

# 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 8:34 a.m. on October 24, 2002. The meeting was held in the Conference Room of the Office of the Commissioner of Agriculture on the fourth floor of the ISTA Center located at 150 West Market Street, Indianapolis, Indiana.

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

John Colvin	Fred Reichart	Lee Rulon
Lynn Lykins	Herman Rettinger	William Tudor
Atlee Oyler	Jerry Rulon	

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

The following voting members were present via conference call but were not part of any voting during the meeting:

Roger Hadley  
Don Villwock

**ABSENT:** The Attorney General's Office was not represented.

**RESOURCE STAFF:** The following resource people were present:

Dennis Henry	Cress Hizer
Richard Rowley	John Steinhart

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

Chad Frahm, Farm Bureau

Chairman Benson stated that there was a quorum present.

**MINUTES:** Since copies of the minutes of the previous meeting (May 29, 2002) were mailed to board members, W. Tudor moved to dispense with the reading of the minutes and approve them as written. (Second from J. Colvin) *The minutes of the May 29, 2002, meeting were approved as written.*

**FINANCIAL:** The next order of business was the financial report prepared by Duane Jasheway on September 30, 2002, disclosing a fund balance of \$13,334,461.42. Along with the balance sheet was a statement of operation and a listing of fund investment information. Copies were distributed (Exhibit A & B). D. Jasheway stated that the fund is averaging approximately 1.92% yield. Motion by L. Rulon was made to accept the financials as they were presented. (Second from A. Oyler) *The motion was carried and the financial statements were approved.*

Chairman Benson commented that the agency had received a report of the recent State Board of Accounts audit came back. Concerning the corporation the report was good.

**OLD BUSINESS:** R. Benson turned the floor over to legal council, Richard Rowley, who stated that two hearings were held on October 4, 2002 regarding the rule. A hearing to re-adopt the rules was held at One North Capital in the Commerce conference room on the 7<sup>th</sup> floor, then later a hearing to adopt the rules was held at the ISTA Building, 150 West Market Street in the Office of the Commissioner of Agriculture conference room on the 4<sup>th</sup> floor, suite 414. No comments were heard concerning the IGIC rule at either hearing. Motion by J. Rulon was made that the board re-adopt the rule as proposed. (Second from F. Reichart) *The motion was carried and the rule was to be re-adopted as proposed.*

R. Rowley stated that the adoption of the rule was to delete the new producer section and the definition of grain from the rule. J. Colvin made a motion that the board adopt the rule as proposed. (Second from L. Rulon) *The motion was carried and the rule was to be adopted as proposed.*

R. Rowley then explained to the board the next process for the rule. For the re-adoption the rule will go to the Secretary of State for

signature and approval. The adoption will first go to the Attorney General's Office where it will be reviewed line by line and if no issues arise will go to the Governor's Office for review. Once these steps are completed it will go to the Secretary of State for signature and approval.

Chairman Benson shared with the board the billing for the publishing of the notices for the re-adoption and adoption hearings. A motion was made by J. Colvin to approve these billings for payment. (Second from W. Tudor) ***The motion was carried approving the billings for payment by the board.***

**DISCUSSION:** J. Steinhart addressed the board concerning the US Warehouse Act rule. Much discussion was made about the rule and its pre-emption of state law regarding merchandising. Chairman Benson stated that he would keep the board informed of any new happenings regarding this rule.

Catastrophic insurance was also discussed. C. Frahm was asked to bring this to the attention of D. Villwock and recruit the assistance of R. Rowley and D. Jasheway.

The meeting adjourned at 10:15 a.m. (motion from A. Oyler, second from L. Lykins).

Claim forms and travel vouchers submitted by:

Roger Hadley	Absent	Jerry Rulon	\$69.60	mileage & per diem
Lynn Lykins	\$83.60	mileage & per diem	Lee Rulon	\$71.28
Atlee Oyler	\$86.40	mileage & per diem	William Tudor	\$66.80
Fred Reichart	\$86.40	mileage & per diem	Don Villwock	Absent
Herman Rettinger	\$113.28	mileage & per diem		

John Colvin did not wish to make claim for reimbursement of expense.

Respectfully submitted by Dennis Henry on November 14, 2002.

**Exhibit A**

INDIANA GRAIN INDEMNITY CORPORATION  
BALANCE SHEET  
9/30/02

**ASSETS**

Cash	\$ 48,905.33
Investments	<u>13,285,556.09</u>
<b>Total Assets</b>	<u>\$ 13,334,461.42</u>

**LIABILITIES AND FUND BALANCE**

Fund Balance	<u>\$ 13,334,461.42</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 13,334,461.42</u>

INDIANA GRAIN INDEMNITY CORPORATION  
STATEMENT OF OPERATIONS  
FOR THE TEN MONTHS ENDING SEPTEMBER 30, 2002

**Revenues:**

Investment Interest	<u>\$ 50,397.18</u>
<b>Total Revenues</b>	<u>50,397.18</u>

**Expenses:**

Bank Charges	597.31
Advertising	27.68
<b>Total Expenses</b>	<u>624.99</u>
<b>Net Income</b>	49,772.19
<b>Fund Balance, 07/01/02</b>	<u>13,284,689.23</u>
<b>Fund Balance, 9/30/02</b>	<u>\$ 13,334,461.42</u>

# Exhibit B

## FUND LIST: TYPE = TF FROM 10/01/2002 THRU 12/31/2010

<u>Inv No</u>	<u>Investment # / Institution</u>	<u>CO</u>	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Par Original Cost</u>	<u>Coupon Yield</u>	<u>Interest Amt</u>	<u>Fund / Center</u>	<u>TOS #</u>
61308	PRODUCER – PREMIUM FD FIRST BANK	55	05/23/2002	11/21/2002	500,000.00 500,000.00	2.1300 2.1300	5,384.17	6990-100400	146
61361	PRODUCER – PREMIUM FD FLAGSTAR BANK	99	08/23/2002	11/21/2002	500,000.00 500,000.00	2.1500 2.1500	2,687.50	6990-100400	146
61365	PRODUCER – PREMIUM FD FARMERS BANK	12	08/29/2002	11/28/2002	880,000.00 880,000.00	2.0500 2.0500	4,560.11	6990-100400	146
*****CERTIFICATE OF DEPOSIT TOTAL*****					1,880,000.00	2.0979	<u>12,631.78</u>		
					1,880,000.00	2.0979			
35188	PRODUCER – PREMIUM FD BANK OF NEW YORK	00	06/20/2002	12/18/2002	3,000,000.00 2,973,453.33	1.7600 1.8000	26,546.67	6990-100400	146
35286	PRODUCER – PREMIUM FD BANK OF NEW YORK	00	08/14/2002	11/07/2002	5,100,000.00 5,080,372.08	1.6300 1.6590	19,627.92	6990-100400	146
35337	PRODUCER – PREMIUM FD BANK OF NEW YORK	00	09/18/2002	12/11/2002	3,365,000.00 3,351,730.68	1.6900 1.7200	13,269.32	6990-100400	146
*****GOVERNMENT AGY DISCOUNT NOTES TOTAL*****					11,465,000.00	1.6816	<u>59,443.91</u>		
					11,405,556.09	1.7138			
*****TOTAL FOR FUND CODE*****					13,345.00	1.7403	<u>72,075.69</u>		
Date: 10/01/2002					13,285,556.09	1.7679			