

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.(EST) on December 29, 2009. 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, stated that there was a quorum present and asked those present to make sure to sign the attendance form.

PRESENT: The following voting members were present:

Roger Hadley, II	Herman Rettinger	William Tudor
Don Lowe	Lee Rulon	Don Villwock
Ron Reichart	Mike Shuter	

The following nonvoting members or their representatives present were:

Jerome G. Hawkins, Director, Indiana Grain Buyers & Warehouse Licensing Agency
Rich Bramer, 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:

Robert G. Ax Joseph F. Kessie

RESOURCE The following resource staff present were:

Dennis Henry, Indiana Grain Buyers & Warehouse Licensing Agency

The following guests were present:

Joe Kelsay, Director, Indiana State Department of Agriculture
Tony Hahn, Deputy Director, Indiana State Department of Agriculture
Robert Goulet, Field Auditor, Indiana Grain Buyers & Warehouse Licensing Agency
Andres Meyer, Field Auditor, Indiana Grain Buyers & Warehouse Licensing Agency
Joe Miller, Rose Acre Farms
Justin Schneider, Attorney, Indiana Farm Bureau
Mark Thornburg, Attorney, Indiana Farm Bureau
David Jurkiewicz, Attorney, Bose McKinney Evans
Dan McNerny, Attorney, Bose McKinney Evans
Katie Nickas, Reporter, Indiana Agri News

PROTOCOL: Chairman Hawkins asked R. Bramer to address the attendees on the correct protocol of this public meeting,

MINUTES: Copies of the minutes of the previous meeting (May 27, 2009) were forwarded to board members to review. W. Tudor moved to approve the minutes as written. (Second from L. Rulon) *The motion was carried and the minutes of the May 27, 2009 meeting were approved as written.*

CLAIMS: The next order of business was presentation to the board the claims from the failure of Lambright's, Inc. R. Bramer addressed the board and stated the governing rule, 825 I.A.C., does not set any procedure on any order the board may desire to approve claims presented to them. Claims can be group together and or heard individually. Chairman Hawkins stated that the claims would be presented to the board in three categories: first would be DP and or SPOT claims; second would be claims from licensees of the Indiana Grain Buyers & Warehouse Licensing Agency (IGBWLA); and third would be the claims that held promissory notes. Chairman Hawkins presented claims in the first category to the board. W. Tudor moved that the board accept these claims as presented. (Second by D. Villwock) *The motion was carried to approve all claims that fall into the first category of claims.*

Chairman Hawkins presented the claims from the second category, those from licensees of IGBWLA. He told the board that licensees did not submit premiums to the fund on their behalf and at not producers of grain. W. Tudor motioned that the board deny the claims presented from the second category. (Second from L. Rulon) *The motion was carried to deny the claims presented to the board from licensees of the IGBWLA (second category claims).*

D. Jurkiewicz asked the board if he could address them. W. Tudor moved that D. Jurkiewicz be able to address the board at this time. (Second by R. Hadley) *The motion was carried to let D. Jurkiewicz address the board.* Attorney, D. Jurkiewicz addressed the board and stated that I.C. 26-4 or 825 I.A.C. does not define generally accepted marketing practices. He also stated that his clients had paid premiums into the fund. There was a discussion by board members regarding the fact that the promissory notes had not been brought to the board within 90 days of signing for claims. Chairman Hawkins asked J. Miller who assisted in writing the statute to speak. J. Miller stated that they did not define generally accepted marketing practices because it was a general knowledge in the grain industry what this meant. M. Shuter stated that in his opinion when the promissory notes were signed, those individuals were actually loaning money to Lambright's, Inc. to maintain the business.

Chairman Hawkins then presented to the board claims in the third category – line by line. (see Schedule B)

NEW BUSINESS: Chairman Hawkins reported to the board that the agency has been working with commodity groups regarding legislative changes that will be introduced to the Legislature. He proposed forming a committee to review these changes. D. Villwock motioned that a committee be formed to review these changes with legal representation to meet following this board meeting. (Second by M. Shuter) *Motion was carried to form a small committee to review legislative proposals with legal representation.*

J. Schneider addressed the entire board with the proposed legislative changes that would affect the IGBWLA and the IGIC statutes. After much discussion, D. Villwock volunteered to sit on the committee to review the legislative changes. M. Shuter and W. Tudor also volunteered to sit on the committee. L. Rulon motioned that legal representation on the committee be that of J. Miller and M. Thornburg. (Second by R. Hadley) *The*

motion was carried to have committee of D. Villwock, W. Tudor, M. Shuter, J. Miller and M. Thornburg discuss and review legislative changes.

V. Poole was asked to address the board concerning outstanding checks written by the fund. (Exhibit A) After much discussion it was decided that IGBWLA would send a letter to each individual asking them to cash the check or ask for the check to be reissued in the case of a lost check, along with the letters would be information on how one can reenter the fund.

Chairman Hawkins then took time to introduce the IGBWLA field staff to the board and each introduced themselves and gave a little background history with the agency. New Indiana State Department of Agriculture Director, Joe Kelsay was also introduced to the board and he gave a brief bio on himself.

Chairman Hawkins updated the board on three (3) open field auditor positions with the agency. Because of requirements for the position, the agency has not had much luck getting qualified candidates. D. Villwock discussed the agency's responsibility vs. the corporation's and if there is a way to match and or attach funds for the agency during this budget crisis time. Chairman Hawkins suggested a committee be formed to review these possibilities. A motion by L. Rulon to form a financial committee to review possible funding to the agency be formed. (Second by R. Hadley) ***The motion was carried to form a financial committee to review possible funding to the agency.*** Volunteers for the committee were L. Rulon, M. Shuter and R. Hadley.

OLD BUSINESS: Since there was no outstanding old business, Chairman Hawkins asked for possible dates for the Annual meeting to be held in May. It was discussed and Thursday, May 27th was decided on with a start time of 9:00 a.m.

ADJOURNMENT: It was motioned that the meeting adjourn by R. Hadley. (Second by D. Lowe) The meeting adjourned at 11:25 a.m.

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

Roger Hadley, II	\$166.00	Lee Rulon	\$80.40
Don Lowe	\$91.60	Mike Shuter	\$94.00
Ron Reichart	\$102.00	William Tudor	\$74.00
Herman Rettinger	\$140.40		

Don Villwock declined submitting a claim for mileage and per diem.

Respectfully submitted by Dennis Henry on April 19, 2010.