

INDIANA GRAIN INDEMNITY BOARD



OFFICIAL MEETING MINUTES

Chairman Rekeweg called this meeting of the Indiana Grain Indemnity Corporation Board of Directors to order at 1:05 p.m. (EDT) on May 31, 2016. The meeting was held in Conference Room A & B at Indiana Soybean Alliance located at 8425 Keystone Crossing, Indianapolis, Indiana 46240.

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

PRESENT: The following voting members were present:

Bob Bischoff	Joe Kessie-Via Phone	Randy Kron	Ron Reichart	Mike Shuter
Mike Silver	Don Villwock	Grant Whaley		

The following nonvoting members or their representatives present were:

Melisa Rekeweg, Deputy Director, Department of Agriculture
Matt Light, Deputy Attorney General, representative of the Attorney General
Vicki Pool, Chief Accountant, representative of the Treasurer of State

RESOURCE: The following resource staffs present were:

Danae Wise, IGBWLA Licensing Officer
Mark Wuellner, Deputy Chief of Staff, Office of Lt. Governor
David Bausman, ISDA Policy Director

MINUTES: Chairman Rekeweg stated that the minutes from the January 26, 2016 meeting had been previously distributed to the board members and asked if there were any changes. **Mr. Whaley Motions, Mr. Villwock Seconds to approve the minutes. Motion Carries.**

FINANCIAL: Vicki Pool read the financials as of April 30, 2016, see Appendix A. The fund contained \$23,176,323.77. The board inquired how many producers have opted out of the fund thus far. Danae Schneck will look into this and report back at the next meeting.

DIRECTORS REPORT: Chairman Rekeweg gave a directors report, see Appendix B. Chairman Rekeweg mentions that collections for the Indemnity Fund are going well. IGBWLA received payment and application for 550 moisture meters. In the past, there have been around 800. Chairman Rekeweg gave a brief Cline Grain, Inc. update. Chairman Rekeweg reported on the Rapid Improvement Events that IGBWLA have been involved with and announced that a software upgrade is being pursued. The Chairman also took a moment to introduce all of the employees of IGBWLA.

OLD BUSINESS: The meeting continued with Matt Light updating the Board on the status of the Lambright case. A foreclosure sale of the 25 acre property, worth \$425,000 is imminent. Another deadline was set for July

1st to foreclose the remaining land. Chairman Rekeweg went over an IGIC/IGBWLA contract handout. An agreement was reached at \$75 per hour. **Mr. Shuter Motions, Mr. Bischoff Seconds to approve. Motion Carries.** Out of state licensees were discussed. David Bausman gave an administration code update. On Monday, July 11th, the administration code update hearing will be held.

NEW BUSINESS: There was a necessary update needed for the Petition to Reenter the Indiana Grain Indemnity Fund form. Wording was changed from “Petitions for reentry into the IGIP are to be considered only at the annual May meeting of the Board” to “Petitions for reentry into the IGIP are to be considered at the next scheduled Board meeting.” **Mr. Villwock Motions, Mr. Silver seconds. Motion carries.** An update on Cline Grain was given. David went over subrogation possibilities. **Mr. Whaley made a motion to subrogate claims to the Board. It was seconded by Mr. Silver. The motion carried.**

Petitions to Reenter: There were several petitions to reenter. It was moved by Mr. Villwock and seconded by Mr. Kron that Curt Clifton be allowed to reenter. The motion to accept Curt Clifton’s reentry was then rescinded by Mr. Villwock and seconded by Mr. Kron. A new motion to accept Curt Clifton’s reentry was put forth stating that he would be allowed back in as of the date his check was received and only covered under possible future grain licensee failures. This was put forth by Mr. Villwock and seconded by Mr. Reichart. Tony Reust’s petition for reentry was accepted after Mr. Villwock moved to allow his reentry as of the date his check is received and only covered under possible future grain licensee failures and was seconded by Mr. Kron. Ronald Brook’s petition for reentry as of the date his check is received and only covered under possible future grain licensee failures was moved by Mr. Villwock and seconded by Mr. Reichart.

ADJOURNMENT: The Chairman adjourned the meeting at 2:35 p.m.

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

Bob Bischoff	\$70.16	Ron Reichart	\$96.80
Mike Shuter	\$89.60	Mike Silver	\$94.64
Grant Whaley	\$118.40	Don Villwock	\$122.00

Randy Kron declined submitting a claim for per diem & had no claim for travel.

**INDIANA GRAIN INDEMNITY CORPORATION
BALANCE SHEET
4/30/2016**

ASSETS

Cash	\$ 2,966,072.65
Investments	<u>20,210,251.12</u>
Total Assets	<u>\$ 23,176,323.77</u>

LIABILITIES AND FUND BALANCE

Fund Balance	<u>\$ 23,176,323.77</u>
Total Liabilities and Fund Balance	<u>\$ 23,176,323.77</u>

**INDIANA GRAIN INDEMNITY CORPORATION
STATEMENT OF OPERATIONS
FOR THE TEN MONTHS ENDING APRIL 30th, 2016**

Revenues:

Investment Interest	\$ 38,957.20
Grain Failure Recoveries	-
Producer Premium Revenue	8,898,877.81
Producer Premium Refund	<u>(49,129.06)</u>
Total Revenues	\$ 8,888,705.95

Expenses:

Failure Reimbursement	\$ -
Travel / Per Diem	1,246.08
Supplies	-
Bank Fees	612.91
Legal Fees	<u>-</u>
Total Expenses	\$ <u>1,858.99</u>

Net Income/(Expense) \$ 8,886,846.96

Fund Balance, 7/01/15 \$ 14,289,476.81

Current Fund Balance \$ 23,176,323.77

Fund List: Type = TF
From 05/01/2016 thru 12/31/2075

Inv No	Investment # Institution	Cusip	CO	Purchase Date	Maturity Date	Par Original Cost	Coupon Yield	Interest Amount	Fund	TOS #
63637	PRODUCER-PREMIUM FD. MERCHANTS BANK OF INDIANA		68	01/28/16	07/28/16	\$500,000.00 \$500,000.00	0.4500 .4500	\$1,137.50	75111	146
63639	PRODUCER-PREMIUM FD. LAKE CITY BANK		43	02/18/16	08/18/16	\$1,000,000.00 \$1,000,000.00	0.8000 .8000	\$4,044.44	75111	146
63640	PRODUCER-PREMIUM FD. FARMERS BANK		12	02/25/16	08/25/16	\$700,000.00 \$700,000.00	0.5500 .5500	\$1,946.39	75111	146
63648	PRODUCER-PREMIUM FD. PROVIDENCE BANK		99	03/24/16	06/23/16	\$500,000.00 \$500,000.00	0.4000 .4000	\$505.56	75111	146
*****	CERTIFICATE OF DEPOSIT TOTAL	*****				\$2,700,000.00 \$2,700,000.00	0.5963 0.5963	\$7,633.89		
44559	PRODUCER-PREMIUM FD. BANK OF NEW YORK	912796JF7	00	02/11/16	08/11/16	\$1,000,000.00 \$998,003.06	0.3950 .4010	\$1,996.94	75111	146
*****	TREASURY BILL TOTAL	*****				\$1,000,000.00 \$998,003.06	0.3950 0.4010	\$1,996.94		
44240	PRODUCER-PREMIUM FD. BANK OF NEW YORK	31315KXR6	00	07/07/15	06/03/16	\$1,000,000.00 \$997,233.33	0.3000 .3050	\$2,766.67	75111	146
44367	PRODUCER-PREMIUM FD. BANK OF NEW YORK	31315KYV6	00	10/02/15	07/01/16	\$1,000,000.00 \$997,649.17	0.3100 .3150	\$2,350.83	75111	146
*****	GOVERNMENT AGY. DISCOUNT NOTES TOTAL	*				\$2,000,000.00 \$1,994,882.50	0.3050 0.3100	\$5,117.50		
44184	PRODUCER-PREMIUM FD. BANK OF NEW YORK	3130A3J70	00	06/12/15	11/23/16	\$1,000,000.00 \$1,000,000.00	0.6750 .5600	\$9,937.50	75111	146

Fund List: Type = TF
From 05/01/2016 thru 12/31/2075

Inv No	Investment # Institution	Cusip	CO	Purchase Date	Maturity Date	Par Original Cost	Coupon Yield	Interest Amount	Fund	TOS #
44189	PRODUCER-PREMIUM FD. BANK OF NEW YORK	3130A5FK0	00	06/17/15	11/28/16	\$1,000,000.00 \$999,750.00	0.6000 .7300	\$8,833.33	75111	146
44222	PRODUCER-PREMIUM FD. BANK OF NEW YORK	3130A5MW6	00	06/30/15	06/30/17	\$1,000,000.00 \$1,000,000.00	0.5000 1.0000	\$10,152.78	75111	146
44229	PRODUCER-PREMIUM FD. BANK OF NEW YORK	3132Z0AZ4	00	07/01/15	07/01/16	\$1,000,000.00 \$1,000,000.00	0.4000 .4000	\$4,066.67	75111	146
44283	PRODUCER-PREMIUM FD. BANK OF NEW YORK	3130A2T97	00	07/27/15	09/28/16	\$1,000,000.00 \$1,000,000.00	0.5000 .4400	\$5,958.33	75111	146
44408	PRODUCER-PREMIUM FD. BANK OF NEW YORK	459058DS9	00	11/04/15	10/14/16	\$2,000,000.00 \$2,000,000.00	0.6250 .5400	\$11,979.17	75111	146
44412	PRODUCER-PREMIUM FD. BANK OF NEW YORK	3130A6ZZ9	00	11/04/15	07/28/17	\$1,500,000.00 \$1,504,505.00	1.2500 .9100	\$32,916.67	75111	146
44434	PRODUCER-PREMIUM FD. BANK OF NEW YORK	3130A6ZZ9	00	11/13/15	11/15/16	\$1,000,000.00 \$1,007,473.61	1.3750 .6200	\$14,055.56	75111	146
44538	PRODUCER-PREMIUM FD. BANK OF NEW YORK	3136G06J5	00	01/26/16	12/06/18	\$1,000,000.00 \$1,003,518.89	1.0000 1.6200	\$29,027.78	75111	146
44539	PRODUCER-PREMIUM FD. BANK OF NEW YORK	3134G62E2	00	01/26/16	05/25/18	\$1,000,000.00 \$1,002,118.06	1.2500 1.2500	\$29,513.89	75111	146
44554	PRODUCER-PREMIUM FD. BANK OF NEW YORK	3133EFKM8	00	02/05/16	10/20/17	\$1,000,000.00 \$1,000,000.00	0.7100 .8100	\$12,286.94	75111	146
44573	PRODUCER-PREMIUM FD. BANK OF NEW YORK	3130A7BT1	00	02/26/16	02/26/21	\$1,000,000.00 \$1,000,000.00	1.7300 1.7300	\$87,797.50	75111	146
44577	PRODUCER-PREMIUM FD. BANK OF NEW YORK	3134G8LN7	00	02/26/16	02/26/19	\$1,000,000.00 \$1,000,000.00	0.5000 1.8620	\$15,222.22	75111	146
***** GOVT AGENCY COUPONS TOTAL *****										
									\$271,748.34	

Fund List: Type = TF
 From 05/01/2016 thru 12/31/2075

Inv No	Investment # Institution	Cusip	CO	Purchase Date	Maturity Date	Par Original Cost	Coupon Yield	Interest Amount	Fund	TOS #
						\$14,517,365.56	0.9288			
						\$20,200,000.00	0.7416			
						\$20,210,251.12	0.7969	\$286,496.67		

***** TOTAL FOR FUND CODE *****

IGBWLA Director's Report

- Indemnity Fund Collection – Collection is going well
- Moisture Meters – 550 meters paid, still conducting inspections, 800 in the past years
- Cline Grain
 - IGBWLA website has an FAQ and other information on completing a claims request
 - Information has been posted in all local papers & HAT
 - Has a taken a large amount of staff time
- IGBWLA Resources
 - RIE on Moisture Meters in February – mapped the current process and was able to significantly reduce staff time and simplify the process. (all auditors were involved in this process)
 - Selected a software development company to create new software for IGBWLA.
 - This process will start with an RIE the week of June 6. This RIE will focus on the auditing process.
 - Vendor selected is Level Up Development (based in Indy)
 - Purchasing two new vehicles to replace two older vehicles.
- IGBWLA Staffing
 - Andres Meyers – 40 years with IGBWLA, Indiana University – B.S. Business Administration
 - Martha Rubrake – 5 ½ years with IGBWLA, B. A. in Mathematics from Indiana University - Bloomington
 - Renda Green – 6 years with IGBWLA, Licensed CPA, has worked for accounting firms, IU at Kokomo – BS of Business with accounting concentration.
 - Dan Wilkins – almost 3 years with IGBWLA, Purdue – B.S. Economics
 - Parker Hobson – 1 year with IGBWLA – Purdue – B.S. Agribusiness Management
 - Danae Schneck – 2 years with IGBWLA – Purdue – B.S. Agribusiness Management
 - Jacob Frazier – 2 years IGBWLA – Purdue – B.S. Agribusiness Economics
 - Ed Sheldon – 1 year with IGBWLA – Purdue – B.S. Agricultural Education, M.S. Ag Systems Management – 15 years as owner and operator of landscape company, 6 years with Purdue Cooperative Extension Service.