

MEMBER NEWSLETTER



FRESNO MADERA  
FARM CREDIT

AGRICULTURE IS OUR ONLY BUSINESS

# Connection

AUGUST 2024



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Dear valued members:

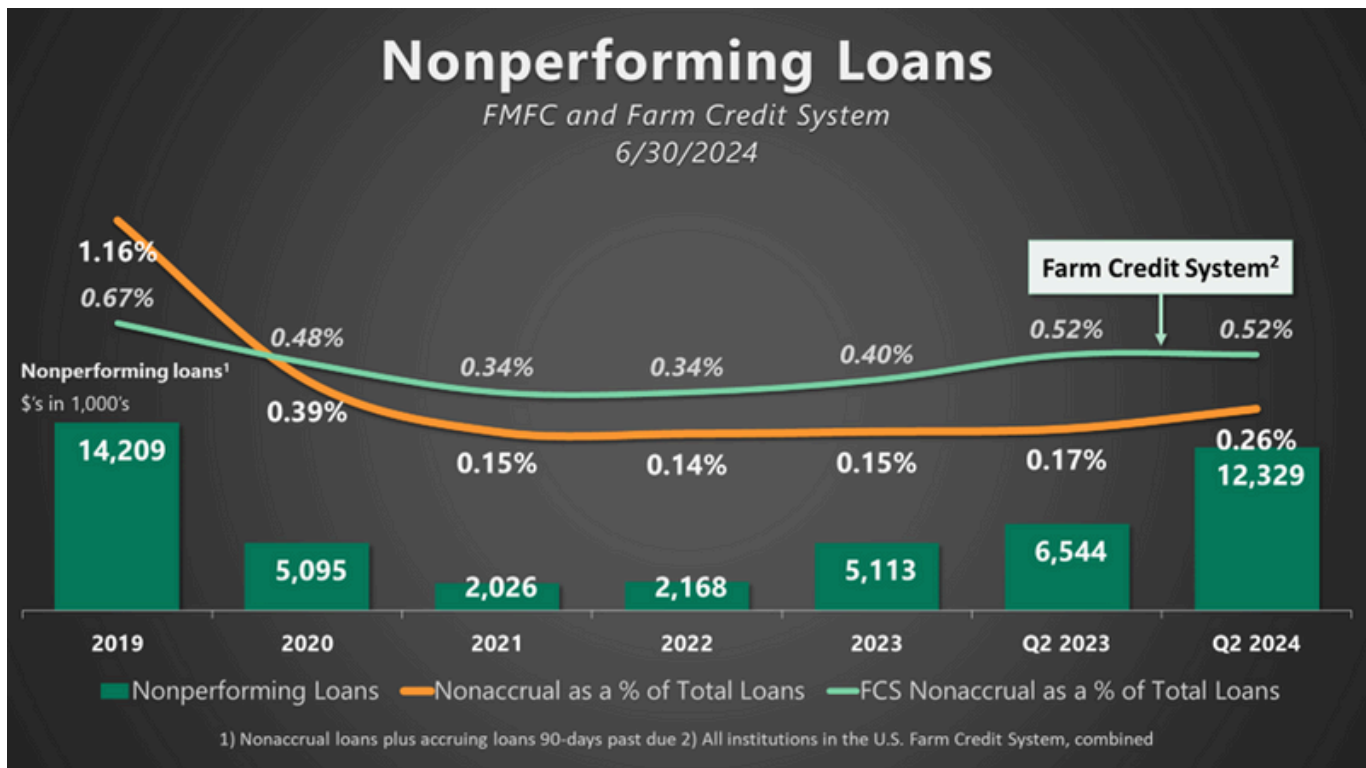
As we move into the third quarter of the year, I want to take a moment to update you on the financial health of our association and provide some insights into the current interest rate environment. At FMFC, our commitment to serving the agricultural community of the Central Valley remains as strong as ever.

### **Financial Health and Credit Quality**

#### *Credit Quality*

As a Farm Credit Association – the overall financial health of our membership will always be reflected in our financial results, as our loan portfolio is heavily concentrated on loans that support the agriculture here in our region. As farm input costs remain at elevated levels, the softer pricing we've experienced across many commodities has compressed farm margins.

While the compressed margins have contributed to an increased in general credit distress – our overall credit quality remains quite strong as outlined in the chart below. At 6/30/2024, our nonaccrual loans were just 0.26% of total loans – just half the level reported by the Farm Credit System which was at 0.52% for the same period ended.



## Second Quarter Earnings

Our loans outstanding at 6/30/2024 were just over 5% higher than the same time last year as a result of increased volume from new loans and higher usage on our revolving loans. Our net interest margin is about the same as last year despite some compression in our net interest spreads – earnings from invested capital have increased which has offset the lower interest spreads we are seeing in the loan portfolio.

Click [here](#) to read the full update from Fresno Madera Farm Credit President and CEO Keith Hesterberg.

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## Your feedback supports Ag Youth!

At Fresno Madera Farm Credit, our primary goal is to be your lender of choice, offering financial solutions and outstanding service to support your success.

To ensure we meet your needs, we kindly request your participation in a brief Member Feedback Survey. Your feedback will help us make the necessary adjustments to provide the highest level of service to you and the agricultural community. **For each completed survey, we will donate \$20 to support ag youth organizations in Fresno and Madera counties.** This donation will be presented at our Fall Member BBQ.

Thank you for your commitment and trust in Fresno Madera Farm Credit.

Click [here](#) to take the survey.





## Q2 Financial Report



The long-term stability of Fresno Madera Farm Credit is essential, and we want to keep you informed with an update on our financial performance for the second quarter of 2024.

You can view the full report by clicking the link below.

If you have any questions or need further information, please don't hesitate to reach out to your relationship manager.

**[Click here to view the 2024 Q2 Financial Report.](#)**

## The FMFC Community Calendar

A calendar of local agricultural events organized by various advocacy groups, farm bureaus, and Farm Credit partners.



**View Calendar >**



## Introducing Our Newest Board Member: Paul Basila

Please join us in welcoming Paul Basila as the newest addition to the Fresno Madera Farm Credit Board of Directors. Recently elected by the members of Fresno Madera Farm Credit, Paul Basila is a fourth-generation farmer who can trace his family's involvement in agriculture as far back as 1906. Paul currently farms overhead mechanized raisins in Madera and pecans in Arizona. Previously he farmed almonds, walnuts, wine grapes, and was the owner of a raisin harvesting company.

## New Board Leadership

Our board of directors play a crucial role in guiding our company's vision, upholding our values, and ensuring our long-term success.

We are pleased to announce that from our board of directors, the following individuals will serve in leadership positions for the 2024-2025 year.

- Board Chair - Jeff Yribarren
- Board Vice Chair - Wayne Carstens
- Board Second Vice Chair - Jeff Jue

Additionally, to strengthen our governance and operational effectiveness, we have established dedicated committees focusing on Audit, Human Capital, and Risk. These committees are focused on their responsibilities of oversight in their respective areas, further supporting our commitment to excellence and sustainability.

We invite you to engage with the board members regarding any questions or concerns you may have about the association. Click the link below to learn more about our board of directors.

Click [here](#) to view the Board of Directors.



# MEMBER EVENTS

## Thanks for making our Spring Member BBQ a success!

Our Spring Member BBQ was a resounding success thanks to you! Your vibrant energy, warm camaraderie, and unwavering support are the driving forces behind the event's continued success. It brought us immense joy to witness our agricultural community unite, engage in lively conversations, and strengthen the bonds that tie us together.

We invite you to relive the event by clicking the link below to view the full photo album, capturing the essence of this remarkable gathering.

Click [here](#) to view photos.







## FMFC Awarded \$500 Grants to Future Ag Leaders



Each spring, we extend an invitation to youth agricultural organizations from Fresno and Madera counties to apply for our annual agricultural youth grants.

At our recent Member Appreciation BBQ, Fresno Madera Farm Credit had the honor of awarding five exceptional groups with a \$500 grant in recognition of their remarkable contributions to our community. These grants will support their ongoing efforts and initiatives, fostering the growth and development of our future agricultural leaders.

To learn more about these outstanding organizations and the incredible work they are doing, we invite you to click on the link below.

Click [here](#) to read more.



## Center for Land-Based Learning's FARMS Alumni Panel at FMFC



Fresno Madera Farm Credit was honored to collaborate with the Center for Land-Based Learning's FARMS Alumni program on an event this spring. The 'Internships, Innovation, and Marketing Yourself for Success' event brought together a dynamic group of industry experts, students, alumni, and employers, creating a vibrant atmosphere of learning and networking.

The event provided a golden opportunity for students to engage directly with seasoned professionals, ask insightful questions, and gain invaluable insights into the agricultural industry. Through interactive panel discussions and networking sessions, attendees had the chance to expand their professional networks and ignite their careers in the exciting world of agriculture.

At Fresno Madera Farm Credit, we are committed to supporting and nurturing the growth of our local agricultural community. Events like these not only foster valuable connections but also empower young minds to pursue their passions and drive innovation within the industry.

We look forward to continuing our collaboration with the Center for Land-Based Learning and other esteemed organizations, creating more opportunities for students to thrive and contribute to the sustainable future of agriculture.



# UPCOMING EVENTS



## **Madera District Fair Sept. 5-8**

The Madera District Fair is set to take place from September 5-8, and it promises to be a fun-filled event for the whole family.

This year's fair includes a packed schedule of livestock events, thrilling attractions, and delicious food options to indulge in. You'll have the chance to catch live performances and concerts, as well as see some of the best agriculture displays from across the county.

Click [here](#) to purchase tickets or to view the event schedule.



## **Fresno State Ag One Ag Boosters BBQ Sept. 8**

The Fresno State Ag One Ag Boosters BBQ event will take place on Sunday, September 8, at George's River Ranch.

The Ag Boosters BBQ is a great opportunity to network with colleagues in the agriculture industry, enjoy Fresno State student-produced farm products, and browse the CWA Country store for fresh produce, baked goods, and crafts. There will also be silent and live auctions.

Click [here](#) for more information.



## **California Farm Bureau Annual Meeting & Marketplace Dec. 7-10**

Save the date for the California Farm Bureau's Annual Meeting. The meeting will take place December 7-10, in Monterey, CA.

Once again this year, the Farm Bureau is asking for exhibit entries for the California Marketplace. Members can reserve a booth to showcase their products, artisan goods, or any agricultural-related services.

Click [here](#) for more information.



## Pistachio Industry Update - July 2024

Compiled by Fresno Madera Farm Credit Appraisal Staff

Pistachio bearing acreage has increased fivefold during the past two decades, making pistachios California's fastest-growing tree nut in terms of acreage. Industry estimates show that average pistachio net returns per acre exceed those obtained in competing nuts, creating incentives for new plantings.

However, the majority of the planted acreage is located in the Southern San Joaquin Valley, a water-challenged area and the Sustainable Groundwater Management Act (SGMA) will likely limit future growth.

Click [here](#) to read the full pistachio report compiled by the Fresno Madera Farm Credit Appraisal team.

## Farm Credit Supports a Strong Farm Bill

Farm Credit is committed to supporting rural communities and agriculture, today and tomorrow. As Congress considers legislation, Farm Credit advocates for passing a strong Farm Bill that maintains a strong safety net and meets the diverse needs of American agriculture.

Farm Credit encourages Congress to support rural communities and agriculture by:

- Strengthening the federal crop insurance program,
- Boosting development of critical rural community facilities,
- Modernizing FSA loan programs to increase loan limits, and
- Providing more credit opportunities for the commercial fishing industry.

Join us in encouraging [Congress](#) to pass the Farm Bill at the earliest opportunity.

For more information on the Farm Bill, click [here](#).





## **Small Farm Conference Continues to Provide Needed Education**

Since the beginning of production agriculture, the vast majority of farming operations have consisted of small family farms. That's true today as well, as these farms comprise nearly 90% of all the farms in the country, according to the U.S. Department of Agriculture.

Small family farms are not just a remnant of the past but a vital component of our agricultural system, contributing to local food security, economic growth, and the preservation of rural communities. Their deep-rooted connections to the land and their communities make them stewards of sustainable farming practices and guardians of our agricultural heritage.

**To learn more about the pivotal role of small family farms in shaping American agriculture, click [here](#) to read the full article.**



## The Fight Against Cyber Fraud: How to Up Your Game in 2024

With the advent of artificial intelligence, a new era of sophisticated fraud schemes has arrived, and many corporate finance departments are unprepared for the onslaught.

In a recent example, a finance worker at a multinational firm was reportedly duped into paying \$25 million to fraudsters using deepfake technology to pose as the company's CFO in a video conference call.

Ninety-six percent of U.S. businesses were targeted by at least one fraud attempt in 2023, a 71% increase from the year prior.

Click [here](#) to read more and learn how you can protect your business.



## Fraud Wise Podcasts Available on our Website!

On the go? Check out CoBank's Fraud Wise podcast for dozens of hours of content designed to help you keep your business safe from cybercriminals.

Click [here](#) to visit the FMFC website for a full catalog of episodes you can listen to anytime, or use to conduct training with your own staff.



# HOLIDAYS & OFFICE CLOSURES

**Friday, August 30**

Offices Closing Early

**Monday, September 2**

Offices Closed for Labor Day

**Monday, October 14**

Offices Closed for Columbus Day

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## HOW DID WE DO?

We would love to hear what you think of our member newsletter! And as a thank you for your feedback, we'd like to enter you into a drawing for an FMFC gift basket valued at \$100!

**Click [here](#) to share your thoughts. The quick, three-question survey will help inform and guide future newsletters!**



# Farming the Central Valley: 2024 Photo Contest



## Attention Photographers! The FMFC Photo Contest is in its final days!

This is your last chance to submit your photos! This year's theme is "Farming the Central Valley." Whether it's golden sunsets over vineyards, beautiful blossoms, or vibrant citrus groves, we want to see your best shots! Deadline for submitting photos is August 31.

**Photo entries can be sent to [photocontest@fmfarmcredit.com](mailto:photocontest@fmfarmcredit.com)!**

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