

High Plains Farm Credit

Part of the Farm Credit System

NEWSLETTER

Part of the Farm Credit System

Vol. 17, No. 1, March 2017

Nothing Is As Constant As Change



Kevin Swayne
President

As we pulled away from the stop sign on Redline road in our old Chevy truck, I looked over at my dad. We were headed to pick up a load of seed wheat, the first load we were going to share since I moved back to Hays. As I looked at my dad, I wondered what might be going through his head. You see, my parents were helping me get started farming by answering all my questions and re-introducing me to how much farming had changed in the 20 years since I had moved away. In that moment on the county road, I realized just how much change my parents had dealt with in a very short amount of time.

I've managed a lot of change in my career and there are three things I've come to realize: 1) Change makes you feel uneasy; 2) Change is inevitable; and, 3) You feel better about change when you are the one driving it. I admire my parents for their ability to deal with me and with the changes within our family's operation.

Presently, we are all dealing with a lot of major changes. Some of you have recently worked with your family to incorporate others into your operation. Maybe you are working with a new loan officer, or are navigating the dra-

matic change in commodity and livestock prices. Change is impacting all of us. We knew the high prices weren't going to last, but NONE OF US expected the bottom to fall out so quickly. This has made most of us feel very uncomfortable.

I've talked to many stockholders and employees about how uneasy this change has made them feel. We usually talk about how agriculture is a cyclical business, and even though it is difficult, we have to be patient and trust ourselves. All of us are in this together, and together we will get through this. The best advice I can give, is do not isolate yourself! Keep your family and friends close, talk to other farmers to find out what they are doing to get through this and openly communicate with your lender and suppliers.

Always remember what is important in life: your faith, family and friends. We have started the year with a lot of changes and I am looking forward to meeting as many stockholders as possible. The first week in April is a great fellowship opportunity. Each branch office is having a customer appreciation steak dinner. I invite you to come enjoy a steak on us, talk to your neighbors and meet your local directors and management team. High Plains Farm Credit is dedicated to our local rural communities and that is a commitment that will never change. – Kevin

Land Values Trending Down



Kirk Green
Appraiser

The year-end land value trends for the association have recently been completed and offer an interesting look at what land values are doing in our area. Our association keeps records of land sales in our area and each year we analyze these sales to determine the direction of land prices. The trend in land prices this year was much as we expected – seeing a decrease in land values for the majority of our association territory. For the total area High Plains Farm Credit cov-

ers, the value of good upland crop (which is considered productive class II soils) decreased approximately 21%; the value of marginal upland crop ground (soils classes III, IV, and VI) decreased approximately 15%; and the value of pasture decreased approximately 4%. These figures are based on sales in our territory and counties just outside our territory where we do significant business.

The land values in our area are fairly consistent from north to south with a couple of counties being the exception. We typically see an increase in land values as we go farther east in our territory.

continued on Page 3

Who We Serve

High Plains Farm Credit's customers are the farmers, ranchers and rural home owners who live, operate or own land in Norton, Phillips, Smith, Graham, Rooks, Osborne, Ellis, Russell, Ness, Rush, Barton, Hodgeman, Pawnee, Stafford, Ford, Edwards, Kiowa, Pratt, Meade, Clark, Comanche, and Barber counties.



Ostmeyer Named Regional VP For Hays, Phillipsburg Offices

Outpost Offices

Norton

10 am - Noon
1st & 3rd Thursdays
County Courthouse
Commissioners Room
(785) 877-5710

Stockton

1 pm - 3 pm
1st & 3rd Tuesdays
Farm Bureau Building
518 Main
(785) 425-6261

Hill City

1 pm - 3 pm
2nd & 4th Wednesdays
County Courthouse
Commissioners Room
(785) 421-3453

Osborne

10 am - Noon
1st & 4th Wednesdays
Farm Bureau Office
1113 W. Highway 24
(785) 346-2621

Russell

10 am - Noon
1st & 3rd Thursdays
320 N. Main
(785) 483-3415



Chase Ostmeyer
*Regional
Vice President
Hays & Phillipsburg
Offices*

Chase Ostmeyer has joined High Plains Farm Credit as the Regional Vice President in the Hays and Phillipsburg offices. Chase received a dual Bachelor's Degree in Finance and Agribusiness at Fort Hays State University. He is currently in the process of earning a Master's Degree in Agribusiness from Kansas State University.

Prior to Joining HPFC, Chase worked in Garden City as a loan officer for nine years. In his spare time he enjoys farming in Northwest Kansas and cheering on the Kansas State Wildcats.

Staff Accept New Positions, Responsibilities



Rob DeWeese
*Chief Lending
Officer*



Travis Holdeman
Chief Risk Officer



KC Preisner
*Regional
Vice President
Larned &
Dodge City Offices*

Rob DeWeese has accepted the position of Chief Lending Officer for High Plains Farm Credit. Rob has 24 years of Farm Credit experience and has been with High Plains Farm Credit since 2000. He is located in the Pratt office.

Travis Holdeman has accepted the position of Chief Risk Officer. He has served as Loan Officer in the Pratt location for the past five years. Prior to 2011 Travis worked at the former U.S. AgBank in Wichita. Travis and

his family plan to relocate to Hays.

KC Preisner has accepted the position of Regional Vice President for the Southern Region covering the Larned and Dodge City offices. KC is based out of the Dodge City office and has 14 years with High Plains Farm Credit.

Chelsea Boyd has accepted the position of Loan Operations Manager for the Larned and Pratt offices. Chelsea is based out of the Pratt office and has seven years with High Plains Farm Credit.



Chelsea Boyd
*Loan Operations
Manager
Larned & Pratt
Offices*



Sondra Creamer
*Loan Operations
Manager
Hays, Phillipsburg,
Dodge City Offices*

Sondra Creamer has accepted the position of Loan Operations Manager for the Hays, Phillipsburg and Dodge City offices. Sondra is based out of the Hays office and has nine years with High Plains Farm Credit.

Ag Loans and a Whole Lot More

High Plains Farm Credit provides farmers, ranchers and agribusinesses an array of products and services:

- Operating Loans
- Real Estate Loans
- Equipment Loans
- Crop Insurance
- Leases
- Appraisals
- Installment Funds
- Preferred Stock
- Online Banking
- Credit Life Insurance

Our experienced staff will be happy to visit your operation and learn about your financing needs. Contact your local branch office to schedule a visit today!



Land Values Trends...continued from Page 1

A recent trend has been noticed is pure crop land or pure pasture land sales have been selling at a premium versus tracts that are diversified. The appraisers will continue to monitor this and see if it remains a trend in the coming years.

Irrigated land in our area showed an average price of \$4,488/acre which is approximately 13% lower than last year's values. CRP averaged \$1,341/acre for the year which is approximately the same as last year. CRP is the one land type that is often purchased as recreational property which may possibly explain the value of CRP not declining.

This year we also completed a study of land prices by region. Our territory was split into a North Region, a Central Region, a Southwest Region and a Southeast Region. This year, the North Region and the Southeast Regions showed the greatest decreases. Counties showing significant decreases include Rooks with approximately 20% decrease in crop prices and 15% decrease in pasture; Kingman with approximately 30% decrease in crop prices; Edwards with approximately 25% decrease in crop prices and 25% decrease in pasture; and Stafford with approximately 30% decrease in crop prices and 38% decrease in pasture. These decreases are based on sales that we have, and may be affected by a small number of sales, or sales concentrated in certain portions of a county which may be higher or lower than other portions of the county.

Our association currently has three state certified appraisers on staff. If you have agricultural land you need appraised for estate purposes, for buying, for selling, or any other purpose, please let us know. We would be more than willing to discuss an appraisal for you.

Total Association Land Value Trends

	Crop Good	Crop Fair	Pasture
2012	\$2,120	\$1,539	\$1,151
2013	\$2,402	\$1,696	\$1,344
2014	\$2,306	\$1,888	\$1,249
2015	\$2,252	\$1,767	\$1,171
2016	\$1,774	\$1,484	\$1,126

Farm Credit System



Stockholders/Borrowers



Retail Association



Farm Credit Banks



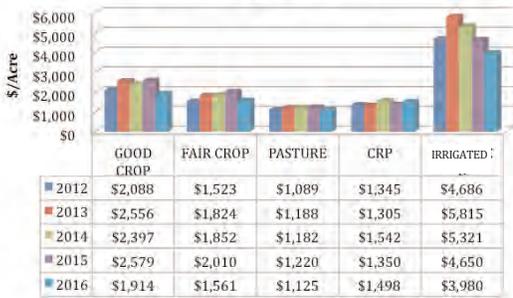
Federal Farm Credit Funding Corporation and Selling Groups



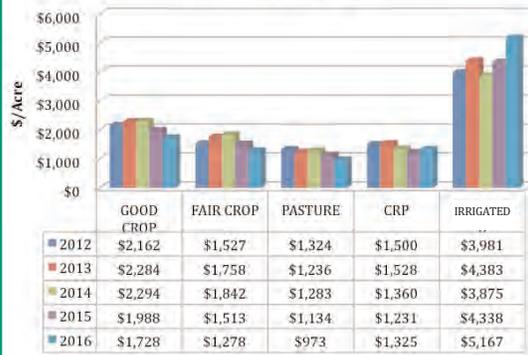
Domestic and International Investors



Northern Region



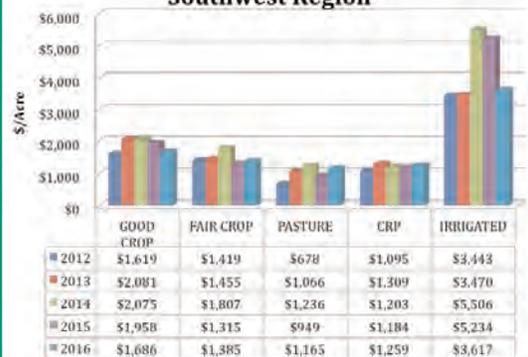
Central Region



Southeast Region



Southwest Region



Time To Think About Crop Insurance

Online Banking

What does Online Banking offer?

Online Banking is a banking platform designed to assist you in managing your business and help you save time and money.

Online Banking allows you to readily view your loan and give you the ability to access your account history.

Need help?

For Online Banking Support call:

Shannon Schmidt
1-800-369-9625

during regular business hours or email

Shannon.schmidt@highplainsfarmcredit.com

Not enrolled yet?

To sign up for Online Banking with High Plains Farm Credit, visit our website:

highplainsfarmcredit.com

and click on Online Banking, Enroll now.

Within two business days, you will receive an email containing your username and other information for view-only access.



Cory Johnson
Crop Insurance Specialist

With spring around the corner, severe weather is also near. The importance of protecting the value of your crop is higher now than ever before with low commodity prices and pressure to produce high yields. Your Multi-Peril Crop Insurance, whether it be Revenue Protection or Yield Protection, doesn't have 100% coverage level; it only protects a portion of your crop. Crop-Hail Insurance can help protect the remaining value of the crop that your Multi-Peril Crop Insurance won't cover when the peril is hail.

In this part of the state, hail is still one of the biggest causes of loss. High Plains Farm Credit can write with five different Crop-Hail Companies (RCIS, Rain&Hail, Great American, ADM, and Farmers Mutual), so we are able to provide the best rate and coverage option for your operation. Crop-Hail can be customized to meet your farming needs. Crop-Hail policies come in different plans with various deductibles. For example, there is the basic Crop-Hail policy, which has no deductible and pays damage starting with the first hail stone. Other plans have 5%, 10%, and 20% deductibles. There are also many options and endorsements you can add to your crop-hail policy to fit the needs of your operation.

High Plains Farm Credit would welcome the opportunity to write your Crop-Hail policy. Give me a call and let me run a quote to give you the best coverage option for your operation.

Thanks!

Cory Johnson
620-285-6978- Office 785-656-0124 - Cell

HPFC Stockholders To Receive 2016 Patronage



Kristen Windscheffel
*Chief Financial Officer
Hays Office*

High Plains Farm Credit provides value by delivering reliable, competitive credit and other financially related services to support stockholders in challenging times and help grow future generations in agriculture. We have a long tradition of strong earnings, which accumulates to the benefit of our stockholders. We return these earnings to stockholders through our patronage dividend program to benefit and strengthen the rural communities we serve. We're proud to announce that in April, High Plains will distribute \$3,000,000 in patronage dividend checks. This is the largest cash dividend declared in High Plains' history.

Our financial strength is also reflected in our Preferred Stock program. In December, the High Plains Farm Credit Board of Directors declared another Preferred Stock dividend. The 2.25% cash dividend was paid to preferred stockholders in January. The dividend rate increased to 2.50% in January to reflect the most recent rate increase by the Fed. The HPFC Preferred Investment Account is available to all HPFC stockholders to help you manage your financial resources while receiving a competitive return.

April Deadline for Scholarship Applications

Two \$1,500 scholarships will be awarded to college and university students for the 2017-2018 academic year.

The scholarships are designated for a borrower or dependent of a borrower doing business with High Plains Farm Credit. Applicants must be a junior or senior in a 4-year college or university, a graduate level student or attending a technical or vocational school or college.

Applications are due by 5 p.m., April 15, 2017.

Complete application information is available:

- From any of the five High Plains Farm Credit offices
- At www.highplainsfarmcredit.com
- By emailing Shannon Schmidt, Shannon.schmidt@highplainsfarmcredit.com



Nominating Committee Completes Duties

In February, elected members of the Nominating Committee met to select candidates for the Board of Directors and Nominating Committee. This important process ensures qualified candidates are selected so stockholders have choices during elections.

Justin Ashmore, Stan Brandyberry, Kirk Dickinson, Kerry Froetschner, Phillip Hammeke, Allen Hammerschmidt and Bill Starke met to select this year’s slate of candidates which are reflected below. The nominating committee, after diligent effort, was unable to find a sufficient number of willing candidates to provide for at least two nominees for Territory #1 and #4. Diligent effort is defined as contacting at least five (5) stockholders eligible to serve for each open position. The incumbents have agreed to run; however, all of the remaining nominees declined to run. It was the decision of the nominating committee if all of the nominees declined, the duties of the nominating committee had been fulfilled and Mr. Benoit and Mr. Thom would run unopposed.

At the Association’s annual meeting in May, voting stockholders in attendance are permitted to make floor nominations for every open stockholder elected director position and nominating committee position. Floor nominations may be made by a voting stockholder and require a second by another voting stockholder. If you have any questions on the floor nomination process or the benefits and qualifications for being a board member, please contact any High Plains Farm Credit office.

Special thanks to our Nominating Committee members and all of the candidates for agreeing to be a part of this year’s ballot. Additional information regarding the nominees and the election process will be sent in April.

	<u>Board of Directors</u>	<u>Nominating Committee</u>
Territory #1: Norton, Phillips, Smith, Graham and Rooks	Tim Benoit	Justin Ashmore Greg Gartrell Colby Greving
Territory #2: Osborne, Ellis, Russell, Rush and Barton	No seats up for election	Kirk Dickinson Phil Schmeidler Dan Zeigler
Territory #3: Ness, Hodgeman, Pawnee, Edwards, Stafford and Pratt	No seats up for election	Brent Diel Kerry Froetschner Scott Livingston
Territory #4: Ford, Meade, Clark, Kiowa, Comanche and Barber	Monte Thom	Cedric Drewes Kirk Larson Bill Starke

Board of Directors

High Plains Farm Credit, ACA

Ron Bach, *Jetmore*

Tim Benoit, *Damar*

Kenneth Gasper, *Tipton*

Craig Gebhard, *Long Island*

Jon Herrmann, *Kinsley*

Danny Koehn, *Montezuma*

Matt Thielen, *Dorrance*

Monte Thom, *Isabel*

Mel Kitts, *Goddard*
Appointed Director

Ron Koelsch, *Great Bend*
Appointed Director





High Plains Farm Credit
P.O. Box 836
2905 Vine
Hays, Kansas 67601

Celebrating 100 Years!

PRSRT STD
US POSTAGE PAID
HAYS, KS
PERMIT NO. 81



Important Dates At High Plains Farm Credit

- March 15, 2017 – Termination date for 2016 Spring Crops, premium due
March 15, 2017 – Sales Closing for 2017 Corn, GSORG, and SBEAN; deadline for Short Rated Wheat Acres for Grazing
April 3, 2017 – Customer Meeting, Huck Boyd Center, Phillipsburg, KS
April 4, 2017 – Customer Meeting, Schenk Building, Ellis County Fairgrounds, Hays, KS
April 5, 2017 Customer Meeting, Pratt Fairgrounds, Pratt, KS
April 6 2017 – Customer meeting, Knights Of Columbus, Dodge City, KS
April 5-7, 2017 – Great Bend Farm Expo, Great Bend Ks
April 10, 2017 – Customer meeting, J A Haas Building, Pawnee County Fair Grounds, Larned, KS
April 14, 2017 – OFFICES CLOSED – Good Friday
April 14, 2017 – HPFC Scholarship Deadline
May 18, 2017 – HPFC Annual Meeting, Larned, KS
May 29, 2017 – OFFICES CLOSED – Memorial Day
May 30, 2017 – HPFC Director Election Ballots Mailed
June 20, 2017 – HPFC Director Election Ballots Due
July 1, 2017 – Wheat Premium Billing

Larned Office

605 Main
Larned, KS 67550
(620) 285-6978
TOLL FREE 1-800-864-4458
FAX (620) 285-6140

Pratt Office

290 NE State Road 61
Pratt, KS 67214-8751
(620) 672-1265
TOLL FREE 1-866-672-1265
FAX (620) 672-5093

Dodge City Office

1405 East Comanche
Dodge City, KS 67801
(620) 225-4400
TOLL FREE 1-800-289-5370
FAX (620) 225-5867

Hays Office

2905 Vine
Hays, KS 67601
(785) 625-2110
TOLL FREE 1-800-369-9625
FAX (785) 625-4309

Phillipsburg Office

477 F Street
Phillipsburg, KS 67661
(785) 543-6535
TOLL FREE 1-800-815-8593
FAX (785) 543-5739

OFFICE HOURS

7:30 am - 4:30 pm M-F

www.highplainsfarmercredit.com