

**RURAL FINANCE AUTHORITY UPDATE  
OCTOBER 2017**

**Net Worth Adjustment**

Effective August 1, 2017, the Rural Finance Authority (RFA) increased the net worth eligibility levels for some of its programs. The net worth levels were approved by the Legislature earlier this year. Interest rates will remain the same.

<b>Loan Program</b>	<b>Max Net Worth</b>	<b>Interest Rate</b>
Beginning Farmer & Seller Assisted	\$800,000	3.00%
Agricultural Improvement	\$800,000	3.25%
Livestock Expansion	\$1,700,000	3.50%
Restructure II	\$1,700,000	3.50%
Value Added Stock	\$455,000	2.00%
Livestock Equipment	\$455,000	2.00%
Farm Opportunity	N/A	2.00%
Disaster Recovery	N/A	0.00%
Aggie Bond	\$800,000	N/A

**Annual Report for Fiscal Year 2017**

The RFA had participation loan volume of just over \$9.9 million in Fiscal Year 2017. We continue to see strong loan volume as we go into 2017. We thank our lenders for their partnership in helping Minnesota farmers with their financing.

**RFA Welcomes New Board Member**

On June 14, 2017, Governor Mark Dayton appointed Eric Sannerud, a hops farmer from the Foley area, to the RFA Board. Welcome, Eric! Governor Dayton also reappointed Carol Anderson, Executive Director of Community Development for Morrison County. She and her husband also operate a dairy farm in Morrison County. The RFA would also like to acknowledge outgoing board member Sander Ludeman of Tracy for his service the past eight years.

**State of Minnesota Vendor Sign-up**

The RFA is requesting that all of our participating lenders sign up with SWIFT Vendor Resources for EFT if your institution is not already signed up. By signing up with SWIFT, you will receive funding from the RFA electronically rather than by check. Our goal is to cut down on transaction time in order to better serve our participating lenders. Here is a link to sign up to be a vendor:  
<https://mn.gov/mmb/accounting/swift/vendor-resources/>.

If you have questions on signing up as a vendor, please call MN Management and Budget at (651) 201-8106 or email [efthelpline.mmb@state.mn.us](mailto:efthelpline.mmb@state.mn.us).

### **Program Spotlight: Beginning Farmer Tax Credit**

The Beginning Farmer Tax Credit (BFTC) was passed as part of the large tax bill and will be administered by the RFA. We are in the process of creating the BFTC application for this credit. For more information on the BFTC, please see the attached Beginning Farmer Tax Credit Fact Sheet. The RFA will begin accepting applications after January 1, 2018 so keep checking the MDA website for more details as we get closer to that date. <http://www.mda.state.mn.us/grants/bftc.aspx>

### **Livestock Investment Grant**

\$2 million in grant funding has been made available to Minnesota livestock producers for on-farm improvements. Qualifying producers would be reimbursed ten percent of the first \$500,000 of investment, with a minimum investment of \$4,000. The maximum available per year is \$25,000. Qualifying expenditures include the purchase, construction, or improvement of buildings or facilities for the production of livestock, and the purchase of fencing as well as feeding and waste management equipment.

The application for the grant program is open through **December 15, 2017**. More information on the Minnesota Livestock Investment Grant Program can be found on the MDA website at [www.mda.state.mn.us/livestockinvestmentgrant](http://www.mda.state.mn.us/livestockinvestmentgrant)

### **Update Your Bank Information**

Please help us keep your bank's information up to date. If you have recently had a bank name change, bank merger, address change, or new lenders in your office, send an email to [ryan.roles@state.mn.us](mailto:ryan.roles@state.mn.us) and we will get it updated.

Application forms, loan agreement and note, general program information, program rules, and interest rates are available on our web site:

[WWW.MDA.STATE.MN.US/AGFINANCE](http://WWW.MDA.STATE.MN.US/AGFINANCE)

For additional information, please call:

Matt McDevitt, Loan Supervisor, 651-201-6311

Ryan Roles, Senior Loan Officer, 651-201-6666

Lori Schmidt, Officer Manager, 651-201-6556

In accordance with the Americans with Disabilities Act, this information is available in alternative forms of communication upon request by calling 651-201-6000. TTY users can call the Minnesota Relay Service at 711.

The MDA is an equal opportunity employer and provider.