
ESTABLISHMENT OF QUORUM AND ROLL CALL:

The regular meeting of the Board of Agriculture & Conservation (BAC) was held on 02/13/24, in person & via Zoom/teleconference. Chair Jeff Vance called the meeting to order at 9:00am.

A. ROLL CALL/ APPROVAL OF AGENDA & MINUTES OF PRECEDING MEETING

Rollcall Vote:

- i. **MOTION: Moved to approve the agenda and minutes of preceding meeting.**

- i. 1st – Stu Davies

Vance – Yes, Anderson – Absent, Bates – Absent, Bergy – Yes, Boring – Yes, Davies – Yes, Jenski – Yes.

VOTE: 5 yes, 0 no, 0 abstentions, and 2 absent.

Board members present and establishing a quorum were:

- Brian Scoresby, Division Director (Zoom)
- Jeffrey (Jeff) Vance, Chair (Zoom)
- John Anderson, Vice Chair (Zoom)
- Thomas (Tom) Bergey, Board Member (In person)
- James (Jamie) Boring, Board Member (Zoom)
- Stuart (Stu) Davies, Board Member (Zoom)
- Adam Jenski, Board Member (In person)

Board member(s) absent:

Matthew Bates

Staff in Attendance:

- Christy Kolvoord, Natural Resource Specialist III (ARLF Loan Officer, In person)
- Victoria Vinson, Administrative Assistant 2 (In person)
- Mia Kirk, Natural Resource Manager 2 (Zoom)
- Brent Goodrum, Deputy Commissioner, DNR (Zoom)
- Kevin Higgins, Attorney 5, Dept. of Law (Zoom)
- June Gotschall, Accountant 5, DNR (Zoom)
- George Deaton, Accountant 3, DNR (Zoom)
- Cynthia Morales, Accountant 4, DNR (Zoom)

Public in Attendance:

- Sabrieta Holland
- Rodney Hoover

B. PLEDGE OF ALLEGIANCE

C. CONFLICT OF INTEREST DISCLOSURES

- i. None

D. REPORTS/CORRESPONDENCE

i. Bryan Scoresby Division Update:

- i. Last week I was in Washington DC for NASDA winter policy meeting. NASDA coordinates a lot of Ag policy with legislature, house, senate, and USDA. Very active in policy making. They take positions on legislative bills and are a very effective group.
- ii. House Resources Committee meeting yesterday, Deputy Commissioner Goodrum presented the Crop Act bill to the committee.
- iii. PMC: seed cleaning project, \$2million capital improvement fund. Looking at new equipment and what improvements are needed. Cost structure for new building vs. making modifications to current building.
- iv. Congratulatory email to the admin team for clearing procurement card charges.

ii. ARLF FINANCIALS

- i. Any questions? -None

iii. Public Comment Session

- i. None

E. NEW/OLD BUSINESS

i. Good Borrower Credit

MOTION: Motion to implement the good borrower credit per the loan officer's recommendations for 2024.

- i. 1st – Stu Davies
- ii. 2nd – Tom Bergy

DISCUSSION: Question from the public – what is good borrower credit?

VOTE: Vance – Yes, Anderson – Absent, Bates – Absent, Bergy - Yes, Boring - Yes, Davies – Yes, Jensi – Yes

VOTE: 5 yes, 0 no, 0 abstentions, and 2 absent

Motion APPROVED

ii. Crop Act, HB 296/SB211 – Deputy Commissioner Brent Goodrum Presents

4 Key Provisions of the bill:

- 1) It seeks to reduce the quorum for the BAC from 5 to 4.
- 2) It seeks to expand the types of activities ARLF loans can be issued for and replaces statutory caps and will allow the board to set the caps in regulations. Adding in-state transportation costs and would also allow refinancing.

- 3) Bill institutes a state contribution towards farmers' federal crop insurance premiums.
- 4) Bill seeks to implement a 5-year expansion to the in-state agriculture and fisheries product purchase preferences required by state and municipal entities.

Questions/Comments:

- No state or municipal entities partake in the current product purchase preferences requirements. The implementation of it is really in the details. – The bill seeks to expand it and create more market access.
- Is there any segment of the industry that is excluded from the crop act? – In terms of the modifications to the statutes for ARLF loans, only those that do not qualify for the current requirements. – Question was specific to the mandatory product purchase preference. Ag products are defined to include dairy products and timber products. Including but not limited to. It's important to expand the definition to include other products. Meat, fisheries, vegetables, etc....
- Food security week in Juneau, there will be conversations, feedback, and public testimony to hear on the bill. One thing that would be helpful is if the board would authorize the chair to write a letter to the committee on behalf of the board.

c. Loan Portfolio

ARLF loan officer presents the loan portfolio broken down by industry type.

-Public comment (Sabrieta Holland): suggests going forward that when request letters are sent out to explain further why it is needed and to consider timing of when the letters are sent out. The letter caused her great stress.

-Financial Information Requests; are they in statutes or regulations? In regulations. Bergy suggests we put it into regulations with a timeframe. Jensi suggests around tax season. Higgins – the intent of the reg was to authorize the dept or division to request information if a loan was in jeopardy of default or collateral is in jeopardy. Advises leave room in any changes to request information as necessary.

-Apologies made from Directory Scoresby and Chair Vance to Ms. Holland.

d. Notes/Comments on Working Session:

Clarification from Higgins: Portions of the portfolio cannot be committed to certain sectors. Applications should be considered at their face value against the total available fund.

Question: Can we encourage certain sectors to apply, would that be inside the intent? Higgins – Target marketing seems reasonable.

Question: Davies – did we come up with goals/mission statement? No, good conversations had. We tried to identify missing links in the supply chain.

Identified that the cap of \$1m for infrastructure loan is too little, so taking the cap off would be helpful. More infrastructure is needed.

F. EXECUTIVE SESSION –

- i. **MOTION: Moved to go to executive session to discuss confidential loan information and delinquencies.**

- i. 1st – Stu Davies

All in favor say “Ay”. The ayes have it.

G. PUBLIC SESSION ON LOAN APPLICATIONS - NONE

H. BOARDMEMBER COMMENTS

- i. Balance sheet: less allowances for doubtful accounts on ledger. Can we know what the total principal that is 60 days or more past due balance is, and what percentage of that for doubtful accounts is?

I. SET NEXT MEETING (NO MOTION NEEDED)

- i. **March 19th, 2024**

J. ADJOURNMENT

Motion to adjourn @ 11am:

1st: Tom Bergy

2nd: Stu Davies

All in favor say “Ay”. The ayes have it.