



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



August 9, 2024

Meeting of the
Kentucky Agricultural
Finance Corporation Board

August 16, 2024

Meeting of the
Kentucky Agricultural Development
Board



Kentucky Agricultural Finance Corporation 2024/2025 12-Month Board Meeting Schedule

Updated July 2024

Note: Locations are subject to change

Month	KAFAC Board Meeting	Location	Application Deadline
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 23, 2024
October	Joint Meeting-Thursday, October 10, 2024 (NCOSAFP)	Evans Orchard-Gerogetown, KY	Friday, September 20, 2024
November	Friday, November 8, 2024	Franklin County Extension Office- Frankfort, KY	Friday, October 18, 2024
December	Friday, December 13, 2024	Franklin County Extension Office- Frankfort, KY	Friday, November 15, 2024
January	Friday, January 10, 2025	Franklin County Extension Office- Frankfort, KY	Friday, December 20, 2024
February	Friday, February 14, 2025	Franklin County Extension Office- Frankfort, KY	Friday, January 24, 2025
March	Friday, March 14, 2025	Franklin County Extension Office- Frankfort, KY	Friday, February 21, 2025
April	Friday, April 11, 2025	Franklin County Extension Office-Frankfort, KY	Friday, March 21, 2025
May	Friday, May 16, 2025	Franklin County Extension Office- Frankfort, KY	Friday, April 18, 2025
June	Friday, June 13, 2025	Franklin County Extension Office- Frankfort, KY	Friday, May 23, 2025
July	Friday, July 11, 2025	Franklin County Extension Office- Frankfort, KY	Friday, June 20, 2025
August	Friday, August 8, 2025	Franklin County Extension Office- Frankfort, KY	Friday, July 18, 2025



August Approved Loans

Program	County	Enterprise	Amount Approved	Total Project Cost	Lender
Beginning Farmer	Perry	Beef	\$47,500.00	\$105,000.00	Farm Credit Mid-America
Beginning Farmer	Ballard	Grain	\$180,000.00	\$721,000.00	First Community Bank of the Heartland
Beginning Farmer	Wayne	Grain	\$224,000.00	\$896,000.00	Monticello Banking Company
Beginning Farmer	Graves	Poultry	\$250,000.00	\$950,000.00	River Valley Ag Credit
Beginning Farmer	Calloway	Poultry	\$250,000.00	\$1,450,000.00	River Valley Ag Credit
Beginning Farmer	Graves	Poultry	\$250,000.00	\$1,350,000.00	River Valley Ag Credit
Beginning Farmer	Fleming	Forage	\$113,952.00	\$239,900.00	Central KY Ag Credit
Beginning Farmer	Metcalfe	Dairy	\$250,000.00	\$500,000.00	South Central Bank of Barren Co
DEAL	Pulaski	Timber	\$250,000.00	\$508,000.00	Farm Credit Mid-America
DEAL	Marshall	Horticulture	\$222,500.00	\$475,000.00	First Financial Bank
	Total		\$2,037,952.00	\$7,194,900.00	

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For Immediate Release

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Kentucky Agricultural Finance Corp. approves \$2,037,953 in loans

Financing bolsters beef, forage, poultry, and grain farmers across the Commonwealth

FRANKFORT, Ky. (Aug. 9, 2024) – The Kentucky Agricultural Finance Corp. (KAFC) approved \$2,037,953 for 10 agricultural loans for projects across the Commonwealth at its monthly board meeting.

Beginning Farmer Loan Program (BFLP)

Eight Beginning Farmer loans totaling up to \$1,565,453 were approved. Loan recipients were in Ballard (\$180,000), Calloway (\$250,000), Fleming (\$113,953), Graves (\$250,000 and \$250,000), Metcalfe (\$250,000), Perry (\$47,500), and Wayne (\$224,000) 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.

Diversification through Entrepreneurship in Agribusiness Program (DEALP)

Two Diversification through Entrepreneurship in Agribusiness loans totaling \$472,500 were approved. Loan recipients were in Marshall (\$222,500) and Pulaski (\$250,000) counties. DEALP is designed to assist agri-entrepreneurs with the purchase, establishment or expansion of a business that sells agricultural products or services to farmers or consumers.

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 2024/2025 12-Month Board Meeting Schedule

Updated August 2024

Note: Locations are subject to change

Month	KADB Meeting	Location	Application Deadline
August	Friday, August 16, 2024	Kentucky State Fair-Louisville, KY	Friday, July 26, 2024
September	Friday, September 20, 2024	Franklin County Extension Office-Frankfort, KY	Friday, August 30, 2024
October	Joint Session-Thursday, October 10, 2024 (NCOSAFP)	Evans Orchard-Georgetown, KY	Friday, September 20, 2024
November	Friday, November 15, 2024	Franklin County Extension Office-Frankfort, KY	Friday, October 25, 2024
December	Friday, December 20, 2024	Franklin County Extension Office-Frankfort, KY	Friday, December 2, 2024
January	Friday, January 17, 2025	Franklin County Extension Office-Frankfort, KY	Friday, December 27, 2024
February	Friday, February 21, 2025	Franklin County Extension Office-Frankfort, KY	Friday, January 31, 2025
March	Friday, March 21, 2025	Franklin County Extension Office-Frankfort, KY	Friday, February 28, 2025
April	Friday, April 18, 2025	Franklin County Extension Office-Frankfort, KY	Friday, March 28, 2025
May	Friday, May 16, 2025	Franklin County Extension Office-Frankfort, KY	Friday, April 25, 2025
June	Friday, June 20, 2025	Franklin County Extension Office-Frankfort, KY	Friday, May 30, 2025
July	Friday, July 18, 2025	Franklin County Extension Office-Frankfort, KY	Friday, June 27, 2025
August	Friday, August 15, 2025	Franklin County Extension Office-Frankfort, KY	Friday, July 25, 2025

Programs Recommended for Approval

CAIP

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2024-0197	Laurel County Cattlemen's Association, Inc.	Laurel	\$157,500.00
			\$157,500.00

Deceased Farm Animal Removal (DAR)

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2024-0199	Washington County Fiscal Court	Washington	\$15,000.00
			\$15,000.00

Shared-Use Equipment Program

<u>Application</u>	<u>Program Administrator</u>	<u>County</u>	<u>Funds Requested</u>
A2024-0205	Fleming County Fiscal Court	Fleming	\$21,375.00
			\$21,375.00

Total County Funds Recommended for Approval in Programs: **\$193,875.00**

App #	A2024-0066
Applicant Name	Trigg County Conservation District
Original Amount Approved	\$60,000
Execution Date	05/20/2024
Requested Change	<p>The applicant requests an <u>additional</u> \$66,500 in Trigg County funds for the <i>CAIP Program</i>. The request received a <u>high</u> priority from the County Council.</p> <p>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.</p> <p>Approval of this request would bring the program total to \$126,500.</p>

Recommend Approval

App #	A2024-0074 (YAIP)
Applicant Name	Washington County Conservation District
Original Amount Approved	\$15,000
Execution Date	05/07/2024
Requested Change	<p>The applicant requests an <u>additional</u> \$10,250 in Washington County funds for the <i>YAIP Program</i>. The request received a <u>high</u> priority from the County Council.</p> <p>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.</p> <p>Approval of this request would bring the program total to \$25,250.</p>

Recommend Approval

App #	A2024-0075
Applicant Name	Washington County Conservation District
Original Amount Approved	\$150,000
Execution Date	05/07/2024
Requested Change	<p>The applicant requests an <u>additional</u> \$60,250 in Washington County funds for the <i>CAIP Program</i>. The request received a <u>high</u> priority from the County Council.</p> <p>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.</p> <p>Approval of this request would bring the program total to \$210,250.</p>

Recommend Approval

App #	A2024-0161
Applicant Name	Warren County Conservation District
Original Amount Approved	\$121,500
Execution Date	07/08/2024
Requested Change	<p>The applicant requests an <u>additional</u> \$6,399 in Warren County funds for the <i>CAIP Program</i>. The request received a <u>high</u> priority from the County Council.</p> <p>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.</p> <p>Approval of this request would bring the program total to \$127,899.</p>
	Recommend Approval

Approved Project

Hancock County Cattleman's Association LTD.**A2024-0171***Application County: Hancock**Date Submitted: 06/03/2024**Total Funds Awarded: \$5,000***FUNDING REQUEST**

Hancock County Cattlemen's Association is requesting \$5,000 in Hancock County funds for a Hancock County Youth Agriculture Production Cost-Share Program.

APPLICATION SUMMARY

The applicant plans to implement a cost-share program on a reimbursement basis for agricultural projects for Hancock County youth. Youth will submit their applications along with a farm business plan and marketing plan describing how purchased items and supplies will be utilized in their projects. This will be a 50 percent cost-share reimbursement, with the maximum being \$1500.

The total cost of the project is estimated at \$10,000 with funding from the following sources:

\$5,000 Hancock County Funds (Secured)

\$5,000 Hancock County Cattlemen's Association (Secured)

PRODUCER IMPACT

The applicant stated that most of the youth don't receive the maximum disbursement due to the cost of the project. Therefore, the applicant estimates 16 Hancock County youth will directly benefit from this project.

Board Decision:

08/16/2024: Hancock County Cattlemen's Association was approved up to \$5,000 in Hancock County funds to support their local youth agriculture cost share program.

Approved Project

Taylor County Fair Association**A2024-0175***Application County: Taylor**Date Submitted: 06/07/2024**Total Funds Awarded: \$34,029***FUNDING REQUEST**

The Taylor County Fair Association is requesting \$34,029 in Taylor County funds to install permanent bleachers and construct a new concession stand at the fairgrounds.

APPLICATION SUMMARY

Funding will be used to install permanent bleachers to provide additional seating for events. The applicant also plans to build a new concession stand and install a septic system, which is required for the concession stand. The applicant indicates that the current concession stand is inadequate to service the crowds at events. These upgrades will allow for greater ability of events to host larger crowds and a potential for greater fundraising opportunities.

The total cost of the project is estimated at \$68,058 with funding from the following sources:

\$34,029 Taylor County Funds (secured)

\$21,279 Loan at Citizens Bank & Trust (secured)

\$12,750 Taylor County Fair Board General Fund (secured)

PROJECTED PRODUCER IMPACT

The applicant states that approximately 15,000 people will benefit from this project through the improved participation, fundraising and educational opportunities that these facilities can be used for.

Board Decision:

08/16/2024: Taylor County Fair Association was approved up to \$34,029 in Taylor County funds to support fairground upgrades.

Approved Project

Sugarloaf Mountain Meats and Processing**A2024-0196***Application County: Rowan**Date Submitted: 06/28/2024**Total Funds Awarded: \$14,705***FUNDING REQUEST**

Sugarloaf Mountain Meats & Processing is requesting \$14,705 in multi-county and state funds for the upgrades and additions to their current meat processing facility.

APPLICATION SUMMARY

The applicant is seeking funding to add additional pieces of equipment. The addition of a poultry scalding, a plucker, and catch table. The applicant has versions of this equipment but is looking to upgrade this as well and will give them a spare in case there is an incident, and a piece of equipment is to no longer be operational.

This company has received funds from the KADB prior. The project number was A2021-0266. The total received was \$232,425 in KADB funds.

The total cost of the project is estimated at \$29,410 with funding from the following sources:

\$1,000 Rowan County (Unsecured)

\$1,000 Carter County (Unsecured)

\$12,705 State Funds (Unsecured)

\$14,705 Citizens Bank (Secured)

PROJECTED PRODUCER IMPACT

The applicant states that a range of producers in multiple counties will benefit from this. In the last year the applicant states that producers from 15 different counties benefited from their ability to process poultry.

Board Decision:

08/16/2024: Sugarloaf Mountain Meats and Processing was approved up to \$14,705 in multi-county and state funds to make upgrades to the processing facility.

Denied Project

Bosch Berries Kentucky Operation Corp**A2024-0184***Application County: Pulaski**Date Submitted: 06/18/2024**Total Funds Awarded: \$0***FUNDING REQUEST**

Bosch Berries Kentucky Operations Corp. is requesting \$1,000,000 in state funds, as a forgivable loan, to upgrade a greenhouse for strawberry production and marketing.

APPLICATION SUMMARY

In December of 2023, Bosch Berries purchased the AppHarvest Somerset facility and realized the greenhouse was not optimally designed to grow strawberries. They plan to make upgrades including installing 25% more gutters, adding flowering bulbs, installing a roof washer and backup generator, and implementing a crop shredder.

With these upgrades, the applicant envisions that their greenhouse will become a dynamic hub for agricultural learning and collaboration for KY farmers by offering the following:

- Utilize Bosch's market relationship to have local farmers sell their strawberries under Bosch's brand.
- Offer their packaging line to help farmers pack their strawberries to sell .
- Provide cold storage.
- Offer office space and professional services to local farmers .
- Reach out to local farmers about propagating plants for Bosch.
- Decrease packaging costs for farmers by offering a discounted rate .

KADB funds will be used to purchase the gutters, flowering bulbs, crop shredder, generator, and marketing.

The total cost of the project is estimated at \$3,476,783 with the following funding sources:

\$1,000,000 KADB State Funds Forgivable Loan

\$1,388,893.68 Bank Statement - Rabobank (Secured)

\$2,087,889.32 C-pace Loan (Pending)

PROJECTED PRODUCER IMPACT

The applicant states that roughly multiple farm families will benefit from this project in the first year.

Committee Recommendation:

The White Application Review Committee recommends not funding the request and refers the applicant to apply for a KAFC loan.



Kentucky Agricultural Development Board approves more than \$390,000 for projects across the Commonwealth

Funded projects focus on agricultural diversification, rural development

FRANKFORT (Aug. 16, 2024) – The Kentucky Agricultural Development Board approved \$391,008 for agricultural diversification and rural development projects across the Commonwealth at its monthly board meeting.

"Agriculture's future hinges on the actions we take today," said Commissioner of Agriculture and board chair Jonathan Shell. "The grant projects approved by the Kentucky Agricultural Development Board pave the way for growth and innovation. Agriculture is the backbone of American progress, and every step forward is a step toward a better tomorrow."

County and State Funded Projects

- Hancock County Cattlemen's Association was approved up to \$5,000 in Hancock County funds to support its local youth agriculture cost share program. For more information, contact Evan Tate at evan.tate@uky.edu.
- Sugarloaf Mountain Meats and Processing was approved up to \$14,705 in multi-county and state funds to make upgrades to the processing facility. For more information, contact Tim Leuenberger at tim@sugarloafmtnmeats.com.
- Taylor County Fair Association was approved up to \$34,029 in Taylor County funds to support fairground upgrades. For more information, contact Alex Cox at coxbros1066@gmail.com.

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.

Four CAIPs were approved by the board in the following counties totaling \$290,649:

- Laurel (\$157,500)
- Trigg (\$66,500)*
- Warren (\$6,399)*
- Washington (\$60,250)*

Deceased Farm Animal Removal (DAR)

The Deceased Farm Animal Removal Program serves as a measure to facilitate the coordination of environmentally-sound and cost-effective disposal of deceased livestock for Kentucky producers.

A DAR in Washington County was approved by the board totaling \$15,000.

Shared-Use Equipment Program

The Shared-Use Equipment Program assists broad-based community organizations with the purchase of farm equipment. The equipment purchased is made available for producer use in a specific county on a leased basis.

A Shared-Use Equipment Program in Fleming County was approved by the board totaling \$21,375.

Youth Agricultural Incentives Program (YAIP)

YAIP encourages youth to engage in and explore agricultural opportunities.

A YAIP in Washington County was approved by the board totaling \$10,250*.

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

*Existing programs receiving additional funding.

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