Jeffery S. Hall, Chairman and Chief Executive Officer (CEO)
Glen R. Smith, Board Member

MINUTES OF THE REGULAR MEETING OF THE FARM CREDIT ADMINISTRATION BOARD
June 11, 2026

These minutes reflect the business transacted at the June 11, 2026, regular meeting of the Farm Credit Administration (FCA) Board pursuant to the Government in the Sunshine Act, 5 U.S.C. § 552b, and the regulations of the FCA adopted thereunder.

The meeting was held at the FCA office in McLean, Virginia. The meeting began at 10:00 a.m. and concluded at 10:55 a.m. The meeting was a hybrid physical/virtual meeting.

Members of the Board present were:

Jeffery S. Hall, Chairman and CEO
Glen R. Smith, Board Member

The above named constitute the full Board.

Others present included **Ashley Waldron**, Secretary to the Board; **Seema Mahini**, General Counsel; and staff of the FCA and Farm Credit System Insurance Corporation (FCSIC). There were four members of the general public in attendance. (A list of Board and staff attendees is attached as Exhibit A.)

Chairman Hall called the meeting to order.

The **Secretary** addressed technical and protocol items and read a statement that announced the meeting would be conducted according to Government in the Sunshine Act requirements.

ADOPTION OF AGENDA

Chairman Hall reviewed the published agenda. (A copy of the Public Announcement publishing the agenda for the meeting is attached as Exhibit B.)

Board Member Smith moved to adopt the agenda as published.

Chairman Hall seconded the motion.

There being no further discussion, **Chairman Hall** called the question.

The **Secretary** polled the Board Members, and the motion carried unanimously.

CONSIDERATION TO CLOSE PORTIONS OF THE MEETING

Board Member Smith noted that the agenda did not include portions of the meeting that should be closed to the public as permitted by the Government in the Sunshine Act and therefore moved that the entire meeting remain open.

Chairman Hall seconded the motion.

There being no further discussion, **Chairman Hall** called the question.

The **Secretary** polled the Board Members, and the motion carried unanimously.

OPEN SESSION

Approval of Minutes

Minutes for May 14, 2026

(BM-11-JUN-26-01)

Board Member Smith moved to approve the minutes for the May 14, 2026, FCA regular board meeting, as presented.

Chairman Hall seconded the motion.

There being no further discussion, **Chairman Hall** called the question.

The **Secretary** polled the Board Members, and the motion carried unanimously. **(BM-11-JUN-26-01)**

(A copy of the official "Board Action Item" is attached as Exhibit C.)

Reports

Quarterly Report on Economic Conditions and Farm Credit System Condition and Performance

Greg Lyons of the **Office of Data Analytics and Economics** and **Curtis Allman** of the **Office of Examination** presented the Quarterly Report on Economic Conditions and Farm Credit System Condition and Performance.

(A copy of the PowerPoint presentation is attached as Exhibit D.)

Semiannual Report on Office of Examination Operations

Angela Hanson and **Gerard Gunner** of the **Office of Examination** presented the Semiannual Report on Office of Examination Operations.

(A copy of the PowerPoint presentation is attached as Exhibit E.)

ADJOURNMENT

There being no further business to come before the Board, **Chairman Hall** indicated he would entertain a motion to adjourn the meeting.

Board Member Smith moved that the meeting be adjourned.

Chairman Hall seconded the motion.

There being no further discussion, **Chairman Hall** called the question.

The **Secretary** polled the Board Members, and the motion carried unanimously.

The meeting adjourned at 10:55 a.m.

NOTATIONAL VOTE ACTIONS

From May 14, 2026, through June 10, 2026, the FCA Board approved one notational vote action.

Item Number	Action Date	Voting Results	Subject
NV 26-13	5/19/2026	Approved	Farm Credit Administration Budget Reallocation

The undersigned hereby certify that the foregoing minutes are the official minutes of the regular meeting of the Farm Credit Administration Board held on June 11, 2026.

/s/
Jeffery S. Hall
Chairman and CEO

/s/
Ashley Waldron
Secretary to the Board

Approved: July 9, 2026

Exhibit A

BOARD AND STAFF PRESENT AT THE
FCA REGULAR BOARD MEETING
June 11, 2026

Jeffery S. Hall, Chairman and CEO
Glen R. Smith, Board Member

ATTENDEES	OPEN SESSION
Office of the Board	
Hall, Jeffery	X
Smith, Glen	X
Hunter, Karen	X
Iannetta, Sal	X
Greer, Kristin	X
Waldron, Ashley	X
Bolding, Gabe	X
OCOO	
Duffy, Mike	X
Coleman, Robert	X
Cunningham, Lesley	X
OEEO	
Burlew, Thais	X
Fish, Tyler	X
OIT	
Versace, Jerry	X
Matos, Ricardo	X
Rana, Ben	X
Amaya, Victor	X
OCPA	
Newman, Colin	X
Rezendes, Andrew	X
Shelly, Philip	X
OGC	
Mahini, Seema	X
Griffin, Ward	X
OE	
Fennewald, Dan	X
Hanson, Angela	X
Greenlee, Angela	X
Holmes, Graham	X
Allman, Curtis	X
Gunner, Gerard	X
ODAE	
D’Antoni, Jeremy	X
Shields, Dennis	X
Lyons, Greg	X
OIG	
Ravas, Stephen	X

ATTENDEES	OPEN SESSION
OSMO	
Fay, Thomas	X
Hudson, Bruce	X
ORP	
Kramp, Kevin	X
Gallegos, Luke	X
Markowitz, Lori	X
Potter, Jessica	X
Perry, Aga	X
OCFO	
Soares, Ily	X
Willard, Shana	X
OAS	
Bell, Vonda	X
Adkins, Byron	X
Adams, Corey	X
Hill, Damien	X
Rice, Toni	X
FCSIC	
Wynn, Wade	X
GENERAL PUBLIC	4

Exhibit B

Farm Credit Administration

1501 Farm Credit Drive
McLean, VA 22102-5090
(703) 883-4000

PUBLIC ANNOUNCEMENT OF MEETING SUBJECT TO THE GOVERNMENT IN THE SUNSHINE ACT

Farm Credit Administration Board
Regular Meeting
June 11, 2026

TIME AND DATE: 10 a.m., Thursday, June 11, 2026.

PLACE: You may observe this meeting in person at 1501 Farm Credit Drive, McLean, Virginia 22102-5090, or virtually. If you would like to observe, at least 24 hours in advance, visit FCA.gov, select "Newsroom," then select "Events." From there, access the linked "Instructions for board meeting visitors" and complete the described registration process.

STATUS: This meeting will be open to the public.

MATTERS TO BE CONSIDERED: The following matters will be considered:

- Approval of May 14, 2026, Minutes
- Quarterly Report on Economic Conditions and Farm Credit System Condition and Performance
- Semiannual Report on Office of Examination Operations

CONTACT PERSON FOR MORE INFORMATION: If you need more information or assistance for accessibility reasons, or have questions, contact Ashley Waldron, Secretary to the Board. Telephone: 703-883-4009. TTY: 703-883-4056.

/s/
Ashley Waldron
Secretary to the Board

May 29, 2026

Exhibit C

Farm Credit Administration

1501 Farm Credit Drive
McLean, VA 22102-5090
(703) 883-4000

BOARD ACTION ITEM

FCA BOARD ACTION ON

Minutes for May 14, 2026, Regular Board Meeting

BM-11-JUN-26-01

Effective Date: June 11, 2026

Impact on Prior Board Actions: None

THE FCA BOARD HEREBY:

- Approves the minutes for the May 14, 2026, regular Board meeting, as presented.

DATED THIS 11th DAY OF JUNE 2026

BY ORDER OF THE BOARD

/s/
Ashley Waldron
Secretary to the Board

Exhibit D

Quarterly Report on Economic Conditions and Farm Credit System Condition and Performance

June 11, 2026

Greg Lyons – Senior Economist
Office of Data Analytics and Economics

Curtis Allman – Supervisory FCA Examiner
Office of Examination

Topics for open session

Economic Conditions affecting the Farm Credit System

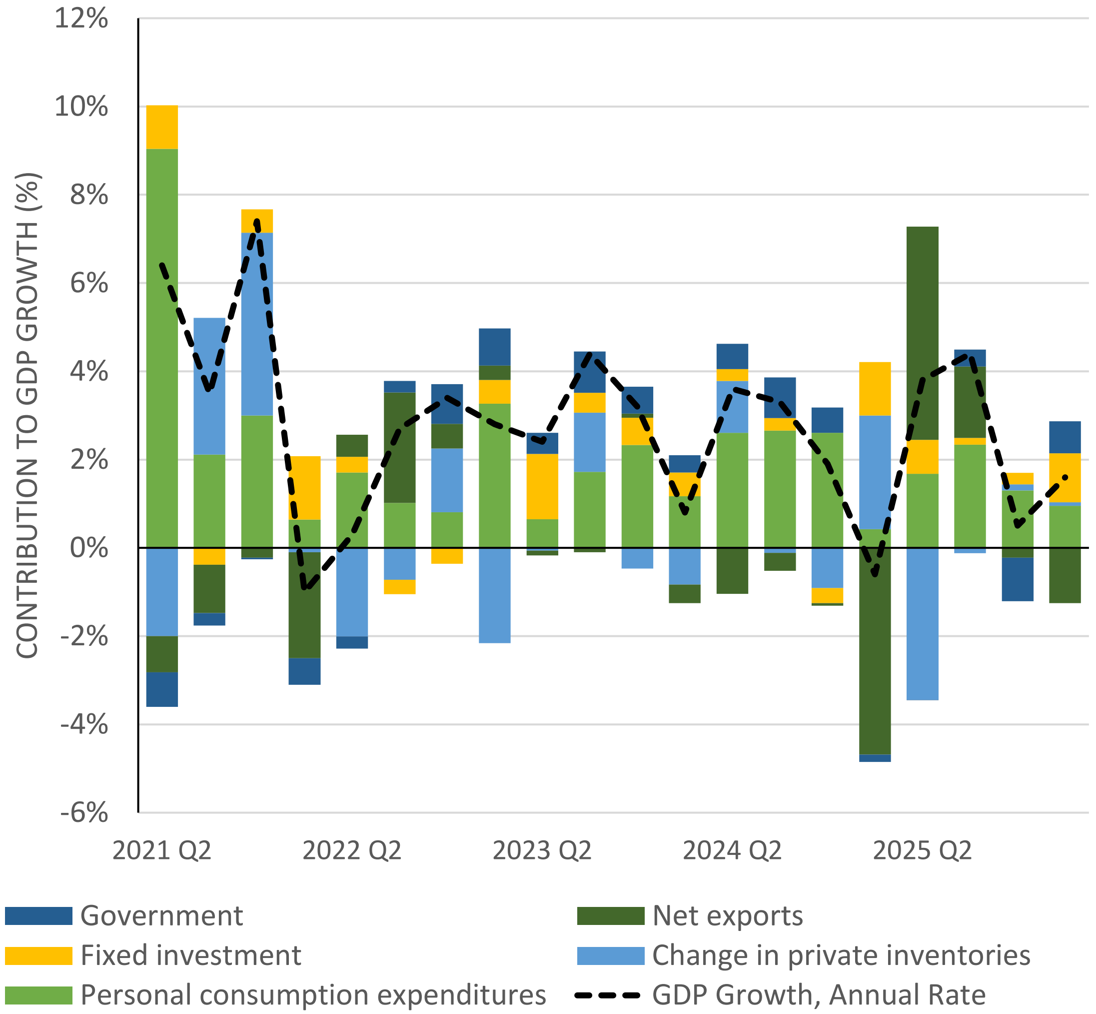
- Macroeconomic update
- Farm income and financial conditions
- Farmland values

Farm Credit System Condition and Performance

- System growth and loan portfolio
- Earnings and capital
- Financial Institution Rating System (FIRS)

GDP growth slows, but is supported by AI spending

Real GDP growth by component



Source: Bureau of Economic Analysis, Gross Domestic Product (Q1 2026 Second Estimate)

Headline growth is slow, but may be resilient

- FRB: March projections showed minimal change
- Real final private sales at 2.4%
- Forecasts for Q2 remain positive

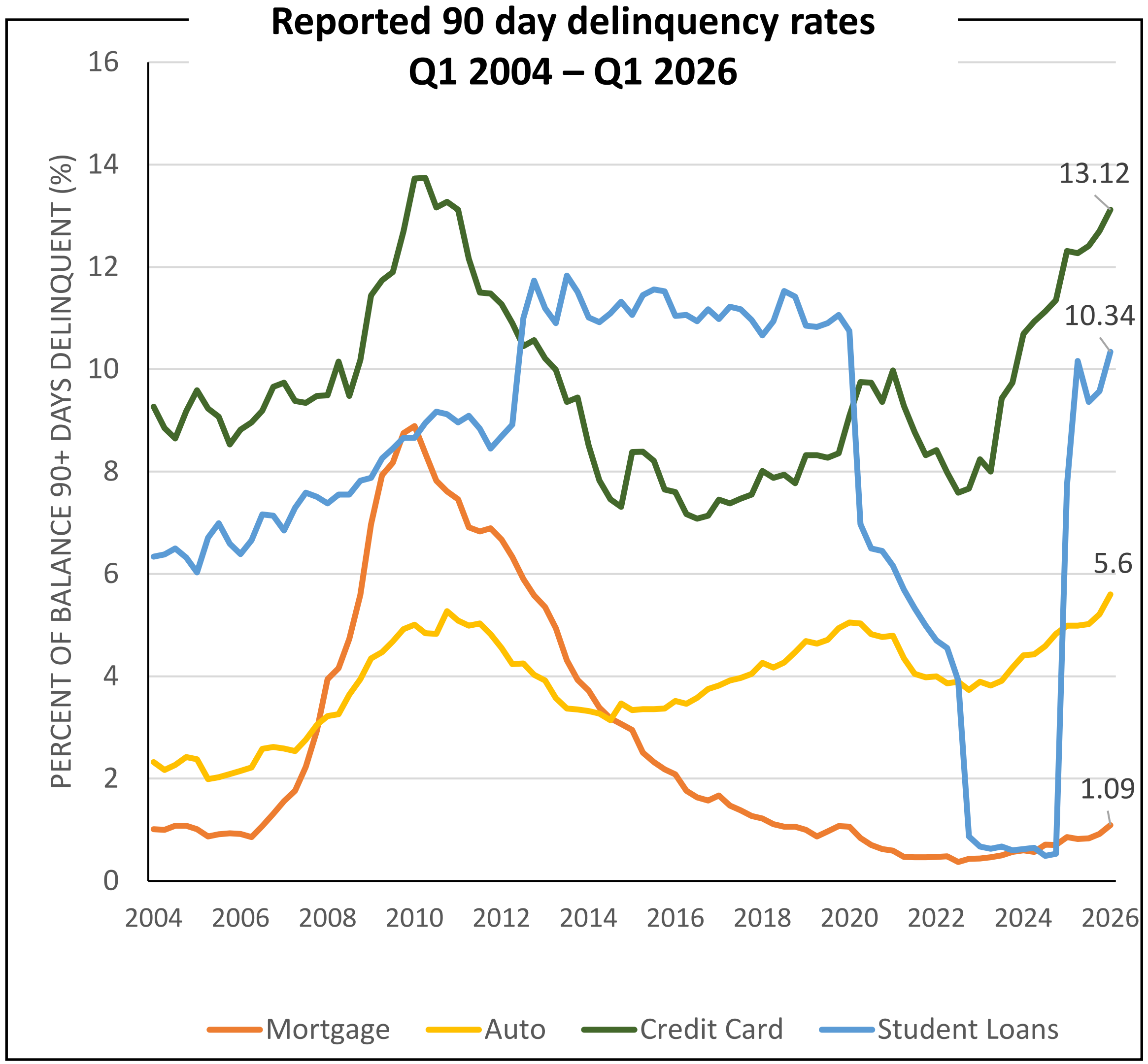
AI continues to boost fixed investment

- FRB estimated 0.5% increase in Q3 2025 GDP
- AI investment requires considerable imports
- Fixed investment flat to mildly positive without AI

Downside risk is rising

- SPF: forecast slower growth in H2 2026
- “Anxious index” rises to 25% for Q3
- LEI index suggests a ‘fragile’ economy

Personal consumer spending under strain



Source: New York Fed Consumer Credit Panel / Equifax

Consumer spending holds

- Spending shifts from wants to needs
- Confidence holds but sentiment wanes
- Food service spending has flattened

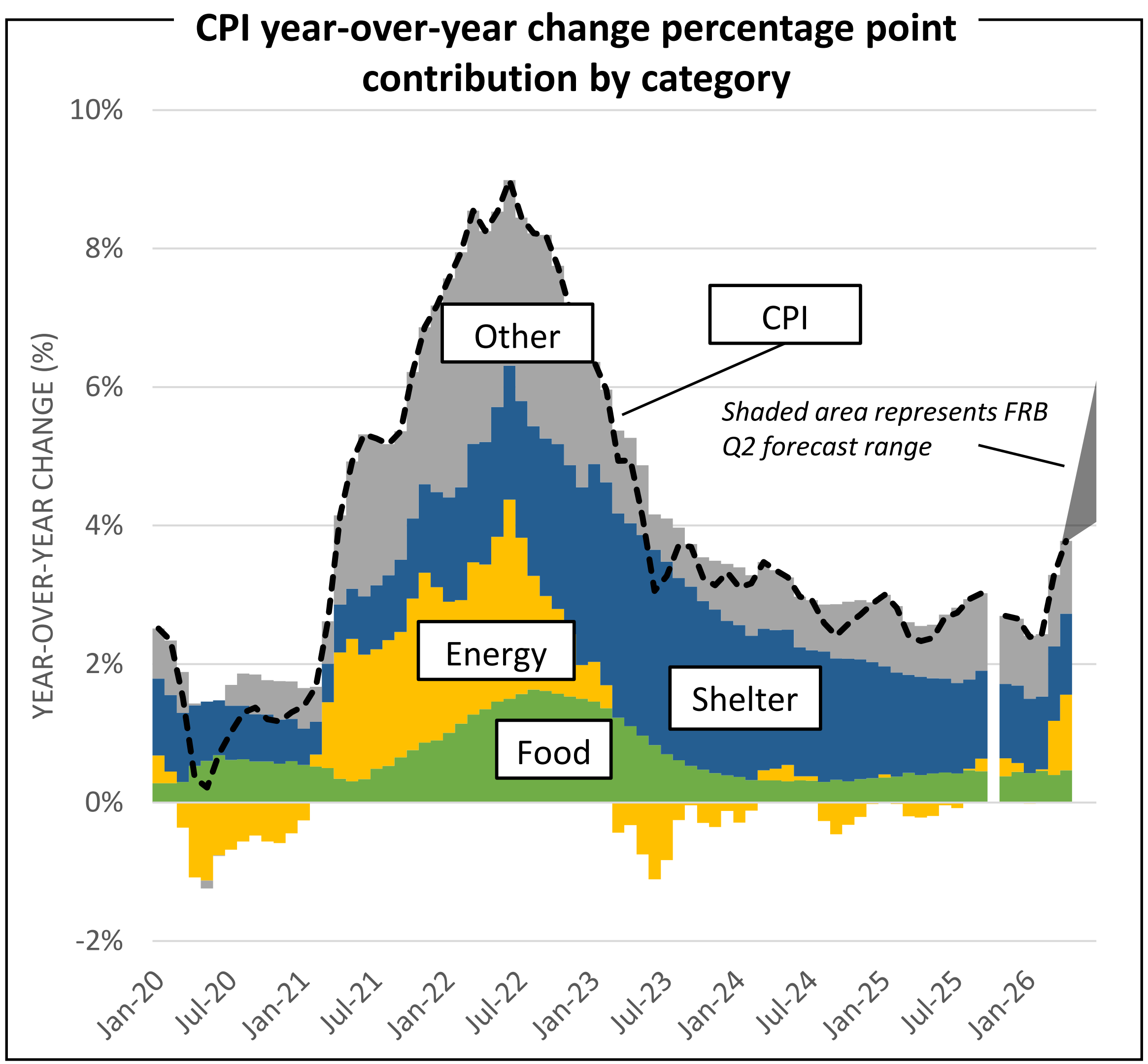
Consumers may be reaching spending limits

- Real disposable income falls
- Personal saving rate falls
- Credit card, auto delinquencies at/near highs

High income households drive spending growth

- 10% of households drive almost all real gains
- Real wage growth has fallen
- Asset gains boost spending

Headline inflation rises on energy price surge



Source: U.S. Bureau of Labor Statistics Consumer Price Index, ODAE calculations. Philadelphia FRB Q2 Survey of Professional Forecasters, FRB Cleveland CPI Nowcast

Energy has driven inflation increases

- Core CPI, PCE inflation show modest gains
- PPI: energy services drive increases
- Fed forecasts: Q2 headline CPI spike

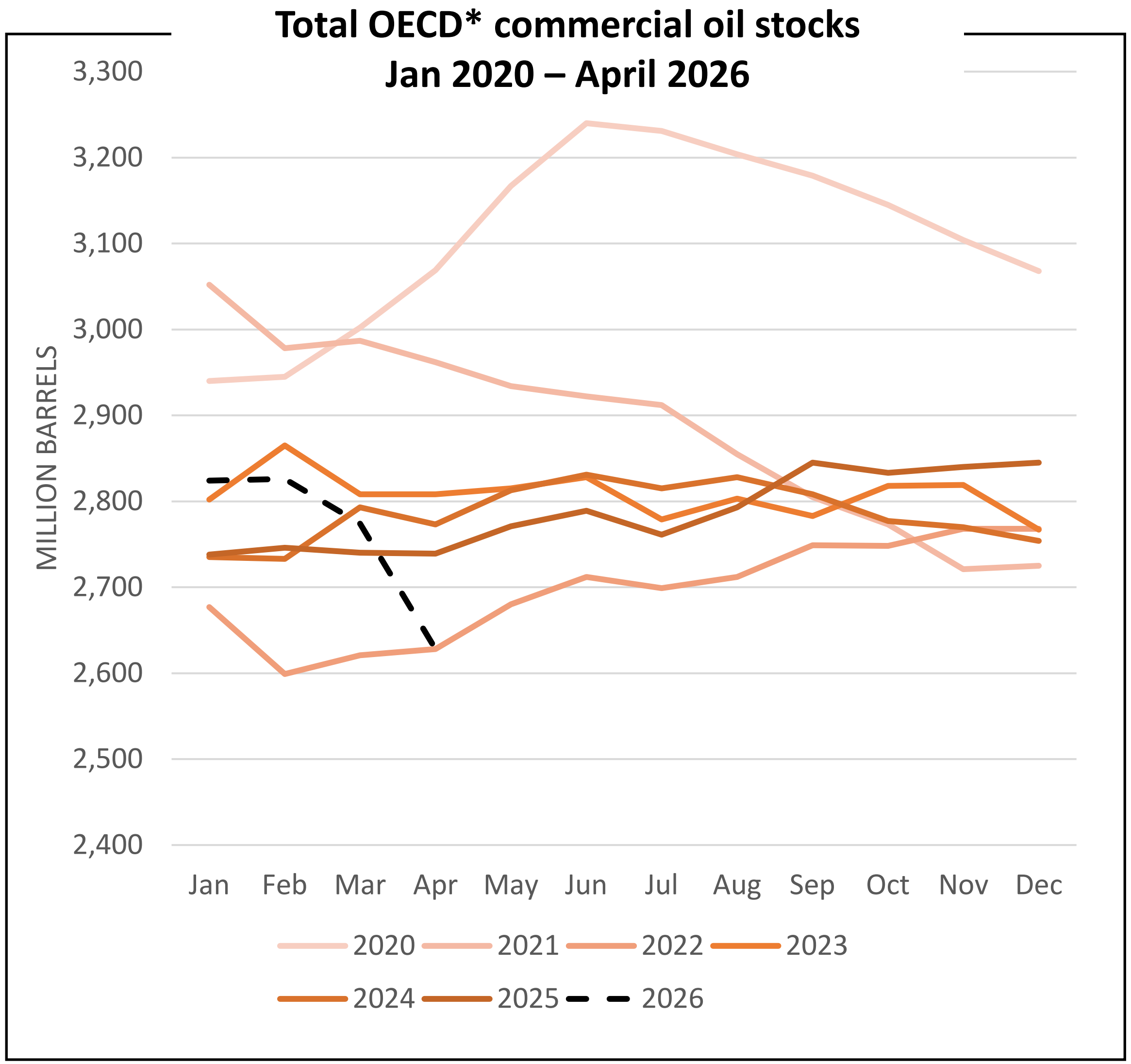
Core inflation drivers

- Shelter inflation lags market conditions
- ‘Core’ includes energy-sensitive segments
- ISM: Evidence of industry stockpiling

Tariff update

- Research suggests nearly full pass-through
- FRB estimate: increase in overall PCE of 0.8%
- Actual rates less than statutory

Global oil stock depletion signals risk



Historic oil stock drawdowns

- IEA: largest ever stock release in history
- Stock depletion accelerated into May
- Dampened demand destruction, price shocks

Stocks may reach critical thresholds soon

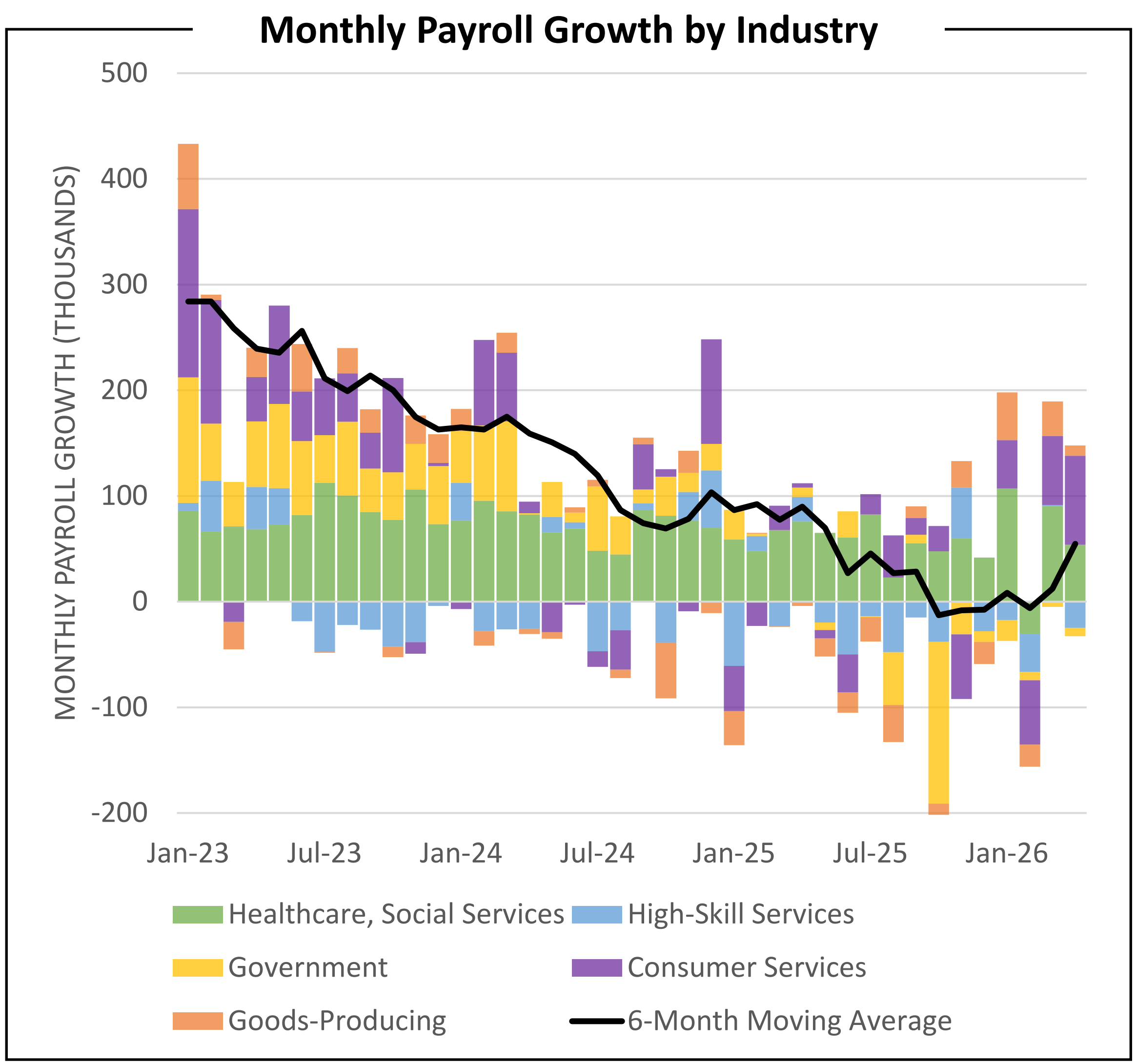
- Oil infrastructure has operational minimums
- Barring resolution, industry estimates these minimums will be reached in June - August

A long tail to price normalization

- Restarting gulf refineries / production
- Shipping insurance costs
- Global stock rebuilds

Source: OPEC Monthly Oil Market Report International Energy Agency May 2026 Oil Market Report – Preliminary April Figures.
*OECD - Organization for Economic Co-operation and Development, 38 member countries

Labor market softens, though topline unemployment holds



Source: U.S. Bureau of Labor Statistics Employment Situation

Payroll changes offset by slower population growth

- Population growth may fall to 75-year lows
- Participation rate falls for select segments
- “Breakeven” job growth estimates near zero

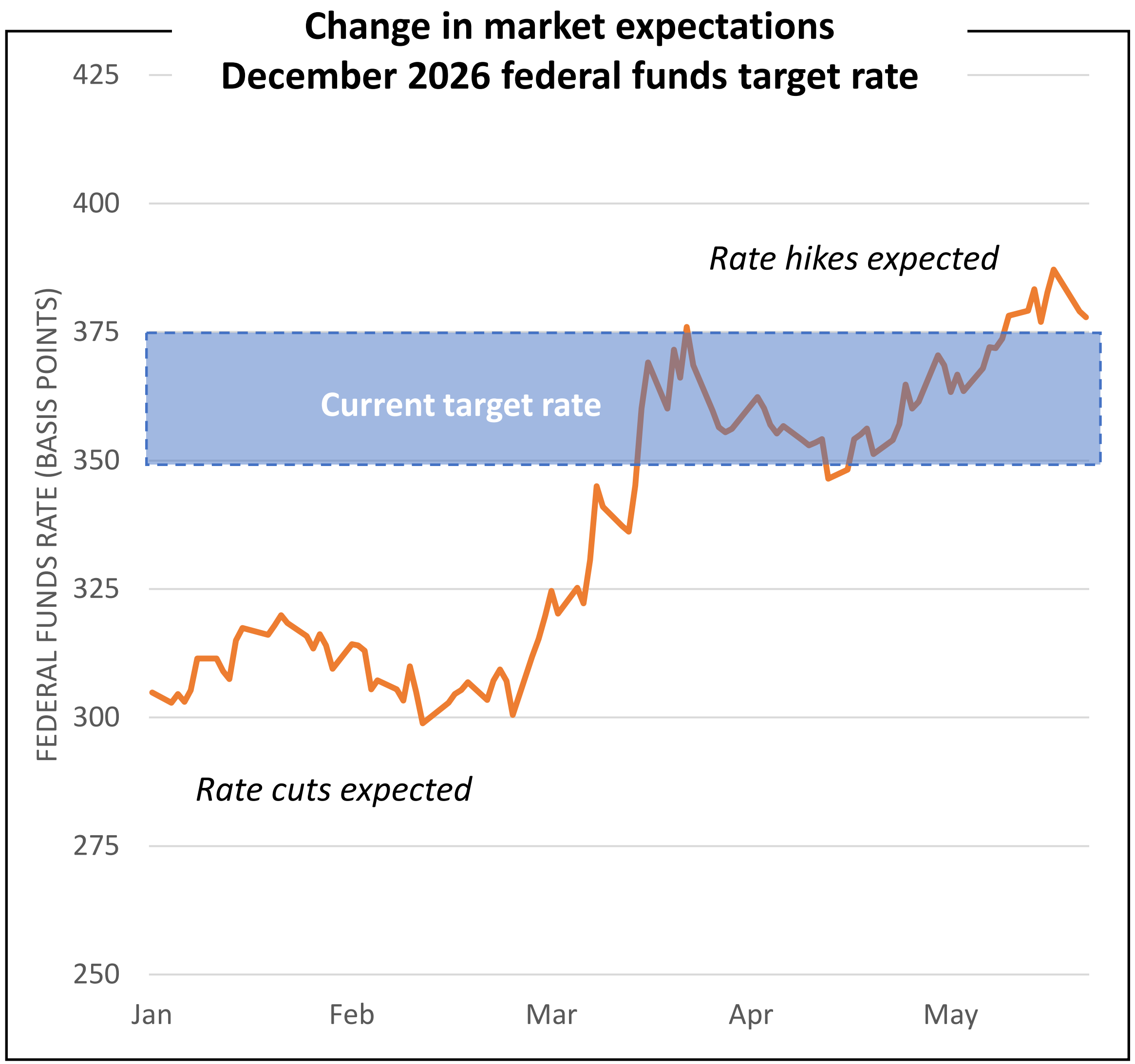
Low-churn environment with some warning signs

- Quit, hire rates at 10-year lows
- Job openings to unemployment level shows slack
- Layoffs, separations near post-pandemic highs

Evidence of declining job quality

- Increases in marginally attached employment
- Increases in multiple jobholders
- Payroll growth composition

Federal funds rate path becomes uncertain



Source: CME FedWatch, ODAE calculations

Federal Reserve stresses patience

- Core inflation expectations still grounded
- Employment cooler, but stable
- No need to respond to oil shocks with rate hikes

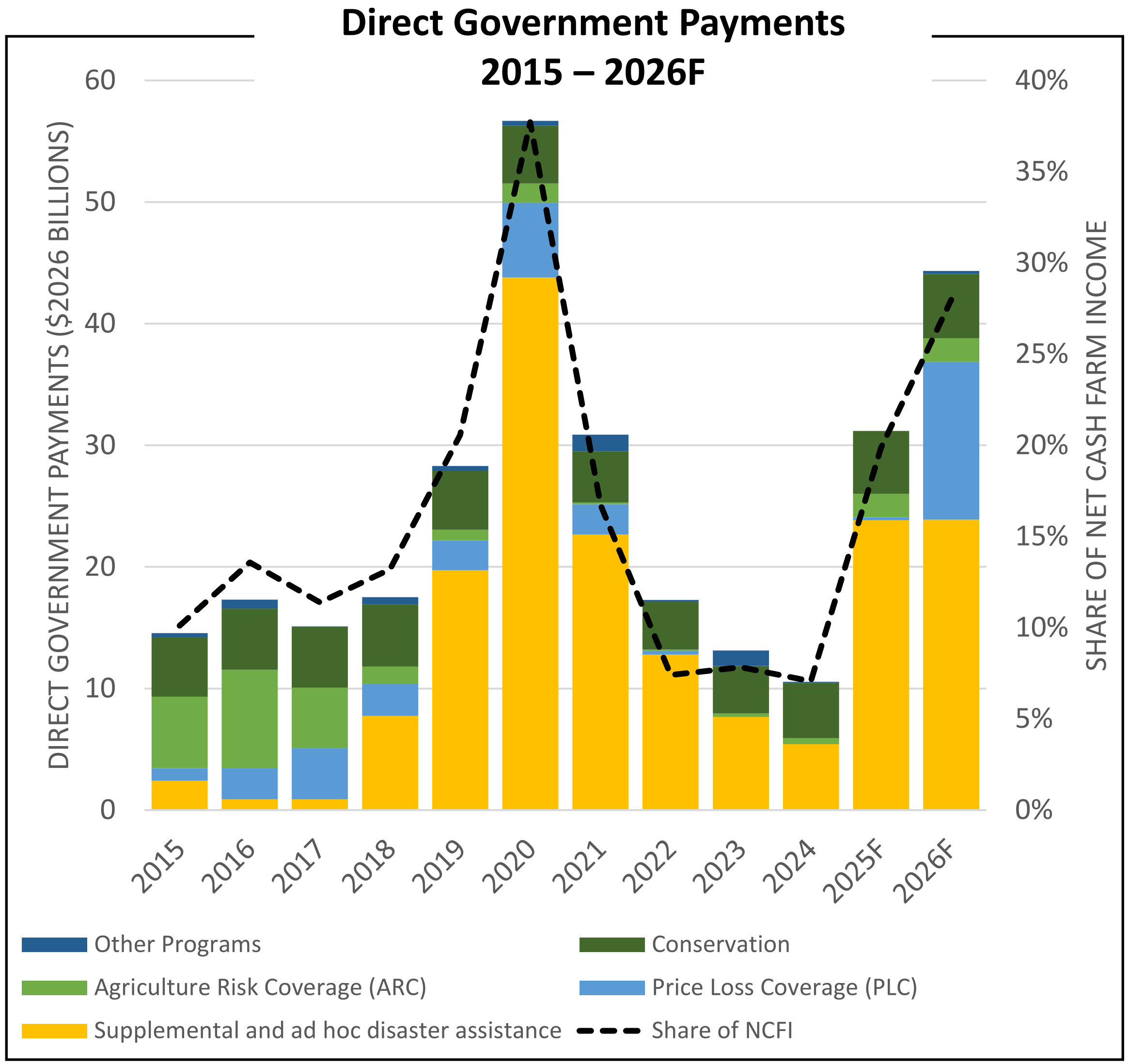
Changing use of the balance sheet

- Halt in quantitative tightening year-end 2025
- Increasing term premiums on Treasuries

Warning signs of a changing environment

- Most rate decision dissents since 1992
- A reversal in global, demographic pressures
- Federal debt and fiscal ‘lock-in’

Farm income forecast to remain above historic norms



Source: USDA Economic Research Service Farm Income and Wealth Statistics, February 2026 release

Net farm income remains above historic norms

- USDA forecasts 2026 NFI at $153.4Bn
- Production expenses remain elevated
- Government payments provide support

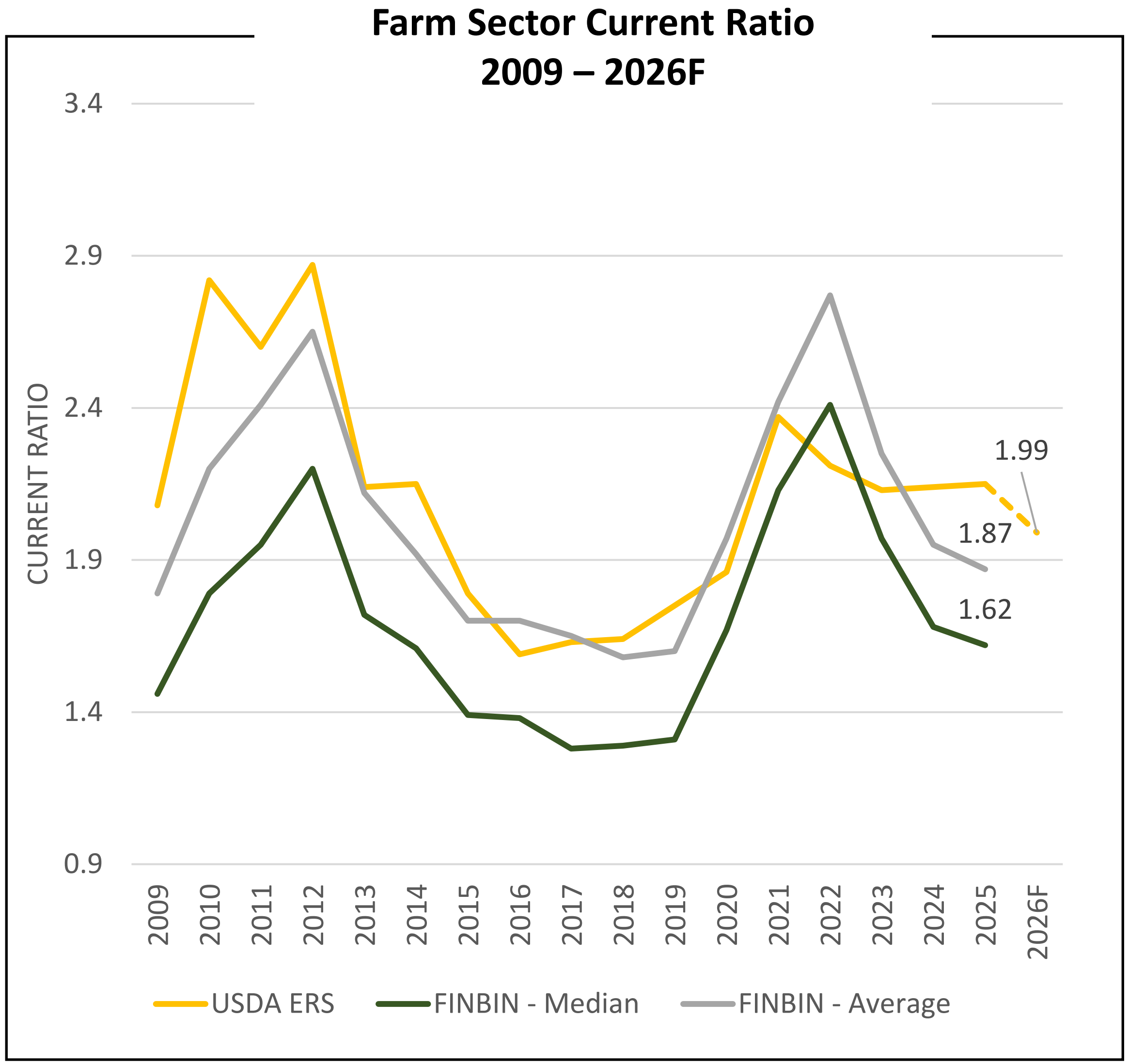
Crop sector may improve in 2026

- Lower wheat, corn supply boost price floors
- Soybeans supported by strong crush
- Marketing opportunities, program changes

Livestock strength continues, with caveats

- Cattle/calf markets show strong returns
- Other segments: feed, exports major drivers
- Dairy, eggs see some pressure

Farm liquidity hard hit by lower farm incomes



Source: USDA ERS Farm Income Financial Ratios; FINBIN, University of Minnesota

Liquidity forecast to tighten in 2026

- Sector working capital forecast to fall 9%
- Surveys: loan extensions rise, repayment falls
- Increased operating line demand

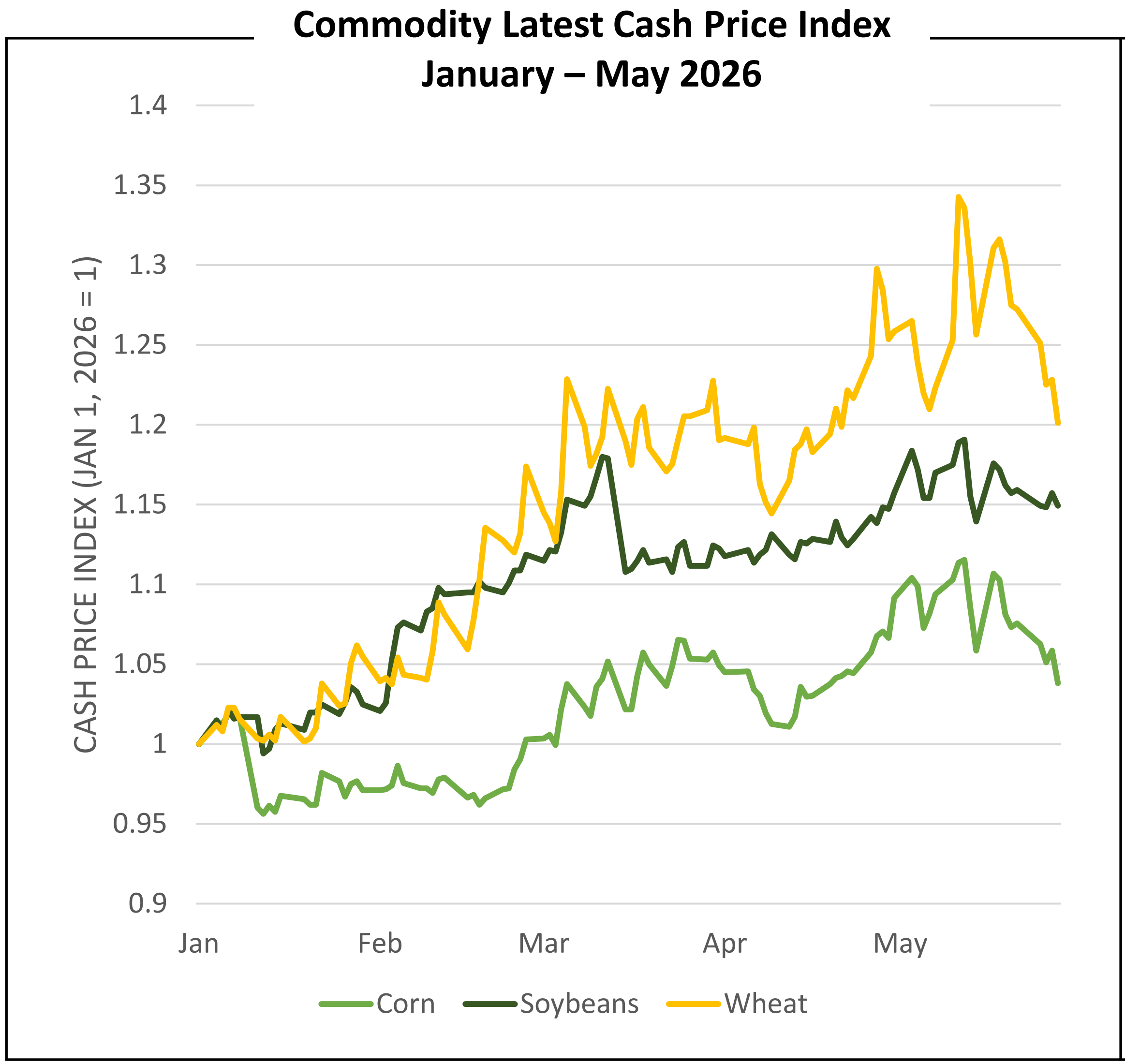
Differences from 2016 - 2019

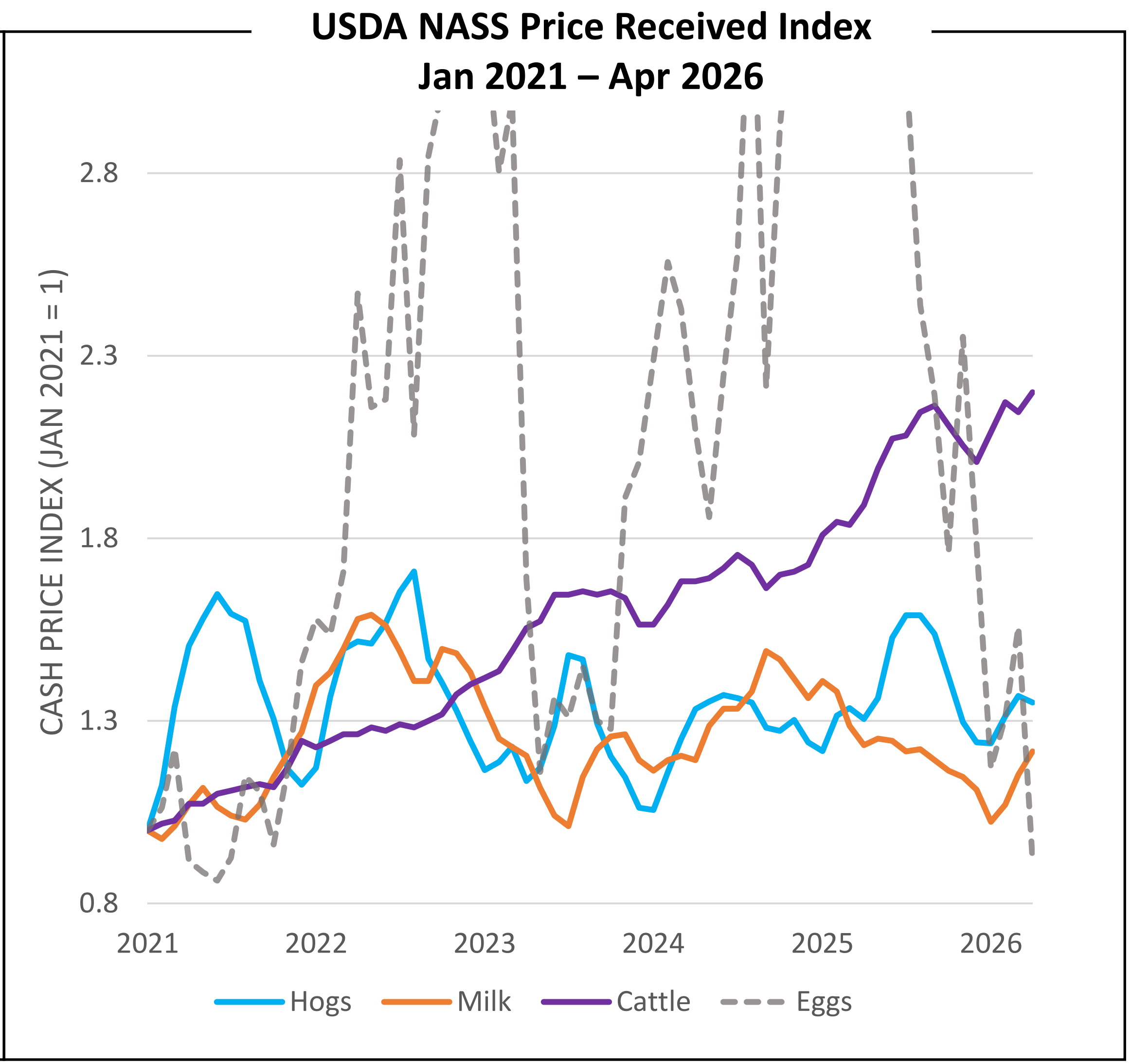
- Interest rates fall, but remain well above 2016-19 levels
- Stronger government support
- Fewer opportunities to recapitalize

Strain likelier for producers with limited equity

- Leased-based operations
- Beginning operations
- Commodity/region specific land value pressure

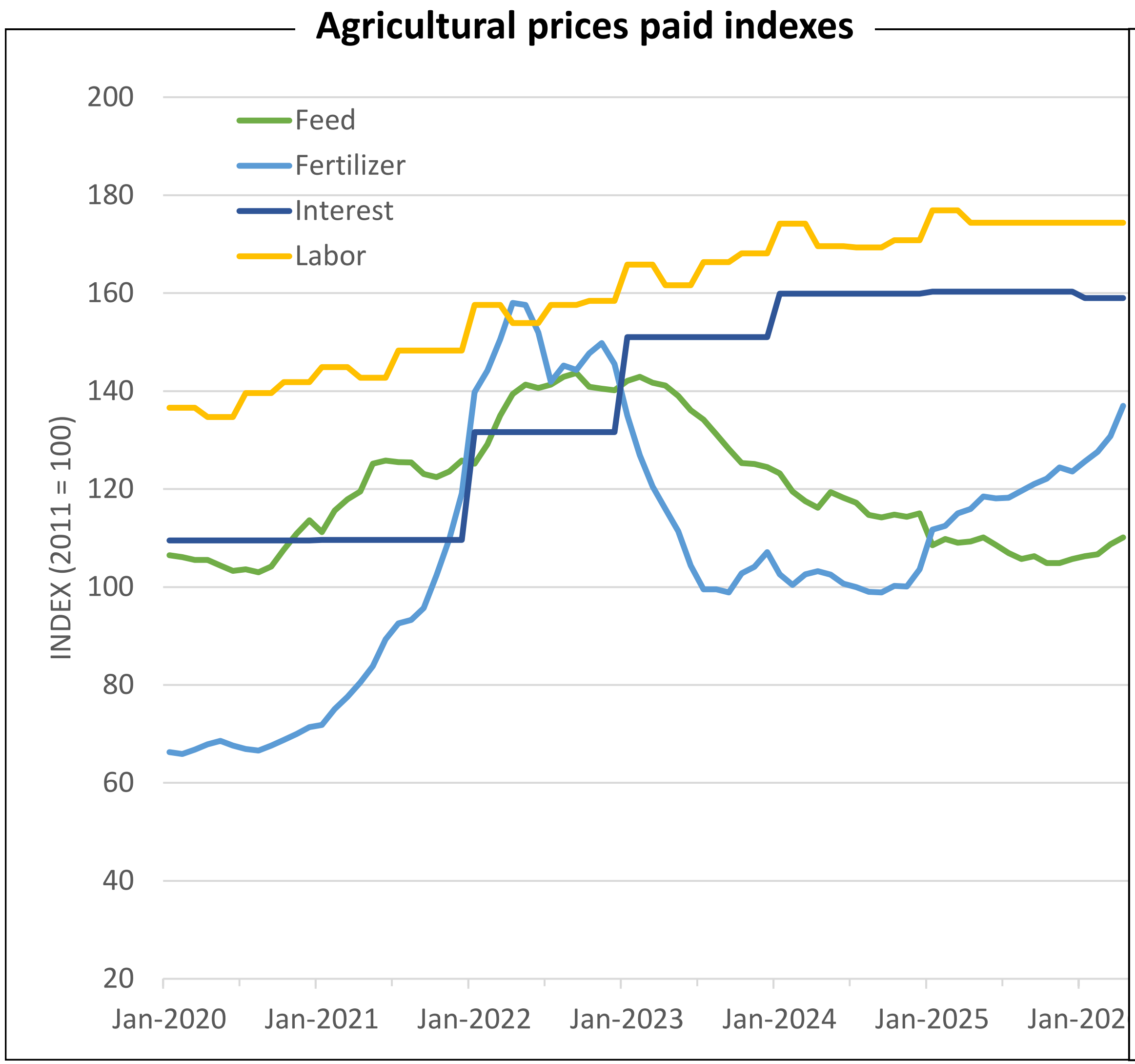
Crop markets strengthen in 2026, animal sector mixed

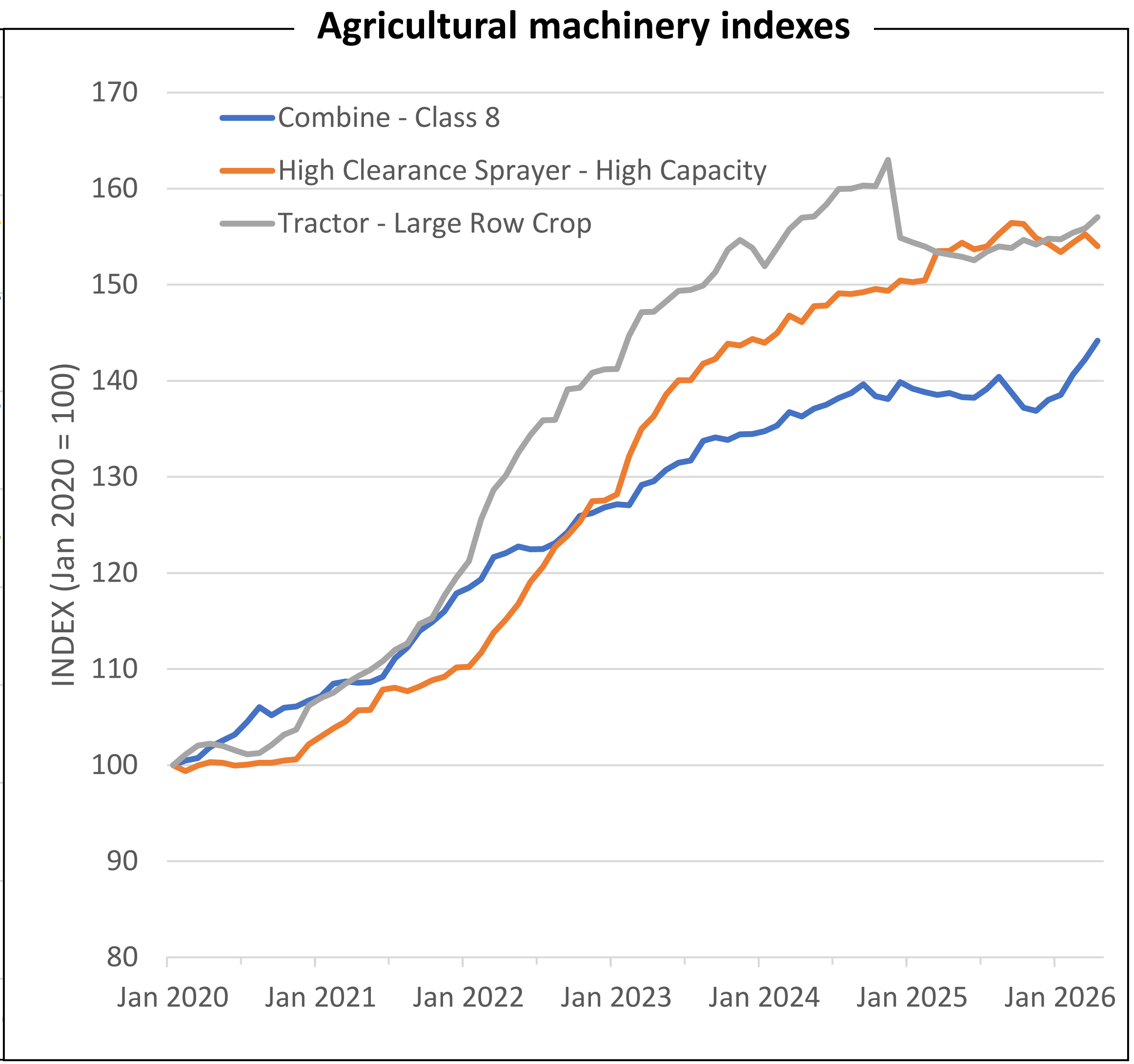




Source: Barchart, USDA NASS Prices Received

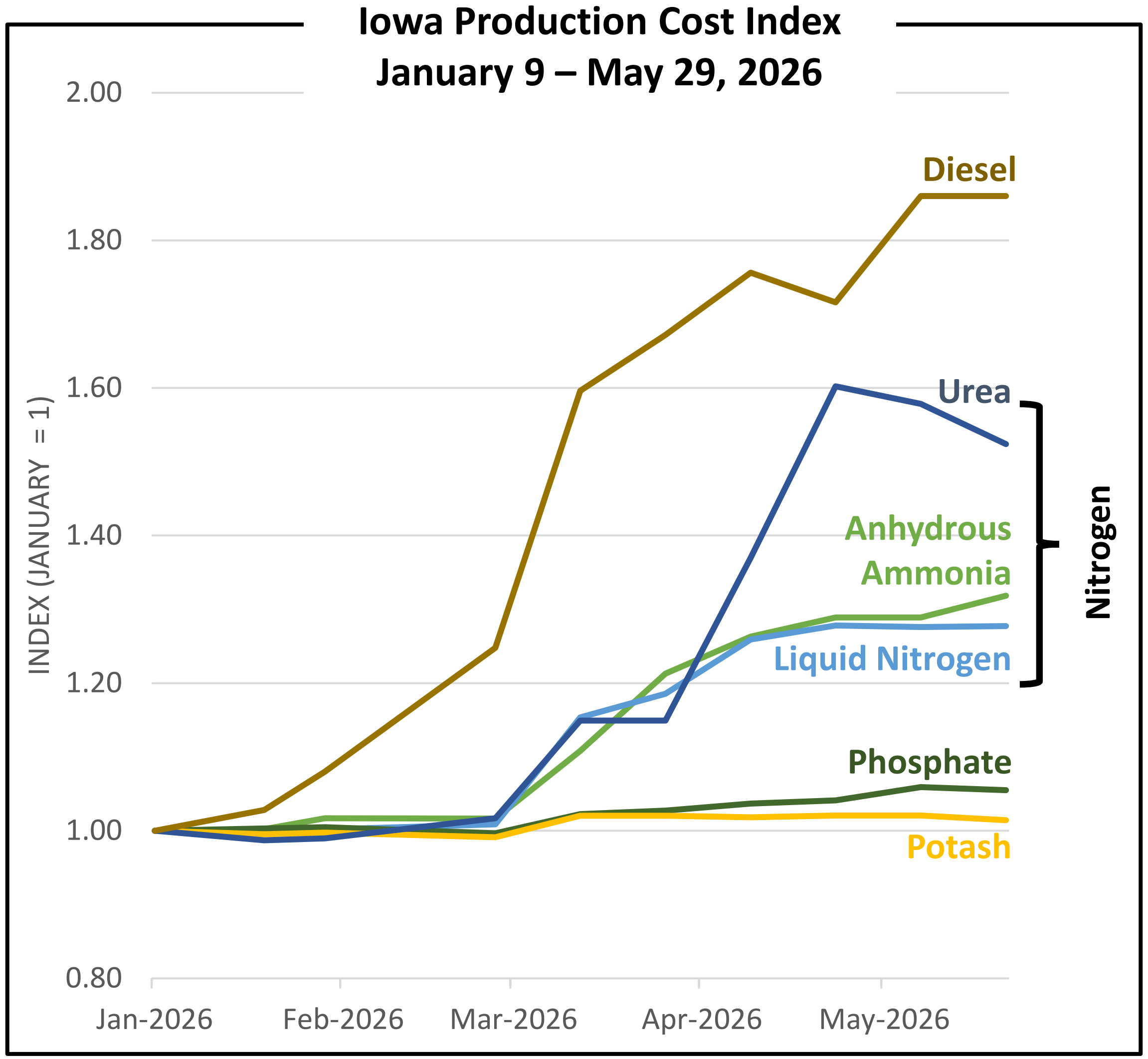
Farm expenses begin to climb after cooling through 2025





Source: USDA National Agricultural Statistics Service and Iron Solutions

Fertilizer cost spikes have modest impact this season



Source: USDA Agricultural Marketing Service Iowa Production Cost Report; FarmDocDaily

Differences across type

- Urea: Direct impact from trade route closure
- AA/LN: High exposure to energy costs
- Phosphate/potash: Limited impact

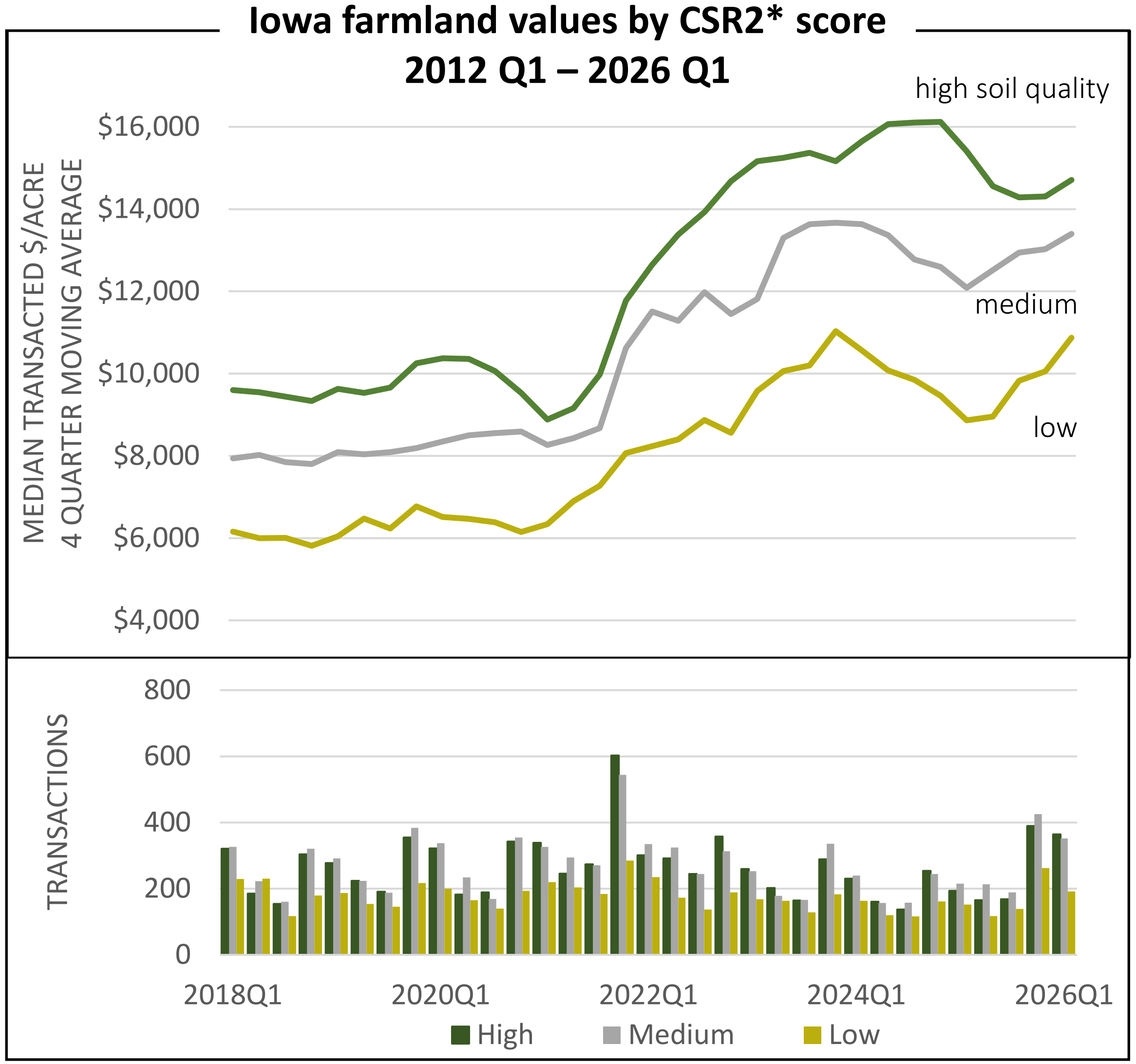
Impacts will vary across regions, commodities

- Rice vs. wheat: urea application timing
- Local production practices
- Corn vs. soybeans: nitrogen needs

Potential mitigants

- Pre-purchases: Slow, but still majority in 2026
- Timing and prospective plantings
- Cost increases relative to commodity prices

Continued evidence of land values stabilizing in early 2026



Source: ODAE calculations using data from Cotality (formerly CoreLogic) and USDA gNATSGO

*CSR2 = Corn Suitability Rating 2

Factors other than cash receipts stabilize prices

- Limited supply/steady demand
- Marginal easing in loan rates
- Robust government support

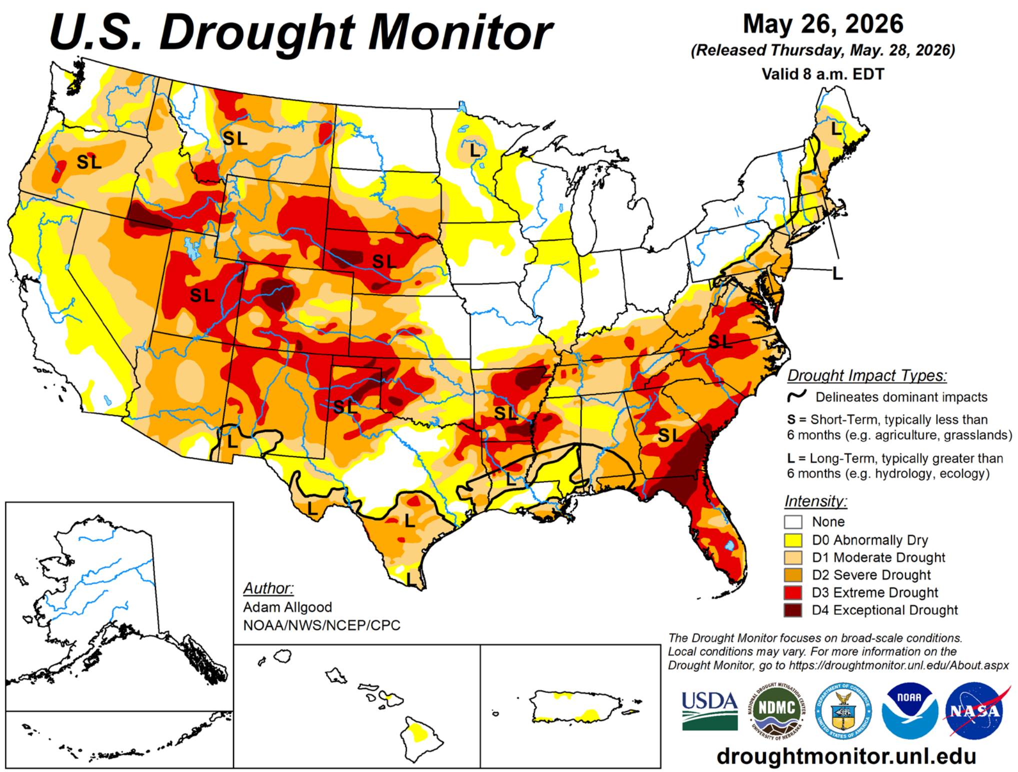
Ranchland/cropland divergence persists

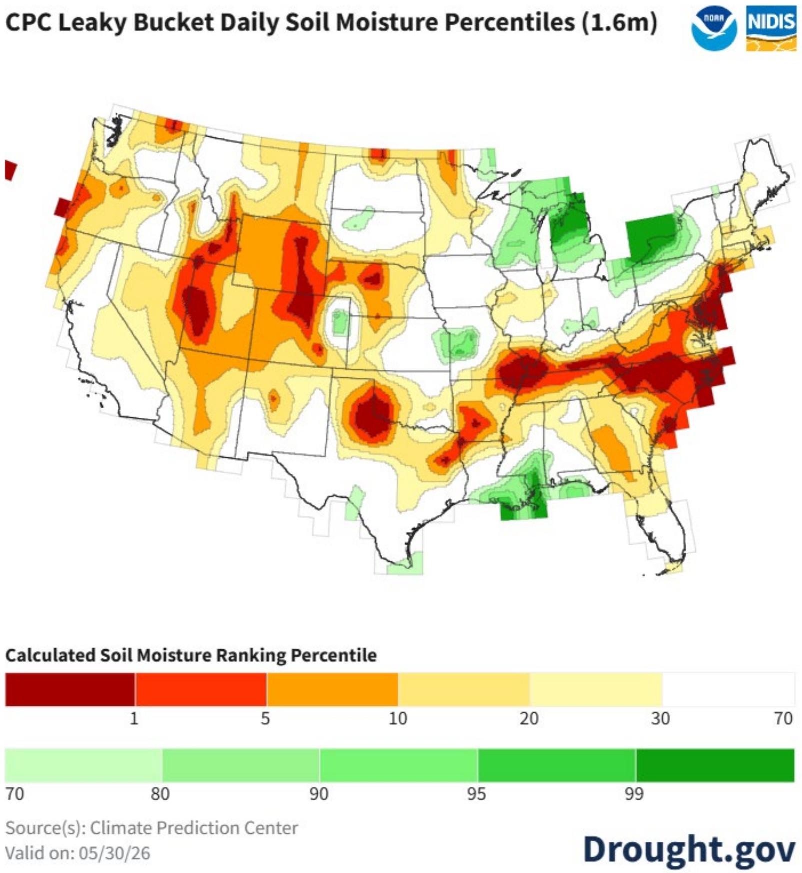
- Strong returns continue to drive ranchland
- Exception: Drought-impacted southern Plains
- Irrigated cropland continues to gain

Fundamentals show challenge

- Cash rents soften during continued weak income period
- Rate environment still less supportive of current values
- Expected return growth is modest

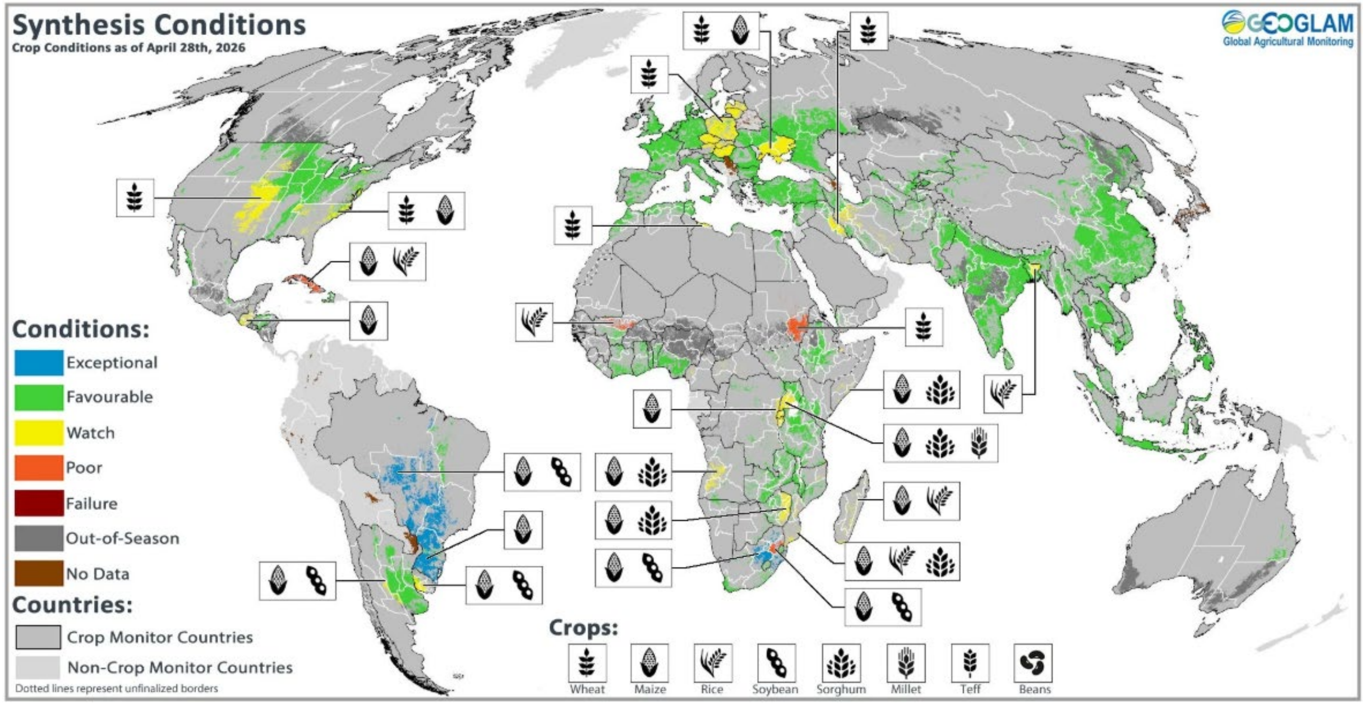
Drought conditions persist across much of the U.S.





Global crop conditions strong, with some warning signs

Global Commodity Conditions
April 28, 2026



Global conditions generally strong in Q2

- Generally favorable, with drought conditions in U.S., Eastern Europe
- Record or near record soybean, corn production out of Brazil, Argentina

El Niño pattern likely over the summer

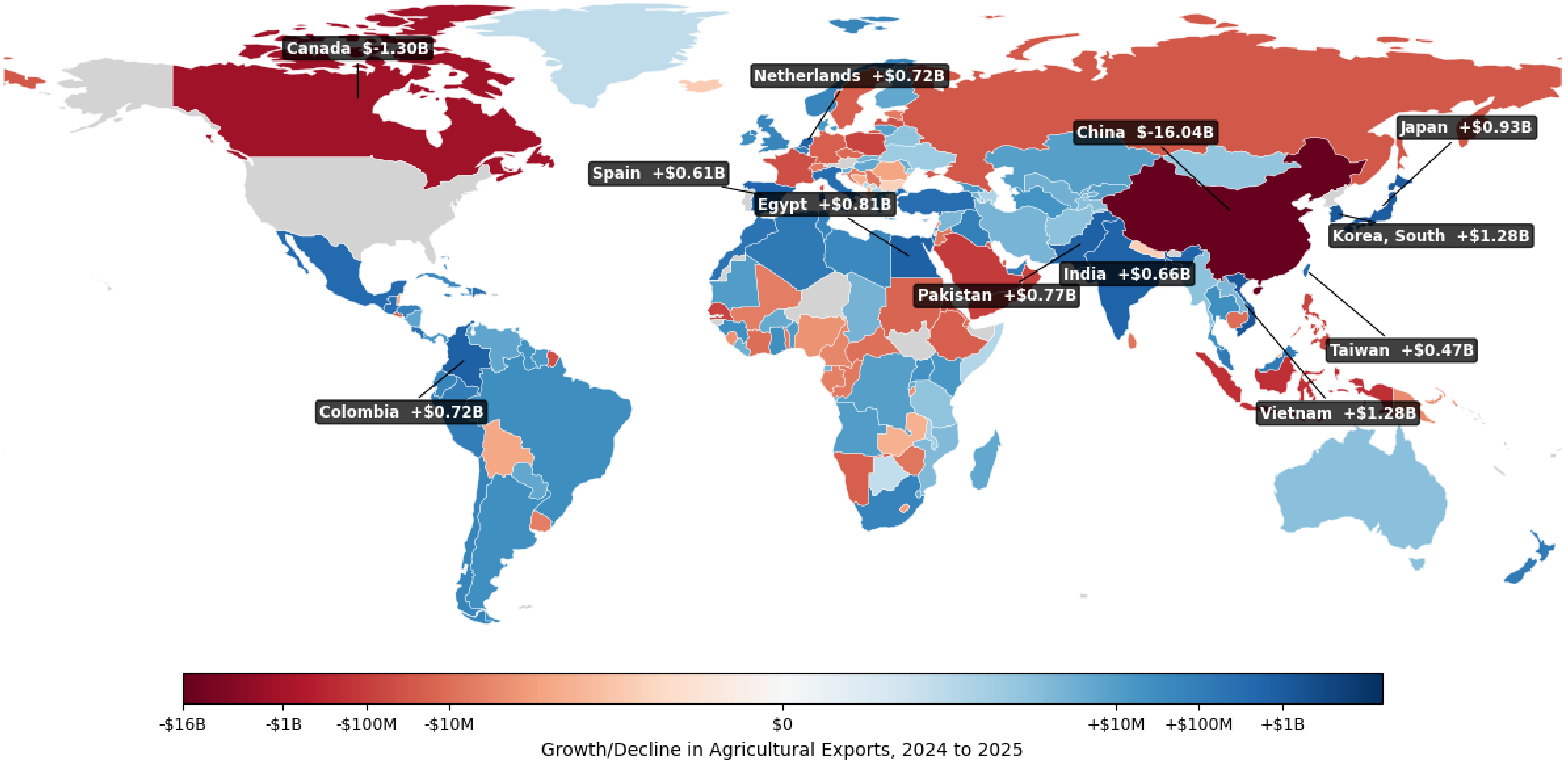
- NOAA: 82% chance by May-July 2026
- Change in precipitation/heat risk

Potential for non-weather supply disruptions

- Fertilizer access challenges outside U.S.
- Farm financing frictions in Brazil

Sources: GEOGLAM Crop Monitor

U.S. agricultural exports reallocated in 2025



Source: USDA FAS Global Agricultural Trade System, ODAE calculations.

Questions?

Farm Credit System Condition and Performance as of March 31, 2026

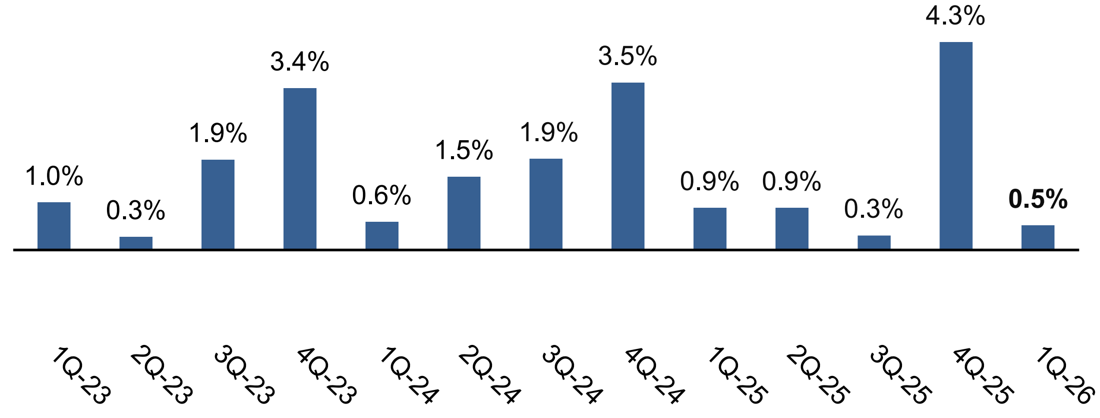
June 11, 2026 FCA Board Meeting

Curtis Allman
Supervisory FCA Examiner
Office of Examination

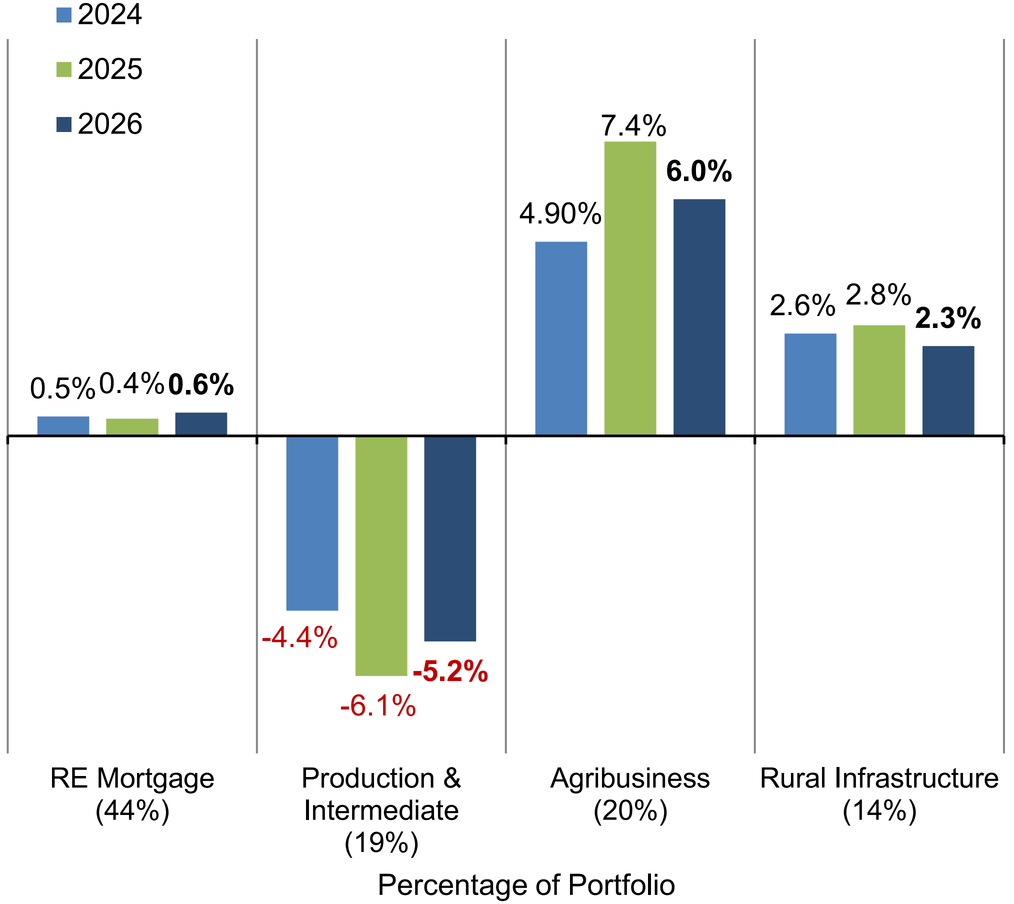
Modest portfolio growth in the first quarter

Total Assets 03/31/26	$584.0 billion	+0.3% Qtr +6.5% 12M	Gross Loans 03/31/26	$456.9 billion	+0.5% Qtr +6.1% 12M

Portfolio Loan Growth
(% change for the quarter)



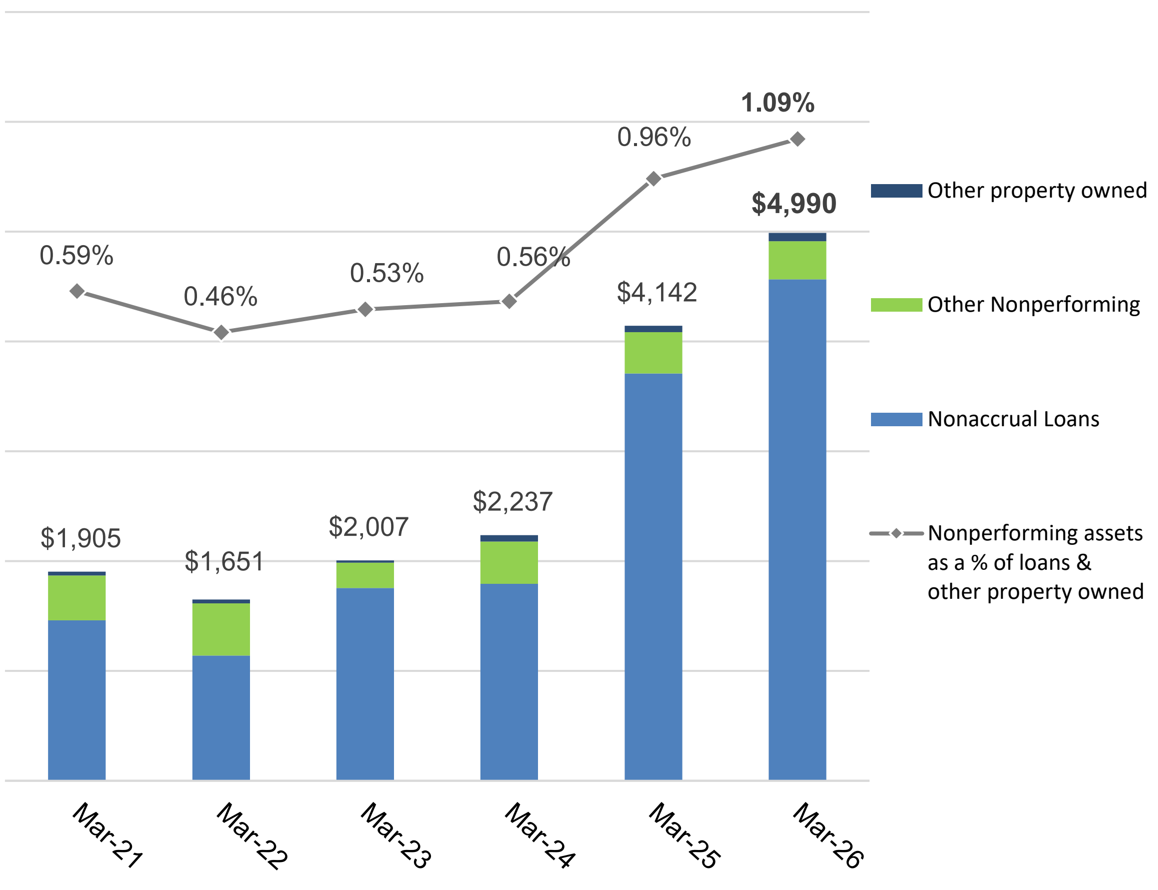
Loan Growth by Loan Type
(% change year-over-year)



Source: Federal Farm Credit Banks Funding Corporation Information Statements

Nonperforming assets increased

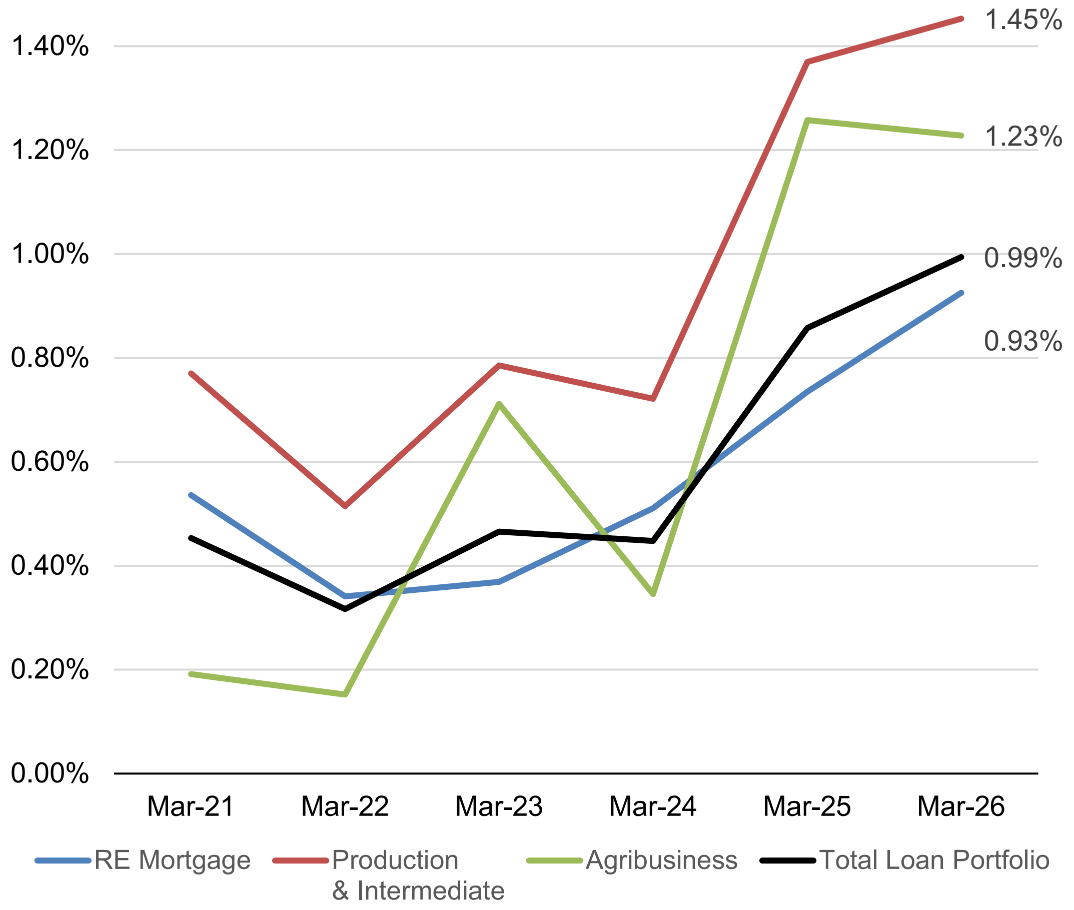
Nonperforming Assets[1]



(amounts in millions)

Nonaccrual Loans by Loan Type

(as a % of loans outstanding)



(1) Prior to the adoption of CECL on 1/1/23, nonperforming assets included accruing restructured loans

Source: Federal Farm Credit Banks Funding Corporation Information Statements

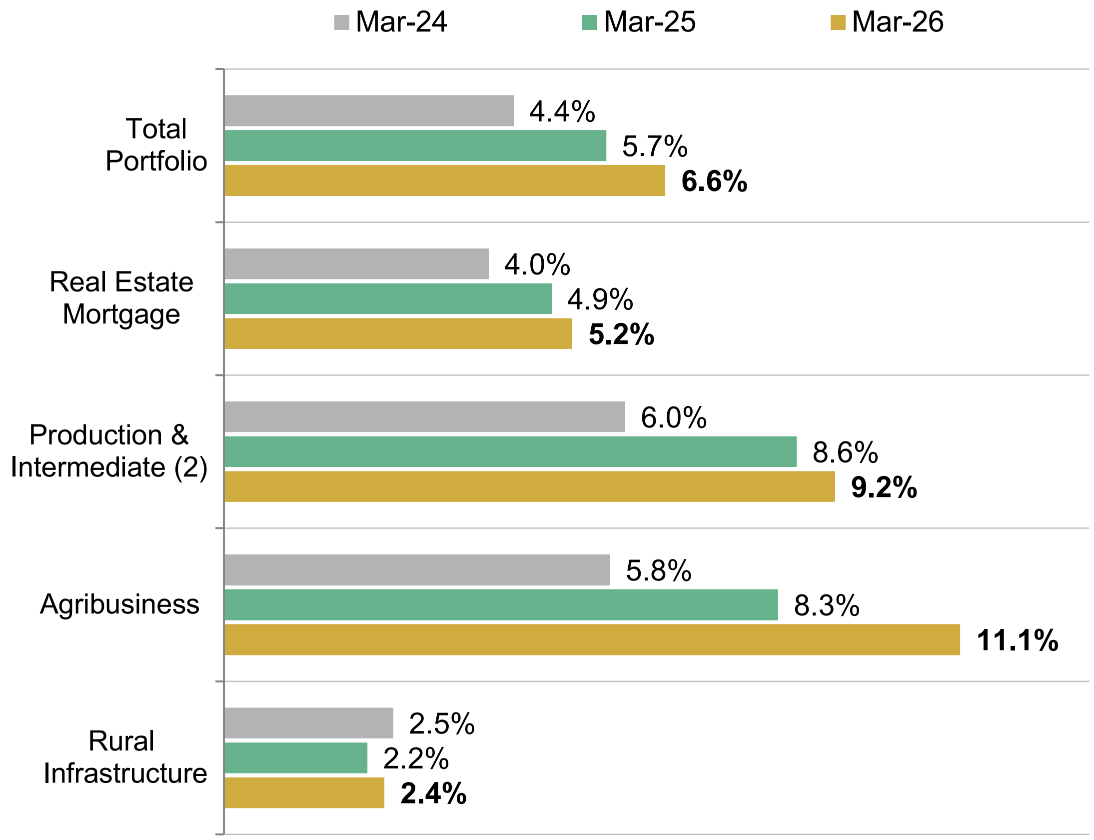
Less than Acceptable loans trend higher

- The percentage of loans classified less than acceptable increased in all loan categories.
- Production & Intermediate and Agribusiness loan categories had the highest percentage of less than Acceptable loans.
- Loan delinquencies[1] as a percentage of accruing loans were 0.51% as of March 31, 2026, as compared with 0.55% as of March 31, 2025.

(1) Defined as accruing loans 30 days or more past due.

Loans Classified Less than Acceptable

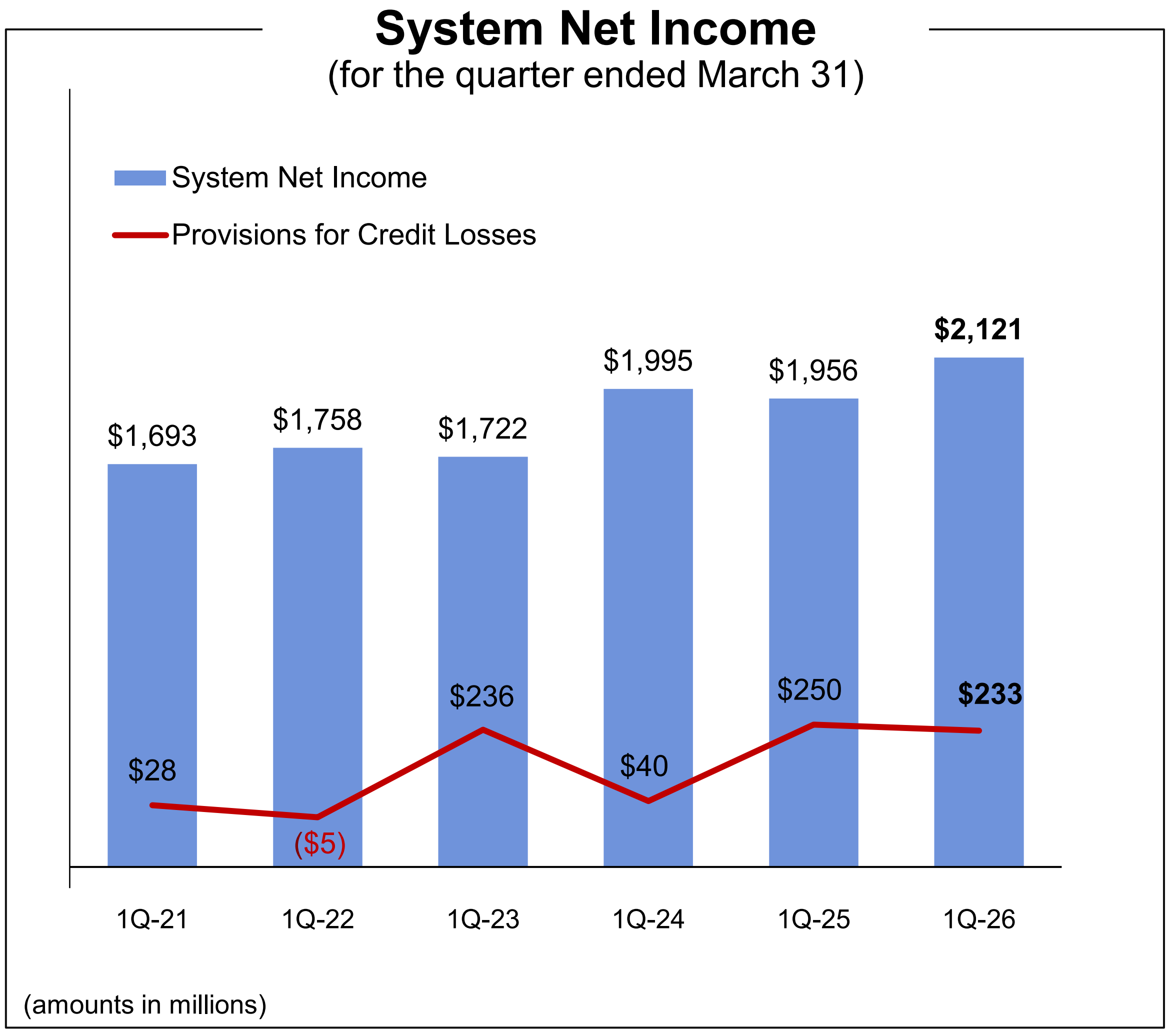
(as a % of loans outstanding)

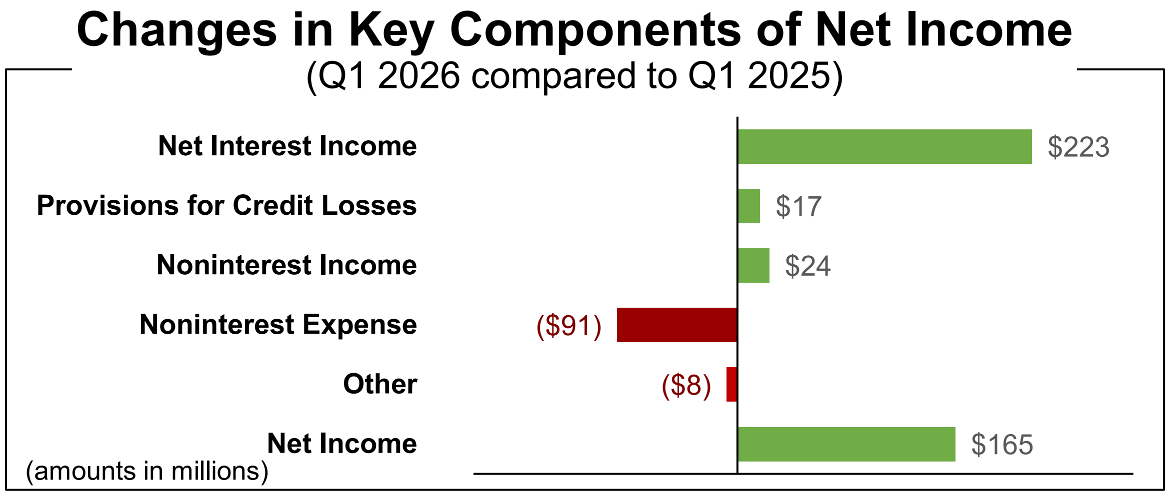


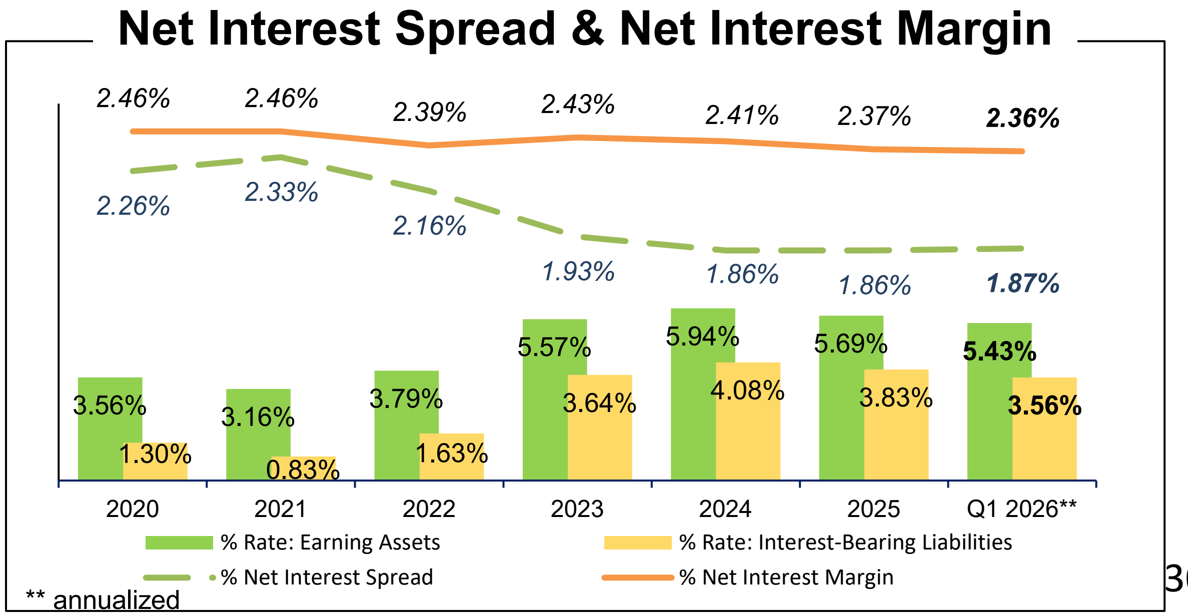
(2) Includes lease receivables

Source: Federal Farm Credit Banks Funding Corporation Information Statements

System earnings increased

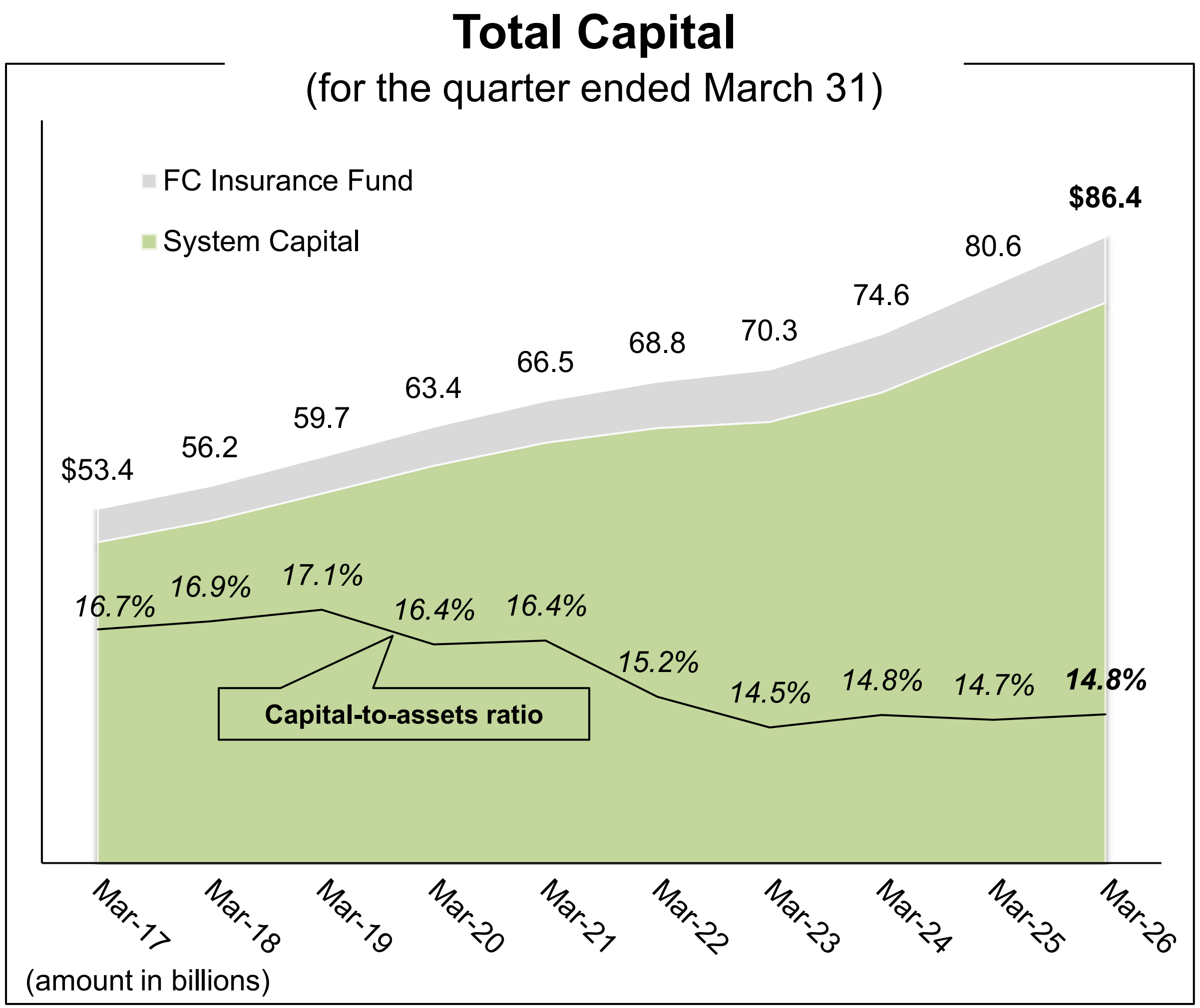


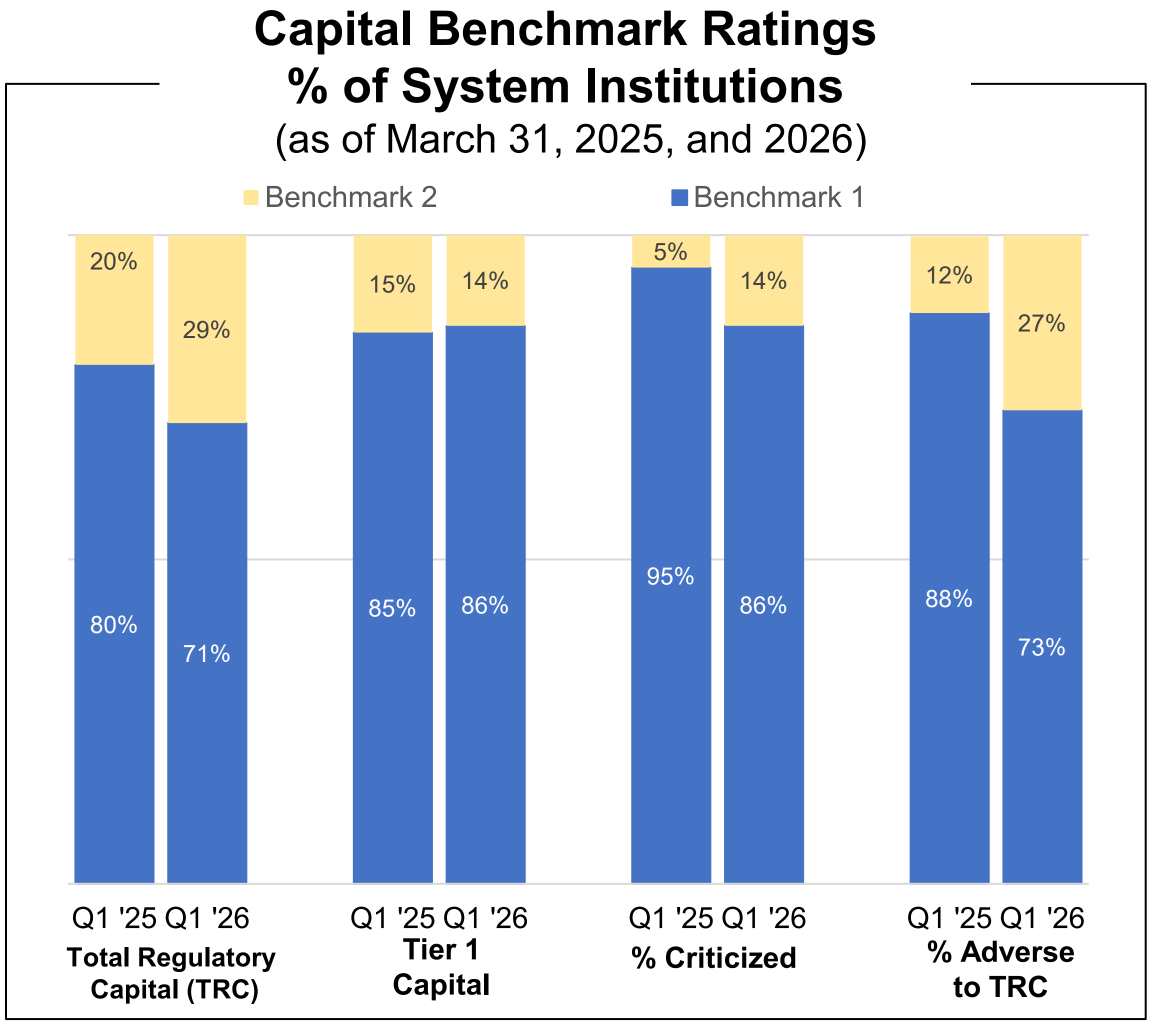




Source: Federal Farm Credit Banks Funding Corporation Information Statements

System capital position sound; institutions have strong risk-bearing capacity



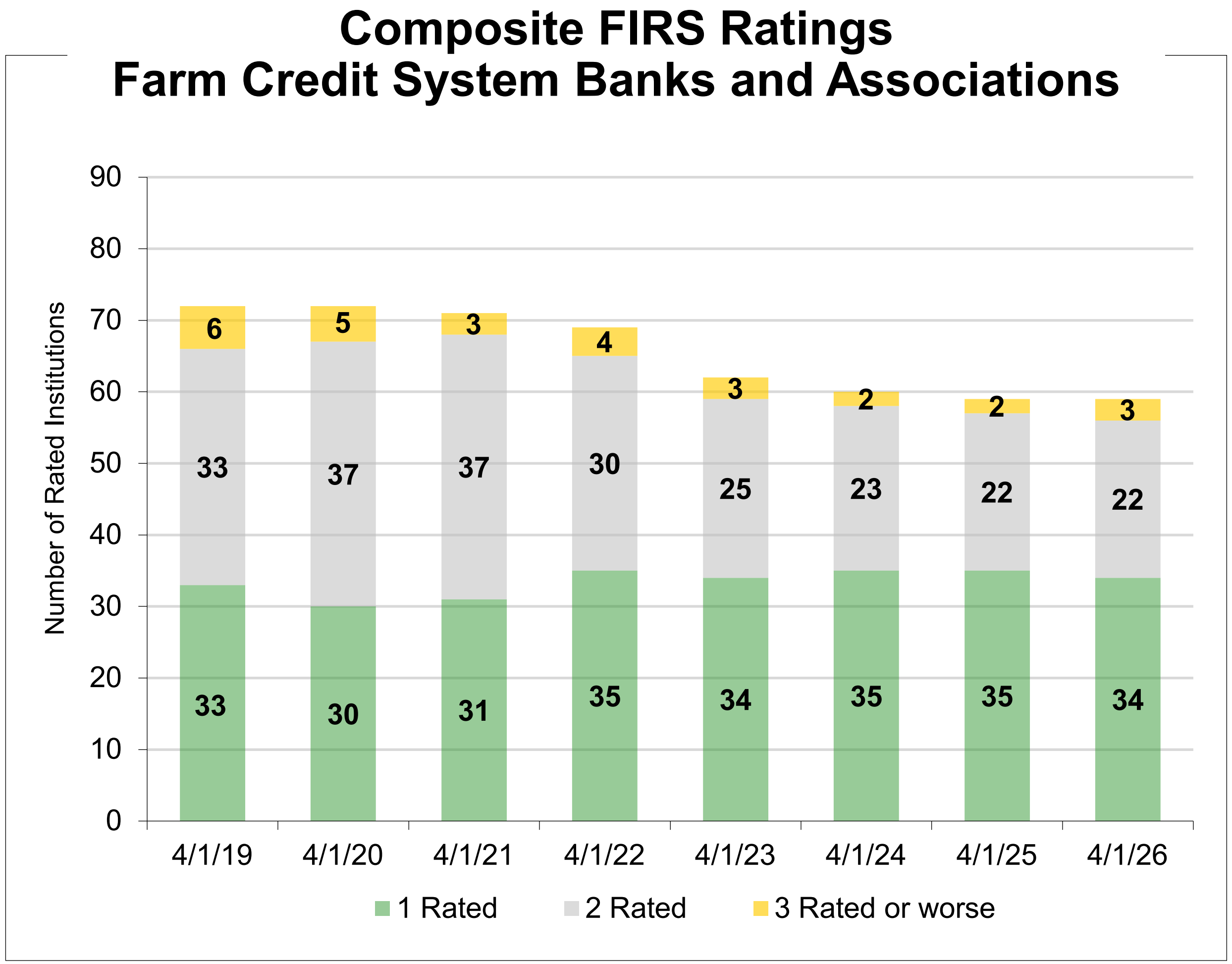


Source: Federal Farm Credit Banks Funding Corporation Information Statements

Composite FIRS ratings remain stable

Composite FIRS Ratings
(based on March 31, 2026 financial reporting)

- Composite FIRS ratings reflect the System's sound financial condition.
- Over 95% of System banks and associations have a Composite FIRS rating of 1 or 2.
- Institutions rated 3 or worse hold less than 5% of consolidated System assets.



Source: FCA's FIRS ratings database

Risks we are monitoring

Borrowers and System institutions continue to face a challenging operating environment in 2026.

- Continuing stress on cash grain sector resulting from volatile commodity prices, high input costs, global production trends, and trade uncertainties.
- Rising credit risk for agribusinesses as profit margins remain under pressure from high costs and uncertain demand.
- Weakening margins and a volatile interest rate environment on farmland and other collateral values.
- Varying consequences of tariffs, foreign trade policies, changes in government programs supporting agriculture, and disease outbreaks in crop or livestock sectors.

Exhibit E




Semi-Annual Report on Office of Examination Operations

Angela Hanson, EGD Director
Gerard Gunner, OCE Examiner
Office of Examination

OE Operations Agenda Topics

- Fiscal Year 2026 Operating Plan Objectives
  - Risk Supervision and Examination Activities
  - Public Mission
  - Operational Efficiency and Effectiveness
  - Human Capital
- Office of Examination Budget Results

Risk Supervision & Examination

- Conducted **onsite** examination activities as planned at 4 funding banks, 36 associations (65%), and 2 other entities
- Issued 20 reports of examination, 11 interim activity letters, and 35 FIRS Letters
- Maintained a higher level of supervisory oversight at 2 institutions
- Issued examination guidance




Risk Supervision & Examination (continued)

- FY2026 National Oversight Plan Focus Areas
  - Serving Agriculture in Volatile Times
  - Operational Resilience
  - Public Mission and Young, Beginning, and Small (YBS) Farmer and Rancher Programs
  - System Loan Data Reporting
- Completed or on target to complete the 5 systemic risk strategies and 1 institution risk strategy




Public Mission

- YBS Programs
  - Examiners evaluated compliance with YBS regulations at select institutions
- Quantitative YBS Rating
  - Continued working with the System to improve YBS lending and non-lending data
  - Participated in the new FCA YBS data group with members from the Office of Data and Analytics, Office of Information Technology, and Office of Regulatory Policy

Operational Efficiency and Effectiveness




- EDGe Enhancement
  - Continued to enhance the EDGe applications, tools, and reports
- Microsoft Teams Collaboration
  - Continued to collaborate with OIT on improvements and provide training to examiners on best practices
- FCS Loan Database Improvements
  - Continued to work with the System to add new data fields and assess and improve data reliability
- GIS Process Automation




Human Capital

- We are on target to complete strategies related to training, development, recruitment, retention and knowledge transfer
  - Hired 3 associate examiners, 1 commissioned examiner, and 2 technical specialists during the first half of the fiscal year
  - Experienced attrition of 11 employees or 6 percent in the first two quarters of the fiscal year
    - Compared to 4 percent during the same period in 2025




Human Capital (continued)

- We project to be below planned levels for total staff and commissioned examiners at fiscal yearend 2026

Total OE Staff[1]

Total OE Staff	Planned	Projected	Variance
Beginning FY 2026	180	178	(2)
Attrition | Retirements	(13)	(17)	(4)
Hirings	19	19	0
Ending FY 2026	186	180	(6)

Commissioned Examiners

Commissioned Examiners	Planned	Projected	Variance
Beginning FY 2026	87	87	0
Attrition | Retirements	(4)	(5)	(1)
Promotion to EMT	(2)	(2)	0
Hirings	1	4	3
Newly Commissioned	14	8	(6)
Ending FY 2026	96	92	(4)

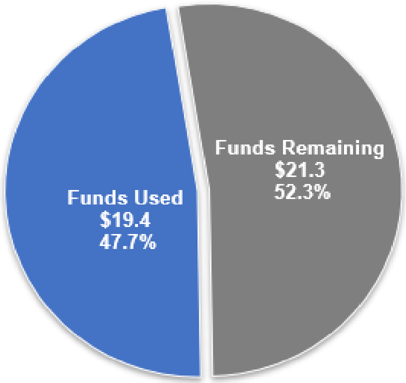
[1] We hired 10 people and had 4 separations since March 31, 2026




OE Budget Results

- Fiscal YTD as of 3/31/2026
  - Actual expenses were below our net budget
  - Full Time Equivalents (FTEs) are above budget due to approved hiring

FY 2026 OE Budget
As of 3/31/2026



FTEs	
♦ Projected Full Year FTE's	178.99
♦ Budgeted Full Year FTE's	177.42
Budget Variance	1.57

Summary




- Effectively conducted examination and oversight activities through the first half of FY 2026
- On target to complete FY 2026 Operating Plan objectives
- Ensured OE had sufficient levels of highly skilled staff to accomplish our mission
- Operated within our budget

Discussion

THANK YOU