

Capital Farm Credit Goes to Washington



Rural and agricultural legislation is critical to the livelihoods of Capital Farm Credit borrowers and the health of the communities we serve. And there's no better way to deliver that message to lawmakers than to take it ourselves.

This past summer, Capital Farm Credit sent a team of directors, borrowers and staff to Washington, D.C., to represent your interests and concerns on Capitol Hill. Our group was part of a large Farm Credit contingent — nearly 750 people from across the country — telling the Farm Credit story and speaking up for agriculture.

The entire Farm Credit delegation heard from U.S. Secretary of Agriculture Sonny Perdue and held discussions with members of the House Agriculture Committee. Then our representatives met with legislators and staff from our service territory. These visits allowed the Capital Farm Credit delegates to discuss matters like crop insurance, trade policy and other topics that impact farmers and ranchers in our area.

In addition, we were joined on our Hill visits by our Farm Credit Young Leader Program participants, Wade and Raegan Lowry of Bulverde, Texas.

We also had a customer product featured in the Farm Credit Marketplace at the Library of Congress. The event allowed legislators and their staff to pick up agricultural products from Farm Credit members across the United States. Capital Farm Credit provided three different flavors of infused olive oil grown and produced by Texana Brands in Cotulla, Texas.

While we can't all visit Capitol Hill, there are other ways to advocate for policy affecting our borrowers and Farm Credit. One of the easiest is to use the Farm Credit digital tool that allows you to send a message to your members of Congress. Simply text "AG" to 52886 or visit FarmCredit.com/TakeAction. By doing so, you can help let our policymakers know that Farm Credit supports farmers, ranchers and rural infrastructure providers in good times and bad.

Matters like trade policy affect the ability of farmers and ranchers to stay in business and feed our nation. Federal policy also affects Farm Credit's ability to provide dependable and competitive credit to agriculture and rural America. It's important that we tell that story.

As a cooperative, Capital Farm Credit is committed to looking out for our members' interests and concerns in the policy and legislative arenas. We will continue to speak up for agriculture and rural America at every opportunity, and we urge you to do so, too.

It's in all our best interests.

Ben R. Novosad

Ben R. Novosad
Chief Executive Officer



Capital Farm Credit (CFC) directors, staff and customers meet with U.S. Rep. Dan Crenshaw's staff at the 2019 Farm Credit Fly-In. From left are Ron Walkoviak; CFC Director Sharleen Walkoviak; Nikolai J. Hood, legislative correspondent; CFC customers Ryan and Melanie Harper; Sydney Eubanks, Crenshaw staff assistant; CFC Chief Lending Officer Jay Stewart; CFC SVP Compliance Jennifer Thompson; and CFC Director of Marketing and Communications Jeff Moder.

capitalfarmcredit.com | 877.944.5500

Customers Attend 2019 Farm Credit Young Leaders Program

Capital Farm Credit members Wade and Raegan Lowry of Bulverde, Texas, took their interests in agriculture to Capitol Hill on July 24.

As participants in the 2019 Farm Credit Young Leaders Program, the couple met with legislative staff of Rep. Chip Roy and heard from Sens. John Cornyn and Ted Cruz. Several staff and board members from Capital Farm Credit joined the Lowrys on their Hill visits.

“It was nice getting to explain our story — our experiences and hardships,” says Wade. “Farm Credit is so important for young producers. It allows us to borrow money at a rate we can repay. It was also nice to have the support of someone who has been in agriculture and understands it.”

The Lowrys were selected by Capital Farm Credit to participate in the annual young leaders program. The four-day event teaches young farmers and ranchers about the Farm Credit System, the legislative process and the nation’s financial markets.

This year’s program took 20 young Farm Credit borrowers from five states — Alabama, Louisiana, Mississippi, New Mexico and Texas — to Washington, D.C., and New York City.

Besides visiting Capitol Hill, the group joined nearly 750 Farm Credit borrowers and directors from across the country at a meeting with U.S. Secretary of Agriculture Sonny Perdue. They also heard from House Agriculture Committee members U.S. Reps. Austin Scott and David Scott.

Following their Washington, D.C., meetings, the young leaders visited the Federal Farm Credit Banks Funding Corporation in New Jersey. The funding corporation buys and sells the notes and

bonds that fund Farm Credit lending cooperatives.

The Lowrys run a cow-calf operation and sell grass-fed, ranch-raised beef online. Wade — whose family has been ranching in South Texas since 1888 — also partners in a leather shop/apparel brand called Two Dove Outdoors. He holds an animal science degree from Texas A&M University. The Lowrys have three children.

“This event is designed to give participants a behind-the-scenes look at how Farm Credit supports agriculture and rural communities across the country,” says Stan Ray, president of the Tenth District Farm Credit Council, which hosted the program.

Capital Farm Credit is a part of the 103-year-old Farm Credit System, which is a nationwide network of rural lending cooperatives that finance agriculture and rural communities.



Raegan and Wade Lowry, center, represented Capital Farm Credit at the 2019 Farm Credit Young Leaders Program. They celebrated completion of the program with Farm Credit Bank of Texas directors Jack Dailey and Linda Floerke.



Above left: The Farm Credit young leaders visited the USDA, where they spoke with a representative from the Foreign Agricultural Service Department. Above right: Sen. John Cornyn addresses the Texas contingent, including Capital Farm Credit young leader Raegan Lowry, front row, second from right.





Capital Farm Credit Director of Marketing and Communications Jeff Moder hands out samples of Texana Brand olive oil at the Farm Credit Marketplace.

Congressional Reception and Marketplace

Capital Farm Credit was proud to provide unique samples of infused olive oil grown and packaged by Texana Brand, a CFC customer. The signature event of the week drew more than 1,000 guests, including many members of Congress, to the historic Library of Congress Great Hall.

Attendees sampled and took home more than 20,000 products produced by Farm Credit customers from all over the United States.



2019 Director Election Results

Capital Farm Credit announces the following results of the 2019 Director Election:

- Regional Director, South Plains Seat #3
Lance Morris
- Regional Director, South Texas Seat #7
Gary Palousek
- Regional Director, East Texas Seat #10
John Malazzo
- At-Large Director, Seat #4
Dale Hoelscher
- At-Large Director, Seat #5
Kenton Kimball

In addition, the following members and alternates were elected to the Nominating Committee for a one-year term by acclamation at the annual stockholders meeting:

- **Region 1**
Rodney Hunter, Dale Wilhelm, Steven Schilling (alternate)
- **Region 2**
Larry Miller, Hugh King, Allen Huegatter (alternate)
- **Region 3**
Ricky Bearden, Dahlen Hancock, Mike Patschke (alternate)
- **Region 4**
Terry Schenkel, Jon Witte, Eric Seidenberger (alternate)
- **Region 5**
Robert Millican, Glenn Halfmann, Allen Arfsten (alternate)
- **Region 6**
Derry Gardner, Hank Kotzur, Scott Yanta (alternate)
- **Region 7**
Mike Vickers, Ronnie Smith, Primo Walker (alternate)
- **Region 8**
James Sell, Aaron Martinka, James Kamas (alternate)
- **Region 9**
Charles Graham, Mark Anderson, Mike Watz (alternate)
- **Region 10**
Jerry Broxson, Otho Turner, Jerry Armstrong (alternate)

Making a Difference Through Partnerships

Capital Farm Credit is a longtime premier sponsor at the Texas Wildlife Association (TWA) Annual Convention. With that partnership, we offer a complimentary TWA membership to our customers in appreciation for their business.

Customers Bob and Marilyn McDowell of Houston used their membership and the knowledge it brought them to rethink how to care for their land after they purchased Oak Hill Ranch as a weekend getaway. Our La Grange office helped them with the purchase.

We are proud that our small token of appreciation had such a large impact on land conservation and the environment, as illustrated in the article excerpt at right.

The excerpt is from an article by Lorie A. Woodward about the McDowells and their journey to land restoration in the Round Top Register, a Roundtop.com publication. You can read the entire article, "Oak Hill Ranch: A Palette of Creative Restoration," at <https://roundtop.com/oak-hill-ranch-a-palette-of-creative-restoration>.

Bob McDowell's goal is to re-establish native grasses across his Oak Hill Ranch.

"We planned to take a backseat when it came to the land management and enjoy the property as a traditional weekend getaway," admitted Bob. Two things changed that plan.

The first was the drought that descended on Texas beginning in 2009 and reached a scorching peak in 2011. Constant grazing was taking an obvious toll on the landscape, so the annual grazing lease wasn't renewed when it expired. The second was a complimentary membership to the Texas Wildlife Association that came as a thank you gift from Capital Farm Credit as part of the land loan package.

"I began reading and learning about land management and land stewardship," Bob said. "I became aware of the benefits of native vegetation, especially grasses, in the ecosystem — and was inspired to restore Oak Hill back to native prairie."

Marilyn said, "It was the beginning of 'The Great Cedar War.' If you want to make Bob happy, give him a pair of clippers and let him go."

(Side note: Bob has completed 47 marathons around the world. He is not good at sitting still.)

And while Bob, who has retired his chainsaw, did — and does — tackle some brush stands with clippers and loppers.

Working with his loan officer, Tim Knesek, Bob identified and established a network of land professionals. They included representatives from the Natural Resources Conservation Service, the Texas Parks and Wildlife Department and the Lower Colorado River Authority, as well as locals such as Larry Pineda and his sons, Junior and Christian. Together they developed a plan designed to prompt change across the landscape.

"My top goals are to re-establish native grasses, such as Texas bluestem, across the ranch and to get more moisture into the soil," Bob said. "Additional moisture not only helps the plant community, but helps replenish groundwater and can help with surface water supplies."

Seven Students Complete 2019 Internship Program

Capital Farm Credit's 2019 internship program wrapped up this fall for seven students. This 12-week program provided students the opportunity to work within the daily operations of Capital Farm Credit's corporate and credit offices, gaining a working understanding of areas, including credit, human resources and business development.

"We are very proud of our internship program," says Randy Breitling, vice president of human resources.

"We had applicants from all over the United States and enjoyed having the best of the best join our Capital Farm Credit family."

Bellville Office:

Katherine Green

Bellville, Texas; Senior at Texas A&M University, majoring in agricultural economics with a concentration in food-marketing systems

Corporate Office/Loan Processing:

Shane Bentke

Burton, Texas; Senior at Texas A&M University, majoring in agribusiness and animal science

Katy Office:

Nicole Maldonado

Katy, Texas; Senior at Boston University, majoring in business administration with a dual concentration in finance and information systems

Lubbock Office:

Grant Stockbridge

Mason, Texas; Junior at Texas Tech University, majoring in agricultural economics

Robstown Office:

Braden Bowers

Fredericksburg, Texas; Texas A&M University graduate with a major in agribusiness

San Antonio Office:

Justin Allen

Bryan, Texas; Senior at Texas A&M University, majoring in agricultural economics

Taylor Office:

Dinesh Rameshbabu

Round Rock, Texas; Junior at the University of Texas at Dallas, majoring in finance



Capital Farm Credit 2019 interns, from left: Braden Bowers, Katherine Green, Justin Allen, Nicole Maldonado, Shane Bentke, Grant Stockbridge and Dinesh Rameshbabu



Travis Wuest, left, his mother, Joye, and his brother, Brad, turned the caverns below their ranch into the family's primary business.

SUCCESS FROM THE DEPTHS

Wuest family turns Natural Bridge Caverns into successful venue

From a rocky bluff west of New Braunfels, Texas, Brad and Travis Wuest and their mother, Joye, scan the rolling hills where their ancestors eked out a living. More than a century later, the trio still ranch the same rugged land. But nowadays, most of their time goes to managing the spectacular cave system that lies beneath their land.

Natural Bridge Caverns — named for the limestone slab bridge that spans the cave's opening — is the state's largest show cave. One of Central Texas' best-known natural attractions, the underground phenomenon welcomes more than 300,000 visitors annually. It's a designated National Natural Landmark and listed on the National Register of Historic Places.

"We love our ranch and our caverns," Brad says. "We're passionate about both. Every day, Travis and I work to instill those values in our children."

Longtime Partnership With Farm Credit

Toward that goal, the Wuests first partnered with Capital Farm Credit in 2001 to purchase pieces of the original family ranch and adjoining land. With their first loan, they acquired undivided interest in 100 acres around the cavern's attractions complex.

Their second loan helped them purchase 1,132 acres called the Homestead Pasture. A small limestone and log home built in 1883 by the brothers' great-great-grandfather stand on this property.

In 2016, they purchased 346 acres of adjoining land that was part of the original Wuest Ranch.

appraisers to staff who did the paperwork, Capital Farm has responded to our needs."

For his part, Brad appreciates how Capital Farm Credit operates as a cooperative.

"They offer patronage dividends and allocated equities, which we receive regularly because we've been a longtime customer," he says. "They also have more favorable

terms compared to other traditional lenders."

When Travis applied for a home loan this year, he was pleasantly surprised at the ease of the process.

"Capital Farm Credit was willing to work outside the box with us," he says. "They were open-minded and tried to find innovative ways to work with us."

Strong Family Legacy

Cattle still graze on the Wuest Ranch, although not as many as in decades past. These days, a foreman oversees 53 head of Brangus along with a few horses.

"We used to raise Boer goats and sell show goats, but not anymore," Brad says. "It's gotten to where the cavern supports the ranch now. It used to be the other way around."

Every family goes through trying times, and the Wuests have had their share. In 1956, Grandfather Hilmar Wuest died when his prickly pear burner exploded. He'd been burning thorns off cacti that he was feeding his cattle during the drought.



Courtesy of Natural Bridge Caverns

Castle of the White Giants, which measures 250 feet long, is the Natural Bridge Caverns' second largest room that's open to the public. Capital Farm Credit helps the Wuests continue to expand their enterprise.

Sharing a love for the Rocky Mountains, the close-knit family worked with Capital Farm Credit to purchase a ranch in Colorado. They lease the land for grazing, vacation there in the summer to escape the Texas heat, enjoy the remoteness and hunt elk on the ranch in late fall.

"Through the years, the people we've worked with at Capital Farm have been so accommodating," Joye says. "From land

The accident left his wife, Clara, on her own to raise their two children and run the ranch.

But just a few years later, the family's fortune would change.

Discovering the Caverns

In 1960, Clara reluctantly let four college students from Saint Mary's University in San Antonio explore a sinkhole on her land. When the young men reported they saw amazing cave formations, Clara scoffed. Then she sent her son, Reggie, on the next underground trip. His confirmations paved the way for more spelunking trips.

In the meantime, Clara married Harry Heidemann, a Texas highway patrolman. On their honeymoon, they toured show caves across the country. Together they decided to develop their cave for public tours.

Construction of lighting and cavern walkways began in March 1963. Clara also worked to have a state highway built to the rural site. Several times, the couple ran out of money before the cave opened on July 3, 1964.

"Clara believed so strongly in the caverns that she mortgaged everything — their home, the land and even the livestock," Brad says. "She was a real entrepreneur. When that money ran out, she convinced the cave developer, builder, lawyer and well-driller to take payment with stock. As the business grew, she bought back the stock and kept the business ownership in our family."

For more than three decades, Clara, Harry and Reggie managed and expanded Natural Bridge Caverns. Sadly, Harry passed in 1996, followed by Clara in 1997



Bennett Lee Photography

Travis Wuest, forefront, and Brad Wuest recently discovered Travertine Passage of Natural Bridge Caverns.

and Reggie in 1998. Their deaths rocked the family. The losses also thrust Brad and Travis, who'd worked at the caverns since boyhood, into leadership roles in their early 20s. Today, Brad serves as president, while Travis is vice president and Joye is chief financial officer.

Five Different Tours Offered

"When we started, the business had one kind of cavern tour with a snack bar and gift shop," Brad says. "Now we have five kinds of tours."

In 2012, the Wuests opened Discovery Village, which features a ropes course and zip lines, an outdoor maze, a trading post with a gem-mining sluice and a sweet treats shop.

"We want our guests to reconnect with their families by experiencing nature and adventure together," Brad adds.

Exploration Turns Up New Passages

Their shared love for adventure motivated the brothers to further explore their beloved caverns earlier this year. During three arduous expeditions, lasting 13 to 19 hours, the pair and their team of experienced cavers discovered more than 1,600 feet of new passages that included incredible formations and pristine lakes.

"It's hard to convey the emotion I felt when we discovered virgin passages," Brad recalls. "I thought, wow, I'm going where no human has been before. It was very humbling."

So far, the family hasn't decided what to do with the new discoveries.

"For now, we'll continue to explore the passage because adventure and discovery are part of our brand," Brad says. "For many of our guests, this is their first cave experience. We want them to feel some of the emotion that we do and understand why caves are important and should be protected."

As fifth-generation landowners, the brothers — who are married to sisters — hope to pass on their passion for the land to their own children. Brad and his wife, Lexi, have four — Ashley (who works at the caverns), Clara, Emilie and Harrison. Travis and his wife, Jennifer, have three — Morgan, Ryan and Logan, who are also starting to work at the caverns.

"We've taken the family legacy and built on it," Brad says. "We're looking forward to seeing what the next generation will do here at Natural Bridge Caverns."