

# Leader



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## Central Kentucky Ag Credit

Larry K. Stone  
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*Editor*

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*Vice Chairman*

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Jerry Rankin

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*As you read the President's Message and other information throughout the LEADER, you will notice that the Ag Credit Board of Directors is very important to the association. Remember that your directors are farmers and business people just like yourself - selected by you as member/owners of the association - to represent your interests. So, take an interest. By the time you read this edition of the LEADER, the Ag Credit Annual Meeting will be taking place. Take time to read the annual meeting notice when you receive it. Please ATTEND the annual meeting if at all possible.*

## President's Message

Spring! A wonderful time to be a farmer. As we try to shake off the last icicle and see the first buds begin to burst with new life, it is time to look forward - and backward - to reflect on how we have done.

Loan growth resumed its blistering pace, driven partly by historically low interest rates. Central Kentucky Ag Credit had over 26% more dollars in loans to end 2002, as compared with the previous year. The association is at a record size of \$138 million in loans.

With good management by both the members and the association staff, your association had another good year, with net earnings of just over \$1 million. From this pool of earnings Ag Credit will pay a portion back to the member/borrowers. This is the fifth year that the association has returned a portion of its profits back to the members. The patronage refund activity effectively reduces the cost of borrowing to members. We truly do "put our profits in your pockets".

As Ag Credit prepared for 2003, several trends have been observed. The portfolio of loans that the association has on record indicates that over half of the borrowers' primary income is derived from non-farm sources. Non-farm income in central Kentucky comes from a healthy mix of industries and employers. Prospects for non-farm employment remain good for 2003.

The second most important industry to our member/borrowers is the beef industry. According to industry analysts, feeder cattle prices should be strong during 2003. A slight increase over 2002 prices is likely.

The third most important industry to association member/borrowers is tobacco production. The future of the tobacco industry is one of extreme uncertainty. Reflecting this uncertainty, association borrowers are moving away from tobacco as their primary source of funds to repay their financial obligations. While it is impossible to accurately predict where the tobacco industry will be in five years or beyond, trends point to more concentrated production and increased contract production. Even more dramatic for central Kentucky is the possibility that geographic distribution of tobacco production will change. It is possible that tobacco production will leave the central Kentucky region for the "wide open spaces" of western Kentucky.

Your Ag Credit Board of Directors remains committed to providing the best possible service to association member/borrowers. Their commitment can be seen in construction of the new Richmond Branch Office, located off the Richmond Bypass, on Ival James Blvd. That new facility will allow better access and more room for increased services to farmers and rural residents of Madison and surrounding counties.

Thanks to all farmers and residents of central Kentucky who have combined to make Central Kentucky Ag Credit an active and growing part of the economy.



**Larry K. Stone**  
*President and Chief  
Executive Officer*

# Ag Credit, Ag First and the Farm Credit System

Today the nationwide Farm Credit System provides more than \$61 billion in loans to more than 500,000 borrowers, including farmers, ranchers, rural homeowners, agricultural cooperatives, rural utility systems and agribusinesses.

Central Kentucky Agricultural Credit Association (Ag Credit) provides both long- and short-term loans in a 17 county region. AgFirst Farm Credit Bank of Columbia, SC serves most of the eastern United States and is the regional bank with which Ag Credit is affiliated. There are six regional Farm Credit Banks in the Farm Credit System, one Bank for Cooperatives and one Agricultural Credit Bank

Unlike commercial banks, associations and regional banks do not take deposits. Instead, most dollars that are loaned to member/customers are raised through the sale of Systemwide bonds and notes in the nation's capital markets. The strongest capital market in the world assures a dependable supply of funds for the local agricultural economy in central Kentucky.

Typical services offered by associations and regional banks include real estate loans, operating loans, rural home mortgage loans, credit-related life insurance, crop insurance and various financially-related services such as farm record-keeping and financial planning.



## Regulatory Agencies

The Farm Credit Administration (FCA), based in McLean, VA is the independent federal regulator responsible for examining and ensuring the safety and soundness of all System institutions. FCA is directed by a three-member board that is nominated by the President of the United States and confirmed by the United States Senate.

The Farm Credit System Insurance Corporation was established in 1988 primarily to insure timely payment of principal and interest on Systemwide debt securities.

## Mission Statement



It is the objective of the Central Kentucky Agricultural Credit Association (“Ag Credit”) to be the premier provider of short-, intermediate- and long-term agricultural/rural home credit to eligible borrowers within its territory. The association will be financially sound for the benefits of all its member-farmers and flexible in providing credit and financially related services to benefit both individual borrower and the lender.



## Central Kentucky Branch Offices

### Danville Office

Highway 127 Bypass • Danville, KY 40422  
859-236-6570 • 1-800-589-4261

<b>Dale T. Cinnamon</b> Asst. Vice President & Branch Manager	<b>Joe Goggin</b> Asst. Branch Manager & Loan Officer
<b>Brad Godbey</b> Loan Officer Trainee	<b>Kim Elliott &amp; Tina Roney</b> Loan Assistants

### Lebanon Office

Campbellsville Road • Lebanon, KY 40033  
270-692-4411 • 1-800-264-0402

<b>Harry Young</b> Asst. Vice President & Branch Manager	<b>Donna Mudd</b> Loan Assistant
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### Lexington Office

640 South Broadway • Lexington, KY 40508  
859-252-4717 • 1-888-820-3270

<b>Shane Turner</b> Asst. Vice President & Regional Lending Mgr.	<b>Scott Maas</b> Asst. Branch Manager & Loan Officer
<b>Russell Gray</b> Loan Officer	<b>Jonathan Parker</b> Loan Officer Trainee
<b>Janet Jones</b> Loan Assistant	

### Paris Office

1440 High Street • Paris, KY 40361  
859-987-4344 • 1-800-613-4292

<b>Donna Sharpe</b> Loan Officer	<b>Margie Roe</b> Loan Assistant
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### Richmond Office

1000 Ival James Blvd. • Richmond, KY 40475  
859-623-1624 • 1-888-820-3221

<b>John Thomas</b> Asst. Vice President & Branch Manager	<b>Peggy Powell &amp; Rita Baker</b> Loan Assistants
<b>Jonathan Noe</b> Loan Officer Trainee	

### Stanford Office

U.S. Highway 27 • Stanford, KY 40484  
606-365-7500 • 1-800-467-0039

<b>Paul Wyler</b> Asst. Vice President & Regional Lending Mgr.	<b>Ronnie Bradshaw</b> Asst. Branch Manager & Loan Officer
<b>John Peek</b> Loan Officer Trainee	<b>Annette Story, Felicia Madden &amp; Gidget Whitehouse</b> Loan Assistants

## Paul Wyler Says Stanford Members Like AgriLine Service



Paul Wyler

Paul Wyler, manager of Ag Credit's Stanford Branch, has good things to say about AgriLine, one of many financial convenience services that are offered by Central Kentucky Ag Credit.

Paul explains that AgriLine is a completely private and confidential service that makes life easier and more convenient for his Stanford member/borrowers. AgriLine works just like a bank checking account, making it possible for members to conduct financial business, even when the Ag Credit office is closed, such as at night or on weekends.

Customers don't even need to come in the office to pick up approved funds, notes Paul Wyler. Loan funds may be disbursed by the member once the loan is approved, using special checks that are issued for use with the customer's AgriLine account. Wyler said AgriLine is used primarily in conjunction with pre-approved credit lines. "It's an important service for our farmers", said Wyler, "because AgriLine allows them to conduct business anytime, anyplace ... that's really important when they are busy with seasonal farm pressures".

About 75% of Paul Wyler's member/borrowers with operating notes at the Stanford Branch have AgriLine accounts. From a management viewpoint, Paul says AgriLine has also helped to streamline Ag Credit office operations in Stanford. "We can handle business quickly and efficiently for our customers with AgriLine", noted Wyler. Grinning broadly, Paul also says he and his loan officers don't see customers as often when they use AgriLine, but "that gives us a good reason to get out of the office and visit our friends on the farm," he admitted!

Wyler highly recommends the service to borrowers. He says AgriLine fits into the overall farm financial operation by allowing members to have control over their borrowed funds, while enabling the Ag Credit team to support members with up-to-date financial services and systems.

If you want to know more about AgriLine, contact your Ag Credit professional right away. The AgriLine service is available through all six Ag Credit Branch Offices in central Kentucky.

# Young, Beginning & Small Farmers

Ag Credit is committed to serving all credit-worthy farmers regardless of age, farm size or farm experience. We understand agriculture and recognize that young, beginning or small farmers have unique challenges in establishing, developing and maintaining their farm operations. Ag Credit believes that serving this group of individuals is critical to the future success of the Association. That is why we give special attention to serving the needs of these important customers and prospects.

By working closely with government programs, such as the Farm Service Agency's guaranteed loan program, Ag Credit has been able to help young, beginning and small farmers get started in farming. We know how hard it is to start a new agricultural business or take over an existing one when you're young, inexperienced or have limited financial resources.

For additional information on Young, Beginning or Small Farmer Programs, contact your nearest Ag Credit office or visit our website at [www.ckaca.com](http://www.ckaca.com).



## Are You a Young, Beginning or Small Farmer?

- *Young Farmer = 35 years of age or younger.*
- *Beginning Farmer = Has ten or fewer years of farming, ranching or aquatic experience.*
- *Small Farmer = Normally generates less than \$250,000 in annual gross sales of agricultural or aquatic products.*

*If you fit one or more of these categories, Ag Credit is ready to help. Our loan officers will be glad to review your particular situation and give you expert advice on the financial program that may work best for you.*

**LEADER** is published quarterly for stockholders, friends and business associates.

The Farm Credit Administration does not require the association to distribute its quarterly financial reports to stockholders. However, copies of its complete report are available upon request. The shareholders' investment in the association is materially affected by the financial condition and results of operations of AgFirst Farm Credit Bank and copies of its quarterly financial report are

available upon request by writing Patti Trotter, AgFirst Farm Credit Bank, P.O. Box 1499, Columbia S.C. 29202-1499.

Address changes, questions or comments should be directed to Central Kentucky Agricultural Credit Association by calling 1-859-253-3249, or by writing P.O. Box 1290, Lexington, KY 40588-1290.





## Ag Credit Hosts AgFirst Officials

Jerry Rankin, a Boyle County farmer and director on the Ag Credit Board, is shown at left in this photo while visiting with an AgFirst official from Columbia, SC. AgFirst's chief executive officer, F.A. (Andy) Lowrey is shown at right while visiting the Rankin farm late last year.

Mr. Lowrey was guest of Central Kentucky Ag Credit during October 24-25, and he toured the Central Kentucky region, along with Al Conner, who is Ag Credit's account manager at AgFirst in Columbia. A busy agenda marked the two-day visit, including stops at the Rankin Farm in Boyle County, Claiborne Farm in Paris, the Oscar Penn Farm in Fayette County, Anderson Circle Farm in Mercer County and various other riding tours of Central Kentucky Ag Credit's 17-county region.

Central Kentucky Ag Credit president and CEO, Larry Stone, and other Ag Credit officials also met with the AgFirst officials when they visited the Bluegrass State. Ag Credit's Board of Directors hosted Lowrey and Conner during dinner at Beaumont Inn in Harrodsburg on the 24th, followed by the regular Ag Credit Board of Directors Meeting on the 25th, during which Andy Lowrey addressed the board.

## You Helped to Make it Known. *Agriculture Counts.*

The National Agricultural Statistics Service (NASS) is now compiling a wealth of farm data that was gathered during the recent Agricultural Census. Farmers across America - including our friends in central Kentucky - provided information by returning the NASS census forms by the deadline in February 2003.

The Census of Agriculture will provide some new and vital data this year, including computer use patterns, production contracts and characteristics about multiple operators on farms. It will be interesting to see what the new data reveals and what changes have occurred since 1997 (the last time a census took place).

Information that farmers provided to NASS will be kept confidential. Confidentiality is guaranteed by law under Title 7 of the U.S. Code. Information you provided cannot be released and cannot be used against producers in court. Farm trends and general data pertaining to agriculture that will be revealed by the census is accurate, because the data was provided by farmers themselves. The National Agricultural Statistics Service depends on farmers for timely information ... your participation provides a true portrait of American agriculture for every county, state and for the United States in general.

The ag census is the most comprehensive source of statistics portraying our nation's agriculture. It is the only source of uniform ag data for every county in the nation. NASS compiles the data every five years, via a census procedure. In light of tremendous changes that are taking place in farming, the census is the most ambitious and important compilation of all agriculture surveys.

So, why is the ag census important to Ag Credit and its member/borrowers? Ag Credit uses census data to better understand and serve you. Farm and ranch organizations use census data when proposing policies that affect you. In fact, almost anyone who buys or sells agricultural products uses the data directly or relies on someone who uses census figures in some way.

Our hat is off to all farmers who returned their ag census forms. You have contributed to a better understanding of farming and trends that will affect agriculture in the years ahead.



### How Will the Agricultural Census Benefit You?

Many people who serve farmers and ranchers depend on agriculture census data to make good, solid decisions based on fact. For example:

- Farm organizations use the data to evaluate and propose policies and programs that help farmers and ranchers.
- Ag businesses use the data to develop marketing strategies and determine locations of facilities to serve producers.
- Farmers and ranchers use the data to spot trends and determine potential opportunities for their operations.
- Extension agents use census statistics to develop new and improved methods to increase ag production and profitability.
- Rural electric companies use data to forecast energy and resource needs for producers.
- State departments of agriculture use census data to plan for, and be responsive to, drought and other emergencies.

# Ag Credit Staff Grows to Provide Greater Member Service



**Gidget Whitehouse**

The Stanford Ag Credit Branch Office added a new team member last August. Gidget Whitehouse is a loan assistant in Stanford and she resides in Junction City. Prior to joining the Ag Credit team, Gidget worked as a Recovery II assistant at Ephraim McDowell Hospital in Danville. Her parents are Dorothy & Johnny Sheene and Gidget has three children including Bryan, 20, Brady, 15 and Somer, 4. Gidget is a native of Hamilton, Ohio.



**Tina Roney**

The Danville Ag Credit Branch Office welcomed a staff member during July 2001. Tina Roney is a loan assistant in Danville and she resides in Lincoln County. Tina was a receiving clerk at KB Toys before taking her position with Ag Credit. She is a native of Danville and is married to David Roney, a farmer who operates Roney Farms. They are the parents of a 9-year-old daughter, Samantha.



**Margie Roe**

The Paris Ag Credit Branch Office welcomed Margie Roe to the team during October of last year. Margie (Peters) is a native of Paris and is married to Kenneth Roe. Prior to joining Ag Credit, Margie was a manager with Kentucky Textiles in Paris. She and Ken are parents of two children, including Wayne, 19 and Whitney, 16. They reside in Paris.



**Johnathan Parker**

The Lexington Ag Credit Branch Office brought Johnathan Parker on board during November. He is a loan officer with Ag Credit and his native home is Henderson City in Henderson County, Kentucky. He is married to the former Ashley Tudor of Richmond. Prior to his work with Ag Credit, Johnathan was sales manager at the Farmer's Cooperative in Marshall County and he also worked with Saufley Equipment Co. at Stanford. Johnathan earned his BS Degree in Agriculture from Western Kentucky University.



**Janet Jones**

The Lexington Ag Credit Branch Office added Janet (Caswell) Jones to the staff during September of last year. She is an Ag Credit loan assistant who resides in Paris, enjoys being active on her brother-in-law's farm and Janet also spent 21 years of her career at Harlan in Southeastern, Kentucky. Prior to joining the Ag Credit team, Janet taught high school, specializing in math and advanced placement history. She earned her BA Degree in History and Math from Eastern Kentucky University. Janet has two sons, including Joshua, 26 and Benjamin, 20.

(Clip & Save)

# Young Farmer Chapters Central Kentucky Service Area



## **Bourbon County** *Doug Ashcraft*

Bourbon County High School  
3343 Lexington Rd.  
Paris, KY 40361  
Phone: 859-987-2185  
Fax: 859-987-2934  
[washcraft@bourbon.k12.ky.us](mailto:washcraft@bourbon.k12.ky.us)

## **Harrison County** *Phillip McGlone*

Harrison County High School  
320 Webster Ave.  
Cynthiana, KY 41031  
Phone: 859-234-7117 (x25)  
Fax: 859-234-0115  
[PmcGlone@Harrison.k12.ky.us](mailto:PmcGlone@Harrison.k12.ky.us)

## **Jessamine County** *Neil Floyd*

Jessamine County High School  
2101 Wilmore Rd.  
Nicholasville, KY 40356  
Phone: 859-885-6091  
Fax: 859-887-8854  
[nfloyd@jessamine.k12.ky.us](mailto:nfloyd@jessamine.k12.ky.us)

## **Lincoln County** *Jon Adams*

Lincoln County High School  
60 Education Way  
Stanford, KY 40484  
Phone: 606-365-9111  
Fax: 606-365-1750

## **Madison County** *Scott Turpin*

Madison Central High School  
705 North 2<sup>nd</sup> St.  
Richmond, KY 40475  
Phone: 859-624-4505  
Fax: 859-623-3925  
[wsturpin@madison.k12.ky.us](mailto:wsturpin@madison.k12.ky.us)

## **Scott County** *John Fritsch*

Scott County High School  
1080 Long Lick Pike  
Georgetown, KY 40324  
Phone: 502-863-4131  
Fax: 502-867-0544  
[jfritsch@scott.k12.ky.us](mailto:jfritsch@scott.k12.ky.us)

## **Woodford County** *David Bird*

Woodford County High School  
180 Frankfort St.  
Versailles, KY 40383  
Phone: 859-873-5434 (x7)  
Fax: 859-873-7731  
[dbird@woodford.k12.ky.us](mailto:dbird@woodford.k12.ky.us)

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# Country Mortgages

by 

Call the Ag Credit Branch nearest you for assistance

[www.ckaca.com](http://www.ckaca.com)

Rollover Protection Structures and seat belts are 98% effective in preventing injury during tractor overturns. Your family needs you alive and well. Respect their wishes. Get a ROPS and buckle up! Source: Community Partners for Healthy Farming Project.

# Tractor Deaths are Preventable

by Haven Miller

According to the National Safety Council, 61 percent of farming-related deaths in Kentucky involve tractors. Nearly 70 percent of those fatalities are the result of tractor overturns.

Nearly all of those deaths are preventable.

“People don’t think it can happen to them, but it can,” says Larry Piercy, Extension farm safety specialist in the University of Kentucky College of Agriculture. “The first thing a farmer can do is to alter his or her thinking and realize that it’s not always going to happen to someone else. In fact, one out of every nine Kentucky farmers age 55 and older have overturned a tractor in their lifetime. A third of those survivors have had two or more overturns.”

Piercy said less than half of Kentucky’s tractors are equipped with Rollover Protective Structures (ROPS). Serious consequences from a tractor overturn, which can happen in the blink of an eye, can be prevented by simply equipping the tractor with ROPS.

“If a farmer uses rollover protection along with a seat belt it will not only prevent tragedy, but will also reduce injuries, meaning fewer visits to the hospital emergency room and less medical costs,” said Piercy. He also noted that each year more than 5,000 Kentucky farm workers are injured and require medical treatment.

Seat belt use also can prevent another significant source of tractor deaths and injuries that result from the operator being thrown from the tractor and run over. These accidents account for nearly a quarter of the tractor deaths in the state, and could be prevented. However, Piercy cautions that seat belts should only be used on tractors equipped with ROPS, because their use on tractors without ROPS could actually increase the risk of overturn deaths.

Prices for rollover protective structures have declined in recent years and can be installed on many older tractors



for between \$600 and \$1,200.

In addition to rollover protection, tractors should also be equipped with bypass starter covers to prevent jump starting, master shields for power take-offs, Slow Moving Vehicle emblems and emergency lighting.

“Tractor safety is not something to put off until next month or next year,” Piercy said. “If farmers value their own safety and the well-being of their loved ones, they will take action today to make sure their tractors are properly equipped.”

*Larry Piercy can be contacted for more information regarding Rollover Protection Systems and other farm safety matters. Contact him at: Biosystems & Agricultural Engineering, 128 Charles E. Barnhart Building, University of Kentucky, Lexington, KY 40546. Phone 859-257-3000, Fax 859-257-5671.*

## Holiday Closing Dates / 2003

All Central Kentucky Ag Credit Offices

April 18 • Good Friday

May 26 • Memorial Day



## Check Our Web Site

For a Complete Copy of Ag Credit's  
Latest Financial Statement

[www.ckaca.com](http://www.ckaca.com)

## Get Your Free Almanac.

### It's A Handy Guide for Farmers

Central Kentucky Ag Credit has a gift for you! And, it's a handy item to have as spring farming activities begin throughout the 17-county region. Yep, our gift is an almanac that will provide you with weather tips, moon phases, special event reminders and a wealth of other handy tips and information. Don't be without your Ag Credit Almanac this year. Just stop by any Ag Credit Branch Office in Central Kentucky and get your free copy. It's free for the asking!

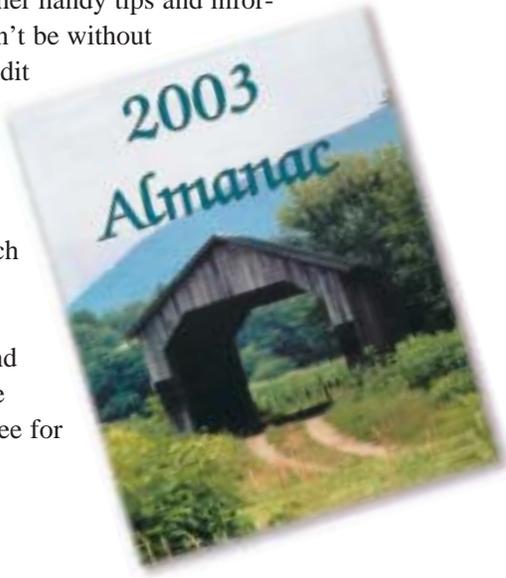


Photo by Robert Anderson

## For Your Funny Bone ...

Submitted by Ruth Watson, Amherst, OH

*The bandage was wound around the wound.  
The farm was used to produce produce.  
The dump was so full that it had to refuse more refuse.  
We must polish the Polish furniture.  
He could lead if he would get the lead out.  
The soldier decided to desert his dessert in the desert.  
Since there is no time like the present, he thought it was time to present the present.  
A bass was painted on the head of the bass drum.  
When shot at, the dove dove into the bushes.  
I did not object to the object.  
The insurance was invalid for the invalid.*

*There was a row among the oarsmen about how to row.  
They were too close to the door to close it.  
The buck does funny things when the does are present.  
A seamstress and a sewer fell down into a sewer line.  
To help with planting, the farmer taught his sow to sow.  
The wind was too strong to wind the sail.  
After a number of injections my jaw got number.  
Upon seeing the tear in the painting I shed a tear.  
I had to subject the subject to a series of tests.  
How can I intimate this to my most intimate friend?*

# Owning Your Own Home— That's Always Been the American Dream



Ag Credit is now making that dream come true. Whether you want to build, purchase or refinance, we have a program that is perfect for you. We offer fixed rate financing for up to 30 years. Rates are at the lowest levels in 40 years! To qualify, the home must be a single-family residence located on property that is primarily residential or on a farm. The loan must be secured by a lien on the financed property.

For interest rate quotes or for more information please contact the Ag Credit Branch Office nearest you:

**Danville Office -**

859-236-6570 / Toll Free 1-800-589-4261

**Lebanon Office -**

270-692-4411 / Toll Free 1-800-264-0402

**Lexington Office -**

859-252-4717 / Toll Free 1-888-820-3270

**Paris Office -**

859-987-4344 / Toll Free 1-800-613-4292

**Richmond Office -**

859-623-1624 / Toll Free 1-888-820-3221

**Stanford Office**

606-365-7500 / Toll Free 1-800-467-0039



# Get Instant Access to Your Loan Information



With just a couple of clicks of your mouse you can enjoy secure access to your Ag Credit account. Now you can obtain up-to-date information on your loan when it's most convenient for you with AccountAccess. And, best of all, it's FREE!

It's so easy to sign up, and there's no software to install on your computer. Here's some of the things you can do:

- *Check your current account balances*
- *Check your payment due date*
- *Confirm the date and amount of your last payment*
- *Review AgriLine check activity*
- *And, much more!*

So, stop waiting for your branch office to open. It's open now! Right on your desktop. Log on. Your loan information is only a click away.

## Try it! You'll like it!

To try AccountAccess just follow these simple steps:

*Go to our website: <http://ckaca.com>*

*Click on the AccountAccess button*

*Click on the "Demo AccountAccess" button.*

## Sign me up!

If you like what you see in the demo, signing up is easy!

*Click on the "Sign Me Up" link.*

*Complete the form and click submit.*

*Your User ID and temporary password will be sent to you by email*

After you log on to AccountAccess, you'll be able to change your User ID and password to whatever you like.

AccountAccess is fast, easy and convenient.  
Try it today!



[www.ckaca.com](http://www.ckaca.com)