

AGRICULTURAL REVOLVING LOAN FUND

Notes to Financial Statements for April, 2012 - FY12

Statement of Revenues, Expenses, and Changes in Fund Equity

1. \$40,115 was recorded as Interest Income. Total Interest Income for July 2011 through April 2012 is \$509,291.
2. \$(42,790) was recorded as ARLF operating expenses. Contractual Services included \$9,007 paid through RSA for legal services and \$9,525 paid for February/March 2012 accounting support.
3. Net Operating Income was \$1,306.
Mt. McKinley Meat and Sausage Plant Loss for the period (Non-Operating Activity) was recorded at \$(21,763).

Comparative Balance Sheet

1. \$5,639,536 was ARLF Cash balance on April 30, 2012. For comparison, ARLF Cash balance on April 30, 2011 was \$4,795,263.
2. \$12,457,382 was ARLF Loans Receivable account balance. For comparison, ARLF Loans Receivable balance on April 30, 2011 was \$12,141,051.

Mt. McKinley Meat and Sausage Plant Statement of Revenues and Expenses

1. \$61,517 was recorded as Total Revenues for the month.
2. \$(83,280) was recorded as Total Expenses for the month.
3. Fiscal Year-to-Date Loss is \$(90,820).

Loan Activity/Cash outflows

1. \$2,025,546 is the total amount of loans approved since the beginning of the fiscal year through June 1, 2012.

AGRICULTURAL REVOLVING LOAN FUND
Statement of Revenues, Expenses, and Changes in Fund Equity
For Month ended April 30, 2012

	April	Fiscal Year to Date
Operating Revenues		
Interest Income	\$ 40,115	\$ 509,291
Services (legal, clerical, loan fees, sale products)	150	1,000
Late Payment Penalties	2,431	9,900
Rents, including leasehold credits	1,400	17,926
CRP Revenue	-	-
Uncollectible Amounts Recovered	-	-
Recovery of Expenses	-	35
Fines & Forfeitures	-	-
Transfers in from Other Funds	-	-
Sale of Assets	-	-
Total Operating Revenues	44,097	538,151
Operating Expenses:		
Personal Services	22,038	169,611
Travel	704	5,145
Contractual Services	19,402	119,731
Commodities	646	4,230
Total Operating Expenses	42,790	298,718
Net Operating Income (Loss)	1,306	239,434
Non-Operating Income (Expenses):		
MMM&S Revenues	61,517	1,114,094
Mt. McKinley Meat & Sausage Plant	(83,280)	(1,204,913)
Mt. McKinley Meat & Sausage Plant Net Income (loss)	(21,763)	(90,820)
Income (Loss) Investment in Mat Maid	(3,756)	(3,756)
Income (Loss) Sale of Fixed Assets	-	-
Bad Debt Expense	-	-
Depreciation Expense	-	-
Total Non-Operating Income / (Expenses)	(25,519)	(94,575)
Current Period Earnings (Loss)	\$ (24,213)	\$ 144,858
Fund Equity, June 30, 2011		\$22,726,980
Fund Equity, April 30, 2012		\$22,871,838

AGRICULTURAL REVOLVING LOAN FUND
Comparative Balance Sheet
April 30, 2012

<u>ASSETS</u>	April	March	<u>LIABILITIES</u>	April	March
	2012	2012		2012	2012
Current Assets			Short Term Liabilities		
Cash	\$ 5,639,536	\$ 5,220,627	Warrants Outstanding	\$ 255,381	\$ 89,808
Receivables			Accounts Payable	3,311	3,023
ARLF Loans	12,457,382	12,294,392	Accrued Payables	152,428	152,428
Land Sale Contracts	1,360,155	1,346,333	Accrued Vacation Leave	30,705	30,705
Notes Receivable	59,559	59,559	Trust Account	-	-
Judgments	123,800	123,800			
Accrued Interest	-1- 108,895	108,895	Total Short Term Liabilities	441,825	275,965
Accrued Penalties	-1- 942	942			
Leases/Accounts Receiva	-1- -	-	Due to Other Funds		
Protection of Collateral	-	-	Due to General Fund	-4- (1,044,421)	(1,044,421)
Less Allowances:			Allow for AFC stock	-4- 1,044,421	1,044,421
Doubtful Accounts	-2- (123,815)	(123,815)	Due to School Fund	-4- -	-
Net Receivables	13,986,918	13,810,106	Total Due to Other Funds	-	-
Outstanding Loan Warrants	209,908	23,622			
Repossessed Inventory	29,000	29,000	Long Term Liabilities		
Total Current Assets	19,865,362	19,083,356	Accrued Pension Adjustment	-	-
Due from Other Funds			Total Long Term Liabilities	-	-
Due from GF	-	-	TOTAL LIABILITIES	441,825	275,965
Due from Mental Health	-	-			
Total Due from Other Funds	-	-	<u>FUND EQUITY</u>		
Other Assets			Fund Equity, Beginning	22,726,980	22,726,980
Investments:			Current Year Earnings (Loss)	144,858	169,071
Alaska Farmers Coop	-3- 2,787,153	2,787,153			
Mat Maid	75,000	715,359	TOTAL FUND EQUITY	22,871,838	22,896,051
Repossessed Property	1,299,075	1,299,075			
Less Accum. Deprec	(712,927)	(712,927)	TOTAL LIABILITIES & FUND EQUITY	\$23,313,663	\$23,172,016
Other Assets	-	-			
Net Other Assets	3,448,301	4,088,660			
TOTAL ASSETS	\$23,313,663	\$23,172,016			

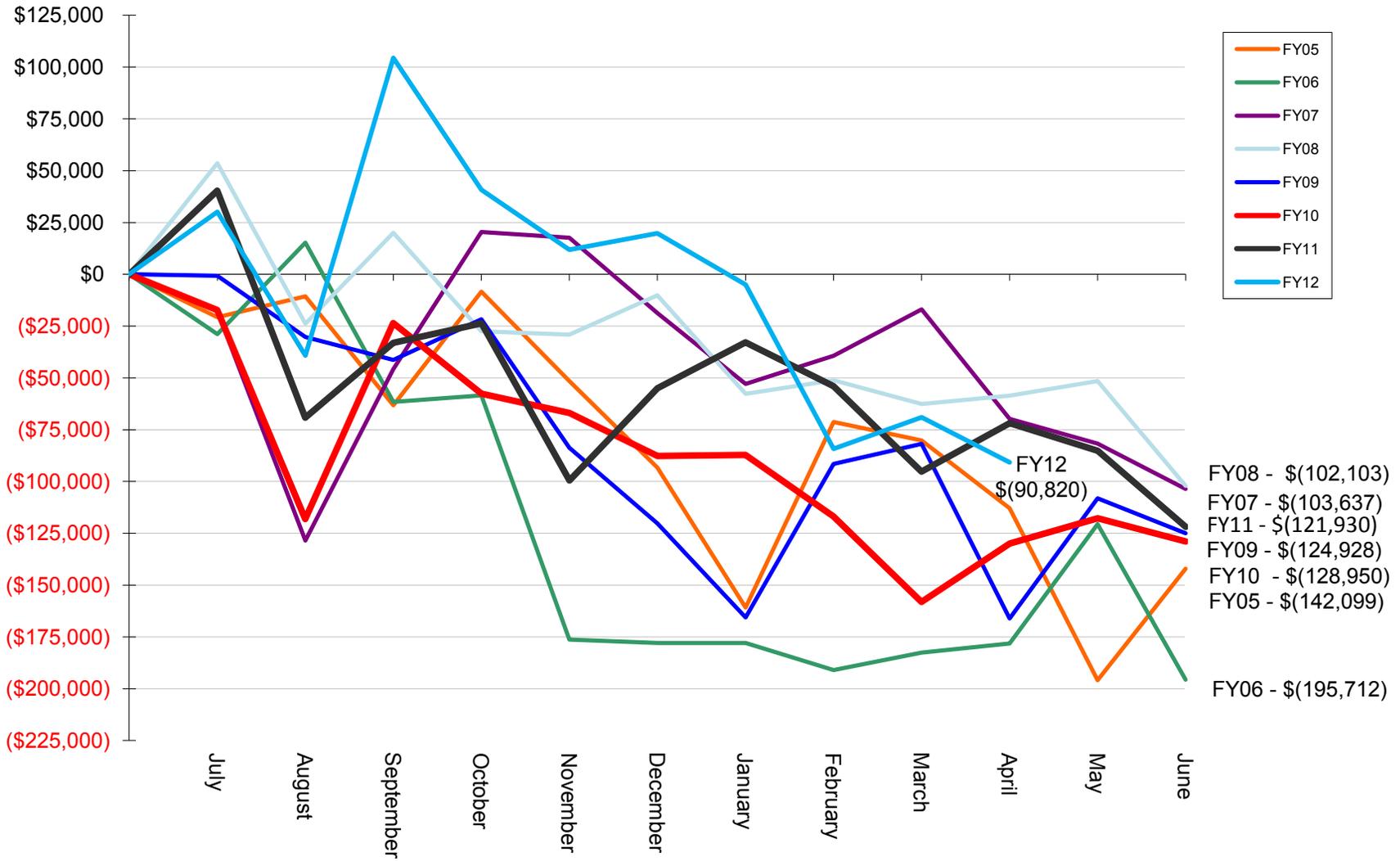
Footnotes:

1. Adjustments to Accrued Interest, Accrued Penalties, and Leases Receivable are posted only on June 30.
2. The Allowance for Doubtful Accounts applies only to the principal balance.
3. Adjustments to record changes in Mat Maid's equity are posted only on June 30.
4. Includes amounts due to other funds from: a) outstanding land sale contracts on repossessed property; and b) preferred stock issued to ARLF for ARLF and General Fund loans.

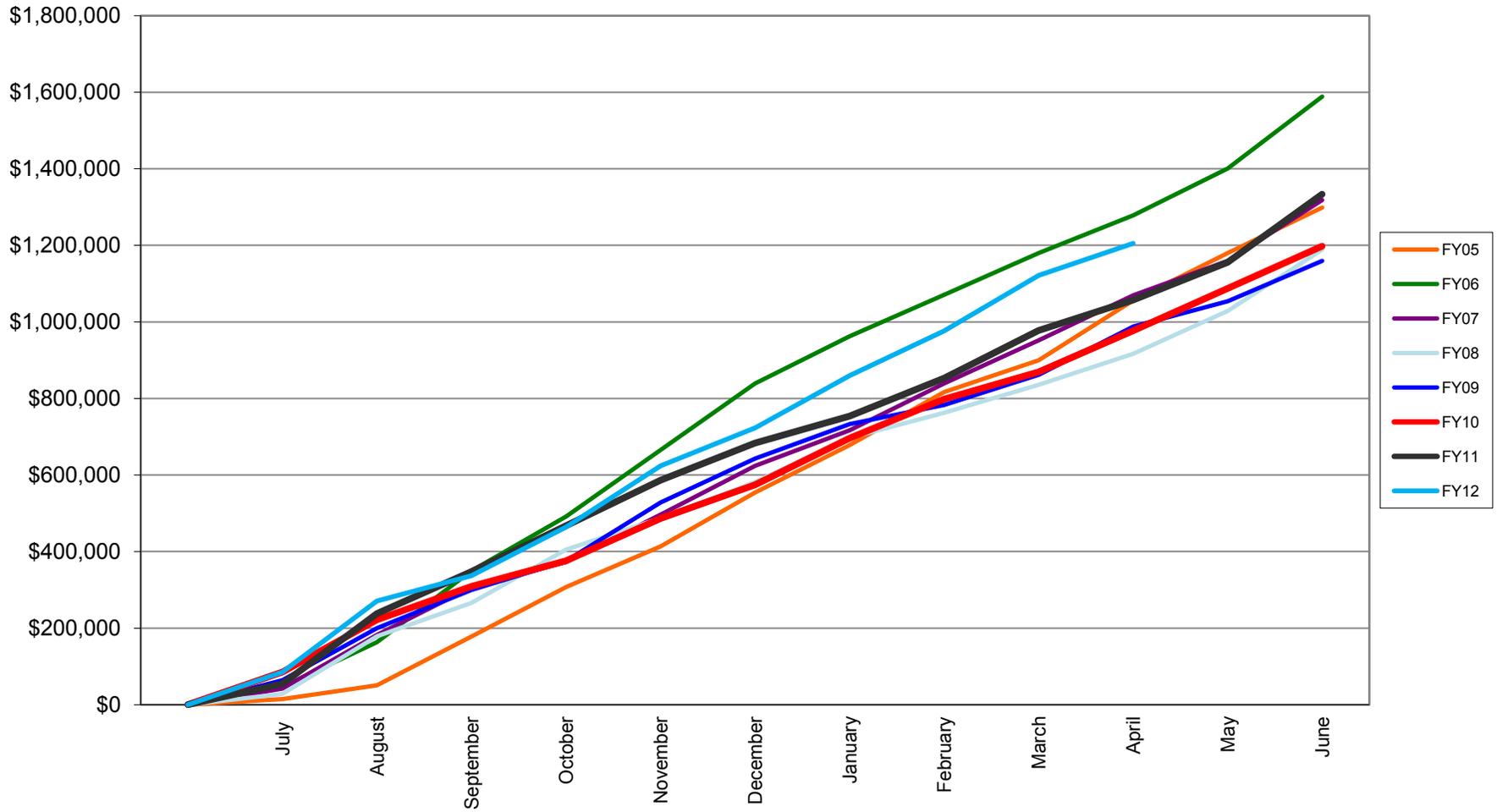
**Mt McKinley Meat and Sausage
 AGRICULTURAL REVOLVING LOAN FUND
 Statement of Revenues and Expenses
 For Month ended April 30, 2012**

	April	Fiscal Year-to-Date
Revenues:		
Services	\$ 3,606	\$ 100,185
Sale of Products	57,379	1,005,591
Freight	533	8,317
Total Revenues	61,517	1,114,094
 Expenses:		
Personal Services	25,498	248,147
Travel	-	-
Contractual Services	10,479	119,540
Commodities	47,303	837,226
Total Expenses	83,280	1,204,913
Net Earnings / (Loss)	\$ (21,763)	\$ (90,820)

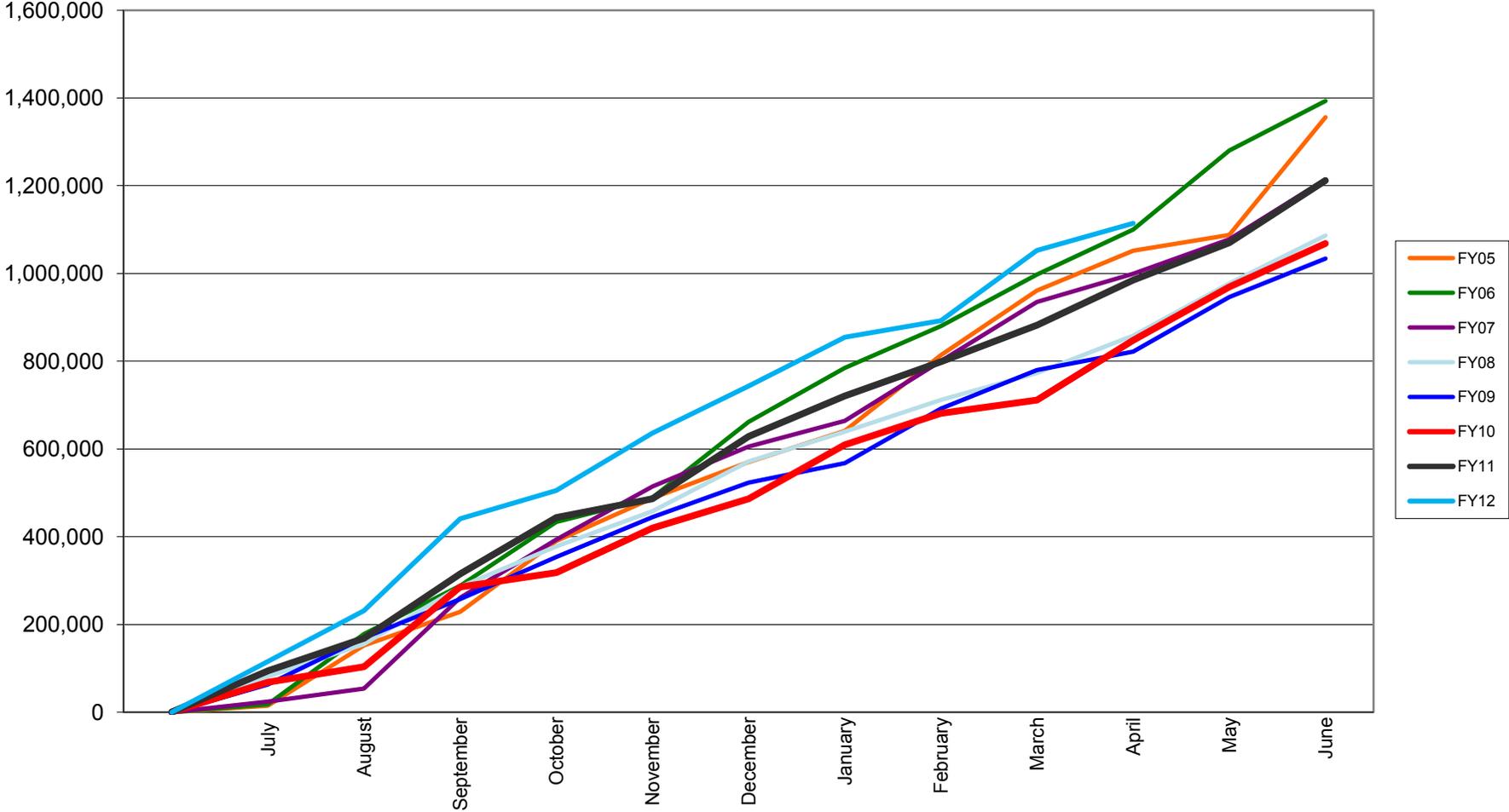
**Mt. Mckinley Meat and Sausage
Income(Loss)
FY 2005 - FY 2012**



**Mt McKinley Meat and Sausage
Cumulative Expenses
July 2004 - April 2012**



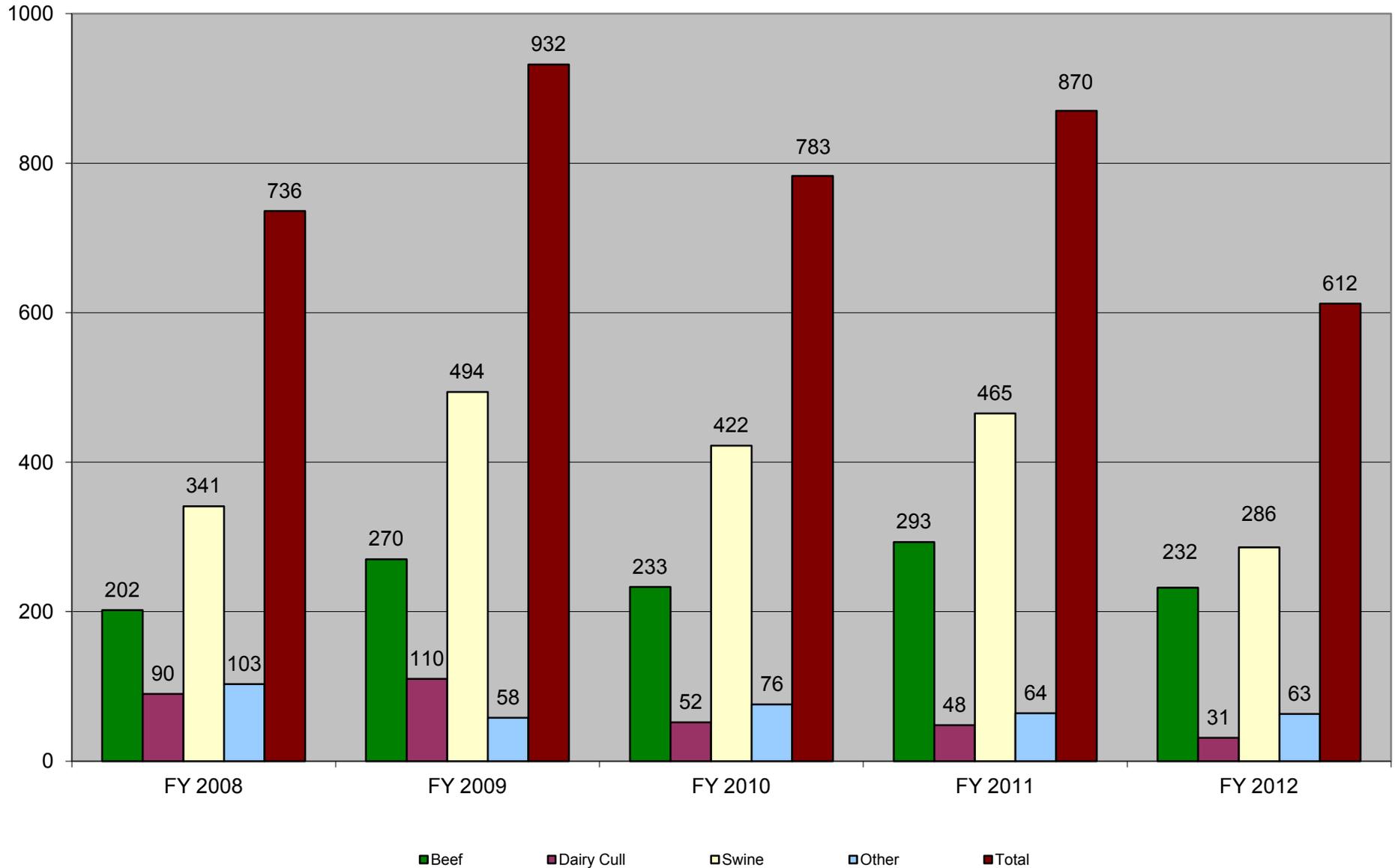
**Mt Mckinley Meat and Sausage
Revenue Trend
July 2004 - April 2012**



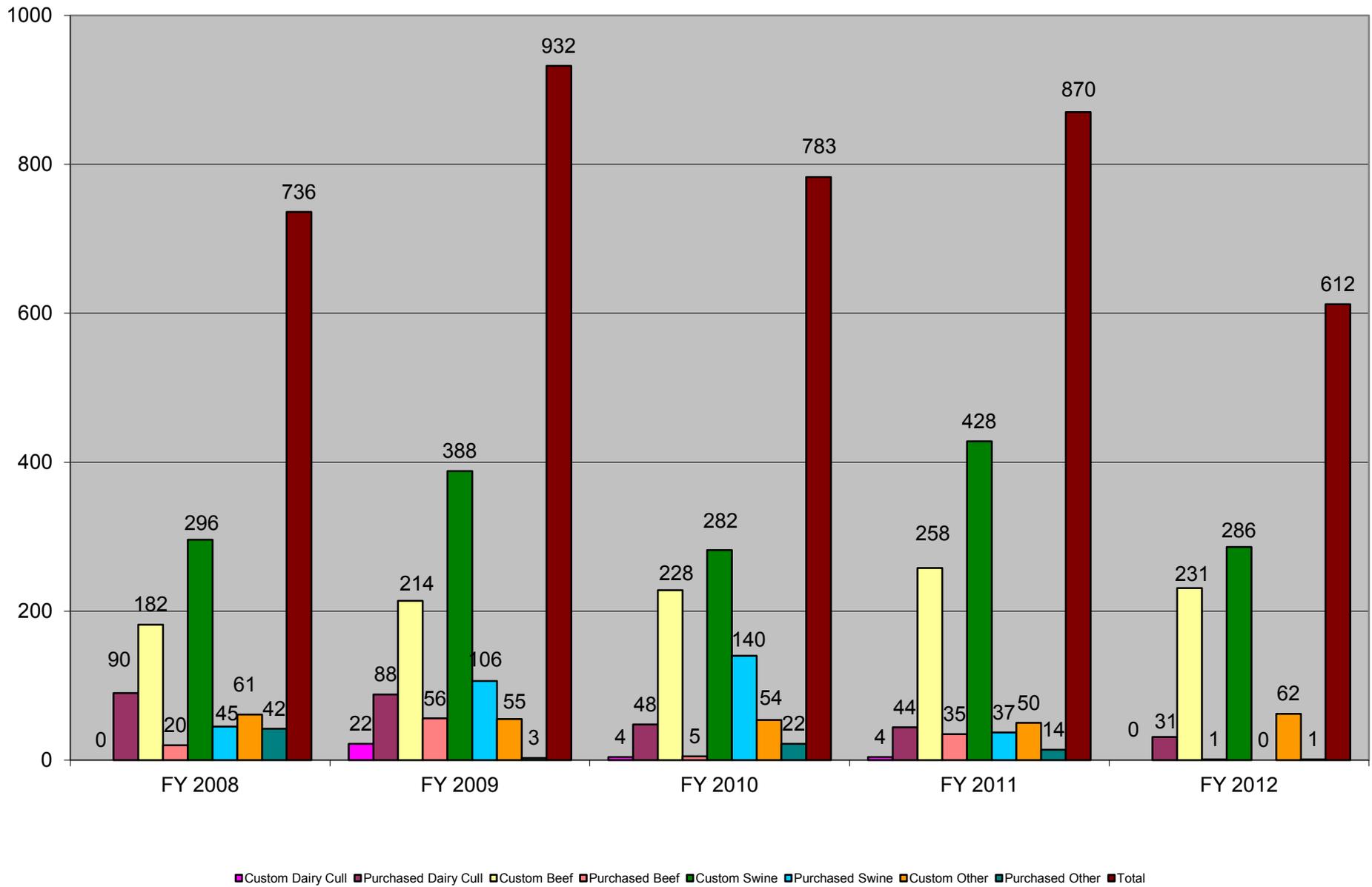
AGRICULTURAL REVOLVING LOAN FUND
Loan Activity Report / Undistributed Warrants
As of June 01, 2012 - FY 12

Borrower	LO	Loan #	Date Approved	Note Date	Amount Approved	Warrants		Available Balance	Amount Distributed to Borrower	Undistributed Warrants
						Issued	#			
Church of the Living Word, Inc.	1	F-5202	6/22/2011	7/1/2011	75,000.00	75,000.00	2	0.00	75,000.00	0.00
Wrigley Farms, LLC	1	P-1007	8/4/2011	8/15/2011	175,000.00	175,000.00	5	0.00	175,000.00	0.00
Brost	1	C-5265	8/24/2011	9/1/2011	18,000.00	18,000.00	2	0.00	18,000.00	0.00
Havemeister	1	S-5460	8/24/2011	10/21/2011	100,000.00	13,400.00	1	86,600.00	13,400.00	0.00
Havemeister	1	F-5205	8/24/2011	10/21/2011	400,000.00	400,000.00	5	0.00	400,000.00	0.00
Roushar	1	C-5264	10/3/2011	10/15/2011	20,000.00	20,000.00	1	0.00	20,000.00	0.00
Meurer	1	F-5203	10/3/2011	10/15/2011	164,800.00	164,800.00	1	0.00	164,800.00	0.00
Amberg	1	F-5204	10/3/2011	10/15/2011	80,000.00	30,451.60	2	49,548.40	30,451.60	0.00
Alaska Chip Co., LLC	1	S-5461	1/30/2012	2/29/2012	50,000.00	50,000.00	7	0.00	44,054.67	5,945.33
Havemeister	1	F-5207	3/21/2012	3/22/2012	200,000.00	176,891.20	3	23,108.80	176,891.20	0.00
Hawks Farm & Garden Center, Inc	1	S-5463	3/21/2012	4/15/2012	50,000.00	25,305.75	2	24,694.25	25,305.75	0.00
Veach	1	F-5206	3/21/2012	4/15/2012	77,745.63	75,943.32	2	1,802.31	75,943.32	0.00
Williams	1	S-5462	3/21/2012	4/15/2012	60,000.00	60,000.00	2	0.00	60,000.00	0.00
Butte Farms	1	S-5465	4/27/2012	5/1/2012	145,000.00	145,000.00	2	0.00	391.00	144,609.00
Butte Farms	1	F-5209	4/27/2012	5/1/2012	40,000.00	40,000.00	2	0.00	257.75	39,742.25
Wrigley Farms	1	S-5467	4/27/2012	5/2/2012	75,000.00			75,000.00		0.00
Gold Nugget Farms	1	S-5464	4/27/2012	5/15/2012	175,000.00			175,000.00		0.00
Brost	1	S-5466	4/27/2012	5/1/2012	120,000.00	250.00	1	119,750.00	250.00	0.00
								0.00		0.00
TOTALS					\$2,025,545.63	\$1,470,041.87	40	\$555,503.76	\$1,279,745.29	\$190,296.58

MMM&S Slaughter Statistics by Fiscal Year and Type As of April 30, 2012 - FY12



**MMM&S Custom and Purchased Statistics by Fiscal Year
As of April 30, 2012 - FY12**



AGRICULTURAL REVOLVING LOAN FUND
Real and Personal Property Inventory
30-Apr-12

Former Borrower/ Prospective New Owner	LO	Location	Acres	Date Placed in Service	Fair Market Value at Repossession			Accum Dep. 6/30/2011	Liabilities		Lease Information					Fair Market Value					
					Land	Buildings	Mach / Equip		Total Value	Amt 6/30/11	Owed To	Amount	Lessee	Lease #	Exp Date	Inspect Date	Remarks	YR	Method	Land	Improve- ments
Repossessed Inventory (account # 10626)																					
UNENCUMBERED ASSETS																					
Thompson, Kenai Spur Hwy	3	Kenai	7	6/3/89	29,000.00			29,000.00							Jul-10	ARLF Sale OTC #11-01	11	Sale price	\$14,000	NONE	\$14,000
Total Repossessed Inventory					<u>29,000.00</u>			<u>29,000.00</u>											<u>14,000</u>		<u>14,000</u>
Repossessed Property (Account # 10860 and Accum Depr # 10862)																					
UNENCUMBERED ASSETS																					
Feed Mill, Tract A-1 (10860)	3	Palmer	3	4/1/84	129,120.00	14,040.00	14,400.00	157,560.00							Dec-10	ARLF OTC #09-01	09	Min Bid	\$975,000		\$975,000
ASSETS with ASSOCIATED PERMITS																					
Mt. McKinley Meat	3	Palmer	4	12/1/86	42,000.00	595,592.00	5,363.00	642,955.00	463,027.00						Dec-10	No planned disposal	05	Appr		1,200,000	1,200,000
LONG TERM LEASES																					
Alaska Farm Coop	3	Delta	20	9/3/93	94,080.00			94,080.00			0.50 /Yr	AK Farm CLSE-021	6/30/18	Apr-09	FS; Hanson Rd/98% own	05	Est	\$30,000	\$777,680	\$807,680	
Alaska Farm Coop	3	Delta	1	9/3/93	74,480.00			74,480.00			0.50 /Yr	AK Farm CLSE-022	6/30/18	Apr-09	FS; Delta/98% ownrshp	05	Est	40,000	36,000	76,000	
Mertz Dairy, (Knopp)	1	Delta	102	7/24/91	15,150.00	304,850.00		320,000.00	243,414.00		1,400.00 /Mq	Knopp	40005	6/1/11	Oct-09		09	Est	110,000	310,000	420,000
Sub-total Long Term Leases					\$183,710.00	\$304,850.00	\$0.00	\$488,560.00	\$243,414.00	\$0.00									\$180,000	\$1,123,680	\$1,303,680
LAND OWNED BY OTHER STATE AGENCIES - REVENUE RIGHTS ONLY																					
Umnak Slaughter Fac	1	Umnak Is	6,598	1/1/07		10,000.00		10,000.00	6,485.00		3,926.00 /Yr	BPR & AN	20043	12/31/31	Jul-99	Land owned by DOT, Bldg owned by ARLF	05	Est		50,000.00	50,000.00
Total - Repossessed Property					354,830.00	924,482.00	19,763.00	1,299,075.00	712,927.00	rounded									1,155,000	2,373,680	3,528,680
GRAND TOTAL					<u>\$383,830.00</u>	<u>\$924,482.00</u>	<u>\$19,763.00</u>	<u>\$1,328,075.00</u>	<u>\$712,927.00</u>										\$1,169,000	\$2,373,680	\$3,542,680

LEGEND		AMTA: Agriculture Marketing Transaction Act
FCP: Farm Conservation Plan	FS: Fee Simple	
CRP: Conservation Recovery Program	RFP: Request for Proposal	

Subsidiary Ledger
ARLF - Machinery, Equipment, and Building Inventory
April 30, 2012

ASSETS with ASSOCIATED PERMITS, AGREEMENTS OR LEASES 10860

Item	LO	Qty	Former Owner	Date Acquired by ARLF	Date Placed in Service	Booked FMV on Date Acquired		Accum Depr 6/30/2011	Location	Remarks
						Each	Total			
Equipment, misc	3		Feed Mill, Tract A-1	01-Apr-84	01-Apr-84	14,400.00	14,400.00			
Subtotal Mach & Equip							14,400.00			
Building	3	1	Feed Mill, Tract A-1	01-Apr-84	01-Apr-84	14,040.00	14,040.00			
Subtotal Building							14,040.00			
Total Feed Mill, Tract A-1							28,440.00			

Mertz Dairy										
Milk tank, 1000	1	1	Mertz	01-Nov-92		1,000.00	1,000.00			
Subtotal Mach & Equip							1,000.00			
Building	1	1	Mertz	24-Jul-91	24-Jul-91	304,850.00	304,850.00	243,414.00		
Subtotal Building							304,850.00	243,414.00		
Total Mertz Dairy							305,850.00	243,414.00		

Mt McKinley Meats										
Compressor	3	1	Mt. McKinley Meats	19-Aug-97	01-Oct-97	5,363.00	5,363.00	5,363.00		
Subtotal Mach & Equip							5,363.00	5,363.00		
Building	3	1	Mt. McKinley Meats	01-Dec-86	01-Dec-86	326,600.00	326,600.00	314,222.00		
Boiler upgrade	3	1	Mt. McKinley Meats	01-May-97	01-Oct-97	15,000.00	15,000.00	8,400.00		
Boiler upgrade	3	1	Mt. McKinley Meats	25-Aug-97	01-Oct-97	41,236.40	41,236.40	23,092.37		
Boiler upgrade	3	1	Mt. McKinley Meats	01-Nov-97	01-Feb-98	48,931.70	48,931.70	27,401.80		
Boiler upgrade	3	1	Mt. McKinley Meats	01-Feb-98	01-Feb-98	8,849.90	8,849.90	4,955.99		
Boiler upgrade	3	1	Mt. McKinley Meats	30-Jun-03	30-Jun-03	4,974.00	4,974.00	1,591.88		
Roof	3	1	Mt. McKinley Meats	30-Sep-98	01-Oct-98	150,000.00	150,000.00	78,000.00		
Subtotal Building							595,592.00	457,664.04		
Total Mt. McKinley Meats							600,955.00	463,027.04		

Umnak Slaughter Facility										
Building	1	1	Umnak Sightr Fac.	01-Mar-95	01-Mar-95	10,000.00	10,000.00	6,485.00		
Subtotal Building							10,000.00	6,485.00		
Total Umnak Slaughter Facility							10,000.00	6,485.00		

Total Accumulated Depreciation

rounded to 712,927