

Security First Bank

OF NORTH DAKOTA

(701) 667-7000 614 West Main Street P.O. Box 1150 Mandan, ND 58554

Mr. Chairman thank you for the time today to hear my concerns for any reduction in the budget for the Adult Farm Management program in Senate Bill Number 2019 LC # 21.0301.01000

My name is Todd Neurohr I am an Ag Lender at Security First Bank of ND located in Mandan. To give you a little background on myself I was raised on the family farm in Gladstone with my brother who is still farming there today. I regularly go back to help with the farming and also do all the bookwork and marketing for the operation.

When I am not farming, I have been assisting farmers and ranchers with their lending needs for over the past 28 years. I started with the old FMHA Farmers Home Administration back in 1993. During that time, I worked with most of the Ag banks, NDSU Extension Service, Bank of ND, Ag Mediation, Adult Farm Management program just to name a few. Then roughly 7 years ago I started working in the private banking sector. I have seen a lot of change in Agriculture from my prospective over the past 28 years.

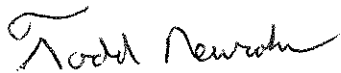
But do you know the one thing that no matter how far back in time you go that has not changed? No, it's not Grandmas apple pie recipe.... It's how important the numbers are. Big or small, it doesn't matter, the numbers will show how profitable or unprofitable a farming operation is. Most farmers while attending High School and College never realized the importance of truly knowing their operation numbers, so they likely never took the accounting/business courses that would have educated them on how to apply this to their farming operation. I have seen so many farming operations fail due to not knowing how to complete a budget and knowing their breakeven costs. This is where the Adult Farm Management program is so vital to this state. I have referred countless farmers and ranchers to the program over the years. Most farmers come out of the program wishing they had enrolled in the program long ago. The program teaches farmers budgeting, profitability, and marketing. They also hold marketing meeting with speakers to better educate and inform their clients. The financial analysis that they assist the farmer in putting together balance sheet, cash flow and break-even analysis are typically provided to the bank. This information is so important in the bank's lending decisions regarding a farmer's operation. As lenders we are confident that the numbers coming from the Adult Farm Management clients are accurate. In addition, the Adult Farm Management program provides an annual report of all its clients income and expense averages. They even break it down by region, so it is more applicable to a specific area. We typically use this information as a resource for our other bank clients.

An example of the impact this program has had on one of my former FMHA clients was back nearly 15 years ago. This farmer came to me for assistance and had basically no equity left in his operation and he was ready to sell out and quit farming. We worked and put a plan

together, I contacted the Adult Farm Management Program and got him enrolled. Slowly but surely, they taught this man the importance of knowing his farming numbers and how to use them to his advantage. This farmer stayed enrolled in the program for over 15 years, as he knew the importance of this program to his operation. Fast forward to 2021 this man now has one of the most profitable and successful farming operations in the area, he now also has 3 sons involved in the farming operation. That's 3 new young farmers that are so vital to this state and its economy. This would not have been possible without the help of the Adult farm Management Program and its efforts to teach and assist their father 15 years ago.

This is just one of many farmers that have successfully turned their operations around from the brink of disaster to profitable levels. The Adult Farm Management Program works as it should for farmers young and old. As a lender I would love to see all my clients enrolled in the program as I believe this is yet another one of the tools in the toolbox that a farmer can use to be successful.

As a lender and a farmer, I would ask that the members of this committee not only continue to fully fund this program but to also look to expand this program into the high schools for the up and coming young farmers. Teach them early the importance of knowing their numbers and budgeting through the Adult Farm Management Program. I believe that this is an invaluable program for North Dakota in order to educate and maintain our great states farming and ranching heritage. Again, thank you for the time to listen today.



Todd Neurohr
Vice President
701-355-5973 (Direct)
701-400-0604 (Cell)
<https://www.securityfirstbank.bank>