

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re:

Virgil Ivar Goltz and Christine Rae Goltz,

Debtor(s).

SIGNATURE DECLARATION

Case No. 03-48940

- PETITION, SCHEDULES & STATEMENTS
 CHAPTER 13 PLAN
 SCHEDULES AND STATEMENTS ACCOMPANYING VERIFIED CONVERSION
 AMENDMENT TO PETITION, SCHEDULES & STATEMENTS
 MODIFIED CHAPTER 13 PLAN
 OTHER (Please describe: Amended Chapter 12 Plan of Reorganization)

I [We], the undersigned debtor(s) or authorized representative of the debtor, ***make the following declarations under penalty of perjury:***

- The information I have given my attorney and provided in the electronically filed petition, statements, schedules, amendments, and/or chapter 13 plan, as indicated above, is true and correct;
- The information provided in the "Debtor Information Pages" submitted as a part of the electronic commencement of the above-referenced case is true and correct;
- **[individual debtors only]** If no Social Security Number is included in the "Debtor Information Pages" submitted as a part of the electronic commencement of the above-referenced case, it is because I do not have a Social Security Number;
- I consent to my attorney electronically filing with the United States Bankruptcy Court my petition, statements and schedules, amendments, and/or chapter 13 plan, as indicated above, together with a scanned image of this Signature Declaration and the completed "Debtor Information Pages," if applicable; and
- **[corporate and partnership debtors only]** I have been authorized to file this petition on behalf of the debtor.

Date: 05/18/04

Virgil Ivar Goltz
Signature of Debtor or Authorized Representative

Virgil Ivar Goltz

Printed Name of Debtor or Authorized Representative

Christine Rae Goltz
Signature of Joint Debtor

Christine Rae Goltz

Printed Name of Joint Debtor

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In Re:

Bankruptcy No.: 03-48940

Virgil Ivar Goltz & Christine Rae Goltz,

Debtors.

In Proceeding Under
Chapter 12

**AMENDED CHAPTER 12 PLAN OF REORGANIZATION
DATED AUGUST 18, 2004**

The Debtor proposes the following Plan for the adjustment of their debts:

ARTICLE I
Summary of the Plan

This Plan shall continue for a period of three (3) years from the date the plan is confirmed. The property of the Debtors is being valued, and the claim of each secured creditor is being treated as secured in the amount of the value of the property securing such claim. There are three secured claims:

- | | |
|---|--------------|
| 1) Ivar Goltz contract for deed | \$124,098.39 |
| 2) Pioneer Bank of St. James Real Estate and Machinery Loan | \$567,579.92 |
| 3) Pioneer Bank of St. James Autoimole Loan | \$ 8,500.00 |

The costs of administration will be paid on the effective date of the Plan unless otherwise agreed by persons provided administrative services and as directed by the Court. Priority claims will be paid in full as allowed. The Debtor will pay the Trustee no less than all disposable income, as that term is defined in 11 U.S. C. § Section 1225, for Trustee administration and distribution to unsecured creditors. If there are no unsecured creditors, the net disposable income will be retained by the Debtors.

The Debtors will satisfy the allowed secured claim of Ivar Goltz by making payments over time with a present value \$124,098.39. The Debtors will satisfy the allowed secured claim of Pioneer Bank for real estate and machinery by making payments over time with a present value \$340,609.92, and by surrendering 10 acres of land valued at \$180,000.00 and certain machinery valued at \$32,100.00, pursuant to 11 U.S.C. § Section 1225(a)(5). The Debtors will satisfy the allowed secured claim of Pioneer Bank for the automobile by making payments over time with a present value \$8,500.00.

Mr. and Mrs. Goltz will generate income to fund payments under the plan by raising corn, soybeans, peas, and sweet corn, and will participate in government farm programs, and hold off farm employment.

ARTICLE II
Property Valuations

The Debtors value their property as set out in exhibit "A" attached hereto. The values are based on appraisals commissioned by Pioneer Bank of St. James.

ARTICLE III
Liquidation Test

The Debtors' net equity in their property, after deducting the amounts of the secured claims and their exemptions, is \$5,000.00 (see Exhibit "A" attached hereto). No less than this amount shall be paid to the Trustee for payment of costs of administration and distribution to unsecured creditors over the life of the Plan. If there are no unsecured creditors, this amount will be retained by Debtors.

ARTICLE IV
Disposable Income

The Debtors' projections of gross income, operating expenses, living expenses and Plan payments show that they will have disposable income annually in the amount of \$6,771.15. For the term of this plan, all of the Debtors' disposable income, regardless of the amount, will be paid to the Trustee for payment of cost of administration and distribution to unsecured creditors (see Exhibit "B"), unless there are no unsecured creditors.

ARTICLE V
Living Expenses

The Debtors project living expenses of Thirty-six Thousand and no/100—Dollars (\$36,000.00). The Debtors shall limit their annual account withdrawals for living expenses to said amount, unless said amount shall be modified by Court Order. The Court shall retain authority and jurisdiction to modify said allowance upon application of a party in interest.

ARTICLE VI
Classification and Treatment of Claims

1. **Class I.** Costs of Administration. This class includes compensation and expenses of professionals and court costs and all expenses incurred by the Debtors after filing of their petition and before the entry of the order of confirmation. The compensation and expenses of professionals and court costs shall be paid following confirmation of the Plan. Claims for compensation and expenses of professionals and court costs shall be paid upon approval by the Court and as directed by the Court. The Debtors shall pay to the Trustee Ten percent (10%) of all plan payments made through the Trustee, being Five percent (5%) for Trustee's fees and Five percent (5%) for Trustee's expenses.

2. **Class II.** Class 2 is the secured claim of Pioneer Bank of St. James (PB), secured by real estate and farm machinery. The Class 2 claim of PB is \$567,579.92. See Exhibit C. This allowed secured claim will be paid as follows:

a. Surrender of ten acre dairy barn site	\$180,000.00
b. Surrender of farm machinery (See Exhibit C)	\$ 46,970.00
c. Payments with present value of \$340,609.92	<u>\$340,609.92</u>
Total	\$567,579.92

The surrender of the ten acres with the dairy barn shall occur within 20 days following confirmation of the plan. The legal description of the ten acres to be surrendered is

The surrender of machinery shall occur within 20 days of confirmation of the plan.

The payments shall commence on the 1st anniversary of the confirmation date of the plan and continue on each anniversary date thereafter until paid in full. If the date of payment is before December 1st of each year, the Debtors shall have the option to defer a portion of the payment until December 1st, and pay such additional amount of interest accrued up to December 1st. The interest rate will be 7.0% per annum. The Bank will retain its existing security interests. The claim will be paid through the Trustee until the Debtor receives a discharge or the case is dismissed, and thereafter, the Debtor will make payments directly to PB. Also, the debt will be due and payable on December 31, 2007, but the Debtors will have the option to continue the loan with an adjusted interest rate of 2.75% plus the prime rate at the Minneapolis Federal Reserve, amortized over the term remaining as set forth in the following paragraph, and subject to similar interest rate adjustment each three year anniversary thereafter.

The allowed secured claim of PB shall be divided into two notes. The first note will represent payment of \$32,100.00, and will be amortized over seven years. The second note will represent payment of \$308,509.92, and will be amortized over 30 years. The net payment to PB while during the plan will be 24,861.70 plus \$5,956.26, paid through the trustee. See Exhibit C.

3. **Class III.** Class III shall consist of the claim of Ivar Goltz. This claim is in the amount of \$124,098.39 (September 1, 2004). This claim shall be paid in deferred payments based on amortization over 30 years, at 6.0% per annum. The first payment shall be due on the one year anniversary of the confirmation of the plan, and on the anniversary thereafter in the amount of \$9,015.61. If the date of payment is before December 1st of each year, the Debtors shall have the option to defer a portion of the payment until December 1st, and pay such additional amount of interest accrued up to December 1st. The payment shall be made through the trustee, while the plan is in effect, and thereafter the payments shall be made directly to Ivar Goltz. See Exhibit C.

4. **Class IV.** Class 6 is the secured claim of PB for the Buick loan. The Bank shall retain its lien on the automobile and shall be paid its allowed secured claim of \$8,500.00 payable in monthly installments of \$206.76, with interest at 6.5% per annum. This is payable through the Trustee, during the plan, and then to PB directly.

5. **Class V.** Class 5 shall consist of all the general unsecured creditors, claims of all unsecured creditors whose claims arose after April 13, 2003, the date of Debtors' Chapter 7 case, if any.

All disposable income, that is, future earnings not necessary for the continuation, preservation and operation of the farm and for the maintenance or support of the Debtor and their dependents, for three years following the effective date, shall be submitted to the Trustee for distribution. All creditors with Class V claims shall be paid a pro rate share of disposable income after administrative and priority claims have been paid.

ARTICLE VII Execution of Plan

The Debtor proposes to continue their farming operations and make the payments out of farm or other income. The Debtor's projections of income, operating expenses, and Plan payments are as reflected in Exhibit "B".

ARTICLE VIII Modification to Plan After Confirmation

The Debtor may request the Court to modify this Plan before or after confirmation in accordance with the provisions of 11 U.S.C. Section 1222 or Section 1229.

ARTICLE IX
Retention of Liens and Incorporation of Documents

All creditors whose claims are treated as secured in this Plan shall retain his liens on the collateral securing the respective claims until such claims are paid in full in the amount allowed as secured. Except as modified by the terms of this Plan or Reorganization, all documents evidencing indebtedness and security in favor of said secured creditors remain the same and are incorporated herein by reference as if more fully set out in this Plan of Reorganization. This Plan of Reorganization and the order confirming said Plan of Reorganization may be recorded in the Office of the Register of Deeds of each county where a Mortgage modified herein is recorded and the recordation of this Plan of reorganization shall constitute a modification of the terms and conditions of said instruments as set forth herein.

ARTICLE X
General Provisions

1. Except as provided in the Plan, the order confirming the Plan vests all property of the estate of the Debtor free and clear of all liens and encumbrances.
2. The Court shall retain jurisdiction of the Debtor and his property for the term of the Plan.

ARTICLE XI
Discharge

Upon the Debtor's compliance with the provisions of the Plan for the term of the Plan, the Court shall enter a discharge which discharges the Debtor from all claims provided for in the Plan except as provided in 11 U.S.C. Section 1228 and 11 U.S.C. Section 523(a).

Dated this 18th day of August, 2004.

Respectfully submitted,


Virgil War Goltz


Christine Rae Goltz



Thomas W. Van Hon #165189
Attorney for Debtor
19 Southeast Second Avenue
Post Office Box N
Fairfax, Minnesota 55332
(507) 426-7339

Exhibit A--Property Valuations and Liquidation Analysis			
		Value on Effective	
Asset	Disposition	Date of Plan	
			Lien or Exempt
Real Estate			or Liquidation Value
(Value is based on Appraisal for Pioneer Bank dated March 17, 2004)			
Dairy Barn with 10 Acres	Surrender to Bank	\$ 180,000.00	Lien
Home Site and 150 Acres	Retain	\$ 436,100.00	Liens
Personal Property			
DIP Account	Retain	\$ 5,000.00	\$ 5,000.00
Other Bank Accounts	Converted to DIP Accounts		
Household Goods	Retain	\$ 3,000.00	Exempt
Clothing	Retain	\$ 500.00	Exempt
IRAs	Retain	\$ 6,324.00	Exempt
1998 Buick	Retain	\$ 8,500.00	Lien
Exempt Machinery with Lien Avoided in Chapter 7 Case			
1000 Gal. LP Tank	Retain	\$ 1,000.00	Exempt
1200 Gal. Poly Water Tank & Pump	Retain	\$ 250.00	Exempt
1968 IH 856 Tractor	Retain	\$ 4,750.00	Exempt
2 – 1000 Gal. Fuel Tank w/pump	Retain	\$ 1,000.00	Exempt
Bale Rack w/light Gear	Retain	\$ 125.00	Exempt
Bumper Hitch 2 Wheel Utility Trailer	Retain	\$ 350.00	Exempt
Bumper Hitch 8'x16' Machinery Trailer	Retain	\$ 850.00	Exempt
Bush Hog Hyd Loader w/IH 856 Brackets	Retain	\$ 1,750.00	Exempt
Farm King 5' 3 Pt Finish Mower	Retain	\$ 500.00	Exempt
Farmall 200 Tractor	Retain	\$ 2,500.00	Exempt
Farmall F-20 Tractor	Retain	\$ 100.00	Exempt
Flatrack w/running Gear	Retain	\$ 300.00	Exempt
IH 183 12 Rn Danish Tooth Cultivator	Retain	\$ 1,750.00	Exempt
IH 45 26' Cable Lift Field Cultivator	Retain	\$ 400.00	Exempt
IH 480 Disk w/leveler	Retain	\$ 400.00	Exempt
IH 800 12 R Planter	Retain	\$ 3,000.00	Exempt
Lindsey 7 Section Drag & Cart	Retain	\$ 300.00	Exempt
Melroe 452 2 Rank Multi Weeder	Retain	\$ 200.00	Exempt
MH 33 Tractor	Retain	\$ 1,500.00	Exempt
Red Devil Snow Blower	Retain	\$ 1,700.00	Exempt
Welder & Shop Air Compressor	Retain	\$ 400.00	Exempt
Winco PTO Generator	Retain	\$ 1,750.00	Exempt
Yamaha Timber Wolf ATV	Retain	\$ 750.00	Exempt
1960 GMC Single Axle Truck w/13' Box	Retain	\$ 800.00	Exempt

Exhibit A, Page 2			
Machinery to be Retained	Retain		
1990 C-IH 7120		\$ 22,000.00	Lien
1984 3/4 T Chevy w/flatbed		\$ 800.00	Lien
1969 GMC Truck w/hoist		\$ 1,200.00	Lien
Demco 365 Gravity Box		\$ 2,300.00	Lien
Melrow 912 Plow		\$ 125.00	Lien
Westfield 7x51 Auger/PTO		\$ 600.00	Lien
Kewanee 8x52 Auger/PTO		\$ 150.00	Lien
Mayrath (Westfield) 8x36 Auger/Motor		\$ 600.00	Lien
IH Grain Drill		\$ 200.00	Lien
Swather Trailer		\$ 225.00	Lien
Cambell Sprayer w/boom		\$ 100.00	Lien
75 Gal. Fuel Tax w/pump		\$ 100.00	Lien
4 FM Radio Units		\$ 200.00	Lien
1991 Pickup Truck		\$ 3,500.00	Lien
			Lien
Subtotal Machinery to be Retained		\$ 32,100.00	
Total Liquidation Value			\$ 5,000.00

Exhibit B Annual Cashflow				
Income				
Grain Sales	Gross Income	Acres	Yield	Price
Corn	\$ 30,745.00	100	143	\$ 2.15
Soybeans	\$ 19,698.75	75	51	\$ 5.15
Soybeans (late planting)	\$ 5,793.75	45	25	\$ 5.15
Peas	\$ 27,570.91	96		
Sweet Corn	\$ 21,315.00	75	5.8	\$ 49.00
Alfalfa Rent	\$ 3,600.00			
Government payments	\$ 4,000.00	Weeks	Hourly Wage	Hours/week
Gross Wages Virgil	\$ 23,040.00	48	\$ 12.00	40
Gross Wages Christine	\$ 34,153.60	52	\$ 16.42	40
Total Income	\$ 169,917.01			
Expenses				
Farm Operating				
Tillage		\$ 2,080.00		
Spraying		\$ 247.50		
Seed		\$ 4,940.00		
Fertilizer and Chemical		\$ 13,032.45		
Chemicals		\$ 3,049.75		
Crop Insurance		\$ 1,900.00		
Drying Fuel		\$ 800.00		
Planting		\$ 1,505.00		
Custom Harvesting		\$ 4,400.00		
Fuel and Oil		\$ 2,637.00		
Repairs		\$ 2,853.00		
Rent 46 Acres		\$ 4,570.00		
Rent Schottle		\$ 3,900.00		
Rent Martin		\$ 14,385.00		
RE taxes		\$ 3,000.00		
Farm Insurance		\$ 1,800.00		
Professional Services		\$ 2,000.00		
Family Living		\$ 36,000.00		
Income Taxes		\$ 13,500.00		
Total expenses		\$ 116,599.70		
Debt Service				
Pioneer Bank RE	\$24,861.70			
Pioneer Bank Machinery	\$5,956.26			
Ivar Goltz	\$9,015.61			Monthly Car Payment
Pioneer Bank Buick	\$ 2,481.12		\$ 206.76	
Total Payments		\$ 42,314.70		
Trustee's Fee		\$ 4,231.47		
Total Expenses and Plan Payments		\$ 163,145.86		
Income		\$ 169,917.01		

Net Disposable Income		\$	6,771.15		
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Exhibit C				
Calculation of Pioneer Bank Allowed Secured Claim, Ivar Goltz Allowed Secured Claim, and Payments				
Appraised value of 206 Acre Farm		\$	683,400.00	
Value of Machinery Secured to the Bank		\$	79,070.00	
Total Collateral Value		\$	762,470.00	
Less Ivar Goltz Contract Balance		\$	(124,098.39)	
Less Value of Trustee's Land		\$	(67,300.00)	
Less Real Estate Taxes Due		\$	(3,491.70)	
Real Estate Equity for Bank Mortgage		\$	567,579.92	
Pioneer Bank Allowed Secured Claim		\$	567,579.92	
Payment of Allowed Secured Claim				
Surrender Barn Site		\$	(180,000.00)	
Surrender Machinery		\$	(46,970.00)	
Present Value of Future Payments to Bank		\$	340,609.92	
Machinery Note		\$	32,100.00	
Real Estate Note		\$	308,509.92	
Annual Payment to Bank for Machinery Note			\$5,956.26	7 year amortization, 7.0% interest
Annual Machinery Payment with Trustee's Fee			\$ 6,551.88	
Annual Payment Amount to Bank for Real Estate Note			\$24,861.70	30 year amortization, 7.0% interest
Annual Bank Payment with Trustee's Fee			\$ 27,347.87	
Annual Ivar Goltz Payment			\$9,015.61	30 year amortization, 6.0% interest
Annual Ivar Goltz Payment with Trustee's Fee			\$ 9,917.17	
Ivar Goltz CFD Balance				
Principal balance 10/1/00		\$	117,320.00	2001 payments
Interest accrued on 4/1/01		\$	3,519.60	Principal
Interest paid 4/1/01		\$	(3,519.60)	Interest
Principal paid 4/1/01		\$	(3,000.00)	Total
				\$ 3,851.00
				\$ 6,949.00
				\$ 10,800.00

Interest accrued to 10/1/01		\$ 3,429.40			
Interest paid to 10/1/01		\$ (3,429.40)		2002 payments	
Principal paid 10/1/01		\$ (851.00)		Principal	\$ 2,170.00
				Interest	\$ 6,580.00
				Total	\$ 8,750.00
CFD Principal Balance 10/1/01		\$ 113,469.00			
Interest accrued to 4/1/02		\$ 3,404.07			
Interest paid 4/1/02		\$ (3,404.07)			
Principal paid 4/1/02		\$ (2,170.00)			
Interest accrued to 10/1/02		\$ 3,175.93			
Interest paid 10/1/02		\$ (3,175.93)			
Principal paid 10/1/02		\$ -			
CFD Principal balance on 10/1/02		\$ 111,299.00			
Interest accrued to 12/31/03		\$ 8,347.43			
CFD Principal and Interest 12/31/03		\$ 119,646.43			
Interest through 9/1/2004		\$ 4,451.96			
CFD balance on 5/1/2004		\$ 124,098.39			
Machinery Subject to Pioneer Bank Lien					
Item	Disposition	Value per Bank Appraisal			
1990 C-IH 7120	Retain	\$ 22,000.00			
1984 3/4 T Chevy w/flatbed	Retain	\$ 800.00			
1969 GMC Truck w/hoist	Retain	\$ 1,200.00			
Demco 365 Gravity Box	Retain	\$ 2,300.00			
Melrow 912 Plow	Retain	\$ 125.00			
Westfield 7x51 Auger/PTO	Retain	\$ 600.00			
Kewanee 8x52 Auger/PTO	Retain	\$ 150.00			
Mayrath 8x36 Auger/Motor	Retain	\$ 600.00			
IH Grain Drill	Retain	\$ 200.00			
Swather Trailer	Retain	\$ 225.00			
Cambell Sprayer w/boom	Retain	\$ 100.00			
75 Gal. Fuel Tax w/pump	Retain	\$ 100.00			
4 FM Radio Units	Retain	\$ 200.00			

1991 Pickup Truck	Retain	\$	3,500.00		
Subtotal Machinery to be Retained		\$		32,100.00	
Machinery to be Surrendered					
1981 IH 1586 Tractor	Surrender	\$	6,000.00		
Melroe Bobcat 530	Surrender	\$	2,750.00		
1980 IH 1460 Combine	Surrender	\$	6,500.00		
IH 820 20 flex platform	Surrender	\$	1,500.00		
IH 6RN Corn Head	Surrender	\$	2,750.00		
IH Dummy Head	Surrender	\$	600.00		
Knight Reel Auger Feeder Wagon	Surrender	\$	5,500.00		
IH 735 5 Bottom Plow	Surrender	\$	1,600.00		
IH 4000 Self Propelled Swather	Surrender	\$	2,500.00		
2 EZ Flow Gravity Wagons	Surrender	\$	1,800.00		
Huskee 200 Gravity Wagon	Surrender	\$	600.00		
Glencoe 13' Disk ripper	Surrender	\$	2,250.00		
3 pt Track Scratcher	Surrender	\$	100.00		
JD 400 20' Rotary Hoe	Surrender	\$	300.00		
Bale Elevator	Surrender	\$	125.00		
Lindsey 5 Section Drag and Cart	Surrender	\$	100.00		
Hutchinson 6" x 27' Truck Auger w/ Motor	Surrender	\$	150.00		
Gehl 600 Silage Chopper	Surrender	\$	1,000.00		
H & S Silage Wagon w/ Gear	Surrender	\$	300.00		
IH 1150 Grinder Mixer	Surrender	\$	400.00		
IH 100 3 pt Mower	Surrender	\$	300.00		
IH PTO Hay Roller	Surrender	\$	200.00		
IH 435 PTO Baler	Surrender	\$	850.00		
Balzer Tandem Axle Manure Spreader fo	Surrender	\$	75.00		
NH 1012 Bale Stacking Wagon	Surrender	\$	700.00		
NH Hay Rake	Surrender	\$	325.00		
Farm F-14 Tractor	Surrender	\$	125.00		
Land Roller Packer	Surrender	\$	200.00		
Lindsey 6 RN Danish Tooth Cultivator	Surrender	\$	75.00		
AC 8' Tandem Disk	Surrender	\$	100.00		
JD 40' Elevator	Surrender	\$	25.00		
Campbell 300 Gallon Sprayer with Boom	Surrender	\$	100.00		

Balzer Single Axle Manure Spreader	Surrender	\$	100.00		
Westfield 4" x 16' Auger	Surrender	\$	25.00		
Fertilizer Auger w/ Motor	Surrender	\$	100.00		
Tractor Mounted Bean Rider	Surrender	\$	10.00		
W/C Straw Bale Shredder w/ Engine	Surrender	\$	400.00		
250 Gallon LP Tank	Surrender	\$	175.00		
1 1000 Gallon LP Tank	Surrender	\$	800.00		
Wood Barge w/ Box Gear	Surrender	\$	100.00		
6' x 16' Bumper Hitch Livestock Trailer	Surrender	\$	750.00		
20 Assorted Livestock Gates	Surrender	\$	800.00		
4 Pax Bulk Bins	Surrender	\$	850.00		
7 Poly Calf Huts	Surrender	\$	700.00		
4 Fiberglass Calf Huts	Surrender	\$	260.00		
2 S & I 20' Steel Feed Bunks	Surrender	\$	700.00		
3 S & I 5' Steel Feed Bunks	Surrender	\$	750.00		
14 Cement Feed Bunks	Surrender	\$	350.00		
Snowco Grain Screener w/ Motor	Surrender	\$	200.00		
		\$	46,970.00		
Subtotal of Machinery to be Surrendered					
Total Value of Machinery Subject to Pioneer Bank Lien		\$	79,070.00		