

PREPARING FOR THE 2027 AG LOAN RENEWAL SEASON: COULD YOU BENEFIT FROM A TUNE-UP?"



One Mission. Community Banks.

NOVEMBER 4, 2026

**Shazam Education Center
Springfield, IL**

OR

On-Demand Recorded Session

An accurate measure of firm profitability and an in-depth analysis loan repayment capacity is essential in today's agricultural lending environment. It is common to see the difference between cash net farm income and accrual-adjusted net farm income to be more than 60%. A spreadsheet is discussed that can be used to not only convert cash net farm income to accrual-adjusted net farm income, but that can also be used to calculate key financial ratios needed to evaluate profitability and repayment capacity. With high input costs and interest rates, and low commodity prices that are sensitive to world events, sensitivity analysis is essential to have a comprehensive assessment of repayment capacity. The spreadsheet is also used to evaluate the sensitivity of changes in revenue, operating expenses, interest rates, and leverage on the coverage ratio, as well as the impact of changes in loan terms.

9:00 - 9:20 am Introduction, Current State of Farm Financial Reporting in Agriculture and Practical Exercise 1

9:20 - 9:30 am Balance Sheet-Review with Emphasis on Indicators of Potential Problems

9:30 – 9:45 am Practical Exercise 2

9:45 - 9:50 am Answers to Practical Exercise 2

9:50 - 10:00 am Break

10:00 - 10:15 am Deferred Taxes-Review with Emphasis on Tax and Other Expenses Resulting if a Borrower Sells Assets to Satisfy Debt Obligations

10:15 - 10:25 am Practical Exercise 3, using Worksheet

10:25 - 10:30 am Answers to Practical Exercise 3, and a Discussion of Software Available

10:30 – 10:50 am Accrual-adjusted Income Statement-Justification, Preparation and Review Documents Needed to Complete

10:50 – 11:00 am Break

11:00 - 11:15 am Practical Exercise 4

11:15-11:30 am Answers to Practical Exercise 4 and Discussion of Purdue Spreadsheet that is Available for Free

11:30 – 11:45 am Statement of Owner Equity-Review with Emphasis on the Contribution of Non-farm Income and Impact of Withdrawals for Family Living

11:45 – 11:55 am Practical Exercise 5

11:55 – Noon Answers to Practical Exercise 5

Noon - 1:00 pm Lunch

1:00 - 1:15 pm Cash Flow Statement- Review with Emphasis on Multiple Years of Operating Expenses in a Single Operating Line

1:15 – 1:40 pm Practical Exercise 6

1:40 – 1:45 pm Answers to Practical Exercise 6

1:45 – 1:50 pm Review Answers to Exercise 1

1:50 – 2:00 pm Break

2:00 – 2:30 pm Financial Ratio Analysis – Review with Emphasis on Indicators of Potential Problems Using Comparative Data

2:30 – 2:50 pm Problem Loan Indicators – Examples, including: Buildup of Accounts Payable, Supplier Credit, Overdrafts, Term Out Revolving Lines of Credit every 3-5 years, Delinquent Taxes, Cancels Insurance, Borrows from Relatives w/o Payback Plan, Multiple Lines of Credit, Needs Money Fast, Cannot Meet Payroll

2:50 – 3:00 pm Break

3:00 – 3:30 pm Breakeven and Sensitivity Analysis to include the effectiveness of loan term changes using different levels of Revenue, Expenses, interest rates and the impact of loan term changes on the coverage ratio. Discussion Using Purdue Spreadsheet.

3:30 - 3:45 pm Chapter 12 Bankruptcy – Lessons Learned from a 1988 Study of Confirmed Plans

Ag lenders, chief lending officers, and credit analysts would all benefit from attending this seminar.

Registration begins at 8:30 a.m. The seminar runs from 9 a.m. to approximately 4 p.m. Continental breakfast and lunch provided.

November 4, 2026

SHAZAM Education Center

CBAI Headquarters

901 Community Drive

Springfield, IL 62703

800.736.2224

On-Demand Recorded Session

Meet Your Instructor

Freddie L. Barnard, Professor Emeritus of Agricultural Economics at Purdue University, is a native of Kentucky and received both a B.S. and M.S. in agricultural economics from the University of Kentucky. He received a Ph.D. in agricultural economics from the University of Illinois. He retired June 30, 2017 after serving on the faculty at Purdue University for more than 35 years, where he had Extension and undergraduate teaching responsibilities in agricultural finance and agribusiness management. He also served as Director of the Midwest Agricultural Banking School, held at Purdue University, a position he held for 36 years. Finally, he has served on the Technical Committee of the Farm Financial Standards Council and as Secretary/Treasurer of the Indiana Chapter of the American Society of Farm Managers and Rural Appraisers.



Registration Fees & Information

CBAI MEMBER

First Registration..... \$299

Each Additional Person..... \$279

On-Demand Recorded Session... \$525 (per bank)

*PROSPECTIVE-MEMBER

First Registration..... \$499

Each Additional Person..... \$479

On-Demand Recorded Session... \$1,050 (per bank)

*CDD members receive a 10% discount. *Only financial institutions/firms eligible for CBAI membership.*

CANCELLATION POLICY

Registrants cancelling two days prior to each seminar receive a 100% refund; one day prior, 50%; the day of the seminar, no refund. *All cancellations must be made in writing prior to the seminar day. Invoices and training materials will be sent to all “no shows.”* Fees include handout materials, breakfast, lunch and refreshment breaks. An income-tax deduction may be allowed for educational expenses undertaken to maintain or improve professional skills.

TRAINING MATERIALS

Prior to the seminar, you will be emailed a link containing handout materials, seminar certificate, evaluation form and seminar attendee list. Please print and bring materials with you or download them on your own device to access during the program. CBAI will provide power cords in several designated locations to charge devices. *(NOTE: If you have NOT received the link one day prior to the seminar, please email Melinda McClelland at melindam@cbai.com or call 800.736.2224)* The on-demand recorded session will be emailed to participants approximately 7-10 business days after the live event takes place. Your entire bank can utilize this session for training as it includes the video from the day of the program, plus the exact same handout materials as the live session. For more information, please contact Melinda at CBAI Headquarters.

CONTINUING EDUCATION

CBAI is a registered Public Accounting Continuing Professional Education (CPE) provider by the Illinois Department of Financial and Professional Regulation. If you have earned an ICBA Certification, CPE credit earned through your state banking association may be submitted for CPE purposes. Please note, approval is subject to review and must satisfy the respective certification requirements.

Registration Form

Preparing for the 2027 Ag Loan Renewal Season: Could You Benefit from a Tune-Up?

November 4, 2026

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Shazam Education Center, Springfield, IL

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On-Demand Recorded Session

Bank Name _____ Telephone # _____

Address _____

City, State, Zip _____

First Registrant Name _____

First Registrant E-Mail _____ Title _____

Additional Registrant Name _____

Additional Registrant E-Mail _____ Title _____

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I have special needs, please contact me before the seminar.

Please select your payment method: ☐ Check Enclosed ☐ Check in Mail ☐ Pay at Door ☐ Credit Card*

**If you are paying by credit card, please fill out the following information. (Visa, MasterCard & Discover accepted.)*

Name as it Reads on Card _____

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Card Number _____ Exp. Date _____ Security Code _____

For More Information

DEPARTMENT OF EDUCATION & SPECIAL EVENTS

Tracy McQuinn, Senior Vice President

Melinda McClelland, Senior Vice President, Career Development & Training

Jennifer Nika, Vice President

Tina Wilder, Administrative Assistant



Community Bankers Association of Illinois

901 Community Drive, Springfield, IL 62703



800.736.2224 or 217.529.2265



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