



MEMORANDUM

Department of Natural Resources

STATE OF ALASKA
Support Services Division
Financial Services Section

DATE: August 12, 2011

TO: Board of Agriculture and Conservation PHONE: (907) 269-8681

FROM: Olga Lotosh, ARLF Accountant E-MAIL: olga.lotosh@alaska.gov

SUBJECT: ARLF Financial Statement Preparation and Year End Processes

Due to fiscal year end adjustments the June 30, 2011 financial statements will not be ready until late September or early October depending on closure of FY11 books. Once all FY11 information is available, the annual ARLF summary report for FY11 will be prepared and scheduled on an applicable Board agenda.

The state system allows prior fiscal year transactions to be posted during the months of July and August. Typically, the Department of Administration, Division of Finance (DOF) continues to process prior fiscal year transactions during September to finalize the accounts for the state's Comprehensive Annual Financial Report (CAFR).

Consequently, July and August financial statements are pending until finalizing June 2011 financial statements.

If the BAC has any other questions or concerns regarding the ARLF financial statements, please do not hesitate to contact our office.

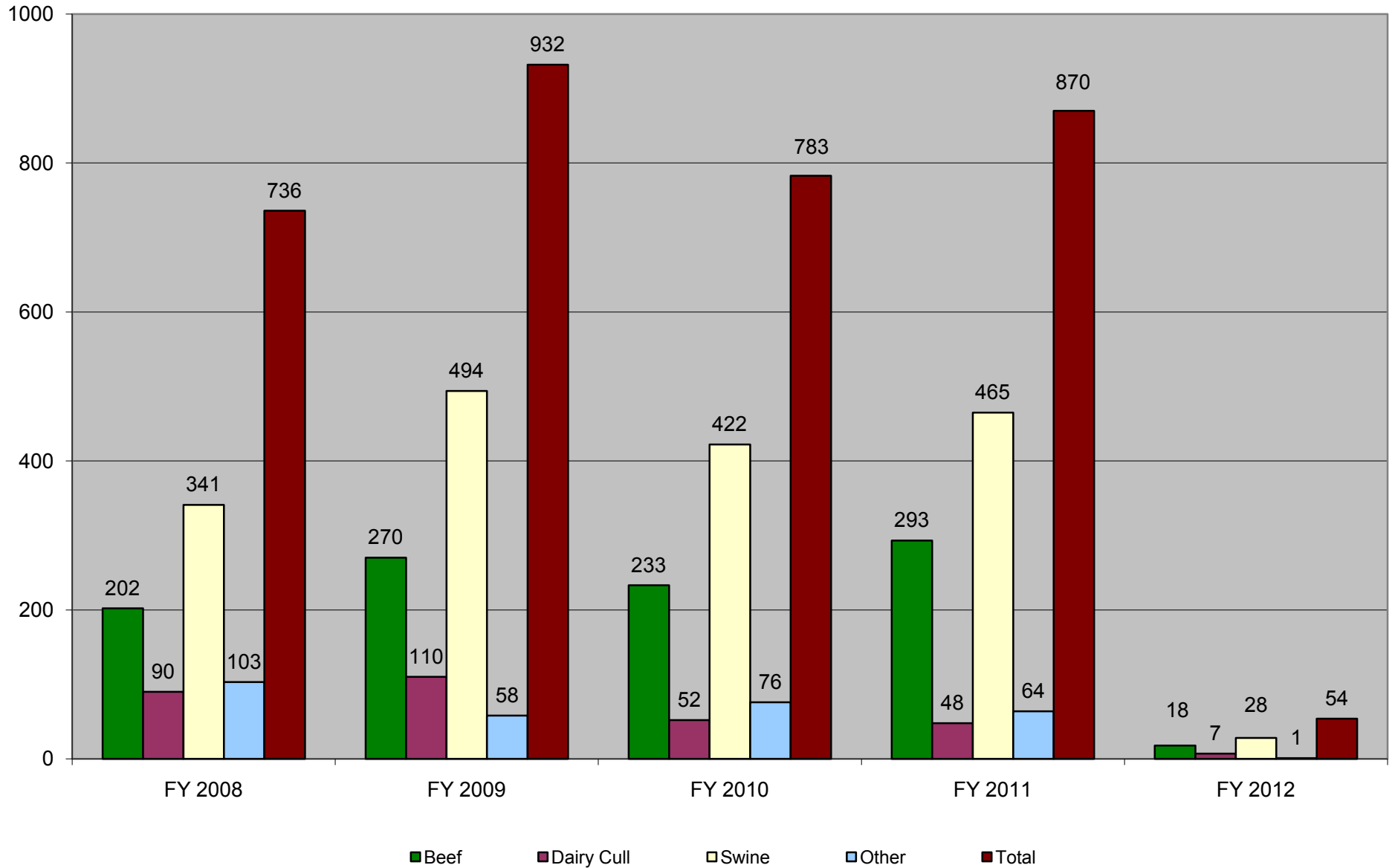
AGRICULTURAL REVOLVING LOAN FUND
Loan Activity Report / Undistributed Warrants
As of August 12, 2011 - FY 12

Borrower	LO	Loan #	Date Approved	Note Date	Amount Approved	Warrants		Available Balance	Amount Distributed to Borrower	Undistributed Warrants
						Issued	#			
Church of the Living Word, Inc.	1	F-5202	6/22/2011	7/1/2011	75,000.00	75,000.00	2	0.00	75,000.00	0.00
Wrigley Farms, LLC	1	P-1007	8/4/2011	8/15/2011	175,000.00	20,645.75	2	154,354.25	0.00	20,645.75
								0.00		0.00
								0.00		0.00
TOTALS					\$250,000.00	\$95,645.75	4	\$154,354.25	\$75,000.00	\$20,645.75

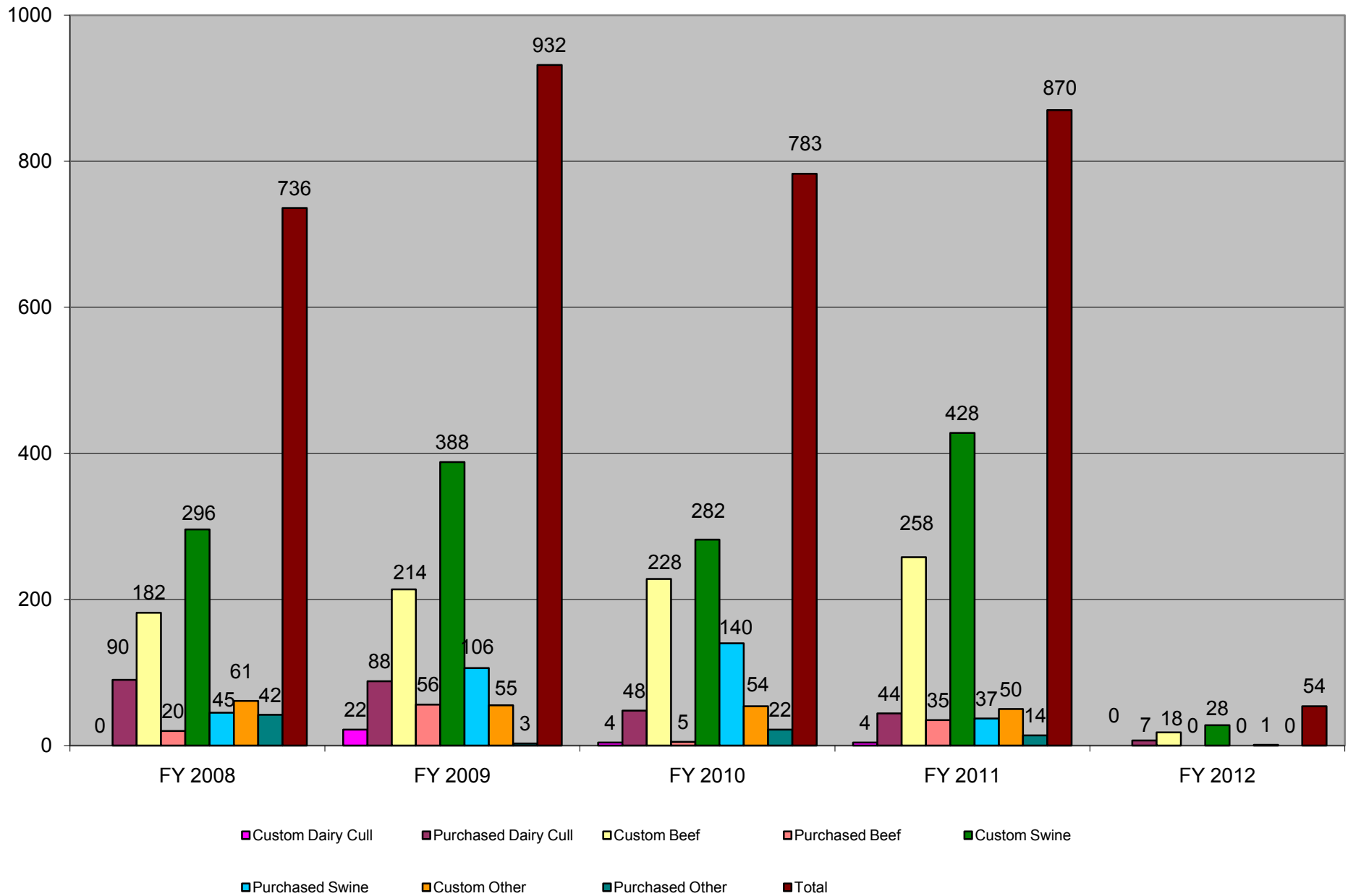
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						Issued	#			
Wrigley Farms, LLC	1	C-5259	7/8/2010	9/15/2010	200,000.00	200,000.00	5	0.00	200,000.00	0.00
Trowbridge	1	F-5197	7/8/2010	7/15/2010	165,000.00	165,000.00	4	0.00	165,000.00	0.00
Longbrake	1	F-5198	7/8/2010	7/15/2010	639,750.00	639,750.00	4	0.00	639,750.00	0.00
Longbrake	1	F-5199	7/8/2010	7/15/2010	125,000.00	125,000.00	2	0.00	125,000.00	0.00
Longbrake	1	C-5258	7/8/2010	7/15/2010	55,000.00	55,000.00	2	0.00	55,000.00	0.00
Hecker	1	F-5200	8/25/2010	9/1/2010	411,000.00	411,000.00	8	0.00	411,000.00	0.00
Hawks Farm & Garden Center, Inc	1	S-5452	2/22/2011	2/28/2011	70,000.00	25,277.50	2	0.00	25,277.50	0.00
Skidmore	1	F-5201	2/22/2011	3/1/2011	45,000.00	21,281.75	3	23,718.25	21,281.75	0.00
Skidmore	1	C-5260	2/22/2011	3/1/2011	12,000.00	12,000.00	1	0.00	12,000.00	0.00
Alaska Chip Co., LLC	1	S-5453	2/22/2011	3/15/2011	40,000.00	38,135.71	6	0.00	38,135.71	0.00
Gold Nugget Farms, Inc	1	S-5454	3/31/2011	4/1/2011	175,000.00	175,000.00	2	0.00	175,000.00	0.00
Butte Farms, Inc	1	S-5455	3/31/2011	4/1/2011	95,000.00	95,000.00	1	0.00	95,000.00	0.00
Wrigley Farms, LLC	1	S-5456	3/31/2011	5/1/2011	50,000.00	50,000.00	1	0.00	50,000.00	0.00
Wrigley Farms, LLC	1	C-5261	3/31/2011	5/1/2011	8,000.00	8,000.00	1	0.00	8,000.00	0.00
Williams	1	S-5457	5/5/2011	5/15/2011	70,000.00	70,000.00	2	0.00	70,000.00	0.00
Williams	1	C-5263	5/5/2011	5/15/2011	64,000.00	64,000.00	2	0.00	64,000.00	0.00
Church of the Living Word, Inc.	1	C-5262	5/5/2011	5/15/2011	76,000.00	76,000.00	1	0.00	76,000.00	0.00
Brost	1	S-5459	5/5/2011	6/1/2011	105,000.00	70,250.00	2	34,750.00	70,250.00	0.00
Byers	1	S-5458	5/5/2011	6/1/2011	55,000.00	46,631.48	2	8,368.52	46,631.48	0.00
								0.00		0.00
								0.00		0.00
	19			TOTALS	\$2,460,750.00	\$2,347,326.44	51	\$66,836.77	\$2,347,326.44	\$0.00

MMM&S Slaughter Statistics by Fiscal Year and Type As of July 31, 2011 - FY12



MMM&S Custom and Purchased Statistics by Fiscal Year As of July 31, 2011 - FY12



AGRICULTURAL REVOLVING LOAN FUND
Real and Personal Property Inventory
31-Jul-11

Former Borrower/ Prospective New Owner	LO	Location	Acres	Date Placed in Service	Fair Market Value at Repossession				Accum Dep. 6/30/2011	Liabilities		Lease Information				Fair Market Value					
					Land	Buildings	Mach / Equip	Total Value		Amt 6/30/11	Owed To	Amount	Lessee	Lease #	Exp Date	Inspect Date	Remarks	YR	Method	Land	Improve- ments
Repossessed Inventory (account # 10626)																					
UNENCUMBERED ASSETS																					
Thompson, Kenai Spur Hwy	3	Kenai	7	6/3/89	29,000.00			29,000.00							Jul-10	ARLF Sale OTC #11-01	11	Sale price	\$14,000	NONE	\$14,000
Total Repossessed Inventory					<u>29,000.00</u>			<u>29,000.00</u>											<u>14,000</u>		<u>14,000</u>
Repossessed Property (Account # 10860 and Accum Depr # 10862)																					
UNENCUMBERED ASSETS																					
Feed Mill, Tract A-1 (10860)	3	Palmer	3	4/1/84	129,120.00	14,040.00	14,400.00	157,560.00							Dec-10	ARLF OTC #09-01	09	Min Bid	\$975,000		\$975,000
ASSETS with ASSOCIATED PERMITS																					
Mt. McKinley Meat	3	Palmer	4	12/1/86	42,000.00	595,592.00	5,363.00	642,955.00	463,027.00						Dec-10	No planned disposal	05	Appr		1,200,000	1,200,000
LONG TERM LEASES																					
Alaska Farm Coop	3	Delta	20	9/3/93	94,080.00			94,080.00			0.50 /Yr	AK Farm C	LSE-021	6/30/18	Apr-09	FS; Hanson Rd/98% ownrs	05	Est	\$30,000	\$777,680	\$807,680
Alaska Farm Coop	3	Delta	1	9/3/93	74,480.00			74,480.00			0.50 /Yr	AK Farm C	LSE-022	6/30/18	Apr-09	FS; Delta/98% ownrshp	05	Est	40,000	36,000	76,000
Mertz Dairy, (Knopp)	1	Delta	102	7/24/91	15,150.00	304,850.00		320,000.00	243,414.00		1,400.00 /Mo	Knopp	40005	6/1/11	Oct-09		09	Est	110,000	310,000	420,000
Sub-total Long Term Leases					\$183,710.00	\$304,850.00	\$0.00	\$488,560.00	\$243,414.00	\$0.00									\$180,000	\$1,123,680	\$1,303,680
LAND OWNED BY OTHER STATE AGENCIES - REVENUE RIGHTS ONLY																					
Umnak Slaughter Fac	1	Umnak Is	6,598	1/1/07		10,000.00		10,000.00	6,485.00		3,926.00 /Yr	BPR & ANN	20043	12/31/31	Jul-99	Land owned by DOT, Bldg owned by ARLF	05	Est		50,000.00	50,000.00
Total - Repossessed Property					354,830.00	924,482.00	19,763.00	1,299,075.00	712,927.00	rounded									1,155,000	2,373,680	3,528,680
GRAND TOTAL					<u>\$383,830.00</u>	<u>\$924,482.00</u>	<u>\$19,763.00</u>	<u>\$1,328,075.00</u>	<u>\$712,927.00</u>										\$1,169,000	\$2,373,680	\$3,542,680

LEGEND	AMTA: Agriculture Marketing Transaction Act
FCP: Farm Conservation Plan	FS: Fee Simple
CRP: Conservation Recovery Program	RFP: Request for Proposal

Subsidiary Ledger
ARLF - Machinery, Equipment, and Building Inventory
July 31, 2011

ASSETS with ASSOCIATED PERMITS, AGREEMENTS OR LEASES 10860

Item	LO	Qty	Former Owner	Date Acquired by ARLF	Date Placed in Service	Booked FMV on Date Acquired		Accum Depr 6/30/2011	Location	Remarks
						Each	Total			
Equipment, misc	3		Feed Mill, Tract A-1	01-Apr-84	01-Apr-84	14,400.00	14,400.00			
Subtotal Mach & Equip							14,400.00			
Building	3	1	Feed Mill, Tract A-1	01-Apr-84	01-Apr-84	14,040.00	14,040.00			
Subtotal Building							14,040.00			
Total Feed Mill, Tract A-1							28,440.00			

Mertz Dairy										
Milk tank, 1000	1	1	Mertz	01-Nov-92		1,000.00	1,000.00			
Subtotal Mach & Equip							1,000.00			
Building	1	1	Mertz	24-Jul-91	24-Jul-91	304,850.00	304,850.00	243,414.00		
Subtotal Building							304,850.00	243,414.00		
Total Mertz Dairy							305,850.00	243,414.00		

Mt McKinley Meats										
Compressor	3	1	Mt. McKinley Meats	19-Aug-97	01-Oct-97	5,363.00	5,363.00	5,363.00		
Subtotal Mach & Equip							5,363.00	5,363.00		
Building	3	1	Mt. McKinley Meats	01-Dec-86	01-Dec-86	326,600.00	326,600.00	314,222.00		
Boiler upgrade	3	1	Mt. McKinley Meats	01-May-97	01-Oct-97	15,000.00	15,000.00	8,400.00		
Boiler upgrade	3	1	Mt. McKinley Meats	25-Aug-97	01-Oct-97	41,236.40	41,236.40	23,092.37		
Boiler upgrade	3	1	Mt. McKinley Meats	01-Nov-97	01-Feb-98	48,931.70	48,931.70	27,401.80		
Boiler upgrade	3	1	Mt. McKinley Meats	01-Feb-98	01-Feb-98	8,849.90	8,849.90	4,955.99		
Boiler upgrade	3	1	Mt. McKinley Meats	30-Jun-03	30-Jun-03	4,974.00	4,974.00	1,591.88		
Roof	3	1	Mt. McKinley Meats	30-Sep-98	01-Oct-98	150,000.00	150,000.00	78,000.00		
Subtotal Building							595,592.00	457,664.04		
Total Mt. McKinley Meats							600,955.00	463,027.04		

Umnak Slaughter Facility										
Building	1	1	Umnak Slghtr Fac.	01-Mar-95	01-Mar-95	10,000.00	10,000.00	6,485.00		
Subtotal Building							10,000.00	6,485.00		
Total Umnak Slaughter Facility							10,000.00	6,485.00		

Total Accumulated Depreciation

rounded to

712,927