

WHAT ARE YOU THINKING  
ABOUT?

TOP FINANCIAL PRIORITIES FOR  
GREENHOUSE AND NURSERY  
OPERATIONS



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Topics that  
should be top of  
mind



# PROFITABILITY AND PRICING

## Understand and Review True Profitability

- Go beyond revenue per crop — calculate *fully loaded cost per SKU or per equivalent unit*, including labor, utilities, and shrink.
- Identify your top 20% of SKUs driving 80% of margin.
- Regularly review pricing against actual production costs and market demand.

## Evaluate Pricing and Customer Mix

- Track margin by customer segment (IGC, big box, landscapers).
- Avoid overreliance on one major buyer — diversification protects cash flow and negotiating power.



# WORKING CAPITAL

## Monitor Working Capital Health

- Track **inventory days**, **receivables days**, and **payable days** to manage cash cycles.
- Healthy operations maintain an **operating working capital ratio and/or current ratio between 1.5:1 to 2:1** and turn crops and cash efficiently through the season.
- Net working capital days of coverage (compare to similarly-sized peers in YMM).
- Compare OWC to Working Capital Requirement formulas in YMM datasheet.



# 13 WEEK CASH FLOW



Photo by Andy Dean from Noun Project

- **Plan Cash Flow Weekly (13-Week Rolling Forecast)**
- Use a **rolling cash forecast** to anticipate cash needs and address seasonality.
- Update weekly with actual numbers
- Prepare a variance weekly of actual to projection.



# 13-Week Cash flow forecast

Starting cash on hand \$ 65,000.00 Starting date 11/3/25 Cash minimum balance aler \$ 25,000.00

	11/3/25	11/10/25	11/17/25	11/24/25	12/1/25	12/8/25	12/15/25	12/22/25	12/29/25	1/5/26	1/12/26	1/19/26	1/26/26	Total
Cash on hand (beginning of month)	\$ 65,000.00	\$ 41,250.00	\$ 69,250.00	\$ 45,950.00	\$ 16,350.00	\$ 17,600.00	\$ 49,600.00	\$ 33,300.00	\$ 7,300.00	\$ 44,600.00	\$ 82,600.00	\$ 63,100.00	*****	

## Cash receipts

Cash sales	\$ -	\$ 1,000.00	\$ -	\$ 1,000.00	\$ -	\$ -	\$ -	\$ 2,800.00	\$ 3,500.00	\$ 4,000.00	\$ 3,800.00	\$ 4,200.00	\$ 5,000.00	\$ 25,300.00
Collections on accounts receivable	\$ -	\$ -			\$ 25,000.00				\$ 50,000.00				\$ 75,000.00	\$ 150,000.00
Line of Credit Draw/Loan Proceeds														\$ -
Owner contributions														\$ -
Interest/Other receipts														\$ -
														\$ -
Total cash receipts	\$ -	\$ 1,000.00	\$ -	\$ 1,000.00	\$ 25,000.00	\$ -	\$ -	\$ 2,800.00	\$ 53,500.00	\$ 4,000.00	\$ 3,800.00	\$ 4,200.00	\$ 80,000.00	\$ 175,300.00
Total cash available	\$ 65,000.00	\$ 42,250.00	\$ 69,250.00	\$ 46,950.00	\$ 41,350.00	\$ 17,600.00	\$ 49,600.00	\$ 36,100.00	\$ 60,800.00	\$ 48,600.00	\$ 86,400.00	\$ 67,300.00	\$ (45,500.00)	

## Cash paid out

Operating Payables	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 10,000.00	\$ 10,000.00	\$ 5,000.00	\$ 3,000.00	\$ 10,000.00	\$ 2,000.00	\$ 3,000.00	\$ 10,000.00	\$150,000.00	\$ 75,000.00	\$ 293,000.00
Payroll	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 145,000.00
Contract labor	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 39,000.00
Insurance (other than health)			\$ 300.00				\$ 300.00				\$ 300.00			\$ 900.00
Employer Portion of Benefit Insurance				\$ 6,600.00				\$ 4,800.00				\$ 4,800.00		\$ 16,200.00
Rent/Lease				\$ 1,000.00				\$ 1,000.00						\$ 2,000.00
Utilities	\$ 750.00				\$ 750.00				\$ 1,200.00				\$ 1,200.00	\$ 3,900.00
Tax												\$ 25,000.00		\$ 25,000.00
														\$ -
														\$ -
														\$ -
Subtotal	\$ 23,750.00	\$ 23,000.00	\$ 23,300.00	\$ 30,600.00	\$ 23,750.00	\$ 18,000.00	\$ 16,300.00	\$ 28,800.00	\$ 16,200.00	\$ 16,000.00	\$ 23,300.00	\$192,800.00	\$ 89,200.00	\$ 435,800.00
Debt Service (principal/Interest)		\$ 50,000.00				\$ 50,000.00				\$ 50,000.00				\$ 150,000.00
Capital purchases														\$ -
To reserve and/or escrow														\$ -
Owners' withdrawal														\$ -
Total cash paid out	\$ 23,750.00	\$ (27,000.00)	\$ 23,300.00	\$ 30,600.00	\$ 23,750.00	\$ (32,000.00)	\$ 16,300.00	\$ 28,800.00	\$ 16,200.00	\$ (34,000.00)	\$ 23,300.00	\$192,800.00	\$ 89,200.00	\$ 375,000.00
Cash on hand (end of week)	\$ 41,250.00	\$ 69,250.00	\$ 45,950.00	\$ 16,350.00	\$ 17,600.00	\$ 49,600.00	\$ 33,300.00	\$ 7,300.00	\$ 44,600.00	\$ 82,600.00	\$ 63,100.00	*****	*****	

A	B	C	D	E	F	G
		11/3/25	11/10/25	11/17/25	11/24/25	12/1/25
	Cash on hand (beginning of month)	\$ 65,000.00	\$ 41,250.00	\$ 69,250.00	\$ 45,950.00	\$ 16,350.00
	<b>Cash receipts</b>					
	Cash sales	\$ -	\$ 1,000.00	\$ -	\$ 1,000.00	\$ -
	Collections on accounts receivable	\$ -	\$ -			\$ 25,000.00
	Line of Credit Draw/Loan Proceeds					
	Owner contributions					
	Interest/Other receipts					
	Total cash receipts	\$ -	\$ 1,000.00	\$ -	\$ 1,000.00	\$ 25,000.00
	Total cash available	\$ 65,000.00	\$ 42,250.00	\$ 69,250.00	\$ 46,950.00	\$ 41,350.00

## Cash paid out

Operating Payables	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 10,000.00	\$ 10,000.00
Payroll	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 10,000.00	\$ 10,000.00
Contract labor	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
Insurance (other than health)			\$ 300.00		
Employer Portion of Benefit Insurance				\$ 6,600.00	
Rent/Lease				\$ 1,000.00	
Utilities	\$ 750.00				\$ 750.00
Tax					
Subtotal	\$ 23,750.00	\$ 23,000.00	\$ 23,300.00	\$ 30,600.00	\$ 23,750.00

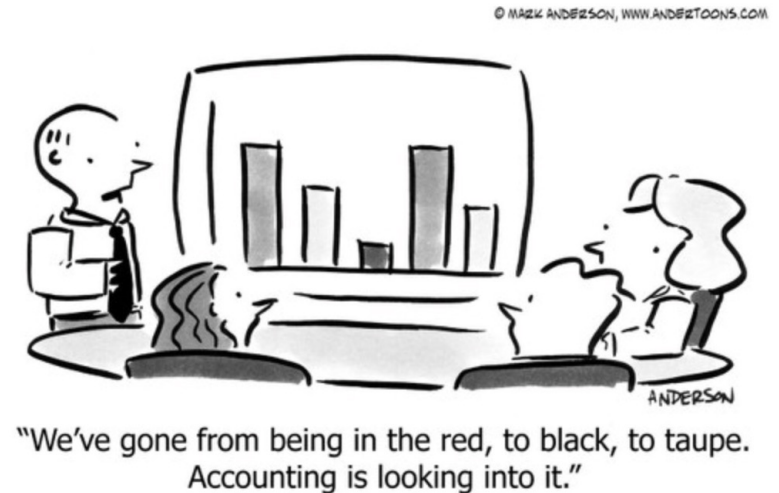




# OVERHEAD AND CONTRACTS

## Monitor Overhead/Revisit Contracts

- Benchmark key overhead metrics:
  - Utilities per sq. ft. or per plant produced
  - DIRT 5 (depreciation, interest, repairs, taxes, and insurance) and general OH
- Review insurance portfolio: General Liability/Umbrella, Property, Worker's Comp, Health Insurance. Re-review the EAGL insurance survey findings from last year.



# FINANCIAL DASHBOARDS AND KPIS

## Use Financial Dashboards and KPIs

- Pick the KPIs you will make decisions from and use them regularly
- Include them in the monthly reporting on the financials
- What are you measuring?
  - Gross margin by crop and customer
  - EBITDA, Operating profit, Profit before taxes, Net profit margin
  - Cash conversion cycle \*\*\*
  - Shrink %
  - Space utilization
  - Sales & profit / FTE
- Visual dashboards keep teams focused on performance, not just production.

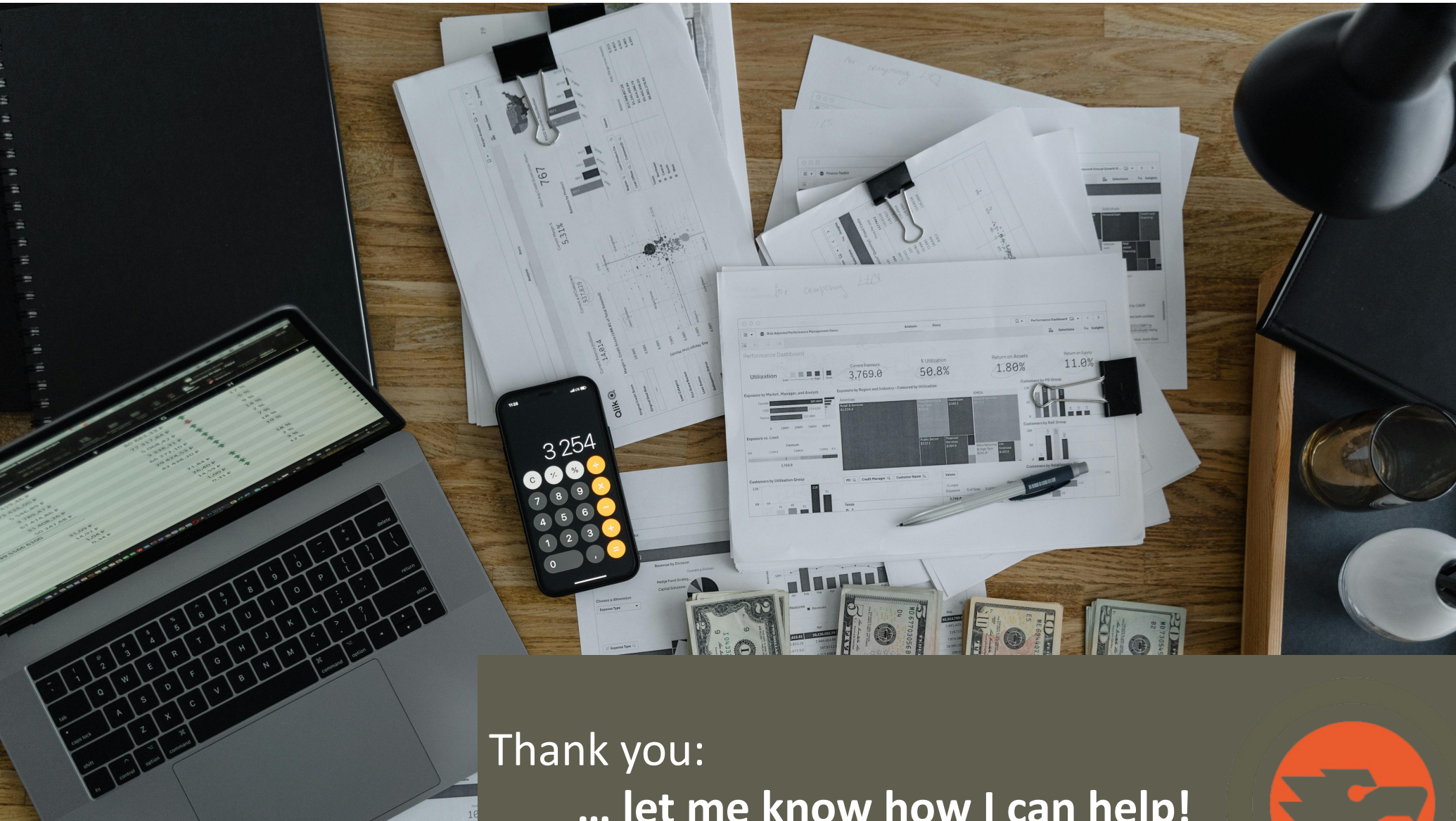


# SYSTEMS, CONTROLS, AND PEOPLE

## Invest in Systems, Controls, and People

- Move toward **integrated accounting, inventory, and production systems** (e.g., QuickBooks → ERP).
- Establish internal controls — separation of duties, approval limits, inventory counts.
- AP review by CFO or senior management.
- Train managers to read financials and own their numbers.





Thank you:  
... let me know how I can help!

