

**NAIFA-ND Board of Directors Meeting
February 2nd, 2009 – Radisson Inn, Bismarck**

Order: President Ted Haugan called the meeting to order at 1:00 pm

Present: Ted Haugan, Keith Phillips, Jeff Case, Pat Saltsman, David Klemisch, Harlynn Bjerke, Gregg Webster, Carroll Holmen, Paul Witthauer (proxy for Mitch Ostlie), Rick Wallace, Armen Hanson (proxy for Kim Zinke), Lee Ann Galster, Jim Simons (proxy for Todd Ringoen), Hank Prien, John Halstenson, Norbert Mayer, Mike Bergquist (proxy for David Falk), Frank Greff, David Middaugh, Jay Burgad, Jason Middaugh, Todd Otto.

Absent: Traver Silbernagel, Kevin Vistad, Bonnie Baglien, Dave Bjornson

President's Comments: Ted thanked everyone for attending, noting that it is our first convention in winter. Ted asked board members to limit comments if they are the same. Noted first convention with legislature in session and hearing held this morning.

Agenda: Frank moved, seconded by Hank to accept the agenda as presented. Carried.

Minutes: Pat moved, seconded by Dave Klemisch to approve minutes. Motion carried.

Financial Report: Reviewed, Rick questioned the Vanguard Fund and if the leadership keeps an eye on these funds. Dave Klemisch explained the reasons for putting into the Vanguard, stating it is left in the account and not really monitored. Harlynn noted we had recently shopped for CD's or other places to put funds. Dave Middaugh noted the year to date loss. The Afghanistan Fund was discussed noting that \$14,000 was pledged, however to date we have received about \$11,500 as some have not paid. Noting that we are paying out as requested. Discussed sending the list of names of those that did not give, consensus that it was a pledge and should be left for those who did not honor their pledge. Motion made, seconded and carried to approve the financial report.

Legislation: Norbert reviewed the legislative issues as identified by the Executive Board that we recommending positions be taken on for the legislative reception.

HB 1142, relating to repealing the Rule of 85, the executive board recommended support.

HB 1209, relating to \$250 tax credit for partnership qualified long term care plans purchased after January 1, 2007, on the short form, the executive committee recommended support.

HB 1284, NCOIL model of STOLI, recommend oppose because of the 2 year moratorium, lack of bonding and rescission period.

HB 1397, Jim Kasper's STOLI bill, recommend support.

SB 2330, prohibiting the use of credit scores in determining insurance rates, recommend oppose.

SB 2276, disclosure of loss ratios for health plans, recommend oppose.

Dave Middaugh recommended SB 2306 dealing with rate filing requirements for domestic mutual companies, that a position of opposition be taken as it removes the rate setting authority from the commissioner.

Norbert recommended removing HB 1142 from our position papers and adding SB 2306. Consensus of the board to approve positions as discussed.

Discussed HB 1068 which would increase minimum liability amounts. Discussed the positive and negatives, noting it could cause more people to go without insurance, noting that enforcement of requiring insurance is the bigger problem. No official position will be taken.

Dave Klemisch asked that the board publicly thank Norbert for all his work on behalf of the association. Norbert encouraged all members to act on the legislative alerts when they are sent

out. Rick asked position on using Capwiz, Norbert noted that due to the speed of getting information out, an email is sent from the office with a link to representatives address. Rick questioned if one doesn't know what district they are in, Norbert noted that we do have a link to find that out and that he hopes from this process people will get to know their legislators.

Convention Online Registration processing fee: Rick addressed the additional fee and noted that we should make it easier for people to register online and that the association should absorb that fee. Noted that is the fee that we are charged by the credit card company. Discussed the perception and inconvenience of adding this fee. Discussed trying one year to see if it makes a difference in attendance. Hank moved that next year no additional fee be charged for credit card payments. Jim seconded. Motion carried. Noting next year's fee will be determined by the committee. Will be reviewed after next year.

Convention Update: Ted welcomed and introduced Juli McNeely, NAIFA Trustee.

Keith noted that we have had a few glitches in scheduling the convention in conjunction with legislative day. The legislators schedules create problems, and these are issues to be kept in mind when planning for future years. Noted that we had discussed having a system of rebating convention funds to local associations, and that no decision had been made. Keith made a motion that the President appoint a committee to explore options for profit sharing or rebating to the locals. Frank seconded the motion. Noted that they are to report back by the next board meeting. Motion carried. Noted that we had an exhibitor cancel due to a death in the family, consensus to refund the exhibit fee. Discuss Fun Night, noting that food will be served. Discussed attending the House session, noting that only 10 people are allowed on the floor and that no arrangements had been made to go on Senate floor, however you can contact your representative or senator and get a personal invitation to sit with them. Norbert reviewed the 10 guest badges that he had received.

Continuing Ed Requirements: Ted noted that it is important that the rules of the Insurance Department be followed as far as people signing in and out and classes provided.

Legislative Process: Norbert explained the communication in getting the word out to NAIFA members.

Questioned how communications amongst lobbyists, office and members take place. Noted that the status report of the bills are updated and sent out weekly to board members, with a link to the text of the bills. Jeff noted that the bill does not come up and that there is additional text to click on. If a bill is coming up and there is concern an email action alert is sent out to all members. Jay asked that all IFAPAC and APIC chairs be included in updates. Jeff discuss communication needed to alert leadership in state, and locals need to forward information on to their members in addition to notifying clients, suggest Capwiz be used to communicate as it is more effective. After extensive discussion, noted that personalized message is more useful, will be discussed further at the legislative update this afternoon

LILI: Jeff stated that there are a5 people interested in a class, 2 in Fargo, 1 in Dickinson, 2 in Grand Forks. No one from Jamestown, Bismarck, Minot or Lake Region interested. No date has been set to start as 7 people are needed for a class. Keith encouraged each local to go back and talk to members to get interest and a class going.

Local Reports:

Fargo-Moorhead: Shawn Gruenberg – noted strong finish to IFAPAC for 2008 thanks to chair Phil Haug and other committee members. Annual awards banquet, good attendance noted Jason Middaugh was Advisor of Year and Phil Haug received the Rising Star award. Congratulated Keith Phillips.

North Valley: Gregg Webster – noted that 5th new member joined, puts at a 10% increase

Missouri Slope: Carroll – Noted CE day in December with 3 hours of Ethics presented by Norbert, membership blitz days are scheduled, bylaws review committee is set.

Central: Jamestown – 2 members attending meeting, no additional report

Minot – Rick noted annual blitz in December, membership drive with a goal of 15% increase about 1/3 of the way there, should be at 70 members.

Lake Region – Harlynn 2 credits for ethics, had 3 legislators attend meeting, have 2 new agents that have been invited to their meeting.

Roughrider – LeeAnn noted they have 1 new member and 1 transfer member with a couple more prospects. Had CE day in December which turned out well, Hold a meeting in Bowman each year, have CE and lunch and option to go to Deadwood.

Committee Reports:

AHIA – Pat encouraged support and involvement with the LTC bill and encouraged involvement in 2306.

APIC – Dave just returned from PAC & PIC national training meeting, noted emphasis is on involvement, discuss tax expenditure list noting we are 1/3 of the list. Expectation is that 30% of all those credits will go away in the next 2 years. Dave will address further at the legislative update meeting.

APIC – Jim Simons noted that all Chambers were contacted in the state to get their Legislative forum dates. This information was sent to all local PIC chairs. Noted that he needs the PIC list updated and asked for updates to be sent in.

Membership – Jason thanked Rick for work on new members in Minot, noted that some of the locals need to get more. Asked how many wrote their legislators on HB 1209, noted that we need to recruit people and that it is not only up to the membership chairs. As leaders we need to do it also.

With no further business, meeting was adjourned.

Respectfully Submitted,

Ted Haugan, CFP, LUTCF
NAIFA-ND President

Pat Saltsman, CLTC
NAIFA-ND Secretary

Nancy L. Buechler
Association Executive

Date