

# Panhandle-Plains LAND BANK, FLCA

panhandle-plainslandbank.com

## *Proud to Be a Cooperative*

The United Nations has declared 2012 as the International Year of Cooperatives. The slogan chosen to commemorate the year explains the reason: "Cooperative Enterprises Build a Better World." It's clear that they recognize something we have known all along: The cooperative model works and is beneficial for its member-owners.

The U.N. chose to celebrate cooperatives because they are a people-centered approach to economic development around the world. People are always at the center of the cooperative model.

The same is true at Panhandle-Plains Land Bank. Our customer-owners are the reason we exist. We have a mission to provide reliable financing to creditworthy borrowers in agriculture and rural America. It's a commitment we take very seriously, because we value the role that our farmers and ranchers play in feeding our nation and the world.

As I mentioned in the last issue of Landscapes, this year marks the 95th anniversary of the Farm Credit System. The System was based on the co-op model, and that unique, member-owned approach has proven strong and resilient for almost a century now. It will continue to serve us well as we face new challenges, such as the drastic weather-related difficulties many of our customers encountered this year.

The Panhandle and South Plains region is being tested beyond anyone's memory. The long-term drought is generating questions that no one can answer based on experiences: What is to become of the aquifer? Can the

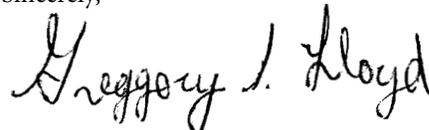
drought- and fire-damaged grass recover? Just how much rainfall will be needed to replenish the soil profile?

Panhandle-Plains Land Bank can and will do our part to maintain a financially sound and viable association that provides value to our membership. We are financially strong and positioned to be a reliable source of long-term financing for creditworthy borrowers.



No matter what we face, we can trust that our cooperative structure will serve us all well. We will join with other co-ops to celebrate cooperatives next year, but we don't need a U.N. declaration to give us reason to be proud of our history and our structure. We know that it works, and we look forward to always sharing our triumphs and success with each of our customer-owners. Thank you for the role you play in making our co-op great!

Sincerely,



Greggory S. Lloyd  
Chief Executive Officer

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Part of the Farm Credit System

This is the first in a series of profiles on each of the four offices in the Panhandle Plains region. In this issue, we focus on the Plainview office.

# Getting to Know Your Cooperative

## Spotlight on Plainview

The Plainview office serves the southern part of the Panhandle-Plains Land Bank territory. Located in the northern part of the South Plains, the Plainview office territory includes Hale, Floyd, Motley and Briscoe counties, and the southwestern part of Hall County. The territory includes irrigated and dry cropland on top of the caprock and rolling ranchlands and farms off the cap to the east.

As of the end of July, the office had some 620 loans on the books for a volume of \$87.3 million. Of the \$3.2 million cash patronage paid in 2011, borrowers from the Plainview office received a healthy return of \$995,867 from the association.

The Plainview office carries a greater percentage of cotton-based loans than the other offices. Other commodities include irrigated corn and irrigated and dryland sorghum and wheat. There are several dairies and cattle feedlots in the area, and a number of our customers have cow-calf and stocker cattle operations. Off of the cap, we have numerous loans to part-time ranching operations primarily for recreational use. The office also makes agribusiness loans to area cotton and grain facilities.

At press time, producers were dealing with severe drought. Very little of the dryland crop will go to harvest, and many cattle operations have had to liquidate, as grass pastures were depleted. The irrigated crop ranged from poor to good quality, depending upon the availability of water. To say conditions have been challenging is a gross understatement; but South Plains producers are resilient and look forward to next year.

“The Panhandle and South Plains is a great place to live, work and raise a family,” says Senior Vice President Kenneth Hooper. “Working for the Land Bank is a rewarding experience, as we help folks achieve their dreams of owning land.”



*From left to right, Jeff Taylor, Lana Watson, Christine Haynes and Kenneth Hooper*

## Office Staff

The Plainview office has a team of four full-time employees.

**Kenneth Hooper** is senior vice president and is officer in charge. Kenneth joined Farm Credit in June 1988. He was raised on a farm in the Halfway community and calls Plainview home. Kenneth is married to Andrea, who is a petroleum landman. The couple has two daughters and three grandchildren.

**Jeff Taylor**, vice president, joined the association in April 2004. Jeff was raised in Lubbock and is married to Shawna, who is a farm loan manager with the Farm Service Agency in Terry County. They have two young children.

**Lana Watson**, loan administrator, has been with the association since October 1985. Raised on a farm in the Edmonson community, Lana currently lives in Plainview. She is married to Rodney, who is director of the Llano Estacado Museum on the Wayland Baptist University campus in Plainview. They have two children and two grandchildren.

**Christine Haynes**, loan administrator, is the newest member of the team, having joined the association in June 2006. Christine is originally from Fall River, Mass., and currently lives in the Petersburg community. She is married to Orval, who pastors the Plainview United Presbyterian Church. They have two children.

# Panhandle-Plains Supports Area Students

Scholarships for 2011-2012 were announced at the Ag Scholarship Event Sept. 10 on the West Texas A&M University campus. For the fourth consecutive year, Panhandle-Plains Land Bank has donated \$4,000 to the West Texas A&M University (WTAMU) Foundation to fund these scholarships.

Awards are made to four upperclassmen in the College of Agriculture who graduated from high schools in our service territory. A committee from within the College of Agriculture makes the selection, and distributes the awards in the fall and spring semesters.

This year's recipients come from across the association's territory. They are:

- **Renee' Allison** of Canyon, pursuing a degree in plant, soil and environmental science;
- **Anna Castanon** of Perryton, a preveterinary medicine major;
- **Calvin Daugherty** of Silverton, pursuing a degree in agriculture education; and
- **Thomas Meek** of Canadian, an agriculture education major.

Allison, Daugherty and Meek are upperclassmen at WTAMU, and Castanon is a transfer student from Seward County Community



*From left to right are scholarship recipients Thomas Meek, Calvin Daugherty, Anna Castanon and Renee' Allison, with Panhandle-Plains CCO Cory Bruce.*

College in Liberal, Kansas. All of these students exhibit a love of agriculture in their chosen field of study and extracurricular activities.

The WTAMU Foundation has done another fine job of identifying worthy recipients for the scholarship. Panhandle-Plains Land Bank is proud to support these individuals and wishes them well as they continue their studies.

## Panhandle-Plains Land Bank's Commitment to Our Most Valuable Resource — Young, Beginning and Small Farmers

At Panhandle-Plains Land Bank, we are committed to providing reliable financing to farmers and ranchers, and that includes those who are just getting started in the business and those who are running small operations. By financing customers who fit the criteria of young, beginning or small (YBS) farmers, we do our part to secure the future of this nation's vital agricultural industry.

We have a deep understanding of agriculture and the many difficulties involved in starting a new operation, transferring an existing operation or expanding into new commodities or territories. We have the expertise needed to finance many people who fit into the YBS group to the full extent of their creditworthiness.

Here are some of the components of our YBS lending program:

- **FSA loan programs:** We work closely with the Farm Service Agency (FSA) through the Farm Ownership and Guarantee Programs, to assist farmers in getting and staying in business.
- **Flexible loan terms:** By using flexible loan terms and working closely with other lenders and FSA, we can tailor loans to fit the unique situations of YBS borrowers. Young and beginning operators may be eligible for special underwriting standards.
- **AgFAST loan scoring program:** AgFAST allows for quick loan approval for smaller loans and has been an asset for our YBS customers.
- **Sponsorships and scholarships:** We actively support other programs, events, scholarships and educational activities that benefit YBS farmers and ranchers.
- **Website:** [www.panhandle-plainslandbank.com](http://www.panhandle-plainslandbank.com) has a page of information and useful links for the YBS applicant.

### Definitions of Young, Beginning and Small Farmers

**Young farmer** – a farmer, rancher or producer or harvester of aquatic products who is age 35 or younger, as of the loan transaction date

**Beginning farmer** – a farmer, rancher or producer or harvester of aquatic products who has 10 years or less farming, ranching or aquatic experience, as of the loan transaction date

**Small farmer** – a farmer, rancher or producer or harvester of aquatic products who normally generates less than \$250,000 in annual gross sales of agricultural or aquatic products

# STANDING THE TEST OF TIME

## Farm Credit System Commemorates 95 Years of Service to Rural America

Panhandle-Plains Land Bank is proud to be a part of the nationwide Farm Credit System, which this year commemorates 95 years of serving rural America.



On July 17, 1916, the Farm Credit System was created when President Woodrow Wilson signed the Federal Farm Loan Act. This legislation established 12 regional Federal Land Banks to provide reliable long-term financing for farmers. The following year, these banks began granting loans to local mortgage-lending cooperatives that were owned by farmers and ranchers. Later legislation addressed the evolving needs of farmers, including the creation in 1933 of a short-term credit delivery system through locally owned Production Credit Associations.

Today, the Farm Credit System comprises a nationwide network of independent, customer-owned cooperative lending institutions that are dedicated to U.S. agriculture and rural America. Together, these institutions have more than \$229 billion in loans to agricultural producers, agribusiness firms, rural homeowners and rural communities.

As a member of the Farm Credit System, the Amarillo predecessor of Panhandle-Plains Land Bank was created in 1917 to meet the needs of our customer-owners in the Panhandle. The Pampa and Plainview associations joined the System about the same time. The three offices merged in February 1997 to become Panhandle-Plains Land Bank. We continue to support the System's time-honored mission to be a sound and dependable source of credit to American agriculture.

## Investing in the Land Bank Team

Through the Farm Credit Bank of Texas Leadership Program, Panhandle-Plains Land Bank makes an investment in its team. Continuing education for credit and appraisal is expected from an employer; but Panhandle-Plains goes the extra mile by participating in this program for loan officers, which is administered by the Farm Credit Bank of Texas.

Attendees pack three full days in Washington, D.C., and New York with learning how the Farm Credit System acquires funds for its loans. They have the opportunity to meet with System administrators, tour the facilities and meet with Wall Street executives. The group then learns and takes part firsthand in agriculture's political workings both from the Farm Credit Administration and Capitol Hill. Participants met with Senate and House agriculture leaders and their respective representatives.

Steve Donnell from the Amarillo office attended this year; Jeff Taylor from Plainview was last year's attendee. Donnell said that the week was, "without doubt, the best short-term Farm Credit training I have encountered." Based on comments such as this, the Farm Credit Bank Association Leadership Program will be an ongoing part of our loan officer training.



*Senior Vice President Steve Donnell, second from left*

## Tools to Help Manage Your Cash Flow

Panhandle-Plains Land Bank understands how important your cash flow is to the success of your business. That's why we offer convenient services to help you manage your financial transactions and make doing business with us even easier.

Here are a few of our cash management products. If you are not already using them, give us a call to discuss how they might benefit you and your business.

**Ag Banking Online** – With Ag Banking Online, which you can access from your home computer, you can view all loan and Funds Held account information. This is a new service for Panhandle-Plains Land Bank customers through the website, which become available this fall.

**Preauthorized Electronic Installment Drafting** – Save money on stamps and envelopes and make your payments on time, every time, by setting up this automatic withdrawal service. An electronic draft will be drawn on your bank account. If the interest rate changes, you will be notified of the change on a billing notice, and the new installment amount will automatically become the amount withdrawn from your account.

**Funds Held** – Borrowers have the option of placing funds into specific accounts for future payments or other needs, business or personal. Access to these accounts has some limitations; however, they provide a significant convenience.

**Special interest and additional principal payments** – Customers can make special interest payments prior to due date for tax planning purposes. Many loans allow for extra principal payment without penalty. Extra principal payments significantly reduce the interest cost and reduce the term of the loan.