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Welcome to our First Edition!



Welcome to the first edition of **Have You Herd**, a new quarterly newsletter for our Agriculture related friends. Being a partner and resource for our customers is part of who we are, and getting information into your hands so you can make better business decisions is our responsibility. **Have You Herd** will be used to inform you on a wide variety of topics including what's going on in the industry, performance improvement tips from key industry leaders, updates on what your fellow-farmers are doing - check out our highlight on the Slaymaker Farm in this issue - and a whole lot more.

Our strategic commitment to Agriculture has never been stronger but it didn't happen overnight. We've spent years finding the right people. Our Ag Team has over 300 years of experience in both agriculture and financial services.

\$1,000 Ag Scholarship Application Deadline is March 15th



The First Citizens Agricultural Scholarship awards \$1,000 to a high school senior who will, after graduation, continue his or her education in an agricultural-related field. The scholarship will be paid out to the recipient for their second year in college or trade school, when the student's prior year transcripts are received. Students must have a GPA of at least 3.0, and must reside in the First Citizens market area. Preference is given to students who are customers or who have family members as customers. Applications can be found at firstcitizensbank.com, at any community office, or by calling (800) 326-9486.

The 2015 recipient, Brooke Ostrander of Troy, (third from left) was selected for her involvement in the Troy FFA chapter, the Bradford County Dairy Promotion, and the Chemung County 4-H. Brooke was the 2014 - 2015 Bradford County Dairy Princess, and she works at Milky Way Farms. She is a 2015 graduate of Troy Jr. Sr. High School, and is studying Agricultural Extension and Education at Penn State Altoona. Brooke is pictured receiving her award from members of the First Citizens Ag Advisory Board.

Past winners include:

- 2014 - Devin Remley, Liberty High School
- 2013 - Michala Kuhlman, Northeast Bradford School District
- 2012 - Maria Noble, Troy Area School District



We Put Farmers First

It takes a farmer to know what a farmer needs. Each team member has farming in their blood and some still farm today. That's what makes them different from other Ag Bankers. When you're talking expansion, they understand. When you're talking about improving performance, they get it.

across the country directly to our Ag community. Attendance continues to be strong, which supports what we already know – that farmers are eager for knowledge to improve their business.

It takes a farmer to know what a farmer needs.

But as you know, Ag is always changing so we formed the First Citizens Ag Advisory Board to keep us abreast of what is going on in the industry and to be a direct line for understanding the needs of the Ag community. The board is composed of farmers from all areas of agriculture throughout the state. We'll focus more on our Ag Board in the next issue of **Have You Herd**.

In 2012, our Ag Team created the First Citizens Ag Scholarship as part of our goal to ensure the next generation has the opportunity to make a difference and help keep the Ag industry strong. This scholarship provides financial assistance to a local high school student who is pursuing a degree in Agriculture. Applications can be found on our website and are due each year by March 15th. Previous scholarship recipients are listed on page 4.

Since Agriculture is a strength and a core competency of our company strategy, we have to consider it when evaluating opportunities for growth and expansion. And that's just what we did when we moved into the Lebanon County market with our acquisition of The First National Bank of Fredericksburg in late 2015. Exciting plans are coming together even as I write this letter.

I hope it is clear to you by now that we're serious about Ag. We've worked hard to get where we're at and we're not done yet. Enjoy the first issue of **Have You Herd!**

Randy

We're in the 4th year of our annual Ag Forum – another initiative of our Ag Team. These forums bring high quality

Upcoming Events



3/15 - Soil Health Conference
Penn State

3/17 & 3/21 - Center for Dairy Excellence Producer Roundtable Meetings

3/17 - Bird-In-Hand Restaurant
3/17 - Dutch Way, Myerstown
3/21 - Carriage Corner, Mifflinburg
3/21 - Riverstone Inn, Towanda

3/17 - Tioga County Crop Day
Whitneyville Fairgrounds

3/19 & 3/20 - 12th Annual Maple Weekend

15 maple syrup operations in Tioga and Potter Counties are open for the public to tour.

3/31 - 4/21 Farm\$en\$e Four Session Workshop, Towanda

Learn how to understand financial statements, and how to use financial records to make informed financial and production decisions.

4/1 - 4/3 - Central PA Home and Garden Show

Bryce Jordan Center, State College

4/13 & 4/14 - Beef Producer Meetings

Hosted by Penn State Extension Livestock Team. Invited speakers include Cheryl Fairbairn & Dustin Heeter. 6:30 - 9:00 PM.

4/13 - Towanda | 4/14 - Wellsboro

4/13 - Webinar Series: More Than Just Classes, How Show Management Makes or Breaks the Show! - Part 2

7:00 PM - 8:00 PM

6/10 - 6/12 Antique Tractor and Machinery Show

Canton



Jim Dunn's Dairy Outlook

Milk prices have declined considerably in the past year. After having an all-milk price of over \$20/cwt. for all of 2014, including several months over \$25, the price has since been under \$20 for a year, with a few months under \$18. Although these prices are much lower, one saving grace has been that feed costs are lower as well.

Nevertheless, 2015 was tough for dairy farmers and 2016 will be also. The main reason for this is that China has been importing much fewer dairy products. In recent years China has been the largest customer of powdered milk. Because China has had problems with quality of its domestic product and the Chinese population is not as lactose intolerant as it was historically, China is a much larger consumer of dairy products.

Another major factor has been the strength of the U.S. dollar, which is up considerably against the currencies of the other major dairy exporters, especially New Zealand, the European Union, and Australia. The California dairy industry has been struggling with a several-year drought. However, the traditional dairy states of Wisconsin, Minnesota, New York, and Pennsylvania have done better, although the Midwestern states have faced better conditions than the Northeast.

While the dollar is now somewhat weaker, the drought in California may be easing and corn and soybean meal prices will remain low. In general the dairy outlook is not great for 2016. However, it appears that dairy farm profits will improve considerably in the second half of the year. Much depends on the ability of farmers to produce good quality hay. In 2015 this was a problem, and hay is an important feed for dairy cows and depends mainly on local weather rather than world events.

Since 1977, James W. Dunn has been a Professor of Agricultural Economics at Pennsylvania State University teaching and doing research and extension in the areas of agricultural marketing, agricultural policy, food industry economics, and trade, with an emphasis in agricultural markets and price risk management.



Local Teen Crowned PA Fair Queen



Tioga County Fair Queen Darby Kasper of Roseville was crowned the 30th PA Fair Queen on Saturday, January 23rd in Hershey at the annual joint convention of the Pennsylvania State Association of County Fairs and Pennsylvania State Showmen's Association. Kasper, 17, is the daughter of Bradley and Kathleen Kasper. Another top-five finalist residing in our market area included Lebanon Area Fair Queen, Megan Bixler of Cleona, Lebanon County. Congratulations, Darby and Megan!



Customer Spotlight

Dan and Jessica Slaymaker
Slaymaker Farms - Mansfield, PA



Dan and Jessica are pictured in their new barn with their daughters, Lauren and Janelle.

For Dan and Jess Slaymaker, 2015 was an exciting year. In November, they moved their 145 head of cows into their new dairy facility outside of Mansfield. Prior to the move, the cows were housed in two tie stall barns about 15 miles from their home. The new stall barn has 143 stalls in a 3 row design plus a bedded pack. The milking parlor is a double 8 parallel, rapid exit with 16 Dairymaster milkers and automatic takeoffs. Dan and Jess, who were both raised on dairy farms in the Northern Tier of Pennsylvania, worked with their dairy profit team for over 2 years to make the new barn a reality. After the move, they experienced a 10 pound increase in milk production and their Somatic Cell Count dropped to 100,000. Another interesting fact about the farm is its unique organizational structure. The farm itself is a partnership between Dan and his mother, Cheryl, and includes the livestock and the machinery. Dan and Jess own the real estate and lease the land out to the partnership. Congratulations Dan and Jess on all of your success!

First Citizens is #1 Ag Lender

First Citizens Community Bank provided more loans to small farms in our markets than any other local, regional, or national bank. We'll report on our 2015 results when they are released in the fall of 2016.

	2014		2013	
	# of loans	\$ of loans	# of loans	\$ of loans
Bradford County				
First Citizens	47	\$3,893,000	60	\$4,588,000
All Other Local Banks	34	\$2,471,000	39	\$2,495,000
Tioga County				
First Citizens	31	\$2,119,000	38	\$3,470,000
All Other Local Banks	25	\$849,000	21	\$686,000
Potter County				
First Citizens	15	\$1,521,000	9	\$1,149,000
All Other Local Banks	4	\$184,000	2	\$187,000

**Local banks include: Citizens & Northern Bank, Northwest Savings Bank, Chemung Canal Trust Company, Steuben Trust Company, and Community Bank, N.A.*

Cook's Column

Slow Cooker 3-Cheese Bacon-Broccoli Soup
(Gluten Free)

Ingredients:

- 1/2 c. butter or margarine
- 1 c. diced onion
- cornstarch
- 1 12 oz. can evaporated milk
- 1 32 oz. carton chicken broth
- 1 bag frozen broccoli florets
- 1/2 tsp. ground pepper
- 1/4 tsp. salt
- 1 8 oz. loaf Velveeta cheese
- 1 1/2 c. shredded sharp cheddar
- 1 c. shredded Parmesan
- 1 bag pre-cooked bacon pieces, or 2.5 oz. cooked fresh bacon

Directions:

1. In skillet, melt butter and cook onion for 4 minutes.
2. In crockpot, combine onion, evaporated milk, chicken broth, pepper, salt, Velveeta cheese, broccoli, and bacon.
3. Place crockpot on 4 hr. setting, and stir every 20 mins. until Velveeta has completely melted.
4. Once melted, add in remaining cheeses; stir and allow to melt.
5. Approximately one hour prior to eating, combine cornstarch with water and add mixture to soup until desired thickness is achieved.



Have a great farm-fresh recipe you'd like to share? Mail or e-mail a copy to us at:

fccbinfo@firstcitizensbank.com

