

LEADER

DECEMBER 2023

MESSAGE FROM THE PRESIDENT

BY BRIAN RICKER, PRESIDENT



BRIAN RICKER

AgCredit's core values have played a major role in our success over the years. They continue to guide us in everything we do, from serving our members and supporting our employees to being a strong advocate of our local communities.

Of course, that's not to say that our values can't evolve. In fact, we've made some recent updates and think the holiday season is the perfect time to share them with you:

- **Relationships** – We value and build genuine, long-lasting partnerships.
- **Respect** – Everyone is included, treated fairly and with dignity.
- **Integrity** – We are committed to being honest, reliable and hard-working.
- **Service** – We actively and purposefully help others.
- **Accountability** – Each of us is responsible for our words, actions and results.
- **Teamwork** – We achieve the best results when we all work together.
- **Courage** – We embrace challenges with open minds and positivity.

As we approach a new year, this could be a good time for you to reflect on the core values you established for your farm. Is your operation still aligning with the values you have set? Or, maybe you've never thought too much about having core values. Core values — along with a mission and vision statement — can help you make decisions and guide those you add to your operation. They can clearly define how you want employees or members of your operation to treat each other, vendors or customers.

Whether you call them core values, a set of beliefs, rules to navigate by or some other name, the words contained within can set the tone or culture for your operation. They can truly help guide your operation and give you something to reflect on during those tough days on the farm. Having a set of written values can also help you align your business practices to best represent you and your operation. It can give your employees an introspective look at what your operation stands for and how it wants to do business.

We believe our seven core values will continue to serve as our cooperative's guiding light as we serve you, our members. Wishing you and your family a wonderful holiday season! We look forward to working with you in the New Year.

AgCredit SAID IT

The Podcast



Recent Episodes You Don't Want to Miss:

- Safeguarding Ohio Agriculture with ODA Director Brian Baldrige
- Embracing Cooperative Value
- The Ins and Outs of Contract Growing

To listen to the podcast, use a podcast app like Apple Podcasts or Spotify. You can also listen at AgCredit.net. Scan one of the QR codes below to listen in an app.



Apple Podcasts



Spotify

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PRESIDENT - Brian Ricker

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Address changes, questions, comments or requests for copies of our financial reports should be directed to AgCredit, ACA by writing 610 W. Lytle Street, Fostoria, OH 44830, or calling 800-837-3678. Our financial reports can also be obtained on our website: www.agcredit.net

IMPORTANT DISCLOSURE

We may report information about your account to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your credit report.

WHISTLEBLOWER INFORMATION

Reports of suspected or actual wrongdoing can be made anonymously and confidentially through the SpeakUp Whistleblower hotline or online. All information submitted to SpeakUp is taken seriously and investigated thoroughly.

WHISTLEBLOWER HOTLINE

WITH SPEAK UP:

1-844-850-6494 (24 hours a day, 7 days a week)

WHISTLEBLOWER ONLINE REPORTING:

<https://www.convercent.com/report>

We are an Equal Opportunity/Affirmative Action Employer. We recruit, hire, train, and promote individuals without regard to race, religion, color, sex, national origin, age, disability, sexual orientation, parental status, marital status, political affiliation, military service, or any other non-merit based factor.



FIELD NOTES

OVERCOMING THE STRESS OF FARMING

BY KAYLA LAUBACHER, MARKETING COORDINATOR

We all feel stressed from time to time, but the busy seasons and challenges of farming can elevate stress levels. Stress is what you feel when you react to pressure and is a normal reaction caused by your bodies instinct to protect itself. It's important to know how to identify signs of stress in your body and how to manage stress in a healthy way. Here are some tips and resources on stress management.

Signs of Stress

Signs of stress can be different for every person. It can cause health problems or worsen existing issues. Some possible signs of stress are:

- Anxiety or worry
- Back pain
- Constipation or diarrhea
- Depression or sadness
- Feeling very tired
- Headaches or migraines
- High blood pressure
- Problems sleeping
- Relationship issues
- Stiff neck or jaw
- Stomach pain
- Weight gain or loss

Healthy Ways to Manage Stress

Talking About It

This can be one of the hardest ways to deal with stress but it can really help. Talking to supportive family or friends can help because it gives you a chance to express your feelings. Outside help is always available if you're not comfortable talking to someone you know. If you notice signs of stress in a neighbor or friend, take the time to ask them how they're doing or if they're ok. It can be tough to bring it up unless someone else starts the conversation. If you're feeling stressed, know that you can always talk to your AgCredit account officer. They're there to support you in any way they can and want to see you succeed.

Get Away

As a farmer, this may seem impossible most of the time. But, try to make a point to get away from the farm once in a while. It doesn't need to be a big vacation, something as simple as getting away for the day or a few hours to do something you enjoy can help.

Exercise or try some relaxation methods

Exercising doesn't have to be anything intense, just taking a walk to clear your head and get some fresh air can help with stress. Many people also find coping methods like meditating or yoga to be helpful. The important thing is to find something that works for you so you can release stress in a healthy way.

Resources

The Farm Credit System offers a free program called Rural Resistance. This program teaches participants to understand the sources of stress, manage their own stress, learn the warning signs of stress and suicide, identify effective communication strategies and connect farmers and ranchers with appropriate mental health and other resources. Access the program here: <https://farmcredit.com/rural-resilience>

The AgCredit Said It Podcast has two great episodes talking about mental health. They are linked below. Both episodes are full of relatable stories and resources. Be sure to give them a listen.

Episode 8: Recognize, Persuade, Refer: The three most important words you need to know when it comes to mental health with guests Nathan Brown and Sarah Noggle

Bonus Episode: Mental Health Conversation Continued



MANDATORY COMPLIANCE ALERT:

NEW BUSINESS REPORTING RULES STARTING ON JAN. 1

BY JOHNATHON COTTINGIM, JUNIOR ASSOCIATE, FARM SUCCESSION & LEGACY PRESERVATION,, WRIGHT & MOORE LAW CO., LPA



JOHNATHON
COTTINGIM

Congress enacted the Corporate Transparency Act in 2021 to increase transparency in business ownership and decrease money laundering and tax fraud. The main provision of the Act requires many businesses to report personal information about the beneficial owners of a business entity. It's likely that all existing farm business operators will need to file beneficial ownership information based on new rules created to enforce the Act. Below is a breakdown of the entities required to report, who is considered a beneficial owner, and the information required to report. While this note

covers how the Act may affect you, it is important to involve your legal advisors before taking any action.

What entities are required to report?

The Act requires all "reporting companies" to share information about their beneficial owners. The Act defines a reporting company as a domestic or foreign corporation, limited liability company, partnership, or similar entity, created by filing a document with a secretary of state or similar office under the law of a state to do business, and the reporting company does not qualify for an exemption.

There are nearly two dozen entities exempted from the reporting requirements. Most of the exemptions apply to entities already subject to substantial federal regulations. This includes banks, publicly traded companies, and insurance companies. A significant exception that falls outside of that area is for "large operating companies." To be considered a "large operating company" under the Act, the entity must have more than 20 full-time employees, operate a physical office within the United States, and must have filed a federal income tax return for the previous year demonstrating more than \$5 million in gross receipts or sales.

The unfortunate fact for many farm business owners is that their entities don't qualify for exemptions and will likely fall under the category of domestic reporting company. This triggers the need to file a beneficial ownership report.

Who is considered a beneficial owner?

A person is a beneficial owner if they, directly or indirectly, exercise substantial control over a reporting company, or own or control at least 25% of the ownership interests of a reporting company. The Act defines substantial control very broadly, but it generally means having control over important decisions of the reporting company. Likewise, the Act also broadly defines the ownership requirement and allows for consideration of debt instruments, profit interests, and other equity arrangements.

Five exemptions will remove an individual from being a beneficial owner even if they meet the other requirements. These are:

- A minor child if the reporting company provides information about a parent or legal guardian.
- An individual acting as a nominee, intermediary, custodian or agent on behalf of another individual.
- An employee, acting solely as an employee, whose substantial control over or economic benefits from such entity are derived solely from the employment status of the employee and who is not a senior officer.
- An individual whose only interest is a future interest through a right of inheritance.
- A creditor.

What information must be reported?

A reporting company will be required to provide identification information about itself, its beneficial owners, and company applicants to the Federal Crimes Enforcement Network (FinCEN). A company applicant is the individual who directly files the document that creates the reporting company, and the individual who is primarily responsible for directing or controlling that filing.

The following information about the reporting company and beneficial owners is required:

- The entity's legal name (and any doing business as or trade name).
- Its current address.
- The state of formation or registration of the company.
- The IRS Taxpayer Identification Number of the reporting company.

When do you need to comply?

Companies can use FinCEN's website to file the necessary reports beginning Jan. 1. Entities created on or after Jan. 1, 2024 must complete the filing within 30 days of the creation of the new entity. Currently FinCEN is considering extending the filing timeline to 90 days.

Entities created before Jan. 1, 2024 must comply with the reporting requirements by the end of 2024. Noncompliance could trigger daily fines or even imprisonment for providing false information.

For farm business operators, it is highly likely that they will need to file beneficial ownership information under the Corporate Transparency Act. While this reporting may feel like a significant hurdle, the first year will likely be the hardest, just like operating a business entity. If you have any questions or concerns, be sure to reach out to your financial and legal advisors. To do more independent research, visit FinCEN's website at <https://www.fincen.gov/boi/small-business-resources>.

TAX-2024

YEAR-END LOAN PAYMENT AND TAX POINTERS

BY JANICE KOHLS, LOAN OPERATIONS MANAGER AND DAN LUCKE, CONTROLLER



JANICE KOHLS



DAN LUCKE

As the holiday season approaches, year-end is just around the corner. With each year-end comes the task of deciding in which year to make loan payments for tax planning. Following are tips to keep in mind to help you as you plan.

Form 1098 – Mortgage Interest Statements

Shows interest paid for any loan secured by real property and made to a person (an entity using a Social Security number). Any interest refinanced or paid with funds from another loan is not reported.

Form 1099-INT – Interest Income

Shows interest of \$10 or more earned on funds in escrow (funds held) and/or Voluntary Advanced Conditional Payment Account (VACP or Reserve Account).

Form 1099-DIV – Dividends and Distributions

Shows dividends of \$10 or more earned on Class A Preferred stock.

Form 1099 PATR – Taxable Distributions Received from Cooperatives

Shows the amount of taxable patronage you received by either check or notice. Any patronage refund and disbursement of allocated equities is at the discretion of the Board of Directors. The taxable patronage for 2023 is your 2022 cash patronage that was distributed in late March or early April.

Member Summary Statements

AgCredit mails summary statements to each borrowing entity at the end of January, but they are available on Digital Banking in mid-January. These statements are informational in nature and are not sent to the IRS.

Your member summary statement shows beginning and ending loan balances, interest paid, fees paid, stock and allocated equity balances.

Digital Banking

You can conveniently manage your account information anytime from anywhere with Digital Banking.

- Free, 24/7 access to your account.
- Quicker availability of IRS tax forms and the member summary statement.
- Request draws on your line of credit if FastCash is set up and make loan payments.
- See loan balances, activity, interest paid, billing statements and more.
- Avoid late fees. Your payment is posted as soon as the next business day.
- Link up to three checking or savings accounts to make your payment.

Download our free mobile banking app to your smart phone from the Apple App store or the Google Play store. Search for AgCredit Mobile.

If you'd like to sign up for Digital Banking, visit AgCredit.net and click the Digital Banking link at the top of the page. If you've forgotten your password, please call 1-844-275-9534 or email digitalbankingsupport@farmcredit.net.

Finally, as we approach the end of the year, remember to jot down your inventories and other information to complete a balance sheet and income statement in preparation for the financial analysis of your business. If you need help with this process, contact your AgCredit team.

Thank you for choosing to do business with us! All of us at AgCredit wish you a joyous holiday season.

Loan Payments

- AgCredit offices will close 2023 business at 12:00 p.m. on Friday, Dec. 29, 2023.
 - » Payments received after this time will be credited in 2024.
 - » We encourage you to make payments before Dec. 29 and specify how you would like them applied.
 - » Please consider mail time. Payments are effective when they are received and not by the check or postmark date.
- Digital Banking payments prior to the daily cutoff time will post to your account the next business day.
 - » The cutoff time is generally 2:30 p.m., but it may be earlier. Digital Banking provides the actual cutoff time.
- You can pay all or a portion of your accrued interest in 2023 and get credit for 2023.
 - » The staff at your local AgCredit office can help you to determine the amount.
- You can pay your Jan. 1 mortgage loan payment before the close of business in 2023 and get credit for the interest in 2023.
 - » You cannot use deposit account (funds held) interest credit to pay a portion of the payment and get credit in 2023.
- Interest paid during 2023 on your loans secured by real estate will appear on IRS Form 1098, Mortgage Interest Statement or your annual statement.
- Consult with your tax preparer on interest deduction tax reporting.

Reviewing 2023 payments through Digital Banking

You can help ensure the accuracy of your loan transactions for 2023 through Digital Banking. Doing this before Dec. 29 will give you time to notify the office and allows time to make the changes in 2023. This will help ensure that your tax and other annual statements are correct.

IRS Informational Returns

We report informational returns under the person or entity listed as the primary borrower for the borrowing entity. Statements are available on Digital Banking in mid-January. Paper forms, along with your Member Summary Statement, will be mailed in late January.



WHY YOU SHOULD CONSIDER A CROP INSURANCE POLICY

BY CALEB DOUCE, DOUCE AGENCY, LLC

"THE FARMER HAS TO BE AN OPTIMIST, OR HE WOULDN'T STILL BE A FARMER." – WILL ROGERS

6



CALEB DOUCE

Whether you've been farming for some time or are new to production agriculture, crop insurance is an important risk-management tool that can protect you against declines in crop yields and loss of revenue.

If you are new to crop insurance, let's talk about why it's important. Crop insurance must be purchased before planting any crops. It protects against many types of natural causes, including drought, excess moisture, freezing temperatures and disease. When combined, yield protection and price protection help protect

farmers against potential loss of revenue due to low yields or a drop in harvest pricing. Crop insurance is a government program, which means that all deadlines and prices are set by the U.S. Department of Agriculture's Risk Management Agency. In Ohio, crop insurance provided coverage for 7.3 million acres and paid \$88.7 million to cover crop losses in 2022.

Do you meet with your agent every year to talk about your crop insurance? That's one of the many things we pride ourselves on: Meeting with each producer to discuss their policy because strategies that work for one farmer may not work for their neighbor. Input costs to plant an acre of corn can range from \$500 per acre up to \$850 per acre. Some of the variables include seed, chemicals, fertilizer and the cost of land. For reference, the cost to plant one acre of corn in 2020 was \$400 per acre. Crop insurance helps protect against high input costs.

If you already have a relationship with AgCredit, you've experienced the high level of customer service the cooperative offers. Borrowers who add crop insurance to the mix through AgCredit receive customized maps of their operations, as well as a simple method for acre and production reporting. Remember that March 15 is the deadline to buy crop insurance for next spring's crops, so be sure to meet with us soon to make changes to an existing policy or to start a new one.

Whether you're new to farming or a seasoned pro, we're here to answer any questions you have.



DOUCE AGENCY LLC

740-386-2991

An equal opportunity provider





IS A BARNDOMINIUM RIGHT FOR YOU?

BY MANDY STACY, RESIDENTIAL LENDING BRANCH MANAGER



MANDY STACY

If you're a fan of the HGTV show "Fixer Upper," you may remember when Chip and Joanna Gaines transformed an old horse barn into a comfortable, modern-day living space they called the barndominium. Since that episode aired in 2016, many Americans have embraced these structures because they're a great way to enjoy country living in style and comfort while accommodating potential business needs. Keep reading for some great features barndominiums have to offer and how AgCredit can help if you're interested in buying or building one.

Barndominium floorplans offer incredible flexibility

A traditional home floorplan may not be the right fit for your family. Barndominiums accommodate a variety of open floorplans, which offer homeowners greater flexibility in terms of how the space is used. Are you thinking of having a workshop, crafting area or sizable family fun space? The spaciousness of barndominiums gives families the breathing room and creative versatility they need to accommodate their unique lifestyle needs. Spaces can be easily partitioned with sliding glass or trendy barn doors for working from home, working out or entertaining in large indoor-outdoor areas. The possibilities are endless!

Barndominiums usually require less maintenance

Barndominiums also often have fewer maintenance requirements. Because these structures are frequently built using metal, a barndominium doesn't have the potential for insect damage as wood does. Additionally, using beams to secure the home will help ensure that the foundation doesn't shift over time.

Barndominiums are often more energy efficient

Barndominiums can also be extremely energy efficient. That's because the structures often qualify for tax deductions for solar panels and insulation. Insurance can also be less expensive than that of a conventional home since barndominiums having less in wall plumbing. There are many more positives to barndominiums than style and open-concept living.

How AgCredit can help

At AgCredit, we'll work with you one-on-one to make your vision come to life. Our main goal is to provide financing for anyone looking for a home, farm, agribusiness or barndominium loan. With your vision and our trained professionals, we can work with you to create a plan that gets you exactly what you want for a good price. At AgCredit, to qualify for the barndominium program, the living quarters in the barn-home structure must represent at least 1,000 square feet and contain a minimum of a kitchen, 2 bedrooms and 1 bathroom.

Before getting the ball rolling, it's important to know how to prepare. Doing research to understand your options, being aware of your credit score and compiling the financial documents you need. These include photo identification (driver's license or passport), proof of income, two recent years of tax returns and form W2s, and recent bank statements.

If you're interested in financing for a barndominium or have questions about any of the other loans we offer, visit AgCredit.net to find your closest location. Or, if you're a current customer, call your AgCredit loan officer.



2023 MISSION FUND RECIPIENTS

Congratulations to our 2023 Mission Fund Recipients! We awarded \$120,000 in grants through the Mission Fund this year. Be sure to keep an eye out in your local communities to see these groups in action using their grants to make improvements.



Agricultural Education Department—Carey Exempted Village Schools
Wyandot County, \$12,000



Cardington Fire Department, Morrow County, \$10,000



Ft. Jennings Volunteer Fire Department, Putnam County, \$10,000



Marion County Agricultural Society Inc, Marion County, \$7,500



Marion County Jr. Fair Building Improvement Committee
Marion County, \$7,500



Morrow County Fair/Fairboard, Morrow County, \$15,000



New Riegel Joint Fire District, Seneca County, \$4,795



Ottawa Elementary, Putnam County, \$4,835



Paulding Soil and Water Conservation District, Paulding County, \$6,000



Portage Fire District Firefighters Association, Ottawa County, \$9,690



Putnam County Calf Keepers, Putnam County, \$15,000



RV Farm (River Valley Local School District), Marion County, \$12,000



Whetstone Volunteer Fire Department, Crawford County, \$5,680

AROUND AGCREDIT

CONGRATULATIONS TO OUR 2024 CALENDAR PHOTO CONTEST WINNERS!



Corgis in the Country
by Kirsten Kemner, Pemberville, OH



Little Tractor Lover
by Kati Rinker, Findlay, OH



Growing Up
by Madison Frey, Upper Sandusky, OH



Summer Nights
by Ashley Sautter, Bowling Green, OH



Beautiful Day for a Stroll
by Amanda Staley, Mount Gilead, OH



Nap Time
by Wendy Hertzfeld, Grand Rapids, OH



Just Cow'n Around
by Kayla Kipker, Convoy, OH



Fungicide Time!
by Callie Long, Bucyrus, OH



Sweeter Than Sweet
by Jean Roth, Norwalk, OH



Harvest Views
by Callie Long, Bucyrus, OH



Waiting on a Farmer
by Kelsey Brodman, Carey, OH



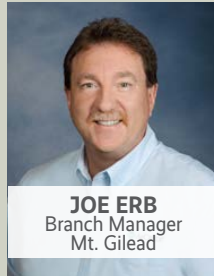
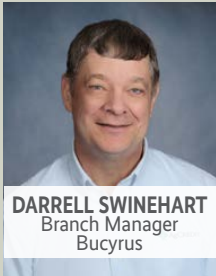
White Christmas
by Jeff Reese, Rawson, OH

STAY CONNECTED WITH US!   

Email marketing@agcredit.net to join our email list!

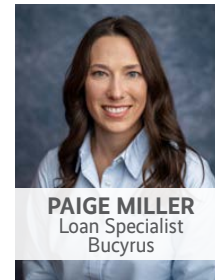
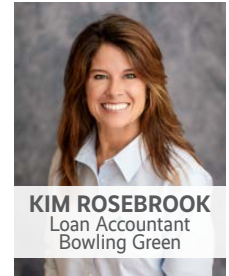
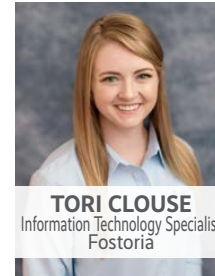
RETIREMENTS

Congratulations to all AgCredit retirees from 2023! We appreciate your years of service to AgCredit and our members. We wish you the best in your next phase of life.



NEW HIRES

Welcome to all of our new team members from the past few months! We are happy to have you as part of the AgCredit team!



CALENDAR OFFICES CLOSED

December 25 & 26 Christmas
January 1 New Years
January 15 Martin Luther King Jr. Day
February 19 Presidents' Day
March 29 Good Friday
May 27 Memorial Day

SCHOLARSHIP WINNERS

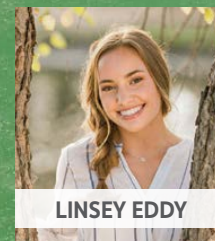
Congratulations to the 2023-2024 recipients of the Joe Leiser Memorial Scholarship!



Allison Michaels of Sandusky County is a senior at Wilmington College majoring in agricultural education with a minor in chemistry.



Candace Bouillon of Seneca County is a freshman at The Ohio State University majoring in agribusiness.



Linsey Eddy of Union County is a sophomore at Purdue University majoring in business analytics and information management with a minor in food and agribusiness management.



Melanie Lee of Marion County is a freshman at The Ohio State University majoring in animal science.



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THE AGCREDIT SAID IT **MONTHLY** E-NEWS IS NOW LIVE!

We now send a monthly e-newsletter to your inbox on the first of each month with current news, events and more. Make sure your account officer has the correct email address on file so you don't miss an issue!

