

Annual Report

Agricultural Producer Security Trust Fund

Year Ended June 30, 2022

Issued November 11, 2022



Division of Trade and Consumer Protection
Bureau of Business Trade Practices
Agricultural Producer Security Section

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Wisconsin Agricultural Producer Security Trust Fund
Statement of Revenues and Expenditures, and Cash Balances
(rounded to 10s)

	FY 22	FY 21	FY 20
Revenues			
Assessments			
Grain Dealers	233,160	292,960	807,990
Grain Warehouse Keepers	54,680	41,710	64,880
Milk Contractors	58,570	270,070	534,090
Vegetable Contractors	210,940	234,360	193,140
Total Assessments	557,350	839,100	1,600,100
Licenses Fees & Administrative Revenues			
Grain Dealers	21,170	20,750	26,470
Grain Warehouse Keepers	275,750	285,150	296,000
Milk Contractors	106,260	154,810	157,300
Vegetable Contractors	142,280	118,210	109,950
Total License Fees & Monthly Fees	545,460	578,920	589,720
Interest Revenue	25,570	10,680	165,840
Grain Dealer–Audits for Marketing Board	5,960	6,720	7,840
Total Revenues	1,134,340	1,435,420	2,363,500
Expenditures			
Salaries and Fringe			
Grain Dealers	316,760	324,290	307,400
Grain Warehouse Keepers	226,690	253,340	241,030
Milk Contractors	383,040	368,110	349,170
Vegetable Contractors	125,120	120,050	114,440
Total Salaries and Fringe	1,051,610	1,065,790	1,012,040
Supplies and Services			
Grain Dealers	59,770	65,010	95,630
Grain Warehouse Keepers	47,580	51,660	69,920
Milk Contractors	66,240	59,250	66,470
Vegetable Contractors	19,640	16,780	18,100
Total Supplies and Services	193,230	192,700	250,120
Default Payments to Producers	160,570	(164,900)	(42,810)
Miscellaneous Expense	-	-	-
Total Expenditures	1,405,410	1,093,590	1,219,350
Net Change in Fund Balance	(271,070)	341,830	1,144,150
Beginning Cash Balance	12,536,980	12,195,150	11,051,000
Ending Cash Balance	12,265,910	12,536,980	12,195,150

Wisconsin Agricultural Producer Security Trust Fund
Notes to Statement of Revenues and Expenditures, and Cash Balances

OVERVIEW

The Wisconsin Agricultural Producer Security Trust Fund (the Fund) is established under Wis. Stats. § 25.463 and is administered by the Department of Agriculture, Trade and Consumer Protection (the Department). The Fund is maintained within the Department's Agricultural Producer Security Program (the Program). The Program is governed by Wisconsin Statute Chapter 126. The purpose of the Program is to provide some level of assurance that milk, vegetable and grain producers will be paid for their products. Generally, persons who purchase grain, milk or vegetables from Wisconsin producers, and grain warehouse keepers who store producer owned grain, are required to comply with the provisions of Wis. Stat. Ch. 126. Collectively, these parties are defined as Contractors. Wis. Stat. Ch. 126 contains a variety of provisions to ensure that Contractors are able to pay producers. However, if a Contractor does fail to pay, producers may be able to make a claim against the Fund.

Fund revenues primarily consist of assessments and license fees paid by licensed Contractors. Fund expenditures include administrative expenditures of operating the Program and any costs associated with insurance or other backing for the fund. Further, should a contractor fail to pay a grain, milk or vegetable producer, that producer may be able to make a claim against the Fund for partial reimbursement.

The State of Wisconsin Investment Board oversees the management of investment activities for the Fund.

Note 1 – Accounting Methodology

The Statement of Revenues and Expenditures, and Cash Balances are presented using the cash basis method of accounting. Revenues are recognized when received and expenditures are recognized when disbursed.

All transactions for the Fund are recorded using STAR, which is the State of Wisconsin's accounting and human resource management system. The Wisconsin Department of Administration is responsible for the overall management of this system. The Department's Division of Management Services is responsible for the overall accounting for the Fund, including processing revenue and expenditure transactions.

In addition, state law requires the department to account for the balance in the Fund that is attributable to each of the four contractor license types within the program (Grain Dealers, Grain Warehouse Keepers, Milk Contractors, and Vegetable Contractors).¹ Accordingly, the Division of Trade and Consumer Protection (Division) maintains more detailed revenue, expenditure, and cash balance reports, which are reconciled with STAR on a monthly basis.

¹ Wis. Stats. § 126.05(2)

Note 2 – Statements of Revenues, Expenditures, and Cash Balances by Industry Group

Revenues, expenditures, and cash balances for each of the four license programs are shown on pages 4 - 7.

GRAIN DEALER			
CASH BALANCE and DETAILED REVENUES & EXPENDITURES			
(rounded to 10s)			
Revenue Detail			
Description	FY 22	FY 21	FY 20
Assessments	4,000	4,090	53,680
Deferred Payment Assessments	228,840	288,450	748,890
License Fees	20,270	20,450	25,170
Penalties/Late Fees	1,220	720	6,730
Audit Services for Marketing Boards	5,960	6,720	7,840
Interest (allocated)	12,600	5,250	81,390
Total Revenues	272,890	325,680	923,700
Expenditure Detail			
Personnel Expenditures			
Personal Services	242,050	245,150	233,720
Fringe Benefits	74,710	79,140	73,680
Subtotal	316,760	324,290	307,400
Supplies and Services			
Travel & Training	12,610	9,790	17,830
Telecommunication	950	1,520	1,000
Rent & Lease	16,090	26,340	25,250
Professional/Contractual Services	2,870	2,630	2,480
Other Administrative & Operating	20,470	20,220	19,230
Insurance	1,540	1,660	1,720
Printing	0	10	20
Computer Software	4,230	2,350	27,720
Supplies	1,000	490	380
Subtotal	59,760	65,010	95,630
Other Expenditures			
Default Payments	83,880	-	26,700
Miscellaneous Expenditure	-	-	-
Total Expenditures	460,400	389,300	429,730
Net Change in Cash Balance	(187,500)	(63,620)	493,970
Beginning Cash Balance	8,002,280	8,065,900	7,571,930
Ending Cash Balance	7,814,780	8,002,280	8,065,900

GRAIN WAREHOUSE KEEPER
CASH BALANCE and DETAILED REVENUES & EXPENDITURES
(rounded to 10s)

Revenue Detail			
Description	FY 22	FY 21	FY 20
Assessments	54,360	41,660	64,780
License Fees	275,050	285,050	295,400
Penalties/Late Fees	1,020	150	700
Interest (allocated)	1,610	670	10,770
Total Revenues	332,040	327,530	371,650
Expenditure Detail			
Personnel Expenditures			
Personal Services	174,750	194,040	185,810
Fringe Benefits	51,930	59,300	55,220
Subtotal	226,680	253,340	241,030
Supplies and Services			
Travel & Training	10,710	9,990	11,370
Telecommunication	610	550	600
Rent & Lease	14,110	20,680	19,780
Professional/Contractual Services	2,230	2,050	1,940
Other Administrative & Operating	15,500	15,510	14,800
Insurance	1,210	1,280	1,340
Printing	-	10	10
Computer Software	2,570	1,370	18,480
Supplies	640	220	1,610
Subtotal	47,580	51,660	69,930
Other Expenditures			
Default Payments	76,690	-	66,250
Miscellaneous Expenditure	-	-	-
Total Expenditures	350,950	305,000	377,210
Net Change in Cash Balance	(18,910)	22,530	(5,560)
Beginning Cash Balance	332,090	309,560	315,120
Ending Cash Balance	313,180	332,090	309,560

MILK CONTRACTOR
CASH BALANCE and DETAILED REVENUES & EXPENDITURES
(rounded to 10s)

Revenue Detail			
Description	FY 22	FY 21	FY 20
Assessments	39,810	253,170	530,480
Deferred Payment Assessments	18,610	16,900	390
Monthly License Fee	103,230	151,160	154,370
Annual License Fee	2,430	2,550	2,600
Penalties/Late Fees	750	1,100	3,550
Interest (allocated)	10,890	4,580	70,490
Total Revenues	175,720	429,460	761,880
Expenditure Detail			
Personnel Expenditures			
Personal Services	272,290	261,340	250,680
Fringe Benefits	110,760	106,770	98,490
Subtotal	383,050	368,110	349,170
Supplies and Services			
Travel & Training	10,360	2,580	10,330
Telecommunication	1,630	2,960	4,700
Rent & Lease	27,360	26,590	25,590
Maintenance & Repairs	140	740	700
Professional/Contractual Services	3,080	2,840	2,690
Other Administrative & Operating	21,530	21,720	20,300
Insurance	1,700	1,710	1,980
Computer Software	180	110	-
Supplies	260	-	180
Subtotal	66,240	59,250	66,470
Other Expenditures			
Default Payments	-	(164,900)	(135,760)
Miscellaneous Expenditure	-	-	-
Total Expenditures	449,290	262,460	279,880
Net Change in Cash Balance	(273,570)	167,000	482,000
Beginning Cash Balance	7,773,260	7,606,260	7,124,260
Ending Cash Balance	7,499,690	7,773,260	7,606,260

VEGETABLE CONTRACTOR
CASH BALANCE and DETAILED REVENUES & EXPENDITURES
(rounded to 10s)

Revenue Detail

Description	FY 22	FY 21	FY 20
Assessments	46,660	68,680	26,950
Assessment Surcharge	164,230	165,680	165,610
License Fees	126,350	103,410	94,500
Nonparticipating Potato License Fee	15,430	14,600	15,050
Penalties/Late Fees	550	200	970
Interest (allocated)	460	190	3,180
Total Revenues	353,680	352,760	306,260

Expenditure Detail

Personnel Expenditures

Personal Services	88,830	84,510	81,430
Fringe Benefits	36,300	35,540	33,000

Subtotal	125,130	120,050	114,430
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Supplies and Services

Travel & Training	2,570	630	1,990
Telecommunication	-	20	-
Rent & Lease	8,720	8,050	7,620
Professional/Contractual Services	980	900	850
Other Administrative & Operating	6,690	6,620	6,950
Insurance	540	550	630
Computer Software	50	10	-
Supplies	90	-	60

Subtotal	19,640	16,780	18,100
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Other Expenditures

Default Payments	0	0	0
Miscellaneous Expenditure	-	-	-

Total Expenditures	144,770	136,830	132,530
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Net Change in Cash Balance	208,910	215,930	173,730
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Beginning Cash Balance	(3,570,650)	(3,786,580)	(3,960,310)
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Ending Cash Balance	(3,361,740)	(3,570,650)	(3,786,580)
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Note 3 – Revenues

Assessments

The Division maintains billing and accounts receivable systems that track assessments by individual contractor and by license year. Each contractor's assessment amount is calculated by multiplying the "assessment rate" by the contractor's total procurements (or storage capacity in the case of grain warehouse keepers).

Generally, assessment rates are calculated using a complex formula that is based on the contractor's current ratio and debt-to-equity ratio. The assessment rate is higher for contractors having weaker financial positions. The assessment rate for contractors that are not required to file a financial statement is a fixed rate based on the number of years the contractor contributed to the Fund. The Department calculates the annual assessment at the beginning of each license year.²

License Fees and Inspection Fees

License fees must be paid to obtain a license. Whereas assessment rates are partially based on financial ratios, license fees are based on the overall purchase volume or storage capacity of the licensee.

- Grain Dealer License and Inspection Fee Detail:
 - Nonrefundable license processing fee of \$25.
 - Base License fee of \$0.0010 per bushel, rounded to the nearest \$100, except license fee may not be less than \$100 or more than \$10,000, less any fee credits for which the grain dealer qualifies.
 - Additional locations fee (for each location greater than one) of \$100
 - Audit services for marketing boards. While on site for routine grain dealer audits, the bureau regularly performs compliance exams on behalf of the Wisconsin Corn Marketing Board and the Wisconsin Soybean Marketing Board to confirm grain dealers are properly reporting check-off obligations to those organizations. The Program then bills the marketing boards for this work.
- Grain Warehouse Keeper License and Inspection Fee Detail:
 - Nonrefundable license processing fee of \$25.
 - Locations license fee of \$25 for each grain warehouse location.
 - Inspection Fees of \$0.0025 per bushel, rounded to the nearest \$1,000, except the inspection fee may not be less than \$1,000 or more than \$10,000, less any fee credits for which the grain warehouse keeper qualifies.
 - Supplemental inspection fee of \$275 for each location other than the main location.
- Milk Contractor License Fee Detail:
 - Nonrefundable license processing fee of \$25.
 - Monthly License fees of \$0.0015 for each 100 pounds of producer milk that the milk contractor procured in this state during the preceding month, less any fee credits for which the milk contractor qualifies.
- Vegetable Contractor License Fee Detail:
 - Nonrefundable license processing fee of \$25.

² For more details about the assessment calculation, please see Wis. Stats. §§ 126.15, 126.30, 126.46, 126.60 and Wis. Admin. Code §§ ATCP 99.135, 99.255, 100.135 and 101.255. Assessment calculators are available by visiting the following website: https://datcp.wi.gov/Pages/Programs_Services/AgriculturalProducerSecurity.aspx

- Contract Obligation fees of \$25 plus \$0.0875 for each \$100 in contract obligations, less any fee credits for which the vegetable contractor qualifies.
- A processing potato buyer that has elected not to participate in the fund pays the lesser of \$2,000 or \$25 plus \$0.0875 for each \$100 in contract obligations.

Late Payment Surcharges and Other Penalties

There are several penalties and surcharges under both the license fee and the assessment provisions of the producer security law, including:

- Late fee for failing to file an annual license renewal application and license fee payment. (\$100)
- Late fee for failing to file a required financial statement. (\$100)
- Late fee for failing to pay a monthly license fee when due (milk contractors only). (20% of the amount due)
- Surcharge for operating without a license. (\$500)
- Late fee for failing to pay an assessment installment by the required due date. (\$50 or 10% of the amount due; whichever is greater)

Interest Revenue

The Wisconsin Department of Administration deposits interest into the fund at the end of each month. The interest rate is determined monthly based on the overall return on the State of Wisconsin’s entire cash holdings. The division allocates interest revenue among the subaccounts based on each subaccount’s prior month ending balance as a percentage of the entire fund. Except that, in the event that a subaccount has a negative balance, that subaccount is ignored and the interest is allocated among the subaccounts with positive balances. For the Fiscal Years ended June 30, 2022, 2021 and 2020; the Fund received interest revenue of \$25,566.38, \$10,685.45, and \$165,840.82, respectively.

Note 4 – Expenditures

Employee Expenditures

The Department has authority to allocate FTEs within the license type subaccounts. The Department strives to place each FTE in the industry subaccount for which that person performs most of their duties. Positions that cannot be directly tied to an individual industry subaccount are allocated proportionally among the four subaccounts. The Division periodically reviews these allocations to ensure they reflect the actual work being done.

Allocation of the authorized FTEs, as of June 30, 2022, is shown in the schedule below.

	Grain Dealer	Grain Warehouse Keeper	Milk Contractor	Vegetable Contractors	Total
Agricultural Auditor	2.80	2.20	3.20	0.80	9.00
Agricultural Auditor Supervisor	0.25	0.25	0.25	0.25	1.00
Financial Specialist			0.50	0.20	0.70
License Permit Program Associate	0.60	0.40			1.00
TOTAL	3.65	2.85	3.95	1.25	11.70

Several supplies and services expenditures are also charged to the individual subaccounts based on these employee allocations. For example, the Wisconsin Department of Administration collects rent for office space from the department. The Department allocates the rent expenditures across the industry license type categories based on the number of FTEs in each individual program. Therefore, the allocation of FTEs among the four subaccounts has a direct impact on supplies and services expenditure amounts listed in the schedules in Note 2.

Note 5 –Fund Balances and Statutory Trigger Amounts

License Fee Credits

The crediting of excess Fund balances over the minimum threshold is an integral component of the program. Should the balance attributable to any one of the four industry groups exceed the specified minimum threshold listed below, the department must use a portion of the excess as a credit to the next year’s license fees owed by contributing contractors in that particular industry license type. The minimum balance threshold for each license type is as follows:

- Grain Dealers and Grain Warehouses Keepers \$ 2,300,000 combined as of May 31
- Milk Contractors \$ 4,000,000 as of February 29
- Vegetable Contractors \$ 825,000 as of November 30

In the event any of the industry groups exceed the thresholds listed above, the Department, in the following license year, issues a license fee credit to each contributing contractor who files a timely application. For the Grain Dealer, Milk Contractor and Vegetable Contractor license groups, the amount of the credit is fifty percent (50%) of the excess above the minimum balance threshold. In the case of the Grain Warehouse Keeper license group, the amount of the credit is twelve and a half percent (12.5%) of the excess and they are not eligible for license fee credits until after January 1, 2023. The credit is allocated among the contractors based on the total amount paid in license fees over the four preceding license years.

The milk contractor and grain dealer license groups received license fee credits in each of the three fiscal years reported in this document. Credits used in FY 22 were: Milk Contractor \$383,727 and Grain Dealer \$293,700.

Minimum and Maximum Fund Balances

Wis. Stats. Ch. 126 permits the Department to modify fund assessments by administrative rule. Further, the statute *requires* the Department to modify assessments in order to maintain fund balances greater than the minimum and less than the maximum amounts.³ These amounts are as follows:

	Minimum Statutory Balance	Actual Balance as of June 30, 2022	Maximum Statutory Balance
Grain Dealers and Grain Warehouse Keepers	\$ 1,200,000	\$ 8,127,957.54	\$ 7,000,000
Milk Contractors	\$ 3,000,000	\$ 7,499,693.04	\$ 12,000,000
Vegetable Contractors	\$ 800,000	(\$ 3,361,738.90)	\$ 3,000,000
Entire Fund	\$ 5,000,000	\$ 12,265,911.68	\$ 22,000,000

³ Wis. Stats. § 126.88

Rules have been implemented which make various adjustments to assessments as follows:

- Add a vegetable contractor assessment surcharge, capped at \$50,000, if the vegetable contractor portion of the Fund balance is less than \$800,000.
- Allow for a 50% reduction in vegetable contractor assessments if all contract obligations are under written contracts with payment terms of no more than 30 days.
- Reduce milk contractor assessments by 20%.
- Create a deferred payment assessment of \$0.0035 multiplied by total milk payment obligations deferred.
- Reduce grain dealer assessments, including grain deferred payment assessments, if the grain dealer portion of the Fund exceeds \$6,000,000.

Assessment Holiday

Pursuant to administrative rules, contractors who have been contributing contractors for at least five years may forego paying any fund assessments for the following license year if, as of the specified date, the overall fund balance is at least \$11,000,000, and fund balance attributable to the industry group meets the specified minimum balance:

- Grain Dealers \$ 3,000,000 as of May 31 [Wis. Admin. Code § ATCP 99.126(5)]
- Grain Warehouse Keepers \$ 500,000 as of May 31 [Wis. Admin. Code § ATCP 99.235(4)]
- Milk Contractors \$ 6,000,000 as of Feb. 28 [Wis. Admin. Code § ATCP 100.135(10)]
- Vegetable Contractors \$ 1,500,000 as of Nov. 30 [Wis. Admin. Code § ATCP 101.245(4)]

Note 6 – Individual Security

The department holds security from some licensed contractors for the benefit of producers. The security can be filed in the form of an irrevocable letter of credit, commercial surety bond, certificate of deposit, or cash. Security is held for various reasons which include the following:

- **Disqualified:** Contractors who have filed a financial statement that shows negative owners' equity when they are first applying for a license must file individual security. These contractors do not contribute to the fund.
- **Deferred Payment:** Grain dealers and milk contractors that use deferred payment and do not meet a minimum 4:1 debt to equity ratio must file individual security in addition to contributing to the fund.
- **Estimated Default Exposure in Excess of \$20 million.** Contributing contractors who do not meet minimum financial ratios and whose estimated default exposure exceeds \$20 million are required to post security in an amount equal to the difference between the contractor's estimated default exposure and \$20 million.⁴ These contractors receive a proportionate reduction in their annual assessments.
- **Voluntary:** Contributing contractors whose estimated default exposure exceeds the maximum amount that can be paid out of the fund for any one default (60% of the total fund balance) may voluntarily file security to cover the difference. These contractors receive a proportionate reduction in their annual assessments.
- **Other:** If a contributing contractor is unable to file a required financial statement when initially licensed, is otherwise unable to comply with statutory provisions, or presents an especially excessive risk to producers, the department may require individual security.

⁴ The current ratio must be at least 1.25:1 and the debt to equity ratio must be no more than 4:1 for grain dealers, grain warehouse keepers, and vegetable contractors; and 2:1 for milk contractors.

Security Held as of June 30, 2022

	Bonds	Letter of Credit	CD's and other cash equivalents	Total Security
Grain Dealer				
Disqualified	\$ -	\$ -	\$ -	\$ -
Deferred Payment	145,228	4,699,377		4,844,605
Exposure Greater than \$20 Million	7,678,735			7,678,735
Voluntary	61,219,021			61,219,021
Other				
Total	\$ 69,042,984	\$ 4,699,377	\$ -	\$ 73,742,361
Milk Contractor				
Disqualified	\$ -	\$ -	\$ -	\$ -
Exposure Greater than \$20 Million	54,290,472		3,268,651	57,559,123
Voluntary	30,746,304			30,746,304
Other		500,000		500,000
Total	\$ 85,036,776	\$ 500,000	\$ 3,268,651	\$ 88,805,427
Grand Total				\$ 162,547,788

Note 7 – License History

In the producer security program, each industry group has a separate license and expiration dates. The statutory expirations are:

- Grain Dealers, August 31 [Wis. Stats. § 126.11(4)(g)]
- Grain Warehouses Keepers, August 31 [Wis. Stats. § 126.26(3)(f)]
- Milk Contractors, April 30 [Wis. Stats. § 126.41(3)(d)]
- Vegetable Contractors, January 31 [Wis. Stats. § 126.56(4)(e)]

The following tables show the total number of licenses issued for each program and the total obligations, or for Grain Warehouse the storage capacity, reported on the license application. The Grain Dealer table also shows the total bushels purchased and total deferred payments made.

Grain Dealer				
License Year	Licenses Issued	Total Bushels Reported	Total Purchases Reported	Total DP Reported
2022 / 2023	207	486,856,048	\$2,843,883,416.02	\$483,481,601.77
2021 / 2022	211	436,434,001	\$1,994,035,965.22	\$306,653,760.45
2020 / 2021	218	443,491,103	\$1,972,730,259.97	\$243,747,517.83
2019 / 2020	214	478,113,547	\$2,071,092,136.37	\$254,235,921.29
2018 / 2019	223	486,409,035	\$2,131,516,511.45	\$276,503,567.46
2017 / 2018	230	482,348,475	\$2,182,501,509.51	\$263,797,486.18
2016 / 2017	232	433,995,530	\$2,022,015,455.36	\$249,167,940.94
2015 / 2016	244	385,365,675	\$2,046,937,724.98	\$263,722,370.99
2014 / 2015	249	351,788,691	\$2,403,340,977.00	\$260,941,793.00
2013 / 2014	258	400,823,098	\$2,919,177,409.31	\$245,494,567.87
2012 / 2013	274	378,966,400	\$2,365,294,942.53	\$226,152,173.63
2011 / 2012	288	454,962,837	\$2,257,068,777.21	\$127,216,085.10

Grain Warehouse Keeper		
License Year	Licenses Issued	Total Capacity
2022 / 2023	83	117,112,908
2021 / 2022	86	105,533,734
2020 / 2021	89	113,507,741
2019 / 2020	89	111,802,238
2018 / 2019	89	114,957,171
2017 / 2018	92	108,940,953
2016 / 2017	93	99,330,658
2015 / 2016	96	111,836,055
2014 / 2015	99	108,651,388
2013 / 2014	101	109,542,279
2012 / 2013	103	102,174,345
2011 / 2012	106	99,369,562

Milk Contractor		
License Year	Licenses Issued	Total Obligations
2022 / 2023	95	\$ 6,591,867,810
2021 / 2022	96	\$ 6,212,213,876
2020 / 2021	102	\$ 6,004,133,964
2019 / 2020	107	\$ 5,428,548,009
2018 / 2019	113	\$ 5,826,643,909
2017 / 2018	114	\$ 5,442,967,296
2016 / 2017	114	\$ 5,600,605,835
2015 / 2016	115	\$ 7,094,983,256
2014 / 2015	120	\$ 5,996,509,973
2013 / 2014	120	\$ 5,612,011,214
2012 / 2013	119	\$ 5,544,595,746
2011 / 2012	118	\$ 4,465,441,273

Vegetable Contractor		
License Year	Licenses Issued	Total Obligations
2022 / 2023	31	\$279,248,893
2021 / 2022	31	\$ 285,967,526
2020 / 2021	32	\$ 255,745,776
2019 / 2020	33	\$ 283,325,768
2018 / 2019	34	\$ 274,844,173
2017 / 2018	35	\$ 306,769,790
2016 / 2017	36	\$ 271,984,516
2015 / 2016	40	\$ 322,047,777
2014 / 2015	39	\$ 315,109,222
2013 / 2014	39	\$ 315,395,738
2012 / 2013	37	\$ 236,101,361
2011 / 2012	37	\$ 307,748,089

Note 8 – Defaults and Recoveries

On May 18, 2021, St. Nazianz Milling, LLC, (St. Nazianz) ceased operations and closed its business. St. Nazianz was a licensed Grain Dealer and Warehouse Keeper. DATCP initiated a default proceeding and received claims from fifteen depositors. All fifteen claims were allowed and payments totaling \$88,669.83 were issued from the Agricultural Producer Security Fund. The remaining depositor grain was sold and the proceeds, including interest, totaling \$11,981.56 were used to reimburse the Fund.

On July 14, 2021, Pipeline Foods, LLC (Pipeline), a Minnesota based company, filed for bankruptcy and defaulted on payments to three grain producers in Wisconsin. Pipeline was licensed as a Grain Dealer in the state of Wisconsin. DATCP initiated a default proceeding and received claims from two producers. One claim was denied because the transaction occurred entirely in the state of Minnesota. The other claim was approved, and a payment totaling \$83,876.86 was issued from the Agricultural Producer Security Fund.

Default Payouts since Inception of APS Fund

Date	Contractor	Default Amount	Allowed Claims	Net Producer Loss	Number of Producers/ Producer Agents
Grain Dealer					
2012	Cuff Nutrition Services, LLC	\$20,807	\$1,982	\$18,825	2
2013	GB Elevator, LLC	\$157,246	\$125,001	\$32,245	3
2013	Ruby Grain, LLC	\$75,337	\$60,269	\$15,068	13
2020	Frank's Feed Mill, Inc.	\$33,379	\$26,703	\$6,676	4
2020	Asbury Grain Services, LLC	\$254,776	\$254,776 ¹	\$0	23
2021	Pipeline Foods, LLC	\$107,836	\$83,877	\$23,959	2
Grain Warehouse Keeper					
2020	Asbury Grain Services, LLC	\$66,245	\$66,245	\$0	46
2021	St. Nazianz Milling, LLC	\$88,670	\$88,670	\$0	15
Milk Contractor					
2005	Linden Cheese Company	\$193,286	\$130,378	\$62,908	36
2014	Liberty Milk Marketing Cooperative	\$1,291,826	\$1,012,790	\$279,036	27
2019	Noble View Creamery, LLC	\$207,298	\$164,897	\$42,401 ²	5
2020	Southwestern Wisconsin Dairy Goat Products Cooperative	\$264,319	\$211,455	\$52,864 ³	22
Vegetable Contractor					
2013	Allens, Inc.	\$8,782,359	\$6,753,802	\$2,028,557	19
Total		\$11,543,384	\$8,980,845	\$2,562,539	

¹ The Default Amount was paid from security that was held for the producers of Asbury Grain Services, LLC

² In August of 2019 Noble View paid the remaining \$42,401 owed to producers.

³ As of September 30, 2021, Southwestern Wisconsin Dairy Goat Products Cooperative has paid \$23,755.04 of the remaining amount owed to milk producers.

APS Fund Default Payments Recovered

Contractor	APS Fund Payments	Payments Recovered	Recovered Date
Grain Dealer			
Cuff Nutrition Services, LLC	\$1,982	\$22	January-2016
GB Elevator, LLC	\$125,001	\$75,000	May-2017
Ruby Grain, LLC	\$60,269	\$0	
Frank's Feed Mill, Inc.	\$26,703	\$0	
Asbury Grain Services, LLC	\$0	\$0	April-2020
Pipeline Foods, LLC	\$83,877	\$0	
Grain Warehouse Keeper			
Asbury Grain Services, LLC	\$66,245	\$0	
St. Nazianz Milling, LLC	\$88,670	\$11,982	March-2022
Milk Contractor			
Linden Cheese Company	\$130,378	\$0	
Liberty Milk Marketing Cooperative	\$1,012,790	\$347,215	January-2020
Liberty Milk Marketing Cooperative		\$141,981	March-2019
Noble View Creamery, LLC	\$164,897	\$164,897	January-2021
Southwestern Wisconsin Dairy Goat Products Cooperative	\$211,455	\$0	
Vegetable Contractor			
Allens, Inc.	\$6,753,802	\$50,124	August-2014
Total	\$8,726,069	\$791,220	