



INVESTORS
COMMUNITY BANK

Financial tips for new farmers

Unlike established farmers, young and beginning farmers may need to learn the basics of creating business relationships and what goes into making financial decisions. The American Bankers Association and Investors Community Bank offer tips for young and beginning farmers on the basics of making financial decisions.

1. **Sweat the small stuff.** Keeping accurate and detailed records encourages both short-term and long-term financial planning. Not only does it help you stay organized and make better management decisions, it makes it easier for your lender to assess your financial situation.
2. **Develop a business and marketing plan.** You will work smarter and improve your odds when you focus and organize your goals.
3. **Evaluate your capital investments for profitability and payback.** Keeping track of how long it will take to generate enough cash flows from a capital investment to justify the investment will help you make better financial decisions for the future.
4. **Know your costs.** When you consider your cost of living and expenditures, including depreciation and family living, you'll have a better understanding of your overall financial situation. Your local banker can provide guidelines to monitor your financial ratios.
5. **Decide on what type of operation you want to run.** New farmers and ranchers should either be very efficient, low-cost producers or should add value that someone else will pay for.
6. **Consider supplementing your operation with off-farm income** until your operation is large enough to employ you profitably full-time.
7. **Consider renting** farm equipment or custom hiring instead of purchasing.
8. **Shop around.** Getting price quotes on supplies such as feed, fertilizer and fuel can uncover lower cost sources. Your research might get you a discount from a local, preferred supplier that gives excellent service. Make sure product quality is part of your evaluation.
9. **Ask your banker about how to get access to state and federal credit enhancement programs.** Some banks also offer special benefits for first-time schedule F tax filers.
10. **When in doubt, ask for help and guidance from someone you trust**—an experienced farmer or rancher, a trusted adviser or your local banker. You don't have to make these important financial decisions alone.

Investors Community Bank is a wholly-owned subsidiary of County Bancorp, Inc. and is committed to offering customized financial solutions to agriculture, agri-business and commercial customers. Founded in 1997, Investors has become one of the most successful bank startups in Wisconsin's history and has full service offices in Manitowoc and Stevens Point, as well as Loan Production Offices in Eau Claire, Darlington, Sheboygan and Fond du Lac. County Bancorp Inc.'s common stock is traded on the NASDAQ market under the symbol ICBK.

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