

# Montana State Hail Board

November 29, 2017  
Heritage Inn, Great Falls, MT

Chairman Gary Gollehon called the meeting to order at 8:03 a.m. and welcomed everyone. Introductions were made around the room.

## **Introductions** – Those in attendance were:

Gary Gollehon – Board Chair, Brady	Jim Schillinger – Board member, Circle
Judy Tureck – Board member, Coffee Creek	Mari Kindberg – Proxy for Matt Rosendale, Helena
Ben Thomas – Director Department of Ag, Helena	Christy Clark – MDA, Helena
Walt Anseth – MDA, Helena	Zach Coccoli – MDA, Helena
Jana Mertens – MDA, Helena	Solomon Frazier – Taylor Walker Associates
Cort Jensen – MDA, Helena	Chris Volf – RCIS, Judith Gap
Tom Streit – RCIS, Great Falls	Lynn Goldhahn – NAU, Great Falls
Dave Schmidt – RCIS, Spokane, WA	Kent Ridgeway – RCIS, Stanford
Paul Lassey – ProAg, Newman Lake, WA	Bob McPherson – ProAg, Big Timber
Ashley Perez – CSI, Helena	Nancy Garoutte – NAU, Wolf Point
Joe Kempf – ProAg, Big Timber	Trevor Heckford – ProAg, Power
Maggie Miller – NWFCs, Billings	Boyd Heilig – Grower, Moore
Gary Heilig Jr – Rain & Hail, Spokane, WA	Brett Simons – Congressman Gionforte
Aaron Jones – ARMTech, Geraldine	Eddy Joyce – ARMtech, Glendive
Leonard Schock – Grower, Vida	

**Public Comment** – Chairman Gollehon asked for public comment and there was none.

**Minutes** – Minutes were presented from the March 21, 2017 meeting. Jim Schillinger moved to accept the minutes as presented. Mari Kindberg seconded the motion. Motion passed.

**Old Business** – The Premium Loss Analysis report was shared which included the number of producers buying policies in 2017. The report was in response to a request at the last meeting. There were no questions.

## **New Business**

**Financial Report** – Walt Anseth reviewed the financial report and delinquencies as of October 31, 2017. Judy Tureck moved to accept the financials as presented. Jim Schillinger seconded the motion. Motion passed. Report is attached.

**Review of 2017 Season** – Walt Anseth presented the report for the end of the season along with the history summary of 10, 25 and 101 years of the program. Report is attached.

**Actuarial Report** – Solomon Frazier of Taylor Walker Associates presented their review of the program. Report is on file.

**Reinsurance** – Walt Anseth explained the process of negotiations with our insurance carrier. 85/15 was the beginning split, and ended up at 90/10 for 2017. Hopes are for a 85/15 split for the 2018 season.

Jim Schillinger moved to have Walt Anseth continue negotiations with Arthur J Gallagher for the 2018 hail season. Ben Thomas seconded the motion. Motion passed. The board expects to finalize the insurance ratio at the spring meeting.

**Premium rate review** – Mari Kindberg presented the analysis of rates done in the commissioner of insurance office. She presented analysis from many different directions indicating rates that appear too high and some that appear too low. No analysis was made based on individual crops. The board discussed a deeper review of rates during a working meeting in the spring before the business meeting.

**Other Business**

**Appeals** – An appeal from Harold Dohlen for the 2016 season was presented. Mari Kindberg asked to defer to our legal staff. Cort Jensen chief attorney with the department stated that the appeal would not be possible. Any appeal now would have to be judicial not administrative.

**Adjusters** – Jana Mertens expressed appreciation to our long-term hail adjusters for the state program. They are our face to the producers and are very helpful throughout the season.

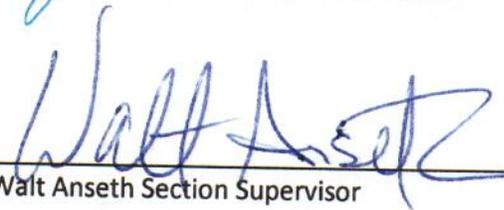
**Public Comment** – The question was posed about reinsurance and if the agreement could be more than 1 year. The RFP process was explained, and that the RFP would need to be published in 3 years again. A question was asked; if state hail adjusters are using NCIS standards? The state adjusters use NCIS standards as well as state guidelines for adjusting.

A group thank you was given to the auditor's office for the research and presentation of the rate review.

Jim Schillinger moved to adjourn the meeting at 9:03 a.m. Judy Tureck seconded the motion. Motion passed.

  
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Jana Mertens Hail Insurance Technician

1/2/2018  
Date

  
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Walt Anseth Section Supervisor

1-3-18  
Date