

# Leader

*An AgCarolina Financial Member Publication — December 2007*

**Introducing AgCarolina Financial**  
**A New Name to Better Serve You**

Effective December 1,  
East Carolina Farm Credit  
will be known as  
AgCarolina Financial.

**We're changing our name!**



**AgCarolina**  
FINANCIAL

Land, Home, and Farm Lending since 1916

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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*

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

December 24–25	Christmas
January 1, 2008	New Year's
January 21, 2008	Martin Luther King, Jr. Day
February 18, 2008	President's Day

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# Leader

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

Address changes, questions, comments or requests for copies of our financial reports should be directed to AgCarolina Financial by writing P.O. Box 14789, Raleigh, N.C. 27620 or calling 800-951-FARM. Our quarterly financial report can also be obtained on our Web site: www.AgCarolina.com. Email: lstrickland@agcarolina.com

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## *Message from the president*

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# A Change for the Better



**Eugene Charville**

I am very excited about this issue of *Leader Magazine*. It marks a pivotal change in our organization that will be chronicled as part of our extensive history.

It is my pleasure to announce that, effective December 1, East Carolina Farm Credit changed its name to AgCarolina Financial.

Our new name reaches across our growing customer base and positions us to be more competitive with other lending institutions.

While our roots have always been and will remain in agriculture, we hope to extend our services to rural customers who may be unaware that they are eligible for membership. There have been no changes in how the organization is structured. We are the same financial institution that many of you have grown up with. We will provide the same personal attention. Through this broader exposure we also hope we'll bolster our service and patronage refund capabilities.

I encourage you to read our feature article that covers our transition to AgCarolina Financial on page 6. If you have any questions or concerns please contact me at (919) 250-9500, ext. 216 or e-mail me at [echarville@agcarolina.com](mailto:echarville@agcarolina.com).



*Now paying a 4.87% dividend rate!*



# Preferred Stock



Preferred Stock is preferred, non-voting stock that pays quarterly dividends. Benefits of owning Preferred Stock are:

- Accounts are highly liquid.\*
  - Stock can be withdrawn daily.
  - Dividends available when declared.
- Dividend rate is market competitive with other investment alternatives.
- Investment is safe—Association is well-capitalized, profitable, and performing at or above industry benchmarks.

## How Does it Work?

Preferred Stock is available to association members only. The stock is offered at \$5.00 per share. The minimum initial investment is \$1,000 or 200 shares. The minimum on subsequent investments is also \$1,000 or 200 shares. The fourth quarter dividend rate is at 4.87%.

Dividends will be paid quarterly in shares and will be automatically reinvested.\*

Preferred Stock has no fixed maturity, term, or retirement date. A holder may request a retirement at any time. All shares must be retired within 90 days following the termination of the holder's lending relationship with the association.

### \*Safety and Conditions

*Preferred Stock accounts are not insured and are at risk investments in AgCarolina Financial. The borrower's investment is dependent solely on the commitment and financial condition of AgCarolina Financial with respect to honoring the terms of this program, including the repayment of all funds in the account and the payment of any dividends.*



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For additional information or to purchase Preferred Stock, you may contact your AgCarolina Financial Loan Officer.



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Land, Home, and Farm Lending since 1916

*Feature*

# AgCarolina Financial

## A New Name to Better Serve You

*“There is nothing wrong  
with change if it is in  
the right direction.”*

— *Winston Churchill.*

AgCarolina Financial, formerly known as East Carolina Farm Credit, stands to benefit from Mr. Churchill's advice, applying it to the fullest.

A formal name change became official December 1. In addition to the new name, AgCarolina Financial, the tagline of “Land, Home, and Farm Lending since 1916” has been added as an integral part of the association's identity.

This, of course, is not the first name change that the organization has seen in its more than 90 years of service. As recently as 2000, the Raleigh-based Tar Heel Farm Credit name was released when the institution merged with East Carolina Farm Credit, then headquartered in Greenville.

“To be successful over the long term you have to look at everything about your business, your customers, your services, your products and how you're perceived,” says AgCarolina President Gene Charville.

“We took our assessment further and stepped back to look at who we are. Your identity and brand are not something that you look at every day. It's easy to take it for granted,” adds Charville.

The name change may come as a surprise to those aware of East Carolina's success as a lending institution. Charville says it is important to embrace emerging growth opportunities. The organization has experienced both financial stability and tremendous growth. In fact, it has doubled in size during the last five years.

The greater part of its business remains loans to farmers. Recently, however, the organization has increased business with other rural customers and non-traditional farming ventures like nursery and greenhouse businesses, timberland and forest operations, and aquaculture.

“The majority of the associations supported by AgFirst have taken steps to broaden

their appeal beyond traditional production agriculture,” explains Chief Administrative Officer of AgFirst Farm Credit Bank, Tom Welsh, who advises AgFirst's 23 Farm Credit Associations in the Southeast.

Throughout the AgFirst District, the need to penetrate non-traditional markets is recognized as key to growth because the rural landscape has changed and will continue to change.

*“Many felt that our name  
sent the message that if  
you are not a farmer, we  
don't want your business,  
and that's not true.”*

“The challenge for any business is to give good service and to grow. To do this you remove what obstacles there are and think of ways to make your business more appealing,” says Charville.

What the management of East Carolina Farm Credit discovered when looking more thoroughly into the perception of the organization is that the name seemed limiting.

“Many felt that our name sent the message that if you are not a farmer, we don't want your business, and that's not true,” says board member and life-long farmer, Stanley Roberson.

“Agriculture will always remain the priority, but we need more people to know that our services can benefit a broad base of rural customers,” states David Herring, a 24-year veteran branch manager who heads the new La Grange AgCarolina Financial office.

“The word ‘farm’ limited us in getting the word out. It simply limited our ability to reach new customers. Even those actively searching (for rural loans) aren’t aware of who we are and that we are capable of doing the things we are doing,” adds Herring.

ArborOne Financial of South Carolina (formerly Pee Dee Farm Credit), adopted a new name in 2006. AgCarolina Financial is the second of 23 associations supported by AgFirst Farm Credit Bank to adopt a completely new name.

“I am proud of the leadership that our association is demonstrating in adapting to the evolving needs of our market,” says Herring.

According to Charville, East Carolina Farm Credit relied on ArborOne Financial’s experience as a resource. “We wanted to try to learn from their experience,” says Charville.

To make certain that the best name possible was selected, East Carolina Farm Credit followed a disciplined, transparent process which involved board members and employees. In a professionally guided brainstorming session, the services and products were analyzed and key words and feelings about the organization were brought to the surface.

After reviewing several of the key words that seemed to best capture what the organization provides, participants participated in pairing exercises where they coupled words and phrases for possible names and taglines.

The names and taglines were “tallied.” Words and phrases that continued appearing throughout the brainstorming session were kept as final contenders. Through additional ideation and refinement a list of 12 name and tagline options were identified. The team then narrowed the list identifying the strongest candidates.

Several options were abandoned due to potential conflict with existing trademarks. At last, the winning combination remained. Those emotionally invested in the financial institution said they knew it was the right choice.

“At first I wasn’t sure where we were going with this name change or why it was necessary. But I followed along because I had faith in this organization, in this institution and, now, I couldn’t be more pleased with the results,” says Roberson.

*“The challenge for any business is to give good service and to grow. To do this you remove what obstacles there are and think of ways to make your business more appealing.”*

As a participant in the name selection, Herring states, “The process was neat. And I knew from the beginning we were heading in the right direction. I took several notes during the process and at the end I walked out and scribbled down AgCarolina Financial as a very viable option.”

The AgCarolina identity retains the traditional green “BioStar” emblem. It was decided early on that the main element of the logo would remain to help with recognition and to show customers that they are still part of the Farm Credit System.

A priority of the process was to make sure that farmers do not feel as though the organization they know and trust is changing its central mission.

“Farmers are our bread and butter, and that will never change. We wanted to expand our customer base, but never lose the focus on our core farm customers,” explains Charville.

“The words in our name and tagline like ‘ag,’ ‘farm,’ ‘land’ and ‘home’ tie us to our farm customers who built the organization. Yet, we added words that more people may be receptive to,” adds Charville.

AgCarolina Financial was careful to ensure that the only thing to change was the name. The organization will remain a part of the Farm Credit System. There will not be a turnover in staff or services. The patronage benefits will remain in

place. The relationship each customer has with his personal loan officer will be exactly the same.

“We pride ourselves on making our services convenient for the customer. We have patrons who like to visit the office for the desk and the formality. We also have patrons who prefer the tailgate of a truck. Wherever they want the office to be, that’s where our office is,” says Herring.

AgCarolina Financial will continue to push forward and advance its connection with technology aimed to improve its service just as East Carolina Farm Credit did in the past.

“What we are seeing is the Farm Credit System evolving to best serve the changing needs of rural America,” states Welsh.

“Today our customers have the ability to do business in the car, truck, combine, tractor or at home. They can transfer money or submit applications online, and we’ll take the paperwork to them,” says Herring.

Due to the structure of a customer-owned financial institution like AgCarolina Financial, the more money loaned, the more competitive the rates offered can be. The patronage refund capabilities can potentially increase as well.

Roberson says he has talked with several association staff members who are very positive about the change.

“I see this change to AgCarolina Financial as an investment that will pay back through new customers our old name didn’t appeal to,” says Roberson.

“It’s a win-win situation. We were winning, and we will continue to win. If you’ve got the service and the product, people are going to do business with you. With the new name and tagline, more people will approach us and ask us questions. Many folks don’t realize we offer such competitive and personalized service,” says Herring.

“I think the board and the management team of East Carolina Farm Credit have done a terrific job of positioning the association as the lender of choice for rural eastern North Carolina. The new identity achieves a good balance of appeal to traditional commercial agriculture customers and the emerging rural lifestyle population,” says Welsh. ◀



## *Member Feature*

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AgCarolina Financial Member

# Ricky Sharpe

Produces Beautiful Christmas Wreaths and Garlands

By Jim Haskins, ABC Communications Group

*Want to make your holiday shopping and decorating easier? Visit [www.carolinawreath.com](http://www.carolinawreath.com) or ride out to the Sharpe Farm tree lot near Rocky Mount. You're sure to find quality trees, wreaths, and garlands made from N.C.'s favorite Fraser Fir trees.*

*AgCarolina Financial member Ricky Sharpe can ship a beautiful wreath to friends and family or deliver a tree right to your door.*



**At Top:** Carolina Blue Wreath

**At Right:** Ricky moves a tall Fraser Fir tree to his greenery mill.



**T**wenty years ago, Ricky started selling Fraser Fir Christmas trees from North Carolina's Blue Ridge Mountains from a lot on his grandmother's farm. Business was booming, at first. His lots grew from one to five. But, with the popularity of artificial trees, he had to condense his business to one lot. Even though he was losing business to fake firs, Ricky saw an opportunity. Ricky branched out and began selling wreaths.

At first, Ricky was a little skeptical. He was surprised, though, how quickly the wreaths sold and how excited his tree customers were to be able to buy those from him too. "It hasn't been all that easy competing against artificial trees, but most people like the smell of fresh greenery in their home during the holiday season," says Ricky.

But in 2001, when he purchased Carolina Wreath, a business selling wreaths on the internet, Ricky's wreath business really took off. The bulk of his orders come from corporate customers who

send wreaths to clients and business contacts. "People are finding that 16, 24, 30, 36, and 48-inch wreaths also make great presents for family and friends," he says. "You don't have to fight the crowds or worry that it's the wrong size."

With a business that is more profitable than ever, wreath sales now account for more than two-thirds of his gross sales. Since he started the internet business, he's doubled the volume of trees sold and tripled the number of wreaths he sells. He ships his wreaths to every state in the Union...even Hawaii.

### Carolina Wreath's Busy Elves

"Throughout the rest of the year, it's just a 'one-horse' operation," says Ricky. But a week before Thanksgiving, Ricky receives thousands of Fraser Fir trees from three N.C. mountain counties. Then the work begins. Of those, three-fourths will be used for his wreath and garland business.

**Top Left:** Ricky adds pine cone accents to a wreath.

**Top Right:** Loan Officer Michael Harris receives first-hand instructions on wreath-making from Mr. Sharpe.

**Bottom Right:** A fir bough is placed in a wreath ring.

Using three to four wreath makers, working five days a week, Ricky and his crew will make wreaths from November 20 until near the middle of December. Another three people are dedicated to crafting the garlands, and, of course, he's got another jolly worker making the lists and checking them twice before sending out the orders. Every made-to-order wreath is carefully packaged in a sturdy, top-opening box so it's ready to hang. By December 15, the workshop is empty.

**Continued on Next Page**

*“Our goal is to provide lush, full, fragrant Christmas wreaths that anyone would be proud to display at home or place of business.”*



**At Left:** Wreaths are shipped across the U.S.

**Above:** O’ Tannenbaum—for busy customers, Ricky and his helpers will deliver and set up the tree. He’ll come back to take it down after the holidays and even sweep up the needles.

### Quality Is Guaranteed

Every customer receives a promise with their order: if they’re not absolutely satisfied, Carolina Wreath will refund their money or replace the product. But Sharpe doesn’t worry too much about that.

Using plenty of greenery for longevity and maximum fragrance, Sharpe crafts his wreaths and garland from freshly cut boughs of Fraser Firs. “Our goal is to provide lush, full, fragrant Christmas wreaths that anyone would be proud to display at home or at their place of business,” he says. Ricky’s crew is sure to keep the trees under shade, watered down, and with the trunks stacked on the ground (not concrete or asphalt like mass merchandisers), so they’re sure to stay moist and fresh.

For customers coming to the lot, Ricky can incorporate other plants or items brought from home into the wreath or garland. Some of Ricky’s favorite creations use Nandena, Loblolly Pine, and Blue Spruce in addition to Fraser Fir. With

a little imagination and creativity, customers can walk away with something very unique to add to their festivities.

### Dependable Service from AgCarolina Financial

Sharpe is a unique member: he doesn’t make his living on the farm. He’s been a conductor for CSX for 27 years but has a fabulous seasonal business.

With financing since 1994 from AgCarolina Financial, Ricky now owns a 94-acre tract of his maternal grandmother’s farm. Most recently he bought his grandmother’s homestead. Located near Sharpsburg (a small town named after his ancestors), Sharpe is looking forward to expanding Carolina Wreath and Farm, Inc. into an agritourism operation complete with pick-your-own vegetables. “Working with AgCarolina Financial is like working with long-time friends. I can always count on them,” he says. ←

### Please Note:

Plans to move the Sharpe Christmas Tree Lot to a new location near Rocky Mount were not confirmed when this issue of *LEADER* went to press. Therefore, we suggest you contact Ricky to get directions:

Carolina Wreath  
Ph: 1-800-786-5905  
Fax: 252-985-2909  
Email: [service@carolinawreath.com](mailto:service@carolinawreath.com)



# N.C. Farm Fresh Christmas Trees

If you enjoy the fragrance of a fresh cut Christmas tree, you may want to load up the family car, van, or truck and head out to one of the Christmas tree farms shown below. Each of the locations are located in eastern North Carolina and all are members of the NCDA's Got to Be N.C./Goodness Grows Program.

North Carolina produces over 12 percent of the real Christmas trees in the United States. *Information obtained from North Carolina Department of Agriculture's website.*

## North Carolina Farm Fresh Christmas Trees

*Got to be N.C.—Goodness Grows in North Carolina*

Farm	County	City or Town
Moore Christmas Tree Farm	Craven	New Bern
Powell's Roadside Market	Currituck	Shawboro
Young's Tree Farm	Franklin	Youngsville
The Pines	Halifax	Roanoke Rapids
Carolina Country Fresh	Martin	Robersonville
The Berry Patch	Martin	Robersonville
Justice Christmas Tree Farm	Onslow	Jacksonville
Mike's Farm & Country Store	Onslow	Beulaville
Wilson's Tree Farm	Pitt	Kenansville
Back Aches Christmas Tree Farm	Wake	Raleigh
Boyce Farms	Wake	Raleigh
Corn Hill Christmas Trees	Wake	Kittrell
Radford Tree Farm	Wayne	Goldsboro
Teri-Jim's Christmas Trees	Wayne	Dudley



## 2007–2008 North Carolina State University Scholarship Recipients



*Scholarships have been awarded in the amount of \$2,000 each to students enrolled in an agricultural related degree at North Carolina State University. The scholarship program with North Carolina State University has been in place for a number of years and reinforces AgCarolina Financial's commitment to investing in tomorrow's leaders in the agricultural and life sciences program. The scholarship recipients are selected by the university and must be the children or grandchildren of association customers or employees. Congratulations to this year's recipients.*

**Charles W. Cahoon, Jr.**  
NCSU Freshman,  
Agronomy  
Swan Quarter, N.C.

**Parents:** Charles and Deborah Cahoon

Charles plans to obtain his degree from NC State and return home to help his county prosper by aiding the farming community.



**Spencer B. Davis**  
NCSU Freshman,  
Biological Engineering  
Wilson, N.C.

**Parents:** Tim and Terry Davis

Tobacco has supported his family for generations and Spencer would like to continue the tradition of the tobacco industry. He plans to obtain an Agricultural Engineering degree where he can make improvements and develop new techniques to increase the productivity of farming.



**Robby L. Manning**  
NCSU Senior,  
Agricultural Business  
Management &  
Accounting  
Jamesville, N.C.

**Parents:** Robert and Tina Manning

Robby's career goals include graduating from NCSU with degrees in both Agricultural business Management and Accounting. She then plans to attend NCSU's Masters in Accounting Graduate Program and become a Certified Public Accountant.



She would like to return home to Martin County, N.C. and establish her own CPA firm.

**Jessica E. Nixon**  
NCSU Junior, Poultry  
Science  
Edenton, N.C.

**Parents:** Michael and Amy Nixon

Jessica plans to prepare for admission to veterinary school for a career in large animal veterinary medicine. She would like to focus mainly on food animal agriculture. After completing veterinary school, she would like to work as a company veterinarian for a corporate swine or poultry producer.



**Robert L. Vick, Jr.**  
NCSU Junior,  
Biological Engineering,  
Agricultural  
Engineering  
Concentration  
Wilson, N.C.

**Parents:** Robert and Martha Vick

As a student in Biological and Agricultural Engineering with a concentration in Agricultural Engineering, Robert would like to pursue an engineering role with an agricultural machinery manufacturer such as John Deere. He comes from an ag-based community and family, and he hopes that agriculture will remain a large part of his life.



To learn more about the scholarship programs available through our corporate giving program, visit [www.agcarolina.com](http://www.agcarolina.com) and click on Fund for Rural North Carolina. ↩

# Summer Internship Experience

By Tiffany Gregory



Tiffany Gregory

My internship with AgCarolina Financial was by far the greatest opportunity I have experienced as a college student. As a summer intern, I was able to work beside some of the greatest loan officers in the association and witness the methods by which business is conducted. I was able to analyze tax returns, study consumer credit, research the home loan department, and observe the methods used in making sound lending decisions. At the end of

June, I attended training sessions in Columbia, South Carolina, and was able to gain a deeper understanding of credit factors, loan analysis, and history of the Farm Credit System, as well as recognize the impact that Farm Credit has on agriculture in rural America.

An internship is great preparation for a future career, and I would highly recommend any college student to take advantage of such a wonderful opportunity. With an internship you are able to obtain experience in areas of professionalism and decision making, as well as, explore the possibility of a future employment opportunity. Having the opportunity to work with Farm Credit allowed me to express my passion

for agriculture as I have had the delight of living in a rural community and have been actively involved in 4-H. I am grateful for the numerous experiences I have been given this summer, and for having the privilege to work with such an elite team of people. Thank you AgCarolina Financial for this magnificent opportunity, and for opening the doors to my future career!! ←

*Tiffany Gregory will graduate from Elizabeth City State University in May of 2008 having earned a degree in Business Administration with a concentration in Marketing. She will be joining AgCarolina Financial as a Loan Officer Trainee.*



## Snapshots

**At Left:** Congressman Bob Etheridge (center) talks with AgCarolina Financial Directors (left to right): Ralph Ellington of Vance County, Stanley Robertson of Lenoir County, Ed Bisette of Nash County, and Audie Murphy of Greene County.

**Bottom Left:** Samuel Kornegay of Lenoir County receives a check from La Grange Branch Manager, David Herring, to help with his travel expenses to Indianapolis to receive his American FFA Degree.



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## And the Winners Are....

*Congratulations to the winners of our 2008 Photo Contest!*

The 2008 Photo Calendars will soon be available at all branch locations. Be sure to stop by your local office and pick up your 2008 calendar.

If you would like to enter the 2009 Photo Contest, please visit [www.agcarolina.com](http://www.agcarolina.com), for rules, regulations, and an entry form. The 2009 calendar will again feature generational farm family photos. ↩

### 1st Place - \$300

*Debbie Worley of Princeton, N.C.*

The Worley men are pictured in one of the family's cotton fields. Bryant Worley (center) holds grandson, Oliver Thomas, while sons-in-law, Ben Thomas (left) is pictured with Tyler Norris and Kelvin Norris (right) holds his other twin son, Kyle. Bryant and Kelvin take care of the farm and son-in-law, Ben, pitches in on weekends and during the busy season.



### 2nd Place - \$200

*Max Gardner of Tarboro, N.C.*

Four generations of the Wooten-Tyner family prepare to "set out" tobacco in early spring.



### 3rd Place - \$100

*Debbie Morris of Roanoke Rapids, N.C.*

The Morris family enjoys getting together for family cookouts and celebrations. Here, they gather to celebrate the coming of the family's seventh grandson.



# Retirements

**Cathy Holland** began her Farm Credit career with Carolina Production Credit Association (PCA) in Wilson, N.C., in 1971 and concluded her career on September 28, 2007. Cathy worked for 10 years in a full-time position with PCA. After the birth of her daughter, Cathy returned in a part-time position for five years. In 1986, she transferred to the Smithfield office of Tar Heel Production Credit Association. She remained in the Smithfield office after the merger of Tar Heel Production Credit, Federal Land Bank of Smithfield, Federal Land Bank of Henderson, and Carolina Production Credit Association merged to become Tar Heel Farm Credit. Upon the merger of East Carolina Farm Credit and Tar Heel Farm Credit in 2000, Cathy continued to serve in the capacity of Customer Service Representative.

Cathy and her husband, Harvey, a semi-retired schoolteacher, reside near Kenly, N.C. They have a son, Jason, and a daughter, Gina, who are both married. And, they have a beautiful granddaughter, Jeallen, who is the apple of her Grandma's eye!

Cathy says, "I am enjoying not having anything that I have to do. I plan to catch up on some things that I have been putting off. Hopefully, in early '08, I can begin to do some volunteer work."

When asked about her Farm Credit career, Cathy says, "I loved working at Farm Credit! I enjoyed both the people and customers that I had the opportunity to work with. They were all good people."

In 1972, **Tommy Overton** began as a Loan Officer in the Henderson Branch of the Federal Land Bank of Henderson. During his Farm Credit career, Tommy served as Branch Manager of the Henderson office of Tar Heel Farm Credit and Branch Manager and Loan Officer of the Oxford office of Tar Heel Farm Credit. Upon the consolidation of the offices of Oxford, Warrenton,

and Louisburg in 2003, Tommy transferred to the Louisburg office as a Loan Officer. He officially retired on October 31.

"I have had many good years and made lots of friends and acquaintances through my employment with Farm Credit," says Tommy. "I have enjoyed the relationships that I have formed over the past 35 years with both employees and customers."

Tommy's plans call for "taking it easy," fishing, and of course the "honey-do" list.

**Billy Parrish** served the rural community of Johnston County for 34 years. Beginning as a Branch Manager with the Federal Land Bank Association of Smithfield (FLBA), Billy continued serving as the Branch Manager of the Smithfield office upon the mergers of the FLBA and Production Credit Associations. When Tar Heel Farm Credit was formed, Billy served as Branch Manager of the Smithfield office and then transferred to the Special Assets Management Unit where he worked for 10 years handling bankruptcies and foreclosures. Billy missed the daily interaction with the farmer customers in Johnston County and had the opportunity to move back to Smithfield and resume the position as Branch Manager of the Smithfield office. He continued in this role until his retirement on October 31, 2007.

Billy says, "Every day with Farm Credit was good to me. I loved helping people and seeing their success." If you talk with Billy long enough, he will gladly share several of the success stories that he has seen first hand.

Billy was also a part-time farmer with a large hog operation. He says, "Twenty-one years in the hog business was rather confining. I'm looking forward to having time to enjoy the things that I want to do." Billy and his wife, Claudette, plan to do some traveling after the first of the year. "But for now," says Billy, "I just plan to relax." ←

*Congratulations to Cathy Holland, Tommy Overton, and Billy Parrish, all who have joined the ranks of the retired! Cathy, Tommy, and Billy have 101 years of combined service to the rural and agricultural communities in eastern North Carolina.*

*We wish each of them the best!*



Cathy Holland



Tommy Overton



Billy Parrish



# New Office Openings



**O**n September 24, a Building Dedication and Open House event was held at the new office facilities in Rocky Mount. The 7,000 square foot office building is located at 2472 Woodruff Road and will serve the farmers and rural residents in Nash and Edgecombe counties. Staff and distinguished guests participated in a ribbon cutting ceremony following the building dedication ceremony.

Open House and Building Dedications were also held for the new office facilities located in Smithfield and La Grange. The offices also celebrated Customer Appreciation Day. The Smithfield office includes a new 4,800 square foot facility that will serve the farmers and rural residents of Johnston, Wayne, and Wilson counties while the 3,500 square foot La Grange office will serve Lenoir, Wayne and part of Jones County. ←

**Pictured above** from the left: Hattie Alston, Customer Service Representative; Pat Bunn, Loan Specialist; Beth Harris, Loan Specialist; AgCarolina Financial CEO Gene Charville; Branch Manager Rick Chilton; Kirby Brown, Mayor of Dortches; Max Gardner, Loan Officer; AgCarolina Financial Director Ed Bisette; Chamber of Commerce Ambassador, and Dave Hill, AgCarolina's Chief Appraiser.



# 4-H'er Wins Steer Competition

Frank Scott, 13, whose family purchased the steer they named Buddy in April, walked away with the champion prize.

Walter Earle, Wilson County Agriculture Director, said that when three buyers, Martin's Meats, Stanley County Livestock Market and Harwood Brothers Livestock paid \$22,000 for the 1,258 pound steer, "It set a record."

Last year, the same category steer was purchased at the state fair for \$17,500.

"I think it is a tremendous honor to be chosen to have the best steer at the state fair that was conceived and raised in North Carolina," Earle said. "It is a statement on how good the cattle industry is in North Carolina to be able to raise a steer of this caliber."

Although the \$22,000 would not pay for Scott's entire college education, "It would make a significant down payment," Earle said.

Scott, who is home schooled and a member of the Lucama 4-H, said he plans to use the majority of the money for college.

"I was just thrilled for him," Scott's mother, Tricia, said. "I realize there are a whole lot of other kids who worked hard just like Frank and it was just his day."

Scott was awarded the Grand Champion prize for a steer at the Wilson County Meat and Animal Show last March. Last year, he won the Junior Showmanship category at the state fair for showing steers.

"But nothing has been as major as this," Scott said. "I was very excited, kind of in a state of shock. I knew how good the steer was but I didn't think it would go this far."

Scott said he was thankful for all of the help he received from his father, Joey, Sandy Batten of Batten Farm in Micro that produced the steer; Clay Chipman of Orleans, Indiana, who helped

prepare the steer for the show, and his brother, Wyatt, 11, who helped and also came in fourth place in his steer's category.

"I was really surprised and thankful for all of the buyers and what they did to help buy the steer," Scott said. ←

*Reprinted with permission from The Wilson Daily Times*

*Joey & Tricia Scott are customers of AgCarolina Financial. Joey and his brother, Gary, operate Scott Brothers Farms in Wilson, N.C.*

*A Wilson County 4-H'er broke a record at the North Carolina State Fair, after selling his N.C. born and bred steer for \$22,000.*



**Pictured above** with the prize steer are (from the left) Jeffrey Martin with Martin's Meats of Falcon, N.C.; North Carolina Commissioner of Agriculture Steve Troxler, Marcus Harward with Stanley County Livestock Market and Harward Bros. Livestock of Richfield, N.C.; Frank Scott and Frank's little brother, Wyatt.

## Fall Maintenance Checklist

By Paulette Ricks, General Manager of Century 21 Weaver & Associates in Selma, N.C.



### Repair roof shingles

Try to do this on a warm day if you have asphalt shingles on your roof, so the shingles will be flexible. Use roofing cement to seal cracked and torn shingles and to reattach curled shingles. Then tack down the damage further with galvanized roofing nails, and cover the exposed nail heads with roofing cement. Split wood shingles can be patched with roofing cement as well.

### Repair siding

Do a fall siding inspection and remedy any problems you find. Look for damaged paint, warped or split wood, cracks or holes in stucco, and missing or slipped siding panels. Your repair tool kit will depend on what kind of siding you have. For example, wood siding may require wood putty, waterproof glue, nails and screws; stucco may require wire mesh, stucco patching compound, a trowel and a chisel. Most types of siding require a coating of sealant or primer, and paint to finish the repair and ensure waterproofing.

### Reinforce windows

Replace your screens with storm windows. If your screens are dirty or damaged, repair and clean

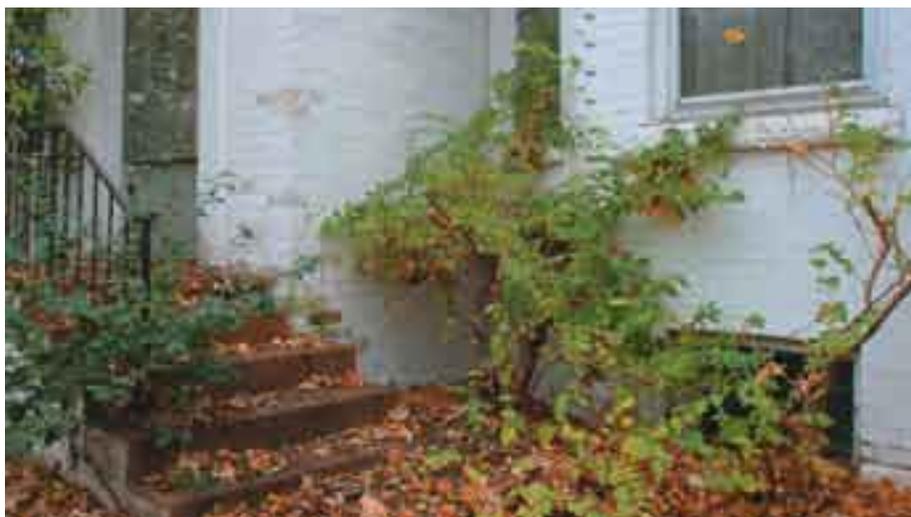
before storing them to prevent further deterioration. Light scrubbing followed by a blast from a hose will eliminate bird droppings and other grime. Small tears can be sewn up with thin wire. If you have older single-pane windows and no storm coverings, apply heat-shrink plastic to the inner or outer window frame to create an insulating air space and save heating expense.

### Fire fluency

Make sure your damper is in good working order by opening and shutting it prior to lighting the first fire of the season. If you didn't clean your chimney at the end of the heating season, do it now—especially if you burn soft woods, which release more creosote. Often the first indication that a chimney needs cleaning is a chimney fire, so preventive maintenance is important.

### Detect deadly gas

If you heat your home with wood heat or a gas heater, a carbon-monoxide detector is a must. These devices look and sound like smoke detectors, but they detect carbon-monoxide gas instead. Units that plug into an outlet are also available.



**Above:** Paulette Ricks, General Manager of Century 21 Weaver & Associates in Selma, N.C. She can be contacted at 800-989-4633 or by email at c21ricks@msn.com.

### Check batteries in smoke detectors

Late October or early November is when most states switch from daylight-savings to standard time. Get into the habit of checking smoke-detector batteries when you “fall back” and “spring ahead.” Also make sure household fire extinguishers are fully pressurized and in good working order.

### Close seasonal air conditioners

If you live in a place where air conditioners are used seasonally instead of year-round, this is a good month to close them down. Switch off power, make sure the condensate drain is clear, and clean condenser coils and filters (a vacuum will do). Either remove window units or cover them, to protect your home from drafts and the units from inclement weather.

### Bleed air from radiators

Radiators can get air pockets in them when not in use. If air pockets stay, they will keep the unit from heating up to its full capacity. If your unit doesn't have automatic air valves, you need to bleed it prior to every heating season. To bleed air out, turn on the furnace and circulator and open the supply valve to the radiator. Find the bleeder valve (it's usually opposite the supply valve) and open it while holding a pan to it. Air should be released, followed by hot water (thus the pan). Close the valve as the water comes out. Lightly feel the radiator to make sure it is heated along its entire surface; if there are gaps, repeat the procedure.

### Cut brush back from the house

Before stowing all of your gardening equipment for the winter, walk around your house with a weed whacker and a pair of pruners and cut back any brush, weeds or branches that contact your house. This task will eliminate a common access point for insects, rodents and rot. It will also keep branches and shrubs from scraping away at your siding during windstorms.

### Watch those leaves

If you don't want the tannin in fall leaves to leave hard-to-clean imprints on your deck and concrete walkways, keep those surfaces leaf-free. If you do



get some leaf prints, try a solution of half water and half bleach (test it first in an unobtrusive spot—it may lighten the wood on your deck) or trisodium phosphate (commonly known as TSP) and warm water. Or, just leave the prints and consider them an artistic addition to your exterior look.

### Store outdoor furniture

Scrub and store outdoor furniture; even furniture designed to stay out year-round will last longer if protected from extreme cold and wet. Store or cover your barbecue unless you cook with it all year. Empty and store large planters—clay or terra-cotta units will crack if left out to freeze and thaw. Clean and store your gardening tools, but don't put them completely out of reach—shovels are useful year-round.

### Winterize external plumbing systems

This is the most important job of fall if you live in an area that freezes in the winter. The simple fact that water expands upon freezing has caused countless homeowners innumerable woes. Ignore this job and flooding, water damage and thousands of dollars worth of plumbing bills will be your constant winter companions.

### Here's your to-do list:

- Drain underground sprinkler systems.
- Have outdoor pools drained and professionally serviced.
- Drain exterior water pipes and any pipes that run through unheated areas (such as a garage, crawlspace or unheated porch). If draining these pipes isn't possible, wrap them with foam insulation or heat tape.
- Cover exposed spigots with foam covers. Or, if cosmetics and ease of removal don't matter, wrap spigots in layers of newspaper, cover the newspaper with a plastic bag, and seal the whole affair with duct tape.
- Drain and store garden hoses. Leave one hose and nozzle somewhere that's easily accessible; you'll need it for gutter cleaning and car washing.

Remember to do your Fall Maintenance early enough to avoid any potential problems that could result in costly repairs. ↩

# Healthy Habits Start at a Young Age

By Carol S. Mitchell, PhD, RD, LDN; Wake County Cooperative Extension



*The number of overweight children has reached epidemic proportions, and the health of these children is threatened. Approximately one in five children and one in three teens in the U.S. are either overweight or at risk of becoming overweight.*

Studies show that 60 percent of overweight children have at least one risk factor, and 20 percent have two or more risk factors for cardiovascular disease. North Carolina's children are two to three times more likely to be obese than other children in America. Obesity and physical inactivity are two of the most preventable risk factors for cardiovascular disease, breast cancer, colon cancer, stroke, type 2 diabetes, and musculoskeletal injury. Overweight and obesity are easier to prevent than to cure, and prevention begins at a young age wherever children live, play and attend school.

No one single factor can be blamed for this epidemic. Instead, many lifestyle habits and environmental factors contribute to the problem including poor dietary habits. Many children's diets are too high in fat and calories, and low

in fiber and low in fruits and vegetables, not unlike the diets of their parents. The increase in the portion size of foods and beverages as well as increase in the availability of inexpensive high fat and high calorie food items doesn't help either. Add this to reduced physical activity due to time spent watching television, video games and computers and the problems and pounds add up.

What can parents and families do? The goal is to be active as a family, serve healthy meals and whenever possible eat together as a family. If you are concerned about your child's weight, work with your health professional to determine whether your child is overweight and for guidance in helping your child reach a healthy weight. Remember, it takes time and effort to make healthy eating and physical activity part of your family's daily routine.



**Above:** Carol S. Mitchell, PhD, RD, LDN, Wake County Cooperative Extension

## *Family Guide to Better Health:*

- The parent's job is to provide nutritious, well-balanced meals, to keep healthy foods and beverages in the house, and to set a good example. The child's job is to control how much he eats.
- Establish a routine. Schedule meals and snacks. Avoid casual snacking.
- Serve portion sizes appropriate to a family member's age and activity level. Begin with small portions and provide the opportunity for more.
- Help children learn to eat slowly, enjoy food and when satisfied stop eating. Don't force them to "clean their plate."
- Refrain from using food as a reward. Help children learn to eat for nourishment and satisfaction.
- Serve water, fat-free milk and 100 percent juice. Limit the purchase and consumption of high calorie, low nutrient, sugar-sweetened beverages.
- Prepare and eat meals at home. Eat together and turn the TV off during mealtime.
- Make it a family priority to be active together. Children should accumulate 60 minutes of physical activity every day. Walk, run, and play **with** your children—don't just sit on the sidelines.
- Monitor and limit screen-time to one to two hours a day. Do not have a TV in a child's bedroom; instead, locate the TV in an out-of-the-way location so watching does not dominate the activity in the home.
- Set up a television "budget" for children and family. Establish a certain number of hours of TV viewing per week, i.e. 7–10 hours, and have the children choose how they will stay within that budget. Keep a log of TV viewing.

Remember that parents and other responsible adults are the so-called "gate-keepers" and decision makers of the home. This applies to all aspects of home-life including television viewing and other free-time activity, grocery shopping, menu and meal preparation and even whether meals are eaten at home or out. Make no mistake, with the pressures and demands of modern life modeling healthy eating and other positive lifestyle behaviors, can be time consuming and requires lots of energy. It is not always easy, but small changes can have a positive impact. As the adult in the family embrace all the responsibilities that include parenting. Be deliberate and strategic in modeling and teaching your children healthy lifestyle habits. If you need guidance seek out help from a health professional.

Parents, teachers and community members can serve as positive role models by providing

day-by-day modeling and guidance in helping our children develop healthy habits at home, in school and in the community.

Have healthy snacks on-hand. Take a cue from the grocery store and keep healthy snack choices up front and center in your cupboard and refrigerator. Keep a big inviting bowl of fresh fruit on the counter top. Make sure there is a large container of ice-cold water and 100 percent fruit juice in the refrigerator ready and waiting to refresh family members.

- Fresh fruits, applesauce
- Low-fat cheese with low-fat crackers
- Cereal with non-fat or 1 percent milk
- Raw vegetables with low-fat dip
- Graham crackers, vanilla wafers
- Low-fat chocolate milk ↩



## Recipes



### Quick and Easy

# Recipes for Your Holiday Breakfast

### Sausage Casserole

1 pound sausage  
3 cups shredded potatoes  
¼ cup butter, melted  
12 oz. mild Cheddar cheese, shredded  
½ cup onion, shredded  
1 (16 oz.) container small curd cottage cheese  
6 jumbo eggs

#### Directions

Preheat oven to 375 deg. F. Lightly grease a 9x13 inch square baking dish.

Place sausage in a large, deep skillet. Cook over medium-high heat until evenly brown. Drain, crumble, and set aside.

In the prepared baking dish, stir together the shredded potatoes and butter. Line the bottom and sides of the baking dish with the mixture. In a bowl, mix the sausage, Cheddar cheese, onion, cottage cheese, and eggs. Pour over the potato mixture.

Bake 1 hour in the preheated oven, or until a toothpick inserted into center of the casserole comes out clean. Let cool for 5 minutes before serving.

### Cranberry Pumpkin Bread

3 ½ cups all-purpose flour  
1 cup packed brown sugar  
2 tsp baking soda  
1 tsp Baking powder  
¾ tsp Salt  
1 cup Ground cinnamon  
½ tsp ground cloves  
1 cup egg substitute  
1 (16 oz.) can whole cranberry sauce  
1 (15 oz.) can pumpkin puree  
⅓ cup vegetable oil  
1 Tbsp. Orange zest  
2 Tbsp Chopped walnuts

#### Directions

Preheat oven to 350 deg. F. Spray two 8x4 inch loaf pans with nonstick cooking spray.

Combine the flour, brown sugar, baking soda, baking powder, salt, ground cinnamon and ground cloves in a large bowl and mix well. Set aside.

Mix the egg substitute, cranberry sauce, pureed pumpkin, vegetable oil and grated orange zest together. Add this mixture to the flour mixture and stir until just moistened. Pour batter into the prepared pans. Sprinkle the top of each loaf with the chopped nuts.

Bake at 350 deg. F for 55 to 60 minutes or until a toothpick inserted in the center comes out clean. Let loaves cool for 10 minutes then remove from pans. Can be made even lower in fat by substituting ⅓ cup applesauce for the ⅓ cup vegetable oil.

### Country Brunch Skillet

6 bacon strips  
6 cups of frozen cubed hash brown potatoes  
¾ cup chopped green pepper  
½ cup chopped onion  
1 tsp Pepper  
6 eggs  
½ cup shredded cheddar cheese

#### Directions

In a large skillet over medium heat, cook bacon until crisp. Remove bacon; crumble and set aside. Drain, reserving 2 tablespoons of drippings. Add potatoes, green peppers, onion, salt and pepper to drippings; cook and stir for 2 minutes. Cover and cook, stirring occasionally, until potatoes are browned and tender, about 15 minutes. Make six wells in the potato mixture; break one egg into each well. Cover and cook on low heat for 8-10 minutes, or until eggs are completely set. Sprinkle with cheese and bacon. Makes 6 servings.

### Quick Cinnamon Rolls

½ cup sugar  
2 ½ tsp. Cinnamon  
1/3 cup butter, melted  
12 oz. can refrigerated flaky biscuits

#### Directions

Preheat oven to 400 deg. F. Generously grease an 8"x4" loaf pan with solid shortening (don't use butter) or spray with cooking spray with flour. In small bowl combine sugar and cinnamon and mix well. Separate dough into 10 biscuits and cut each biscuit into 4 pieces. Dip each piece in melted butter and roll in cinnamon sugar mixture. Place coated dough pieces in prepared loaf pan. Bake at 400 degrees for about 20-25 minutes, until bread is golden brown. Cool for a minute or two, then loosen edges of bread and remove from pan. Makes 10 servings.

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## Third Quarter Financial Report

### Consolidated Balance Sheets

<i>(dollars in thousands)</i>	<b>September 30, 2007</b>	<b>December 31, 2006</b>
	<i>(unaudited)</i>	<i>(audited)</i>
<b>Assets</b>		
Cash	\$ 1,071	\$ 4,240
Loans	820,224	727,554
Less: allowance for loan losses	11,061	11,046
Net loans	809,163	716,508
Other investments, held to maturity	64,909	63,589
Accrued interest receivable	22,936	18,198
Investment in other Farm Credit institutions	10,590	10,590
Premises and equipment, net	8,286	5,972
Prepaid retirement expense	6,138	6,668
Due from AgFirst Farm Credit Bank	4,277	5,823
Other assets	3,476	3,120
Total assets	<b>\$ 930,846</b>	<b>\$ 834,708</b>
<b>Liabilities</b>		
Notes payable to AgFirst Farm Credit Bank	\$ 780,072	\$ 698,331
Accrued interest payable	3,929	3,395
Patronage refund payable	66	6,078
Postretirement benefits other than pensions	6,316	9,402
Other liabilities	8,051	8,712
Total liabilities	798,434	725,918
Commitments and contingencies		
<b>Members' Equity</b>		
Capital stock and participation certificates	13,008	2,981
Retained earnings		
Allocated	52,168	51,993
Unallocated	67,236	53,816
Total members' equity	132,412	108,790
Total liabilities and members' equity	<b>\$ 930,846</b>	<b>\$ 834,708</b>

### Consolidated Statements of Income

(unaudited)

<i>(dollars in thousands)</i>	<b>For the three months ended September 30,</b>		<b>For the nine months ended September 30,</b>	
	<b>2007</b>	<b>2006</b>	<b>2007</b>	<b>2006</b>
<b>Interest Income</b>				
Loans	\$ 16,775	\$ 14,561	\$ 46,092	\$ 38,818
Other	956	863	2,693	2,208
Total interest income	17,731	15,424	48,785	41,026
<b>Interest Expense</b>				
Notes payable to AgFirst Farm Credit Bank	11,887	10,188	32,292	26,267
Net interest income	5,844	5,236	16,493	14,759
Provision for (reversal of allowance for) loan losses	-	-	-	-
Net interest income after provision for (reversal of allowance for) loan losses	5,844	5,236	16,493	14,759
<b>Noninterest Income</b>				
Loan fees	520	447	2,301	1,940
Fees for financially related services	370	332	639	663
Equity in earnings of other Farm Credit institutions	1,589	1,324	4,276	3,547
Other noninterest income	28	29	122	112
Total noninterest income	2,507	2,132	7,338	6,262
<b>Noninterest Expense</b>				
Salaries and employee benefits	2,077	2,002	6,436	6,294
Occupancy and equipment	265	237	782	725
Insurance Fund premium	306	273	850	751
Other operating expenses	608	562	1,854	1,863
Total noninterest expense	3,256	3,074	9,922	9,633
Income before income taxes	5,095	4,294	13,909	11,388
Provision (benefit) for income taxes	(6)	6	(6)	8
Net income	<b>\$ 5,101</b>	<b>\$ 4,288</b>	<b>\$ 13,915</b>	<b>\$ 11,380</b>



*Happy Holidays*  
*from the Directors and Employees*  
*at AgCarolina Financial*



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