

CURRICULUM

In 2011, National Farmers Union's education curriculum of "Growing Good Taste" was especially timely. The Obama administration and USDA placed renewed emphasis on promoting nutritional balance as a way to address the increasing health concerns (and waistlines) of Americans. Multiple lessons are available for youth in grades 1-2, 3-5, 6-8, and 9-12, along with separate lessons for collegiate and adult students. Advisors who visited the NFU booth at the National FFA convention were enthused to have this curriculum as a resource. Many volunteer youth leaders and state education directors participated in a webinar hosted by NFU that explores how the curriculum may be used.

BEGINNING FARMER INSTITUTE

Among the new educational programs being offered to members is National Farmers Union's Beginning Farmer Institute. Institute participants met for the first time in Washington, D.C., in September. Participants in the 2011 Institute include Erin Schneider of Wisconsin, Tess Brown-Lavoie of Rhode Island, Jeff and Deb Eschmeyer of Ohio, Aeric and Rex Reilly of Montana, Joseph and Ida DeFrancesco of Connecticut, and Barbara Marty and Justin Fehring of Colorado.

The group includes cow-calf ranchers, row crop producers, CSA and farm market owners and an urban farmer. Institute participants gain a working knowledge of topics including USDA programs, risk management, bookkeeping and how to discuss a business plan with a lender, and lesser-known opportunities to generate farm income and keep production costs in line.

"The NFU Beginning Farmer Institute has greatly assisted us with making some of the important decisions necessary to start and succeed with our farm enterprise. The varied backgrounds of the participants made it a truly unique and engaging experience. We especially appreciated the focus on mutual respect across agriculture, and cooperation as a solution to help meet these needs in order to keep family farming viable into the future."

- Jeff Eschmeyer, Harvest Sun Farm in Ohio

COLLEGIATE CONFERENCE ON COOPERATIVES

Thanks to the organizational efforts of Farmers Union and the CHS Foundation, Minneapolis has become a Mecca for college students and instructors interested in cooperative education. The annual College Conference on Cooperatives (CCOC) event draws 100 students from across the country. The students toured several local cooperatives, from CHS Inc., and REI to 7500 York Cooperative, the nation's first cooperative retirement complex. Presenters included members, directors, and managers from traditional and value-added agricultural cooperatives, as well as perspectives from electric, housing, and worker-owned co-ops. Students also heard from others involved in consumer cooperatives such as credit unions and food co-ops.



FARMER-TO-FARMER

Working through NFU's partnership with the National Cooperative Business Association, NFU Vice President Claudia Svarstad, New England Farmers Union (NEFU) President Annie Cheatham and Jessica Cook, NEFU member and farm energy program manager, traveled to the Republic of Senegal to work with the country's largest farm organization, assisting with advocacy, planning, membership, communication, and education. Kansas Farmers Union President Donn Teske also worked with Senegalese farmers on increasing their production and marketing through the program.

WOMEN'S CONFERENCE

After a hiatus of several years, the National Farmers Union Women's Conference has been retooled and will be held June 21-23, 2012, at NFU's education center in Colorado. Several trainings were held this year for the leaders of the conference. Thanks to support from the NFU Foundation, Farm Credit, CoBank, and the FUI Foundation, the three-day event will be both affordable and educational. The Annie's Project methodology is being used to develop the agenda.



DOUG PETERSON, MINNESOTA FARMERS UNION PRESIDENT SINCE 2002

Doug Peterson served in the Minnesota state legislature for twelve years before taking on the role of president of Minnesota Farmers Union. He was the author of legislation that established a statewide ethanol fuels requirement. Outside of his role with Minnesota Farmers Union, Peterson is an established artist and a licensed auctioneer. He and his wife Elly run a 300-acre crop farm in western Minnesota.

**THE FARMERS' EDUCATIONAL AND CO-OPERATIVE UNION OF AMERICA AND AFFILIATES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2010**

ASSETS	
CURRENT ASSETS	
Cash and Cash Equivalents	\$ 816,596
Accounts Receivable - Other	5,535
Accounts Receivable - Use of Name Fees	105,748
Accounts Receivable - Dues	151,531
Prepaid Expenses and Deposits	70,071
Notes Receivable	62,635
Short-term Investments	2,083,133
Total Current Assets	<u>3,295,249</u>
 PROPERTY AND EQUIPMENT, NET	 817,125
 LONG-TERM INVESTMENTS	 <u>18,003,839</u>
 Total Assets	 <u>\$ 22,116,213</u>
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts Payable	\$ 46,773
Accrued Expenses	121,402
Life Member Earnings Payable	10,082
Deferred Dues	1,380
Deferred Convention Revenue	15,000
Accrued Pension Obligation	53,000
Total Current Liabilities	<u>247,637</u>
 NON-CURRENT LIABILITIES	
Life Memberships Payable	660,645
Accrued Pension Obligation	574,719
Deferred Lease and Improvement Allowance	449,832
Total Non-Current Liabilities	<u>1,685,196</u>
Total Liabilities	<u>1,932,833</u>
 COMMITMENTS AND CONTINGENCIES	
NET ASSETS	
Unrestricted	19,698,445
Temporarily Restricted	484,935
Total Net Assets	<u>20,183,380</u>
 Total Liabilities and Net Assets	 <u>\$ 22,116,213</u>

THE FARMERS' EDUCATIONAL AND CO-OPERATIVE UNION OF AMERICA AND AFFILIATES
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2010

CHANGE IN UNRESTRICTED NET ASSETS**REVENUE:**

Membership Dues	\$ 752,393
Convention	264,020
Use of Name Fees	1,040,711
Crop Insurance Endorsement Fees	228,056
Contributions	444,036
Commissions and Fees	15,395
All States Camp	13,195
Bailey Center Rent	105,077
Newsletter Subscriptions	9,703
Legislative Budget Fund	175
Interest and Dividends	696,273
Earnings in Midwest Agency, LLP	151,012
Realized Gain on Investments	229,018
Miscellaneous	76,109
Net Assets Released from Restriction - Grants	197,228
Total Unrestricted Revenue	<u>4,222,401</u>

EXPENSES:

Program Services:	
Membership	605,419
Communications	256,096
NFU Educational Programming	172,674
Foundation Educational Programming	338,024
Coop/Econ Development	1,666
Government Relations	566,220
Green Tech Grant	109,624
NATFARMPAC	40,280
Total Program Services	<u>2,090,003</u>
Supporting Services:	
General and Administrative	1,384,033
Organization and Board	357,217
Total Supporting Services	<u>1,741,250</u>
Total Expenses	<u>3,831,253</u>

CHANGE IN UNRESTRICTED NET ASSETS BEFORE OTHER ITEMS 391,148

OTHER ITEMS:

Unrealized Gain on Investments	400,273
Pension Liability Adjustment	91,568
Total Other Items	<u>491,841</u>

CHANGE IN UNRESTRICTED NET ASSETS 882,989

CHANGE IN TEMPORARILY RESTRICTED NET ASSETS

Grant Revenue	507,500
Net Assets Released from Restriction - Grants	(197,228)
Change in Temporarily Restricted Net Assets	<u>310,272</u>

CHANGE IN NET ASSETS 1,193,261

Net Assets - Beginning of Year 18,990,119

NET ASSETS - END OF YEAR \$ 20,183,380

SOURCE OF FUNDS FOR OPERATIONAL EXPENSES NFU/NFUSA 2002 - 2011



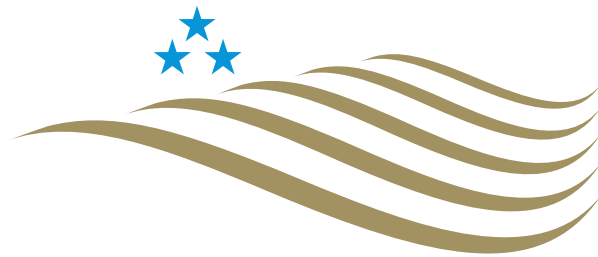
During the period from 2008 through 2011, operational expenses have varied for a number of reasons. Expenses peaked in 2008 due to the consolidation of the Denver office and the Washington, D.C., office, resulting in significant severance expense to Denver-based employees, shipping costs of equipment and records, and relocation administrative costs. Additional extraordinary expenses included start-up costs of the Carbon Credit Program and Wind Energy Project.

Expenses dropped significantly in 2009 and again in 2010 due to numerous staff vacancies following the consolidation of offices and efficiencies gained through a single office location. Several grants were secured by the NFU Foundation and NFU, which also offset significant staff salary expenses.

The increase in total estimated 2011 expenses includes completion of the first year of full staffing of the office since 2008, start-up costs of the new California Farmers Union Insurance Agency, and reorganizational and membership development projects in several state divisions.

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National Farmers Union

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