



PROUD PART OF THE FARM CREDIT SYSTEM

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Supporting the Future of Rural America

If you want to feel good about today's youth, attend your local junior livestock show. Stock show season will soon be here, and there is no better time or place to see rural America's future leaders in action.

While developing an appreciation for agriculture, these young people gain self-confidence and learn about sacrifice, perseverance and responsibility — the building blocks of character — as they invest physical work and time in their animals.

Capital Farm Credit is proud to support rural youth. You'll see us at the stock shows this winter, cheering on our young neighbors, purchasing animal projects and presenting awards. Earlier this year, Capital Farm Credit presented thousands of dollars in scholarships to many college-bound students, and we intend to do the same next year.

Capital Farm Credit also teamed up with the San Antonio Livestock Show, sponsoring the Junior Commercial Steer Show, providing computer equipment, software and support to enable electronic registration and check-in for livestock entries. We are also proud to sponsor the Commercial Steer Show and Public Speaking Contest at the Houston Livestock Show and Rodeo. In addition, we partnered with Texas State 4-H Roundup this year, reaching more than 4,000 students competing for prizes and scholarships. That partnership also provided us the opportunity to sponsor the state 4-H horse show and shooting contest.



We not only believe in our youth but also in the next generation of agricultural producers. We hosted three Next Generation Agricultural Conferences this year, providing resources to hundreds of attendees to help them run their farming and ranching operations effectively and efficiently.

More than 62 percent of U.S. farmers are age 55 or older. As these producers retire, new farmers and ranchers will be needed to take their place. At Capital Farm Credit, we are pleased to partner with FFA, 4-H, commodity groups and agribusiness organizations to help develop the next generation of farmers and ranchers — a generation with the leadership skills, technical ability, business knowledge and strong work ethic that are characteristic of those who work in agriculture.

Remember that the next time you see a youngster leading a steer around the show ring at your county fair. It's not just about the steer — it's about young people and the future of agriculture.

Sincerely,

Ben R. Novosad
Chief Executive Officer

Follow us on  

The Faith of a Mustard Seed

From Humble Beginnings Comes a Powerful Message of Hope

Originally intended to be a fundraiser for a Hamlin ISD school bus, the recent “PlayMaker” event at Abilene’s Moody Coliseum took on a life of its own. With the theme of “Making a Difference,” the event welcomed more than 20 speakers, from pro athletes to local coaches, and engaged both young and old in a discussion of hope, family and faith.

The seed for PlayMaker was planted last fall at the Hamlin Boys Club. Club leader and

“You never understand the impact you have on people.”

— Bryan Hodnett,
head football
coach at Jacksboro
High School

event organizer Dan Byerly — branch and relationship manager in Capital Farm Credit’s Stamford office — said the idea evolved from a simple fundraiser to an overarching motivational event because, during the planning process, the

boys expressed the desire to help teach schoolmates and friends about character, honor and integrity.

From its original focus on youth and those who work with youth, PlayMaker progressed to an event that had a much larger impact, as indicated by testimony from adult attendees dealing with problems such as illness and family and faith concerns.

“I truly think that God had a hand in this,” said Byerly. “We’ve received nothing but praise and help to fund the speakers, who came from all over. They all seemed to realize that there is a message that needs to be presented, and they all felt humbled to help spread that message.

“There were 23 men who came and didn’t ask for anything — didn’t ask for travel expenses or a fee or a hotel, or anything,” Byerly continued. “Some of them flew in to participate, and that’s impressive when you have that many people who want to be involved and to present a message that needs to be presented.”

Event speakers included:

- Willie Franklin, former University of Oklahoma wide receiver, former Baltimore Colts receiver and current evangelist
- Sam Harrell, former assistant for the Brownwood Lions and current offensive coordinator at Fort Worth Christian School. He is the father of former Texas Tech University and NFL quarterback Graham Harrell.
- Case Keenum, former Abilene Wylie High School quarterback and former University of Houston and Houston Texans quarterback, who now plays for the St. Louis Rams. He is the son of Steve Keenum, Big Country Fellowship of Christian Athletes multi-area director.

- Colt McCoy, former Jim Ned High School quarterback, former University of Texas quarterback and current player for the Washington Redskins, who presented via video from Washington, D.C.

Byerly and his team at the Hamlin Boys Club intend to continue sharing the motivational message in future years, and hope to grow the event beyond their expectations. Some university athletic directors have pledged to bring staff and athletes alike for the next event.

For more information about PlayMaker, contact Dan Byerly at Dan.Byerly@CapitalFarmCredit.com or (325) 773-3644, or visit the event’s website at www.playmakerdifference.com.

The next PlayMaker is scheduled for Feb. 21, 2015.

Main Street Goes to Wall Street: Capital Farm Credit Participates in Farm Credit Leadership Program

In the Farm Credit System, the funds we lend to farmers and ranchers follow a unique path. This past summer, participants in the Farm Credit Association Leaders Program were able to meet some of the bond dealers, financial experts and policymakers responsible for the dependable flow of funds from Wall Street to farms and ranches served by Capital Farm Credit.

Hosted by Farm Credit Bank of Texas, the annual program takes Farm Credit employees to financial and policy organizations in the New York City area and Washington, D.C., for four days. Andy Smith, vice president and senior credit officer in our agribusiness department, was the Capital Farm Credit representative this year.

“Every item on the agenda was a highlight,” Smith said of the trip, noting that the group had the opportunity to meet many people who contribute to the strength of the Farm Credit System.

“We’re in good hands,” Smith said. “We have such a strong organization that has the backing of so many. The people at the Federal Farm Credit Banks Funding Corp. are working every day to make the connection between Wall Street and Main Street. They also love to tell the Farm Credit story, because it’s marketable and provides value to our Farm Credit bonds. And the Farm Credit Administration works tirelessly to ensure the safety and soundness of the Farm Credit System, which provides the



foundation for our success as a cooperative.”

Smith said he was fortunate to meet with Sen. John Cornyn and Rep. Mike Conaway and agricultural staffers from the offices of Sen. Ted Cruz and Rep. Randy Neugebauer.

“At each visit, we were able to tell the Farm Credit story and remind our elected officials of the importance of having a safe and reliable source of financing for agriculture and rural America,” he reported. “Fortunately, all with whom I met know Farm Credit well, and relayed their support for our continued success.”

Smith firmly believes that customers can feel good about doing business with Farm Credit.

“The System and ultimately our stockholders have a reliable and competitive source of financing, regardless of economic market conditions,” Smith explained. “At every level, there are men and women who are passionate about Farm Credit, our cooperative model, and the agricultural and rural industries we serve. Because of this, the System will thrive well into the future, which is not something that every financial institution can say.”

Need Crop Insurance?

Capital Farm Credit's Agri-Insurance Team Provides Comprehensive Coverage

Capital Farm Credit has teamed up with Agri-Insurance of Hondo to offer our members comprehensive and highly personalized crop, pasture and forage insurance protection. Our products protect farmers and ranchers from risk under the following conditions:

- multi-peril
- crop-hail
- rainfall (floods or drought)
- declining livestock market prices

The Agri-Insurance team strives to make all aspects of the insurance process easy for customers, including quick turnaround on all claims. Tootie Ilse, director of crop insurance operations, and Lynn Ilse, office manager, have a wealth of experience. They have been involved in the crop insurance industry since 1986, and are well-known to producers in the Winter Garden/South Texas and Brazos Valley areas.

For more information, including coverage levels and sales closing dates, please visit the Hondo Agri-Insurance team at 1901 West Highway 90 in Hondo or call (830) 426-4175.



A Tool You Can Use

Introducing GrainBridge, New Risk Management Software for Ag Producers

Capital Farm Credit continually provides tools and resources to ben-



efit our customers, and we recently introduced GrainBridge, a risk management software program for ag producers. This comprehensive Web-based tool is designed to manage major components of crop and livestock operations — including budgeting, crop insurance, cash positions, futures and options.

GrainBridge can help producers answer questions such as:

- How can I manage and evaluate risk on my farm or ranch?
- Am I profitable with today's current prices?
- How can I manage components of price risk including cash sales, futures, options and insurance?
- Is there an easy way to manage profitability in volatile markets?
- How can I create reports showing my profit and break-even targets compared to current market prices?

The software is user-friendly and provides the information needed to make sound business decisions, from evaluating potential risks to managing profitability. It is available at *no charge* to Capital Farm Credit borrowers and can be used on desktops, smartphones and tablets.

"Making GrainBridge a part of your business is as simple and intuitive as the software itself," said Mark Loveland, Capital Farm Credit regional senior vice president of credit. "With available in-house training, producer webinars, online tutorials and a support staff available five days a week, we ensure that adding GrainBridge is a smooth and seamless process."

Ask your loan officer how to sign up for GrainBridge today!

It's Official: Capital Farm Credit Members Claim National First Bale of Cotton

Sam and Josh Ruiz, Capital Farm Credit customers in the Harlingen office, boast the title for delivering the official certified 2014 first bale of cotton in the United States. The 1,580-pound bale was delivered to La Feria Co-op Gin at 5:15 p.m. on July 3. The cotton was picked entirely by hand at the Ruiz farm near La Feria, and it was the first time for the brothers to win the contest.

The Harlingen Cotton Committee sponsors the contest each year, rewarding the producer(s) with \$3,000. Once ginned, the bale of cotton will be on display at the Harlingen Chamber of Commerce and auctioned off to benefit area scholarships.

The First Bale Auction has grown tremendously since its inception in 1953. Money raised from the auction helps support Rio Grande Valley students

taking an active role in agriculture. The agriculture industry represents about one-quarter of the Rio Grande Valley's economy, and cotton produced there is shipped all over the world.

The Ruiz brothers started their farming operation, Mid Valley Agriculture LLP, in 2008. In addition to cotton, the brothers also produce vegetables, sugarcane, corn and grain sorghum on more than 2,500 acres.



THE MAKING OF A MUSEUM

Ag History Enthusiasts Achieve
Dream of Exhibiting
Farm-Related Artifacts

*By Lacey Hoelting, Executive Director,
Bayer Museum of Agriculture*

It's been more than 40 years in the making, but with the help of Capital Farm Credit, the dream of a first-class agricultural museum is coming to fruition in Lubbock, Texas.

In 1969, under the leadership of Alton Brazzell, the Lubbock County commissioner's court allocated 5 acres of land near Shallowater to provide a central repository for donated farm equipment. This was the humble beginning of the Lubbock County Historical Collection, a project created to collect and document the agricultural history of the South Plains area.

For more than 30 years, area farmers donated all types of equipment, including tractors, harvest machines, irrigation equipment and tillage tools, along with countless small tools and household items. In a short time, Brazzell had amassed one of the largest and most unique collections of farm-related artifacts in the United States. Eventually a downtown warehouse was procured to store the collection, which included 23 restored tractors.

Humble Beginnings

In the late '70s, a farming exhibit, also called the Lubbock County Museum, was on display in Shallowater, but it was not until a group of civic leaders came together in 2001 that the American Museum of Agriculture was established. In 2002, the Lubbock County Historical Collection permanently loaned its exhibits to the museum, and the American Wind Power

Center furnished an unused windmill shop for the initial museum building.

While small compared with the dreams and passion of the museum's board, the modest building at least provided a physical location for the collection. But board members and other civic leaders persisted in pursuing a larger site, meeting with City of Lubbock officials to present their case. After several such meetings, the city agreed to furnish a 24.68-acre tract of land in Mackenzie Park, if the museum could raise the funds for a permanent building.

With the help of passionate board members, volunteers and donors, the museum embarked on a capital campaign to build a one-of-a-kind museum where children and adults could learn about their agricultural heritage.

Capital Farm Credit Sponsors Museum Fundraiser, Exhibits

While capital campaign funds trickled in, the museum needed a large-scale fundraiser to help raise both awareness and operating funds. In stepped Clint Robinson, museum board member and senior vice president in Capital Farm Credit's Lubbock office. He suggested using Capital's relationship with the "Texas Country Reporter" ("TCR") television program to host a dinner with reporter Bob Phillips as the keynote speaker.

The museum board and staff had never attempted an event of this magnitude but, with Robinson's help, in May 2011 Phillips inspired an audience of 700 people and

helped raise \$83,000 for the museum. In conjunction with the dinner, "TCR" did a special segment on Brazzell and his work at the museum. Visitor attendance increased as people from across the state ventured to the museum after seeing the story on television.

All of the fundraising culminated on April 4, 2011, when the museum staff broke ground on their very own facility. The Alton Brazzell Exhibit Hall, a 24,000-square-foot exhibit hall that showcases the museum's static collection, opened to the public in 2012.

In August 2013, Bayer CropScience and the American Museum of Agriculture announced a sponsorship agreement to rename the museum the Bayer Museum of Agriculture, and provide for a major expansion of the facility.

Phase II construction, completed in March of this year, added a main exhibit hall, the Plains Cotton

Growers
Conference
Center, a catering
kitchen, a

*Capital Farm
Credit Senior Vice
President Clint
Robinson, left,
visits with Texas
Country Reporter
Bob Phillips.*



large outdoor patio, and additional office and storage space. While the Brazell Hall focuses on agricultural heritage, the new exhibit hall is focused on modern agriculture and the American farmer.

Capital Farm Credit also is one of three major sponsors of a new interactive crops exhibit, "Crops: Harvesting the Facts," which takes a closer look at corn, cotton, peanuts, rice, sorghum, soybeans, sunflowers and wheat.

Visitors to this exhibit can learn the history of each crop, including interesting facts such as the crop's products and by-products, and can test their skills with two different games. The exhibit is based on smartphone technology and also features a timeline of agriculture in America, including important dates such as the creation of the Farm Credit System.

Educating Future Generations

Additional exhibits coming soon include an interactive cotton harvest simulator, an exhibit on the history of irrigation, and an exhibit on the science behind modern cotton production.

Capital Farm Credit's passion for preserving our agricultural heritage and educating future generations has made the association a perfect partner with the Bayer Museum of Agriculture. Its dedication helped bring "TCR's" Phillips back to Lubbock for the fourth annual "A Night for the Museum" fundraiser in September.

What was once a simple county history collection has evolved into a one-of-a-kind museum. Visitors of all ages will walk away with an appreciation of their agricultural heritage and a better understanding of how today's farmer continues to feed and clothe a growing world population.



Director Spotlight

Director Richard Counts Brings Financial Expertise to Capital Farm Credit Board

RICHARD COUNTS grew up in Clear Lake, and received BBA and MPA degrees from the University of Texas in Austin. In 1963, he joined Arthur Andersen & Co., a global audit, tax and consulting firm in Houston. He went on to become a certified public accountant in 1964 and an international audit partner for Arthur Andersen in 1972.

Counts' career also led him to the Dallas-Fort Worth area, where he served private and public manufacturing and oil and gas clients and took on a number of litigation support assignments. In 1985, he and his wife, Lynda, transferred to Hong Kong, where he worked with many global corporations, including some in China and the Philippines. Counts retired from public accounting in 1996 and became a financial consultant and temporary chief financial officer for several companies.

While enjoying retirement, the Countses purchased 85 acres of rural land near Columbus, Texas, where they built their home. They met a new friend and neighbor, a Capital Farm Credit board member, who explained the cooperative's role in providing credit to Texas farmers and ranchers. Later, that friend referred Counts to Capital Farm Credit when the association began a search for outside directors who could offer financial expertise. Since 2005, he has served as an outside, director-elected board member and a member of the audit committee.

"It is a great honor to serve the Farm Credit System, and it has been a wonderful

experience to serve alongside the many farmers and ranchers who have made up the board of directors of Capital Farm Credit," said Counts. "Our association has many outstanding employees, and

its management team members are very effective in the delivery of services to its stockholder-borrowers."

Counts commends Capital Farm Credit's directors and management team for quality mergers, internal expansion and excellent patronage programs — all of which have contributed to the co-op becoming

one of the leading associations in the entire country.

The Countses have been travel and adventure partners for 54 years. They have a daughter, Kim, and a son, Scott, both who live in the Houston area and have families of their own. The couple has four granddaughters and one grandson. Sailboat racing and cruising enthusiasts, the Countses have sailed to several small islands in the South China Sea, from Turkey to the Canary Islands, through the Gulf of Mexico and down the Bahamian and Caribbean chain of islands.

"I have never been shy about expressing my opinions and offering my guidance to the board and management," said Counts. "In my opinion, Capital Farm Credit is truly a great organization which is sincerely committed to providing the best possible service to its stockholders, and also strives to provide important support to rural Texas."



It Pays to Diversify

Braune Farms succeeds with more product offerings, online marketing and a strong presence at local farmers markets.

With no rain in sight and operating costs shooting up, Jeffrey Braune was steering a tractor down a row of maize back in 2004 when he realized that there was little hope left for his family's struggling farm south of New Braunfels, Texas.

"I finally got home at 2 a.m.," recalls Jeffrey, who teaches high school ag in San Antonio. "I told my wife, Julie, that we had to do something other than just grow wheat, corn and maize, or we wouldn't make it. I was so afraid we might have to sell off our land."

Hard Work and Determination

Determined to keep the farm afloat, Julie loaded up 15 cartons of eggs freshly gathered from their chickens and set up a card table at a Seguin farmers market. To her surprise, the eggs sold quickly, so she continued selling at the market. The next spring, surplus vegetables from their large garden sold quickly, too.

Subsequently, the couple, who garden without chemicals, planted more vegetables

and joined more farmers markets. They branched out to online marketing, such as on Facebook, and participated in community-supported agriculture, a form of farmer-to-consumer distribution, by selling subscriptions to their produce.

The diversification paid off. Today, Jeffrey and Julie Braune (pronounced "brownie") with their four children — Jaycie, 15, Janae, 12, Justin, 7, and Jacob, 5 — still farm their land *and* make a profit.

Farming Roots Run Deep

Jeffrey learned much of what he knows about farming from his parents, Floyd and Jamie Braune, who farm nearby and also sell at local farmers markets. Though separate businesses, both farms sell their vegetables, eggs, meat and pecans under the name Braune Farms.

Working the land runs deep in the family. Growing up, Floyd farmed with his father William, who at 94 still lives on the family farm north of Seguin. In 1966, Floyd married Jamie, whose father ran a dairy

Three generations of the Braune family farm south of New Braunfels





Clockwise from top: Justin Braune with a ripe jalapeño from one of his plants. At the family's farmstand, Julie Braune helps customer Ari Cowan pick out a cantaloupe. Jaycie and Janae Braune are pictured with potted vincas that they sell. Floyd and Jamie Braune with their cattle.

farm. The couple settled in New Braunfels and started a family. Floyd worked in commercial construction, while Jamie stayed home with their two children, Jeffrey and Carol, and attended college.

Capital Farm Credit Lends a Hand

In 1974, Floyd and Jamie moved to the country, where they gardened and raised some cattle. Just as William did, the couple financed the operation with Capital Farm Credit.

"We grew more vegetables than we could eat, so I'd take them to school to sell," says Jamie, who earned her teacher's certificate and then worked as a math teacher. "I sold fresh eggs, too."

Both retired now, Floyd and Jamie still grow seasonal vegetables along with pecans and free-range chickens on their 180-acre farm. They also produce grass-fed, hormone-free beef and lamb from their 166-acre ranch, which is planted in coastal grass. Daughter Carol Muenich lives on another family farm nearby, and cares for the Braunes' sheep.

"Our cattle are three-quarters Angus and one-quarter Limousine," Floyd says. "We

take our animals to a state-inspected processing plant in Gonzales and have them packaged into steaks, roasts, and other special cuts."

Every Saturday, no matter the weather, you can find the couple stationed at red checker-clothed tables at the New Braunfels Farm to Market, selling their meats, vegetables and eggs.

"Sometimes we're up real late Friday night, getting ready," Floyd says. "Just me and Jamie pick the vegetables. We want to slow down, but we don't know where to start!"

Third-Generation Capital Farm Credit Customers

Likewise, Jeffrey and Julie, who married in 1995, work long hours with help from their children. Every Wednesday afternoon, the family tends their own roadside stand at the end of the caliche driveway to their home. Third-generation borrowers with Capital Farm Credit, Jeffrey and Julie also financed their home with the cooperative, when other lenders hesitated to finance a rural home.

In 2009, the Braunes joined the Pearl Farmers Market in San Antonio, where they sell produce, canned goods, eggs and

potted plants every Saturday. Restaurant chefs John Russ of Luke San Antonio and Steven McHugh of Cured at Pearl are among their regular customers. When yields allow, the Braunes also sell at the Barton Creek Farmers Market in Austin. The children market their own crops, too.

"Justin sells jalapeños and banana peppers that he grows himself," Jeffrey says. "Jaycie and Janae were growing and selling cut flowers. But we switched to potted plants because they were in the field until 3 or 4 a.m., cutting flowers. Water became an issue, too, since we're still in a drought. We recently drilled a new irrigation well, so that's kept us going."

Overwhelmed one fall with a surplus of onion sets, Jeffrey purchased a mechanical transplanter.

"Now we can plant thousands of plants, which makes us more efficient," he says. "In our gardens, we also put down plastic mulch layers that I can plow between. We've slowly gotten better at farming."

Online Marketing Connects Farm to Market

In the past year, connecting with two websites has further broadened the family's customer base. CitySprout allows registered users to order directly from producers and pick up their items at designated locations. FarmHouse Delivery in Austin buys from select producers and delivers customers' orders to their door.

This October, the Braune family for the second year will host a pumpkin patch with games, hayrides and a mini petting zoo.

"We had about 700 people come out last year to pick pumpkins," Julie says. "So this year we planted 2 acres of pumpkins instead of one. The pumpkin patch is great exposure for our farm. Floyd and Jamie help us, and the kids really have fun."

Sometimes, Jeffrey can't help but wonder if his family gets tired of the long hours that farming requires.

"I feel like God has led us to do this, though," he says. "And as hard as our life is, it's been good to us." ■ SSR

Employee Spotlight

Colonel Travis Richards Honored for 30 Years of Military Service

Col. Travis Richards, Capital Farm Credit senior vice president and branch manager in Edinburg, recently was honored in a formal retirement ceremony for 30 years of military service.

Richards was commissioned as a second lieutenant upon graduation from Texas A&M University in 1984, and immediately entered service in the Texas Army National Guard. He completed the transportation officer basic course and went on to earn his flight wings through the U.S. Army rotary wing flight school.

During his tenure, Richards rose through the ranks, holding various positions of increased responsibility.

At the company level, he served in a number of aviation platoon leader assignments and held two separate aviation company commands.

At the field grade level, Richards was selected as the first aviation career manager with Joint Forces Headquarters, then as the executive officer of the 2-149th Assault Helicopter Battalion. Proving outstanding performance, he was one of two officers selected for battalion command to prepare, train and lead soldiers into combat.



He completed a combat tour in Iraq during Operation Iraqi Freedom in 2006-08, where he served as the battalion commander for the first fully transformed Army National Guard Aviation Support Battalion, the 449th ASB.

Richards was responsible for more than 600 soldiers and the maintenance and logistical support of the 36th Combat Aviation Brigade (CAB), which included more than 130 rotary and fixed-wing aircraft. During the tour, the 36th CAB flew more than 70,000 flight hours and completed over 10,000 combat missions during the surge in the Iraq War.

His career culminated as commander of the 36th CAB, with a force of more than 1,200 soldiers, serving in this capacity for 15 months. During this time, he was responsible for the welfare and training of personnel in support of seven subordinate units and their deployment and redeployment to and from the global war on terrorism.

Richards is the recipient of many awards, among them:

- Legion of Merit
- Bronze Star Medal
- Meritorious Service Medal
- Air Medal
- Army Commendation Medal
- Army Achievement Medal
- Texas Superior Service Medal
- Lone Star Distinguished Service Medal
- Master Army Aviator Badge
- Parachutists Badge

He also is the chapter president for the Jack Dibrell/Alamo Chapter of the Army Aviation Association of America and is a Silver Order of Saint Michael recipient.

Capital Farm Credit is proud to support our military personnel, and congratulates Richards on his distinguished military career and retirement.

Capital Farm Credit Receives Recognition

The Office of the Secretary of Defense recognized Capital Farm Credit as a Patriotic Employer for contributing to national security and protecting liberty and freedom by supporting employee participation in America's National Guard and Reserve Force. Col. Richards presented the award to Capital Farm Credit representatives Chief Executive Officer Ben Novosad, Executive Vice President Rick Rothe, Regional Senior Vice President Roy West and Regional President Roger Gaskamp.



Supporting Higher Education

Randy Breitling, vice president of HRM and administration, right, presented the Prairie View A&M University College of Business with a \$5,000 check in June on behalf of Capital Farm Credit. Receiving the check is Dean and Associate Provost Dr. Munir Qudus.

