

# INDIANA GRAIN INDEMNITY BOARD

## OFFICIAL MEETING MINUTES

Chairman Robert Benson called the annual meeting of the Indiana Grain Indemnity Corporation Board of Directors to order at 10:04 a.m. on November 16, 2004. The meeting was held in the Board Room on the seventh floor of the Indiana Farm Bureau Corporate Headquarters located at 225 South East Street, Indianapolis, Indiana.

**PRESENT:** The following voting members were present:

John Colvin	Atlee Oyler	Lee Rulon
Roger Hadley	Fred Reichart	Jerry Rulon
	Herman Rettinger	William Tudor

The nonvoting member or their representatives present were:

Robert Benson, Director of Indiana Grain Buyers & Warehouse Licensing Agency  
Duane Jasheway, representative of the Treasurer of state

**ABSENT:** Larry Hopkins, representative of the Attorney General (non-voting member)  
Lynn Lykins  
Don Villwock

**RESOURCE STAFF:** The following resource people were present:

Dennis Henry                      William Johnson

**QUORUM:** Chairman Benson stated that there was a quorum present.

First order of business was introductions of Board members and guests. Others present were:

Cress Hizer – Agibusiness Council of Indiana  
Mark Thornburg – Farm Bureau  
Kent Yeager

**MINUTES:** Copies of the minutes of the previous meeting (May 27, 2004) were mailed to board members. Correction were brought to the Board's attention. Under **New Business**: the word Cooperation should be Cooperative. Under **Adjournment** the statement should have started **It was motioned**. On the Statement of Operations, the last line, **Fund Balance** should be dated 4/30/04. J. Colvin moved to dispense with the reading of the minutes and approve them as amended. (Second from H. Rettinger) *The minutes of the May 27, 2004, meeting were approved as amended.*

**FINANCIAL:** The next order of business was the financial report prepared by Duane Jasheway on October 31, 2004, disclosing a fund balance of \$13,177,457.76. Along with the balance sheet was a statement of operation and a listing of fund investment information. Copies were distributed (Exhibit A). D. Jasheway stated that the average rate of return is averaging approximately a 1.75% yield for the fund. Motion by R. Hadley was made to accept the financials as they were presented and certify the amount of the fund is \$13,177,457.76 as of November 1, 2004. (Second from J. Rulon) *The motion was carried and the financial statements were approved and the amount of the fund on November 1, 2004 was certified to be \$13,177,457.76.*

**OLD BUSINESS:** Chairman Benson gave the Board an update on the federal preemption rule to the board and gave them the history of the progress. At this time the progress is at a stand still. He also updated the board on Citizen's Grain failure. He stated that the business was sold and IGBWLA is continuing to monitor and if there is a bankruptcy IGBWLA will file.

Chairman Benson also noted to the board that he is preparing listings of items and timelines regarding duties the board performs as an example board term expirations.

**NEW BUSINESS:** Bill Johnson gave the board a summary on his recent conference regarding Electronic Warehouse Receipts. Chairman Benson reported to the Board that bonding changes had been made in the 1999 statute amendment that will affect Grain Bank, Warehouse and Buyer/Warehouse licensees. IGBWLA has changed all forms involved and letters and new for will go out December 1, 2004 beginning with the January fiscal year ends. Approximately 80% of these licensees will be affected.

A discussion evolved regarding confidentiality and how the IGBWLA handled this. The board was asked to direct all matters concerning this topic to the agency.

The Annual Board Meeting date was selected to be Thursday, May 26, 2005.

**ADJOURMENT:** It was motioned that the meeting adjourn by L. Rulon. (Seconded by R. Hadley) The meeting adjourned at 10:58 a.m.

Claim forms and travel vouchers for mileage and per diem submitted by:

Roger Hadley	\$148.60	Herman Rettinger	\$136.84
Atlee Oyler	\$94.20	Jerry Rulon	\$73.80
Fred Reichart	\$94.20	Lee Rulon	\$75.84
		William Tudor	\$70.40

John Colvin declined submitting a claim for mileage & per diem.

Respectfully submitted by Dennis Henry on December 30, 2004.

**Exhibit A**

INDIANA GRAIN INDEMNITY CORPORATION  
BALANCE SHEET  
10/31/04

**ASSETS**

Cash	\$22,138.29
Investments	13,155,319.47
<b>Total Assets</b>	<u>\$13,177,457.76</u>

**LIABILITIES AND FUND BALANCE**

Fund Balance	\$13,177,457.76
<b>Total Liabilities and Fund Balance</b>	<u>\$13,177,457.76</u>

INDIANA GRAIN INDEMNITY CORPORATION  
STATEMENT OF OPERATIONS  
FOR THE FOUR MONTHS ENDING OCTOBER 31, 2004

**Revenues:**

Investment Interest	\$50,302.07
<b>Total Revenues</b>	<u>50,302.07</u>

**Expenses:**

Bank Charges	479.70
<b>Total Expenses</b>	<u>479.70</u>
<b>Net Income</b>	49,822.37
<b>Fund Balance, 07/01/04</b>	13,127,635.39
<b>Fund Balance, 10/31/04</b>	<u>\$ 13,177,457.76</u>

**Exhibit A Continued**

FUND LIST: TYPE = TF  
FROM 11/01/2004 THRU 12/31/2015

Inv #	Investment #/Institution	CO	Purchase date	Maturity date	Par Original Cost	Coupon Yield	Interest Amt	Fund / Center	TOS#
61708	PRODUCER PREMIUM FD HEARTLAND COMMUNITY BANK 6010	41	06/03/2004	12/02/2004	965,000.00	1.8200	8,879.07	6990-100400	146
					965,000.00	1.8200			
					965,000.00	1.8200			
	**CERTIFICATE OF DEPOSIT TOTAL**				964,000.00	1.8200	8,879.07		
36292	PRODUCER PREMIUM FD BANK OF NEW YORK	00	08/04/2004	11/02/2004	2,325,000.00	1.5800	9,183.75	6990-100400	146
					2,315,816.25	1.6080			
36305	PRODUCER PREMIUM FD BANK OF NEW YORK	00	08/16/2004	11/16/2004	2,020,000.00	1.6100	8,311.18	6990-100400	146
					2,011,688.82	1.6390			
36333	PRODUCER PREMIUM FD BANK OF NEW YORK	00	09/14/2004	11/17/2004	5,390,000.00	1.7100	16,385.60	6990-100400	146
					5,373,614.40	1.7390			
36384	PRODUCER PREMIUM FD BANK OF NEW YORK	00	10/15/2004	01/04/2005	2,500,000.00	1.9200	10,800.00	6990-100400	146
					2,489,200.00	1.9550			
	**GOVERNMENT AGY DISCOUNT NOTES TOTAL**				12,235,000.00	1.7117	44,680.53		
					12,190,319.47	1.7417			
	**TOTAL FOR FUND CODE**				13,200,000.00	1.7196	53,559.60		
					13,155,319.47	1.7475			

Date: 11/01/2004