

Montana State Hail Board
Wednesday November 29, 2023
Colter Room at the Spring Hill Suites
Great Falls Montana

The meeting was called to order at 9:03am by Chairman Bing VonBergen

Introductions – Those in attendance were:

Bing VonBergen – Board Chair, Moccasin

Vince Mattson – Board member, Chester

Jim Schillinger – Board member, Circle

Christy Clark – Director, Montana Department of Agriculture

Ted Bidon – Proxy for Troy Downing, Commissioner of Securities & Insurance

Walt Anseth – Montana Department of Agriculture

Andy Fjeseth – Bureau Chief, Montana Department of Agriculture

Cort Jensen – Chief Legal Counsel, Montana Department of Agriculture

Dani Jones – Montana Department of Agriculture

Logan Kruse – Montana Department of Agriculture

Members of the Public:

Trevor Vielleux, Lynda McBride, Shane Thompson, Dave Schmitt, Eddy Joyce, Lynn Goldhan

Public Comment:

Chair Bing VonBergen called for public comment and there was none.

Minutes:

Minutes were presented from the March 13, 2023, meeting. Jim Schillinger motioned to accept the minutes as with the changes requested, Director Christy Clark 2nd the motion, motion passed.

New Business:

Financials - Presented by Walt Anseth, the STIP is currently at \$2.9 million. ARPA funds paid the last 3 years of losses. Chairman Bing VonBergen asked how the ARPA funds were reviewed, Walt shared that the use of ARPA funds for “backfill” on loss payments went through hearings during the legislature. The ARPA funds are also being used for a new computer program for the State Hail Insurance. The current system can “no longer be patched” Personal costs have gone down in the past years. Matt Rosendale motioned to approve the financials as presented, Ben Thomas 2nd the motion, motions passed.

Delinquencies: Currently there are four delinquent policies. Two of the four have liens at the county level. The number of delinquencies has dropped in recent years. Policy holders are really good about getting things paid in a timely manner.

2023 Year Review: Walt shared with the board that Spring wheat was the leader in acres with 127,644. Winter wheat at 90,655 acres, Barley at 22,035 acres, Peas and Lentils at 41,758 acres, and Durum at 15,233 acres.

A total of 326 policies were issued in 2023, for a total of \$2,434,779 in premiums. There were 57 loss claims and \$1,114,653 paid out for the losses. Chairman Bing VonBergen shared his concerns about peas and lentils, in his area private companies will not cover pea and lentil crop because they are the loss leaders. State Hail has to insure crops as requested, cannot turn a producer down just because of their loss history. Chairman VonBergen suggest doing a rate review at the spring 2024 meeting.

Actuarial Report: Solomon Frazier with Taylor Walker Consulting, LLC shared the 2023 actuarial analysis for the Montana State Hail Insurance Program. Copy on file.

Reinsurance – Walt Anseth reported that he has been working with the reinsurance company for the proposed split. Walt asked if the boards wanted to stay with the current reinsurance company or to look into other options. Chairman Bing VonBergen suggested to stay with the current reinsurance company, not at the place right now for that change; Board member Vince Mattson agreed. Vince Mattson made the motion to reexamine the reinsurance numbers during the March 2024 meeting. Jim Schillinger 2nd the motion. All in favor, motion passed.

Old Business:

Appeals – No appeals for the 2023 year.

New Business:

Adjusters – Dani Jones gave an update of the adjusters for the 2023 year. Clayton Gernaat in Conrad, Cary Jones in Joliet, Michael Metcalfe in Moccasin, Jamie Beasley in Roundup, Roger Merritt in Miles City, and Steve Chrest in Lewistown. All but Steve will be returning for the 2024 year. Dani is doing some outreach for new adjusters.

Public Comment:

Chair Bing VonBergen called for public comment. Director Christy Clark appreciate the service of the board and the work they are doing. Chief Legal Counsel reminded the board if there were any changes that they would like for the upcoming legislative session, that process starts now.

Adjourn:

Vince Mattson moved to adjourn the meeting at 10:04 am.

Dani Jones, Hail Insurance Technician

Date

Walt Anseth, Section Supervisor

Date