

Leader

An AgCarolina Financial Member Publication — June 2012

Raymond Kuang's Breeder Chickens

**Young Farmers Participate in
Ag Leadership Institute**

North Carolina AgrAbility

Eastern North Carolina in Full Color

Help us fill our photo calendar for 2013 with your photos of eastern North Carolina and have a chance to win a cash prize.

Contest Rules:

Photo should be taken within the 34-county territory of AgCarolina Financial

Who is Eligible?

Customers and employees of AgCarolina Financial

Photo Ideas Include:

- Kids Helping on the Farm
- Nature Scenes
- Sunrises, Sunsets
- Harvesting of Crops
- Livestock, Wildlife
- Generations of Families
- Outdoor Landscape Scenes
- Classic and Antique Farm Equipment
- Barns and Fences
- Farm Animals

Preferred Images:

The preferred image format is full-resolution digital photographs, 6 megapixels or larger. (Photographs taken from a cell phone camera are generally not suitable). Images should be in JPG format and at a high quality setting on your camera. Please note that your camera may create images in multiple sizes and formats. The largest image is required for high-quality calendar printing. As a general guide, full-resolution photos typically have a file size of 2MB or larger, and a pixel size of 2,600 pixels or larger in the largest dimension. Due to the large size of high-resolution photographs, please do not attempt to submit photos as email attachments. Burn images to a CD or thumb drive and mail with your entry form to AgCarolina Financial.

All images and supplied media (used or unused) become the property of AgCarolina Financial. No images will be returned.

No more than three (3) entries per individual.



"Cotton Fields" 2011 1st Place Winner Submitted by Sherri Taylor of Hookerton, N.C.

Deadline:

All entries must be received by August 17, 2012.

Identify:

All photos must be identified with name and address. If submitting print photos, do not write on the back of the photo.

Cash Prizes Awarded:

1st Place	\$300
2nd Place	\$200
3rd Place	\$100

Winning entries will be featured in the 2013 AgCarolina Financial Calendar, the AgCarolina Financial Leader magazine, and online at www.agcarolina.com.

To Enter:

Complete the entry form and mail it along with your CD or photos to AgCarolina Financial, PO Box 14789, Raleigh, NC 27620, Attn: Linda Strickland. Photocopies of this form are acceptable. If you have questions, please call 800-951-3276, xt. 214, or inquire by email to lstrickland@agcarolina.com.

AgCarolina Financial 2013 Photo Contest Image Submission Form

Submit one form with each photograph (photocopies of this form are acceptable)

Name _____

Briefly Describe Your Photo (Who, What, When & Where)

Address _____

City _____ State _____ Zip _____

Phone _____

E-mail Address _____

I/We understand that images will not be returned and each photo submitted comes with full and unlimited rights to print the photo, without credit, in AgCarolina Financial literature, without further obligation to the photographer or those people who have their person or items pictured.

Signature of Contributor _____

Send entries to: Linda Strickland, AgCarolina Financial, PO Box 14789, Raleigh, NC 27620



June 2012

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Mission Statement

To improve the quality of life on farms and in rural areas of eastern North Carolina through a financially strong cooperative structure and a commitment to provide competitive lending and financial services, ensuring a feeling of partnership with our customers.

Vision Statement

We will strive to be the customer's first choice for service and reliability; providing sound, constructive credit and financial services with emphasis on customer service and increasing customer wealth.

Holiday Schedule

AgCarolina Financial will be closed in observance of the following holidays:

July 4 Independence Day
September 3 Labor Day



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Leader

An AgCarolina Financial Member Publication
is published quarterly for stockholders, friends,
and business associates of AgCarolina Financial.

If you have any questions or ideas for the editorial staff of the Leader, contact Linda Strickland at 800-951-3276, e-mail her at lstrickland@agcarolina.com or write her at AgCarolina Financial, 4000 Poole Road, Raleigh, NC 27610. This publication is for you, our reader. We'd love to hear from you!

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Message from the President

Count on Customer Service



Dave Corum

Our top priority is providing outstanding customer service. That may sound strange coming from a financial institution, but we can't offer competitive interest rates or flexible loan payments if we don't tend to the needs of our customers.

Because we are owned by farmers and operate for farmers, we have developed and will continue to develop relationships with our customers that go beyond a friendly smile when you come into the branch office. Our employees are charged with providing consistent, reliable, and useful information and financial products that fit your unique situation.

Customer service is understanding commodity prices and the cash cycles of crop production. We put that knowledge to work, creating loan packages that suit your individual needs. Our loan officers are armed with cell phones and computers ready to do business. Customer service is making on-farm service calls so you spend more time running your farm operation and less time at the bank.

Customer service is providing you with instant access to your money and line of credit through AccountAccess, AgriLine and FastCash. You can write yourself a check whenever you want or move funds electronically from your line of credit to pay expenses or disburse funds. At Farm Credit, customer service is also returning profits

to customers, and we are pleased to report that this past April, for the 24th consecutive year, we paid a patronage refund back to our customers.

At AgCarolina Financial, customer service is also being there when you need us. We have recently made some organizational changes and now have a Branch Supervisor in each of our branch offices.

Members say that they've been doing business with AgCarolina Financial not just because we offer customized financial products and great interest rates, but because we make banking easy with on-farm visits and are always ready to help in good times and bad. For generations, fathers, sons and daughters have relied on our service because our employees understand the challenges farmers face and provide options and expert advice not found in commercial banks.

One of the reasons I love working for AgCarolina Financial is because we are here to serve the agricultural community. In today's volatile market and unpredictable global environment, customers want and need a financial partner committed to developing long-term relationships. Staying close to our members' operations, year in and year out, is fundamental to our success.

And while many things are sure to change, you can count on your financial cooperative and our staff, who care as much about your farm and family as your finances. ✦



Association News

Patronage Checks Distributed



Daniel Gray (left), a young farmer in Wayne County, receives his patronage check from Financial Services Officer John Bledsoe. Daniel has a poultry operation and is also a CPA.



Garrett Williams, financial services officer in Halifax, delivers Vergie Johnson her 2011 patronage check.



Feature Story

Raymond checks the feed tank to ensure that feed is weighed out so the birds receive a specific amount each day.



Raymond Kuang's Breeder Chickens

Supply Fertile Hatch Eggs for Sanderson Farms' Kinston Operation

Jim Haskins, ABC Communications Group

"What I found was that AgCarolina Financial has not only better interest rates, but also more knowledgeable people."

Wei Jian "Raymond" Kuang, a native of southern China, came with his parents and two younger brothers to the U.S. in 1996. The family settled in Lincolnton, in western N.C., where Kuang's parents grew broilers for Tyson Foods. The brothers helped their parents with the poultry operation, an experience that would help Raymond and his brothers fill their own nests.

In search of providing a living for their families, Raymond and his two brothers came to eastern N.C. in 2009. Raymond worked with his two brothers, who now run two Asian cuisine restaurants, Kobe, in Johnston County. The

brothers found that the restaurant business did not provide enough income for all three families to live comfortably and began searching for a business that would provide a steady income.

Luckily for the Kuang brothers, Sanderson Farms was opening a new poultry facility near Kinston and would need contract growers to raise chickens. Raymond attended a prospective grower meeting and signed a contract in September of 2010 to raise breeder hens for Sanderson Farms.

Now U.S. citizens, Raymond and his two brothers, Tony and Ming, operate Kuang Brothers, LLC just west of Kinston, N.C. in Lenoir County. Raymond works as the on-farm manager of four houses of egg-laying breeder hens for Sanderson Farms.

Raymond Kuang's Breeder Hen Operation

Sanderson Farms maintains its own breeder flocks for the production of hatching eggs. Its breeder flocks are acquired as one-day old chicks, known as pullets and cockerels, from breeding companies that specialize in the production of genetically-designed breeder stock. The company's pullet growers raise two flocks of egg-laying hens and fertilizing roosters each year.

Raymond, now 35, works side-by-side on the breeder hen farm with two full-time employees. He receives each flock of pullets when they are about 22 weeks old. "Within two weeks, the pullets begin laying eggs, with 40 weeks of production expected out of each flock," says Raymond. There are 10,000 hens and 1,000 roosters in each of Kuang's four breeder houses, which were completed in March of 2011. Each house has its own 14-ton feed tank.

In Kuang's breeder hen operation, the hens mate with the roosters and lay eggs. Raymond says, "Sanderson Farms wants their breeder hens' reproductive organs to be very mature, so it takes



Raymond decided to contract for two flocks of breeder hens rather than broilers because he would have two months off during the year. He and his wife, Weiping Lin, and two small children return to China to visit Weiping Lin's family during the two-month break when he doesn't have birds on the farm.

Raymond receives his patronage check from AgCarolina Financial FSO Robert Winders.

about a month before they lay their first eggs.” At their peak production, the hens will lay 8,000 eggs a day, totaling 32,000 eggs a day from all four houses. The eggs are gathered on conveyors four times a day and then put in coolers and kept at 68 degrees F.

The fertile eggs are then trucked to Sanderson’s hatchery. Twenty-one days later, chicks that hatch there will be taken to Sanderson’s contract broiler farms where the birds grow to market weight in about 50 days. From there, the broilers are taken to Sanderson Farms’ state-of-the art processing plant and will eventually end up on supermarket meat counters.

Raymond Kuang and AgCarolina Financial

Since his parents financed their poultry operation with Carolina Farm Credit in Statesville, the Kuangs approached them about lending money to start his poultry operation. “They told us that another Farm Credit institution was responsible for loans in eastern N.C.,” says Raymond.

Kuang contacted a couple of commercial banks before working with AgCarolina Financial. “What I found was that AgCarolina Financial has not only better interest rates, but also more



knowledgeable people. My financial services officer, Robert Winders, who works out of the Smithfield branch office, is very nice and has been very helpful to me.”

To finance his operation, AgCarolina Financial helped Kuang locate suitable land and provided financing for the land, construction of the buildings, and a new home on his 83-acre tract of land in Lenoir County.

Another factor that influenced Kuang’s decision to do business with AgCarolina Financial was the Patronage Dividend program. When he received his first patronage check a year ago, Raymond said, “It was a bonus for me as none of the commercial banks had anything like it.”



Raymond stands proudly in front of his chicken complex with four breeder hen houses.

Sanderson Farms

Sanderson Farms is the third largest poultry producer in the U.S. It’s a fully-integrated poultry processing company that produces, processes, markets and distributes fresh and frozen poultry products. Sanderson Farms is a fully integrated poultry manufacturer. Its production segment encompasses all steps in chicken production, including operations in hatching egg production, hatching, and feed manufacturing and processing.

In 2009, Sanderson Farms announced it would build its 9th chicken processing operation (a poultry processing plant, feed mill and hatchery) in North Carolina, located on U.S. 70 west of Kinston. The new plant, which became operational in January 2011, has the capacity to process 1.25 million birds a week. The company also constructed a 65,000-square-foot hatchery and a feed mill capable of producing 8,000 tons of feed per week.

Sanderson Farms built 24 pullet houses, 48 breeder hen houses and 360 broiler houses, within a 50-mile radius of the plant. In December of 2009, the first pullet houses were built. From there, Sanderson Farms expanded the “growing” operation into the breeder hen and broiler farms, constructing them between September and December of 2010.

Sanderson’s contract growers receive the birds, feed and technical assistance from the company, but have to invest in the land, buildings and cover utility costs.



AgBiz Planner Computer Course Teaches the Business End of Farming

AgBiz Planner Program & Conference

This year, 26 farmers in all participated in the AgBiz Planner program, a college-level course in Farm Credit University (FCU). The program was a collective effort of five Farm Credit institutions serving young, beginning, small and minority farmers in North Carolina, Virginia, West Virginia and Maryland.

During the two half-day sessions of the AgBiz Planner conference, participants were treated to an eye-opening, inspiring, and educational event. Other speakers included: NC FFA Coordinator Josh Davis (top right) and FFA President John Stewart (below), Virginia Commissioner of Agriculture Matt Lohr, NCDA&CS Soil & Water Management Deputy Director David Williams, Social Media for the Farm expert Johanna Kramer, and NCDA&CS General Counsel Ray Starling.



John Stewart, NC FFA State President

Acting upon its commitment to farming and rural America, AgCarolina Financial sponsored six young, beginning, small, and/or minority farmers to participate in an innovative e-learning program designed to help them successfully manage their operations.

The six farmers, from central and eastern N.C., spent their winter months in the AgBiz Planner program learning financial and management skills that provide a sound foundation for keeping their diverse operations growing. The college-level online course, now in its third year, is a program of the Farm Credit University. The 10-module course emphasizes how to capitalize on and navigate the challenges in agribusiness. Working at their own pace, often with their spouse, participants had two weeks to complete each module, which ultimately led to the creation of a business plan for their operations. The participants began in late 2011 and concluded the program with an AgBiz Planner conference held in mid-March.

"Running a successful agricultural operation is hard work and the challenges are considerable. But, by the end of the program, participants are equipped with the budget and management skills to keep their operations moving forward for the long term," says Dr. David Kohl, a retired Virginia Tech agricultural finance and business management expert and creator of the program. Since the program's inception, AgCarolina has sponsored 24 farmers in the AgBiz Planner program from its 34-county area, many of whom previously attended one of Dr. Kohl's Young Farmer Institutes, which are held annually.

In addition to the online course, each participant was paired with a mentor who served as the participant's teacher, coach and facilitator as they worked through the course. The mentors, financial service officers working out of AgCarolina Financial local branches, are

also familiar with the local community and have extensive agribusiness knowledge.

Participants Gain Valuable Help From Course

Rebecca Scott says of her and husband Trent's experience in the AgBiz Planner program, "We learned how to develop a business plan and financial statements for our farm—tools that we'll need to assure our operation is a successful business entity."

Nurserywoman Mary Bevier says, "The format of the course was perfect for someone as busy as I am. I took away so much from the course and I have been using what I learned every day since."

Mentors Say Participants Are Better Prepared To Know Where They Stand Financially

Weston McCorkle, a financial services officer working out of the Smithfield branch office and participant in the first AgBiz Planner class two years ago, served as the mentor to Jody and Lorie Boswell. McCorkle said, "They now have a better understanding of how to prepare documents to apply for loans for future expansion of their operation."

Financial Services Officer Adam Wyatt of the Louisburg branch office said, "The program really helped me develop a closer working relationship with my farmer customers, Chad and Jodi Ray."

New AgCarolina Financial CEO and President Dave Corum makes this point, "The financial paperwork and documentation required to secure credit and run a fiscally-responsible operation can be overwhelming. This course prepares these customers to apply for the right kind of loans to fund their operation, replace equipment or expand their business." ❖

The Six AgCarolina Financial-Sponsored Participants



Chad & Jodi Ray, Franklin County, N.C.; Adam Wyatt, Mentor, Louisburg Branch
Founded in 2010, Ray Family Farms is a sustainable farming operation that raises pasture-fed meats (beef, heritage pork and free-range chickens) from conception to consumption.



Ben & Laura Collins, Wake County, N.C.; Quincy Adams, Mentor, Raleigh Branch



Mary Mizio Bevier, Johnston County, N.C.; Robert Winders, Mentor, Smithfield Branch
Started by Bevier's parents in 1985, Mary took over when her parents retired five years ago. In two 4,500-square-foot greenhouses, Bevier grows mostly herbs, along with some vegetables and annual and perennial flowers. In addition to conducting workshops, Bevier is developing a spiritual retreat and nature trails for farm guests to enjoy.



Trent & Rebecca Scott, Jones County, N.C.; Charles Barrett, Mentor, New Bern Branch



Steve & Kelly Shotwell, Granville County, N.C.; Gayle Yanes, Mentor, Raleigh Branch
Steve Shotwell, who has been involved in the farming operation his entire life, farms with his retired father, Donald. The father-and-son team operates Shotwell Farms, a 315-acre family farm, growing both flue-cured and burley tobacco, along with a cow/calf operation.



Jody & Lorie Boswell, Johnston County, N.C.; Weston McCorkle, Mentor, Smithfield Branch

"The format of the course was perfect for someone as busy as I am. I took away so much from the course and I have been using what I learned every day since."

-Mary Bevier



Young Farmers Participate in Ag Leadership Institute

Nineteen young farm couples traveled to Raleigh for AgCarolina's 8th annual Ag Leadership Institute. The institute, facilitated by Dr. Dave Kohl, Professor Emeritus, and Dr. Alex White, instructor, both in the Department of Agricultural and Applied Economics at Virginia Tech, brings together young, beginning, small and minority farm customers from across AgCarolina's 34-county servicing area.

Dr. Kohl headlined the conference with the theme, "Managing in the Wild World of Global Economics." Key points included the future agricultural business environment in 2025 and the major game changers for the ag economy. Transitioning the family farm and the importance of having a solid business plan in place were also discussed.

If you are a young, beginning, small or minority farmer with an interest in attending the 2013 Ag Leadership Institute, please contact your local branch office. The 2013 Ag Leadership Institute is scheduled for January 11–13 in Raleigh. ➔





Happenings Across AgCarolina

Young N.C. Cotton Producers Association President Donny Lassiter



Donny Lassiter

AgCarolina Financial is proud to salute one of our outstanding young farmer/member's involvement and accomplishments in the cotton industry. Earlier this year, Donny Lassiter began serving a two-year term as president of the N.C. Cotton Producers Association. But, at just 34 years of age, that's not his first entrée to cotton leadership, as he also serves on the board of directors of Southern Cotton Growers Association, the American Cotton Producers Association, and Cotton Incorporated.

And he is a N.C. delegate to the National Cotton Council. Since he came home from NC State with BS and MS degrees, Donny farms along with his father, Bobby, and youngest brother, Mark, growing several thousand acres of cotton, soybeans, peanuts, corn and wheat in Northampton County, N.C. and Southampton County, Va. A couple of years ago, the Lassiters and other area cotton growers purchased the Producers' Gin in Murfreesboro.

TGANC President Craig West Honors Brother, Brad, with President's Award

West Farms' diversified 4,275-acre operation in Wayne County includes 400 acres of tobacco, plus soybeans, wheat, corn and peanuts. Last fall, the West Family was devastated when their family leader, Jerry, passed away suddenly. That put the load of running the business on his sons, Craig and Brad. Since Craig's schedule as president of the Tobacco Growers Association of North Carolina frequently takes him away from the farm, Brad took on an even greater leadership role. Because of what Brad has done to keep the business going, Craig honored him with TGANC President's award, which was presented at the group's annual meeting held in conjunction with the Southern Farm Show.



TGANC Farm Family of the Year—Kornegay Family

In 1950, D. Frank Kornegay's father got his start in the tobacco industry when he went to work for Universal Leaf Tobacco Company. In 1973, Frank began farming on a full-time scale with his son, Danny, joining the operation. In 1998, Danny's son, Dan, joined his father and grandfather in operating Kornegay Farms in Johnston County. Today, Kornegay Farms grows 5,000 acres of sweet potatoes, tobacco, soybeans, corn and cotton. In addition, they operate a swine grow-out facility on contract with Goldsboro Milling. AgCarolina Financial is proud to have played a part in the continuing farming tradition of the Kornegay family, and we look forward to serving them for generations to come.



Young Farmers Attend NC State Tobacco Short Course

Eleven AgCarolina Financial young customer/farmers recently participated in a four-day “Skills for Tobacco Growers: SUCCEED IV” Short Course at NC State University. The eleven included: Shepard Barbour, Royce Mitchell Boyette and Jamie Lanier of Johnston County; Kevin Mitchell and Travis Nelms of Franklin County; Mitchell Briley of Pitt County; Luke Blizzard of Greene County; Alex Watkins of Granville County; and Gerald Tyner, Jr. and Donnie Tyner of Wilson County. They were among a group of 29 young tobacco farmers from throughout the state, who will be growing approximately 6,000 acres of tobacco this season. “Since our industry continues to face continuous change, we need to make sure our younger farmers are able to focus on how to attain efficient, quality tobacco production,” says Dr. Bill Collins, a retired NC State tobacco extension specialist and coordinator of the short course program.



Worley's Receive N.C. Pork Council's Outstanding Pork Producer Award

Bryant and Debbie Worley of Wayne County have received yet another award from the N.C. Pork Council. At the N.C. Pork Council's 2012 Conference, the Worley's received the Pork Council's Outstanding Pork Producer Award. Bryant Worley Farms, Inc. is a diversified farming operation that includes an eight-barn swine finishing unit on contract with Maxwell Foods.

The Worleys also oversee turkey production, soybeans, wheat, cotton, grain sorghum and hay. Their farm is widely known for its strict attention

to environmental concerns. The farm produces no-till soybeans, uses pine plantings to control erosion and relies on biodiesel fuel to operate equipment.

In 2010, the Worleys' farming operation was honored as “Farm Family of the Year” for North Carolina by the state's Association of Soil and Water Conservation Districts. The Worleys were also named as a National Pork Council's National Environmental Steward in 2010.

N.C.'s Ray Family Farms Honored for Sustainability Leadership



On April 13, Chad and Jodi Ray, owners of Ray Family Farms in Bunn, N.C., traveled to the White House to be honored as "Champions of Change." The Rays

were recognized along with six other leaders from the sustainable business and nonprofit community from around the country—from IBM to the Outdoor Industry Association. The White House award recognizes "ordinary people across the country that are doing extraordinary things."

Ray Family Farms is a 170-acre farm that sells beef, pork, poultry and vegetables directly to local customers. Besides championing organic and animal welfare practices in their farming, the Rays incorporate practices like water conservation and solar energy generation on their farm. Their efforts come from shared belief in land stewardship and love of their local community, where their families have lived for at least nine generations.

At the White House, the Rays spoke on a panel with the other honorees. Chad talked about why sustainability is important to him. In farming today, he said, "you either have to be better ... or be bigger. And 'be bigger' isn't in a lot of family farms' game plans. So, sustainability was the path we chose to be better." Chad and Jodi also talked about the importance of connecting to local community, knowing where one's food comes from, and forming a bond with one's local community.

"In North Carolina, if every person spent 10 percent of their food budget on food from farms with animals and vegetables grown in North Carolina, it would employ 250,000 people like Jodi and I," Chad said. "Imagine what our country could be if we committed to our local environment and our local economy just 10 percent of our spending power."

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Brandon Moore Named N.C.'s Pork All American for 2012

This year's choice for the state's Pork All American is Brandon Moore, who has operated a 5,600-head swine finishing facility since 1996, under contract with Murphy Family Farms. He has built a statewide reputation for his nutrient management, and for the past 15 years, he has provided nutrient management services to other livestock farms with lagoons or holding ponds in surrounding counties.

Moore's Hog Farm in Nash County is an independent subcontractor for the CLEANEast Program to remove sludge from its lagoon and add additional acreage for application, installing and actively gathering and utilizing useful data. Moore has developed a neighbor program for pumping events that has assisted with farm and community relations.

John Vollmer Receives CFSA "Outstanding Farmer Award"

In recognition of his on-going 30-plus years of work pioneering production and marketing practices to grow organic crops, John Vollmer was named Farmer of the Year for 2011 by the Carolina Farm Stewardship



Association. The owner of Vollmer Farms in Franklin County, John is one of the most respected and influential organic farmers in the region. "With our 30-acre organic operation, we have found that there is a way to be successful in farming without using chemicals that may be harmful to our environment," said John. "Farming with reduced chemical inputs and approved organic pesticides is a more sustainable and profitable way to do things."



Financial Services Officer Robert Winders (front right) participated in the Karl Best Leadership Program of Wayne County. The group enjoyed an educational trip to Washington, D.C. and discussed ag-related issues faced by the farmers of Wayne County with legislators.

In Memoriam

Marvin W. Daniel, a longtime AgCarolina Financial employee passed away January 26. Marvin retired from AgCarolina on March 31, 2009, after working in the Farm Credit System for 36 years. Marvin began his Farm Credit career as a loan officer trainee in the Oxford branch. During his career, he served as Area Credit Manager, Senior Vice President-Marketing, Senior Vice President-Credit, Senior Vice President-Branch Operations, and at the time of his retirement he was the Senior Vice President-Financial Services. Marvin was a trusted friend, mentor and adviser to his AgCarolina family. We will miss him!

He is survived by his wife, Deborah, daughters Jennifer Ellington and her husband, Benbury, and Emily Hale, and her husband, Bryan. He was also the proud granddaddy of 3-year-old Hailey Ellington and Jacob Hale, age 2, and Andrew Hale, age 9 months. ❖

Welcome New Employees



Scott Reece joined AgCarolina as a Financial Services Officer in the Louisburg branch. Scott has more than 15 years of banking experience and was previously employed with SunTrust Bank in Wake

Forest. Scott is a fourth generation North Carolina State University graduate where he received a BS in Agricultural Economics and a BS in Agricultural Business Management. He and his wife, Nancy, reside in Wake Forest, along with their three children, ages 14, 12 and 8. Scott enjoys hunting, fishing, and of course, all NC State sports.



Lynn Pollard is a Customer Service Representative in the Raleigh branch. Lynn was previously employed with CITI Financial as a Branch Account Manager for over 14 years. She and

her husband, Mike, reside in Princeton, with their 6-year-old daughter, Ashley, and 14-year-old son, George. Lynn's hobbies include singing, going to the beach, and reading. She is also very active in her church.



Susan Strong joined the association as a Customer Service Representative in the Williamston branch. Susan previously worked with Bank of America and Wells Fargo and brings 18

years of banking experience with her. Susan resides in Williamston with her two children, 16-year-old Amanda and 13-year-old Griffin and she also serves as the Financial Chairman of the Martin County Relay for Life. In between soccer games and cheerleading, she enjoys cooking and taking care of her animals including chickens, horses, dogs and cats.



Rick Cowan has joined the association as an Agribusiness Financial Services Officer. He is based in the Williamston office and brings a wealth of lending knowledge to the Agribusiness

Division. Rick has more than 25 years of farm lending experience and was a member of the Agribusiness Division for nine years beginning in June 2000. His most recent position was with Rabobank as a relationship manager. He and his wife, Penny, reside in Williamston with their sons, Jacob, age 13, and Taylor, age 17. Rick is a graduate of North Carolina State University with a B.S. in Forestry and a B.S. in Agricultural Economics. He is also a graduate of the UNC School of Banking. Rick's hobbies include golf and hunting.



Matt Currin is our Chief Financial Officer. Matt holds degrees in accounting from Campbell University and a Master's Degree in Accounting from UNC-Wilmington. Matt is also a CPA.

Prior to joining AgCarolina, Matt was employed with the accounting firm of Giles, Strickland & Warren in Dunn, N.C. He also served as Chief Financial Officer from 2006–2011 at Cape Fear Farm Credit. Matt grew up on a tobacco farm in Harnett County. He and his wife, Shannon, reside in Lillington, with their sons, Hayden, age 5, and Owen, age 2. His hobbies include outdoor sports, hunting, fishing and golf. ❖



AgCarolina
FINANCIAL

Land, Home, and Farm Lending since 1916™

Employee Recognition

Service Awards



5 years – (from the left) Quincy Adams, Geneva Colie, Dave Hill, Shaunnika Johnson, Sara Moses, Robert Winders and Crystal Sutton.



10 years – Christine Reel and Ashton Watkins



20 years – Robin Everett



25 years – Lydia Baker



30 years – (from the left) Alan Hawkins, Joan Hoggard and Dave Corum

Top Performer Awards



Credit Life Insurance Sales – Donna Spencer



Agribusiness Loan Growth – Preston Sutton



Branch Support – Christine Reel



Branch Loan Growth – Allen Hales



New Loans Closed – Cliff Rose



Branch Support – Don Miller



Branch Support – Carson Rose



ABCD (Above and Beyond the Call of Duty) Award – Rachel Nicholson

Branch Support – Laura Tavares – not available for photo

Crop Hail & Multi-Peril Insurance Sales – Ellen West – not available for photo

STAR Participants



Participants in the STAR (Serving The Agricultural Region) Program – (from the left) A.J. Moore, Rachel Nicholson, Michelle Wilkins, Sheree Barmer, Dave Corum, Donna Spencer, Geneva Colie, Crystal Sutton, Danny Alexander and Carson Rose.

North Carolina AgrAbility

“Agriculture is just part of a farmer’s blood, and AgrAbility is about making sure that farmers can continue to pursue their passion with the greatest quality of life possible despite an illness or acquired disability.”

A national program designed to help farmers keep farming despite illness or disability has returned to North Carolina. North Carolina AgrAbility, a chapter of the National AgrAbility Project was recently re-established by the U.S. Department of Agriculture and is coordinated through the land-grant university system.

In September 2011, North Carolina Agricultural and Technical State University (NCA&T) was awarded a \$718,950 grant from the U.S. Department of Agriculture’s National Institute of Food and Agriculture. Led by the project’s primary investigator Dr. Jimo Ibrahim of NCA&T, the university will use the funds in partnership with nonprofit disability organizations to address the needs of farmers and ranchers living with disabilities. AgrAbility serves agricultural workers statewide who are limited by a wide range of disability and health-related issues, from developmental disabilities to mobility limitations to heart disease.

Through AgrAbility, clients can benefit from services such as home and agricultural

workplace assessments to identify barriers to completing tasks; recommending technologies, work practices and other solutions to reducing limitations; providing education and training through conferences, seminars and workshops; and more.

“AgrAbility is a vital addition to this state because of the economic impact that each and every farmer in North Carolina makes and the diversity of our agricultural population,” said N.C. AgrAbility Interim Project Coordinator Michele Proctor. “Farming is not like other occupations, where you might work in a number of different offices in different cities over time and then retire. It’s a lifelong commitment and passion. “Agriculture is just part of a farmer’s blood, and AgrAbility is about making sure that farmers can continue to pursue their passion with the greatest quality of life possible despite an illness or acquired disability.”

In North Carolina, program partners are NCA&T, the N.C. Agromedicine Institute, College of Allied Health Sciences-East Carolina University, NC State University, and the Disability Resource Center. Cooperative Extension and other Centers for Independent Living across the state will also assist with program activities. A goal in the months ahead is to build relationships with community partners across the state that can assist with services, funding for specialized equipment or farm modifications, and peer support to individuals farming with a disability.

The National AgrAbility Project was established in the 1990 Farm Bill, and today there are 23 USDA-funded state and regional AgrAbility programs serving 25 states. You can learn more about AgrAbility at www.agrability.org, or to contact N.C. AgrAbility, contact Michele Proctor at (828) 302-5442 or by email at ncagrability@gmail.com. ➔



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Recipes

Celebrate Independence Day with Patriotic Desserts



Great American Brownie Pie

1/2 cup butter, softened
3/4 cup sugar
2 eggs
2 Tbsps. corn syrup
1 1/2 tsp. almond extract
2/3 cup all-purpose flour
1/3 cup baking cocoa
1/4 tsp. baking powder
1/3 cup chopped maraschino cherries
1/3 cup coarsely chopped almonds
1 cup white baking chips

In a small bowl, cream butter and sugar. Add the eggs, corn syrup and extract; mix well. Combine the flour, cocoa and baking powder. Add to creamed mixture and mix well. Drain chopped cherries on paper towels. Fold the cherries, almonds and chips into batter.

Transfer to a greased and floured 9-in. pie plate. Bake at 325 degrees for 30–35 minutes or until a toothpick inserted near the center comes out clean. Cool on a wire rack. Garnish with whipped topping and cherries if desired. Yield: 8 servings

Patriotic Ice Cream Cupcakes

1 package red velvet cake mix
1 quart blue moon ice cream, softened
3 cups heavy whipping cream
1 1/2 cups marshmallow crème
Red, white and blue sprinkles
Blue colored sugar

Prepare cake mix batter according to package directions for cupcakes.

Fill paper-lined muffin cups half full. Bake at 350 degrees for 11–14 minutes or until a toothpick inserted near the center comes out clean. Cool for 10 minutes before removing from pans to wire racks to cool completely.

Spread ice cream over cupcakes. Freeze for at least 1 hour.

In a large bowl, combine cream and marshmallow creme; beat until stiff peaks form. Spread over cupcakes; decorate with sprinkles and colored sugar. Freeze for 4 hours or until firm. Yield: 3 dozen.

Note: As a substitute for blue moon ice cream tint softened vanilla ice cream with blue food coloring.

Patriotic Trifle

1 package (3 oz.) berry blue gelatin
1 package (3 oz.) strawberry gelatin
2 cups boiling water
1 cup cold water
2 cups cold milk
2 packages (3.4 oz. each) instant vanilla pudding mix
1 carton (8 oz.) frozen whipped topping, thawed, divided
1 pint fresh blueberries
1 quart fresh strawberries, quartered
1 prepared angel food cake, cut into 1-inch cubes

In two small bowls, combine each gelatin flavor with 1 cup boiling water. Stir 1/2 cup cold water into each. Pour each into an ungreased 9-inch square pan. Refrigerate for 1 hour or until set.

In a large bowl, whisk milk and pudding mixes for 2 minutes. Let stand for 2 minutes or until soft-set. Fold in 2 cups whipped topping.

Set aside 1/4 cup blueberries and 1/2 cup strawberries for garnish. Cut the gelatin into 1 inch cubes. In a 3 quart trifle bowl, layer the strawberry gelatin, half of the cake cubes, the remaining blueberries and half of the pudding mixture.

Top with blue gelatin and remaining cake cubes, strawberries and pudding mixture. Garnish with reserved berries and remaining whipped topping. Yield: 16–20 servings.





First Quarter Financial Report

Consolidated Balance Sheets

(dollars in thousands)	March 31, 2012	December 31, 2011
	(unaudited)	(audited)
Assets		
Cash	\$ 5,096	\$ 3,191
Loans	818,506	859,180
Less: allowance for loan losses	13,138	12,890
Net loans	805,368	846,290
Other investments	29,741	45,325
Accrued interest receivable	8,840	14,043
Investments in other Farm Credit institutions	13,863	13,863
Premises and equipment, net	8,664	8,706
Other property owned	1,970	1,543
Due from AgFirst Farm Credit Bank	1,334	7,809
Other assets	9,132	9,848
Total assets	\$ 884,008	\$ 950,618
Liabilities		
Notes payable to AgFirst Farm Credit Bank	\$ 675,183	\$ 744,285
Accrued interest payable	1,378	1,617
Patronage refunds payable	284	4,725
Other liabilities	20,085	14,425
Total liabilities	696,930	765,052
Commitments and contingencies		
Members' Equity		
Preferred stock	31,179	32,344
Member stock and participation certificates	3,230	3,244
Retained earnings		
Allocated	86,646	86,845
Unallocated	66,023	63,133
Total members' equity	187,078	185,566
Total liabilities and members' equity	\$ 884,008	\$ 950,618

Consolidated Statements of Income

(unaudited)

(dollars in thousands)	For the three months ended March 31,	
	2012	2011
Interest Income		
Loans	\$ 9,732	\$ 10,444
Other investments	393	533
Total interest income	10,125	10,977
Interest Expense		
Notes payable to AgFirst Farm Credit Bank	4,341	5,156
Net interest income	5,784	5,821
Provision for loan losses	1,065	800
Net interest income after provision for loan losses	4,719	5,021
Noninterest Income		
Loan fees	1,086	1,091
Fees for financially related services	192	202
Patronage refunds from other Farm Credit institutions	1,334	1,406
Gains (losses) on other property owned, net	28	—
Gains (losses) on sales of premises and equipment, net	—	11
Other noninterest income	68	108
Total noninterest income	2,708	2,818
Noninterest Expense		
Salaries and employee benefits	3,327	3,015
Occupancy and equipment	272	279
Insurance Fund premiums	88	108
Other operating expenses	931	787
Total noninterest expense	4,618	4,189
Net income	2,809	3,650
Other comprehensive income	—	—
Comprehensive income	\$ 2,809	\$ 3,650



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