Financial Health for Tribal Producers

Moving Forward with Your Business Part 2: Putting It All Together

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*Each university is an affirmative action/equal opportunity institution*
Previous Webinars

• Managing Your Money Part 1: Building a Strong Foundation
  • Financial Plan Basics

• Managing Your Money Part 2: Using MyFI Assist App
  • Available for free on IOS and Google Play
  • Interest, loan payments and credit cards

• Building Your Business Foundation Part 1: Ten Basic Questions that Every Livestock Operation Should Consider
  • This is the foundation of your plan
  • Help for anyone wanting to start a livestock operation or thinking about making changes

• Building Your Business Foundation Part 2: Financial Analysis
  • Use budgets and financial statements to analyze business profit and sensitivity
Webinars Today

• Moving Forward With Your Business Part 1: Putting Your Plan to Work
  • Will your plan actually work for you?
    • Enterprise Budget
    • Break-even
    • Sensitivity

• Moving Forward With Your Business Part 2: Putting it All Together
  • How to put your plan together
  • How to continue to think about and update the plan

Recordings will be available on https://tinyurl.com/AZFRTEPFacebook or
https://extension.arizona.edu/tribal-extension
One Interpretation of Agricultural Markets

Profitability

Size of Operation

Death Valley

Niche Markets

Low-cost Producers

Profit

$0

Low-cost Producers

Death Valley

Niche Markets

Profit

$0
# What Level of Sales Will You Need?

<table>
<thead>
<tr>
<th>BUDGET</th>
<th>Current</th>
<th>Sales for $5k income</th>
<th>Sales for $10k income</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A</strong> Owner Draw Desired (include income taxes):</td>
<td>$3,790</td>
<td>$5,000</td>
<td>$10,000</td>
</tr>
<tr>
<td><strong>B</strong> Bank Principal payments required:</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td><strong>C</strong> Total Profit Required: (A + B)</td>
<td>$3,790</td>
<td>$5,000</td>
<td>$10,000</td>
</tr>
<tr>
<td><strong>D</strong> Overhead Expenses:</td>
<td>$7,200</td>
<td>$7,200</td>
<td>$7,200</td>
</tr>
<tr>
<td><strong>E</strong> Gross Margin Required: (C + D)</td>
<td>$10,990</td>
<td>$12,200</td>
<td>$17,200</td>
</tr>
<tr>
<td><strong>F</strong> Divide by Gross Margin Percentage</td>
<td>40%</td>
<td>40%</td>
<td>40%</td>
</tr>
<tr>
<td><strong>G</strong> Sales Volume Required: (E/F)</td>
<td>$27,475</td>
<td>$30,500</td>
<td>$43,000</td>
</tr>
</tbody>
</table>

Available as a Excel tool to modify use tab sales volume.

[https://extension.arizona.edu/tribal-extension](https://extension.arizona.edu/tribal-extension)
Questions to Ask About Marketing

• What am I selling?
• Who might want it?
• Where will I sell it?
• How can I let people know I have it?
• Can I get them to buy my product and make money?
MyFi Assist APP

APP for financial decisions
Available for free on Google Play, and IOS

https://tinyurl.com/MyFi-Apple
https://tinyurl.com/MyFi-Android