

STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

DEPARTMENT: AGRICULTURE AND FORESTRY		FOR OPB USE ONLY							
AGENCY: AGRICULTURE AND FORESTRY-PASS THROUGH		OPB LOG NUMBER		AGENDA NUMBER					
SCHEDULE NUMBER: 20-941		88							
SUBMISSION DATE: SEPTEMBER 13, 2019		Approval and Authority:  <b>Approved by the Joint Legislative Committee on the Budget</b>  DATE: <u>9/13/19</u> <span style="float: right;">CN</span>							
AGENCY BA-7 NUMBER: 01									
HEAD OF BUDGET UNIT: DANE MORGAN									
TITLE: ASSISTANT COMMISSIONER M&F									
SIGNATURE (Certifies that the information provided is correct and true to the best of your knowledge)									
MEANS OF FINANCING		CURRENT FY 2019-2020		ADJUSTMENT (+) or (-)		REVISED FY 2019-2020			
GENERAL FUND BY:									
DIRECT		\$1,485,292		\$0		\$1,485,292			
INTERAGENCY TRANSFERS		\$265,443		\$0		\$265,443			
FEES & SELF-GENERATED		\$248,532		\$0		\$248,532			
STATUTORY DEDICATIONS		\$4,084,034		5,342,000 <sup>RPT</sup> <del>\$6,630,000</del>		9,426,034 <sup>RPT</sup> <del>\$10,714,034</del>			
Louisiana Agricultural Finance Authority Fund (A07)		\$200,000		\$0		\$200,000			
Forestry Productivity Fund (A14)		\$3,000,000		\$0		\$3,000,000			
Agricultural Commodity Commission Self-Insurance Fund (A13)		\$350,000		330,000 <sup>RPT</sup> <del>\$1,000,000</del>		680,000 <sup>RPT</sup> <del>\$1,350,000</del>			
Grain and Cotton Indemnity Fund (A27)		\$534,034		5,012,000 <sup>RPT</sup> <del>\$5,630,000</del>		5,546,034 <sup>RPT</sup> <del>\$6,164,034</del>			
Subtotal of Dedications from Page 2		\$0		\$0		\$0			
FEDERAL		\$9,056,260		RPT \$0		<del>\$9,056,260</del>			
<b>TOTAL</b>		<b>\$15,139,561</b>		<b>5,342,000 <sup>RPT</sup> <del>\$6,630,000</del></b>		<b>20,481,561 <sup>RPT</sup> <del>\$21,769,561</del></b>			
AUTHORIZED POSITIONS		0		0		0			
AUTHORIZED OTHER CHARGES		0		0		0			
NON-TO FTE POSITIONS		0		0		0			
<b>TOTAL POSITIONS</b>		<b>0</b>		<b>0</b>		<b>0</b>			
PROGRAM EXPENDITURES									
PROGRAM NAME:		DOLLARS		POS		DOLLARS		POS	
PASS THROUGH		\$15,139,561		0		5,342,000 <sup>RPT</sup> <del>\$6,630,000</del>		20,481,561 <sup>RPT</sup> <del>\$21,769,561</del>	
		\$0		0		\$0		0	
		\$0		0		\$0		0	
		\$0		0		\$0		0	
		\$0		0		\$0		0	
		\$0		9		\$0		9	
		\$0		0		\$0		0	
		\$0		0		\$0		0	
		\$0		0		\$0		0	
Subtotal of programs from Page 2:		\$0		0		\$0		0	
<b>TOTAL</b>		<b>\$15,139,561</b>		<b>9</b>		<b>5,342,000 <sup>RPT</sup> <del>\$6,630,000</del></b>		<b>20,481,561 <sup>RPT</sup> <del>\$21,769,561</del></b>	

OFFICE OF THE GOVERNOR  
 DIVISION OF ADMINISTRATION  
 OFFICE OF PLANNING & BUDGET  
 2019 SEP 16 AM 10:36

\* Amounts amended by JLCB on 9/13/19. BRD

5,342,000 RPT

20,481,561 RPT

**STATE OF LOUISIANA**  
**DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET**  
**REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

<b>DEPARTMENT: AGRICULTURE AND FORESTRY</b>		<b>FOR OPB USE ONLY</b>	
<b>AGENCY: AGRICULTURE AND FORESTRY-PASS THROUGH</b>		OPB LOG NUMBER	AGENDA NUMBER
<b>SCHEDULE NUMBER: 20-941</b>			
<b>SUBMISSION DATE: SEPTEMBER 13, 2019</b>		<b>ADDENDUM TO PAGE 1</b>	
<b>AGENCY BA-7 NUMBER: 01</b>			

**Use this section for additional Statutory Dedications, if needed.**  
**The subtotal will automatically be transferred to Page 1.**

<b>MEANS OF FINANCING</b>	<b>CURRENT FY 2019-2020</b>	<b>ADJUSTMENT (+) or (-)</b>	<b>REVISED FY 2019-2020</b>
<b>GENERAL FUND BY:</b>			
<b>STATUTORY DEDICATIONS</b>			
Pesticide Fund (A09)	\$0	\$0	\$0
Forest Protection Fund (A11)	\$0	\$0	\$0
Boll Weevil Eradication Fund (A12)	\$0	\$0	\$0
Forestry Productivity Fund (A14)	\$0	\$0	\$0
Petroleum Products Fund (A15)	\$0	\$0	\$0
Livestock Brand Commission Fund (A17)	\$0	\$0	\$0
Agricultural Commodity Dealers & Warehouse Fund (A18)	\$0	\$0	\$0
Seed Commission Fund (A21)	\$0	\$0	\$0
Sweet Potato Pests & Diseases Fund (A22)	\$0	\$0	\$0
Weights and Measures Fund (A23)	\$0	\$0	\$0
Feed and Fertilizer Fund (A29)	\$0	\$0	\$0
Horticulture and Quarantine Fund (A30)	\$0	\$0	\$0
<b>SUBTOTAL (to Page 1)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>



**Use this section for additional Program Names, if needed.**  
**The subtotal will automatically be transferred to Page 1.**

<b>PROGRAM EXPENDITURES</b>	<b>DOLLARS</b>	<b>POS</b>	<b>DOLLARS</b>	<b>POS</b>	<b>DOLLARS</b>	<b>POS</b>
<b>PROGRAM NAME:</b>						
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
<b>SUBTOTAL (to Page 1)</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>



**STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

Policy and Procedure Memorandum No. 52, Revised, requires that all Requests for Changes in Appropriation be fully documented. At a minimum, the following questions and statements must be answered. Use Continuation Sheets as needed. **FAILURE TO ANSWER ALL QUESTIONS COMPLETELY WILL BE CAUSE TO RETURN THIS DOCUMENT WITHOUT ACTION.**

1. What is the source of funding (if other than General Fund (Direct))? Specifically identify any grant or public law and the purposes of the funds, if applicable. A copy of any grant application and the notice of approved grant or appropriation must accompany the BA-7. What are the expenditure restrictions of the funds?  
 Statutorily Dedicated Funds currently exist in State Treasury as follows: Grain and Cotton Indemnity Fund (\$5,631,708.66) and the Agriculture Commodities Commission Self-Insurance Fund (\$1,003,744.33).

2. Enter the financial impact of the requested adjustment for the next four fiscal years.

MEANS OF FINANCING OR EXPENDITURE	FY 2019-2020	FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024
<b>GENERAL FUND BY:</b>					
DIRECT	\$0	\$0	\$0	\$0	\$0
INTERAGENCY TRANSFERS	\$0	\$0	\$0	\$0	\$0
FEES & SELF-GENERATED	\$0	\$0	\$0	\$0	\$0
STATUTORY DEDICATIONS	\$6,630,000	\$0	\$0	\$0	\$0
FEDERAL	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$6,630,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

*5,342,000 RPS*

3. If this action requires additional personnel, provide a detailed explanation below:  
 This action requires no additional personnel.

4. Explain why this request can't be postponed for consideration in the agency's budget request for next fiscal year.  
 LDAF has filed papers in court and has entered into emergency receivership of Lakeland Cotton and Grain Company, a grain elevator in Winnsboro. Monies in these two funds are necessary to make payment to farmers for commodities already delivered. Failure to do so will induce significant delays and likely cause financial hardship to the affected farmers.

5. Is this an after the fact BA-7, e.g.; have expenditures been made toward the program this BA-7 is for? If yes, explain per PPM No.52.  
 No this is not an after the fact BA-7.

STATE OF LOUISIANA  
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**PERFORMANCE IMPACT OF MID-YEAR BUDGET ADJUSTMENT**

1. Identify and explain the programmatic impacts (positive or negative) that will result from the approval of this BA-7.  
 Approval of this BA-7 will allow the department to pay farmers for commodities already delivered to Lakeland Grain Elevator.

2. Complete the following information for each objective and related performance indicators that will be affected by this request. *(Note: Requested adjustments may involve revisions to existing objectives and performance indicators or creation of new objectives and performance indicators. Repeat this portion of the request form as often as necessary.)*

OBJECTIVE:

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE STANDARD		
		CURRENT FY 2019-2020	ADJUSTMENT (+) OR (-)	REVISED FY 2019-2020

JUSTIFICATION FOR ADJUSTMENT(S): Explain the necessity of the adjustment(s).

3. Briefly explain any performance impacts other than or in addition to effects on objectives and performance indicators. *(For example: Are there any anticipated direct or indirect effects on program management or service recipients? Will this BA-7 have a positive or negative impact on some other program or agency?)*

This will not have an impact on any performance indicators

4. If there are no performance impacts associated with this BA-7 request, then fully explain this lack of performance impact.

This BA-7 does not impact department operations.

5. Describe the performance impacts of failure to approve this BA-7. (Be specific. Relate performance impacts to objectives and performance indicators.)

Failure to approve this BA-7 is anticipated to have no negative performance impact on the department.



STATE OF LOUISIANA  
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

**PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

PROGRAM 1 NAME: AGRICULTURE & FORESTRY PASS THROUGH

MEANS OF FINANCING:	CURRENT FY 2019-2020	REQUESTED ADJUSTMENT	REVISED FY 2019-2020	ADJUSTMENT OUTYEAR PROJECTIONS			
				FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024
<b>GENERAL FUND BY:</b>							
Direct	\$1,485,292	\$0	\$1,485,292	\$0	\$0	\$0	\$0
Interagency Transfers	\$265,443	\$0	\$265,443	\$0	\$0	\$0	\$0
Fees & Self-Generated	\$248,532	\$0	\$248,532	\$0	\$0	\$0	\$0
Statutory Dedications *	\$4,084,034	\$6,630,000	\$10,714,034	\$0	\$0	\$0	\$0
FEDERAL FUNDS	\$9,056,260	\$0	\$9,056,260	\$0	\$0	\$0	\$0
<b>TOTAL MOF</b>	<b>\$15,139,561</b>	<b>\$6,630,000</b>	<b>\$21,769,561</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

EXPENDITURES:	CURRENT FY 2019-2020	REQUESTED ADJUSTMENT	REVISED FY 2019-2020	ADJUSTMENT OUTYEAR PROJECTIONS			
				FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024
Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Compensation	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Related Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Professional Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Charges	\$15,139,561	\$6,630,000	\$21,769,561	\$0	\$0	\$0	\$0
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Acquisitions	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Major Repairs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$15,139,561</b>	<b>\$6,630,000</b>	<b>\$21,769,561</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

POSITIONS	CURRENT FY 2019-2020	REQUESTED ADJUSTMENT	REVISED FY 2019-2020	ADJUSTMENT OUTYEAR PROJECTIONS			
				FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024
Classified	0	0	0	0	0	0	0
Unclassified	0	0	0	0	0	0	0
<b>TOTAL T.O. POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
OTHER CHARGES POSITIONS	0	0	0	0	0	0	0
NON-TO FTE POSITIONS	0	0	0	0	0	0	0
<b>TOTAL POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

* Statutory Dedications:	CURRENT FY 2019-2020	REQUESTED ADJUSTMENT	REVISED FY 2019-2020	FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024
Louisiana Agricultural Finance Authority Fund (A07)	\$200,000	\$0	\$200,000	\$0	\$0	\$0	\$0
Forestry Productivity Fund (A14)	\$3,000,000	\$0	\$3,000,000	\$0	\$0	\$0	\$0
Agricultural Commodity Commission Self-Insurance Fund (A13)	\$350,000	\$150,000	\$500,000	\$0	\$0	\$0	\$0
Grain and Cotton Indemnity Fund (A27)	\$534,034	\$5,630,000	\$6,164,034	\$0	\$0	\$0	\$0



STATE OF LOUISIANA  
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

**PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

PROGRAM 1 NAME: AGRICULTURE & FORESTRY PASS THROUGH

MEANS OF FINANCING:	State General Fund	Interagency Transfers	Fees & Self-Generated Revenues	Statutory Dedications	Federal Funds	TOTAL
AMOUNT	\$0	\$0	\$0	<del>\$6,630,000</del>	\$0	<del>\$6,630,000</del>
				<i>5,342,000</i>	<i>RPE 5,342,000</i>	
<b>EXPENDITURES:</b>						
Salaries	\$0	\$0	\$0	\$0	\$0	\$0
Other Compensation	\$0	\$0	\$0	\$0	\$0	\$0
Related Benefits	\$0	\$0	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0	\$0	\$0
Operating Services	\$0	\$0	\$0	\$0	\$0	\$0
Supplies	\$0	\$0	\$0	\$0	\$0	\$0
Professional Services	\$0	\$0	\$0	<del>\$0</del>	\$0	<del>\$0</del>
Other Charges	\$0	\$0	\$0	<del>\$6,630,000</del>	\$0	<del>\$6,630,000</del>
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$0	\$0	\$0	\$0
Acquisitions	\$0	\$0	\$0	\$0	\$0	\$0
Major Repairs	\$0	\$0	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<del><b>\$6,630,000</b></del>	<b>\$0</b>	<del><b>\$6,630,000</b></del>
				<i>5,342,000</i>	<i>RPE 5,342,000</i>	
<b>OVER / (UNDER)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>POSITIONS</b>						
Classified	0	0	0	0	0	0
Unclassified	0	0	0	0	0	0
<b>TOTAL T.O. POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
OTHER CHARGES POSITIONS	0	0	0	0	0	0
NON-TO FTE POSITIONS	0	0	0	0	0	0
<b>TOTAL POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## QUESTIONNAIRE ANALYSIS

(Please reference question numbers, provide detailed information and use continuation sheets as needed.)

### GENERAL PURPOSE

LDAF has filed papers in court and has entered into emergency receivership of Lakeland Cotton and Grain Company, a grain elevator in Winnsboro. Monies in these two funds are necessary to make payment to farmers for commodities already delivered. Failure to do so will induce significant delays and likely cause financial hardship to the affected farmers.

### REVENUES

Grain and Cotton Indemnity Fund - ~~\$5,630,000.00~~ 5,012,000 APZ  
Agriculture Commodities Commission Self-Insurance Fund - ~~\$1,000,000.00~~ 330,000 APZ

### EXPENDITURES

Payments to local farmers for commodities delivered - \$7,514,034.00

### OTHER

5TH JUDICIAL DISTRICT COURT FOR THE PARISH OF FRANKLIN

STATE OF LOUISIANA

NO. 46,575C

DIVISION C

MIKE STRAIN, COMMISSIONER OF THE LOUISIANA DEPARTMENT OF AGRICULTURE  
AND FORESTRY, THE LOUISIANA DEPARTMENT OF AGRICULTURE AND FORESTRY,  
AND THE LOUISIANA AGRICULTURAL COMMODITIES COMMISSION

VERSUS

LAKELAND COTTON AND GRAIN CO., INC.

FILED: September 10, 2019

Aleene Mayo  
DEPUTY CLERK

**PETITION TO APPOINT RECEIVER**

The Petition of Mike Strain, Commissioner of the Louisiana Department of Agriculture and Forestry ("Commissioner"), the Louisiana Department of Agriculture and Forestry ("Department"), and the Louisiana Agricultural Commodities Commission (the "Commission"), with respect represent:

1.

Jurisdiction and venue are established under the provisions of La. R.S. 3:3407A.

2.

Named as defendant herein is Lakeland Cotton and Grain Co., Inc., a Louisiana corporation ("Licensee") which has an appointed registered agent for service of process. The physical address of the Licensee is 3397 Front Street, Winnsboro, Louisiana 71295. In addition to the facility located at 3397 Front Street in Winnsboro, Licensee also operates a facility at 2800 Industrial Drive, Winnsboro, Louisiana, and 3291 Hwy 135, Mangham, Louisiana. (See copy of LACC License Application attached as Exhibit A). All of the facilities are located within the boundaries and jurisdiction of the Fifth Judicial District Court.

3.



4.

The Commissioner is charged with the responsibility to enforce the Agricultural Commodity Dealer and Warehouse Law. La. R.S. 3:3401 *et seq.*

5.

The Commissioner seeks an *ex parte* order of this Court authorizing the Commissioner to effect a seizure of the facilities of the Licensee and to act as Temporary Receiver thereof pursuant to La. R.S. 3:3407B which provides that:

Immediately upon the filing of the petition alleging the commission's approval and the existence of any condition set forth in Subsection A of this Section, the court shall issue an *ex parte* order authorizing the commissioner to effect a temporary seizure of the facilities of the licensee and to act as temporary receiver thereof. This order shall remain in effect until the conclusion of a hearing on the petition which hearing shall be held within ten days after the filing of the petition.

6.

Commissioner has investigated and reviewed the status of Licensee, and has determined that the following conditions exist:

- a. Licensee does not have sufficient commodities to cover the outstanding receipts and scale tickets marked for storage issued by the Licensee in violation of La. R.S. 3:3407A(1);
- b. The Licensee does not have sufficient funds to operate its business and is in imminent danger of being unable to continue to operate its business in violation of La. R.S. 3:3407A(2); and
- c. The Licensee is unable to fulfill its obligations to producers in violation of La. R.S. 3:3407A(3).

7.

At a meeting of the Commission on Friday, August 30, 2019, the Commissioner obtained the approval of the Commission as required by La. R.S. 3:3407A to institute legal proceedings authorizing the Commissioner to effect a seizure of the facilities of the licensee and to act as receiver thereof.

8.

The facts alleged hereinabove establish sufficient grounds for the issuance of *ex parte* order by this Court authorizing the Commissioner to effect the seizure of the facilities of the Licensee and to act as the Temporary Receiver of the Licensee with all rights and privileges of temporary

act as Temporary Receiver thereof, said Order to remain in effect until the conclusion of a hearing on this Petition;

2. An ex parte order granting to the Temporary Receiver all rights and powers of a Receiver, including but not limited to the authority to retain counsel and auditors and to prosecute and defend actions, compromise and settle claims by or against the Licensee, subject to the supervision of this Court; collect, sue for and recover the debts and property of the Licensee; sell and convey, either in whole or in part, at public or private sale, the property of the Licensee, movable or immovable; enter into leases of the Licensee's property; carry on temporarily the business of the Licensee as a going concern, to pay all debts and liabilities of the Licensee, to open and close bank accounts, to vote shares of stock and transfer securities, to provide insurance as deemed necessary or advisable; and, in general, to do any and all things which may be necessary, proper or convenient for the purpose of satisfactorily performing the duties of a Temporary Receiver;

3. An ex parte order granting to Mike Strain as Temporary Receiver and to his designee, Kyra Fitzgerald, Director of the Louisiana Agricultural Commodities Commission, authority to open and close bank accounts of the defendant, issue and sign checks on any account of the defendant, to receive, deposit, and/or negotiate checks, drafts or other negotiable instruments payable to the defendant; and

4. Such other orders or relief as are just in the premises.

5. Petitioners further pray that the defendant, Lakeland Cotton and Grain Co., Inc., be ordered to show cause on a day and hour to be determined by this Court, why judgment should not be rendered in favor of petitioners, appointing Mike Strain, the Commissioner of the Louisiana Department of Agriculture and Forestry, as Receiver with all the rights and powers of receivers pursuant to Louisiana law.

Respectfully submitted,

**MIKE STRAIN, COMMISSIONER OF THE  
LOUISIANA DEPARTMENT OF AGRICULTURE  
AND FORESTRY, THE LOUISIANA DEPARTMENT  
OF AGRICULTURE AND FORESTRY, AND THE  
LOUISIANA AGRICULTURAL COMMODITIES COMMISSION**





**LOUISIANA DEPARTMENT OF AGRICULTURE & FORESTRY**  
**MIKE STRAIN DVM, COMMISSIONER**

Ag. Commodities Commission, 5825 Florida Blvd., Suite 1003, Baton Rouge, LA 70806, (225) 922-1341, FAX (225) 923-4877



**LACC LICENSE APPLICATION**

LAKELAND COTTON & GRAIN CO INC  
 P.O. BOX 1335  
 WINNSBORO, LA 71295

LICENSING PERIOD: 2019-2020  
 WAREHOUSE & GRAIN DEALER  
 WAREHOUSE CAPACITY: 2,534,000  
 WAREHOUSE: AMOUNT OF SECURITY: \$403,400  
 COTTON MERCHANT: SECURITY AMOUNT: \$50,000  
 GRAIN DEALER: AMOUNT OF SECURITY: \$50,000  
 Lakeland Grain & Cotton Company

RENEWAL APPLICATION:  INITIAL APPLICATION

**APPLICATION TYPE:**

GRAIN DEALER  WAREHOUSE  GRAIN DEALER & WAREHOUSE  COTTON MERCHANT

COMPANY NAME: Lakeland Cotton & Grain Co, Inc. PHONE: (318) 435-9078

DBA: \_\_\_\_\_ FAX: \_\_\_\_\_

CONTACT PERSON: Elliott Ater E-MAIL ADDRESS: elliottater@lakelandplanting.com

MAILING ADDRESS: P.O. Box 1335

CITY: Winnsboro STATE: LA ZIP CODE: 71295

PHYSICAL ADDRESS: 3397 Front Street

CITY: Winnsboro STATE: LA ZIP CODE: 71295

PARISH: Franklin FED TAX ID / SS#: 46-5087821

**COMPANY TYPE:**

SOLE PROPRIETOR  PARTNERSHIP  CORPORATION  ASSOCIATION   
 AGRICULTURAL COOPERATIVE  OTHER

I hereby certify that I received and am aware of the requirements of LA R.S. 3:3401 et seq. and regulations adopted pursuant thereto and that I will abide by all requirements of said law and regulations. I further certify that all of the information contained in this application and the annexed documents is true and correct to the best of my knowledge and belief.

[Signature] 3-10-19  
 SIGNATURE DATE

[Signature] 6-5-19  
 KYRA H. FITZGERALD, DIRECTOR DATE

**DO NOT SEND CASH**

**I. SECURITY (grain dealers, warehouses and cotton merchants)**

A. Each facility must use a form of security.

B. Please check the type of security the licensed facility will be using.

- Original Bond (LACC bond form enclosed)
- Continuation of Bond (LACC bond form enclosed)
- Self-Insurance Fund (application enclosed)
- Certificate of Deposit
- Irrevocable Letter of Credit

C. In place of securing a bond, the licensee may choose to participate in the Self-Insurance Fund (SIF). Grain dealers and cotton merchants may pay a \$500 premium for \$50,000 coverage in the Self-Insurance Fund. SIF premiums for warehouses are based upon capacity. (See attached sheet for highlighted SIF premium.)

**II. ORGANIZATION (grain dealers, warehouses, and cotton merchants)**

Below are:

Officers of a Corporation

Members of board of directors

Partnership members

Other

MEMBERS NAME	TELEPHONE	TITLE AND INTEREST
Estate of Alan R. "Al" Ater	(318) 435-9078	President 50%
Donna S. "Susie" Ater	(318) 435-9078	Vice-President 50%
Elliott Ater	(318) 435-9078	Secretary/Treasurer
Thomas Ater	(318) 435-9078	Asst. Vice-President

If a sole proprietorship, please list the name of the owner: \_\_\_\_\_

**III. STATUS OF FACILITY (grain dealers, warehouses, and cotton merchants)**

- Owned by applicant
- Leased by applicant
- Rented by applicant
- Other: \_\_\_\_\_

**IV. LOCATIONS (grain dealers, warehouses, and cotton merchants)**

A. How many grain dealer locations does the licensee have in Louisiana? 1



Use of facility:  warehouse  grain dealer  both warehouse & grain dealer  cotton merchant  
Location #2 Physical Address: 3397 Front Street, Winnsboro, Louisiana  
Manager's Name: Elliott Ater  
Commodity: cotton  
Capacity: n/a

Use of facility:  warehouse  grain dealer  both warehouse & grain dealer  cotton merchant  
Location #3 Physical Address: 2800 Industrial Drive, Winnsboro, Louisiana  
Manager's Name: Elliott Ater  
Commodity: corn, soybeans, milo, wheat  
Capacity: 980,000 bushels

Use of facility:  warehouse  grain dealer  both warehouse & grain dealer  cotton merchant  
Location #4 Physical Address: 3291 Hwy 135, Mangham, Louisiana  
Manager's Name: Elliott Ater  
Commodity: corn, soybeans, milo, wheat  
Capacity: 1,244,000 bushels

**V. IDENTITY PRESERVATION (warehouses only)**

Does the licensee identify preserve commodities?  
 Yes  No

**VI. PROVISIONAL STOCK INSURANCE (grain dealers and warehouses only)**

A. Applicant must include a current certificate of provisional stock insurance stating the period covered and amount of stock insurance coverage which must be maintained at all times. The insurance must provide protection against fire and other hazards for all agricultural commodities stored. The policy must be written for a period of one year and provide 30 days written notice to the Commission prior to cancellation.

Insurance Carrier Name: Penn Millers Insurance Company  
Period covered: 04/16/2019 - 04/16/2020 Amount of coverage: 13,600,000.00

B.  This grain dealer does not handle stock and therefore does not carry stock insurance.

**VII. AGGREGATE PAID TO PRODUCERS (grain dealers and cotton merchants only)**

What was the total dollar amount paid to Louisiana producers during the most recent fiscal year? \$ 47,440,987.50  
cotton 24,094,707.12 grain 23,346,280.42

**VIII. CURRENT FINANCIAL STATEMENT (grain dealers, warehouses, and cotton merchants)**

A. Current financial statements must be in the form of an Audit, Compilation, or Review which contains a Cover Letter, Balance Sheet,

**IX. SIGNATURE CARDS (warehouses only)**

Three signature cards must be completed by each person listed as an authorized agent and persons authorized to sign warehouse receipts, other than the owner and President.

Signature cards are enclosed.  Signature cards are NOT enclosed.  Applicant will be using electronic warehouse receipts.

**X. SCHEDULE OF CHARGES OR TARIFFS (warehouses only)**

Warehouses must file a current schedule of its charges or tariffs. The schedule of charges and tariffs must be completed in full, including the dates the rates are effective. These rates may be changed ONLY after 30 day notice approval by the Louisiana Agricultural Commodities Commission Director. When there is a change in the charges or tariffs, a new schedule must be filed with the Commission PRIOR to implementation. Each schedule shall be posted conspicuously in each location covered by the warehouse license.

Schedule of Charges or Tariffs ARE enclosed.  Schedule of Charges or Tariffs NOT enclosed.

**XI. SCALE TICKET (warehouses only)**

A copy of a scale ticket or a voided ticket must be placed on file. Applicants who do not use a scale ticket must certify to that effect. Please see LA R.S. 3:3415 for required contents of a scale ticket.

Scale Ticket IS enclosed.  
 Scale Ticket NOT enclosed.

**XII. AGENCY AGREEMENT (cotton merchants only)**

For all agents contracting or buying cotton for the company licensed, each agent must enter into an Agency Agreement with the licensed company and carry proof of that agreement when purchasing or contracting to purchase cotton (form enclosed). The ORIGINAL Agency Agreement must be on file with the Department of Agriculture and Forestry. If an Agency Agreement is canceled for any reason, the licensed company must immediately notify this office in writing.

Executed Agency Agreement IS enclosed.  Executed Agency Agreement NOT enclosed.

**XIII. LIST ALL GRAIN GRADERS AND SAMPLERS (grain dealers only)**

- Name of grader: Elliott Ater  
Type of commodity: corn, soybeans, milo, wheat  
License issued by: Louisiana Department of Agriculture & Forestry
- Name of grader: Donna Suzanne "Susie" Ater  
Type of commodity: corn, soybeans, milo, wheat  
License issued by: Louisiana Department of Agriculture & Forestry
- Name of grader: John "Andy" Anders  
Type of commodity: corn, soybeans, milo, wheat  
License issued by: Louisiana Department of Agriculture & Forestry



5TH JUDICIAL DISTRICT COURT FOR THE PARISH OF FRANKLIN

STATE OF LOUISIANA

NO. 46,575 C

DIVISION C

MIKE STRAIN, COMMISSIONER OF THE LOUISIANA DEPARTMENT OF AGRICULTURE  
AND FORESTRY, THE LOUISIANA DEPARTMENT OF AGRICULTURE AND FORESTRY,  
AND THE LOUISIANA AGRICULTURAL COMMODITIES COMMISSION

VERSUS

LAKELAND COTTON AND GRAIN CO., INC.

FILED: September 10, 2019

Alene Mayo  
DEPUTY CLERK

ORDER

Considering the foregoing Petition,

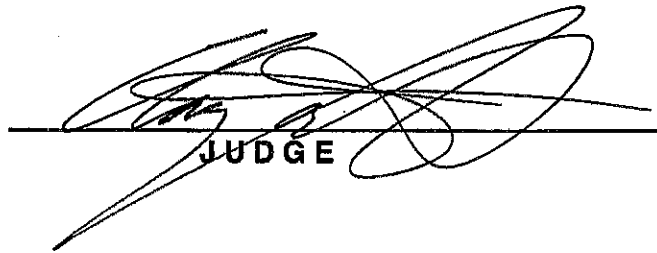
**IT IS ORDERED** that:

1. Mike Strain, the Commissioner of Agriculture for the State of Louisiana, be and he is hereby authorized to act as Temporary Receiver of Lakeland Cotton and Grain Co., Inc. and to seize and take control over the facilities of the Licensee located at 3397 Front Street, Winnsboro, Louisiana, 2800 Industrial Drive, Winnsboro, Louisiana, and 3291 Hwy 135, Mangham, Louisiana, which are warehouse facilities for the storage of agricultural commodities as defined in R.S. 3:3402;
2. Mike Strain, the Commissioner of the Louisiana Department of Agriculture and Forestry, as Temporary Receiver, shall have all rights and powers of a Receiver, including but not limited to the authority to retain counsel and auditors; to prosecute and defend actions; to compromise and settle claims by or against the Licensee, subject to the supervision of this Court; to collect, sue for and recover the debts and property of the Licensee; to sell and convey, either in whole or in part, at public or private sale, the property of the Licensee, movable or immovable; to enter into leases of the Licensee's property; to carry on temporarily the business of the Licensee as a going concern; to pay all debts and liabilities of the Licensee, to open

3. Mike Strain, the Commissioner of the Louisiana Department of Agriculture and Forestry, as Temporary Receiver, and his designees, Kyra Fitzgerald, Director of the Louisiana Agricultural Commodities Commission, and Kevin Finley, Fiscal Director of the Louisiana Department of Agriculture and Forestry, are hereby granted the authority to open, operate and close bank accounts of the Licensee, issue and sign checks on any account of the Licensee; to receive, deposit, and/or negotiate checks, drafts or other negotiable instruments payable to the Licensee.

**IT IS FURTHER ORDERED** that the defendant, Lakeland Cotton and Grain Co., Inc. be and it is hereby ordered to show cause on the 19<sup>th</sup> day of September, 2019 at 9:30 o'clock a.m. why judgment should not be rendered in these proceedings as prayed for and appointing Mike Strain, Commissioner of the Louisiana Department of Agriculture and Forestry, Receiver of Lakeland Cotton and Grain Co., Inc.

WINNSBORO, LOUISIANA this 10 day of SEPTEMBER, 2019.

  
\_\_\_\_\_  
JUDGE

**PLEASE SERVE:**

**LAKELAND COTTON AND GRAIN CO., INC.**  
through its agent for service of process  
MCELMORE LAW FIRM LLC  
200 Advocate Row, Suite B  
Vidalia, Louisiana 71373

ATTEST  
A TRUE COPY  
  
\_\_\_\_\_  
DY. CLERK OF COURT, FRANKLIN PARISH, LA