



# the CREDIT LINE

Published for the Farm Credit of Southern Colorado Community

## \$4 Million Cash Patronage Dividend

One of the most important financial benefits of being a Farm Credit member-borrower is having the opportunity to share in the Association's profits. Most businesses return their profits to their owners, not their customers. When you borrow from Farm Credit of Southern Colorado, you become an owner of the business and are therefore entitled to share in the profits of your Association.

At the end of each year, the Association determines its net income (total income minus expenses). According to the Association's bylaws, the remaining net income can be distributed, in whole or in part, to our member-borrowers in the form of a patronage refund.

This year, Farm Credit of Southern Colorado will distribute \$4 million cash patronage to our customer owners. This amount is based on our solid 2016 financial results and was approved by the Board of Directors.

"Farm Credit of Southern Colorado is proud to distribute \$4 million in cash patronage during 2017," said Gary Pautler, Board Chairman. "In the midst of a challenging ag economy, we are excited to deliver these checks to member-borrowers."

Eligible customers will receive their check in April.





## From the President's Desk

*Alan Woodard, President and CEO*

Please allow me this opportunity to introduce myself to those of you I have not yet met. My name is Alan Woodard and I come to my new position with a passion for agriculture, rural America and the people who live and work within this ever changing arena. My passion is bore out of a life spent on a third generation farm where I was actively involved in the operations. In addition, time spent in various leadership roles on agricultural boards has introduced me to some of the greatest people in this country.

While the experiences mentioned have taught me many lessons, there are two that stand out, which I feel are appropriate to draw on during these challenging times in agriculture. The first would be that rural America has an indomitable spirit. I have met very few farmers and ranchers in my lifetime who operate under the premise of "can't." Instead, we find ways to adapt, adjust and make things happen for the betterment of our families and communities where we live. Whether in Kansas, Colorado, Oklahoma or any other of the rural areas I have been fortunate enough to travel in, this spirit lives and is bore out of a faith based mentality that will not be defeated.

The second lesson would be trust. Simply put, we like to do business with people we trust. We want to know that the individual across the table from us has both our and their best interest in mind when having conversations and offering advice. Trust is bore out of Integrity, Competence and Compassion. Our Farm Credit Team works hard to live by these three principles. Our customer owners deserve no less than our very best when we are working together.

You may have seen our advertisements this year with a heading of, "Dependability Together." We specifically targeted this theme knowing our industry was in a time when we need to pull together to be stronger. Our associates fully understand the challenges that are currently being faced, and the Farm Credit Mission of serving rural America in good times and bad has never been more important to all of us at Farm Credit of Southern Colorado than it is now. Your Board of Directors also shares in this vision, which is why they declared a \$4 million patronage payout this year eclipsing what was distributed last year to give back to our customer owners in the cooperative spirit.

I will close this message with a simple "THANK YOU!" While the words themselves are simple, the meaning behind them comes with a great deal of gratitude from all of us at Farm Credit of Southern Colorado. We know that you strive every day to be your best, and we plan to do the same so that together we can have a strong rural America for generations to come.

# Annual Meeting

The core of the Farm Credit System and Farm Credit of Southern Colorado is its members/stockholders. As a cooperative and through this structure, it is the opportunity for those in agriculture to come together and be united in a system to assure the local area will have access to a reliable source of credit. The local producers don't have to worry about whether or not an outside interest will come in and restructure, change the focus of financing, or remove their source of credit altogether. That local control is what makes Farm Credit of Southern Colorado unique and able to continue to provide innovative financial solutions to a diverse rural America, one relationship at a time.

This local control is developed and organized at the annual meeting of members/stockholders. This year the meeting will be held on May 19 at 10am, in the Colorado Springs Administrative Office at 5110 Edison Ave, Colorado Springs. There are three open director positions and the Nominating Committee for 2018 will be elected. However, prior to this day, the 2017 Nominating Committee will have spent numerous hours searching, contacting, discussing, and finally, recommending to the Association membership, a slate of two candidates for each open position, from whom to elect directors for a three year term.

How can members become involved in this process? The most important way to make sure your voice is heard is to speak up and vote! There is no more important yet fundamental way to have an influence on YOUR Association than to vote. Your Board of Directors has made it as easy as possible for you to be a part of that process by having mail in ballots to eliminate the need of you attending the Annual Meeting in person if you choose not to. That packet will contain, among other items, the Annual Meeting Information Statement, director candidate information, and a ballot with a pre-paid postage envelop to place your vote.

There are several other ways to be involved. One, you can contact one of the 2017 Nominating Committee members to let them know you want to be on the committee for 2018 and help select the slate of director candidates. Two, you can suggest to the Nominating Committee names of potential director candidates for 2018. Three, you can let the 2018 Nominating Committee know you are interested in being a director candidate yourself!

You are at the core of Farm Credit of Southern Colorado. You have the opportunity to come together with your peers and assure local control of your Association. You can have an impact on the financing of the agricultural industry in southern Colorado. Will you make your voice heard? Will you get involved in the process? Your neighbors and fellow members/stockholders all hope your answer is yes!



## **Colorado Farm Credits donate \$25,000 to Northeast Colorado Fire Disaster Relief Fund**

Premier Farm Credit, American AgCredit, Farm Credit of Southern Colorado and CoBank announced they will donate a total of \$25,000 to the Colorado Farm Bureau's Disaster Relief Fund to help the farmers and ranchers impacted by the recent fire in Logan and Phillips counties.

"Agriculture is the backbone of Northeast Colorado; both the short and long-term impacts of this fire are tremendous," said Rick Sanger, President and CEO of Premier Farm Credit, based in Sterling. "We're grateful that together with CoBank, American AgCredit and Farm Credit of Southern Colorado we can make a meaningful contribution to the Colorado Farm Bureau Disaster Relief Fund."

Alan Woodard, President and CEO Farm Credit of Southern Colorado, said, "Farm Credit of Southern Colorado is committed to working cooperatively with other Farm Credit Associations and industry partners to assist farmers and ranchers who have been impacted by these devastating events." American AgCredit CEO Byron Enix added, "It is our honor to assist in the relief efforts, and we are deeply concerned for all who were impacted by the devastating wildfire."

"Farm Credit and CoBank have a history of standing by our customers and the rural communities we serve in good times and in bad," said Travis Ball, regional vice president, CoBank. "The recent wildfires in Colorado have created a tremendous need and we are committed to doing our part to support the industry and the people of Colorado in their recovery efforts."

The fast-moving grass fire consumed more than 30,000 acres, killing livestock, damaging crops, and destroying homes, equipment, and farmsteads in its path. The fire is out, but the short and long-term impacts to agriculture and life in the area will be felt for years to come.

A visit to the area reveals some of the immediate and obvious challenges locals are facing. With the vegetative cover gone on much of the land, the dirt is drifting and extensive erosion is occurring. Farmers are racing to plant cover crops where possible, but conditions have been less than favorable. Experts have indicated it will likely be at least 2 years before grazing will resume on the rangeland in the area, and it could take between 25 and 100 years for it to fully recover.

Those who lost homes, structures, equipment, fences, and animals are now dealing with the aftermath, as they plan to rebuild and replace valuable buildings and livestock. This is an extreme financial strain, in addition to being physically and emotionally challenging.

"We'll continue to search for ways to support our customers, friends and neighbors," said Rick Sanger. "As we move forward, we encourage others to do the same."

To make a donation to the CFB Disaster Relief Fund, visit [coloradofarmbureau.com](http://coloradofarmbureau.com).

# Farm Credit Offers Leasing

## Leasing – Flexible Financing to Grow Your Business

Everyone knows that using the right tool is the best way to get the job done. Are you using the right financial tools to grow your business?

### WHY LEASE?

#### Pay Nothing Down

Typically, down payments aren't necessary. Simply pay the first payment in advance. Often, leasing can provide 100% financing.

#### Maximize Tax Benefits

Lease payments may be fully tax deductible under a True Lease, allowing you to lower your taxable income and expense equipment sooner. Opt for a Conditional Sale to take advantage of deductions available as tax owner of the equipment.

#### Control Your Cash Flow

Fixed rates and flexible payment schedules allow you to match your payments to your cash flow and the profits generated by the leased equipment.

#### Preserve Capital

By leasing, you preserve your cash, working capital and other credit lines for expansions and day to day expenses.

### WHAT CAN YOU LEASE?

You may know that you can get lease financing for tractors, combines, forklifts and other equipment used almost daily in agriculture... but the list of what can be leased is more than 10,000 items long. Consider leasing for your vehicles, equipment, or facilities to help meet your financial goals.

**CONTACT YOUR RELATIONSHIP OFFICER AT YOUR LOCAL BRANCH OFFICE TO LEARN MORE ABOUT LEASING OPTIONS.**



# Protecting Yourself Online

*Tips from the Farm Credit of Southern Colorado IT Department*

Farm Credit of Southern Colorado and other banking institutions offer online banking for the convenience of their members and customers. While we take protective measures to ensure the safety of our member's information, there are safeguards that you should also be taking.

We all know that creating and remembering the many passwords that are required to conduct business online is an overwhelming chore. However, it is important that you always use strong and complex passwords. Always use a mixture of uppercase and lowercase letters, numbers, and special characters and avoid passwords such as your pet's name or common words. Using a phrase as a password is a good practice. Do not use the same password for your financial business that you use for your social media accounts.

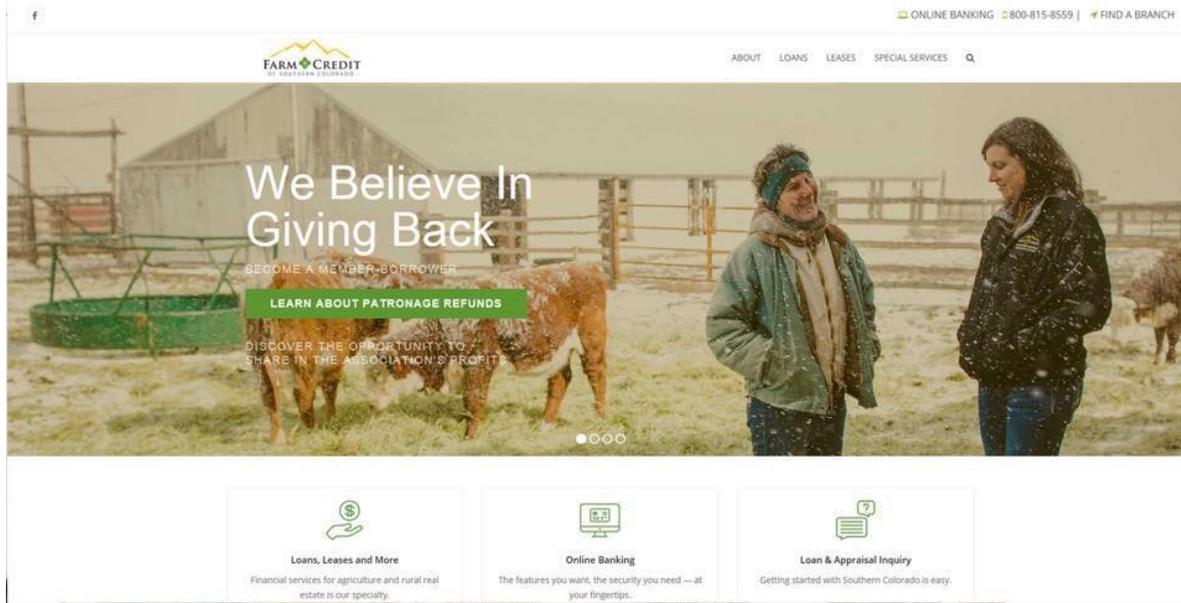
Keeping your computer secure and up-to-date is vital. Make sure the firewall is on, antivirus software is running, and your operating system and other software are kept current. Turning on Windows Automatic Updates is a good way to keep your computer up-to-date. Also, make sure the password on your wireless router has been changed from the default password it came with. This keeps attackers who come within signal range of your router from accessing your home network.

One of most effective means cybercriminals use to gather your online credentials continues to be through phishing emails that entice the recipient to click links that take them to fake websites for malicious purposes. Below are several things you can look for in an email that will provide hints on its genuineness.

- Look at the From address of the email. Does the address look official or is it from a generic Gmail or Yahoo address that a company would not be using?
- Does the email portray a sense of urgency? Cybercriminals try to get you to react immediately by appealing to your sense of concern with statements such as "Urgent Action is Required". Take a minute and call the company to verify the information in the email.
- Hover over links in an email to examine them for validity. The link may direct you to a fake website that looks very real in an attempt to trick you into surrendering your username and password. It is always better to type the company's website address directly into your browser rather than clicking on a link in an email.
- Does the email contain spelling or grammatical errors, is the tone appropriate, or does it contain a generic greeting such as "Dear customer"? While a cybercriminal may have access to your email address, they seldom have access to your name.

Farm Credit of Southern Colorado is dedicated to protecting its members. Please remember that we will never ask you for confidential information in an email such as your social security number, bank account number, username or password. If you are ever in doubt, please do not hesitate to call your local branch office and ask.

# Check out our updated website [www.aglending.com](http://www.aglending.com)



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**HERE FOR FAMILIES, RURAL COMMUNITIES & AGRICULTURE**

**FARM CREDIT OF SOUTHERN COLORADO**

LENDING SUPPORT FOR RURAL COLORADO. 800-815-8559 [AGLENDING.COM](http://AGLENDING.COM)



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Watch your mailbox for  
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### Farm Credit of Southern Colorado Branch Locations

Burlington (719) 346-5324

Colorado Springs (719) 570-1087

La Junta (719) 384-4455

Lamar (719) 336-7474

Limon (719) 775-2838

Monte Vista (719) 852-3341

(800) 815-8559

### Farm Credit of Southern Colorado Upcoming Holiday Closings

Monday, May 29—Memorial Day

Tuesday, July 4—Independence Day

Monday, September 4—Labor Day

Monday, October 9—Columbus Day

Friday, November 10—Veteran's Day

Thursday, November 23—Thanksgiving Day

Monday, December 25—Christmas Day

*This mission of Farm Credit of Southern Colorado is to provide innovative  
financial solutions to a diverse rural America one relationship at a time.*