

DATE: April 28, 2009  
TO: Members of the Grain Indemnity Fund Board  
FROM: Angela Burke Boston, Secretary Designee  
RE: Summary of the Minutes April 28, 2009

The Grain Indemnity Fund Board (hereafter "Board" or "Fund") held an emergency meeting by telephone conference on Tuesday, April 28, 2009 in the office of Richard Wahl at the Wallace State Office Building, 502 East 9<sup>th</sup> Street, Des Moines, Iowa, with John Whipple, Consumer Protection & Industry Services Division Director and president designee, as Chairperson.

Attending the meeting in addition to John Whipple (hereafter "Chairperson") were the following:

Angela Burke Boston (Board Secretary Designee)	330 Maple St. Des Moines, IA 50319
Steve Larson (Board Treasurer Designee)	Lucas State Office Building Des Moines, IA 50319
Ed Hershberger (Board Member & Industry Rep.)	Kalona, IA 52247
Tom Kaldenberg (Board Member & Producer Rep.)	Albia, IA 52531
Sharon Smith (Board Member & Producer Rep.)	Knoxville, IA 50138
Sandy Simpson (Board Member & Industry Rep.)	Onawa, IA 51040
Steve Moline (Assistant Attorney General for the Fund)	Lucas State Office Bldg. Des Moines, IA 50319
Richard Wahl, Bureau Chief Grain Warehouse Bureau	Wallace State Office Bldg. Des Moines, IA 50319
Jeff Walker, Accountant Grain Warehouse Bureau	Wallace State Office Bldg. Des Moines, IA 50319
Cheryl Petersen, Secretary Grain Warehouse Bureau	Wallace State Office Bldg. Des Moines, IA 50319

This meeting, upon duly prescribed notice, was called to order by the Chairperson at 2:03 P.M.

The Chairperson noted that this meeting of the Grain Depositors and Sellers Indemnity Fund was being held by telephone conference call due to the necessity of an urgent meeting

The Chairperson asked if there was a motion to go into closed session.

Steve Moline stated that it should be on record that the reason for going into closed session is that found in Iowa Code Section 21.51C in order to discuss strategy with counsel matters that are presently in litigation or litigation is imminent and where disclosure would likely prejudice or disadvantage the position of the governmental body.

The Chairperson again asked if there was a motion to go into closed session. Sandy Simpson made a motion to go into closed session. Sharon Smith seconded the motion, and the Board approved the motion unanimously.

At 2:05 P.M. the board went into closed session.

At 2:25 PM the Chairperson announced that we were now in open session.

The Chairperson asked for a motion granting the department the authority to accept the settlement proposal, discussed in closed session, pertaining to The Seed Company, Inc. of Lynnville, Iowa. Ed Hershberger made a motion to accept the settlement proposal. Sandy Simpson seconded the motion, and the Board approved the motion unanimously.

The Chairperson asked for any other business.

Richard Wahl shared that the department received a billing for \$82.50 for the service of the court reporter in the Goodell appeal hearing. Richard announced that he would like to make a motion to approve payment of the bill. Tom Kaldenberg made a motion to approve payment of the bill. Steve Larson seconded the motion, and the Board approved the motion unanimously.

Richard Wahl updated the Board on Watkins Elevator. He said Steve Moline will be filing a petition for receivership this week. Richard added that the department is drawing a \$50,000.00 letter of credit for grain dealer deficiency from Watkins Elevator's bank to help pay off the grain dealer claims. A letter addressed to the GIF Board from Watkins Elevator's bank, was received in the Bureau recently. The bank noticed that Steve Moline had filed a lien, but that the bank letter stated it had filed a lien first. Steve's filed lien was legal protocol, and was done in the event the department recovered any funds. The bank's attorney thought he understood that the Bureau was already unloading grain using the elevator's machinery and equipment. Some of the bank's security interest is in this machinery and equipment. Richard pointed out that the department hasn't moved a single bushel of grain. The Bureau has only used a small table in the kitchenette and electricity to run the grain examiner's laptop computer. Richard felt that the receivership filing will comfort the bank in that the receivership will state our use of the elevator's equipment and machines to unload the grain and make any necessary repairs to the equipment, should it be necessary. Richard finished by saying that a copy of this letter from the bank will be sent to each Board member in next month's GIF mail packet.

The Chairperson stated that the Board will be assigned to a new administrative law judge for the May 21, 2009 GIF Board meeting. Tom Kaldenberg asked if the judge would give an opinion on the appeal to the Board. The Chairperson answered by saying that the judge will assist the Board in going through the process and arriving at a decision. The Board, however, will make the final decision independent of the administrative law judge,

Richard Wahl asked Steve Moline if it would be advisable to have a copy of the court reporter's transcript available to the Board so they could refer to it at the next Board meeting.

Steve Moline responded by saying that it will probably be necessary at some point, when the actual decision is drafted. He felt it was a good idea to get a copy of the transcript.

The Chairperson asked for any other questions or any other business. There was none.

The next regularly scheduled board meeting will be an in-person meeting on Thursday, May 21, 2009 at 1:00 P.M. in the second floor conference room at the Henry Wallace State Office Building. A newly assigned administrative law judge will be in attendance.

With no further business, the Chairperson asked for a motion to adjourn. Angela Burke Boston made a motion to adjourn. Steve Larson seconded the motion, and the Board approved the motion unanimously.

The meeting adjourned at 2:36 P.M.

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