



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
October 26, 2022

Board Members Present

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

Board Members Absent

None

Staff Members Present

Debi Durham, Executive Director Tammy Nebola, IADD Program Specialist
Nicki Howell, 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 Fredrickson on October 26, 2022 at 8:30 a.m. A quorum was established with the following Board Members present via conference call: Fredrickson, Townsley, Leonard and McLain.

REVIEW OF MINUTES OF SEPTEMBER 21, 2022 BOARD MEETING

Mr. Fredrickson presented the minutes of the September 21, 2022 IADD Board Meeting and asked if there were any additions or corrections to the minutes.

MOTION

On a motion by Ms. Townsley and a second by Ms. McLain, the Board unanimously approved the minutes of the September 21, 2022 IADD Board meeting.

REVIEW OF SEPTEMBER 2022 FINANCIAL STATEMENT

Aaron Smith presented the September 2022 financials. He shared that for FY23 year-to-date, IADD had operating income of \$138,000, an operating expense of \$66,000, and net operating income of \$71,000.

MOTION

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

Director Durham joined the meeting at 8:35 a.m.

LOAN PARTICIPATION PROGRAM CHARGE OFF AND RELEASE OF LOAN LOSS RESERVE

In 2019, IFA provided a \$147,000 LPP loan for the purchase and construction of two cattle sheds located in Hinton, Iowa and due to the projects inability to make loan payments, IFA and the lender wish to have the LPP loan forgiven and the loan loss reserve released.

The board requested that the resolution be revised to state that the loan would be "charged off" rather than "forgiven" and to remove "cease further collection efforts relating to such loan" from Section 2 of the resolution. Staff will revise the resolution and share the final draft with the board members.

MOTION

On a motion by Mr. Leonard and a second by Ms. Townsley, the Board unanimously approved the resolution subject to the proposed changes.

BEGINNING FARMER LOAN APPLICATIONS

Tammy Nebola introduced the following applications for Beginning Farmer loans:

AG 22-035 – Morgan E. Cline – Beginning farmer loan of \$265,343 to purchase approximately 78.62 acres of agricultural land in Adams County. The loan will have a 4.75% variable interest rate and a loan length of 30 years. The index will be 0.75% below WSJP. The lender is TS Bank in Corning, Iowa.

AG 22-036 – Alexis Anne Johnson – Beginning farmer loan of \$454,250 to purchase approximately 79 acres of agricultural land in Buchanan County. The loan will have a 4.95% variable interest rate and a loan length of 30 years. The index will be 80% of bank's prime rate. The lender is WCF Financial Bank in Independence, Iowa.

AG 22-037 – Brandon Glenn and Olivia Kristine Kollasch – Beginning farmer loan of \$575,400 to purchase approximately 9.37 acres of agricultural land including (3) Hog Facilities in Kossuth County. The loan will have a 5.60% fixed interest rate and a loan length of 10 years. The lender is Fidelity Bank & Trust in Bancroft, Iowa.

AG 22-038 – Joseph S. and McKenna H. Kvidera – Beginning farmer loan of \$259,853 to purchase approximately 32.18 acres of agricultural land in Tama County. The loan will have a 4.10% variable interest rate and a loan length of 30 years. The index will be 80% of Farmers Savings Bank & Trust Ag Real Estate Rate. The lender is Farmers Savings Bank & Trust in Traer, Iowa.

MOTION

On a motion by Mr. Leonard and a second by Ms. McLain, the Board unanimously approved the BFLP applications.

PUBLIC HEARING ON BEGINNING FARMER LOANS

A public hearing was held by the IADD Board at the Iowa Finance Authority office on October 26, 2022 at 8:49 a.m. There were no comments received regarding the Beginning Farmer Loan applications. The public hearing was closed at 8:50 a.m.

MOTION

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

BEGINNING FARMER TAX CREDIT APPLICATIONS

Tammy Nebola presented a summary of the Beginning Farmer Tax Credit applications. There were 42 new BFTC applications for an estimated tax credit amount of \$761,146. She noted that of those 42 applications; 27 are cash rent, 12 are crop share, 2 are a hybrid lease and 1 is a flex lease.

MOTION

On a motion by Ms. Townsley and a second by Mr. Leonard, the Board unanimously recommended approval of the Beginning Farmer Tax Credit applications as presented.

BEGINNING FARMER TAX CREDIT CHANGES

Tammy Nebola presented a summary of the Beginning Farmer Tax Credit requested changes. There was one change request to increase the number of acres.

MOTION

On a motion by Ms. McLain and a second by Mr. Leonard, the Board unanimously recommended approval of the Beginning Farmer Tax Credit change requests.

MARKETING UPDATE

Included in the Board packet is the IADD marketing calendar. Tammy Nebola shared some upcoming events that she and Nicki Howell will be attending. In November, there will be a presentation at an Ag Econ Class in Ames and the PAS Fall Conference at Dordt College. They will also be attending the Future Farmers conference in Ankeny in December and the Practical Farmers conference in Ames in January. In February, there will be a virtual presentation for Cresco Bank for their Beginning Farmer Seminar.

OTHER BUSINESS

IFA BOARD MEETING UPDATE

Aaron Smith and Director Durham gave a brief update on current events at IFA and IEDA. IFA is currently running multiple different federally funded programs to assist lowans and

discussing ways to use additional funds that will be coming in. A few IFA staff members recently attended the NCSHA annual conference and received a national marketing award for connecting home buyers with lenders. Director Durham shared that staff will work with Secretary Naig to get a working group put together after the election has passed.

2022 NARRC TRIP REPORT

Mr. Leonard shared an overview of the annual NARRC trip that was held in Richmond, Virginia. The conference consisted of tours around Richmond, a number of great speakers, and a lot of focus on the future of NARRC and how to make each state organization more effective.

NEXT IADD BOARD MEETING

The November IADD Board meeting will be held in person on Wednesday, November 28th, 2022 at 9:30 a.m.

ADJOURNMENT

On a motion by Ms. McLain and a second by Mr. Leonard, the October 26, 2022 meeting of the IADD Board of Directors adjourned at 9:05 a.m.

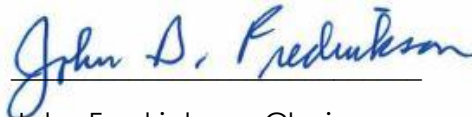
Dated this 28th day of November 2022.

Respectfully submitted:



Aaron Smith
Director's Designee/Board Secretary

Approved as to form:



John Fredrickson, Chair
IADD Board