

INDIANA GRAIN INDEMNITY BOARD

OFFICIAL MEETING MINUTES

Chairman Robert Benson called the annual meeting of the Indiana Grain Indemnity Corporation Board of Directors to order at 10:04 a.m. on May 29, 2003. The meeting was held in the Butler Room on the second floor of the Indiana Farm Bureau Corporate Headquarters located at 225 South East Street, Indianapolis, Indiana.

PRESENT: The following voting members were present:

	John Colvin	Atlee Oyler	Jerry Rulon	
	Roger Hadley	Fred Reichart	William Tudor	
	Lynn Lykins	Lee Rulon	Don Villwock	

The nonvoting member or their representatives present were:

	Robert Benson, Director of Indiana Grain Buyers & Warehouse Licensing Agency
	Duane Jasheway, representative of the Treasurer of state
	Larry Hopkins, representative of the Attorney General

ABSENT: Herman Rettinger, voting member

RESOURCE STAFF: The following resource people were present:

	Joseph R. Pearson	John Steinhart	Dennis Henry	
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QUORUM: Chairman Benson stated that there was a quorum present.

First order of business was introductions of Board members and guests. Others present were:

	John Baugh		
	Kent Yeager		

MINUTES: Since copies of the minutes of the previous meeting (February 20, 2003) were mailed to board members, R. Hadley moved to dispense with the reading of the minutes and approve them as written. (Second from J. Colvin) *The minutes of the February 20, 2003, meeting was approved as written.*

BOARD

APPOINTMENTS: With the schedule of staggered terms of office, four (4) board member=s terms had expired. Letters were mailed to the appointing organizations. The Indiana Bankers Association re-appointed Atlee Oyler to an additional four (4) year term. The Indiana Farm Bureau re-appointed Don Villwock to an additional four (4) year term.

The Indiana Seed Trade Association re-appointed Lee Rulon to an additional four (4) year term. The Indiana Soybean Board re-appointed Roger Hadley to an additional four (4) year term. Terms expire 2007.

FINANCIAL: The next order of business was the financial report prepared by Duane Jasheway on April 30, 2003, disclosing a fund balance of \$13,466,192.82. Along with the balance sheet was a statement of operation and a listing of fund investment information. Copies were distributed (Exhibit A). D. Jasheway stated that the average rate of return is averaging approximately a 1.18% yield for the fund. Motion by D. Villwock was made to accept the financials as they were presented and certify the amount of the fund is \$13,466,192.82 as of May 1, 2003. (Second from F. Reichart) *The motion was carried and the financial statements were approved and the amount of the fund on May 1, 2003 was certified to be \$13,466,192.82.*

COMMITTEE: The nominating committee consisting of J. Colvin, Chair, J. Rulon and F. Reichart. J. Colvin stated that both D. Villwock and R. Hadley were asked and agreed to serve in their current positions. Nominations were as follows:

Don Villwock for Vice President
Roger Hadley as Secretary/Treasurer

Chairman Benson asked for additional nominations from the floor. He noted that the bylaws state that the Secretary and Treasurer can be the same person.

J. Rulon made a motion that the nominations be closed and that the officers be elected by acclamation. (Second by F. Reichart) ***Motion carried and the nominees were elected to their appropriate offices unanimously.***

OLD BUSINESS: D. Villwock reported to the Board information he had found out regarding catastrophic insurance. Insurance companies at this time are not willing to underwrite policies for either all states with indemnity funds or those individually due to the lack of uniformity of statutes between states.

R. Benson notified the Board that four people (J. Pearson, J. Steinhart, W. Tudor & D. Villwock) have spent time in Washington DC regarding the U.S.D.A. Warehouse Rule. J. Pearson discussed with the Board the findings that have resulted from these meetings. W. Tudor was representing the producer at these meetings and J. Steinhart was representing AAWCO.

D. Villwock mad a motion to ask the Attorney General=s office to review the IGIC statute and be prepared to suggest changes based on the various scenarios that could happen with US Warehouse Act. (Second by R. Hadley) ***Motion carried 8 to 1.***

COMMENTS: Chairman Benson commented to the Board that the agency (IGBWLA) was taking administrative action against a licensee for not meeting licensing requirements. The agency will continue to monitor this licensee and the Board will be kept abreast of the situation.

The meeting adjourned at 11:35 a.m.

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

	John Colvin	\$69.60		Jerry Rulon	\$69.60	
	Roger Hadley	\$131.20		Lee Rulon	\$71.28	
	Lynn Lykins	\$83.60		William Tudor	\$66.80	
	Atlee Oyler	\$86.40		Don Villwock	\$106.00	
	Fred Reichart	\$86.40				

Respectfully submitted by Dennis Henry on June 04, 2003.

Exhibit A

INDIANA GRAIN INDEMNITY CORPORATION			
BALANCE SHEET			
4/30/03			
ASSETS			
	Cash		\$42,327.76
	Investments		13,423,865.06
	Total Assets		\$13,466,192.82
LIABILITIES AND FUND BALANCE			
	Fund Balance		\$13,466,192.82
	Total Liabilities and Fund Balance		\$13,466,192.82

INDIANA GRAIN INDEMNITY CORPORATION			
STATEMENT OF OPERATIONS			
FOR THE TEN MONTHS ENDING APRIL 30, 2003			
Revenues:			
	Investment Interest		\$185,415.76
	Total Revenues		185,415.76
Expenses:			
	Bank Charges		1,995.37
	Advertising		27.68
	Supplies		117.96
	Travel		1,454.80
	Inter-Dept Billings		316.36
	Total Expenses		3,912.17
	Net Income		181,503.59
	Fund Balance, 07/01/01		13,284,689.23
	Fund Balance, 4/30/02		\$ 13,466,192.82

Exhibit A Continued

FUND LIST: TYPE = TF FROM 05/01/2003 THRU 12/31/2015									
Inv #	Investment #/Institution	CO	Purchase date	Maturity date	Par Original Cost	Coupon Yield	Interest Amt	Fund / Center	TOS#
61459	PRODUCER B PREMIUM FD	49	03/06/2003	06/05/2003	895,000.00	1.2100	2,737.46	6990-100400	146
	SALIN BANK & TRUST CO.				895,000.00	1.2100			
CERTIFICATE OF DEPOSIT TOTAL					895,000.00	1.2100	2,737.46		
					895,000.00	1.2100			
35524	PRODUCER PREMIUM FD	00	02/05/2003	05/07/2003	5,130,000.00	1.2100	15,690.68	6990-100400	146
	BANK OF NEW YORK				5,114,309.33	1.2310			
35542	PRODUCER PREMIUM FD	00	02/20/2003	05/21/2003	1,045,000.00	1.2150	3,174.19	6990-100400	146
	BANK OF NEW YORK				1,041,825.81	1.2360			
35586	PRODUCER PREMIUM FD	00	03/12/2003	06/11/2003	2,000,000.00	1.1000	5,561.11	6990-100400	146
	BANK OF NEW YORK				1,994,438.89	1.1180			
35587	PRODUCER PREMIUM FD	00	03/12/2003	08/18/2003	2,300,00.00	1.0800	10,971.00	6990-100400	146
	BANK OF NEW YORK				2,289,029.00	1.1000			
35615	PRODUCER PREMIUM FD	00	04/08/2003	07/02/2003	2,095,000.00	1.1600	5,737.97	6990-100400	146
	BANK OF NEW YORK				2,089,262.03	1.1790			
GOVERNMENT AGY DISCOUNT NOTES TOTAL					12,570,000.00	1.1608	41,134.95		
					12,528,865.06	1.1808			
TOT FOR FUND CODE					13,465,000.00	1.1641	43,872.41		
					13,423,865.06	1.1827			
Date: 05/01/2003									