

Iowa Grain Depositors and Sellers Indemnity Fund  
Iowa Grain Indemnity Fund Board  
Meeting Minutes for September 15, 2022  
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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, September 15, 2022, in the office of the Grain Warehouse Bureau Chief, Wallace State Office Building, 502 East 9<sup>th</sup> 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
Lori Goetzinger Board Member – Grain Industry Rep.	Carroll, Iowa
Debra Keller Board Member – Producer Rep.	Clarion, Iowa
Rhonda Shelman Board Member –Grain Industry Rep.	Wayland, Iowa
Mike Winter Board Member – Producer Rep.	New Hampton, Iowa
Dustin McNulty Board Member – Treasurer Designee	State Capitol Building Des Moines, Iowa
Jacob Larson (Assistant Attorney General for the Fund)	Hoover State Office Building Des Moines, Iowa
Olena Derzhayeva, Accountant Grain Warehouse Bureau	Wallace State Office Building Des Moines, Iowa
James Kennedy, Bureau Chief Grain Warehouse Bureau	Wallace State Office Building Des Moines, Iowa

Board Member(s) Absent: 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 August 18, 2022, board minutes. The chairperson called for a motion to accept the minutes as presented. Ms. Goetzinger made a motion to approve the minutes as presented. Ms. Keller 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 September 14, 2022, was \$ 3,437,893.06. 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. Keller seconded the motion, and the board approved the motion unanimously.

The chairperson called on Olena Derzhayeva to present the August 31, 2022, financial statements. As of August 31, 2022, the balance in the Investment in State of Iowa Pooled Accounts was \$3,437,096.89; the Equity in the Iowa Grain Indemnity Fund was \$2,295,986.33; there was a net decrease in the fund for the month of \$1,139,570.07; and there was a fiscal year to date decrease in the fund of \$1,137,408.99. 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.

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

#### New Business:

Mr. Kennedy informed the board of the warehouse and grain dealer license revocation of B & B Farm Store, Inc., Jesup, Iowa. The claim filing deadline is December 18, 2022, and we estimated the value of outstanding grain obligations at approximately \$ 1,300,000.00. The Bureau has received to date 17 claims. The remaining grain has been sold and loaded out under the supervision of the court appointed receiver. The Bureau, bank attorneys, and court appointed receiver are in communications to determine how to hold/escrow the grain sale proceeds. The approximate value of the grain proceeds is \$136,000.00. The bureau set the grain prices for storage obligations at the highest price on the following days: Suspension date (08/18/2022), Revocation date (08/22/2022), and Grain Sale date (08/24/22- Corn; 09/01/22 – Oats). The prices set are \$7.21 for corn and \$7.68 for oats.

The board was also updated on the procedure of reinstating the grain indemnity assessment and collection of fees. The waiver of rule 21-93.8 would need to occur before any board action could take place. Currently IDALS is waiting to give the legislators an opportunity to replenish the fund through appropriations. If there is no interest in this, IDALS will file request to waive rule 21-93.8 and once approved, the board would need to vote to approve the change prior to adoption of the rule change. Once the rule change has been approved and adopted, the board would then vote to reinstate the assessment and fee collection.

The assessment and fee collection would begin July 1, 2023. Once implemented the assessment and fee collection would be in place for full fiscal year (from July 1<sup>st</sup> to June 30<sup>th</sup>) period.

A question was asked concerning another possible failure and how that would impact fund level, assessments, fee collection, and fund payouts. In this situation there would still be fund coverage but payouts to producers may be postponed until there are sufficient funds.

A question was asked if the \$8 million cap is a large enough level for coverage. Any change in fund minimums or caps would require legislative action to amend the statute.

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The bureau is anticipating conducting meetings with licensees, industry, and producers to educate on the funds purpose, coverage, and assessments.

The meeting for next month will be held in via telephone conference at 2:00 P.M., Thursday, October 20, 2022.

There was no further business to come before the board. The chairperson asked for a motion to adjourn. Ms. Keller made a motion to adjourn. Ms. Goetzing seconded the motion, and the board approved the motion unanimously. The meeting adjourned at 2:27 P.M.

Minutes Submitted by James Kennedy, board administrator, September 15, 2022.