

Iowa Grain Depositors and Sellers Indemnity Fund
Iowa Grain Indemnity Fund Board
Meeting Minutes for November 21, 2024
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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, November 21, 2024, in the office of the Grain Warehouse Bureau Chief, Wallace State Office Building, 502 East 9th 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
Jacob Larson (Assistant Attorney General for the Fund)	Hoover State Office Building Des Moines, Iowa
Robert Litfin Grain Warehouse Bureau, Accountant	Wallace Building Des Moines, Iowa
James Kennedy, Bureau Chief Grain Warehouse Bureau	Wallace State Office Building Des Moines, Iowa

Board Member(s) Absent: Mike Winter

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 October 17, 2024, board minutes. The chairperson called for a motion to accept the minutes as presented. Mr. Johnson made a motion to approve the minutes as presented. Ms. Shelman 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 November 20, 2024, was \$6,163,319.46. 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. Cook seconded the motion, and the board approved the motion unanimously.

The chairperson called on Robert Litfin to present the October 31, 2024, financial statements. As of October 31, 2024, the balance in the Investment in State of Iowa Pooled Accounts was \$5,984,344.19; the Equity in the Iowa Grain Indemnity Fund was \$6,000,190.72; there was a net increase in the fund for the month of \$65,318.14; and there was a fiscal year to date increase in the fund of \$1,304,221.49. 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. McNulty made a motion to approve the financial statements. Mr. Behrends seconded the motion, and the board approved the motion unanimously.

New Business:

Mr. Kennedy presented one Global Processing, Inc. indemnity fund claim, GD-5236-46.0. The Bureau received grain indemnity fund claim G5236-46.0 from Ryan Welhousen on October 15, 2024.

The claim represents soybean deliveries that occurred April 14th through April 27, 2022. The original delivery of 2,474.75 net bushels for Ryan was sold and paid on May 13, 2022, with Check #14024 and this check cleared the bank on August 17, 2022. The grain delivered was split 50/50 with Welhousen Ltd in care of Cecil Welhousen.

Ryan Welhousen received a "clawback" letter from Global bankruptcy Trustee, Terry Gibson, and demanded payment for the above mentioned grain transaction.

Since the claim information was sent to the GIF board, the Bureau has received documentation that a settlement agreement between the Trustee and Ryan Welhousen has been signed for a reduced negotiated settlement of \$16,219.69. Per the settlement agreement, this amount is to be paid by December 15, 2024, or interest penalties will accrue.

This claim was not filed within the 120 day period from the bankruptcy filing date of October 24, 2022. The filing period ended February 21, 2023.

At this time there is no provision for the GIF board to re-open the filing period for these types of transactions.

It is the recommendation of IDALS GWB that this claim be denied for failing to be filed in a timely manner.

Mr. Behrends made a motion to reject/deny Claim G5236-46 for Ryan Welhousen. Mr. Johnson seconded the motion and the board voted unanimously to reject/deny the claim.

Mr. Larson summarized that there is nothing new to report on the Pipeline bankruptcy.

Mr. Larson updated the board on the Scott Larson Global claim appeal. All appeal briefings have been filed and are awaiting court's decision to hear oral arguments or rule without oral arguments.

Mr. Larson updated the board on the Global bankruptcy. The bankruptcy Trustee continues to go through the clawback letters and settlements. Some producers have pooled their resources and hired an attorney firm for representation. Producers are seeking to negotiate a smaller settlement amount.

There has been some interest to bring proposals for a law change that would address this clawback issue in the Grain Indemnity Fund law. As these proposals are brought forth, the board will be apprised.

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, December 19, 2024.

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. Ms. Cook seconded the motion, and the board approved the motion unanimously. The meeting was adjourned at 2:12 P.M.

Minutes Submitted by James Kennedy, board administrator, November 21, 2024.