



MEMORANDUM

Department of Natural Resources

STATE OF ALASKA
Support Services Division
Financial Services Section

DATE: August 13, 2010

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, 2010 financial statements will not be ready until late September or early October depending on closure of FY10 books. Once all FY10 information is available, the annual ARLF summary report for FY10 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 2010 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 13, 2010 - FY 11

Borrower	LO	Loan #	Date Approved	Note Date	Amount Approved	Warrants		Available Balance	Amount Distributed to Borrower	Undistributed Warrants
						Issued	#			
Wrigley Farms, LLC	1	C-	7/8/2010		200,000.00	0.00	0	0.00	0.00	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	0.00	0	125,000.00	0.00	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
								0.00		0.00
								0.00		0.00
TOTALS					\$1,184,750.00	\$859,750.00	10	\$125,000.00	\$859,750.00	\$0.00

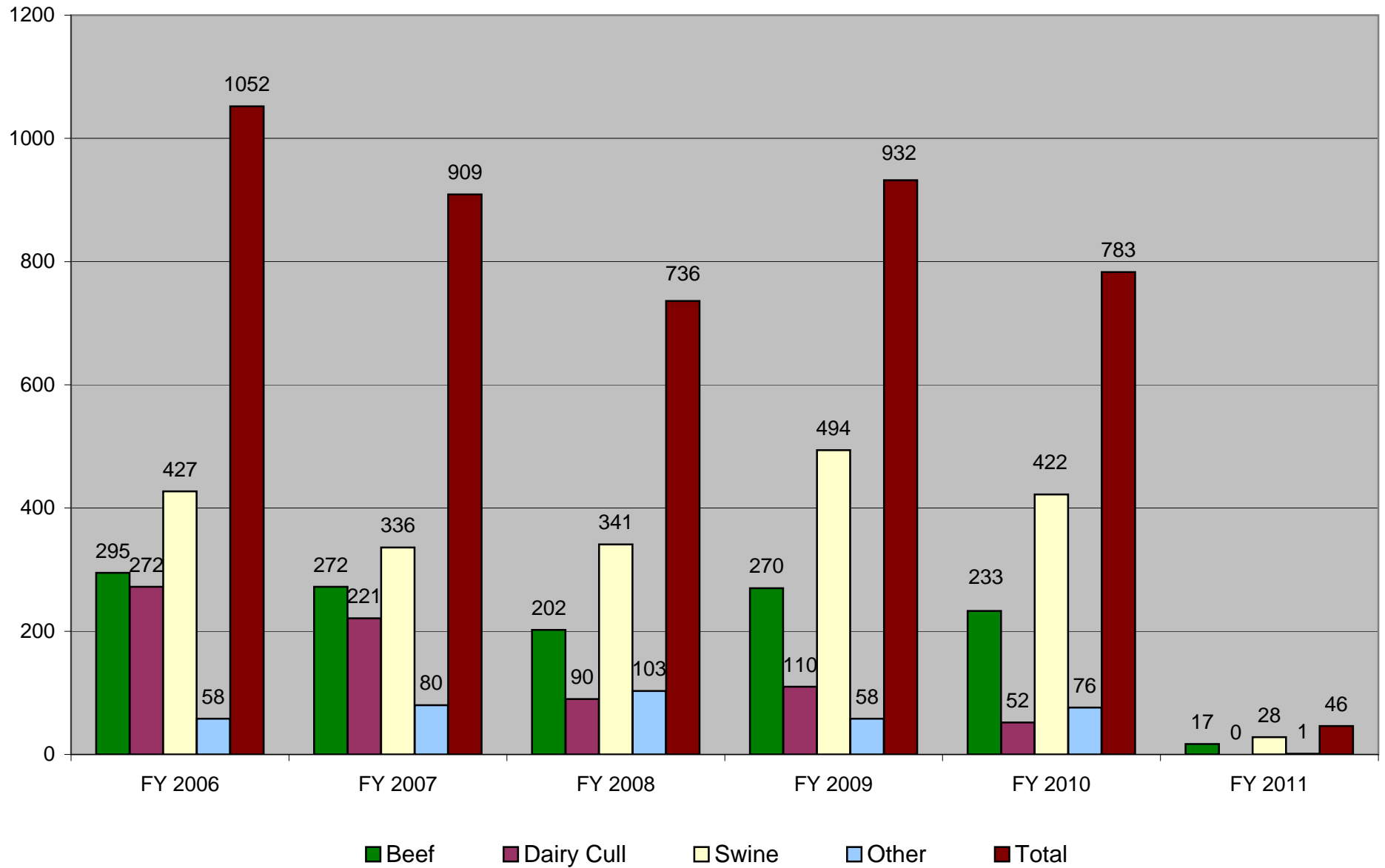
AGRICULTURAL REVOLVING LOAN FUND
Loan Activity Report / Undistributed Warrants
As of August 13, 2010 - FY 10

Borrower	LO	Loan #	Date Approved	Note Date	Amount Approved	Warrants		Available Balance	Amount Distributed to Borrower	Undistributed Warrants
						Issued	#			
Brost	1	F-5180	7/9/2009	7/15/2009	530,000.00	462,922.08	2	0.00	462,922.08	0.00
Hoover	1	F-5182	7/9/2009	7/15/2009	319,000.00	319,000.00	3	0.00	319,000.00	0.00
Debenham	1	F-5181	7/9/2009	7/15/2009	630,000.00	630,000.00	3	0.00	630,000.00	0.00
Miller	3	S-5442	7/9/2009	7/15/2009	60,000.00	60,000.00	3	0.00	60,000.00	0.00
Miller	3	C-5254	7/9/2009	7/15/2009	75,000.00	75,000.00	3	0.00	75,000.00	0.00
Dubois	1	S-5441	7/9/2009		8,000.00			0.00		0.00
Amberg	1	F-5183	8/6/2009	8/15/2009	130,000.00	130,000.00	3	0.00	130,000.00	0.00
Amberg	1	C-5255	8/6/2009	8/15/2009	40,000.00	40,000.00	1	0.00	40,000.00	0.00
East	1	F-5184	8/6/2009	8/15/2009	135,000.00	135,000.00	13	0.00	135,000.00	0.00
Carlson	1	F-5185	10/15/2009	11/1/2009	300,000.00	300,000.00	6	0.00	300,000.00	0.00
P&M Garden Services	1	F-5186	10/15/2009	11/20/2009	400,000.00	400,000.00	2	0.00	400,000.00	0.00
Sutton	1	F-5187	11/12/2009	11/30/2009	105,000.00	105,000.00	4	0.00	105,000.00	0.00
Simineo	1	F-5188	1/21/2010	2/1/2010	235,000.00	235,000.00	3	0.00	235,000.00	0.00
Roushar	1	F-5189	1/21/2010	2/1/2010	56,000.00	56,000.00	1	0.00	56,000.00	0.00
Agricultural Investors	1	F-5190	1/21/2010	2/15/2010	186,500.00	186,500.00	22	0.00	186,500.00	0.00
Miller	3	C-5257	1/21/2010	3/24/2010	150,000.00	150,000.00	5	0.00	150,000.00	0.00
Hoover	1	C-5256	3/4/2010	3/15/2010	55,650.00	25,198.80	7	30,451.20	25,198.80	0.00
Hawks	1	S-5443	3/4/2010	3/15/2010	50,000.00	27,230.00	3	0.00	27,230.00	0.00
Warbelow-Tack	1	F-5191	3/4/2010	3/15/2010	113,000.00	113,000.00	4	0.00	113,000.00	0.00
The Plant Kingdom	1	F-5192	3/4/2010	3/15/2010	125,000.00	30,657.00	2	94,343.00	30,657.00	0.00
East	1	F-5193	3/4/2010	3/15/2010	180,000.00	177,885.27	11	2,114.73	175,905.27	1,980.00
East	1	P-1006	3/4/2010	3/15/2010	27,500.00	27,500.00	1	0.00	27,500.00	0.00
Byers	3	S-5445	3/4/2010	3/4/2010	25,000.00	25,000.00	2	0.00	25,000.00	0.00
Valley Dairy	3	S-5444	3/4/2010	3/15/2010	200,000.00	200,000.00	6	0.00	200,000.00	0.00
Agricultural Investors	3	S-5446	3/4/2010	3/10/2010	50,000.00	50,000.00	1	0.00	50,000.00	0.00
Miller	3	F-5194	4/5/2010	4/20/2010	240,000.00	232,123.63	11	7,876.37	232,123.63	0.00
Wrigley Farms	1	S-5447	4/5/2010	5/1/2010	40,000.00	40,000.00	1	0.00	40,000.00	0.00
Van Wyhes	1	F-5196	4/5/2010	4/15/2010	350,000.00	350,000.00	3	0.00	350,000.00	0.00
Wrigley Farms	1	F-5195	4/5/2010	4/15/2010	460,000.00	460,000.00	4	0.00	460,000.00	0.00
Alaska Chip	1	S-5448	4/5/2010	4/15/2010	60,000.00	42,764.06	6	17,235.94	42,764.06	0.00
Brost	1	S-5451	5/15/2010	5/3/2010	105,000.00	70,219.98	3	0.00	70,219.98	0.00
Gold Nugget Farms	1	S-5449	5/10/2010	5/3/2010	175,000.00	175,000.00	2	0.00	175,000.00	0.00
Butte Farms	1	S-5450	5/1/2010	5/3/2010	95,000.00	95,000.00	1	0.00	95,000.00	0.00
								0.00		0.00
								0.00		0.00
TOTALS					\$5,710,650.00	\$5,426,000.82	142	\$152,021.24	\$5,424,020.82	\$1,980.00

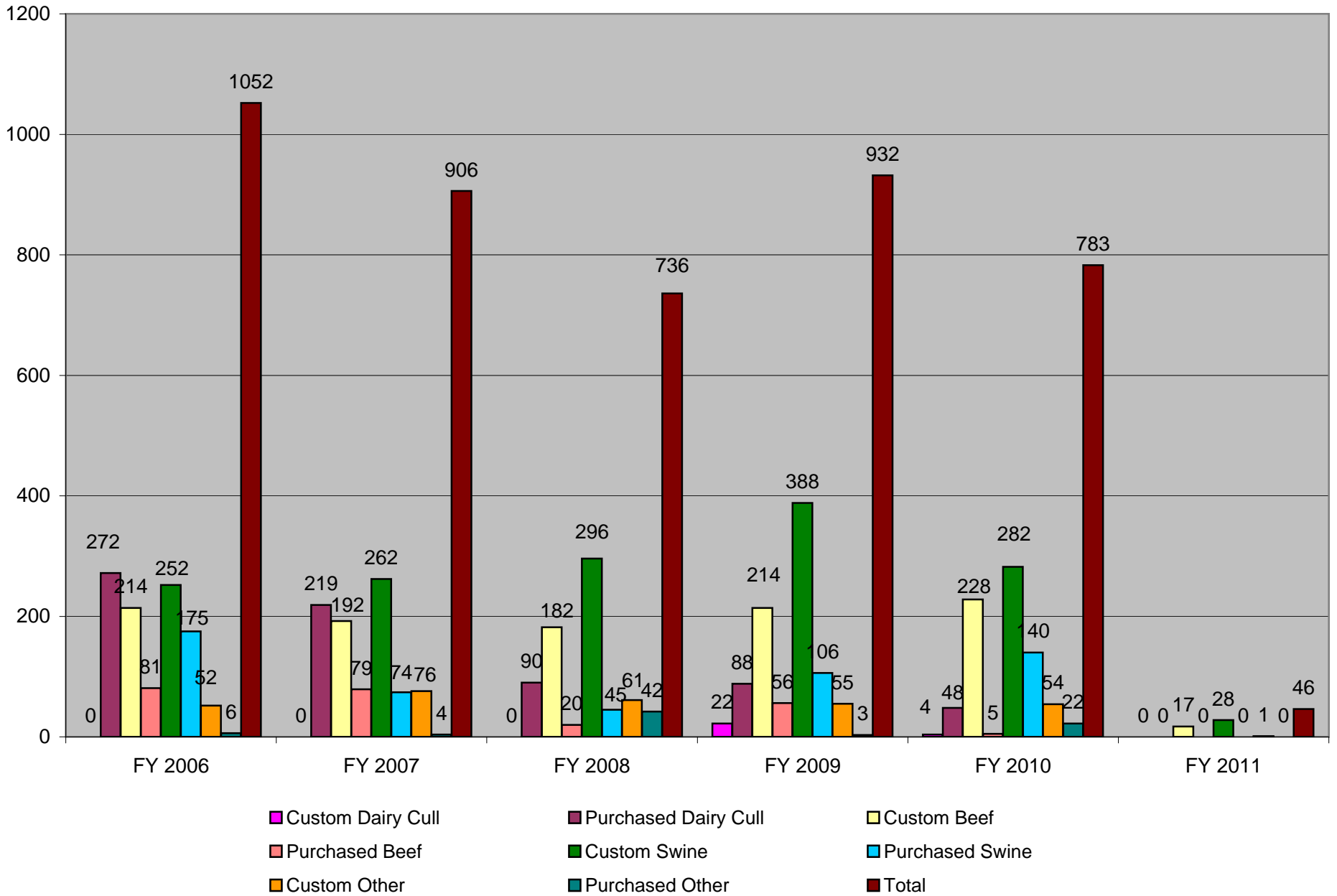
AGRICULTURAL REVOLVING LOAN FUND
Loan Activity Report / Undistributed Warrants
As of August 13, 2010 - FY 09

Borrower	LO	Loan #	Date Approved	Note Date	Amount Approved	Warrants		Available Balance	Amount Distributed to Borrower	Undistributed Warrants
						Issued	#			
Looney	1	C-5246	10/9/2008	10/15/2008	16,800.00	16,800.00	1	0.00	16,800.00	0.00
Debenham & Rita, LLC.	1	F-5171	11/13/2008	12/1/2008	625,000.00	625,000.00	3	0.00	625,000.00	0.00
Scott	1	C-5248	11/13/2008	4/15/2009	36,000.00	36,000.00	4	0.00	36,000.00	0.00
Valley Dairy, Inc.	3	S-5432	11/13/2008	12/10/2008	200,000.00	200,000.00	12	0.00	200,000.00	0.00
Valley Dairy, Inc.	3	F-5172	11/13/2008	12/10/2008	430,000.00	430,000.00	19	0.00	430,000.00	0.00
AK Chip Co, LLC.	1	S- 5434	1/22/2009	3/1/2009	50,000.00	50,000.00	9	0.00	50,000.00	0.00
AK Chip Co, LLC.	1	P- 1004	1/22/2009	3/1/2009	250,000.00	250,000.00	7	0.00	250,000.00	0.00
Hawks Farm Garden, Inc	1	S-5433	2/26/2009	3/1/2009	50,000.00	25,230.00	2	0.00	25,230.00	0.00
Church Living Word, Inc.	1	C-5247	2/26/2009	3/1/2009	25,000.00	25,000.00	1	0.00	25,000.00	0.00
Byers	1	S-5435	2/26/2009	4/15/2009	50,000.00	43,191.95	3	0.00	43,191.95	0.00
Butte Farms, Inc.	1	C-5251	4/9/2009	4/15/2009	11,000.00	11,000.00	2	0.00	11,000.00	0.00
Butte Farms, Inc.	1	S-5437	4/9/2009	4/15/2009	95,000.00	95,000.00	1	0.00	95,000.00	0.00
Butte Farms, Inc.	1	P-1005	4/9/2009		150,000.00					0.00
Gattis	1	C-5252	4/9/2009	4/20/2009	90,000.00	90,000.00	2	0.00	90,000.00	0.00
Gattis	1	F-5174	4/9/2009	4/20/2009	167,000.00	167,000.00	2	0.00	167,000.00	0.00
Gattis	1	F-5175	4/9/2009	4/20/2009	463,000.00	463,000.00	3	0.00	463,000.00	0.00
Gattis	1	S-5438	4/9/2009	4/20/2009	50,000.00	50,000.00	1	0.00	50,000.00	0.00
Gold Nugget Farms, Inc.	1	C-5249	4/9/2009	4/15/2009	30,000.00	30,000.00	1	0.00	30,000.00	0.00
Gold Nugget Farms, Inc.	1	S-5436	4/9/2009	4/15/2009	175,000.00	175,000.00	2	0.00	175,000.00	0.00
Gold Nugget Farms, Inc.	1	C-5250	4/9/2009	4/15/2009	16,000.00	16,000.00	1	0.00	16,000.00	0.00
Hawks Farm Garden, Inc	1	F-5173	4/9/2009	5/1/2009	155,000.00	155,000.00	3	0.00	155,000.00	0.00
Williams	1	F-5176	5/28/2009	6/15/2009	205,000.00	205,000.00	2	0.00	205,000.00	0.00
R&B Wrigley Partners	1	S-5439	5/28/2009	6/1/2009	40,000.00	40,000.00	1	0.00	40,000.00	0.00
Skidmore	1	F-5177	5/28/2009	6/15/2009	118,000.00	118,000.00	3	0.00	118,000.00	0.00
Skidmore	1	C-5253	5/28/2009	6/15/2009	9,000.00	9,000.00	2	0.00	9,000.00	0.00
Holland	1	F-5178	5/28/2009	6/15/2009	347,000.00	347,000.00	3	0.00	347,000.00	0.00
Hobbs	1	F-5179	5/28/2009	6/15/2009	510,000.00	510,000.00	5	0.00	510,000.00	0.00
Elsberry	3	S-5440	6/16/2009	6/25/2009	30,000.00	30,000.00	3	0.00	30,000.00	0.00
TOTALS					\$4,393,800.00	\$4,212,221.95	98	\$0.00	\$4,212,221.95	\$0.00

MMM&S Slaughter Statistics by Fiscal Year and Type As of July 31, 2010 - FY11



**MMM&S Custom and Purchased Statistics by Fiscal Year
As of July 31, 2010 - FY11**



**AGRICULTURAL REVOLVING LOAN FUND
Real and Personal Property Inventory
31-Jul-10**

Former Borrower/ Prospective New Owner	LO	Location	Acres	Date Placed in Service	Fair Market Value at Repossession				Accum Dep. 6/30/2010	Liabilities		Lease Information					Fair Market Value							
					Land	Buildings	Mach / Equip	Total Value		Amt	Owed To	Amount	Lessee	Lease #	Exp Date	Inspect Date	Remarks	YR	Method	Land	Improve- ments	Total Value		
Repossessed Inventory (account # 10626)																								
UNENCUMBERED ASSETS																								
Thompson, Kenai Spur Hwy	3	Kenai	7	6/3/89	29,000.00			29,000.00								Jul-10	Rec. ARLF OTC #10-01	10	Est	\$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								Jul-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	439,203.00							Jul-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 Coop	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 Coop	LSE-022	6/30/18	Apr-09	FS: Delta/98% ownrshp	05	Est	40,000	36,000	76,000			
Mertz Dairy, (Knopp)	3	Delta	102	7/24/91	15,150.00	304,850.00		320,000.00	231,220.00		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	\$231,220.00	\$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	6,085.00		3,926.00 /Yr	BPR & ANM	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	676,509.00													1,155,000	2,373,680	3,528,680
GRAND TOTAL					\$383,830.00	\$924,482.00	\$19,763.00	\$1,328,075.00	\$676,509.00													\$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, 2010

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 6/30/2010	Location	Remarks
						Each	Total			
Equipment, misc	3		Feed Mill, Tract A-1	01-Apr-84	01-Apr-84	14,400.00	14,400.00			Sale #09-01 OTC
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			Sale #09-01 OTC
Subtotal Building							14,040.00			
Total Feed Mill, Tract A-1							28,440.00			

Mertz Dairy										
Subtotal Mach & Equip							0.00			
Building	3	1	Mertz	24-Jul-91	24-Jul-91	304,850.00	304,850.00	231,220.00		
Subtotal Building							304,850.00	231,220.00		
Total Mertz Dairy							304,850.00	231,220.00		

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	301,158.00		
Boiler upgrade	3	1	Mt. McKinley Meats	01-May-97	01-Oct-97	15,000.00	15,000.00	7,800.00		
Boiler upgrade	3	1	Mt. McKinley Meats	25-Aug-97	01-Oct-97	41,236.40	41,236.40	21,442.91		
Boiler upgrade	3	1	Mt. McKinley Meats	01-Nov-97	01-Feb-98	48,931.70	48,931.70	25,444.54		
Boiler upgrade	3	1	Mt. McKinley Meats	01-Feb-98	01-Feb-98	8,849.90	8,849.90	4,601.99		
Boiler upgrade	3	1	Mt. McKinley Meats	30-Jun-03	30-Jun-03	4,974.00	4,974.00	1,392.92		
Roof	3	1	Mt. McKinley Meats	30-Sep-98	01-Oct-98	150,000.00	150,000.00	72,000.00		
Subtotal Building							595,592.00	433,840.00		
Total Mt. McKinley Meats							600,955.00	439,203.00		

Umnak Slaughter Facility										
Building	1	1	Umnak Slaughter Fac.	01-Mar-95	01-Mar-95	10,000.00	10,000.00	6,085.00		
Subtotal Building							10,000.00	6,085.00		
Total Umnak Slaughter Facility							10,000.00	6,085.00		

Total Accumulated Depreciation

676,509 rounded