

The actions delineated below were taken in open session of the Kentucky Agricultural Finance Corporation Board at the February 13, 2026, business meeting. This is provided in summary form; an official record of the meeting is available in the permanent records of the Kentucky Office of Agricultural Policy (KOAP), 107 Corporate Drive, Frankfort, Kentucky 40601.



**Kentucky Agricultural Finance Corporation Board
Summary Minutes of the Business Meeting
Franklin County Extension Office
101 Lakeview Court, Frankfort, KY
February 13, 2026**

Call to Order

Brandon Reed, designee for Commissioner of Agriculture Jonathan Shell presiding, called the Kentucky Agricultural Finance Corporation Board (KAFC) regular business meeting to order at 10:24 a.m. (EST).

Roll Call

The following members were present: Brandon Reed (designee for Commissioner of Agriculture Jonathan Shell), Billy Aldridge (designee for Secretary Holly M. Johnson), Michael Cochran, Wes King, Lori Noel, Wayne Hunt, Steven Olt, Dan Flanagan, and Dr. Kenny Burdine.

Absent Members: Frank Penn, Linda Rumpke, and Jonathan Noe.

Notification of Media

Mr. Reed received verification from Hannah Sharp-Johnson, Board Secretary; that the media had been notified of the KAFC monthly board meeting.

Welcome

Mr. Reed welcomed everyone to the KAFC meeting. Board members and guests participated in person.

Approval of Minutes

Mr. Reed entertained a motion to approve the minutes of the January 9, 2026, board meeting.

Mr. Olt moved to approve the minutes, as presented; Ms. Noel seconded the motion.

VOTE: Motion Passed; Unanimous.

Kentucky Department of Agriculture Report

Mr. Reed updated the board on activities of the Kentucky Department of Agriculture (KDA).

Executive Director's Report

Mr. Reed gave an overview on the office's activities since the January board meeting.

Deputy Executive Director's Report

Mr. Reed called on Bill McCloskey, KOAP Deputy Executive Director, to present the compliance and financial report to the board.

Mr. McCloskey referenced the Kentucky Agricultural Development Fund State Pool Tobacco Funds (on file) as of January 29, 2026.

Mr. McCloskey reviewed Kentucky Agricultural Development Fund County Balances (on file) as of January 28, 2026.

Mr. McCloskey reviewed the K AFC Statement of Financial Position (*on file*) as of January 31, 2026

K AFC Statement of Financial Position		
As of January 31, 2026		
Assets		
Cash K AFC Accounts		\$ 29,591,850
Hold Account-Not Authorized for Distribution		\$ 20,000,000
Loan Payments Due K AFC		
Category A		\$ 133,859,152
Category B		\$ 2,622,212
Category C		\$ 136,481,364
Total Assets		\$ 186,073,214
Hold Account-Not Authorized for Distribution		\$ 20,000,000
Liabilities		
K AFC loans approved not closed		\$ 23,800,405
Principal Outstanding		\$ 136,481,365
Total Liabilities		\$ 180,281,770
Unobligated Assets		\$ 5,791,444
Total Liabilities & Unobligated Assets		\$ 186,073,214

Mr. Cochran moved to accept the K AFC financial report, as presented; Mr. Aldridge seconded the motion.

VOTE: Motion Passed; Unanimous.

Farm Service Agency Report

Mr. Reed called on David Wayne and Warren Whitaker to give the Farm Service Agency Report. Mr. Wayne gave an overview of offices activities and updates since the January board meeting.

KCARD Report

Mr. Reed called on Brent Lackey to give the KCARD Report. Mr. Lackey gave an overview of KCARD activities and updates since the January board meeting.

K AFC Loan Review and Compliance Committee Report

Mr. Reed called on Ms. Noel to give the K AFC Loan Review and Compliance Committee report. Ms. Noel stated the loans would be discussed according to the agenda.

Ms. Noel moved to accept the committee report, as presented; Mr. Olt seconded the motion.

VOTE: Motion passed; Unanimous.

New Business

Mr. Reed called on Mr. McCloskey, Chelsea Smither, Becca Besok, Landon Peach & Alandria Lee to present the following applications:

Agricultural Infrastructure Loan Program (AILP)

AF25-0210 Elliott, Jason

Ms. Smither referenced the above application requesting \$250,000 to retrofit poultry barns from Tyson to Stagecoach in Fulton County. River Valley AgCredit in Clinton, KY is the participating lender.

Staff recommends approval, with a combined loan-to-value no greater than 85%.

Dr. Burdine moved to approve the staff recommendation, as presented; Mr. King seconded the motion.

VOTE: Motion Passed; Unanimous.

AF26-0001 Royster, John

Ms. Besok referenced the above application requesting \$250,000 for the construction of a grain storage bin in Union County. Farm Credit Mid-America in Henderson, KY is the participating lender.

Staff recommends approval, with a combined loan-to-value no greater than 85%.

Mr. Aldridge moved to approve the staff recommendation, as presented; Ms. Noel seconded the motion.

VOTE: Motion Passed; Unanimous.

AF26-0009 King, Amos

Ms. Lee referenced the above application requesting \$250,000 for the construction of a grain storage bin in Union County. Farm Credit Mid-America in Henderson, KY is the participating lender. This application was referred to the Loan Review and Compliance Committee.

The Loan Review and Compliance Committee recommends pending the application for additional information.

Ms. Noel moved to approve the committee recommendation, as presented; Mr. Hunt seconded the motion.

VOTE: Motion Passed; Unanimous.

AF26-0018 Thomas, Everly Tapp

Mr. McCloskey referenced the above application requesting \$250,000 for the purchase of a grain facility and 18 acres in Union County. Farmers Bank & Trust Company in Princeton, KY is the participating lender. This application was referred to the Loan Review and Compliance Committee.

The Loan Review and Compliance Committee recommends pending the application for additional information.

Ms. Noel moved to approve the committee recommendation, as presented; Mr. Olt seconded the motion.

VOTE: Motion Passed; Mr. Hunt Abstained.

Beginning Farmer Loan Program (BFLP)

AF26-0003 Norton, Craig

Ms. Lee referenced the above application requesting \$100,000 to purchase 30 acres in Breckinridge County. Farm Credit Mid-America in Hardinsburg, KY is the participating lender.

Staff recommends approval, contingent up on the approval and obligation on a 90% FSA guarantee on FCMA and KAFC funds, with a combined loan-to-value no greater than 100%.

Mr. Cochran moved to approve the staff recommendation, as presented; Mr. Flanagan seconded the motion.

VOTE: Motion Passed; Unanimous.

AF26-0004 Hobbs, Jeremy

Mr. McCloskey referenced the above application requesting \$250,000 for the purchase of 405 acres in Meade County. Farm Credit Mid-America in Hardinsburg, KY is the participating lender.

Staff recommends approval, with a combined loan-to-value no greater than 85%.

Mr. Hunt moved to approve the staff recommendation, as presented; Dr. Burdine seconded the motion.

VOTE: Motion Passed; Mr. Cochran Abstained.

AF26-0005 Jackson, Presley

Mr. Peach referenced the above application requesting \$250,000 for the purchase of 108 acres in Harrison County. Central Kentucky Agricultural Credit Association in Lexington, KY is the participating lender.

Staff recommends approval, contingent upon the approval and obligation of a 95% FSA guarantee on CKACA and KAFC funds, with a combined loan-to-value no greater than 100%.

Dr. Burdine moved to approve the staff recommendation, as presented; Ms. Noel seconded the motion

VOTE: Motion Passed; Unanimous.

AF26-0006 Rock, Logan

Ms. Besok referenced the above application requesting \$115,510.50 for the purchase of 36 acres in LaRue County. Independence Bank in Owensboro, KY is the participating lender.

Staff recommends approval, with a combined loan-to-value no greater than 85%.

Mr. Olt moved to approve the staff recommendation, as presented; Mr. Cochran seconded the motion.

VOTE: Motion Passed; Unanimous.

AF26-0008 Stoltzfus, Jacob

Ms. Lee referenced the above application requesting \$125,000 for the purchase of 30 acres and construction of multi-use building in Caldwell County. Farmers Bank & Trust Co in Princeton, KY is the participating lender. This application was referred to the Loan Review and Compliance Committee.

The Loan Review and Compliance Committee recommends approving with a combined loan-to-value no greater than 85%.

Ms. Noel moved to approve the committee recommendation, as presented; Mr. King seconded the motion.

VOTE: Motion Passed; Unanimous.

AF26-0010 Dame, Wesley

Ms. Smither referenced the above application requesting \$175,000 for the purchase of 160 acres in Hopkins County. Independence Bank of Kentucky in Livermore, KY is the participating lender.

Staff recommends approval, contingent upon the approval and obligation of a 90% FSA guarantee on IB and KAFC funds, with a combined loan-to-value no greater than 100%.

Ms. Noel moved to approve the staff recommendation, as presented; Mr. Cochran seconded the motion.

VOTE: Motion Passed; Unanimous.

AF26-0011 Logsdon, James

Mr. McCloskey referenced the above application requesting \$172,500 for the purchase of 34 acres in McClean County. Independence Bank in Livermore, KY is the participating lender.

Staff recommends approval, with a combined loan-to-value no greater than 85%.

Mr. Flanagan moved to approve the staff recommendation, as presented; Mr. Hunt seconded the motion.

VOTE: Motion Passed; Unanimous.

AF26-0012 Newswanger, Javin

Ms. Smither referenced the above application requesting \$250,000 for the construction of three Tyson layer barns in Todd County. Clinton Bank in Clinton, KY is the participating lender.

Staff recommends approval, with a combined loan-to-value no greater than 85%.

Mr. Aldridge moved to approve the staff recommendation, as presented; Ms. Noel seconded the motion.

VOTE: Motion Passed; Unanimous.

AF26-0014 Kozak, Kyler

Mr. McCloskey referenced the above application requesting \$250,000 for the purchase of 83 acres with 2 poultry barns in Warren County. Farm Credit Mid-America in Glasgow, KY is the participating lender.

Staff recommends approval, contingent upon the approval and obligation of a 90% FSA guarantee on FCMA and KAFC funds, with a combined loan-to-value no greater than 100%.

Mr. Olt moved to approve the committee recommendation, as presented; Dr. Burdine seconded the motion.

VOTE: Motion Passed; Unanimous.

AF26-0015 Tuggle, Gabriel

Ms. Besok referenced the above application requesting \$250,000 for the purchase of 65 acres with improvements in Mercer County. Central Kentucky Ag Credit in Danville, KY is the participating lender.

Staff recommends approval, contingent upon the approval and obligation of a 90% FSA guarantee on CKACA and KAFC funds, with a combined loan-to-value no greater than 100%.

Mr. Cochran moved to approve the staff recommendation, as presented; Dr. Burdine seconded the motion.

VOTE: Motion Passed; Unanimous.

AF26-0016 Landers, Alexander

Ms. Lee referenced the above application requesting \$250,000 for the purchase of 173 acres in Barren County. South Central Bank, Inc in Glasgow, KY is the participating lender. This application was referred to the Loan Review and Compliance Committee.

The Loan Review and Compliance Committee recommends approving as presented due to meeting guidelines.

Ms. Noel moved to approve the committee recommendation, as presented; Mr. Cochran seconded the motion.

VOTE: Motion Passed; Unanimous.

AF26-0017 Settles, Carter

Ms. Besok referenced the above application requesting \$250,000 for the purchase of 171 acre dairy farm and cheese business in Barren County. Bank of Columbia in Columbia, KY is the participating lender.

Staff recommends approval, contingent upon the approval and obligation of a 90% FSA guarantee on Bank of Columbia and KAFC funds, with a combined loan-to-value no greater than 100%.

Mr. Flanagan moved to approve the staff recommendation, as presented; Ms. Noel seconded the motion.

VOTE: Motion Passed; Unanimous.

Diversification through Entrepreneurship in Agribusiness Loan Program (DEALP)

AF25-0203 Ross, Sandra

Ms. Smither referenced the above application requesting \$250,000 for the construction of an on-farm retail store and agritourism venue in Estill County. Farm Credit Mid-America in Mt. Sterling, KY is the participating lender. This application was referred to the Loan Review and Compliance Committee.

The Loan Review and Compliance Committee recommends pending for additional information.

Ms. Noel moved to approve the committee recommendation, as presented; Mr. Hunt seconded the motion.

VOTE: Motion Passed; Unanimous.

AF25-0205 Carter, Bradley

Mr. McCloskey referenced the above application requesting \$250,000 for the purchase of a fertilizer company in Metcalfe County. Farm Credit Mid-America in Glasgow, KY is the participating lender. This application was referred to the Loan Review and Compliance Committee.

The Loan Review and Compliance Committee recommends approving with a combined loan-to-value no greater than 85%.

Ms. Noel moved to approve the committee recommendation, as presented; Mr. King seconded the motion.

VOTE: Motion Passed; Unanimous.

Horticulture Incentives Loan Program (HILP)

AF26-0002 Barr, Adam

Ms. Lee referenced the above application requesting \$25,000 in working capital in Meade County. Meade County Bank in Brandenburg, KY is the participating lender. This application was referred to the Loan Review and Compliance Committee.

The Loan Review and Compliance Committee recommends approving contingent on a combined loan-to-value no greater than 85% and verification of NAP coverage.

Ms. Noel moved to approve the committee recommendation, as presented; Mr. Cochran seconded the motion.

VOTE: Motion Passed; Unanimous.

AF26-0007 Cornett, Brent

Ms. Smither referenced the above application requesting \$250,000 to provide working capital for a horticulture operation in Laurel County. Kentucky Highlands Investment Corporation in London, KY is the participating lender. This application was referred to the Loan Review and Compliance Committee.

The Loan Review and Compliance Committee recommends approving contingent on a combined loan-to-value no greater than 85% and verification of NAP coverage.

Ms. Noel moved to approve the committee recommendation, as presented; Mr. Olt seconded the motion.

VOTE: Motion Passed; Unanimous.

Large Animal Veterinary Loan Program (VET)

Ms. Besok referenced the above application requesting \$250,000 to purchase 21 acres with existing infrastructure for a vet practice in Boyle County. Central Kentucky AgCredit in Danville, KY is the participating lender. This application was referred to the Loan Review and Compliance Committee.

The Loan Review and Compliance Committee recommends approving contingent on a combined loan-to-value no greater than 85%.

Ms. Noel moved to approve the committee recommendation, as presented; Mr. Aldridge seconded the motion.

VOTE: Motion Passed; Unanimous.

Old Business:

Mr. Reed called on Ms. Smither to present the following modifications.

Modifications

AF23-0167 Garcia, Alfonso

Ms. Smither presented a memorandum (*on file*) regarding the above-mentioned loan. The KAFC Board approved Mr. Garcia's request for \$250,000 to refinance existing poultry barns and construct two Pilgrims egg barns at the November 17, 2023, meeting.

The loan officer indicates that there have been changes to the collateral. Currently, KAFC holds a 2nd on the real estate on a 15-year term. At the January 2026 meeting, a memo was presented that proposed KAFC hold a 2nd on equipment with the real estate as an abundance of caution. The board recommended pending this memo to allow the loan officer to propose a different collateral structure.

The loan officer now proposes that KAFC hold a 3rd position the real estate in addition to the 2nd on the equipment. The combine loan-to-value at the time of approval was 65%, and it will be 88%.

The loan is set to expire in February, so a three (3) month time extension is also needed. The new expiration date would be May 11, 2026. This application was referred to the Loan Review and Compliance Committee.

The Loan Review and Compliance Committee recommends approving contingent upon the approval and obligation of a 90% FSA guarantee on River Valley ACA and KAFC funds, with a combined loan-to-value no greater than 100%.

Ms. Noel moved to approve committee recommendation, as presented; Mr. Cochran seconded the motion.

VOTE: Motion Passed; Unanimous.

AF24-0131 Barton, Christopher

Ms. Smither presented a memorandum (*on file*) regarding the above-mentioned loan. The KAFC Board approved Mr. Bartons request for \$45,614 to construct a Tyson breeder barn at the July 2024 meeting. The loan was originally approved with a 90% FSA guarantee, but the loan officer has now indicated that it was no longer needed due to the borrower's financial position. The combined loan-to-value at the time of approval was 72%.

A four (4) month time extension is also needed to allow the loan officer to submit all final documentation for disbursement. The new expiration date would be May 11, 2026. This application was referred to the Loan Review and Compliance Committee.

The Loan Review and Compliance Committee recommends approving the request to waive the 90% FSA guarantee.

Ms. Noel moved to approve committee recommendation, as presented; Mr. Olt seconded the motion.

VOTE: Motion Passed; Unanimous.

Extensions

Mr. Reed presented the following the time extension requests.

AF23-0157 Smith, Gary

The memorandum (*on file*) regarding the above referenced loan. The loan officer indicated there have been delays in closing the loan due to the borrower finishing a solar portion of the total project. The new expiration date would be June 15, 2026.

AF24-0054 Wood, James

The memorandum (*on file*) regarding the above referenced loan. The loan officer indicated there have been changes in partnership. The new expiration date would be June 15, 2026.

AF24-0086 Litwiler, Arthur

The memorandum (*on file*) regarding the above referenced loan. The loan officer indicated that an extension is needed, but did not respond when staff asked for a reason why. The new expiration date would be June 15, 2026.

AF24-0139 Dyer, Michael

The memorandum (*on file*) regarding the above referenced loan. The loan officer indicated there have been delays in the completion of the purchase. The new expiration date would be June 8, 2026.

AF24-0129 Arnett, Ricky

The memorandum (*on file*) regarding the above referenced loan. The loan officer indicated there have been delays with construction. The new expiration date would be June 15, 2026.

AF24-0143 Smith, Damion

The memorandum (*on file*) regarding the above referenced loan. The loan officer indicated there have been construction delays, so they will need more time to close the loan. This project is 80-85% completed and the borrower has a bird date set in March. The new expiration date would be June 15, 2026.

AF24-0159 Bloomer, Megan

The memorandum (*on file*) regarding the above referenced loan. The loan officer indicated there have been delays with construction due to weather. The new expiration date would be September 14, 2026.

AF25-0051 Cung, Tin

The memorandum (*on file*) regarding the above referenced loan. The loan officer indicated there have been issues in closing the loan that they believe they can fix withing the next 30 days. The new expiration date would be June 15, 2026.

AF25-0133 Gillis, Randy

The memorandum (*on file*) regarding the above referenced loan. The loan officer indicated there have been delays due to the completion of the survey for the land being purchased. The new expiration date would be May 18, 2026.

AF25-0137 Tucker, Andy

The memorandum (*on file*) regarding the above referenced loan. The loan officer indicated there have been delays due to a request of a survey on behalf of FSA. The new expiration date would be May 18, 2026.

AF25-0146 Hobbs, David

The memorandum (*on file*) regarding the above referenced loan. The loan officer indicated that and extension is needed but did not respond to staff when we asked for a reason why. The new expiration date would be June 15, 2026.

AF25-0147 Ballew, Lee

The memorandum (*on file*) regarding the above referenced loan. The loan officer indicated that an extension is needed but did not respond when we asked for a reason why. The new expiration date would be June 15, 2026.

AF25-0149 Morgeson, Cameron

The memorandum (*on file*) regarding the above referenced loan. The loan officer indicated there have been delays due to FSA requesting an appraisals due to joint financing. The new expiration date would be June 16, 2026.

AF25-0165 Clark, Caton

The memorandum (*on file*) regarding the above referenced loan. The loan officer indicated that FSA is processing their joint financing and have ordered appraisals, but they will not meet the February 16th deadline. The new expiration date would be June 15, 2026.

AF25-0166 Clark, Colton

The memorandum (*on file*) regarding the above referenced loan. The loan officer indicated that FSA is processing their joint financing and have ordered appraisals, but they will not meet the February 16th deadline. The new expiration date would be June 15, 2026.

AF25-0167 Fisher, Alvin

The memorandum (*on file*) regarding the above referenced loan. The loan officer indicated that there has been a delay in closing. The new expiration date would be July 20, 2026.

AF25-0182 Fisher, Jacob

The memorandum (*on file*) regarding the above referenced loan. The loan officer indicated that there has been a delay in closing. The new expiration date would be July 20, 2026.

AF25-0184 Stoltzfus, Benjamin

The memorandum (*on file*) regarding the above referenced loan. The loan officer indicated that there has been a delay in closing. The new expiration date would be July 20, 2026.

Mr. Aldridge moved to approve all 18 of the staff recommendations, as presented; Ms. Noel seconded the motion.

VOTE: Motion Passed; Unanimous.

Closing Remarks

Mr. Reed informed the board the next KAFC meeting will be at Franklin County Extension Office on Friday, March 13, 2026, at 10:00 a.m. (EDT).

Adjournment

There being no further business, Mr. Reed entertained a motion to adjourn the meeting at 11:25 a.m. (EST).

Mr. Cochran moved to adjourn the February KAFC board meeting; Ms. Noel seconded the motion.

VOTE: Motion Passed; Unanimous.

APPROVED DATE: March 13, 2026

PRESIDING OFFICER: 
Kentucky Agricultural Finance Corporation, Chair

BOARDS COORDINATOR: 
Hannah Sharp-Johnson, Board Secretary

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- 1. A copy of the Loan and Compliance Review Committee meeting minutes is attached as Appendix A.

APPENDIX A:

Loan Review & Compliance

Committee Meeting Minutes



Meeting Date:	February 13, 2026
Meeting Location:	Franklin County Extension Office
Meeting Chair:	Lori Noel
Attendees:	<p>Committee Members: Lori Noel, Michael Cochran, Wayne Hunt, Billy Aldridge, Kenny Burdine, Wes King, Steven Olt, and Dan Flanagan.</p> <p>Staff: Bill McCloskey, Brian Murphy, Brandon Reed, Chelsea Smither, Alexis Scheidt, Becca Besok, Hannah Sharp-Johnson, Savanna Hill, Alandria Lee, Rachel Cowherd, and Landon Peach.</p>
Minutes Issued By:	Chelsea Smither, Loan Programs Manager
Meeting Call to Order:	9:08 AM EDT
Meeting Adjourned:	10:10 AM EDT

Agenda Items

New Business

1. Review of new loans:
 - a. AF25-0203 Sandra Ross: DEALP
 - i. The committee recommended pending the request to get updated financials that include personal numbers.
 - b. AF25-0204 Bradley Carter: DEALP
 - i. The committee recommended approving the request.
 - c. AF26-0002 Adam Barr: HILP
 - i. The committee recommended approving the request contingent on staff receiving verification of NAP coverage on 5 wholesale crops.
 - d. AF26-0007 Brent Cornett: HILP
 - i. The committee recommended approving the request contingent on staff receiving verification of their NAP coverage and that the Farmer's Alliance relationship has not changed with the borrower.
 - e. AF26-0008 Jacob Stoltzfus: Credit Score
 - i. The committee recommended approving the request.
 - f. AF26-0009 Amos King: Credit Score
 - i. The committee recommended pending the application.

APPENDIX A:

Loan Review & Compliance

Committee Meeting Minutes



- g. AF26-0013 Justin Murray: LAVLP
 - i. The committee recommended approving the request.
- h. AF26-0016 Alexander Landers: Financials
 - i. The committee recommended approving the request.
- i. AF26-0018 Everly Tapp Thomas: Eligibility & Cash Flow
 - i. The committee recommended pending the application.

Old News:

1. Guidelines – Horticulture Incentives Loan Program
 - a. The committee recommended making some additions and clarification edits to the guidelines which will be presented next month for approval.
2. Review of AF23-0167 Alfonso Garcia: Modification & Extension
 - a. The committee recommended approving the request.
3. Review of AF24-0131 Christopher Barton: Modification & Extension
 - a. The committee recommended approving the request.

Stressed Loans:

1. KAFC Staff provided an update on the following stressed loans:
 - a. AF15-0091 Joseph Mehr
 - b. AF19-0005 Austin Tabor
 - c. AF20-0037 Pennington Stave
 - d. AF20-0051 Jason Black
 - e. AF21-0084 Thaing San
 - f. AF21-0091 AW Farms
 - g. AF22-0055 Oxbow
 - h. AF22-0085 Holland
 - i. A2017-0106 Victory Foods
 - j. AF24-0029 Jonah Sisk

Adjournment:

1. Committee adjourned in acclamation.