

# THE BRAND

The Newsletter for the Farm Credit of New Mexico Community | Summer 2009 | Vol. 7 Issue 1

## STRAIGHT AND NARROW

By Alfred Porter Jr., President and Chief Executive Officer

During 2008 and continuing in to 2009, the economy in the United States and through out the world has been turbulent. Farm Credit of New Mexico (FCNM) has seen some changes, but we are still financially strong. We are well capitalized and our credit quality is remaining constant at 96.73% as of April 30, 2009. The purpose of the Farm Credit System (FCS) is to provide credit for agriculture industry and rural America and we strive to fulfill that mission. We have been here since 1916 and will continue to be here for you in these difficult financial times. FCNM and FCS are Government Sponsored Entities (GSE) GSEs were created by Congress to improve the working of credit markets. FCS was the first GSE and has worked hard to play a role in the viability of the agriculture industry and rural communities of our country. Other GSEs, Fannie Mae and Freddie Mac, have had recent trouble. I want to assure you that the FCS and FCNM are strong.

FCS is different from other GSEs in several ways:

One, it is well capitalized. Fannie and Freddie were hurt because their capital eroded due to delinquencies on mortgage loans. FCS is well positioned with about 13% capital and FCNM has 15.4% in capital as of the end of April. nonperforming loans constituted 1.80% of

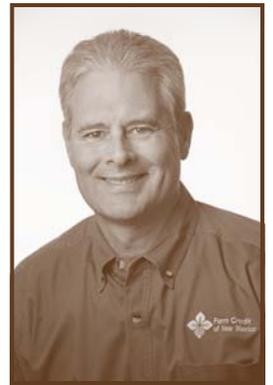
FCS loan portfolio as of March 31, 2009 and FCNM was at 1.82% as of April 30, 2009.

Two, FCS is not publicly traded which is a different structure than the housing GSEs. FCS is a network of cooperatives' owned by those who borrow money from us. Earnings generated by FCS are either retained for further lending to agriculture or returned to our borrowers through patronage. 2008 marks FCNM's fourth year to pay a patronage to our stockholders. We paid out \$8.54 million dollars. Over the four years FCNM paid cash patronage totaling \$28.89 million which is approximately a .75% reduction in your average interest rate annually.

Three, FCS is regulated by the Farm Credit Administration, an independent federal agency with strong and broad enforcement, examination, and oversight authorities. FCS has a strong record and has not had accounting irregularities and mistakes. FCS has already been using many of the tools which were adopted by congress this year for Fannie and Freddie contained in the housing reform legislation.

Four, FCS has established its own insurance fund that protects the bond investors. FCS self-imposed fund is \$2.7

billion on \$208 billion worth of assets. The housing GSE's have no such insurance program. In addition, all Farm Credit District Banks are intertwined so if one bank gets in trouble it is the others that come to their rescue, not the taxpayers.



Al Porter

Finally, FCS deals directly with those who borrow from them. FCS has extensive knowledge of agriculture and rural lending. Fannie and Freddie are wholesale institutions and buy secure mortgages from commercial banks and mortgage lenders.

FCS is a strong and viable GSE and is an example of how it can be done right. Remember that FCNM is dedicated to each and every one of our customers. I know that we are living in difficult times. Please know that we are on your side. Think of us as part of your team to make your operation work. If you need my help, or any of our staff, please let us know. You can reach me at 505-884-1048.

## BOARD OF DIRECTORS ELECTION RESULTS

There were three positions on the Board of Directors up for election in 2009. The election results are in and Allen W. “Wess” Wells, Mack Bell and Tyson Achen have been re-elected to the Board of Directors. All three were elected to their third term. A great big thanks to T. Scott Edeal, David G. Corn and Keith B. Deputy for allowing their names to be placed on the ballot.

Position #3, 3 Year Term:

**ALLEN W. “WESS” WELLS**, Incumbent, (59 years of age), Wess and his wife, Kim, reside in Mountainair, New Mexico, where he has been involved in ranching and farming his entire life. Wess runs a cow/calf and yearling operation in Socorro and Torrance Counties. Wess attended Eastern New Mexico University where he graduated with a Bachelors Degree.

Wess and Kim have four children. In addition to the ranching interest, Wess has owned a wholesale/retail gas, oil, feed, and tire business, and currently owns the Wells Insurance Agency in Mountainair and Moriarty.

Wess is a member of New Mexico Cattle Growers’ Association, New Mexico Farm

and Livestock Bureau, the Gran Quivira Community Church Board, Rocky Mountain Farmers Union, and is a past member of the Torrance County Planning and Zoning Commission, the Mountainair School Board, the Torrance County Water Board, the Region III Housing Authority, the Torrance County Fair Board, and the Moriarty Rotary Club. He is also active in 4-H and FFA in Torrance County. Wess has been a member of Farm Credit for 30 years and is currently the Chairman of the Board.

Position #5, 3-Year Term:

**MACK BELL**, Incumbent, (65 Years of Age), is a rancher at Corona, New Mexico. He also owns a ranch and irrigated farm at Tucumcari, New Mexico. Mack graduated from New Mexico State University in 1966 with a degree in range management.

He is married with two grown children and five grandchildren. Mack’s ranch is a cow/calf operation, with the calves held over as yearlings. The farm is leased to a young farmer who grows alfalfa.

Mack has served on the Corona Board of Education, Lincoln County Fair Board,

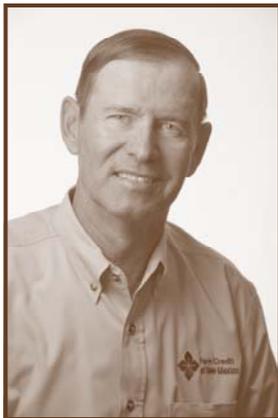
Lincoln County Planning and Zoning Commission, Canadian River Soil and Water Conservation District, Quay County Farm Bureau, and is an elder of the Corona Presbyterian Church. He is also a member of the New Mexico Cattle Growers’ Association, and is a trustee for the Lincoln County Medical Center. Mack has been a borrower with the PCA for seventeen years and with the FLCA for thirty-six years and is currently the Vice-Chairman of the Board.

Position #6, 3 Year Term:

**TYSON ACHEN**, Incumbent, (63 Years of Age), Las Cruces, NM, Ty was raised on a ranch in Yeso, New Mexico and graduated from New Mexico State University with a Bachelors Degree in Agricultural Economics. After graduation he began a 33-year career with Farm Credit, serving twenty-four of those years as CEO of Production Credit Association of Southern New Mexico.

Ty started farming in 1973 when he moved to Las Cruces. He farms approximately 470 acres of pecans.

Ty and his wife, Adie, reside in Las Cruces.



*Allen W. Wells*



*Mack Bell*



*Tyson Achen*

## BOARD OF DIRECTORS ELECTION RESULTS

They have two sons and six grandchildren. Ty has received the outstanding Alumnus Award from New Mexico State University and has been locally involved in the Southern New Mexico State Fair Board, Dona Ana Public School Foundation Board, Dona Ana County ETZ Board, and the Mesilla Valley Economic Development Task Force.

### 2009 NOMINATING COMMITTEE

The 2009 Nominating Committee has been selected. The nominating committee selects eligible stockholders to run for the Board of Directors. The committee will determine nominees for director position #2 which is held by W. Douglas Reid.

The individuals on the 2009 committee are:

*Mike Mechenbier*

*Willie Hernandez*

*James Kirk Davis*

*Randy Vander Dussen*

*Lonnie Sulzemeier*

*James C. Koontz*

The alternates are:

*J. Stanley Fury*

*Jay Lynn Blackburn*

*Andrew L. Jacques*

*Timothy L. Morrow*

## AG COMMUNITY CALENDAR

June 12-13	Dairy Producers of NM Convention, Ruidoso
June 17	FCNM closing early for company training
June 18-19	FCNM closed for company training
June 26	Clovis Customer Appreciation Event
June 28-30	NMCGA Summer Meeting, Ruidoso
July 3	FCNM Closed for Independence Day
July 21	Tucumcari Customer Appreciation Event
July 23-25	Farm Bureau Summer Meeting, Buffalo Thunder
August 27	Roswell Customer Appreciation Event
September 25	Albuquerque Customer Appreciation Event
October 30	Las Cruces Customer Appreciation Event

## STAN FETTIG TO HEAD CREDIT



*Stan Fettig*

Stan R. Fettig, currently serving as Vice President of Risk Management for Farm Credit of New Mexico located at the Administrative office has been promoted to Senior Vice President, Chief Credit Officer. In this role Fettig is responsible for and directs all credit activities of the \$1.1 billion dollar Ag lender.

Prior to joining Farm Credit of New Mexico, Fettig's background included: Bank Review, Bank Sr. Analyst and Chief Credit Officer.

Fettig grew up in North Dakota on a wheat and cow/calf operation and is married to

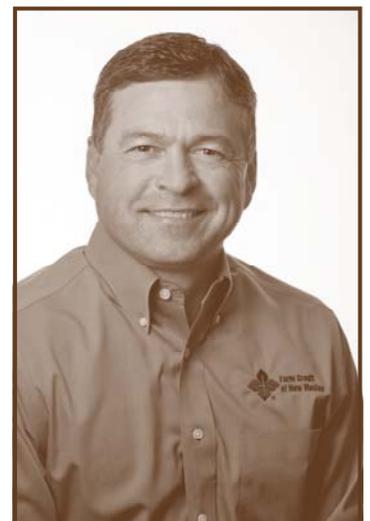
Sonja. They have one son and one grandson.

## DWAIN NUÑEZ TO MANAGE ROSWELL BRANCH

Dwain E. Nuñez will become the Branch Manager in the Roswell office of Farm Credit of New Mexico on July 1, 2009. Nunez has been with the Association for almost 18 years, starting in May of 1991 at Farm Credit of New Mexico in the Tucumcari, New Mexico office. In July of 2000, he became the Manager of the Tucumcari office. In February 2006, he became the Branch Manager of both the Albuquerque and Tucumcari offices for Farm Credit of NM. Nuñez will be responsible for all the operations of the Roswell Branch which has \$185 million in loan volume. Nuñez succeeds Jim McCoy

who will retire after 30 years with Farm Credit of NM.

Nuñez is a graduate of Eastern New Mexico University with a degree in Business Administration in Accounting. He is married to his wife Diane. Nuñez has two children Kacee and Leslee and one granddaughter Alyssa.



*Dwain Nunez*

## GRACE CAIN AND MICHELLE HEAVYSIDE “DIAMONDS IN THE ROUGH”

From Surviving to Thriving was the theme of the eighth Women in Agriculture Leadership Conference (WALC), held recently in Ruidoso. Over 90 women from across New Mexico’s agricultural industry came together to discuss current issues, network, and honor outstanding women in the group.

This year, Grace Cain, Engle, NM, and Michelle Heavyside, Clovis, NM were honored by the group with the “Diamond in the Rough” award. This award is given at each conference, recognizing outstanding women in New Mexico agriculture and highlighting her efforts and contributions.

Grace Cain has a lifetime of agricultural experience and knowledge. She is a retired teacher, and lives on her family’s cattle ranch at Engle. She was the first woman in the state to teach Ag in the Classroom, a program that is still going strong today and now professionally staffed and housed through the New Mexico Farm and Livestock Bureau. Cain organized the Sierra County Schools’ Ag Day, and sends her famous jerky overseas to our troops. She is a founder and past President of the Chamiza CowBelles, a supporter of 4-H, FFA and local gymkhanas, and very active in her church.

Michelle Heavyside, Clovis, is Chairman of the Milk Lovers’ Ball, a fundraiser for three local children’s homes, where she also volunteers. What began as a “Milk Mission”, to supply three local children’s homes with a yearly supply of milk, has

expanded into an educational and charitable organization that has donated over \$400,000 to the local communities, fed over 50 children nutritional dairy products, and educated over 15,000 people about the agricultural industry. She is founder and President of United Dairy Women, Director of the annual Dairy Fest in Eastern New Mexico, and serves on several local and regional boards. In addition to raising two small children and working on the family farm.

Dr. Cynda Clary, Las Cruces; Teresa Cribbs, Santa Rosa; Frieda Havens, Jicarilla Apache Reservation; Pam Roy, Santa Fe; Tammy Wier, Lovington; and Fita Witte, Belen; were also nominated for this year’s award.

This conference, which is held every two years in different locations around the state, draws women from all types of agriculture. “Today’s agricultural women are integral parts of their families’ agricultural operations in addition to their traditional roles,” said Caren Cowan, Conference Co-Chair.

“At these conferences, women are given information about issues that are impacting us all, and encouraged to get involved however they can, whether it’s attending a local county commission meeting, talking to a state legislator, or writing a letter to the editor. Every year, we in agriculture become more and more of a minority, and we need to make sure our voices are heard.”



*Cain & Heavyside*

This year’s conference covered a wide range of topics. Attendees heard from State Rep. Joni Gutierrez, and Lt. Governor Diane Denish, then discussed the legislative process and issues from the recent legislative session that will impact Ag. The rise of extremist animal-rights groups, and their impacts on public policy were discussed. Time management, Estate planning, Ag in the Classroom, and the Mesilla Valley Maze were also reviewed by the group.

## FARM CREDIT OF NEW MEXICO'S ENDOWED SCHOLARSHIP AT NEW MEXICO STATE UNIVERSITY

In December of 2005, FCNM's Board of Directors established the Farm Credit of New Mexico Endowed Scholarship at New Mexico State University. The endowment was funded with \$250,000. The income from this endowment is used to give \$2,000 per year awards to students at NMSU that are: 1. children or grandchildren of a current member, 2. a sophomore, junior or senior enrolled for a minimum of 12 credit hours, and 3. maintain a minimum grade point average of 2.5.

The Scholarship Committee of the College of Agricultural Consumer and Environmental Sciences, in coordination with the

Financial Aid, selects the recipients. Students who receive the award are eligible for the award in subsequent years provided all criteria are met.

The first scholarships were awarded in the fall of 2006. To date a total of 17 scholarships at \$2,000 each have been awarded for a total of \$34,000. The Fall 2009/Spring 2010 recipients are:

**William "Chanz" Robins** from Hachita, NM, son of John Robbins; **Russell Johnson** from Columbus, NM, son of Joe & Teresa Johnson; **Denny Burnett** from Hope, NM,

grandson of Denny & Geraldine Calhoun; **Jett Sours** from Grady, NM, son of Jerry & Judy Sours; and **Kayla Hinrichs** from Clovis, NM, daughter of Bruce & Cheryl Hinrichs.

To apply for the scholarship students can fill out either the NMSU or College of Agricultural Consumer and Environmental Sciences general scholarship applications. Scholarships are awarded in the spring of each year for the following school year. If you have questions about the scholarship contact your loan officer, Shacey Sullivan at 800-451-5997 or Will Waller with NMSU/ACES at 800-400-1807.



PO Box 94330  
Albuquerque, NM 87199