

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

IN RE:)	Bankruptcy No. 25-70101-JAD
)	
CLAUDE S. STRUCKOFF,)	Chapter 12
)	
Debtor.)	Related to ECF Nos. 19 & 51
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**MEMORANDUM ORDER
DENYING CONFIRMATION AND
DISMISSING CASE WITHOUT PREJUDICE**

Before the Court are two matters: *1st Summit Bank’s Motion to Dismiss Chapter 12 Case*, filed at ECF No. 19 (the “Motion to Dismiss”), and the Debtor’s, Claude S. Struckoff’s, *Chapter 12 Plan Dated June 20, 2025*, filed at ECF No. 51 (the “Plan”). Both require the Court to determine whether this case may proceed and whether the proposed plan satisfies the substantive requirements Congress imposed. The Court has jurisdiction under 28 U.S.C. § 1334(b). These are core proceedings under 28 U.S.C. § 157(b)(2)(A), (L), and (O), permitting the Court to enter final judgment. With the record complete and the issues fully briefed, the matters are ready for disposition.

I.

The Bankruptcy Code makes a simple promise and demands a simple showing in return. Before a court may confirm a chapter 12 plan, Congress directs that the debtor “will be able to make all payments under the plan and to comply with the plan[.]” 11 U.S.C. § 1225(a)(6). The statute does not impose a guarantee of success. Nor is there a requirement that every risk be eliminated. But the statute does insist on something firmer than aspiration. Feasibility

requires evidence that is concrete, credible, and grounded in the realities of the debtor's own operations. Hope alone will not do.

This case asks whether the Plan filed by Claude S. Struckoff (the "Debtor") meets that standard. After reviewing the Plan, the record, the live testimony presented at the August 5, 2025 evidentiary hearing, and the parties' post-trial submissions, the answer is that it does not. The Debtor has not provided the kind of reliable financial information the statute demands. The projections offered rest on speculation, inconsistent figures, and assumptions unmoored from past performance or independent corroboration. Because section 1225(a)(6) requires more, confirmation must be denied. And because no reasonable prospect of rehabilitation has been presented, and also because the parties have not disputed that if confirmation is denied "cause" exists to dismiss the case under section 1208(c) of the Bankruptcy Code, it is appropriate for the Court to dismiss this case without prejudice.

II.

The Debtor and his domestic partner, Jessica Hollada, operate a commercial farm in Somerset County, Pennsylvania (the "Farm"). *Pre-Trial Stipulation* ("Joint Pre-Trial Stipulation" or "JPTS") § II.4, ECF No. 56; Transcript of August 5, 2025 Hearing ("Tr.") 5:1-2, ECF No. 63; Plan § I. Financial distress led to a first chapter 12 filing in December 2023. That case was dismissed in February 2025 after the Debtor failed to make plan payments. See Case No. 23-70424-JAD, *Order*, ECF No. 91; JPTS § II.7 & 8. Less than a month later, the present case followed.

In this case, the Debtor proposed his Plan requiring monthly payments of \$3,510 and an additional annual payment of \$10,000 due in January. Plan § X.C. The Debtor attributes newfound feasibility to three changes: (1) a shift in farm operations to reduce drought-related losses by expanding livestock and planting fewer acres of corn and soybeans; (2) income from steady off-farm employment; and (3) the anticipated sale of a corn planter for \$55,000 to \$65,000, to be paid directly to 1st Summit Bank (the “Bank”) on a secured claim of \$126,479.21. Plan § I.

The Bank objects. It argues the projections are not credible, the income is insufficient, and that the market for corn and soybeans remains persistently unfavorable to the Debtor. See Bank’s Obj., ECF No. 54; Bank’s Post-Trial Br. 3, ECF No. 69. The Court took testimony from Ms. Hollada and the Debtor at the August 5th hearing and received post-trial briefs from both sides. This Memorandum Order is the result of those proceedings.

III.

Section 1225(a)(6) makes feasibility a condition of confirmation. Courts interpreting that requirement have applied a consistent rule: the debtor bears the burden of demonstrating a “reasonable assurance that the plan can be effectuated.” In re Howard, 212 B.R. 864, 879 (Bankr. E.D. Tenn. 1997); In re Chickosky, 498 B.R. 4, 12 (Bankr. D. Conn. 2013)(citation omitted); see In re Victorious, LLC, 545 B.R. 815, 825 (Bankr. D. Vt. 2016). “Reasonable assurance,” in this context, demands more than optimism. It requires evidence “concrete,” reliable, and showing that payment is “*probable*, not merely possible

or hopeful[.]” In re Kloberdanz, 83 B.R. 767, 773 (Bankr. D. Colo. 1988); Ames v. Sundance State Bank (In re Ames), 973 F.2d 849, 851 (10th Cir. 1992)(“A plan's ‘income projections must be based on concrete evidence and must not be speculative or conjectural.’”)(quoting In re Novak, 102 B.R. 22, 24 (Bankr. E.D.N.Y. 1989)).

That is why courts routinely evaluate a debtor’s projections against past performance and market data. See Chickosky, 498 B.R. at 4 (citing Collier on Bankruptcy P 1225.02[5] (16th ed. 2013)). Oral assurances may help; but absent some other corroborating, objective evidence such assurances are routinely viewed as being mere self-serving statements without meaningful evidentiary weight to carry the debtor’s burden. See In re Ellis, 478 B.R. 132, 139 (Bankr. N.D.N.Y. 2012)(testimony alone insufficient); In re Townsend, 90 B.R. 498, 502 (Bankr. M.D. Fla. 1988)(projections cannot rely on “optimistic” assumptions about untested operations). Where livestock operations are involved, courts require detailed evidence of herd size, management practices, expected yields, and profit structure. See Miller v. Nauman (In re Nauman), 213 B.R. 355, 358–61 (B.A.P. 9th Cir. 1997); In re Worden, No. 22-60094-6, 2023 Bankr. LEXIS 1736, at *45–47 (Bankr. N.D.N.Y. July 11, 2023).

Feasibility is designed to screen out plans that ask too much of debtors and creditors alike: plans clearly destined to fail. Congress did not intend chapter 12 to prolong the inevitable or substitute hope for evidence.

IV.

Measured against these standards, the Plan falters.

Starting with the Farm’s financial history, in 2023 the Farm generated \$60,285 in gross income against \$72,469 in expenses,¹ for a net loss of \$12,184. JPTS Ex. B, at 5 (JE000010). In 2024, the Farm earned \$7,109 and spent \$38,897²—another loss, this time \$31,788. JPTS Ex. C, at 5 (JE000016). Against this backdrop of sustained operating losses, the Plan projects that 2025 will yield \$47,303 in gross income and only \$28,846.32 in expenses—producing a net profit of \$18,456.68.³ Plan § X.B. If accepted, this projection is a tremendous turnaround that diverges from recent history. Unfortunately, the Court does not find the projected turnaround to be credible because the Debtor has supplied no reliable evidence showing why the future will look so different from the past.

A.

In examining expenses, the Plan projects annual expenses of \$28,846.32. Plan § X.B. But Exhibit F— introduced as “Expense Projections” in the Joint Pre-Trial Stipulation— identifies a wholly different set of expenses totaling \$12,474.32, conforming not to the Plan but to figures the Debtor provided the Bank during discovery. Compare JPTS Ex. F, at 2 (JE000037) with JPTS Ex. H,

¹ Counsel for the Debtor argues that depreciation, as listed on the Debtor’s tax returns, should not be considered in evaluating the Farm’s net income. See Tr. at 30-32. To afford the Debtor the benefit of the doubt, the Court will consider the reported expenses without the deduction for depreciation.

² See supra, note 1.

³ The Plan projects an annual Farm income of \$18,467.00—which the Court takes to mean annual net income versus gross. See Plan at § X.B. There is a slight discrepancy with the Court’s calculations based on the provided numbers as $\$47,303 - \$28,846.32 (12 \times \$2,403.86) = \$18,456.68$.

at 4 (JE000165-JE000166). The inconsistency went unexplained at trial which undermines the veracity of the numbers the Debtor has put on paper.

In addition, when deposed, the Debtor testified that he could not positively account for the claimed drop in expenses and identified no specific cost-saving measures to be implemented.⁴ JPTS Ex. I (“Debtor Dep.”), at 28-29 & 31:7-11 (JE000179-JE000180). Ms. Hollada attributed the decrease to reduced acreage and the Farm’s recent switch to solar fencing, but she could not say whether the reduction equaled \$32,000, and she and Debtor’s Counsel conceded that fertilizer and insurance—both recurring costs—were omitted from the projections entirely. JPTS Ex. J (“Hollada Dep.”), at 34:1–15 (JE000198); 38–39 (JE000199); 42–43 (JE000200); 46:4–16 (JE000201). The Debtor bears the burden of proof, yet his and his partner’s, Ms. Hollada’s, testimony is internally inconsistent and reveals that key expenses were omitted from his projections, while also failing to provide any credible explanation for the substantial anticipated reduction in expenses.

B.

Consider next the projected income. The Plan claims that “annual farm income from crop, livestock and other sales in 2025 would be approximately \$47,303.00.” Plan § X.B. Yet the record contains no independent support for that figure.

⁴ The deposition transcripts of the Debtor and Ms. Hollada were admitted into evidence as Trial Exhibits I & J. Tr. 7:11-12.

Livestock operations remain in a formative stage. Ms. Hollada testified that “we are trying to grow in goats,” that her “objective” is to reach a herd size sufficient to sell calves, and that she was “trying to get enough cows to have an income off the calves.” Tr. 52:6–13; 55:1–5. Exhibit D of the Joint Pre-Trial Stipulation lists handwritten estimates of cattle, donkeys, and goats anticipated in 2025–2027 (JPTS Ex. D, at 4-6 (JE000022–JE000024)), but no evidence corroborates those projections. For example, no veterinary records, herd histories, or sale agreements were presented. Even Ms. Hollada could only guess that livestock might constitute “maybe 50, 60%” of farm income. Tr. 89:9. She admitted she could not reliably predict when livestock would be sold: “you don't know when you're going to sell something. I mean, you don't.” Tr. 60:8–12.

Crop projections fare no better. Exhibit D contains two different 2025 crop-income projections—one showing \$35,285.10, the other \$28,762. Compare JPTS Ex. D, at 1 (JE000019) with id. at 11 (JE000029). The Debtor farmed nearly 400 acres in 2023; now he farms 185, of which only 65 acres are devoted to corn and soybeans and 120 to hay (mostly for internal use and without a regular buyer). Debtor Dep. 29–30 (JE000180); Tr. 70:3–4; 84–85. None of this aligns with rising income.

Other structural risks compound the problem. The Farm carries no crop insurance and employs no irrigation system. Tr. 74:14–18; 79:9–10. The Debtor maintains no reserve fund for unexpected repairs. Debtor Dep. 35–36 (JE000181). And most of the acreage he farms is not owned by the Debtor or subject to any written lease. Tr. 69–70. When the owner of 100 acres that had

been utilized by the Debtor recently found a better offer, the Debtor lost those acres immediately. Tr. 49–50. The Plan assumes stability where the record shows volatility.

C.

The Court also agrees with the analysis presented by the Bank’s counsel at the August 5th hearing, which summarized the objective financial record in this case. As the Bank’s counsel demonstrated by reference to the Debtor’s own monthly operating reports, there was insufficient net income in April and May 2025 to cover even the \$3,510 monthly plan payment. See Tr. 16:2-7; see also *Chapter 12 Monthly Report (“MOR”)* for April 2025 (ECF No. 41) & May 2025 (ECF No. 50). When the one-time tax refund is removed from May’s figures, the Debtor operated at a loss of more than \$4,500. Tr. 16:7-12; see May 2025 MOR at § I.C. & II.C. And, although the Debtor remitted a \$2,500 partial plan payment in June, the operating report shows that he still did not generate enough income that month to fund the full payment required under the Plan. Tr. 16:13-23; see June 2025 MOR § II.C., ECF No. 59. The Bank’s analysis simply reflects what the numbers show: even accepting the Debtor’s own reports at face value, the income generated from Farm and household operations leaves a monthly shortfall and no excess capacity to service plan obligations.

Counsel also highlighted market evidence that the Debtor did not meaningfully contest. USDA pricing data, admitted without objection, shows that soybean prices have fallen from the \$12.70–\$16.40 range in 2022–23 to approximately \$10.20 per bushel, and corn prices have declined from the

historical \$5–\$7 range to roughly \$4.50 per bushel for 2024 and 2025. See Tr. 14–15. The Court finds this evidence credible and consistent with Joint Exhibit N, labeled by the parties as “USDA Agricultural Statistics.” JPTS, Ex. N. These objective figures undermine the Debtor’s belief that crop revenues will improve and confirm that his current (and proposed) crop mix is unlikely to yield higher returns. Counsel further demonstrated that the Debtor’s decision to shrink farmed acreage necessarily reduces revenue potential, even if certain expenses may correspondingly decline. See Tr. 13–14. The Debtor offered no evidence, testimonial or documentary, showing that the ratio of income to expenses will improve or that the Farm’s historical losses will reverse. On this record, the Court agrees with the Bank’s assessment: the projections offered by the Debtor do not align with his actual performance, market conditions, or any credible evidence of operational change.

The Court also takes judicial notice, pursuant to Federal Rule of Evidence 201(b), of the monthly “Prices Received” data published by the United States Department of Agriculture’s National Agricultural Statistics Service. These data series (derived from nationwide producer surveys and publicly released each month) reflect both a sustained decline in soybean and corn prices from their 2022–23 highs and significant market volatility throughout 2024 and 2025.⁵

⁵ See U.S. Dep’t of Agric., Nat’l Agric. Statistics Serv., *Prices Received: Soybeans, U.S.*, https://www.nass.usda.gov/Charts_and_Maps/Agricultural_Prices/pricesb.php (last visited Dec. 4, 2025); see also U.S. Dep’t of Agric., Nat’l Agric. Statistics Serv., *Prices Received: Corn, U.S.*, https://www.nass.usda.gov/Charts_and_Maps/Agricultural_Prices/pricecn.php (last visited Dec. 4, 2025).

Because these figures are drawn from a neutral federal source and are not subject to reasonable dispute, they are proper subjects of judicial notice.

Importantly, this market volatility does not alter the Court's conclusions; if anything, it reinforces them. Feasibility under section 1225(a)(6) requires credible, evidence-based projections demonstrating a reasonable assurance of successful plan performance. In an environment where commodity prices fluctuate sharply and remain below prior-year levels, volatility heightens the uncertainty of future revenues and increases the risk that actual income will fall short of the Debtor's projections. The Debtor presented no evidence showing the Farm can withstand adverse price movements, nor did he credibly identify operational changes that could mitigate the financial impact of unstable commodity markets. Given this backdrop, speculative hope for future price improvements cannot substitute for reliable data or overcome the historical losses reflected in the record. Thus, current market uncertainty further undermines, rather than supports, the Debtor's feasibility showing.

D.

A further difficulty concerns the Debtor's own monthly operating reports, which contain internal contradictions so significant that they cannot be reconciled from one month to the next. The June 2025 report (ECF No. 59) reflects a beginning cash/bank balance of \$2,007.40 and a reported monthly profit of \$859.64.⁶ See June 2025 MOR §§ II.C. & III. If true, the Debtor should

⁶ The financial reporting irregularities described herein do not include others that could possibly be in prior reports filed by the Debtor.

have ended June with \$2,867.04 on hand and/or in his bank account. Instead, the report lists an ending cash/bank account balance of only \$47.51—leaving more than \$2,800 unaccounted for. See id. at § III.

The July 2025 report (ECF No. 65) compounds the problem. It begins with the same \$47.51 ending balance but adds an unexplained reference to “\$6,000 cash” as part of the July beginning balance, even though no such cash appears in the June report. The July report then shows \$6,254.93 in net income, yet ends with only \$14.88 on deposit and a handwritten note again referencing \$6,000 of cash. See July 2025 MOR §§ II.C. & III. Page one of the July report reflects the sale of three cattle for \$6,037.21, but the numbers do not align with the cash reconciliation. See id. § I.A. The July report therefore appears to be an inaccurate report built on the foundation of an earlier inaccurate report, with the errors compounding month by month.

The August 2025 report (ECF No. 67) carries the erroneous \$14.88 forward as its beginning balance while the \$6,000 in “cash” mentioned in July simply disappears. See August 2025 MOR § III. August shows \$7,270.96 in net profit, yet the ending reported cash/bank account balance is only \$57.84. See id.; § II.C. This marks the third consecutive month with unaccounted-for cash, mathematical inconsistencies, or both.

The September 2025 report (ECF No. 71) reflects a beginning cash/bank account balance of \$57.84, but then separately notes “\$6200 cash - not in bank.” See September 2025 MOR §§ II.C. & III. The report does not identify the source of this offline cash. Page one suggests that four donkeys were sold that month

for \$6,200, but if that is the case, it raises the obvious question: where was the similar livestock-sale cash from prior months? September also reports a \$7,020.68 profit, yet ends the month with only \$42.72 in the bank. See id. Again, the cash either never existed or was used to fund unreported expenses.

The October 2025 report (ECF No. 72) continues the pattern. It begins with a cash/bank account balance of \$42.72—still omitting the thousands of dollars previously listed as “cash - not in bank”—and reports net income of \$3,908.12.⁷ See October 2025 MOR §§ II.C. & III. Yet the ending cash/bank account balance is reported as \$1,173.16, with no tie-back to prior unexplained amounts. See id.

None of these reports can be squared from an accounting perspective. Either cash receipts do not actually exist, the Debtor is using cash to pay expenses that are not disclosed, or the Debtor’s financial controls are so deficient that the reports cannot be trusted at all. In any of these scenarios, the result is the same: the financial information offered to support feasibility is not credible. A chapter 12 plan built on inconsistent, shifting, and unreconciled financial reporting cannot satisfy the feasibility requirement, because the Court cannot rely on numbers that cannot themselves be reconciled.

The burden here is on the Debtor; “the Court need not try and prove the Debtor's case by sifting through a mass of unstructured figures to try and confirm a plan.” In re Snider Farms, Inc., 83 B.R. 1003, 1015 (Bankr. N.D. Ind. 1988).

⁷ October 2025 is the most recent report and reflects that no livestock sales occurred during that month. October 2025 MOR § I.

The Court, as the finder of fact, must evaluate credibility. A chapter 12 plan premised on unreliable accounting, unexplained cash movements, and contradictory financial statements cannot be found feasible. When the Debtor's own records contain inconsistencies of this magnitude, the Court cannot place confidence in the projections supporting the Plan. The operating reports therefore undermine, rather than support, any finding that the Debtor has shown by a preponderance of the evidence that the proposed Plan is feasible.

E.

The Plan also relies on a proposed sale of a corn planter for \$55,000 to \$65,000, to be paid directly to the Bank. Plan § I. But the Debtor presented no evidence of value beyond looking at “recent auction prices across the country” and selecting what he described as a “happy medium.” Tr. 102–03. The Debtor also testified that he has no prospective buyer, no timetable, and no marketing plan beyond possibly listing the item on Facebook Marketplace and maybe using an online auction. Tr. 104–05. He also does not know the cost of selling at auction. Id.

Courts have consistently held that plans depending on speculative future sales of assets cannot meet the section 1225(a)(6) standard. See, e.g., Community Bank v. Mazzei (In re Mazzei), No. 22-20395-JAD, 2023 WL 6471079, at *9 (Bankr. W.D. Pa. Oct. 4, 2023); Chickosky, 498 B.R. at 16–17. The record here falls squarely within that rule.

The Chapter 12 Trustee reports that the Debtor is current on payments through September 2025. *Trustee's Report to the Court* ¶ 13, ECF No. 68. But

those payments reflect artificially low plan contributions, with a significant portion of funding deferred to an equipment sale not in prospect. Payment performance under an underfunded plan tells the Court little about true feasibility.

IV.

The Bank also seeks dismissal under section 1208(c), arguing that the estate continues to incur losses with no reasonable likelihood of rehabilitation. Motion to Dismiss ¶ 18. The Debtor's only defense to the motion is the contention that rehabilitation is likely because the Plan is feasible. Debtor's Post Trial Br. 3 § A, ECF No. 66.

Having found that the Plan is not feasible (because the Debtor's income, expenses, and proposed sale rest on speculation, inconsistent projections, and unsupported assumptions), the Court necessarily concludes that cause exists to dismiss the case.

Dismissal will be without prejudice.

V.

Chapter 12 offers meaningful protections to family farmers, but it does not permit confirmation of a plan built on conjecture. Congress required a showing, and the Debtor—despite sincere efforts and commendable work ethic—has not carried the burden the statute assigns.

Accordingly, it is **ORDERED**:

1. The Bank's Objection to confirmation is **SUSTAINED**;
2. Confirmation of the Debtor's Plan (ECF No. 51) is **DENIED**;
and

3. The Bank's Motion to Dismiss (ECF No. 19) is **GRANTED** and a separate order shall be entered that dismisses the above-captioned bankruptcy case **WITHOUT PREJUDICE**.

IT IS SO ORDERED.



sjk
The Honorable Jeffery A. Deller
United States Bankruptcy Judge

Dated: December 4, 2025

Case Administrator to Mail to:

Debtor
Samuel M. DiFatta, Esq.
Justin M. Tuskan, Esq.
Ronda J. Winnecour, Chapter 12 Trustee
Office of the United States Trustee

FILED
12/4/25 3:48 pm
CLERK
U.S. BANKRUPTCY
COURT - WDPA

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

In re:)	
)	Case No.: 25-70101-JAD
Claude S. Struckoff)	Chapter 12
Debtor(s))	
_____)	
1st Summit Bank,)	
Movant,)	Related to Docs. #19, 51 and 73
v.)	
)	
Claude S. Struckoff)	
Respondent(s))	
_____)	

ORDER

AND NOW, this 4th day of _____ December _____, **2025**
it is **ORDERED, ADJUDGED and DECREED:**

This case is **DISMISSED**, with prejudice. The Debtor(s) is/are ineligible for bankruptcy relief under any chapter for a period of 180 days from the date of this Order.

This case is **DISMISSED**, without prejudice.

If either of the above provisions is checked, indicating that this case is being dismissed, then it is **FURTHER ORDERED** as follows:

- A. Each wage attachment issued in this case is now terminated. So that each employer knows to stop the wage attachment, the Debtor(s) shall immediately serve a copy of this Order on each employer and file a proof of service within 10 days of the date of this Order.
- B. This case is administratively closed. However, the Court retains jurisdiction over the Trustee's Report of Receipts and Disbursements and Final Report and Account. Upon submission of UST Form 12-FR-S: Chapter 12 Standing Trustee's Final Report and Account, the Trustee is discharged from her duties in this case and this case will be closed without further Order of Court.
- C. The Clerk shall give notice to all creditors of this dismissal.
- D. Any motion to reopen must be accompanied by the appropriate reopening fee, equal to the filing fee for the appropriate chapter (less administrative fee), together with the unpaid \$_____ portion of the original filing fee.

E. The Debtor remains legally liable for all debts as if the bankruptcy petition had not been filed. This bankruptcy case no longer prevents collection efforts or lawsuits. Creditor collection remedies are reinstated pursuant to 11 U.S.C. Section 349, and creditors are directed to 11 U.S.C. Section 108(c) for time limits on filing a lawsuit to collect. Generally, a creditor's lawsuit must be filed by the later of:

- (1) the time deadline provided by state law; or
- (2) 30 days after the date of this notice.

This case is not dismissed. The plan term is extended to a total of ___ months; the monthly plan payment amount is changed to \$_____ effective.

This case is not dismissed at this time. However, in the event of any future plan default by the Debtor(s), then on the Trustee's certificate of default, this case shall be dismissed ___ ___ with / ___ without prejudice, without further notice or hearing.

Other: n/a

BY THE COURT:



sjk
United States Bankruptcy Judge
Jeffery A. Deller

Dated: 12/4/2025

FILED
12/4/25 4:06 pm
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