

BRUNING STATE BANK

Your Country Bank Since 1891

Bruning ❄️ Hebron ❄️ Broken Bow ❄️ Holdrege ❄️ Kearney



Want To...

As a devoted reader, I got an idea for an article from something I read in a livestock magazine. In that magazine, a rancher was quoted as saying that young people who want to get involved in life need only two words: "want to".

More than 20 years ago, Jeff Hammer worked for me over four summers, building fence while going to college. When he graduated, his remark to me was, "I want to come up and work for you in the bank. I'm told I can get a broader knowledge in a small institution." My initial response was, "We don't have room at this time." His reply was, "I'm coming anyway." He started at the bank on a part-time basis; now, 20 years later, he is a Senior Loan Officer. He (and most of our employees) have had that necessary "want to" and were always willing to work their way up.

Maybe we should all think about "want to". I'm concerned about the attitude of today's young people going to college. Do they go because they "want to" or because that is what their parents want? It seems to me that a number of them have not grown up enough and the "want to" is simply not present.

It is my belief that going through tough times and not having all the best things in life right away helps to build our "want to", and I think this is true for all of us. We need to discover, then reveal, our "want to" in life. Set a few goals and make things happen, instead of just watching them happen.

Someone once said if we try to be twice as nice and try to work twice as hard, things will work out a lot better!

*Frank L. Bruning -
Chairman of the Board Emeritus*

"You cannot have a positive life and a negative mind." ~ Joyce Meyer

Tips for Successful Tenants...

As we start a new renewal season for farmers and ranchers loans, our customers are also renewing the leases with their landlords, many of which are automatic renewals. I recently read an article on the Farm Journal – Ag Web called "Tips to Impress Landlords" and would like to share a few of the ideas I got from the article with you:

- 1. Talk often.** With our busy lives, sometimes we forget who owns the farms and the opportunity the landowner has given in renting his/her farm. Building and maintaining a good working relationship has much to do with communicating.
- 2. Share your market, yields, and profit outlook.** When you have good yields, the landlord likes to hear it so they can brag a little to their friends. If ears drop (like this year) and yields suffer, explain to them what happened, e.g., hail, wind, weeds, drought, heat, etc. When corn prices have fallen from \$7 to \$3, sometimes they aren't aware of that, especially in view of the fact that their real estate taxes may have gone up.
- 3. Treat your landlord as a business partner.** A written lease is always the best, so there can be no misunderstanding, but if it is verbal, visit with them to be sure they are satisfied. Dress and act professional when you visit with them, and have them bring their spouse or children with them for you to start building a relationship with other family members.
- 4. Give a gift.** Particularly during the holidays, consider sending a card or gift, or at least make a phone call. If they live close, think about clearing their drive of snow and mowing their roadsides.
- 5. Ask two important questions:** Is there anything changing in their world? What can I do better?

The landlord may decide to hire a farm manager or let their children take over the farm, or they may decide they want to sell the farm. Be prepared for them to answer the second question with something like "Could you mow my road ditches?" or "Why so many weeds this year?" or "What happened to make the corn and ears fall?"

The bottom line is, communication, respect, and treat renting a farm like a business, in that you must do a good job to continue the agreement. Treat the landlord as you would want to be treated, and all will be better off, long-term.

*Fred D. Bruning –
Chief Executive Officer*

I would rather make mistakes in kindness and compassion than work miracles in unkindness and hardness. ~ Mother Teresa

Lessons of the Past...

As everyone knows, we are in the midst of an agriculture recession. We don't know how long it will last or how deep it will go, but we all must prepare for the worst. This doesn't sound very positive and it's not, but facing our challenges head on always works out better than ignoring them.

For the over-55-year-old crowd, you may well remember the Ag recession of the '80s. While it's not the same this time, there are some lessons from the 80s which will apply today for both farmers and bankers. Most of the farmers and bankers that lived through those times have not forgotten what happened to them. So this article is for those younger farmers who didn't go through that experience.

Thinking back to the Ag recession there were plenty of mistakes made by both the farmers and the bankers. We all need to learn from them so we don't repeat the same mistakes. Some of the mistakes that come to mind are as follows:

I had many customers who had too much money borrowed for the size of their operation. They had been operating in a time when the more assets you controlled, the more money you made because of inflation. Because of this mind-set, they could not service the debt they had with lower commodity prices. This put them in a very vulnerable position. The lesson here is if you can't cash flow your debt on the current commodity prices, sell something and get rid of the debt.

For the most part, lenders did not understand the importance of working capital. As long as we had adequate collateral, we thought we were protected and could basically ignore working capital. What we found out was the value of fixed assets we were relying on to secure operating loans was not salable on a daily basis. The borrower could not turn it into cash fast enough to continue to get funds to keep their operation in business when they were losing money.

Change is hard. With any situation that is not working as planned, changes have to be made. In the '80s, those who were not willing to make changes were usually hurt the worst, financially. Banks had to change how they provided credit, becoming more of a cash flow lender, and less of a collateral based lender. Borrowers had to be willing to sell assets, seek outside employment, and lower their standard of living.

The lenders and the borrowers did not always do the best job of communicating with each other. Nor was either one as flexible as they needed to be to work through the challenges they were facing. Good communication is paramount to working out of any challenging situation. When neither party could come to terms with the other, they allowed the courts to work things out. This did not work out well for the farmer or the bank, in most cases. Finding middle ground, when possible, is usually better for the borrower and the bank.

Not all is negative about recessions. Out of adversity comes opportunity. Many farmers who are in a strong equity position, who have positioned themselves to survive on a cash flow basis will benefit. They will be able to expand because of lower equipment and land prices. This happened in the '80s, and I think it will happen again during this recession.

*Darrell Raum –
Chief Credit Officer*

LEAD...

The past year and a half have been busy for my family and me, adding beautiful little Maura, growing our family to five, making a career move back to banking, and having the great fortune of being selected to participate in LEAD, a two-year ag leadership program. I am eternally grateful for all the previously mentioned events, but I am going to focus on the third for the remainder of the article.

You may ask "What is LEAD?" LEAD alone is an acronym for Leadership Education/Action Development; I'll do my best in this short article unpacking what that means. The program was established in 1981 by the Nebraska Agricultural Leadership Council with the mission statement "To prepare and motivate men and women in agriculture for more effective leadership." That preparation and motivation comes through twelve 3-day in-state seminars at which, if you're married, your spouse joins you at 4 of the 12. The 3-day seminars are held across the state taking us to 11 colleges ranging from Chadron State College in the Panhandle, down to NCTA in Curtis, up to Wayne State, and all the way east to UNMC and Creighton, with other great schools in between. The seminar presenters we have heard from range from prominent community leaders and corporate executives, to professors and entrepreneurs talking on public policy, economics, natural resources, rural development, and many other relevant topics.

In addition to the twelve seminars, Year One provided us a domestic study with stops in Kansas City, Washington D.C., Chicago and Moline, Ill. Within those cities, we interacted with industry leaders at Dairy Farmers of America, political leaders including the elected officials representing our state, monetary policy leaders including Kansas City Fed President and CEO Esther George, and in field technology leaders at the John Deere Harvester and Seeding plants.

Year Two will provide an international study tour to understand the complexity of agriculture at the international level. The class I'm fortunate enough to be a part of is LEAD 36 and we'll be leaving January 6th for a 16-day tour of Chile, Argentina, and Uruguay! On this study tour, we'll be visiting with leaders discussing international trade, foreign policy, geopolitics, and other important topics, helping us gain the necessary world-view to be more effective ag leaders.

After all that, you're likely asking yourself one of two questions, either "who has time for that?" or "how do I sign up?!" I won't sugarcoat the time commitment; you need a fantastic spouse, a very supportive employer, and the desire to better yourself to in turn help others. Fortunately, I have all three! Heather is an amazing mom and spouse, and likely doesn't even know I'm gone.

Bruning State Bank and the Bruning family are very supportive of me and the LEAD program, which I'm so thankful for! As it pertains to signing up: www.lead.unl.edu is an excellent source of information. Additionally, stop in the Bruning branch to talk to Fred, who is a LEAD 4 alum or Jerry, who is currently serving on the Board of Directors. If you're in Kearney, stop and talk to Adam, as he's a LEAD 34 alum. And always feel free to stop by my office and chat in Holdrege!

*Chris McQuillan –
Ag & Commercial Loan Officer, Holdrege*

Jerry's Journal...

Last newsletter I shared some management insights and culture from Thomas Watson Jr., book about International Business Machines (IBM) I also shared the core values of Bruning State Bank. In this edition I wanted to share a little more about each of our value statements

1. Empower our employees through training and education, and providing them with the tools they need to best serve our customers.

In October 2017 we held "Effective Leadership Training" for 3/4 of our 60+ staff members. These sessions offered great value as it applies to Bruning State Bank, and they also had application to family life and parenting. During our self-assessment and discussion we had the opportunity to make a list of things to keep doing, things to stop doing, things to start doing and things we need to change.

For example, on the things to start doing, "Increase to 3 to 4 hours a week catching people doing things approximately right!"

Think about the impact that something so simple can have on people. I don't know of anyone that does not like to hear they are doing a good job or how much they are appreciated, I know I do! We've all got to get better inside the bank in doing just that. It could have a substantial impact on our lives at home with family and even with our neighbors!

2. Building relationships with customers based on integrity and mutual responsibility to help them achieve financial success.

The golden rule, "Treat others as you want to be treated", over my nearly 25 years here at Bruning State Bank that is the rule that Frank L. Bruning lives by. I hope and pray that it continues to rub off on me! Banking is a risk management business, you can make a lot of decisions on numbers and sometimes we rely on the character and integrity of our clients. I've also said lending has a lot of science and math to it yet, the really good long term lenders have combined a little art with it!

3. Contributing to our communities through philanthropy and service.

As an example of the Bank and staff commitment to community, the 2017 Cattleman's Ball was held near Milburn, Bruning State Bank made a donation and every member of the Broken Bow Bank volunteered to work one or more shifts during this great fund raiser. The 2018 Cattleman's Ball will be held near Hebron, already Fred D. Bruning, Chief Executive Officer, Craig A. Pope, Hebron President, Lindsey Vieselmeyer, Director of Loan Administration and Traci Fangmeier, Mortgage Loan Processor have already spent many hours working for the June 1-2, 2018 event. The Bank has made commitment for monetary support. What a great cause to support!!! I know that all of the Bruning and Hebron Staff will be involved as volunteers.

4. Respecting our history and being good stewards of our family banking heritage.

The Bruning Family has been in banking since 1891 through some difficult and good times. I've heard Frank and Fred Bruning say they are only stewards of the bank and have the responsibility to pass things along better than they found them.

Thanks to the Bruning Family Leadership, the Bruning State Bank is well positioned to grow into the future.

5. Embracing our future by adopting new technologies and assisting all generations to build, maintain and transfer their wealth.

As you know technology is all about change, the buzzword in banking is disruption and we are seeing plenty of it. We are proactive in offering mobile banking via our apps and our online banking modules. Check those services out at www.bruningbank.com or call one of our locations.

Building and Maintaining Wealth is our core mission. That is what relationship banking is all about.

As we enter the Christmas Season, it puts into perspective the "what and why" we each do. The more blessed we are the more that will be asked of us. That may be the real golden rule!

Merry Christmas and Happy New Year!

*Jerry Catlett –
President, Chief Operating Officer*

Ask Yourself...

Recently, I saw a quote that said: "Ask yourself if what you're doing today is taking you closer to where you want to be tomorrow."

I like this "question". It seems to me that this begins by paying attention to the little details in life that make a difference. We all have long term goals, but do we have specific goals that can direct today in a better way. The years will tell how our days have been spent. I have noticed from discussions with people who find themselves in difficult situations, that most problems begin "little", and if allowed, they can grow into bigger problems over time.

Yet, we all know we are responsible for our actions. We are free to choose, but not free from the consequences of our choices. The exciting and motivating aspect of implementing specific daily goals can be huge! We can set financial goals, family goals, and personal goals.

By using discipline and focus today, our Dreams can become Reality. Nothing motivates like setting realistic goals and sticking to them to feel the satisfaction of success! What are we doing today?

*Dan Jelinek –
Broken Bow President*

Technology Update...

A good friend of mine has decided, either due to the fact that his schedule is very hectic this time of year or possibly more likely because he just doesn't think about it until then, that the few days immediately preceding Christmas are the perfect time to buy Christmas gifts. The texts messages always start innocently enough, asking what the kids want, should he get this for that person, etc. and turn more and more agitated as he realizes again, just as he had the year before, that shipping becomes expensive when you are rushing the delivery. With these many purchases all happening at once, the fraud protections on his card usually become an issue too. It all leads to a not-so-jolly friend. The good news is I'm sure all of you have a great plan for your holiday shopping, and we here at Bruning State want to help you. This time in the Technology Update, we will review tips to keep your account and card safe during the holiday season.

Throughout this year, we have talked about our many technology offerings that will help you keep an eye on your debit card and your spending. If you have a smart phone, please download our Mobile banking app, a quick Instant Balance check can help you verify you have enough funds to buy that popcorn machine for Aunt Erma. You can also use the app to transfer funds from your savings account if that iPad for Grandma gets a little over the budget or your daughter has to have the hardest to find American Girl doll outfit ever (not that I would know anything about that). We also offer Card Valet either within the Mobile Banking app or as a standalone app for your phone. It will alert you each time your card is used, allow you to limit what types of stores your card can be used in, or lock the card all together if you happen to lose it while you are shopping.

To keep your card safe, we recommend that you only use vendors that you know and trust. Sure, that Swedish meatball machine looks amazing and the perfect gift for Mom, but do you really know that Svensson Brothers out of Stockholm is real or just a front to steal your card information? Likewise, using auction sites to purchase hard to find items is great but make sure you only deal with sellers within the site. eBay has a lot of information about your protections on their site, but those only apply if you complete the transaction within eBay and not offsite via email. Please too be aware of any emails asking you for your card information; very few banks, if any will ever ask you to verify your information this way (BSB will NEVER do that). Emails that look like they are from FedEx or UPS with tracking information are a favorite of scammers to load malware on victims' computers as well.

We hope that you have a wonderful holiday season and if you have any questions, please don't hesitate to contact your local branch. While we can't help you with free shipping, we can answer any questions about your account or our apps. We want to keep your account safe and your holiday season as uneventful as possible. Thank you for your business!

Tech Term of the Month - Face ID: That new iPhone X you are getting for Christmas has a new security feature that will allow you to open your phone by having it recognize your face. This is similar to other biometrics we have talked about in the past and will be interesting to see how it works and when the hackers compromise it, if they ever do.

*Corey Swartzendruber –
Vice President, Network Administrator*

Farm Leases...

Managing a farm should be treated like a business, which requires a written lease for landowners to communicate their expectations to their tenants and clearly state who receives what portion of crop and income, and who pays for what expenses. Other than the standard listing of landowner, tenant, legal description of farms, and dates of lease, a few items to consider in your next farm lease, but not limited to:

- Crop share arrangements e.g.: percentage of crop landowner and tenant are to receive and who pays for what expenses
- Cash rent arrangements should include the total dollar amount of the lease and specify when payment(s) are due
- How often soil tests are and recommendations followed to maintain or improve soil fertility long term
- Maintain landowner's FSA crop base acres and discuss government programs with landowner prior to enrolling
- Prohibiting tenant from entering into long term agreements such as wind turbines and solar panels
- How much crop residue removal is permissible
- Crop insurance requirements if a share rent lease
- Liability insurance
- Weed control
- No subleasing without written permission
- If grazing is permitted, specify who is responsible for providing fencing, water, supervision, and a termination date
- Tenant shall maintain terraces, waterways, culverts, and eliminate or reduce low spot areas
- Comply with local, Natural Resources District (NRD), State, and Federal regulations.
- Tenant shall follow chemical label directions
- If the farm is irrigated, list who furnishes what irrigation equipment, who is responsible for what expenses, including annual maintenance on tires, gearboxes, and tower drive units, and irrigation equipment insurance

As you can see, a good farm lease needs to address many items that a verbal discussion and a handshake used to accomplish. If you are interested in having your farm managed, please contact myself, Janet Germer, or Renee Dowdy.

*Craig Pope-
Hebron President*

ACH Disclosure

Following annual compliance regulations, the below is Bruning State Bank's ACH agreement:

This agreement is subject to Article 4A of the Uniform Commercial Code - Fund Transfers as adopted in the state in which you have your account with us. If you originate a fund transfer and you identify by name and number a beneficiary financial institution, an intermediary financial institution or a beneficiary, we and every receiving or beneficiary financial institution may rely on the identifying number to make payment. We may rely on the number even if it identifies a financial institution, person or account other than the one named. You agree to be bound by automated clearing house association rules. These rules provide, among other things, that payments made to you, or originated by you, are provisional until final settlement is made through a Federal Reserve Bank or payment is otherwise made as provided in Article 4A-403(a) of the Uniform Commercial Code. If we do not receive such payment, we are entitled to a refund from you in the amount credited to your account and the party originating such payment will not be considered to have paid the amount so credited. Credit entries may be made by ACH. If we receive a payment order to credit an account you have with us by wire or ACH, we are not required to give you any notice of the payment order or credit.

Tis The Season To Be Jolly...

Here we are in the Holiday season already. This is the time of year that we get together with family and friends to celebrate Thanksgiving, Christmas and the New Year.

Christmas is a happy time; a time when we get to purchase special gifts for our loved ones, friends, or for ourselves! The giver is happy while watching the excitement and surprise as the receiver opens their gift. The receiver is excited and happy to discover what wonderful gift is hidden under the wrapping paper. Everyone is jolly!!

What might be in your little wrapped package this year? Will you get a new cell phone, an iPad or tablet, a new computer, some sparkly jewelry, beautiful artwork, or maybe even a new set of golf clubs that will really improve your game? How excited will you be with your new gift? How excited and jolly would you be if your new gift was lost, stolen, or got dropped and broke? Would your home insurance help pay to replace these items?

Personal property is covered on a standard home insurance policy, but is subject to your policy deductible and is only covered for the perils specified on your policy. These special items can be specifically scheduled on your policy to provide better coverage with a lower deductible.

Be sure to contact the Bruning State Bank Insurance Agency to get the coverage you need on all your special items.

We hope everyone has a very Merry Christmas and a Happy New Year!

*Kathy Roberts, Brian Hulse,
Kristen Monteforte, and Lary Holtzen
Bruning State Bank Insurance Agency*

Not FDIC Insured. Not a guarantee of the Bank. Not a deposit of the Bank. Not insured by any federal government agency. May go down in value.


Join us in the tradition of holiday giving!

Bruning/Hebron – Place new or “gently used” toys under our Christmas Trees for Blue Valley Community Action.

Broken Bow – Add gifts to our Holiday Gift Box.

Holdrege – Place a new toy under our Christmas Tree for Toys for Tots.

Kearney – Provide monetary donation for Good Fellows.





Welcome...

Bruning State Bank is excited to introduce you to a new member of our team! Kristen Swartzendruber has joined us as our new Customer Service Representative in Hebron. Kristen is a hometown gal as she grew up on a farm between Carleton and Hebron. She has worked in banking for the past seven years, and brings with her experience in customer service and operations.

Kristen and her husband, Rich, currently live in Carleton, and have two kids Torrence (9) and Korbin (4). In her spare time, Kristen enjoys spending time with family, going to the movies, trying out different foods/restaurants, and golfing. Kristen is looking forward to assisting our customers. Stop in to say hello and welcome Kristen to BSB!

For HSA and IRA Owners...

As we look towards a new year, we want to remind everyone that you have until your tax filing due date to make contributions to your Health Savings Account (HSA) and your Individual Retirement Account (IRA) for the 2017 tax year. Please be aware that you become ineligible to contribute to your HSA account at the beginning of the month you enroll in Medicare. If you are uncertain how much you can contribute in the year you enroll, please contact your tax professional. You also need to be aware that there are limits on the contributions you can make to each of these accounts. Please note the following limits:

Contribution Limits		2017	2018
Health	Individual HSA	\$3,400	\$3,450
	Family HSA	\$6,750	\$6,900
Savings	<i>Exception: If you are over the age of 55 but under the age of 65, there is a “catch-up provision”. You may contribute an additional \$1,000 per year for 2017 and 2018.</i>		
Accounts	Traditional IRA	\$5,500	\$5,500
	Roth IRA	\$5,500	\$5,500
	<i>Exception for Traditional & Roth IRAs: If you are age 50 or over, there is a “catch-up provision”. You may contribute an additional \$1,000 per year for 2017 and 2018.</i>		
Individual Retirement Accounts	SEP IRA	The lesser of: 25% of the first \$270,000 of each eligible employee's compensation	The lesser of: 25% of the first \$275,000 of each eligible employee's compensation
		- OR -	- OR -
		\$54,000	\$55,000
Education Savings	Coverdell ESA	\$2,000	\$2,000
Accounts			

It is up to you, as the account owner, to monitor these account contribution limits. If you are not certain how much you have contributed already for the tax year, any of our customer service representatives would be happy to help you!

Customer Service

Avoiding 8 Big Mistakes in Retirement...

Tens of millions of Americans are looking forward to the day they retire. Others enjoy their profession and can't imagine a life without work. Yet, even those folks recognize that one day they won't wake up on a Monday and head into the office. In either case, they share a common goal—a comfortable retirement that doesn't force them into a drastic lifestyle change. Fortunately, I can confidently and humbly say that those who utilize our guidance aren't in that category. Many of you whom we work with on a regular basis have set financial goals, or are comfortable with their monthly retirement income. This month I want to talk about the mistakes retirees sometimes make so that you can learn from others.

1. Falling prey to scams: Sadly, scams are proliferating in today's tech-driven world. Social Security, credit card, investments scams are all too common. My advice is Social Security Administration, and Financial Institutions do not call or email you to request your personal information. If you are not sure about something talk with someone you trust. (I have a friend that asked me about a situation and with a little research I found out it was a scam). Financial scams from "Wall Street Gurus" with risky investments should be well researched by trusted third parties (don't get taken by slick adds).

2. Be careful not to drain your savings too quickly: Once you retire, there may be the temptation to shift spending toward new hobbies or travel. Set up a budget. Don't guess at it. Quantify your income and expenses. We can help with our software.

3. House rich and cash poor: If you own your home, might it be time to downsize? You can lower your utilities, maintenance, property taxes, insurance, and more by moving into a smaller home that doesn't appreciably impact your lifestyle. Equity that remains can supplement savings.

4. Failing to take health care into account: Medicare doesn't cover everything, and long-term care expenses may eventually crop up. With some appropriate adjustments, we can make sure you are aware of your options and plan accordingly.

5. An investment mix that is too aggressive or too conservative can come back to haunt you: As you near or enter retirement, the more aggressive posture that served you well may no longer be appropriate. There may not be time to make up unanticipated market losses, especially if you are forced to liquidate to cover normal or unexpected expenses. Conversely, getting too conservative in retirement can put unwanted constraints on your portfolio - creating the risk you may outlive your money. We can assist you in finding the right balance.

6. Claiming Social Security too soon: This could be an expensive proposition. It may be tempting to file for Social Security when you reach 62. But, did you know that you will reduce your monthly benefit by 25% by not waiting until full retirement—now 66 years of age. Every year you delay past full retirement age increases your monthly check by 8%, until you reach 70.

7. You can't ignore taxes: Many are aware that IRA or 401k distributions are taxable, but sometimes fail to adequately prepare when they take distributions. The same holds true for interest, dividends, and capital gain distributions. In addition,

some folks are surprised to find that Social Security may be subject to taxes. Planning for tax outlays doesn't reduce the discomfort that goes with paying Uncle Sam, but preparation can reduce the tax bite. And proper planning can eliminate surprises at tax time.

8. Leading a sedentary lifestyle: For some individuals, working and socializing go hand-in-hand. When they retire, they inadvertently disconnect from the world. Don't let this happen to you! Stay active and exercise as you are able. Have you considered a senior aerobics class or other low impact exercises? Talk to your doctor. He or she will be thrilled to recommend a plan. Stimulate your mind. Some like to read, others enjoy puzzles or brain teasers. Or you might consider taking a class. What is your passion? Now is the time to volunteer. Local organizations or your church can point you in the right direction. As a bonus, it will open up avenues for new friendships.

This isn't an all-inclusive list. It's not meant to be, but avoiding common mistakes will reduce your stress and help you get the most out of your retirement.

*David Frook –
Financial Planner*

Credit basis of newsletter article to Charles Sherry, MSc, Horseshoath®. Securities offered through Securities America, Inc. Member FINRA/SIPC. David Frook, Registered Representative, Advisory Services offered through Securities America Advisors, Inc., David Frook, Investment Advisor Representative, Bruning State Bank and Bruning State Bank Wealth Management are unaffiliated with Securities America., May Lose Value, Not FDIC Insured, No Bank Guarantee, Not a Deposit, Not Insured by Any Federal Government Agency.

Crop - Reminders...

Crops have been harvested for 2017 and wheat has been planted for 2018. Now it's time to prepare for 2018. Just a few reminders as we start into the 2018 crop insurance year.

1. Report your row crop yields: Gather up your elevator summary sheets and bin measurements and report your row crop yields from this year's harvest. Your signature is needed on the reporting form.
2. Pay your multi-peril crop insurance premium: Premium payments were due September 1st and interest began accruing October 1st.
3. Notify agent of any changes in your farming operation for 2018.
 - Let us know if you will be adding any ground to your operation.
 - Are you breaking-up land that hasn't been farmed in the past?
 - Are there any other changes in your farming operation?

It has been a pleasure working with all of you this past year and we look forward to assisting you with all your insurance needs in 2018.

Merry Christmas & Happy New Year from all of us to all of you!

*Kathy, Jeff, Shari, Craig, Brian,
Zach, Janet & Ryne
Bruning State Bank Insurance Agency –
Crop Insurance Agents*

Not FDIC Insured. Not a guarantee of the Bank. Not a deposit of the Bank.
Not insured by any federal government agency. May go down in value.

Financial Planning for 2018 Begins Now...

Although we are not yet at the end of 2017 and, as I write this, our harvests are not yet complete, it is a great time to begin planning for 2018. And, this year, more than most, advance planning can bring large returns in tax savings, revenue enhancement, and peace of mind. Here are some items to include when reviewing your financial checklist for next year:

Taxes: Estimate your tax liability to determine if an additional quarterly estimate needs to be paid. The final quarterly estimate for income tax purposes is due on or before January 15, 2018. If you can use more deductible expenses, consider paying the first half of the real estate taxes payable in 2018 prior to the end of 2017. In calculating your preliminary tax liability, this is also a good time to review and amend your tax withholding amounts (Form W-4) if you are employed rather than self-employed. If you have commercial leases that are deductible, you may want to make some of the payments coming due in 2018 prior to the end of the year if you are on a calendar year basis for calculating income taxes. Due to the possible major changes and reforms in the tax code being debated in Congress this year, it is especially timely to consider moving income into 2018 and expenses into 2017 if your situation indicates you may face a lower marginal tax rate next year.

Retirement Savings and Disbursements: You may be able to mitigate a tax liability by increasing funds set aside for retirement whether through an Individual Retirement Account (IRA), SEP plan, or by adjusting pretax contributions to a 401(k) retirement plan through an employer. If you are approaching age 70, become familiar with required minimum distributions of retirement funds. To obtain help in determining your required distribution, please contact one of our bankers that work with retirement accounts and investments.

Insurance: This time of the year is an excellent time to review insurance coverages to make sure your protection is adequate. This includes life insurance, property insurance, health insurance, and possibly long-term care insurance as well. Consider establishing and funding Health Savings Accounts (HSAs) if you are eligible. Our bankers are available to help you understand and utilize this product.

Review: Finally, consider preparing a personal balance sheet that details your assets and liabilities. If you have borrowed money from a bank, you are familiar with this document. This serves to help you take stock of your financial progress and financial health. If this document is prepared on a consistent basis each year, it gives you a good series of snapshots to understand your progress in reaching your goals. A good time to do this is March 1, since by that date you will usually know of any tax liability and have received the bulk of year end statements showing the balances in retirement accounts.

All of the above steps represent a way to have a good understanding of your financial well-being and this leads to better peace of mind for most people. Please contact our bankers if you would like assistance in any of these areas.

Douglas King
Kearney President

Why Is There So Much Paperwork?!...

I was a bit stumped on what I should write an article about, so I googled "Mortgage Articles" in high-profile magazines to get some ideas. Forbes published an article on April 3, 2016, titled "Why Your Mortgage Lender Needs All That Paperwork" and I decided to put a BSB spin on it.

As many of you know, the financial crisis of 2008 led to numerous changes in the mortgage industry. One of these changes was the passing of the Dodd-Frank Act, which led to the creation of the Consumer Financial Protection Bureau (CFPB) in 2011. The Dodd-Frank Act established new standards that require mortgage lenders to assess consumers' ability to repay (ATR), among other things. The Act authorized the CFPB to write and enforce rules that lenders must follow – all for the sake of protecting consumers from another housing market crash.

Blame can be (and has been) placed on many different areas for the 2008 crisis, but I think it's safe to say that community banks had very little impact on it. Nevertheless, all banks are required to follow the same regulations, which equates to – you guessed it – more paperwork!

I'm proud to say that Bruning State Bank strives to make this a stress-free process for our customers. It may seem overwhelming, but our dedicated mortgage lenders are with you from application to closing – and beyond. We'll assist you in gathering required verification documents if needed. We'll also maintain regular contact with you, your realtor (if purchasing), the title company, and any other third parties involved. If you have questions or concerns, your loan officer is just a simple phone call or email away – no need to call an 800 number and go through those annoying prompts. If you prefer face-to-face, you can set up an appointment with your officer at the local branch.

The amount of paperwork will be the same for most banks, but the customer service we strive to provide makes the **mountain** of paperwork seem more like a **molehill**. Contact one of our mortgage lenders today to see how we can help you!

Michaela Nielsen -
Mortgage Loan Officer (NMLS#894658)

"Positioning for Success in the Economic Reset"



Remember, Dr. David Kohl will be speaking in our area twice in December! We hope you can join one us for one of these presentations:

Thursday, December 7th • 1:00 PM – 4:00 PM

Opera House in Bruning

Sponsored by Farmers & Ranchers College, along with donations from Bruning State Bank, UNL Extension, and area agri-businesses.

No RSVP necessary.

Friday, December 8th • 8:30 AM – 11:30 AM

Sun Theatre in Holdrege

Sponsored by Bruning State Bank.

RSVP appreciated.

BRUNING STATE BANK

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Happy Holidays from Our Family to Yours!

Holiday Banking Hours

Saturday, Dec 23rd – Holdrege Location Open
Monday, Dec 25th – Closed

**Friday, Dec 29th -
End of year cut-off time for 2017 business**

Saturday, Dec 30th – Closed
Monday, Jan 1st – Closed

Holiday Open House

Friday, December 8th

Broken Bow: 8:30 AM – 4:30 PM
Kearney: 9:00 AM – 3:00 PM

Wednesday, December 20th

Bruning: 8:30 AM - 3:30 PM
Hebron: 8:30 AM - 3:30 PM

Friday, December 22nd

Holdrege: 9:00 AM – 3:00 PM

