



**IOWA AGRICULTURAL
DEVELOPMENT DIVISION**
A DIVISION OF IOWA FINANCE AUTHORITY

IADD BOARD MEETING MINUTES

Iowa Finance Authority
1963 Bell Avenue, Suite 200, Des Moines, Iowa
May 25, 2022

Board Members Present

Lyle Borg, Chair
John Fredrickson, Vice Chair
Mark Leonard
Gretchen McLain
Annette Townsley

Board Members Absent

None

Staff Members Present

Beau Hanson, IT
Mike Hogan, IT
Nicki Howell, Office Assistant
Tammy Nebola, IADD Program Specialist
Aaron Smith, Chief Bond Programs Director

Others Present

Cris Kuhn, Dorsey & Whitney

CALL TO ORDER

The meeting of the Iowa Agricultural Development Division (IADD) Board of Directors was called to order by Chair Borg on May 25, 2022 at 8:32 am. A quorum was established with the following Board Members present via conference call: Borg, Townsley, Fredrickson, Leonard and McLain.

REVIEW OF MINUTES OF APRIL 27, 2022 BOARD MEETING

Mr. Borg presented the minutes of the April 27, 2022 IADD Board Meeting. Mr. Borg asked if there were any additions or corrections to the minutes.

MOTION

On a motion by Mr. Fredrickson and a second by Ms. McLain, the Board unanimously approved the minutes of the April 27, 2022 IADD Board meeting.

REVIEW OF APRIL 2022 FINANCIAL STATEMENT

Aaron Smith presented the April 2022 financials. He stated that for FY22 year-to-date, IADD had operating income of \$451,000 operating expense of \$320,000 and net operating income of \$131,000.

MOTION

On a motion by Mr. Fredrickson and a second by Ms. McLain, the Board unanimously approved the April 2022 financial statement as presented.

REVIEW OF FY23 BUDGET

The FY23 IADD budget was presented to the Board. The budget is created through a forecast comparison of the FY22 budget and then FY23 budget is compared to the forecast. Operating revenue is budgeted to increase due to an increase in fee revenue and interest revenue. Employee expense is budgeted to decrease due to no longer paying for database development. There were no questions about the FY23 Budget.

MOTION

On a motion by Ms. McLain and a second by Mr. Fredrickson, the Board unanimously approved the FY23 Budget as presented.

BEGINNING FARMER LOAN AMENDING RESOLUTIONS

Tammy Nebola presented the following resolutions to adjust the terms and conditions on closed BFLP projects:

Resolution 04611M – Alton A. Miller – Hills Bank & Trust Company in Kalona is the lender. The amendment will Lower the interest rate from 4.43% to 4.15% until April 25, 2027 at which time the rate will adjust to the original index of 100% of the 1 (one) year Treasury plus 3.00% and be adjustable annually thereafter. All other loan terms will remain the same.

Resolution AG 14-057M – Garrett B. and Kourtney K. Yoder – Hills Bank & Trust Company in Kalona is the lender. The amendment will Fix the current interest rate on Note #1 and Note #2 of 3.65% until April 1, 2032, at which time the rate will adjust to the original index of 2.00% over the 5 Year United States Treasury and be adjustable every five years thereafter. Due to the rate decrease the annual payment amount on Note #1 will decrease from \$22,502.30 to \$22,403.69 and the payment amount on Note #2 will decrease from \$7,032.23 to \$7,000.06 both beginning on April 1, 2023. All other loan terms will remain the same.

Resolution AG 16-004M – John P. Skow – Bank Iowa in Humboldt is the lender. The amendment will Remove Melinda S. Skow from the Promissory Note and Bond and all supporting documents, as well as all Security Documents pledged as collateral, due to divorce. All other loan terms will remain the same.

Resolution AG 17-074M – Travis Lee and Merilee Ann Hamilton – Leighton State Bank in Monroe is the lender. The amendment will Fix the current interest rate of 4.00% until January 19,2023, at which time the rate will adjust to the original index of 1.00% below Leighton State Bank's 5 year Ag Real Estate Index (Subject to a maximum change of +/- 2.00% per adjustment) and be adjustable every five years thereafter. Partial release of

original Mortgage for 231.42 acres dated January 19, 2018, due to the sale of land. Partial release is of 105 acres dated May 24, 2022. All other loan terms will remain the same.

MOTION

On a motion by Mr. Fredrickson and a second by Ms. McLain, the Board unanimously approved the Beginning Farmer Loan Program Amending Resolutions.

BEGINNING FARMER TAX CREDIT APPLICATIONS

Tammy Nebola presented a summary of the Beginning Farmer Tax Credit applications. There were 19 new BFTC applications for an estimated tax credit amount of \$402,635. She noted that of those 19; 11 are cash rent and 8 are crop share leases.

MOTION

On a motion by Mr. Fredrickson and a second by Ms. McLain, the Board unanimously recommended approval of the Beginning Farmer Tax Credit applications as presented, Mr. Leonard abstained from voting on application 4691.

MARKETING UPDATE

Included in the Board packet is the IADD marketing calendar. Tammy Nebola reviewed some of the recent events she has attended. She also discussed some upcoming events.

OTHER BUSINESS

IADD NEXT MONTH MEETING AGENDA

Mr. Borg mentioned several items he would like to see on the agenda for the next IADD in-person meeting. He would like an update on the delinquent LPP project from Tammy Nebola. He would like Aaron Smith to cover the location and details of some of the approved water projects. He would also like a couple of the presentations from the IFA Board Meeting to also be presented to the IADD Board, including: Housing Tax Credit Applications and Awards by Derek Folden and the presentation by Mak Suceska from the Bureau of Refugee Services

IFA BOARD MEETING UPDATE

Mr. Borg presented the agenda from the May 4, 2022 IFA Board Meeting. He gave the IADD Board a brief update of the items discussed. Aaron Smith discussed some of the programs that are keeping IFA/IEDA busy, including the launch of the Homeowner Assistance Fund (HAF) which provides assistance for mortgage delinquencies. Ms. McLain asked about the program for Community Development from PPP funds, staff was not sure which program she was referring to, so Aaron Smith stated he would do some research and get back with the Board.

NEXT IADD BOARD MEETING

The June IADD Board meeting will be Wednesday, June 22, 2022 at 9:30 am, at the IFA office.

ADJOURNMENT

On a motion by Ms. McLain and a second by Mr. Leonard, the May 25, 2022 meeting of the IADD Board of Directors adjourned at 8:53 am.

Dated this 22nd day of June 2022.

Respectfully submitted:



Aaron Smith
Director's Designee/Board Secretary

Approved as to form:



Lyle Borg, Chair
IADD Board