

# 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 10:02 a.m.(EDT) on November 01, 2012. The meeting was held in Assembly Hall D on the first floor of the Indiana Farm Bureau Corporate Headquarters located at 225 South East Street, Indianapolis, Indiana.

**QUORUM:** Chairman Hawkins did a roll call of the Board members and confirmed that there was a quorum present. Chairman Hawkins stated that to meet statutory requirements, this is the second meeting scheduled for year.

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

Bob Bischoff	Herman Rettinger	William Tudor
Joseph Kessie	Mike Shuter	Don Villwock
Ron Reichart	Michael Silver	D. Grant Whaley

The following nonvoting members or their representatives present were:

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

**ABSENT:** The voting members absent for the meeting were:

Jim Cherry

**RESOURCE** The following resource staff present were:

Dennis Henry, Indiana Grain Buyers & Warehouse Licensing Agency  
Kyleen Welling, Chief Counsel, Lt. Governor's Office & IGBWLA

The following guests were present:

Robert Goulet, Field Auditor, Indiana Grain Buyers & Warehouse Licensing Agency  
Cress Hizer  
Roz Leeck, Indiana Soybean Alliance & Indiana Corn Marketing Council  
Mark Thornburg, Attorney, Indiana Farm Bureau

**MINUTES:** Copies of the minutes of the previous meeting (July 19, 2012) were forwarded to board members to review. W. Tudor moved to approve the minutes as written. (Second from J. Kessie) *The motion was carried and the minutes of the July 19, 2012 meeting were approved as written.*

**FINANCIAL:** Financial statements and investment listings had previously been distributed to the board. Chairman Hawkins asked the board to review and any questions to be directed to V. Pool, representative for the Office of the Treasurer of State. The Board had no questions for V. Pool. Balance of the fund as of September 30, 2012 was \$13,985,597.32.

**OLD BUSINESS:** Heather Crockett, who is handling the legal items could not make the meeting and left notes with Chairman Hawkins and he addressed two issues. First was the Promissory Note signed over to the Corporation concerning the Lambright's, Inc. failure. H. Crockett entered into an agreed judgement against Dutchland in the amount of \$923,000.00. K. Welling said that they have not yet seen the terms of the judgment.

Secondly, Chairman Hawkins noted that H. Crockett had forwarded dates items are needed on the legal matter concerning Mentone Agri Center, LLC. The board had some discussion on this matter.

Chairman Hawkins reminded the board that the legal fees are being paid. There was some discussion on fees already paid, those still pending and the hourly fees.

The board discussed if licensing requirements need to be changed for the Agency. Chairman Hawkins reminded the board that any changes would have to be statutory & require legislative action.

**NEW BUSINESS:** Chairman Hawkins reported to the board that the Agency does have some licensees that are concerned and dealing with. He also wanted to share a success story, one of these licensee concerns – the Agency assisted the licensee to get all the producers got paid & the firm closed.

Chairman Hawkins reported to the board that all the open Agency positions had been filled, with the Department of Administration adding two additional audit staffing positions. They also added an intern position that the Agency will use to groom a pool of auditors to fill positions that may be vacated in the future.

D. Villwock requested the minutes to reflect the appreciation of the board to Kokomo Grain Co., Inc. for hosting the Annual Board Meeting this past July and the informative tour of the facilities. (Second by J. Kessie)

J. Kessie brought up the idea of the possibility of a statute change to allow conference calls for board meetings. K. Welling & M. Light noted that this had recently changes and M. Light will review this matter and report his findings back to the board. The board scheduled the 2013 Annual Meeting for the 18<sup>th</sup> of July.

**ADJOURNMENT:** It was motioned that the meeting adjourn by D. Villwock. (Second by D.G. Whaley)  
The meeting adjourned at 10:56 a.m.



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

Bob Bischoff	\$74.64	Mike Shuter	\$98.40
Joseph Kessie	\$113.52	Michael Silver	\$104.56
Ron Reichart	\$107.20	William Tudor	\$76.40
Herman Rettinger	\$149.44	D. Grant Whaley	\$83.60

Joseph Kessie & D. Grant Whaley declined submitting a claim for per diem. Don Villwock declined submitting a claim for mileage and per diem.

***Respectfully submitted by Dennis Henry on November 02, 2012.***

**INDIANA GRAIN INDEMNITY CORPORATION  
BALANCE SHEET  
9/30/2012**

**ASSETS**

Cash	\$ 27,145.97
Investments	<u>13,958,451.35</u>
<b>Total Assets</b>	<b><u>\$ 13,985,597.32</u></b>

**LIABILITIES AND FUND BALANCE**

Fund Balance	<u>\$ 13,985,597.32</u>
<b>Total Liabilities and Fund Balance</b>	<b><u>\$ 13,985,597.32</u></b>

**INDIANA GRAIN INDEMNITY CORPORATION**  
**STATEMENT OF OPERATIONS**  
**FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2012**

**Revenues:**

Investment Interest	\$	11,008.73
Grain Failure Recoveries	\$	-
Producer Premium Revenue		-
		<hr/>
<b>Total Revenues</b>	<b>\$</b>	<b>11,008.73</b>

**Expenses:**

Failure Reimbursement	\$	-
Travel		735.76
Supplies		-
Bank Fees		79.64
Legal Fees		-
		<hr/>
<b>Total Expenses</b>	<b>\$</b>	<b>815.40</b>

**Net Income/(Expense)** **\$** 10,193.33

**Fund Balance, 7/01/12** **\$** 13,975,403.99

**Current Fund Balance** **\$** 13,985,597.32

Fund List: Type = TF  
From 10/01/2012 thru 12/31/2075

Inv No	Investment # Institution	Cusip	CO	Purchase Date	Maturity Date	Par Original Cost	Coupon Yield	Interest Amount	Fund	TOS #
63296	PRODUCER-PREMIUM FD. HUNTINGTON NATIONAL BANK, THE		99	03/29/12	03/29/13	\$550,000.00 \$550,000.00	0.3500 .3500	\$1,951.74	75111	146
63307	PRODUCER-PREMIUM FD. MERCHANTS BANK OF INDIANA		68	05/03/12	11/01/12	\$665,000.00 \$665,000.00	0.3500 .3500	\$1,176.68	75111	146
63326	PRODUCER-PREMIUM FD. PROVIDENCE BANK		99	08/23/12	05/23/13	\$845,000.00 \$845,000.00	0.2800 .2800	\$1,794.22	75111	146
	***** CERTIFICATE OF DEPOSIT TOTAL *****					\$2,060,000.00 \$2,060,000.00	0.3213 0.3213	\$4,922.64		
42309	PRODUCER-PREMIUM FD. BANK OF NEW YORK	313397BG5	00	06/29/12	01/31/13	\$680,000.00 \$679,388.00	0.1500 .1520	\$612.00	75111	146
42370	PRODUCER-PREMIUM FD. BANK OF NEW YORK	313396V42	00	07/31/12	12/31/12	\$1,190,000.00 \$1,189,317.24	0.1350 .1370	\$682.76	75111	146
42437	PRODUCER-PREMIUM FD. BANK OF NEW YORK	313589BF9	00	09/14/12	01/30/13	\$1,000,000.00 \$999,501.67	0.1300 .1320	\$498.33	75111	146
	***** GOVERNMENT AGY. DISCOUNT NOTES TOTAL *					\$2,870,000.00 \$2,868,206.91	0.1368 0.1388	\$1,793.09		
41720	PRODUCER-PREMIUM FD. BANK OF NEW YORK	31331KHXX1	00	08/11/11	04/21/14	\$1,000,000.00 \$1,000,000.00	0.2160 .2500	\$5,904.00	75111	146
42003	PRODUCER-PREMIUM FD. BANK OF NEW YORK	31331KT91	00	02/10/12	11/21/14	\$1,000,000.00 \$1,001,101.94	0.7300 .6160	\$20,581.94	75111	146
42044	PRODUCER-PREMIUM FD. BANK OF NEW YORK	3136FTZ77	00	03/13/12	03/13/17	\$1,000,000.00 \$1,000,000.00	1.0000 1.4000	\$50,722.22	75111	146
42129	PRODUCER-PREMIUM FD.		00	04/23/12	04/23/15	\$2,000,000.00	1.2500	\$76,041.67	75111	146



Fund List: Type = TF  
From 10/01/2012 thru 12/31/2075

Inv No	Investment # Institution	Cusip	CO	Purchase Date	Maturity Date	Par Original Cost	Coupon Yield	Interest Amount	Fund	TOS #
	BANK OF NEW YORK	3135G0KE2				\$2,017,940.00	.9460			
42183	PRODUCER-PREMIUM FD. BANK OF NEW YORK		00	05/24/12	05/21/13	\$1,000,000.00	0.2400	\$2,413.33	75111	146
		313379NU9				\$1,000,000.00	.2400			
42407	PRODUCER-PREMIUM FD. BANK OF NEW YORK		00	08/28/12	08/28/13	\$1,000,000.00	0.2300	\$2,331.94	75111	146
		313380LS4				\$1,000,000.00	.2300			
42422	PRODUCER-PREMIUM FD. BANK OF NEW YORK		00	09/06/12	04/12/17	\$1,000,000.00	1.3500	\$62,962.50	75111	146
		3136FT7A1				\$1,011,202.50	1.2190			
42466	PRODUCER-PREMIUM FD. BANK OF NEW YORK		00	09/19/12	09/19/13	\$1,000,000.00	0.1900	\$1,926.39	75111	146
		313380S40				\$1,000,000.00	.1900			
***** GOVT AGENCY COUPONS TOTAL *****										
							0.7173	\$222,883.99		
							0.6708			
***** TOTAL FOR FUND CODE *****										
							0.5392	\$229,599.72		
							0.5095			