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Providing you with information that helps you maintain a thriving agricultural operation is what we consider a primary role of First Citizens. That's how this newsletter came about — and this issue won't disappoint. We are starting a series of articles on the successful transition of the family farm, and will be including a piece each quarter from Stewart-Peterson, Inc., experts in commodity price risk management.

Since the beginning, *Have You Herd* has included stories about some successful and intriguing customers to help you think “out of the box” when it comes to the future of your operation. Our Customer Spotlight this month focuses on Linford Snyder, a farmer from Lebanon County who we greatly admire for his unique story of perseverance, growth, and helping to keep farming alive and well in Pennsylvania.

Lately, we've been hard at work building a new Agricultural website which will launch in July. There you'll find information about our Ag team and Ag Advisory Board members, details on Ag products and services, information on succession planning, commodity sales, expansion projects, unique customer stories, helpful Ag websites, and a calendar of Ag events taking place throughout our markets. Check it out at WePutFarmersFirst.com.

Finally, we want to give a shout-out to the winners of our 2017 Agricultural Scholarship, which is awarded annually to one or more high school seniors who plan to continue their education in an agricultural-related field. Students are chosen based on academic merit and dedication to agriculture.

It's our privilege to serve you and your family.

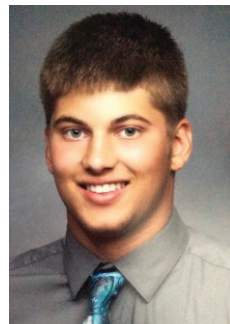
Randy

Hats Off to Our 2017 Ag Scholarship Winners!

Cameron Snook of Middleburg was chosen for his involvement in the DECA (Distributive Education Clubs of America) competition. He also works on his family's farm where they manage 2,000 dairy cattle, 3,000 hogs and 1,000 acres of crops. Cameron is a graduate of Midd-West High School, and plans to study Agribusiness at Penn State University Park.



Luke Shuey, Westfield, has a goal to someday own and operate his own dairy farm. When he was eleven, he purchased cows with the help of his father to start his own beef cattle production herd. Luke graduated from Cowanesque Valley High School, and plans to attend Alfred University for Ag-Dairy Science.



Prior to graduation, **Lauryn Watkins** of Roaring Branch had already taken several courses at Lackawanna College, Keystone College and Corning Community College. She graduated from Canton Area High School, and has been accepted to Penn State University to major in Agribusiness and minor in Equine Management.



Customer Spotlight



Linford Snyder has seen just about everything in the farming industry. He was only fifteen when his father passed away and he chose to drop out of school to take over the family dairy operation. Since then, Linford has started and operated a variety of farms and other businesses. In 1985, he and his brothers began an excavating and concrete business which is now managed by three of his sons. In 1990, Linford shifted his farming focus to hogs, which his brothers still run today. Then came turkeys, veal, ducks and eventually layers.

Linford began raising layers when he contracted with Penn Embryo to produce eggs for the manufacture of flu vaccines. In time, he converted this business into an independent contract with Deb El Foods, sending eggs to New Jersey and New York for liquid eggs. More recently, Linford partnered with an individual who builds large cage free aviary houses. Their operation has a total of 1.2 million layers and 700,000 pullets, and has become a vertically integrated business that now ships eggs to Deb El Foods for table eggs in addition to liquid eggs.

Linford's business ventures have not stopped with poultry. He also owns the Lebanon Valley Truck Wash as a bio-security measure for other farmers, runs the Fredericksburg Livestock Auction, and is a partner in a discount grocery store adjacent to the auction.

Linford has a long history of helping young families get started in farming. He buys farms and teaches them how to run them, then eventually sells them to the family. According to Linford, “Sometimes, you just need help to get it going. I know there are good people everywhere, and I like to be one of them.”



We Put Farmers First



The Future of Your Farm

In 2008, the Cooperative State Research Education and Extension Service (CSREES) reported that 70% of U.S. farmland would change hands by 2028. In 2015, USDA's Economic Research Service (ERS) released findings from its latest Tenure, Ownership, and Transaction of Agricultural Land survey where they noted that of the 911 million acres of US farm land, about 10% would be transferred between 2015 and 2019. The survey also revealed that of all the land that is expected to transfer, only about 25% will be sold to non-family members which tells us that most family farms want to stay that way – in the family.

When it is time for the next generation to take over, transferring assets and management responsibilities must be part of the discussion. The process is not easy, but it is necessary, and it all starts with knowing your goals and having open discussions among family. In future editions of this newsletter, we'll provide a series of articles focusing on a variety of farm succession planning topics.

How would each of your family members respond to the following questions?
(Quiz provided by the Montana State University Extension)

- Which child(ren) intends to operate the farm or will be involved in the farm?
- Will non-farming children have ownership of significant farm assets currently owned by the parents?
- What are the feelings of on-the-farm family members compared with the off-the-farm members regarding the ownership?
- What would happen to land and/or equipment that was transferred to a child who then prematurely died? (Would the property go to the spouse, the children, or be returned to the parents?)
- Do parents or grandparents need full income, partial income or no income from the farm when they retire?
- When do the parents intend to give up control over the land? (After one dies or both die? At retirement? When the children ask for it?)
- Do parents want to own assets separately from or jointly with their children?
- Who has control over major decisions in the farm, such as the purchase of business assets, mortgages, etc.? (Parents? Children? Both?)
- What consideration has been given to the “in-laws” in the ownership of the business property?

Teaming Up With Stewart-Peterson, Inc. To Help You Manage Price Risk

We understand the impact market volatility has on your business. Many producers are accustomed to accepting price for milk or grains. The thought of actively managing your price risk can be daunting, leading to missed opportunities and business risk. That's why First Citizens has teamed up with price risk manager Stewart-Peterson, Inc. to arm you with the resources and expertise to help you feel comfortable with price risk management.

When asked about factors driving farm marketing success, Stewart-Peterson's Kellie Czarnecki encourages a strategic, holistic approach led by cash decisions. “With over 30 years of experience, Stewart-Peterson knows that there's no more powerful farm marketing tool in a marketing toolkit than what the milk producers send to the milk plant or grain they produce. Nonetheless, the traditional industry model of risk management encourages producers to overemphasize hedging decisions while ignoring the key role of cash. It's no surprise that producers often feel that managed marketing efforts can be disjointed or counterproductive.”

Stewart-Peterson's Market360® service leads with cash recommendation supported by complementary hedging decisions to make sure your decisions work together. They develop strategies that prepare you for a variety of market scenarios. Get a weekly update on trends and market analysis right in your email inbox by contacting Kellie Czarnecki at 262.438.0349 or kczarnecki@stewart-peterson.com. Or visit stewart-peterson.com/market360/this-week/.

Weekly “Top Step” Prices:

Futures Contract	This Week	Last Week	Change
July Corn	3.5775	3.8400	-0.2625
July Soybeans	9.0450	9.3900	-0.3450
July CBOT Wheat	4.5975	4.6525	-0.0550
July KCBOT Wheat	4.6425	4.7350	-0.0925
July MGEX Wheat	6.6125	6.4275	0.1850
July Milk	16.01	16.42	-0.41

Meet Our Southern Tier Ag Advisory Board

In our last issue of *Have You Herd*, we introduced you to the members of our Northern Tier Ag Advisory Board. It's our pleasure to now familiarize you with the industry leaders on our Southern Tier Ag board who help us navigate the challenges and opportunities facing farmers in our markets.

B. Robert Kreider — Bob was raised on a poultry farm and brings more than 35 years of poultry experience to our board. In 1980, he began his working career with Wenger Feeds as a mill worker. In 1996, Bob spearheaded the construction of a \$7 million, state of the art hatchery center in Elizabethtown, Pennsylvania. In 2001, he accepted the position as President of Hy-Line's North America operation, which resulted in the uniformity of procedures and products. In 2007, Bob started his own business, Embrovac, LLC. He is a board member for numerous entities related to scientific research, governmental affairs, poultry representation and the promotion of the egg industry.

Delvin Martin — Delvin is co-owner and President of Stevens Feed Mill, Inc. His grandfather and father worked at the mill, and as a teenager, Delvin joined them. In 2013, he invested in the company. He has been involved in agriculture his entire life, and lives with his wife and five children on their Lancaster County farm primarily raising pigs.

Chris Pierce — As President of Heritage Poultry Management Services, Inc., Chris has worked with local businesses and the Pennsylvania egg industry for over 30 years. His company is focused on supporting the needs of all types of egg production, both traditional and non-cage egg production. He is committed to ensuring the egg industry provides for the care and well-being of egg laying hens.

Peter J. Hughes — Peter grew up on a 2,500-acre wheat farm in Washington State. After graduating with a degree in Natural Resource Science and Biology, Peter moved to Australia, where he worked on a 25,000-acre crop and sheep farm. In 2001, Peter formed Red Barn Consulting with his wife, Molly, a professional engineer. Red Barn is an agricultural consulting and engineering firm based in Lancaster, Pennsylvania assisting over 1,200 farmers exceed water quality standards through on-farm nutrient control.

Chris Hoffman — Chris owns and operates a variety of organizations including Lazy Hog Farms, a 1,400-sow farrow-to-wean operation, a 4,800-head nursery barn and 4,400-head finishing barn located in Juanita County, and Lazy Chick Farms, raising 250,000 chickens annually. Chris has a long history of leadership serving as Pennsylvania Farm Bureau's Vice President leading the Agricultural Promotion Committee. He also chairs the Pennsylvania's Nutrient Management Advisory Board, and is a member of the PA Pork Producers Council and the Penn Ag Industries Association.

Brent M. Copenhaver — Brent graduated from Ohio State with a degree in Dairy Cattle Production and Management. He worked as an assistant herdsman for Caristone Farm, LLC and managed and custom-raised hundreds of heifers for other dairymen. In 2007, Brent invested in Villa Dale Farm, LLC where he helps manage a herd size of 260 cows and 245 heifers, while cropping 240 acres. He is an avid supporter of local 4-H and FFA activities and the local county fair. (Not included in photo)

See you at the fair!

- **Lycoming County** – July 12-22
- **Schuylkill County** – July 31-August 5
- **Allegany County, NY** – July 14-17
- **Tioga County** – August 7-12
- **Lebanon County** – July 22-29
- **Elizabethtown** – August 21-26
- **Troy** – July 24-29
- **Denver** – September 12-16
- **Clinton County** – July 29-August 5
- **Ephrata** – September 26-30
- **Potter County** – July 31-August 5
- **Manheim** – October 1-8

