

MINUTES
Iowa Agricultural Development Division of the
Iowa Finance Authority
Board Meeting
August 21, 2024
9:30 a.m.
1963 Bell Avenue, Suite 200 – Missouri Conference Room

BOARD MEMBERS PRESENT:

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

BOARD MEMBERS ABSENT:

STAFF MEMBERS PRESENT:

Debi Durham, IEDA IFA Director
Aaron Smith, IFA Chief Bond Programs Manager
Tammy Nebola, IFA IADD Program Specialist
Nicki Howell, IFA IADD Program Specialist
Lisa Connell, IEDA Legal Counsel

OTHERS PRESENT:

Kurt Konek, Iowa Dept. of Revenue

I. ADMINISTRATION

A. ROLL CALL

The meeting of the Board of the Iowa Agricultural Development Division (IADD) of the Iowa Finance Authority (IFA) was called to order by Chair McLain on August 21, 2024 at 9:40 a.m. A quorum was established with the following Board Members present; McLain, Townsley, Boyle, Masker-King and Ungs.

B. APPROVE MINUTES OF JULY 24, 2024 BOARD MEETING

MOTION

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

C. REVIEW JULY 2024 FINANCIAL STATEMENT

Aaron Smith presented the July 2024 financials. For FY25 year-to-date, IADD's operating income was \$54,000, its operating expense was \$26,000, and the net operating income was \$29,000.

II. PUBLIC COMMENT PERIOD

NONE

III. LOAN PARTICIPATION PROGRAM APPLICATIONS

Tammy Nebola presented information on the following loan participation applications.

P0329 - Justin and Tonya Wedel applied for a \$200,000 loan participation as a down payment to construct a 20,000 Hd Layer Barn. Total project cost is \$1,200,000. The borrower has also applied for Beginning Farmer Loan AG 24-035. The bank is Central Bank Illinois in Peru, IL.

MOTION

On a motion by Mr. Ungs and a second by Mrs. Masker-King, the Board unanimously recommended that the Iowa Finance Authority Board approve the application for a \$200,000 LPP loan (P0329) contingent upon obtaining a \$150,000 guaranty from each parent, a 1st mortgage on the subject property, a 2nd mortgage on their residence, a 2nd mortgage on their rental property, a UCC 1 financing agreement that will be filed, and an assignment of the egg contract, with a recommendation that the borrowers obtain life insurance.

IV. BEGINNING FARMER LOAN PROGRAM APPLICATIONS

A. REVIEW AND APPROVE BFLP LOAN APPLICATIONS

Tammy Nebola introduced the following applications for Beginning Farmer loans:

AG 24-034 – Chase Burken applied for a BFLP loan of \$56,000 to assist with the purchase of a skid loader in Clinton County. The lender is Citizens First Bank in Clinton, IA. The lender's loan terms are: 5 year loan term and 5.41% fixed interest rate.

AG 24-035 – Justin and Tonya Wedel applied for a BFLP loan of \$250,000 to assist with the construction of a 20,000 Head Layer Barn in Montgomery County, Iowa. The lender is Central Bank Illinois in Peru, IL. The lender's loan terms are: 15 year loan term and 6.55% variable (2.75% above the 5-year CMT) interest rate.

AG 24-036 – Colton Lee Homan applied for a BFLP loan of \$649,400 to assist with the purchase of approximately 157 acres of agricultural land with house and outbuildings in Jackson County. The lender is First Trust & Savings Bank in Grand Mound, IA. The lender's loan terms are: 40 year loan term and 5.61% variable (66% of Wall Street Journal Prime) interest rate.

AG 24-037 – Stuart and Jessica Jones applied for a BFLP loan of \$400,000 to assist with the purchase of approximately 136.56 acres of agricultural land, house and outbuildings in Allamakee County. The lender is Luana Savings Bank in Luana, IA. The lender's loan terms are: 30 year loan term and 5.00% variable (equal to Wall Street Prime) interest rate.

MOTION

On a motion by Mrs. Townsley and a second by Mr. Ungs, the Board unanimously approved the BFLP applications.

B. PUBLIC HEARING ON ISSUANCE OF BONDS FOR BEGINNING FARMER LOANS

A public hearing was held by the IADD Board on August 21, 2024 at 10:01 a.m. regarding issuance of bonds for the Beginning Farmer Loan Program. No members of the public attended the hearing, and no comments were received. The public hearing was closed at 10:02 a.m.

C. APPROVE BFLP BOND DOCUMENTS

MOTION

On a motion by Mr. Boyle and a second by Mrs. Townsley, the Board unanimously recommended that the Iowa Finance Authority Board approve the BFLP Bond documents.

V. BEGINNING FARMER TAX CREDIT PROGRAM (BFTC) APPLICATIONS

Nicki Howell presented for approval four new BFTC applications with an estimated aggregate total of \$83,502. Of the four applications received, three are cash rent and one is crop share.

MOTION

On a motion by Mrs. Townsley and a second by Mr. Unga, the Board unanimously recommended that the Iowa Finance Authority Board approve the applications for BFTC tax credits as presented.

VI. MARKETING UPDATE

IADD staff reported on recent and upcoming events where they marketed IFA's programs to assist farmers.

VII. OTHER BUSINESS

A. IFA BOARD MEETING UPDATE

Chair McLain presented the agenda from the August 7, 2024 IFA Board Meeting. Aaron Smith and Director Durham provided an overview of the meeting and the current disaster relief programs.

B. NARRC SPONSORSHIP REQUEST

No update was provided.

C. PRESENTATION BY IOWA DEPARTMENT OF REVENUE POLICY DIRECTOR KURT KONEK

Policy Director Konek provided an update on the retiree tax exemption code changes that affect the Beginning Farmer Tax Credit program.

D. NEXT IADD BOARD MEETING

The next IADD Board meeting will be held Thursday, September 26, 2024.

VIII. ADJOURNMENT

McLain adjourned the IADD Board meeting at 11:08 a.m.

Dated this 26th day of September 2024.

Respectfully submitted:

Approved as to form and content:



Aaron Smith
IFA Director's Designee/Board Secretary



Annette Townsley, Vice Chair
IADD Board