



Governor's Office of Agricultural Policy

Fiscal Year 2013 Annual Report
July 1, 2012 - June 30, 2013

Kentucky Agricultural Development Board (KADB)
Kentucky Agricultural Finance Corporation (KAFC)



Buy Local

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INITIATIVES & PROGRAMS

On-Farm Energy

With the price of fuel and utility costs continually escalating, more farmers are seeking alternate ways to save energy and money. There are many energy efficient investments that can make farming operations more profitable by using less energy. By controlling energy costs, our farmers can save significant revenue and can reinvest these resources in their families and operations.

The Program:

From 2009 to 2011, Kentucky farm families were able to increase energy efficiency in their operations thanks to funding provided through the American Recovery & Reinvestment Act (ARRA). Due to the success of that program, the Kentucky Agricultural Development Board (KADB) modeled its own program after the ARRA On-Farm Energy Program.

The KADB initially invested \$2 million in state Kentucky Agricultural Development Funds (KADF) for the 2012 KADF On-Farm Energy Efficiency & Production Incentives Program. For 2013, the KADB committed \$1 million in state KADF and was awarded \$750,000 from a TVA Settlement Grant from the Kentucky Energy and Environment Cabinet.

As of June 30, 2013, 146 applications were approved for \$1,772,314 in KADF energy incentives. The 2013 program will wrap up its funding in February 2014.

These investments put agriculture on the right track to help achieve the goals of Gov. Steve Beshear's Intelligent Energy Choices for Kentucky's Future: Kentucky's 7-Point Energy Strategy, and will be part of the effort to meet 18 percent of Kentucky's energy needs from efficiency improvements by 2025.

The benefits of these investments will be recognized for years to come.

For more information, visit <http://ag-energy.ky.gov>.

Fiscal Year 2013

Total Investments:
\$ 1,772,314
Total Project Costs
\$11,425,731
Annual Energy Savings:
\$ 632,874



Impact, Spotlights:

Profitability, Sustainability

The goals for this energy incentives program is to increase profitability and ensure sustainability of Kentucky farm families through energy efficiency or energy generation investments.



For example, the Alex Buck family made a \$43,094 investment in insulation and better ventilation (fans) for their poultry operation in Gamaliel, Monroe County. These changes resulted in a projected annual energy savings of \$3,272 in natural gas and electricity costs.

With a \$10,000 KADF grant, the Bucks will see their investment pay for itself in about 10 years – three years less than if they had not received the grant. Additionally, improved bird comfort will translate to better feed conversion and rate of gain.

Photo Spotlights

(Above) The Alex Buck family, of Monroe County.

(Right, clockwise) Brandon Glenn, of Daviess County, with his lender, Wayne Mattingly. Kentucky Hydro Farms greenhouse in Marshall County. Steve Kelly with a solar panel in Carlisle County.

Upgrades

Upgrades to grain drying facilities come in many shapes and sizes. Shown is a 5th generation grain farmer Brandon Glenn, of Daviess County, along with his lender Wayne Mattingly, of Independence Bank.

Glenn made a \$82,831 investment in a grain drying facility with a projected annual energy savings of \$4,762 in propane gas costs. This new drying system provides increased drying capacity that is more efficient, allowing farmers like Glenn to start harvest operations sooner, which can result in less crop yield loss and increase options of double cropping wheat and soybeans.

Energy Production



Many Kentucky farm families are generating income by producing electricity through solar systems. Grain farmer Steve Kelly invested \$169,728 in solar production to generate additional income, as part of his row crop operation in Carlisle County.

In addition to producing energy for income, several farmers are converting to renewable energy sources, such as wood, to reduce on-farm costs.



Kentucky Hydro Farms owner Jerry Wyatt invested \$123,772 to convert a natural gas fueled heating system for 10 greenhouses into a wood-fired hydronic system that will use waste wood products for fuel. The new system is projected to save \$16,494 in annual energy costs. Wyatt has operated a greenhouse business since 1990 and sells primarily to schools across Kentucky, as well as grocery stores and other local markets.

The Future

KADF programs ensure sustainability of Kentucky farm families and provide opportunity for future generations like Emerson King (Drum Sticks Poultry) from Central City in Muhlenberg County to farm on a larger scale on the family farm.

Our Partners:

This program would not be a success without the support and resources from our partners. A special thank you to the Department for Energy Development & Independence, the UK College of Agriculture Biosystems & Ag Engineering Department; USDA Rural Development; the Kentucky Dairy Development Council; Kentucky Farm Bureau and the Kentucky Poultry Federation, as well as all the auditors, grant writers, commodity organizations, RECC, TVA and many more involved in the development and success of this program.

Governor's Gardens

Gardening is an exceptional way to teach children math, agriculture, healthy eating and the importance of environmental responsibility. Maintaining a garden also gives young people a strong sense of... satisfaction in growing and cultivating their own food from start to finish.

- First Lady Jane Beshear

In 2009, First Lady Jane Beshear partnered with several government, education and agricultural organizations to launch Kentucky's first Governor's Garden on the grounds of Berry Hill Mansion, just a short distance from the Kentucky State Capitol. Mrs. Beshear launched the Governor's Garden initiative to promote awareness about the benefits of locally grown produce and reducing Kentucky's carbon footprint.

Newest Garden:

Since that time the Governor's Garden initiative has grown to include six locations across the Commonwealth. The most recent location was dedicated by Mrs. Beshear at the Center for Courageous Kids (CCK) in Scottsville.

CCK is a world class medical camp that serves children and families from across the country that are living with a variety of medical challenges, free of charge. The camp is open year round and can host up to 120 children at a time. CCK's hematology, oncology and rheumatology campers were on-site for the dedication.

"We are tremendously honored that the First Lady designated the Center for Courageous Kids' campus as one of only six locations across the state for the prestigious Governor's Garden," said CCK's Executive Director Roger Murtie.

2013 Garden Locations:

Berry Hill Mansion, Frankfort
Center for Courageous Kids, Scottsville
Governor's Mansion, Frankfort
Kentucky Exposition Center, Louisville
Kentucky FFA Training Center, Hardinsburg
Locust Trace Agri-Science Farm & School, Lexington



governorsgarden.ky.gov

Promotion of the Governor's Garden Initiative:

During the 2012 Kentucky State Fair, fair goers had the opportunity to learn more about the Governor's Garden initiative through an exhibit on Main Street Kentucky in South Wing B. Pictures of the First Lady with FFA students tending the gardens were displayed along with produce from the gardens and a display of home-canned products.

Additionally, First Lady Jane Beshear and Agriculture Commissioner James Comer launched *Ready, Set, Grow: A Kid's Guide to Gardening* - a joint initiative by the Kentucky Department of Agriculture and the Governor's Office of Agricultural Policy. This initiative includes an interactive guide and website to promote growing and/or buying local food.



The initiative also shows that anyone can grow a garden, even if on a small patio. It features examples on how to grow gardens and ways to cultivate seed varieties in to mature plants. In addition, it provides students with a planting and harvesting guide, along with an activity section to maintain interactive learning.

Finally, the Garden display was featured at the 2013 Earth Day Celebration near the Capital Education Center in Frankfort. Those who attended the event received seed packets with some seeds coming from the prior year's garden.

Farmers' Markets

Over the last decade, interest in local foods and awareness of the impact that buying local has on a community's economy has increased dramatically. As a result, interest in community-based farmers' markets has risen for both consumers and farmers alike. The farmers' market provides a conduit for farmers and consumers to build relationships, including an understanding of farming practices and the consumer's needs and values.

According to the Kentucky Department of Agriculture, there were 147 farmers' markets in the Commonwealth in 2013. As of June 30, 2013, the KADF had supported 59 farmers' markets in 57 counties to the tune of nearly \$2.7 million (\$1.6 million county and \$1.1 million state).

The KADB continued its support of the local foods movement through its Farmers' Market Competitive Awards Program, which provides an opportunity for local farmers' markets to access state funds for the construction of new permanent facilities, expansion of existing facilities or other needed resources for their markets. Up to \$250,000 in state funds was available for this program.

Five markets were awarded a total of \$111,744 in state funds and \$67,000 in county funds for the 2012 program. As of June 30, 2013, three applications had been submitted for funding in the first round of the 2013 program.



New Loan Opportunity

The Kentucky Agricultural Finance Corporation (KAFC) continues to develop loan programs to address the needs of the ag community, as well as to help support the KADB's investment priorities. In February 2013, KAFC adopted guidelines for its seventh program – the New Agriculture Enterprise Loan Program or NAEL.

NAEL is designed to provide loans for farming operations, as they enter into a new agriculture enterprise to supply market opportunity created by an agribusiness expansion in Kentucky. For example, FarBest turkey has expanded into Kentucky and several farmers are expected to take advantage of this opportunity.

CAIP Reorganization

Over the years the various programs developed by the Kentucky Agricultural Development Board (KADB) have evolved, changed and grown to be beneficial for a wide variety of producers across the Commonwealth.

Early in 2001, the “model programs” provided state standards for implementation on a local level and encouraged producer education in new techniques and practices. About four years into the “model programs” a few counties came up with the idea to provide their producers with a “menu approach” to the programs by allowing a producer to apply once, but choose from a list of several of the programs offered.

In 2009, the method for delivering the “model programs” changed statewide with the adoption of the County Agricultural Investment Program (CAIP). This program took the idea of the “menu approach” and elevated it to become an umbrella program for all “model programs” which became what we know today as “investment areas.”

The idea behind making all investment areas available in any county that adopts the program was to ensure that the funds were reaching a broader base of farmers. It also allowed producers additional decision-making opportunities for their farm operations, since they could choose investments based on what the current needs of the farm were and not what program was available at the time.

Heading into the program’s fifth year, the KADB took the opportunity to align the CAIP investment areas for ease of use and greater consistency across investment areas. Common investments were combined and a new investment area created to combine all value-added and marketing activities, resulting in 10 new or redefined areas. (See Appendix C)

2013 Investment Areas:

Agricultural Diversification – horticulture, aquaculture, sod, timber

Large Animal – beef, dairy, equine - (genetics, handling, heavy use areas (filter fabric pads))

Small Animal – swine, goat, sheep, rabbits, bees

Farm Infrastructure – structures (hay, straw, commodity storage), on-farm composting

Fencing & On-farm Water – fencing, tiling (drainage), on-farm water

Forage & Grain Improvement – custom seeding, forage seed, lime, other crops for grazing, commodity & forage handling equipment

On-Farm Energy – energy efficient upgrades, renewable energy production

Poultry & Other Fowl – commercial, pastured and other

Technology & Leadership Development – animal data management, precision ag, misc. equip from technology, computer hardware & software, broadband, leadership development, other training programs

Value-Added & Marketing – agritourism, direct-to-consumer livestock, value-added production (including wool/fiber), commercial kitchen, marketing & promotion, GAP training & tool

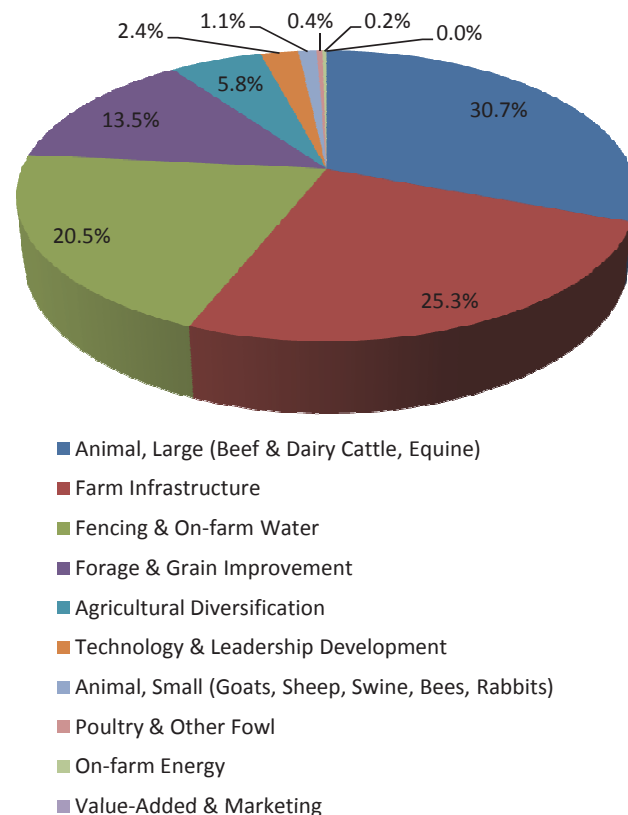


Chart: Investment Area Participation

The pie chart, above, illustrates the participation, as a percentage of total cost-share funds, in each CAIP investment area for programs approved between 2009 and 2012.

Note: Value-Added & Marketing investments were not reported as a separate investment until 2013; therefore, only cost-share awarded solely for marketing and promotion has been calculated for this time period.



Partnerships in PR

Isn't it time that marketing, advertising, communications and public relation specialists in agriculture got together and shared information, strategy and what's new in their industry? That was the plan when the Governor's Office of Agricultural Policy hosted the first of what would become quarterly Partnerships in Public Relations meetings.

The first meeting, held at the Chamber of Commerce in Frankfort included over 40 individuals, a presentation by New West Advertising Agency, updates from the organizations/industries/offices represented topped off with a delicious Kentucky Proud Lunch prepared by the Governor's Mansion chef. The group discussed how often they would like to meet as well as topics they would like to tackle in future meetings.

The next meeting took place at Farm Credit Mid-America in Louisville that focused on social media. Michele Payn-Knoper, social media expert, focused on social media and how it strategically fits with agricultural advocacy. Payn-Knoper resides in Indiana and founded [Cause Matters Corp.](#), a company designed to build connections around the food plate, in 2001. Cause Matters Corp. focuses on agricultural advocacy, social media strategy, community engagement and growing a food movement.

KBA Public Education Partnership

Since August 2012, television and radio commercials have been sharing stories of Kentucky Farm Families: Feeding Kentucky; Feeding the World. In the last 12 months, more than 53,000 commercials ran on airways across the Commonwealth, including prime viewing hours.



This excellent coverage for Kentucky agriculture was made possible through the Kentucky Broadcasters Association's Public Education Program. With a more than 600% return on investment, this program has allowed us, along with our partner organizations, to stretch our investment and provide consumers a first-hand look at

Kentucky farm families and how they care about what they do and the products they create.

Other Outreach Efforts

The Governor's Office of Agricultural Policy (GOAP) strives to reach out to our volunteers and supporters by providing opportunities for training on programs, as well as to receive input from them for future programming.

Regional Administrator Workshops

In early 2013, GOAP conducted seven regional administrator workshops across the Commonwealth. The purpose of the workshops was to discuss policy and program changes of the Kentucky Agricultural Development Fund, as well as reorganization of the County Agricultural Investment Program (CAIP).

As an interactive learning session, the workshops help local program administrators with application and administration of KADF programs, including reporting requirements. The workshops also provided an opportunity for administrators, cooperative extension agents and county agricultural development councils to exchange ideas and experiences and learn more about all KADF programs.

Frankfort Days

In June 2013, GOAP hosted two focus groups to gather feedback on the effectiveness of the policy and programs of the KADF, as well as the overall recognition of the KADF at the local level.

For each focus group two individuals were selected from each of the seven extension districts: one group of program administrators and the other of extension agents. Both groups provided valuable feedback on programs, how they have worked in their areas and ideas for future promotion of the KADF to increase awareness.

We are very thankful to these leaders in the agricultural development fund process for taking time out of their busy schedules to share their insights with us.





ORGANIZATION

Boards

The Governor's Office of Agricultural Policy (GOAP) was established in 1998 to provide a direct link between the Governor of the Commonwealth and one of Kentucky's most important industries, agriculture. It provides administrative staff to several boards and represents Kentucky's interest as state and national policy is developed.

The Kentucky Agricultural Development Board and the Kentucky Agricultural Finance Corporation are two of the boards administered by the Governor's Office of Agricultural Policy, which is led by Executive Director Roger Thomas. Thomas was appointed by Gov. Steve Beshear in 2008. Thomas and GOAP staff are responsible for the daily operations related to these two boards and any of the Governor's agricultural initiatives.

Kentucky Agricultural Development Board

The Kentucky Agricultural Development Board (KADB) is chaired by Governor Steve Beshear and consists of five statutory members or their designees and 11 appointed members. Statutory members include the Governor, Commissioner of Agriculture, Economic Development Cabinet Secretary, head of the University of Kentucky Cooperative Extension Service and the president of Kentucky State University.

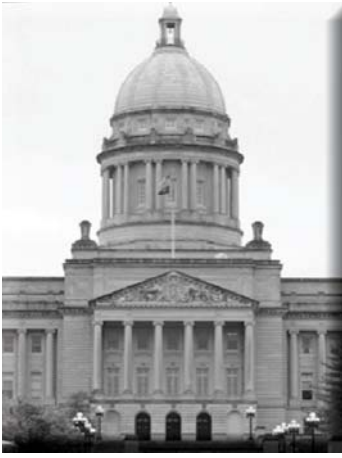
Appointed members are geographically distributed throughout the Commonwealth and are subject to confirmation by the General Assembly. Seven of the appointments represent active farmers of which at least four are from substantially tobacco-impacted counties and two have experience in agricultural diversification; the remaining four appointments represent the Kentucky Farm Bureau, the Kentucky Chamber of Commerce, an attorney with farm experience and an agricultural lender.

Kentucky Agricultural Finance Corporation

The Kentucky Agricultural Finance Corporation (KAFC) is chaired by the Commissioner of Agriculture and consists of an additional statutory member and 10 members appointed by the Governor.

Of the 10 private members appointed by the Governor, two may be officers from a commercial lending institution, one may be an officer from a farm credit association, one may be an agricultural economist, one shall be a tobacco farmer, one shall be a cash grain farmer, one shall be a livestock farmer, one shall be a dairy farmer, one shall be a horticultural farmer, and one shall be from the equine industry.

Note: The KADB is regulated by KRS 248.701 to 248.727 and 10 KAR 2:020; the KAFC is regulated by KRS 41.606, KRS 247.940 to 247.978, 202 KAR 9:010, 202 KAR 9:020.



KADB as of June 30, 2013

Steven L. Beshear, Governor
Commonwealth of Kentucky
(Jamie Link, designee)

James R. Comer Commissioner
Department of Agriculture
(Warren Beeler, designee)

Larry Hayes, Secretary
Economic Development
(Don Goodin, designee)

M. Scott Smith, Ph.D., Dean
UK Cooperative Extension

Mary Evans Sias, Ph.D., Pres-
ident
Kentucky State University
(Teferi Tsegaye, Ph.D. designee)

Sam Lawson
Ky. Chamber of Commerce
Term Expires: July 2015

Sam Moore
Kentucky Farm Bureau
Term Expires: July 2017

Betty Bailey, Ph.D.
Bath County
Term Expires: July 2017

Roy G. Collins
Clay County
Term Expires: July 2014

Karen M. Curtis
Robertson County
Term Expires: July 2016

Pat Henderson
Breckinridge County
Term Expires: July 2016

Wayne Hunt
Christian County
Term Expires: July 2014

Jim Mahan
Fayette County
Term Expires: July 2016

Wayne Mattingly
Daviess County
Term Expires: July 2014

Troy Rankin
Scott County
Term Expires: July 2015

Jim Sidebottom
Green County
Term Expires: July 2015

KAFC as of June 30, 2013

James R. Comer, Commissioner
Department of Agriculture

Lori Hudson Flanery, Secretary
Finance and Administration
(Tom Midkiff, designee)

Charles “Westy” Adams
Lewis County
Term Expires: June 2016

George R. Begley
Madison County
Term Expires: June 2013

Kenneth H. Burdine
Jessamine County
Term Expires: June 2017

Wayne Hunt, *ADB Liaison*
Christian County
Term Expires: February 2015

Larry Jagers
Hardin County
Term Expires: June 2017

Doug Lawson
Calloway County
Term Expires: June 2015

M. Frank McAninch
Casey County
Term Expires: June 2015

Joel Oney
Fayette County
Term Expires: June 2014

Frank A. Penn
Fayette County
Term Expires: June 2017

Vacancy

Staff Members

Roger Thomas
Executive Director

Biff Baker
Project Manager

Angela Blank
Director of Public Affairs

Tammy Brookshier
Program Coordinator

Sandra Gardner
Director of Communications

Cyndi Hall
Loan Programs Manager

Debbie Hollis
Administrative Assistant

Bill Hearn
Fiscal Officer

Angie Justice
Energy Program Coordinator

Bill McCloskey
Director of Financial Services

Shannon Morgan
Policy Analyst

Brian Murphy
General Counsel

Joel Neaveill
Chief of Staff

Kylee Palmer
Director of Compliance

Teresa Spreitzer
Administrative Assistant

Bryan Thomas
Compliance Specialist

Tobacco Settlement Agreement Fund Oversight Committee

Sen. Paul Hornback, Co-Chair

Rep. Wilson Stone, Co-Chair

Sen. Carroll Gibson

Sen. Jimmy Higdon

Sen. Dennis Parrett

Sen. Robin L. Webb

Sen. Whitney Westerfield

Rep. Mike Denham

Rep. Tom McKee

Rep. Terry Mills

Rep. Ryan Quarles

Rep. Jonathan Shell

Appendix A-1: KADF Financial Position

Kentucky Agricultural Development Fund Financial Position

As of June 30, 2013

FUNDS	STATE	COUNTY	TOTAL	Off Budget
				COUNTY
ADF Beginning Cash-July 2012	\$22,766,003		\$22,766,003	\$16,042,634
Transfers In	* 16,489,700	\$14,278,000	30,767,700	14,278,000
Interest earned				18,926
<i>ADF Funds Available</i>	<i>\$39,255,703</i>	<i>\$14,278,000</i>	<i>\$53,533,703</i>	<i>\$30,339,560</i>
EXPENDITURES				
Disbursements/Expenditures	8,710,441		8,710,441	16,103,534
		14,278,000	14,278,000	
<i>ADF Expenditures</i>	<i>8,710,441</i>	<i>14,278,000</i>	<i>22,988,441</i>	<i>16,103,534</i>
<i>Cash Balances</i>	<i>\$30,545,262</i>	<i>\$0</i>	<i>\$30,545,262</i>	<i>\$14,236,026</i>
Grants - Unexpended commitments	-7,623,696		-7,623,696	-3,434,331
Actual Available Balance	\$22,921,566		\$22,921,566	\$10,801,695

Appendix A-2: KAFK Financial Position

Kentucky Agricultural Finance Corporation (KAFK) Statement of Financial Position

As of June 30, 2013

Assets:

Interest Earned from Loans	\$ 3,677,980
Funds transferred to Account 2803 (Loan Fund)	\$ (3,000,000)
Interest Earned from State Investment Commission	\$ 1,099,013
Account 2802 (Interest Fund)	\$ 1,776,992
Account 2803 (Loan Fund)	\$ 3,396,543
Funds Loaned to Borrowers	\$ 32,315,614
KADB Approved Loans not Transferred	\$ -
Authorized, unissued	\$ 2,000,000
Total Assets	\$ 39,489,150

Allocated vs. Committed

Loan Program	ADB Funds Allocated	Loans Approved	Total Commitments	Remaining Allocation	Loans Pending	Dollars Pending
Agricultural Infrastructure*	\$ 11,500,000	296	\$ 19,687,670	\$ -	3	\$ 108,664
Agricultural Processing*	\$ 12,000,000	14	\$ 17,680,227	\$ -	0	\$ -
Beginning Farmer*	\$ 5,500,000	116	\$ 14,609,997	\$ -	6	\$ 445,595
Coordinated Value-Added Agriculture	\$ 1,000,000	1	\$ 967,110	\$ 32,890	0	\$ -
Diversification through Entrepreneurship	\$ -	4	\$ 347,500	\$ -	0	\$ -
Large/Food Animal Veterinary	\$ 1,000,000	10	\$ 879,253	\$ 120,747	0	
New Agricultural Enterprise	\$ -	1	\$ 250,000		3	\$ 750,000
Louisville Agribusiness Loan Program	\$ 250,000					
KADB Loans - 14	\$ 2,994,729					
Project Closures (KADB)	\$ 301,959					
TOTAL	\$ 34,546,688	442	\$ 54,421,758	\$ 153,637	12	\$ 1,304,259

*All ADB allocated funds have been committed

Program Account Balances

Loan Program	Beginning Balance	Payouts / Transfers	Principal Payments	Revenue/ Interest	Cash Ending Balance	Unpaid Loans
Agricultural Infrastructure	\$ 10,200,000	\$ (19,008,997)	\$ 9,230,443	\$ 1,256,376	\$ 1,677,822	\$ 1,046,944
Agricultural Processing	\$ 8,801,890	\$ (17,100,251)	\$ 7,857,894	\$ 1,770,179	\$ 1,329,712	\$ 580,000
Beginning Farmer	\$ 10,549,468	\$ (12,492,855)	\$ 3,252,341	\$ 531,688	\$ 1,840,641	\$ 2,818,717
Coordinated Value-Added Agriculture	\$ 948,110	\$ (967,110)	\$ 19,000	\$ -	\$ -	\$ -
Diversification through Entrepreneurship	\$ 500,000	\$ (347,500)	\$ 20,943	\$ 5,604	\$ 179,047	
Large/Food Animal Veterinary	\$ 1,000,000	\$ (779,253)	\$ 189,378	\$ 38,689	\$ 448,815	\$ 100,000
New Agricultural Enterprise	\$ 1,000,000				\$ 1,000,000	\$ 250,000
Louisville Agribusiness Loan Program	\$ 250,000				\$ 250,000	
KADB Loans	\$ 2,598,131	\$ (2,994,729)	\$ 805,081	\$ 34,924	\$ 443,407	
Project Closures (KADB)		\$ -	\$ 165,470	\$ 40,518	\$ -	\$ -
Interest earned from SIC				\$ 1,099,013	\$ 4,090	\$ -
TOTAL		\$ (53,690,694)	\$ 21,375,080	\$ 4,776,991	\$ 7,173,534	\$ 4,795,661

KAFC Cash Flow Statement

As of June 30, 2013

	June		Year to Date	
	FY 2013	FY 2012	FY 2013	FY 2012
Cash on Hand (beginning of month)	5,605,955	7,741,232		
CASH RECEIPTS				
Principal Payments (2803)	132,399	2,053,606	3,888,114	5,715,537
Interest Payments (2802)	9,715	80,002	577,404	655,186
Interest Earned (SIC / 2802)	416	6,656	12,213	10,881
TOTAL CASH RECEIPTS	142,530	2,140,264	4,477,731	6,381,604
Other Income (Grants, 0% Loans)			450,000	50000
Total Cash Available (before cash out)	5,748,485	9,881,496		
CASH PAID OUT				
Loans Closed (Funds Wired)	574,950	586,832	9,050,293	3,613,534
Refunds to KADB				
TOTAL CASH PAID OUT	574,950	586,832		
Cash Position (end of month)	5,173,535	9,294,664		
ESSENTIAL OPERATING DATA (non cash flow information)				
Loans Committed, Not Paid (\$)	4,795,661	5,414,377		
Authorized, unissued	2,000,000	2,000,000		
Total KAFC Funds (uncommitted)	2,377,874	5,880,287		
Total Loans Approved	442	397		
Total Assets	39,489,150	38,406,499		

KAFC Linked Deposit Program Activity

Outstanding Loans Per Lender as of June 30, 2013

<u>Lending Institution</u>	<u>Outstanding Balance</u>	<u>Total Loans</u>
Kentucky Bank	\$ 41,755.55	1
South Central Bank of Barren County	\$ 35,127.59	2
	\$ 76,883.14	3

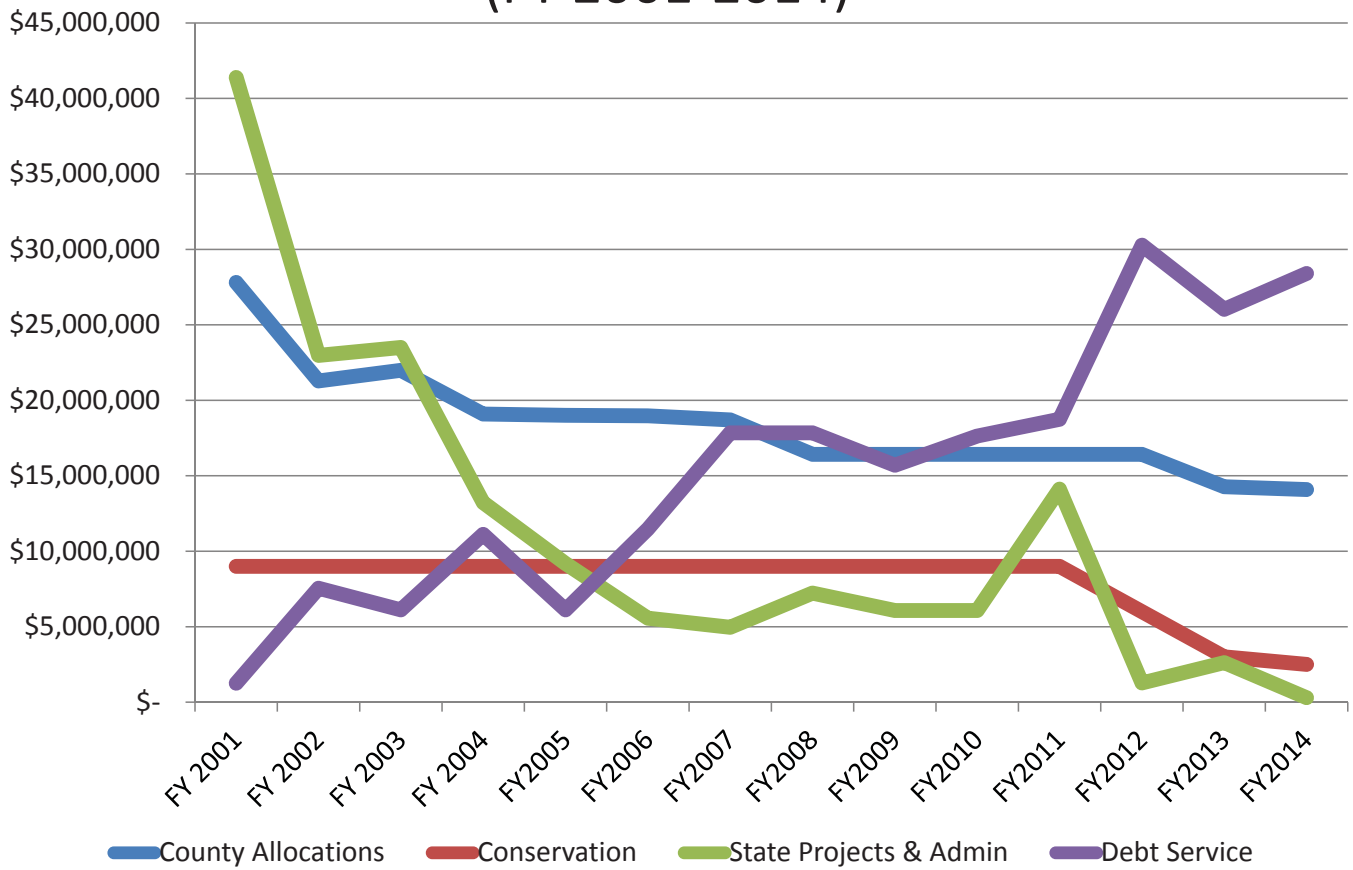
Loan Payoffs July 1, 2012 - June 30, 2013

<u>Lending Institution</u>	<u>Borrower</u>
Kentucky Bank	Hutchison, Jackie Jones, Mary Margaret Mahan, John (dba Mahan Farms)
South Central Bank	Gibbons, William Kenneth Gibson, Keith & Kimberly Glass, Lonnie Ray & Sandy Glass, Steven & Loretta Jeffries, David & Lesia Layton, Danny McCandless, Clinton Moore, Joe Mike Oliver, James
Traditional Bank	Hatton, Kevin

Appendix B: Master Settlement Agreement (MSA) County Allocations

County	FY 13	FY 02-12	County	FY 13	FY 02-12	County	FY 13	FY 02-12
Adair	\$182,709	\$2,680,223	Green	\$231,033	\$3,408,152	Morgan	\$164,227	\$2,424,517
Allen	\$129,452	\$1,917,195	Greenup	\$66,305	\$973,764	Muhlenberg	\$40,401	\$586,753
Anderson	\$108,979	\$1,581,018	Hancock	\$97,854	\$1,402,592	Nelson	\$137,911	\$2,012,678
Ballard	\$111,410	\$1,589,869	Hardin	\$134,235	\$1,966,383	Nicholas	\$221,716	\$3,230,269
Barren	\$328,132	\$4,766,567	Harlan	\$271	\$3,948	Ohio	\$101,118	\$1,490,456
Bath	\$233,534	\$3,368,493	Harrison	\$280,121	\$4,023,496	Oldham	\$40,174	\$587,884
Bell	\$206	\$3,005	Hart	\$285,401	\$4,212,523	Owen	\$299,750	\$4,355,362
Boone	\$92,639	\$1,351,291	Henderson	\$31,312	\$453,392	Owsley	\$114,913	\$1,671,867
Bourbon	\$307,266	\$4,272,085	Henry	\$277,591	\$3,986,356	Pendleton	\$179,592	\$2,596,006
Boyd	\$1,894	\$27,440	Hickman	\$4,134	\$55,475	Perry	\$2,780	\$40,467
Boyle	\$129,261	\$1,852,886	Hopkins	\$16,985	\$247,171	Powell	\$41,867	\$610,408
Bracken	\$255,566	\$3,784,439	Jackson	\$140,794	\$2,051,151	Pulaski	\$225,465	\$3,284,724
Breathitt	\$57,094	\$829,597	Jefferson	\$16,792	\$244,456	Robertson	\$234,473	\$3,502,950
Breckinridge	\$239,758	\$3,541,315	Jessamine	\$181,798	\$2,658,033	Rockcastle	\$126,194	\$1,843,799
Bullitt	\$42,417	\$618,296	Johnson	\$31,758	\$462,027	Rowan	\$64,044	\$935,368
Butler	\$42,702	\$624,218	Kenton	\$47,134	\$685,713	Russell	\$141,841	\$2,109,844
Caldwell	\$51,706	\$743,095	Knox	\$41,465	\$603,369	Scott	\$248,068	\$3,653,254
Calloway	\$27,473	\$398,895	Larue	\$112,786	\$1,687,786	Shelby	\$282,274	\$4,134,647
Campbell	\$26,555	\$386,369	Laurel	\$152,614	\$2,222,681	Simpson	\$72,956	\$1,058,189
Carlisle	\$31,417	\$448,973	Lawrence	\$34,570	\$511,745	Spencer	\$119,769	\$1,928,775
Carroll	\$123,407	\$1,794,683	Lee	\$37,724	\$545,930	Taylor	\$157,621	\$2,315,644
Carter	\$118,179	\$1,716,607	Leslie	\$4,120	\$60,452	Todd	\$107,723	\$1,561,967
Casey	\$238,209	\$3,460,754	Letcher	\$81	\$1,180	Trigg	\$60,546	\$907,730
Christian	\$169,137	\$2,461,222	Lewis	\$186,536	\$2,719,600	Trimble	\$166,404	\$2,421,695
Clark	\$191,091	\$2,758,963	Lincoln	\$221,777	\$3,217,114	Union	\$785	\$11,488
Clay	\$101,538	\$1,480,701	Livingston	\$936	\$13,636	Warren	\$181,242	\$2,641,969
Clinton	\$110,799	\$1,620,618	Logan	\$124,805	\$1,822,781	Washington	\$241,445	\$3,461,632
Crittenden	\$2,237	\$32,919	Lyon	\$24,469	\$360,634	Wayne	\$121,742	\$1,764,892
Cumberland	\$128,484	\$1,889,955	Madison	\$259,859	\$3,793,458	Webster	\$17,622	\$253,060
Daviess	\$184,019	\$2,679,938	Magoffin	\$81,275	\$1,190,517	Whitley	\$27,259	\$398,345
Edmonson	\$76,931	\$1,135,382	Marion	\$176,212	\$2,560,524	Wolfe	\$102,613	\$1,507,554
Elliot	\$127,852	\$1,930,125	Marshall	\$25,625	\$372,481	Woodford	\$246,541	\$3,530,751
Estill	\$65,776	\$940,785	Martin	\$49	\$709		\$14,278,000	\$207,908,597
Fayette	\$232,237	\$3,380,223	Mason	\$242,659	\$3,506,937			
Fleming	\$270,176	\$3,916,478	McCracken	\$41,724	\$607,443			
Floyd	\$330	\$4,802	McCreary	\$4,509	\$66,119			
Franklin	\$134,758	\$1,947,648	McLean	\$68,184	\$963,870			
Fulton	\$141	\$2,060	Meade	\$64,120	\$963,256			
Gallatin	\$91,384	\$1,334,020	Menifee	\$87,796	\$1,272,260			
Garrard	\$231,311	\$3,361,105	Mercer	\$201,256	\$2,884,637			
Grant	\$179,963	\$2,643,276	Metcalfe	\$239,104	\$3,352,074			
Graves	\$43,091	\$626,381	Monroe	\$160,563	\$2,254,582			
Grayson	\$148,039	\$2,155,073	Montgomery	\$179,329	\$2,624,255			

Agricultural Development Fund Appropriations (FY 2001-2014)



Appendix C-1: Investments by Impacted Area

More than \$XX million was invested in state, regional and local projects, loans and programs between July 1, 2012 and June 30, 2013.

For the statewide/regional listings, a notation has been made in the county listings under counties contributing to the project and the county from where the project originated.

Detail listings for On-Farm Energy and KAFC loan recipients may be found in Appendix B-2 and B-3 respectively.

Statewide / Regional

Agricultural Asset Mapping

The Pennyriple Area Development District (PADD) was approved for \$100,000 in state funds to conduct a statewide mapping project of Kentucky's agricultural assets. In coordination with the other 14 area development districts, a database of Kentucky's agricultural assets and resources will be developed, including potential sites for agricultural development, agricultural industrial sites, food production and supply facilities, as well as other critical agricultural infrastructure locations.

Chia Feasibility Study

Kentucky Specialty Grains LLC was approved for \$33,850 in state funds to conduct a study on the market development and feasibility of processing chia for seed, oil, meal and flour.

Compost Bedded Pack Dairy Barn Management Study

The UK Research Foundation was approved for \$53,875 in state funds to study the benefits of using a compost bedded pack system in dairy barns.

Farms to Food Banks (12)

The Kentucky Association of Food Banks was approved for \$47,500 in county funds to purchase produce from Kentucky farmers and distribute to seven Food Banks across the Commonwealth. Counties contributing to the project include Allen - \$5,000; Casey - \$2,500; Garrard - \$10,000; Jessamine - \$10,000; and Shelby - \$20,000.

Farms to Food Banks (13)

The Kentucky Association of Food Banks was approved for \$39,500 in state funds and \$39,500 in county funds for its Farm to Food Banks program. This program provides a market for surplus and No. 2 produce that may not otherwise be sold. The produce is distributed through the food banks network. County contributions included: Breckinridge - \$1,000; Green - \$5,000; LaRue - \$10,000; Laurel - \$5,000; Mason - \$1,000; Montgomery - \$10,000; Scott - \$2,500; Woodford - \$5,000.

Feasibility Study for Regional Meat Processing Facility

The Henry County Cattlemen's Association was approved for \$1,750 in multi-county funds to conduct a study into the feasibility of a regional, multi-species meat processing facility. The study will be conducted by the Kentucky Center for Agriculture and Rural Development (KCARD). The following counties contributed funds: Henry - \$1,000; Oldham - \$250; Shelby - \$250; and Trimble - \$250.

Goldenrod Value-Added Processing

Solidagex Inc. was approved for \$55,000 in state funds for the expansion of contracted goldenrod acreage for the production of all-natural specialty ingredients for animal nutrition, cosmetic and insecticide products.

Horticultural Crop Production & Marketing

The Kentucky Horticulture Council was approved for a total of \$1,325,000 in state funds to be disbursed over two years to continue work in the expansion and profitability of horticulture crop producers through on-farm demonstrations, consultations, development of marketing systems, market research and more.

Kentucky Proud

The Kentucky Department of Agriculture was approved for \$2,830,000 in state funds to be divided over two years for the continuation of the Kentucky Proud program, the state's official agriculture marketing and promotion program.

Nutrient Monitoring

The U.S. Geological Survey (USGS) Kentucky Water Science Center was approved for \$197,100 in state funds to collect and analyze water samples from the Ohio River near Greenup Dam and near the mouth of Green River.

Pollution Study of the Little River Basin

The Hopkinsville Surface & Stormwater Utility (HSSU) was approved for \$100,000 in state funds and \$120,000 in county funds to conduct a 3-year study to identify water quality and the actual sources of pathogens, sediment and nitrogen in the Little River Basin. County contributions are as follows: Christian - \$100,000; Todd - \$10,000; Trigg - \$10,000.

Regional Port Facility

The Meade County Riverport Authority was approved for \$2 million in state funds as a 1% loan to construct and establish a regional port facility in Brandenburg. The recipient states that the completed terminal will provide the agriculture community with a more economical way of storing, sorting, processing, marketing and exporting agricultural commodities.

Statewide Livestock Marketing Program

The Kentucky Beef Network was approved for \$1,580,947 in state funds to be disbursed over two years to continue training beef cattlemen to produce and market a quality product at a reasonable and sustainable profit through new programs such as Professional Cattlemen and Young Cattlemen/Farm Link, along with continuing programs like Marketing Communications, Master Cattleman and more.

Statewide Dairy Marketing

The Kentucky Dairy Development Council Inc. was approved for \$1,863,900 in state funds to be disbursed over two years to continue educating and promoting Kentucky's dairy producers and the dairy industry as a whole, including the Market Incentive Leadership for Kentucky (MILK) program.

County

Adair

CAIP	\$398,000
KAFC Loans	\$150,000
On-Farm Energy	\$ 44,116

Allen

CAIP	\$162,544
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Anderson

CAIP	\$125,571
Shared-use Equipment	\$ 18,188

Ballard

CAIP	\$300,000
Project	\$ 29,917

High School Greenhouse

The Ballard County Board of Education was approved for \$29,917 in Ballard county funds to purchase and construct a greenhouse for the agricultural education department of Ballard Memorial High School to provide hands-on learning opportunities for students.

Barren

CAIP	\$716,717
On-Farm Energy	\$ 70,160

Boone

CAIP	\$270,000
On-Farm Energy	\$ 10,000

Bourbon

CAIP	\$330,789
DAR	\$ 7,500
KAFC Loans	\$314,000

Boyd

Shared-use Equipment	\$ 12,792
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Boyle

CAIP	\$158,700
KAFC Loans	\$362,500

Bracken

CAIP	\$388,000
Shared-use Equipment	\$ 9,510
Project	\$ 20,000

Hillside Reclamation

The Buffalo Trace Area Development District (BTADD) was approved for \$20,000 in Bracken County funds to implement a program to reclaim unusable acres in an environmentally safe way.

Breathitt

CAIP	\$100,000
Project	\$ 40,000

Farmers' Market Infrastructure Competitive Award

The UK Research Foundation on behalf of the Robinson Center Farmers' Market was approved for \$20,000 in state funds and \$20,000 in Breathitt County funds to construct a permanent facility for the market in Breathitt County.

Breckinridge

CAIP	\$250,000
KAFC Loans	\$150,000
On-Farm Energy	\$ 9,971
Shared-use Equipment	\$ 12,210

Butler

CAIP	\$ 46,028
On-Farm Energy	\$ 50,000
Projects	\$ 8,750

Agricultural Marketing Facility Enhancement

The City of Morgantown was approved for \$6,750 in Butler County funds for the enhancement of the Ag. Expo Center in Butler County. This project is part of the second phase of development for the center and is expected to impact approximately 110 farm families.

Livestock Handling System Expansion

The Butler County Stockman's Association Inc. was approved for \$2,000 in Butler County funds to purchase livestock handling equipment that will increase the efficiency of their current livestock handling system used at the Ag. Expo Center in Butler County.

Caldwell

CAIP	\$ 59,500
On-Farm Energy	\$ 15,000

Calloway

CAIP	\$ 62,045
KAFC Loans	\$148,000

On-Farm Energy	\$218,371
Campbell	
CAIP	\$ 57,630
Carlisle	
On-Farm Energy	\$170,000
Carroll	
CAIP	\$135,000
Carter	
CAIP	\$154,634
Casey	
DAR	\$ 7,500
KAFC Loans	\$235,450
Christian	
CAIP	\$171,657
DAR	\$ 7,500
On-Farm Energy	\$ 55,000
Shared-use Equipment	\$ 5,000
Projects	\$320,000
<i>*See state/regional, Pollution Study of the Little River Basin</i>	
<i>*See state/regional, Agricultural Asset Mapping</i>	
Clark	
CAIP	\$210,000
DAR	\$ 7,500
KAFC Loans	\$ 95,500
On-Farm Energy	\$ 6,188
Clay	
Shared-use Equipment	\$ 25,238
Clinton	
CAIP	\$129,125
DAR	\$ 1,150
KAFC Loans	\$250,000
On-Farm Energy	\$ 55,000
Project	\$ 2,041
Youth Education - Agriculture Shop	
The Clinton County High School Agriculture Department was approved for \$2,041 in Clinton County funds to purchase tools and equipment for the agriculture shop.	
Cumberland	
CAIP	\$125,000
On-Farm Energy	\$ 15,000
Daviess	
CAIP	\$111,814
On-Farm Energy	\$ 40,013
Projects	\$113,261
Agricultural Multipurpose Facility	
The Daviess County Lions Club Fair Inc. was approved for \$50,000 in Daviess County funds for a 120' x 120' county agricultural multi-purpose facility to be used by local agriculture organizations for sales, shows, educational programs and more.	
Ag Facility Enhancements	
The Daviess County Lions Club Fair Inc. was approved for \$28,976 in Daviess County funds for improvements to its new county agricultural multi-purpose facility.	

School Greenhouse Renovation	
Daviess County High School was approved for \$4,500 in Daviess County Funds to renovate its greenhouse in order to provide the best opportunities in horticulture education to its agriculture students. Renovations include a new concrete floor, benches for plants, control module and plumbing.	
Youth Cost-Share Program ('12)	
The Green River Area Beef Improvement Group (GRABIG) was approved for \$9,785.17 in Daviess County funds to provide a youth cost-share program for Daviess County youth to develop successful agricultural production enterprises.	
Youth Cost-Share Program ('13)	
The Green River Area Beef Improvement Group Inc. was approved for \$20,000 in Daviess County funds to provide a youth cost-share program to assist students in developing successful agricultural production enterprises.	
Edmonson	
CAIP	\$ 73,119
On-Farm Energy	\$ 5,757
Elliott	
CAIP	\$276,016
Estill	
CAIP	\$ 82,000
Fayette	
CAIP	\$250,000
DAR	\$ 7,500
Projects	\$3,536,222
Aquaponics Facility Development	
FoodChain Inc. was approved for \$12,500 in Fayette County funds to construct an indoor closed-loop aquaponics system to raise tilapia and greens. The project will provide training for farmers on this agriculture technique that combines aquaculture production and hydroponics, as well as hands-on experience to urban consumers with limited exposure to growing food.	
Food Policy Coordinator	
The Blue Grass Community Foundation was approved for \$25,000 in Fayette County funds for a food policy coordinator to advocate for policies and programs that would lead to increased markets for local farm products. The coordinator will work with growers in the region, institutional buyers and consumers to promote the benefits of locally-grown, healthy produce.	
<i>*See also state/regional, Compost Bedded Pack Dairy Barn Management</i>	
<i>*See also state/regional, Statewide Livestock Marketing Program</i>	
<i>*See also state/regional, Statewide Dairy Marketing</i>	
Fleming	
CAIP	\$303,555
Franklin	
CAIP	\$257,922
DAR	\$ 4,500
Shared-use Equipment	\$ 14,393
Projects	\$2,830,000
<i>*See state/regional, Kentucky Proud</i>	
Fulton	
KAFC Loans	\$250,000

On-Farm Energy	\$ 45,543
Gallatin	
CAIP	\$100,911
Garrard	
CAIP	\$200,000
DAR	\$ 2,500
Graves	
KAFC Loans	\$998,000
On-Farm Energy	\$217,963
Grayson	
CAIP	\$175,000
Green	
CAIP	\$475,000
KAFC Loans	\$100,000
Project	\$ 20,000
Heifer Chain Program	
The Green County Cattlemen's Association was approved for \$20,000 in Green County funds to implement a youth heifer chain program to increase youth involvement in the livestock industry.	
Greenup	
CAIP	\$ 95,750
Hancock	
CAIP	\$ 97,934
Hardin	
CAIP	\$150,000
Harlan	
CAIP	\$ 4,975
Harrison	
CAIP	\$297,002
DAR	\$ 7,500
KAFC Loans	\$216,000
Hart	
CAIP	\$600,000
DAR	\$ 7,500
KAFC Loans	\$107,660
Henderson	
CAIP	\$ 31,000
On-Farm Energy	\$ 10,000
Project	\$ 60,000
Farmers' Market Facility	
The Henderson County Fiscal Court was approved for \$25,000 in state funds and \$35,000 in Henderson County funds to construct a 40' x 144' open-air pole barn with attached restrooms at the Henderson County Fairgrounds for the Henderson County Farmers' Market.	
Henry	
CAIP	\$256,175
Project	\$ 1,750
<i>*See state/regional, Feasibility Study for Regional Processing Facility</i>	
Hickman	
KAFC Loans	\$711,497

Appendix C-1: Investments by Impacted Area (cont.)

On-Farm Energy \$161,099

Jefferson

CAIP \$ 25,000
 KAFC Loans \$2,500,000
 Projects \$1,577,100

**See state/regional, Goldenrod Value-Added Processing*

**See state/regional, Horticultural Crop Production & Marketing*

**See state/regional, Nutrient Monitoring*

Jessamine

CAIP \$200,000
 Project \$ 8,000

4H/FFA Youth Cost-Share Program

The Jessamine County FFA Alumni Association Inc. was approved for \$8,000 in Jessamine County funds to assist youth with their agriculture projects. The recipient states that this program has been used as a building block for students to gain interest in agriculture and explore agriculture careers.

Johnson

CAIP \$ 54,000

Kenton

CAIP \$121,474

Knox

CAIP \$119,000

LaRue

CAIP \$239,422
 KAFC Loans \$ 43,977

Laurel

CAIP \$158,425
 Shared-use Equipment \$ 10,000

Lawrence

CAIP \$155,000

Lee

CAIP \$127,425

Lewis

CAIP \$246,000

Lincoln

CAIP \$214,751
 Project \$ 33,255

Farmers' Market Infrastructure Competitive Award

The Lincoln County Farmers Market was approved for \$21,255 in state funds and \$12,000 in Lincoln County funds to construct a 32' x 88' clear-span wood-post building for the market.

Logan

CAIP \$ 72,441
 On-Farm Energy \$ 65,000
 Project \$ 72,441

Multi-Purpose Agricultural Facility Improvements

The Logan County Agricultural Extension Foundation Inc. was approved for \$72,441 in Logan County funds to enhance accessibility and usability of their existing multi-purpose agriculture facility in Logan County.

Lyon

CAIP \$ 50,000
 KAFC Loans \$ 55,000

Madison

CAIP \$236,842
 Shared-use Equipment \$ 5,117
 Projects \$176,500

County Animal Removal Project

The Madison County Fiscal Court was approved for \$50,000 in Madison County funds to purchase a new truck for the county's deceased animal removal program. The county provides free animal removal services to its citizens.

**See also state/regional, Farms to Food Banks ('12 and '13)*

Magoffin

CAIP \$176,609

Marion

CAIP \$176,411

Marshall

CAIP \$ 85,000
 On-Farm Energy \$ 40,000

Mason

CAIP \$278,000

McCreary

Shared-use Equipment \$ 10,492

McLean

CAIP \$ 72,029
 KAFC Loans \$573,250
 On-Farm Energy \$ 58,947

Meade

CAIP \$ 64,184
 Project \$2,000,000

**See state/regional, Regional Port Facility*

Menifee

CAIP \$118,986

Mercer

CAIP \$180,000
 On-Farm Energy \$ 37,923
 Shared-use Equipment \$ 11,366
 Project \$ 18,000

Outdoor Education Center

The Mercer County 4-H Council Inc. was approved for \$18,000 in Mercer County funds for an outdoor educational classroom for educational workshops and demonstrations.

Metcalfe

CAIP \$298,662
 Project \$ 2,361

Youth Country Ham Project

The Metcalfe County 4-H Council was approved for \$2,361 in Metcalfe County funds to purchase hams for their project that teaches youth the history, science and process of curing country hams, as well as basic public speaking skills to present what they've learned.

Monroe

CAIP \$152,763

KAFC Loans \$ 75,714

On-Farm energy \$ 60,000

Shared-use Equipment \$ 31,275

Montgomery

CAIP \$300,000

DAR \$ 6,625

Morgan

CAIP \$350,746

DAR \$ 5,000

Muhlenberg

CAIP \$ 87,302

On-Farm Energy \$ 50,170

Project \$ 25,000

Farmers' Market Infrastructure Competitive Award

The Muhlenberg County Fiscal Court was approved for \$25,000 in state funds to construct a 1,500-square-foot open pavilion for Muhlenberg County Farmers' Market.

Nelson

CAIP \$160,000

DAR \$ 7,500

Nicholas

DAR \$ 7,500

Ohio

CAIP \$140,000

On-Farm Energy \$ 7,323

Oldham

CAIP \$ 41,542

DAR \$ 3,000

Owen

CAIP \$315,000

Project \$ 9,094

Youth Livestock Cost-Share Program

The Owen County 4-H Council Inc. was approved for \$9,093.76 in Owen County funds for a cost-share program to assist youth ages 9 to 19 who are participating in a 4-H livestock project.

Owsley

Project \$ 20,489

Farmers' Market Infrastructure Competitive Award

The Owsley County Board of Education was approved for \$20,489 in state funds to construct a 100' x 40' facility for the Owsley County Farmers' Market.

Pendleton

CAIP \$178,900

On-Farm Energy \$ 3,156

Project \$ 21,401

Shared-Use Equipment Storage Facility

The Pendleton County Extension District Board was approved for \$21,401 in Pendleton County funds to build a 72' x 42' structure to store the county's shared-use equipment.

Powell

CAIP \$ 50,000

Pulaski

CAIP	\$284,000
On-Farm Energy	\$ 1,700
Shared-use Equipment	\$ 6,557

Robertson

CAIP	\$255,850
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Rockcastle

CAIP	\$274,192
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Rowan

CAIP	\$ 80,000
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Russell

CAIP	\$269,168
On-Farm Energy	\$ 15,536
Shared-use Equipment	\$ 14,392

Scott

CAIP	\$290,243
On-Farm Energy	\$ 15,000

Shelby

CAIP	\$505,783
DAR	\$ 7,500
KAFC Loans	\$105,885

Simpson

CAIP	\$110,000
On-Farm Energy	\$ 39,183
Project	\$ 33,850

**See state/regional, Chia Feasibility Study*

Spencer

CAIP	\$170,000
DAR	\$ 6,167

Taylor

CAIP	\$224,000
DAR	\$ 7,500
On-Farm Energy	\$ 15,000
Project	\$ 15,000

Youth Beef and Dairy Heifer Chain

Taylor County Cattlemen's Association Inc. was approved for \$15,000 in Taylor County funds to implement a youth heifer chain program for beef and dairy cattle.

Todd

CAIP	\$220,000
On-Farm Energy	\$ 60,000

Trigg

CAIP	\$127,750
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Trimble

CAIP	\$166,174
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Union

On-Farm Energy	\$ 10,000
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Warren

CAIP	\$200,786
On-Farm Energy	\$134,195

Washington

CAIP	\$174,254
DAR	\$ 6,125
Project	\$102,500

The Washington County Cattlemen's Association was approved for \$102,500 in Washington County funds to offer a cost-share program that targets beginning farmers.

Wayne

KAFC Loans	\$136,800
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Webster

CAIP	\$ 42,005
KAFC Loans	\$180,000

Whitley

CAIP	\$ 27,258
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Wolfe

CAIP	\$220,307
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Woodford

CAIP	\$284,565
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Appendix B-2: Investments - On-Farm Energy Efficiency & Production Incentives

Recipient	Enterprise	Grant
Adair		
Brad Burton Dairy	Dairy	\$3,923
Brent Baker Dairy	Dairy	\$6,115
H and H Dairy Inc.	Dairy	\$7,975
Mitchell Burton Dairy	Dairy	\$1,103
R & C Dairy, LLC	Dairy	\$10,000
Rowe Farms, Inc.	Dairy	\$15,000
Barren		
Green Meadow Farm, Inc.	Poultry	\$10,000
Kinslow Dairy	Dairy	\$6,695
Malvern Hills Poultry	Poultry	\$10,000
Poynter Dairy	Dairy	\$6,547
Richard Turner	Dairy	\$6,380
Trailsend Farm	Poultry	\$5,538
Trickle Creek Farms	Poultry	\$10,000
Wiley Dairy	Dairy	\$15,000
Boone		
Schwenke Brothers Farms	Grain	\$10,000
Breckinridge		
Kenneth Snyder	Poultry	\$4,758
Kevin Oeize	Poultry	\$5,213
Butler		
Darren M. Rice	Poultry	\$15,000
Gregory K & Rita F Drake Trust Farm	Solar ^(p)	\$10,000
Gregory K & Shanna Drake II	Solar	\$15,000
H & S Dairy	Dairy	\$10,000
Caldwell		
Michael Brown	Solar	\$15,000
Calloway		
Clear Valley Farms	Solar	\$10,000
Darrel Clark	Solar	\$15,000
Fair Oaks Farms	Solar	\$15,000
Happy Home Farms, Inc.	Solar	\$10,000
James & Elizabeth Williams	Solar	\$15,000
Jamie Potts	Solar	\$15,000
John Tucker & Sons Farms	Solar	\$15,000
Joshua Sykes	Solar	\$15,000

Recipient	Enterprise	Grant
Judith & Eddie R. Adams	Solar	\$10,000
Knotty Pine Quail Farm	Solar	\$15,000
Calloway (cont.)		
Michael Dixon	Solar	\$15,000
Robert Morton	Other	\$7,542
Robert R. Wilson Family	Solar	\$15,000
Smiths Farms	Solar	\$15,000
Taylor Store Farms	Farm Shop	\$829
Timothy W. Lax	Solar	\$15,000
Wedel Farms, Inc	Solar	\$15,000
Carlisle		
Brent Martin	Solar	\$15,000
Burley Mathis	Solar	\$10,000
Glenda Hobbs	Solar	\$15,000
Jerry Bell	Solar	\$10,000
Joseph Bradley Reddick	Solar	\$15,000
Keith Elliott	Solar	\$15,000
Kelley Farms	Solar	\$15,000
Larry Martin	Solar	\$15,000
Larry Reddick	Solar	\$15,000
Roger Hobbs	Solar	\$10,000
Ross Martin	Solar	\$15,000
Steven Terry	Solar	\$10,000
Tony Gill	Solar	\$10,000
Christian		
Bill Garnett Farms	Solar	\$15,000
Consolation Farms, LLC	Solar	\$10,000
Seay Farms	Solar	\$15,000
Tobacco Way Farms, LLC	Solar	\$15,000
Clark		
Beech Springs Farm Market, LLC	Farm Market	\$6,188
Clinton		
D & S Farm	Poultry	\$10,000
D & S Farm	Poultry	\$15,000
Highland Farms	Poultry	\$15,000
Mims Inc.	Grain	\$15,000
Cumberland		
BHS Farm	Poultry	\$15,000

Recipient	Enterprise	Grant
Daviess		
Cecil Farms	Grain	\$15,000
Martin J. Hayden	Poultry	\$7,075
Michael Johnson Farm	Poultry	\$2,938
Settles Farm	Poultry	\$15,000
Edmonson		
James Farms	Poultry	\$5,757
Fulton		
Barry Joe Jackson	Solar	\$5,543
Don McClanahan	Poultry	\$15,000
Elliott Farm	Poultry	\$15,000
Lee Roy Harrison, Jr.	Solar	\$10,000
Graves		
Bayou de Chien Broilers	Poultry	\$10,000
Chet Martin Farms, LLC	Solar	\$15,000
Gary Brame Farms	Solar	\$15,000
Gearig Farms, LLC	Solar	\$15,000
Gene Cash, LLC	Solar	\$15,000
Heath Poultry Farm	Poultry	\$10,000
M & A Farms	Poultry	\$10,000
Mark Jetton Farm	Solar	\$15,000
PF Farms LLC	Solar	\$15,000
Purchase Poultry	Solar	\$15,000
Ray C. Perkins	Solar	\$10,000
Rolling Hills Poultry	Solar	\$15,000
S & E Greenhouse	Greenhouse	\$2,221
Suzanne Cash, LLC	Solar	\$15,000
Wallace Farm	Poultry	\$5,742
Wedel Poultry Farm	Poultry	\$10,000
Wilfred Farms, Inc.	Solar	\$15,000
Henderson		
Hagan Bros. Farms	Grain	\$10,000
Hickman		
Curtis Hancock	Solar	\$15,000
Dorrill Berry	Poultry	\$14,028
Dorrill Berry	Poultry	\$8,838
Farrar Farms	Poultry	\$2,316
House Farms	Grain	\$15,000
Jacob Farmer	Poultry	\$10,000
Jordan Hancock	Solar	\$15,000

^(p) Renewable energy production

Recipient	Enterprise	Grant
Morrison Poultry	Poultry	\$12,747
Shannon & Teresa Dowdy	Poultry	\$10,050
Stahr Poultry, LLC	Poultry	\$8,665
Troy Grubbs	Poultry	\$10,000
Westbrooks Poultry, LLC	Poultry	\$15,000
Wilson Workman	Poultry	\$14,455
Logan		
Armistead Farms	Solar	\$15,000
Corn Silk Farms Partnership, LTD	Solar	\$10,000
Double M Farms 2	Solar	\$15,000
James Hughes	Solar	\$15,000
Marshall		
Clapp Poultry Farms, LLC	Solar	\$15,000
KY Hydro Farm, LLC	Horticulture	\$10,000
Ronald Davis	Solar	\$15,000
McLean		
Carl Clark Farm	Poultry	\$6,238
Charles W. Shocklee	Poultry	\$10,815
Double R Farm	Poultry	\$5,845
Heppler Poultry	Poultry	\$4,894
Hudson Poultry Farm, LLC	Poultry	\$5,275
John D. Shocklee	Poultry	\$10,815
Keith M. Crabtree	Poultry	\$3,526
Matt Woosley Farms	Poultry	\$3,685
Phillip E. Murphy	Poultry	\$1,401
Roger Shocklee	Poultry	\$6,453
Mercer		
Core Jerseys	Dairy	\$15,000
Ramble Ridge Holsteins	Dairy	\$7,923
Terrapin Hill Farm, Inc.	Solar	\$15,000
Monroe		
Buckhorn Farms, Inc.	Poultry	\$15,000
Freetown Farms	Solar	\$15,000
Indian Creek Broilers	Poultry	\$10,000
Slick Rock Poultry	Poultry	\$10,000
Muhlenberg		
Drum Sticks Poultry	Poultry	\$1,530
Drumstick Poultry	Poultry	\$10,465

Recipient	Enterprise	Grant
Hidden Valley Farms	Solar	\$15,000
Nathan C. Lovell	Solar	\$15,000
Verst Farms	Solar	\$8,175
Ohio		
Leonard C. Midkiff	Poultry	\$7,323
Pendleton		
Flaughter Farms	Beef	\$3,156
Pulaski		
R & S Poultry, LLC	Poultry	\$1,700
Russell		
McGowan Dairy	Dairy	\$10,850
Trent Roy Farms	Dairy	\$4,686
Scott		
Barton Brothers	Grain	\$15,000
Simpson		
Gold City Farm	Poultry	\$14,183
JP Robertson Farm	Solar	\$15,000
Morse Farm	Solar	\$10,000
Taylor		
Mac Farms, Incorporated	Poultry	\$15,000
Todd		
Busy Bee Farm	Solar	\$15,000
Mose Coblenz	Dairy	\$15,000
Stephen Myers Farm	Solar	\$15,000
Winn Farms LP	Solar	\$15,000
Union		
Sprague Brothers Farms	Grain	\$10,000
Warren		
Bobby Edwards Farm	Solar	\$15,000
Craig Wickman	Solar	\$15,000
Crescent Acres Nursery	Solar	\$15,000
Elkins Dairy	Dairy	\$8,624
Gerald Hudnall Farms	Solar	\$15,000
Jeffrey D. Beckham	Dairy	\$5,571
Lonnie White Farms	Solar	\$15,000
Owens Farms	Solar	\$15,000
Tranquility Farms	Solar	\$15,000
Triple Oaks Farms	Solar	\$15,000

146 \$1,772,314

Appendix B-3: Investments - KAFIC Loans

Agricultural Infrastructure Loan Program

Applicant	Business Name	County	Loan	Enterprise	Term	Description
Bell, Benjamin "Dwain"		Calloway	\$23,000	Tobacco	10	construction of a tobacco barn
Brawner, Jr., Michael		McLean	\$23,250	Poultry	5	improvement of the energy efficiency to 8 poultry houses
Cash, Bernard "Eugene"	Cash Farms	Graves	\$150,000	Grain	10	installation of solar panel system to generate electricity to TVA
Deckard, Kevin		Monroe	\$33,214	Tobacco	15	construction of a tobacco barn with a stripping and bailing room
Dowell, Danny and Tracy	Momma Dowell Farm LLC	Breckinridge	\$150,000	Poultry	15	rebuilding of three chicken houses
Gearlds, Ronnie		Monroe	\$42,500	Tobacco	10	construction of a 56 x 200 tobacco barn
Gilkison, Brennan		Clark	\$75,000	Grain	15	construction of a grain bin
Howard, Rodney C.		McLean	\$50,000	Grain	15	tiling of farm ground recently purchased
Howell, Sidney		Hickman	\$69,000	Grain	10	installation of an irrigation pivot for row crops
Jetton, Mark		Graves	\$82,500	Poultry	15	construction of a 50KW solar energy project
Latham, Billy		Hickman	\$75,000	Grain	10	installation of an irrigation pivot for row crops
Rohrer, Kevin	Bayou de Chien Broilers	Graves	\$100,000	Poultry	7	upgrades to poultry in 6 Tyson Broiler Poultry barns
Rush, Sarah Anne	Dove Run Farms	Bourbon	\$14,000	Forage	10	construction of a barn to store alfalfa
Shearn, Brad	River Bottom Tobacco	Hancock	\$100,000	Tobacco	10	construction of agricultural shop
Smotherman, Richard		Calloway	\$125,000	Grain	10	installation of an irrigation pivot for row crops
Tackett, Amos	Horse Feathers Poultry	Adair	\$150,000	Poultry	15	construction of four poultry broiler houses
Ward, Steve	W & W Barns, Inc.	Hickman	\$46,980	Poultry	6	equipment upgrades in 4 broiler barns
Total Agricultural Infrastructure Loan Program:			\$1,309,444			

Agricultural Processing Loan Program

Applicant	Business Name	County	Loan	Enterprise	Term	Description
Drennan, Ronald	Broadbent B & B Foods	Lyon	\$55,000	Micro Processor	10	purchase of Bacon Slicer
Price, Charles	Charah, Inc.	Jefferson	\$2,500,000	Micro Processor	10	construction of gypsum pelletizing plant
Total Agricultural Processing Loan Program:			\$2,555,000			

Beginning Farmer Loan Program

Applicant	Business Name	County	Loan	Enterprise	Term	Description
Colley, Matthew		Graves	\$235,000	Poultry	15	purchase 18 acres and construction of 4 poultry barns
Courtney, Nathan		Bourbon	\$250,000	Tobacco	15	purchase 135.76 acres
Detre, Jason		LaRue	\$43,977	Grain	15	purchase of 31.83 acres at auction
England, Andrew		Daviess	\$250,000	Poultry	7	purchase 10 acres with 4 broiler houses
Frazier, James "Brent"		Shelby	\$105,886	Grain	15	purchase of 36.38 acres
Glenn, Brandon		McLean	\$250,000		15	purchase up to 330 acres at auction on 9/28/2012
Glenn, Matthew		McLean	\$250,000		15	purchase up to 330 acres at auction on 9/28/2012
Graham, Jeremy		McLean	\$100,000	Grain	7	purchase of a 2014 Kinze3600 ASD
Guffey, Timothy		Clinton	\$250,000	Poultry	10	purchase of four poultry houses on 178 acres
House, Justin		Hickman	\$40,000	Swine	15	purchase of 40 acres
Hudson, Michael "Ross"		McLean	\$250,000	Turkey	15	construction of three (3) FarBest Turkey houses, a shop and a litter shed

Beginning Farmer Loan Program (cont.)

Applicant	Business Name	County	Loan	Enterprise	Term	Description
Jones, Ethan		Boyle	\$250,000	Tobacco	15	purchase of a 246.5 acre farm
Kauffman, Kore		Graves	\$180,500	Poultry	15	purchase 19.8 acres with poultry barns and equipment
Knight, Jonathan		Hart	\$31,000	Swine	5	down payment for 107.165 acres purchase at auction
Knight, Jonathan		Hart	\$76,660	Beef	15	purchase of 107.165 acres at auction
Koch, Augustine "Gus"	Assumption Farm	Bourbon	\$50,000	Equine	15	purchase of half of Assumption Farms
Lancaster, Joshua & Kristy		Webster	\$180,000	Grain	15	purchase of 60 acre farm
McCain, Terrence		Casey	\$150,000	Grain	15	purchase of 164 acres
McCain, Fergus		Casey	\$109,000	Grain	15	purchase of 114 acres
Moss, Taylor		Fulton	\$250,000	Swine	7	purchase of 4 acres, construction of two 1,200 head swine finishing barns, and installation of equipment
Riley, Colby		Graves	\$250,000	Poultry	15	construction of four poultry houses
Roach, Timothy		Hickman	\$230,517	Poultry	15	purchase of 11.8 acres, 3 Pilgrim broiler barns and improvements
Smock, Sandra		Boyle	\$112,500	Beef	15	purchase of 108 acres
Wallen, Joseph	Wallen Farms	Harrison	\$216,000	Vegetable	10	purchase 5 acres and greenhouses
Williford, Michael		Hickman	\$250,000	Swine	15	construction of 2 Tosh Swine finishing facilities
Woodburn, Benjamin "Ross"		McLean	\$250,000	Turkey	15	construction of three (3) FarBest Turkey houses, a shop and a litter storage shed
Yoder, Thomas		Wayne	\$136,800	Poultry	10	purchase of two poultry houses on 30 acres and improvements

Total Beginning Farmer Loan Program: **\$4,747,840**

Large/Food Animal Veterinary Loan Program

Applicant	Business Name	County	Loan	Enterprise	Term	Description
Olt, Angela	Mill Creek Veterinary Center	Green	\$100,000	Veterinary		construction of a Veterinary Clinic

Total Large/Food Animal Veterinary Loan Program: **\$100,000**

