

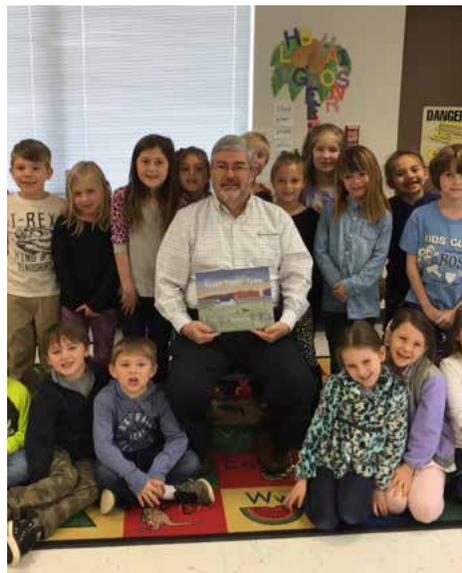
Leader

A Colonial Farm Credit Member Publication

2017 - Issue 1

Ag Literacy Week

Virginia Ag Literacy Week was held March 6 – 10, 2017. The featured book was “Sleep Tight Farm,” which took students on a trip to discover how farmers work throughout the seasons to provide food for us. Several Colonial employees read to hundreds of students across the territory, ranging in grades from PK – 3rd.



A message from Paul



Paul Franklin
President,
Colonial Farm Credit

I am pleased to report much good news: we have paid a record \$10.6 million in patronage refunds this year. This payment level is roughly 70% of our 2016 net income and represents 35% of the interest accrued on loans. This is equivalent to over four months of interest – over 1/3 of the year. We distributed the patronage in two checks, one at 25% of interest accrued that we budgeted if certain objectives were met, plus a check of about 10% of interest accrued that is a special distribution from favorable results with our funding bank, AgFirst Farm Credit Bank.

We could not deliver this record level of patronage without a lot of hard work and planning, and it comes at a time when agriculture is under pressure from many sources. We are committed to return as much of our profits as possible while also ensuring that we are operating safely and soundly. I would like to extend a special “thank you” to Greg Farmer who retired in March after

almost 40 years of service, including 17 years as CEO. Greg’s hard work and strong leadership put us in the position to pay out this record patronage.

I would also like to congratulate the 2017 graduates of the Farm Credit AgBiz Planner program. This program helps farmers develop and implement strategic business plans that position them to take advantage of opportunities while effectively managing risk. Please contact your Relationship Manager to learn more about our AgBiz Planner program.

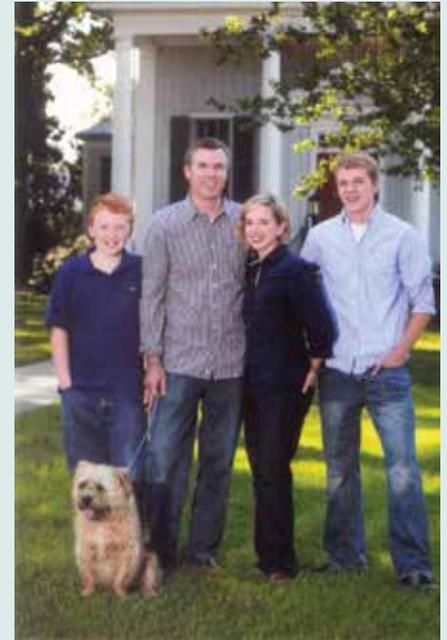


One of my Farm Credit stories began as I was a teenager driving a tractor planting soybeans for my father about 35 years ago. I saw a very clean and professional looking car pull up and park on the edge of the field, and a man dressed in a suit and tie jumped out. Being 15 miles outside of town and nowhere near a “suit and tie environment”, except on Sunday, my mind began to run a little wild with ideas. As I neared the man, my father pulled up in his truck and waved me to keep on planting. Dad told me that evening that the man was Earl Longest with Farm Credit and that Mr. Longest had come out to talk with him about financing the operation. From then on, I assumed all bankers got in the car and came to see you. Today, as we have for decades, we love to get in our cars to come see you to talk about your financial goals and needs.

Do you have a Farm Credit story? I know that many of our 4,500 customers have a story to share, and I welcome you to contact us with your story. Send it to mlawson@colonialfarmcredit.com

By now many important milestones have come and gone for the year, including some key deadlines for ensuring a good crop. We are also in a key time for home buying and home construction. As your lender, we are part of your big financial decisions and commitments, and we are dedicated to providing timely, reliable service at competitive prices. Many of you with new loans will receive a survey asking how well we served you. I hope you will complete the survey. We want to hear from you, because we need to know what is working well and what we can improve.

I’ve had the privilege of seeing many of you this year in my new role while distributing patronage checks. I’m excited about the opportunity to serve you as CEO and to work with our great team as we take advantages of opportunities and meet the challenges we will inevitably face. I am honored to have worked more than 25 years for an organization with more than a century of service to rural America, and I look forward to serving you for many years to come. ■



Get to Know the CEO

Tell us a little about your background. Where did you grow up? What college did you go to? Do you have any background in agriculture?

I grew up on a family grain farm (Favers Farm) in Essex County, Virginia in a small community called Champlain. There were a lot of farming operations in the area, and it remains that way today. Many of my friends worked on farms, and farming is their livelihood now. It was a great place to grow up, and I learned many valuable lessons. Even when we were too young to work all day, there was a certain amount of work that we had to get done before we could go out and play. We learned to be efficient.

In high school I was very active in the Future Farmers of America (FFA) and served as President of the Essex FFA Chapter. Every summer a group of us from the chapter attended the Virginia State FFA convention held at Virginia Tech. It was a 6 hour bus ride from home, and we picked up folks from other chapters along the way. It was a great opportunity to meet people interested in agriculture. Our FFA advisors were Dale Saunders and Vince Garland. I must say that they were very patient with us on those long bus rides!

Colonial Farm Credit events

Farm Day



Farm Day was held at Indika Farms on May 3, 2017, and sponsored by the Peanut, Soil & Water Conservation. Tara Outland-Williams, District Manager, along with volunteers from FSA, NRCS, area Extension Agents, Farm Credit, Farm Bureau and other volunteers, help to educate second graders on agriculture, forestry and conservation. The second graders are from Isle of Wight County Public Schools, Surry County Public Schools and Isle of Wight Academy. There were approximately 500 students in attendance. There was a presentation on cow milking and how milk is processed. Stations were set up to show germination through the use of 'Soybean Babies', honey processing, the Forestry Department was on hand to explain the importance of fire safety in the woods and protecting the environment, a soil station to show the different layers of soil by using pudding, crushed Oreos, Vanilla Wafers and gummy worms. There was also a petting zoo of various farm animals. ■



After attending five annual FFA conventions in Blacksburg, there was no university that I would consider attending other than Virginia Tech. I majored in Agricultural Economics. The person that influenced me the most in college was Dr. Dave Kohl. His Farm Business Management class was my favorite. I still use the concepts he taught on a daily basis.

What was your first job out of college and how did you make your way to Farm Credit?

After graduation from Virginia Tech in 1990, I worked for the federal regulator of the Farm Credit System, the Farm Credit Administration (FCA). I was in the examination group and worked on exams for Farm Credit Associations in Maryland, Pennsylvania, Ohio, Tennessee, and Virginia. I learned a lot in a short amount of time about the challenges of agricultural lending in times of drought and volatile prices. After working one year at FCA, Brian Ingram in our Mechanicsville, Virginia office gave me a call. He made me an offer that was too good to pass up, and I was able to move closer to my home town.

What do you see as the biggest challenges for farming in the next 10 years?

There are a number of challenges that I see:

- Finding ways to implement technology effectively
- Fighting public misconceptions about food and farming
- Ensuring that markets for agricultural commodities are open and efficient
- Transitioning the family farm to the next generation
- Finding and maintaining efficient product distribution channels for small farming operations

What do you like to do for fun in your free time?

Anything that involves being outdoors – fishing, hiking, hunting, golf, even yard work!

More Colonial Farm Credit events

Randolph Henry High School Ag Day



Sunshine, warm weather, animals, equipment displays, grain art, catfish demonstrations, flowers and 160 kindergarteners made for a perfect day at the annual Randolph Henry high school FFA Ag day on April 21.

Held annually, at the Randolph Henry High School Land Lab, FFA students provide guidance and fun activities for the kindergarten classes in Charlotte County. The children were able to learn about cattle, horses, catfish harvesting, bee hives, equipment safety, grains, and horticulture and participate in many other fun activities.

Ryan Johns and Theresa Hall of the Farmville office participated in the event. ■



VA Farm Show



Colonial Farm Credit, Farm Credit of the Virginias, and MidAtlantic Farm Credit were represented at the 2017 Virginia Farm Show back in January. Folks who visited the booth were able to register for a Farm Credit Yeti cooler, of which Michael Whitaker in Amelia, Va. was the winner. Congratulations, Michael! ■

VSU Outreach



Colonial Farm Credit's Woody Dunn and Farm Credit of the Virginias' Matt Lohr served as judges for Virginia State University's Agribusiness Entrepreneurship/Business Development Program competition. Also serving on the panel was Dr. Theresa Nartea with VSU Agricultural Extension. Colonial Farm Credit also supported the program. ■



Run Through the Heart 5k

Pam Pantsychak, Tammy Warren, Brenda Sims, and Chris Simms of the Windsor office participated in the 2nd Annual Run Through the Heart 5k run/walk in May. Proceeds from the event were used by the Woman's Club of Windsor to sponsor the Backpack Program at Windsor Elementary School in cooperation with the FoodBank of Southeastern Virginia. ■

Reality Store



Reality Store was held at various locations throughout the Farmville office territory this spring. Reality Store, a joint program between 4-H and area high schools, conducts a simulation for high school students that allows them to spend a day in the life of an adult, make pertinent decisions around bills, clothes, car/house payments, etc. giving them a view of the future they are about to explore. Connie Bailey, Ryan Johns, Hilary Thompson and Theresa Hall participated in these events. ■

Scholarship program

Thank you to all students who applied for the 2017-2018 school year scholarships through the Colonial Agricultural Educational Foundation! For a list of recipients, please visit the Scholarships page of our website at www.colonialfarmcredit.com/scholarships.



F.C. Nuckols

Former CAEF Board of Directors member F.C. Nuckols nominated the foundation for a grant by Monsanto for the America's Farmers Grow Communities program. The Foundation was awarded the \$2,500 grant, which will be used towards its mission of providing financial support for higher education to enable deserving students to grow, prosper, and contribute to their communities. ■



Foundation administrator, Sue Nicely, accepts the grant check.

Farm Bureau works in support of farmers, communities

Virginia Farm Bureau is the commonwealth's largest nonprofit agricultural advocacy organization. For more than 80 years, Farm Bureau has worked to represent the interests of Virginia farmers.

The organization has a membership of about 126,000 households in 88 county Farm Bureaus statewide. Farm Bureau is a non-governmental, nonpartisan, voluntary organization that is controlled by its producer members.

When someone joins Farm Bureau, their annual \$40 membership dues help fund a variety of programs, educational tools and events that support communities and the work of Virginia's farm families.

Helping communities

Farm Bureau membership supports local activities that benefit farmers and families and their quality of life. County Farm Bureaus also extend support to other organizations like local volunteer fire and rescue companies, food banks, libraries and more.

Helping farmers

A Farm Bureau membership helps support the men and women who produce Virginia's food, fiber

and forestry products. Farm Bureau is respected among elected officials, because its policies come directly from farmers at the grassroots level.

While some of the legislative and regulatory issues in which Farm Bureau becomes involved are agriculture-specific, others affect all Virginians. One notable legislative success is passage of an amendment to Virginia's constitution that protects private property owners' rights in situations involving eminent domain.

Farm Bureau also assists farmers in developing business strategies and participating in the global market. It provides staff support for the Virginia Foundation for Agriculture, Innovation and Rural Sustainability, an independent nonprofit that offers technical services to rural and agricultural businesses.

Farm Bureau also is a licensed grain dealer that helps members buy and sell bulk loads of grains and feed ingredients.

Helping members

Farm Bureau members in Virginia have access to a variety of benefits and services available to all immediate family members residing in a household. Virginia Farm Bureau Mutual Insurance Co. is the

largest domestic writer of property and casualty insurance and the largest writer of farm insurance products in Virginia.

Helping youth

County Farm Bureaus across Virginia invest in their communities' future by offering more than \$155,000 in scholarships annually. They also support local 4-H and FFA activities.

Focus on farming's future

Farm Bureau has programs focused on producing outstanding agricultural leaders. And in a world where consumers are interested in how their food is produced, Farm Bureau encourages its members who farm to share their stories.

See you in September—at the State Fair!

Farm Bureau took a major stand for agriculture a few years ago when it purchased the State Fair of Virginia after the previous fair owners declared bankruptcy. Virginia's is the nation's only state Farm Bureau that owns a state fair, and Virginia Farm Bureau is committed to preserving the event's agricultural heritage. ■



On May 31, Virginia Farm Bureau Federation hosted the Second Annual Virginia Wheat Tour for representatives of Farm Bureau, Mennel Milling, Perdue Agribusiness, Scoular, Virginia Cooperative Extension and the Virginia Grain Producers Association. The event was organized and hosted by Farm Bureau's Grain Division, and participants scouted seven wheat fields on Northern Neck and Middle Peninsula.

New employees

Please join us in welcoming the following new employees to the Colonial Farm Credit family:



Wes Palmer began employment on May 1, 2017 as a credit analyst in the commercial loan group in the Mechanicsville office. Wes has eight years of experience with Village Bank in various roles, but most

recently as loan documentation specialist. He holds a bachelor's degree in Economics from the University of Mary Washington, recently completed the American Banking Association's course on Analyzing Financial Statements, and is currently completing the American Banking Association's Commercial Lending course. Upon his completion of the Commercial Lending course, he will receive the ABA's Certificate in Business and Commercial Lending.



Andrew Turner began employment on May 30, 2017 as a loan officer in the Windsor office. Andrew recently earned a bachelor's degree in business administration (concentration in finance) and a minor

in economics from Roanoke College. Andrew gained valuable knowledge and experience last summer as a business administration intern in the credit and customer service departments at GROWMARK FS, LLC, a farm supply cooperative. He served as President of his fraternity and has been active in numerous community service and volunteer organizations.



Nicole Wright began employment on June 20, 2017 as a loan specialist in the Windsor office. Nicole has over five years of lending experience and holds an associate's degree in business administration from

Tidewater Community College. Her customer service and loan documentation experience will be an asset to our team. ■



When I think of summer, I instantly think of watermelon! Here's a super simple but delicious watermelon salad recipe that is sure to be a refreshing hit wherever you take it.

Watermelon Salad

1. Bring 1/4 cup each sugar and water to a simmer in a saucepan.
2. Remove from the heat, add 3 mint sprigs and steep 10 minutes.
3. Discard the mint; add the zest and juice of 1 lemon and a pinch of salt.
4. Toss with 2 cups blueberries and 3 cups cubed watermelon.
5. Let stand 15 minutes.
6. Top with chopped mint. ■

Leasing

For rural businesses, sometimes leasing is the right financial tool for improving your bottom line. Before purchasing equipment or facilities, consider the reasons why leasing may make better fiscal sense for your organization.

Tax Advantages – Lease payments may be fully tax deductible as business expenses on a properly structured true lease. A conditional sale lease is also available, providing the benefits of a lease along with depreciation and other tax benefits.

Capital Preservation – Leasing can provide 100% financing, including soft costs, with no down payment required, so you can keep more cash on hand.

Customized Payment Structures – Lease payments can be tailored to fit your business' cash flow.

Project Financing – Project, or construction, financing is a popular option on facilities and can help minimize your out of pocket expenses.

Knowledge and Expertise – Our leasing team has decades of experience working with agricultural and rural businesses like yours, which makes leasing easy. We learn the needs of each customer and customize a lease for their business.

Lease All Types of Equipment and Facilities

- Machine Sheds and Modular Buildings
- Grain Storage and Handling Equipment
- Dairy Facilities
- Climate Controlled Buildings
- Livestock Facilities
- Pole Barns
- Farm Shops
- Greenhouses

If you would like more information on the advantages of leasing, please contact your local Colonial Farm Credit office today! ■

DEADLINE EXTENDED

Submissions for the 2018 calendar contest are being accepted online.

Enter by August 15 at colonialfarmcredit.com



YOUR ACCOUNT. YOUR WAY.

Manage your account information anytime from anywhere with our convenient AccountAccess! This FREE service allows you to access up-to-date information about your account 24 hours a day, seven days a week on our secure website.

With AccountAccess, you will be able to make payments, access lines of credit, view important tax documents and more! To sign up, go to ColonialFarmCredit.com and click the "AccountAccess" button. Then, follow the simple instructions to get started.



You can also enjoy the convenience of AccountAccess from your mobile device. Download the mobile app on your smartphone or tablet for easy, on-the-go access. The app is available for iPhones and iPads from the Apple App Store and for Android devices from the Google Play store. **Search for Colonial Farm Credit Mobile!**



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