



# Ag Lenders' Conference

February 5, 2019  
Northfield Center  
Springfield, IL



“Weather Outlook & Forecasting for 2019”  
“The State of Agriculture & Ag Lending”  
“Credit Risk 2019 and Beyond: Answers to Critical Questions”  
“Best Practices for Managing Ag Relationships in a Challenging Environment”  
“Powering a Home, Farm or Business with Solar Electric:  
Tips and Tools for Project Evaluation”

# Importance of the Conference

This jammed-packed day takes a look at a variety of issues facing agricultural lenders. Attend CBAI's 2019 Ag Lenders' Conference to develop the skills and tools to better understand the issues affecting your farm and agribusiness customers and to meet their credit needs. A mini-expo featuring the latest in products and services for ag lenders also highlights the day.

## Agenda

### **9 - 10 a.m. "Weather Outlook & Forecasting for 2019"**

***Eric Snodgrass, Director of Undergraduate Studies Department of Atmospheric Science, University of Illinois, Champaign, IL***

In preparation for the 2019 growing season, this presentation focuses on weather across the corn belt during winter and its impacts on the upcoming planting season. Snodgrass provides the latest forecast guidance for spring and summer 2019 and discusses the impact of this forecast on the potential yields for corn and soybeans. Also discussed is the weather risk associated with severe weather including hail, severe winds and flash floods and how to predict and monitor these threats. Snodgrass also explains how the timing of drought and heat have historically impacted crop yields and discusses modern techniques to forecast these events in order to prepare for weather driven market fluctuations. Progress of the 2018-19 growing season in Brazil is discussed. Finally, Snodgrass shows how to access and use the latest weather forecasting technologies and provides numerous free resources for weather analysis and forecasting.

### **10:15 - 11:15 a.m. "The State of Agriculture & Ag Lending"**

***Dr. David Kohl, Professor Emeritus of Agricultural & Applied Economics, Virginia Tech, Blacksburg, VA***

Now into the sixth year of the agricultural economic reset, varying degrees of financial stress are emerging in many agricultural sectors. The topics of discussion for lenders, loan review committees and board members focus on which customers to refinance or restructure as well as how to help those customers that need to grow and capitalize on the economic environment. This session provides a view of the state of agriculture and new emerging trends that will impact your customers' balance sheets, income statements and the overall portfolio. Dr. Kohl will present Business IQ: Management factors which will discuss the assessment of management IQ that often places one in the top third or bottom third of profitability. He also discusses the importance of customer's character in the loan process. Dr. Kohl will end the session with a question and answer period of some of the top questions received during his travels from lenders around the country to engage the audience.

### **11:30 - 12:30 p.m. "Credit Risk 2019 and Beyond: Answers to Critical Questions"**

***Dr. David Kohl, Professor Emeritus of Agricultural & Applied Economics, Virginia Tech, Blacksburg, VA***

Managing agricultural credit risk and opportunities requires practices that stand the test of time regardless of the economic cycle. What are the top credit risks lenders are seeing around the corner given today's lending environment? How can lenders determine which agricultural borrowers will be sound credits and those that offer opportunity for growth, versus those that will add risk to the portfolio? Find out the characteristics of successful agricultural lenders as well. You won't want to miss this informative session.

### **12:30 - 1:30 p.m. "Networking Luncheon"**

During this buffet luncheon, please take the opportunity to network with other community bank ag lenders, tabletop display exhibitors and sponsors.

### **1:30 - 2:30 p.m. "Best Practices for Managing Agricultural Relationships in a Challenging Environment"**

***Jeffrey W. Davey, MBA, CRC, Manager, Loan Review, Wipfli LLP, Sterling, IL***

Recent updates from several Federal Reserve Banks in the Midwest expressed expectations of decreasing crop income in 2018 and a continuation of concerns of the financial condition of the agricultural sector. As this presents ongoing challenges for agricultural lenders, what are some methods available for lenders to help in the administration of relationships through challenging circumstances? What market factors should lenders be monitoring in managing the agricultural loan portfolio? What is the optimal means for identifying the profit or loss of an agricultural client? What are the best practices in managing relationships that incur carryover debt and what are the regulatory expectations for managing this dynamic in a relationship? What means are available to mitigate the risk presented in financing agricultural relationships? This session highlights key attributes and resources used in the sound administration of agricultural relationships.

# Agenda(cont'd)

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2:45 - 3:45 p.m.

**"Powering a Home, Farm or Business with Solar Electric: Tips and Tools for Project Evaluation"**

*John Hay, Extension Educator - Energy Department of Biological Systems Engineering University of Nebraska-Lincoln*

*Eric Romich, Associate Professor, Field Specialist, Energy Education*

*College of Food, Agricultural and Environmental Sciences, Department of Extension, The Ohio State University, Columbus, OH*

The rapidly declining cost of Photovoltaic (PV) solar is changing in how we power our buildings. For example, according to a U.S. Department of Energy report, the average installation cost for a commercial PV system has dropped from \$5.36 per DC/watt (direct current) in 2010 to \$1.85 per DC/watt in 2017. As a result, many farms and small businesses are considering solar projects to power their operations. While there is an abundance of general information related to solar energy, surprisingly few resources are available to the agricultural sector that provide the details required to conduct a comprehensive financial analysis. This program reviews solar energy in agriculture and the financial considerations to guide informed decision-making. It provides an overview of the Solar Electric Investment Analysis bulletin developed by the University of Wyoming, University of Nebraska and The Ohio State University. The session outlines key learning objectives from the six bulletins including: system design to optimize production, evaluating project costs, forecasting value of electricity, understanding incentives and building a simulation model to evaluate financial payback of a solar installation. Participants receive access to written materials, recorded webinars, and free modeling tools to evaluate future solar projects.

3:45 p.m. Adjournment

## Registration Fees

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Fees include hand-out materials, refreshment breaks and lunch. An income-tax deduction may be allowed for educational expenses undertaken to maintain or improve professional skills. **Cancellation Policy:** Registrants cancelling two days prior to each seminar receive 100% refund; one day prior, 50%; the day of the seminar, no refund. **All cancellations must be made in writing prior to the seminar day. Invoices and training materials will be sent to all "no shows."**

### CBAI MEMBER

One person .....	\$265
Two or more from same banking institution.....	\$245 each

### \*\*PROSPECTIVE-MEMBER

One person .....	\$465
Two or more from same banking institution.....	\$445 each

***CDD members receive a 10% discount.***

**\*\*Only financial institutions/firms eligible for CBAI membership.**

### ***What Others Have Said About Past Ag Lenders' Conferences:***

*"Eric Snodgrass had excellent reference materials that we can share with our ag clients."*

Kerry Hoops, CLO  
German-American State Bank, German Valley

*"Loved the speakers! This was a great conference with speakers on topics that are current for what is going on today in the ag economy."*

Jenny Francis, Ag Lender  
Longview Bank & Trust, Sidney

*"This was my first Ag Lender's Conference and it was very good! This will better prepare me for partnering with my farm clients."*

Ryan Riggins, AVP-Lending  
MidAmerica National Bank, Canton

*"The course material was very relevant to today's agricultural environment and opened our eyes to what is on the horizon. Impressive lineup of speakers with a wealth of knowledge and experience."*

Jeremy Hoke, AVP  
Scott State Bank, Bethany

# Speaker Biographies

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**Jeffrey W. Davey** is a manager specializing in loan review services for the risk advisory group of Wipfli LLP's financial institutions practice. He works with financial institutions to provide customer-focused risk management services. Davey has more than 25 years of experience in commercial and agricultural banking. Davey graduated from Illinois State University, Bloomington, with a Bachelor of Science degree in agricultural education, from the University of Illinois, Champaign-Urbana with Master's Degrees in business administration and education and from the Stonier Graduate School of Banking. He also is a CRC and a faculty member of the Risk Management Association.

**F. John Hay** is an extension educator focused on energy, renewable energy and biofuels. Hay has taught for Nebraska Extension since 2004 and has focused on energy issues of interest to Nebraskans since 2007. Recent extension programs have included hands-on workshops covering design, economic analysis and installation of two solar arrays on Nebraska farms.

**Dr. David Kohl** received his M.S. and Ph.D. degrees in agricultural economics from Cornell University, Ithaca, New York. For 25 years, Kohl was professor of agricultural finance and small business management and entrepreneurship in the department of agricultural and applied economics at Virginia Tech, Blacksburg, VA. He was on special leave with the Royal Bank of Canada working on advanced initiatives for two years, and also assisted in the launch of the successful entrepreneurship program at Cornell University. Dr. Kohl is professor emeritus in the agricultural and applied economics department at Virginia Tech. Dr. Kohl has conducted more than 6,000 workshops and seminars for agricultural groups such as bankers and regulators, as well as producer and agribusiness groups. He has published four books and over 1,300 articles on financial and business-related topics in journals, extension and other popular publications. Dr. Kohl regularly writes for *Corn and Soybean Digest*, and other ag-lending publications. He has received 11 major teaching awards while teaching over 10,000 students, and 18 major extension and public service awards from Virginia Tech, Cornell University, and state and national organizations. Dr. Kohl is a two-time recipient of the prestigious American Agricultural Economics Association's Outstanding Teaching Award. He is one of only five professors in the nearly 100-year history of the Association to receive the award twice. He received the Governor's Award for his distinguished service to Virginia agriculture and was recognized as one of 30 leaders who are the brains behind innovative business management and economic information that agriculture uses today. He also has been named one of seven economists and bankers who challenge the status quo. As facilitator of the United States Farm Financial Standards Task Force and member of the Canadian Agricultural Financial Standards Task Force, Dr. Kohl was one of the leaders in establishing guidelines for the standardized reporting and analysis of agricultural producers' financial information on a national and international basis. The Kohl Agribusiness Centre has been established in the College of Agriculture and Life Sciences at Virginia Tech in honor of his long-term commitment to practical teaching, research and extension. Dr. Kohl is currently president of AgriVisions, LLC, a knowledge-based consulting business providing cutting-edge programs to leading agricultural organizations worldwide. He is also a business coach and part owner of Homestead Creamery, a value-added dairy business in the Blue Ridge Mountains.

**Eric Romich** is an Ohio State University extension field specialist for energy education. As a statewide extension field specialist, he works closely with private, public and university partners to conduct research, develop extension programs and teach in communities throughout the state. Romich's energy programs are designed to share best practices for energy management strategies in agriculture, as well as engage 4-H youth audiences in energy literacy programming to enhance the overall environmental and economic conditions in Ohio communities.

**Eric Snodgrass** is the director of undergraduate studies for the department of atmospheric sciences at the University of Illinois at Urbana-Champaign. Each year, he guides over 1500 students through the wild side of weather in ATMS 120: Severe and Hazardous Weather. He teaches advanced courses on general physical meteorology and meteorological instrumentation and supervises numerous Capstone Research projects. Snodgrass also teaches ENSU 310: Renewable and Alternative Energy for the Environmental Sustainability Program. He advises all undergraduate majors and minors in atmospheric science (approximately 100 students) and supervises graduate teaching assistants. He serves on numerous committees and boards on campus including the Illinois Teaching Advancement Board, Student Sustainability Committee and the Provost Task Force on Improving Large Enrollment Courses. Snodgrass' research initiatives focus on K-12 science education as well as weather forecasting applications in financial markets. He has recently been awarded the LAS Teaching Excellence award and the Campus Teaching Excellence Award. Also, his online version of ATMS 120 was awarded the 2012 "Best Online Course" from the University Professional Continuing Education Association (a national organization). Currently, he is preparing this course to become a MOOC through Coursera.

# Registration Form

**AG LENDERS' CONFERENCE – FEBRUARY 5, 2019**

**Please Print**

Name of Bank \_\_\_\_\_

Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

Tel. No. \_\_\_\_\_

Name/Title \_\_\_\_\_

E-Mail \_\_\_\_\_

I have special needs, please contact me before the seminar.

Name/Title \_\_\_\_\_

E-Mail \_\_\_\_\_

I have special needs, please contact me before the seminar.

**Please select your payment method.**

Check Enclosed       Check in Mail  
 Pay at Door       Credit Card\*

**\*If you are paying by credit card, please fill out the following information.  
(Visa & MasterCard accepted).**

Name as It Reads on Card \_\_\_\_\_

Company Name on Card \_\_\_\_\_

Billing Address of Card \_\_\_\_\_

Card Number \_\_\_\_\_ Exp. Date \_\_\_\_\_

3 Digit Security Code \_\_\_\_\_



**Mail it in:**  
CBAI Education Department  
901 Community Drive  
Springfield, IL 62703-5184



**Fax it in:**  
(217) 585-8738



**Call it in:**  
(800) 736-2224 (Illinois only)  
(217) 529-2265



**Click it in:**  
[www.cbai.com](http://www.cbai.com)

## Date and Location

February 5, 2019  
Northfield Center  
3280 Northfield Drive  
Springfield, IL 62702  
(866) 577-7900

## Continuing Education

CBAI is a registered Public Accounting Continuing Professional Education (CPE) provider by the Illinois Department of Financial and Professional Regulation. **This one-day conference provides 6 hours of credit toward the prestigious Certified Community Lender designation and 6 CPE credits.**

## For More Information

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