

Iowa Grain Depositors and Sellers Indemnity Fund
Iowa Grain Indemnity Fund Board
Meeting Minutes for July 17, 2025
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The Grain Depositors and Sellers Indemnity Fund Board (hereafter “board” or “fund”) held a meeting by telephone conference call on Thursday, July 17, 2025, in the office of the Grain Warehouse Bureau Chief, Hoover State Office Building, 1305 E Walnut Street, Des Moines, Iowa, with Travis Knight, Division Director of Consumer Protection & Industry Division president designee, as chairperson.

Attending, the meeting in addition to Travis Knight (hereafter “chairperson”) were the following:

Dale Behrends Board Member – Banking Rep.	Guthrie Center, Iowa
Emily Cook Board Member – Producer Rep.	Clarion, Iowa
Ryan Johnson Board Member –Grain Industry Rep.	Remsen, Iowa
Dustin McNulty Board Member – Treasurer Designee	State Capitol Building Des Moines, Iowa
Rhonda Shelman Board Member –Grain Industry Rep.	Wayland, Iowa
Mike Winter Board Member – Producer Rep.	New Hampton, Iowa
Jacob Larson (Assistant Attorney General for the Fund)	Hoover State Office Building Des Moines, Iowa
Robert Litfin Grain Warehouse Bureau, Accountant	Hoover State Office Building Des Moines, Iowa
James Kennedy, Bureau Chief Grain Warehouse Bureau	Hoover State Office Building Des Moines, Iowa

Board Member(s) Absent: None

Guests: None

This meeting, upon duly prescribed notice, was called to order by the chairperson at 2:00 P.M. The chairperson noted that this meeting of the Grain Depositors and Sellers Indemnity Fund was being held by telephone conference call since it was impractical for members to travel to a common location for a meeting projected to last only a few minutes.

The chairperson called for any additions or corrections to the June 19, 2025, board minutes. The chairperson called for a motion to accept the minutes as presented. Mr. Behrends made a motion

to approve the minutes as presented. Mr. Winter seconded the motion, and the board approved the motion unanimously.

The chairperson called on Dustin McNulty to present the treasurer's report. Mr. McNulty reported that the balance of the fund as of July 16, 2025, was \$11,274,995.02. The chairperson asked if there were any questions about the treasurer's report. Hearing none, the chairperson called for a motion to accept the treasurer's report. Mr. Behrends made a motion to approve the treasurer's report. Ms. Shelman seconded the motion, and the board approved the motion unanimously.

The chairperson called on Robert Litfin to present the June 30, 2025, financial statements. As of June 30, 2025, the balance in the Investment in State of Iowa Pooled Accounts was \$11,138,246.95; the Equity in the Iowa Grain Indemnity Fund was \$11,167,773.43; there was a net increase in the fund for the month of \$890,644.78; and there was a fiscal year to date increase in the fund of \$6,471,804.20. The chairperson asked if there were any additional questions about the financial statements. The chairperson called for a motion to accept the financial statements. Mr. Winter made a motion to approve the financial statements. Mr. McNulty seconded the motion, and the board approved the motion unanimously.

New Business:

Mr. Kennedy informed the board that the per bushel fees collected during quarter seven was \$998,642.95 and the amount of reported assessment was \$1,031,495.74. The difference is due to applied credits from previous quarter's over payments.

Mr. Larson has filed a proof of claim in the Benson Hill Holdings bankruptcy case. The claim derives from unpaid per bushel assessments from quarters 2-6 and appropriated late fees. The amount of the claim was \$ 3,350.98. The claim was filed as an excise tax hoping that the claim would receive a higher priority status.

Due to the new clawback provision in the grain indemnity fund law. The bureau sent out approximately thirty letters to producers that the bankruptcy trustee identified. The gross value of the default judgement or settled amount is approximately \$430,000.00. The 90% value the fund would pay out may be around \$387,000. This amount is still subject to negotiations between producer and trustee.

Mr. Winter asked if the financial statement issue was causing any concerns or issues.

The change in law to only allow an Unqualified audit for licensing has been a major topic of conversation. We have had several licensees express that they will not be renewing their license upon expiration. The main reason is the increased cost of the Unqualified audit. CPA's have also expressed concern over the ability to conduct the audits. Some CPA's may not have staff to conduct the audits or have the necessary certification. We have come up with a temporary solution to have the ability to grant up to a twelve month extension to file the Unqualified audit. Addition reporting would be necessary if this extension is granted.

Also, due to the recent law changes, board meeting reimbursements will no longer be paid through the indemnity fund. I will have discussions with IDALS management on this issue to see if there is any option of paying these through the department budget.

Mr. Larson informed the board of the Benson Hill proof of claim filing.

No substantial updates in the Pipeline Foods bankruptcy

Mr. Larson informed the board that the clawback legislation is retroactive to the Global bankruptcy date. Producers and the bankruptcy trustee are still negotiating settlement amounts.

The Global bankruptcy trustee is working to settle all adversarial accounts and judgements.

The criminal case against Dave Wilcox and Global filed by the U.S. Attorney's office is set to go to trial in early September 2025.

Mr. Larson also informed the board of the Scott Larson claim appeal. Mr. Scott Larson's attorney has filed a request with the Iowa Supreme Court for further review. This would be the last step in the appeal process. The Iowa Supreme Court will decide if the review is granted or denied.

Closed Session: There was no need to enter closed session.

The meeting for next month will be held via telephone conference at 2:00 P.M., Thursday, August 21, 2025.

There was no further business to come before the board. The chairperson asked for a motion to adjourn. Mr. McNulty made a motion to adjourn. Mr. Behrends seconded the motion, and the board approved the motion unanimously. The meeting was adjourned at 2:24 P.M.

Minutes Submitted by James Kennedy, board administrator, July 17, 2025.