

BRUNING STATE BANK

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A Branch of Bruning State Bank • Broken Bow, NE



**YOUR
COUNTRY
BANK**



Your Silent Partner. . .

Many business successes over the years can be quickly shot down by ignoring the Internal Revenue Service. The new tax laws give us a lot of flexibility in deferring taxes or pushing the obligation ahead. But no matter what type of monetary transaction we have, our silent partner, the IRS, is there in the wings looking on and hitting us up for taxes.

Remember the old Bible verse, "Therefore, render unto Caesar the things which are Caesar's, and unto God the things that are God's"? Well, most church denominations make mention of tithing, or giving 10% of gross earnings to the church. But Caesar (or the IRS) proposes taking even a bigger part of your income, especially when there is a large swing in income. The farmer and/or businessman who manages his business to avoid taxes or be an extremely low taxpayer is usually shooting himself in the foot. The self-employed usually lowers his social security withholding by overspending for deductible items and shoving large amounts of cash ahead to be taxed in future years.

Remember, the IRS is very patient; that tax liability doesn't just disappear.

The word "stewardship" has some broad meanings. I think we should manage our money to be able to take care of our families, health-wise, and position ourselves so that if someone needs help we can be available.

Some investments that may reduce tax burdens:

1. Individual Retirement Accounts
2. 401K Accounts
3. Health Savings Plans
4. Scholarship funds that are tax-qualified, such as a 529 Plan.

A couple of those investments may allow you to compound interest tax-free, but at the end, there will still be tax liability.

The greatest savings can be gained in taking enough income each year to stay in a moderate tax bracket. If under normal practices your operation isn't paying taxes, you probably have a deeper problem, and you should seek financial advice. In high-income years, replace equipment modestly; don't blow it all!

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

Harvest. . .

As we approach the '07 harvest and calf-weaning period, one must look at the year and see how blessed we were in rainfall for crops and grass. This could be one of those years where all segments of Ag were profitable. As bankers, we look at our Bank's mission statement that reads "help our customers build and maintain wealth."

While banks make income by making loans to our customers, we also believe that reducing debt is a top priority. Pay down that term debt or operating loan first, then evaluate your machinery and equipment needs.

It seems that landlords are expecting more rent, and input costs continue to rise; one must be ready for all that comes his or her way. Being "poised to pounce" or being ready to take advantage of an opportunity that comes your way is best done by having the ability to borrow or use cash when that opportunity presents itself.

Positioning your operation, whether it be a farm, ranch or family business for changes in interest rates, oil prices, inventory costs, etc. can be the most important part of building and maintaining your family's wealth. Sit down with your spouse or business partners and plan what to do if you have a good year. Planning your tax strategy and not being afraid to pay income taxes in a good year can be a good call for the future growth of your business.

Fred D. Bruning – President

There are no secrets to success. It is the result of preparation, hard work and learning from failure.

– Colin Powell



Build and Maintain Wealth. . .

Last issue I discussed the value of education and how it could impact your ability to "Build and Maintain Wealth". My daughter actually read the article and told me "You're right, Dad; you have told me that before." I'm pretty sure she trusts my advice; after all she is my daughter.

Yet as I think about what the next generation is dealing with the high cost of education, fuel, housing and in general living, it seems to me that we all need to step back and put into perspective what "Generation Y" and "Generation Next" have been exposed to and why "Build and Maintain Wealth" may be harder to do today than for generations past.

Just as a background for those of you that don't know me from a hot rock, my parents are both deceased, my father was born in 1912 and my mother in 1917. I'm (only) in my late forties, I came along very late in their lives. So I was exposed to parents that as teenagers experienced the stock market crash of 1929 and as young adults they survived the "Great Depression". Neither had a college education and one did not finish high school for financial reasons. So in my early years I was exposed to stories of the bank holiday and the county farms, and how graft and corruption reared its ugly head during those trying times. Most folks of my parents' generation have their own memories of difficult times and how those experiences shape their lives today.

Let's fast forward to the teenagers and the young adults of today. Thinking about the recent events and economic related stories that our next generation of 70 million young people have grown-up with, those kids born between 1982 and 1997 have a leery outlook on us adults in the baby-boom generation. Their perceptions have been shaped by corporate malfeasance (Enron, Arthur Andersen), a 50% divorce rate, Columbine and Virginia Tech shootings, 9/11 and the current war on terror. Wonder why our kids have a difficult time trusting?

Here's my take: So many parents get divorced (is there trust at home?), do they trust school (because of the shootings?), business scandals (do they trust corporate or business America?), how do they trust the rest of the world when people fly jetliners into buildings?

Adults have to be careful using the words "Trust Me". These words carry very little weight with them. Yet for those of us in financial services business, we have to live by trust. So how do we mend our generation with Generation Y? I'm not sure of the answer; the jury is still out at home.

Here are a few ideas that might help. Almost 65% of Generation Y will go to college after high school. I think simply recognizing that fact and treating all with respect

will help. (Remember the real golden rule - treat others how you would like to be treated.) Technology is central to everyday living; they spend as much time instant-messaging and text-messaging as they do talking (learn how to text-message and instant-message).

Some may even feel entitled, remember they have grown up in pretty good economic times (be there and be supportive when the economic times are not as good as they are today). They are very tolerant of others (follow their example). They network in many different ways, FaceBook, MySpace; they do so outside the immediate area (learn with them and network with them and others outside our immediate area and comfort zone).

We have to get the message out to Generation Y to stay away from personal debt, to live within their means, to get an education and to pass along to the next generation by any means available that to "Build and Maintain Wealth", however the size and extent, is depended upon each one of us taking personal responsibility.

For the next newsletter, the rewards of "Build and Maintain Wealth".

*Jerry Catlett –
CFO*

What Are Your Chances???

Most likely you have a homeowner's insurance policy and an automobile insurance policy to help protect you if you have a fire or an auto accident. However, do you have a disability policy to protect yourself should you become disabled?

Here's something to think about... According to recent statistics, you have a "1 in 8" chance of becoming disabled! The odds of having an automobile loss are "1 in 70" and the odds of having a homeowner loss are "1 in 88".

The Social Security Administration reports that the number of disabled workers in America has increased by 35%, just since 2000! Estimates show that 10% of workers between ages 25 and 65 will experience an illness or accident that leaves them disabled for 3 months or longer and approximately 1 in 7 people can expect to be disabled for 5 years or more. More information can be found on-line at: www.disabilitycanhappen.org

Please contact us today to discuss some disability insurance and let us help you protect your savings, your home and your assets.

*Fred Kobza, Jeff Hammer,
& Chris Tonniges –
Insurance Department**

*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

Save Now For That College Degree...

Tracie and I dropped our oldest child, Rachel, off at school (pre-school to be exact) the second week of September and it made me think about the rest of her school career: music lessons, athletics, prom and then it hit me, college!!! I was told once that education and knowledge are the great equalizers in society. Education doesn't matter where you came from and knowledge doesn't care how you got it. Some of our greatest political and business leaders came from pretty meager beginnings. College degrees are often seen as the road to a brighter future and with that comes tuition and in most cases school debt, and lots of it. The average college student graduates with almost \$3,000 worth of credit card debt alone. Here are some other staggering figures from www.savingforcollege.com to think about:

- The estimated cost of my daughter going to a school like Wesleyan where tuition, room and board is currently about \$27,000 per year would be a total of \$267,000. That translates to about \$750 per month that we need to save to be able to pay all of her college related expenses.
- For Creighton, the current cost is about \$35,000 per year; the total would be about \$346,000, which is a savings rate of \$980 per month.
- For UNL where the current cost is about \$13,000, the total cost would be about \$129,000 or a savings rate of \$360 per month.
- Even Central Community College would be \$56,000 in 14 years for a 2-year associate's degree.

These costs are full-time, in-state tuition and calculated for a 6% increase per year for the next 14 years. Just think of the cost if your child or grandchild decides to go out of state to a private school.

This isn't an article to steer people away from sending their kids to college because it has proven time and time again that even some level of secondary education, whether that be private or state colleges, tech school or online degrees, they pay for themselves. This is an article to get you to start thinking about saving for your kid's or grandkid's college education. Even if it is \$25 a month or \$200 per year, every little bit will help. What is even better is that there are some programs out there that allow for state tax deductions or other tax benefits to make it easier to save. If you have questions about what is available, please don't hesitate to stop by.

So, support your schools and your kids, grandkids and neighbor's kids because, with an education, their opportunities are endless. Who knows, maybe that neighbor kid who ate all of your peaches off of your peach tree or rode his bike through your flower garden might grow up to be a pretty decent adult someday, but I wouldn't know anything about that!!

*Chris Tonniges –
Assistant Vice President*

Life - In Stages...

Children: No cares and no worries. Mom & Dad will take care of us and will provide us with everything we need! However, we just can't wait to grow up.

College Student: Gaining independence; it is so great to be out on our own! Looking forward to graduation and getting a "real paying" job!

Single adult: Independent, at last! Working full-time, but sometimes we wish we could just sleep-in. What were we thinking?

Married Adults: All grown up (just like we always wanted), but now there is another person depending on us.

Adults with children: Proud parents with a whole new set of concerns/responsibilities. Remember the carefree days of childhood?

Seniors: Ah, retirement! Have we planned ahead and saved enough? Will we be able to enjoy "the golden years" without being a burden on those who relied on us?

As we grow from children to adults to seniors, our responsibilities in life change. We start out with nothing, but then start acquiring vehicles, homes, jewelry, recreational vehicles, electronics, etc. etc. We are the ones responsible for providing for others both emotionally and financially.

Insurance is the "safety net" that protects you, your belongings, and those important people in your life that rely on you for financial support. The safety net may include:

Home, Farm, Auto Insurance • Boat, Motorcycle, ATV Insurance • Business Insurance • Health/Life/Disability Insurance • Long-term Care Insurance

We can help you with that "safety net"! Please be sure to stop by or call our office to review your existing insurance coverage or to obtain a quote for new coverage.

*Fred Kobza, Kathy Roberts,
& Kristen Monteforte -
Insurance Department*

*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

COUNTRY FREE CHECKING...

An absolutely free checking account.

A checking account with no minimum balance. Unlimited check writing. Free ATM/VISA debit cards. Five free foreign ATM withdrawals per month; after fifth \$1.50 per withdrawal. No charge at BSB ATMs. Free Internet Banking & Bill Pay. Stop in or give "Your Country Bank" a call!

The Bank's Past, Present and Future

Bank of Broken Bow participated in the Custer County Fair by entering a float in the parade. This year's theme was celebrating Custer County's past, present and future. This was a great theme to work with and the Bank was successful in winning the business category along with the overall grand prize float in the parade. The Bank appreciates the efforts made by employees who helped assemble the float and for being there the day of the parade. It was a fun activity to be involved with and it's always special when employees work together as a team.

As I think about the parade theme, I think about the Bank's past, present and future. It is wonderful to be part of a Bank family that has been established for over 116 years. The Bank's past represents the generations that have paved the way to our present. Thank you to those past generations for seeing a vision of where the Bank could be 100 years later and for enduring the times to make it possible.

Our presence represents those that are carrying on the Bank legacy. I believe the Bank has prospered based on simple family philosophies and values. As it once was said by one of our Bank forefathers, "The Bank has been successful because we have a corporate culture nurtured by employees who enjoy innovation and who are constantly looking to the future."

The future of the Bank will continue on the vision that is being created by the present. The day of the parade we were asked by the Custer County Chief as to where we thought the Bank would be 50 years from now? Our answer was that the Bank would still be here and doing well with the times. However, none of us thought we would be working at the Bank fifty years from now!

I encourage you to analyze your business or personal situations in the past, present and future. Make it a point that you too will prosper for future generations to come and always have a vision for where you want to be. In order to be successful, one always has to have dreams and goals and it all starts with looking at the past, present and future.

*Renee Ferguson –
Marketing/Customer Service
Bank of Broken Bow*



The Custer County parade was held on a very warm Sunday afternoon. It was very pleasing to the crowd as Bank employees walked along the parade route passing out bottles of water. Pictured is the Bank float commemorating the past, present and future of agriculture.



Devin Nozicka participated with the Bank of Broken Bow staff on their float that won the Grand Prize. Devin is the son of Bank employee Janice Nozicka.

Open a FREE

**Health
Savings
Account**

We will Deposit
the First \$1
for You!

Benefits of a BSB Health Savings Account

***NO ANNUAL FEE**

*Free Unlimited Transactions
*Tax Benefits

*Allows you to save money for medical
expenses & emergencies

*Money in account can accumulate year to year

*Interest Bearing Account

(Interest rate and annual percentage yield may change)

**Stop by any of our locations to ask
about a free Health Savings Account.**

2008 CROP INPUT Financing Program...

WOW... Have you checked what the cost of fertilizer, seed, and chemicals will be for 2008? If not, you better be sitting down when you ask, and sharpen your pencil to prepare your 2008 cash flow.

Cash discounts will again be offered this fall by local dealers to capture your 2008 orders, so why not take advantage of Bruning State Bank's 2008 CROP INPUT financing program.

This will be our 3rd season to offer this program, which has saved our customers considerable money by taking advantage of those early prepay discounts.

Here's a quick review of how our CROP INPUT financing program works:

- Set up a Crop Input line of credit loan with us;
- Variable interest rate of Prime minus 1%;
- Choose ANY seed, fertilizer, or chemical crop product you want;
- Crop Input line of credit loans do not have to be paid back until 2-2-09 when you have an opportunity to sell your 2008 crops;
- Offer valid for the 2008 crop year and ends April 20, 2008;
- You are already qualified if you are an existing Bruning State Bank ag borrower;
- Make your deal with your local dealer and bring in a copy of your invoice to your loan officer.

Our mission is to help our customers "Build and Maintain Wealth". We feel we have a broad selection of services to accomplish this including this loan product. If you have any questions, feel free to contact any of our loan officers.

*Craig Pope –
Hebron Branch President*

Anticipating Corn Harvest 2007...

The "feeling" of harvest is in the air! The growing season for 2007 is coming to a close. I noticed the beautiful full moon the last week of August and am thinking we shouldn't have a killing frost until we see a full moon again. That will be September 26th. The average frost date for Custer County is around September 21st. This time of the year is filled with anticipation of how the irrigated corn will yield. This year even the non-irrigated crops will be worth running the combine through. A change for our area.

Just how much corn does Custer County produce? In 2006, the county had 53,000 acres of non irrigated corn and 216,000 acres of irrigated corn. The estimated yield on the irrigated corn was 187 bushel/acre. The non-irrigated corn yielded 46 bushel/acre. Custer County raised a total of 31 million bushels of corn.

How does Nebraska's total corn production rank with the total U.S. production? I was surprised to find out that Nebraska ranks 3rd by state in total U.S. corn production. This is how the numbers for 2006 worked out:

Iowa, 19% of US production or 2.1 billion bushels
Illinois, 17% of US production or 1.88 billion bushels
Nebraska, 11% of US production or 1.27 billion bushels
Minnesota, 10% of US production or 1.22 billion bushels

In years past, the annual corn crop was utilized in live-stock feed, food and exports. Now we are beginning to see a new demand for a large portion of our corn crop - that being ethanol. I attended a marketing seminar this past week and the speaker told us that ethanol use would consume about 26% of our total corn crop or 3.6 billion bushels. Without ethanol, I would estimate corn prices much lower. It is supply/demand that determines corn crop prices. The increased demand is primarily from ethanol production in and around our area. As we approach the harvest season, I think many producers are going to be pleased with their overall bushel production. This is good for individual operator's balance sheets and good for the overall Nebraska economy. In fact, the current prices offer an opportunity to lock in a portion of the 2008 corn crop for \$3.50/bushel. This may be a good time to add to the crop you have already sold for 2008!

*Dan Jelinek -
Bank of Broken Bow - Branch President*

COUNTRY PLUS INTEREST CHECKING HIGHLIGHTS...

A checking account that earns interest on a tiered schedule.

NO service charge if \$500 minimum balance is maintained. Unlimited check writing and free debit card! Two free foreign ATM withdrawals per month, after the second \$1.50 per withdrawal. No charge at BSB ATMs. Free Internet Banking & Bill Pay.

Account Balance Tiers for interest:
\$.01-49,999.99 • \$50,000-99,999.99 • \$100,000.00 & Up
Interest rate & Annual Percentage Yield may change on any account.

Stop in or give "Your Country Bank" a call
for the most current rate information.

Keeping Your Identity Safe...

Recently I was reading an article about various types of bank fraud and was surprised to discover that according to the Federal Trade Commission, college students and young adults, ages 19-29, are the most likely victims of identity theft and fraud. Apparently many of the crimes are being committed in or around college campuses and with school now back in full swing, I thought it appropriate to educate or remind our students as well as all of our readers of the ways to keep your bank accounts and identity safe.

As we've stated many times in our newsletters, the Bruning State Bank will not email you or call you on the phone asking you to verify your account number, social security number or any other personal information. Very few legitimate businesses do this and so you should always be wary of these types of correspondence. To that end, I have also heard several stories of students taking calls from what they thought was a university official verifying their information only to be giving it to a thief. Another scam that is happening on college campuses is identity thieves posing as salespeople for legitimate credit cards, magazine subscriptions, etc. Students then unknowingly give the fraudsters all of the information they need. I can remember several situations where I was approached as a student and didn't even consider whether the salesperson was legit or not. It's a good idea to always question anyone trying to obtain personal information.

Finally, it's important to keep your checkbook and debit and credit cards in a secure place. Never write your PIN number on your debit card and be sure to check your statements each month for any suspicious activity. A good way to keep track of your accounts is with Bruning State Bank's Internet Banking product. The service is free and you can track your accounts daily, see older statements, transfer between accounts, and pay bills online. It can be very convenient for a student that is away from the area and not able to get to the Bank every day. To sign up, go to www.bruningbank.com and click the Online Banking button. If you are currently using Bruning State Bank's Internet Banking product, it is important to remember not to write your usercode and password on a sticky note and put it on your computer screen. It is also a good idea to keep your computer's updates, anti-virus, and anti-spyware programs up-to-date and running. Though identity theft has become a large issue, you can avoid it by practicing a little discretion and keeping your access devices secure. Have a great day!

*Pam Lemke, Janice Fintel, Carm Hinrichs
& Corey Swartzendruber –
Operations Department*

Concerns About The Economy...

As many of you are aware, there has been much talk about the negative impact the slow-down in housing is having on the economy. While these concerns are legitimate, more is being made about it than likely needs to be. I feel it will take more than a slow-down in the housing market to raise any long-term problems with the economy. If we start seeing unemployment numbers go up several months in a row or a large slow-down in consumer spending, then these concerns would be more valid.

While it is true that home mortgage loan standards tightening will slow down house sales, there is a very good argument along the lines of "credit standards were getting out of hand", with too much easy credit in the residential real estate industry. Because there is so much easy credit out there, people were buying homes they couldn't afford. In turn, house prices were inflating much faster than is healthy.

It seems with the liberal standards in "Sub Prime Lending", anyone would qualify to own their own home. This is not good for the investor loaning the money nor is it good for the new homeowner. When potential buyers don't have high enough income to comfortably service the debt, or they are borrowing 100% of the money to pay for the house and the cost of closing the loan, look for trouble down the road.

Look at the credit card industry. Making so much easy credit available to everyone has not been in the best interest of the people who are not good personal financial managers. Our society has to come to the realization that there are some that are better off without a credit card or owning their own home.

Long term, the best thing that can happen for the economy is to have a pullback in too much easy credit. Over the years, no one has ever been able to borrow his or her way out of financial trouble nor have they been able to spend their way out. I don't think they are going to be able to do it this time either. Sustainable growth in our economy is very important; if we try to manufacture it through encouraging people to spend beyond their means, prosperity will only be short-lived.

*Darrell Raum –
Sr. Vice President, Credit Supervisor*

Rents In Perspective...

There are some interesting developments in both cash rents and share rents. Up until this growing season, rents had been fairly static with a few exceptions, mainly with management companies taking the lead on jacking up rents.

With rising R.E. taxes and upkeep expenses, landlords are entitled to a reasonable increase. One thing, I am not going to fault any landlord for receiving a high cash rent. If someone comes along and offers, take it. It's really not much different than selling \$4.00 corn when it is available, take it. We are today, however, hearing some figures and adjustments that a few years ago were unheard of in this area.

Using a University of Nebraska Spreadsheet and the following figures: Cash rent \$200.00/acre straight through with the tenant furnishing the power unit, 180 Bu/ac yield irrigated and 100 Bu /ac yield dry land, (yes, I know you figure 200 plus Bu. corn, but be realistic) \$500.00/ton anhydrous, \$150.00/bag seed, \$3.00 diesel irrigation fuel, custom rates for tillage and harvest, plus other normal inputs. If the tenant has to put the pivot on, figure on adding another 15 cents to the breakeven. Custom rates are used to cover depreciation, repairs, tillage and harvest fuels, and associated expenses in these areas.

When all of these are factored into an estimate, you are looking at a breakeven of \$3.03/bu irrigated and \$4.00/bu dryland. If you were fortunate enough to work the market for a \$4.00 sale, there is a very good margin. At \$3.50, fair margin. At today's price 9-4-07 of around \$3.17, there is not much purpose of farming the ground.

I know that most think they are better farmers than the next, but when you go into a different area and offer more than the locals are giving, there is usually a reason that the locals are not paying as much. It's usually that the ground isn't capable of raising the high bushel crop. Find out the federal crop insurance average for that farm and use it when working up an estimate. When you are figuring inputs, it isn't just seed, fertilizer, chemicals, fuel and insurance. It includes labor, depreciation, repairs, interest, and a multitude of other smaller expenses. Use a sharp pencil and sharpen it a few times before deciding to take or make an offer from or to a management firm or owner. If you, as a farmer, are considering bidding on a high cash rent parcel you must have a solid marketing plan in place. If you don't, the risk is too great.

Another thing: if you are bidding on a farm that will be above average share or cash rent, don't you feel that your other landlords are entitled to the same? Some of you are pricing all of you out of business.

While I am hammering on cash rents, keep an eye on how share rents are handled. Some of the half and half with the tenant furnishing a large portion of the irrigation fuel, the irrigation equipment, and the burden of all of the seed expense is no bargain either. The equivalent costs are very close to upper range cash rents. Your risk is there. If you are sharing in a high-risk area and grain prices are volatile, you should be taking a minimum of 70% to 75% CRC insurance or similar program.

One of the things I worry about is a return to the economics of the 80's. In the late 70's and early 80's, we had very good prices. Land prices were booming, rents were increasing, machinery prices were exploding, and debt was escalating because we all knew that good yields and good prices would take care of debt.

Grain prices went in the tank, production costs increased, interest skyrocketed and many farms went under due to excessive debt.

Last February, corn prices peaked, driven by tight supply and demand, then dropped substantially when more acres were planted than thought possible. Now, with a record harvest coming on, we could see a substantial drop in corn prices until usage and exports can eat away at the huge bushels expected.

History repeats itself; keep this in mind when offering or accepting a rental agreement.

Larry K. Olson –
Vice President & Loan Officer

COUNTRY SAVINGS ACCOUNT HIGHLIGHTS...

No fee/No minimum balance savings account.

Interest bearing account that is paid quarterly. Unlimited transfers permitted between accounts of the same depositor at Bank. (If done in person, by messenger, by mail or to pay loans at the Bank.) Up to 6 transfers a month permitted to another account of the same depositor at Bank or to a third party if preauthorized, automatic or telephone agreement. Debit card attached to this account has no usage if used at "Our ATMs". Any other ATM – 1 withdrawal per month without charge and \$1.50 charge for each additional withdrawal. Free Internet Banking & Bill Pay.

Interest rate & Annual Percentage Yield may change on any account.

Stop in or give "Your Country Bank" a call for the most current rate information.

Important Crop Insurance Reminders:

We managed to make it through the storm season without too many severe storms. Mother Nature was fairly kind and gave us some much-needed rain, so harvest should be plentiful for the most part. Please keep some things in mind during harvest so you have the necessary records in the event you do have a loss:

- Production on irrigated crops need to be kept separate from the non-irrigated crops in order to maintain separate units and to allow for appropriate loss payment. Production must also be kept separate by section.
- When co-mingling grain, bin markings need to be made in permanent marker and need to include both the unit number and the date. Also remember to keep load records and other field records by section and practice in order to help prove the bushels in the bin.
- Please contact us if you have ANY questions prior to or during harvest. If production records aren't properly maintained, you could lose your separate unit structure – plus – any loss payment could be reduced or eliminated!
- Give us a call right away if you think you will have a loss on ANY unit so the appropriate loss notice can be submitted.
- Bring your production information to us so each unit can be reviewed to determine if there is a loss. We had some pretty high base prices on the revenue products (CRC & RA), so a lower harvest price could result in a "revenue" loss even if you don't have a bushel loss!
- The end of the insurance period for corn, milo & soybeans is December 10, so contact us if you can't get the crop harvested by that date.
- The crop insurance premium is due on October 1st and interest will be added if payment is not received by November 1st.

Also, here are some reminders regarding 2008 Wheat insurance:

- September 30, 2007 was the final date to make any changes in your 2008 Wheat Crop Insurance coverage.
- The final planting date in most counties is October 15, 2007.
- Report your acres and plant dates to us by section and practice as soon as planting is completed.
- Remember to notify us of any marital status changes or any changes in the shareholders of corporations,

trusts, or other entities.

- Please review your Schedule of Insurance for accuracy. Any loss could be reduced or eliminated if the shares and acres don't match what is certified at the FSA office.
- Report your 2007 wheat production if you haven't already done so.
- Contact us right away if you think you have a loss!

VERY IMPORTANT: LOSSES ON ALL CROPS SHOULD BE REPORTED WITHIN 72 HOURS OF INITIAL DISCOVERY OF DAMAGE AND NO LATER THAN 15 DAYS AFTER HARVEST OF EACH UNIT.

We will continue to send out reminders as future deadlines approach. Please be sure to contact us if you have any questions. We are here to assist you and answer any questions you might have.

Happy harvesting!

*Jeff Hammer, Kathy Roberts,
Craig Pope & Shari Fischer -
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



We would like to welcome Shareen Max to our staff at Bank of Broken Bow. We are very excited to have her join our team! Shareen, her husband Darrin and their daughter Megan moved to Broken Bow from Riverdale. Shareen and her husband are natives of Burwell. Darrin is the principal and Megan is a 6th grader in the Anselmo-Merna school system. Please stop in and welcome Shareen.

Protecting Your Assets...

The Importance of a Will:

A **WILL** is the only way to ensure that your property will be passed to the heirs you choose. If you should die Intestate (without a will) state laws will have the final say about how your estate is divided. A **WILL** does not need to go through probate court and the proceedings do become a matter of public record.

How a Trust Can Help:

A **TRUST** directs your trustee to hold specified assets for designated beneficiaries and since administering a trust does not involve the probate process, the beneficiaries will avoid probate administrative burdens. Trusts can be an effective way to simplify the management and transfer of your assets. A revocable "living" trust allows you to revise the terms of the trust as your financial situation or the needs of your heirs change, and you maintain access to the assets held in the trust. An irrevocable "living" trust generally cannot be changed once established. It may also have some tax advantages.

Power of Attorney:

A **POWER OF ATTORNEY** is a written document that authorizes one person (the attorney-in-fact) to transact business on behalf of another person (the principal). It may be a general one that allows the attorney-in-fact to do virtually anything on behalf of the principal, or it may be limited to specific purposes.

Health Care - Power of Attorney:

A **POWER OF ATTORNEY** for health care is a document legalized by statute whereby a person (principal) designates and authorizes another individual (attorney-in-fact) to make health care decisions for the principal. Health care is defined to mean "any treatment, procedure or intervention to diagnose, cure, care for or treat the effects of disease, injury and degenerative condition." A power of attorney for health care can greatly ease the burden of family and friends when the principal becomes incapacitated and unable to make her or his own decisions regarding health care. Nursing homes and other care providers are increasingly requesting such document prior to admission.

Living Will:

A **LIVING WILL** is a document which instructs an individual's physician to withhold or withdraw life sustaining treatment that serves only to prolong the process of dying or to maintain the patient in a persistent vegetative state. Copies should be provided to your doctors and also to your family members.

Whatever your Estate Planning needs are, we recommend that you visit with the attorney of your choice.

*Frank Bruning, Fred Bruning,
Darlene Reinsch, Janet Germer,
Renee Dowdy, Dan Jelinek,
& Kim Schipporeit
Trust Department*



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Farmers & Ranchers College...



While many of you are busy with harvest, we are planning the upcoming Farmers & Ranchers College events. The mission of this group is to provide high-quality continuing education to farmers and ranchers in a rapidly changing global agricultural environment.

Dr. David Kohl from Virginia Tech University will start out the programs this season on **Wednesday, November 28, 2007** at the Bruning Opera House. Watch for more details on the upcoming workshops for this season!

*Fred D. Bruning,
Larry Olson & Sarah Miller*

Trip Destinations for 2007...

Holiday Trip – A Mile-High Christmas – Motorcoach – Dec. 11 through 14

Some Highlights: Three-Night Stay in Denver, “White Christmas” Performance at the Denver Center for Performing Arts, Behind-the-Scenes Look at the Performing Arts Center, Celestial Seasonings Tea Tour, Leanin’ Tree Card Museum, Red Rocks Visitor Center & Amphitheater, Denver Botanic Garden, Christmas Lights Extravaganza, Treasures from the Louvre at the Denver Art Museum, The Denver Aquarium & Much More.

We will start planning trip destinations for 2008 very soon. If you have any suggestions that you would like to share with us, please do so as soon as possible.

*Sarah Miller, Renee Ferguson,
& Mabel Hogeland –
BSB Travel*

In observance of the following holidays, we will be closed at all three bank locations on:

*Monday, October 8
Columbus Day*

*Monday, November 12
Veteran's Day*

*Thursday, November 22
Thanksgiving*

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