

3The actions delineated below were taken in open session of the Kentucky Agricultural Finance Corporation Board at the November 18, 2022 business meeting. This is provided in summary form; an official record of the meeting is available in the permanent records of the Kentucky Office of Agricultural Policy (KOAP), 404 Ann Street, Frankfort, Kentucky 40601.



**Kentucky Agricultural Finance Corporation Board
Summary Minutes of the Business Meeting
Pulaski County Farmers Market
401 E. Mt. Vernon St, Somerset, KY
November 18, 2022**

Call to Order

Commissioner Ryan Quarles, presiding, called the Kentucky Agricultural Finance Corporation Board (KAFC) regular business meeting to order at 9:10 a.m. (EST).

Roll Call

The following members were present: Commissioner Ryan Quarles, Frank Penn, Billy Aldridge (designee for Secretary Holly M. Johnson), Dan Flanagan, Dr. Kenny Burdine, Wayne Hunt, Linda Rumpke, and Larry Jagers.

Absent Members: Mac Stone, Doug Lawson, Jonathan Noe, and David Rink.

Notification of Media

Commissioner Ryan Quarles received verification from Hannah Johnson, Board and Special Events Manager, that the media had been notified of the KAFC board meeting.

Welcome

Commissioner Ryan Quarles welcomed everyone to the KAFC board meeting. Commissioner Quarles updated the board on activities of the Kentucky Department of Agriculture (KDA).

Approval of Minutes

Commissioner Ryan Quarles entertained a motion to approve the minutes of the October 14, 2022 board meeting.

Ms. Rumpke moved to approve the minutes, as presented; Mr. Penn seconded the motion.

VOTE: Motion Passed; Unanimous.

Executive Director's Report

Commissioner Quarles called on Brian Lacefield, KOAP Executive Director, to present the KOAP Executive Director's report to the board.

Mr. Lacefield gave an overview of his activities since the October board meeting. Mr. Lacefield recognized staff and board members for their recent awards and reconditions. Mr. Lacefield lastly referenced the Kentucky Office of Agricultural Policy Annual Report.

Deputy Executive Director's Report

Commissioner Quarles called on Mr. Bill McCloskey, KOAP Deputy Executive Director, to report to the board.

Mr. McCloskey reviewed the Kentucky Agricultural Development State Pool Status (*on file*) as of November 1, 2022

Mr. McCloskey reviewed an updated version of the Kentucky Agricultural Development Fund County Account Balances (*on file*) as of November 4, 2022

Mr. McCloskey reviewed the K AFC Statement of Financial Position (*on file*) as of October 31, 2022

K AFC Statement of Financial Position	
As of October 31, 2022	
Assets	
Cash K AFC Accounts	\$ 21,810,101
Loan Payments Due K AFC	
Category A	\$81,433,109
Category B	\$
Category C	\$
	\$ 81,433,109
Total Assets	\$ 103,243,210
Liabilities	
K AFC loans approved not closed	\$ 15,389,016
Principal Outstanding	\$ 81,433,109
	\$ 96,822,125
Total Liabilities	\$ 96,822,125
Unobligated Assets	\$ 6,421,085
Total Liabilities & Unobligated Assets	\$ 103,243,210

Mr. Aldridge moved to accept the K AFC financial report, as presented; Dr. Burdine seconded the motion.

VOTE: Motion Passed; Unanimous.

New Business

Commissioner Quarles called on Mr. Lacefield, Mr. McCloskey, Ms. Ryan, and Ms. Randolph to present the following applications:

Agricultural Infrastructure Loan (AILP)

AF22-0089 Huff, Robert

The applicant requested \$250,000 for improvements of two Cobb Vantress layer barns in Wayne County. Farm Credit in Somerset, KY is the participating lender.

Staff recommends approval, contingent upon the approval and obligation of a 90% FSA guarantee on FCMA and K AFC funds, with combined loan-to-value no greater than 100%.

Mr. Penn moved to approve the staff recommendation, as presented; Mr. Aldridge

VOTE: Motion Passed; Unanimous.

Agricultural Processing Loan Program (APLP)

AF22-0086 Reed, Ryan

The applicant requested \$250,000 for the purchase and installation of brewing equipment in Jefferson County. Metropolitan Business Development Corp in Louisville, KY is the participating lender.

Staff recommends approval, with combined loan-to-value no greater than 85%.

Ms. Rumpke moved to approve the staff recommendation, as presented; Mr. Flanagan seconded the motion.

VOTE: Motion Passed; Unanimous.

Beginning Farmer Loan Program (BFLP)

AF22-0090 Hatchett, Justin

The applicant requested \$215,825 for the purchase of 94 acres in Washington County, KY. Central Kentucky ACA Lebanon, KY is the participating lender.

Staff recommends approval, contingent upon the approval and obligation of a 90% FSA guarantee on CKACA and KAFC funds, with combined loan-to-value no greater than 100% with combined loan-to-value no greater than 100%.

Dr. Burdine moved to approve the staff recommendation, as presented; Mr. Penn seconded the motion.

VOTE: Motion Passed; Unanimous.

AF22-0091 Hulett, Alexandra

The applicant requested \$250,000 for the purchase of 431 acres in Garrard County, KY. Central Kentucky ACA in Danville, KY is the participating lender.

Staff recommends approval, contingent upon the approval and obligation of 90% FSA guarantee on CKACA and KAFC funds, with combined loan-to-value no greater than 100%.

Mr. Penn moved to approve the staff recommendation, as presented; Dr. Burdine seconded the motion

VOTE: Motion Passed; Unanimous.

AF22-0092 Wade, James

The applicant requested \$250,000 for the purchase of 110 acres with residence and improvements in Marion County, KY. Lincoln National Bank in Hodgenville, KY is the participating lender.

Staff recommends approval, contingent upon the approval and obligation of 90% FSA guarantee on Lincoln National Bank and KAFC funds, with combined loan-to-value no greater than 100%.

Ms. Rumpke moved to approve the staff recommendation, as presented; Mr. Flanagan seconded the motion.

VOTE: Motion Passed; Unanimous.

AF22-0093 Benton, Clayton

The applicant requested \$200,000 for the purchase of 149 acres and shares in family LLC in Madison County, KY. Central Kentucky ACA in Richmond, KY is the participating lender.

Staff recommends approval with combined loan-to-value no greater than 85%.

Dr. Burdine moved to approve the staff recommendation, as presented; Mr. Aldridge seconded the motion.

VOTE: Motion Passed; Unanimous.

AF22-0094 Bush, Ethan

The applicant requested \$94,000 for the purchase of 56 acres with improvements in Owen County, KY. Farm Credit in Lexington, KY is the participating lender.

Staff recommends approval with combined loan-to-value no greater than 85%.

Ms. Rumpke moved to approve the staff recommendation, as presented; Mr. Flanagan seconded the motion.

VOTE: Motion Passed; Unanimous.

AF22-0095 Stevens, Lucas

The applicant requested \$246,250 for the purchase of 89 acres in Anderson County, KY. Central Kentucky ACA of Franklin County in Frankfort, KY is the participating lender.

Staff recommends approval, with combined loan-to-value no greater than 85%.

Mr. Hunt moved to approve the staff recommendation, as presented; Mr. Penn seconded the motion.

VOTE: Motion Passed; Unanimous.

AF22-0097 Robertson, Megan

The applicant requested \$225,000 for the purchase of 82 acres in Hart County, KY. South Central Bank of Barren County in Glasgow, KY is the participating lender.

Staff recommends approval, with combined loan-to-value no greater than 85% OR contingent upon the approval and obligation of 90% FSA guarantee on South Central Bank and KAFC funds, with combined loan-to-value no greater than 100%.

Dr. Burdine moved to approve the staff recommendation, as presented; Ms. Rumpke seconded the motion.

VOTE: Motion Passed; Unanimous.

AF22-0098 Rodriguez, Joseph

The applicant requested \$250,000 for the purchase of 25 acres with two Pilgrim's Pride layer barns in Graves County, KY. River valley AgCredit in Clinton, KY is the participating lender.

Staff recommends approval, contingent upon approval and obligation of 90% FSA guarantee on RVACA and KAFC funds, with combined loan-to-value no greater than 100%.

Mr. Flanagan moved to approve the staff recommendation, as presented; Mr. Aldridge seconded the motion

VOTE: Motion Passed; Unanimous.

Old Business:

Commissioner Quarles called on Lane Ryan to present the following extensions and modifications.

Extension

AF22-0062 Cung, Sui

Ms. Ryan presented a memorandum (*on file*) regarding the above referenced loan. The loan officer indicated that during the walkthrough with the integrator several improvements were identified and required, resulting in a delay in project completion. This request is for a six-month extension for construction to be completed and the loan to be closed. The new expiration date would be May 12, 2023.

Ms. Rumpke moved to approve staff recommendation, as presented; Mr. Aldridge seconded the motion.

VOTE: Motion Passed; Unanimous.

AF22-0066 Hrin, Van Bawl

Ms. Ryan presented a memorandum (*on file*) regarding the above referenced loan. The officer indicated that there was a delay in completion of appraisal services which has postponed project completion. This request is for a three-month extension for appraisal services to be completed and the loan to be closed. The new expiration date would be February 12, 2023.

Ms. Rumpke moved to approve staff recommendation, as presented; Dr. Burdine the motion.

VOTE: Motion Passed; Unanimous.

Closing Remarks

Commissioner Quarles informed the board the next KAFC meeting will be at the Franklin County Extension Office on Friday, December 9, 2022, at 10:00 a.m. EST.

Adjournment

There being no further business, Commissioner Quarles entertained a motion to adjourn the meeting at 10:10 a.m. (EST).

Mr. Aldridge moved to adjourn the October KAFC board meeting; Ms. Rumpke seconded the motion.

VOTE: Motion Passed; Unanimous.

APPROVED DATE: 12-9-2022

PRESIDING OFFICER: *Ryan Quarles*
Commissioner Ryan Quarles

BOARDS COORDINATOR: *Hannah Johnson*
Hannah Johnson, Board Secretary