



Report for the
**Tobacco Settlement Agreement Fund
Oversight Committee**



November 17, 2023

Meeting of the
Kentucky Agricultural
Finance Corporation Board

November 17, 2023

Meeting of the
Kentucky Agricultural Development
Board



Kentucky Agricultural Finance Corporation 2023/2024 12-Month Board Meeting Schedule

Updated October, 2023

Note: Locations are subject to change

Month	KAFC Board Meeting	Location	Application Deadline
November	Joint Session- Thursday & Friday, November 16-17	Christian County Extension Office- Hopkinsville, KY	Friday, October 20, 2023
December	Friday, December 8, 2023	Franklin County Extension Office- Frankfort, KY	Friday, November 17, 2023
January	Friday, January 12, 2024	Franklin County Extension Office- Frankfort, KY	Friday, December 22, 2023
February	Friday, February 9, 2024	Franklin County Extension Office- Frankfort, KY	Friday, January 19, 2024
March	Friday, March 8, 2024	Franklin County Extension Office- Frankfort, KY	Friday, February 16, 2024
April	Joint Session- Friday, April 19, 2024	Hardin County Extension Office- Elizabethtown, KY	Friday, March 23, 2024
May	Friday, May 10, 2024	Franklin County Extension Office- Frankfort, KY	Friday, April 19, 2024
June	Friday, June 14, 2024	Franklin County Extension Office- Frankfort, KY	Friday, May 17, 2024
July	Friday, July 12, 2024	Franklin County Extension Office- Frankfort, KY	Friday, June 21, 2024
August	Friday, August 9, 2024	Franklin County Extension Office- Frankfort, KY	Friday, July 19, 2024
September	Friday, September 13, 2024	Franklin County Extension Office- Frankfort, KY	Friday, August 16, 2024
October	Friday, October 11, 2024	Franklin County Extension Office- Frankfort, KY	Friday, September 20, 2024
November	Joint Session- Thursday & Friday, November 14-15	TBD	Friday, October 18, 2024



November Approved Loans

Program	County	Enterprise	Amount Approved	Total Project Cost	Lender
Ag Infrastructure	Graves	Grain	\$200,000.00	\$505,000.00	River Valley Ag Credit
Ag Infrastructure	Graves	Poultry	\$250,000.00	\$1,925,000.00	River Valley Ag Credit
Ag Infrastructure	Graves	Poultry	\$250,000.00	\$1,311,586.00	FNB Bank
Ag Infrastructure	Graves	Poultry	\$250,000.00	\$2,446,172.00	FNB Bank
Ag Infrastructure	Graves	Poultry	\$250,000.00	\$2,008,036.00	FNB Bank
Ag Infrastructure	Shelby	Grain	\$231,150.00	\$462,300.00	Independence Bank
Beginning Farmer	Meade	Beef	\$13,000.00	\$46,000.00	Cecilian Bank
Beginning Farmer	Shelby	Equine	\$113,180.00	\$250,000.00	Independence Bank
Beginning Farmer	Daviess	Poultry	\$162,500.00	\$630,000.00	Farm Credit Mid-America
Beginning Farmer	Madison	Lamb/Goat	\$111,625.00	\$250,000.00	Central KY Ag Credit
	Total		\$1,831,455.00	\$9,834,094.00	



Kentucky Agricultural Finance Corp. approves \$1,831,455 in loans

*Financing bolsters beef, forage, poultry, and grain farmers across the
commonwealth*

FRANKFORT, Ky. (Nov. 17, 2023) – The Kentucky Agricultural Finance Corp. (KAFC) approved \$1,831,455 for 10 agricultural loans for projects across the commonwealth at its monthly board meeting.

Agricultural Infrastructure Loan Program (AILP)

Six Agricultural Infrastructure loans totaling up to \$1,431,150 were approved. Loan recipients were in Graves (\$200,000, \$250,000, \$250,000, \$250,000 and \$250,000) and Shelby (\$231,150) counties. KAFC participates with lenders to provide financing to producers making capital expenditures for agricultural projects through the AILP. Eligible projects include permanent farm structures with attached equipment that improves the profitability of farming operations. Producers may be eligible for up to \$250,000 not to exceed 50 percent of the project.

Beginning Farmer Loan Program (BFLP)

Four Beginning Farmer loans totaling up to \$400,305 were approved. Loan recipients were in Daviess (\$162,500), Madison (\$111,625), Meade (\$13,000), and Shelby (\$113,180) counties. The BFLP is designed to assist individuals with some farming experience who desire to develop, expand, or buy into a farming operation. Beginning farmers may qualify for financing to purchase livestock, equipment, or agriculture facilities; to secure permanent working capital; for the purchase of farm real estate; or to invest in a partnership or LLC.

For more information on the programs offered by the KAFC, contact Bill McCloskey at Kentucky Office of Agricultural Policy at (502) 382-6093 or email kafc@ky.gov.

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The Kentucky Office of Agricultural Policy (KOAP), a division within the Kentucky Department of Agriculture, provides staff support to the Kentucky Agricultural Finance Corporation (KAFC) and

the Kentucky Agricultural Development Fund (KADF). The KADF is administered by the Kentucky Agricultural Development Board. KOAP ensures Kentucky is being good stewards of dollars from the 1998 Tobacco Settlement Agreement by overseeing the boards' investments into diversifying and supporting Kentucky agriculture.



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Kentucky Agricultural Development Board 2023/2024 12-Month Board Meeting Schedule

Updated October 2023

Note: Locations are subject to change

Month	KADB Meeting	Location	Application Deadline
November	Joint Session-Friday, November 16-17, 2023	Christian County Extension Office- Hopkinsville, KY	Friday, October 27, 2023
December	Friday, December 15, 2023	Franklin County Extension Office- Frankfort, KY	Friday, November 24, 2023
January	Friday, January 19, 2024	Franklin County Extension Office- Frankfort, KY	Friday, December 29, 2023
February	Friday, February 16, 2024	National Farm Machinery Show- Louisville, KY	Friday, January 26, 2024
March	Friday, March 15, 2024	Franklin County Extension Office- Frankfort, KY	Friday, February 23, 2024
April	Joint Session-Friday, April 19, 2024	Hardin County Extension Office-Elizabethtown, KY	Friday, March 29, 2024
May	Friday, May 17, 2024	Franklin County Extension Office- Frankfort, KY	Friday, April 26, 2024
June	Friday, June 21, 2024	Franklin County Extension Office- Frankfort, KY	Friday, May 24, 2024
July	Friday, July 19, 2024	Kentucky State University- Frankfort, KY	Friday, June 28, 2024
August	Friday, August 16, 2024	Kentucky State Fair- Louisville, KY	Friday, July 26, 2023
September	Friday, September 13, 2024	Franklin County Extension Office- Frankfort, KY	Friday, August 23, 2024
October	Friday, October 18, 2024	Franklin County Extension Office- Frankfort, KY	Friday, September 27, 2024
November	Joint Session-Friday, November 14-15, 2024	TBD	Friday, October 25, 2024

Programs Recommended for Approval

CAIP

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2023-0252	Fleming County Conservation District	Fleming	\$224,959.00
A2023-0255	Mason County Conservation District	Mason	\$255,000.00
A2023-0257	Magoffin County Agriculture Investment Program Incorporated	Magoffin	\$109,000.00
A2023-0261	Owsley County Conservation District	Owsley	\$235,000.00
A2023-0262	Robertson County Soil Conservation District	Robertson	\$278,500.00
A2023-0265	Woodford County Agriculture Advancement Council, Inc.	Woodford	\$264,000.00
			\$1,366,459.00

Deceased Farm Animal Removal (DAR)

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2023-0263	Scott County Soil Conservation District	Scott	\$15,000.00
			\$15,000.00

Next Generation Farmer (NextGen)

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2023-0253	Fleming County Conservation District	Fleming	\$40,000.00
A2023-0266	Woodford County Agriculture Advancement Council, Inc.	Woodford	\$36,000.00
			\$76,000.00

Youth Ag Incentives Program (Youth)

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2023-0254	Fleming County Conservation District	Fleming	\$25,000.00
A2023-0256	Mason County Conservation District	Mason	\$35,000.00
			\$60,000.00

Total County Funds Recommended for Approval in Programs:	\$1,517,459.00
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App # A2023-0093
Applicant Name Hancock County Conservation District
Original Amount Approved \$116,008
Execution Date Awaiting Signature
Requested Change The applicant requests to increase the maximum producer limit from \$2,500 to \$3,000 for the *CAIP Program*. The request received a high priority from the County Council.
This request does not meet the 2023 CAIP Standard Guidelines (I.B.1. Requests to Administer CAIP), as no additional funds have been requested.
Recommend Denial

App # A2023-0170
Applicant Name Nicholas County Conservation District
Original Amount Approved \$260,785
Execution Date 08/21/2023
Requested Change The applicant requests an additional \$38,469 in Nicholas County funds for the *CAIP Program*. The request received a high priority from the County Council.
This is the first request for an amendment to this application number.
The term of the program shall remain 12-months from the execution date of the original agreement.
Approval of this request would bring the program total to \$299,254.
Recommend Approval

Approved Project

David Andrew Langley**A2023-0243***Application County: Hardin**Date Submitted: 09/22/2023**Total Funds Awarded: \$190,000***FUNDING REQUEST**

Drew Langley is requesting \$155,000 in state funds and \$95,000 in multi-county funds to aid in building a 150,000-bushel grain bin to store grain purchased from local farmers to fill distillery contracts.

APPLICATION SUMMARY

Funding will be used for building a 150,000-bushel grain bin to expand the applicant's existing grain storage. The applicant secured a contract to supply grain to a new distillery in the area and will be purchasing grain from local producers to help fill the contract. The applicant states Hardin, Grayson, Hart, and Larue counties will directly benefit from this project.

The total cost of the project is estimated at \$530,000 with funding from the following sources:

- \$ 155,000 KADF state funds
- \$ 95,000 KADF multi-county funds
- \$ 93,750 Cash
- \$ 186,250 Farm Credit Mid-America Loan

PROJECTED PRODUCER IMPACT

The applicant expects one farm family to benefit in 2024 as the distillery will be just starting production. In 2025, the applicant expects 10-20 farm families to benefit from the project.

Board Decision:

11/17/2023: David Andrew Langley was approved up to \$250,000 in matching state and county funds, with the option to pursue the remaining balance in the form of a participation loan, to support the construction of a 150,000-bushel grain bin as storage for local farmers to use to fill their distillery contracts.

Approved Project

Thomas Veterinary Services, PLLC**A2023-0247***Application County: Warren**Date Submitted: 09/29/2023**Total Funds Awarded: \$99,000***FUNDING REQUEST**

Thomas Veterinary Services is requesting \$82,500 in state funds and \$16,500 in multi-county funds to aid in updating animal handling facilities and service vehicles.

APPLICATION SUMMARY

Funding will be used to upgrade livestock handling facilities and service vehicles. Thomas Veterinary Services has seen an increase in the need for their service due to the number of large animal veterinarians in the area decreasing. The applicant states Warren, Barren, Edmonson, Grayson, Hart, Allen, Simpson, and Butler counties will directly benefit from this project.

The total cost of the project is estimated at \$131,487 with funding from the following sources:

- \$ 82,500 KADF state funds
- \$ 16,500 multi-county funds
- \$ 32,872 cash

PROJECTED PRODUCER IMPACT

Thomas Veterinary Services currently has over 1,250 active large animal clients and expects to directly benefit at least 1,000 clients collectively in Warren, Barren, Edmonson, Grayson, Hart, Allen, Simpson, and Butler counties.

Board Decision:

11/17/2023: The Large and Food Animal Veterinary Incentives Program provides funding for Kentucky veterinarians to increase service to large and food animals in the state. Applicants may receive up to 75 percent reimbursement for eligible expenditures not to exceed more than \$100,000 in state and county funds as a lifetime limit; Two Large and Food Animal Veterinary Incentives Programs were approved by the board in the following counties totaling \$199,000:

- Todd (\$100,000)
- Warren (\$99,000)

Approved Project

Wilderness Trail Area Beef Marketing Alliance**A2023-0248***Application County: Laurel**Date Submitted: 09/29/2023**Total Funds Awarded: \$272,336***FUNDING REQUEST**

Wilderness Trail Area Beef Marketing Alliance is requesting \$172,336 in state funds and \$172,337 in multi-county funds to expand the existing facility to include additional holding pens, loading areas, storage for shared-use equipment, permanent restrooms and hand washing facilities.

APPLICATION SUMMARY

Funding will be used to expand the livestock facility to include additional holding pens, loading areas, storage, permanent restrooms, and hand washing facilities. The facility currently serves as a permanent site for annual heifer sales and sheep sales conducted by the Southeast Kentucky Sheep Producers. Many of the educational activities held at the facility are day-long events that require food service. Hand washing facilities are desperately needed to prevent illness. The applicant states that over 300 farm families in Southeastern Kentucky will directly benefit from this livestock facility.

The total cost of the project is estimated at \$689,306 with funding from the following sources:

- \$ 172,336 KADF state funds
- \$ 172,337 multi-county funds
- \$ 100,000 Laurel County Fiscal Court cash (pending)
- \$ 121,080 Laurel County Fiscal Court (in-kind)
- \$ 1,500 Southeast Ky Sheep Producers (secured)
- \$ 10,500 Laurel County KADF funds (secured)
- \$ 15,000 Farm Credit Services (secured)
- \$ 25,000 Kentucky Farm Bureau (secured)
- \$ 20,000 Laurel County Cattlemen's (pending)
- \$ 2,500 WTA Beef Marketing Alliance cash (secured)
- \$ 3,500 WTA Beef Marketing Alliance (in-kind)
- \$ 45,573 Edmond Osborne Masonry (in-kind)

PROJECTED PRODUCER IMPACT

The applicant estimates that over 300 farm families in Southeastern Kentucky will be directly impacted by this project.

Board Decision:

11/17/2023: Wilderness Trail Area Beef Marketing Alliance was approved up to \$344,653 in matching state and county funds to expand their existing livestock facility. For more information

Approved Project

Frontier Veterinary Services, LLC**A2023-0249***Application County: Todd**Date Submitted: 09/29/2023**Total Funds Awarded: \$100,000***FUNDING REQUEST**

Frontier Veterinary Services is requesting \$100,000 in state and Todd County funds to upgrade the mobile vet unit, truck, and large animal handling facility.

APPLICATION SUMMARY

Dr. Joe Tabor with Frontier Veterinary Services currently serves farm families in Todd, Christian, and other surrounding counties. They currently operate out of 2 trucks/units and a haul-in facility which are all showing age and wear from use. KADB funds will be used to purchase a truck and Bowie Vet Unit, an Easi Scan Ultrasound, and other supplies for large animal facility upgrades.

The total cost of the project is estimated at \$164,000 with the following funding sources:

\$83,333 KADB State Funds

\$16,667 KADB Todd County Funds (Pending)

\$64,000 Business Account (Secured)

PROJECTED PRODUCER IMPACT

The applicant states that the practice currently serves approximately 150 farm families with the opportunity to increase.

Board Decision:

11/17/2023: The Large and Food Animal Veterinary Incentives Program provides funding for Kentucky veterinarians to increase service to large and food animals in the state. Applicants may receive up to 75 percent reimbursement for eligible expenditures not to exceed more than \$100,000 in state and county funds as a lifetime limit. Two Large and Food Animal Veterinary Incentives Programs were approved by the board in the following counties totaling \$199,000:

- Todd (\$100,000)
- Warren (\$99,000)

Recommendations for No Funding

APP #	APPLICANT	COUNTY
A2023-0258	Lee County Conservation District <i>CAIP</i>	Lee



Kentucky Agricultural Development Board approves over \$2.3 million for projects across the commonwealth

Funded projects focus on agricultural diversification, rural development

FRANKFORT (Nov. 17, 2023) – The Kentucky Agricultural Development Board approved \$2,349,581 for agricultural diversification and rural development projects across the commonwealth at its monthly board meeting.

“The Kentucky Agricultural Development Board’s focus is finding projects that inject diversity into Kentucky’s agriculture,” said Commissioner of Agriculture and board chair Dr. Ryan Quarles. “The projects funded today reflect the variety of ways that diversification shows itself in our communities.”

County and State Funded Projects

- David Andrew Langley was approved up to \$250,000 in matching state and county funds, with the option to pursue the remaining balance in the form of a participation loan, to support the construction of a 150,000-bushel grain bin as storage for local farmers to use to fill their distillery contracts. For more information, contact David Andrew Langley at drewlangley1272@gmail.com.
- Wilderness Trail Area Beef Marketing Alliance was approved up to \$344,653 in matching state and county funds to expand their existing livestock facility. For more information, contact Deverle Humfleet at laurel.ext@uky.edu.

State Programs

Large and Food Animal Veterinary Incentives Program

The Large and Food Animal Veterinary Incentives Program provides funding for Kentucky veterinarians to increase service to large and food animals in the state. Applicants may receive up to 75 percent reimbursement for eligible expenditures not to exceed more than \$100,000 in state and county funds as a lifetime limit.

Two Large and Food Animal Veterinary Incentives Programs were approved by the board in the following counties totaling \$199,000:

- Todd (\$100,000)
- Warren (\$99,000)

County Programs

County Agricultural Investment Program (CAIP)

CAIP provides Kentucky agricultural producers with cost-share assistance on practices to allow them to improve and diversify their current farm operations. CAIP covers a wide variety of agricultural enterprises in its 11 investment areas, including, but not limited to, beef and dairy cattle; farm infrastructure, fencing, and water enhancement; equine; forage; goats and sheep; horticulture; poultry; swine; bees and honey; timber and technology, as well as energy efficiency and production; marketing; and value-added production.

Seven CAIPs were approved by the board in the following counties totaling \$1,404,928:

- Fleming (\$224,959)
- Magoffin (\$109,000)
- Mason (\$255,000)
- Nicholas (\$38,469)*
- Owsley (\$235,000)
- Robertson (\$278,500)
- Woodford (\$264,000)

Deceased Farm Animal Removal (DAR)

The DAR program serves as a measure to facilitate the coordination of environmentally-sound and cost-effective disposal of deceased livestock for Kentucky producers.

One DAR program was approved by the board in Scott County totaling \$15,000.

Next Generation Farmer Program (NextGen)

NextGen addresses the growing need for a specialized program that would benefit producers ages 18 to 40 that have been engaged in an agricultural operation for a minimum of three years.

Two NextGen programs were approved by the board in the following counties totaling \$76,000:

- Fleming (\$40,000)
- Woodford (\$36,000)

Youth Agricultural Incentives Program (YAIP)

YAIP encourages youth to engage in and explore agricultural opportunities.

Two YAIPs were approved by the board in the following counties totaling \$60,000:

- Fleming (\$25,000)
- Mason (\$35,000)

All application periods and deadlines for CAIP, NextGen, and YAIP will be advertised locally.

*Existing programs receiving additional funding.

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