



# Rural Partners

AgStar Fund For Rural America 2008 Annual Report

AGSTAR★FUND  
FOR RURAL AMERICA

Investing in the future.

# Overview

AgStar Financial Services, headquartered in Mankato, Minnesota, operates in 69 counties in Minnesota and northwest Wisconsin as part of the Farm Credit System. The company primarily serves the cash grain, livestock and renewable energy sectors. AgStar has also developed successful programs in loans, leases, crop insurance, tax services, accounting and rural home mortgages.

AgStar has invested in rural groups and rural initiatives since its inception. In 2001, the AgStar Board of Directors acted to establish a formal corporate giving program. They wanted to add structure and dimension to AgStar's commitment to the agricultural community by supporting agriculture and rural interests. The AgStar Fund for Rural America was developed to carry out AgStar's philanthropic mission. A nine-member Board of Trustees, comprised of AgStar directors and team members, manage the Fund.

The AgStar Fund focuses its giving programs in geographic areas where AgStar has a continuing business presence. The Fund concentrates in four major areas of funding: education, environment, technology and quality of life. For maximum impact, these programs fit strategically with the interest of AgStar business and areas of concern facing rural America. We are committed to being a leading corporate citizen in the communities we serve.

Through self-directed programs, the Fund establishes their own programs or partners with others to extend their reach into rural communities as illustrated in this publication. By partnering with groups who support rural communities and agriculture, our combined efforts will enable us to promote participation, advance program causes and heighten issue awareness.

# Fund Focus:

**Education:** Educating young, beginning or future farmers.

**Technology:** Supporting the advancement and utilization of technology for the benefit of farmers and rural communities.

**Quality of Life:** Enhancing the quality of life for retiring farmers or farmers enduring financial hardships.

**Environment:** Maintaining or improving the quality of the rural environment.

## Fund Mission

The AgStar Fund is committed to enhancing the quality of life and future opportunities for rural residents and their communities.

### WE BELIEVE

that just as ripples in a pond transform the shoreline, we can make a positive impact on rural America. Over time, each pebble dropped creates a wave that shapes the landscape of the rural community for the betterment of all.

### Grant Applications:

- Programs must specifically benefit farmers and rural communities
- Up to \$10,000 available per organization
- Four focus areas: education, environment, technology, quality of life

Annual Application October 1 - November 30.  
Visit [agstar.com](http://agstar.com) or call 866-577-1831 for more information or to apply.

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## County Fair Facility Upgrade Grant Program

County fairs in rural areas are struggling with limited budgets, many lacking adequate buildings and structures. Counties that do have adequate facilities can't always afford the upkeep and maintenance. This grant program helps alleviate some of those financial constraints.

The program started in 2007 and gives \$50,000 per year in grants.

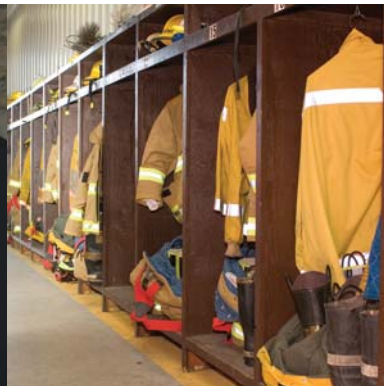


## Emergency Response Equipment Grant Program

The Emergency Response Equipment Grant Program was created in 2006 to help rural emergency response departments with funds to help keep equipment updated. Every year since, the Fund has distributed a total of \$50,000 in grants to area departments.

Grant applications are accepted yearly during the month of August.



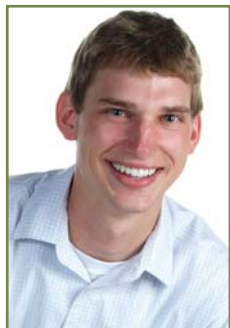


# AgStar Scholarships

The AgStar Fund for Rural America has ongoing partnerships with the University of Minnesota and the University of Wisconsin, River Falls with the AgStar Scholars Program. The program is designed to provide support for education and insight on what the field of Ag financing has to offer students. According to Paul DeBriyn, AgStar President and CEO, "The goal of the program is to offer students a first-hand look at the industry and the impact it has on the national and global economy, as well as position the program participants for a solid future."

Each year, AgStar Financial Services selects 6-10 college juniors for this one-of-a-kind scholarship program. The students must have strong interests in financial management and are selected for their academic achievement, leadership, career goals, involvement in the agricultural community and their essay response.

Each scholarship recipient is awarded \$2,000. As an added benefit, scholars are invited to learn from AgStar industry leaders who provide an overview of ag financing. These scholars complete a financial research project related to agriculture during their senior year which they present to AgStar representatives, as well as college faculty. In addition, the students also receive an internship opportunity with AgStar during holidays and summer breaks.



Jamie Seitzer

Jamie Seitzer and Jessica Miller were both AgStar Scholar recipients. Jamie, a 2008 Scholar, grew up on a dairy farm in southern Minnesota. Farming has always been part of his life. As an AgBusiness major at the University of Minnesota, and a member of Alpha Gamma Rho fraternity, Jamie knows and feels that agriculture will always be a part of his life. When he heard about AgStar's scholarship program from one of

his economics professors, he knew that it was the perfect fit and he applied.

As a scholar, Jamie interned at AgStar last summer for Rural Financial Solutions. Jamie felt this was a great opportunity for him to learn about a different side of agriculture which he hadn't experienced before. Jamie felt like he got a good idea of what it takes to finance an operation. During his internship he gained a sense of the people at AgStar. Jamie describes the people at AgStar "as genuine and truly enjoyable."

The money Jamie received from AgStar as part of the scholarship allowed him to devote more time to school and things like his research project that he normally would have spent working. "This scholarship is so much more than just the money, this is a learning experience that will be with me for the rest of my life," said Jamie.

Jessica Miller, a 2006 scholar, heard about the AgStar scholarship program and thought it sounded like a great experience. She was raised on a farm and received a degree in Agricultural Industries/Marketing from the University of Minnesota.



Jessica Miller

As an AgStar Scholar, Jessica visited with her professors on a regular basis to learn more about the ethanol industry and its effects on livestock producers. She thought her project was an extremely good way to apply the skills that she learned during her classes. During her internship Jessica learned about AgStar and its role in the Farm Credit System.

Jessica's experience as a scholar definitely opened doors for employment. After graduation, she applied for a position at AgStar and was hired as a full-time employee. She currently works as a Credit Analyst in Mankato. Jessica chose to return to AgStar after graduation because of her experiences as an intern. As an intern, she found that AgStar was truly a great place to work. Jessica stated, "I am proud to say I work for AgStar. It is a member-owned company with a strong sense of social responsibility;



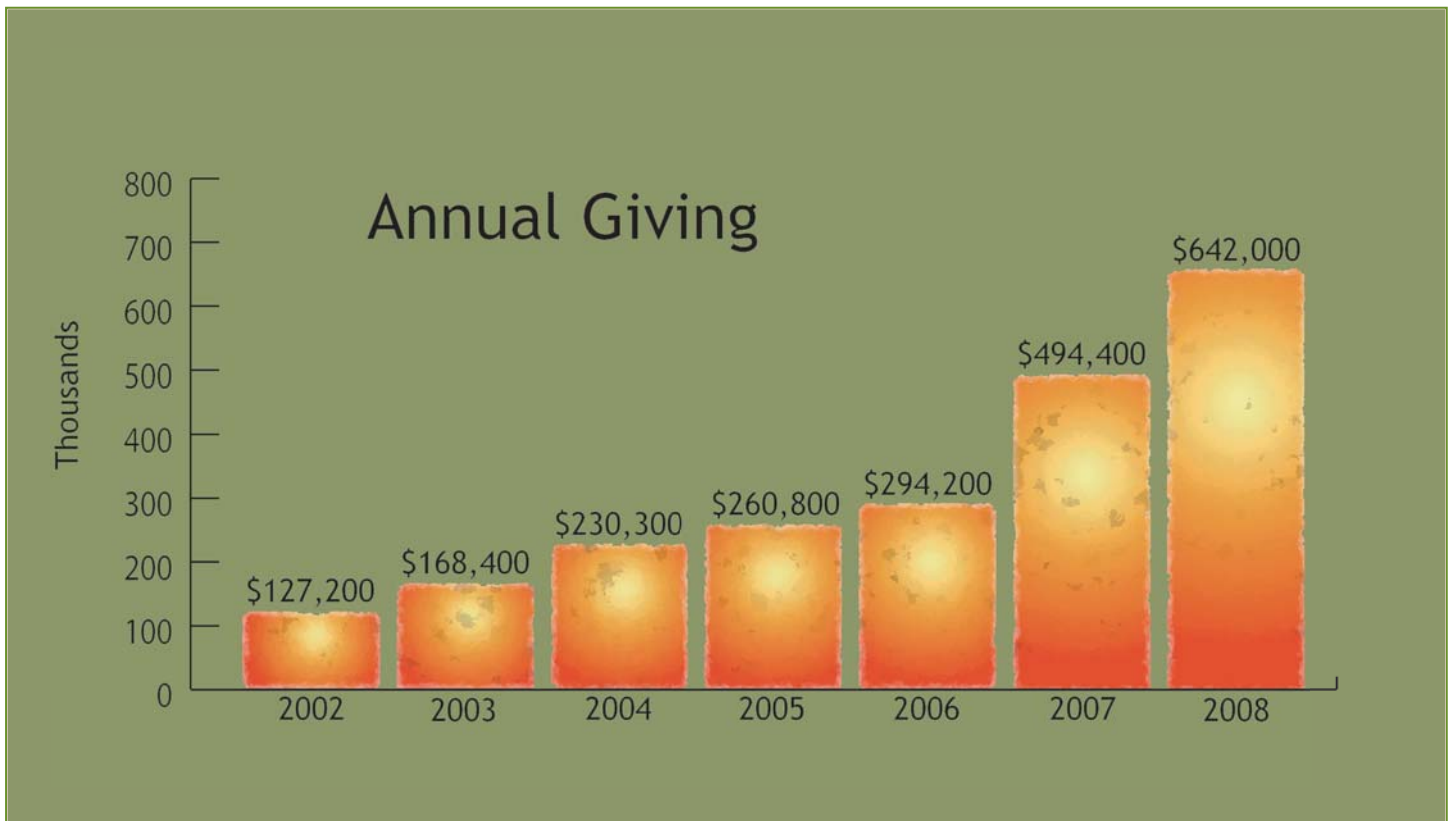
the AgStar Fund for Rural America does great things for the community.”

The AgStar scholarship program is something truly unique. Greg Hadley, advisor of the program for the University of Wisconsin, River Falls, can see the change in students over the course of this program. “At first students are scared and nervous, but by the end you just need to get out of their way,” Hadley stated.

## High School Senior Scholarship Program

The primary goal of the AgStar Fund is to help ensure a strong future for agriculture. AgStar awards twenty \$1,000 scholarships to high school seniors each year. Application deadline for this years program is April 1, 2009.

Applicants are selected based on academic achievement, leadership characteristics and community involvement with a designated major or interest in an ag-related field or have an ag or rural background.



# K-9 Program Improves Safety



Cottonwood County Sheriff's Deputy Dustin Miller and Cherokee.

One successful option is to establish a K-9 unit. An officer alone cannot perform the same duties as a K-9 unit. Utilizing a K-9 on traffic stops, search warrants and other drug related activities has proven to increase the chance of locating drugs.

Making the roads safer in Cottonwood county is a priority for the Sheriff's Department. This is why, Cherokee, a two year old German Shepherd, joined their force in the fall of 2007.

Deputy Sheriff Dustin Miller took on the task of being a K-9 officer, and he and Cherokee trained to become a K-9 narcotics unit. Deputy Miller and his partner Cherokee are certified through the United States Police Canine Association for Narcotics. Cherokee is trained to alert Deputy Miller to marijuana, heroin, methamphetamines, cocaine and other drugs, as well as all drug related items. Cherokee is also trained as a dual-purpose dog. This means, not only can he locate narcotics, but he will be utilized in missing person searches, criminal apprehension, article searches, building searches, agility, obedience and handler protection. The unit also performs public education including school demonstrations, school searches and general public demonstrations.

When AgStar received the grant application from Cottonwood county requesting funds for training of their K-9 unit – they were excited to help. The Fund Board approved a grant for \$3,000 to the county to help keep their communities safe.

The K-9 program has had an immediate impact on the drug trafficking in the county. Since Cherokee has joined the department he has been instrumental in locating over 6 ounces of cocaine (a \$20,000 street value), over 15 grams of meth (\$1,500 street value), as well as many other drug related seizures of cash and drug paraphernalia.

With the addition of the new K-9 unit, Cottonwood county is a safer place to live, work and play.

## Feasibility Study Grant Program

The purpose of the program is to fund feasibility studies that may result in economic development for rural areas. The program is designed to provide funding to determine the feasibility of a project or to plan for a project located in rural areas of AgStar's territory. Such projects will need to meet an economic development or sustainability objective and, if implemented, will create new permanent jobs that result in the economic development of a rural area.



# MN Ag in the Classroom Foundation

Editorial

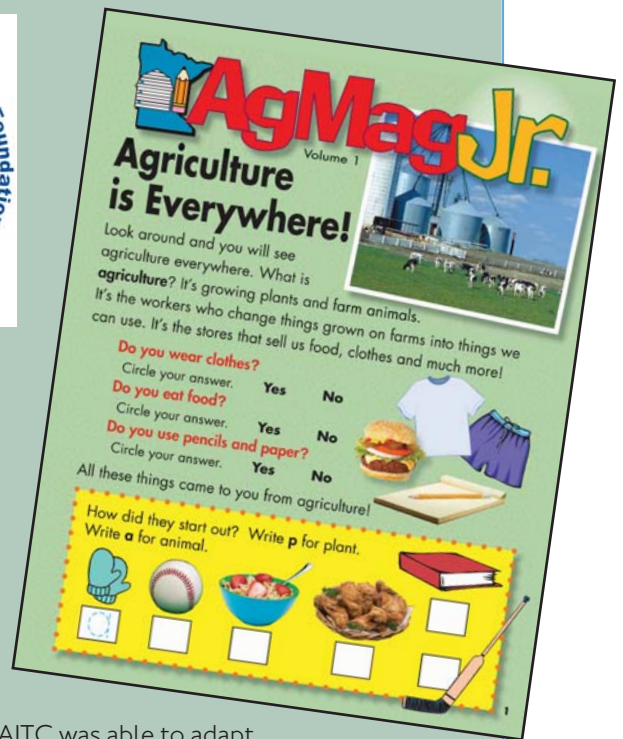
By: Emily Zweber, Director



For over 22 years, AgStar Financial Services has supported the Minnesota Agriculture in the Classroom Foundation (MAITC) program. As long time partners, AgStar's Fund has contributed over \$50,000 towards programs and special projects. AgStar's commitment to MAITC's mission and programs highlights why agricultural literacy programs are extremely necessary in our school systems. With students three, four and five generations removed from the farm, MAITC's mission is more important today than it has ever been.

**"They really enjoyed the whole magazine – Great! The teacher guide was great – offered information above and beyond!" Margaret Krieger, K-1 teacher at Granada-Huntley-East Chain Elementary.**

Due to a generous grant from the AgStar Fund, MAITC was able to adapt its highly popular AgMag publication for first graders. The AgMag Junior was received exceptionally well and will be included in teachers' curriculums in over 250 schools.



The AgMag Junior was such a success that the AgStar Fund has already committed a donation for the development of the 2008-2009 publications.

Private donations from individuals, organizations and businesses, such as AgStar, make it possible for MAITC to offer all of our programs and materials free of charge. It doesn't matter if it is a one family home school class or a large county fair event, anyone from Minnesota can order MAITC materials and receive them for free.

**"The student copy was very appealing and inviting. The teacher guide was very informative and provided useful information. Nice job to all involved. Thank you to AgStar!" Jeanne Traxler, grade 2 teacher at LeCenter Elementary.**

Every year MAITC counts on generous donations to make this possible. For more information please visit [www.maitcfoundation.org](http://www.maitcfoundation.org).

**"We loved all of it. I thought it was done well. My class REALLY got into it! It's done better than other fliers/pamphlets, etc. that we receive. Thanks." Kathy Thompson, grade 2 teacher at Nevis Elementary.**

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AgStar is an equal opportunity employer.

## Contact Us:

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[www.agstar.com](http://www.agstar.com)

# AgStar Receives National Award for Community Service



The AgStar Fund for Rural America was recognized for its outstanding community service efforts with the Farm Credit Council's Phelps-Martin Award.

The award was established to honor the FCS institutions who exemplify their commitment to community service.

The national award recognized AgStar's vital role in assisting southeastern Minnesota businesses affected by the devastating floods in 2007. AgStar, in partnership with the Southern Minnesota Initiative Foundation (SMIF) and other key donors,

established the Business Recovery Program. Grants were awarded to help get local businesses back in operation and support the long-term economic viability of the communities impacted.

Through the joint effort, AgStar was able to help the Business Recovery Program grow to more than \$760,000. This money helped businesses recover from their losses to continue operation.

The AgStar Fund was also recognized by the Southern Minnesota Initiative Foundation as their 2008 Partner of the Year for this same program.