

AGRICULTURAL REVOLVING LOAN FUND

Notes to Financial Statements for May 2016 - FY16

Statement of Revenues, Expenses, and Changes in Fund Equity

1. \$33,714 was recorded as interest income. For comparison, April 2016 interest income was \$30,046. Total interest income for July 2015 through May 2016 is \$409,002.
2. \$(22,578) was recorded as ARLF operating expenses.
3. Net operating income was \$14,232. Total operating income for the fiscal year to date is \$125,816. Mt. McKinley Meat and Sausage Plant loss for May (Non-Operating Activity) was \$(42,961).

Comparative Balance Sheet

1. \$10,135,296 was ARLF cash balance on May 31, 2016. For comparison, ARLF cash balance on May 31, 2015 was \$8,894,956.
2. \$7,698,725 was ARLF loans receivable account balance. For comparison, ARLF loans receivable balance on May 31, 2015 was \$9,178,390.

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

1. \$104,789 was recorded as total revenues for the month. For comparison, April 2016 revenue was \$82,115.
2. \$(147,750) was recorded as total expenses for the month. For comparison, April 2016 expenses account balance was \$(143,164).
3. Fiscal year to date loss is \$(138,526).

Loan Activity/Cash Outflows

1. \$433,500 is the total amount for the 6 loans approved in FY16.
2. ARLF financed property sale contract for collateral recovered from a defaulted loan for \$275,000.

AGRICULTURAL REVOLVING LOAN FUND
Statement of Revenues, Expenses, and Changes in Fund Equity
For Month ended May 31, 2016

	<u>May</u>	<u>Fiscal Year to Date</u>
Operating Revenues		
Interest Income	\$ 33,714	\$ 409,002
Services (legal, clerical, loan fees, sale products)	100	350
Late Payment Penalties	2,996	6,696
Rents, including leasehold credits	-	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	36,809	419,973
Operating Expenses:		
Personal Services	13,973	145,692
Travel	-	3,974
Contractual Services	7,105	136,921
Commodities	1,500	7,569
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Total Operating Expenses	22,578	294,157
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Net Operating Income (Loss)	14,232	125,816
Non-Operating Income (Expenses):		
MMM&S Revenues	104,789	1,265,871
Mt. McKinley Meat & Sausage Plant	(147,750)	(1,404,398)
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Mt. McKinley Meat & Sausage Plant Net Income (loss)	(42,961)	(138,526)
Income (Loss) Sale of Fixed Assets	-	(2,865,713)
Bad Debt Expense	-	(20,347)
Depreciation Expense	-	-
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Total Non-Operating Income / (Expenses)	(42,961)	(3,024,586)
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Current Period Earnings (Loss)	\$ (28,729)	\$ (2,898,770)
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Fund Equity, June 30, 2015		\$ 22,015,185
Equity Adjustment		(26,770)
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Fund Equity, May 31, 2016		\$ 19,089,645
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AGRICULTURAL REVOLVING LOAN FUND
Comparative Balance Sheet
May 31, 2016

ASSETS	May	April	LIABILITIES	May	April
	2016	2016		2016	2016
Current Assets			Short Term Liabilities		
Cash	\$ 10,135,296	\$ 10,174,575	Warrants Outstanding	\$ 26,770	\$ 11,963
Receivables			Accounts Payable	(122)	(122)
ARLF Loans	7,698,725	7,829,462	Accrued Payables	238,980	238,980
Land Sale Contracts	1,482,113	1,484,036	Accrued Vacation Leave	20,605	20,605
Notes Receivable	-	-	Trust Account	-	-
Judgments	-	-	Total Short Term Liabilities	286,234	271,426
Accrued Interest	-1- 92,053	92,053	Due to Other Funds		
Accrued Penalties	-1- 499	499	Due to General Fund	-3- -	-
Leases/Accounts Receiv	-1- -	-	Allow for AFC stock	-3- -	-
Protection of Collateral	-	-	Due to School Fund	-3- -	-
Less Allowances:	-	-	Total Due to Other Funds	-	-
Doubtful Accounts	-2- (7)	(4)	Long Term Liabilities		
Net Receivables	9,273,383	9,406,047	Accrued Pension Adjustment	698,187	698,187
Outstanding Loan Warrants	160,357	-	Total Long Term Liabilities	698,187	698,187
Repossessed Inventory	-	-	TOTAL LIABILITIES	984,421	969,613
Total Current Assets	19,569,035	19,580,622	FUND EQUITY		
Due from Other Funds			Fund Equity, Beginning	22,015,185	22,015,185
Due from GF	-	-	Current Year Earnings (Loss)	(2,925,540)	(2,899,146)
Due from Mental Health	-	-	TOTAL FUND EQUITY	19,089,645	19,116,038
Total Due from Other Funds	-	-	TOTAL LIABILITIES & FUND EQUITY	\$ 20,074,065	\$ 20,085,652
Other Assets					
Investments:					
Alaska Farmers Coop	-	-			
Repossessed Property	879,059	879,059			
Less Accum. Deprec	(545,360)	(545,360)			
Other Assets	171,331	171,331			
Net Other Assets	505,030	505,030			
TOTAL ASSETS	\$ 20,074,065	\$ 20,085,652			

Footnotes:

1. Adjustments to Accrued Interest, Accrued Penalties, Leases Receivable, Accrued Payables, and Accrued Vacation Leave 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.

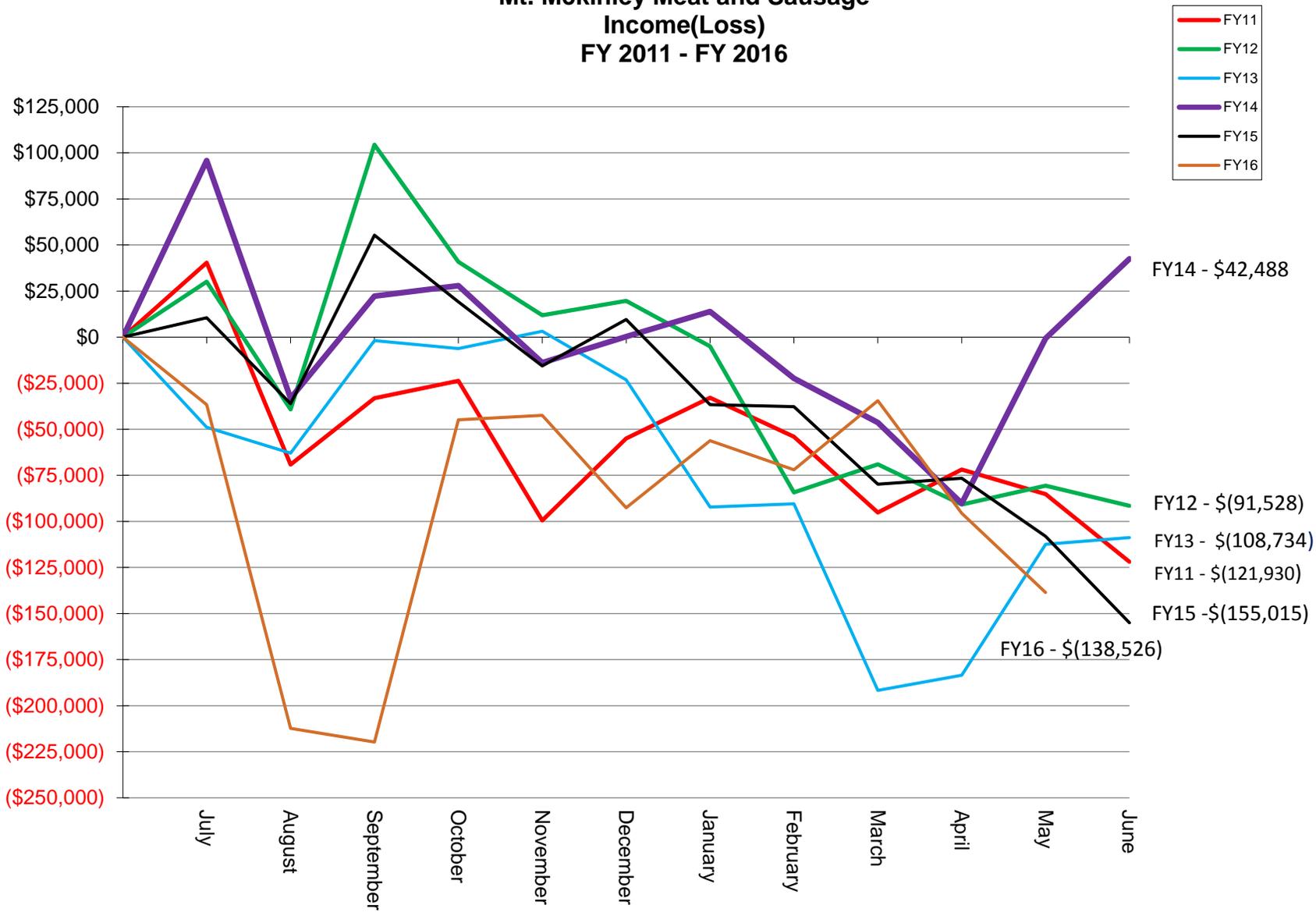
**Mt McKinley Meat and Sausage
AGRICULTURAL REVOLVING LOAN FUND**

Statement of Revenues and Expenses

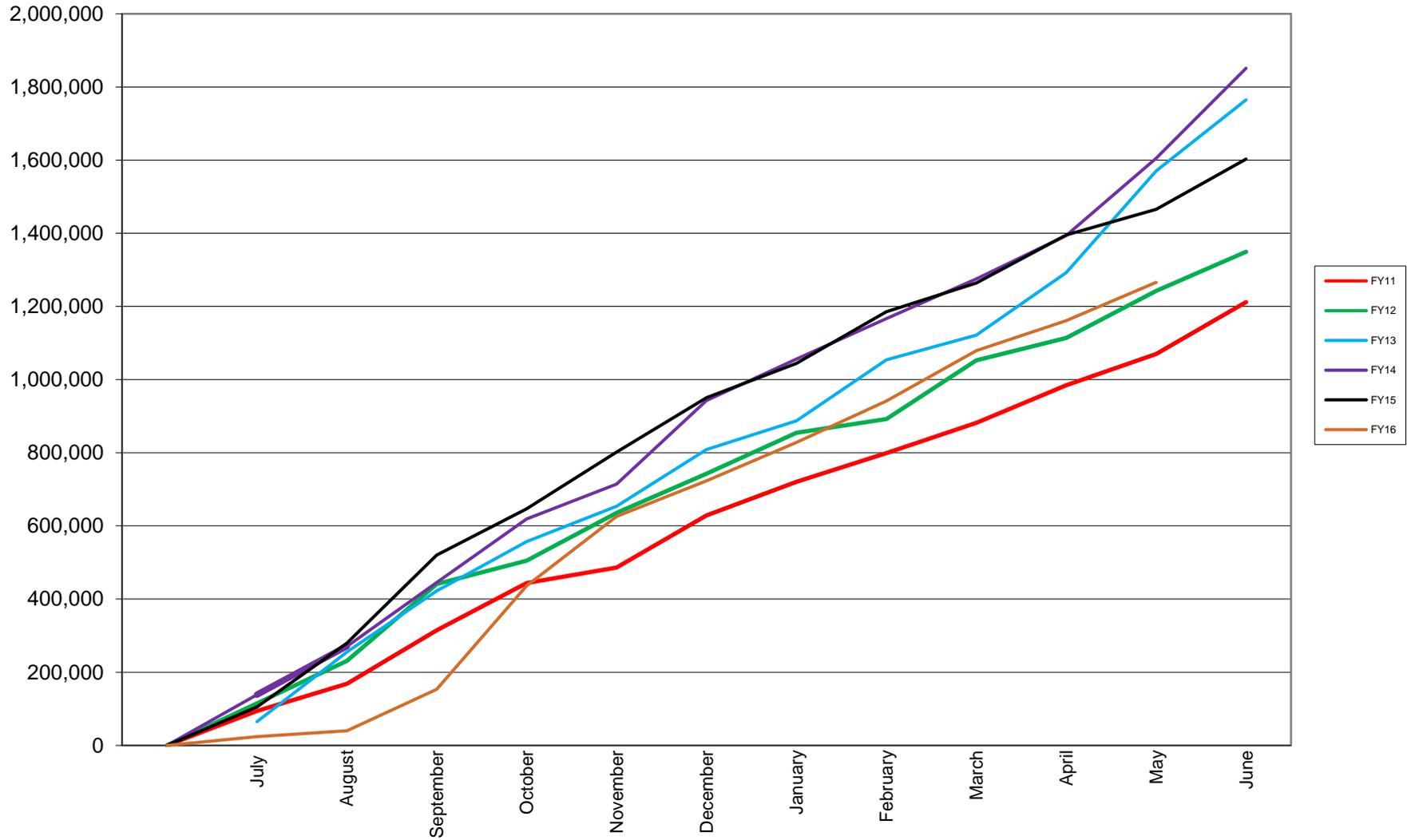
For Month ended May 31, 2016

	May	Fiscal Year-to-Date
Revenues:		
Services	\$ 22,156	\$ 210,079
Sale of Products	80,135	1,036,945
Freight	2,497	18,847
	104,789	1,265,871
Expenses:		
Personal Services	31,050	343,461
Travel	-	-
Contractual Services	41,832	160,157
Commodities	74,868	900,780
	147,750	1,404,398
<i>Net Earnings / (Loss)</i>	\$ (42,961)	\$ (138,526)

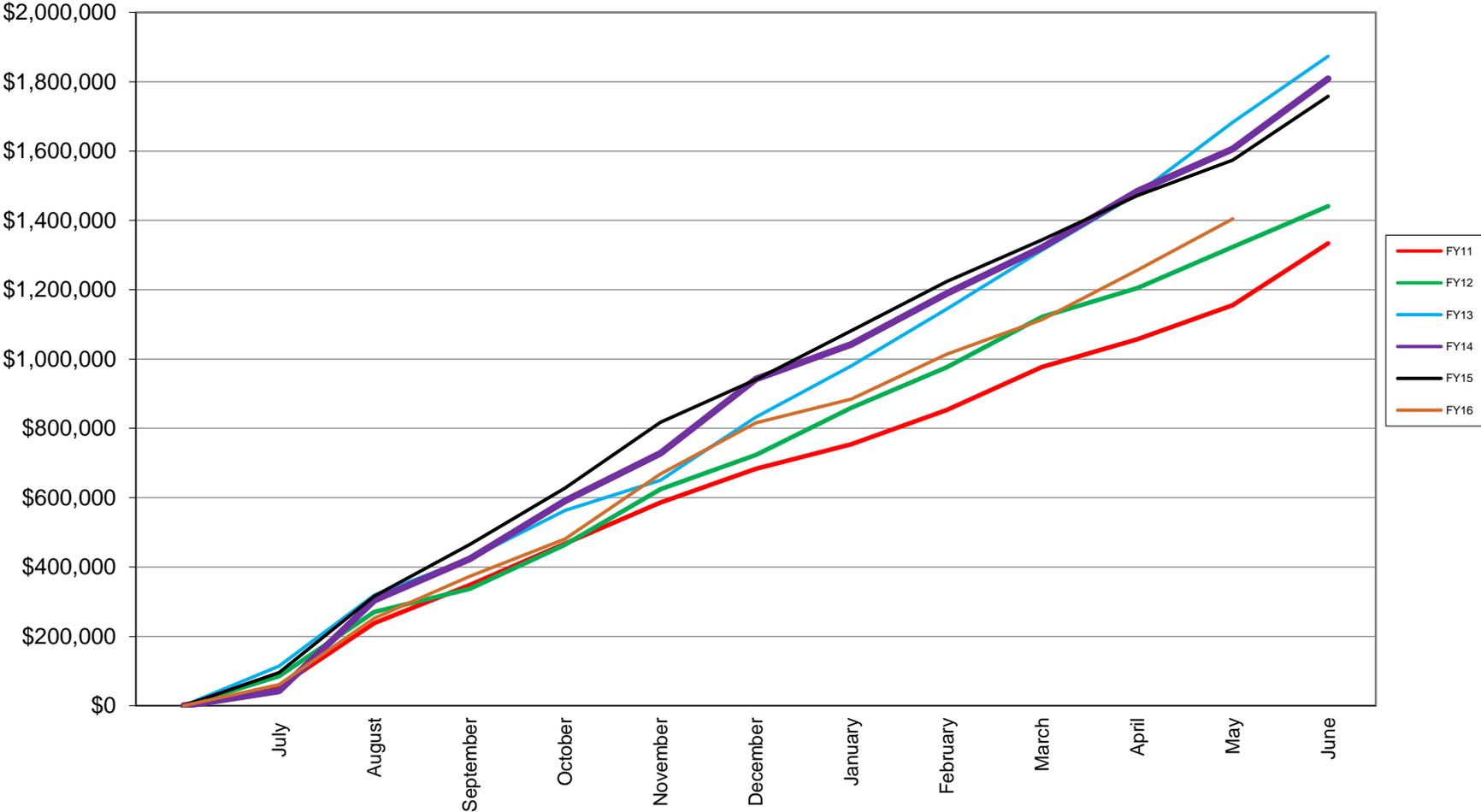
Mt. Mckinley Meat and Sausage Income(Loss) FY 2011 - FY 2016



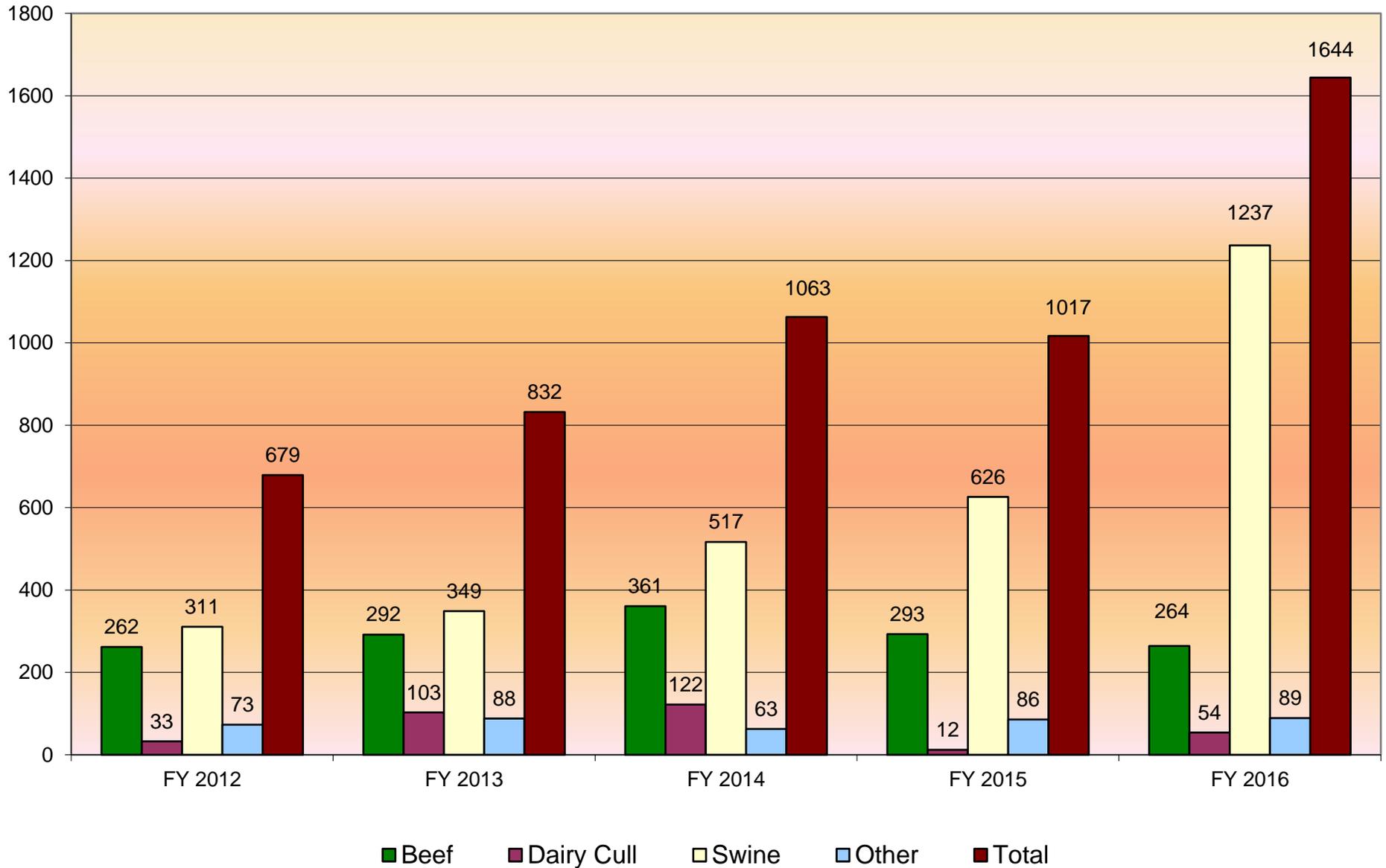
Mt McKinley Meat and Sausage Revenue Trend July 2010 - May 2016



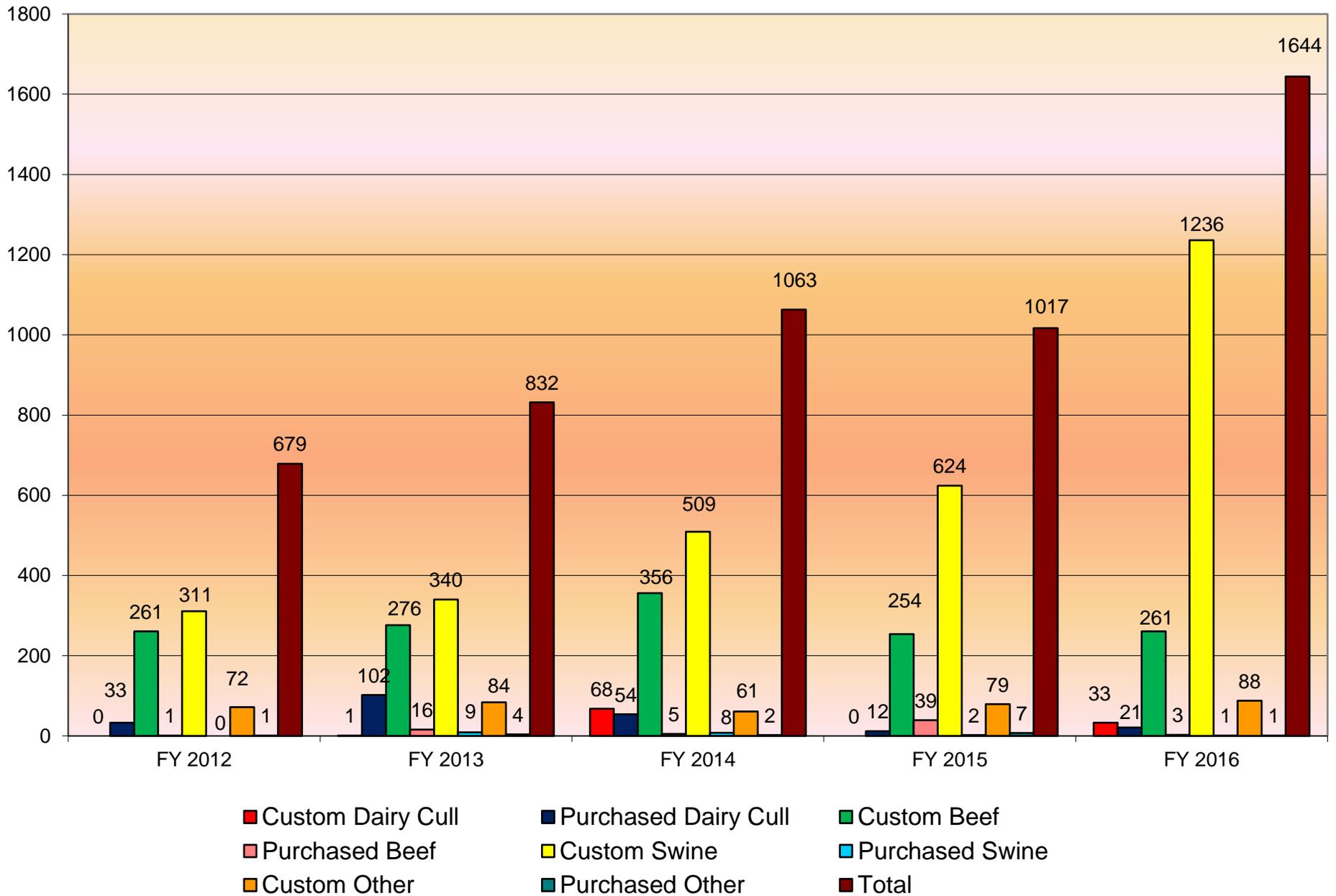
**Mt McKinley Meat and Sausage
Cumulative Expenses
July 2010 - May 2016**



MMM&S Slaughter Statistics by Fiscal Year and Type As of May 31, 2016 - FY16



**MMM&S Custom and Purchased Statistics by Fiscal Year
As of May 31, 2016 - FY16**



AGRICULTURAL REVOLVING LOAN FUND
Loan Activity Report / Undistributed Warrants
As of June 30, 2016 - FY16

Borrower	LO	Loan #	Date Approved	Note Date	Amount Approved	Warrants		Available Balance	Amount Distributed to Borrower	Undistributed Warrants
						Issued	#			
Hawks Farm & Garden, Inc	1	S-5485	2/18/2016	2/25/2016	\$60,000.00	\$30,338.00	2	\$29,662.00	\$30,338.00	\$0.00
Brost, Wayne & Veronica	1	S-5486	3/31/2016	5/5/2016	100,000.00	100,000.00	1	0.00	100,000.00	0.00
Mugrage, Scott & Julia	1	S-5487	3/31/2016	5/5/2016	150,000.00	150,000.00	3	0.00	150,000.00	0.00
Wozniak, Francis	1	S-5488	6/2/2016	6/3/2016	30,000.00	30,000.00	2	0.00	0.00	30,000.00
Williams, Thomas	1	S-5489	6/2/2016	6/3/2016	70,000.00	70,000.00	2	0.00	0.00	70,000.00
Holland, Sabrieta	1	C-5272	6/6/2016	6/6/2016	23,500.00	16,030.00	3	7,470.00	4,646.75	11,383.25
6 TOTALS					\$433,500.00	\$396,368.00	13	\$37,132.00	\$284,984.75	\$111,383.25

ARLF PROPERTY SALE CONTRACT						
	#	Date Approved	Note Date	Downpayment	Financed Amount	
Bates, Matthew & Tangy	1	40055	2/18/2016	2/26/2016	\$25,000.00	\$275,000.00

AGRICULTURAL REVOLVING LOAN FUND
Real and Personal Property Inventory
31-May-16

Former Borrower/ Prospective New Owner	LO	Location	Acres	Date Placed in Service	Fair Market Value at Repossession				Accum Dep. 6/30/2015	Liabilities		Lease Information					Remarks	YR	Method	Fair Market Value				
					Land	Buildings	Mach / Equip	Total Value		Amt 6/30/15	Owed To	Amount	Lessee	Lease #	Exp Date	Inspect Date				Land/ Structures	Improve- ments	Total Value		
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	16	Tax Assmt	\$405,700	\$405,700			
ASSETS with ASSOCIATED PERMITS																								
Mt. McKinley Meat	1	Palmer	4	12/1/86	42,000	595,592.00	73,907.00	711,499	537,275							2012	No planned disposal	16	Tax Assmt	411,500	411,500			
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	8,085		##### /Yr	BPR & ANM	20043	12/31/31	Jul-99		Land owned by DOT, Bldg owned by ARLF	05	Est		50,000.00	50,000.0		
Total - Repossessed Property					\$ 171,120	\$ 619,632	\$ 88,307	\$879,059	\$ 545,360	rounded												\$ 817,200	\$ 50,000	\$ 867,200