

AGRICULTURAL REVOLVING LOAN FUND

Notes to Financial Statements for November, 2013 - FY14

Statement of Revenues, Expenses, and Changes in Fund Equity

1. \$56,517 was recorded as interest income. For comparison, October 2013 interest income was \$53,234. Total interest income for July 2013 through November 2013 is \$266,801.
2. \$(34,228) was recorded as ARLF operating expenses.
3. Net operating income was \$22,389.
Mt. McKinley Meat and Sausage Plant loss for the period (Non-Operating Activity) was recorded at \$(41,875).

Comparative Balance Sheet

1. \$7,685,796 was ARLF cash balance on November 30, 2013. For comparison, ARLF cash balance on November 30, 2012 was \$5,500,814.
2. \$11,083,449 was ARLF loans receivable account balance. For comparison, ARLF loans receivable balance on November 30, 2012 was \$12,812,571.

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

1. \$95,698 was recorded as Total Revenues for the month. For comparison, October 2013 revenue account balance was \$173,265.
2. \$(137,573) was recorded as Total Expenses for the month. For comparison, October 2013 expenses account balance was \$(167,572).
3. Fiscal Year-to-Date Loss is \$(13,937).

Loan Activity/Cash outflows

1. \$475,518 is the total amount of loans approved since the beginning of the fiscal year 2014.

AGRICULTURAL REVOLVING LOAN FUND
Statement of Revenues, Expenses, and Changes in Fund Equity
For Month ended November 30, 2013

	<u>November</u>	<u>Fiscal Year to Date</u>
Operating Revenues		
Interest Income	\$ 56,517	\$ 266,801
Services (legal, clerical, loan fees, sale products)	100	200
Late Payment Penalties	-	2,075
Rents, including leasehold credits	-	-
CRP Revenue	-	-
Uncollectible Amounts Recovered	-	-
Recovery of Expenses	-	-
Fines & Forfeitures	-	-
Transfers in from Other Funds	-	-
Sale of Assets	-	-
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Total Operating Revenues	56,617	269,076
Operating Expenses:		
Personal Services	12,352	56,284
Travel	-	1,494
Contractual Services	21,225	57,740
Commodities	650	1,504
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Total Operating Expenses	34,228	117,021
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Net Operating Income (Loss)	22,389	152,055
Non-Operating Income (Expenses):		
MMM&S Revenues	95,698	714,417
Mt. McKinley Meat & Sausage Plant	(137,573)	(728,354)
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Mt. McKinley Meat & Sausage Plant Net Income (loss)	(41,875)	(13,937)
Income (Loss) Sale of Fixed Assets	-	-
Bad Debt Expense	-	-
Depreciation Expense	-	-
	<hr/>	<hr/>
Total Non-Operating Income / (Expenses)	\$ (41,875)	\$ (13,937)
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Current Period Earnings (Loss)	\$ (19,486)	\$ 138,118
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Fund Equity, June 30, 2013		\$ 22,351,315
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Fund Equity, November 30, 2013		\$ 22,489,432
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AGRICULTURAL REVOLVING LOAN FUND
Comparative Balance Sheet
November 30, 2013

<u>ASSETS</u>	<u>November 2013</u>	<u>October 2013</u>	<u>LIABILITIES</u>	<u>November 2013</u>	<u>October 2013</u>
Current Assets			Short Term Liabilities		
Cash	\$ 7,685,796	\$ 7,622,776	Warrants Outstanding	\$ 8,976	\$ 23,985
Receivables			Accounts Payable	983	18,821
ARLF Loans	11,083,449	11,198,473	Accrued Payables	171,079	171,079
Land Sale Contracts	1,309,507	1,309,837	Accrued Vacation Leave	36,012	36,012
Notes Receivable	43,093	43,093	Trust Account	-	-
Judgments	-	-	Total Short Term Liabilities	217,050	249,897
Accrued Interest	-1- 107,588	107,588	Due to Other Funds		
Accrued Penalties	-1- 1,424	1,424	Due to General Fund	-3- (1,044,421)	(1,044,421)
Leases/Accounts Receivable	-1- -	-	Allow for AFC stock	-3- 1,044,421	1,044,421
Protection of Collateral	-	-	Due to School Fund	-3- -	-
Less Allowances:			Total Due to Other Funds	-	-
Doubtful Accounts	-2- (850,232)	(850,232)	Long Term Liabilities		
Net Receivables	11,694,829	11,810,182	Accrued Pension Adjustment	-	-
Outstanding Loan Warrants	-	-	Total Long Term Liabilities	-	-
Repossessed Inventory	29,000	29,000	TOTAL LIABILITIES	217,050	249,897
Total Current Assets	19,409,625	19,461,958	FUND EQUITY		
Due from Other Funds			Fund Equity, Beginning	22,351,315	22,351,315
Due from GF	-	-	Current Year Earnings (Loss)	138,118	157,603
Due from Mental Health	-	-	TOTAL FUND EQUITY	22,489,432	22,508,918
Total Due from Other Funds	-	-	TOTAL LIABILITIES & FUND EQUITY	\$22,706,482	\$22,758,815
Other Assets					
Investments:					
Alaska Farmers Coop	2,787,153	2,787,153			
Repossessed Property	1,014,914	1,014,914			
Less Accum. Deprec	(505,210)	(505,210)			
Other Assets	-	-			
Net Other Assets	3,296,857	3,296,857			
TOTAL ASSETS	\$22,706,482	\$22,758,815			

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. 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.

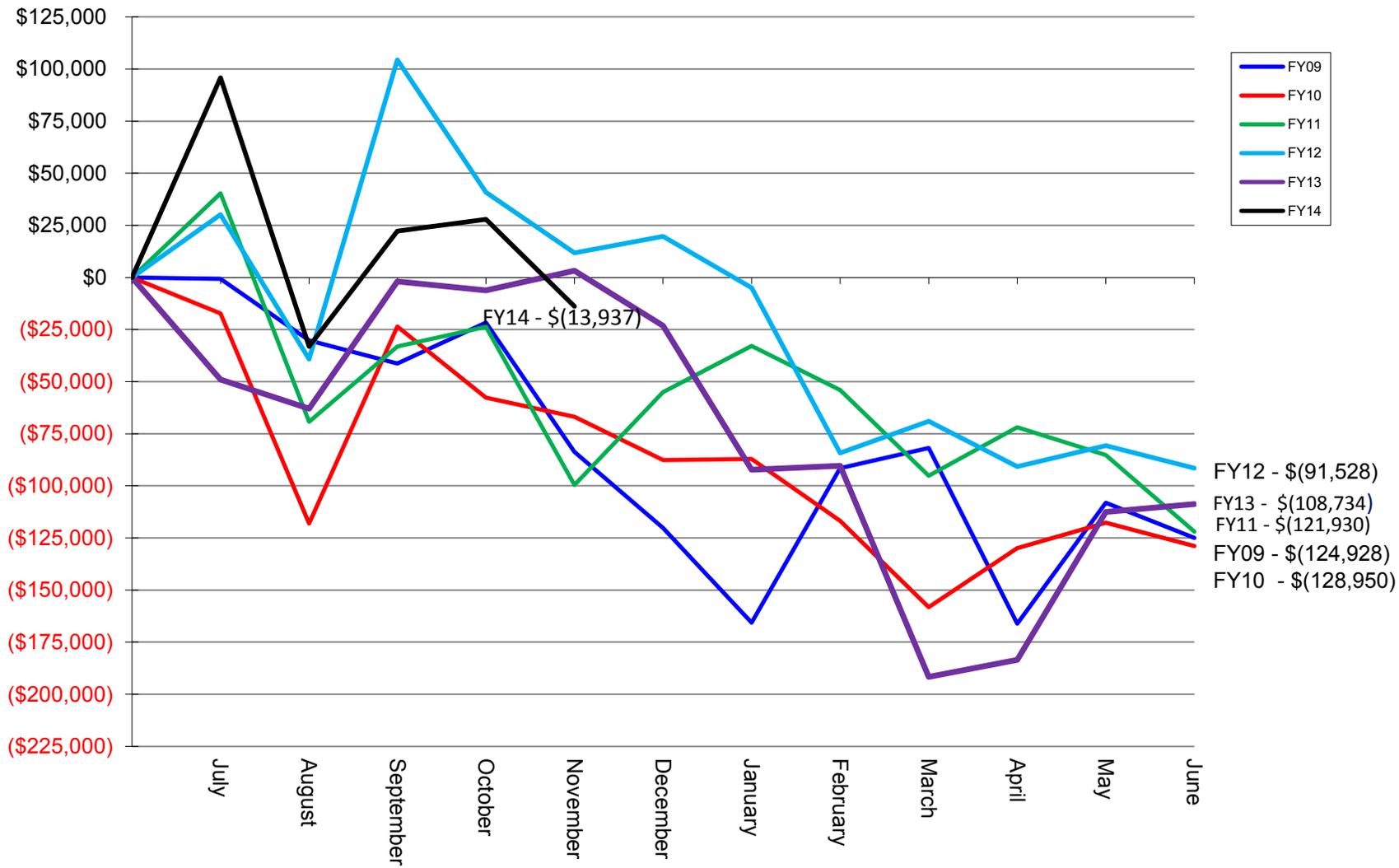
**Mt McKinley Meat and Sausage
AGRICULTURAL REVOLVING LOAN FUND**

Statement of Revenues and Expenses

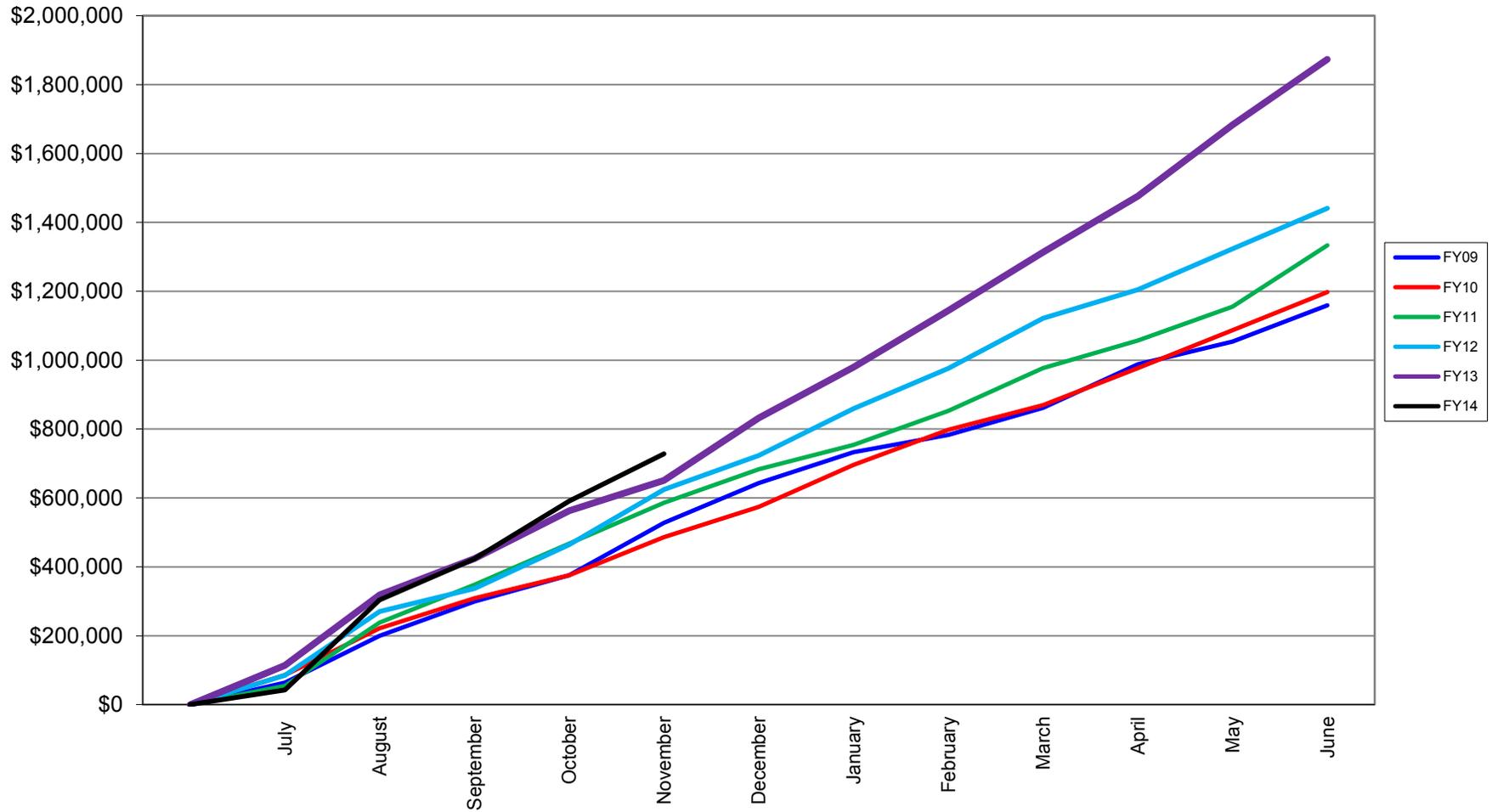
For Month ended November 30, 2013

	<u>November</u>	<u>Fiscal Year-to-Date</u>
Revenues:		
Services	\$ 17,096	\$ 84,021
Sale of Products	77,781	625,172
Freight	821	5,225
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Total Revenues	95,698	714,417
 Expenses:		
Personal Services	38,733	144,051
Travel	-	-
Contractual Services	11,301	60,481
Commodities	87,538	523,822
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Total Expenses	137,573	728,354
 Net Earnings / (Loss)	 <u><u>\$ (41,875)</u></u>	 <u><u>\$ (13,937)</u></u>

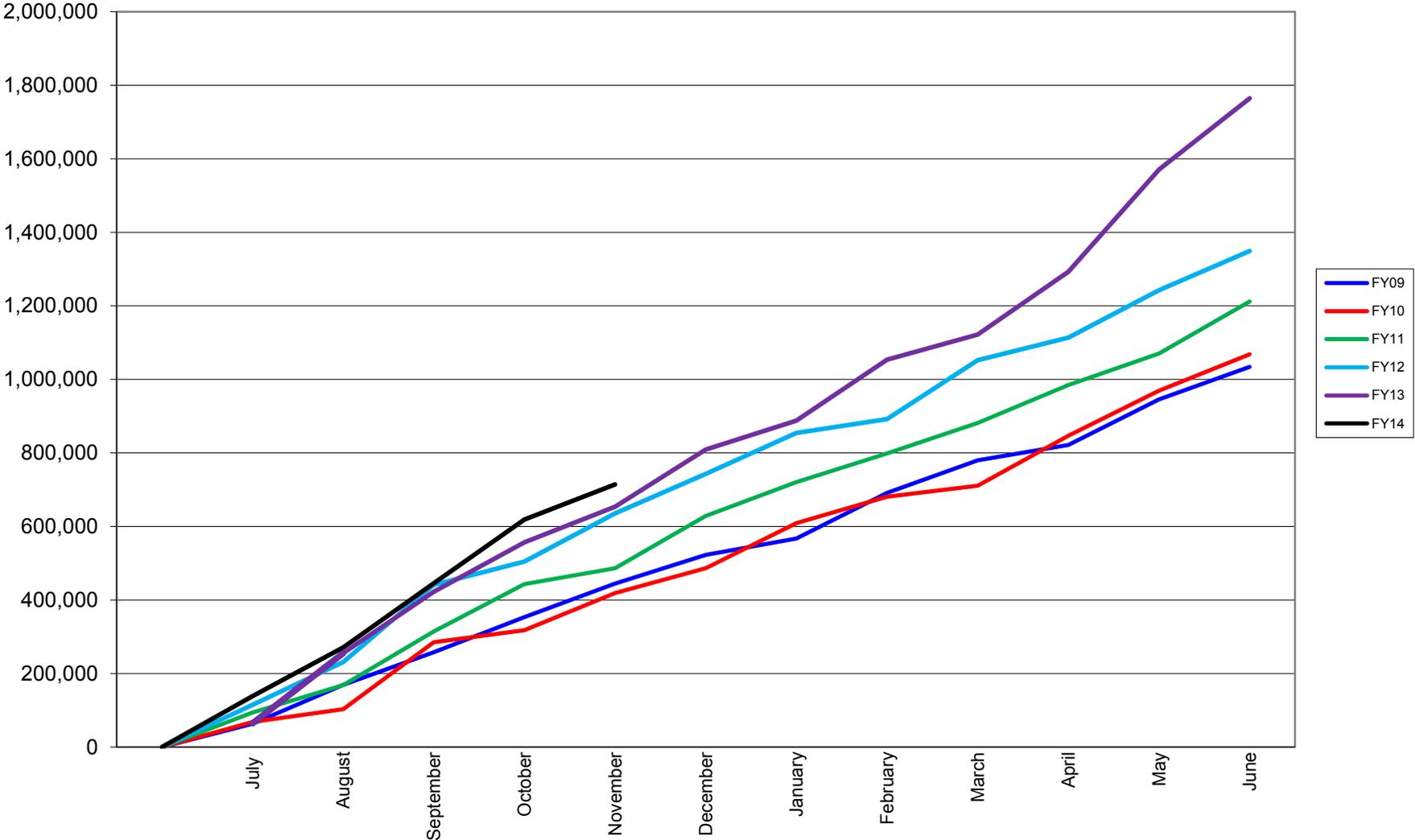
**Mt. Mckinley Meat and Sausage
Income(Loss)
FY 2009 - FY 2014**



**Mt McKinley Meat and Sausage
Cumulative Expenses
July 2008 - November 2013**



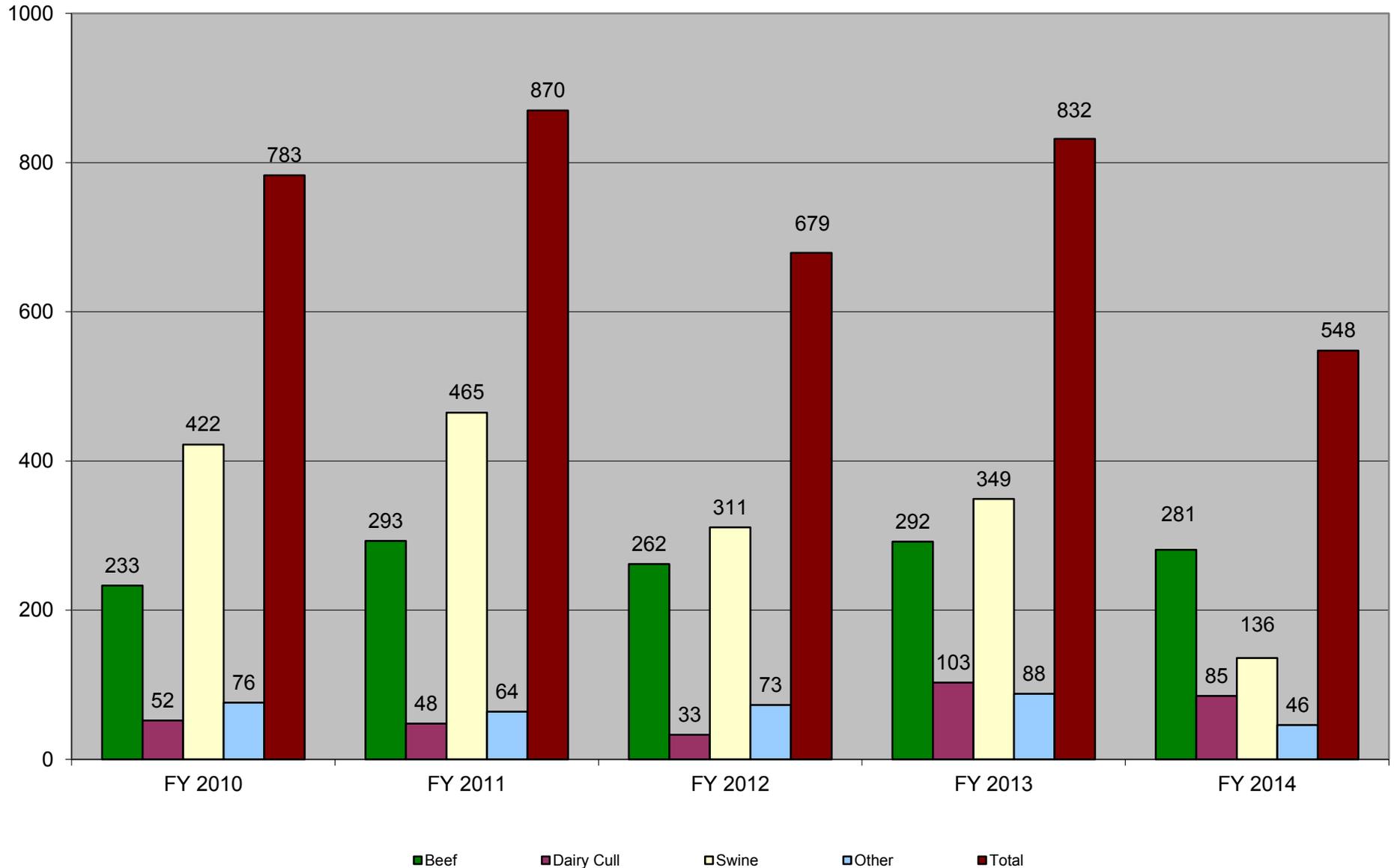
**Mt Mckinley Meat and Sausage
Revenue Trend
July 2008 - November 2013**



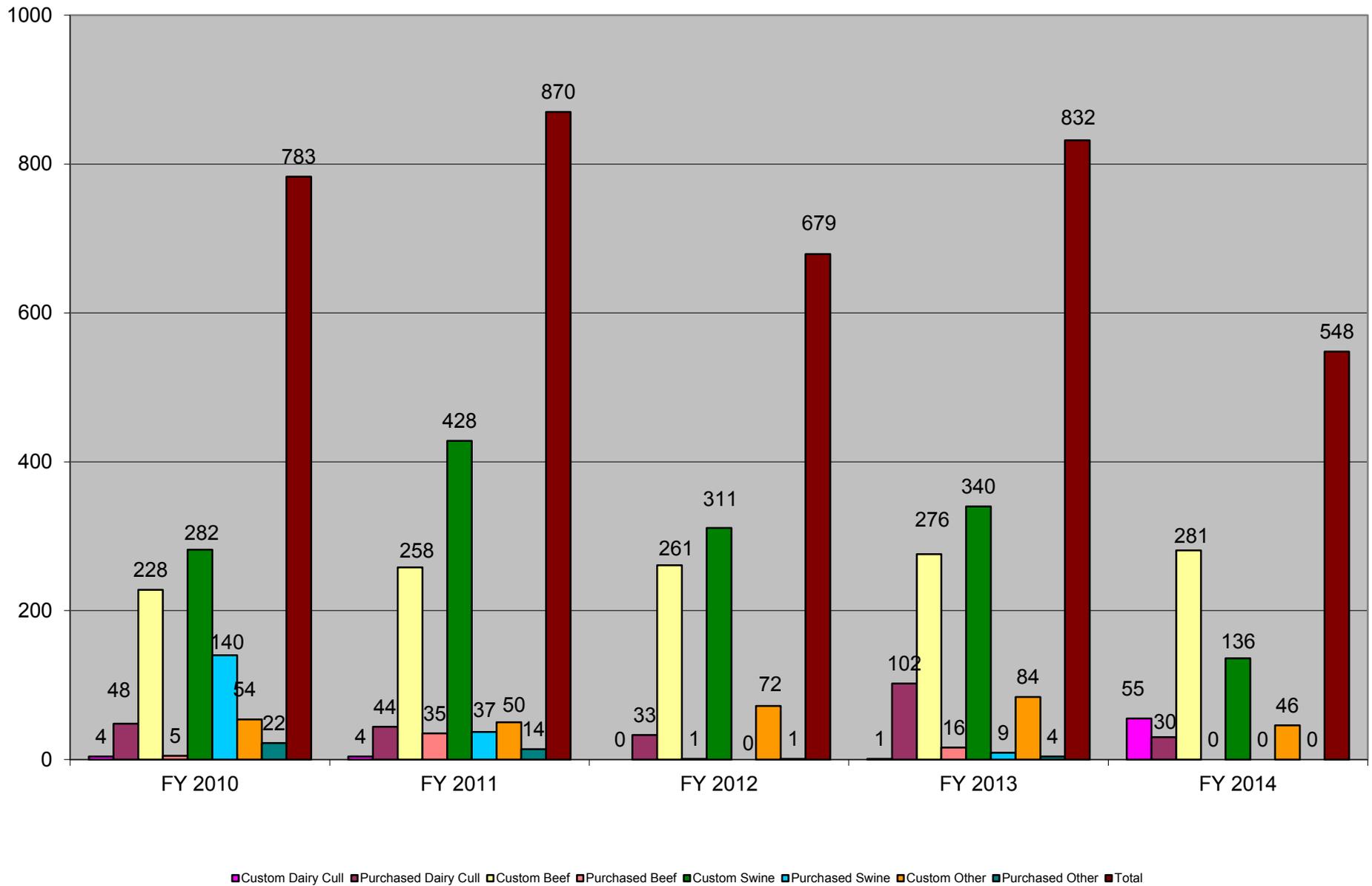
AGRICULTURAL REVOLVING LOAN FUND
Loan Activity Report / Undistributed Warrants
As of December 9, 2013 - FY 14

Borrower	LO	Loan #	Date Approved	Note Date	Amount Approved	Warrants		Available Balance	Amount Distributed to Borrower	Undistributed Warrants
						Issued	#			
Oathout, Sharmin & Mark	1	F-5213	7/15/2013	7/16/2013	55,000.00	55,000.00	3	0.00	55,000.00	0.00
Polar Peonies, LLC	1	C-5268	7/15/2013	7/31/2013	3,500.00	3,500.00	1	0.00	3,500.00	0.00
Polar Peonies, LLC	1	F-5214	7/15/2013	7/31/2013	24,925.00	24,925.00	2	0.00	24,925.00	0.00
Hoover, Rodney	1	C-5270	7/15/2013	7/20/2013	55,654.20	15,279.06	1	40,375.14	15,279.06	0.00
Amberg, William	1	S-5473	7/15/2013	7/16/2013	42,627.32	42,627.32	1	0.00	42,627.32	0.00
Amberg, William	1	C-5269	7/15/2013	7/31/2013	52,280.57	41,033.89	3	11,246.68	41,033.89	0.00
Amberg, William	1	F-5215	7/15/2013	7/31/2013	241,530.37	166,327.81	4	75,202.56	166,327.81	0.00
								0.00		0.00
7 TOTALS					\$475,517.46	\$348,693.08	15	\$126,824.38	\$348,693.08	\$0.00

MMM&S Slaughter Statistics by Fiscal Year and Type As of November 30, 2013 - FY14



**MMM&S Custom and Purchased Statistics by Fiscal Year
As of November 30, 2013 - FY14**



AGRICULTURAL REVOLVING LOAN FUND
Real and Personal Property Inventory
30-Nov-13

Former Borrower/ Prospective New Owner	LO	Location	Acres	Date Placed in Service	Fair Market Value at Repossession				Accum Dep. 6/30/2013	Liabilities		Lease Information					Fair Market Value							
					Land	Buildings	Mach / Equip	Total Value		Amt 6/30/13	Owed To	Amount	Lessee	Lease #	Exp Date	Inspect Date	Remarks	YR	Method	Land/ Structures	Improve- ments	Total Value		
Repossessed Inventory (account # 10626)																								
UNENCUMBERED ASSETS																								
Thompson, Kenai Spur Hwy	1	Kenai	7	6/3/89	29,000.00			29,000.00								2012	ARLF Sale OTC #11-01	13	Tax Assmt	\$32,600	NONE	\$32,600		
Total Repossessed Inventory					<u>29,000.00</u>			<u>29,000.00</u>													<u>32,600</u>		<u>32,600</u>	
Repossessed Property (Account # 10860 and Accum Depr # 10862)																								
UNENCUMBERED ASSETS																								
Feed Mill, Tract A-1 (10860)	1	Palmer	3	4/1/84	129,120.00	14,040.00	14,400.00	157,560.00								2012	ARLF OTC #09-01	13	Tax Assmt	\$401,600		\$401,600		
ASSETS with ASSOCIATED PERMITS																								
Mt. McKinley Meat	1	Palmer	4	12/1/86	42,000.00	595,592.00	41,202.00	678,794.00	497,925.37							2012	No planned disposal	13	Tax Assmt	429,200		429,200		
LONG TERM LEASES																								
Alaska Farm Coop	1	Delta	20	9/3/93	94,080.00			94,080.00			0.50 /Yr	AK Farm C	LSE-021	6/30/18	Apr-09	FS: Hanson Rd/98% owns	05	Est		\$30,000	\$777,680	\$807,680		
Alaska Farm Coop	1	Delta	1	9/3/93	74,480.00			74,480.00			0.50 /Yr	AK Farm C	LSE-022	6/30/18	Apr-09	FS: Delta/98% ownrshp	05	Est		40,000	36,000	76,000		
Sub-total Long Term Leases					\$168,560.00	\$0.00	\$0.00	\$168,560.00	\$0.00	\$0.00											\$70,000	\$813,680	\$883,680	
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	7,285.00		3,926.00 /Yr	BPR & ANI	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					\$ 339,680	\$ 619,632	\$ 55,602	\$ 1,014,914	\$ 505,210	rounded											900,800	863,680	1,764,480	
GRAND TOTAL					\$ 368,680	\$ 619,632	\$ 55,602	\$ 1,043,914	\$ 505,210													\$933,400	\$863,680	\$1,797,080

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
November 30, 2013

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 6/30/2013	Location	Remarks
						Each	Total			
Equipment, misc	1		Feed Mill, Tract A-1	01-Apr-84	01-Apr-84	14,400.00	14,400.00			
Subtotal Mach & Equip							14,400.00			
Building	1	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			

Mt McKinley Meats										
Compressor	1	1	Mt. McKinley Meats	19-Aug-97	01-Oct-97	5,363.00	5,363.00	5,363.00		
Water Heater	1	1	Mt. McKinley Meats	01-Mar-13	01-Mar-13	17,558.00	17,558.00	390.18		
Water Tanks	1	3	Mt. McKinley Meats	08-May-13	01-Jun-13	14,481.00	14,481.00	241.35		
Sanitation Tank	1	1	Mt. McKinley Meats	16-Mar-13	16-Mar-13	700.00	700.00	68.06		
Vacuum Sealer	1	1	Mt. McKinley Meats	16-Mar-13	16-Mar-13	3,100.00	3,100.00	301.39		
Subtotal Mach & Equip							5,363.00	6,363.97		
Building	1	1	Mt. McKinley Meats	01-Dec-86	01-Dec-86	326,600.00	326,600.00	326,600.00		
Boiler upgrade	1	1	Mt. McKinley Meats	01-May-97	01-Oct-97	15,000.00	15,000.00	9,600.00		
Boiler upgrade	1	1	Mt. McKinley Meats	25-Aug-97	01-Oct-97	41,236.40	41,236.40	26,391.28		
Boiler upgrade	1	1	Mt. McKinley Meats	01-Nov-97	01-Feb-98	48,931.70	48,931.70	31,316.34		
Boiler upgrade	1	1	Mt. McKinley Meats	01-Feb-98	01-Feb-98	8,849.90	8,849.90	5,663.98		
Boiler upgrade	1	1	Mt. McKinley Meats	30-Jun-03	30-Jun-03	4,974.00	4,974.00	1,989.80		
Roof	1	1	Mt. McKinley Meats	30-Sep-98	01-Oct-98	150,000.00	150,000.00	90,000.00		
Subtotal Building							595,592.00	491,561.40		
Total Mt. McKinley Meats							600,955.00	497,925.37		

Umnak Slaughter Facility										
Building	1	1	Umnak Sghtr Fac.	01-Mar-95	01-Mar-95	10,000.00	10,000.00	7,285.00		
Subtotal Building							10,000.00	7,285.00		
Total Umnak Slaughter Facility							10,000.00	7,285.00		

Total Accumulated Depreciation

505,210