

The logo for AG CREDIT, featuring the text "AG CREDIT" in a serif font, with "AG" in a larger size than "CREDIT". The text is white with a green outline, set against a green swoosh that underlines the letters.

AG CREDIT

LEADER

THIRD QUARTER 2017



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Central Kentucky Ag Credit Offices

DANVILLE OFFICE

P.O. Box 326
485 North Danville Bypass
Danville, KY 40422
859-236-6570 • 1-800-589-4261

Joe Goggin, Principal Loan Officer
Brad Godbey, Senior Loan Officer
Greg Robey, Loan Officer
Tina Roney, Senior Loan Assistant
Donna Price, Loan Assistant

FRANKFORT OFFICE

P.O. Box 4288
1120 U.S. Highway 127 South
Frankfort, KY 40601
502-875-0863 • 888-980-9417

Jeff Zinner, Loan Officer
Lindsay Barnes, Loan Assistant

LEBANON OFFICE

P.O. Box 544
842 West Main Street
Lebanon, KY 40033
270-692-4411 • 1-800-264-0402

Richard Medley, Relationship Manager
Justin Craig, Senior Loan Officer
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LEXINGTON OFFICE

P.O. Box 1290
640 South Broadway
Lexington, KY 40508
859-252-4717 • 1-888-820-3270

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P.O. Box 249
201 Commerce Drive
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859-987-4344 • 1-800-613-4292

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P.O. Box 492
1000 Ival James Blvd.
Richmond, KY 40475
859-623-1624 • 1-888-820-3221

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P.O. Box 367
106 Agriculture Way
Stanford, KY 40484
606-365-7500 • 1-800-467-0039

John Peek, Senior Loan Officer
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Felicia Madden, Senior Loan Assistant
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REGIONAL LENDING MANAGERS

1-888-820-3270

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FINANCIAL INFORMATION

The Farm Credit Administration does not require the association to distribute its quarterly financial reports to stockholders. Copies of the association's annual and quarterly reports are available upon request free of charge by calling 1-800-589-7859, or writing Marcus Barnett, Chief Financial Officer, Central Kentucky Ag Credit, P.O. Box 1290, Lexington, KY 40588, or by accessing the association web site at www.AgCreditOnline.com. The association prepares an electronic version of the annual report which is available on the association's web site within 75 days after the end of the fiscal year and distributes annual reports to shareholders within 90 days after the end of the fiscal year. The association prepares an electronic version of the quarterly report within 40 days after the end of each fiscal quarter, except that no report need be prepared for the fiscal quarter that coincides with the end of the fiscal year of the institution.

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On The Cover

The cover photo was taken at the Garrard County tobacco cutting contest in the Fall of 2016. Nothing says summer is coming to an end quite like a field full of cut tobacco ready to be taken to the barn.

Holiday Closings

COLUMBUS DAY

Monday, October 9

VETERANS DAY

Friday, November 10

THANKSGIVING

Thursday, November 23 & Friday, November 24



The Professor Speaks

By **Dr. David M. Kohl**, Professor Emeritus - Virginia Tech and President - AgriVisions, LLC

When Your Business is in Transition

One of the top issues facing any business, agricultural or corporate, is the transition from one generation of management to the next. The following are some basic rules of the road that may help to steer your business down the high road versus the exit ramp.

Economics and management are critical in successful succession planning. Too often the younger generation returns to a business with a depleted asset base or outdated management practices. A rusty asset base with obsolete technology or a “we’ve always done it that way” attitude derail the economic structure necessary to break even, let alone make a profit. Today’s bottom line is driven by efficiency, which must be a point of examination in business transition.

During a generation transition, it is important to manage for the agricultural cycle. For example, when the economic cycle is at the top, people are drawn to the business like a magnet, and extra draws on the business can easily be absorbed. However, when the economic cycle is down, it is much harder to maintain the margins necessary to accommodate additional individuals. As a general rule, the younger generation that returns to the business should generate \$40,000 to \$70,000 of incremental net income.

Success in transition depends on asking critical questions of both generations. The younger generation must know how much compensation the older generation will require, and for how long it will be needed. Both the younger and older generations need to

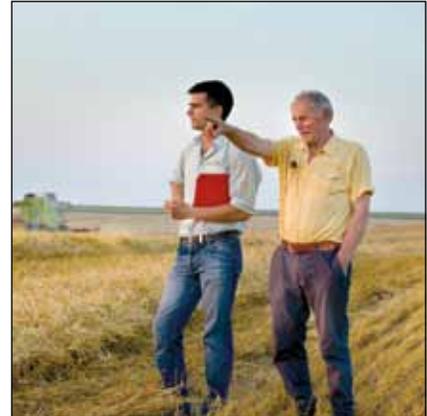
develop personal family living budgets. This will help determine whether the business will generate sufficient income to meet those needs. In fact, it is appropriate to treat the senior generation like a \$1 million lifetime annuity supplemented by the sale or lease of assets, Social Security and other investments.

Another component of succession management is long-term care. Yes, both generations developed and shared living budgets, but this item may not have been included. Long-term health situations can quickly become overwhelming for the younger generation without proper planning.

“Succession management is a process that takes time, communication and planning.”

Reviewing business financials is essential. Has the farm business been profitable, and how were the profits measured? Schedule F shows adjusted revenues and expenses used to minimize taxes rather than manage taxes. An accrual adjusted set of records is necessary to establish numbers for transitional agreements.

The business should have major documentation in writing. It is tempting to skip this step; however, in cases



of death, divorce, disagreement or dissolution of the business, lack of documentation presents significant problems. Who owns which assets? What are the percentages and specifics of the buy/sell agreement or buyout? These details should be spelled out along with clear documentation of ownership.

An additional aspect of documentation is physical location. Do you know where critical documents are physically stored? This seems like a simple detail, but it can create extreme stress. I simulated the “drop dead” exercise with several family businesses. Place each person’s name in a hat and pull out the name of the family member who just “died” suddenly. What does everyone do now? This places a priority on filing final arrangements and documents in an organized manner.

Succession management is a process that takes time, communication and planning. A successful generational transition can be the bridge that delivers the business to new places or it can be the end of the road. What will be your choice?

EKU Beef Handling Facilities Grand Opening



The Eastern Kentucky University new beef handling facilities is located on Meadowbrook Farm in Madison County. The construction of the low-stress cattle handling facilities lasted five years. Dr. Temple Grandin, Animal Science Professor at Colorado State University, and Mark Deesing, Design Consultant for Grandin Livestock Handling Systems, Inc., designed the new building, with the goal of keeping both the animals and handlers safe.

Eastern Kentucky University (EKU) unveiled their new, state-of-the-art beef handling facilities on Meadowbrook Farm in April. The new facility was designed by Dr. Temple Grandin, Animal Science Professor at Colorado State University, and Mark Deesing, Design Consultant for Grandin Livestock Handling Systems, Inc. Their focus is to keep the handlers safe and animals at a low stress level. Mark Metcalf, of Metcalf Metal, was also recognized for constructing the facility and adding personal touches to the design as well.

EKU President, Dr. Michael Benson, spoke at the grand opening event. President Benson, recognized agriculture students, Trevor Radcliff and Austin



Justin McKinney, ECU Director of Farms, stated this addition will have huge impact on the farm, as this is a low-stress beef handling facility with the solid walls. "The students will benefit from this facility for at least 40 plus years," said McKinney.

Huff, for all of their hard work and helping with the construction of the breeding box. Justin McKinney, ECU Director of Farms, has been a huge part of this project. McKinney manages all of the University farms. When talking about the new facilities he shared, "The beef handling facilities are here to stay and it is a highlight of our farm. Another highlight is a robotic milker that is coming in summer 2017, not only are we investing into our beef capital items, but also investing into our dairy."

Agriculture students will be able to learn and work in a facility that is up to date on industry standards, which will be extremely beneficial.



Dr. John Settini, Eastern Kentucky University, College of Agriculture Department Chair, watches as a group of cattle are brought into the new facilities. The cattle were brought in to show how the new set-up will work. The new beef handling facility has been in use since September 2016.



The new Silencer Hydraulic cattle chute is one of the main features of the new set-up.



Shane Turner, Ag Credit Vice President of Credit, and Teresa Thomas, Richmond Ag Credit Loan Officer are shown looking over the new cattle handling facilities at the grand opening event on ECU's Meadowbrook Farm.



(Left) William May, Frankfort Mayor, Ryan Quarles, Kentucky Commissioner of Agriculture, (middle) the Glass family, (far right) Huston Wells, Franklin County Judge Executive

Franklin County Farm-City Banquet

The 59th Annual Franklin County Farm-City Banquet was held at the Frankfort Convention Center in late April. The event is hosted by the Frankfort Area Chamber of Commerce. Central Kentucky Ag Credit was among sponsoring organizations of the event, specifically the Pioneer Farmer award. The Farm-City Banquet recognizes the contribution of agriculture and promotes communication between farm and businesses in the Frankfort area. Suzy Hosley, Frankfort Area Chamber of Commerce said, "With over 200 attendee's representing the farming community and local business community, the Farm-City Banquet is one of the Frankfort Area Chamber's largest events."

Carl Glass received the Pioneer Farmer award for 2017. Carl and his wife, Juanita, have farmed in southern Franklin County since 1949. The couples operation consisted of burley tobacco, dairy cattle and corn. The Pioneer Farmer award has been presented in Franklin County for 59 years. The recipient must be at least 74 years old and been involved in agriculture most of their life, whether farming or in the industry.



Tina Roney is a Senior Loan Assistant in the Danville Ag Credit Office. She has provided a delicious recipe that is good for any time of the year. Tina has been working for Central Kentucky Ag Credit for 16 years.



By: Tina Roney

Ingredients:

- 2-3 Chicken Breasts split
- 1 bag of Amazing Simply Potatoes bite size or red potatoes
- 1 16oz package of fresh Brussels Sprouts halved
- Olive Oil (I use flavored Olive Oil or substitute $\frac{3}{4}$ stick of butter)
- Rosemary & Garlic seasoning or your choice of seasoning

Directions:

Preheat oven to 350 degrees. Wash potatoes and Brussels sprouts. Line one side of the baking dish with Brussels sprouts and the other side with potatoes, place chicken in the middle. Drizzle Olive Oil over entire dish and season with Rosemary & Garlic Seasoning. Cover with aluminum foil and bake for 1 hour.

Enjoy from the Roney home to yours!

Derby Hat Day!

To celebrate the Kentucky Derby, Ag Credit participated in a Derby Day hat contest. Staff in all branches of the Association wore their favorite derby hat on the Friday before the Kentucky Derby. The Richmond Branch won the "Best Derby Themed" hat. This was a fun day and was enjoyed by all staff. Below are photos of several Ag Credit employees in their Derby hats.



Tina Roney, Danville Senior Loan Assistant



The Richmond Branch, (Front) Shane Turner, Vice President-Credit, (Back Row) Teresa Thomas, Loan Officer, Chris Cooper, Senior Loan Officer and Karen Sarver, Loan Assistant.



Donna Price, Danville Loan Assistant



Above:
Felicia Madden,
Stanford Senior
Loan Assistant



Lisa Adams, Lexington Loan Assistant



Pam Johnston, Accountant



John Peek,
Stanford Senior
Loan Officer

5 Things I Learned On the Farm

By: Courtney Tarvin

Ever since I can remember I have been helping on my family's cattle and tobacco farm in Mount Olivet. Although there has been plenty of blood, sweat and tears from myself and my family on that farm, it doesn't compare to the love and laughter shared.

There are many things I have learned from growing up on a farm, here are five.

- 1 Responsibility** - When animals are depending on you to feed them, you learn how to become responsible. No matter if it is a Holiday or there is two feet of snow on the ground, you must be there to tend to your animals or crops. There are no off days in farming. Time management plays a huge role in becoming responsible, you must learn how to balance many things in life when living on a farm.
- 2 Teamwork** - My sister and I were often assigned tasks on the farm together, although we argued with each other, we learned to work together to accomplish our goals. Farming brings families together, everyone with their specific role trying to achieve the same objective.
- 3 Work Ethic** - When living on a farm, there is no such thing as an off day. No matter the time of day or year, there is always something to do. When my sister and I got home from school, we would be working with our parents and our weekends consisted of the same thing.
- 4 Optimism** - There are no guarantees in farming that everything is going to go as you have planned. In fact, things almost never go as we plan them. I have learned that being positive in any situation is better than remaining negative. There is always more than one way to accomplish a task.
- 5 The Power of Prayer** - We prayed for rain, for the cattle market, for friends and family members. Living on farm takes a lot of faith.



Farm Bureau served up tasty hamburgers and hot dogs, along with other treats for everyone who attended the event.

Mercer County Farm Bureau Customer Appreciation Day

The Mercer County Farm Bureau Customer Appreciation Day was held in early June. The event was held for Mercer County Farm Bureau customers to stop by the office and enjoy hamburgers and hotdogs. While there they could also visit with other community businesses. Central Kentucky Ag Credit hosted a booth during the event, and there were vendors from all over Mercer County.



(Above) Greg Robey, Danville Ag Credit Loan Officer, Beth Kelly, Mercer County Farm Bureau, and Leon Mayo, Mercer County Farm Bureau, all enjoyed the nice weather during the Mercer County Farm Bureau Customer Appreciation Day.



(Left) Brad Wilkerson, Farm Bureau, and Brad Godbey, Danville Ag Credit Senior Loan Officer are shown above during the customer appreciation day.



(Left to Right) Justin Craig, Lebanon Ag Credit Senior Loan Officer, presents Jason and Ashley Whitehouse (Right) with a new iPad Mini. They are the winners of the customer satisfaction survey quarterly drawing.

Central Kentucky Ag Credit's number one priority is customer satisfaction. Each month after customers close a loan, they are sent a customer satisfaction survey. For completing the survey and returning it to Ag Credit they are entered into a quarterly drawing for an iPad Mini. The most recent winners were Jason and Ashley Whitehouse of Marion County.

As of today the survey results show Central Kentucky Ag Credit's customer satisfaction ranks at 4.97, on a scale of 1 - 5.



Program for Young, Beginning and Small Farmers



(Front row) Dr. Steve Isaacs, University of Kentucky, Justin Craig, Lebanon Ag Credit Senior Loan Officer (Back row) Willie Wilson, Lexington Ag Credit Loan Officer, SaraVard Von Gruenigen, Stanford Ag Credit Loan Officer, Michael Guilfoil, Fayette County, Jamie Lunsford, Jessamine County, Kevin & Paige Mattingly, Marion County, Adam & Jennifer Barnett, Montgomery County, James Lyons, Scott County, and Alicia Morris, Farm Credit University.

The Central Kentucky Ag Credit Young Farmer Council has been hard at work creating a program specifically for young, beginning and small farmers in central Kentucky. The Young Farmer Council consists of a young farm couple representative from each of the 17 counties in the Ag Credit territory. The council has met several times to discuss the ideal program, and the components of the program include:

- **Education**
- **Mentorship**
- **Resource Base**
- **Financial Services**

As part of the newly created AgStart program, several members of the Ag Credit Young Farmer Council

are participating in the Ag Biz Planner course. Ag Biz Planner was created by Farm Credit University and Dr. David Kohl, Professor Emeritus Ag Finance and Small Business Management Virginia Tech. The Ag Biz Planner consists of ten online modules with the goal of creating a business plan for the user's operation. The photo shown above was taken during the Ag Biz Planner Kick-off that was held in June.

More details on the AgStart program will be featured in the next issue of the Ag Credit Leader magazine or at your local Ag Credit office.

A Lavender-Scented enterprise on a Kentucky family farm

Re Printed with permission
from the Herald Leader;
Written By: Beverly Fortune



Allison Horseman lives on a Pulaski County farm that has been in her family since 1928. It's where her mother, Mary May, grew up, and where Horseman was raised. The mother and daughter have searched for a way to honor the family's farming heritage and use the land they both love. Horseman considered several possibilities: raising goats and making goat cheese, tending chickens and selling eggs, starting a pumpkin farm.

Her father, Jim May, provided a reality check. Any of those ventures, he said, would mean long hours and hard work. May farms several hundred acres in Pulaski and Lincoln counties, raising corn, soybeans, alfalfa and beef cattle.

Horseman, 37, doesn't have a lot of time. She and her husband, Kelly, have two children, ages 7 and 3. She works part-time in the public relations department of Somerset Community College; he has an insurance agency in Somerset.

The idea of raising lavender came from a cookbook that Mary May read, featuring two women with a few acres of land who grew lavender. She gives her daughter credit for seeing the possibility of doing that on their farm.

"She decided, really, as a spur-of-the-moment thing," said May, a retired educator with the Lincoln County school system. They researched

lavender and visited the Brothers' family, owners of Lavender Hills of Kentucky in Bracken County. "We decided to give it a try," Horseman said.

In 2013, they planted 50 plants "to see what would happen," she said. Today, they grow 250 plants on less than an acre. "We've learned a lot about lavender." Their plot isn't like a lavender field in Provence, France, but each plant is large, is covered with purple blooms and makes quite a show when you look down the rows.

They grow varieties of Grosso and Munstead lavender. Grosso is hearty lavender, with long stems good for cutting and suitable for Kentucky's

climate. Munstead is culinary lavender and has shorter stems. The reason many people fail when trying to grow lavender is that “they plant it in dirt, and water it,” May said. Lavender likes poor, even gravelly soil, like water, good drainage and full sun. “You water it enough to get it established, then leave it alone,” she said.

Before planting, soil in the beds was amended with lime to increase the alkalinity, and gravel was worked in. Landscape cloth was laid between the rows to suppress weeds, and each bed was thoroughly mulched with more white gravel.

The main disease they’ve had to contend with was, early on, when most of one row of plants was killed by Phytophthora, or root rot, a soil-borne pathogen exacerbated by wet soil. The row where the infected plants grew has been left empty, Horseman said, because once root rot is in the ground, it’s difficult to eradicate.

Horseman and May want to expand their business, but slowly. “We’re taking it step by step, keeping it fun and manageable for two people,” Horseman said. She doesn’t anticipate increasing lavender production significantly. “We might expand into growing other herbs,” she said.

The Lavender Farm at Woodstock is a working farm, not designed to be open to the public. Groups can call to arrange to visit, and to have small events there. Plein Air Artists of Central Kentucky recently spent an afternoon painting at the farm.

Horseman and May make a line of lavender-products including lip balm, bath salts, linen spray, sachet and household cleaner. The products are sold in Central Kentucky including at Pink Mustard Seed in Liberty, the Artisan Center in Berea, Windy Corner Market in Lexington, and Expressions Tea and Gifts in Somerset.



Beau Neal Woodford County

Beau Neal is an Ag Credit member from Woodford County. Beau and his wife, Caitlin, run a commercial cow-calf operation of 70 head that spans 300 acres. The farm is located in both Woodford and Jessamine Counties. The couple also backgrounds 150 head of feeder cattle and produces 100 acres of hay each year.

Beau is an Agronomist / Research Scientist for the University of Kentucky Department of Plant and Soil Sciences, Kentucky-Tennessee Tobacco Improvement Initiative. Beau also raises test plots of burley tobacco for the University of Kentucky.

“Since day one Ag Credit has been very helpful with my operation and flexible to work with,” said Beau. “Ag Credit understood that I was a young farmer and didn’t have as much capital or assets as some other farmers might have.”

To learn more about Beau Neal visit: AgCreditOnline.com/Neal

YOU CAN FIND US ON:



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State FFA Convention



Caleb Sadler, Lexington Ag Credit Loan Officer, and Jeff Zinner, Frankfort Ag Credit Loan Officer are enjoying a moment with several Bourbon County FFA members at the Ag Credit booth.

Central Kentucky Ag Credit was among sponsoring organizations at the 88th Annual Kentucky State FFA Convention. The State FFA Convention was held in early June at the Lexington Center and Rupp Arena. Ag Credit staff worked a booth at the Career Show, talking with FFA members about future opportunities. Several Ag Credit employees also served as judges for the convention.

Highlights Include:

Langdon Winburn, of Clark County was named the Bluegrass State FFA Vice President. Winburn will serve a one year term.

Allison Fink, of Clark County, won the Kentucky State FFA Sheep and Goat Impromptu speaking contest, along with receiving her State FFA Degree. Fink will represent Kentucky at the National FFA Convention in October, held in Indianapolis. Allison Fink is the daughter of Endre and Betsy Fink, Ag Credit members from Clark County.

David R. Tucker III "Trey", of Fayette County, was the Bluegrass Region Star Farmer and was one of the five finalists for the Kentucky State Star Farmer award. Trey also received his State FFA Degree. Trey graduated from Henry Clay High School this year and was the President of the Locust Trace FFA Chapter. Trey is the son of David R. Tucker Jr., Ag Credit member from Fayette County; and the grandson of the late David R. Tucker, Sr. and Ann Tucker (former members of Ag Credit).



Allison Fink is shown holding her KY State FFA Degree and award for winning the State FFA Sheep and Goat Impromptu speaking contest at the Kentucky State FFA Convention.



David R. Tucker III "Trey" at the 2017 State FFA Convention with his awards.



Jakob Furnish, Harrison County FFA member is shown with Tom Zack Evans, Paris Ag Credit Loan Officer during the State FFA Convention. Evans is a native of Harrison County.

TOP 10 THINGS To Consider When Buying Land

*Comments by Richard Medley
Lebanon Ag Credit Relationship Manager*



“Buy Land, they’re not making it anymore,” is one of the most notable quotes of all time pertaining to land ownership that was made by famous author, Mark Twain. For many, the idea of being able to own land is very nostalgic, and once realized can be one of the most fulfilling personal accomplishments. Whether you’re buying that 5 acre weekend retreat or 200 acres of highly productive cropland, the following items should be considered for each purchase to ensure that the land in mind does in fact fulfill your dream.

1. Location

It’s the most important factor whenever you buy real estate. Consider what your needs are now. As your family grows, will the location help or hinder your family’s ability to enjoy the property? If you’re choosing a very rural location, how much infrastructure might you require to meet your needs (access to major interstates, shopping, health care, etc.).

2. Use

What are you buying the land for? Do you want to build on it? Maybe live there someday? Does the topography meet your needs? Do you want a pond or pasture? Do you plan to farm on it? Will its best use be as a hunting tract? Make sure you take some time to look down the road and decide exactly what you want the land to be - and do - for you.

3. Types of Land

Sometimes, it comes down to understanding how much money you want to spend, in the long run. What kind of land are you buying? Are there utilities that can be brought to your property? Will you need better access to the property? Will you need to maintain roads?

4. Zoning

It’s important to understand if future development can happen near your property. If you build a cabin or home, does it have to be a certain location or distance from the property line? Is land around you government-owned or managed? Is any of it in conservation?

5. Permitting

Will you be able to put a well on your property? This kind of question should be asked in advance, as some jurisdictions have very limited resources in terms of permitting and some are more comprehensive. Understand what kind of permits you’ll need to have the finished property you want.

6. Restrictive Covenants

These are legal obligations imposed on the buyer. Typically, there are few, if any, restrictive covenants when purchasing rural property; however, depending on the community you are purchasing in, it’s important to ask the question, especially if you are unsure what you will be doing with your property several years down the road.

7. Utilities and roads

Well, if there aren’t any, you’re responsible for putting them in. Power,

water, gas, septic, cable will all have to be brought to the property, even if you’re planning a simple cabin in the woods.

8. Liens and easements

A lien is a monetary claim against your property. An easement is someone’s legal right to use your property for a stated purpose. Easements typically transfer with an ownership change. Even if an easement isn’t currently being used, don’t assume that will be the case into the future. Easements are typically part of the deed, and can be enforced at any time.

9. Surveys

If you’re not sure about the property’s boundaries, spend the money for a survey. It’s the only way to be sure of exactly what you own, and it will be helpful down the road, should you choose to build on the property or sell it.

10. Have all the facts

Once you’ve asked these questions, you’ll be ready to buy your property.

*Courtesy of Farm Credit
of Southwest Georgia.*

Recent LAND SALES



The information provided in this column is only a sample of the recent land sales in central Kentucky. Since there are many factors taken into consideration when a buyer and seller establish a price, sales may or may not reflect the current market value in any particular area and should not be used in lieu of a formal appraisal by a state certified real estate appraiser to establish a value for a particular tract of land.

If you would like to see a full listing of realtors and auctioneers involved in the Central Kentucky Ag Credit Recent Land Sales program, go online to: AgCreditOnline.com/LandSales

May & Parman Agency
 151 W. Main Street
 Lebanon, KY 40033
 270-402-1176
Mayandparman.com



★ **Location 1:**
 Acres: 158.07
 County: Marion
 Date of Sale: 12/17/2016
 Selling Price: \$1,075,133.60

Improved:
 Large brick home with 3 bedrooms, 3 baths and full basement. 3 barns and 2 grain bins. Crop land with one woodland tract.

★ **Location 2:**
 Acres: 445.33
 County: Marion
 Date of Sale: 1/14/2017
 Selling Price: \$650,300.48

Improved:
 Farm House, 2 barns and shop building. Land is mostly wooded.

★ **Location 3:**
 Acres: 150.03
 County: Marion
 Date of Sale: 5/6/2017
 Selling Price: \$500,442.25

Unimproved:
 Mostly cropland.

★ **Location 4:**
 Acres: 47.75
 County: Marion
 Date of Sale: 5/13/2017
 Selling Price: \$282,207.20

Improved:
 2 barns on the property.

New Summer Hats!

We love it when our youngest customers leave the office with a smile, and Ag Credit apparel! This summer Ag Credit has been giving out our new summer style hats, and we have received the cutest photos. Stop by your local Ag Credit office to pick-up a new hat.



This little guy was excited about his new hat when he left the Stanford Ag Credit office. His parents are Matthew and Ashley Ray of Garrard County.



These two fine young men are sporting their new Ag Credit hats in the Richmond Ag Credit office. Their parents are Bo and Katie Tate of Madison County.



Richard Medley's nephew is shown above wearing his new hat. Richard is the Lebanon Ag Credit Principal Loan Officer, and the parents of the little boy are Dale and Lindsay Medley of Washington County. Lindsay is shown in the photo with her son.

Perryville Family Has a Passion for Farming

“Farming is a lot of hours, but it’s a good way to raise a family,” John Helm explained when asked about his Perryville farming operation. John purchased his first set of cows when he was just 12-years-old. He understands first-hand the meaning of hard work and dedication. Although a lot has changed since John was 12, his passion for agriculture has only grown stronger. Today, John is a third generation full-time farmer in Boyle County.

John partners with his father, Bruce Helm, on their family farm. Together, the operation consists of 2,000 acres of owned and leased ground. Their primary focus is feeder cattle; they run 2,600 - 2,800 head throughout each year, along with a few cow-calf pairs. The Helms sell 40 - 50 loads of cattle each year. The family farm also entails 200 acres of corn, 200 acres of soybeans, 100 acres of wheat and 125 acres of alfalfa.

However, the Helm farm actually started in the 1930s with John’s grandfather, John LaRue Helm. In 1960 his father and grandfather worked to expand the acreage of their farmland. His grandfather and father milked cattle and raised tobacco. It was just a few short years ago that the Helm’s operation shifted to beef cattle. Although the Helms are not involved with tobacco today, John shared that he misses raising the crop.

“It is a blessing to work with my father everyday,” John said.



John Helm of Perryville, is shown with his loan officer Joe Goggin. Joe is the Principal Loan Officer in the Danville Ag Credit Office.

“My father has been very helpful and understanding of our partnership.” John and Bruce are the definition of what a true family farm looks like, all hands on deck to make the farm work while enjoying every moment of it.

Record keeping has been a huge priority in the Helm household. “It is very important when buying feeder cattle to know what you can give for them. You need to know how much it costs to get one pound on each calf,” said John. The Helms keep very detailed records on every set of cattle at their farm. John gave the advice of when the cattle market is high, to sell cattle. If you know you can make a profit, don’t be afraid to sell them.

John also encourages young farmers to become connected to experienced farmers. “Connect with two or three older, more experienced farmers and pick their brains. Find out what you like about their operations and take segments from each and use them,” John explained. John also

mentioned that he was involved in several leadership programs that were very beneficial to him and encourages young farmers to get involved in similar programs.

It is obvious that John stays extremely busy on the farm maintaining their crops and livestock, but he is also very involved within the community as well. He has a B.A. degree in Finance from Georgetown College and is a graduate of the former UK Phillip Morris Leadership Program, today known as the Kentucky Agriculture Leadership Program. He is the past President, and current Board Member of the Boyle County Farm Bureau. John is also the current President of the Boyle County Cattlemen’s Association and member of the Boyle County Extension Council.

He is married to Kendra Helm, first grade school teacher in Boyle County, and they have two children together Kennedy, age seven, and Nash, age five. John and his family attend Indian Hills Christian Church, where he is a Deacon.

John has been an Ag Credit customer-owner for over 20 years and his loan officer is Joe Goggin, in the Danville office. “Ag Credit has been very instrumental in working with us on the changing capital it takes to manage a farm,” John said. “Ag Credit is easy to work with and understanding and we have always enjoyed a good working relationship with them.”





Legislative Work



(Left to Right) Jim Caldwell, Central Kentucky Ag Credit President and CEO, Mary-Lynn Hinkel, Central Kentucky Ag Credit Board Member, Alvin Lyons, Central Kentucky Ag Credit Chairman of the Board of Directors, Congressman Andy Barr (R-KY), and Jim Rankin, Central Kentucky Ag Credit Vice Chairman of the Board of Directors.

Congressman Andy Barr (R-KY) visited with Jim Caldwell, Central Kentucky Ag Credit President and CEO, along with several Ag Credit Board members in late June. Congressman Barr discussed his role on the House Committee on Financial Services. Along with crop insurance, FSA guaranteed lending and how Congressman Barr's activities in Washington, D.C. impacts six districts in Kentucky.



(Left to Right) Lee Hood, Central Kentucky Ag Credit Board Member, Joe Myers, Central Kentucky Ag Credit Board Member, Congressman Brett Guthrie (R-KY), and Jim Caldwell, Central Kentucky Ag Credit President and CEO.

Congressman Brett Guthrie (R-KY) stopped by the Ag Credit Danville Office in early July. Congressman Guthrie met with several Ag Credit staff and board members while in the office. Congressman Guthrie represents Kentucky's Second Congressional District in the U.S. House of Representatives. He discussed national and regional agricultural, economic and educational topics.

The Five C's of Credit

First time borrowers can make the borrowing process easier by knowing the five C's of credit that lenders generally use to evaluate loans.

1. **Character:** The borrower's honesty and integrity.
2. **Capacity:** The applicant's ability to repay the loan.
3. **Capital:** The applicant's liquidity and solvency.
4. **Collateral:** The physical property that will minimize risk in the event of default.
5. **Conditions:** The condition for granting and repaying the loan.

Pick Your Way!

- **Auto-Draft:** Your Payment just happens, even when you are busy or when you are away from home.
- **AccountAccess:** You control your payment. Choose which of your personal accounts to draw from, and make your payment with the click of a mouse.

Call us and we can help you get started!

AgCreditOnline.com

SCAM ALERT

We Want You to Know - “Important Information”

Ag Credit is committed to protecting our customer's personal and financial information. We have become aware of attempts to market financial products in our name. A postcard has been circulating that offers IMPORTANT MORTGAGE INFORMATION and asks you to go to certain web sites and enter information.

Ag Credit is in no way related to the offer of a “Refundable Mortgage Protection Program.” Mortgage records are public records in county courthouses and are generally available. These records show information related to the mortgage transaction and can be used for many purposes.

Carry a healthy dose of skepticism with any contact from anyone that you don't know and didn't initiate. A big red flag should be if you are asked to provide ANY information to someone

contacting you. This can be as simple as your name, phone number, address and of course any account numbers, PIN numbers, Social Security numbers that are supposedly necessary to “verify” something.

Verify information with someone you know and can trust at Ag Credit. It can be as simple as picking up the phone. You will get a person who can answer any questions about services, offers or opportunities at Ag Credit. You'll like the way we do business.



To see a list of common scams to be on the lookout for, visit the official website at <https://www.usa.gov/common-scams-frauds>.

Another online place to visit is Scam Alert page of the Federal Trade Commission site at <https://www.consumer.ftc.gov/scam-alerts>

THANK YOU



Thank You!
2017 Mercer County
APES Participants

Dear Ag Credit,
Thank you for all of your support to the Boyle County FFA Chapter. Without your help we would not be able to achieve personal growth, career success, or premier leadership.



-Makayla Richter

AG CREDIT

A Blast from the Past



FRONT ROW: John Thomas, Bill McKenna, David Alford, Annette Story, Kim Elliott, Shane Turner, Joe Goggin and Robert Anderson. MIDDLE ROW: Donna Mudd, Kathy Saunders, Harry Young, Peggy Powell and Donna Sharpe Cassidy. BACK ROW: Ronnie Bradshaw, Jim Caldwell, Don Coffey, Paul Wyler, Felicia Madden, Patty Riddell, Larry Stone, Dale Cinnamon, Karin Buchanan, Bill Peniston Jr. and Janet Lowery

The photo shown above is from the Ag Credit employee appreciation day, years ago. In fact, this photo was taken on October 17, 1996 in Renfro Valley. While in Renfro Valley, the staff enjoyed miniature golf, a music show and dinner together.



The 2017 WoodSongs Front Porch Association Gathering will be held on October 13-14 in Shaker Village. This is the second year the event will be at Shaker Village and it should be a fun event for the entire family. There will be workshops, lectures, front porch stages, music lessons and major concert showcases during the two-day event.

The address of Shaker Village is 3501 Lexington Road, Harrodsburg, KY 40330. Current members of the WoodSongs Front Porch Association can obtain five free tickets with their annual \$20 membership fee. New members will receive five free tickets with their first-year \$25 membership fee.

To obtain more information and obtain or renew membership to WoodSongs Front Porch Association go online to SongFarmer.org or call WoodSongs at 859-255-5700.

CUSTOMER COMMENTS

“Great folks to work with.”

Salvisa

“Excellent service is the main reason for my business.

Easy, close and timely.”

Stanford

“Very good service!

Easy to work with!”

Lancaster

“Great people to work with, very impressed with service.”

Springfield

“Great people, good service.”

Nicholasville





Central Kentucky Angus Association Show

The Central Kentucky Angus Association annual show was held in late June. Central Kentucky Ag Credit was among sponsoring organizations of the event. The summer show consisted of juniors exhibiting purebred Angus bulls and heifers, followed by a picnic that everyone

enjoyed. Joe Goggin, Danville Ag Credit Principal Loan Officer, is the Secretary for the Central Kentucky Angus Association. Joe Myers, Ag Credit Board Director, is also on the Board of Directors for the Central Kentucky Angus Association.

Boyle County Cattle Show



During the Boyle County fair cattle show, the Danville Ag Credit loan officers served a free meal to all exhibitors and their families. Ag Credit staff grilled hamburgers, along with serving chips, desserts and plenty of cold drinks. Staff members (cooks) included Joe Goggin, Principal Loan Officer, Brad Godbey, Senior Loan Officer and Greg Robey, Loan Officer. The meal was greatly appreciated by everyone at the cattle show.

(Far right) Greg Robey, Danville Loan Officer, is shown serving burgers during the Boyle County Fair.



Central Kentucky
Agricultural Credit Association
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