

AGRICULTURAL REVOLVING LOAN FUND

Notes to Financial Statements for January, 2015 - FY15

Statement of Revenues, Expenses, and Changes in Fund Equity

1. \$39,308 was recorded as interest income. For comparison, December 2014 interest income was \$54,566. Total interest income for July 2014 through January 2015 is \$325,274.
2. \$(45,089) was recorded as ARLF operating expenses.
3. Net operating loss was \$(1,351).
Mt. McKinley Meat and Sausage Plant loss for the period (Non-Operating Activity) was recorded at \$(46,292).

Comparative Balance Sheet

1. \$8,920,050 was ARLF cash balance on January 31, 2015. For comparison, ARLF cash balance on January 31, 2014 was \$7,476,993.
2. \$9,320,906 was ARLF loans receivable account balance. For comparison, ARLF loans receivable balance on January 31, 2014 was \$10,979,181.

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

1. \$93,700 was recorded as Total Revenues for the month. For comparison, December 2014 revenue account balance was \$149,039.
2. \$(139,992) was recorded as Total Expenses for the month. For comparison, December 2014 expenses account balance was \$(123,786).
3. Fiscal Year-to-Date Loss is \$(36,670).

Loan Activity/Cash outflows

1. \$100,000 is the total amount of loans approved since the beginning of the fiscal year 2015.

AGRICULTURAL REVOLVING LOAN FUND
Statement of Revenues, Expenses, and Changes in Fund Equity
For Month ended January 31, 2015

	<u>January</u>	<u>Fiscal Year to Date</u>
Operating Revenues:		
Interest Income	\$ 39,308	\$ 325,274
Services (legal, clerical, loan fees, sale products)	50	250
Late Payment Penalties	453	1,237
Rents, including leasehold credits	3,926	3,926
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	43,738	330,686
Operating Expenses:		
Personal Services	13,917	84,020
Travel	114	3,996
Contractual Services	30,977	93,397
Commodities	81	2,357
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Total Operating Expenses	45,089	183,770
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Net Operating Income (Loss)	(1,351)	146,917
Non-Operating Income (Expenses):		
Mt. McKinley Meat & Sausage Plant Revenues	93,700	1,044,412
Mt. McKinley Meat & Sausage Plant Expenses	(139,992)	(1,081,082)
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Mt. McKinley Meat & Sausage Plant Net Income (Loss)	(46,292)	(36,670)
Income (Loss) Sale of Fixed Assets	-	-
Bad Debt Expense	-	-
Depreciation Expense	-	-
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Total Non-Operating Income / (Expenses)	(46,292)	(36,670)
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Current Period Earnings (Loss)	\$ (47,643)	\$ 110,246
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Fund Equity, June 30, 2014		\$ 22,554,944
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Fund Equity, January 31, 2015		\$ 22,665,190
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AGRICULTURAL REVOLVING LOAN FUND
Comparative Balance Sheet
January 31, 2015

<u>ASSETS</u>	<u>January 2015</u>	<u>December 2014</u>	<u>LIABILITIES</u>	<u>January 2015</u>	<u>December 2014</u>
Current Assets			Short Term Liabilities		
Cash	\$ 8,920,050	\$ 8,306,336	Warrants Outstanding	\$ 4,878	\$ 4,066
Receivables			Accounts Payable	25,924	6,152
ARLF Loans	9,320,906	9,950,302	Accrued Payables	195,690	195,690
Land Sale Contracts	1,272,419	1,272,564	Accrued Vacation Leave	32,663	32,663
Notes Receivable	27,518	35,611	Trust Account	6,733	6,733
Judgments	-	-			
Accrued Interest	-1- 80,495	80,495	Total Short Term Liabilities	265,888	245,304
Accrued Penalties	-1- 186	186			
Leases/Accounts Receival	-1- -	-	Due to Other Funds		
Protection of Collateral	-	-	Due to General Fund	-3- (1,044,421)	(1,044,421)
Less Allowances:			Allow for AFC stock	-3- 1,044,421	1,044,421
Doubtful Accounts	-2- 19	9	Due to School Fund	-3- -	-
Net Receivables	10,701,541	11,339,167	Total Due to Other Funds	-	-
Outstanding Loan Warrants	-	3,148			
Repossessed Inventory	-	-	Long Term Liabilities		
			Accrued Pension Adjustment	-	-
Total Current Assets	19,621,591	19,648,651	Total Long Term Liabilities	-	-
Due from Other Funds			TOTAL LIABILITIES	265,888	245,304
Due from GF	-	-			
Due from Mental Health	-	-	FUND EQUITY		
Total Due from Other Funds	-	-	Fund Equity, Beginning	22,554,944	22,554,944
			Current Year Earnings (Loss)	110,246	157,890
Other Assets			TOTAL FUND EQUITY	22,665,190	22,712,833
Investments:					
Alaska Farmers Coop	2,787,153	2,787,153	TOTAL LIABILITIES & FUND EQUITY	\$22,931,078	\$22,958,138
Repossessed Property	1,047,619	1,047,619			
Less Accumulated Depreciation	(525,285)	(525,285)			
Other Assets	-	-			
Net Other Assets	3,309,487	3,309,487			
TOTAL ASSETS	\$22,931,078	\$22,958,138			

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.

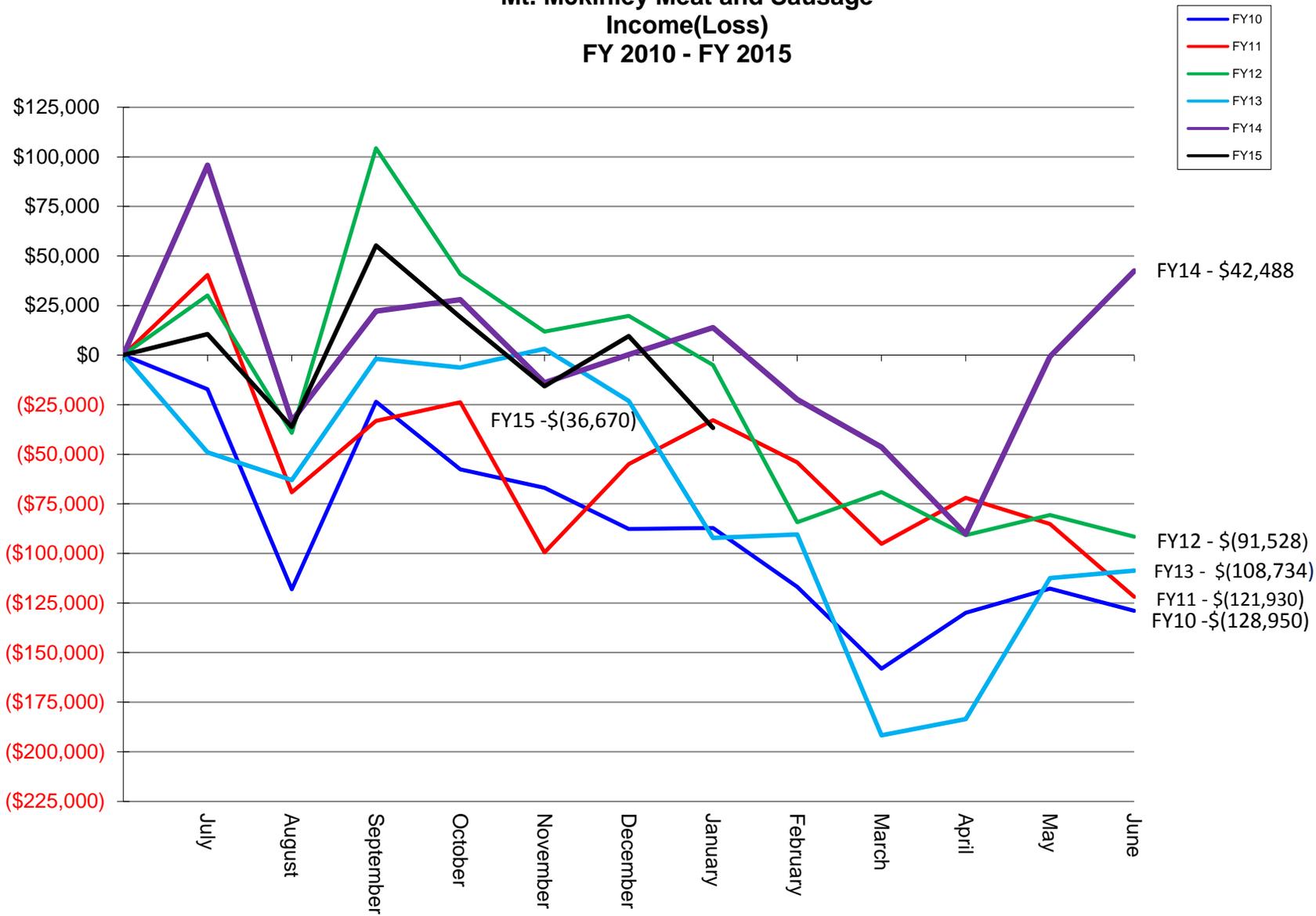
**Mt McKinley Meat and Sausage
AGRICULTURAL REVOLVING LOAN FUND**

Statement of Revenues and Expenses

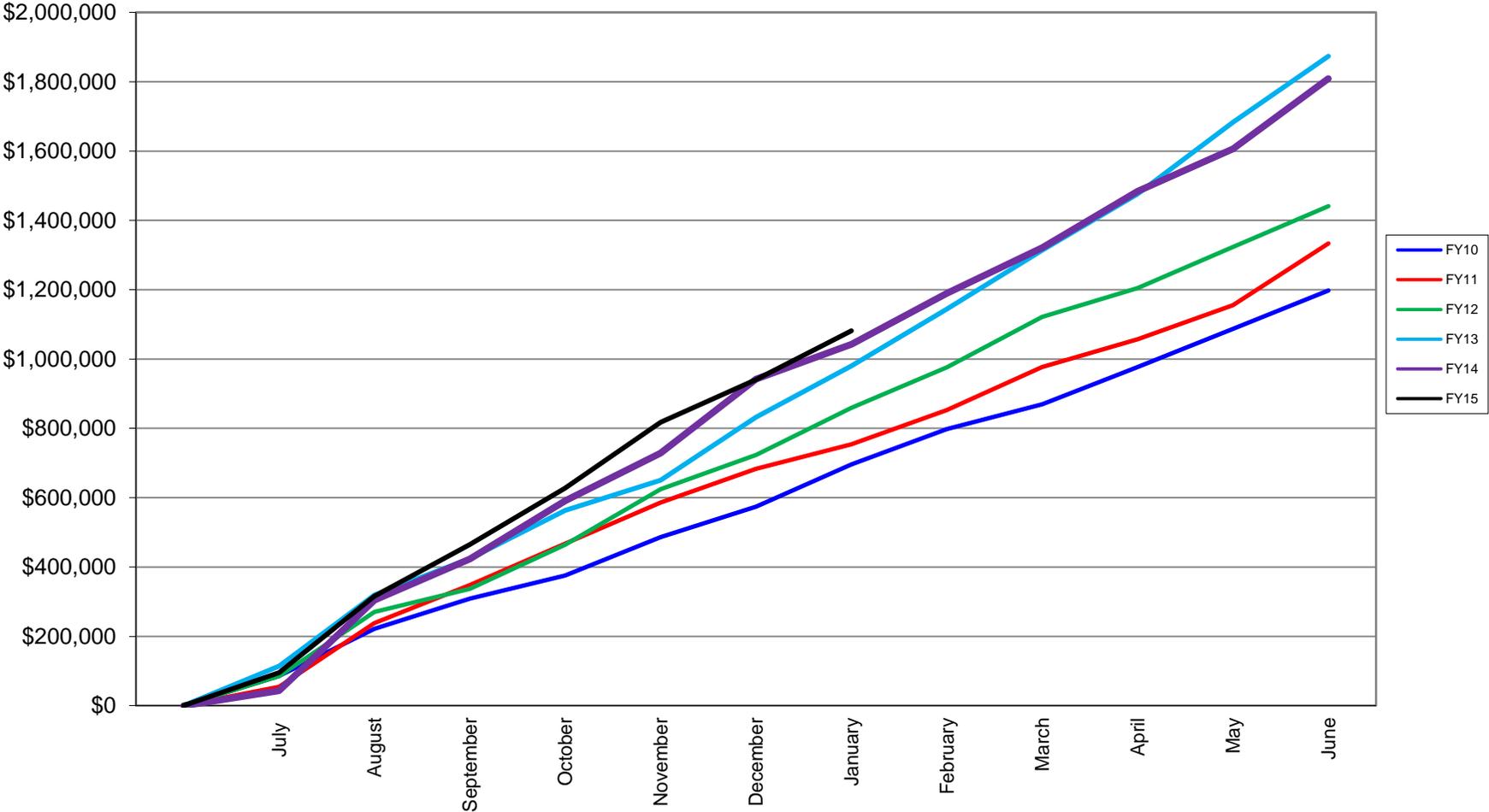
For Month ended January 31, 2015

	January	Fiscal Year-to-Date
Revenues:		
Services	\$ 12,014	\$ 108,795
Sale of Products	80,199	925,360
Freight	1,487	10,256
Total Revenues	93,700	1,044,412
Expenses:		
Personal Services	28,734	203,450
Travel	-	-
Contractual Services	19,814	97,439
Commodities	91,444	780,193
Total Expenses	139,992	1,081,082
Net Earnings / (Loss)	\$ (46,292)	\$ (36,670)

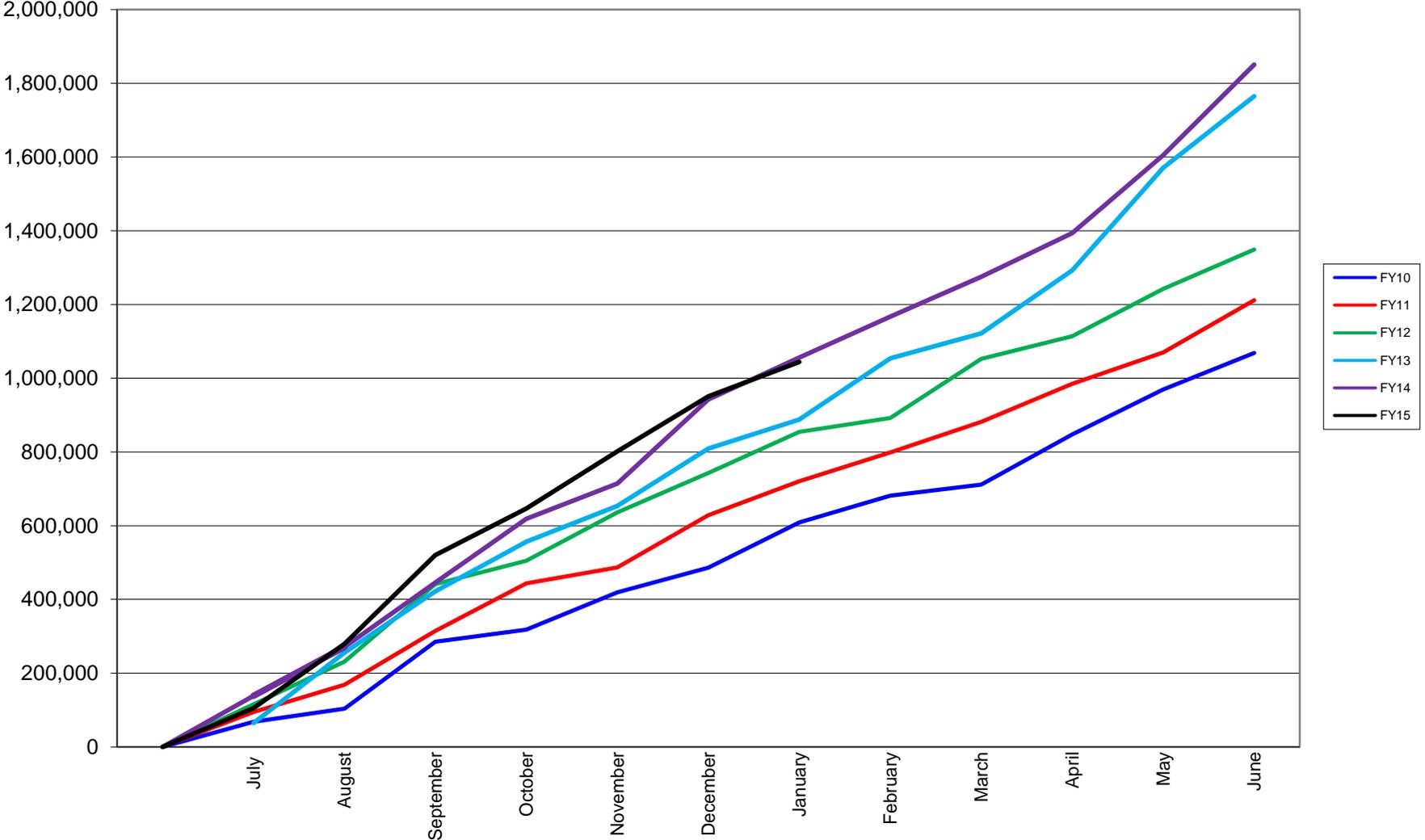
Mt. Mckinley Meat and Sausage Income(Loss) FY 2010 - FY 2015



**Mt McKinley Meat and Sausage
Cumulative Expenses
July 2009 - January 2015**



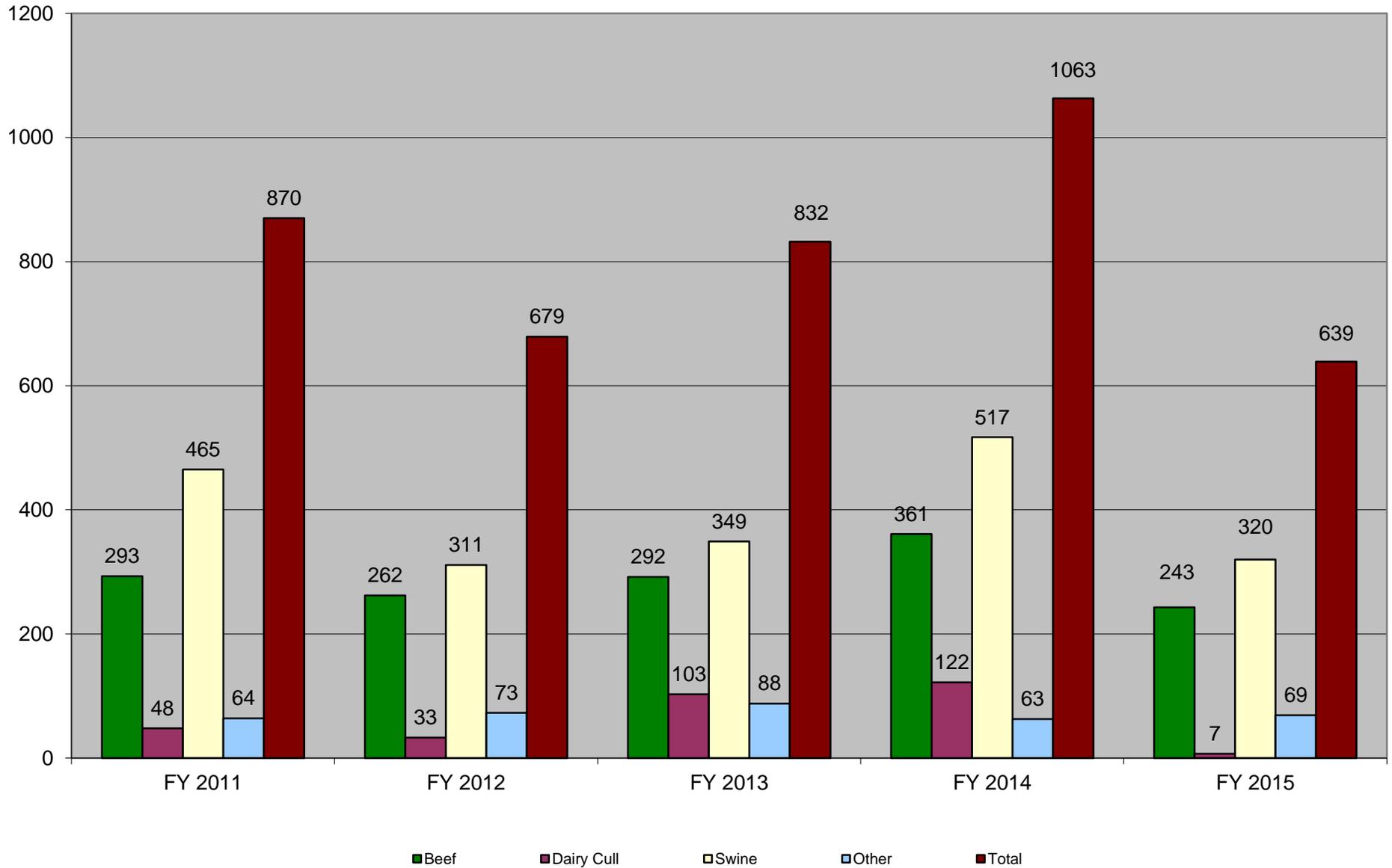
**Mt Mckinley Meat and Sausage
Revenue Trend
July 2009 - January 2015**



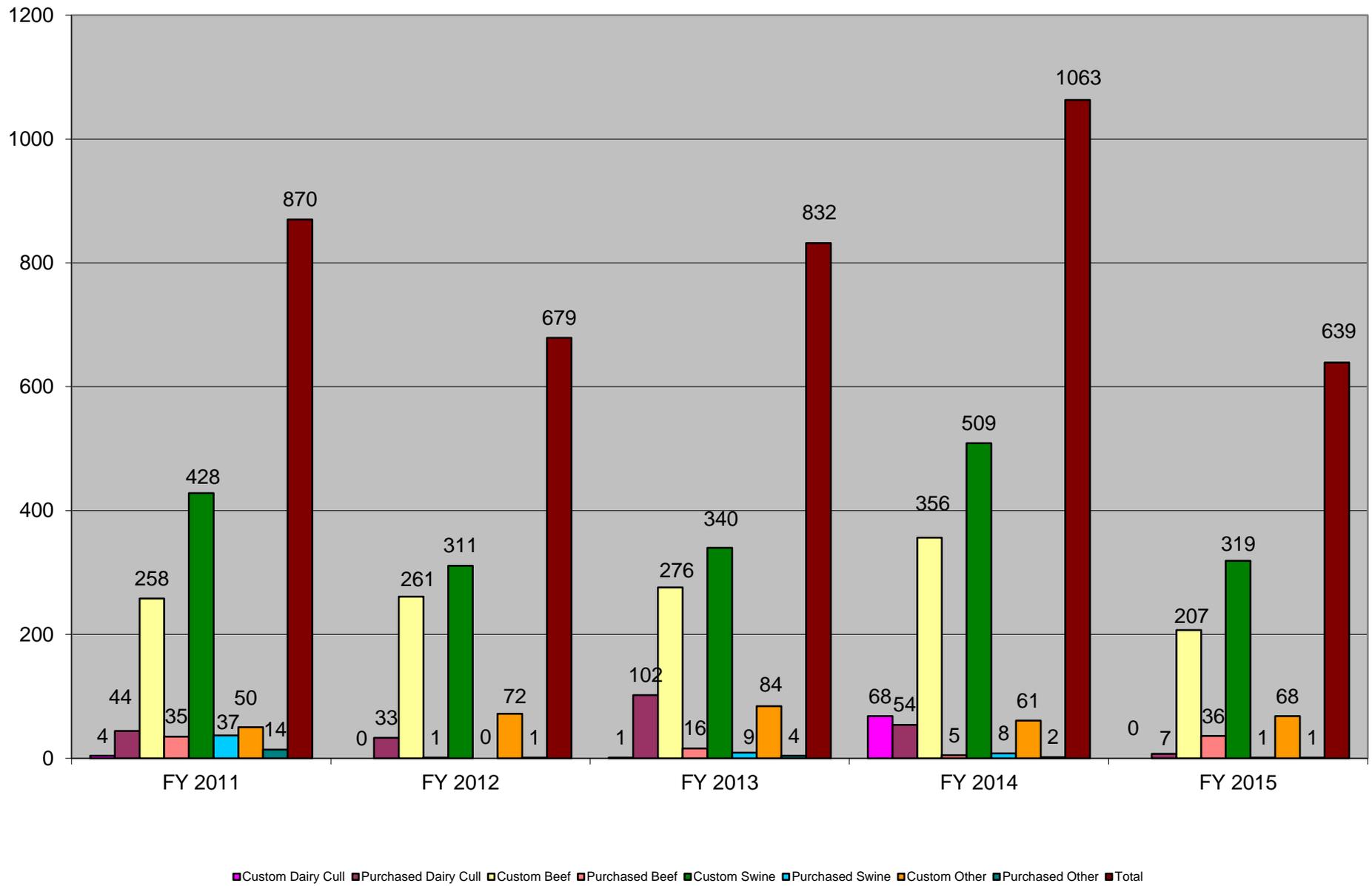
AGRICULTURAL REVOLVING LOAN FUND
Loan Activity Report / Undistributed Warrants
As of February 12, 2015 - FY 15

Borrower	LO	Loan #	Date Approved	Note Date	Amount Approved	Warrants		Available Balance	Amount Distributed to Borrower	Undistributed Warrants
						Issued	#			
Wrigley Farms, LLC	1	P-1008	8/26/2014	9/2/2014	100,000.00	48,338.46	4	51,661.54	48,338.46	0.00
TOTALS					\$100,000.00	\$48,338.46	4	\$51,661.54	\$48,338.46	\$0.00

MMM&S Slaughter Statistics by Fiscal Year and Type As of January 31, 2015 - FY15



MMM&S Custom and Purchased Statistics by Fiscal Year As of January 31, 2015 - FY15



AGRICULTURAL REVOLVING LOAN FUND
Real and Personal Property Inventory
31-Jan-15

Former Borrower/ Prospective New Owner	LO	Location	Acres	Date Placed in Service	Fair Market Value at Repossession			Accum Dep. 6/30/2014	Liabilities		Lease Information				Remarks	Fair Market Value					
					Land	Buildings	Mach / Equip		Total Value	Amt 6/30/14	Owed To	Amount	Lessee	Lease #		Exp Date	Inspect Date	YR	Method	Land/ Structures	Improve- ments
Repossessed Property (Account # 10860 and Accum Depr # 10862)																					
UNENCUMBERED ASSETS																					
Feed Mill, Tract A-1 (10860)	1	Palmer	3	4/1/84	\$129,120	\$14,040	\$14,400	\$157,560							2012	ARLF OTC #09-01	14	Tax Assmt	\$404,000		\$404,000
ASSETS with ASSOCIATED PERMITS																					
Mt. McKinley Meat	1	Palmer	4	12/1/86	42,000	595,592.00	73,907.00	711,499	517,600						2012	No planned disposal	14	Tax Assmt	428,300		428,300
LONG TERM LEASES																					
Alaska Farm Coop	1	Delta	20	9/3/93	94,080			94,080			0.50 /Yr	AK Farm C	LSE-021	6/30/18	Apr-09	FS; Hanson Rd/98% own	15	Tax Assmt	48,000	687,000	735,000
Alaska Farm Coop	1	Delta	1	9/3/93	74,480			74,480			0.50 /Yr	AK Farm C	LSE-022	6/30/18	Apr-09	FS; Delta/98% ownrshp	15	Tax Assmt	45,000	109,000	154,000
Sub-Total Long Term Leases					168,560	-	-	168,560	-	-									93,000	796,000	889,000
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	7,685		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	\$ 88,307	\$ 1,047,619	\$ 525,285	rounded									\$ 925,300	\$ 846,000	\$1,771,300

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
January 31, 2015

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 6/30/2014	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										
Item	LO	Qty	Former Owner	Date Acquired by ARLF	Date Placed in Service	Each	Total	Accum Depr 6/30/2014	Location	Remarks
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	1,560.71		
Water Tanks	1	3	Mt. McKinley Meats	08-May-13	01-Jun-13	14,481.00	14,481.00	3,137.55		
Sanitation Tank	1	1	Mt. McKinley Meats	16-Mar-13	16-Mar-13	700.00	700.00	301.33		
Vacuum Sealer	1	1	Mt. McKinley Meats	16-Mar-13	16-Mar-13	3,100.00	3,100.00	1,334.72		
Freezer Evaporator	1	1	Mt. McKinley Meats	15-Oct-13	01-Nov-13	9,331.00	9,331.00	1,244.13		
Vacuum Stuffer	1	1	Mt. McKinley Meats	02-Dec-13	01-Jan-14	18,750.00	18,750.00	1,875.00		
Gas Boiler	1	1	Mt. McKinley Meats	06-Dec-13	01-Jan-14	4,624.00	4,624.00	462.40		
Subtotal Mach & Equip							73,907.00	15,278.85		
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	10,200.00		
Boiler upgrade	1	1	Mt. McKinley Meats	25-Aug-97	01-Oct-97	41,236.40	41,236.40	28,040.74		
Boiler upgrade	1	1	Mt. McKinley Meats	01-Nov-97	01-Feb-98	48,931.70	48,931.70	33,273.61		
Boiler upgrade	1	1	Mt. McKinley Meats	01-Feb-98	01-Feb-98	8,849.90	8,849.90	6,017.98		
Boiler upgrade	1	1	Mt. McKinley Meats	30-Jun-03	30-Jun-03	4,974.00	4,974.00	2,188.76		
Roof	1	1	Mt. McKinley Meats	30-Sep-98	01-Oct-98	150,000.00	150,000.00	96,000.00		
Subtotal Building							595,592.00	502,321.08		
Total Mt. McKinley Meats							669,499.00	517,599.93		
Umnak Slaughter Facility										
Item	LO	Qty	Former Owner	Date Acquired by ARLF	Date Placed in Service	Each	Total	Accum Depr 6/30/2014	Location	Remarks
Building	1	1	Umnak Slghtr Fac.	01-Mar-95	01-Mar-95	10,000.00	10,000.00	7,685.00		
Subtotal Building							10,000.00	7,685.00		
Total Umnak Slaughter Facility							10,000.00	7,685.00		

Total Accumulated Depreciation

525,285