinars and face-to-face sessions are planned for fall 2022.

Comments from Farmland Legacy Participants:

- “I believe that the importance of having a plan was hit from every possible angle! Another great fact-based reality check and assessment for all agricultural endeavors.”
- “Very informative. Presenters were knowledgeable and personable. The information in the series is helpful for any industry, any company. Excellent series of webinars, very timely and focused.”

Income Tax Seminars: Specialists assist with teaching and facilitating income tax seminars across the state. Eight two-day sessions and one webinar were held during 2021. Seven hundred eighteen (718) accountants and tax preparers earned over 11,488 continuing professional education credits by attending these educational training sessions. The seminars provide an excellent opportunity for participants to maintain their knowledge and skills for their profession.

Cooperative Beef Cattle Marketing: Specialists assisted beef producers in a multi-county cooperative marketing effort to group and market feeder cattle in truckload lots. A total of 3,362 head of cattle were sold by 192 producers in four sales during 2021. Prices received by producers were \$11.90/cwt. higher than state-reported weekly average market prices. This cooperative marketing effort resulted in an increase in feeder calf value (compared to the Tennessee average) of \$275,636 for those producers or \$81.99 per head marketed.

Other Impacts

Specialists worked with a beef farm family with plans to expand their locally raised freezer beef business. Assistance with writing a business plan and feasibility study helped the family secure a \$78,000 value-added producer grant which will assist in funding improvements to processing, marketing and transportation for their business.

One specialist worked with a local county Extension agent to assist three producers with applications for the Tennessee Department of Agriculture’s Coronavirus Agricultural and Forestry Business Fund. Those producers received grants totaling \$90,000 to offset disruptions to their business from issues related to COVID-19.

A number of producers reported increased revenue from crop sales due to assistance with risk management including storage options, forward contracting, basis contracting and other marketing methods.

Specialists assisted producers in establishing computerized financial and production recordkeeping systems and evaluating enterprise budgets to aid in making improved farm management decisions.

Specialists assist county Extension agents with corn and soybean test plots, 4-H beef and dairy shows, facilitating meetings and conferences, and promoting Extension educational programs throughout the state.

Summary

This annual report provides evidence of the MANAGE educational program’s relevance and importance. With the production and financial risks Tennessee farmers face each year, it is imperative to provide these farm families with the ability to make better-informed financial decisions. Area Specialists—Farm Management continue to work in partnership with Extension agents on the county level and state specialists in the Department of Agricultural and Resource Economics to assist farm families in reaching their financial goals.

Additional Information Links:

University of Tennessee MANAGE Program: <https://arec.tennessee.edu/extension/manage/>

Tennessee Master Farm Manager Program: <https://arec.tennessee.edu/extension/manage/tennessee-master-farm-manager/>

University of Tennessee Farming Fundamentals: <https://arec.tennessee.edu/extension/farming-fundamentals/>

Tennessee Department of Agricultural and Resource Economics: <https://arec.tennessee.edu/>



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