

The actions delineated below were taken in open session of the Kentucky Agricultural Finance Corporation Board at the January 10, 2020 business meeting. This is provided in summary form; an official record of the meeting is available in the permanent records of the Governor's Office of Agricultural Policy (GOAP), 404 Ann Street, Frankfort, Kentucky 40601.



**Kentucky Agricultural Finance Corporation Board
Summary Minutes of the Business Meeting
101 Lakeview Court
Frankfort, KY 40601**

Call to Order

John McCauley, (designee for Commissioner Quarles) presiding, called the Kentucky Agricultural Finance Corporation Board (KAFC) regular business meeting to order at 10:22 a.m. (EST).

Roll Call

The following members were present: John McCauley (designee for Commissioner Quarles), Donna Amburgey, John Brady (designee for Secretary Holly M. Johnson), Larry Jagers, Jonathan Noe, Donald Mitchell, Linda Rumpke and Doug Lawson.

Members absent: Dr. Kenneth Burdine, Frank Penn, Wayne Hunt and Westy Adams.

Notification of Media

Mr. McCauley received verification from Marielle McElmurray, Director of Public Affairs, that the media had been notified of the KAFC board meeting.

Welcome

Mr. McCauley welcomed everyone to the meeting.

Approval of Minutes

Mr. McCauley entertained a motion to approve the minutes of the December 13, 2019 KAFC board meeting.

Mr. Noe moved to approve the minutes; Mr. Brady seconded the motion.

VOTE: Motion Passed; Unanimous.

Executive Director's Report

Mr. McCauley yielded the floor to Warren Beeler, GOAP Executive Director, to report to the board.

Mr. Beeler welcomed everyone to the meeting.

Mr. Beeler reviewed his schedule since the last meeting.

Loan Review Committee Report

Mr. McCauley called on Ms. Rumpke to give the Loan Review Committee report.

Ms. Rumpke asked the loans be discussed in the order of the agenda.

Deputy Executive Director's Report

Mr. McCauley called on Mr. McCloskey, GOAP Deputy Executive Director, to report to the board.

Mr. McCloskey referenced the Kentucky Agricultural Development Fund State Pool Tobacco Funds (*on file*) as of December 30, 2019.

Mr. McCloskey reviewed the Kentucky Agricultural Development Fund Cash Flow (*on file*) as of December 30, 2019.

Mr. McCloskey reviewed Kentucky Agricultural Development Fund County Balances (*on file*) as of January 6, 2019.

Mr. McCloskey reviewed the K AFC Statement of Financial Position (*on file*) as of December 31, 2019.

K AFC Statement of Financial Position	
As of December 31, 2019	
Assets	
Cash K AFC Accounts	\$ 16,555,218
Loan Payments Due K AFC	
Category A	\$ 71,477,066
Category B	\$ 545,557 (Foothills, Monroe, Weekly Juicery, Ellis & Bevins)
Category C	\$ 0
	\$ 72,022,623
Total Assets	\$ 88,577,841
Liabilities	
K AFC loans approved not closed	\$ 11,905,180
Principal Outstanding	\$ 72,055,623
Total Liabilities	\$ 83,927,803
Unobligated Assets	\$ 4,650,038
Total Liabilities & Unobligated Assets	\$ 88,577,841

Ms. Amburgey moved to accept the K AFC financial report; Mr. Noe seconded the motion.

VOTE: Motion Passed; Unanimous

Loan Review Committee Report

Mr. McCauley called on Mr. Noe to give the Loan Review Committee report.

Mr. Noe asked that the loans be discussed in the order of the agenda.

Mr. McCauley yielded the floor to Sarah Butler, Director for Department for Financial Services, Incentives Assistance Division.

Ms. Butler introduced Mr. Tim Back, Assistant Director for Financial Services, Incentives Assistance Division to present to the board regarding the Kentucky Selling Farmer Tax Credit Program (KSFTC).

New Business

Agricultural Infrastructure Loan Program (AILP)

AF19-0134 Wright, Ivan "Mason"

Applicants requesting \$150,000 for the purchase and upgrades to four (4) Tyson broiler barns in Barren County. Farm Credit in Glasgow, KY is the participating lender.

Staff recommends approval, contingent upon the approval and obligation of a 90% FSA guarantee on Farm Credit and KAFC funds, with a C/LV no greater than 100%.

Mr. Jagers moved to approve staff recommendation, as presented, pending availability of funds; Mr. Lawson seconded the motion.

VOTE: Motion Passed; Unanimous.

Beginning Farmer Loan Program (BFLP)

AF19-0133 Welty, Lee

Applicants requesting \$45,430 for the purchase of 23 acres in Boyle County. Central Kentucky Ag Credit in Danville, KY is the participating lender.

Staff recommends approval, with C/LV no greater than 85%.

Ms. Rumpke made a motion to approve the staff recommendations; Mr. Mitchell seconded the motion.

VOTE: Motion Passed; Noe abstained.

AF19-0135 Yoder, Nathan

Applicant is requesting \$250,000 for the purchase of four (4) Pilgrim's Pride pullet barns in Graves County. Community Financial Services Bank in Mayfield, KY is the participating lender.

Staff recommends approval, with C/LV no greater than 85%.

Mr. Noe made a motion to approve the staff recommendations; Ms. Amburgey seconded the motion.

AF19-0136 Murray, James

Applicant is requesting \$161,000 for upgrades and purchase of four (4) existing Perdue broiler barns in McLean County. Independence Bank in Livermore, KY is the participating lender.

Staff recommends approval, pending a business plan submitted and approved by GOAP Executive Director; with C/LV no greater than 50%.

Mr. Lawson made a motion to approve the staff recommendations; Mr. Noe seconded the motion.

VOTE: Motion Passed; Unanimous

Old Business:

Extensions/Modifications

AF19-0093 Treas, Mary

This request is to close without payment of delinquent account. The applicant is requesting the loan to be approved as is, with only documentation of the collection debt to be required for two (2) debts prior to disbursing funds.

Referred to Loan Review Committee.

Ms. Rumpke moved that all liens, including the USAA collection debt be paid in full and eliminating the UK Farm Record Analysis requirement from the loan; Mr. Mitchell seconded the motion.

VOTE: Motion Passed; Unanimous.

AF19-0093 Lewis, Travis

This request is for an additional two-hundred and forty (\$240) for a total loan amount of five thousand two hundred forty (\$5,240). According to the Loan officer, Mr. Lewis' application was submitted incorrectly.

Staff recommends approval.

Mr. Lawson moved to approve staff recommendation, as presented, pending availability of funds; Ms. Rumpke seconded the motion.

VOTE: Motion Passed; Unanimous.

AF19-0079 Williams, James "Drew"

This request is for a sixty (60) day extension to allow time for documents to be finalized and the loans to be closed. The new expiration date would be March 12, 2020.

Staff recommends approval.

Mr. Noe moved to approve staff recommendation, as presented, pending availability of funds; Mr. Jagers seconded the motion.

VOTE: Motion Passed; Lawson abstained.

AF19-0101 Maddox, Lisa

This request is for a six (6) month extension to allow time for the property to be sold and the loan to be closed. The new expiration date will be June 20, 2020.

Staff recommends approval.

Mr. Mitchell moved to approve staff recommendation, as presented, pending availability of funds; Mr. Jagers seconded the motion.

VOTE: Motion Passed; Unanimous.

AF19-0109 Strader, Alex

This request is for a sixty (60) day extension to allow time for purchase to be made and the loan to be closed. The new expiration date will be March 11, 2020.

Staff recommends approval.

Mr. Noe moved to approve staff recommendation, as presented, pending availability of funds; Mr. Brady seconded the motion.

VOTE: Motion Passed; Unanimous.

Closing Remarks

Mr. McCauley informed the board that the next meeting would be on February 14, 2020 at the Franklin County Extension Office.

Adjournment

Mr. McCauley entertained a motion to adjourn.

Ms. Rumpke moved to adjourn the K AFC board meeting; Mr. Jagers seconded the motion.

VOTE: Motion Passed; Unanimous.

The K AFC board meeting adjourned at 11:00 a.m. (EST)

APPROVED DATE: 2-17-2020

PRESIDING OFFICER: *Tom Sawyer*

BOARDS COORDINATOR: *Tracey Park*
Tracey Park

Loan Review Committee

Meeting Minutes



Meeting Date:	January 10, 2020
Meeting Location:	Franklin County Extension Office, Frankfort, KY Room C
Meeting Chair:	Linda Rumpke
Attendees:	Jonathan Noe, John Brady, Larry Jagers, Linda Rumpke, Doug Lawson Staff: Shelby Wade, Ali Hulett, Bill McCloskey, Warren Beeler, Rob Goff Guests:
Minutes Issued By:	Ali Hulett, Loan Programs Manager
Meeting Call to Order:	9:30 AM
Meeting Adjourned:	9:46 AM

Agenda Items:

Old Business

1. Review of AF19-0124—Treas, Mary
 - a. On behalf of Mrs. Treas, the loan officer requested the loan to be approved as is, with only documentation of collection debt to be required for two (2) debts prior to disbursing funds.
 - b. Recommend approval contingent upon all liens, including the USAA collection debt be paid in full and eliminating the UK Farm Record Analysis requirement from the loan.
2. Review of AF19-0093—Lewis, Travis
 - a. On behalf of Mr. Lewis, the loan officer requested an additional two-hundred forty dollars (\$240) for a total loan amount of five thousand two-hundred forty (\$5,240)
 - b. Recommend approval.