

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
August 14, 2025**

These minutes reflect the business transacted at the August 14, 2025, 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 10:44 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 seven 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 July 10, 2025

(BM-14-AUG-25-01)

Board Member Smith moved to approve the minutes for the July 10, 2025, 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-14-AUG-25-01)**

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

Reports

Annual Report on the Farm Credit System's Young, Beginning, and Small Farmers and Ranchers Mission Performance

Rebecca Kaiser of the **Office of Data Analytics and Economics** presented the Annual Report on the Farm Credit System's Young, Beginning, and Small Farmers and Ranchers Mission Performance.

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

Report on Startup Costs for New Farmers and Ranchers

Sarah Tulman of the **Office of Regulatory Policy** presented the Report on Startup Costs for New Farmers and Ranchers.

(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 10:44 a.m.

NOTATIONAL VOTE ACTIONS

There was one notational vote action approved by the FCA Board from July 10, 2025, through August 13, 2025.

Item Number	Action Date	Voting Results	Subject
NV 25-12	7/14/2025	Approved	CoBank, ACB Request to Renew its Streamlined Process for Investments in Healthcare-related Community Facilities in Rural America Under § 615.5140(e)

The undersigned hereby certify that the foregoing minutes are the official minutes of the regular meeting of the Farm Credit Administration Board held on August 14, 2025.

_____/s/
Jeffery S. Hall
Chairman and CEO

_____/s/
Ashley Waldron
Secretary to the Board

Approved: September 11, 2025

**BOARD AND STAFF PRESENT AT THE
FCA REGULAR BOARD MEETING
August 14, 2025**

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

ATTENDEES	OPEN SESSION
Office of the Board	
Hall, Jeffery	X
Smith, Glen	X
Donner, Mary Alice	X
Stokke, Michael	X
Calhoun, Gaye	X
Lewandrowski, Barbara	X
Waldron, Ashley	X
OCOS	
Coleman, Robert	X
Cunningham, Lesley	X
OEE0	
Burlew, Thais	X
Fish, Tyler	X
OIT	
Versace, Jerry	X
Matos, Ricardo	X
Rana, Ben	X
Amaya, Victor	X
OCPA	
Mosely, Ben	X
Rezendes, Andrew	X
Shelly, Philip	X
OGC	
Mahini, Seema	X
Griffin, Ward	X
Isawi, Hazem	X
OE	
Duffy, Mike	X
Fennewald, Dan	X
Greenlee, Angela	X
ODAE	
D'Antoni, Jeremy	X
Shields, Dennis	X
Iannetta, Sal	X
Kaiser, Rebecca	X
OIG	
Novak, Nick	X
Miller, Kevin	X
OSMO	

ATTENDEES	OPEN SESSION
Connor, Joseph	X
ORP	
Kramp, Kevin	X
Agans, Autumn	X
Tulman, Sarah	X
Potter, Jessica	X
Leist, Ryan	X
OCFO	
Peterman, Mary	X
Soares, Ily	X
OAS	
Bell, Vonda	X
Keller, Josh	X
Adkins, Byron	X
FCSIC	
Simonson, John	X
GENERAL PUBLIC	7

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 August 14, 2025

TIME AND DATE: 10 a.m., Thursday, August 14, 2025.

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 Minutes for July 10, 2025
- Annual Report on the Farm Credit System's Young, Beginning, and Small Farmers and Ranchers Mission Performance
- Report on Startup Costs for New Farmers and Ranchers

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

July 30, 2025

Farm Credit Administration

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

BOARD ACTION ITEM



FCA BOARD ACTION ON

Minutes for July 10, 2025, Regular Board Meeting

BM-14-AUG-25-01

Effective Date: August 14, 2025

Impact on Prior Board Actions: None

THE FCA BOARD HEREBY:

- Approves the minutes for the July 10, 2025, regular Board meeting, as presented.

DATED THIS 14th DAY OF AUGUST 2025

BY ORDER OF THE BOARD

_____/s/
Ashley Waldron
Secretary to the Board



Annual Report on the Farm Credit System's Young, Beginning, and Small Farmer Mission Performance

August 14, 2025

Rebecca Kaiser, Senior Economist
Office of Data Analytics and Economics



2024 YBS Reporting Overview and Updates

- This is the second year reporting lending data from the modernized process and reporting both datasets together.
- View of YBS programs through two lenses: Program features and lending results.
- Definition of small changed January 1, 2024, from \$250,000 in annual gross sales to \$350,000 annual gross cash farm income.
- Rigorous quality assurance processes for both datasets.



2024 YBS Non-lending Report (NLR) Overview

The NLR survey provides insight into services and outreach used by institutions:

- Non-lending capital commitments
- Financially related services
- Scholarships
- Conferences, seminars, workshops
- Grants
- Marketing and outreach



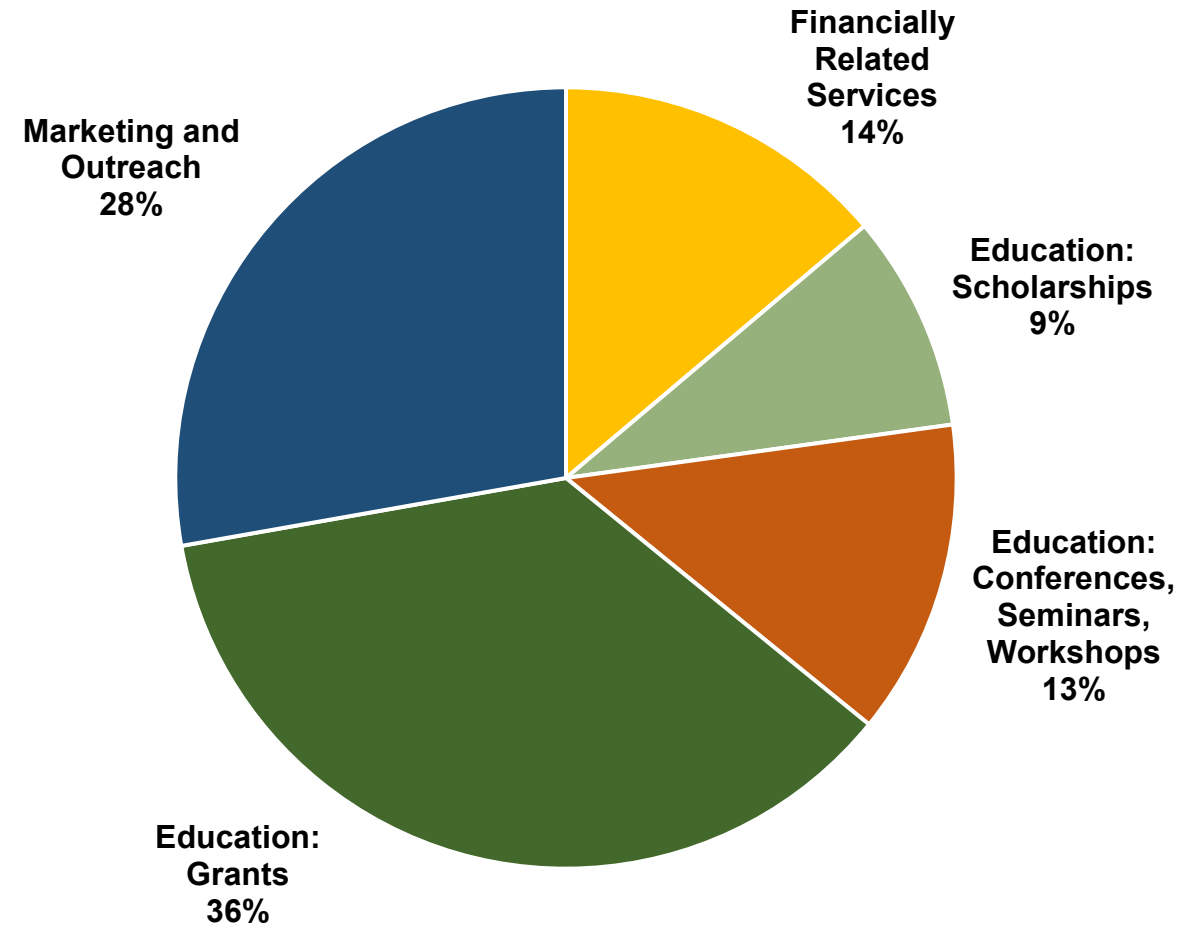
2024 YBS NLR Results

- In 2024, the FCS provided \$348 million in services to YBS producers
 - \$306 million on investments and leases
 - \$37 million on scholarships, grants, educational services, and marketing and outreach
 - \$6 million on financially related services
- Additional YBS program characteristics reported in 2024
 - Use of advisory committees (56%), dedicated staff (78%), and program training (93%)
 - YBS board members (59%)
 - Use of interest rate concessions (58%)



2024 YBS NLR Results

- Excluding non-lending capital commitments
 - \$43 million total
 - Approximately 20% went to youth organization grants and 10% went to advertising and promotions.



2024 YBS Lending Data Collection Framework

- Leverages existing data systems in the FCS and uses the data dictionary for standardized loan information.
- Designed to be automated – eases reporting burden long term.
- Collects eight mutually exclusive YBS and non-YBS groups.
- Provides FCA and the System with additive lending results across all eight categories.
- Gives insight into dollars in the hands of farmers.

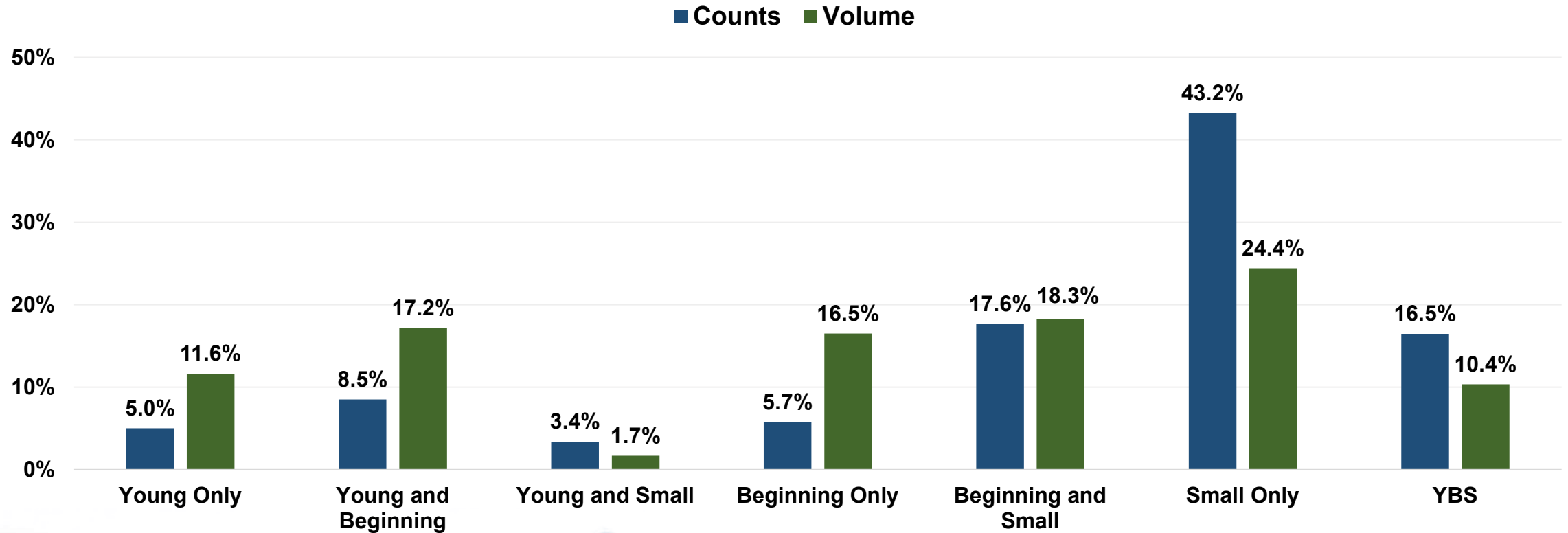


Loan Count and Current Commitment Volume: Loans Made During 2024

Category	Loan Counts	Volume in Millions	Percent of Total Loan Counts	Percent of Total Volume
Young Only	7,559	\$3,852	2.9%	2.9%
Young and Beginning	12,786	\$5,683	4.9%	4.3%
Young and Small	5,077	\$556	2.0%	0.4%
Beginning Only	8,610	\$5,463	3.3%	4.2%
Beginning and Small	26,495	\$6,044	10.2%	4.6%
Small Only	64,908	\$8,086	25.0%	6.2%
YBS	24,721	\$3,428	9.5%	2.6%
Non-YBS	109,408	\$98,089	42.2%	74.8%
System Total	259,564	\$131,201	100.0%	100.0%



Distribution of YBS Loans Made by YBS Category During 2024



Loan Count and Current Commitment Volume: Loans Outstanding as of December 31, 2024

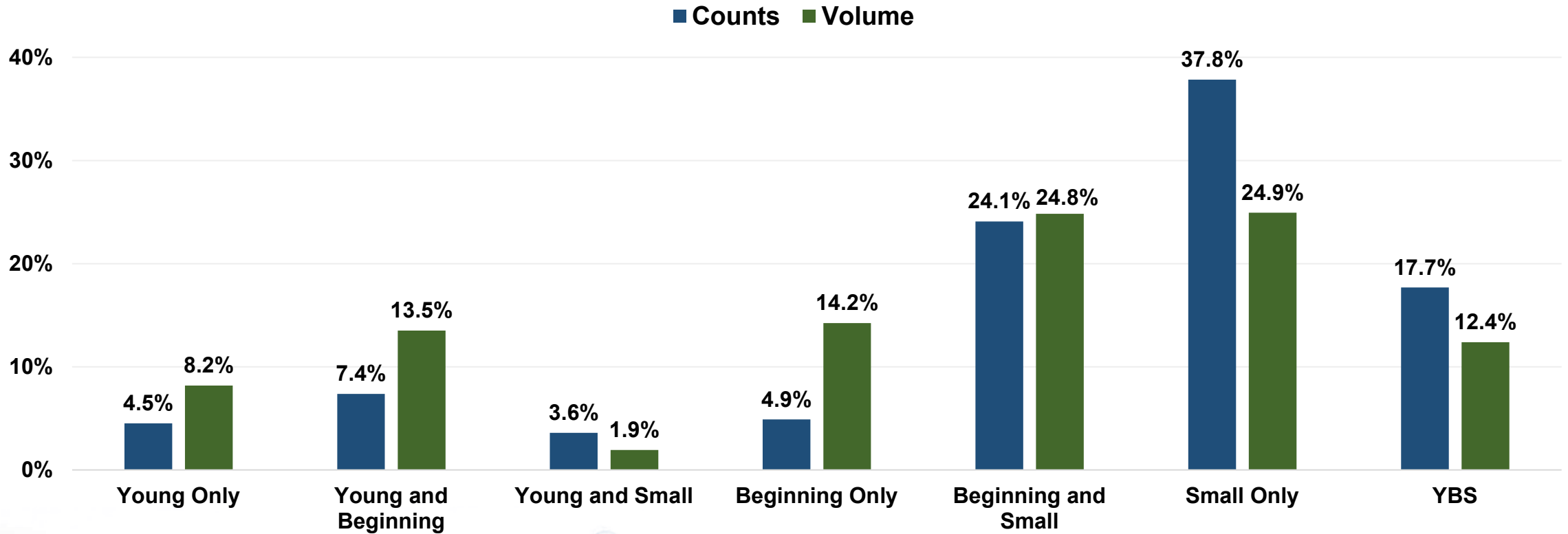
Category	Loan Counts	Volume in Millions	Percent of Total Loan Counts	Percent of Total Volume
Young Only	29,255	\$10,052	2.8%	2.5%
Young and Beginning	47,699	\$16,591	4.5%	4.1%
Young and Small	23,253	\$2,375	2.2%	0.6%
Beginning Only	31,649	\$17,484	3.0%	4.4%
Beginning and Small	155,953	\$30,490	14.7%	7.6%
Small Only	244,945	\$30,625	23.1%	7.6%
YBS	114,530	\$15,203	10.8%	3.8%
Non-YBS	411,930	\$278,405	38.9%	69.4%
System Total	1,059,214	\$401,226	100.0%	100.0%



YBS and Non-YBS Loans Outstanding — As of December 31, 2023



Distribution of YBS Loans by YBS Category Outstanding as of December 31, 2024



Year-over-year comparison

- Change in small definition and improved QA process for 2024 data cloud comparisons to 2023.
- Total non-lending dollars decreased by 2.7%, mostly due to decreases in grants and in non-lending capital commitments.
- More institutions report having YBS advisory committees, YBS board members, dedicated YBS staff, staff training on YBS, and giving YBS interest rate concessions in 2024 compared to 2023.
- New loan counts were up 2.6% and volume was up 7.8% from 2023. Outstanding loan counts were up 0.4% and volume was up 5.0% from 2023.
- Largest changes in the portfolio composition were in the Small Only category.



Conclusions

- Loans to YBS categories accounted for more than half of the number of FCS loans made in 2024 and loans outstanding at year-end.
- Additive and mutually exclusive YBS categories provide meaningful insights into FCS lending to YBS.
- Analyzing both non-lending survey results and more detailed lending data from the improved collection framework will help FCA and the System better understand how the System is meeting its YBS mission.



Startup Costs for New Farmers and Ranchers

FCA Board Meeting
August 14, 2025

Sarah Tulman, PhD

Senior Economist
Office of Regulatory Policy





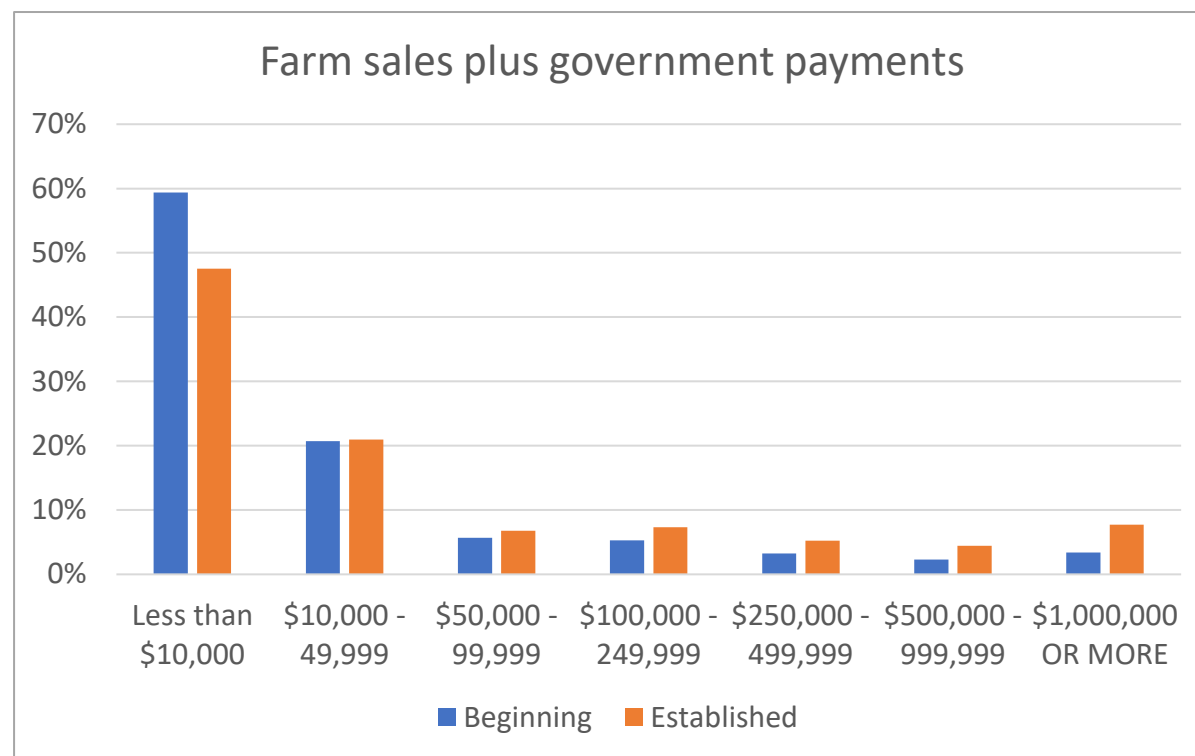
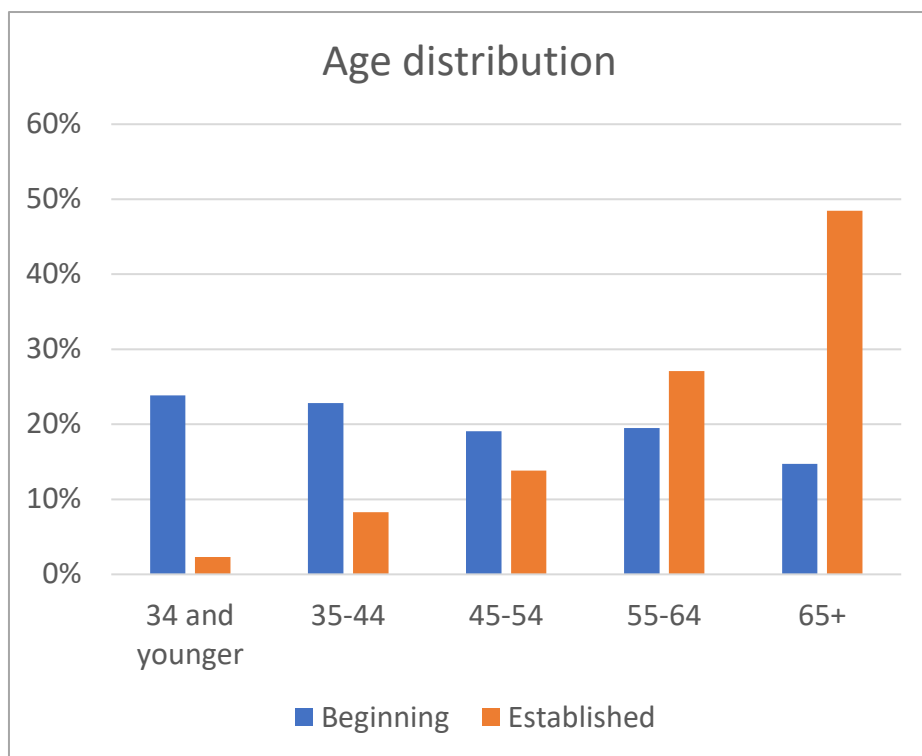
Intro

- ▶ The Farm Credit System has a mandate and a mission to serve young, beginning, and small (YBS) producers.
- ▶ New producers face additional startup costs, effectively serving as financial barriers to entry.
 - Scale and scope of outlays
 - Land and other major purchases or leases (e.g., equipment)
 - Cost of and access to capital
- ▶ Insights inform policy discussions going forward.



Age and farm size distribution of beginning producers

- ▶ 24% of beginning producers are young*, but 81% of young producers are beginning.
- ▶ Beginning producers are younger on average than producers overall.
- ▶ Most operations are small but beginning producers are more concentrated in very small (< \$10,000) operations: 59% of beginning producers vs. 48% of established.

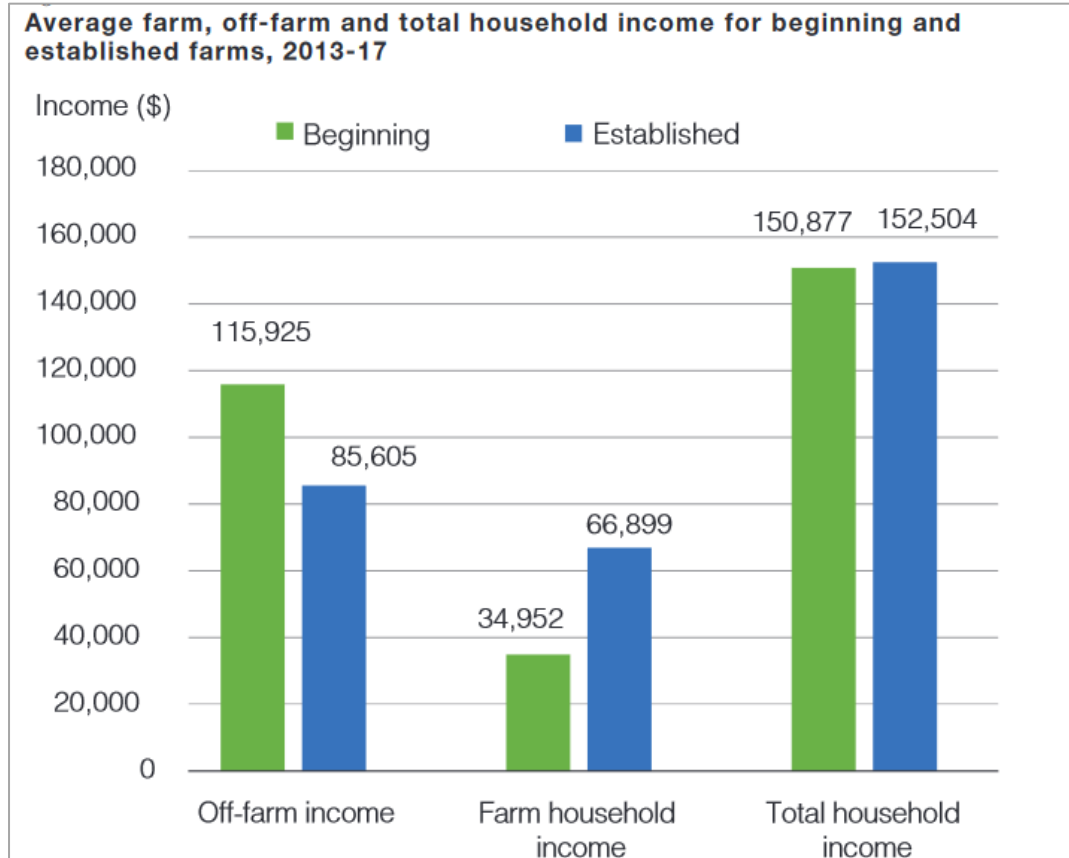


*In the 2022 Census of Agriculture public data, the available age group is under 35 rather than FCA's 35 and under.
Source: 2022 Census of Agriculture, USDA National Agricultural Statistics Service



Farm household income and wealth

- ▶ Household income is similar for beginning and established producers, with off-farm income representing a larger share for beginning producer households.
 - However, beginning producer households only have about half as much net worth as established producer households.
- ▶ Both beginning producers and their spouses are more likely to have off-farm employment.



Source: Key, Nigel and Greg Lyons. An Overview of Beginning Farms and Farmers, EB-29, U.S. Department of Agriculture, Economic Research Service, September 2019



Beginning producers: commodity distribution

- ▶ Almost half of beginning producers are concentrated in cattle and other crops (tobacco, cotton, sugarcane, hay, and other crops).

Commodity	Beginning producers	Established producers
Beef Cattle Ranching and Farming	25.6%	28.4%
Other Crop Farming	22.0%	23.3%
Oilseed and Grain Farming	12.6%	18.7%
Aquaculture and Other Animal Production	10.7%	9.9%
Specialty Crops	9.7%	7.1%
Poultry and Egg Production	6.6%	3.1%
Sheep and Goat Farming	5.9%	3.5%
Greenhouse, Nursery, and Floriculture Production	3.8%	2.6%
Hog and Pig Farming	1.7%	1.0%
Dairy Cattle and Milk Production	1.0%	1.7%
Cattle Feedlots	0.4%	0.7%

Source: 2022 Census of Agriculture, USDA National Agricultural Statistics Service

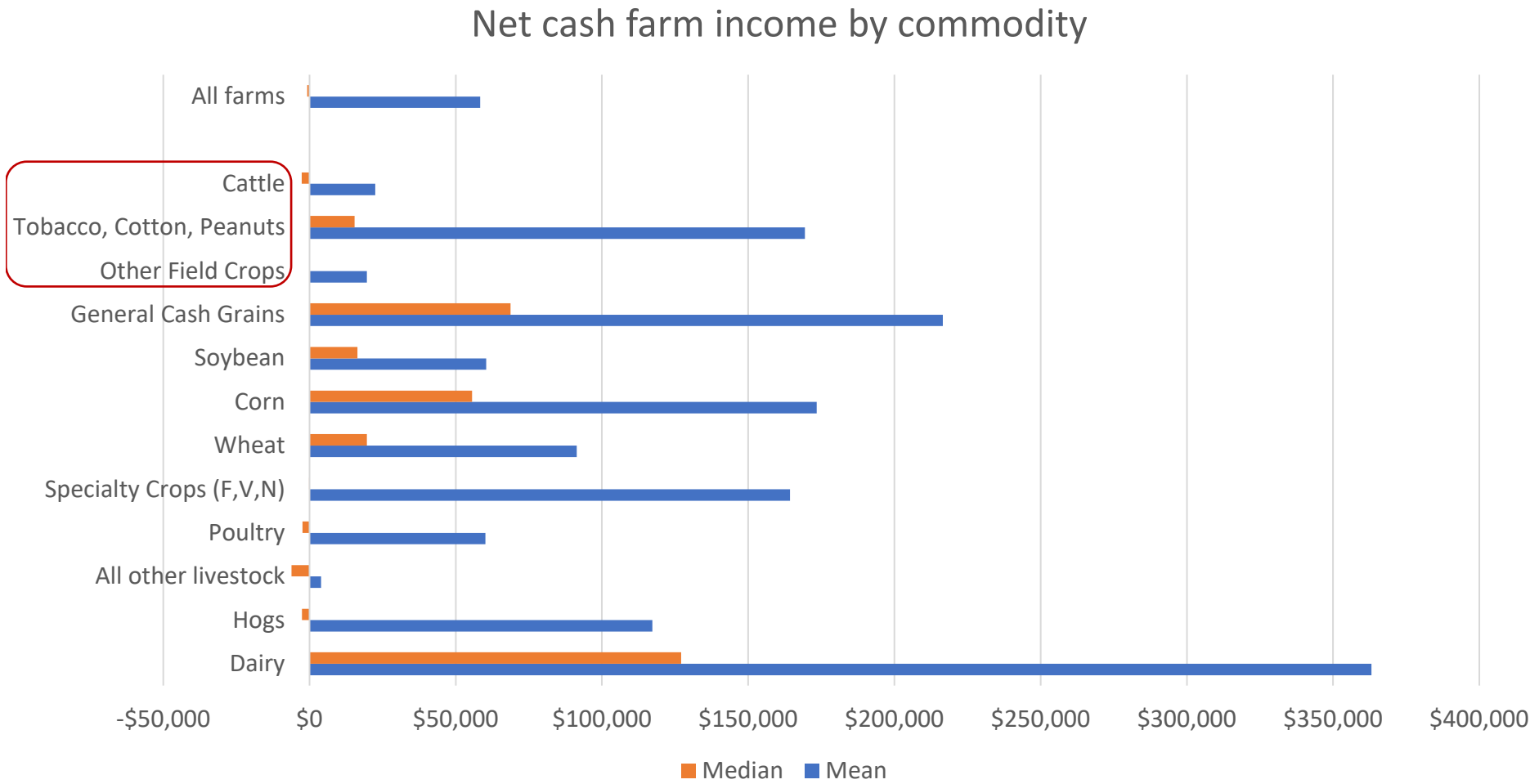


Narrow margins

- ▶ Margins are narrow and are likely even narrower for new producers who have greater outlays for startup expenses.
- ▶ All operations: average (mean) net cash farm income was \$58,345 in 2023. Median net cash farm income was -\$836.
 - Likely overstating the margins since they do not include the major outlays that new producers are especially faced with, or the principal component of loan payments.
- ▶ Next slides break it out by commodity and farm/ranch size.



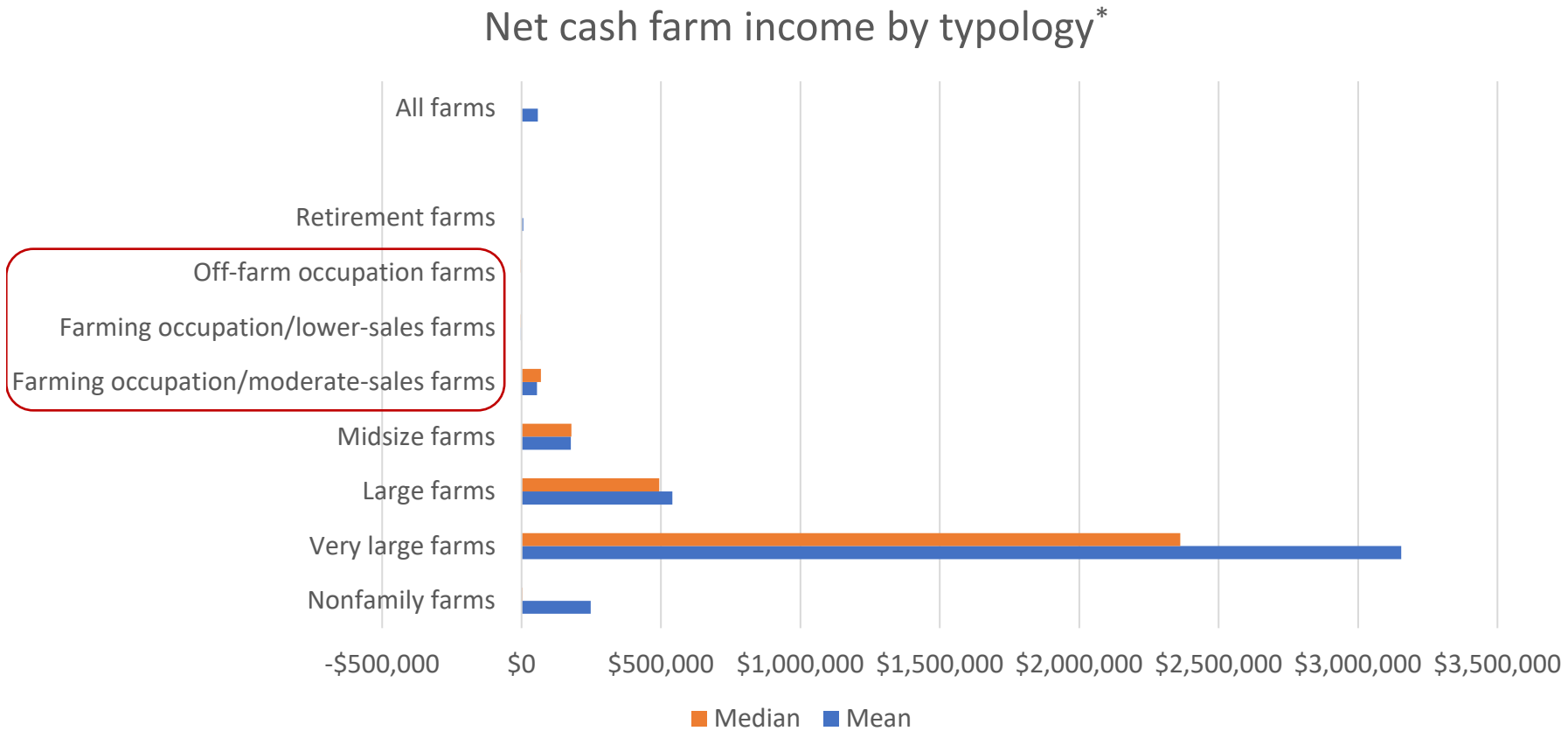
Narrow margins in commodities accounting for almost half of beginning producers



Source: 2023 Agricultural Resource Management Survey, USDA Economic Research Service and National Agricultural Statistics Service



Margins especially narrow for small farms, which account for majority of beginning producers



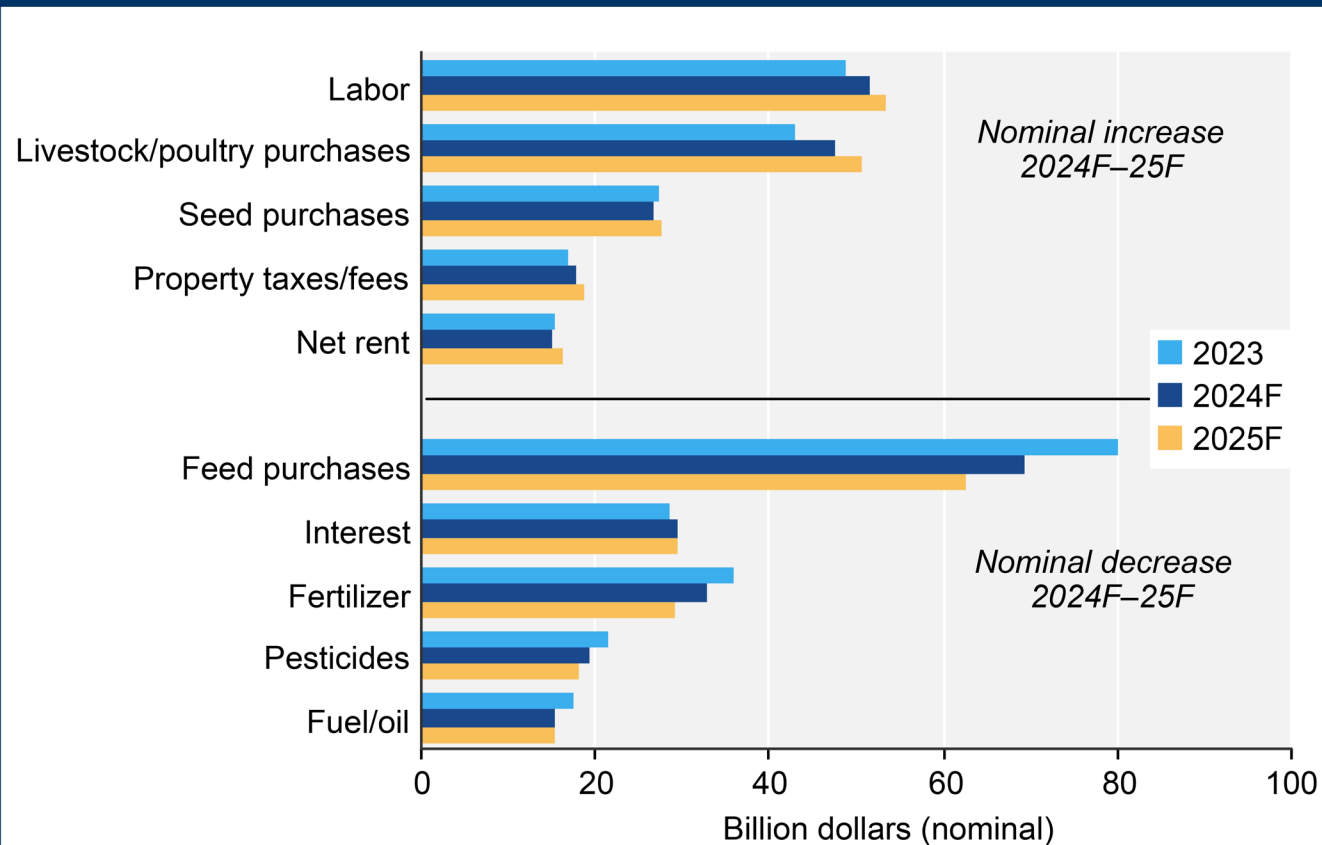
*Typologies are based on gross cash farm income (GCFI). The three circled typologies and retirement farms have GCFI less than \$350,000. Farming occupation/lower-sales farms' GCFI is less than \$150,000. Farming occupation/moderate-sales farms have GCFI \$150,000 – \$350,000. Midsize farms: \$350,000 – \$1 million. Large farms: \$1 – 5 million. Very large farms: over \$5 million.
Source: 2023 Agricultural Resource Management Survey, USDA Economic Research Service and National Agricultural Statistics Service 27



Production expenses

- ▶ Largest costs: labor, livestock purchases, feed, seed, fertilizer.
- ▶ Interest expenses forecast to hold steady.
- ▶ Composition of expenses depend on commodity.
- ▶ Major startup expenses not shown here: land and buildings, equipment.

Selected U.S. farm production expenses, 2023–25F



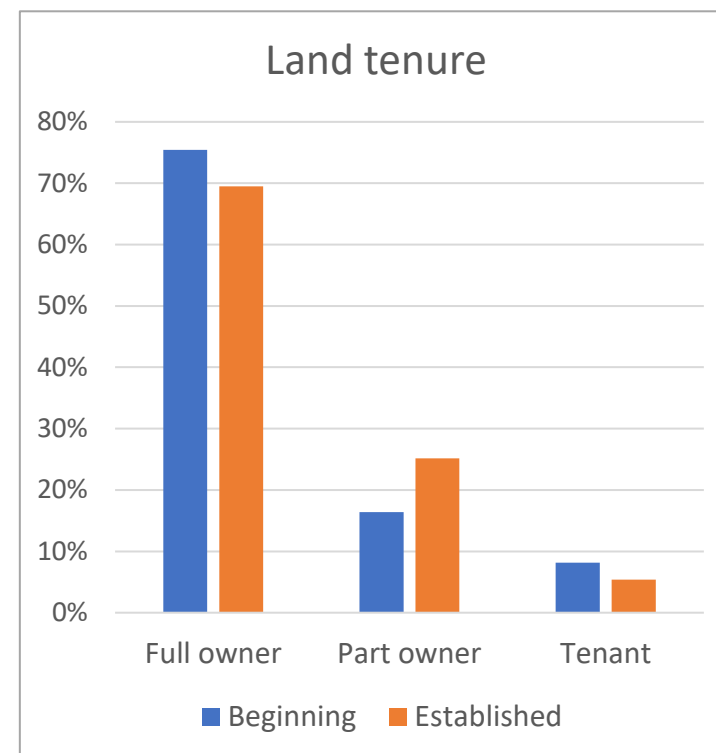
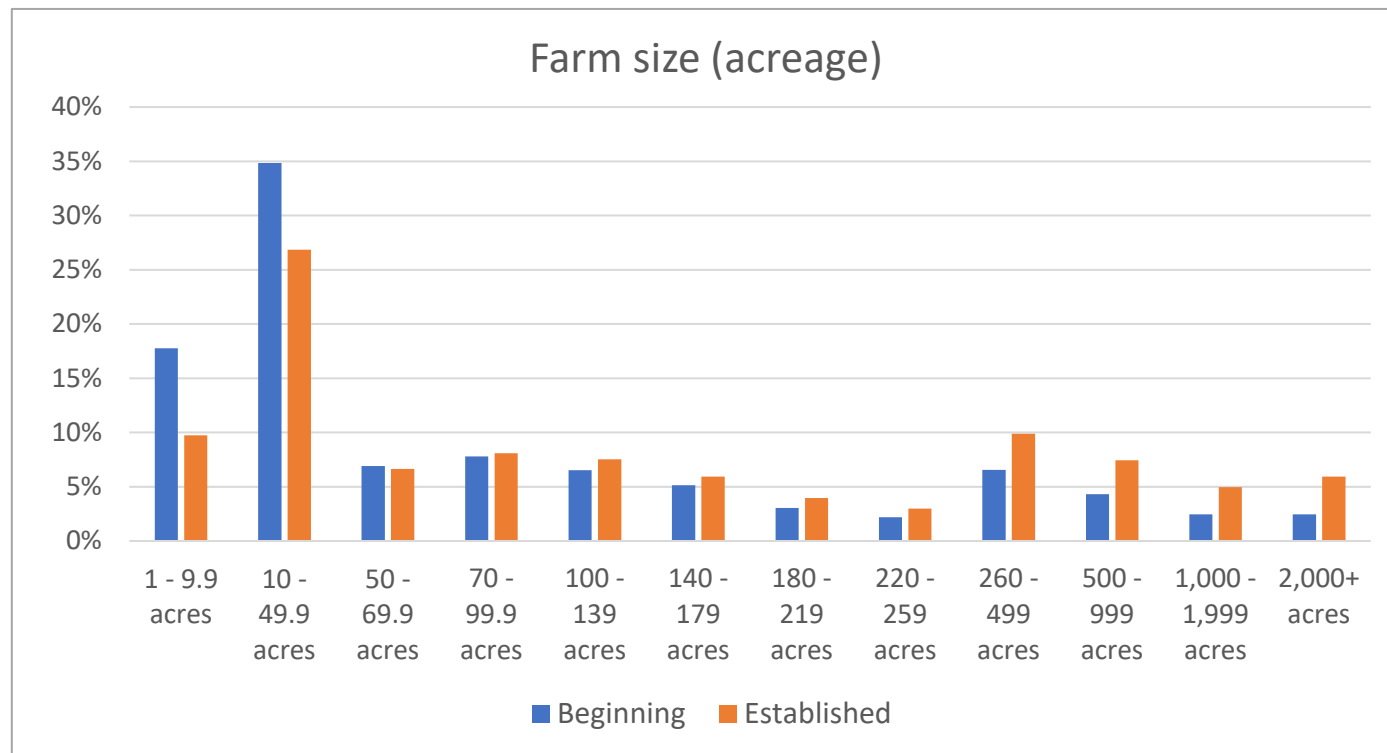
Note: F = forecast.

Source: USDA, Economic Research Service, Farm Income and Wealth Statistics.
Data as of February 6, 2025.



Land: acreage and ownership

- ▶ Beginning producers are more heavily concentrated in very small-acreage farms and are more likely to be full owners or tenants and less likely to be part-owners.

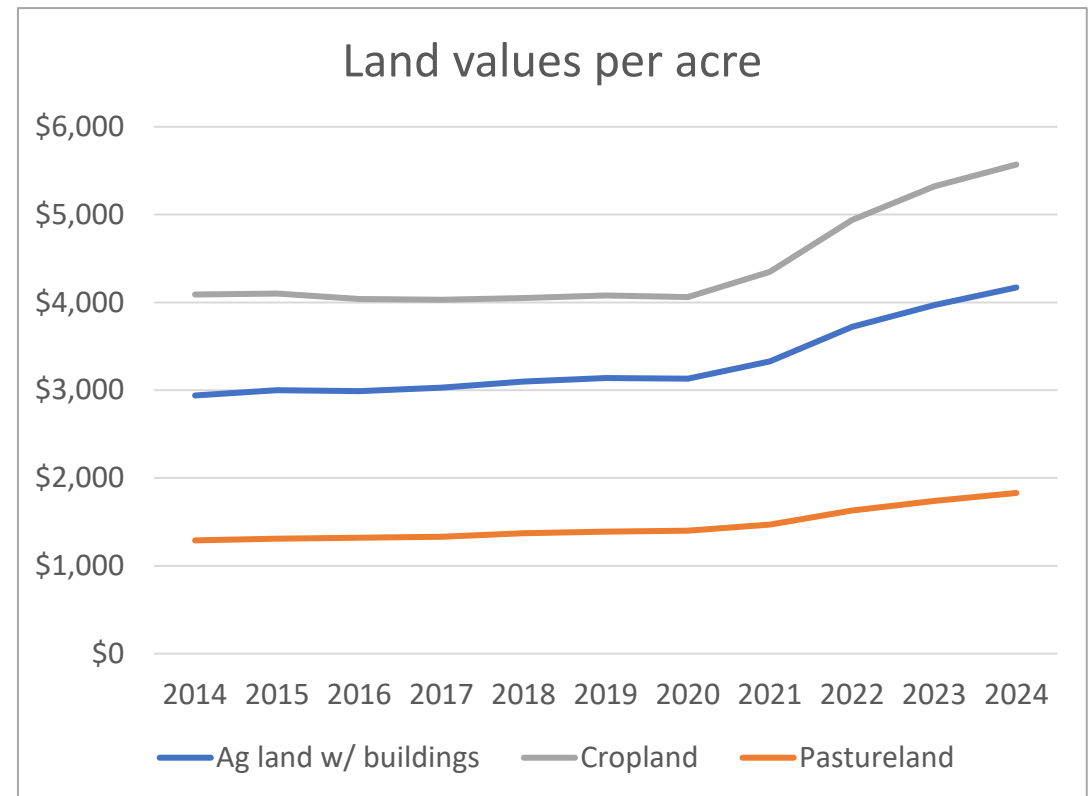


Source: 2022 Census of Agriculture, USDA National Agricultural Statistics Service



Cost of land

- ▶ Increases in land values make starting out more expensive. Agricultural land values (national average) have risen approx. 39% between 2014 and 2024.
 - Cropland 36%, pastureland 40%.
 - Especially large increases starting in 2021.
- ▶ Rent increased 13% for cropland and 30% for pastureland during this same period.



Source: June Area Survey, USDA National Agricultural Statistics Service



Equipment

- ▶ Equipment can cost tens or hundreds of thousands of dollars.
- ▶ New producers are faced with buying or leasing everything upfront, whereas established producers may need to replace fewer pieces of equipment in a given year.
- ▶ Leasing lowers the initial outlay, but beginning producers may face more challenges in accessing credit.



Credit

- ▶ Beginning producers are more likely to face challenges accessing credit because they tend to have less net worth, collateral, and working capital and a shorter business record.
- ▶ Beginning producers on average are more likely to have debt (56% vs. 48%) and those with debt are more highly leveraged, with debt-to-asset ratios of 29% vs. 18%.^{*}

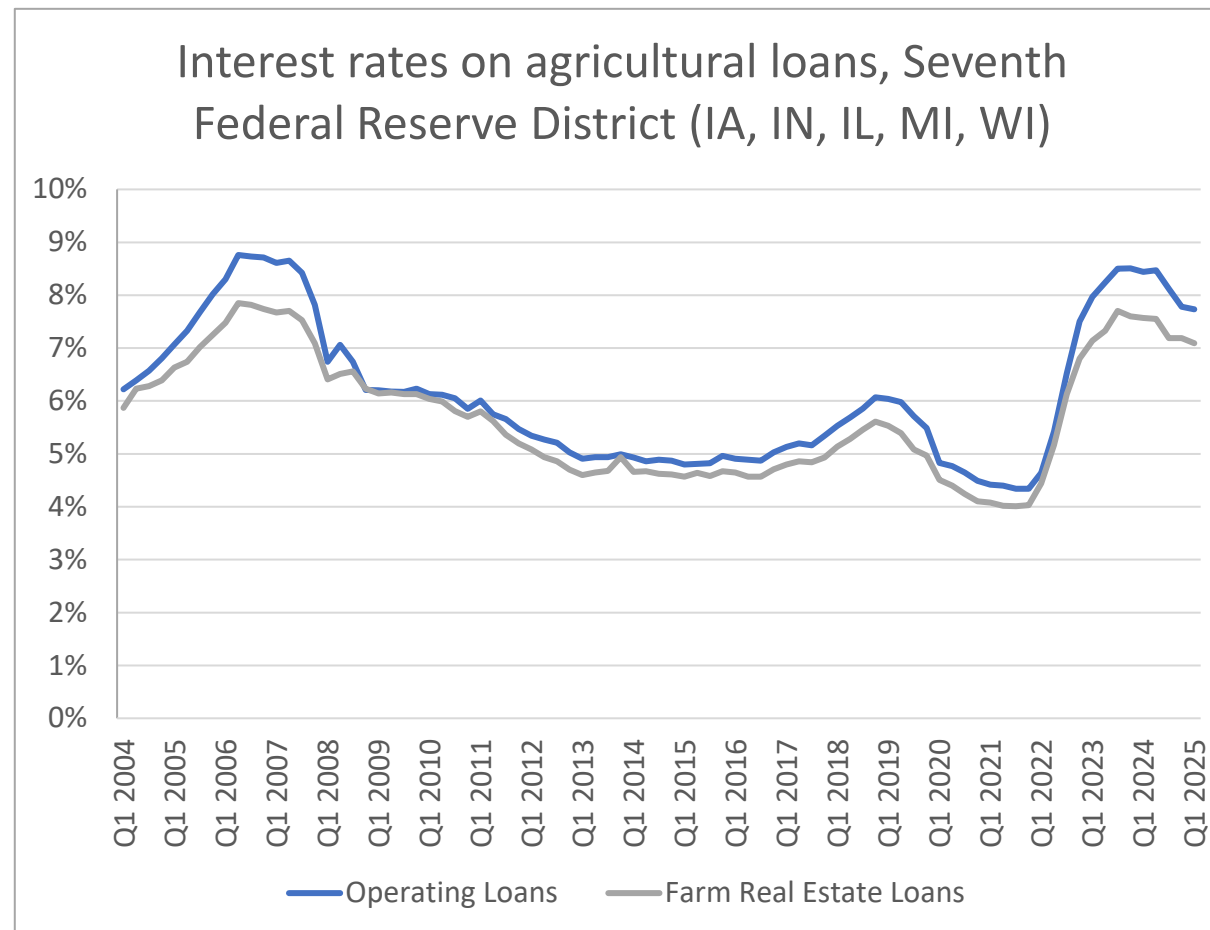
^{*}Key, Nigel and Greg Lyons. An Overview of Beginning Farms and Farmers, EB-29, U.S. Department of Agriculture, Economic Research Service, September 2019.



Interest expense

- ▶ In addition to increasing land values, the cost of borrowing has also risen.
 - Rates are at levels last seen in 2007.
- ▶ Interest rates for beginning producers are often higher than for established producers.*

*Kauffman, N.S. 2013. "Credit Markets and Land Ownership for Young and Beginning Farmers," *Choices*. Quarter 2.



Source: Federal Reserve Bank of Chicago



Regulatory compliance costs

- ▶ Regulatory compliance costs span labor, food safety, water and air quality, pesticides, etc.
 - Composition depends on factors including State, commodity, and size.
- ▶ Small farms are more likely to be price takers and have less ability to pass on regulatory cost increases.
- ▶ McCullough and Hamilton (2021) surveyed a variety of crop farms in the San Joaquin Valley (California) and found that total regulatory costs increased by 265% between 2012-2018 while total production costs increased 22%.
 - Hamilton and McCullough (2024) focused on lettuce growers, found that regulatory costs increased by 1,366% between 2006-2024 while total production costs rose 44%.



Resources for beginning producers

- ▶ Farm Credit System YBS programs
 - Lending programs
 - ✓ Flexible credit standards
 - ✓ Interest rate concessions and fee reductions
 - ✓ Specialized programs
 - ✓ Partnering with third parties (e.g., FSA's Preferred Lender Program)
 - Non-lending programs
 - ✓ Non-lending capital commitments
 - ✓ Educational support
 - ✓ Scholarships
 - ✓ Related Services
 - ✓ Grants
 - ✓ Marketing and Outreach
- ▶ FSA direct loans, guaranteed loans, and down payment program
- ▶ Farm Link and similar programs ([link to list of programs](#))



Conclusion

- ▶ Starting out in agriculture usually involves large initial outlays, which further cuts into agriculture's already narrow margins.
- ▶ Rising land values and rents increase the barriers to entry.
- ▶ High interest rates have increased the cost of borrowing, and new producers may also face additional challenges in obtaining credit.
- ▶ There are resources for new farmers from the Farm Credit System's Young, Beginning, and Small programs as well as Federal and State governments.
- ▶ Insight into the hurdles faced by new producers informs policy discussions going forward.