



Colorado Agricultural Development Authority

**Board Meeting
DRAFT MINUTES
December 16, 2016**

Board members in attendance included: Mel Rettig, Meghan Munter, Randy Wilks, Tom Wingfield, John Cure, and Ben Rainbolt by conference call. Also in attendance were Jim Rubingh, Secretary; Vickie Root; Ryan Jardine, Kutak; Dave Caprera, Kutak; Matt Beerbower, RubinBrown; and Traci Saylor, CDA.

1. 10:02 a.m. Call to Order

The meeting was called to order at 10:02 am.

2. Approval of Minutes

- July 13, 2016
- September 22, 2016 – Conference Call
- October 27, 2016 – Conference Call

Motion #1: Mr. Wilks moved to accept the ALL minutes as presented. Mr. Cure seconded the motion. The motion was passed unanimously.

3. Review of Financial Statements & Checkbook Register

Matt Beerbower from RubinBrown reviewed the financials. The highlights covered management and auditor's responsibilities, CADA's clean opinion, the audited financial statements, CADA's simple balance sheet, fair market value, cash flow perspective, and conservative investments. He also discussed the viewpoints and the highlights were there will be new fair market value disclosures changing and no significant auditing findings. He felt it important to make sure everything is clear to the board and transparent.

Motion #2: Mr. Wilks moved to accept the financial documents as presented. Mr. Wingfield seconded the motion and it passed unanimously.

Jim discussed CADA financials with the board and mentioned everything is standard and on budget and there are some end-of-year scholarships that can be added. He also discussed the yearly fee payments and answered the board's questions as to how it works.

Motion #3: Mr. Cure moved to accept the financial documents as presented. Mr. Wingfield seconded the motion and it passed unanimously.

Board of Directors: Mel Rettig, Grand Junction; Randy Wilks, Burlington; John P. Cure, Idalia; Ben Rainbolt, Denver; Tom Wingfield, Golden; Steve Wertz, McClave; Meghan Munter, Meeker; Don Brown, Commissioner of Agriculture; Jim Rubingh, Secretary

4. Loan Activity Review

This year has been the best that CADA has done for loans in several years. Jim's theory is because the Ag economy is down and less competition could open the door for beginning farmers. Local bankers have helped get the message out to the beginning farmers.

- **New application – Kathryn Basler**

Washington County, 320 acres grassland- use it to raise livestock, does not own any farmland, \$120,000 bond, purchase amount \$160,00, The rate will be 2.99% fixed for the first five years. The loan will then re-price at the FPNB 5 year Tier 1 Ag real estate rate less 0.50% for years 6-10, 11-15, and 16-20. This is a 30 year amortization with a 20 year balloon payment.

Motion#4: Mr. Wingfield made a motion to approve the application of Kathryn Basler. Ms. Munter seconded the motion and it passed unanimously.

5. 2017 Budget Review

Jim discussed CADA cutting the cost of the annual payment for beginning farmers in half to create an incentive for them to pay in time and hope that it will help out beginning farmers. Jim discussed Kutak had agreed years ago, to allow some free legal advice, Kutak is now under new management and are concerned about losing money on CADA and will be charging significantly more for legal fees. The board discussed how to absorb the costs. Ryan will send out a letter discussing the options.

Motion #5: A motion was made by Mr. Wingfield to approve the 2017 budget. This was seconded by Mr. Wilks and the motion was passed unanimously.

6. Advertising Schedule Review

Radio advertising is still the best form of advertising for CADA. No modifications have been suggested.

7. Beginning Farmer Lease Program

Jim discussed the new program and the benefits. Program starts January 1st, but the applications won't be received until 2018. Legislation has limited participants to 100 a year. Jim would like to do a few more ads with *The Barn* to get the word out, as well as other entities. Ben recommended going and speaking at the Ag Council to inform people as well. The board discussed ideas on how to include more acceptable education courses.

8. Don Brown, Commissioner – Colorado Department of Agriculture

Mr. Brown spoke about how he has met with several people about planning and helping beginning farmers to start up and transitioning. The department has realigned Conservation Services and hired a new director from New Mexico who works a lot with federal land. The commissioner discussed department updates. He spoke about the transition to electronics and how it effects the older farmers.

9. Adjourn – Happy Holidays!

The board adjourned at 11:59 am.