Year-End Loan Payment and Tax Pointers

Property Laws for Neighbors

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Advertisements
If you are interested in advertising in the Leader magazine, which goes to more than 7,000 households in 18 Ohio counties, please call the Norwalk office for more information at 1-800-686-0756.

Cover Photo
The cover photo was taken in Erie County by Connie Ruth.
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2015 Calendar PHOTO CONTEST
See page 19 for rules and to enter.
To paraphrase Robert Frost’s famous poem, good laws make good neighbors. Many property disputes arise because one or both neighbors do not understand property law. Ohio law can address almost any dispute that arises between neighbors. We have good laws to help protect our property but we need to understand those laws to avoid conflicts and lawsuits between neighbors.

**Trespassing**
Your neighbor may not enter onto your property without your permission. A common misperception is that a property must be posted with warning signs before a trespass can occur. This is not so. Ohio law is based on the notion that a visitor must ask permission to enter onto another’s property; Ohio law does not require the landowner to take active measures to prevent trespassing. In fact, someone who enters onto property by accident is still committing civil trespass (criminal trespass requires intent).

**Overhanging Trees**
Many property lines in Ohio have trees on one side or the other, especially when it is a fence line. The limbs from trees can overhang onto the neighbor’s property and interfere with farming or other uses. Ohio law is very clear that the property boundary extends upward towards the sky. An adjoining landowner is allowed to remove any limbs overhanging onto his property. The owners of the property on which the limbs overhang does not need permission to cut limbs nor does he need to provide any warning or notification to the adjacent landowner, although it is a good idea to do so.

A tree that is growing on the property line is jointly owned by the neighbors. Either neighbor can cut the limbs on his property but permission must be sought before the entire tree is cut down.

**Water Drainage**
One of the most contentious property disputes involves water drainage. Ohio has adopted the “reasonable use” doctrine that generally allows a person to change the course of water as long as the change does not unreasonably interfere with the neighbor’s ability to use his property. There is no precise definition of “unreasonably interfere” and each drainage issue is determined on a case by case basis.
A couple of classic examples of unreasonable interference is a retention pond and dam. With a retention pond, the upper landowner builds a pond and discharges the overflow onto the neighbor at a single point source. This water discharge causes erosion and other problems for the neighbor that interferes with his use of his property. With a dam, the lower landowner can cause unreasonable interference by damming up the natural flow of water causing flooding of the upper property.

Subsurface drainage is also a source of significant litigation. The common situation occurs where old clay tile breaks down and does not allow water to move through to the outlet. The landowner above the blockage incurs flooding and significant crop loss. The landowner where the blockage occurs may not want to pay for the cost of repairing the tile or may not want to allow the neighbor on his property to make the repair.

A court case out of Fairfield County established if the tile has been in the ground for 21 years or more, a prescriptive easement is created. This easement gives the upper neighbor an easement on the lower property to repair or replace the property. The tile cannot be expanded in scope or size, the old tile must be replaced in the same place with the same size tile. A prescriptive easement is generally determined by the county judge who issues an order allowing the work to take place.

Issues related to tile that has been in the ground for fewer than 21 years becomes more complicated. However, generally if a neighbor has given permission to install drainage tile, he cannot later remove that permission and block the tile. Ohio law is reluctant to allow a landowner who formerly gave permission to install subsurface drainage to withdraw that permission at a later time and render the neighbor’s investment in tile useless.

Ohio property law is extensive and at times rather complex. If you find yourself at odds with a neighbor over a legal dispute, it is often well worth the time and money to consult with an attorney to assess your legal standing. Misunderstandings of property law have caused the best of neighbors to quickly become the worst of neighbors.
The Norwalk team hosted a member appreciation picnic dinner on Sept. 12 to say, “Thank you, members! We enjoy working with you!” 400 members and guests enjoyed pulled pork and Lake Erie perch on a beautiful evening. Dinner was topped off with Mama Jo’s pie and soft serve ice cream.

Kiddie Tractor pull was a big hit!

Visiting under the tent

You can’t miss the Norwalk team in their orange polo shirts!

Future Ag Credit member

Brian and Julie Ricker watching the tractor pull

I hope everything tastes as good as it looks
Kenton Appreciation Day

The Kenton team hosted their annual appreciation day Wednesday, Sept. 5 during the Hardin County Fair. Popcorn, ice cream, meal tickets and drinks were available all day at the shelter house. It was perfect weather to be at the fair and catch up with old friends. Members played Bingo from 4:30 to 5:30 while waiting for the door prize drawing. Wendy Geissinger was the grand prize winner of a gas grill, supplies and a $75 gift certificate to Rodabaugh Meats. The Kenton members also guessed how much patronage has been returned to Kenton members in the last five years. Eric Modd had the closest guess of $4,250,000. (The actual amount was $4,313,848.90!) Thanks to all the members who attended. We look forward to another year working together.

A nice crowd

Ag Credit big check shows 5 years of patronage to Kenton $4,313,848.90

Grand prize grill and supplies

Ranae and her helper with gift basket prizes

Fellowship
2011 bonus depreciation rules have been reinstated for 2013 for new equipment, new buildings and other new depreciable property with depreciable periods/useful life of less than 20 years, such as multi-purpose buildings. If purchased and placed into service by 1/1/2014, the taxpayer can elect 50% bonus depreciation of the entire purchase price of the new depreciable item for 2013’s income tax return. Section 179 depreciation is not available for buildings other than single purpose buildings (such as confinement buildings, etc). Note that only new property is eligible for bonus depreciation.

Section 179 depreciation limits for 2013 are $500k with a phase out beginning at $2m. There are limitations placed on depreciation if over 40% of your qualifying depreciable property is purchased in the last quarter of the tax year (does not include buildings). This could certainly affect many of our customers.

Given the above information, leasing of certain assets may be a viable alternative and/or tax strategy for certain taxpayers.

**2013 INCOME TAX PERIOD CONSIDERATIONS**

**by Joseph Erb, Mt. Gilead AVP/Branch Manager and Bill Short, Short Tax Service**

Individual Income Tax Rates
Ordinary income tax rates will increase for most individual taxpayers beginning in 2013. As discussed below, qualified dividend income currently taxed at long-term capital gain rates will be taxed at these higher ordinary income rates.

<table>
<thead>
<tr>
<th>Rate</th>
<th>Single Filers</th>
<th>Married Joint Filers</th>
<th>Head of Household Filers</th>
</tr>
</thead>
<tbody>
<tr>
<td>10%</td>
<td>$0 to $8,925</td>
<td>$0 to $17,850</td>
<td>$0 to $12,750</td>
</tr>
<tr>
<td>15%</td>
<td>$8,925 to $36,250</td>
<td>$17,850 to $72,500</td>
<td>$12,750 to $48,600</td>
</tr>
<tr>
<td>25%</td>
<td>$36,250 to $87,850</td>
<td>$72,500 to $146,400</td>
<td>$48,600 to $125,450</td>
</tr>
<tr>
<td>28%</td>
<td>$87,850 to $183,250</td>
<td>$146,400 to $223,050</td>
<td>$125,450 to $203,150</td>
</tr>
<tr>
<td>33%</td>
<td>$183,250 to $398,350</td>
<td>$223,050 to $398,350</td>
<td>$203,150 to $398,350</td>
</tr>
<tr>
<td>35%</td>
<td>$398,350 to $400,000</td>
<td>$398,350 to $450,000</td>
<td>$398,350 to $425,000</td>
</tr>
<tr>
<td>39.6%*</td>
<td>$400,000 and up</td>
<td>$450,000 and up</td>
<td>$425,000 and up</td>
</tr>
</tbody>
</table>

* This a new tax bracket for 2013. Previously in the 2012 income tax year, the highest income tax bracket was 35%.

Keep in mind the tax rates listed in these tables are marginal rates. That means you do not owe your rate on all of your income. For example, if you are single and your adjusted gross income was $100,000, you would not owe 28% on all of your income—you would not owe $28,000 to the federal government. You would owe 10% of $8,925, 15% of $27,325 (the difference between the top and the threshold of the second tax bracket), 25% of $51,600, and 28% of $12,150 (the difference between your income and the threshold of the third tax bracket). Using the correct calculation, your effective tax rate would be 21.2%.

Long-Term Capital Gain Rates
The maximum rate on long-term capital gain increased from 15 to 20 percent in 2013. Individual taxpayers in the 10 and 15 percent ordinary income tax brackets currently pay no tax on long-term capital gain, same as 2012. However, the 3.8 percent Medicare contribution tax discussed below will increase the effective rate of tax on long-term capital gains for certain higher-income taxpayers to as high as 23.8 percent. The following table sets forth the scheduled rate increases.

<table>
<thead>
<tr>
<th>Income</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income $72,500 or less ($36,250 or less)</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Income $72,501-$450,000 ($36,251-$400,000)</td>
<td>15%</td>
<td>15%</td>
</tr>
<tr>
<td>Income $450,001 and over ($400,001 and over)</td>
<td>15%</td>
<td>20%</td>
</tr>
<tr>
<td>If Medicare Surtax applies</td>
<td>15%</td>
<td>23.8%</td>
</tr>
</tbody>
</table>

**New Medicare Contribution Tax**
A new 3.8 percent Medicare contribution tax on certain unearned income of individuals, trusts, and estates went into effect 1/1/2013. For individuals, the 3.8 percent tax will be imposed on the lesser of the individual’s net investment income or the amount by which the individual’s modified adjusted gross income (AGI) exceeds certain thresholds ($250,000 for married individuals filing jointly or $200,000 for unmarried individuals). For purposes of this tax, investment income includes interest, dividends, income from trades or businesses that are passive activities or that trade in financial instruments and commodities, and net gains from the disposition of property held in a trade or business that is a passive activity or that trades in financial instruments and commodities. Investment income excludes distributions from qualified retirement plans and excludes any items taken into account for self-employment tax purposes.
Additionally, a new 0.9 percent Medicare tax on wages and self-employment income also went into effect 1/1/2013. This tax is in addition to the 2.9 percent that is already being paid by taxpayers. The tax is subject to the same income thresholds as noted ($250,000 for married individuals filing jointly or $200,000 for unmarried individuals).

The standard mileage rate for business use for 2013 has remained the same the entire year and is 1 cent/mile increase over 2012. Mileage claimed for 2013 business use qualifies for a $.565/mile rate.

When charging purchases for a farm or business (not paid during the current tax year) directly with the supplier or with a credit card solely usable at the supplier, the expense can only be deducted in the year paid. For example, if your customer purchases seed from Pioneer but then does not pay for the seed with cash or third party financing (such as a VISA, loan from someone other than Pioneer, etc.), the seed is not considered to have been paid for until Pioneer or their subsidiary lending arm is paid in full.

IRS Audits: Audits usually run two tax years behind so the audits we will hear most about in 2013 will apply to 2011 income tax returns. However, many notices taxpayers receive will apply to the most current tax return for items such as inconsistencies in W-2’s, 1099’s, etc.

Other Changes Affecting Individuals

- **Medical and Dental Expense Deduction.** As part of the PPACA, the threshold for claiming the itemized medical and dental expense deduction increased to 10 percent of AGI (was 7.5 percent prior to 2013). The 7.5 percent threshold will continue to apply through 2016 for taxpayers (or spouses) who are 65 and older.

- **Estates and Gifts:** Estate tax threshold has been increased to $5,250,000 per person ($10,500,000 per couple) with a 40 percent top tax rate in 2013. This is an increase from the 2012 limits of $5,120,000 per person and $10,240,000 per couple with a 35% top tax rate.

**Lease versus Purchase Short-Term Tax effect examples:**

Assumptions: For 2013, Farmer has $125,000 taxable farm income and files jointly with spouse. Farmer purchases $100,000 multi-purpose pole building mid-year. Option 1 is to depreciate, Option 2 is to claim bonus depreciation and then normal depreciation, Option 3 is to lease then depreciate. (depreciation is assumed to be S/L HY method). All assumptions are that S/E tax is 15.3 percent and ordinary income tax rate is 25 percent.

**Option 1: Farmer would depreciate the $100,000 over a 20-year term:**

<table>
<thead>
<tr>
<th>Year</th>
<th>Depreciation deduction</th>
<th>Tax/S.E. Tax savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year 1</td>
<td>$2,500</td>
<td>$1,007</td>
</tr>
<tr>
<td>Year 2</td>
<td>$5,000</td>
<td>$2,014</td>
</tr>
<tr>
<td>Year 3</td>
<td>$5,000</td>
<td>$2,014</td>
</tr>
<tr>
<td>Year 4</td>
<td>$5,000</td>
<td>$2,014</td>
</tr>
<tr>
<td>Year 5</td>
<td>$5,000</td>
<td>$2,014</td>
</tr>
</tbody>
</table>

Net 5 year tax savings adds up to $9,063

**Option 2: Farmer would Bonus Depreciate the $100,000 and depreciate the balance over 20-year term**

<table>
<thead>
<tr>
<th>Year</th>
<th>Depreciation deduction</th>
<th>Tax/S.E. Tax savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year 1</td>
<td>$51,250</td>
<td>$20,653</td>
</tr>
<tr>
<td>Year 2</td>
<td>$2,500</td>
<td>$1,007</td>
</tr>
<tr>
<td>Year 3</td>
<td>$2,500</td>
<td>$1,007</td>
</tr>
<tr>
<td>Year 4</td>
<td>$2,500</td>
<td>$1,007</td>
</tr>
<tr>
<td>Year 5</td>
<td>$2,500</td>
<td>$1,007</td>
</tr>
</tbody>
</table>

Net 5 year tax savings adds up to $24,681

**Option 3: Farmer would lease the $100,000 building for 5 years w/15% buyout and depreciate the 15% buyout after final lease payment**

<table>
<thead>
<tr>
<th>Year</th>
<th>Lease expense</th>
<th>Tax/S.E. Tax savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year 1</td>
<td>$19,772</td>
<td>$7,968</td>
</tr>
<tr>
<td>Year 2</td>
<td>$19,772</td>
<td>$7,968</td>
</tr>
<tr>
<td>Year 3</td>
<td>$19,772</td>
<td>$7,968</td>
</tr>
<tr>
<td>Year 4</td>
<td>$19,772</td>
<td>$7,968</td>
</tr>
<tr>
<td>Year 5</td>
<td>$19,772</td>
<td>$7,968</td>
</tr>
</tbody>
</table>

Net 5 year tax savings adds up to $39,840
The information provided in this column is only a sample of recent land sales around Ohio. Since there are many factors taken into consideration when a buyer and seller establish a price, these sales may or may not reflect the current market value in any particular area and should not be used in lieu of a formal appraisal by a state certified real estate appraiser to establish a value for a particular tract of land.

Ag Credit’s certified specialists are qualified to prepare appraisals for residences, land, dairies, hog confinement operations, grain farms and other specialty operations. For more information about Ag Credit’s fee appraisal service call Bill Eirich, ARA, Senior Appraiser, 419-523-6677 or 1-800-837-3678, Ext. 1107. Bill will put you in touch with the appraisal specialist for your county.

The following information was provided by:
United Country Walton Realty & Auction Co.
97 Houpt Drive West
Upper Sandusky, OH 43351
www.ucwaltonrealtyandauction.com
419-294-0007

**Location 1**
Acres: 27  
County: Crawford  
Township: Holmes  
Date of Sale: 4/5/13  
Selling Price: $87,000  
Wooded acreage.

**Location 2**
Acres: 122.10  
County: Crawford  
Township: Holmes  
Date of Sale: 4/15/13  
Selling Price: $960,000  
Unimproved.

**Location 3**
Acres: 51.1  
County: Wyandot  
Township: Mifflin  
Date of Sale: 8/12/13  
Selling Price: $337,000  
Wooded, recreational & CRP land.

**Location 4**
Acres: 30.2  
County: Wyandot  
Township: Mifflin  
Date of Sale: 8/12/13  
Selling Price: $172,000  
Wooded, brushy with backdrop of Tymochtee Creek. Recreational ground.

**Location 5**
Acres: 18  
County: Seneca  
Township: Seneca  
Date of Sale: 8/14/13  
Selling Price: $109,000  
½ acre pond, one story older home with need of a handyman. Open grassland with majority of acres in woods.

**Location 6**
Acres: 106  
County: Wyandot  
Township: Salem  
Date of Sale: 8/28/13  
Selling Price: $755,000  
Approximately 11 acres in woods.

**Location 7**
Acres: 102.6  
County: Hardin  
Township: McDonald  
Date of Sale: 9/21/13  
Selling Price: $831,000  
Practically all tillable.

**Location 8**
Acres: 66.966  
County: Seneca  
Township: Clinton  
Date of Sale: 8/22/13  
Selling Price: $452,020  
Unimproved.

Attention Auctioneers: Would you like to be featured in a future column? It’s easy. Visit our website www.agcredit.net and click on the Auctioneer’s link to find the Recent Land Sale form online. Fax the completed forms to 419-663-4120.
A Rural Perspective: Thankful

By James McConnell

James McConnell is a member of Ag Credit who farms 2,500 acres in southern Lorain County with his two brothers.

This holiday season seems to be an appropriate time to reflect and take stock on the past year. From a business perspective it is a necessary chore to adjust the balance sheet and fine tune the income statement.

Beyond the need to have accurate information for paying taxes, it provides a new benchmark to compare previous annual results and business goals.

As I write my Christmas letters and attempt to summarize all that has transpired in the past year, there is a sort of mental accounting process taking place, but this is more on the order of taking inventory than looking at debits and credits. There aren’t any slick software programs available to categorize personal events and changes into red and black numbers and there isn’t a final number at the bottom of the page to judge good or bad.

I think of myself as a “long view” type of person. I put more emphasis on the long term impact of changes and events in my life than on what is immediately obvious. This long view perspective admittedly generally produces a more positive bottom line and I prefer being positive rather than dwelling on the negative. The result is a long list of things for which to be thankful. Here are a few of the items at the top of my personal year-end inventory.

• Even though I’ve lost many close family members this past year, including one of my best friends, I realize how grateful I am for having had the privilege of knowing them. There is no way to measure how much richer my life has been and continues to be because of them.
• I consider myself incredibly blessed and thankful for my family, immediate and extended (and in our family, “extended” goes a LONG way). I farm with both of my brothers and, until her recent passing, my mother. My father was our mentor for our early adulthood and we still factor into our decisions what we believe his perspective would be. My brothers and I grew up on this farm and we operate it together now. The farm has evolved over the years and is vastly different from what my father and grandfather would recognize but it is still the family’s farm and something in which we take pride.
• I have three daughters, two sons-in-law and four grandchildren. All of them live within 20 minutes of home so I see them often and recognize in today’s world, this is rare and much to be thankful for. If success as a parent is to be judged by the character and success of your children, I’ll proudly compare my credentials with anyone. It is a joy to watch the grandkids grow and to be a presence in their lives.
• When my daughters and I lost their mother 16 years ago it was the lowest point of my life. I still miss her because she was such a great person and mother to her daughters. I had little hope of finding another someone who could remotely fill the role of partner, mother and grandmother but it did indeed happen. A long lost friend from college and Farm Bureau Youth activities of many decades ago came back into my life unexpectedly. I don’t tell her often enough but I thank my lucky stars she has been willing to share these past fifteen years with me.
• I’m especially thankful to have been born into the farming profession and a family who made that profession something to aspire to as a youngster. I distinctly remember as a high school senior deciding to go to college because there didn’t seem to be an opportunity at home as part of the family farm. I anticipated a life connected with agriculture but serving farmers, not actually being one myself. I tasted life away from the farm and am glad my wife and I decided to take the chance and come back home. It was probably the best decision we ever made.
• I’m very thankful to be part of the farming community and to be working to carry on what my ancestors started. It is gratifying and something for which I’m very proud. I know of no better environment in which to raise a family and no better profession to call my own.

All-in-all, the year-end inventory I value the most looks pretty good to me. I also know it doesn’t look this good purely by chance. So now we’ll see what we can do to make it even better by this time next year.

I’m very thankful to be part of the farming community and to be working to carry on what my ancestors started. It is gratifying and something for which I’m very proud. I know of no better environment in which to raise a family and no better profession to call my own.
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ANDROID APP ON Google play

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www.agcredit.net
Fostoria:
Anne Longsworth Orr Meets with Directors
Ag Credit Directors recently met with Ann Longsworth Orr, NW Ohio Regional Representative for Senator Sherrod Brown, to discuss issues related to Ag Credit and the Farm Credit System. The meeting included discussing the Farm Bill, the Consumer Financial Protection Bureau (CFPB), the Farm Credit System mission, the structure of the system, and how the system is a “GSE that works.”

Jerry Layman, Chairman of Ag Credit’s Board of Directors stated, “Ag Credit is part of a nationwide network of financially strong borrower-owned lending institutions which supports its mission of providing a reliable source of credit to American agriculture. With fewer legislators having a direct tie to production agriculture it is imperative we reach out and let them know more about Ag Credit and the Farm Credit System and the issues impacting us. Building relationships with our legislators is pivotal to our success.”

Calendar
Dec. 15 Acreage report due for fall-seeded crops
Dec. 23-25 Christmas—offices closed
Dec. 25 Final date to report claims for spring-seeded crops
Dec. 31 Offices open—but will close “2013 business” at 3:00 p.m.
Jan. 1 New Year’s Day—offices closed
Jan. 14-16 Ft. Wayne Farm Show
Jan. 17 Ag Outlook Breakfast—Van Wert
Jan. 20 Martin Luther King, Jr. Day—offices closed
Feb. 12 Ohio Pork Congress, Crowne Plaza North, Columbus
Feb. 18 Presidents’ Day—offices closed

Upper Sandusky:
Farm Law Education Series in January
Ag Credit is joining with Wright Law to sponsor a Farm Law Education series in January 2014 on Thursdays from 6–8 p.m. at the Upper Sandusky Community Library, 301 N. Sandusky Ave. Advance registration is required for this free series. Sign up for one or all of the sessions by calling Wright Law Co. 614-791-9112.

Jan. 9 Estate and Farm Succession
Jan. 16 Business Planning & Liability Management
Jan. 23 Medicaid and Long-Term Care
Jan. 30 Contracts, Sales, Leases

Wellington: Food For America
The annual Food for America educational event was sponsored by Wellington FFA, Firelands FFA and the Lorain County Joint Vocational School on Oct. 15, at the Lorain County Fairgrounds.

Approximately 150 third and fourth graders from area schools participated. At the Wellington Ag Credit station we talked about the process of milk from farm to grocery store. FFA members guided the students from station to station. Each got a chance to milk “Maggie the Cow” and received a half pint of milk. They also were given chocolate straws and coloring books donated by Dairy Farmers of America.
Association Wide:  
**Farm Management Meetings in February**

Meeting Agenda:

Welcome—by Brian Ricker  
Milligan Insurance—Thomas Milligan | Crop Insurance Updates  
Wright Law Co.—Attorney Robert Moore and Co. | Estate Planning, Eldercare and Asset Protection  
Questions and Answer Session on Farm Law with Wright Law Co. will follow for anyone wanting to stay.

Feb. 19 9 a.m.–11:30 a.m. Findlay  
Hancock County Ag Complex Conference Room,  
Reservations: Felicia Knepper, 419-422-7632

Feb. 19 6:30 p.m.—9 p.m. Upper Sandusky  
Master’s Building, Wyandot County Fairgrounds.  
Reservations: Andrea Bayles, 419-947-1040

Feb. 20 8 a.m.–10:30 a.m. Bellevue  
Meilenstein Hall in the Bierkeller Pub, 600 Southwest St., Bellevue, OH 44811 Parking off TR 305.  
Reservations: Hugh Storer, 419-663-4020.

Refreshments will be served at each meeting. Ag Credit members will receive a postcard invitation with a request for reservations. If you do not receive card but would like to attend, call for reservations.

**OPGMA Tradeshow in Sandusky**

Come see us at the Ohio Produce Growers and Marketers Association Tradeshow and Congress at Kalahari Resort in Sandusky. The tradeshow will be held Jan. 20 and 21, 2014. Tradeshow hours are Monday, 4:30-6:30 p.m. and Tuesday, 9:00 a.m. to 6:30 p.m. Our booth is #174. Visit www.opgma.org for more information.

**Kenton: Welcome Nicole!**

Join us in welcoming Hardin County’s new part-time CSR, Nicole Lucas! Nicole’s first day as part-time CSR in our Kenton Branch was October 15.

---

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**Mt. Gilead: National Kids Pedal Pull**

The Mt. Gilead branch donated $100 to the Krabill family (Fredericktown, Ohio) to assist them in making the trip to the National Kids Pedal Pull in Mitchell, South Dakota. On Sept. 21, Nathan Krabill finished in the middle of his age group (7-year-old boys). “Nathan and his family appreciate the support Ag Credit gave to help in this unique opportunity!” said, Nathan’s mom, Casey. Way to go, Nathan!
Mt. Gilead: Owl Creek Auction

Our Mt. Gilead branch donated signs to the Owl Creek Auction in Fredericktown, Ohio. This auction is run by the Amish community in the area. Auction items include hay, firewood, flowers and seasonal produce. They also hold an annual school benefit auction that includes Amish made furniture and quilts. Anyone can sell items at the auction as well as participate as a buyer. The auction is located in Morrow County at 7385 County Road 22, Fredericktown, Ohio. If you have questions, contact the auction manager at 740-627-1660 or via email at owlcreekauction@yahoo.com. Visit their blog at http://owlcreeknews.blogspot.com.

Upper Sandusky: Jan Kocher Retires

Customer Service Representative, Jan Kocher, is retiring as of Dec. 31 after 28 years of service to our Wyandot County members. To honor her, we are having a card shower. If you would like to participate, please send or drop off a card to our Upper Sandusky Branch (97 Houpt Drive, Room E, Upper Sandusky, OH 43351). Jan says, “I have enjoyed working with all of you. I would love to hear from you and will treasure each card or note I receive.” Jan plans to spend time visiting her family and can’t wait to be available anytime to babysit her two grandsons!

Count on HUDSON CROP to see you through even the most devastating weather

Call us today and talk to our quick response team. We have the technology to be there, wherever you are.

For information, contact: Brad Heckathorn, Regional Sales Manager Phone: (567) 674-2851 Thomas Milligan, Crop Insurance Agent Phone: (740) 386-2991 or (740) 360-7038 www.hudsoncrop.com Hudson Insurance Group is an equal opportunity provider.

SCHULTE’S LOGGING

Pandora, Ohio
419-384-7373
John Schulte

Buyer of standing timber
Low impact logging
“Harvesting Quality Trees with Care”
As the holiday season approaches we are reminded year-end is just around the corner. With each year-end comes the task of finishing up your business plan for the current year and readying a plan for the new one. Following are a few items to assist you in planning for the end of the year when making principal or interest payments and preparing for the upcoming income tax season.

**Loan Payments**

The branches will close 2013 business at 3:00 p.m. on Tuesday, December 31, 2013.

- Payments received after this time will be credited effective Thursday, January 2, 2014.
- Make your loan payments prior to Dec. 31, 2013, to help ensure the proper application of the payment to your account for 2013.
- Take into account mail time if you mail the payment to your local branch or the payment lockbox processor. Credit is given based on when the payment is received, not the date of the check or the payment post mark date.

**Can I prepay my 2013 loan interest and get credit for it in 2013?**

- Yes. You can prepay all or a portion of your accrued interest before the end of the year.
- If you go to your local Ag Credit office to make the payment, make sure you tell the Customer Service Representative (CSR) you want your payment applied to interest for 2013.
- The total interest paid on all of your loans for 2013 will appear on the IRS Form 1098 Mortgage Interest Statement you receive from Ag Credit in January 2014. Consult with a tax preparer concerning how to correctly report this interest deduction.

**Can I prepay my January 2014 real estate mortgage loan payment in 2013 and get interest credit for 2013?**

- Yes. You can prepay the entire payment before 3:00 p.m. on Tuesday, December 31, 2013 to ensure you receive credit for the payment in 2013.
- You cannot use funds held interest credit to pay a portion of the payment and get credit in 2013.
- It is very important for you to clearly indicate to the branch team whether you want to receive credit for your payment in 2014 or 2013.

**Review 2013 payments through AccountAccess**

You can help ensure the accuracy of your loan transactions for 2013, especially your interest payments.

- Use AccountAccess to review your loans to make sure payments were applied in 2013 as you intended.
- Doing this before December 31 gives you time to notify the office of any changes you think are needed and allow time for your branch’s CSRs to make the changes in 2013.
- This helps make sure your tax and other annual statements are correct.
IRS informational returns

- We report informational returns under the taxpayer identification number (social security number or employer tax ID) for the person or entity listed as the primary borrower for the borrowing entity.
- Statements are available on AccountAccess in mid-January 2014. Paper forms, along with your Member Summary Statement, will be mailed in late January.

1098 – Mortgage Interest Statements – This form shows interest paid to Ag Credit in 2013. Any interest refinanced by another loan is not reported. Only interest paid by you is reported on this statement.

1099-INT – Interest Income – This form shows interest earned on funds in escrow (funds held) or the Reserve Account during the year.

1099-DIV – Dividends and Distributions – This form shows dividends of $10 or more earned during 2013 on Class A Preferred stock you have with Ag Credit.

1099 PATR – Taxable Distributions Received from Cooperatives—This form shows the amount of taxable patronage you received, either by check or notice, during the 2013 tax year. Any patronage refund and revolvement of allocated equities is at the discretion of the board of directors. The taxable patronage for 2013 includes the following:

- 2012 Cash Patronage distributed in April 2013.
- 2007 Nonqualified Allocated Surplus distributed in September 2013. Nonqualified allocated equity is taxable in the year it is distributed to you in cash.

Once you receive your tax statements through AccountAccess or by mail, please review them carefully for accuracy. If you find an error, please notify your local branch team right away. If you notify us in time, we can make corrections and have new notices issued through our normal, automated process.

Member summary statements

Statements are produced and mailed to each borrowing entity at the end of January 2014. The statement will be available on-line via AccountAccess in mid-January 2014. This is an informational statement. It is not sent to the IRS.

Your member summary statement will show beginning and ending loan balances, interest paid, fees or late charges paid, stock and allocated equity balances.

AccountAccess

AccountAccess provides you with 24/7 on-line, internet access to your Ag Credit loans. AccountAccess provides you with the following benefits:

- Quicker access to your 2013 IRS informational tax forms and member summary statement.
- The ability to request draws on your line of credit and make loan payments, day or night, from your home or business at your convenience.

If you’re not signed up for AccountAccess or have forgotten your password, contact your local branch team for assistance.

As you reflect on the old year and welcome the new one, remember to jot down your inventories and other information necessary to complete a balance sheet in preparation for the completion of the financial analysis of your business. If you need assistance with this process contact your Ag Credit account officer.

Finally, the operation’s team members at the administrative office in Fostoria say, “Thank you,” for choosing to do business with Ag Credit. We wish you a blessed holiday season and New Year.
Crop Insurance Corner

by Thomas Milligan, Crop Insurance Agent

For most, the 2013 crop year is nearly over. We have seen hail in May, severe straight line winds in June, near-monsoon rains in July and a dry August. As harvest is quickly drawing to a close, we are hearing soybean yields are a bit above average and corn yields are, for the most part, good.

There are a number of different types of Multi-Peril Crop Insurance (MPCI). The first group could be described as producer-based. This means all the guarantees and payments are based on each producer’s actual production history (APH) and coverage levels.

Yield Protection
Yield Protection (YP) insurance does just that—it guarantees bushel production. If the actual production falls below the guarantee, an indemnity is triggered. Any yield above the guarantee will result in no payment, even if the price falls. This is a good coverage for farmers who feed out all their corn production. Since no corn is marketed, the price is really irrelevant. What this producer needs, is to know there are enough bushels guaranteed to run the operation. This is available with various levels and options which can be tailored to each operation. For 2013, the corn price was set at $5.65 and soybeans at $12.87. Any bushel shortfall will be paid using these prices.

Revenue Protection
Revenue Protection (RP) guarantees revenue; the amount of the guarantee is based on APH, coverage levels, and the price of the commodity. The MPCI program uses the February average of futures to set a spring price on March 1. The harvest price is then set on November 1, using the October average of futures. In this area the futures market of the Chicago Board of Trade is the basis for these averages. For corn, it is the February and October average of December futures. For soybeans, it is for November futures.

The producer’s guarantee is based on the higher of the spring or the harvest price. As stated above, the spring prices are $5.65 and $12.87 for corn and soybeans respectively. The October discovery set the harvest prices at $4.39 for corn and $12.87 for soybeans. This means in order for a soybean loss the production must be lower than the guaranteed bushel amount. However, with the commodity price drop on corn, a claim may be present even if the producer harvests up to as much as 128% of the guaranteed bushels. If the producer believes he might have a claim, the crop insurance carrier must be notified right away because there are claim reporting deadlines.

GRP
This is a coverage based on the county’s performance, not the production of an individual farmer. In 2014, this coverage will be renamed to Area Yield Protection (AYP). This coverage is driven solely by yields. Anyone who currently has GRP will automatically be switched to AYP for the 2014 crop year.

GRIP
This is also coverage based on county-wide production, but unlike GRP/AYP, price is a component in the calculation of this product. The name for this product will also be changing in 2014 from GRIP to ARP (Area Risk Protection). Anyone who currently has GRIP will automatically be switched to ARP for the 2014 crop year. Levels and the actual calculations will also be changed for 2014. More details will be available well before spring sales closing.

In previous years, neither GRP nor GRIP required reporting by producers. This is also changing in 2014, with some reporting being required going forward.

There are also a number of new and innovative private products being offered by various carriers. The first private product addresses the months of discovery in setting the crop insurance price guarantees. As mentioned previously, MPCI uses February and October as the price discovery months. NAU Country is offering Multiple Price Discovery (MPD). This product expands the discovery period to 5 months (November through March). The producer would then receive the highest of the five averages as their guarantee. Hudson Insurance Group has a product called Price Flex. This product can expand the price option to include any month of the year as their discovery month. Again, the farmer’s guarantees would be based on the highest discovery price of the months included in their plan.

In recent years, many producers have switched from Optional Unit (OU) structure to Enterprise Unit (EU) structures. OU provides coverage as closely as possible to field-by-field coverage, but the premium is markedly higher than EU. The trade-off for the much lower premium of EU is—a claim will be based on a producer’s production of a crop in the entire county, not unit-by-unit. Meaning, if one unit does poorly and the other units in the county do well, the good units could negate a claim on the poor unit. Pro AG has introduced a product called Enterprise Plus. With this private product, a farmer can split his MPCI Enterprise Unit into as many as ten individual units. This is a way for the producer to set up their MPCI as EU, and yet still have some unit-by-unit coverage. Typically, this is less expensive than OU MPCI.

There will be crop insurance meetings for Ag Credit members over the winter months to discuss various options and programs. See the “Around Ag Credit’” column in this issue for more information or feel free to contact our office at 877-386-2991 or thomasmilliganagency@gmail.com.
Are you interested in photography? Have you captured a smile or special moment and thought it would make a great calendar photo? Well, now’s your chance to put your trigger finger on the camera and creative skills to work! Ag Credit is looking for 12 winning photos to display in our 2015 Association calendar. We want this calendar to represent our members and employees and how you both contribute to the rural American dream. So get ready, aim and shoot! Your photo could be a winner!

Eligibility
• Members and employees of Ag Credit and their family members are eligible to enter.
• All photos must have been taken in the Ag Credit territory, which includes 18 counties in northern Ohio.

Calendar Photos
Entries should include photos of the following subjects that represent rural living. The photo subjects can include but are not limited to the following:
• People on the farm or your business operation
• Seasonal photos of farm scenes or rural surroundings
• County fair accolades or county festivals
• Agricultural photos including the vast array of industries in our territory such as dairy, timber, crops, vegetables, farmer’s markets, equine, etc.
• Action photos such as planting or harvesting
• Rural living photos

Format
Please submit the following:
• Landscape (horizontal) photos only. Due to the design layout, vertical (portrait) shots cannot be used.
• 4 x 6 photo with negative or high-resolution digital images. Digital images must be emailed on a CD—no links to web libraries will be accepted.
• Digital images must be 1.5 MB or larger in size so when it is enlarged it does not lose color or sharpness.
• Photos must be identified with name and address on the back of each photo (please use label for this information and do not write on the back of your photo) and the negative must be secured to the photo in an envelope with the name and address on it.

Winning Photos
• Twelve photos will be selected and featured in the 2015 calendar, including one for the cover.
• Three winners will be chosen for top honors and will receive a $100, $75, and $50 VISA gift cards, respectively. The remaining nine winners will receive a $25 VISA gift card.
• All participants will have bragging rights for one year that their photos were chosen!

Important Information
• Photos must be received by August 31, 2014 by mail or email.
• All photos (used or unused) will become property of Ag Credit.
• The entry form below will serve as a permission slip to use the photo in printed materials and/or for advertising purposes. All entries must provide all of the information below in order to qualify.
• The entry form can be downloaded from our website at www.agcredit.net and must be attached to all emailed entries.
• No images will be returned. Please make duplicate copies or a duplicate CD for yourself if you desire to keep your photos. Negatives will be returned if we receive a written request for return with your entry.

Ag Credit Photo Contest Entry Form

Name: ____________________________________________
Address: ____________________________________________
City: ___________________________ State: ______ Zip: ___________
Phone: ____________________________________________
Email: ____________________________________________
Name of photographer: ________________________________
Name(s) of people in the photo: ________________________________
Where was the photo taken? ________________________________
Describe what is happening: ________________________________

Relationship to Ag Credit
(in order for form to be valid, you must check one):
☐ Ag Credit member
☐ Member’s family member
☐ Ag Credit employee
☐ Employee family member

Signature of contributor:

By signing this official entry form, we understand that the images will not be returned and each photo submitted comes with full and exclusive rights for Ag Credit to print the photo, without credit in Ag Credit literature, without further obligation to the photographer or those people who have their person or items pictured.

Send official entry form to: Ag Credit, 735A US Highway 20 E., Norwalk, OH 44857. Email jpgs to klaubacher@agcredit.net no later than August 31, 2014.
Mentorship has been an enduring practice over the generations. Many of you can probably recall older family members, teachers, coaches or neighbors who were there to guide you through your journey of life’s pursuits. A new angle I’ve observed is that now mentors are utilizing mentees or those in the younger generation as a means of energizing or rebooting their own career, business or lifestyle aspirations. With the rapid changes in technology and innovation coming in the global marketplace, this new angle on mentoring can be seen throughout the agricultural industry by progressive-minded individuals representing the older generation.

Lifelong Learning Experience
Farm Credit University’s AgBiz Planner is a classic example of how the two ends of the spectrum benefit from a mentor-mentee relationship. At this year’s face-to-face educational session and graduation ceremony in Raleigh, NC, mentors were asked what they learned from the producers they mentored over a five month educational experience with the ultimate goal of the mentees developing a business plan. The lenders serving as mentors shared some perspectives.

The Energizer Bunny is Back
One mentor mentioned that he was reenergized in his job by witnessing the passion, initiative and enthusiasm of the younger generation entering agriculture and developing a business plan to meet their business and lifestyle aspirations. Simply said, how could one not get excited being around the new crop of agriculturalists?

There’s an old saying in life that one does not go through the journey unassisted. The AgBiz Planner and other blended and online educational programs offered by Farm Credit University are mentor-based courses to facilitate institutional knowledge transfer from the senior to the junior generation. One of the unexpected benefits of this structure has been mentor revitalization in the process of developing the next generation of agriculturalists.

Thinking Outside of the Box
Other mentors found mentorship brought on a whole new appreciation to learning about agricultural enterprises with which they were not familiar, and new innovations or production methods in the agricultural industry. In today’s fast-paced, interconnected global marketplace, remaining at the status quo concerning innovation strategy can result in obsolescence or, even worse, extinction within a five-year period. The mentors or “old dogs” were forced to think outside the box and develop new perspectives on the evolving 21st century agricultural marketplace.

People and Relationships
Others indicated that being a mentor to young or beginning producers helped them to develop a deeper bond and relationship with potential new customers and their families.

One producer mentee stated that the educational experience of going through the AgBiz Planner with their mentor was beneficial since the mentor acted as a teacher, sharing experiences and institutional knowledge, and holding the participant’s feet to the fire on deadlines. In some instances, mentors acted as the coaches and the motivators, while in other situations they were facilitators helping to navigate through the online modules and work exercises applied to the business. Mentors also assisted in putting the final touches on the producer’s business plan. Now it will be up to the younger generation to execute the plan in the games of business and life.

Many of the producer participants were either going through family business transition or starting up their operation from scratch. For those producers in transition, mentors stated that they appreciated learning about the producers’ family and business history. In those situations where producers were starting from scratch, mentors enjoyed assisting the beginning producers map out realistic goals for their business, family and personal life.

Others found that this extended educational experience with a producer helped match the producer’s strategies and goals with the products, services and vision of the Association.

There’s an old saying in life that one does not go through the journey unassisted. The AgBiz Planner and other blended and online educational programs offered by Farm Credit University are mentor-based courses to facilitate institutional knowledge transfer from the senior to the junior generation. One of the unexpected benefits of this structure has been mentor revitalization in the process of developing the next generation of agriculturalists.

About the Author
David Kohl received his Master of Science and Ph.D. degrees in Agricultural Economics from Cornell University. For 25 years, Kohl was Professor of Agricultural Finance and Small Business Management and Entrepreneurship in the Department of Agricultural and Applied Economics at Virginia Tech, Blacksburg, Virginia. He was on special leave with the Royal Bank of Canada working on advanced initiatives for two years, and also assisted in the launch of the successful entrepreneurship program at Cornell University. Kohl is Professor Emeritus in the AAECE Department at Virginia Tech.

Kohl has traveled more than seven million miles throughout his professional career! He has conducted more than 5,000 workshops and seminars for agricultural groups such as bankers, Farm Credit, FSA and regulators, as well as producer and agribusiness groups. He has published four books and more than 1,000 articles on financial and business-related topics in journals, extension, and other popular publications. Kohl regularly writes for Ag Lender and Corn and Soybean Digest.
# Consolidated Balance Sheets

<table>
<thead>
<tr>
<th></th>
<th>September 30, 2013</th>
<th>December 31, 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash</strong></td>
<td>$3,411</td>
<td>$4,551</td>
</tr>
<tr>
<td>Investment securities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Held to maturity (fair value of $13,020 and $12,018, respectively)</td>
<td>13,435</td>
<td>11,063</td>
</tr>
<tr>
<td>Loans</td>
<td>1,372,483</td>
<td>1,378,826</td>
</tr>
<tr>
<td>Less: allowance for loan losses</td>
<td>10,375</td>
<td>17,577</td>
</tr>
<tr>
<td>Net loans</td>
<td>1,362,108</td>
<td>1,361,249</td>
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<tr>
<td>Accrued interest receivable</td>
<td>24,992</td>
<td>17,450</td>
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<tr>
<td>Investments in other Farm Credit institutions</td>
<td>14,668</td>
<td>14,668</td>
</tr>
<tr>
<td>Premises and equipment, net</td>
<td>5,022</td>
<td>4,143</td>
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<tr>
<td>Other property owned</td>
<td>965</td>
<td>53</td>
</tr>
<tr>
<td>Due from AgFirst Farm Credit Bank</td>
<td>6,724</td>
<td>10,807</td>
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<tr>
<td>Other assets</td>
<td>1,253</td>
<td>1,959</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$1,432,578</td>
<td>$1,425,943</td>
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<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Notes payable to AgFirst Farm Credit Bank</td>
<td>$1,195,771</td>
<td>$1,203,825</td>
</tr>
<tr>
<td>Accrued interest payable</td>
<td>2,328</td>
<td>2,243</td>
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<tr>
<td>Patronage refunds payable</td>
<td>110</td>
<td>9,413</td>
</tr>
<tr>
<td>Advanced conditional payments</td>
<td>2,332</td>
<td>1,245</td>
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<tr>
<td>Other liabilities</td>
<td>15,687</td>
<td>9,114</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>1,216,228</td>
<td>1,225,840</td>
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<tr>
<td><strong>Commitments and contingencies</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Members' Equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital stock and participation certificates</td>
<td>18,889</td>
<td>18,285</td>
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<tr>
<td>Retained earnings</td>
<td>112,138</td>
<td>119,997</td>
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<tr>
<td>Allocated</td>
<td>112,138</td>
<td>119,997</td>
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<tr>
<td>Unallocated</td>
<td>85,323</td>
<td>61,821</td>
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<tr>
<td><strong>Total members' equity</strong></td>
<td>216,350</td>
<td>200,103</td>
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<tr>
<td><strong>Total liabilities and members' equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$1,432,578</td>
<td>$1,425,943</td>
</tr>
</tbody>
</table>

# Consolidated Statements of Income

**Notes payable to AgFirst Farm Credit Bank**

<table>
<thead>
<tr>
<th></th>
<th>For the three months ended September 30, 2013</th>
<th>For the nine months ended September 30, 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Investment securities</strong></td>
<td>(unaudited)</td>
<td>(unaudited)</td>
</tr>
<tr>
<td>Loans</td>
<td>$197</td>
<td>$115</td>
</tr>
<tr>
<td>Total interest income</td>
<td>16,155</td>
<td>15,126</td>
</tr>
<tr>
<td><strong>Interest Expense</strong></td>
<td>16,352</td>
<td>15,241</td>
</tr>
<tr>
<td>Notes payable to AgFirst Farm Credit Bank</td>
<td>8,924</td>
<td>8,802</td>
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<tr>
<td>Net interest income</td>
<td>431</td>
<td>5,342</td>
</tr>
<tr>
<td>Provision for loan losses</td>
<td>431</td>
<td>3,460</td>
</tr>
<tr>
<td>Net interest income after provision for loan losses</td>
<td>8,893</td>
<td>3,460</td>
</tr>
<tr>
<td><strong>Noninterest Income</strong></td>
<td>24,460</td>
<td>2,462</td>
</tr>
<tr>
<td>Loan fees</td>
<td>55</td>
<td>173</td>
</tr>
<tr>
<td>Fees for financially related services</td>
<td>105</td>
<td>163</td>
</tr>
<tr>
<td>Patronage refunds from other Farm Credit institutions</td>
<td>2,207</td>
<td>2,121</td>
</tr>
<tr>
<td>Gains (losses) on other property owned, net</td>
<td>4</td>
<td>(7)</td>
</tr>
<tr>
<td>Gains (losses) on sales of premises and equipment, net</td>
<td>(3)</td>
<td>5</td>
</tr>
<tr>
<td>Insurance Fund refunds</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Other noninterest income</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td><strong>Total noninterest income</strong></td>
<td>2,460</td>
<td>2,462</td>
</tr>
<tr>
<td><strong>Noninterest Expense</strong></td>
<td>7,812</td>
<td>2,504</td>
</tr>
<tr>
<td>Salaries and employee benefits</td>
<td>2,437</td>
<td>2,205</td>
</tr>
<tr>
<td>Occupancy and equipment</td>
<td>180</td>
<td>201</td>
</tr>
<tr>
<td>Insurance Fund premiums</td>
<td>203</td>
<td>95</td>
</tr>
<tr>
<td>Guarantee fees</td>
<td>68</td>
<td>181</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>706</td>
<td>684</td>
</tr>
<tr>
<td><strong>Total noninterest expense</strong></td>
<td>3,594</td>
<td>3,366</td>
</tr>
<tr>
<td>Income before income taxes</td>
<td>7,812</td>
<td>2,504</td>
</tr>
<tr>
<td>Provision for income taxes</td>
<td>$7,812</td>
<td>$2,504</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>7,812</td>
<td>2,504</td>
</tr>
<tr>
<td><strong>Other comprehensive income</strong></td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Comprehensive income</strong></td>
<td>7,812</td>
<td>2,504</td>
</tr>
</tbody>
</table>
His eyes—how they twinkled; his dimples how merry!
His cheeks were like roses, his nose like a cherry!
His droll little mouth was drawn up like a bow,
And the beard of his chin was as white as the snow.

Excerpt from 'Twas the Night before Christmas
by Clement Clarke Moore (1779-1863)
I Believe in Santa ...

I admit to having a long-time love of Santa Claus. Who else can evoke such warm and cozy memories as the bearded, rotund little guy dressed in red?

For as long as I can remember, I’ve been enthralled with the night before Christmas story. This story was reinforced each Christmas when I got to see Santa actually come down off the roof at my Uncle Harold’s house. During those years, my Uncle Harold and Aunt Marty lived in the Baumann family homestead in Henrietta Township. Grandpa John and Grandma Martha lived in an upstairs apartment of the stately white English Colonial home. An upper porch had been added as an outside entrance to their apartment. It was a perfect spot to land a sled!

Uncle Harold or Grandpa took turns reading the Bible story of Jesus’s birth then we would sing carols. On cue, whoever was at the piano would start playing Jingle Bells and we’d hear some commotion up on the roof. And then… Santa would make his grand entrance walking down the steps from the second story as we all watched out the windows below. The cousins would screech with joy when we saw his boots coming down the steps and hear his, “Ho, ho, ho” and jingle bells tinkling! I don’t know who originally orchestrated this vision but it was spectacular.

Each year, one of the Uncles took their turn as Santa. He would don the big red suit and stuff a pillow (various sizes for various uncles) under the red corduroy shirt and take a turn at handing out a small gift to each child. Each year Santa’s face looked different, but each year he had rosy cheeks (those padded suits were hot) and eyes with the unmistakable twinkle of Santa Claus.

As we got older it became a new tradition to have the newest married male play Santa as a sort of initiation into the clan. Often the candidate didn’t have advance warning and had to grin and bear the initiation. Our Santa was always a good sport, enduring being climbed on by lots of children and having a lot of camera flashbulbs going off in his face.

And nearly every year, Santa and the rest of the adults could not help but smile when one of the kids exclaimed how Santa sure did look a lot like Uncle … Bob or Fred or Jack. The gifts were never fancy—just an extra little treat our parents wrapped up and snuck into Santa’s bag. The hostess, Aunt Marty, also gave each of the cousins a crisp five dollar bill! To me, Marty looked like Jackie Kennedy. She married my uncle after he graduated from OSU with a degree in horticulture and worked as a fruit inspector for the New York Central Railroad. Marty was an executive secretary from Brooklyn working in Manhattan. She moved to Birmingham Township in 1940 when Uncle Harold started farming with his dad.

How I cherish those memories of the older generation now that they are no longer with us. I can’t imagine having a better Christmas memory than the times we were all together in that room waiting for Santa.

Years ago I volunteered to be in charge of Route 13 for Community Christmas in Brownhelm Township. This tradition was started by former Pastor Rev. Ralph Albright when a young parishioner told him they weren’t having Christmas presents at their house that year. Albright organized the three area churches so Santa wouldn’t leave any of the area children out due to the Depression.

That year, Reverend Albright wrote in the church records, “There was not one lonely, disappointed or hungry child in our community this Christmas.” So it began.

Years ago, my young daughters called me “Santa’s helper.” Each, in turn, helped me deliver letters to homes on my route to update the ages of kids and guests and find out who had retired and who was in the Service. The chairman tallies up the list, calls in her order, picks up the gifts from the shopper and then wraps a present for each child on her route. On Christmas Eve we all meet in our church basement to get everything ready. Then twenty drivers, elves and Santas load up and head out to navigate their routes and deliver the goodies.

Each year I marvel at how organized everything is. Each worker knows his job. 4-H Kids, Girl Scouts and neighbors all work side by side packing candy, curling ribbon bows for the fruit baskets and counting out apples and oranges.

Being in the church basement each year is one of those times I know I get more than I give. It’s a wonderful way to feel a part of a long-standing community tradition. I am grateful for the people who have kept it going for 82 years! As I pack my route, I look around the room to see all the workers doing their jobs. I am still a huge fan of a twinkly eyed smiles and rosy cheeks! I see lots of them here in the church basement as everyone works together to do their small part to make the world glow a little bit brighter during the Christmas season.

Enjoy your Christmas traditions!

Merry Christmas to all! ■

Agatha
Wishing You A

Merry Christmas

May your heart be lifted in praise this Christmas for the wonderful gift of Jesus and the joy He brings into our lives.

Have a wonderful Christmas!

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