

RURAL LIVING YOUR WAY

# LEADER

Farm Credit of the Virginias — Fall 2019



**Farm Credit Leaders Crucial to Success**

**Women in Agriculture**

**Congressional Advocacy**





# LEADER

is published quarterly for stockholders, directors and friends of Farm Credit of the Virginias.

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Farm Credit of the Virginias furnishes data to credit reporting agencies. The Association's reporting efforts are important for aiding consumers in obtaining credit, assisting businesses in credit approval, providing consumers with timely and accurate personal credit information, reducing fraud and abuse, helping prevent identity theft, and minimizing errors in credit reporting. If you have questions regarding this process, please contact our Credit Desk at 540.886.3435 ext. 5224.

Attention Voting Stockholders:  
**WATCH YOUR MAILBOX!**

## 2020 Director Election Ballot

Be on the lookout: your ballot should be arriving very soon.

Don't miss your opportunity to be heard.

**VOTE!**



# FARM CREDIT

[FarmCreditofVirginias.com](http://FarmCreditofVirginias.com)





## Holiday Schedule

*Our offices will be closed on the following dates:*

**Oct. 14** – Columbus Day for a  
Company-wide Meeting (Monday)

**Nov. 11** – Veterans Day (Monday)

**Nov. 28 & 29** – Thanksgiving (Thursday & Friday)

**Dec. 24 & 25** – Christmas (Tuesday & Wednesday)

**Jan. 1** – New Year's Day (Wednesday)

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Peery Heldreth

# Farm Credit Leaders Crucial to Our Success

It's extremely gratifying to lead Farm Credit of the Virginias (FCV) to continued success while also delivering on our mission of serving rural communities and agriculture. Now halfway through 2019, our cooperative has earned \$19.9 million in net income, which is \$3.5 million above projection. This is primarily due to lower operating expenses stemming from open staff positions as we search for the right people to serve our customers. We also have a lower provision for loan losses as a result of our customer-owners' resiliency in the face of challenging economic times. We applaud your efforts to

respond effectively in the face of industry and even global challenges. As always, your success leads to our success.

FCV's achievements are shepherded by a dedicated leadership group, each of whom is exemplary in their field and who work as an integrated team to support our mission and drive excellence throughout our organization. Our Chief Financial Officer (CFO), Justin Weekley, joined us from Ernst & Young in 2018 to oversee all aspects of accounting, as well as our financial processes and teams, when our previous CFO retired. Also in



Justin Weekley

2018, Katie Frazier, the former president of the Virginia Agribusiness Council, joined our team as the Chief Marketing and External Affairs Officer, collaborating with ag industry organizations and agencies in the development of farmer support programs, advocating for agriculture on the state and national level, and educating policymakers and consumers about agriculture. With the recent retirement of Chip Saufley, Brad Cornelius has joined our strategic team as Chief Credit Officer,



Katie Frazier



Brad Cornelius



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## FCV's achievements are shepherded by a dedicated leadership group, each of whom is exemplary in their field and who work as an integrated team to support our mission and drive excellence throughout our organization.

bringing with him more than 20 years of experience serving, and leading, the AgFirst district's cooperative lending efforts, including most recently serving as Chief Executive Officer of Cape Fear Farm Credit. This year we created the new leadership role of Chief Risk Officer, filled by Pete Cypret, who brings more than 20 years experience in risk management for financial institutions, including serving as an Executive Risk Manager for Australia's largest bank. Pete will lead our enterprise risk management program which will ensure our safety and soundness by identifying, assessing and preparing for current and future risk.

Also essential to FCV's success is our Board of Directors, who together establish



Pete Cypret

our strategy for continuing to thrive and serve our customers. Coming up soon is our annual director election, and I encourage all our customer-owners to capitalize on the opportunity to have a voice in our cooperative's leadership process. Electing your board of directors is one of the benefits of belonging to a cooperative, helping to ensure the continued health and viability of our cooperative, both now and into the future.

Supporting our customers takes many forms, one of which is our legislative activity. FCV leaders recently took part in a national Farm Credit "Washington Fly-In," where we visited with our Congressional representatives on Capitol Hill to share agriculture's story and talk about some of the challenges our constituents face. Over the course of two short days, FCV met with senators and representatives from both Virginia and West Virginia, all of whom were very receptive to our message.

The Farm Credit team has also enjoyed visiting with our customers at our Customer Appreciation Events this spring and summer. I was very pleased to be able to attend all 22 events for the first time this year. Thank you to all of our customers who took the time to join us and discuss your challenges and opportunities. One of the biggest topics of conversation was the record-level \$40 million in patronage distributions we made in April. We're very proud to be part of an organization that consistently shares its success with its customers, and happy to hear what this financial return means to you.

We're thrilled that more and more customer-owners are joining our cooperative, which diversifies and strengthens our portfolio and ensures continued access to capital. Many of these new customers come via referrals, so we thank you for recommending us to your friends and neighbors. Together, we all contribute to FCV's long-term success, and we appreciate your continued support. ∞



# Women in Agriculture



With almost 970,000 female farmers in the United States cultivating over 300 million acres of American soil, women in agriculture are helping pave a way for generations to come. You are about to hear from several women across our footprint who are doing just that — blazing a way for the next generation in a variety of sectors across the ag industry.

## Strategic Investment Heralds a Bright Future

By: Karen Macdonald

After investing in a new milking parlor that started operating in January, Highland Dairy located in Glade Springs, Virginia, is positioned for a strong future in

the dairy industry, continuing a tradition that goes back generations.

Led now by Rena Johnson, Highland Dairy was founded by her grandfather in 1946,

and later managed by her parents, who are still involved in the operation. After growing up helping on the farm, Rena never had any doubt she'd come back after earning her degree in dairy science from Virginia Tech.

"I'm really proud to do the same job my Mom, Dad and Granddaddy have done,"

says Rena. “I always wanted to be close to my family, and to be here on this land my family has farmed for so many years.”

Today, Rena is the principal operator for her family’s 1,100-acre farm – 800 owned and 300 rented – where they grow 450 acres of corn for silage, which they double crop with a cover crop also used for silage, along with 30 acres of hay with the rest left as pasture. This production supports a dairy herd of 535 Holstein cows.

Last year, amidst significant pressure in the dairy sector with milk prices low and input costs high, Rena made the strategic decision to build a new milking parlor, financed by Farm Credit of the Virginias (FCV).

“I knew that we had the land to support our dairy, but I also knew that to stay in business, you have to be willing to make changes to your operation,” Rena says. “If you don’t improve, you may as well just plan to fail.”

The existing double 12 herringbone parlor had been in service for more than 30 years, and needed frequent and expensive repairs. When Rena started looking for a replacement, she talked with facility manufacturer DeLaval, which then asked her to be the first commercial dairy in the world to install their new design – a double 16 parallel layout. Highland Dairy’s location on a major highway made them a prime partner in terms of visibility and accessibility, and Rena’s input has also informed changes to the equipment.

“As we milk more cows through the barn, we learn more about how things work and how they could be improved, so DeLaval is making changes before they launch the new design to the market,” says Rena.

The new parlor is cow-friendly, with each stall offering more space for the cows to move around. Even with the increased number of stalls, the footprint is smaller and enables the cows to be loaded more quickly. This increased efficiency means that each milking shift takes only five hours compared to the nine hours needed previously, so the dairy can milk three times a day rather than two, and

in less time overall. As a result, production immediately increased five pounds per cow, per day. Unfortunately, because last year’s silage was sub-optimal because of weather issues, this initial production increase has dropped, but Rena expects a rebound with this year’s more successful corn crop.

Transitioning the cows to their new milking parlor was not an easy proposition, and took days of hard physical labor before they fully acclimated.

“The cows would come in, sniff around, and then want to turn around and run back out, so it would take two or three people to hold the first group in place so we could load the next and close the gate behind them,” Rena says. “It was a nightmare for three solid days, and I wouldn’t want to go through it again, but then the cows took to it and it’s been smooth ever since.”

Rena’s loyal employee team was critical to the successful transition and remains essential to the dairy’s ongoing success. Many of her employees are from Central America and have been with her for years.

“Employees can make or break a dairy operation, and I’ve been really fortunate to find guys who genuinely care about doing a good job and about our cows,” Rena says. “When it comes time for them to return

home, I can only hope they’ll refer other hard-working family and friends to join us here, because they know I appreciate and respect them, and treat them well.”

The decision to invest in the new milking parlor has paid off for the Highland Dairy, and Rena was confident in her decision because she has a strong handle on her financials, a skill she attributes in part to her participation in FCV’s AgBiz Planner. Rena has also taken advantage of FCV’s Dairy Management Institute, which provides her with industry benchmarks and other information to guide her operational decisions.

“Through AgBiz Planner, I started running the numbers and I realized we could pay for the new facility with our cash flow, and that if we could do that in these difficult times, we’d be in really good shape when the cycle turns more positive,” says Rena. “The timing was right, too, because I wanted to build this while my Dad was here to help, and he had big part in the design.”

Rena looks forward to many years of continuing her family’s legacy of supplying nutritious and delicious milk to the market.

“It’s a very rewarding job, and I know that the world needs us to produce safe and good food,” Rena says. “I love my farm and I’m proud of what we do.”



Photo by Carolyn R. Wilson

## Conservation and Community Reign Supreme at Fields Edge Farm

Situated on the rolling mountainside of the Rush Fork Valley of southwestern Floyd County, Virginia, lies a grass-fed beef and certified natural produce operation with two guiding values; environmental stewardship and providing for the Floyd County community.

Roger and Leslie Slusher visited their local Farm Credit office nearly two years ago with a vision of raising better food and an eagerness to provide nourishment to their community. Presently, they are reaching those goals and garnering an outpouring of local support.

Fields Edge Farm supplies the area with fresh, local food, and offers farm-to-table events to help community-members develop a better understanding of where their food comes from.

“We bring a lot to the table in Floyd County, primarily our amazingly fresh produce. Often we harvest and deliver our

products in the same day, so people can get a variety of veggies straight from the farm that maybe they haven’t experienced elsewhere,” said Farm Manager, Kat Johnson.

In addition to delicious foods, Fields Edge Farm is working to offer agritourism experiences for the community to enjoy. “We’re creating more opportunities to get people out to the farm to indulge in the things we grow, appreciate the scenery, and connect with farmers in a new way,” Kat concluded.

Fields Edge Farm’s hosted their first formal event last spring in which they put on a fireside gathering. A Brazilian chef served a savory feast of produce and meats from the farm. In addition to a meal, the event included music, theatre, and an opportunity for community members to come together and experience the parcel of picturesque countryside that has been in the Slusher family since 1892.



Fields Edge Farm sits on property that has provided for four generations of the Slusher family, and as a result, land stewardship is a primary consideration in decision-making at the farm. The health and longevity of their land is key as they look to the future of their operation and reflect on its’ past.

“We’ve farmed this valley for generations, and it always comes back to stewardship. It’s the focus of our work. The direction we are always working towards is how we can make this operation sustainable for the long run in order to hand it over to the next generation in better shape than how we received it. Practices like cover cropping, minimum tillage, and rotational grazing go a long way,” shared Roger.

Leslie added, “We try to be good stewards of the land, water, and air, and through that commitment, better neighbors and community-members. It is important that we remain a positive community influence, on and off the farm.”

For information about upcoming events at the farm and locations where you can purchase Fields Edge Farm products, visit their website at [www.fieldsedgefloyd.com](http://www.fieldsedgefloyd.com) or follow Fields Edge Farm on social media. ∞





## Ryan's Glade Farm ... A Family Affair

By: Karen Macdonald

Farming land that's been in her husband's family for more than a century, Linda Kay Steyer helps run a multi-generational farming operation in Oakland, Maryland. Kay, as she prefers to be called, was raised on a family beef farm herself, and started working with her husband, Randall, part-time soon after they were married. She left her off-farm job at a local bank in 1991 to work full-time on the farm while raising their children. Their two daughters, Andrea and Jessica, also work on the family farm, along with Andrea's husband, Ben.

Ryan's Glade Farm operates on 300 acres, half owned and half rented, where they run a 90 head purebred dairy operation in addition to raising another 60 heifers as replacements. The family takes pride in producing high quality Holstein cattle with an emphasis on improving their herd's genetics through selective breeding. Kay wanted to ensure that her daughters inherited not only the family business, but knowledge of breeding and animal husbandry as well. Andrea and Jessica were involved in learning practices such as artificial insemination when they were only 10 and 12 years old, which has been an asset when breeding for the right genetics.

"I didn't know anything about running a dairy when I was first married, but I've learned a lot since, including how much work it is,

with the cows needing to be milked every single day," Kay shared, adding that now she's primarily a "relief milker" with her daughters taking a more active role.

After graduating from West Virginia University, Andrea became certified in writing Maryland Nutrient Management plans, which has allowed the family to use her skills as a resource, while also providing consulting services to outside farms.

In addition to dairy duties, Kay's younger daughter, Jessica, manages the high tunnel where nearly 1,000 ever-bearing strawberry plants are raised. The bare roots are planted in hydro-stackers, enabling maintenance and harvest to happen while standing. Jessica hand picks berries every few days from July to mid-October and sells the berries to local customers.

Together with their father and cousin, the girls also focus on the family's maple syrup operation, Steyer Brothers Maple, LLC. They produced over 1,500 gallons of syrup this year in their 110th year of operation. The syrup is marketed and sold at their on-site sugar building, through delivery around the county by Kay and Jessica personally, and by mail to buyers further away. Last year, the family upgraded their sugar camp and was able to produce more syrup this year than ever before.



Kay has always strived to instill perseverance into her children, in the good times and bad, "My daughters enjoyed their life growing up on the farm and were happy to come back after college," Kay says. "I tried to be a role model for them. We never kept secrets about the operation. We were open about when we were doing well and when we weren't, so they knew what they were getting into."

Despite the low milk prices that persist in the industry, Ryan's Glade Farm have taken steps to remain successful through the difficult times. They rely on the utilization and marketing of their diverse specialty markets to account for when dairy prices drop, "My husband and daughters have never known life without the dairy. We have a strong passion for it, so thinking about closing the doors is hard," she says. Fortunately, inheriting their land and capitalizing on their diversification has kept the dairy sustainable.

Kay mentions one of the reasons she and her family enjoy doing business with Farm Credit, "They understand the farming lifestyle and are accommodating in stressful situations. Our loan officer has been willing to meet us places such as the fair to sign papers, and will work quickly to meet the needs of an unexpected repair."

"Farming has been a great life for our family, and the five of us working together is the most important aspect in my eyes," Kay says. "We work hard, but we see the fruits of our labor and know that the hard work really pays off." ∞



## Business Suits & Muddy Boots

**M**aggy Gregory is an innovative farmer, part-time attorney, mother of two, and loving wife. How does she do it all? We're convinced she's superwoman.

Alongside her husband Clark, Maggy runs Gregory Family Farms, a beef cattle, meat lamb, and hair sheep operation in Vernon Hill, Virginia. The duo took the plunge into direct marketing meats following a dinner date over a decade ago. On this particular date, Clark had cooked up a couple steaks that came from the beef he raised at the time.

Looking back on the evening, Maggy shared, "It was the best steak I had ever eaten in my life. You just couldn't buy steaks like that in the grocery store. I not only found myself imagining a future with him, raising a family, eating beef like that all the time, but I couldn't help but think that so many people would love to be able to buy this quality of meat. I remember he said to me, 'Nobody will ever want to buy food directly from a farmer, that's crazy!' I think I've changed his mind about that – people love learning about our farm almost as much as they enjoy eating the end product!"

Eleven years later, the Gregorys find themselves direct marketing beef and lamb to families across the state, although their offerings are not your typical meat cuts. They have found success selling live- shares by the whole, half, and quarter shares for beef, as well as whole and half shares of their meat lambs. Today, the biggest challenge they face is having enough time to manage the growing operation as they expand to keep up with an increasing demand.

Maggy's primary role on the 260 acres of farmland they maintain outside Chatham

includes handling customer communication, calendaring beef delivery and butchering logistics as well as breeding and finishing schedules, managing the hair sheep operation, and meticulous record keeping. On top of her responsibilities at the farm, Maggy is a full-time mother of two rambunctious young boys, Warren and Will, and a part-time trust and estate attorney and partner in a local law firm. Maggy wears many hats throughout the course of a week, each with enthusiasm and a smile.

"I don't really have any casual or social clothes. I have business suits and muddy boots, nothing in between, and I wouldn't have it any other way," Maggy joked. Finding a balance between her legal career, growing farm, and family has been no easy feat.

She began, "It is definitely not a balance. It is more of a pendulum swing. There are times that my work as an attorney is more time-consuming. There are times when the farm demands almost all of my time, hay season for example. With experience, I've learned when that pendulum needs to swing in a particular direction and I try to build in the resources to meet that need, whether it be the farm, the office, or my children. I'm never balancing everything equally."

Due to her demanding schedule, time management is key for Maggy and the operation of her farm. "Every time we walk into the barn or field, there is something begging to be done. It is easy to get bogged down in stomping out little crisis fires that don't advance our larger goals. We try to plan in advance to accomplish each day's most pressing project, do it as efficiently as possible, and then use any leftover time to take care of



those lesser things. Becoming more intentional and purposeful with my time on the farm and with family gives us more opportunities to enjoy our work together," shared Maggy.

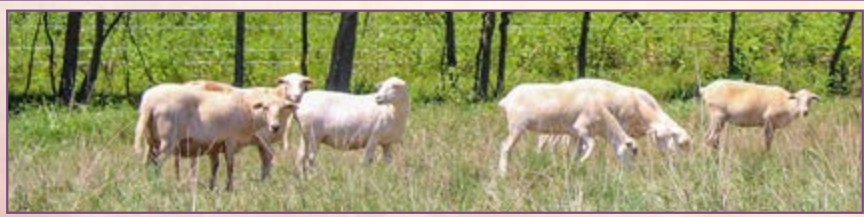
Gregory Family Farms is truly a family operation. The youngest Gregorys, ages four and six, are increasingly getting involved in the day-to-day operation of the farm, a rewarding experience in itself for Maggy to see her two boys growing and learning on the farm.

"The values and virtues that agriculture instills are beyond measure. We are not only teaching our children the ins-and outs of livestock production, but also responsibility, accountability, and stewardship; skills they need to succeed in life," she shared. "I am incredibly fortunate to be able to teach and work with them on the farm – raising them well is my highest priority."

The future for Gregory Family Farms looks bright with Maggy and Clark at the helm, and their little ones learning the ropes. The plans are in place to expand, upgrade, and further diversify their operation to meet their growing demand and personal goals.

Maggy shared, "We're working every day to become better at what we do. Becoming more efficient lends us more time and resources to enjoy each other as well as to figure out what everybody loves doing the most, and adjusting our operation so that we can further develop those areas."

For more information about Gregory Family Farms, visit their website at [www.gregoryfamilyfarms.com](http://www.gregoryfamilyfarms.com) or check them out on social media. ∞



## The Evolution of a Pick-your-own Berry Stand

For a time, Hill Top Berry Farm & Winery was nothing more than a pick-your-own-berry stand on a vacant backroad in Nelson County, Virginia. In 1998, Marlyn and Sue Allen Pugh converted their small berry operation into a winery, turning a winemaking hobby into a living. Due to the continued hard-work and creativity of their daughter and current owner, Kimberly Allen Pugh, the operation is currently a diversified success story.

Nestled amongst beer and wine industry giants on the Blue Ridge Parkway's fabled Nelson 151, Hill Top Berry Farm & Winery draws crowds for its' unique offerings of handcrafted wines and meads. The farm continues to provide the pick-your-own berry experience where the operation got its' start years ago under the ownership of Kimberly's parents.

Kimberly's role on the farm can be described as chief problem-solver and creative lead. She handles a variety of tasks around the farm and winery including customer communication, shipping logistics, orderings supplies, running errands, animal care, and record-keeping, although it is the

creative tasks where she really excels, such as developing recipes and labels.

"I love the creativity in this form of agriculture because we are doing something a little bit different, even for the wine industry. We are trailblazers, and as the oldest meadery in Virginia, truly leading the pack," said Kimberly.

She continued, "Our flavors range in taste and experience. People are always pleasantly surprised, particularly by the meads, from wine connoisseurs to folks who wouldn't considered themselves wine drinkers at all, everyone finds something they enjoy."

In addition to their 32 offerings of wines and meads, Kimberly extends agritourism attractions for patrons to enjoy. The property boasts on-site production honeybee hives, a herd of registered Scottish Highland Cattle which roam the pastures, and a flock of goats - better known as the welcoming committee. When visitors arrive at the winery, they are immediately called upon by an adorable herd of attention-craving goats.

Kimberly shared, "The goats are solely pets and our customers absolutely love them!



They're all bottle raised orphans. Their only job is to be nice to customers. Folks will pull into the parking lot and walk right past the tasting room to visit the goats."

The emphasis on family at the farm is a valued component for Kimberly. She shared, "This is the farm I grew up on. We worked with Farm Credit a couple years ago to reacquire adjoining land to put the property back together like it was when I was a kid. Our farm is truly a family business. I am proud to build upon the venture my parent's pursued, and I know they've enjoyed seeing the business evolve."

A few of the upgrades that Kimberly has spear-headed during her tenure at the helm of Hill Top Berry Farm & Winery include increasing the varieties and quantities of wines they produce, redesigning labels, expanding buildings and farm acreage, and opening a tasting room in Clarksville, Virginia in 2018, which they aptly call, Hill Top at the Lake.

Through Kimberly's tenacity, she invigorated a family business and found success through diversification and ingenuity. Her unique offerings and farm experience have hit home with a variety of consumers.

For more information on Hill Top Berry Farm & Winery or Hill Top at the Lake, visit their website at [www.hilltopberrywine.com](http://www.hilltopberrywine.com) or check them out on social media. ∞



# CAP News

(Congressional Advocacy Program)

**W**hat happens when nearly 750 Farm Credit customers, board members, and employees descend on Washington, DC in July? We collectively bring Farm Credit's message to the halls of Congress, working together to raise awareness of Farm Credit and all we do to support our farmers and rural communities. During the 2019 Farm Credit Fly-In in late July, 23 directors, customers, and employees representing Farm Credit of the Virginias met with Senate and House offices from Virginia and West Virginia to share messages of how we

serve our customers during good times and bad. We also urged Congress to support passage of the proposed U.S.-Mexico-Canada Agreement, and bipartisan legislation to strengthen our nation's infrastructure. After a full-day of visits, we helped turn the Library of Congress into a farmers' market, featuring products from Farm Credit customers across the US!

Our work sharing the story of agriculture and Farm Credit with legislators at the State and Federal level doesn't stop in Washington! We have been crossing our footprint hosting legislative farm tours and meetings, starting in May and continuing through the fall. These farm visits help us as we advocate for agriculture and for Farm Credit by providing our elected officials a chance to get out of Washington, get their feet dirty, and learn from the farmers, agriculturalists, and lenders who are integral to the success of agriculture and our rural communities.

- Senator Shelly-Moore Capito (WV) & the WV Department of Agriculture visited Shockey Dairy farm outside of Ripley, WV in late May.

*Farm Credit is known for building relationships with its customers, but it goes further than that. The Farm Credit System was established by Congress more than 100 years ago, and the directors and employees of Farm Credit understand the importance of sharing the Farm Credit story with those key members. Relationships are built by visiting and meeting with representatives in Washington, D.C. and the states within our territory, making trips to locations they are visiting and participating in events where we can share our story.*

- Rep. Morgan Griffith (VA) visited with farmers in Patrick County & DeHart Family Farms in Floyd in early July.
- Rep. Ben Cline (VA) visited Cave Hill Dairy Farm in Troutville in late July.
- Rep. Rob Wittman (VA) toured a lavender farm and sod operation outside of Williamsburg in early August with FCV and Colonial Farm Credit.
- Rep. Abigail Spanberger (VA) spent two days on ag tours across her district in August, organized by Farm Credit, Virginia Farm Bureau, and the Virginia Agribusiness Council including several stops in Central Virginia.
- FCV co-hosted ag tours through Culpeper and Orange counties in late August for Congressional staffers, ranging from an organic dairy to a hardwood lumber mill to a cattle feeding operation to organic hydroponic lettuce and orchid greenhouses.
- Rep. Denver Riggleman (VA) kicked off his agricultural advisory committee, which includes Board Vice Chair Don Reese, and Regional Sales & Lending Manager Joey Cornwell with a meeting in August outside of Charlottesville.
- Senator Mark Warner held an agricultural roundtable for producers and agribusinesses in Southside Virginia in late August, moderated by FCV. ∞



# “Ag”vocacy = Agriculture + Advocacy

*the science of farming, including cultivation of the soil and the rearing of animals to provide food and other products*

*public support for or recommendation of a particular cause or policy*



**A**dvocacy, or “ag”vocacy is a term that you hear a lot in agriculture now, and for good reason. With less than 2% of the population involved in production agriculture, and an ever shrinking number of consumers with exposure to how their food and fiber is produced; farmers and ranchers need to advocate for the agriculture industry. But the “how” is

sometimes a challenge. Growing crops and raising livestock sometimes seem easy compared to the idea of having a

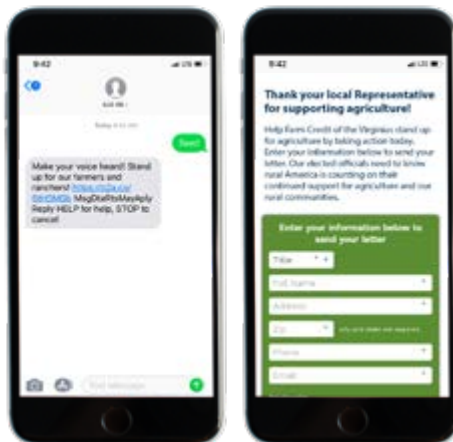
productive conversation with a consumer who has never seen a farm, or who doesn’t have a clear concept of how their food and clothing get from the field to the store. After all, what is a productive conversation? In a world with so many different choices and opinions, what does advocacy really look like?

## STAND UP FOR AGRICULTURE!

### Have you signed up to join Farm Credit’s efforts to advocate for agriculture?

As a customer-member, you can join Farm Credit’s advocacy team — just visit <https://farmcredit.com/takeaction> or text **SEED** to **52886** to sign up for the action alert system. Once you are signed up, Farm Credit will contact you via email and text message when your voice is needed to help advocate for important agricultural issues like trade, conservation programs, the Farm Bill, and broadband infrastructure.

Text  
**SEED**  
to  
**52886**



Agriculture and Farm Credit need many voices to help protect and advance agriculture and rural economies, and this is an easy way to add your voice to our efforts!



Because this is such an important topic, the Knowledge Center team has been working with different groups of producers, youth and “ag”vocates on how they can effectively advocate for the industry in many different ways. Advocacy has been a continued theme on the Knowledge Center blog ([FarmCreditKnowledgeCenter.com/news/blog.aspx](http://FarmCreditKnowledgeCenter.com/news/blog.aspx)) and the team has created a “pocket card” and handout with some agriculture advocacy basics that anyone can take, share and use. In addition, the team has had the privilege of speaking with several different 4-H and FFA groups about advocacy, with a focus on how to make a connection, find common ground and share facts so that people can make decisions that are best for them and their families.

Advocating to consumer is just one part of the puzzle however. Legislators, on a local, state and federal level, have a huge impact on agriculture. Because of this, the Knowledge Center has been diligent in helping to connect producers to legislators on all levels to help facilitate those conversations and give legislators a real life perspective and contact for agriculture. This has included arranging agricultural tours for legislators and their staff on our customer-owners’ operations. They have also taken producers (many of whom are graduates of the Ag Biz Planner Program) to Washington, DC, Richmond, VA and Charleston, WV to visit with legislators and share their own personal stories, and the stories of the agriculture industry as whole. These trips and tours are usually a whirlwind, but go a long way towards helping to bridge the gap between farm and policy, building relationships, and increasing awareness about agriculture’s challenges and achievements.

The Knowledge Center team is passionate about advocating for agriculture, and helping others to do the same. If you, or someone you know, would be interested in resources for print or in having the Knowledge Center come speak to a group about advocacy, feel free to email [KnowledgeCenter@FCVirginias.com](mailto:KnowledgeCenter@FCVirginias.com).

# Farm Succession Planning Webinar Series

A Year Long Series of Webinars Focused on Different Transition and Succession Planning Topics



In the next 15 years, many farms across the country will transition from one generation to the next. How that transition happens could be the difference between a farm continuing successfully, or not continuing at all. That is why farm transition and succession planning is so important, and why we are partnering with experts in different aspects of transition and succession planning to offer a year long webinar series on different transition and succession planning topics.

## How it works:

- **One webinar a month, beginning in October of 2019**
- **Webinars will be held mid-day and will be no longer than 1 hour.**
- **Participants can register for any or all of the webinars** - when you sign up, we will add you to an email list to receive information on each month's topic, date and time as they become available.
- **Topics will include:** Taxes, Goals, Business Agreements, Titles, Farm vs. Non-Farm Involvement, Profitability, Estate Planning, Retirement, Timelines and more!

**These webinars are free and will be held through GoToMeeting.  
You can join via phone or computer from your home or office!**

To receive information on dates and times for each month's webinar, please contact Rebecca Webert via email at [RWebert@FCVirginias.com](mailto:RWebert@FCVirginias.com) or by phone at 540-347-3344



Consolidated Balance Sheets

<i>(dollars in thousands)</i>	June 30, 2019	December 31, 2018
<b>Assets</b>		
Cash	\$ 2,274	\$ 4,700
Loans	1,833,959	1,850,777
Allowance for loan losses	(15,336)	(15,313)
Net loans	1,818,623	1,835,464
Loans held for sale	1,915	349
Accrued interest receivable	14,081	10,518
Equity investments in other Farm Credit institutions	20,729	20,729
Premises and equipment, net	11,302	11,552
Other property owned	620	1,477
Accounts receivable	5,606	22,716
Other assets	2,310	2,146
Total assets	<u>\$ 1,877,460</u>	<u>\$ 1,909,651</u>
<b>Liabilities</b>		
Notes payable to AgFirst Farm Credit Bank	\$ 1,411,638	\$ 1,422,676
Accrued interest payable	4,143	4,033
Patronage refunds payable	494	30,303
Accounts payable	1,894	2,279
Other liabilities	9,043	9,982
Total liabilities	<u>1,427,212</u>	<u>1,469,273</u>
<b>Members' Equity</b>		
Capital stock and participation certificates	10,357	10,426
Retained earnings		
Allocated	92,568	92,568
Unallocated	347,347	337,408
Accumulated other comprehensive income (loss)	(24)	(24)
Total members' equity	<u>450,248</u>	<u>440,378</u>
Total liabilities and members' equity	<u>\$ 1,877,460</u>	<u>\$ 1,909,651</u>

Consolidated Statements of  
Comprehensive Income  
*(unaudited)*

<i>(dollars in thousands)</i>	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2019	2018	2019	2018
<b>Interest Income</b>				
Loans	\$ 25,820	\$ 25,214	\$ 51,671	\$ 49,996
<b>Interest Expense</b>				
Notes payable to AgFirst Farm Credit Bank	12,291	11,312	24,320	22,148
Net interest income	13,529	13,902	27,351	27,848
Provision for (reversal of allowance for) loan losses	(3,750)	500	250	1,000
Net interest income after provision for (reversal of allowance for) loan losses	<u>17,279</u>	<u>13,402</u>	<u>27,101</u>	<u>26,848</u>
<b>Noninterest Income</b>				
Loan fees	196	75	345	369
Fees for financially related services	9	9	11	36
Lease income	4	—	7	—
Patronage refunds from other Farm Credit institutions	2,740	2,654	5,353	5,320
Gains (losses) on sales of rural home loans, net	200	163	328	282
Gains (losses) on sales of premises and equipment, net	31	8	117	165
Gains (losses) on other transactions	108	7	7	20
Insurance Fund refunds	—	—	397	1,673
Other noninterest income	13	15	29	40
Total noninterest income	<u>3,301</u>	<u>2,931</u>	<u>6,594</u>	<u>7,905</u>
<b>Noninterest Expense</b>				
Salaries and employee benefits	4,163	4,433	8,294	9,478
Occupancy and equipment	412	384	751	723
Insurance Fund premiums	318	317	631	633
(Gains) losses on other property owned, net	122	59	136	55
Other operating expenses	1,859	1,845	3,924	3,785
Total noninterest expense	<u>6,874</u>	<u>7,038</u>	<u>13,736</u>	<u>14,674</u>
Income before income taxes	13,706	9,295	19,959	20,079
Provision for income taxes	10	12	20	24
Net income	<u>13,696</u>	<u>9,283</u>	<u>19,939</u>	<u>20,055</u>
Other comprehensive income	—	—	—	—
Comprehensive income	<u>\$ 13,696</u>	<u>\$ 9,283</u>	<u>\$ 19,939</u>	<u>\$ 20,055</u>



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- Newer equipment with a lower payment than a loan
- Access to the latest technology at a known cost
- Preserves cash and working capital since no down payment is needed
- Payments are usually 100% tax deductible and can be structured to help manage taxes
- Eliminates ownership risk and matches payments to the portion of the equipment you actually use



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