



*United States Department of Agriculture  
Farm Service Agency*



# 2010

## *FSA at Work Across Kentucky*



# TABLE OF CONTENTS

## *Introduction*

Message from the State Executive Director.....3  
Kentucky Agricultural Statistics.....4  
2010 County Program Payment Summary.....5

## *Conservation Programs*

All Conservation Programs .....6-9  
Conservation Reserve Program .....6-7  
Conservation Reserve Enhancement Program .....8-9  
Biomass Crop Assistance Program (BCAP) .....9

## *Price Support*

Direct and Counter-cyclical Program (DCP)..... 10  
Average Crop Revenue Election Program (ACRE).. ...10  
Market Assistance Loans .....11  
Farm Storage Facility Loans .....11  
Milk Income Loss Program (MILC).....11

## *Tobacco Program*

Transition Payment Summary .....11

## *Disaster Assistance Programs*

Livestock Forage Program (LFP) .....12  
Livestock Indemnity Program (LIP) .....12  
Emergency Livestock Assistance Program (ELAP)....12  
Supplemental Revenue Assistance Program (SURE) 12  
Tree Assistance Program (TAP) .....13  
Noninsured Assistance Program (NAP) .....13

## *Geographic Information System (GIS) .....13*

Farm Program Summary .....14-15

## *Farm Loan Programs*

Loan Program Summary .....16-17

## *Outreach*

State Summary .....18-21

Kentucky's FSA programs are delivered through U. S. Department of Agriculture (USDA) Service Centers. The Kentucky State Office is located in Lexington.

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*Message from the State Executive Director*



*John W. McCauley  
State Executive Director*

We are honored to present the 2010 Accomplishments Report of the USDA Farm Service Agency in Kentucky. The information included in this report will give an overview of the programs offered during the past year to better serve our farmers.

As 2010 came to a close and the new year began, we can look back and say what a year it has been. Our farmers faced spring floods, frothy bloat and severe drought. To their credit, they continued to remain on the farm and serve our citizens by producing and bringing to market the finest agricultural commodities in the United States. Also, our farmers continue to provide our food and fiber, safer, cheaper, more effectively and efficiently than any other country in the world.

During the past year, we worked together to implement the Supplemental Revenue Assistance Payments Program (SURE), which is a new permanent disaster program authorized by the 2008 Farm Bill. This program is designated to provide benefits to those farmers with crop revenue losses from quantity or quality deficiencies in those counties and contiguous counties declared disaster areas by the U.S. Secretary of Agriculture, or in cases where the overall production loss exceeds 50 percent. In addition, Kentucky successfully participated in Phase 1 of the Biomass Crop Assistance Program (BCAP), which assists agricultural and forest land owners with the collection, harvest, storage, and transportation of eligible material for uses in qualified Biomass conversion facilities.

Our Farm Loan Program continued to be a national leader by achieving a top 10 ranking in six separate categories. Whether we are working to help a farmer purchase that first farm, or providing operating loans to purchase items such as farm equipment, livestock, or the funds needed to construct or repair buildings, these are all examples of how important FSA's Farm Loan Program are to Kentucky agriculture.

Our dedicated team of professionals in each of our 69 FSA Service Centers located throughout the Commonwealth are committed to serving our farm community. As we move forward, we will continue to focus and build upon that commitment!

A handwritten signature in black ink, reading "John W. McCauley". The signature is fluid and cursive, written in a professional style.

## *Kentucky Agricultural Statistics*



Kentucky has a rich heritage in agriculture from the diverse eastern highlands to the Jackson Purchase in the western part of the Commonwealth. They have one common goal, which is to produce the highest quality food and fiber for the farm community. Kentucky is a diverse state covering 25,388,000 acres with 85,260 farms covering 13,999,000 acres of farm land. Kentucky ranks fourth in number of farms behind Texas, Missouri, and Iowa. Farmland accounts for 54 percent of the total acreage in Kentucky. The average farm size is 164 acres and the average value of land and buildings on farms is \$2,850 per acre.

Kentucky's market value of agricultural products is \$4,824.56 million per calendar year. Livestock and livestock products account for about half of Kentucky's farm income. Union county is the top producing county of both corn and soybeans in the state.

National ranking by value of sales:

- 1st in horses, ponies, mules, burros, and donkeys
- 2nd in tobacco
- 12th in poultry and eggs
- 14th in cattle and calves
- 19th in hogs and pigs

*(Source: Kentucky 2007-2009 Agricultural Statistics)*

## Kentucky FSA 2010 Program Payments by County

The Farm Service Agency delivered over \$432.2 million in federal program payments to Kentucky farmers and ranchers during FY 2010. Kentucky agriculture benefits greatly from the tireless efforts of our dedicated employees and locally elected County Committees.

Adair	\$6,061,186.34	Grant	\$1,865,774.00	Meade	\$2,291,342.92
Allen	\$2,957,104.80	Graves	\$12,824,199.83	Menifee	\$445,568.69
Anderson	\$1,364,048.52	Grayson	\$4,395,026.10	Mercer	\$2,725,401.42
Ballard	\$2,918,135.87	Green	\$4,617,357.59	Metcalfe	\$2,834,030.69
Barren	\$6,052,670.59	Greenup	\$721,447.59	Monroe	\$1,558,912.17
Bath	\$1,974,583.86	Hancock	\$1,497,348.43	Montgomery	\$1,850,411.58
Bell	\$12,290.24	Hardin	\$4,858,470.43	Morgan	\$1,388,075.14
Boone	\$1,271,279.38	Harlan	\$6,414.94	Muhlenberg	\$2,680,265.84
Bourbon	\$4,505,296.95	Harrison	\$3,492,996.90	Nelson	\$3,104,571.85
Boyd	\$25,156.65	Hart	\$7,163,779.65	Nicholas	\$2,484,361.30
Boyle	\$2,477,896.68	Henderson	\$4,443,676.34	Ohio	\$2,398,746.36
Bracken	\$2,630,918.60	Henry	\$4,018,935.03	Oldham	\$783,313.47
Breathitt	\$413,349.80	Hickman	\$4,107,014.60	Owen	\$3,373,751.28
Breckinridge	\$5,496,879.29	Hopkins	\$2,792,618.55	Owsley	\$613,413.69
Bullitt	\$752,250.28	Jackson	\$1,020,526.04	Pendleton	\$1,962,748.02
Butler	\$2,322,090.08	Jefferson	\$289,390.71	Perry	\$15,851.80
Caldwell	\$319,712.47	Jessamine	\$3,073,350.27	Pike	\$3,083.00
Calloway	\$6,584,541.29	Johnson	\$195,883.80	Powell	\$335,167.26
Campbell	\$276,649.99	Kenton	\$481,245.55	Pulaski	\$4,726,059.02
Carlisle	\$2,629,654.35	Knox	\$392,809.99	Robertson	\$771,518.46
Carroll	\$1,493,886.05	Larue	\$3,190,529.48	Rockcastle	\$1,347,941.35
Carter	\$1,049,370.39	Laurel	\$1,659,473.74	Rowan	\$449,219.60
Casey	\$3,380,408.18	Lawrence	\$295,188.85	Russell	\$3,064,643.54
Christian	\$9,782,037.12	Lee	\$311,031.14	Scott	\$4,401,289.74
Clark	\$2,758,300.15	Leslie	\$28,652.70	Shelby	\$5,640,254.36
Clay	\$808,236.47	Letcher	\$53,490.55	Simpson	\$3,994,592.05
Clinton	\$812,719.60	Lewis	\$1,692,818.80	Spencer	\$2,090,313.47
Crittenden	\$2,237,855.45	Lincoln	\$4,287,873.38	Taylor	\$3,029,480.09
Cumberland	\$956,588.17	Livingston	\$2,138,387.23	Todd	\$5,464,007.42
Daviess	\$6,823,806.35	Logan	\$9,998,078.39	Trigg	\$2,447,380.80
Edmonson	\$1,969,812.65	Lyon	\$1,075,953.62	Trimble	\$1,542,814.78
Elliott	\$666,173.39	McCracken	\$1,571,299.94	Union	\$4,009,455.09
Estill	\$581,199.67	McCreary	\$94,820.50	Warren	\$7,974,527.87
Fayette	\$4,958,883.84	McLean	\$3,293,534.36	Washington	\$3,052,825.65
Fleming	\$3,134,151.66	Madison	\$5,306,682.65	Wayne	\$2,083,582.58
Floyd	\$1,045.10	Magoffin	\$549,602.52	Webster	\$3,764,668.34
Franklin	\$2,158,820.65	Marion	\$4,296,349.87	Whitley	\$446,745.43
Fulton	\$2,193,600.35	Marshall	\$2,425,812.42	Wolfe	\$836,552.80
Gallatin	\$910,397.66	Martin	\$61.00	Woodford	\$3,870,370.00
Garrard	\$3,162,292.73	Mason	\$3,211,043.84	<b>Total</b>	<b>\$307,358,905.90</b>

Does not include farm loans, commodity loans, or adjustments from previous programs.

## Conservation Reserve Program (CRP)



*Assist agricultural producers and landowners in achieving a high level of stewardship of soil, water, air, and wildlife resources on America's farms and ranches while protecting the human and natural environment.*

The Conservation Reserve Program was authorized by the Food Security Act of 1985 to provide farm and ranch owners, operators, and tenants a voluntary long-term land retirement program. In 1995, FSA initiated “continuous” sign ups to allow certain high-priority conservation practices that yield highly desirable environmental benefits to be offered and accepted at any time. The Conservation Reserve Program is the USDA’s single largest, most effective environmental program.

Producers enroll in CRP and plant long-term, resource-conserving covers to improve water quality, control soil erosion and enhance habitats for waterfowl and wildlife. In return, USDA provides producers with annual rental payments. CRP contract duration is from 10 to 15 years.

### Kentucky CRP through FY 2010

17,568 contracts protecting 362,134.2 acres
55,716.8 continuous non-CREP acres
3,460.8 wetland system acreage
93,033.5 marginal pastureland acres
\$110.95 average rental rate

### FY 2010 Payments Received

\$39,350,166 in rental payments (Average rental rate is \$110.94 per acre)
\$2,535,777 in cost-share payments
\$1,998,376 in practice incentives
\$2,199,101 for technical assistance

**Kentucky farmers received in FY 2010 over \$46 million through CRP.**

### Continuous CRP Sign-up



Producers with eligible lands may enroll certain high priority conservation practices, such as filter strips and riparian buffers, at any time during the year without competition. Financial incentives include annual rental payments, cost-share assistance, and many practices are eligible for an additional annual one-time payment.

These voluntary enrollments have effectively helped Kentucky agricultural producers improve the environment by reducing soil erosion and contamination, reducing non-point source water contaminants, addressing water quality issues and improving regional environmental health through biodiversity, wildlife habitat enhancements and reducing greenhouse gas emissions and particulate matter.

**Kentucky has 11,998 Continuous CRP Contracts covering 164,725 acres.**

CRP Continued

## ***State Acres for Wildlife Enhancement (SAFE)***

Kentucky land owners and operators in designated geographic areas were allowed to enroll in a new continuous CRP practice in 2008 titled State Acres for Wildlife Enhancement (SAFE). Forty-six Kentucky counties were approved for the SAFE program.

SAFE is a wildlife management tool that helps state and regional agencies, non-profit organizations and others address local wildlife objectives through habitat restoration. SAFE provides the flexibility to create and install conservation practices that target the specific need of high-value wildlife species.

FSA provides SAFE participants with rental payments, including any incentives, and cost-share assistance.

### ***The Kentucky SAFE goals include:***

- enrollment of 8,600 acres of conservation practices in the targeted area
- restoration of habitat for endangered, threatened and declining wildlife species
- reduction of soil erosion and sedimentation, improved water quality and wetland functions, and sequester carbon
- increase nutrient filtering capabilities and soil stabilization on cultivated lands
- observed increase in a suite of selected grassland songbird singing males and calling bobwhite males and bobwhite coveys
- establish grasslands that will provide diverse nesting and brood rearing habitat for various bird species
- to observe an increase in the relative abundance of relict darters, swamp darters, cypress minnows, dollar sunfish, and Indiana bats within the Obion



***Kentucky has enrolled 8,189.9 acres in SAFE.***

## ***The Emergency Conservation Program (ECP)***

The ECP provides emergency funding for farmers and ranchers to rehabilitate farmland damaged by natural disasters, and to carry out emergency water conservation measures during periods of severe drought. ECP was implemented in 55 counties to provide assistance to producers to rehabilitate farmland damaged by 2010 flooding.

***Kentucky producers received \$9.1 million in FY 2010.***



## Conservation Reserve Enhancement Program (CREP)

Under the Conservation Reserve Enhancement Program (CREP), Federal/State and local partnerships implement projects designed to address specific environmental objectives through targeted CRP enrollments. In 2001, USDA and the commonwealth of Kentucky agreed to implement a CREP on a section of the Green River. In 2007 the project area was expanded to include all or parts of 14 counties (Adair, Allen, Barren, Butler, Edmonson, Grayson, Green, Hart, Logan, Metcalfe, Russell, Simpson, Taylor and Warren).

FY 2010, has been a year that was utilized for installment of the final CREP contracts and work on the monitoring processes. Through some minor contract modifications/acreage cancellations, the cumulative total acreage is 101,917.7, thus bringing to a close this part of the Green River CREP.

***CREP is Kentucky's largest conservation program with 3,134 contracts covering 100,917.7 acres.***

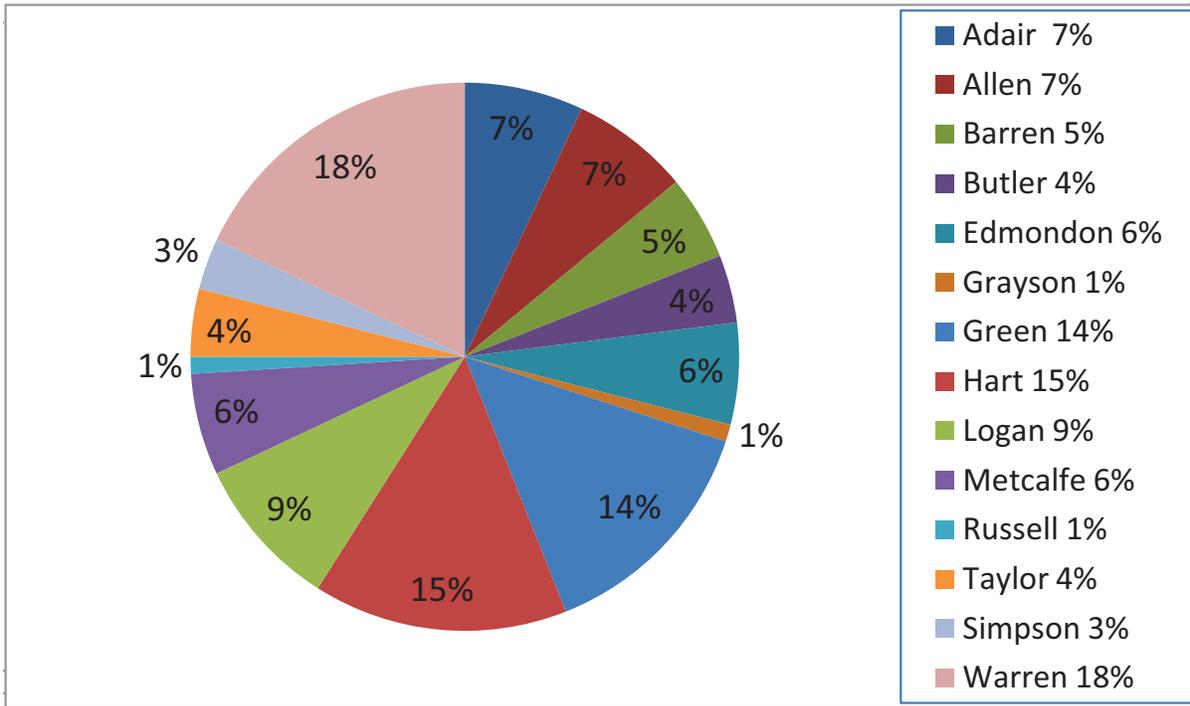
### CREP FY 2010 Payment Summary

County	Number of Contracts	Average Acres Per Contract	Avg. Rental Rate Per Acre	Incentive Paid Per Acre	Total Estimated Cost-Share	Avg. Cost-Share \$/Acre	Total Life of Contract Rental Payment
Adair	305	24	\$142	\$68	\$1,447,084	\$194	\$15,021,503
Allen	210	35	\$165	\$81	\$1,466,732	\$201	\$15,915,192
Barren	164	32	\$131	\$60	\$901,069	\$170	\$8,953,617
Butler	105	38	\$184	\$90	\$447,752	\$111	\$9,074,068
Edmonson	207	29	\$172	\$84	\$1,018,837	\$167	\$13,565,976
Grayson	25	48	\$176	\$86	\$203,081	\$170	\$3,133,409
Green	442	31	\$155	\$75	\$2,360,750	\$171	\$29,530,450
Hart	440	35	\$202	\$98	\$2,267,744	\$148	\$41,335,025
Logan	229	40	\$245	\$120	\$1,392,035	\$153	\$30,471,509
Metcalfe	166	35	\$139	\$66	\$1,070,186	\$186	\$11,034,427
Russell	42	29	\$143	\$69	\$201,566	\$163	\$2,303,167
Simpson	82	34	\$210	\$103	\$437,596	\$159	\$7,223,267
Taylor	199	19	\$142	\$68	\$654,369	\$170	\$7,373,916
Warren	518	35	\$219	\$108	\$2,739,835	\$151	\$52,851,583
<b>Region</b>	<b>3,134</b>	<b>32.2</b>	<b>\$178.70</b>	<b>\$88.77</b>	<b>\$16,582,589</b>	<b>\$219.78</b>	<b>\$246,944,329</b>

CREP

CREP, continued

Percentage of the total 101,917.7 approved CREP Acres by County



## Energy Program

### Biomass Crop Assistance Program (BCAP)

The Biomass Crop Assistance Program (BCAP) provides financial assistance to owners and operators of agricultural and non-industrial private forest land who wish to establish, produce, and deliver biomass feedstocks to an approved Biomass Conversion Facility.

BCAP assists agricultural and forest land owners and operators with matching payments for the amount paid for the collection, harvest, storage and transportation (CHST) of eligible material by a qualified Biomass Conversion Facility (BCF).



Notice of Funds Available (NOFA) was published on June 11, 2009, in the Federal Register. The proposed rule was published February 8, 2010. Public comments were accepted through April 9, 2010.

**Kentucky had 17 qualified facilities under the NOFA that received \$1,045,843 in FY 2010.**



## COMMODITY PROGRAMS BENEFIT KENTUCKY FARMERS

Eligible farmers receive support through a variety of Federal programs. The core programs provides income support, with new payment and eligibility limits, for wheat, feed grains, cotton, rice, oilseeds, and pulses through direct payments (except pulses), counter-cyclical payments, marketing loan assistance program, and new average crop revenue election payments.

### *Direct and Counter-cyclical Program (DCP)*

The Direct and Counter-cyclical Payment Program (DCP) provides payments to eligible producers on farms enrolled for the 2008 through 2012 crop years. There are two types of DCP payments -- direct payments and counter-cyclical payments. Both are computed using the base acres and payment yields established for the farm.

***Kentucky has 2.5 million base acres enrolled on 42,027 farms.***

***Direct payments*** were available for producers with eligible historic acreage of wheat, corn, barley, grain sorghum, oats, soybeans, and other oilseeds.

***For 2010, Kentucky had 33,630 DCP contracts down from 41,337 in 2009. Direct payments made in 2010 were \$48,505,812 compared to \$53,440,307 for 2009.***

### *Average Crop Revenue Election (ACRE) Program*

The ACRE program, authorized by the 2008 Farm Bill, provides eligible producers a state-level revenue guarantee, based on the 5-year state Olympic average yield and the 2-year national average price. ACRE payments are made when both state and farm-level triggers are met. By participating in ACRE, producers elect to forgo counter-cyclical payments, receive a 20-percent reduction in direct payments and a 30-percent reduction in loan rates. The decision to elect ACRE binds the farm to the program through the 2012 crop year, the last crop year covered by the 2008 Act.

***Kentucky producers received \$7,864,897 in ACRE payments.***

2010 Covered Commodity	
Barley	Peanuts
Corn	Soybeans
Grain Sorghum, including dual purpose varieties that can be harvested as grain	Canola, Crambe, Flaxseed, Mustard seed, Rapeseed, Safflower, Sesame seed, Sun Flower seed, including oil and non-oil varieties
Long grain rice, medium rice (which includes short grain rice) excluding wild rice	Upland Cotton
Oats	Wheat
Pulse Crops	
Dry Peas	Chickpeas, large
Lentils	Chickpeas, small

### *Marketing Assistance Loans (MAL)*

Marketing Assistance Loans (MAL) provide producers interim financing at harvest time to meet cash flow needs without having to sell their commodities when market prices are typically at harvest-time lows.

***For crop year 2010, Kentucky made 303 loans with a value of \$26,914,195.***

### *Farm Storage Facility Loan Program*

Under the Commodity Credit Corporate (CCC) Charter Act, FSA may make loans to producers to build or upgrade farm storage and handling facilities for eligible commodities. Storage structures for commercial purposes (the storage of grain for others, whether paid or unpaid) are ineligible for loans, as are portable handling or drying equipment and portable or permanent weigh scales. The terms of a farm loan are seven years, ten years, and twelve years.



***In FY 2010, \$2,431,600 was loaned to Kentucky farmers.***

### *Milk Income Loss Contract Program (MILC)*

The USDA Farm Service Agency's (FSA) MILC Program supports the dairy industry by providing payments to milk producers on a monthly basis when the Boston Federal Milk Marketing Order Class I price for fluid milk falls below a specified level. The 2008 Farm Bill authorized MILC through September 30, 2012.

***In FY 2010, KY MILC Producers received \$2,004,551.***

### *Dairy Economic Loss Assistance Payment (DELAP)*

The DELAP Program provides a one-time payment to assist dairy producers who have recently experienced low milk prices and high production costs. DELAP payments are intended to help offset economic losses that producers have incurred.

***In FY 2010, KY producers received \$3,157,423 under the DELAP Program.***

## *\$160.9 Million paid to Tobacco Quota Holders and Producers*

On Jan. 15, 2010, FSA began issuing the 6th round of Tobacco Transition Program Payment (TTPP) payments to eligible quota holders and producers. TTPP provides annual payments to tobacco quota holders and tobacco producers through 2014.

***Producer payments for 2010 totaled \$42,642,157 and quota holder payments were \$112,938,952.***

## DISASTER ASSISTANCE PROGRAMS

The Farm Service Agency provides assistance for natural disaster losses resulting from drought, flood, fire, freeze, tornados, pest infestation and other calamities.

### *Livestock Forage Program (LFP)*

The LFP program provides financial assistance to producers who suffered grazing losses due to drought or fire on or after January 1, 2008, and before October 1, 2011, during the calendar year in which the loss occurs. Fire losses must have occurred on federally managed lands.

***In FY 2010, Kentucky producers received \$6,412, 759 from the LFP.***

### *Livestock Indemnity Program (LIP)*

The LIP provides monetary assistance to eligible livestock owners and livestock contract growers, for eligible livestock deaths in excess of normal mortality that occurred in the calendar year for which benefits are being requested as a direct result of an eligible adverse weather event, including losses because of hurricanes, floods, blizzards, disease, wildfires, extreme heat, and extreme cold.

***In FY 2010, Kentucky produces received \$8,804,832.***

### *Emergency Livestock Assistance Program (ELAP)*

The ELAP provides emergency relief to producers of livestock, honey bees, and farm-raised fish. Covers losses from disaster such as adverse weather or other conditions, such as blizzards and wildfires, as determined by the Secretary, not adequately covered by any other disaster program.

***In FY 2010 Kentucky producers received \$1,512.***

### *Supplemental Agricultural Disaster Assistance Program (SURE)*

SURE provides benefits for farm revenue losses due to natural disasters. For producers to be eligible for SURE, they must have obtained a policy or plan of insurance for all crops through either the Federal Crop Insurance Act or FSA's Noninsured Crop Disaster Assistance Program (NAP). SURE includes programs for livestock as well as crop producers.

Sign-up began on January 4, 2010, for eligible producers who suffered crop production losses during the 2008 crop year.

***In FY 2010, Kentucky producers received \$10,187,083.***



*Disaster Assistance, continued*

***Tree Assistance Program (TAP)***

TAP provides financial assistance to qualifying orchardists and nursery tree growers to replant or rehabilitate eligible trees, bushes and vines damaged by natural disasters occurring on or after Jan. 1, 2008, and before Oct. 1, 2011.

***In FY 2010, Kentucky producers received \$50, 326.***

***Noninsured Assistance Program (NAP)***

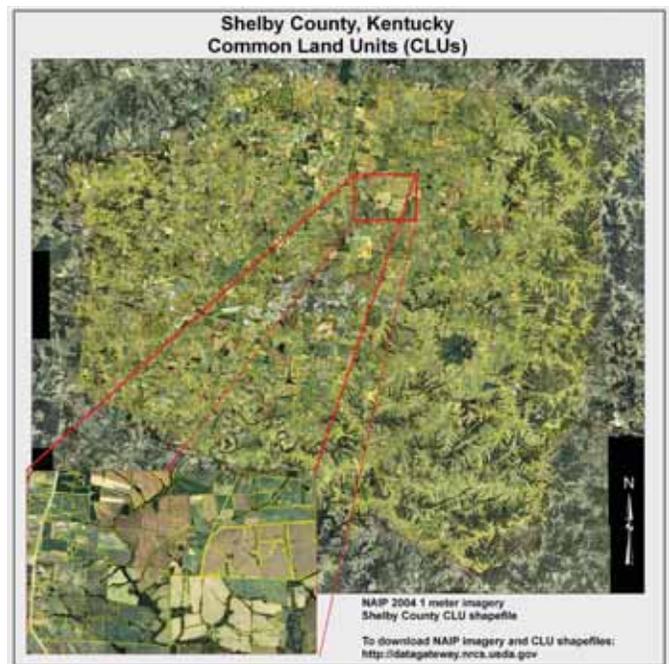
The NAP program provides financial assistance to producers of noninsurable crops when low yields, loss of inventory, or prevented planting occurs due to natural disasters. This program covers noninsurable crop losses and planting prevented by disasters. Eligible crops include commercial crops and other agricultural commodities produced for food (including livestock feed) or fiber for which the catastrophic level of crop insurance is unavailable.

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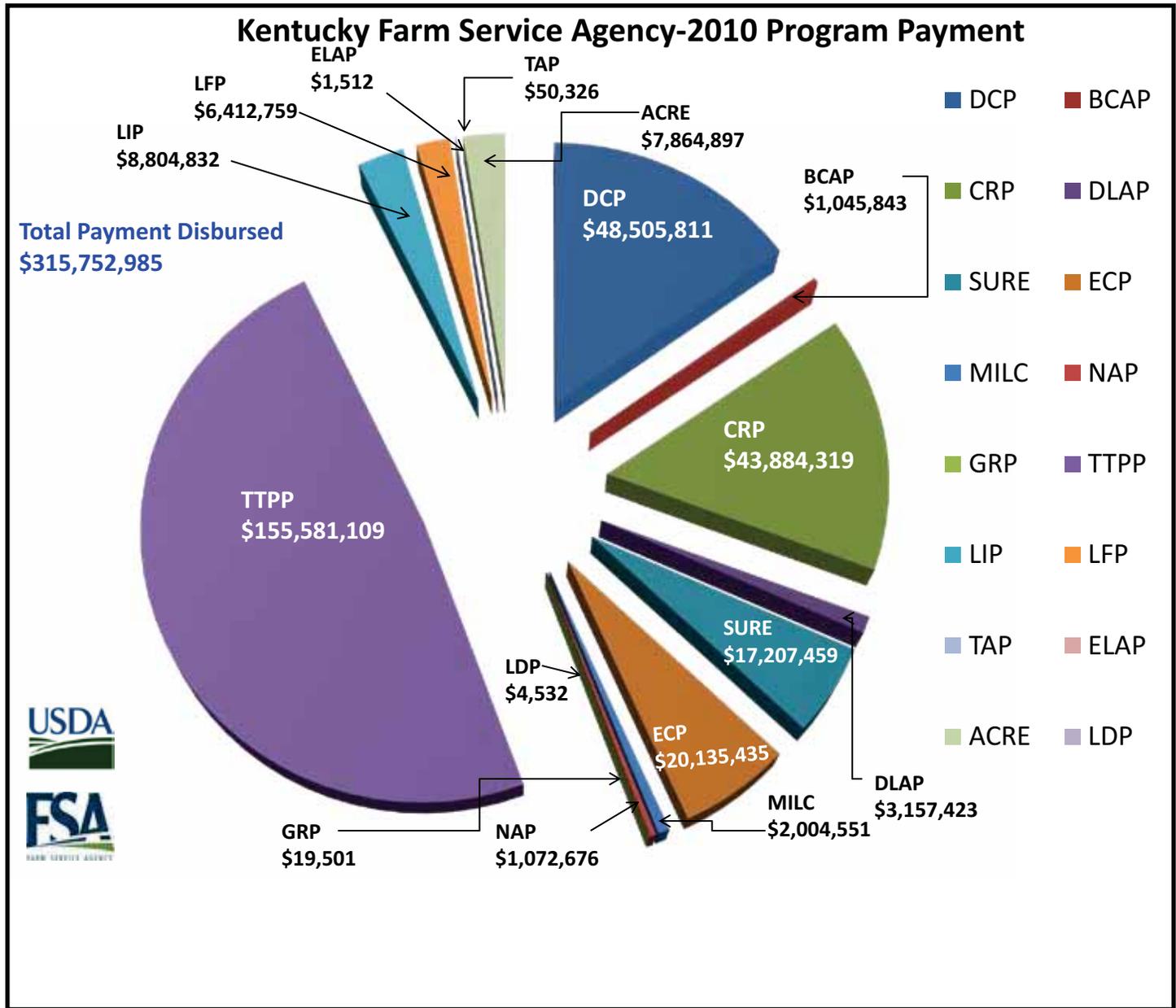
## *Geographic Information System (GIS) and Agriculture*

GIS helps FSA staff to more efficiently measure land features by allowing computer-generated maps to interact with databases that store information about the land (attribute data). GIS technology can help agricultural producers improve production history and farm planning through precision agriculture.

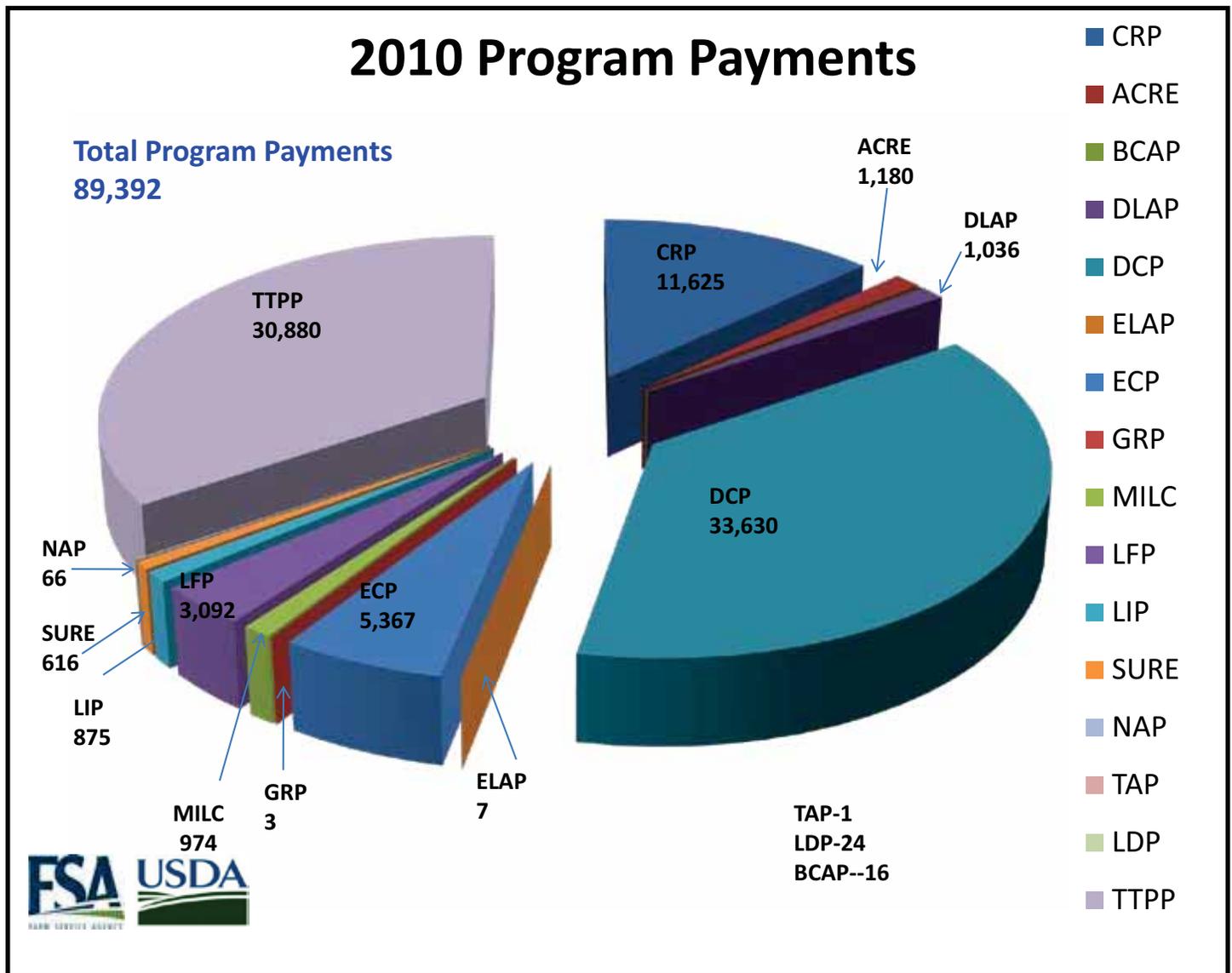
**Common Land Unit:** The Common Land Unit (CLU) data set represents all field boundaries. Each CLU is linked to a unique set of characteristics that include a farm number, tract numbers, field numbers, land use code, highly erodible land status, and field acreage. Kentucky is 100 percent certified.



In FY2010 FSA disbursed a total of \$315,752,985 Program Payments to Kentucky Producers.



In FY2010 FSA made a total of 89,392 Program Payments to Kentucky Producers.



# Farm Loan Programs

## The Lender of First Opportunity



FSA lends money and provides financial assistance to eligible applicants who operate family-size farms.

- Under the **Guaranteed Loan Program**, FSA guarantees loans made by conventional lenders for up to 95 percent of the principle. The lender may sell the guaranteed portion of the loan to a third party. For those unable to qualify for a Guaranteed Loan, FSA offers Direct Loans, which are made and serviced by FSA.
- **Direct Farm Loans** are made by FSA with government funds. FSA services these loans and provides direct loan borrowers with supervision and business planning training. Farm ownership, operating, emergency, and youth loans are the main types of loans available under the Direct Loan program. Direct loan funds are also set aside each year for loans to socially disadvantaged and beginning farmers.
- FSA offers a **Joint Financing Loan Program** within its Direct Farm Ownership (FO) Program. If the applicant obtains 50 percent of the total funds needed from a commercial lender, the interest rate on the FO loan is fixed currently at 5 percent and the term of the loan may be as long as 40 years.
- FSA offers a **Down Payment Farm Ownership Loan Program** with a 20 year term and a rate as low as 1.5 percent.
- FSA has a Conservation Loan Program (CL) which allows FSA to provide direct or guarantee conservation loans to eligible borrowers to cover the cost of implementing qualified conservation projects. The direct loan interest rate at the end of FY2010 was 4.375%.



*Loan Principal Outstanding in FY 2010*

	Number	Outstanding Value
Direct Loans	6,432	\$241,304,328
Guaranteed Loans	1,423	\$237,241,324
	Number	Loan Amounts
Direct Loans		
Farm Ownership	1,458	\$125,483,224
Farm Operating	4,547	\$102,944,432
Emergency	291	\$7,568,714
Economic Emergency	62	\$3,021,197
Soil and Water	61	\$235,092
Non-Program Loans	12	\$2,033,669
Conservation Loans	1	\$18,000
Guaranteed Loans		
Farm Ownership	842	\$187,763,085
Operating	580	\$49,443,160
Economic Emergency	1	\$35,079

Farm Loan Programs, continued

Kentucky FSA Service Centers approved a total of 1,647 loans for \$124,726, 380 to producers in FY2010.

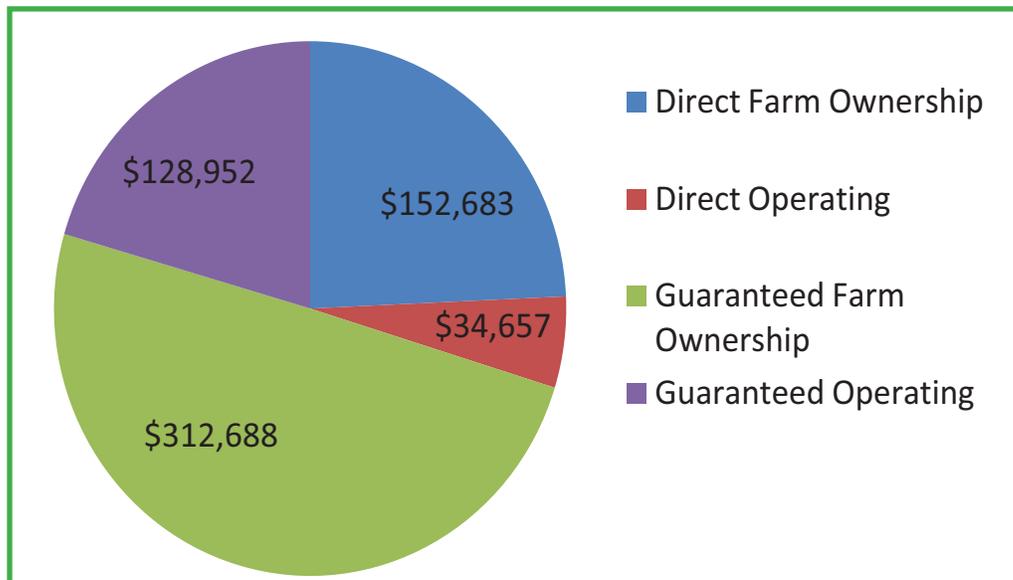
2010 Farm Loan Program Obligations  
Summary by Service Center Location

Office	Loans	\$ Total
Columbia	50	4,586,110
Glasgow	79	8,189,150
Hardinsburg	90	10,207,490
Hopkinsville	83	7,980,640
Owensboro	77	5,240,530
Flemingsburg	89	2,206,500
Mayfield	90	18,458,070
Cynthiana	136	6,615,440
New Castle	57	2,370,960
Stanford	92	8,001,280
Russellville	126	11,408,440
Mt. Sterling	132	5,186,150
West Liberty	57	1,334,120
Somerset	133	6,957,090
Shelbyville	84	6,100,130
Bowling Green	76	6,557,920
Springfield	104	9,652,680
Monticello	92	3,674,680



National Rank	Type	Kentucky Number
4th	Direct Operating	1,209
10th	Direct Ownership	156
6th	All (Direct and Guaranteed) Loans	1,647
2nd	Youth Loans	252
5th	All Beginning Farmer	699
4th	All Socially Disadvantaged	225

FY 2010 Average Loan Size



# KENTUCKY OUTREACH

In our ongoing outreach effort, local FSA Service Centers have successfully developed partnerships with other USDA agencies and community-based organizations, to insure the delivery of farm programs and loan information to all agricultural community members, including those targeted groups of under served customers (including women, minorities, and limited resource clients).

FSA employees work to build customer trust in FSA's ability to stabilize farm income, ensure compliance on farm programs, provide credit to farmers, and assist in recovery from disasters incurred in their farming operation.

## FSA's outreach efforts in Kentucky

**Farm Safety:** FSA Service Centers regularly partner with community base organizations to sponsor local Farm Safety Days. The events are attended by farmers, youth, and community leaders. FSA works to promote farm safety and encourage youth involvement in the family farming operation This is a great way to educate the community on the importance of farm safety and on what programs FSA has to offer.



**“Harvest of the Heart”** The fourteenth annual “Harvest of the Heart” food drive in Grayson County’s USDA agencies collected and delivered 7,155 pounds of non-perishable food items to the Community Alliance Food Bank which serves over 900 families per month in their food and nutrition needs. The annual food drive is one of the significant annual efforts to replenish the shelves at the food pantry, but the need for food supplies is year-round.

The partnership effort included the USDA Farm Service Agency (FSA), Natural Resources Conservation Service (NRCS), the Grayson County Conservation District (GCCD), and the Rural Development Agency (RD). Approximately 23 community churches throughout Grayson County worked with these agencies.

2010 Kentucky Small, Limited Resource, Minority Farmers Conference

Capital Plaza Hotel, Kentucky State University and the Kentucky State University Research Farm Frankfort, Kentucky November 16-19, 2010



Reflecting Back; While Moving Forward

Sponsors

Kentucky State University	USDA and Agencies
Kentucky Department of Agriculture	Office of Outreach
Kentucky Division of Conservation	Farm Service Agency
Kentucky Division of Forestry	Natural Resources
University of Kentucky- College of Agriculture	Conservation Service
Community Ventures Corporation	Rural Development
	National Agricultural Statistics Service
	Risk Management Agency
	Sustainable Agriculture Research and Education

For more information call 502-597-5905 or email [louis.rivers@kyu.edu](mailto:louis.rivers@kyu.edu)

**Small Limited Resource Farmer Conference:** This annual conference is sponsored by the Kentucky State University Cooperative Extension Service (KSU) with support from state and federal agency partners. KSU is an 1890 land grant institute. The theme for 2010 was **Reflecting Back; While Moving Forward**. Approximately 200 farmers from across the commonwealth and eight states attended the two-day conference. The conference allows small and part-time farmers to learn new strategies to be more effective and profitable in their businesses. Kentucky FSA was a financial sponsor of the conference and an exhibitor.

**National Farm Machinery Show:** FSA participated in the 45th Annual National Farm Machinery (NFMS) show in Louisville, February 10-13, 2010. FSA was one of more than 850 agricultural exhibitors at the show. FSA showcased Disaster Assistance Programs, Farm Loans, and BCAP. The Kentucky Fair and Exposition Center's eight interconnected exhibit halls totals more than 1.2 million square feet of indoor exhibit space.



In addition to gaining hands-on access to the newest and most innovative products on the market, attendees also benefited from free seminars featuring some of the industry's top experts. Seminars ranged from marketing practices for farmers to fine-tuning crop production skills and risk assessment/management.

The National Farm Machinery Show is the largest indoor farm show in the nation and was attended by 299,137 from across the US, Asia and Canada.



**People's Garden Donates 889 Pounds of Produce to Senior Citizens:**

The senior citizen's centers in seven Kentucky counties benefitted from fresh produce grown as part of the West Liberty Service Center People's Garden. The .2 acre vegetable garden behind the service center office provided 889 pounds of food to Wolfe, Morgan, Magoffin, Johnson, Floyd, Martin and Pike counties. Planting began on April 22, in honor of Earth Day." When Agriculture Secretary Tom Vilsack announced the Peoples Garden Initiative last year, employees felt the best way to accomplish the mission of helping the community and the environment was to start a community garden.

**Annual Commodity Breakfast:** The Farm Service Agency was well represented at the 2010 Kentucky State Fair annual commodity appreciation breakfast.

This event is sponsored by the Kentucky Department of Agriculture and several Commodity groups. It helps the commodity groups promote Kentucky's food products during the state fair and brings together agriculture leaders with producers, agribusiness representatives, and consumers.

FSA officials in attendance also had an opportunity to participate in a Kentucky Ag Council meeting and share with the group an update on the current Farm Service Agency programs in Kentucky.



## ***Outreach, continued***

**Website:** Kentucky's FSA website is updated with the latest information on FSA's programs and services. This allows FSA to provide quicker, more accurate information to agricultural producers. Producers can find information on Interest Rates, Farm Loans, Farm Programs, Service Center Locations, and News Releases. Producers who conduct business online can access forms and submit them electronically saving travel time to and from the local FSA Service center. Customers can also sign up to receive KY FSA e-mail alerts.

Kentucky's FSA's website is [www.fsa.usda.gov/ky](http://www.fsa.usda.gov/ky).

**County Committee Elections:** FSA County Offices continue to promote diversity of nominees and members of the local County Committees. Over the past few years, there has been an increase in female candidates elected to the local county committee. Committee members are a critical component of the day-to-day operations of FSA. They help deliver FSA farm programs at the local level. Farmers who serve on committees help decide the kind of programs their counties will offer.

**Women in Agriculture:** FSA employees participate in leadership roles at the state and local levels to promote participation in events sponsored by the Kentucky Women in Agriculture. The KY Women in Ag was formed in July of 2003, as a non-profit organization. The mission of the organization is to empower women through education, involvement, and action. FSA's objective is to inform women involved in agriculture about FSA programs. FSA sponsors the event through Outreach program funding. USDA Deputy Secretary Kathleen Merrigan addressed the group as part of the "Know Your Farmer; Know Your Food" initiative. Speaking to over 140 in attendance, Dr. Merrigan focused on the state and role of the agriculture community in today's society. The Deputy Secretary spoke directly of promoting sustainability and diversification within our hometowns. She strongly encouraged local support for USDA's current initiative "Know Your Farmer, Know Your Food".



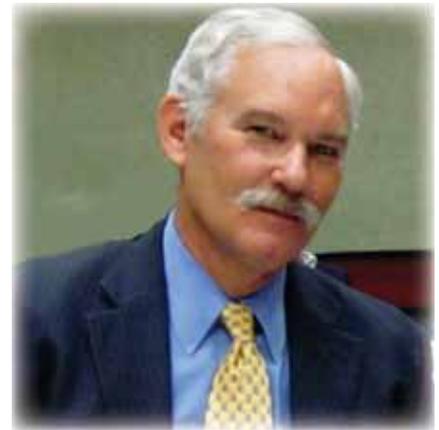
**Newsletters:** The Kentucky State Office publishes a newsletter to provide FSA customers and stakeholders with the latest information on programs and services FSA has to offer. The Newsletter is mailed directly to all FSA producers in Kentucky. Local FSA Service Center offices provide newsletter inserts on local issues and use. The newsletter is also used as an outreach tool in their local community. Customers can sign-up to receive an electronic version of the newsletter. All newsletters are available on the web at <http://www.fsa.usda.gov/FSA/ky/Newsletters>.

**Kentucky Farm Bureau Annual Breakfast:**

The Farm Service Agency was well represented at the 47th annual Kentucky Farm Bureau Country Ham Breakfast in Louisville. State Executive Director, John McCauley, District Directors, Program Specialist, Public Affairs Specialist, Outreach Coordinator and State Committee Members were provided with the opportunity to network with KY Governor Steve Beshear, Agriculture Commissioner Richie Farmer, and members of the KY Ag Council as well as many others. The charity event is a tradition at the Kentucky State Fair.



**Louisville Agricultural Club Speaker:** USDA's Acting Under-Secretary of the Farm & Foreign Ag Service, Michael Scuse, was the guest speaker at the Louisville Agricultural Club's Annual luncheon. Scuse spoke to the audience on the importance of farmers to the community. According to Michael Scuse, the agricultural industry is recovering faster than the overall economy and prospects appear to be bright at least for the foreseeable future



This event was held to kick off the 2010 North American International Livestock Exposition held in Louisville, KY. Louisville Agricultural Club consists of individuals and businesses who meet monthly in and around the Louisville, Kentucky area to educate members on current agricultural practices as well as issues and concerns facing agricultural producers both locally and nationally.

**Farmer Appreciation Week:** John W. McCauley, State Executive Director of the USDA Farm Service Agency (FSA), toured several farms across the Commonwealth in recognition of Farmer Appreciation Week. Kentucky has a rich heritage in agriculture from the diverse eastern highlands to the Jackson Purchase in the western part of the Commonwealth. They have one common goal, which is to produce the highest quality food and fiber for the farm community.

Kentucky's farmers are one of our Commonwealths greatest assets. Not only do we rely on Kentucky's agriculture for our food, feed, fiber, and fuel, our agricultural producers preserve our environment and help drive our national economy.



**Biofuels Roundtable:** FSA participated in a Biofuels roundtable discussion with other USDA Agencies, state agencies and the Governor's Office on AG Policy, on how the State or Federal government agencies could partner with the private sector to expand the demand for biofuels.

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