

**MINUTES OF GRAIN INDEMNITY BOARD MEETING
FARM BUREAU CORPORATION HEADQUARTERS
THURSDAY, MARCH 21, 1996**

The meeting was presided over by Joe Pearson, Acting Director of Indiana Commodity Warehouse Licensing Agency (ICWLA) and Assistant Commissioner of Agriculture, who called the meeting to order.

Atlee Oyler moved and Herman Rettinger seconded a motion to approve minutes from the February 5, 1996, meeting. Ken Klemme discussed the last meeting and moved to strike from minutes the seventh paragraph Athat sold (as referred to in the statue), means where a settlement payment is issued and delivery when used in connection with sold does not necessarily mean actual, physical delivery.@ Also in the next paragraph the sentence, ADelivery can mean physical delivery to, or for the account of, the buyer,@ should be stricken. Greg Noble seconded the motion to correct the minutes. Minutes were approved as amended.

Ron Culler reported he has scheduled buyer registration information to be out next week. He has been working on merging several lists (ICWLA, SPARC, Moisture Meter, Seed permits). There are plans for both brochures, posters, application forms, and calculation information to be mailed also. An estimated 58,550 pieces of mail at third class bulk rate of 22.6 cents each.

JoAnn Verbarg gave financial report. Of the \$75,000, \$5087.66 has been spent. The balance is \$69,912.34. Breakdown:

Per Diem	\$2691.50	Legal ad	\$ 5.43
Refreshments	\$ 148.03	Freight	\$ 6.25
Mileage	\$1756.50	Printing	\$479.95

Mary McCory, ICWLA, presented the revised APetition to Reenter the Grain Indemnity Fund@ form. The reverse side of the form will include chapter 5 of the law for informational purposes. The first paragraph (b) at the top is to be omitted as it is not part of chapter 5. Jerry Rulon moved and Don Villwock seconded the motion to approve the form. The **MOTION PASSED**.

Mary McCory distributed an example of an audit agreement between the Indiana Grain Indemnity Fund Corporation (IGIF) and Indiana Commodity Warehouse Licensing Agency. A revised version with current fees of \$33.00 per hour for audit and staff time and \$43.00 per hour for travel time will be submitted at the next board meeting. Mary stated if a list could be provided by the board to ICWLA in time to schedule with ICWLA assignments, there would be no travel charge to the IGIF.

It was suggested that audit selection procedures be established.

The Staffing agreement was executed by the officers on behalf of the Corporation.

The annual meeting will be May 23, 1996, at 9:00 a.m. Ron Culler is to bring a tentative agenda to the April meeting.

Ken Klemme discussed where sale occurs to be considered in or out of fund. A committee of Klemme, Noble, Steinhart, Rulon, and Hizer met to discuss scenarios. Klemme made a motion, seconded by Noble, that AGrain is considered sold in Indiana if either:

1. The grain buyer (or person acting on behalf of the grain buyer) buys the grain out of an Indiana place of business of the buyer or -
2. The grain is delivered to an Indiana location of the grain buyer
AND
ADelivery@ means physical delivery to or for the account of the buyer.@

MOTION PASSED.

Cress Hizer, Indiana Grain and Feed (IG&F) President, gave an overview of House Bill 1302 on the Buyer Law.

Anita Stuever, Executive Director, Indiana Soybean Growers Association, introduced their project manager Jon Whiteman, who presented a proposal for handling remittance and refunds for IGIF Corp.

Ron Culler submitted proposal for corporation to hire a person and buy equipment.

Atlee Oyler solicited bids for a lock box arrangement and received three quotes (NBD, National City Bank, Bank One). Oyler stated a resolution needed to be prepared authorizing signatures.

A committee consisting of Culler, Verbarg, Frick, Oyler, and McCory met to discuss lock box procedure. A report is to be presented at the next meeting of the Board.

Joe Pearson suggested next meeting agenda to consist of:

- C Audit selection procedures
- C Retention schedule
- C Audit agreement
- C Lock box
- C Accounts

Bill Tutor made a motion with Villwock seconding to have refund forms available at points of sale.
MOTION PASSED.

Greg Noble suggested a revision of the refund request form to be more like a bank deposit ticket with space on the reverse side to list more settlements in order to have less documents, since one RFP cost was based on each refund form. Don Villwock suggested a check list be placed on it. McCory to rework.

Noble would like a time table for implementation if corporation hired its own employee.

Don Villwock reported from his committee on the annual meeting:

- C Nominating committee needed for election of officers (chairman appoint?)
- C Noble to give financial report.
- C Should press (Prairie Farmer, Agri News) be invited?
- C Should Lt. Governor and State Treasurer be invited?
- C Is it necessary to advertise the annual meeting?

C Should it be at the Government Center?

C Suggested annual meeting from 9:00-10:30 a.m. with a regular meeting after.

Joe Pearson stated a tentative agenda for May annual meeting will be prepared.

Roger Hadley moved with Atlee Oyler seconding to adjourn the Grain Indemnity meeting.

Voting members attending:

Don Villwock
Jerry Rulon
Herman Rettinger
Roger Hadley
Ken Klemme
Greg Noble
William Tudor
Atlee Oyler

Non-voting member attending:

Joe Pearson
Mike Frick

Resource staff present:

Ron Culler
Cress Hizer
John Steinhart
Anita Stuever
JoAnn Verbarg
Mary McCory

Respectfully submitted
Mary McCory
3-28-96