

Leader



In This Issue

- Are You Bugged? 4
- Champagne Run . . . 8,9,11
- A Horse is a Horse . . . 10
- Chemical Disposal 14
- Ag Credit Financials . . . 15



Central Kentucky Branch Offices

Danville Office

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

Dale T. Cinnamon **Joe Goggin**
Asst. Vice President Asst. Branch Manager
& Branch Manager & Loan Officer

Brad Godbey **Kim Elliott & Tina Roney**
Loan Officer & Trainee Loan Assistants

Lebanon Office

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

Harry Young **Donna Mudd**
Asst. Vice President Loan Assistant
& Branch Manager

Lexington Office

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

Shane Turner **Scott Maas**
Asst. Vice President & Asst. Branch Manager
Regional Lending Mgr. & Loan Officer

Russell Gray **Jonathan Parker**
Loan Officer Loan Officer Trainee

Paris Office

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

Donna Sharpe-Cassity **Margie Roe**
Loan Officer Loan Assistant

Richmond Office

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

John Thomas **Peggy Powell**
Asst. Vice President & **Rita Baker**
& Branch Manager Loan Assistants

Jonathan Noe
Loan Officer Trainee

Stanford Office

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

Ronnie Bradshaw **Felicia Madden**
Asst. Vice President & **Gidget Whitehouse**
Branch Manager Loan Assistants

John Peek
Loan Officer Trainee

Computer Corner by Robert Anderson



You're feeling pretty good as you sit in front of your computer. You've got it running smoothly. You've typed several letters, maybe a church newsletter or two. Even the children are using the computer for their homework. You're sending email all over the world. You have become amazed at how much information is available on the Internet. You have even started to put a few of your financial records on the home accounting program. Hey, pretty smooth!

But, then you open an email from a friend and it "screams" a warning at you ... Virus ... Virus! There's a hard drive destroyer on the loose! Your friend is trying to save you from disaster and you wonder what to do. Well, you quickly feel a little better because you have installed one of the many commercially available virus protection programs in your computer (I hope you have done that), and you have kept it updated (always be sure to do that). But, new viruses are constantly being created and this could be one of those!

Stop. Stop immediately.

You need to establish if this is really a virus, or just a rumor of a virus that "somebody" said was on the loose! In other words, is it a virus hoax? It is often hard to tell the difference between a real virus and a hoax. Of course, the whole point of a good hoax is to fool people!

In the event you suspect a virus, it is a good idea to check with the experts, and here is where an Internet connection to good information is real handy. Go to the site of Symantec (www.symantec.com), the company that provides the popular antivirus program "Norton". By accessing their site you can look through their online encyclopedia that is known as the Symantec AntiVirus Research Center's Online Encyclopedia (<http://www.symantec.com/avcenter/vinfodb.html>). That site offers the most up-to-date information regarding recent threats. Just as important – any known virus hoaxes are listed on this page (<http://securityresponse.symantec.com/avcenter/hoax.html>).

You can obtain information that will help you determine if you need to take further action or point your finger towards the "Delete" button on your computer!

Just be sure to settle down, follow these simple research and safety precautions and you'll soon be back to smooth sailing in the wide, wide world of information.



Danville Ag Credit Office is Expanding



Bricks were being placed on site at the Danville Branch Office last month by employees of Boyle Block Company, as work proceeded to expand the association's existing office. The Danville branch office expansion will also include remodeling and floor space rearrangement in the existing building. "We've needed more usable space for a long time and are pleased that the project is underway", said Dale Cinnamon, manager of the Danville Ag Credit Branch.



The Danville Ag Credit building expansion will more than double space that was in the original office. Ag Credit's Robert Anderson observed that as customers use Ag Credit services more and more, it is important to provide office facilities that extend both convenience and privacy in which business can be conducted. The Danville Ag Credit building was one of the association's original offices. The expansion is scheduled for completion by early fall.



Central Kentucky Ag Credit

Larry K. Stone
President

Robert G. Anderson
Editor

Board of Directors

James L. May
Chairman

James W. Waggener
Vice Chairman

James A. Lyons

Oscar Penn

Jerry Rankin

David C. Sparrow



HOLIDAY CLOSINGS

**September 1, 2003
(Labor Day)**



ARE YOU BUGGED?

If you are thinking you need to do something about the “bugs and critters” that are chewing on your plants or fields, first make sure you know what “IT” really is, and what you need to do about it. Your local county extension office is a good contact. The local agriculture agent can help you figure out what you need to do to control unwanted visitors in your home, your farm or in your yard.

Keep in mind that a private applicator card is necessary if you wish to purchase certain pesticides. To obtain a private applicator card, you’ll need to attend a short course on pesticide use and handling procedures. The course usually lasts a few hours. The Kentucky Department of Agriculture – Division of Pesticides will then issue a Certified Private Applicator card, which allows you to purchase certain pesticides for your own use.

Contact your local county Cooperative Extension Service to obtain information regarding the next available course. Courses are usually held in the spring and early fall. Here’s a list of county extension offices and contact numbers:

Anderson County (Lawrenceburg)
Marva P. Gill – 502-839-7271

Boyle County (Danville)
Jerry W. Little – 859-236-4484

Bourbon County (Paris)
Glenn F. Mackie – 859-987-1895

Clark County (Winchester)
Frank V. Hicks – 859-744-4682

Fayette County (Lexington)
Nick Carter – 859-257-5582

Franklin County (Frankfort)
Keenan R. Bishop – 502-695-9035

Garrard County (Lancaster)
Michael W. Carter – 859-792-3026

Harrison County (Cynthiana)
Gary W. Carter – 859-234-5510

Jessamine County (Nicholasville)
Robert H. Amburgey, III – 859-885-4811

Lincoln County (Stanford)
Dan J. Grigson – 606-365-2459

Madison County (Richmond)
John H. Wilson – 859-623-4072

Marion County (Lebanon)
Edward L. Lanham, Jr. – 270-692-2421

Mercer County (Harrodsburg)
Tony W. Shirley – 859-734-4378

Montgomery County (Mt. Sterling)
Ron D. Catchen – 859-498-8741

Scott County (Georgetown)
Mark A. Reese – 502-863-0984

Washington County (Springfield)
Richard K. Greenwell – 859-336-7741

Woodford County (Versailles)
Michael G. Duckworth – 859-873-4601



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.



We're Putting Cash Into the Community!

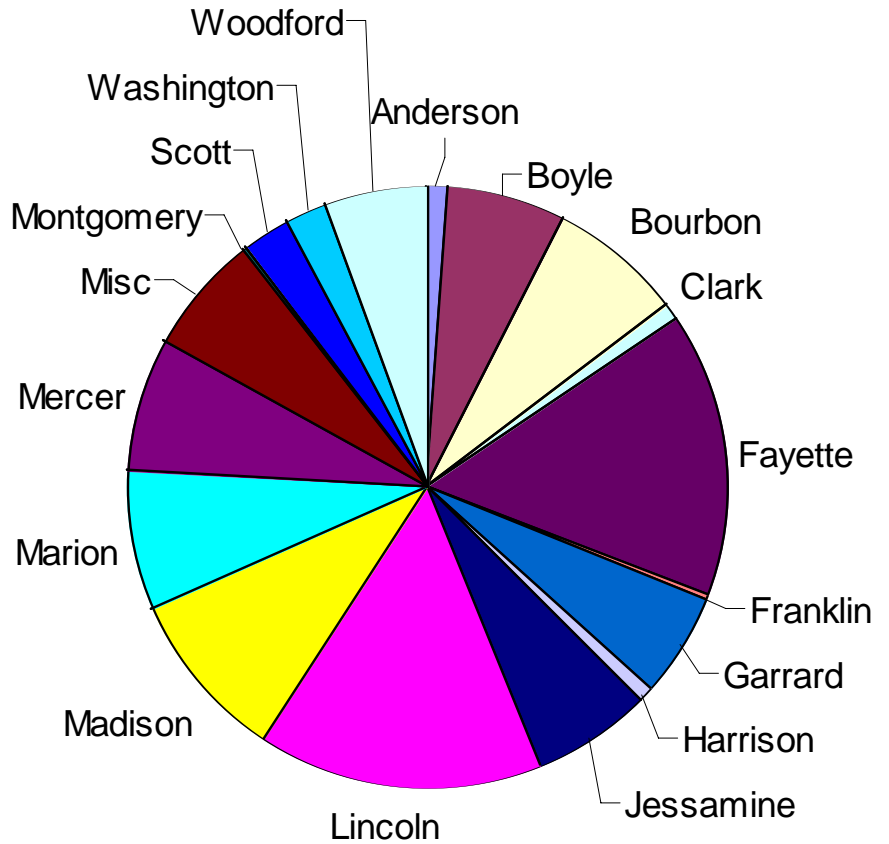
Ag Credit's Patronage Refund Program is an effective "economic engine" for the economy in central Kentucky. Of course, member/customers of Ag Credit receive patronage refunds, which they spend in the region. That helps the economy! And, in these economic times, every bit helps.

The pie chart that Ag Credit's Robert Anderson prepared provides visual insight into how 2002 patronage refunds were recently distributed into the central Kentucky counties that are served by Ag Credit. And, now for the numbers by county:

Anderson	\$	2,141
Boyle	\$	12,419
Bourbon	\$	14,236
Clark	\$	1,825
Fayette	\$	30,305
Franklin	\$	708
Garrard	\$	10,489
Harrison	\$	1,755
Jessamine	\$	12,171
Lincoln	\$	29,242
Madison	\$	18,219
Marion	\$	15,179
Mercer	\$	13,934
Montgomery	\$	892
Scott	\$	5,209
Washington	\$	4,231
Woodford	\$	10,567
Miscellaneous	\$	12,481

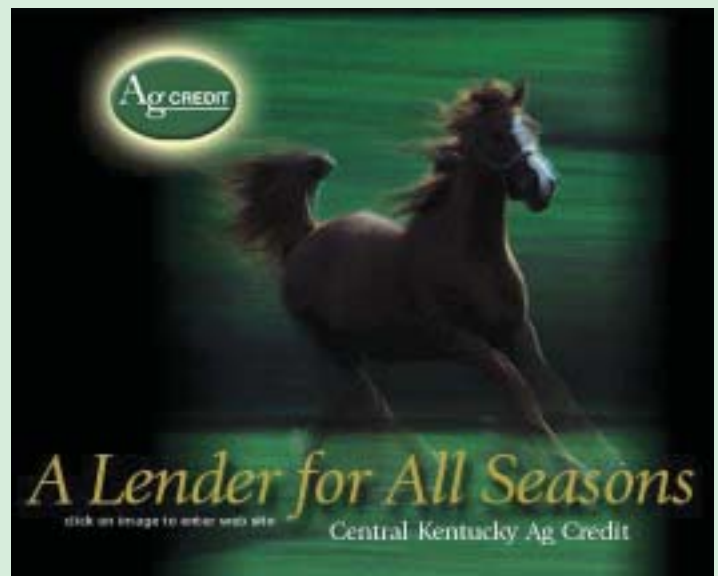
Total \$ 196,003

Cash - Patronage Payments for Ag Credit



Check Our Web Site:
www.ckaca.com

For a complete copy of Ag Credit's latest financial statement



Ag Credit:
Rural America's
Customer-owned
Partner



Every Buck Counts

When you borrow from Ag Credit you don't get kicked around. You get a share of our profits.

At Ag Credit, we believe if we have a good year, so should you. And we actually put that belief into action through our Patronage Refund Program.

Is your lender sharing profits with you? Call us today for details.



**Central Kentucky
Ag Credit**

Contact Your Nearby Ag
Credit Branch Office for Full
Service & Information

www.ckaca.com



Young, Beginning & Small Farmers are a Growing Customer Base at Ag Credit



Who says you can't start farming now?

Like most of American agriculture, the central Kentucky region is showing a growth of young, beginning and small farmers throughout the 17-county Ag Credit service area. A closer look at association loan activity recently showed that over 87% of active loans in the association are held by young, beginning and small farmers.

These categories can be clearly identified as follows:

- A young farmer is someone who is 35-years of age or younger.
- A beginning farmer is one who has 10 or fewer years of farming, ranching or aquatic agriculture experience.
- A small farmer is one who generates less than \$250,000 in annual gross agricultural or aquatic sales.

Of course, Central Kentucky Ag Credit also has a substantial portfolio of loans to customers who fit into the larger, or full-time, farming categories, as well as to families who hold Country Home Mortgages. Altogether, the association's total loan activity represents a broad cross section of individuals who are helping to keep rural areas vibrant and economically productive.

When young, beginning and small farmers start building a base for farming of any size, it is wise to seek out agricultural professionals who understand the special needs of farming and rural living. Ag Credit fills that gap. Moreover, high quality, larger farmers who also use association services are valuable role models and provide mentoring to less experienced members at field events, annual meetings and a variety of other ag related activities. That, of course, is just another way that Ag Credit's cooperative method of doing benefits member-customers.

Maggie Wright has parlayed a love for horses and people into a vibrant business that helps equine enthusiasts become better riders and caretakers of their steeds. Maggie owns and operates Champagne Run, which is located in the heart of the Bluegrass Region, on Old Richmond Road in Lexington, Kentucky.

Her business offers far more than just a stable for horses.

Champagne Run is a highly respected equine business that offers a variety of services for both riders and horses.

Included in Champagne Run's offerings are boarding services for horses, riding lessons for all age categories of riders, intensive training camps and educational clinics designed to help horse owners enjoy the sport more and get the most out of their equine companions. Equine sales and shows are also integrated into Champagne Run's broad operations agenda.

An equally-important aspect of Champagne Run services is that horse owners of all descriptions benefit from services that are offered under Maggie's watchful eye. At any given time, Champagne Run will house equine guests including quarter horses, thoroughbreds and warm bloods, along with a wide variety of equine breeds.

Educational outreach programs include instruction for hunters, jumpers, eventing, dressage, fox hunters and more. Under Maggie's instruction, riders learn to manage their horses through virtually any maneuver, including walks, trots, canters, jumps and more.



Champagne Run's indoor arena is a 20,000 sq. ft. facility that is used for events and training sessions year-round. Maggie Wright built the arena after purchasing the 100-acre property 13 years ago.

Champagne Run is in the Bluegrass

Maggie Wright is Owner to Riders and

Photographs by R

Maggie describes herself as, "a person who likes to stay busy, likes horses, likes people and likes working outside." She is tanned, athletic and focused on her work, just like the riders and horses that she trains. Most important, however, is that Maggie understands the needs of equine enthusiasts, and her demeanor with horses will cause an observer to recall visions of the "Horse Whisperer".

As Champagne Run has matured, Maggie has made personal and business choices that keep the business viable. About two years ago, she made the decision to switch her financial dealings to Central Kentucky Ag Credit. She made the change at the suggestion of Oscar Penn, a director on Ag Credit's Board, and Maggie says the new financial services relationship is the right fit for her operation. The Lexington Branch of Ag Credit provides Champagne Run with a credit line, long-term real estate loan and a country home mortgage for Maggie's home.

Maggie has emerged as the driving force of the 100-acre Champagne Run operation, a highlight of her 20-year career. She observes that personal

vacations are seldom part of her life, but she so enjoys her work that vacations are not really necessary. Variety is the order of any given business day for Maggie. In addition to the training services she offers at Champagne Run, she is also deeply involved with major events at the famous Kentucky Horse Park. While Maggie participates in events like the Rolex Kentucky Four Star, she also produces Champagne Run events at the Park. This year, four events highlight Maggie's Champagne Run offerings at the Kentucky Horse Park. They included the Champagne Run Hunter/ Jumper Show during March, which featured two days of competition for all ages in the covered arena; the Mayfest Horse Trials & Training Three-Day Event during May, which



(Above) Champagne Run's horse barn contains 24 modern stalls. The facility was added after Maggie purchased the farm. (Right) A girl and her jumper are shown in mid-stride as they clear a hurdle at Champagne Run. Individual instruction, week-long group camps and special clinics are offered to both youth and adults year-round.

an Equine Treasure grass Region

er, Teacher and Mentor
d Owners

Robert Anderson

featured competition in dressage, cross-country and stadium jumping, the only such event in the United States to include clinics and lectures; and the Champagne Run Horse Trials at the Park, which is a USCTDA/USA Equestrian-sanctioned event in dressage, cross-country and stadium jumping.

Maggie will also produce the Kentucky Classic Horse Trials, August 29-31, at the Kentucky Horse Park. That event is also a USCTDA/USA Equestrian-sanctioned event of dressage, cross-country and stadium jumping. Olympic riders and international celebrities are



Champagne Run is the host location for about 2,000 riding lessons annually, is the location for boarding approximately 50 horses monthly and as many as a dozen high quality horses are for sale at any given time.

included among participants at many of Champagne Run's Horse Park events.

As Maggie discusses her career, she timidly admits that her degree in Marketing and Finance from the University of Kentucky were achieved with an intention to "not become involved in the horse business!" However, she managed a local horse barn to make money while earning her degree ... and the rest is history. She stayed in the equine business, making her Marketing and Finance Degree work to her advantage in a very competitive business.

Maggie has enjoyed riding since she started as a working student with her trainer in Tallahassee, Florida as a girl. Her father was a professor at Florida State University. And, it is interesting that both early influences have substantially marked Maggie's current business management philoso-



Maggie Wright, owner of Champagne Run, gives credit to over 300 volunteers who work each year to assure quality and smooth operations of events and training sessions at Champagne Run and other events that are sponsored by the farm at the Kentucky Horse Park.

While Maggie is dedicated to providing quality education for riders, she also knows that good rider education provides a better quality of life for horses. Over 2,000 people annually study under Maggie's equine-directed training. Thousands more participate as competitors and spectators at Champagne Run events.

Champagne Run employs about 20 employees on two shifts, year-round. Students from 38 states participate in Champagne Run training programs each year, and international equine leaders are frequent visitors.

Additional information regarding Champagne Run and its equine services can be obtained by contacting:

Champagne Run, Inc.

5991 Old Richmond Road

Lexington, KY 40515

Phone: 859-273-4531

Main Barn: 859-263-4638

Lesson Barn: 859-263-4518

www.champagnerun.com



(Continued on page 11)

A Horse is a Horse, of Course!

What Would You Like to Know About Your Equine Friend?

The population of horses in central Kentucky is steadily growing as more and more people continue to enjoy the benefits of rural living. Unlike more traditional pets like dogs and cats, horses are big and they sometimes require big answers to assure that you can enjoy your equine friend to the maximum, while also making life good for the horse.

When you have questions about your horse, answers need to be reliable. This is, after all, your horse! You want to be sure that your friend gets the best possible care. Or, maybe you are just thinking about getting a horse or pony, now that you have moved out to your place in the country.

In any case, who can you ask when questions arise regarding

Notice from the Kentucky Department of Agriculture

Now is the time for horse owners in Kentucky to consult with their veterinarians about vaccinating their animals for West Nile Virus. Agriculture Commissioner Billy Ray Smith said, "West Nile Virus was diagnosed in 513 equine and 75 humans in Kentucky last year." He noted that Kentuckians can take steps now to reduce the risk of West Nile Virus when the mosquito population is at its peak.

the care and keeping of your equine friend? Will it be your neighbor, feed store or someone at the coffee shop? Well, a better source of information is a group of equine specialists from 13 southern region land grant universities, including the University of Kentucky, Clemson University, the University of Florida and others.



So, how do you get this great information? The Internet, of course! Simply access a web site that is hosted by the University of Kentucky at www.ca.uky.edu/horsequest/. You'll discover a list of more than 180 questions, along with answers.

Questions include "How much land do I need for a horse?" "Why is my horse eating the bark off trees?" "Should I feed hay off the ground or from an overhead feeder?" Known as the Southern Region Equine Knowledge Base, this site offers a wealth of information. You can also type in questions that you may have, that are not addressed in the knowledge base, and you will get a response from one of the experts.

So, saddle up your computer and try asking some horsey questions! You'll be glad you did!

By the way, "Why IS my horse eating the bark off trees?" Here's the answer, direct from HorseQuest ...

"We receive this question most often during the late winter and early spring months. Chewing the bark off trees may be due to a nutrient deficiency, possibly one of the minerals such as phosphorus. However, in most cases, horses seem to chew because they like it. Wood chewing occurs in the late winter and early spring, because this is the time when cool season grasses have the lowest fiber content. Consequently, by chewing wood, the horse may be making up for some of the lack of bulk or fiber. It also has been reported in controlled research that horses increase wood chewing during wet and cold weather. The wetness softens the wood. The coolness increases the maintenance energy requirements to maintain normal body temperature. Fiber digestion is essentially a fermentation that produces heat, which can be used to maintain body temperature or warmth. Therefore, the increased fiber intake from wood may actually increase fermentation and heat production in the horse to maintain normal body temperature. Bark consumption is generally not harmful to the horse. Splinters from fences, however, may cause potential gastric complications that may cause a horse to colic.

IMPORTANT NOTE: *If you are searching the Internet for equine information, please be aware there is an Internet site called "HorseQuest.com". That is a commercial site and it is not affiliated with the Southern Region Equine Knowledge Base.*

Champagne Run is an Equine Treasure...

(Continued from page 9)

phy. She enjoys teaching and has emerged as an educational leader in the equine industry in programs that are broad and creative for youngsters and oldsters who want to ride and care for their animals. Many of Maggie's students don't own a horse, but depend on Champagne Run to provide their steed, along with their riding education.

As Maggie presides over Champagne Run business and educational operations "24/7", she does it with a bright spirit that betrays her love for people and horses. She has made an indelible impression on the lives of many folks who enjoy riding, and she has made life easier for a lot of horses who now have riders who understand how to correctly enjoy the pleasures of horseback riding and equine competition.



Maggie Wright shows Shane Turner a grooming procedure in one of Champagne Run's horse barns. Shane manages Ag Credit's Lexington Branch Office and works closely with Maggie to assure top financial service for Champagne Run operations.

A Word to the Wise: Property Insurance Tips

Central Kentucky Agricultural Credit Association loan agreements stipulate that borrowers obtain and maintain insurance on property pledged as security for loans with the association named as mortgagee, or loss payee as appropriate.

This notice is a reminder that the minimum amount of coverage required to be maintained is the lesser of your loan balance(s), the actual cash value of the property, the replacement cost of the property or the amount stipulated by your loan officer. Since the amount required could be less than the amount for which the property can be insured, you are encouraged to consider higher limits where applicable to adequately protect your equity interest in the property.

If the property securing your loan consists of improved real estate, unless otherwise advised, at a minimum your policy must insure against the following perils: fire and lightning, wind, hail, aircraft or vehicle damage, riot or civil commotion, explosion, smoke damage, water damage (other than flood), falling objects, weight of snow, ice or sleet and vandalism. Loss or damage from flooding is also required if your loan was made after October 4, 1996, and at the time the loan was made the property was located in a government mandated Special Flood Hazard Area and flood insurance was available.



Tobacco Fast Facts Courtesy of the Kentucky Agricultural Statistics Service

The 2002 burley crop produced by Kentucky farmers totaled 197.2 million pounds, down 11% from the 2001 crop, and the smallest crop since 1936. Drought and disease problems were major reasons for the smaller burley crop. The final production estimate reflects marketings adjusted for carryover, but does not include unharvested or destroyed poundage. Carryover tobacco not sold was estimated at 8 million pounds, 15 million pounds lower than the 2001 crop carryover. Harvested acreage was estimated at 103,000 acres, down 2,000 acres from the previous year, and the smallest on record.

Yield per acre at 1,915 pounds was down 185 pounds from the previous year.

Kentucky produced 66% of the 8-state Burley Belt's production.

Barren County was the number one Kentucky burley county in 2002, producing 6.32 million pounds. Shelby County ranked second, with 5.05 million pounds, followed by Fayette, Madison and Hart Counties.

Fourteen counties had production in excess of 3.50 million pounds. For 2001, a total of 20 counties had production of 3.50 million pounds and more.



We're the Solution

Ag Credit is financially strong, competitive, experienced and has resources, infrastructure and the commitment to help improve the quality of life in rural America.



discover the country.

financing your lifestyle

Catching fireflies on a starry night. Searching for lost treasures. Exploring land untouched. These are some of the things you'll discover living in the country.

With interest rates as low as they are now, there has never been a better time to invest in a place in the country. Whether you want a little or a lot, building now or later, we know where to begin.

We've been lending money for land and homes in the country for 69 years. Call us, we're the experts.

Country Mortgages 

Offered by



Contact Your Nearby Ag Credit Branch Office
For Information and Service
www.ckaca.com



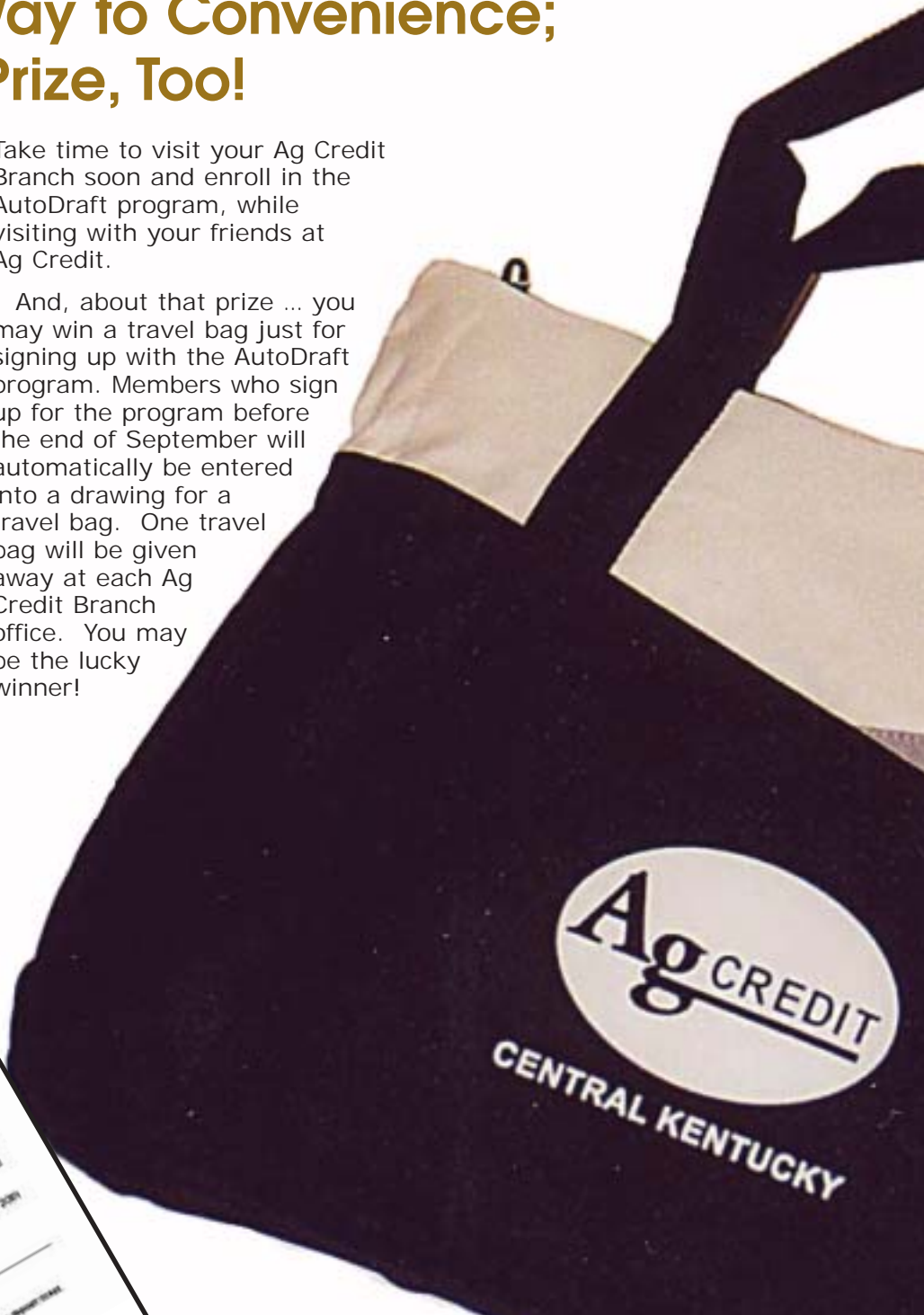
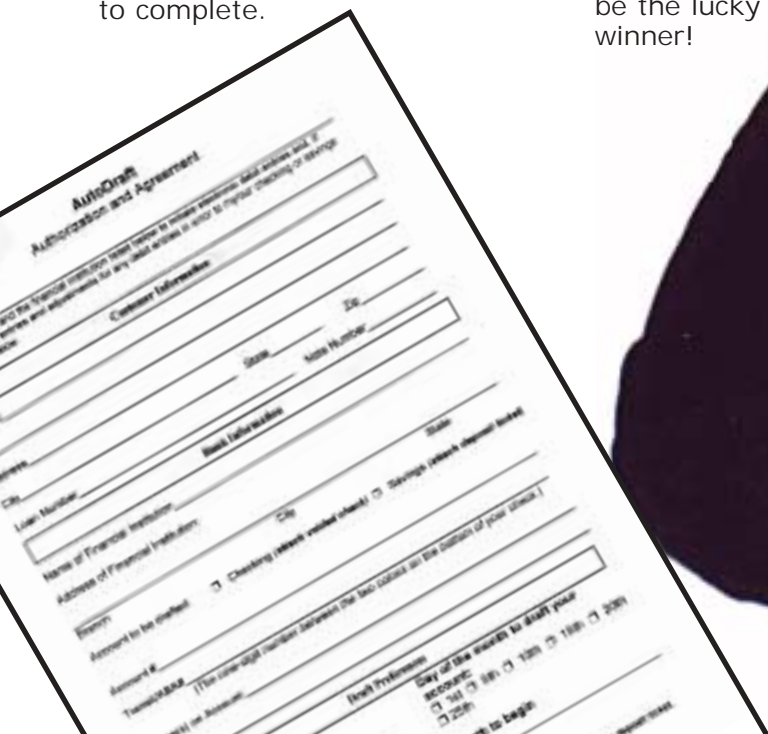
AutoDraft Your Way to Convenience; You May Win a Prize, Too!

Ag Credit's AutoDraft service is a great way for member-customers to make payments, without the worry of meeting deadlines by mail or in person. That's a particularly important matter when seasonal chores at home and on the farm keep you busy.

When you sign up for AutoDraft, you control the time of month at which you want your payments to be made directly from your bank account. You have six (6) monthly time choices that will best fit your cash flow. The AutoDraft authorization form is short and easy to complete.

Take time to visit your Ag Credit Branch soon and enroll in the AutoDraft program, while visiting with your friends at Ag Credit.

And, about that prize ... you may win a travel bag just for signing up with the AutoDraft program. Members who sign up for the program before the end of September will automatically be entered into a drawing for a travel bag. One travel bag will be given away at each Ag Credit Branch office. You may be the lucky winner!



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.

Handle Farm Chemicals Carefully; Rinse & Return Program Easy to Use



Farmers throughout central Kentucky can keep their operations safe and the environment clean by recycling plastic chemical containers through the Kentucky Department of Agriculture's (KDA) free Rinse and Return Program. The program has been collecting properly-rinsed plastic jugs from Kentucky farms and commercial crop protectant applicators at no charge since 1991.

"Rinse and Return has been one of our most successful programs," said Ira Linville, executive director of KDA's Office of Environmental Services. "It helps out the farmer, while providing environmental benefits for the public. It also supplies an abundance of reusable materials for new products," Linville said.

Farmers and commercial applicators who participate must be certain their chemical containers are properly rinsed. Lids must be removed, as should plastic sleeves and secondary label booklets (labels affixed to jugs are acceptable). Containers should be stored in a safe, dry location and then taken to the county's collection point on the designated date and time.

The Rinse and Return Program is coordinated and administered through a partnership among the Kentucky Department of

Pesticide users are responsible for correctly dealing with empty pesticide containers, excess usable pesticides and waste materials that contain pesticides or their residues. There is growing concern about the serious harm to humans and the environment that incorrect disposal of pesticide wastes can cause.

If you have a chemical spill or a large chemical leak contact:

**CHEMTREC
(Chemical Transportation
Emergency Center)**

1-900-424-9300.

Agriculture, the Kentucky AgriBusiness Association, the University of Kentucky Cooperative Extension Service, the Natural Resources Conservation Service, the Division of Conservation and the Kentucky Farm Bureau. A number of other organizations also cooperate to sponsor the Rinse and Return Program, including fiscal courts, conservation districts, road departments, jail programs, solid waste coordinators and FFA chapters.

Complete information pertaining to this valuable Kentucky Rinse and Return Program can be obtained on the Internet at: [http://www.kyagr.com/news_events/rinsereturn02 .htm](http://www.kyagr.com/news_events/rinsereturn02.htm).



A quick-reference list of collection points and dates in Ag Credit's service area are:

Bourbon County

September 23 - 10-12 EST
Bourbon County Recycling Center – Paris

Boyle County

September 9 – 10-12 EST
Greenleaf Fertilizer – Danville

Clark County

September 23 – 8-4 EST
Ag Gro Fertilizer Plant – Winchester

Fayette County

September 23 – 8-12 EST
Fayette County Extension – Lexington

Franklin County

August 4 – 10-12 EST
Franklin County Road Department – Frankfort

Harrison County

September 23 – 8-9 EST
Southern States – Cynthiana

Jessamine County

Date Not Scheduled
Contact: Jessamine County Rd. Department – Nicholasville

Lincoln County

September 10 – 10-12 EST
Recycling Center – Stanford

Madison County

September 3 – 10-12 EST
Southern States – Richmond

Montgomery County

September 5 – 10-12 EST
Southern States – Mt. Sterling

Scott County

September 23 – 12-2 EST
Southern States – Georgetown

Washington County

September 11 – 10-12 EST
Trailer at United Braze – Springfield

Woodford County

September 26 – 10-12 EST
Woodford County Park – Versailles



What We Do

Ag Credit helps maintain and improve the quality of life in rural America and on the farm through our constant commitment to competitive lending, expert financial services and advice and a feeling of partnership with customers.



Central Kentucky Agricultural Credit Association

Consolidated Balance Sheets

<i>(dollars in thousands)</i>	June 30, 2003	December 31, 2002
	<i>(unaudited)</i>	
Assets		
Cash	\$ 57	\$ 57
Loans	141,966	134,731
Less: allowance for loan losses	2,073	2,023
Net loans	139,893	132,708
Accrued interest receivable	1,854	2,057
Investment in AgFirst Farm Credit Bank	6,310	6,310
Premises and equipment, net	1,371	1,013
Other assets	840	1,173
Total assets	<u>\$ 150,325</u>	<u>\$ 143,318</u>
Liabilities		
Notes payable to AgFirst Farm Credit Bank	\$ 122,908	\$ 116,799
Accrued interest payable	364	415
Patronage refund payable	11	209
Other liabilities	1,076	871
Total liabilities	124,359	118,294
Commitments and contingencies		
Members' Equity		
Capital stock and participation certificates	7,435	7,313
Retained earnings		
Allocated	3,562	3,550
Unallocated	15,459	14,651
Accumulated other comprehensive income (loss)	(490)	(490)
Total members' equity	25,966	25,024
Total liabilities and members' equity	<u>\$ 150,325</u>	<u>\$ 143,318</u>

Consolidated Statements of Income

(unaudited)

<i>(dollars in thousands)</i>	For the three months ended June 30,		For the six months ended June 30,	
	2003	2002	2003	2002
Interest Income				
Loans	\$ 2,083	\$ 1,905	\$ 4,162	\$ 3,690
Interest Expense				
Notes payable to AgFirst Farm Credit Bank	1,139	1,140	2,321	2,214
Net interest income	944	765	1,841	1,476
Provision for (reversal of) loan losses	50	—	50	—
Net interest income after provision for (reversal of) loan losses	894	765	1,791	1,476
Noninterest Income				
Loan fees	57	33	104	56
Fees for financially related services	2	12	5	16
Equity in earnings of AgFirst Farm Credit Bank	236	188	459	361
Miscellaneous	11	1	53	13
Total noninterest income	306	234	621	446
Noninterest Expense				
Salaries and employee benefits	545	484	1,093	950
Occupancy and equipment	52	42	106	86
Insurance Fund premium	39	8	76	15
Other operating expenses	137	102	270	203
Total noninterest expense	773	636	1,545	1,254
Income before income taxes	427	363	867	668
Provision (benefit) for income taxes	19	(3)	38	—
Net income	<u>\$ 408</u>	<u>\$ 366</u>	<u>\$ 829</u>	<u>\$ 668</u>



**We're here
for cattle
operators.**



Your Ag Credit professionals understand cattle operations. As a cooperative owned by the people who use us, we have served the needs of rural Americans for generations. In fact, we have been a dependable source of credit to agriculture throughout central Kentucky for 69 years.

We make loans at competitive interest rates for establishing permanent pasture, to purchasing feeder calves. Our loan officers are knowledgeable and can help tailor a financial package to fit your situation.

So, whether you are a commercial operator, a part-time farmer or simply enjoy living in the country, we want to do business with you.

And we'll be there for future generations.



**Central Kentucky
Ag Credit**

***Call Your Nearby Ag Credit
Branch for Full Service***

www.ckaca.com



Central Kentucky
Agricultural Credit Association
P.O. Box 1290
Lexington, KY 40588-1290

PRSR STD
U.S. POSTAGE
PAID
COLUMBIA SC
PERMIT 785