Kim Zeltinger  
Chief Credit Officer

**Structure**

- Regulator – Farm Credit Administration (FCA)
- 3 Farm Credit Banks, 1 Agricultural Credit Bank
- 69 Ag Credit Associations
- Funding Corporation – New Jersey wholly owned and sells Farm Credit Bonds

**Farm Credit System**

- FCS Nationwide Cooperative Network
- Provides over 1/3 of Ag Credit Nationwide
- $259 Billion in loans and leases
- $34 M in Financial Services
- 500,000 member-borrowers
- 13,000 employees
- 50 States, DC and Puerto Rico
About Us

• 38 offices in 65 counties in ND, MN and WI
• Agribusiness & Retail Finance nationwide
• Assets over $7.4 Billion
• More than 18,000 B Stock & Participation Certificate holders
• Association is a patronage-paying cooperative governed by a Stockholder-elected Board

Our Service Area

AgCountry Total Commitment by Loan Type 12/31/2017

- Operating & Lines of Credit: 36.26%
- Real Estate: 35.64%
- Term: 28.03%
- Leases: 0.07%

AgCountry Total Commitment by Ag Product 12/31/2017

- Cash Grains: $2,941,966; 30.19%
- Sugar: $570,460; 5.85%
- Elevators and Grain Handling: $526,170; 5.40%
- Corn: $260,085; 2.59%
- Potatoes: $252,866; 2.59%
- Other: $3,506,967; 35.98%
- Ethanol: $445,719; 4.57%
- Dairy: $478,159; 4.91%
- Electric Services: $271,520; 2.79%
- General Farms: $492,484; 5.05%
Real Estate Sales Activity

- On average down ~16% from the peak. Dependent on quality.
- Sales activity has generally been stable over the past 12 months but down from the peak.
- Good 2017 crop yields provided break-even to profit situations in many areas (similar for ‘18?).
- Market supply overall has been relatively stable to slightly increasing.
2018 Early Assessment

• Some areas in the north were dry.
• Some areas in the south were very wet.
• Some areas in the west were affected by snow.
• On average, production was above projection.
• Marketing appears to have been better.
• Tariffs have backed up cash flows.
• Sugar beet production was good in the north, more affected by excess rain in the south.
• We are still early in the process.

2019 Projections

• New Farm Bill and USMCA implications.
• March China trade deadline implications.
• Tight projections with normalized production.
• Balance sheet structure will need to be reassessed. In some cases, rebalanced or self help needed.
• Customers are looking for opportunities.
• We are still early in the process.