

Annual Report

Agricultural Producer Security Trust Fund

Year Ended June 30, 2023

Issued November 17, 2023



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 23	FY 22	FY 21
Revenues			
Assessments			
Grain Dealers	328,590	233,160	292,960
Grain Warehouse Keepers	34,910	54,680	41,710
Milk Contractors	235,750	58,570	270,070
Vegetable Contractors	227,720	210,940	234,360
Total Assessments	826,970	557,350	839,100
Licenses Fees & Administrative Revenues			
Grain Dealers	21,550	21,170	20,750
Grain Warehouse Keepers	285,250	275,750	285,150
Milk Contractors	113,760	106,260	154,810
Vegetable Contractors	156,470	142,280	118,210
Total License Fees & Monthly Fees	577,030	545,460	578,920
Interest Revenue	472,860	25,570	10,680
Grain Dealer–Audits for Marketing Boards	2,040	5,960	6,720
Total Revenues	1,878,900	1,134,340	1,435,420
Expenditures			
Salaries and Fringe			
Grain Dealers	271,520	316,760	324,290
Grain Warehouse Keepers	208,490	226,690	253,340
Milk Contractors	384,630	383,040	368,110
Vegetable Contractors	120,910	125,120	120,050
Total Salaries and Fringe	985,550	1,051,610	1,065,790
Supplies and Services			
Grain Dealers	58,590	59,770	65,010
Grain Warehouse Keepers	50,230	47,580	51,660
Milk Contractors	68,220	66,240	59,250
Vegetable Contractors	21,510	19,640	16,780
Total Supplies and Services	198,550	193,230	192,700
Default Payments to Producers	(216,780)	160,570	(164,900)
Miscellaneous Expense	-	-	-
Total Expenditures	967,320	1,405,410	1,093,590
Net Change in Fund Balance	911,580	(271,070)	341,830
Beginning Cash Balance	12,265,910	12,536,980	12,195,150
Ending Cash Balance	13,177,490	12,265,910	12,536,980

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 23	FY 22	FY 21
Assessments	4,400	4,000	4,090
Deferred Payment Assessments	324,190	228,840	288,450
License Fees	20,250	20,270	20,450
Penalties/Late Fees	1,300	1,220	720
Audit Services for Marketing Boards	2,040	5,960	6,720
Interest (allocated)	234,840	12,600	5,250
Total Revenues	587,020	272,890	325,680
Expenditure Detail			
Personnel Expenditures			
Personal Services	207,010	242,050	245,150
Fringe Benefits	64,510	74,710	79,140
Subtotal	271,520	316,760	324,290
Supplies and Services			
Travel & Training	9,570	12,610	9,790
Telecommunication	1,550	950	1,520
Rent & Lease	14,330	16,090	26,340
Maintenance & Repairs	30	-	-
Professional/Contractual Services	3,030	2,870	2,630
Other Administrative & Operating	23,170	20,470	20,220
Insurance	1,330	1,540	1,660
Printing	-	-	10
Computer Software	5,210	4,230	2,350
Supplies	380	1,000	490
Subtotal	58,600	59,760	65,010
Other Expenditures			
Default Payments	-	83,880	-
Miscellaneous Expenditure	-	-	-
Total Expenditures	330,120	460,400	389,300
Net Change in Cash Balance	256,900	(187,500)	(63,620)
Beginning Cash Balance	7,814,780	8,002,280	8,065,900
Ending Cash Balance	8,071,680	7,814,780	8,002,280

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

Revenue Detail			
Description	FY 23	FY 22	FY 21
Assessments	34,910	54,360	41,660
License Fees	284,050	275,050	285,050
Penalties/Late Fees	1,200	1,020	150
Interest (allocated)	30,950	1,610	670
Total Revenues	351,110	332,040	327,530
Expenditure Detail			
Personnel Expenditures			
Personal Services	156,340	174,750	194,040
Fringe Benefits	52,150	51,930	59,300
Subtotal	208,490	226,680	253,340
Supplies and Services			
Travel & Training	17,370	10,710	9,990
Telecommunication	490	610	550
Rent & Lease	12,730	14,110	20,680
Maintenance & Repairs	20	-	-
Professional/Contractual Services	2,360	2,230	2,050
Other Administrative & Operating	14,260	15,500	15,510
Insurance	970	1,210	1,280
Printing	-	-	10
Computer Software	1,590	2,570	1,370
Supplies	440	640	220
Subtotal	50,230	47,580	51,660
Other Expenditures			
Default Payments	-	76,690	-
Miscellaneous Expenditure	-	-	-
Total Expenditures	258,720	350,950	305,000
Net Change in Cash Balance	92,390	(18,910)	22,530
Beginning Cash Balance	313,180	332,090	309,560
Ending Cash Balance	405,570	313,180	332,090

MILK CONTRACTOR
CASH BALANCE and DETAILED REVENUES & EXPENDITURES

(rounded to 10s)

Revenue Detail

Description	FY 23	FY 22	FY 21
Assessments	186,210	39,810	253,170
Deferred Payment Assessments	49,540	18,610	16,900
Monthly License Fee	109,780	103,230	151,160
Annual License Fee	3,280	2,430	2,550
Penalties/Late Fees	700	750	1,100
Interest (allocated)	198,450	10,890	4,580
Total Revenues	547,960	175,720	429,460

Expenditure Detail

Personnel Expenditures

Personal Services	280,900	272,290	261,340
Fringe Benefits	103,730	110,760	106,770

Subtotal	384,630	383,050	368,110
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Supplies and Services

Travel & Training	7,970	10,360	2,580
Telecommunication	1,500	1,630	2,960
Rent & Lease	25,670	27,360	26,590
Maintenance & Repairs	240	140	740
Professional/Contractual Services	3,250	3,080	2,840
Other Administrative & Operating	27,380	21,530	21,720
Insurance	1,590	1,700	1,710
Computer Software	310	180	110
Supplies	300	260	-

Subtotal	68,210	66,240	59,250
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Other Expenditures

Default Payments	-	-	(164,900)
Miscellaneous Expenditure	-	-	-

Total Expenditures	452,840	449,290	262,460
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Net Change in Cash Balance	95,120	(273,570)	167,000
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Beginning Cash Balance	7,499,690	7,773,260	7,606,260
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Ending Cash Balance	7,594,810	7,499,690	7,773,260
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VEGETABLE CONTRACTOR
CASH BALANCE and DETAILED REVENUES & EXPENDITURES
(rounded to 10s)

Revenue Detail			
Description	FY 23	FY 22	FY 21
Assessments	41,100	46,660	68,680
Assessment Surcharge	186,620	164,230	165,680
License Fees	143,560	126,350	103,410
Nonparticipating Potato License Fee	12,810	15,430	14,600
Penalties/Late Fees	100	550	200
Interest (allocated)	8,620	460	190
Total Revenues	392,810	353,680	352,760
Expenditure Detail			
Personnel Expenditures			
Personal Services	90,220	88,830	84,510
Fringe Benefits	30,690	36,300	35,540
Subtotal	120,910	125,130	120,050
Supplies and Services			
Travel & Training	3,210	2,570	630
Telecommunication	-	-	20
Rent & Lease	8,170	8,720	8,050
Professional/Contractual Services	1,030	980	900
Other Administrative & Operating	8,450	6,690	6,620
Insurance	510	540	550
Computer Software	-	50	10
Supplies	140	90	-
Subtotal	21,510	19,640	16,780
Other Expenditures			
Default Payments	(216,780)	-	-
Miscellaneous Expenditure	-	-	-
Total Expenditures	(74,360)	144,770	136,830
Net Change in Cash Balance	467,170	208,910	215,930
Beginning Cash Balance	(3,361,740)	(3,570,650)	(3,786,580)
Ending Cash Balance	(2,894,570)	(3,361,740)	(3,570,650)

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, 2023, 2022 and 2021; the Fund received interest revenue of \$472,856.51, \$25,566.38, and \$10,685.45 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, 2023, 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 23 were: Milk Contractor \$384,040 and Grain Dealer \$312,000.

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, 2023	Maximum Statutory Balance
Grain Dealers and Grain Warehouse Keepers	\$ 1,200,000	\$ 8,477,251.43	\$ 7,000,000
Milk Contractors	\$ 3,000,000	\$ 7,594,805.87	\$ 12,000,000
Vegetable Contractors	\$ 800,000	(\$ 2,894,570.17)	\$ 3,000,000
Entire Fund	\$ 5,000,000	\$13,177,487.13	\$ 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, 2023

	Bonds	Letter of Credit	CD's and other cash equivalents	Total Security
Grain Dealer				
Disqualified	\$ -	\$ -	\$ 140,000	\$ 140,000
Deferred Payment		2,950,000		2,950,000
Exposure Greater than \$20 Million				-
Voluntary	68,408,241			68,408,241
Other				-
Total	\$ 68,408,241	\$ 2,950,000	\$ 140,000	\$ 71,498,241
Milk Contractor				
Disqualified	\$ -	\$ -	\$ -	\$ -
Exposure Greater than \$20 Million	124,574,136		4,890,284	129,464,420
Voluntary	13,254,488			13,254,88
Other		6,733,918		6,733,918
Total	\$ 137,828,624	\$ 6,733,918	\$ 4,890,284	\$ 149,452,826
Grand Total				\$ 220,951,067

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
2023 / 2024	203	499,109,658	\$3,622,641,737.89	\$618,505,249.01
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

Grain Warehouse Keeper		
License Year	Licenses Issued	Total Capacity
2023 / 2024	81	110,136,485
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

MILK CONTRACTOR			
License Year	Licenses Issued	Total Obligations	Total DP Reported
2023 / 2024	100	\$8,086,325,690	\$46,557,105
2022 / 2023	95	\$6,591,867,810	\$7,322,392
2021 / 2022	96	\$6,212,213,876	\$6,137,139
2020 / 2021	102	\$6,004,133,964	\$325,479
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	

Vegetable Contractor		
License Year	Licenses Issued	Total Obligations
2023 / 2024	29	\$329,640,087
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

Note 8 – Defaults and Recoveries

In 2013, DATCP initiated a Recovery Proceeding after receiving default claims from vegetable producers of Allens, Inc. In 2014, DATCP’s final decision in the default proceeding resulted in payments to 19 claimants totaling \$6,753,802 from the Agricultural Producer Security Fund. In 2023, the bankruptcy proceeding for Allens Inc. concluded, and the Department received a check in the amount of \$216,777.19 to satisfy its claim.

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	
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
Allens, Inc.		\$216,777	June-2023
Total	\$8,726,069	\$791,220	