



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 22, 2024

Board Members Present

Gretchen McLain, Interim Chair Claire Masker-King
Annette Townsley Jayme Ungs
Kevin Boyle

Board Members Absent

None

Staff Members Present

Nicki Howell, IADD Program Specialist Ashley Jared, Communications Director
Tammy Nebola, IADD Program Specialist Rita Grimm, Chief Legal Counsel
Aaron Smith, Chief Bond Programs Director Becky Wu, Accounting Manager
Lisa Connell, Legal Counsel Beau Hanson, IT

Others Present

Cris Kuhn, Dorsey & Whitney
Mark Leonard, NARRC Board Member
Randy Townsley

CALL TO ORDER

The meeting of the Iowa Agricultural Development Division (IADD) Board of Directors was called to order by Interim Chair McLain on May 22, 2024 at 9:25 a.m. A quorum was established with the following Board Members present; McLain, Townsley, Boyle, Masker-King and Ungs.

REVIEW OF MINUTES OF APRIL 24, 2024 BOARD MEETING

Ms. McLain presented the minutes of the April 24, 2024 IADD Board Meeting. Ms. McLain asked if there were any additions or corrections to the minutes.

MOTION

On a motion by Mr. Boyle and a second by Mrs. Townsley, the Board unanimously approved the minutes of the April 24, 2024 IADD Board meeting.

REVIEW OF APRIL 2024 FINANCIAL STATEMENT

Becky Wu presented the April 2024 financials, which was included in the board packet. She stated that for FY24 year-to-date, IADD had an operating income of \$674,000, an operating expense of \$291,000, and a net operating income of \$383,000.

REVIEW IADD FY 25 BUDGET

Becky Wu presented the FY 2025 Budget, which was included in the board packet. The forecast of the budget considers actual results from the first eight months and creates four months of projections.

NEW/CURRENT BOARD MEMBER AND IADD STAFF INTRODUCTIONS

Introductions of current board members McLain, Townsley, and Boyle, and new board members Unga and Masker-King took place. IADD and IFA staff also introduced themselves to the new board members.

INTERIM BOARD OFFICER ELECTION – VICE CHAIR (MAY & JUNE)

Mrs. McLain will serve as interim Board Chair until the June election of officers. Mrs. Townsley nominated Mr. Boyle to act as interim Vice Chair until the June election of officers. Election of officers in June will be effective July 1st.

MOTION

On a motion by Mrs. Townsley and a second by Mrs. Masker-King, the Board unanimously approved the election of Mr. Boyle as the interim Vice Chair.

LOAN PARTICIPATION PROGRAM

Tammy Nebola presented information on the following loan participation applications.

P0325 - Joeb D. Boogerd. The LPP application is for \$200,000. The borrower will purchase approx. 23.02 acres of ag land with house and out-buildings, including 2,200 Hd capacity Hog Buildings and 950 Hd capacity Cattle Buildings. Total project cost is \$1,100,000. The borrower has also applied for a Beginning Farmer Loan AG 24-020. The bank is Premier Bank in Rock Valley.

MOTION

On a motion by Mr. Boyle and a second by Mrs. Townsley, the Board unanimously approved the loan participation for Joeb D. Boogerd subject to obtaining a guarantor on the LPP loan and an assignment of the feeding contracts as well as recommendation that the beginning farmer take out a life insurance policy.

P0326 - Logan Michael Dreckman. The LPP application is for \$200,000. The borrower will construct a 750 Hd Cattle Barn. Total project cost is \$1,800,000. The borrower has also applied for a Beginning Farmer Loan AG 24-024. The bank is American Bank, N.A. in Le Mars.

MOTION

On a motion by Mr. Boyle and a second by Mrs. Masker-King, the Board unanimously approved the loan participation for Logan Michael Dreckman subject to obtaining a guaranty from parents on the LPP loan, ensuring an adequate easement for entrance to the property and an assignment of the feeding contract as well as recommendation that the beginning farmer take out a life insurance policy.

BEGINNING FARMER LOAN APPLICATIONS

Tammy Nebola introduced the following applications for Beginning Farmer loans:

AG 24-020 – Joeb D. Boogerd – Beginning farmer loan of \$489,850 to purchase approximately 23.02 acres of agricultural land with house and out-buildings, including 2,200 Hd capacity Hog Buildings and 950 Hd capacity Cattle Buildings in Lyon County. The loan will have a 5.50% variable interest rate and a loan length of 30 years. The index will be 2.00% over the 5-year CMT. The lender is Premier Bank in Rock Valley, Iowa.

AG 24-021 – Steven Troy Gunderson – Beginning farmer loan of \$300,000 to purchase approximately 100 acres of agricultural land with house and out-buildings in Jefferson County. The loan will have a 6.95% variable interest rate and a loan length of 30 years. The index will be 75% of the Bank's 5-year variable Ag Real Estate Rate. The lender is Libertyville Savings Bank in Fairfield, Iowa.

AG 24-022 – Wyatt David Montross – Beginning farmer loan of \$141,750 to purchase approximately 30 acres of agricultural land in Iowa County. The loan will have a 6.32% variable interest rate and a loan length of 30 years. The index will be 79% of New York Prime. The lender is Grinnell State Bank in Marengo, Iowa.

AG 24-023 – Brock David and Maya Weyers – Beginning farmer loan of \$588,000 to purchase approximately 280 acres of agricultural land, house and out-buildings in Marion County. The loan will have a 6.00% variable interest rate and a loan length of 30 years. The index will be 80% of the bank's 1 year ag real estate rate. The lender is Marion County State Bank in Knoxville, Iowa.

AG 24-024 – Logan Michael Dreckman – Beginning farmer loan of \$250,000 to construct a 750 Hd Cattle Barn in Plymouth County. The loan will have a 6.50% variable interest rate and a loan length of 20 years. The index will be 80% of 3.00% above the 5-year Treasury. The lender is American Bank, N.A. in Le Mars, Iowa.

MOTION

On a motion by Mrs. Townsley and a second by Mr. Boyle, 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 May 22, 2024 at 10:55 a.m. There were no comments received regarding the Beginning Farmer Loan applications. The public hearing was closed at 10:56 a.m.

MOTION

On a motion by Mr. Boyle and a second by Mrs. Townsley, the Board unanimously recommended approval of the BFLP Bond documents.

BEGINNING FARMER TAX CREDIT APPLICATIONS

Nicki Howell presented a summary of the Beginning Farmer Tax Credit applications. There were 15 new BFTC applications for an estimated tax credit amount of \$550,693. She noted that of those 15; 6 are cash rent, 8 are crop share, and one is a flex lease.

MOTION

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

BEGINNING FARMER TAX CREDIT CHANGES

Nicki Howell presented a summary of the Beginning Farmer Tax Credit requested changes. There was one change request to switch from a 75/25 share crop lease to a cash rent lease for the remaining two years of the lease.

MOTION

On a motion by Mrs. Townsley and a second by Mr. Boyle, 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 that staff recently presented virtual for the Iowa Cattlemen's Leadership Program. She also discussed upcoming events which include presentations for IBA Ag Credit School, ISU Extension Ag Lender Training, and PFI Labor4Learning Beginning Farmer Webinar and attending the IBA Women in Banking Forum.

OTHER BUSINESS

IFA BOARD MEETING UPDATE

Ms. McLain presented the agenda from the May 1, 2024 IFA Board Meeting. She gave the IADD Board a brief update of the items discussed.

NARRC/NCOSAFP JOINT CONFERENCE UPDATE

Mark Leonard, NARRC Board Member, gave an overview of the NARRC Conference and provided an update on the NARRC Board's requirements regarding the planning of the NARRC/NCOSAFP Conference.

Aaron Smith left the meeting at 11:43 a.m.

Mrs. Townsley requested that Iowa Department of Revenue return to a future meeting to provide an update on tax code changes. She also requested that we discuss new program ideas.

NEXT IADD BOARD MEETING

Due to schedule conflicts, the June IADD Board meeting will be held Friday, June 21st, 2024 at 9:30 a.m.

ADJOURNMENT

The May 22, 2024 meeting of the IADD Board of Directors adjourned at 11:59 a.m.

Dated this 21st day of June 2024.

Respectfully submitted:



Aaron Smith
Director's Designee/Board Secretary

Approved as to form:



Gretchen McLain, Interim Chair
IADD Board