

The actions delineated below were taken in open session of the Kentucky Agricultural Finance Corporation Board at the December 8, 2023, 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), 107 Corporate Drive, Frankfort, Kentucky 40601.



**Kentucky Agricultural Finance Corporation Board
Summary Minutes of the Business Meeting
Franklin County Extension Office
101 Lakeview Ct, Frankfort, KY
December 8, 2023**

Call to Order

Keith Rogers presiding, called the Kentucky Agricultural Finance Corporation Board (KAFC) regular business meeting to order at 10:17 a.m. (EST).

Roll Call

The following members were present: Keith Rogers (designee for Agriculture Commissioner Ryan Quarles), Billy Aldridge (designee for Secretary Holly M. Johnson), Jonathan Noe, Dr. Kenny Burdine, Wayne Hunt, David Rink, Lori Noel, Mac Stone, Linda Rumpke, Frank Penn, and Larry Jagers.

Absent Members: Dan Flanagan

Notification of Media

Mr. Rogers received verification from Hannah Sharp-Johnson, Board and Special Events Manager; that the media had been notified of the KAFC board meeting.

Welcome

Mr. Rogers welcomed everyone to the KAFC board meeting. Mr. Rogers updated the board on activities of the Kentucky Department of Agriculture (KDA).

Approval of Minutes

Mr. Rogers entertained a motion to approve the minutes of the November 17, 2023, board meeting.

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

VOTE: Motion Passed; Unanimous.

Executive Director's Report

Mr. Rogers 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 November board meeting. Mr. Lacefield gave an overview of the Joint Meeting Tours.

Deputy Executive Director's Report

Mr. Rogers 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 December 6, 2023

Mr. McCloskey reviewed an updated version of the Kentucky Agricultural Development Fund County Account Balances (*on file*) as of December 6, 2023

Mr. McCloskey reviewed the K AFC Statement of Financial Position (*on file*) as of November 30, 2023

K AFC Statement of Financial Position	
As of November 30, 2023	
Assets	
Cash K AFC Accounts	\$ 29,871,373
Loan Payments Due K AFC	
Category A	\$96,074,254
Category B	\$528,503
Category C	\$
	\$ 96,602,757
Total Assets	\$ 126,474,130
Liabilities	
K AFC loans approved not closed	\$ 21,793,671
Principal Outstanding	\$ 96,602,757
	\$ 118,396,428
Total Liabilities	\$ 118,396,428
Unobligated Assets	\$ 8,077,702
Total Liabilities & Unobligated Assets	\$ 126,474,130

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

VOTE: Motion Passed; Unanimous

K AFC Loan Review Committee Report

Mr. Rogers called on Ms. Rumpke to give the K AFC Loan Review Committee report. Ms. Rumpke stated the loans would be discussed in order of the agenda.

Ms. Rumpke moved to accept the committee report, as presented; Dr. Burdine seconded the motion.

VOTE: Motion passed; Unanimous.

New Business

Mr. Rogers called on Mr. McCloskey, Olivia Randolph, and Tera Roberts to present the following applications:

Agricultural Infrastructure Loan (AILP)

AF23-0175 Glenn, Matthew

Olivia Radolph referenced the above application requesting \$85,000 for the construction of a new grain bin in Daviess County. Independence Bank in Owensboro, KY is the participating lender.

Staff recommends approval, with combined loan-to-value no greater than 85% and KAFC aggregate balance no greater than \$250,000 at the time of closing.

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

VOTE: Motion Passed; Unanimous.

AF23-0176 Embry, Nicholas

Mr. McCloskey referenced the above application requesting \$250,000 for the construction of a Vital Farms layer barn in Meade County. Wilson & Muir Bank & Trust Co. in Bardstown, KY is the participating lender.

Staff recommends approval contingent upon the approval of a 90% FSA guarantee on Wilson & Muir Bank & Trust Co. and KAFC funds with a combined loan-to-value no greater than 100%.

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

VOTE: Motion Passed; Unanimous.

AF23-0178 Ballman, Christopher

Tera Roberts referenced the above application requesting \$165,000 for the construction of a grain bin and shivers drying system in Breckinridge County. Farm Credit in Hardinsburg, KY is the participating lender.

Staff recommends approval, contingent upon documentation of Emergency Grain Storage Faculty Assistance Program fund disbursement, with combined loan-to-value no greater than 85%. The Loan Review Committee recommends pending the application for additional information and referring the application back to the Loan Review Committee.

Ms. Rumpke moved to approve to pend the application, as presented; Ms. Noel seconded the motion.

VOTE: Motion Passed; Unanimous.

AF23-0179 Leslie, Larry

Mr. McCloskey referenced the above application requesting \$190,000 for the construction of a grain bin and shivers drying system in Breckinridge County. Farm Credit in Hardinsburg, KY is the participating lender.

Staff recommends approval, contingent upon documentation of Rural Emergency For America Program grant disbursement, with combined loan-to-value no greater than 85%.

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

VOTE: Motion Passed; Unanimous.

AF23-0184 Gill, Pamela

Mr. Roberts referenced the above application requesting \$250,000 for the construction of a grain bin in Carlisle County. Independence Bank in Murray, KY is the participating lender.

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

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

VOTE: Motion Passed; Unanimous.

AF23-0185 Hunter, John

Mr. McCloskey referenced the above application requesting \$250,000 for the construction of grain bins and grain handling equipment in Graves County. Independence Bank in Murray, KY is the participating lender.

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

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

VOTE: Motion Passed; Unanimous.

AF23-0186 Sykes, Joshua

Ms. Randolph referenced the above application requesting \$132,612 for the construction of a 60,000 bushel grain facility in Calloway County. The Murray Bank in Murray, KY is the participating lender.

Staff recommends approval, with combined loan-to-value no greater than 85% and KAFC aggregate balance below \$250,000 at the time of closing.

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

VOTE: Motion Passed; Unanimous.

AF23-0188 Payne Brothers Farm LLC

Mr. Roberts referenced the above application requesting \$41,113.15 for the construction of 48'9" ring, 50,000-bushel grain bin in Graves County. River Valley AgCredit in Mayfield, KY is the participating lender.

Staff recommends approval, with aggregate KAFC balance being no greater than \$250,000 for each applicant at the time of closing, with combined loan-to-value no greater than 85%.

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

VOTE: Motion Passed; Unanimous.

Beginning Farmer Loan Program (BFLP)

AF23-0126 Kendall, Kyle

Mr. Roberts referenced the above application requesting \$118,000 for the purchase of two swine barns in Graves County. River Valley AgCredit in Mayfield, KY is the participating lender. This application was referred to the Loan Review Committee.

The Loan Review Committee recommends approval contingent upon the approval and obligation of a 90% FSA guarantee on River Valley AgCredit and KAFC funds with loan-to-value no greater than 100%.

Ms. Rumpke moved to approve the committee recommendation, as presented; Mr. Noe seconded the motion.

VOTE: Motion Passed; Unanimous.

AF23-0177 West, Ronnie

Ms. Randolph referenced the above application requesting \$250,000 for the purchase of 56 acres with 6 Tyson broiler barns and improvements in Graves County. Citizens Bank in Brodhead, KY is the participating lender.

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

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

VOTE: Motion Passed; Unanimous.

AF23-0180 Dykes, Edgar

Mr. McCloskey referenced the above application requesting \$250,000 for the purchase of 2 Cobb-Vantress layer barns in Pulaski County. Central Kentucky ACA in Standford, 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%.

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

VOTE: Motion Passed; Mr. Noe Abstained.

AF23-0181 Shouse, Daniel

Mr. Roberts referenced the above application requesting \$250,000 for the purchase of 64 acres in Shelby County. Central Kentucky ACA in Frankfort, 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. Jagers seconded the motion.

VOTE: Motion Passed; Mr. Noe Abstained.

AF23-0182 Howard, Jack

Ms. Randolph referenced the above application requesting \$197,500 for the purchase of 142 acres in Livingston County. Farm Credit in Owensboro, KY is the participating lender.

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

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

VOTE: Motion Passed; Unanimous.

AF23-0183 Flatt, Joshua

Mr. Roberts referenced the above application requesting \$250,000 for the purchase of 166 acres in Russell County. Bank of Columbia in Columbia, KY is the participating lender.

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

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

VOTE: Motion Passed; Unanimous.

AF23-0187 Boyd, Dalton

Ms. Randolph referenced the above application requesting \$250,000 for the purchase of 37 acres in Jessamine County. Central Kentucky ACA in Stanford, 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%.

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

VOTE: Motion Passed; Mr. Noe Abstained.

AF23-0193 Goggin, Logan

Mr. McCloskey referenced the above application requesting \$131,175 for the purchase of 165 acres in Boyle County. Central Kentucky ACA in Danville, KY is the participating lender.

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

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

VOTE: Motion Passed; Mr. Noe Abstained.

AF23-0194 Cunningham, Alan

Mr. Roberts referenced the above application requesting \$250,000 for the purchase of 50 acres in Christian County. Planters Bank in Hopkinsville, KY is the participating lender.

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

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

VOTE: Motion Passed; Unanimous.

Diversification through Entrepreneurship in Agribusiness Loan Program

AF23-0189 Meriweather, Jason

Mr. McCloskey referenced the above application requesting \$105,500 for the purchase of 33 acres in Taylor County. Farm Credit Mid-America in Campbellsville, KY is the participating lender. This application was referred to the Loan Review Committee.

The Loan Review Committee recommends not to fund the applicant due to not meeting Diversification through Entrepreneurship in Agribusiness Loan Program Guidelines.

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

VOTE: Motion Passed; Unanimous.

Old Business:

Mr. Rogers called on Ms. Randolph to present the following extension and withdrawn applications.

Extension

AF22-0053 Green River Meats

Ms. Randolph presented a memorandum (*on file*) regarding the above referenced loan. The loan officer indicated that there have been delays in closing the loan due to construction not yet being completed. This request is for a six (6) month extension to allow time for construction to be completed and the loan to be closed. The new expiration date would be June 10, 2024.

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

VOTE: Motion Passed; Unanimous.

Withdrawn Application

AF23-0141 Overby, Nathaniel

No action necessary on withdrawn applications.

Closing Remarks

Mr. Rogers informed the board the next KAFC meeting will be at the Franklin County Extension Office on Friday, January 12, 2024, at 10:00 a.m. (EST).

Adjournment

There being no further business, Mr. Rogers entertained a motion to adjourn the meeting at 11:48 a.m. (EST).

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

VOTE: Motion Passed; Unanimous.

APPROVED DATE: January 12, 2021

PRESIDING OFFICER: [Signature]
Commissioner Jonathan Shell

BOARDS COORDINATOR: Hannah Sharp-Johnson
Hannah Sharp-Johnson, Board Secretary

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1. A copy of the Loan Review Committee meeting minutes is attached as Appendix A.

APPENDIX A: Loan Review Committee Meeting Minutes



Meeting Date:	December 8, 2023
Meeting Location:	Franklin County Extension Office
Meeting Chair:	Linda Rumpke
Attendees:	<p>Committee Members: Kenny Burdine, Wayne Hunt, Lori Noel, Jonathan Noe, David Rink, Frank Penn, Linda Rumpke, Larry Jaggars, Keith Rogers</p> <p>Staff: Brian Lacefield, Bill McCloskey, Olivia Randolph, Tera Roberts, Brian Murphy</p> <p>Guests: Jonathan West</p>
Minutes Issued By:	Olivia Randolph, Loan Programs Manager
Meeting Call to Order:	9:13 AM EDT
Meeting Adjourned:	10:06 AM EDT

Agenda Items

New Business

1. Review of AF23-0126: Kyle Kendall
 - a. On behalf of Kyle Kendall, loan officer Seth Carter of River Valley Ag Credit requested KAFC Beginning Farmer Loan Program funding in the amount of \$118,000. Loan Review Committee met to discuss the eligibility of the applicant and project following receiving additional information from the loan officer.
 - b. The Loan Review Committee recommends to approve the request contingent upon the approval and obligation of a 90% FSA guarantee on River Valley Ag Credit and KAFC funds with loan-to-value no greater than 100%.
2. Review of AF23-0189: Jason Meriwether
 - a. On behalf of Jason Meriwether, loan officer Jonathan West of Farm Credit Mid-America requested KAFC Diversification through Entrepreneurship in Agribusiness Loan Program funding in the amount of \$250,000. Loan Review Committee met to discuss eligibility of the project under DEALP guidelines.
 - b. The Loan Review Committee recommends to deny the request due to the project not fitting the DEALP guidelines.