

INDIANA GRAIN INDEMNITY BOARD



OFFICIAL MEETING MINUTES

Chairman Jerome G. Hawkins called this meeting of the Indiana Grain Indemnity Corporation Board of Directors to order at 10:05 a.m.(EDT) on July 19, 2012. The meeting was held in the Board Room of the Kokomo Grain Company located at 1002 W. Morgan Street, Kokomo, Indiana.

QUORUM: Chairman Hawkins did a roll call of the Board members, stated that there was a quorum present.

PRESENT: The following voting members were present:

Robert Bischoff	Ron Reichart	William Tudor
James Cherry	Herman Rettinger	Don Villwock
Joseph F. Kessie	Michael Silver	D. Grant Whaley

The following nonvoting members or their representatives present were:

Jerome G. Hawkins, Director, Indiana Grain Buyers & Warehouse Licensing Agency
Vicki Pool, Chief Accountant, representative of the Treasurer of State

ABSENT: The voting member absent for the meeting was:

Mike Shuter

Then nonvoting member absent for the meeting was:

Matt Light, Chief Attorney, representative of the Attorney General

RESOURCE The following resource staff present were:

Aimee Bense, Indiana Grain Buyers & Warehouse Licensing Agency
Dennis Henry, Indiana Grain Buyers & Warehouse Licensing Agency
Andres Meyer, Indiana Grain Buyers & Warehouse Licensing Agency
Kyleen Welling, Chief Council, Lt. Governor's Office and IGBWLA

The following guests were present:

Heather Crocket, Attorney, Attorney General's Office
Cress Hizer, Lobbyist
Tom Madru, General Manager, Kokomo Grain Co.
Scot Ortman, President & CEO, Kokomo Grain Co.
Fred Reichart, Former IGIC Board Member
John Sigler, CFO, Kokomo Grain Co.

Chairman Hawkins thanked M. Silver and Kokomo Grain Company for hosting the meeting.

MINUTES: Chairman Hawkins stated that the minutes from the December 01, 2011 meeting had been previously distributed to the board members and asked if there were any changes. D. Villwock moved that the minutes of the December 01, 2011 meeting be approved as written. (Second by G. Whaley) ***Motion was carried to approve the minutes as written from the December 01, 2011 meeting.***

OLD BUSINESS: Chairman Hawkins asked H. Crocket from the Attorney General's Office to update the Board on outstanding litigation. H. Crocket gave a brief update on the promissory note that was assigned over to the board during the Lambright's, Inc. failure and discussed steps that will happen regarding the Dutchland property asset. She also discussed with the Board the proceedings in the Bill Wohead/Mentone Agri Center litigation. During this discussion with the Board – it was noted that some public communication piece should be put together regarding producer protection and doing business with unlicensed entities.

FINANCIAL: Financial statements and investment listing had previously been distributed to the board. V. Pool stated that as of June 30, 2012 the fund balance was \$13,975,403.99. G. Whaley motioned to accept the financials as written. (Second by J. Cherry) ***Motion was carried to accept the financials as written.*** Chairman Hawkins stated that a vote is needed to certify the funds as of July 1, 2012. D. Villwock made a motion to certify the funds as of July 1, 2012 to be \$13,975,403.99, (Second by M. Silver) ***Motion was carried to certify the fund at \$13,975,403.99 as of July 1, 2012.***

OLD BUSINESS: Continued. Chairman Hawkins advised the Board that the pilot program change for the moisture meter inspection program was going well. The Agency is waiting to hear from USDA on the official new technology to be approved.

Chairman Hawkins gave an update on IGBWLA staffing, advising the board that all positions have been filled and the Agency has been granted two additional field staff positions that the Agency is looking to fill.

NEW BUSINESS: Chairman Hawkins reminded the board that the offices of Vice Chairman, Secretary and Treasurer are to be voted on at this annual meeting. He also stated that per statute the office of Secretary and Treasurer may be combined and have one person serve both offices. Chairman Hawkins then asked for nominations from the floor. G. Whaley motioned that D. Villwock remain as Vice Chairman and M. Shuter remain as Secretary/Treasurer. (Second by J. Kessie) Chairman Hawkins then asked if there were any additional nominations and there were none. ***The motion to elect D. Villwock as Vice Chairman and M. Shuter as Secretary/Treasurer was carried by a unanimous vote.***

Chairman Hawkins then asked M. Silver to address the board on current crop conditions and concerns that may be seen regarding producers being unable to fill contracts due to these conditions. M. Silver discussed this with the Board and there was much discussion regarding contracts and options that producers may have. M. Silver also stated to the Board that he is working on a sub-committee formed by the Agribusiness Council of Indiana and the Indiana Grain and Feed Association to review possible changes/additions to the IGBWLA statute to offer better protection to producers. There was much discussion from the Board and meeting participants on ideas M. Silver may bring to this sub-committee on the Board's behalf.

Chairman Hawkins had Board members review their calendars to set a date for the next meeting and it was decided to hold it on Thursday, November 1, 2012 in Indianapolis at Farm Bureau headquarters.

Before closing the meeting, Chairman Hawkins announced that M. Cherry and W. Tudor had been reappointed by their organizations to serve another four year term.

ADJOURNMENT: It was motioned that the meeting adjourn by J. Kessie. (Second by H. Rettinger) The meeting adjourned at 11:26 a.m.

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

Robert Bischoff	\$82.56	Herman Rettinger	\$105.44
James E. Cherry	\$114.24	William Tudor	\$76.40
Ron Reichart	\$91.36		

Travel vouchers for mileage only submitted by:

Joseph Kessie	\$57.20	Grant Whaley	\$66.00
Don Villwock	\$142.56		

Joseph F. Kessie declined submitting a claim for per diem.

Michael Silver declined submitting a claim for per diem & had no claim for travel.

Don Villwock declined submitting a claim for per diem.

Grant Whaley declined submitting a claim for per diem.

Respectfully submitted by Dennis Henry on July 20, 2012.

INDIANA GRAIN INDEMNITY CORPORATION
BALANCE SHEET
6/30/2012

ASSETS

Cash	\$ 14,587.30
Investments	<u>13,960,816.69</u>
Total Assets	<u>\$ 13,975,403.99</u>

LIABILITIES AND FUND BALANCE

Fund Balance	<u>\$ 13,975,403.99</u>
Total Liabilities and Fund Balance	<u>\$ 13,975,403.99</u>

INDIANA GRAIN INDEMNITY CORPORATION
STATEMENT OF OPERATIONS
FOR THE TWELVE MONTHS ENDING JUNE 30, 2012

Revenues:

Investment Interest	\$ 42,290.41
Grain Failure Recoveries	\$ -
Producer Premium Revenue	<u>-</u>
Total Revenues	\$ 42,290.41

Expenses:

Failure Reimbursement	\$ -
Travel	1,211.92
Supplies	53.60
Bank Fees	326.28
Legal Fees	<u>414.75</u>
Total Expenses	<u>\$ 2,006.55</u>

Net Income/(Expense) \$ 40,283.86

Fund Balance, 7/01/11 \$ 13,935,120.13

Current Fund Balance \$ 13,975,403.99