



IOWA AGRICULTURAL  
DEVELOPMENT DIVISION

**IADD BOARD MEETING MINUTES**

**June 22, 2016**

**10:30 a.m.**

**Washington County Fairgrounds  
611 Highway 1 South  
Washington, Iowa**

**Board Members Present**

Lyle Borg, Vice Chair	John Fredrickson
Stacie Euken	Annette Townsley

**Board Members Absent**

Mark Leonard, Chair

**Staff Members Present**

Lori Beary, Community Development Director	Austin Moore, IADD Intern
Steve Ferguson, IADD Program Specialist	Tammy Nebola, IADD Program Specialist
Dave Jamison, Executive Director	

**Others Present**

Ethan Abbott, Abbott Farms	Kyle Hotz, CBI Bank and Trust
Nick Beinhart, Libertyville Savings Bank	Janelle Johnson, Hills Bank & Trust Company
Brent Brenneman, Muscatine Community College	Amy Landas, U.S. Bank
Tyler Coblentz, Hills Bank & Trust Company	Neppl Larry
Hochstetler Dave, Hills Bank & Trust Company	Mackenzie Lewis, U.S. Bank
Gardner Denny	Paul A. Martin, Muscatine Community College
Julia Dieckman, Muscatine Community College	Tricia Moore, Farm Service Agency
Ryan Drollette, ISU Extension and Outreach	Garry Movall, USDA-Farm Service Agency
Jerry Dunbar, Indian Creek Farm and Forest	Henry Nolte, Farm Service Agency
Austin Edwards, Muscatine Community College	Lucas Pelzer, Maas Farms
Andrew Eichelberger, Eichelberger Inc.	Jared Rees, Muscatine Community College
Samantha Fulton, Muscatine Community College	Payton Rivera, MCC
Rob Gavin, U.S. Bank	Ty Schillerstrom, Muscatine Community College
Clay Geise, Geise Dairy	Garrett Schoonover, Muscatine Community College
Wade Gerlach	Paul Schrader, Kenrdt Brothers Savings Bank
Brian Hauser, MidWestOne Bank	Kurt Sorensen, Hills Bank & Trust Company
Kelsey Holladay, Muscatine Community College	Dawn Stewart, Farm Service Agency

**CALL TO ORDER**

The meeting of the Iowa Agricultural Development Division (IADD) Board of Directors was called to order by Vice Chair Borg on June 22, 2016 at 10:56 am. A quorum was established with the following Board Members present: Borg, Euken, Fredrickson and Townsley.

The Board introduced themselves to the attendees of the Regional Board Meeting.

**REVIEW OF MINUTES OF MAY 25, 2016 BOARD MEETING**

Mr. Borg presented the minutes of the May 25, 2016 IADD Board Meeting. Mr. Borg asked if there were any additions or corrections to the minutes.

**MOTION**

On a motion by Ms. Townsley and a second by Mr. Fredrickson, the Board unanimously approved the minutes of the May 25, 2016 IADD Board meeting.

**REVIEW OF MAY 2016 FINANCIAL STATEMENT**

Lori Beary presented the May 2016 financials. She stated that for FY16 year-to-date, IADD had operating income of \$622,560 operating expense of \$459,795 and net operating income of \$162,764, net operating income after the STEM disbursement is \$87,764.

**MOTION**

On a motion by Mr. Fredrickson and a second by Ms. Euken, the Board unanimously approved the May 2016 financial statement as presented.

**LOAN PARTICIPATION PROGRAM AMENDING RESOLUTIONS**

Tammy Nebola presented the following request to adjust the terms and conditions on a closed LPP project:

P0196 – John J. Nevins – Federation Bank in Brighton is the lender. The amendment will release additional real estate mortgage dated August 18, 2005. Mortgage was sited to cover a shortfall between the purchase price (\$459,240) and appraised value (\$430,000) of \$29,240. The release is subject to the principal amount of the loans being paid down to the appraised value of \$430,000. All other loan terms will remain the same.

**MOTION**

On a motion by Ms. Townsley and a second by Ms. Euken, the Board unanimously approved the Loan Participation Program request to adjust loan terms and conditions.

**LOAN PARTICIPATION PROGRAM**

Tammy Nebola presented information on the following loan participation application.

P0224 - Levi P. & Rebecca M. Cook. The LPP application is for \$150,000. The borrower will purchase 7 acres of agricultural land and construct a 499 Hd Cattle Finishing Building. Total project cost is \$750,000. The borrower has also applied for a Beginning Farmer Loan AG 16-031. The bank is Hardin County Savings Bank in Eldora. Additional information has been requested from the lender but has not been received yet. The loan committee is recommending tabling the application until the requested information is received.

MOTION

On a motion by Mr. Fredrickson and a second by Ms. Euken, the Board unanimously recommended to table the loan participation for Levi P. & Rebecca M. Cook.

**BEGINNING FARMER LOAN AMENDING RESOLUTIONS**

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

Resolution 04107M – Glenn A. and Mariann L. Wingert – Shelby County State Bank in Harlan is the lender. The amendment will lower the interest rate from 6.50% to 4.00% until February 5, 2021 at which time the rate will adjust to the original index of 80% of the announced prime rate of the 5 Year Fixed FHLB, plus 2.55% and be adjustable every five years thereafter. Decrease the rate floor from 6.00% to 4.00%. All other loan terms will remain the same.

Resolution 04457M – Eric L. Eischeid – Westside State Bank in Halbur is the lender. The amendment will lower the interest rate from 6.30% fixed to 4.83% fixed until maturity of October 9, 2024. All other loan terms will remain the same.

MOTION

On a motion by Ms. Euken and a second by Ms. Townsley, the Board unanimously approved the Beginning Farmer Loan Program Amending Resolutions.

**BEGINNING FARMER LOAN APPLICATIONS**

Tammy Nebola introduced the following application for a Beginning Farmer loan:

AG 16-031 – Levi P. and Rebecca M. Cook – Beginning farmer loan of \$262,000 to purchase approximately 7 acres of agricultural land and construct a 499 Hd Cattle Finishing Building in Story County. The loan will have a 3.25% variable interest rate and a loan length of 12 years. The index will be 1.00% Under HCSB Real Estate Rate. The lender is Hardin County Savings Bank in Eldora, Iowa. Additional information has been requested from the lender but has not been received yet. It was recommended to table the application until the requested information is received.

MOTION

On a motion by Mr. Fredrickson and a second by Ms. Townsley, the Board recommended to table the BFLP application.

### **PUBLIC HEARING ON BEGINNING FARMER LOANS**

A public hearing was held by the IADD Board at the Washington County Fairgrounds on June 22, 2016 at 11:11 am. There were no comments received regarding the Beginning Farmer Loan applications. The public hearing was closed at 11:12 am.

### **BEGINNING FARMER TAX CREDIT APPLICATIONS**

Steve Ferguson presented a summary of the Beginning Farmer Tax Credit applications. There were 34 new BFTC applications for an estimated tax credit amount of \$181,851.10. He noted that of those, 21 are cash rent 12 are crop share and 1 is a hybrid lease.

### **MOTION**

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

### **BEGINNING FARMER TAX CREDIT CHANGES**

Steve Ferguson presented a summary of the Beginning Farmer Tax Credit requested changes. There were 2 requests, one to increase acres and one to cancel the lease.

### **MOTION**

On a motion by Ms. Townsley and a second by Ms. Euken, 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. Mr. Ferguson reviewed some of the recent events he's attended. He also discussed some upcoming events.

### **OTHER BUSINESS**

### **STEM FUNDING UPDATE**

Mr. Borg shared with the Regional Board Meeting attendees that IADD was asked to participate in partial funding of STEM programs. The board had a lot of discussion on how those funds could be targeted for best use and ultimately decided to fund \$75,000 which enabled 6 additional rural schools to be able to start the CASE program.

### **NEXT IADD BOARD MEETING**

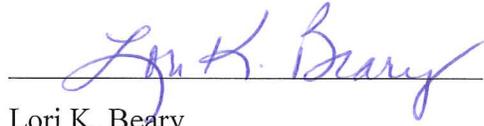
The July IADD Board meeting will be Wednesday, July 27, 2016 at 8:30 am, via conference call.

### **ADJOURNMENT**

On a motion by Mr. Fredrickson and a second by Ms. Euken, the June 22, 2016 meeting of the IADD Board of Directors adjourned at 11:25 am.

Dated this 27<sup>th</sup> day of July, 2016.

Respectfully submitted:



Lori K. Beary  
Director's Designee/Board Secretary

Approved as to form:



Lyle Borg, Vice Chair  
IADD Board