

The actions delineated below were taken in open session of the Kentucky Agricultural Finance Corporation Board at the October 10, 2024, 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
The Venue at Evans Orchard
434 Stone Road, Georgetown, KY
October 10, 2024**

Call to Order

Deputy Commissioner of Agriculture Warren Beeler presiding, called the Kentucky Agricultural Finance Corporation Board (KAFC) regular business meeting to order at 9:03 a.m. (EDT).

Roll Call

The following members were present: Deputy Commissioner Warren Beeler (designee for Commissioner of Agriculture Jonathan Shell), Billy Aldridge (designee for Secretary Holly M. Johnson), Dan Flanagan, Wayne Hunt, Frank Penn, Linda Rumpke, Michael Cochran, Wes King, Lori Noel, and Larry Jagers.

Absent Members: Dr. Kenny Burdine & Jonathan Noe

Notification of Media

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

Welcome

Deputy Commissioner Beeler welcomed everyone to the KAFC meeting. Board members and guests participated in person.

Approval of Minutes

Deputy Commissioner Beeler entertained a motion to approve the minutes of the September 13, 2024, board meeting.

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

VOTE: Motion Passed; Unanimous.

Kentucky Department of Agriculture Report

Deputy Commissioner Beeler updated the board on activities of the Kentucky Department of Agriculture (KDA).

Executive Director's Report

Deputy Commissioner Beeler called on Brandon Reed to give the Executive Director's Report. Mr. Reed gave an overview of his activities since the September board meeting. Lastly, Mr. Reed reminded board members

that the K AFC & KADB Joint Strategic Planning Session will be October 24-25 at Lake Barkley State Resort Park.

Deputy Executive Director’s Report

Deputy Commissioner Beeler called on Bill McCloskey, KOAP Deputy Executive Director, to present the compliance and financial report to the board.

Mr. McCloskey referenced the Kentucky Agricultural Development Fund State Pool Tobacco Funds (on file) as of September 30, 2024.

Mr. McCloskey reviewed Kentucky Agricultural Development Fund County Balances (on file) as of September 27, 2024.

Mr. McCloskey reviewed the K AFC Statement of Financial Position (on file) as of September 30, 2024

K AFC Statement of Financial Position		
As of September 30, 2024		
Assets		
Cash K AFC Accounts		\$ 25,252,558
Hold Account-Not Authorized for Distribution		\$ 20,000,000
Loan Payments Due K AFC		
Category A		\$ 114,889,197
Category B		\$ 748,937
Category C		\$ 115,638,134
Total Assets		\$ 160,890,692
Hold Account-Not Authorized for Distribution		\$ 20,000,000
Liabilities		
K AFC loans approved not closed		\$ 20,355,568
Principal Outstanding		\$ 115,638,134
Total Liabilities		\$ 155,993,702
Unobligated Assets		\$ 4,896,990
Total Liabilities & Unobligated Assets		\$ 160,890,692

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

VOTE: Motion Passed; Unanimous.

K AFC Loan Review Committee Report

Deputy Commissioner Beeler called on Ms. Noel to give the K AFC Loan Review Committee report. Ms. Noel stated the loans would be discussed in order of the agenda.

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

VOTE: Motion passed; Unanimous.

Memo Action Items

A2008-0400 Kentucky Agricultural Finance Corporation

Deputy Commissioner Beeler called on Mr. Reed to present a memorandum (*on file*). The Kentucky Agricultural Finance Corporation (KAFC) Board requests the Kentucky Agricultural Development Board (KADB) to consider the transfer of \$5 million dollars to support the continuation of low-interest loans through the established revolving loan program. Increased outreach, more favorable terms and higher market interest rates has resulted in an increase for 2.75% KAFC loans.

Ms. Noel moved to approve the memorandum on behalf of the Kentucky Agricultural Finance Corporation to the Kentucky Agricultural Development Board; Mr. Penn seconded the motion.

VOTE: Motion Passed; Unanimous.

New Business

Deputy Commissioner Beeler called on Mr. McCloskey, Hunter Jones, and Tera Roberts to present the following applications:

Agricultural Infrastructure Loan Program (AILP)

AF24-0171 Burnett, Charles

Mr. McCloskey referenced the above application requesting \$250,000 for the construction of two Tyson broiler houses in Monroe County. Farm Credit Mid-America in Glasgow, 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 a combined loan-to-value no greater than 100%.

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

VOTE: Motion Passed; Unanimous.

AF24-0173 Padgett, Christopher

Mr. Roberts referenced the above application requesting \$75,000 for the construction of a grain bin facility in Hardin County. Farm Credit Mid-America in Elizabethtown, KY is the participating lender.

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

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

VOTE: Motion Passed; Mr. Cochran Abstained.

AF24-0174 Padgett, Kelly

Mr. Roberts referenced the above application requesting \$150,000 for the construction of a grain bin system in Hardin County. Farm Credit Mid-America in Elizabethtown, KY is the participating lender.

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

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

VOTE: Motion Passed; Unanimous.

AF24-0175 Pemberton, Richard

Mr. McCloskey referenced the above application requesting \$200,000 for the purchase of forty acres with four Tyson broiler in Warren County. Farm Credit Mid-America in Bowling Green, 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 aggregate KAFC balance no greater than \$250,000 with a combined loan-to-value no greater than 100%.

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

VOTE: Motion Passed; Unanimous.

Beginning Farmer Loan Program (BFLP)

AF24-0164 Goff, Carter

Mr. Roberts referenced the above application requesting \$250,000 for the purchase of one hundred and twenty seven acres in Grayson County. Wilson & Muir Bank & Trust Co. in Bardstown, KY is the participating lender. This application was referred to the Loan Review Committee.

The Loan Review Committee recommends pending the application for additional information.

Ms. Noel moved to approve the committee recommendation, as presented; Mr. Cochran seconded the motion.

VOTE: Motion Passed; Unanimous.

AF24-0165 Peters, Harry

Mr. McCloskey referenced the above application requesting \$250,000 for the purchase of twenty acres with four Pilgrims broiler houses and a dwelling in Graves County. River Valley AgCredit in Clinton, KY is the participating lender.

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

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

VOTE: Motion Passed; Unanimous.

AF24-0167 Noel, Jonathan

Mr. Jones referenced the above application requesting \$250,000 for the purchase of two hundred and eighty five acres in Mercer County. Central Kentucky ACA in Frankfort, 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 a combined loan-to-value no greater than 100%.

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

VOTE: Motion Passed; Unanimous.

AF24-0168 Lykins, Andrew

Mr. McCloskey referenced the above application requesting \$250,000 for the purchase of one hundred and seventeen acres in Anderson County. Central Kentucky ACA in Frankfort, 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 a 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.

AF24-0169 Marcum, Cordell

Mr. Jones referenced the above application requesting \$176,475 for the purchase of sixty five acres in Madison County. Central Kentucky ACA in Richmond, 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 a combined loan-to-value no greater than 100%.

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

VOTE: Motion Passed; Unanimous.

AF24-0170 Flood, Daniel

Mr. McCloskey referenced the above application requesting \$250,000 for the purchase of one hundred and sixty eight acres in Breckinridge County. Farm Credit Mid-America in Hardinsburg, 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 a combined loan-to-value no greater than 100%.

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

VOTE: Motion Passed; Unanimous.

AF24-0172 Ball, Jacob

Mr. Jones referenced the above application requesting \$187,500 for the purchase of thirty five acres in Breckinridge County. Farm Credit Mid-America in Hardinsburg, KY is the participating lender.

Mr. Jones stated that the applicant has withdrawn the application, no action is needed.

AF24-0176 Neal, Daniel Jordan

Mr. Roberts referenced the above application requesting \$250,000 for the purchase of one hundred and eighty five acres in Spencer County. Central Kentucky ACA in Frankfort, KY is the participating lender.

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

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

VOTE: Motion Passed; Unanimous.

AF24-0177 Parish, Ashley

Mr. McCloskey referenced the above application requesting \$236,500 for the purchase of ninety nine acres with H-2A dwelling and a shop in Crittenden County. Farm Credit Mid-America in Hopkinsville, KY is the participating lender.

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

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

VOTE: Motion Passed; Mr. Hunt Abstained.

AF24-0178 Thuam, Than

Mr. Roberts referenced the above application requesting \$250,000 for the purchase of twenty one acres with four Tyson broiler houses, dwelling, and a shop in Hopkins County. Field & Main Bank in Henderson, KY is the participating lender.

Staff recommends approval, contingent upon the approval and obligation of a 95% FSA guarantee on Field and Main Bank and KAFC funds, with a combined loan-to-value no greater than 100%.

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

VOTE: Motion Passed; Unanimous.

AF24-0181 Johnson, Conner

Mr. Jones referenced the above application requesting \$112,500 for the purchase of thirty two acres in Barren County. South Central Bank of Barren County in Glasgow, KY is the participating lender.

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

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

VOTE: Motion Passed; Unanimous.

AF24-0182 Harkness, Jamison

Mr. McCloskey referenced the above application requesting \$250,000 for the purchase of ninety acres in Hart County. 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%.

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

VOTE: Motion Passed; Unanimous.

Old Business:

Deputy Commissioner Beeler called on Mr. Jones and Mr. Roberts the following withdrawn applications.

Withdrawn Application

AF24-0093 Rafferty, Michael

AF24-0096 Costello, Jacob

No action necessary on withdrawn applications.

Closing Remarks

Deputy Commissioner Beeler informed the board the next KAFC meeting will be at Franklin County Extension Office on Friday, November 8, 2024, at 10:00 a.m. (EST).

Adjournment

There being no further business, Deputy Commissioner Beeler entertained a motion to adjourn the meeting at 9:57 a.m. (EDT).

Ms. Noel moved to adjourn the October KAFC board meeting; Mr. Cochran seconded the motion.

VOTE: Motion Passed; Unanimous.

APPROVED DATE: 11-8-2024

PRESIDING OFFICER: *Jonathan Shell*
Commissioner Jonathan Shell - Brandon Reed / Proxy 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:	October 10, 2024
Meeting Location:	The Venue at Evan's Orchard
Meeting Chair:	Linda Rumpke
Attendees:	<p>Committee Members: Wayne Hunt, Lori Noel, Larry Jagers, Michael Cochran, Warren Beeler, Billy Aldridge, Linda Rumpke</p> <p>Staff: Bill McCloskey, Tera Roberts, Hunter Jones, Brian Murphy, Brandon Reed</p> <p>Guests: Jade Sadler</p>
Minutes Issued By:	Tera Roberts, Loan Programs Manager
Meeting Call to Order:	8:07 AM EDT
Meeting Adjourned:	8:30 AM EDT

Agenda Items
<p>New Business</p> <ol style="list-style-type: none"> 1. Review of AF24-0164: Carter Goff <ol style="list-style-type: none"> a. On behalf of Carter Goff, loan officer Andy Bishop with Wilson Muir Bank & Trust Co requested KAFC Beginning Farmer Loan Program funding in the amount of \$250,000. The Loan Review Committee met to discuss the applicants' eligibility for the program. b. The Loan Review Committee recommends pending the application