

December 2018

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On the Farm....



Welcome to Issue #5 of On the Farm! As 2018 winds down, all of us at Prairie State Bank & Trust would like to take this opportunity to thank you for allowing us to serve you. We simply can't emphasize enough the value of our customer relationships! Enjoy the final newsletter for this year and Happy Holidays!

Mike Battefeld

Regional President- Lewistown

Biosensors in Layman's Terms

After reading multiple definitions of Biosensor, I turned to my old favorite Wikipedia for a version that a normal person could actually understand. Here is what I found: "A biosensor is an analytical device, used for the detection of a chemical substance, that combines a biological component with a physicochemical detector." OK I think I get it.....mostly. A very common example of a biosensor is a blood glucose tester.



In this application an enzyme is used to break down glucose and convert the concentration level to a measurable electrical current. A canary in a cage, as used by miners

for the detection of gas in mine shafts, could in the most basic sense be considered a biosensor. Many of today's biosensors are similar, in that they use organisms that respond to the presence of substances at levels well below what humans can detect. Biosensors are used more widely than one might think. Along with the increasing importance consumers are placing on the quality of the food they purchase, so has the use of biosensors as a means of testing and monitoring increased. Biosensors have the ability to continuously test food and water safety, delivering results in a fraction of the time required through more conventional methods. Biosensors are becoming more common in other areas as well. "E-noses" and electronic tongues mimic our sense of smell and

taste to evaluate fruits, vegetables and other commodities for ripeness prior to harvest. I guess this means

that Aunt Bea will no longer have to sniff before she buys. Biosensors appear on the way to becoming a more common tool in many aspects of the production side of agriculture as well. As the technology evolves, experimentation continues and the cost becomes within reach, it seems likely that biosensors will have an impact on things like monitoring chemical run off, soil fertility management and animal nutrition.



Prairie State Bank & Trust
Progressive Banking... Traditional Service

"We have neglected the truth that a good farmer is a craftsman of the highest order, a kind of artist."

-Wendell Berry



Services to "Trust" In

Lots of farming families struggle with developing a plan to continue management of their operation when they may no longer be able to do so. Further, an equitable asset distribution plan is just as difficult to tackle. Ignoring these issues happens way too frequently and puts not only the assets at risk, but family relationships as well. "I put my assets in a trust." Have you ever heard that statement? Ever wondered what it means or how that might effect things down the road? Probably. The reality is that there are a variety of different types of trusts, all designed to accomplish specific things. Here are some basic definitions.

Revocable Living Trusts (RLT) can be used as a primary means of farm transfer. If a farmer transfers asset ownership into an RLT and in turn names himself as Trustee and Beneficiary, the farmer essentially continues to own and manage the assets through the trust. The primary benefits of the RLT are:

- Can name an individual or entity to manage the assets

upon the farmer's incapacity or death;

- Farmer retains authority to manage assets and receive income generated by them;
- Avoids the probate process, along with associated costs and delays; keeps RLT assets private

Irrevocable Living Trusts (ILT) are generally used to reduce the size of the estate, tax reduction or to establish a trust for beneficiaries, be they family members or a charitable organization. Transfer of assets into an ILT is permanent and cannot be reversed. The primary benefits of the ILT are:

- Can reduce farmer's income taxes;
- Can reduce estate taxes;
- Can provide income stream for beneficiaries.

Testamentary Trusts are created by the provisions of a farmer's Will and thereby go into effect only upon death. Benefits of the Testamentary Trust include:

- Can be designed to protect assets from a beneficiary's wasteful habits;
- Can be designed to protect assets from a beneficiary's creditors

We encourage you to invest the time in developing a plan that accomplishes what you want financially and preserves the relationships important to you. The Prairie State Bank & Trust team is well equipped and eager to assist you in navigating your estate plan. You're invited to call your local PSBT office or Trust Officer Maureen Faller for more information.



Maureen Faller, Trust Officer
3751 W Wabash
Springfield, IL 62711
(217) 864-4918
MaureenFaller@psbank.net

Visit us online at
www.psbank.net



Whether you have a specific need or would simply like to learn more about how our Trust Department might be right for you, contact us today!

*"I believe in the future
of agriculture, with a
faith born not of words
but of deeds."*

-E.M. Tiffany



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A Quarter Century Later

Growing up in Meredosia, high water seemed almost like an every year occurrence. 1973 stands out in my mind as our little town felt as if it was under siege. We were on everyone's radar it seemed. The National Guard, US Army Corps of Engineers, ESDA, Red Cross, local officials and scores of media were everywhere you looked. We survived that battle, as did we in '79, '82, '85 and '93. In fact, not since 1943 has the Illinois river invaded there.

Fast forward 20 years. As most will remember, the flood of 1993 set many records up and down the Illinois,



This aerial photo, taken from West Quincy, Mo., shows the flooded approaches to the two bridges across the Mississippi River leading to Quincy, Ill., in the background.

Mississippi and Missouri Rivers. In total, 745 river miles were effected, and 30,000 square miles were flooded. This catastrophic natural event was nearly a year in the making. Below average temperatures and above average rainfall in 1992 served to saturate soils and push

reservoirs in the upper Mississippi region above

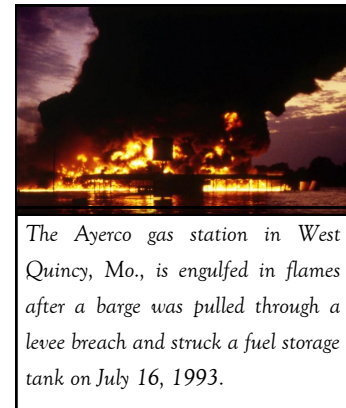


The sign on the Red Barn Antique Mall is barely visible above the floodwaters in West Quincy, Mo., after the July 16, 1993, levee break.

normal levels. Heavy snowfall that winter and persistent spring rains largely ran off due to excessive sub-soil moisture levels. From April 1 through August 31, 1993, parts of southeast Iowa received 48" of rain. I remember observing the Illinois River at Florence, IL having no current that year.

The swollen Mississippi had backed up into this significant tributary nearly 50 river miles upstream.

On July 16, James Scott of Quincy intentionally removed sandbags from the West



The Ayerco gas station in West Quincy, Mo., is engulfed in flames after a barge was pulled through a levee breach and struck a fuel storage tank on July 16, 1993.

Quincy levee, flooding 14,000 acres and disabling the only bridge over the river between

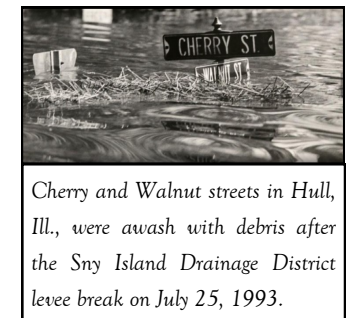
St. Louis and Burlington, IA. Scott remains in prison today.

Some of the stats on the Flood of 1993 remain staggering. The Mississippi, which crested on August 1 at nearly 20 feet above flood stage, had a flow rate of more than a million cubic feet per second. At this rate, a bowl



The U.S. 24 approach to the Bayview Bridge from West Quincy, Mo., is flooded after the levee broke on July 16, 1993. The bridge did not reopen until Sept. 25, 1993.

the size of Busch Stadium would fill to the brim in about 70 seconds. The great flood destroyed over 100,000 homes and businesses, inundated 15 million acres and caused an estimated \$15-\$20 billion in damages total. The entire



Cherry and Walnut streets in Hull, Ill., were awash with debris after the Sny Island Drainage District levee break on July 25, 1993.

villages of Valmeyer, IL and Rhineland, MO were relocated following the flood.



Prairie State Bank & Trust
2653 W. Lawrence
Springfield, IL 62704

NAME AND ADDRESS



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December Focus– Rob Ames, American Prairie Insurance Solutions

For the final 2018 edition of On the Farm our Lender Focus takes on a slightly different twist. For a number of years Prairie State Bank & Trust has been engaged in the crop insurance business, and just this year we formed a subsidiary called American Prairie



Insurance Solutions (A P I S) that is dedicated solely to this piece of our

operation. This time around we

focus on Robert (Rob) Ames, who manages A P I S .

Saying that Rob's farming background is diverse would be an understatement. Growing up on a small grain and livestock farm in Coles County, Rob graduated from Mattoon High School in 1996. From there he attended Lakeland College where he earned an Associate's in Applied Science degree and completed the John Deere ag mechanics program. School wasn't over yet however, as it was on to Carbondale and a Bachelor's in Ag Business.

After graduation Rob worked for Schilling Bros. John Deere in Mattoon

as a mechanic and in the parts department. After a stint in sales at FS in Mattoon, Rob joined Prairie State Bank & Trust in Charleston in 2004 as a lender and ultimately transitioned into crop insurance full time.

Rob and his wife Tabatha are the parents of two children, Ella age 7 and Noah who is 5. In addition to being a full time parent, Tabatha teaches at St. John's Lutheran School in Mattoon.

In his spare time Rob enjoys being involved with his children's activities (both are up and coming basketball stars) and woodworking.