

**FINANCIAL  
PARTNER**  
BUSINESS INSIGHTS FOR HIGHER YIELDS



**FARM CREDIT EAST**

FarmCreditEast.com

**LOOKING  
FORWARD  
2023  
INSIGHTS AND  
PERSPECTIVES**

**ALSO IN THIS ISSUE:  
2023 DIRECTOR CANDIDATES P.11**

SPRING 2023

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## Salute to Retiring Directors

At the close of the current election cycle, two directors will be retiring from the Farm Credit East Board of Directors.



**Peter R. Call**, of Batavia, NY, was first elected to the board in 2015. Peter is president of My-T Acres, Inc., an 8,500-acre vegetable and grain operation, with more than 5,000 of those acres dedicated to the production of snap beans, potatoes, red beets, carrots, peas, sweet corn, spinach and cabbage. Throughout his tenure, Peter has served on all the board's committees.



**Tim C. Chan**, of Claremont, NH, is an appointed outside director serving on the board since 2015. Tim is retired from Ocean Spray Cranberries, Inc., North America's leading producer of canned and bottled juices and juice drinks where he served as the Senior Vice President and Chief Financial Officer. Tim served as the board's financial expert for many years.

To both Peter and Tim, thank you for eight years of service to the cooperative. Your leadership has helped to position the cooperative for the future and your lasting impact will be enjoyed by Farm Credit members for generations to come.

## Calling All Talented Photographers!

**Submit your photos for a chance to win \$100.**

We look forward to the many creative images representing Northeast agriculture and country life we receive from customers, employees and friends each year. As the weather warms, get outside to capture images representing modern agriculture, commercial fishing and forest products. Upload your creative shots for a chance to be featured in our 2024 calendar!

We look for photos representing Northeast agriculture, commercial fishing and forest products during every season, so don't forget to send in the snowy scenes you captured this winter too!

**Ready! Aim! Shoot!**

Upload photos at [FarmCreditEast.com/Calendar](https://FarmCreditEast.com/Calendar)

Deadline: July 31, 2023



## Important Dates!

Farm Credit East offices, including online banking and payroll processing, will be closed on the following dates:

**Monday, May 29**

**Monday, June 19**

**Tuesday, July 4**



**Mike Reynolds**  
CEO, Farm Credit East

# THE FARM CREDIT DIFFERENCE

2023 marks 107 years of the Farm Credit System. For more than 100 years, Farm Credit East (and its predecessor cooperatives) has been the source of sound, reliable credit for the region's farms, fishing and forest product businesses. There's a reason for that — we call it the Farm Credit difference.

What makes Farm Credit different? It starts with **our people** — both our team and our customers. We serve more than 18,000 customers who are truly the backbone of the region's economy. We have a team of 575 financial specialists who understand the intricacies of agricultural businesses along with their unique credit and financial services needs. Many staff members were raised in agriculture and those who weren't share the same values. Most of our team live, work and volunteer in the same communities we serve. It's this local presence that helps us stay in tune with our customers and their needs.

In the year ahead, we will continue to evolve our processes to provide our team more time to spend with you, our customers, strategizing for your future. We've also realigned our delivery model to better match talent and resources with customer needs. Through these changes, we aim to bring additional value to your business.

**Our industry knowledge** is another unique differentiator. For all 107 years, we've only worked in agriculture and related industries. This provides a depth of understanding of these industries and their cycles.

We also partner with industry organizations and experts to stay on top of trends. Our Knowledge Exchange team delivers those insights to customers in the form of webinars, reports, monthly e-newsletters and events.

For the past several years we have produced an annual *Insights & Perspectives* outlook report. This year, we've moved the report to a digital format to bring you those 2023 industry outlooks in real time. This issue's cover story provides highlights of the *Insights* papers. I encourage you to visit our website to read the full reports.


And last, but perhaps most importantly, we're **customer owned**. This means customers share in our success. Funds not needed to operate or capitalize the cooperative are returned to members. For the full year 2022, customer-owners received \$117 million in patronage dividends. Learn more about our patronage program on page 9 of this issue.

Customer ownership also means we are governed by a board of your peers who were elected by you. We are in the midst of the annual director election cycle with

four highly qualified candidates vying for two open board seats. Learn more about this year's candidates starting on page 11. Participation in this annual process is an important part of your cooperative ownership, so I encourage you all to vote.

**TO SUSTAIN THAT DIFFERENCE,  
WE MUST EVOLVE TO REMAIN  
RELEVANT AND COMPETITIVE.**

I've worked for Farm Credit my entire career. **I believe in the Farm Credit difference.** To sustain that difference, we must evolve to remain relevant and competitive. Key to staying competitive is maintaining our financial strength and continuing to deliver value to our customers.

While we evolve our business in the year ahead, I can promise you that our differentiators will endure. Our people will remain committed to the industries we serve. We'll expand our industry knowledge to provide business insights to support our customers' success. And our customers will continue to drive the vision of the cooperative for the future. I look forward to what's in store for us. **Thank you for being part of the Farm Credit difference.** 

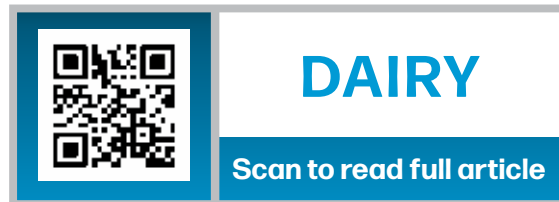
# LOOKING FORWARD 2023 INSIGHTS AND

In our last issue, we convened a group of economists to provide their macro perspectives on the global, national and agricultural economies. They provided high-level perspectives about geopolitical impacts, inflation and interest rates, rising energy and input costs, and the outlook for the 2023 Farm Bill.

As the calendar turns to spring and with the growing season upon us, this *Financial Partner* takes a deeper dive into the industries served by Farm Credit East to provide an outlook on what to expect in the coming year.

For many years, Farm Credit East has published *Insights and Perspectives*, a compilation of outlook papers from industry experts, as well as analysis from Farm Credit East's Director of Knowledge Exchange, Chris Laughton.

This year, *Insights & Perspectives* continues as a digital series of articles and webinars. The articles are available on our website, and while many of the webinars have already occurred, recordings can be found on our website as well. Following are highlights from several industry papers on what to expect in the year ahead.



Coming off a fairly strong 2022, Cornell University dairy economist, Dr. Chris Wolf, projects uncertainty for 2023. Boosted by an all-milk price of \$25.55, 2022's income over feed of \$11.52/cwt. was the third highest in the last 20 years. And while 2022 was generally profitable for most producers, "the margins themselves were less indicative of profit than in the past given increases in energy and labor costs," wrote Wolf.

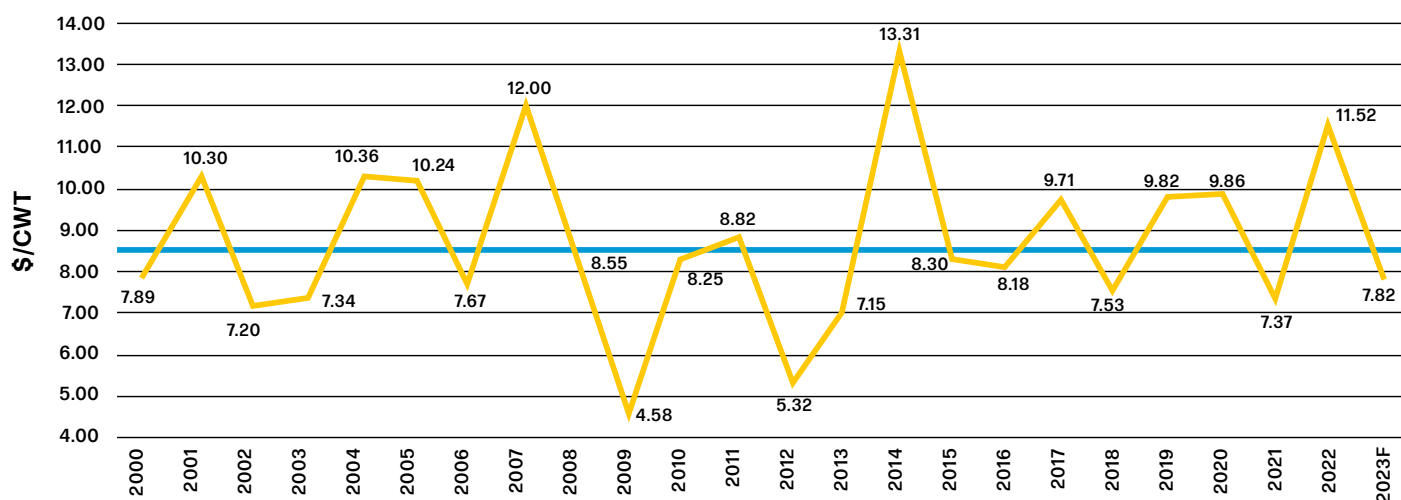
In terms of supply side impacts to look for in 2023, Wolf pointed to three key factors: dairy products stocks, input prices and weather. While increasing stocks of butter and cheese will have a dampening effect on dairy prices, "ramped up production in the second half of 2022 has stretched processing capacity in some regions while labor issues continue to plague farms, haulers and processors." Citing added cheese production coming online, Wolf predicts exports will need to grow to balance the market in the coming years.

U.S. exports and international production were a factor in 2022 profitability and will continue to have an impact in 2023. Major milk producing countries/regions, such as Australia, New Zealand and the European Union had lower year-over-year milk production last year. This provided an opening for U.S. exports, which increased 25% by value and 5% by volume in 2022 compared to 2021. Wolf predicts China will be a key to continuing that momentum in 2023.

USDA is projecting a 2023 all-milk price of \$21.60/cwt., almost \$4/cwt. below 2022. Combined with feed and other input costs, whose prices have moderated in recent months, the income over feed margin is projected to be \$7.87/cwt., a below-average year. As is often the case, feed costs will be impacted by U.S. and global weather.

# PERSPECTIVES

US INCOME OVER FEED COST MARGINS, 2000-2022



Wolf concluded by observing legislative and regulatory policy discussions on tap for 2023. The Dairy Margin Coverage (DMC) safety net program will be discussed as part of the 2023 Farm Bill and Wolf expects it may be revisited as far as production history, Tier 1 limits and margin levels. The increasing cost of labor and energy means current income over feed margins do not translate into the same profit levels as they once did. It's also likely there will be a Federal Milk Marketing Order hearing as "dairy farms and cooperatives from all regions seem to agree that Class I pricing and make allowances are in need of examination," noted Wolf. *Read the full article by visiting [FarmCreditEast.com/Dairy](https://FarmCreditEast.com/Dairy).*

Still, growers indicated sales and profits were higher than pre-pandemic 2019 levels.

Hall noted consumer spending has remained strong and the "pervasive supply chain wrinkles that have been hampering many parts of the economy continued to be ironed out over the course of 2022. The costs associated with supply chain logistics will likely continue to recede to pre-pandemic levels." In addition, across the industry firms are investing to not only restore supply chains but also improve them for the future.



GREEN  
INDUSTRY

Scan to read full article

Texas A&M's Dr. Charlie Hall states greenhouse, nursery and sod growers' 2022 financials revealed mixed results due to high input costs, labor shortages and extreme weather. Although top line revenues were higher in 2022 compared to 2021, bottom line profits were about 40% lower year over year.



Fortunately, growers are facing less price sensitivity. They are able to raise prices and invest in more plant material inventory. Hall notes, “this build-up in inventory will inevitably lead to future surpluses of certain plant materials, however this bull-whip effect will not likely occur until after the 2023 season (or beyond for longer-term crops like trees).”

According to Hall, the key question is if American consumers have had a mindset shift and “will continue to spend on lawn and garden products and services at the same elevated rate as they have during the pandemic.” He observes increased lawn and garden expenditures spurred by consumers spending more time at home, often revert to the mean. Their consideration of these expenditures as “essential” and not discretionary will be key to green industry growth in 2023 and beyond.

Hall predicts increased merger and acquisition activity, vertical coordination, online platforms, and the use of technology like artificial intelligence and data analytics will become more prevalent and disrupt the status quo. To combat this uncertainty, he advises firms “should focus on the elements of their value proposition to continue to justify their higher prices throughout the supply chain ... [and] strengthening vendor and customer relationships will be even more critical.”

*Read the full article by visiting [FarmCreditEast.com/Green](https://FarmCreditEast.com/Green).*



Paul Jannke, with Forest Economic Advisors (FEA), foresees a slowdown in the Northeast forest products industry in 2023, followed by improving market conditions in 2024.

Forest products demand, particularly lumber, is tied closely to the housing market. With the rising interest rate environment, Jannke forecasts a 17% decline in housing starts year-over-year in 2023 but rebounding by about 20% in 2024.

Jannke points out opposing factors influencing housing market demand. While higher mortgage interest rates have taken the momentum out of the recent surge in home buying and prices, there are strong fundamentals at play, including “record pent-up demand, the large population of adults in prime home-buying years, record home equity, the aging housing stock and historically low inventories of homes for sale.”

Prices are expected to continue to decline in 2023 before stabilizing above historical averages. Supplies from capacity expansions that occurred during the pandemic will result in downward price pressure.

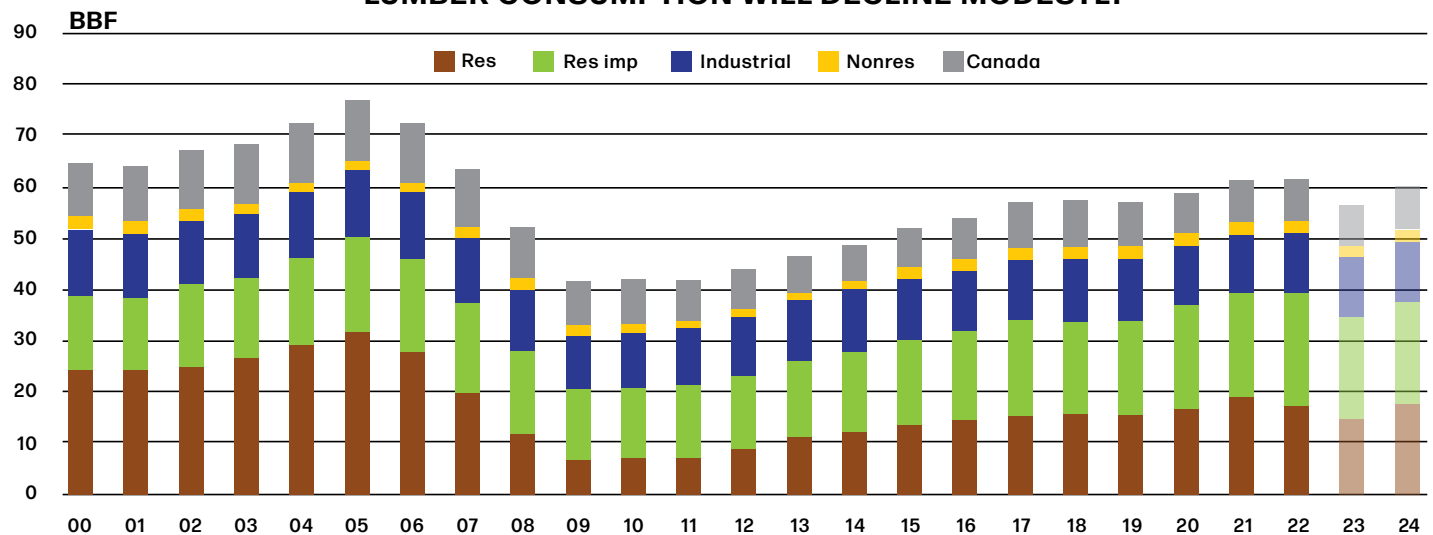
From a consumption perspective, “FEA forecasts that U.S. lumber consumption was relatively flat year-over-year in 2022 but will decrease by 9% in 2023 as end-use market activity deteriorates in response to the U.S. Federal Reserve raising interest rates. With other markets expected to improve in 2024, U.S. lumber consumption is expected to grow nearly 9% to 51.8 BBF.”

Pulp is another market influenced by opposing forces. Specific to the Northeast, Jannke notes, “pulpwood prices climbed sharply in 2022 as a result of steady demand and severe constraints on logging and trucking capacity.” FEA expects prices to decline in 2023 because of weaker pulp and paper markets.

Beyond 2023, Jannke expects pulpwood demand “will benefit from the recently announced expansion of Louisiana-Pacific’s Houlton, Maine, siding mill. The conversion of a paper machine to bleach board production at Sappi’s Skowhegan, Maine, mill will also bolster the prospects of wood fiber demand in the region.”

*Read the full article by visiting [FarmCreditEast.com/Forestry](https://FarmCreditEast.com/Forestry).*

### LUMBER CONSUMPTION WILL DECLINE MODESTLY



Source: FEA

© 2023 Forest Economic Advisors



# FISHING

Scan to read full article

John Sackton, founder and publisher of Seafood.com News, provided an update on the current status of some key Northeast shellfish species, with a particular focus on the long-term success and sustainability of the scallop fishery.

Sackton points out that 2022 was a poor year for snow crab, lobster and scallops, with prices falling for all three species. Snow crab fared the worst, with a 55% decline, and lobster declined 30%. “Domestic scallops, primarily landed at the port of New Bedford, are down 24% from their price last January, but more importantly, they are well above their price level in 2020 and 2021, something not true of lobster or crab,” wrote Sackton.

From an economic standpoint, lobster and scallops are the two species that drive the value of New England seafood landings, with most of the lobster landed in Maine and scallops in the port of New Bedford, Massachusetts. While lobster is the region’s highest value species, scallop values represent about 75-80% of the lobster catch value in the last five years.

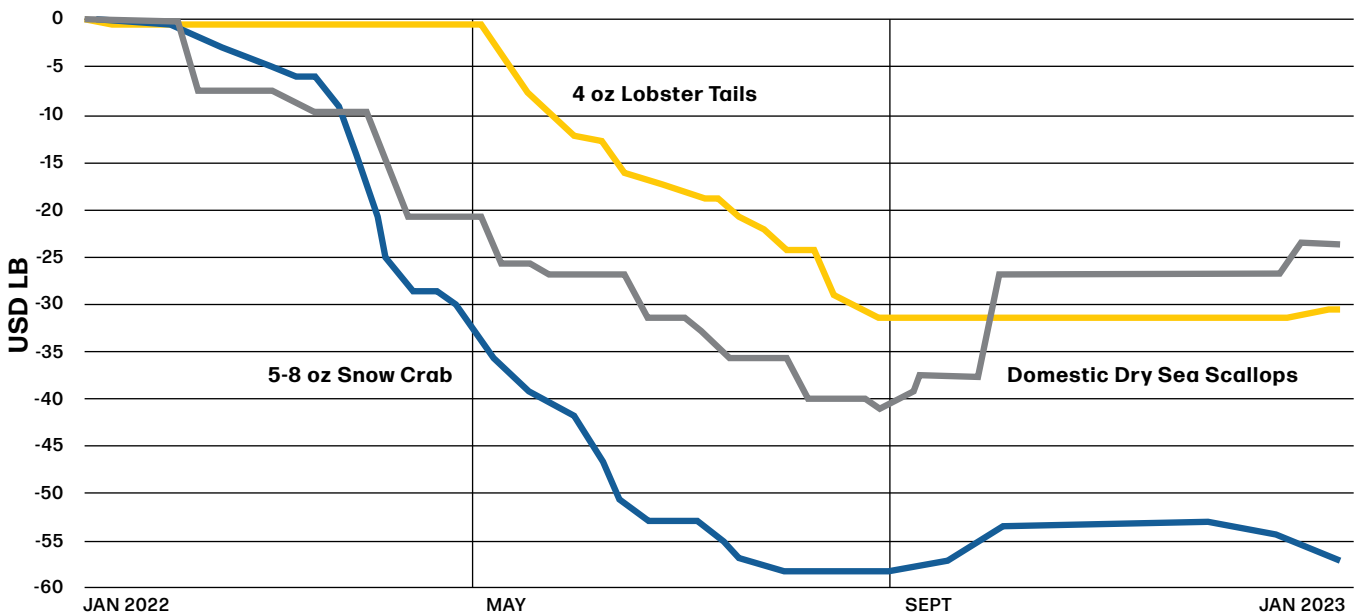
According to Sackton, the relative success of the scallop fishery is based on how it is regulated and managed through the National Oceanic and Atmospheric Administration (NOAA). After studying the health of the biomass, NOAA assigns a limited number of days at sea to scallop permit holders to make sure the stocks don’t get depleted. In addition, there are specific closed areas fished on a rotational basis with a specified number of trips



and allowable pounds to be caught. “Scallops in New Bedford are sold based on an auction price, which is established daily and is sensitive to the volume and size of scallops being landed,” explained Sackton.

Prices tend to fluctuate with the amount of the catch. So even in years when the allowable catch is smaller based on days at sea and closed area trips and quota, prices tend to increase to stabilize permit holder revenues. As a result, Sackton notes, “the stability of the scallop industry has attracted large investments into the sector. Several companies have consolidated large fleets of 20 or more vessels.” This science-based regulatory framework provides a strong outlook for this important fishery in 2023 and beyond. *Read the full article by visiting [FarmCreditEast.com/Fishing](https://FarmCreditEast.com/Fishing).*

## PERCENT CHANGE IN VALUE OF LOBSTER, CRAB AND SCALLOP PRICES OVER THE PAST YEAR



Source: Urner Barry Comtell

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# CHECK OUT THESE ADDITIONAL ARTICLES ONLINE!



## APPLE

Scan to read full article

Chris Gerlach, director of Industry Analytics with US Apple, examines the implied production for 2023 as well as how production in Washington State has impacted markets for East Coast growers.

*Read the full article: [FarmCreditEast.com/Fruit](https://FarmCreditEast.com/Fruit)*



## MAPLE

Scan to read full article

Mark Cannella, extension associate professor from the University of Vermont, discusses how the maple industry is adapting to a changing market and record production.

*Read the full article: [FarmCreditEast.com/Maple](https://FarmCreditEast.com/Maple)*



## ROW CROPS

Scan to read full article

Dr. Bob Maltsbarger, senior research economist with the Food and Agricultural Policy Research Institute (FAPRI), provides insights on the rising costs of row crop production and FAPRI's recently completed 10-year baseline forecast.


*Read the full article: [FarmCreditEast.com/CashGrain](https://FarmCreditEast.com/CashGrain)*



## WINE & GRAPES

Scan to read full article

Hans Walter-Peterson, senior viticulture extension specialist with Cornell Cooperative Extension, provides the outlook for the regional wine and grape industry.

*Read the full article: [FarmCreditEast.com/WineGrape](https://FarmCreditEast.com/WineGrape)* 





# FARM CREDIT EAST'S PATRONAGE DIVIDEND PROGRAM: YOUR SHARE IN OWNERSHIP

Farm Credit East is a financial cooperative, owned by the customers we serve and governed by a customer-elected Board of Directors. Our customer-owners share in the financial cooperative's success through patronage dividends. This cooperative model enables Farm Credit East to offer competitive interest rates up front, and then through continued success, return a share of net earnings to our owners via patronage dividends.

## What you should know about patronage dividends:

- For the full year 2022, customer-owners received \$117 million in patronage dividends. This is equivalent to 1.25% of average eligible loan volume.
- Patronage payments are paid entirely in cash. Payments are taxable, so we encourage recipients to consult with their tax advisors about their specific situations.

## Is a patronage payment guaranteed each year?

The Farm Credit East Board evaluates a variety of business factors, including earnings, growth and economic conditions, to determine if it is appropriate to pay patronage dividends in a given year. In evaluating these factors, the board makes a business determination as to whether Farm Credit East earnings should be returned to customer-owners in the form of patronage dividends or retained on our balance sheet to help us continue serving the agriculture, commercial fishing and forest products industries through cycles.

## How does patronage impact your interest rate?

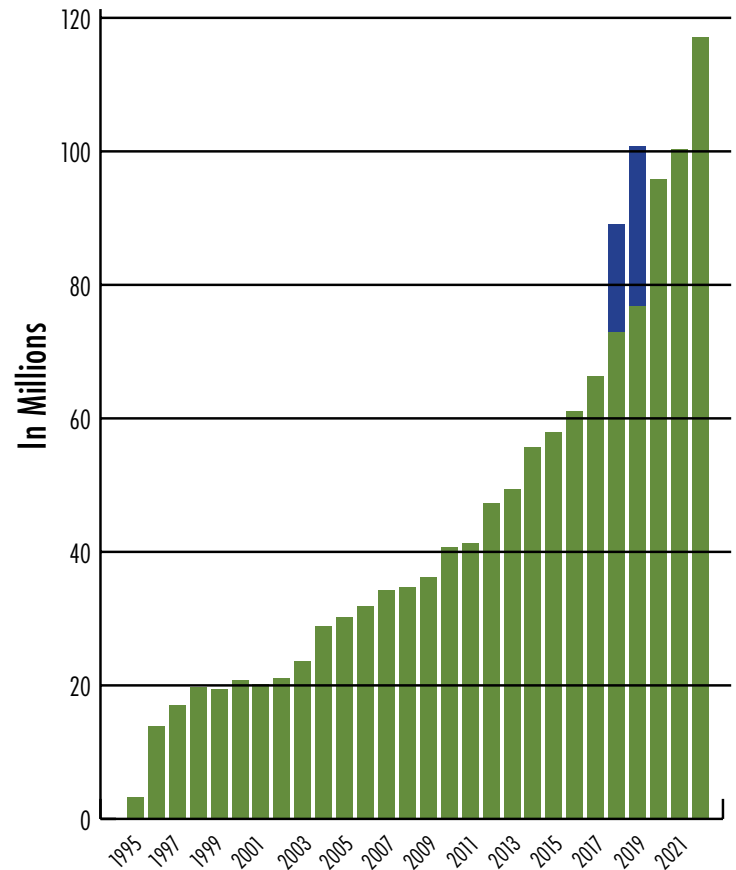
On average over the past three years, eligible customers have received 29% of the interest earned during the year. The level of the patronage payment is based on the interest paid from your loan during the year.

The chart below compares a rate from another bank to the Farm Credit East rate with the patronage dividend.

LOAN	RATE	PAYMENT	TERM	TOTAL INTEREST	PATRONAGE DIVIDEND*	NET INTEREST
<b>ANOTHER BANK'S TERMS</b>						
\$ 200,000	7.25 %	\$ 2,127	20	\$ 179,380		
<b>FARM CREDIT EAST WITH PATRONAGE DIVIDEND</b>						
\$ 200,000	7.25 %	\$ 2,127	20	\$ 179,380	\$ 52,020	\$ 127,360

\*Based on a patronage dividend of 29% of interest accrued. This is an example and actual results may vary. Patronage is not guaranteed.

## PATRONAGE PAID BY YEAR



### Special patronage paid in 2018 and 2019.

Customer-owners have earned \$1.3 billion in dividends from ownership of their cooperative since 1995.

**\$1.3  
BILLION IN  
DIVIDENDS**



# CROP GROWERS

Your first choice for crop insurance.

For more than 20 years, Crop Growers has worked with Northeast producers to help protect their investments from the unpredictable obstacles those in agriculture deal with every day. Our local crop insurance specialists understand local weather, markets and risks, and work with producers to develop a full-picture risk management plan that aligns with their risk tolerance and meets their financial goals.

**Crop Growers specialists are just that, specialized.** We only provide one type of insurance. Our team fully understands our crop and livestock insurance products and can provide the best risk management plan for your business.

**Decision-making tools.** Crop Growers' specialists use *Optimum*, a data-driven solution that analyzes your historical data to present the full picture of the crop or livestock policy that's the best fit for your operation. This analysis ensures your risk management plan aligns with your risk tolerance and your financial goals.


**Depth of agricultural and financial knowledge.** Crop Growers' specialists work alongside our Farm Credit East lenders and financial service providers giving them a broad understanding of agricultural finance.

**Our specialists are salaried, not commissioned.** Their recommendations are best for your business, not their wallets.

**We're local.** Our specialists live and work right here in the Northeast. They understand local weather, markets and risks. They'll recommend risk management plans that fit your operation and the region.

**Crop Growers underwrites its policies with industry-leading approved insurance providers.** We are proactive in designing policies.

**Top-notch customer service.** From the first phone call, you'll have a dedicated, responsive team working together to protect your investment.

Let us help protect your business from volatility in the short term to preserve your **equity** for the *long term*. 



**Protecting your investment for 20 years and counting.**

800.234.7012 | [CropGrowers.com](http://CropGrowers.com)

CROP GROWERS, LLP IS AN EQUAL OPPORTUNITY PROVIDER

## Crops We Insure

*\*Coverage varies by county. Contact your local crop insurance specialist about coverage in your area.*

### Spring Crops | 3/15 sales closing\*

Onions (2/1 closing)  
Oats  
Spring forage seeding  
Barley  
Corn  
Dry Beans  
Sweet Corn (fresh and processing)  
Tomatoes (fresh and processing)  
Grain Sorghum  
Green Peas  
Potatoes (1/31 closing in New Jersey)  
Soybeans  
Beans (fresh and processing)

Whole Farm Revenue | 3/15 sales closing

### Nursery | 5/1 sales closing

### Fall crops | 9/30 sales closing\*

Wheat  
Barley  
Forage production  
Forage seeding (7/31 closing)

### Perennial crops | 11/20 sales closing

Apples  
Peaches  
Blueberries  
Cranberries  
Grapes  
Pears  
Cherries

### Clams

11/30 sales closing for all policies

### Pasture, Rangeland, Forage (PRF)

12/1 sales closing for all policies

### Apiculture

12/1 sales closing for all policies

### Livestock coverage

Livestock Gross Margin  
Dairy (LGM) | every Thursday  
Dairy Revenue Protection  
every business day at 4:30 CST  
Livestock Risk Protection  
every business day at 4:30 CST

*\*Sales closing date unless otherwise indicated.*

# CANDIDATES FOR THE BOARD OF DIRECTORS

On behalf of the nominating committee, Farm Credit East is pleased to present the 2023 candidates for the association's board of directors. There are two open director seats to be filled in 2023, and four qualified candidates seeking election to these seats.

- One 4-year seat from the Central Region
- One 4-year seat from the Western Region

At the close of the current election cycle, the Farm Credit East Board will consist of 18 directors: 15 elected directors, two appointed customer directors and at least one appointed outside director. A search for another appointed outside director is underway as Tim Chan will be retiring from the board in April 2023.

## THE BOARD

The Farm Credit East board sets a clear direction for the cooperative on behalf of all customer-owners. The board works closely with CEO Mike Reynolds to set policy, establish long-term business plans, evaluate business results and provide feedback to the management team. It does not make day-to-day management decisions, including actions on individual loans or matters relating to employees.

## THE NOMINATING COMMITTEE

The nominating committee is composed of 27 Farm Credit East members and 27 alternates. The association membership elects the nominating committee at the annual stockholders meeting. This committee works hard to identify qualified candidates to ensure that the association attracts a skilled and diverse board. In addition, the committee makes every effort to recommend two qualified candidates for each open seat.

## ELECTION PROCESS

You'll find the information you need to make an informed voting choice for the 2023 Farm Credit East board of directors, including:

- An annual meeting information statement, which voting members received either electronically or in the mail
- This article's profile of each candidate
- Information on our website at [FarmCreditEast.com/DirectorElections](https://FarmCreditEast.com/DirectorElections)

Ballots were mailed to voting members after the annual meeting on March 20, 2023.

## EVERY VOTE COUNTS!

This is your opportunity to express your voice in ownership and direction of the cooperative. By voting, you convey your continued commitment to Farm Credit East and thanks to fellow members who are seeking election to the board.

The following overview information is provided by each candidate.

# NOMINATED FROM THE CENTRAL REGION

Bridgeton, Claverack, Cooperstown, Flemington,  
Greenwich and Middletown offices

## Seat One / Two candidates are running for a four-year term.



### **KURT WILLIAM ALSTEDE of Chester, NJ**

**Alstede Farms LLC** | 1 Alstede Farms Lane, Chester, NJ 07930 | [AlstedeFarms.com](http://AlstedeFarms.com)

**Business Experience:** Primary owner and general manager of Alstede Farms, LLC, an 800-acre vertically integrated direct-to-consumer fruit and vegetable farm. Over the past 40 years, Kurt has overseen the growth and expansion of the family farm operation that he founded. He is responsible for the farm's compliance, administration, financial management, and maintenance of buildings, grounds and equipment.

**Leadership/Community Experience:** Current Farm Credit East director, serving on the Business Risk Committee.

Kurt is a current member of the NJ State Board of Agriculture, has served as member of the USDA NJ State FSA Committee, is an active member of the New Jersey Farm Bureau, and involved in multiple commodity organizations. Kurt has also served as an elected Councilman for Chester Township, is Vice Chairman of the NJ Highlands Council, Vice President of the Pleasant Hill Cemetery Association, and an active volunteer firefighter in the Chester Volunteer Fire Company #1 where he currently serves as a Captain.

**Why Farm Credit is critical to my business:** I am a first generation farmer and have been a member and borrower of the Farm Credit System for most of the 40 years I have been in business. Farm Credit East has provided the financial resources, business consulting and accounting services that has allowed our family farm business to grow from a pickup truck and Ford 9N tractor to the complex and multifaceted 800-acre farm business it is today. The Farm Credit East services that have been so valuable to me must be maintained and enhanced for the benefit of Northeast farmers both today and in the future.

**Why I am seeking reelection to the board:** I wish to maintain and enhance member value in both lending and financial services. Farm Credit East is an essential business resource for Northeast farmers. I represent a diversity of crops and a geographic region that otherwise would not be represented on the board. My deep commitment to our industry, combined with my extensive agricultural policy knowledge, allows me to be a valuable member of the board of directors.



### **AMY L. WALKER-BAILEY of Fort Ann, NY**

**Walker Farms, LLC** | 5565 State Route 4, Fort Ann, NY 12827 | [WalkersFarmHomeAndTack.com](http://WalkersFarmHomeAndTack.com)

**Business Experience:** Chief financial officer of her family's three businesses: Walker Farms, LLC, a 1,300-cow family dairy operation with 2,700 crop acres of hay and corn; MGK Enterprises, LLC, a contract hauling trucking company; and Walker's Farm, Home & Tack, a retail farm store. For each entity, Amy is responsible for hiring, financial decisions and other day-to-day operations.

**Leadership/Community Experience:** Current Customer Service Council member. Amy has served as a delegate for Dairy Farmers of America and, along with her husband, was the 2007 National Milk Producers Federation

Young Cooperator Chaircouple. She has been active in the Dairy Princess Committee and the Agricultural Stewardship Association. She has also been involved with her local PTSO and booster club, taught Junior Achievement, and served on the Fort Ann Central School Board for 10 years, including three years as president.

**Why Farm Credit is critical to my business:** Our farm has worked with Farm Credit for many years and the relationship has been a major factor in the past success of our dairy farm, along with our related businesses. As our children reach the age to become part of our future business endeavors, it is critical to have an agriculturally minded banking resource available.

**Why I am seeking election to the board:** Farm Credit East has been an integral part of our farming operations for many years. Our family decided some time ago that to remain viable, we need to be involved in advocating for our industry, whether it be our milk cooperative or our banking institution. By interacting with a variety of agricultural industries, we can brainstorm together and discuss issues that face all aspects of agriculture. In an ever-changing world, we all need to advocate for each other to survive and thrive.

# NOMINATED FROM THE WESTERN REGION

Batavia, Burrville, Cortland, Geneva,  
Hornell and Mayville offices

## Seat Two / Two candidates are running for a four-year term.



### **ROBERT JAMES COLBY of Spencerport, NY**

**Colby Homestead Farms, Inc.** | 263 Colby Street, Spencerport, NY 14559

**Business Experience:** Vice president and co-owner of Colby Homestead Farms, Inc., a 285-cow dairy with 1,800 crop acres of corn, alfalfa, wheat and soybeans. The farm also grows wholesale cabbage and potatoes along with peas, lima beans and string beans for processing. The farm's milk is marketed through Upstate Niagara Milk Cooperative. Robert is the seventh generation of the farm that started in 1802. His responsibilities include managing the field crops operation and maintenance of machinery and buildings.

**Leadership/Community Experience:** Current delegate for Upstate Niagara Milk Cooperative and member of the Monroe County Agricultural and Farmland Protection Board and New York State Farm Bureau, serving on the dairy policy committee. Previously, Robert has served on the boards for Cornell Cooperative Extension, American Dairy Association & Dairy Council, Inc. and Monroe County Farm Bureau, including serving as president, in addition to serving on a number of town and county boards. He has also served as director for Dairy One and as delegate for Genex.

**Why Farm Credit is critical to my business:** Farm Credit East has been my farm's primary lender for over 50 years. The working relationship with loan officers and management has always been positive and productive. In more recent years, we've used financial services. These services are critical to my farm's continued success. With more regulatory burdens placed on farms by multiple layers of government, having a cooperative committed to the agricultural industry is vitally important to the next generation of my farm and to the agricultural industry as a whole.

**Why I am seeking election to the board:** In order for the agricultural industry and my family farm to be successful, Farm Credit East must be viable and relevant. I have the experience and skills to be a productive member of the board of directors. My passion is to see the agricultural community thrive today and in the future. Members of the board need a broad range of experience and passion to assure its success. I have both the experience and the passion required.



### **BRETT D. KREHER of Clarence, NY**

**Kreher Family Farms** | 5411 Davison Road, Clarence, NY 14031 | [KreherEggs.com](http://KreherEggs.com)

**Business Experience:** Partner at Kreher Family Farms (and related entities), an egg production business raising approximately two million hens that produce conventional, organic and pastured organic eggs across three locations. The business also has conventional and organic grain operations along with a conventional fresh-market vegetable/greenhouse operation and produces and sells organic fertilizer. Brett is responsible for advising the crop operations and administrative functions for all owned entities.

**Leadership/Community Experience:** Current Customer Service Council member and has served on the association nominating committee. Brett is chair of the Erie County Agriculture and Farmland Protection Board, serves on the Town of Clarence Municipal Agricultural and Farmland Protection Plan Committee, and is vice president of the Board of Cornell Cooperative Extension of Erie County. He has also served as trustee of his church, is past president of the Erie County Farm Bureau and past board member of the Western New York Land Conservancy.

**Why Farm Credit is critical to my business:** Farm Credit East understands the unique financing needs of modern farms in times of growth and also more challenging times. Farm Credit East acts as a powerful bridge enabling farms access to credit markets by aggregating farmers in a cooperative such that we can organize and operate our own credit institution and afford exemplary staff to run it. Our farm has always utilized borrowed capital, which has enabled us to grow into a fourth-generation operation. We are grateful to have outstanding access to low-cost and secure borrowed capital.

**Why I am seeking election to the board:** I have valuable experience and committed time to share with Farm Credit East. I have worked at our farm for 30 years, giving me substantial experience in large-scale production agriculture, both conventional and organic. I am still active in farm management, but more leadership is being assumed by the next generation of family which allows me to give back. I am eager for the professional challenge of being a valuable board contributor. The experience of serving on the board, and the education and training involved, will challenge me to grow professionally.



# Northeast Influence

In the fall issue, I described some key issues leaders of the House and Senate agriculture committees will have to navigate in writing the 2023 Farm Bill.

Since the election, we've known the committee leadership roles would be filled by Chair Sen. Debbie Stabenow (D-MI) and Ranking member Sen. John Boozman (R-AK); and Chair Rep. G.T. Thompson (R-PA) and Ranking Member Rep. David Scott (D-GA).

While these four will have the greatest influence on the legislation, subcommittee leaders and rank and file members also have a role to play. In every Congressional committee, memberships change as first term members replace those who retire or were defeated. And while less common, sometimes returning members switch committee assignments.

Overall, there was little turnover in the Senate, with two new Democrat members and no new Republicans. In the House, not only did the chair and ranking member switch with the Republicans taking control, but 12 of the 28 Republicans are either first term or joining from another committee. 16 are returning members. Similarly,

13 of the 24 Democrats were not on the committee in the previous Congress, including 11 first-term members.

## Northeast Influence

From a Northeast perspective, the headline is the addition of three new agriculture committee members. In the Senate, newly elected former House member Peter Welch (D-VT) will join

the Senate Committee on Agriculture, Nutrition and Forestry, taking both the Senate and committee seat of longtime champion of Northeast agriculture Patrick Leahy. In the House, new Republican members Nick Langworthy (NY-23) and Marc Molinaro (NY-19) have both joined the agriculture committee.

Returning members of the Senate Agriculture Committee include Kirsten Gillibrand (D-NY), chair of the Subcommittee on Livestock, Dairy, Poultry, Local Food Systems, and Food Safety and Security, and Corey Booker (D-NJ), chair of the Subcommittee on Food and Nutrition, Specialty Crops, Organics, and Research.

In the House, Democrats returning to the committee include Jahana Hayes (CT-5), ranking member of the Subcommittee on Nutrition, Foreign Agriculture, and Horticulture, Jim McGovern (MA-2), and Chellie Pingree (ME-1). McGovern also serves as ranking member of the House Rules Committee while Pingree

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# WASHINGTON Update



**Tom Cosgrove**  
Executive Vice President for Public Affairs

## on the 2023 Farm Bill

serves on the appropriations committee, including the agriculture subcommittee.

Three notable agriculture committee departures from our region include Leahy, as well as Democrat Representatives Sean Patrick Maloney (NY-18) who was defeated, and Ann Kuster (NH-2).


### Take Action!

With five members of the House Agriculture Committee and three members of the Senate Agriculture Committee, the Northeast has solid representation as Congress writes the next farm bill. That's why it's important to let these members know your views. Even if your representatives and senators are not on the agriculture committees, it's still important to reach out, as all 535 representatives and senators will vote on the bill.

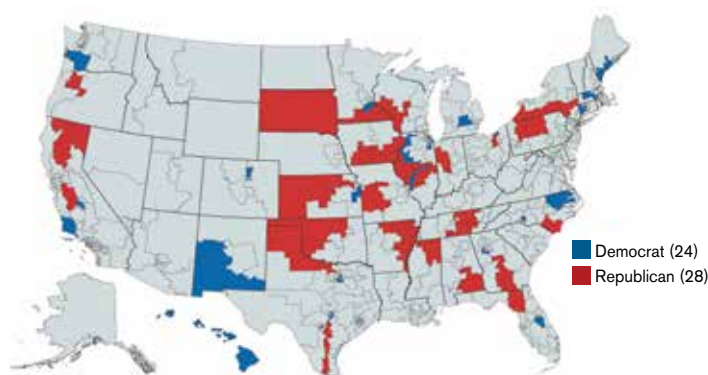
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Action!



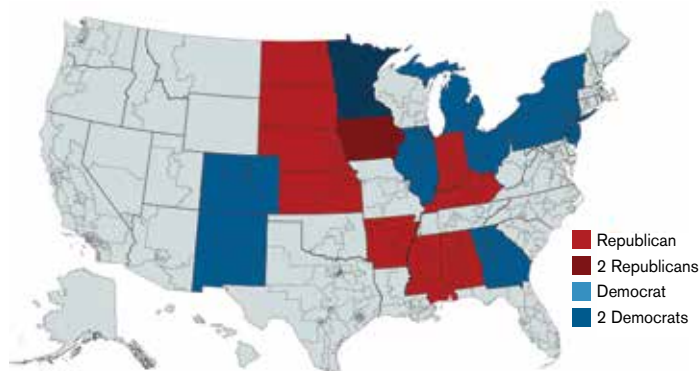
For our part, Farm Credit East will be engaging with lawmakers to encourage them to pass the 2023 Farm Bill in a timely fashion. To join this effort, visit [FarmCredit.com/TakeAction](https://FarmCredit.com/TakeAction) to sign up for alerts that allow you to contact your representative and senators on important issues.

In addition to sustaining crop insurance and other safety net programs, we'll also fight to protect and enhance Farm Credit authorities so we can continue to carry out our mission to support rural communities and agriculture with reliable, consistent credit and financial services, today and in the future. 

Districts with members of the House  
Agriculture Committee



States with members of the Senate  
Agriculture Committee



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**HOW TO REACH US:** Whether you want to praise us, complain, ask our advice or just let us know what's on your mind, we'd like to hear from you.

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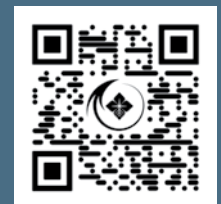
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