



Summer 2021

A Message from the CEO



Pat Calhoun

A common theme around the country is that we are glad to leave 2020 behind! That is true in many respects. The year presented extraordinary challenges and we are all looking forward to returning to "normal" or at least a "new normal". 2020 also presented opportunities for AgSouth. We

learned how to do some things more efficiently. We "leaned" into our technology resources to continue to achieve our mission and serve you. We served our communities and those in need in a variety of ways. We welcomed new employees and said goodbye to some retirees. We also were able to deliver exceptional financial results in the midst of it all. Your cooperative declared a record \$40 million in patronage from 2020's earnings. That's an extraordinary accomplishment and an all-time record. AgSouth also distributed over \$18 million dollars by revolving the 2015 series of allocated surplus, keeping on schedule with our five year revolvment philosophy. Our net income was a record \$67 million. In short, your cooperative weathered the storm of 2020 well and delivered exceptional value to our stakeholders.

2021 will bring its own unique challenges and opportunities. AgSouth is prepared! The future

is always somewhat uncertain. With optimism, we are working hard to continue to enhance processes to make the cooperative more efficient and effective. We are training new staff and exploring emerging markets. We continue to strengthen our relationships in our communities and to support agriculture in Georgia and South Carolina. Above all, we continue to focus on you, our reason for being here.

I encourage you to spend some time in this edition of Out in the Country. You will find articles on innovation in agriculture and a focus on one of our members. There is also important information on our patronage program and on our 2021 Annual Meeting and upcoming board elections. Additionally, we focus on some community support efforts that are making a difference in our territory.

AgSouth is off to a good start in 2021. We look forward to what the year has to bring. Thanks for your business and your confidence in AgSouth Farm Credit.

Sincerely,

Pat Calhoun, CEO

NOTICE: Office Closings

July 5

Independence Day

September 6

Labor Day



SAVE THE DATE FOR YOUR ANNUAL MEETING



This year's Annual Meeting will be held Tuesday, August 24, 2021 at 1:00 p.m. in Statesboro, Georgia. Eligible stockholders will be mailed a ballot to participate in the cooperative process directly from their homes. Participation/attendance in the meeting is not required to vote.

Visit our website for more information:

agsouthfc.com/News/Annual-Meeting-Registration

AGSOUTH DISTRIBUTED \$40 MILLION IN PROFITS TO BORROWERS THIS YEAR!

This year, AgSouth Farm Credit distributed \$40 million in profits from 2020 to its member-borrowers, the highest return in over 30 years of the Association's patronage distribution! Members of the cooperative play a crucial part in helping agricultural and rural communities receive reliable credit by doing business with AgSouth. This is done through the patronage program,

and the distribution is voted on by the Board of Directors. Although it is not guaranteed, AgSouth has consecutively distributed patronage for the last 33 years returning over \$580,000,000 in profits since 1988! We truly... **Put Our Profits in Your Pockets!**

FISCAL YEAR ENDING	TOTAL PATRONAGE DISTRIBUTION	CASH	ALLOCATED SURPLUS	ALLOCATED SURPLUS DISTRIBUTED	SPECIAL ALL CASH DISTRIBUTION	% OF INTEREST EARNED
1988-2011	\$419,379,236	\$126,002,654	\$293,376,582	\$293,710,722		24.25%
2012	\$27,911,845	\$8,373,552	\$19,538,293	\$19,295,520		28.01%
2013	\$29,307,209	\$8,792,163	\$20,515,046	\$20,078,458		29.30%
2014	\$29,921,281	\$8,976,385	\$20,944,896	\$20,944,896		31.41%
2015	\$26,454,596	\$7,936,379	\$18,518,217	\$18,518,217		27.52%
2016	\$28,480,210	\$8,544,051	\$19,936,159			28.22%
2017	\$32,381,292	\$9,714,388	\$22,666,904			30.88%
2018	\$34,154,537	\$10,246,361	\$23,908,176			29.80%
2019	\$38,900,000	\$11,670,000	\$27,230,000		\$8,000,000	39.39%
2020	\$40,001,347	\$12,000,404	\$28,000,943			34.11%
TOTAL	\$706,891,553	\$212,256,337	\$494,635,216	\$372,547,813		30.29% (Average since 1988)

Want to Make Sure You Continue to Receive a Patronage Check?

- ✓ Continue to borrow from AgSouth for all your farm, agribusiness, real estate and equipment needs.
- ✓ Refinance loans you may have with other lenders through the cooperative you own and govern.
- ✓ Tell your friends and family about AgSouth.
- ✓ Use AgSouth Mortgages for your new home purchases, construction or refinances.
- ✓ Use AgSouth for all of your leasing and crop insurance services.

Welcome New Employees

Join us in welcoming our new employees
(and future ag leaders) to the AgSouth Family!



Hunter Carson
Credit Analyst
Orangeburg, SC



Lauren Rose
Marketing Coordinator
Anderson, SC



Adam Martin
Talent Development
Specialist
Statesboro, GA



Mark Lanier
Special Assets Manager
Statesboro, GA



Corey Beard
Loan Officer
Allendale, SC



Robin Gill
Loan Specialist (Post)
Statesboro, GA



Madison Bodine
Loan Officer
Spartanburg, SC



Tammy Colvin
Loan Specialist (Pre)
Rock Hill, SC



Ely Deal
Associate Accountant
Statesboro, GA



Jason Redd
Relationship Manager
Aiken, SC



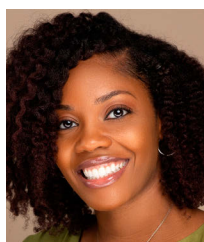
Jacqueline Grubbs
Loan Officer
Aiken, SC



Anna Callahan
Credit Analyst
Blackshear, GA



Harrison Boyd
Loan Officer
Rock Hill, SC



Whitney White
Associate Accountant
Statesboro, GA



Raleigh Loftis
Credit Analyst
Allendale, SC



Alexis Redding
Collateral Records
Specialist
Statesboro, GA

Retirements

Happy
Retirement!

AgSouth wishes to express
our sincerest thank you to
the following individual for
her many years of devoted
service to the Association. We
wish you the very best in your
retirement!

Deborah Goober
17 years | 1/29/2021
Jesup, GA



AGSOUTH AWARDS GRANTS TO AREA FARMERS MARKETS



Earlier this year, AgSouth Farm Credit awarded \$500 grants to community farmers markets in our area to promote their venues. This is the ninth year the Association has helped support our local markets and communities in this manner.

To be eligible to receive a grant, applicants had to provide a detailed marketing plan describing how they would use the

grant funds to promote the market while incorporating the AgSouth name or logo in their promotions.

To see if your favorite market received a grant, visit agsouthfc.com/farmers-market-grant and remember: When it comes to shopping for your family, THINK OUTSIDE THE STORE® and visit your local farmers markets!



AGSOUTH FARM CREDIT CONGRATULATES LOCAL STUDENTS ON SCHOLARSHIP

AgSouth Farm Credit and Minorities in Agriculture, Natural Resources and Related Sciences (MANRRS) are excited to announce the students receiving the 2021 Farm Credit/MANRRS VIP Scholarship:

Jabria Bell

from McDonough, GA

Ashli Jones

from Stockbridge, GA

Cierra Woods

from Columbia, SC

Anjel Iriaghomo

from Seneca, SC

This competitive academic scholarship provides special programming for outstanding MANRRS students who have expressed an interest in Farm Credit. Scholarship recipients receive a \$1,000 academic scholarship and the opportunity to participate in the Farm Credit VIP Track of the 2021 National MANRRS Conference.

The VIP Track provides the scholars with meaningful interactions with Farm Credit leadership. It also

exposes students to information about careers at Farm Credit in fields including finance, credit, capital markets, informational technology, marketing, etc. Students benefit from leadership development and training to better prepare them to find and succeed in a career in the agriculture industry.





Get Your Farm Finances on Course

As a farmer (and CEO of your business), managing your finances can be a challenge. But for long term success, it may be the most important thing you do.

Attend one of our **FREE** AGAware workshops on Farm Finance Management!

JULY 23: Elloree, S.C.

Camp Daniels, SC State
116 Camp Daniels Rd

JULY 30: Waycross, Ga.

Ware Co. High School Ag Center
700 Victory Dr

You'll learn about:

- Balance Sheets and Income Statements
- Business Planning and Budgeting
- Family Finance
- Risk Management
- Applying for Financing
- FSA/SBA and Other Programs

Register today!

AgSouthFC.com/AGAware

Workshops are 9 a.m.-4 p.m. | Lunch is provided.
Earn FSA Direct Borrower Training credits.

AGAware®

Promoting & Educating the Next Generation of Farmers



“FROM FARM TO FROTH”: SOUTH CAROLINA’S FIRST MALT HOUSE

By: Heather Brannen, Marketing Specialist

Farmer and Palmetto Malt owner Jared Weathers (left), and business partner Alex Reeves, grow and germinate grain to make malt and sell to South Carolina breweries.

Palmetto Malt – South Carolina’s first-ever malt house – is taking craft beer to a whole new level. Not only is the young man from St. George germinating grain to make malt, Jared Weathers is the farmer growing it too.

WHAT’S NOT TO LOVE ABOUT A GOOD CRAFT BEER?

Craft beer is often made at a local brewery, and the artistry and attention to detail bring out incredible flavor. What’s not local is the malt used to brew the beer – simply because that product is not grown or processed in South Carolina.

Malt is the process of germinating grain to release enzymes and sugars needed in the brewing process to make beer. Breweries purchase the germinated, dried malt by the bag from a malt house. Most malt houses are middle-man processors. They purchase wheat, oats, or barley from farmers, germinate the grain to make malt, then sell malt direct to breweries.

A FARMER UP FOR A UNIQUE CHALLENGE

Jared grew up on his family’s farm and always knew he wanted to come back home and work

alongside his dad growing cotton, peanuts, corn, and soybeans. After working on the family farm for about 5 years, he had a conversation one night that inspired him to do something no one in South Carolina had ever done before.

One night at a local brewery, Jared got into a conversation with the owner about how they brewed their beer. He learned from the owner that the wheat used to make malt to brew the beer was purchased from as close as North Carolina or as far as the mid-west.

Why was malt purchased from so far away? The South is too hot and humid to grow barley at all, and difficult to grow wheat and oats at a quality that can be used for malt.

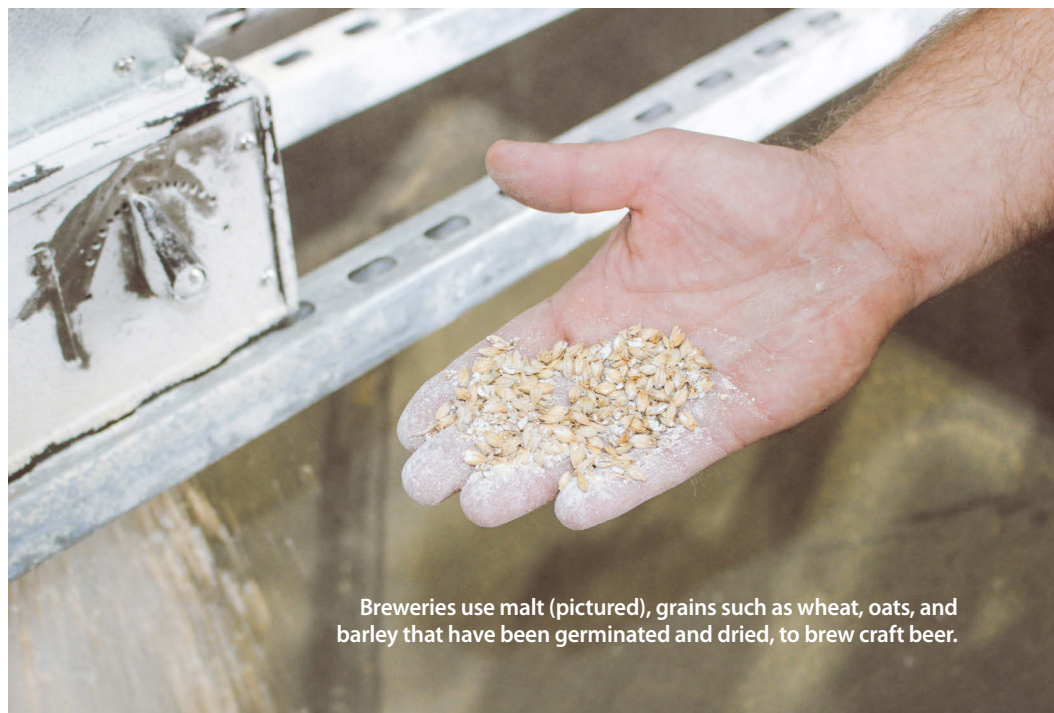
Jared was not deterred; in fact, knowing no one else was doing it motivated him to figure out how to grow malt-quality wheat in South Carolina’s low country.

LONG HOURS, LESSONS, AND LEARNING CURVES

It was a long learning road to figure out how to start this new business enterprise on his farm. No one else in South Carolina was growing grain for malt. Barley is not grown in the Southeast. No one else in the state had a malt house to learn the process from. Jared set out to learn everything he could about both growing the grain crops and making the malt.

He found farmers in Tennessee and Kentucky that have helped him get barley seed and learn how to grow his grain crops for the right quality needed for malt. He also traveled to both Texas and Colorado State to take classes on making malt and get help putting together a business plan and cost analysis for the new venture.

After financing the purchase of a used intelligent malt system and a shelter to house it in, Jared then set out to start learning how to malt – through a lot of trial and error. He and his business partner Alex Reeves spent untold hours and went through



Breweries use malt (pictured), grains such as wheat, oats, and barley that have been germinated and dried, to brew craft beer.



Steel Hands Brewing has partnered with Jared Weathers (R) and business partner Alex Reeves to grow a field of Barley and malt all the grain produced from it for their brewery.

“ Jared’s advice for anyone looking to enter a new farm business venture? “Don’t get frustrated! So many things have to go right. Keep trying, keep learning, put in the long hours, and learn from your mistakes. ”

numerous test batches before they got the process right.

Every batch has to be tested for color, protein levels, sugar levels, and more. Quality is affected by the amount of water added, how long to germinate, how long the grain rests, and more. Getting it wrong impacts a beer’s color, flavor, and foamy head – and ultimately means a malt that will not sell. The science and detail that goes into the beer-making process is mind-blowing!

CHALLENGES AND BLESSINGS IN 2020

Palmetto Malt opened for business and started selling malt in 2020. While 2020 was not necessarily the year they imagined it would be, Jared admits it was probably a blessing in disguise. The slow-down in the craft beer industry meant they could really focus time on getting their malt right. He also spent that time building relationships with local breweries – and that effort is paying off in 2021.

While there is novelty in Palmetto Malt being “The Only SC Malt House” and “Certified SC Grown,” Jared’s main sales focus for Palmetto Malt has been to provide a quality malt and high level customer service. They are currently selling malt to nearly 20 breweries in from Charleston to Greenville, and Columbia to Savannah.

WHERE CAN YOU GET A BEER?

Charleston Distilling in Johns Island, SC, has contracted with Palmetto Malt for 2021, a partnership Jared is proud of.

Rusty Bull in North Charleston, SC, will be offering beer brewed from Palmetto Malt at this year’s River Dogs games.

Frothy Beard Brewing Company in Charleston, SC, recently made the first canned beer using Palmetto Malt.

Steel Hands Brewing in Cayce, SC, has partnered with Palmetto Malt to grow and malt a field of barley just for them.

WHERE DO THEY GO FROM HERE?

Jared and his wife Kellie, their first baby on the way, and his business partner Alex Reeves are excited about the future of their growing enterprise. They are looking forward to securing more contracts with breweries as they continue to tweak the quality of their grain crops, as well as the quality of the malt. Looking to hopefully expand down the road, their goal is to do that in a way they can maintain top quality and service.

Jared’s advice for anyone looking to enter a new farm business venture? “Don’t get frustrated! So many things have to go right.” Keep trying, keep learning, put in the long hours, and learn from your mistakes.

Then go have a beer.

Follow Palmetto Malt on Facebook and Instagram. Ask about their beer at your favorite local brewery!



GEORGIA GROWN INNOVATION CENTER: GROWING AGRIBUSINESS IN RURAL GEORGIA

By: Lauren Rose, AgSouth Farm Credit Marketing Coordinator

A HUB FOR AGRICULTURE? WHERE BETTER THAN METTER?

Three years ago, the city of Metter, Georgia started looking for ways to brand itself and create a unique, community-based atmosphere to encourage visitors to stop and enjoy the city. Director of Economic Development for the city of Metter, Heidi Jeffers, in looking for a new approach to branding the city, chose to focus on the state's largest industry, agriculture.

Working with Carter Crawford, Metter's City Manager, Heidi reached out to Georgia Grown to see if it was possible to transform Metter into a "Georgia Grown Community." Georgia Grown is a marketing campaign for the Georgia Department of Agriculture. The Georgia Grown marketing team was excited to help develop the project

through providing Georgia Grown products and marketing services in the city. Metter integrated the idea of being a "Georgia Grown Community" into their economic development plans through the Metter welcome center and a new "Georgia Grown Innovation Center".

The city partnered with Georgia Grown and the Georgia Southern University's Parker College of Business to determine feasibility of the project and create a plan for the "Innovation Center."

CREATING A CULTURE THAT SUPPORTS ENTREPRENEURISM AND AGRIBUSINESSES

According to Matt Kulinski, Georgia Grown Deputy Director of marketing for the Georgia Department of Agriculture, for the past 20 years farmers have had to change the way they market and distribute

their products. In the past, farmers could just grow their commodity and sell it at wholesale prices; but new market trends have caused farmers to look for new ways to market their products.

A new trend with consumers is an interest in more about where their food comes from. They want pictures of the farm, a website to visit, and a story to connect with. As a result, Georgia Grown's marketing program has identified two needs.

- 1) Farmers need help with marketing, branding, sales, and logistics for products that cannot be sold through traditional contracts.
- 2) Farmers looking to diversify their business and produce a new product or processing facility need assistance developing a business plan.



Georgia Grown Innovation Center Building

The Innovation Center is designed to provide support in both marketing of new products and business planning. A farmer interested in working with the Georgia Grown Innovation Center can apply for services by filling out a simple application online. Available services include:

- Market research
- Access to Georgia Southern University faculty and students
- Mentoring
- Networking events
- Workshops
- Technical support

Some other benefits of the Georgia Grown Innovation Center are office space, internet and Wi-Fi, meeting room use, website visibility, and access to a secure building. Several companies have even been interested in a virtual membership. They can still benefit from resources of the center without physically having to visit the center.

Dr. Dominique Halaby, Director of the Business Innovation Group (BIG) at Georgia Southern University's Parker College of Business stated, "We want to fuel an environment that focuses on connectivity within a collaborative space, utilizing the resources we have to share a hub where agribusinesses can flourish." The center strives to be flexible and build a culture that supports entrepreneurship and agribusinesses.

TURNING A PANDEMIC INTO A POSITIVE

In October 2020, the facility opened at the height of the Covid-19 pandemic. The actual groundbreaking was delayed by about six months but the team working to create the Georgia Grown Innovation Center now views this as a blessing in disguise.

Virtual membership became popular due to a need for resources during the pandemic and actually accelerated the projected growth of the center. Farmers were trying to rethink how to do business. The Georgia Grown Innovation Center was created at the perfect time for providing virtual resources.

GROWING AGRICULTURE IN THE FUTURE

Even though the Georgia Grown Innovation Center is still relatively new-the city of Metter,



GGIC member, Grant Anderson harvests produce from BetterFresh Farms custom-outfitted shipping containers located at the center.

Georgia Grown, and Georgia Southern are all hopeful for the future of the center. The center is always looking for new partners and resources to add. In addition, the center is adding clients from not only Georgia, but around the country. This is the first agribusiness resource center in the state of Georgia, and the Georgia Grown Innovation Center is proud to serve the agriculture industry.

In the end, not only did Metter, Georgia rebrand itself as a "Georgia Grown Community," but also became home to the state's first Georgia Grown Innovation Center, becoming a hub for agriculture. The future is looking bright for the center, proving the local motto true that "everything is better in Metter."

For more information

Interested parties may contact the Georgia Grown Innovation Center at GGICMetter.com for more information and to contact a representative.

CENTER FOR HEIRS' PROPERTY PRESERVATION

Center for Heirs' Property Preservation Announces 6th Annual Rural & Limited Resource Landowner Symposium.

On Friday, October 14th and Saturday, October 15th the Center for Heirs' Property Preservation will hold its 6th Annual Rural & Limited Resource Landowner Symposium. This will be a hybrid event held both virtually and in-person at the North Charleston Marriott Hotel, 4770 Goer Drive, North Charleston.

If you need help with Heirs' Property or if you want to learn more about managing your land for timber to provide increased

income for you and your family, the Center invites you to participate in this unique landowner event. From the comfort of your own home or office, or

if you choose to join us in person, you can enjoy special guest speakers, expert panelists who are Natural Resource professionals from both state and federal agencies. You will hear from financial experts as well as professional foresters on how to start a forest business. USDA conservation programs and break-out sessions on heirs' property issues, resolution, also estate planning and forestland management. Watch for more detailed information on topics and speakers coming soon!

For more information

heirsproperty.org

Facebook @heirsproperty





PAYMENT OPTIONS



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ACCOUNT ACCESS ONLINE PORTAL

- Log in 24/7 to access all of your loan information, including current balance and next payment due date
- Make your loan payment online
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- Download & print your annual loan activity statement
- View & print 1098 & 1099 tax documents
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- Do everything you can do in AccountAccess when you're away from your computer. Now with fingerprint and facial recognition for extra security.
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- Contact your loan officer to set up automated payments

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- This is the default payment method upon setting up a loan with AgSouth
- Payments mailed to a centralized processing payment center

QUICK PAY

- A centralized and automated payment processing function, which streamlines payments initiated through a member's Internet Bill Payment service



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LOANS FOR HOME PURCHASES, HOME
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