



April 2014

[www.AmericanFarmMortgage.com](http://www.AmericanFarmMortgage.com)



## Message From the President/CEO

Spring is the favorite time of the year for many farmers. In most parts of the United States, the weather change allows them to return to the field and participate in the part of farming they most enjoy.

However, with this additional activity comes risk. Farming has long been recognized as one of the most hazardous occupations in our great country. According to data obtained from the Center for Disease Controls website, there were approximately 1,823,000 full-time farm workers in the 2010 calendar year. During that period, there were 26.1 deaths per 1,000 workers in the agricultural sector. Simply stated, approximately 47,580 people lost their lives that year participating in our industry.



**Alan Hoskins**  
President/CEO

Non-fatal accidents also affect many involved in farming. During each day of 2009, 243 workers suffered injuries sufficient to prevent them from performing their daily duties. This translates into an additional 88,965 individuals and their families being affected and 4,434 of those hurt were permanently affected. As farming is, in many cases, still a family business, our young people are also at risk. During 2009, 3,400 young people (defined as those 20 years of age and younger) were injured while performing farm related work. Even more sadly, during the period from 1995 through 2002, 113 of our youth were fatally injured on the farm and 34%, or 38 young people, were fatally injured.

I grew up on a farm in Southern Illinois and continue to be an active farmer. I have many fond memories of growing up on a farm and learned many great life lessons because of where I was raised. I was taught early on to respect both equipment and livestock and understood there was a danger associated with the privileges of growing up as a "farm kid". These are lessons my wife and I are passing on to our daughter as she accompanies me to the farm.

Unfortunately, I have seen experienced farmers, I have known for many years, be fatally injured while performing the work they enjoy. My prayer for you and those involved in your operation is that 2014 is a safe and prosperous year. While we cannot control many of the elements that affect us during any crop year, we do, for the most part, have control over our safety while working. Please take every measure possible to ensure that you or any of those in and around your farm, do not become an accident or fatality statistic during the coming year.

*Source: Alan Hoskins, President/CEO*

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## ANNUAL REMINDER- Current Financial Information

Spring is coming, and so is the start of planting season! It is also time for all customers to send the following updated information:

 Current Financial Statement  
 Copy of 2013 Tax Returns

### Why do you need my current financial statement and taxes?

As a servicer of your loan, we are required to collect annual financial statements and copies of your federal tax returns.

### I haven't filed my 2013 taxes yet, do you need them now?

Please send us a copy of your 2013 Federal tax returns once they are completed.

### Do you need any other documents from me?

Please send a copy of all the supporting schedules with your financial statement.

### What else should I know?

Financial statements and tax returns submitted should include all entities signed on your loan.

By sending these items now, we will be able to keep your file current and this will

help us to better serve your needs as they arise.

As our **CUSTOMER**, you are our number one priority.

Please send your financial information to Amber King at the American Farm office. If you have any questions, you can contact Amber directly at (502)736-3168.

## Growers Need Crop Insurance to be More Transparent

Fruit growers don't tend to be big fans of federal crop insurance, said Mark Seetin, director of regulatory and industry affairs for the U.S. Apple Association. "If you ask 100 farmers, 'Raise your hand if you like crop insurance,' you wouldn't have a pile of hands," he said. "Everybody seems to find shortcomings." "All you have to pay is the paperwork and processing fees," he said. "I don't understand why you wouldn't take advantage of that."

As a former grower and crop insurance agent, Seetin has experience in both worlds. He said crop insurance can't replace lost fruit, but it can provide an economic safety net to get you through a disaster. Brett Anderson, a crop insurance agent based in Sparta, Michigan put it this way: "The cost of buying crop insurance is the cost of staying in business one more year."

### Bridging the gap

Ken Nye, a horticultural specialist with Michigan Farm Bureau, knows there is a disconnect between fruit growers and the crop insurance industry. Growers need to know what's covered and what isn't, the advantages and pitfalls of buying insurance, and that their

concerns will be addressed. About 70 percent of U.S. specialty crops, a category that includes fruit, are covered by federal insurance policies, said Laurie Langstraat, vice president of public relations for National Crop Insurance Services. The nonprofit organization represents the interests of private crop insurance companies.

### 'Byzantine'

Perhaps the complexity of federal insurance policies is what frustrates and intimidates growers. USDA's Risk Management Agency (RMA) manages federal crop insurance. RMA contracts with more than a dozen insurance companies, which provide the actual policies that agents sell to growers. In 2010, RMA managed more than 1.1 million crop insurance policies on about 256 million acres, worth nearly \$78 billion, according to RMA.

Despite those numbers, some fruit crops, like tart cherries, still aren't covered by insurance. Those that are include; apples, apricots, blueberries, sweet cherries, cranberries, grapes, nectarines, peaches, pears, plums, prunes and raisins, according to RMA. According to an RMA spokesperson, the Federal Crop Insurance Corporation's board

of directors decides which crops get covered (RMA manages FCIC). Crops that aren't covered have either not been brought before FCIC's board for approval or they have been, but are still going through the lengthy approval process.

RMA is in the midst of expanding coverage for specialty crops. The agency introduced new insurance products for strawberries, olives and tangerine trees this year. When the agency creates a new policy, however, it must go through a pilot stage. Coverage can become permanent if the pilot is successful, but the entire process takes money, training and time, Langstraat said.

Creating policies specific to individual specialty crops can be more difficult than designing those for commodity crops like corn, soybeans and wheat. Commodity crops, are grown in bulk and traded on open markets. Clear price structures are in place. Specialty crop acreages, on the other hand, are generally smaller, and sold in so many small markets that prices aren't as defined, she said.

*Source: Fruit Growers News*

## American Farm Welcomes New Employee



**Melody Boots**

Melody joined the American Farm team in January of 2014 as the Marketing and Communications Assistant. She comes to American Farm with over 5 years of retail banking and customer service experience.

Melody earned a Bachelor's degree in Public Relations and Advertising from the University of Southern Indiana. Melody has a great passion for Marketing and Public Relations, and a high standard of customer service.

## Featured Product: Lease Program

### Leasing is FLEXIBLE

A lease provides the use of equipment, farm shops, machine sheds, grain bins, or irrigation systems for a specific period of time at fixed rental payments. Leasing allows you to be more FLEXIBLE in the management of your assets.

### Leasing is PRACTICAL

By leasing, you transfer the uncertainties and risks of ownership to the lessor, which allows you to concentrate on using equipment, farm shops, machine sheds, grain bins, or irrigation systems as a productive part of your business.

### Leasing is COST EFFECTIVE

When you lease, your risk of getting caught with obsolete equipment is lower because you can upgrade or add equipment to best meet your needs.

### Lease Options:

-  Grain Bins
-  Farm Shops
-  Machine Sheds
-  Equipment
-  Irrigation Systems

**For more information on the benefits of leasing, please contact American Farm at 800.876.2362.**

## A Good Bull Pays His Own Way

Putting a new face in the bull pen has become a pricey move. Depending on the bull, most commercial cattle operations are looking at spending \$3,000 for those muscled-up genetics. But he's really an investment for the entire operation.

"The genetics of your bull is where you build the genetics of your herd," said Ronnie Silcox, animal scientist at The University of Georgia in Athens. "A good bull is money well spent. Think of it like this: A bull will sire 30 calves in a year; a cow will give you just one. So the bull is the genetic key."

In an example using a \$3,000 bull, Silcox said to first deduct the salvage value. Currently, a cull bull will bring about \$1 per pound; so for an 1,800-pound bull, that's \$1,800. Next, look at the calves that bull should sire over a three to five year period and divide that into the remaining net cost of the bull. It adds up fast. And if the bull's genetics result in calves that are 10 pounds heavier, those numbers get into the black pretty quickly.

So what are today's parameters for bull selection? Using the selection tools available, producers can do more than eye a prospective bull. Here are a few examples:

### Weaning/Yearling Weights

Don't focus on single-trait selection. Instead, look at a combination of traits that include weaning and yearling weights.

### Milk Production

Milk EPDs are considered a good gauge of maternal ability and weaning weights. In bulls, the milk EPD is an estimate of pounds of calf weaned due to a bull's daughter's milking ability.

### Frame

Bulls should have enough frame to produce calves that meet USDA medium-frame scores.

### Birth weights

Heifer bulls should have low-birth weight EPDs.

### Breed Associations

Check with the breed association to be sure you have the most current information on the breed of bull you are buying. Most breed associations issue annual or semiannual sire summaries.

*Source: DTN The Progressive Farmer*



# American Farm

## Mortgage & Financial Services<sup>SM</sup>

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### *Understanding Your Business... From The Ground Up*

## **Farm Bill Reduces the Deficit and Boosts Crop Insurance**

What started off two and half years ago as an attempt to craft a Farm Bill with bold deficit reductions in mind became the new North star of U.S. agriculture policy when President Obama signed The Agriculture Act of 2014 into law at Michigan State University.

The law marks a dramatic turning point in American farm policy, with the sun setting on the 18-year old system of direct payments – which costs more than \$4.5 billion annually – accompanied by a renewed emphasis and commitment to crop insurance.

“This is not your father’s Farm Bill,” said Senate Agriculture Committee Chairman Debbie Stabenow. “From now on, farmers will protect themselves from disaster with risk management programs like crop insurance,” she said. “Instead of getting a government check, even in good times, farmers will pay an insurance bill every year and will only receive support from that insurance in years when they take a loss.”

The bill won immediate praise from national farm groups as soon as it emerged from the conference committee in late January. National Association of Wheat Growers President Bing Von Bergen said the bill “strengthens crop insurance and allows growers the necessary safety net to keep a secure, affordable and healthy food supply.

Agriculture Secretary Tom Vilsack noted the bill, “will allow the proud men and women who feed millions around the world to invest confidently in the future,” adding, “this legislation is important to the entire nation.”

*Source: Crop Insurance America*

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