# FAST RESOURCES

**By**

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This section briefly describes the information included on the FAST Resources CD. The CD includes a series of Microsoft Excel spreadsheets useful for analyzing decisions farmers make. The FAST Resources CD also includes farm and financial management information produced at the University of Illinois.

If you become a subscriber, you will receive quarterly updated information for both the documentation and the CD. Current versions of the FAST templates are available for download at www.farmdoc.uiuc.edu/finance/.

If you should have any questions, comments, or suggestions for the FAST Resources, please contact:

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There are 23 spreadsheets in this series.  A general description of each program is provided in Table 1.

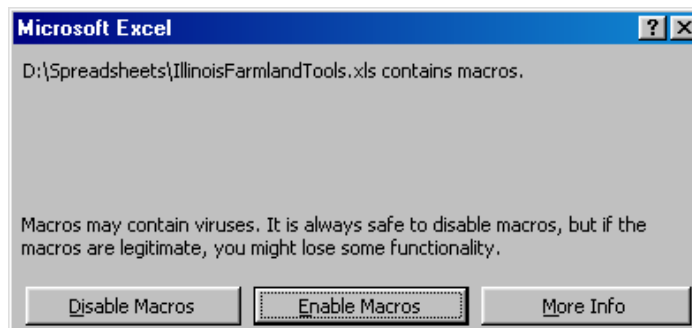| FINANCIAL ANALYSIS TOOLS | INVESTMENT ANALYSIS TOOLS | LOAN ANALYSIS TOOLS | FARM MANAGEMENT TOOLS | YIELD & DATABASE UTILITIES |
|---|---|---|---|---|
| **Appraisal of Current Financial Position** *(AppraisalFinPosition.xls)* Spreadsheet format for worksheet of Appraisal of Current Financial Position. | **Capital Budgeting** *(CapitalBudget.xls)* Worksheet to compute net present value, compare price and terms, evaluate IRR and MIRR for basic capital budgeting/ investment analysis programs. | **Loan Amortization** *(LoanAmortize.xls)* Simple loan amortization program calculating principal, interest and outstanding balance. | **Breakeven Analysis** *(BreakEven.xls)* Compute cost of production breakeven prices. | **Illinois Crop Yield Database** *(IllinoisCropDatabase.xls)* Used to access historic crop yield data from the period 1972-1999 for corn, soybeans, and wheat; sortable by state total, county level, and NASS crop reporting district. |
| **Balance Sheet and Ratio Analysis** *(balance.xls)* Prepares financial statements for a farm based on beginning and ending balance sheets and revenue and expense items. | **Grain Bin Analysis** *(BinAnalysis.xls)* Evaluates the feasibility of purchasing a grain bin. | **Loan Comparison** *(LoanCompare.xls)* Compare loan terms across different loans. | **Crop Insurance Calculator** *(CropInsurance.xls)* Compares gross revenue under different crop insurance products. | **Illinois Farmland Sales Database** *(IllinoisFarmlandTools.xls)* Database tool used to retrieve and analyze actual Illinois Farmland Sales data from 1979-1998. Price per acre, acreage, and turnover statistics, as well as individual parcel information can be accessed, and screened by specific acreage and price criteria. Tabular and graphical reports generated by time period and location selected. |
| **Cash Flow Planning** *(Cashflow.xls)* Prepares monthly pro-forma flows for an operation. | **Land Purchase Analysis** *(LandPurchase.xls)* Calculates maximum bid prices for farmland and sensitivity to terms (Formally named Land Bid Price) | **Revolving Loan Calculator** *(revolving.xls)* Keeps track of accrued interest and revolving loans. | **Crop Storage Analysis** *(CropStorage.xls)* Calculates breakeven prices for storage and compares break-even prices to projected prices. | |
| **Cash to Accrual Income Approximation** *(CashtoAccrual.xls)* Spreadsheet approximates accrual income from a schedule F. | **Lease vs. Purchase** *(LeasevsPurchase.xls)* Compare lease vs. purchase alternative and calculate the terms to make the options equivalent in NPV. | | **Enterprise Allocation and Analysis** *(EnterpriseAllocate.xls)* Generates cost of production for enterprises using alternative allocation procedures. | |
| **Estimation of Deferred Taxes** *(DeferredTaxes.xls)* Estimates deferred taxes. | **Machinery Financing** *(MachineryFinancing.xls)* Calculates annualized cash flows for different methods of financing machinery acquisitions. | | **Farmland Lease Analysis** *(LeaseAnalysis.xls)* Calculates revenues, costs, and returns for share rent, cash rent, and dry bushel farmland leases. | |
| **Net Worth Allocation** *(EarnedNetWorth.xls)* Net worth allocation of market value net worth into valuation equity and retained earnings. | **MACRS Calculator** *(Macrs.xls)* Calculates tax depreciation schedules for depreciable items. | | **Machinery Economics** *(MachineryEconomics.xls)* Analyzes chance of completing field work and generates machinery costs. | |
| | **Time Value Tools** *(TimeValueofMoney.xls)* Compute interest rate factors and solve basic time value of money problems. Generate printable tables by rate, term and frequency of compounding. | | **Grain Inventory** *(GrainInventoryV1b.xls)* Inventory accounting system to track grain inventory from harvest to sale. | |

# DIRECTIONS FOR USING THE FAST RESOURCES CD

1. Insert the FAST Resources CD into the computer

2. After a few seconds, the CD will activate and display the Main Menu (seen below) on your screen. If the menu does not appear, activate the CD by going to My Computer, select the CD drive, and open the Main Menu file titled "*MainMenu.exe*".



3. Once in the Main Menu, you can navigate to each section by clicking on the appropriate line item. The line items will change color as you move your pointer over them.

4. To return to the Main Menu, a previous page, or to exit, select the MAIN MENU or EXIT button found in the lower right-hand corner.

NOTE: When opening the Excel programs on the CD, you may receive the following message. There are no known viruses in the programs, so Choose **Enable Macros**. If this is not chosen, the calculations within the programs will not function properly.

# WHAT YOU WILL FIND ON THE CD

*The following pages display the 10 sections of the FAST CD:*

## Financial Management Resources



**Credit Analysis Reports:**
Articles that provide information on methods and approaches to farm financial analysis

**Family Living Tables:**
Summary of Farm and Family Sources and Uses of Dollars

**Financial Characteristics:**
A collection of financial benchmarks from 1991 to the present based on farms enrolled in Illinois Farm Business Farm Management (FBFM)

**Machinery Investment Per Acre:**
A graph that shows the relationship between the total machinery investment and the average machinery investment per tillable acre

**A Farmer's Guide to Agricultural Credit:**
A document that is designed to help better understand agricultural credit and lending terms.

# Farm Management Resources

**Farm Economics:**
**Facts and Opinions**

**Costs of operating**
**machinery**

**Costs of production**

**Crop budgets**

**Crop Revenue Less Variable**
**Costs**

**Hog budgets**

**Farmland index numbers**

**Leasing forms**

**Share rent leasing**
**characteristics by crop**
**reporting district**

*FAST*
Farm.Analysis.Solution.Tools

**Farm.Management.Resources**

Text and Information will show up here when one of the sections on the left is selected.

# Marketing Resources: Darrel Good



This section contains copies of the following newsletters distributed this year:

- **Weekly Outlook Newsletter (Darrel Good and Chris Hurt)**

- **Grain Price Outlook Newsletter (Darrel Good)**

**FAST Spreadsheet Tools**



**FAST**
Farm.Analysis.Solution.Tools

**Financial Analysis**
Appraisal of Current Financial Position
Balance Sheet and Ratio Analysis
Cash Flow Planning
Cash to Accrual Income Approximation
Estimation of Deferred Taxes
Net Worth Allocation

**Investment Analysis**
Capital Budgeting
Grain Bin Analysis
Land Purchase Analysis
Lease vs. Purchase
Machinery Financing
MACRS Calculator
Time Value Tools

**Loan Analysis**
Loan Amortization
Loan Comparison
Revolving Loan Calculator

**Farm Management**
Breakeven Analysis
Crop Insurance Calculator
Crop Storage Analysis
Enterprise Allocation and Analysis
Farmland Lease Analysis
Machinery Economics
Grain Inventory Management

**Program descriptions/input forms**
**Visit Web Site**
Return to Main

# Microsoft Excel Spreadsheets are further described in later sections of this document.

# Yield and Land Database Utilities



## Land Data:
Illinois Farmland Historic Transaction Database that allows users to view land sales on the basis of acreage or price.

## Yield Data:
NASS Production Database for Illinois allows the user to view average yields by county from 1972 to the present.

# Crop Insurance Resources



Guidelines Choosing Among Crop Products

| Insurance Product | Farm Characteristics | HTML |
|---|---|---|
| CAT | • Strong farm financial position<br>• Low yield variability<br>• No crop disasters | CAT |
| APH | • Moderate to vulnerable financial position<br>• Use of pre-harvest hedging<br>• High yield variability<br>• Some high-risk farmland | APH |

**Contains information on crop insurance products.**

**Farm Income 2002 Presentations**



Power point presentations of Farm Income 2002 Workshops
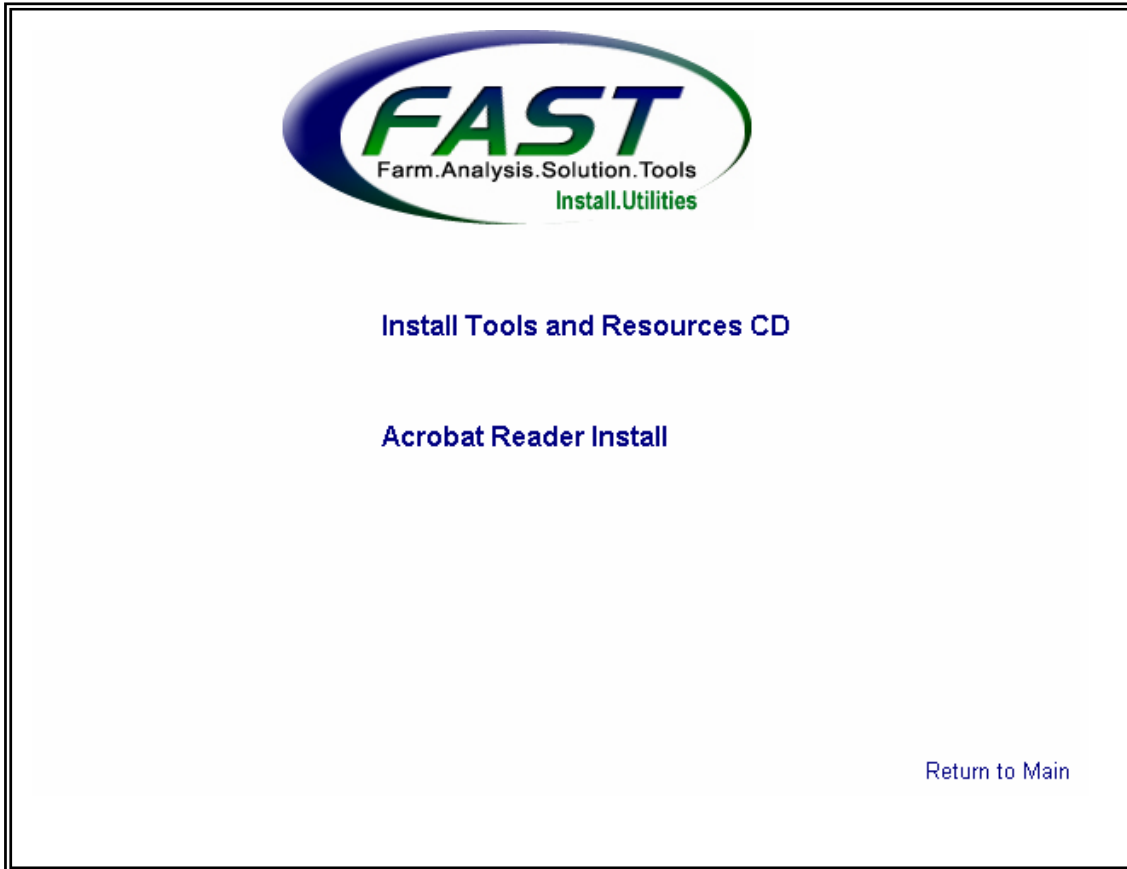
# Time Value of Money and Investment Guide



## Time Value of Money Concepts:

This is a document describing the categories and calculations for the different Time Value of Money problems

## Investment Analysis and Capital Budgeting:

This is a chapter describing the informational needs for investment analysis. Other topics include: Net Present Value Approach, Special Problems in Measuring Cash Flows, Internal Rate of Return, and how to manage different lengths of life in a problem.
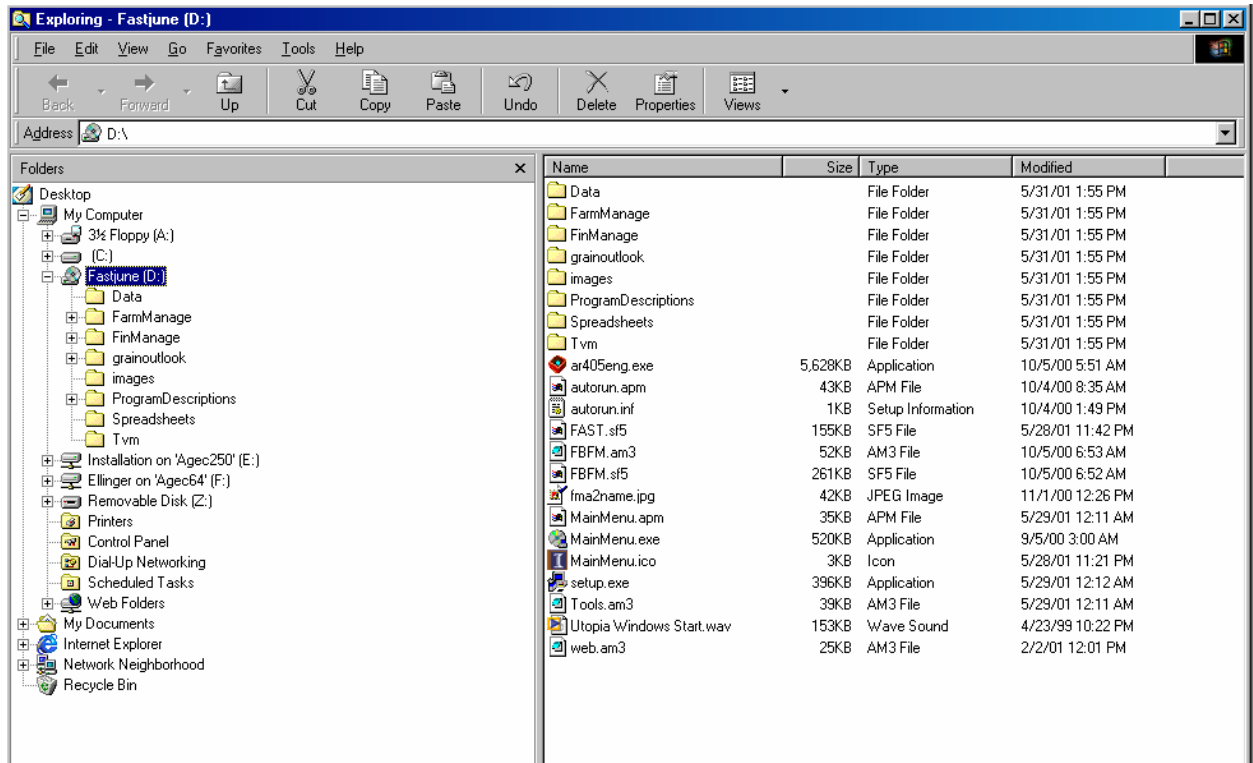
# Install Utilities



## Install Tools and Resources CD:
This section will copy the information from the FAST Resources CD onto the hard drive of your computer.  It will prompt you throughout this process.  This allows the user to have access to the FAST materials on the computer without having to access the CD.

## Acrobat Reader Install:
This section will load Acrobat Reader 5.0 onto the hard drive of your computer.  Once you select the acrobat reader installation section seen above, the computer will take a few seconds to prepare for the installation.  After a few seconds, the program will prompt you through the installation process.

# Explore



This section allows the user to explore the CD via Windows Explorer.

# Annual FAST Subscription Service

## *What's Included:*
- CD that includes ALL Excel spreadsheets in the FAST program package
- Farm enterprise budgets, machinery cost estimates, financial characteristics and benchmarks
- Binder containing instructional information of all spreadsheets
- Quarterly updates including, hard copies of documentation and newest version of the FAST CD

# FAST Program Package

### FINANCIAL ANALYSIS
Appraisal of Current Financial Position, Balance Sheet and Ratio Analysis, Cash Flow Planning, Ca sh to Accrual Income Approximation, Estimation of Deferred Taxes, Net Worth Allocation

### INVESTMENT ANALYSIS
Capital Budgeting, Grain Bin Analysis, Land Purchase Analysis, Lease vs. Purchase, Machinery Financing, MACRS Calculator, Time Value of Money Factor s

### LOAN ANALYSIS
Loan Amortization, Loan Comparison, Revolving Loan Calculator

### FARM MANAGEMENT
Breakeven Analysis, Crop Insurance Calculator, Crop Storage Decisions, Enterprise Allocation and Analysis, Farmland Lease Analysis

### DATA TOOLS
Historical county yield and farm land price tools

### PLUS MUCH, MUCH, MORE……

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## I am interested in the annual FAST Subscription for $60.

_____ I've enclosed a check for $60.  *Made payable to*:  University of Illinois  (FEIN # 37-6000511)
_____ Credit Card #_____ Exp. Date _____
(please circle) Visa    MasterCard    American Express
Signature (required) _____
_____ Please bill me.

Name:_____ Company:_____

Address:_____

Phone:_____ Fax:_____

Email:_____

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