

NC-1177 Agricultural and Rural Finance Markets in Transition 2010 Business Meeting Minutes

Federal Reserve Bank of Kansas City, Kansas City, MO

September 30th and October 1st, 2010

Executive Committee: Brian Briggeman, Brent Gloy, Nick Paulson

The 2010 NC-1177 meetings were held September 30th and October 1st at the Federal Reserve Bank of Kansas City. A part of the meeting was held jointly with the National Ag Credit Committee. During the meeting, members presented completed and ongoing research. Presentations were organized in four sessions aligned with the following objectives:

- 1) Examine the impact of recent fluctuations in capital and commodity markets on the performance, management, and regulation of agricultural financial institutions.
- 2) Evaluate the management strategies, capital needs, and policy impacting the financial performance and long-term sustainability of firms in the food and agribusiness sector.
- 3) Identify financial institutions and services that benefit agricultural producers and rural communities and expand agricultural markets, especially those producers that are beginning, young, from socially disadvantaged groups, and/or involved in producing specialty crops.
- 4) Investigate capital structure, financial performance, and investment strategies of firms producing renewable energy in context of long term climate change. Implications of these findings for agriculture and rural communities will be delineated.

On October 1st, following the research sessions and joint meetings with NACC, the NC-1177 annual business meeting was held. The following summarizes issues which were discussed among the members:

1. Establishing an AAEA Section

Brent Gloy suggested the group consider establishing an AAEA finance section to become more visible and to ensure that sessions at future AAEA meetings will be allocated to topics related to agricultural finance. Partnering with other fields was suggested as an option which would result in a section with more members and a larger presence. The executive committee agreed to initiate the process of section creation.

2. Election of a new Secretary

Ryan Larsen (North Dakota State University) was nominated and unanimously elected as the new Secretary of the Executive Committee for 2011. Brent Gloy and Nick Paulson will serve as President and Vice-President, respectively.

3. NC-1177 Midterm review

Steve Hanson (Michigan State University) addressed the members concerning the group's midterm review, which is due on December 15, 2011. The review will need to include annual reports, evidence of external funding awarded to members, research outcomes, and a 2-page impact statement. The impact statement is particularly important and needs to include an assessment of the impact of the group's research on the financial health of agriculture, and any changes in behavior that the work of the group has fostered. Ideally, the impact statement would include quantitative measures. The midterm review package should be drafted for review at the 2011 meeting, with the final version submitted to Steve for review early in November.

Steve also encouraged the group to consider formation of an AAEA section.

4. ARMS Panel Review

Allen Featherstone addressed the group regarding the upcoming panel review of the ARMS. Members who are interesting volunteering to serve on the review panel, which will consist of 6 academic and 12 total members, should contact Allen. Any input regarding questions or additional information that members would like to see on future versions of the survey can also be directed to Allen.

5. Scholarship applications for ARMS data enclave

Todd Kuethe (ERS) informed the group of the upcoming November deadline for scholarships for the ARMS data enclave. Applications and additional information are available online at the USDA website, or by contacting Mitch Morehart or Bob Dubman at ERS.

6. Agricultural Finance Review

Cal Turvey updated the group on the AFR and some statistics about submission and acceptance rates. Cal encouraged members to submit to the journal, and discussed a special issue for 2011 that will include papers from the International Farm Managers conference which will be held in New Zealand in March.

7. 2011 Meeting Location

The group agreed to hold the 2011 NC-1177 meeting in conjunction with the 2011 National Ag Credit Committee (NACC) meetings, which will be held in Denver, CO. Meeting dates have not yet been confirmed, but will be in either mid-September, or early October.