**ILLINOIS CORN MARKETING BOARD**

**Minutes of a Meeting**

**Held November 29-30, 2018**

A meeting of the directors of the Illinois Corn Marketing Board was held at the Illinois Corn office on November 29-30, 2018.

 Directors present were:

 Paul Jeschke Don Duvall

 Dan Cole Roger Sy

 Pat Dumoulin Tom Mueller

 Jim Reed Mark Wilson

 Jim Raben Bill Long

 Dirk Rice Jon Rosenstiel

 Mike Wurmnest Dale Haudrich

 Tim Lenz

 Also present were:

 Rodney Weinzierl Laura Gentry

 Dave Loos Jim Tarmann

 Lindsay Mitchell Phil Thornton

 Suzie Rogers Travis Deppe

 Tricia Braid Kayla Veeder

 Darryl Cates

Don Duvall, chairman, called the meeting to order at 8:00 a.m. and the board reviewed the agenda.

SECRETARYS REPORT

Mark WIilson reviewed the minutes of the following meetings.

 **It was moved by Dale Haudrich and seconded by Jim Reed**

**THAT the minutes of the August 20, 2018 Executive Committee be approved and placed on file.**

 **The motion carried.**

 **It was moved by Dan Cole and seconded by Tom Mueller**

**THAT the minutes of the August 21-22, 2018 full board meeting be approved and placed on file.**

 **The motion carried.**

TREASURERS REPORT

Dirk Rice reviewed the financial statements for the period ending October 31, 2018.

 **It was moved by Mike Wurmnest and seconded by Mark Wilson**

 **THAT we place the Treasurers Report on file.**

 **The motion carried.**

Suzie Rogers reviewed the Whistleblower policy and collected conflict of interest forms from directors.

EXECUTIVE DIRECTORS REPORT

Rodney Weinzierl reported that it looks like there has been an agreement on the farm bill. The bill is waiting on a score from the Congressional Budget Office. We are hopeful that we will have a farm bill before Congress recesses at the end of the year.

We are in the process of transitioning into new leadership in Illinois after the November 6 elections. There has been a lot of discussion about who will be appointed to director positions. After the Director of Revenue is appointed, the other agency directors will be appointed. We have heard that Colleen Callahan, Patrick Scates and John Sullivan are all interested in the Director of Ag position.

We will likely have some kind of an infrastructure bill over the next two years but there is no plan in place to fund it.

We will likely see a movement on environmental regulation in Illinois with the new leadership. This could be detrimental to agriculture and will likely revolve around a low carbon initiative.

We may have an opportunity on an infrastructure bill from the President. House Democrats have also had some discussion about an infrastructure bill. It’s possible that the earmark ban would be eliminated. We haven’t had a new start on a lock and dam project since it was implemented so that would be promising.

ADMINISTRATIVE REPORT

Kayla Veeder reviewed the registration and housing process for Commodity Classic. The board would like for Classic suites to be close to each other, so they are not a disruption to other guests.

EXECUTIVE COMMITTEE REPORT

Paul Jeschke reported for the committee.

***Feedback on Farm Assets Conference***

The content of the conference was a little weak this year. We will report our feedback to Todd Gleason for next year.

***Corn Congress***

Commodity Classic has reported that there was a problem securing rooms for the NCGA blocks. We will report which hotel we will be in as soon as we have more information. We will be down to seventeen delegates this year. ICGA and ICMB leadership will appoint IL Corn delegates soon. We are down to seventeen delegates this year.

***2019 NCGA President’s Reception***

The committee would like to contribute to the NCGA President’s Reception at the Commodity Classic for Lynn Chrisp.

 **It was recommended by the committee**

**THAT we commit $5,000 for the 2019 NCGA President’s Reception at Commodity Classic.**

***NCGA Corn Board Applications***

NCGA Corn Board applications are available and will be due on January 11, 2019.

***Funding for Executive Programs***

**It was recommended by the committee**

 **THAT we approve the following Executive Programs**

 **IL Agri Women $2,500**

 **4-H $2,000**

 **It was recommended by the committee**

 **THAT we approve the following Communications Plan Programs**

 **RFD $30,000**

**It was recommended by the committee**

 **THAT we approve $1,500 for the IFB A LOT program.**

The full board reviewed the IFB A LOT program and discussed our current relationship with Illinois Farm Bureau.

 **It was moved by Tom Mueller and seconded by Jim Raben**

**THAT we amend the committee’s recommendation to, “THAT we commit $500 for the IFB ALOT program”.**

 **The motion failed.**

The board considered that the program is valuable, and a lot of our current board members have participated.

The board voted on the original committee recommendation, “**THAT we approve $1,500 for the IFB A LOT program**”.

 **The motion carried.**

The Illinois Corn Growers Association voted to terminate the IAA-interlocking director from their board. They plan to offer up an ex-officio director position for a current IAA/IFB board member with no voting rights.

The committee discussed options for funding the Ag in the Classroom program. ICMB’s goal is to build relationships with county Farm Bureau offices. One idea to build those relationships was to hand deliver checks directly to the county offices.

Ag in the Classroom dipped into their reserves to cover the funding that we didn’t provide last year.

 **It was moved by Tom Mueller and seconded by Jon Rosenstiel**

**THAT we fund Ag in the Classroom at $90000 through the IAA foundation for the 2018 school year.**

 **The motion failed.**

The committee suggested that we consider adding another member to the Business Services Committee.

 **It was moved by Dirk Rice and seconded by Dan Cole**

**THAT the report of the Executive committee be approved including all committee recommendations with a total budget impact of $41,000.**

 **The motion carried.**

Dirk Rice gave a report on his recent mission to Texas. Mark Wilson gave a report on his mission to China.

EXPORTS COMMITTEE REPORT

Jon Rosenstiel reported for committee.

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

Olmsted is open. Jim Tarmann reviewed 2018 and 2019 appropriations to Army Corps of Engineers and summarized the lock closures scheduled for the Illinois River in 2020.

**It was recommended by the committee**

**THAT ICMB commit $2,500 to the Unlock our Jobs Coalition.**

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

Travis Deppe reviewed some Life Cycle Analysis work that IL Corn, NCGA, and thirteen other states are working on, hoping to balance the info provided to the USDA.

Laura shared some preliminary, aggregated data from the PCM program.

Randy Stauffer provided a baseline overview of the Field to Market Program and our role within in.

Travis Deppe summarized the work of the Soil Health Partnership for the committee.

**It was recommended by the committee**

**THAT ICMB commit $45,000 to the Soil Health Partnership for FY19 annual contribution.**

Phil provided a study conducted by Steffen Mueller showing the impact of higher ethanol blend levels on vehicle emissions in five global cities.

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

Rod Weinzierl previewed tomorrow’s RMA announcement about expanding the definition of enterprise units. This new endorsement was based on research by the ICMB and lobbying work by the ICGA. This is also included in the Farm Bill.

Jim Tarmann shared an update from the Global Farmer Network.

**It was recommended by the committee**

**THAT ICMB commit $25,000 to the Global Farmer Network for 2019.**

Don Duvall updated the committee on financial commitments to US Grains Council.

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

Laura Gentry and Travis Deppe summarized the work IL Corn is doing on our 160-acre field laboratory near Blue Mound.

Travis discussed the work of the Illinois Sustainable Ag Partnership and how valuable the partnerships we’re developing will be for future negotiations.

The committee reviewed the current cover crop program offering for our membership. Beck’s has been a great partner, and the Walton Foundation will be a partner next year. Following, we believe we’ll have saturated our membership and we’ll end the program.

ICMB will continue to provide free, confidential water sampling in thirty-one counties. This is a conversation starter for Illinois farmers about nitrogen loss on their farms.

Last year, ICMB provided funding to ag educators, providing them buckets, tools, and instructional materials to teach ag students about water quality and soil health. WIU would like to extend the program.

**It was recommended by the committee**

**THAT ICMB commit $17,000 to Western Illinois University for the Illinois Soil Health Curriculum Project.**

Travis reviewed the fluency agent membership offering that reduces dust and protects neonicotinoid products for farmers.

Lindsay reminded the board of a contract with Reeg attorneys that the board will review in January. The contract fee will go over budget until we discuss the contract in January.

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

Phil Thornton summarized the upcoming Australia mission.

Phil asked for funding for the Grain and Feed Association of Illinois annual convention.

**It was recommended by the committee**

**THAT ICMB commit $6,000 to the Grain and Feed Association of Illinois annual convention in 2019.**

Phil updated the committee on recent trade teams hosted in Illinois as well as his visit to the Export Exchange in Minneapolis.

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

The committee discussed traveling to USMEF meetings and USAPEEC meetings in the fall of 2018 and the rest of 2019.

 **It was recommended by the committee**

**THAT ICMB commit $10,000 for board member expenses to travel to USMEF meetings in 2019.**

**It was recommended by the committee**

**THAT ICMB commit $10,000 for board member expenses to travel to USAPEEC meetings in 2019.**

Jill Johnson and Joni Bucher presented the Illinois Beef Association funding request for FY19 and answered questions from the committee.

**It was moved by the committee**

**THAT ICMB commit $60,000 for beef marketing and promotion projects in 2019.**

 **The motion carried.**

**It was recommended by the committee**

**THAT ICMB commit $5,000 for the Illinois Beef Association summer meeting in 2019.**

The committee agrees to fund IBA an additional $10,000 for promotions out of designated funds.

Mike Haag and Jennifer Tirey presented the Illinois Pork Producers Association funding request for FY19 and answered questions from the committee.

**It was recommended by the committee**

**THAT ICMB commit $50,000 to Illinois Pork Producers Association for pork marketing and promotion projects in 2019.**

**It was recommended by the committee**

**THAT ICMB commit $5,000 to Illinois Pork Producers Association for 2019 pork expo.**

Phil Thornton reviewed the DDGS testing website with the committee and he believes that the website and the way they are testing is not working as we intended. Phil and Dave believe the system needs to be reviewed and remade.

Jon Hinners presented the USMEF funding request for FY19 and answered questions from the committee.

**It was moved by the committee**

**THAT ICMB commit $320,000 to the U.S. Meat Export Federation for FY19.**

 **The motion carried.**

Greg Tyler and Mary Alice Cain presented the USPEEC funding request for FY19 and answered questions from the committee.

 **It was moved by the committee**

**THAT ICMB commit $250,000 to the USA Poultry and Egg Export Council for FY19.**

 **The motion carried.**

**It was moved by Jon Rosenstiel and seconded by Tom Mueller**

**THAT the report of the Exports Committee be approved including all committee recommendations with a total budget impact of $805,500.**

 **The motion carried.**

INDUSTRIAL COMMITTEE REPORT

Jim Reed reported for the committee.

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

Oak Ridge National Laboratory has a GMC Terrain back in their lab for testing. There were some issues with the front brake components on the vehicle but those have been replaced. After re-running some pre-test baselines, they should be ready to test and assess the PM emissions on the vehicle using Tier 3 E10 and Tier 3 E25.

Congressman Shimkus released a discussion draft of the 21st Century Transportation Fuels Act. The draft is intended to spark discussion about the use of higher-octane fuels but will die at the end of this session. The bill allows for a 98RON certification fuel. Although refiners would have a hard time producing a 98RON fuel without a higher blend of corn-based ethanol, there is no mandate in the bill that the octane must be sourced from corn-based ethanol.

We see this bill as a good first draft and expect to get a lot of input from stakeholders before the next draft is introduced next year.

The committee had a conference call with Adam Gustafson who gave his views on the first draft of the bill.

The Illinois FFA is ready for a new vehicle. They now secure their own lease and get a vehicle that suits their needs. ICMB does decide how the vehicle is wrapped once it is purchased. We would like to change the wrap from American Ethanol to IL Corn this time.

 **It was recommended by the committee**

**THAT ICMB commit $7,500 to sponsor an FFV vehicle for the Illinois FFA, to include a vehicle wrap with the design approved by ICMB.**

The RVO numbers should be announced tomorrow by EPA. One of the most upsetting things about these numbers is that the waived volumes for small refiners will likely not be reallocated. President Trump did put a hold on small refinery waivers today.

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

Western Illinois University did an economic impact assessment for Illinois ethanol and Illinois corn used in ethanol production in 2017. They have proposed an update to this assessment that would include ethanol plant visits to get data to update the IMPLAN model. It will be important to have updated information when working with the new administration, especially when pushing for an E15 tax incentive.

**It was recommended by the committee**

**THAT ICMB commit $25,000 to Western Illinois University to update the economic impact assessment for Illinois ethanol and Illinois corn used in ethanol production.**

NCERC continues to employ two to three post docs to work on corn kernel fiber projects. The post docs work with larger clients on corn kernel fiber to ethanol pathways and then work to get the pathway approved by the EPA.

 **It was moved by the committee**

**THAT ICMB commit $100,000 for post-doctoral support at the National Corn to Ethanol Research Center.**

 **The motion carried.**

*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 Braid played the Illinois Runs on Homegrown Corn brand anthem video. We have a thirty-second TV spot that is complete. This will also be suitable for digital purposes. There is also a longer, two-minute version of the anthem video. We are now in the process of identifying the demographics that we want to target. The next step is to figure out where to place the videos.

**It was moved by the committee**

**THAT ICMB commit $150,000 for the promotion and placement of the Illinois Runs on Homegrown Corn brand anthem videos on digital and traditional media platforms.**

 **The motion carried.**

Staff will begin working on the Illinois FFA visit to Washington, DC soon.

 **It was recommended by the committee**

**THAT ICMB commit $25,000 to the Illinois FFA to support an educational visit to Washington DC in conjunction with IL Corn.**

The Normal CornBelters met with us about a year ago and notified us that they were looking at a different league. They have chosen to pull out of the Frontier League and are looking at college players that are at the beginning of their career in the Prospect League. CornBelters ownership has changed. There will probably be some new media opportunities with this league because all games will be live streamed.

*Goal 5: By 2020 demonstrate a 60% reduction in greenhouse gas emissions of corn starch ethanol compared to 2005 base gasoline.*

There is a new employee at Extension who is working with researchers at different universities on a project for tar spot control.

**It was recommended by the committee**

**THAT we encourage ICGA to consider funding for the multi-state research project on tar spot as it relates to developing a farmer tool for decision making for efficacious and economical fungicide applications for tar spot control, thereby improving corn farmer profitability and corn’s carbon footprint.**

The University of Illinois plant breeding fellows joined the board and presented information about the projects they are currently working on. The Foundation selects the students in the program and it has become a recruiting tool for the department.

 **It was moved by the committee**

**THAT ICMB commit $180,000 to support three new University of Illinois corn breeder fellows.**

 **The motion carried.**

One of the primary questions that we have on a 95RON proposal are what the health impacts would be if the fuel were made with 10%, 15% or 20% corn-based ethanol. The same question applies to a 98RON fuel made with 25-30% corn-based ethanol. Steffan Mueller has started on a project to answer these questions.

 **It was moved by the committee**

**THAT** **ICMB commit $65,000 to study the health impacts of a 95 RON E10 fuel compared to 98 RON E25 fuels and other combinations.**

 **The motion carried.**

**It was moved by Jim Reed and seconded by Dirk Rice**

**THAT the report of the Industrial Committee be approved including all committee recommendations with a total budget impact of $552,500**

 **The motion carried.**

The board went into an executive session.

 **It was moved by Don Duvall and seconded by Tom Mueller**

**THAT Jim Reed and Dirk Rice be appointed to a committee, to be joined by two directors from ICGA to develop an employee evaluation form for the Executive Director.**

 **The motion carried.**

**It was moved by Paul Jeschke and seconded by Jim Reed**

 **THAT we adjourn the meeting.**

**The motion carried.**

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 Mark Wilson, Secretary