

Dallas P. Tonsager, Chairman and Chief Executive Officer
Jeffery S. Hall, Board Member
Glen R. Smith, Board Member



**MINUTES OF THE REGULAR MEETING
OF THE
FARM CREDIT ADMINISTRATION BOARD
November 8, 2018**

These minutes reflect the business transacted at the November 8, 2018, Regular Meeting of the Farm Credit Administration Board (FCA Board) pursuant to the Government in the Sunshine Act, 5 U.S.C. § 552b, and the regulations of the Farm Credit Administration (FCA) adopted thereunder.

The FCA Board meeting was held at the FCA office in McLean, Virginia, beginning at 9:00 a.m. and concluding at 9:20 a.m. Members of the Board present were:

Dallas P. Tonsager, Chairman and Chief Executive Officer
Jeffery S. Hall, Member
Glen R. Smith, Member

The above named constitute the full Board.

Others present included **Charles Rawls**, General Counsel; **Dale Aultman**, Secretary to the Board; staff of the FCA and the Farm Credit System Insurance Corporation; and three members of the general public. (A list of staff attendees is attached as Exhibit A.)

The **Secretary** read a statement that announced the meeting would be conducted according to the requirements of the Government in the Sunshine Act.

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

Mr. Hall moved to adopt the Agenda as published.

Mr. Smith seconded the motion.

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

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

Mr. Smith noted that the Agenda *did not* include any 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.

Mr. Hall seconded the motion.

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

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

OPEN SESSION

Approval of Minutes

Minutes for October 11, 2018 (BM-8-NOV-18-01)

Mr. Hall moved to approve the minutes for the October 11, 2018, FCA Regular Board Meeting.

Mr. Smith seconded the motion.

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

The **Secretary** polled the Board Members and the motion carried unanimously. **(BM-8-NOV-18-01)**

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

New Business

Bookletter 070 - Revised Capital Treatment for Certain Rural Water and Wastewater Facilities Exposures (BM-8-NOV-18-02)

Chris Wilson of the **Office of Regulatory Policy**, and **Jennifer Cohn** of the **Office of General Counsel** presented the Bookletter 070 - Revised Capital Treatment for Certain Rural Water and Wastewater Facilities Exposures.

Board Chairman Tonsager opened the discussion for questions by the board.

Board Chairman Tonsager asked if there was any further discussion and asked staff to provide their recommendation. Staff provided their recommendation.

Board Chairman Tonsager called for a motion on the staff's recommendation.

Mr. Smith moved to approve the Bookletter 070 - Revised Capital Treatment for Certain Rural Water and Wastewater Facilities Exposures.

Mr. Hall seconded the motion.

Board Chairman Tonsager asked if there was any further discussion.

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

The **Secretary** polled the Board Members and the motion carried unanimously. **(BM-8-NOV-18-02)**

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

ADJOURNMENT

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

Mr. Hall moved that the meeting be adjourned.

Mr. Smith seconded the motion.

Board Chairman Tonsager called the question.

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

The meeting adjourned at 9:20 a.m.

**STAFF PRESENT AT THE
FCA REGULAR BOARD MEETING
November 8, 2018**

Dallas P. Tonsager, Chairman and Chief Executive Officer
Jeffery S. Hall, Board Member
Glen R. Smith, Board Member

OFFICE	OPEN SESSION
Office of the Board	
Aultman, Dale	X
Batta, Todd	X
Kramp, Kevin	X
Morris, James	X
Corey, Kathryn	X
Calhoun, Gaye	X
Roque-Brehm, Awilda	X
EEOI	
Burlew, Thais	X
COO	
Hoffman, William	X
OIT	
Golley, Jerald	X
OCPA	
Stokke, Michael	X
Middleton, Russell	X
Meaux, Willy	X
OSMO	
Rea, Laurie	X
Hudson, Bruce	X
OGC	
Rawls, Charles	X
Cohn, Jennifer	X
Donner, Mary Alice	X
Strickland, Joy	X
OE	
Coleman, Robert	X
Paulsen, Roger	X
Moeller, Ed	X
OIG	
Laguarda, Wendy	X
ORP	
Van Meter, Gary	X
Mardock, Barry	X
Wilson, Chris	X
Edelstein, Jeremy	X
Floyd, J.C.	X

OFFICE	OPEN SESSION
OCFO	
Smith, Stephen	X
Gandy, Doug	X
OAS	
Bell, Vonda	X
FCSIC	
Wynn, Wade	X
GENERAL PUBLIC	3

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
November 8, 2018**

Summary: Notice is hereby given, pursuant to the Government in the Sunshine Act (5 U.S.C. Sec. 552b(e) (1)), of the forthcoming regular meeting of the Farm Credit Administration Board.

Date and Time: The regular meeting of the Board will be held November 8, 2018. The meeting is scheduled to be held at the office of the Farm Credit Administration in McLean, Virginia, from 9:00 a.m. until such time as the Board may conclude its business.

Address: Farm Credit Administration, 1501 Farm Credit Drive, McLean, Virginia 22102-5090. Submit attendance requests via e-mail to VisitorRequest@FCA.gov. See SUPPLEMENTARY INFORMATION for further information about attendance requests.

For Further Information Contact: Dale L. Aultman, Secretary to the Farm Credit Administration Board (703) 883-4009. TTY is (703) 883-4056.

Supplementary Information: This meeting of the Board will be open to the public (limited space available). Please send an e-mail to VisitorRequest@FCA.gov at least 24 hours before the meeting. In your e-mail include: name, postal address, entity you are representing (if applicable), and telephone number. You will receive an e-mail confirmation from us. Please be prepared to show a photo identification when you arrive. If you need assistance for accessibility reasons, or if you have any questions, contact Dale L. Aultman, Secretary to the Farm Credit Administration Board, at (703) 883-4009. The matters to be considered at the meeting are:

OPEN SESSION

Approval of Minutes

1 October 11, 2018

New Business

2 Bookletter 070 - Revised Capital Treatment for Certain Rural Water and Wastewater Facilities Exposures

October 30, 2018
Date

/s/
Dale L. Aultman
Secretary to the Board

Farm Credit Administration

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

BOARD ACTION ITEM



FCA BOARD ACTION ON

Minutes for October 11, 2018 Regular Board Meeting

BM-8-NOV-18-01

Effective Date: November 8, 2018

Effect on Previous Action: None

THE FCA BOARD HEREBY:

Approves the minutes for October 11, 2018, Regular Board Meeting as submitted.

DATED THIS 8th DAY OF NOVEMBER 2018

BY ORDER OF THE BOARD

_____/s/
Dale L. Aultman
Secretary to the Board

Farm Credit Administration

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

BOARD ACTION ITEM



FCA BOARD ACTION ON

**Bookletter 070 - Revised Capital Treatment for Certain Rural
Water and Wastewater Facilities Exposures**

BM-8-NOV-18-02

THE FCA BOARD HEREBY:

- Approves Bookletter-070 – Revised Capital Treatment for Certain Rural Water and Wastewater Facility Exposures (BL-70), which:
 1. Assigns, under FCA’s reservation of authority at FCA regulation § 628.1(d)(3), a 50-percent risk-weight to certain rural water and wastewater (RWW) exposures that meet the quantitative and qualitative criteria as specified in BL-70 and a 75-percent risk-weight to certain RWW exposures that meet the quantitative and qualitative criteria as specified in BL-70;
 2. Excludes the RWW exposures of similar entities from the lower capital treatment;
 3. Excludes from the lower capital treatment certain construction exposures of a RWW facility during which the facility is not fully operational; and
 4. Includes a “sunset” provision for the lower capital treatment of the RWW exposures
- Authorizes FCA staff to make any technical or grammatical changes to BL 70 that may be necessary prior to issuance.

DATED THIS 8th DAY OF NOVEMBER 2018

BY ORDER OF THE BOARD

/s/
Dale L. Aultman
Secretary to the Board