

Executive Summary of Program Results in Federal Fiscal Year 2020

- 3,160 mediation notices were received in FY20 from creditors who had sent notices to agricultural debtors.
 - Debtor(s) for 1,682 of these notices, 35% requested mediation. 2,285 notices completed mediation in FY20. Of these, 89% reached an agreement. (697 notices were carried forward from FY20 to FY21.)
 - Debtor(s) for 1,353 of the FY20 notices waived mediation. Results for waived notices may have been the debtor(s) and creditor worked out a resolution, including making the debt current, re-structuring the debt, filing bankruptcy, or abandoning the collateral.
 - 875 notices received in FY20 were still open at the end of FY20.

- An estimated 29,117 contacts, consisting of participants in mediation or others interested in the program, received the services of the program.

- In FY20, the program staff had an FTE of 5.0, including 6 part-time mediators, 2 part-time financial analysts, 2 full-time administrative assistants and a full-time program director. Additional staff involved included the principal investigator for the USDA grant, and administrative, grant, financial and legal support from various University staff and offices.

- Based on the Minnesota Agricultural Statistics Districts, the debtor(s) receiving notices of mediation were geographically distributed as follows, in descending order: Central 27%; Northwest 19%; West Central 14%; South Central 12%; Southwest 11%; South East 9%; East Central 6%; North Central 1%; and Northeast 1%.

- The type of creditor sending the initial notice of mediation, in descending order: Banks 52%; Farm Credit Services, United FCS, AgStar, AgCountry, Compeer, and AgriBank 23%; Implement Dealers and Manufacturers 12%; United States Department of Agriculture and Farm Service Agency 11%; Contract for Deed 1.5% and others .5% (judgments, main street business accounts).

- The total amount of debt reported and addressed in mediation sessions was approximately \$388M. The approximate breakdown as follows: Banks \$219.9M; Contracts \$57.2M; Farm Credit Services, United FCS, AgStar, AgCountry, Compeer and AgriBank \$37.9M; Implement Companies \$39.9M; U.S.D.A. Farm Service Agency \$12M; Main Street Suppliers and Small Businesses \$15.9M; other personal debt \$.5M and taxes \$.5M.

- The primary commodity enterprise of the debtor(s), in descending order: crop 55%; cattle 25%; dairy 15%; hogs 2% poultry 2%; and other 1%.

- The type of ownership structure of the farming entity involved included: sole proprietors 62%; partnerships; 21%; corporations 14% and other 3%.

- The average farm debtor recorded in mediation: a 60-year-old sole proprietor (ranging in age from 22 to 100 years old); who had owned the land for 33 years; owning 547 acres; average agricultural debt of approximately \$246,534; median non-farm income of \$37,272 and median family living expenses of \$38,675 per year.