



## Oklahoma Bank and Commerce History Project

*a program of the Oklahoma Historical Society*

**Interview with Tim Barnes  
First State Bank of Boise City  
Boise City, OK, 8/18/2011  
Interviewer: Michael J. Hightower  
Audio taped and transcribed by MJH**

MJH: It is Thursday, August 18, 2011, and I am speaking with Tim Barnes, who is president of First State Bank in Boise City, and we are here to talk about his and his family's involvement in the banking business in the Panhandle. And thank you so much for, again, for taking some time today.

So why don't you start by telling me your history with the bank, and maybe it all begins with your father, if you want to go back to that...

TB: Well, actually, it goes back to my grandfather. He was involved in a bank in southeast Kansas, a little town called Piedmont, which I don't think exists, hardly, anymore.

MJH: That was your grandfather? Barnes?

TB: Barnes, yeah. It closed during the Depression era. My dad was involved in banking for several years—I don't remember exactly how long. I think he first started in the banking business in the late forties or early fifties. We moved to Keyes, in Oklahoma, in 1957, and he ran the bank there until he retired.

MJH: What was the name of that bank?

TB: First State Bank. They've changed the name of it now.

MJH: What brought him out to Keyes?

TB: His brother, my uncle, knew the people out here, and they were looking for somebody to run the bank in Keyes. So they contacted my dad, and he accepted the job.

MJH: What was your dad's name?

TB: Glen.

MJH: Okay, so he was running the bank in Keyes. Were you working there, maybe as you were looking around for a profession? How did you wind up in the business?

TB: I was in the Army, and H.H. Johnson, who was president of the bank back then, wrote me a letter, and wanted to know if I would be interested in going to work here, in Boise City. I thought it sounded like a good opportunity, so I took the job.

MJH: When was that?

TB: That was 1972.

MJH: So have you been president ever since 1972?

TB: No.

MJH: Okay, so when did you take the top job?

TB: That was probably 2002, probably, something like that.

MJH: So tell me a little bit about running a high plains bank. What's the economy like?

TB: We're strictly agriculture.

MJH: And of that, would you say, wheat, cattle...

TB: Wheat, cattle, irrigated corn, grain sorghum.

MJH: This is the only bank in town, I take it. There's one over in Keyes...So are there two banks in the county? Are there more banks in the county?

TB: High Plains has a branch over here.

MJH: I did see that. So that's a branch. Where is that from? Where is that based?

TB: They're headquartered in Keyes, I think. I think so.

MJH: So you came in 1972. What was the banking business like in 1972? How has that changed over the years? What are some of the things that really stand out to you?

TB: It was quite a bit simpler, in a way. We didn't have quite as much paperwork to do back then.

MJH: And that's not going to get any better.

*Laughter...*

TB: No. it's not.

MJH: Your clients, then, are primarily ranchers, wheat farmers...

TB: Right, ranchers and farmers.

MJH: Do you find very much competition? I mean, there are a few banks over in Guymon, I suppose you could go up to southwest Kansas and find some. Do you find a lot of competition in the business?

TB: Oh, some, yeah.

MJH: How about any...The main event in the past quarter century would have been the Penn Square Bank failure. Did that have any kind of repercussions here? How would you describe that period?

TB: Maybe increased regulation.

MJH: But you wouldn't have had any participations...

TB: Oh, no. We had nothing to do whatsoever with Penn Square Bank.

MJH: Did you have any sort of oil and gas lending at all? Strictly ag?

TB: Mostly ag. Consumer loans too. A few commercial loans and businesses around town.

MJH: Of course, another historical period was the Great Depression. Obviously, you weren't here then. But are there any stories that have been handed down over the generations about those bleak days, and how the bank survived that?

TB: One book about that, *The Worst Hard Time*—that's a really good book about the Depression era and the "dirty thirties" around here.

MJH: I have seen that. Who is the author?

TB: Timothy Egan. It's really good. It gives you a pretty good perspective of how things were back in the dust bowl days.

MJH: Do people still people still bring it up and talk about it? I guess some of the old-timers...

TB: Some of the old-timers do.

MJH: How about this drought now? I've heard a couple of people say...In fact, your librarian over here, was saying that if they hadn't planted some grass in some of the fields, the way the wind has been blowing this spring and summer, you might have been in for another round of it. Are there some comparisons, do you think, between then and now?

TB: Oh, not too much. Here recently, we've gotten a little bit of rain, but it's really dry...

MJH: I know, in terms of irrigated agriculture, it depends so much on the Ogallala Aquifer. Years ago, I used to hear about how it was being depleted so much. Is that still a big concern here? Tell me about that.

TB: Yeah, we've had quite a few wells that have essentially gone down. Irrigation first started here in, maybe, the late forties and early fifties, and a lot of the wells have fallen off since then.

MJH: What do people do or think about that? Do you just have to wait until your own well runs out? I don't know how you plan for the end of the irrigation era. Is that something that is in the conversation at all?

TB: The sprinklers they have now are a lot more efficient in putting down water than the old row irrigation was.

MJH: But there's no real sense of emergency out there, in terms of people running out of water?

TB: In some cases, there are.

MJH: Like I say, I don't know how you'd plan for it. I suppose there are dry land crops. I suppose you could phase those in, or something like that...

TB: We raise sorghum, but we can't really grow dry land crops out here because we just don't get enough rain.

*Siren in background...*

MJH: I've heard you've had a lot of grass fires.

TB: Oh yeah, up north, we've had a lot of grass land burned off.

MJH: The librarian was even saying that some of the wildlife has been coming in. Some have seen bears...

TB: That's right. There have been some bears around, scrounging for food.

MJH: They must be desperate. They're not going to find anything out there.

TB: They had a big fire up on I-25, at Raton Pass, awhile back, and I think that made a lot of the bears up in that area move around.

MJH: So the mainstay of your economy is agriculture. What do you see as your main opportunities or challenges, at this moment? I have talked to a lot of people about the regulations coming out of Washington, that are piling up. What is your take on all that?

TB: Well, I think it's pretty excessive right now. In fact, the regulations on home loans have gotten so bad, and are so demanding, that we have quit making those kind of loans because we don't really have a lot of demand for it, and it takes almost a full-time person to do it.

MJH: So you've really gotten out of the home mortgage business.

TB: Right.

MJH: Do you have a sense of what's driving all that? I mean, obviously, there's a lot of fall-out from 2008, but I don't think the First State Bank of Boise City had a whole lot to do with that.

*Laughter...*

TB: No, we didn't.

MJH: What's your sense of the mentality in Washington? Have you given that much thought?

TB: I think we've got a mess up there.

*Laughter...*

MJH: Well, you've got a lot of agreement on that! Were there any notable events here? Natural disasters, robberies, anything like that, that sticks out in the bank's history?

TB: We were robbed—probably, I can't remember the date for sure—but we did have a robbery, maybe, a year, year and a half ago.

MJH: That was probably written up—I guess the *Boise City News*, that's probably a weekly?

TB: Yeah.

MJH: That would be, maybe, the spring of 2010?

TB: I can't remember the exact date.

MJH: So what happened there?

TB: Some guy walked in and said he had a bomb. He had a weird looking deal strapped to a cell phone. He said it was a bomb. He also said he had planted a bomb at the school. That was just a diversion he had.

MJH: Did he get away?

TB: Yeah, he got away from here, but they finally caught him down in Georgia.

*Small talk about robber, supposedly in federal prison now...*

I think he's the same guy who held up a bank in Noble, Oklahoma.

MJH: Do you think this the kind of business you'd want to hand off to the next generation? Are there any other Barneses coming along, who want to be in the banking business?

TB: No. My two boys are both getting engineering degrees.

MJH: Where did they go to school?

TB: Oklahoma State.

MJH: Good. I've got a little orange blood in me too. Did they ever show any kind of interest in getting into the banking business?

TB: No. They're both engineers.

MJH: Do you see any particular opportunities coming up. It sounds like you have a stable bank, you've got your ag customers, pretty steady customer base, and not a lot of turnover.

TB: Yes.

MJH: I know what I was hearing in Guymon, things have changed over there socially, and then it spreads over into economics. With Seaboard, there has been more of a population flux. Are you really beyond that here?

TB: We haven't really experienced a lot of that kind of thing over here.

*TB answered phone...Small talk about a call from India or somewhere...*

MJH: Something I see here, and something that Jimmy Webster was talking about: Texas County is somewhere near the top of the state in terms of per capita income. Does that carry over into other parts of the Panhandle too, or would that be kind of special to Texas County?

TB: Beaver County might be one of the top counties, because they have a lot of oil and gas production down there.

MJH: But Cimarron County, not so much?

TB: We have a little, but not much.

MJH: Are there mainly royalty owners around here? One thing Jimmy was saying is that there's not so much production, and a lot of the production is with the huge companies, and not so much the small explorers. But in this part of the Panhandle, not so much...

TB: It's mostly over around Keyes, just south of Keyes—oil and gas production over there.

MJH: Is Boise City growing, or staying about the same? What are the demographics?

TB: It's fallen off in the last few years.

MJH: Why do you think that?

TB: Oh, you know, it's like with my two boys, there's really no incentive for ever staying here.

MJH: There's no industry...

TB: No. None.

MJH: So in the city itself—what do folks do in the city? What kind of employment base is there? I know you've got the county courthouse...

TB: County government, Dollar General [Store]...

MJH: There's the hospital...

TB: Hospital, Love Country Store. We have a lot of trucks that stop there.

MJH: Yeah, there are more trucks...Do you get much traffic from Black Mesa, people coming through to visit there?

TB: Yeah, some.

MJH: So a lot of it is drive-through traffic—folks going to New Mexico or Colorado or somewhere?

TB: Yeah, a lot of it is just drive-through traffic.

MJH: And that's not much of an economic driver.

TB: No. Not a lot. Since Love's [Country Store] moved down to where they are now, their business has really increased a lot, because they were in a really small place there, for awhile. It's always really busy, seems like.

MJH: There seem to be an awful lot of trucks, and I guess they're oil field supply trucks, hauling cattle...

TB: There's all kinds of trucks going through here, going from Dallas to Denver, or up north somewhere.

*Laughter as large truck passed by outside...*

MJH: Is there any other thing about this bank in particular? Has it been a good career? Was it good making the move to Boise City from Keyes? I imagine this is a little bit bigger institution than the one on Keyes?

TB: When I went to work here it was. I think they're probably pretty close to the same size now.

MJH: Maybe Keyes is bigger than I think it is.

TB: See, Keyes has got the branch here, and they've got a branch in Cordell, and one in Alva.

MJH: Maybe it is a little bigger...So is it actually a bigger town than Boise City?

TB: Keyes? No, no, there's not much over there any more. It's not the town I grew up in.

MJH: Well, I think this is good stuff. I appreciate your finding this...

*Reference to Bank Commissioner Lankford's letter in minute book...*

Again, where would I come across something in a minute book?

TB: Yeah, that gives a pretty good history of this bank.

End