

Leader

A Carolina Farm Credit Member Publication

Issue 4 | 2013

President's Message



Vance C. Dalton, Jr.

Carolina Farm Credit had another very successful year in 2013. While our annual report will be published next month that will provide the details, I am pleased to report that our final net earnings exceeded \$40 million. This

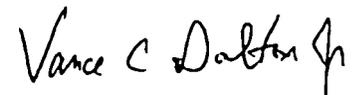
will allow us to return a significant portion of our earnings to you in the form of a patronage refund. We thank you for utilizing our products and services to meet your financial needs, which

in turn allows our cooperative to be profitable and positioned to serve our membership into the future.

I am also pleased to announce that we recently purchased a new building in Conover that will replace our existing Newton branch office. The building was formerly a bank branch and is being renovated to accommodate our staff and operations. The new building and location will allow us to enhance customer service and better meet the needs of our Catawba County customers. Located on Highway 70, it is both highly visible and much more accessible than our current location in Newton. We are very excited about this move that will take place later this spring.

We are looking forward to the new opportunities 2014 will bring to you and Carolina Farm Credit. We recently implemented a convenient way for you to finance equipment purchased at participating dealers through Carolina Farm Credit. When purchasing new and used equipment this year, be sure to ask the dealer for Farm Credit Express financing. It will save you time and enable you to enjoy the same benefits that you receive for your other Carolina Farm Credit loans.

Thank you for allowing Carolina Farm Credit to serve you and best wishes for a successful 2014. ■



Carolina Farm Credit Employees & Board Donate over \$6,600 to Local Charities

Carolina Farm Credit, its employees, and board members donated over \$6,600 to local charities in 2013. Over \$3,300 was collected by employees and board members who participated in a charity contribution throughout 2013 and Carolina Farm Credit matched that donation. Each of the Carolina Farm Credit 36 service centers submitted a local charity choice and six charities were selected through a random drawing to divide the donations.



The following groups will receive donations of \$1,102.23 from Carolina Farm Credit:

- **Hospice of Davidson County** — Lexington, NC (Lexington service center)
- **Esther House** — Albemarle, NC (Albemarle service center)
- **Allied Churches of Alamance County** — Burlington, NC (Graham service center)
- **Brenner's Children's Hospital** — Winston-Salem, NC (Rural Hall service center)
- **A Storehouse for Jesus** — Mocksville, NC (Mocksville service center)
- **MANNA Food Bank** — Asheville, NC (Asheville service center)

iPad Winner

Pamela Paxton of Catawba County won a 16GB Apple iPad during Carolina Farm Credit's latest online contest. Paxton completed a survey in response to Carolina Farm Credit's advertising campaign which entered her into a drawing to win the iPad.



The Association's Annual and Quarterly reports are available upon request free of charge on our website—CarolinaFarmCredit.com—or by calling 800-521-9952 or writing Christopher H. Scott, Treasurer; Carolina Farm Credit, ACA; P.O. Box 1827; Statesville NC 28687. The Annual Report is available within 75 days after the end of the fiscal year and the Quarterly Report within 40 days after the end of each fiscal quarter, on our website.

BOARD OF DIRECTORS: Mark A. Bray, Chairman, Lawsonville | L. Kim Starnes, Vice-Chairman, Salisbury | John M. Barnard, Statesville | E. Bernard Beck, Seagrove | W. Rex Bell, Statesville | David M. Coltrane, Pleasant Garden | Susie J. Gambill, Sparta | Joseph A. Lail, Shelby | W. Steve Love, Graham | Bobby J. "Bud" Matthews, East Bend | Clark M. Newlin, Haw River | Thomas E. Porter, Jr., Concord | Tony L. Ragan, Sanford | D. Kaleb Rathbone, Waynesville | Lewis E. Smith, Lincolnton | Vickie N. Smitherman, East Bend | Dr. Alton Thompson, Summerfield.

CROP INSURANCE NOTES & REMINDERS

The 2014 crop year is here and now is the time to really start thinking about how you are going to handle your risk. With inputs continually on the rise, commodity prices influx and the unknown of what the weather will be, there is a need to manage all these risk in your farming operation. As of this writing we still don't have a new farm bill and little known of what it might be. One thing we do know is that with tight federal budgets chances are good that you the producer are going to have more risk. On a good note, there has been little to no change to the federal crop insurance program to this point.

Carolina Farm Credit is proud to offer crop insurance policies underwritten by some of the top rated crop insurance companies. Producers can rest assured that we will place their crop insurance

with financially sound companies that have both the staff and resources to protect their operation.

Producers can sign up for crop insurance for their spring seeded crops until February 28. If they have an existing policy they may make changes to their coverage by the same date. It is extremely important for producers to let their agent know if any changes have occurred in the past year as it relates to their marital status, creation of partnership, creation of a corporation or LLC or if they have dissolved any of these. If you don't inform your about these and make these changes in your entity and you sustain a loss your payment could be reduced by 50-100%.

Please contact your loan officer or our Crop Insurance department with any questions.



Your Financial Services Team

*Angie Swaim, Billy Fanning
and Terry Motsinger*

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AGBIZ PLANNER – 5th Session Participants

The participants for the 5th Annual AgBiz Planner have been selected. The participants in this session are Robert Stas of Burlington, Jillian and Ross Mickens of Cedar Grove, Johnny Smith of Denver, Crystal and Edward Marshall of Union Grove and Lynn and Chuck Weinberg of Belmont. The program includes a total of 30 participants from five Farm Credit associations throughout North Carolina, Virginia, West Virginia and Maryland.

The Farm Credit University (FCU) AgBiz Planner program teaches young, beginning and small farmers new business skills to successfully manage and grow their operations. Those chosen

are enrolled in a college-level, online course to learn how to develop business and financial plans, as well as budgeting and management skills essential to their operations' success.

In addition to the online course, participants will have a close mentoring relationship with a Carolina Farm Credit loan officer that will serve as coach and facilitator as they work through the course, leading to the creation of a business plan for their farm. The mentors this year are Tonja Walker of the Graham Service Center, Tripp Smith of the Hillsborough Service Center, Ben Cabaniss of the Lincolnton Service Center, Brent Warren

of the Statesville Service Center and Brian Hord of the Lincolnton Service Center.

The on-demand, 10-module AgBiz Planner computer course was designed for Farm Credit institutions by retired Virginia Tech agricultural finance and business management expert Dr. David Kohl. The course will wrap up with a face to face conference in Raleigh where the participants will get a chance meet and network with each other and Dr. Kohl.

Need to Upgrade Equipment?

Consider leasing to help with lower payments and other options you may need.
Contact Ron Joines at 800-521-9952 x-2840 for more details.



LIFE INSURANCE: *Making the Decision*

By: ANGIE SWAIM, SR. FINANCIAL SERVICES SPECIALIST

We all know life insurance is not the most pleasant subject and it's at the top of the list of things consumers know they probably should buy but don't, but for many it's a critical part of their financial plans. Simply said life insurance is an agreement between you and the insurance company that as long as you pay the premium the company will be there to pay a death benefit to your beneficiaries if you pass away, giving them cash to get by.

The peace of mind you can get by owning a life insurance policy to protect your family in the event of your untimely death may be a difficult decision but an important one nonetheless.

Age 25 to 35 is the most critical time for owning a life insurance policy. Obligations during this stage of life such as mortgage, car payments, kid's college fund, retirement planning, etc., can be overwhelming. Also at this stage of life you are still building assets and more than likely, far from having enough to cover costs in case of a disruption to your income.

The bright spot is if you buy a term life insurance policy, the prices are very affordable during these years. For instance a \$250,000 policy for 30 year old male in exceptionally good health, 30 year term, with rate locked for 30 years could cost less than \$300/year. A blood test is typically all that is required.

As a general rule coverage amount should equal enough to cover all the family's debts, be it a mortgage or cars. Term insurance is a very cost-effective and very cheap way to reduce risk, especially for young people.

Talk to a life insurance agent in your local Carolina Farm Credit service center today and request a premium quote. They can help you decide how much term coverage is best for you or discuss other insurance products available. With the right financial planning, purchasing life insurance coverage is one of the easier things to take care of.



New Year's Resolution A FINANCIAL PLAN

By THOMAS HAARMANN, J.D. - MANAGER FINANCIAL SERVICES

How's that New Year's resolution going? Not so good? Without a plan in place, the goal to lose weight, exercise, or do just about anything is just a dream. We become involved in other things, and the normal pressures and responsibilities of life crowd out our good intentions. The same is true of our financial goals. Wouldn't it be great to have a clear picture of your finances, what you want, and how to get there? The key is not to get overwhelmed with trying to do everything at once, but, rather just to start. If you've been trying to get ahold of your financial life, try checking off one thing at a time. Before you know it, you'll have a plan in place. Money Concepts at Carolina Farm Credit is here to help you get started. Feel free to give me a call.



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-
- Assess your current financial situation**
 - ✓ Collect all your financial data including income, assets and expenses
 - Vision of success**
 - ✓ What does success mean to you? When will you know you have reached it?
 - Set Goals/Budget**
 - ✓ What are you shooting for? When do you hope to get there? Are you on track?
 - Manage Risk**
 - ✓ Health Insurance-Do you have coverage in place?
 - ✓ Disability Insurance-What will be your source of income if you become disabled?
 - ✓ Life Insurance-Will your spouse/children be able to live at the same standard of living is something were to happen to you?
 - ✓ Long Term Care Insurance-50% of us will need long term care. Do you have the resources?
 - Children's Education**
 - ✓ Do you want your children or grandchildren to go to college or trade school? How will it be paid for?
 - Financial Independence**
 - ✓ Do you want to retire someday? What is your plan if you can't work? Do you know what it will cost? Will you outlive your assets?
 - Estate Planning**
 - ✓ Do you have a Will or Trust?
 - ✓ Have you appointed a guardian for Children?
 - ✓ Do you have a Health Care Power of Attorney?
 - ✓ Do you have a Financial Power of Attorney?
 - Monitor the PLAN**
 - ✓ Do you review your progress on a regular basis?



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For details and entry form, go to www.carolinafarmcredit.com