



IOWA AGRICULTURAL
DEVELOPMENT DIVISION

IADD BOARD MEETING MINUTES

Iowa Finance Authority
2015 Grand Avenue, Des Moines, Iowa
December 20, 2013

Board Members Present

Mark Leonard, Chair	John Fredrickson
Lyle Borg, Vice Chair	Annette Townsley
Stacie Euken	

Board Members Absent

None

Staff Members Present

Lori Beary, Community Development Director	Tim Jansen, Accounting Manager
Steve Ferguson, IADD Program Specialist	Mark Thompson, General Counsel
Dave Jamison, Executive Director	

Others Present

Dave Claypool

Call to Order

The meeting of the Iowa Agricultural Development Division (IADD) Board of Directors was called to order on December 20, 2013 at 8:30 am. Roll call was taken and a quorum was established with the following Board Members present: Leonard, Borg, Euken, Fredrickson and Townsley. All Board members participated via conference call.

Review of Minutes of November 25, 2013 Board Meeting

Mr. Leonard presented the minutes of the November 25, 2013 IADD Board Meeting.

MOTION

On a motion by Mr. Fredrickson and a second by Ms. Townsley the Board unanimously approved the minutes of the November 25, 2013 IADD Board meeting.

Review of November 2013 financial statement

Tim Jansen presented the November 2013 financials. He said that the year to date net operating income is \$22,321. Mr. Jansen discussed the income and expenses year to date.

MOTION

On a motion by Mr. Fredrickson and a second by Ms. Euken, the Board unanimously approved the November 2013 financial statement as presented.

BFLP Amending Resolution

Lori Beary presented the following resolution to adjust terms and conditions on a closed BFLP project:

Resolution 2831-I Daniel E. Adams—First National Bank in Spring Valley, Iowa is the lender. The amendment will allow the loan to be re-amortized over the remaining term of the loan. This change will decrease the payments from \$9,996.06 to 4,360.31 beginning December 1, 2014. All other loan terms will remain the same.

MOTION

On a motion by Ms. Townsley and a second by Ms. Euken, the Board unanimously accepted the BFLP amending resolution.

Beginning Farmer Loan Applications

Lori Beary introduced the following applications for Beginning Farmer loans:

AG 13-015 Michael D. Anderson -- Beginning farmer loan of \$399,150 to purchase approximately 73 acres of agricultural land in Webster County with a 4.30% variable interest rate and a loan length of 30 years. The index will be 85% of 2.50% over the 5-year Treasury rate. The rate will not go below 4.30%. The lender is US Bank in Boone, IA.

AG 13-016 Jon P. and Amanda Van Buskirk -- Beginning farmer loan of \$131,993 to purchase approximately 40.65 acres of agricultural land, equipment, livestock and to construct a pole barn and fence in Des Moines County with a 4.50% fixed interest rate and a loan length of 30 years. The lender is Farmers Savings Bank in Wever, IA.

AG 13-017 Martin J. and Jennifer L. Plueger -- Beginning farmer loan of \$489,534 to purchase approximately 76.85 acres of agricultural land in Plymouth County with a 3.875% variable interest rate and a loan length of 25 years. The index will be 2.50% over the Constant Maturity of US Treasury Notes. The lender is Kingsley State Bank in Le Mars, IA.

AG 13-018 Mark and Leah Reinert -- Beginning farmer loan of \$235,000 to purchase approximately 47 acres of agricultural land in Hancock County with a 3.15% variable interest rate and a loan length of 20 years. The index will be 1.50% above the 5-year Treasury rate. The lender is First Citizens National Bank in Mason City, IA.

AG 13-019 Adam L. and Victoria R. Schmidt – Beginning farmer loan of \$240,000 to purchase approximately 48 acres of agricultural land in Hancock County with a 3.15% variable interest rate and a loan length of 20 years. The index will be 1.50% above the 5-year Treasury rate. The lender is First Citizens National Bank in Mason City, IA.

There was considerable discussion regarding AG 13-016 for Jon P. and Amanda Van Buskirk. The application stated there was no dwelling on the property but the letter from the beginning farmer implied there was a residence on the property. If there is a home on the property, an appraisal of that home is required. It was also noted that the beginning farmer bond could only be used for breeding livestock and not feeder livestock. Staff will follow up with the lender and get clarification on these issues.

MOTION

Mr. Borg made a motion to approve Beginning Farmer Loan Applications AG 13-015, AG 13-017, AG 13-018 and AG 13-019 and to approve AG 13-016 subject to the outstanding issues regarding the dwelling and the livestock being resolved and conforming to program requirements. Ms. Townsley seconded the motion and the motion was approved.

Public Hearing on Beginning Farmer Loans

A public hearing was held by the IADD Board at the Iowa Finance Authority office on December 20, 2013 at 9:07am. There were no comments received regarding the Beginning Farmer Loan applications. The public hearing was closed at 9:08am.

MOTION

On a motion by Ms. Townsley and seconded by Ms. Euken, the Board unanimously recommended approval of the BFLP Bond documents.

2013 Private Activity Bond Cap usage

Lori Beary reported that \$61,330,011 was allocated for Beginning Farmer loans in 2013. Total BFLP loans closed so far have totaled \$9,243,999. There is an additional loan for \$250,000 closing later this month. That brings the cap usage for 2013 to \$9,493,999. That leaves \$51,836,012 to be released. There is no IADD Board action needed.

Beginning Farmer Tax Credit Applications

Steve Ferguson presented a summary of the Beginning Farmer Tax Credit applications and the Beginning Farmer Custom Farming Tax Credit applications. He mentioned that he may have one more application coming into the office. He also reported on some changes to the tax credit certificates that will be made to make the form easier to understand. Ms. Townsley noted some typographical errors in the spreadsheet.

MOTION

On a motion by Mr. Fredrickson and a second by Mr. Borg, the Board unanimously recommended approval of the Beginning Farmer Tax Credit applications 1405, 1406, 1407, and 1408 and Custom Farming Tax Credit applications 5001, 5002, 5003, 5004, 5005, 5006, 5007, 5008 and 5009.

Other Business

Staff is continuing to work on an outline for an interim loan program for banks that have beginning farmers loans approved by FSA but are waiting for funding.

The marketing calendar was included in the board packet along with a calendar of future IADD Board meetings. The February IADD Board meeting date will be changed to February 21st to accommodate scheduling conflicts. The January IADD Board meeting will be a conference call.

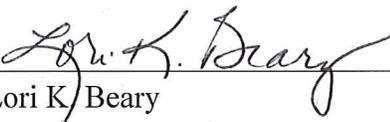
Adjournment

There being no further business, on a motion by Mr. Fredrickson and a second by Ms. Euken, the December 20, 2013 monthly meeting of the IADD Board of Directors adjourned at 9:30am.

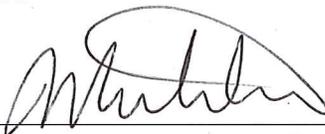
Dated this 22nd day of January 2014.

Respectfully submitted:

Approved as to form:



Lori K. Beary
Director's Designee/Board Secretary



Mark W. Leonard, Chair
IADD Board