**ILLINOIS CORN MARKETING BOARD**

**Minutes of a Meeting**

**Held July 5-7, 2017**

A meeting of the directors of the Illinois Corn Marketing Board was held at the Holiday Inn Conference Center in Carbondale, Illinois on July 5-7, 2017.

 Directors present were:

 Jim Raben Paul Jeschke

 Dan Cole Mark Wilson

 Dirk Rice Lou Lamoreux

 Don Duvall Pat Dumoulin

 Roger Sy Jim Reed

 Mike Wurmnest Tom Mueller

 Don Murphy Karen Neff

 Also present were:

 Kayla Veeder Rodney Weinzierl

 Dave Loos Jim Tarmann

 Lindsay Mitchell Phil Thornton

 Suzie Rogers Tricia Braid

Jim Raben, chairman, called the meeting to order at 2:00 p.m. and the board reviewed the agenda.

The board reviewed the proposed FY18 budget and discussed the allocations for each committee.

 **It was moved by Dirk Rice and seconded by Roger Sy**

 **THAT we approve the proposed FY18 as presented.**

 **The motion carried.**

SECRETARYS REPORT

Roger Sy reviewed the minutes of the ICMB conference call that was held on February 27, 2017.

 **It was moved by Roger Sy and seconded by Dan Cole**

**THAT the minutes of the February 27, 2017 ICMB conference call be approved and placed on file.**

 **The motion carried.**

Roger Sy reviewed the minutes of the ICMB conference call that was held on March 24, 2017.

 **It was moved by Roger Sy and seconded by Mark Wilson**

**THAT the minutes of the March 24, 2017 ICMB conference call be approved and placed on file.**

 **The motion carried.**

Roger Sy reviewed the minutes of the ICMB Executive Committee meeting that was held on June 5, 2017.

 **It was moved by Roger Sy and seconded by Jim Reed**

**THAT the minutes of the June 5, 2017 Executive Committee be approved and placed on file.**

 **The motion carried.**

Roger Sy reviewed the minutes of the ICMB full board meeting that was held on June 5-6, 2017.

 **It was moved by Roger Sy and seconded by Don Murphy**

**THAT the minutes of the June 5-6, 2017 Executive Committee be approved and placed on file.**

 **The motion carried.**

TREASURERS REPORT

Don Duvall reported that we had reviewed the latest financial statements at our June board meeting.

EXECUTIVE COMMITTEE REPORT

Tom Mueller reported for the committee.

***ICMB Election***

The ICMB election is today. Preliminary results should be available by Monday.

***NCGA Action Team Applications***

NCGA Action Team applications are available. They are due back to the state office on August 11.

***NCGA Corn Congress***

We have invited the NCGA corn board candidates to join us during our breakfast on July 19. They will have an opportunity to introduce themselves.

There are a lot of proposed resolutions for this session of Corn Congress. We have set up conference calls for each policy group next week to discuss these changes. Some of these resolutions will likely be tabled until the March session but we will know more next week.

***US Grains Council Election***

The committee discussed the upcoming US Grains Council election. Jim Raben and Tom Mueller are both seeking a position/office.

***Executive Programs & Communication Plan***

**It was recommended by the committee**

 **THAT we approve the following executive programs for FY18:**

 **IL Ag Leadership Foundation $12,500**

 **Farm Assets Conference $2,500**

 **State FFA Officer Mission $1,000**

**It was recommended by the committee**

 **THAT we approve the following Communications Plan programs for FY18:**

 **Radio Production $1,000**

***U of I-University Owned Farmland Management***

The U of I board of trustees is considering reversing the decision they made ten years ago when they went to a strictly cash rent, high bid approach. As a result of this decision, less farms have been bequeathed to them in recent years. The board of trustees is considering moving back to a crop share approach in which they would work with the family who bequeaths the farm. We would like to consider writing a letter in support of this change.

 **It was recommended by the committee**

**THAT we encourage ICGA to send a letter to the U of I board of trustees in support of changing to crop share instead of cash rent for University of Illinois owned farmland.**

There was discussion as to the benefits and detriments to the crop share approach.

 **It was moved by Dan Cole and seconded by Don Duvall**

**THAT we address this issue as a separate item, apart from the Executive Committee report.**

 **Roll Call Vote:**

Pat Dumoulin: Yes

 Lou Lamoreux: No
 Tom Mueller: No

 Mark Wilson: No

 Paul Jeschke: Yes

 Dirk Rice: No

 Jim Reed: No

 Mike Wurmnest: Yes

 Dan Cole: Yes

 Bill Long: Absent

 Don Murphy: No

 Roger Sy: No

 Don Duvall: Yes

 Karen Neff: Absent

 Jim Raben: No

The board will accept the committee’s recommendation to send a letter of support.

***Penetration Testing***

Kayla has investigated different options for testing the security of our server/network and presented a proposal for penetration testing. We will continue with penetration testing now and will consider a longer-term agreement after reviewing the results of our first test.

 **It was recommended by the committee**

**THAT we proceed with Penetration Testing with Defend Edge at a cost of up to $8,500.**

***Director Interviews***

Kayla will send out the ICMB director interview schedule in early August.

***Past Director Event***

Illinois Corn will host a past director event on Tuesday, August 22, 2017 for all past leaders of the organization. We will also invite past directors to an “update” session that will get past directors informed on current ICMB and ICGA projects.

 **It was moved by Tom Mueller and seconded by Lou Lamoreux**

**THAT the report of the Executive committee be approved including all committee recommendations with a total budget impact of $25,500.**

 **The motion carried.**

CHAIRMANS REPORT

Jim Raben presented the idea that we have a board member that would attend Illinois Soybean Association board meetings as a representative of Illinois Corn. We would also invite a representative from the Illinois Soybean Association board to attend our board meetings.

 **It was moved by Tom Mueller and seconded by Pat Dumoulin**

**THAT we direct the ICMB Executive Committee to create a reciprocal ex-officio representative program with the Illinois Soybean Association board.**

 **The motion carried.**

EXECUTIVE DIRECTORS REPORT

Rodney Weinzierl reported that NCGA hosted a state and national staff meeting at our office for ethanol and water quality staff. States continue to learn about how issues differ from state to state. NCGA was very pleased with the turnout of those meetings.

Illinois did pass a budget. Although we haven’t had adequate time to review the budget, we did see that there was no pension reform and no long-term solution to our budget crisis in Illinois. We were close to getting a small tax credit for mid-level blends but lost that in final negotiations. Our current tax credits were, however, extended to 2023.

Rod informed the board that Don Norton, CEO of Illinois Ag Leadership, has taken a different job. Illinois Ag Leadership is beginning the search for a new CEO.

Rod reported that Travis Deppe, our new Nutrient Loss Reduction Manager, will start work on Monday.

ADMINISTRATIVE REPORT

Kayla Veeder will notify the board of election results when they are available.

INDUSTRIAL COMMITTEE REPORT

Dirk Rice reported for the committee.

*Goal 1: Expand cornstarch to ethanol usage to 5.5 billion bushels by 2017.*

US EPA has not yet released the proposed RVO rule as expected. EPA is still reviewing numbers regarding cellulosic fuels and we are not sure when this process will be complete.

The second scheduled House RFS Roundtable coordinated by John Shimkus was postponed for a second time this week. Specifically for the second session, the Chairman had asked participants to discuss problems they have faced through RFS implementation and solutions for those problems. NCGA was not scheduled to participate in the second roundtable, and the Committee’s reasoning was that corn growers do not have as much direct input on implementation issues, such as RIN market concerns, as other stakeholders.

We expect the Senate Environment and Public Works Committee markup for RVP to be later this month.

Illinois passed a budget, authorizing the 15 billion dollars to be spent for the Biofuels Infrastructure Program. Most projects are well underway or completed. The governor signed an executive order that transfers all of the energy programs, including BIP, to Illinois EPA. The current grant manager at DCEO will not be transferring to EPA so a new person will be managing the program. We will attempt to set up a meeting with the EPA director to make sure the transition goes as smoothly as possible.

Paul Jeschke gave an NCGA Ethanol Action Team update.

*Goal 2: By 2018, increase by 250 million bushels the amount of IL corn processed for food, feed, and fuel in state.*

The ethanol is still building capacity, largely due to exports. They continue to invest in new technologies and expansion.

Reg Modlin will be in Washington, DC later this month for the NCGA Ethanol Action Team meeting.

Dave reported that Volvo has made a commitment to transition to an electric/hybrid fleet by 2018. They plan to stop producing gasoline vehicles completely.

*Goal 4: Undertake a minimum of three public outreach programs each year for three years with the goal of expanding confidence and trust of farmers and their farming methodologies through openness and accessibility to the non-farm public.*

Tricia reported that the Chicago High School of Ag Sciences students have an opportunity to participate in a farm to table dinner.

 **It was recommended by the committee**

**THAT we redirect $2,500 of the previously committed $15,000 to the Chicago High School of Ag Sciences to allow them to participate in a farm to table dinner. (Goal 4A2b)**

*Goal 5: Demonstrate a 60% reduction in Greenhouse Gas Emissions of Corn Starch ethanol compared to 2005 base crude oil by 2017.*

We have a tremendous opportunity to move USEPA on the life cycle analysis of ethanol right now. We have a lot of leverage right now, given that updating these numbers could increase export as other countries are reviewing their emissions standards, etc.

Jonathon Coppess from NCERC and Chancellor Randy Pembrook from SIU Edwardsville joined the committee to provide an update on the future of NCERC. The research center is booked up with work through March of next year and continue to turn away projects for lack of time. They are looking into options that would give them more lab space.

 **It was moved by Dan Cole and seconded by Roger Sy**

**THAT we approve the Industrial Committee FY18 program of work as presented with a total budget impact of $5,653,500 for all goals and funding.**

 **The motion carried.**

**It was moved by Dirk Rice and seconded by Don Murphy**

**THAT the report of the Industrial Committee be approved.**

 **The motion carried.**

EXPORTS COMMITTEE REPORT

Mark Wilson reported for committee.

*Goal 1: Start construction of two new lock replacements within the Upper Mississippi River Basin by 2019.*

Jim provided an update on lock and dam funding and the administration’s budget proposal.

Senator Duckworth has confirmed participation in a barge tour with Senator Ernst near the Quad Cities at Lock 15. Board members that are close to the river and the location are encouraged to attend. All board members are invited. Loebsack and Bustos are also invited to this event.

Jim has a preliminary copy of the study that shows how much ROI farmers would receive in efficiencies per increase in the lockage fee.

Jim reminded the committee of the trade school webinar on July 11 from 8-10:30 am.

Jim and Phil participated in the Illinois Soy Transportation tour recently.

There has been an Asian Carp found above the electrical barrier. DNR will look into whether the fish actually migrated north, was planted, or was a bait fish

*Goal 2: Increase the amount of corn and co-products leaving the state by 5 percent by 2017 through improved infrastructure.*

Rod presented at the Midwest Rail Summit in Chicago. He talked about locks and dams. The person that is lobbying for the Great Lakes Basin Line bypass around Chicago was there and asked to meet with the board at some point.

*Goal 3: Inform a growing world population of the benefits of the improving technology of food production.*

Phil Thornton initiated a quick discussion with the board about the Syngenta lawsuit, which farmers won in Kansas. We will watch to see how this suit goes in other states.

Phil briefed the committee on a recent Mexico trade team.

Don Duvall shared a quick update from the NCGA Freedom to Operate action team and their policy submittals for July.

*Goal 4: Invest in research, demonstration, adoption, measurement and modeling of natural resource issues to promote science-based, voluntary solutions to regulatory concerns.*

Rod talked to the board about the Midwest Row Crop Collaborative and how they would like to focus some of the PCM efforts in the Lake Decatur area. Gary Schnitkey and Dale Latz have a draft of how Field to Market and PCM information can translate to an individual farmer. Gary hopes to have preliminary inforamtion this fall about different tillage systems, cover crops, etc. but the data set probably won’t be large enough for final results.

**It was moved by the committee**

**THAT ICMB commit $350,000 for the Precision Conservation Management program.**

 **The motion carried**

Phil shared with the committee that Zea Mays had a clean audit and looks forward to the July 27 board meeting.

*Goal 5: Increase corn, ethanol, DDGS, and other corn co-products exports to 3.5 billion bushels by 2017.*

The South Africa Mission will be in January of 2018. We still haven’t decided who is attending this mission.

Kristy Moore’s work in Mexico, Steffan Mueller’s work in Japan, Angela Tin’s work in Japan and other countries have continued to be beneficial in opening up international markets. We need to commit funds to continue their work.

 **It was recommended by the committee**

**THAT ICMB commit up to $30,000 for an ethanol contractor to help move ethanol into export markets.**

*Goal 6: Increase corn and corn co-product usage by the domestic and international livestock sector by 5 percent by 2016.*

Jim Raben and Pat Dumoulin participated in the recent USAPEEC meeting. Pat emailed a summary of her thoughts following the meeting, and Jim shared a verbal update.

The committee reviewed the FY 18 program of work.

**It was moved by Karen Neff and seconded by Tom Mueller**

**THAT the ICMB Export Committee approve the FY18 program of work as amended in Goal 6 with total budget of $6,435,000 for all goals and funding.**

 **The motion carried.**

**It was moved by Mark Wilson and seconded by Don Murphy**

**THAT the report of the Export Committee be approved including all committee recommendations with a total budget impact of $380,000.**

 **The motion carried.**

 **It was moved by Roger Sy and seconded by Dan Cole**

 **THAT we adjourn the meeting.**

 **The motion carried.**

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 Roger Sy, Secretary