

Iowa Grain Depositors and Sellers Indemnity Fund
Iowa Grain Indemnity Fund Board
Meeting Minutes for April 15, 2010
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DATE: April 15, 2010
TO: Members of the Grain Indemnity Fund Board
FROM: Angela Burke Boston, Secretary Designee
RE: Summary of the Minutes April 15, 2010

The Grain Indemnity Fund Board (hereafter “Board” or “Fund”) held a meeting by telephone conference call on Thursday, April 15, 2010 at the Wallace State Office Building, 502 East 9th 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
Kyle Rice (Board Treasurer Designee)	Lucas State Office Building Des Moines, IA 50319
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
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 2:01 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.

Steve Moline and Ed Hershberger were not available for the Board meeting.

The Chairperson called for any additions or corrections to the minutes for the March 18, 2010 Board meeting. There were no corrections or questions regarding the Board minutes. Kyle Rice made a motion to approve the minutes, Sandy Simpson seconded the motion, and the Board approved the motion unanimously.

The Chairperson called on Kyle Rice to present the Treasurer's Report. The balance of the fund as of April 13, 2010 was \$7,306,116.58. Angela Burke Boston made a motion to approve the Treasurer's Report. Tom Kaldenberg seconded the motion, and the Board approved the motion unanimously.

The Chairperson called on Jeff Walker to present the financial statement. The balance in the Investment in State of Iowa Pooled Accounts as of March 31, 2010 was \$7,341,521.58. The Equity in the Iowa Grain Indemnity Fund as of March 31, 2010 was \$7,329,723.59. There is a decrease for the month of March in the amount of \$28,816.37. There is a fiscal year to date decrease in the Fund as of March 31, 2010 in the amount of \$145,536.49 The Chairperson asked if there were any questions about the financial statements. Hearing none, the Chairperson called for a motion to accept the financial statements. Sandy Simpson made a motion to approve the financial statements. Angela Burke Boston seconded the motion, and the Board approved the motion unanimously.

There was no reason for the Board to go into closed session.

The Chairperson asked for any new business to come before the Board.

Richard Wahl addressed the Chairperson, stating that the Board needs to take action on a proposed fee assessment for the upcoming fiscal year. Richard declared that the Fund balance is below the statutory 8 million dollar cap, which would require a decision to be made by the Board regarding a possible fee assessment. Richard said that it is the bureau's recommendation that there be no fee assessment for the fiscal year beginning July 1, 2010. Richard asked for comments or questions. Noting no opposition in this matter, Richard offered a resolution to the Board for consideration. Richard announced to the Board, "Be it resolved that there shall be no indemnity assessment for the state fiscal year beginning July 1, 2010 and ending June 30, 2011." The Chairperson called for a motion to accept the resolution. Angela Burke Boston made a motion to approve the resolution. Tom Kaldenberg seconded the motion, and the Board approved the motion unanimously.

Tom Kaldenberg asked how quickly an indemnity assessment can be applied or stopped. Richard Wahl responded that it is done on a fiscal quarterly basis and can be implemented in a few weeks. Richard added that once the assessment is activated, it would continue through to the end of the quarter. Three months of accruals would be deposited into the Fund.

Richard Wahl stated that the Department of Commerce bill that affects Angela Burke Boston's position on the Board, was signed by the Governor. The Insurance Commissioner's designee Angela Burke Boston, is to be replaced by a representative of the banking industry. This change will take place July 1, 2010.

Richard Wahl also shared that legislation passed earlier will affect the fee assessment rates between the warehouse and grain dealers. Richard added that he is currently drafting rules to coordinate with those statutory changes. These changes will take affect July 1, 2010. Richard announced that the proposed rules will be presented to the Board for review and action in the near future.

Richard Wahl updated the Board on Troy Elevator, Inc. (Troy.) He said it is status quo. Richard relayed that there was a hearing scheduled for Monday, April 19, 2010. The hearing was to consider the dismissal of Troy's Chapter 11 bankruptcy and/or converting it to Chapter 7 liquidating bankruptcy. Richard finished by saying that the hearing in April was postponed to the end of May 2010. Richard surmised that Troy still has time to maneuver and arrange new financing.

The Chairperson asked if there was any other business to be brought before the Board. There was none.

The next regularly scheduled board meeting will be a telephone conference meeting on Thursday, May 20, 2010 at 2:00 P.M. in the office of Richard Wahl at the Henry Wallace State Office Building.

There was also some discussion and plans for an in-person June Board meeting.

With no further business, the Chairperson asked for a motion to adjourn. Tom Kaldenberg made a motion to adjourn. Sandy Simpson seconded the motion, and the Board approved the motion unanimously.

The meeting adjourned at 2:15 P.M.