

Minnesota Association of Farm Mutual Insurance Companies

# Mutual LINK

## Chairman's Message

Chairman Steve Knutson

It has been an honor to serve MAFMIC as your Chairman from February 2009 until February of 2010. I would like to recognize the leadership of MAFMIC comprised of Doug Oachs, Greg Gangelhoff, Ron Berning and Greg Parent for their tireless effort and support during the past year. I would also like to recognize the rest of the Board of Directors for pulling together and building a consensus in shaping the future direction of MAFMIC. In addition, I would also like to extend my sincere appreciation to the MAFMIC membership for your understanding and support during the past year. Finally, I would like to recognize the MAFMIC staff for their dedication and commitment to this organization.



MAFMIC's mission statement reads, "To provide services which will assist in the effective utilization of insurance resources and promote a financially sound, competitive farm mutual insurance industry for the ultimate benefit of the consuming public". This mission does not just happen but requires a dedicated staff supplemented by

many, many volunteers. MAFMIC provides three core services to its membership - education, legislative advocacy, and access to a standard policy. These core services provide you value in exchange for your dues dollars.

One of the key events hosted by MAFMIC each year is our annual convention. This is a great place to network and experience MAFMIC at its best! Please mark your calendars for February 7-9, 2010, at the Sheraton hotel in Bloomington, Minnesota. I would encourage you to attend and participate in the various functions of your association.

Of special importance is the annual business meeting on Tuesday morning, February 9, 2010. At that time, the membership will be engaged in transacting the business of the association and will be voting on the proposed changes to the Articles and By-Laws. Vice Chairman, Ron Bern-

ing, has spearheaded this project and MAFMIC has sent out copies of the proposed changes to the Articles and By-Laws to each member company. If you have questions or need a copy of the revisions, please contact the MAFMIC office.

Secretary Treasurer, Greg Parent, will also be delivering a detailed financial report reflecting the year-end 2009 financial position of your association. I'm pleased to report that MAFMIC is in good financial condition and is reflecting profitable operations for fiscal year 2009. The MAFMIC board of directors has also reviewed the MAFMIC dues structure for 2010 and will continue to monitor and adjust that structure in an equitable manner.

As indicated in my chairman's theme, in my opinion MAFMIC continues to provide quiet strength, exceptional service and unequalled commitment. This tradition of excellence ultimately benefits the consuming public which meets our mission statement.

## 2010 MAFMIC Convention

For those who haven't yet registered for the 2010 MAFMIC Convention, time is running out! The \$290 early bird price ends January 8 and will jump to \$315 after. You wouldn't want to miss out on the very special events we have planned for you so be sure to fax, email or mail us your intent to attend.

Some of the events planned include the keynote presentation by **Damian Mason** as well as RAM/MAFMIC Luncheon speaker, **Eric Gislason** of *Kent Hrbek Outdoors*. We are also very excited for the Public Policy Award presentation and the Fieldstone Vineyards Auxiliary Optional Session!



Eric Gislason

When you arrive at the Convention Sunday night, wear your favorite basketball jersey in celebration of Steve and Kari Knutson's Chairman's Reception! We can't wait to see you!

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## Board Member Profile

*Ruth Rothstein, Paynesville Mutual*

### Personal Questions:

**1. Where did you grow up?**

A. Greenwald, Minnesota.

**2. Where did you attend high school?**

A. Melrose.

**3. Are you married? Do you have children?**

A. I have been married to Gary for 32 years!!! We have four children. My oldest son Kurt works for Arnold's in St. Martin, Melissa works for Wells Fargo in Minneapolis, Chris works for Google in California and Ashley works for Weizenegger-Engel Insurance in Brainerd. We have two grandchildren; Emma (4) and Evan (2).

**4. What are some of your favorite hobbies?**

A. Well about the only hobby I have is Golf. My goal is someday to be as good as Linda!!!

### Professional Questions:

**1. What was your first job?**

A. I worked as a teller/bookkeeper for Stearns Bank in Albany.

**2. How did you start your profession in the insurance industry?**

A. My uncle (Math Stang) was the Manager. He asked if I would help him with typing policies and do the billing. Wednesday was my day off at the bank so I would help him on Wednesday's and Saturday's.

**3. What do you enjoy about your job?**

A. Customer service is my number one priority. It is very rewarding when an insured has a loss and you are able to help them out. No day is ever the same and you can always learn something new. I enjoy serving on different committees and meeting new people. Insurance is all about the people.

**4. What do you strive for professionally?**

A. Providing prompt and efficient service to our customers and our agents.

**5. What do you like about being a board member?**

A. I think if we want MAFMIC to remain a strong Association we all need to get involved. I have enjoyed working with the other Board members, committees and the MAFMIC Staff. I think everyone should have an opportunity to serve on the board. There is a lot of extra time and effort that goes into keeping the Association strong and moving forward. If you have never been a board member, now is the time to get involved.

**6. What issues do you think are most important concerning the Mutual Insurance Industry?**

A. We have fewer farms today so we have to focus more on writing new Homeowner business. With the Homeowners it seems the loss ratio's are higher due to all the coverages provided. There also seems to be more competition in the Homeowners market. It is more important now than ever to have good service to help retain our customers. This is why it is very important to build a good working relationship with your agents.

**Editorial Advisory Committee**

Al Anderson, Chairman - North Star Mutual

Colleen Anderson - Corn Belt Mutual

Kirby Dahl - Willenbring, Dahl, Wocken & Zimmerman

Richard Raun - Woodland Mutual

Patti Rothfork - Melrose Mutual

Wayne Schluchter - Schluchter Investment Advisors

Jonathan Troe, PFMM - Owatonna Mutual

Karl Porisch, Western Mutual - *Board Liaison*

Marcus Marsh, MAFMIC - *Staff Liaison*

Lindsey Schuler, MAFMIC - *Staff Liaison*

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*Live for Today. Plan for Tomorrow.*

**WS**

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## Southeast Mutual

*Bob Schultz, Manager*

In February of 1883, 20 German farmers gathered at the Winona County Courthouse to form Rollingstone Mutual. Rollingstone Mutual stood for over a hundred years before its merger with Rochester Mutual in 2001 to form what is known today as Southeast Mutual. This hasn't been the only merger for the company, however; just a year ago, Plainview Mutual also joined the company.

Shortly after becoming Southeast Mutual in 2001, the newly expanded territory gave them an opportunity to construct their new office building in St. Charles, Minn. Construction was complete and the move successful in October of 2002.

Through the changing face of the company, Southeast Mutual has never lost their mission to remain a financially sound company that perpetuates a stable insurance market for farm and home owners alike. They strive to provide competitively priced insurance products for comprehensive coverages as well as handle their claims promptly and provide excellent service to their agents and policyholders.



*Southeast Mutual in St. Charles, Minn.*

In order to maintain their excellent service, Southeast has been challenged by the ever-changing technology and times. Even though it has required much effort, technology has allowed Southeast to provide on-line payments as well as EFT and credit card payments, web inquiry and an agent quoting system. Technology has also helped Southeast's four member office save space and paper by scanning and archiving their documents.

Manager, Bob Schultz has made significant changes to the way the mutual conducts its business but he hasn't done it all alone. He manages three others in the office including Linda Meyer, IT/Computer Systems, Erica Johnson, CSR/Data Entry and Terry Muller, the Inspector/Adjuster. Southeast also has a nine member board and works with twenty agencies to do the best business they can do.

Southeast hasn't forgotten about their community either! They proudly support various events to support the area and belong to the St. Charles Chamber of Commerce.

**Everything we do is designed to help our member mutuals be successful.**



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## Investment Crossroads

*Wayne Schluchter, Schluchter Investment Advisors*

The 2010 MAFMIC Convention is fast approaching. An investment update will be presented Tuesday afternoon February 9th.

Some highlights that will be discussed are a review of the past 2 years starting with the tip of the iceberg; the Bear Stearns collapse. We'll highlight events that led to further corporate failures and what effects were felt by the Township Mutual industry. Government intervention, stimulus, Federal Reserve policy, bond markets, and how authorized investments were affected for township mutual portfolios will be addressed.

Come for the info; stay for the discussion. If you have a specific investment topic or question you would like to address, please send it to Lori at the MAFMIC office. Merry Christmas and Happy New Year! See you in February.

### MAFMIC COMMITTEE APPOINTMENTS

The various MAFMIC Committees may have openings for a February appointment to specific committees. If MAFMIC Members are interested in a possible appointment please email the committee you would be interested in serving on to Lori Olmscheid, Member Services Manager at [lori@mafmic.org](mailto:lori@mafmic.org).

A list of prospective candidates is kept in the MAFMIC Office for reference as opening on committees become available.



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## Ask the Department

*Jaki Gardner, Asst. Commissioner of the Dep't of Commerce*

### 1. What do you see happening over the next year with the NAIC and it's impact on Minnesota Property & Casualty Insurers?

A. This question is very broad and involves more than just a short list of subject matter items that are under consideration by the NAIC, most of which will not directly impact the Township Mutual community.

The hottest topic currently under discussion is a national/federal insurance charter, which mostly impacts life insurers. The next hottest topic is a national disaster fund, but again, I can't say that this issue is a significant concern for Township Mutuals. Both of these issues are not actively supported by MN as we believe that state regulation is the most effective way to monitor the insurance industry.

### 2. Are there laws or regulations that pertain to bank insurance agencies that discount premiums to their customers because they are a member of a bank club (50 + club, etc.) or have an account at the bank?

A. Bank insurance agencies may not offer discounts on premiums as it is in violation of the statutes on "rebating". The bank may offer *other* "perks" if the insurance is purchased through its agency but cannot characterize it as a discount on the premium as the premium is the insurer's cost – not the bank's. Refer to MS 72A.08 for further guidance.

**Thank you to our  
2010 Education Partners!**



**MUTUAL INSURANCE  
COMPANY**

# 2009; Year in Review

MAFMIC has offered many events throughout the last year and we'd like to pay tribute to those that make it all possible...the MAFMIC membership! During the year, we've been taking photos and here are just a few!



Golf Outing at Little Crow County Club in Spicer. (L-R) Gary Swearingen, Mike Flugum, Edna Goracke, Vern Lindholm & Steve Schwieters.



Some of the ladies listening intently during the Support Staff Seminar at the St. Cloud Holiday Inn.



Sergeant-At-Arms at the 2009 Chairman's Reception. (L-R) Ron Berning, Jim Nelson, Sharon Schmitz, David Frundt, Chris Adams and Maureen Reineke.



Bricker Johnsen & Deb Liden are visiting during dinner at the Manager's Retreat.



Some happy campers at one of the four Spring Agents' Meetings.

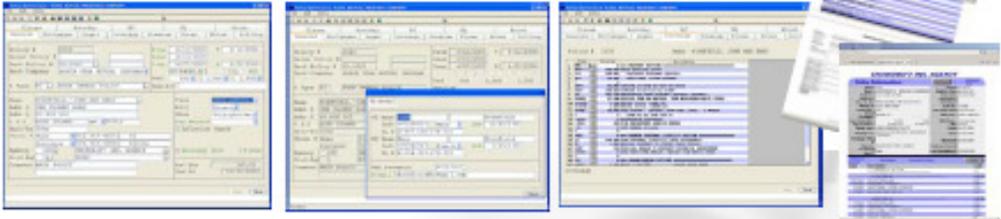


The ladies in charge at the Adjuster/Inspector Seminar. (L-R) Lori Anderson, Gwen Batalden, Connie Jaskowiak, Lori Olmscheid and Ruth Rothstein.

## The RCC

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## Budget Deficit in 2010

*Marcus Marsh, MAFMIC Government Affairs*

How quickly life can change, case in point for the Minnesota State Representatives and State Senators dealing with the 2010 Legislative Session.

The new budget forecast for the current state budget that runs from July 1, 2009 to June 30, 2011 is already projected to be \$1.2 billion dollars in the red and that number could easily grow due to the recession.

Some members of the Legislature will want to raise taxes, others cut the budget and still, others a combination of the two.

The even year session is the Bonding Year for the Legislature and is always very tense as to which projects get approved and which ones don't. Add to this a budget shortfall and the fact that everyone in state government is up for election in November 2010. For these reasons, this Legislative Session will be extremely difficult.

Advice from Legislators is be involved because someone will try to find a way for you to pay more.

We will need everyone in MAFMIC involved with the legislative process such as contacting your State Representative and State Senator as the 2010 Session progresses.

## MAFMIC Dues/Financial Statements

This is just a reminder that in order to attend the 2010 MAFMIC Convention, dues MUST be paid.

It is also time again to collect company financial statements.

You can send them to:

PO Box 880, St. Joseph, MN 56374

Or fax to: (320) 271-0912



## Government Affairs at the 2010 Convention

I hope everyone can attend the 2010 MAFMIC Convention because we have an excellent program planned for the afternoon on Monday, February 8, 2010.

Jimi Grande, NAMIC Vice President of Federal and Political Affairs will talk about what is going on in Washington. Professor Larry Jacobs with the University of Minnesota Humphrey Institute will cover various issues including the 2010 elections. Many of you have seen Professor Jacobs on Twin Cities Television news reports.

Following Professor Jacobs we will have a Legislative Panel (similar to 2007) with someone representing each of the four caucuses (House DFL, House Republicans, Senate DFL, Senate Republicans). Each person will be given ten minutes for their presentation and we would have about fifteen minutes for questions. I look forward to seeing everyone at the Convention.

## MAFMIC Short Course is Back

After missing a year, the Short Course is back on track for March 2010 and is shaping up to be better than ever.

Keynote speaker, Jack McCall will not disappoint with his clean and original humor based upon some of life's best experiences. This gifted storyteller has worn many hats including livestock market manager, licensed livestock auctioneer and a disc jockey!

Included adjacent to this announcement is the 2010 MAFMIC Short Course registration form. This event will be held at the Arrowwood Resort in Alexandria.

More announcements and promotions will be coming soon!

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# 2010 MAFMIC Short Course

March 17 & 18, 2010

Arrowwood Resort & Conference Center

2100 Arrowwood Lane NW, Alexandria 56308 • (320) 762-1124

This educational seminar is for township mutual officers, directors, managers, office staff, agents, adjusters and inspectors. Registration fee includes attendance at eight sessions, a continental breakfast and hot breakfast buffet, two lunches, breaks, all classroom material and a social hour. Application has been made for 8 hours of non-company continuing education credits.

## Cost and Registration

**Early Bird Registration fee (before Friday, March 5): \$195 per member & \$250 per non-member. Late Registration fee (after Friday, March 5): \$225 per member & \$280 per non-member. One Day Registration Fee: Please call MAFMIC office for details.** Spouses wishing to attend sessions must be registered and paid as a delegate. Those spouses wishing to attend only the breakfasts, lunches or adjustment hours must purchase tickets by prices listed below.

## Cancellation Policy

Cancellation notices received on or before March 10, 2010 are 75 percent refundable. • Cancellation notices received March 11-15, 2010 are 50 percent refundable. • No refunds are available after March 16. • A company may substitute a participant at no additional charge. All registration cancellations and substitutions must be made in writing and sent to [info@mafmic.org](mailto:info@mafmic.org) or faxed to (320) 271-0912.

## Hotel Reservations

A block of rooms is being held until February 15th at Arrowwood Resort with the rate of \$89 plus tax. Reservations can be made online at <http://www.arrowwoodresort.com/reservations.php> using the Group Code **MASMI 10** or by calling (320) 762-1124. Alternative reservations may also be made at the following hotels:

**Holiday Inn, Alexandria**  
5637 Hwy. 29 South  
Alexandria, MN 56308  
Reservations: 1-800-315-2621

**Country Inn & Suites**  
5304 Hwy 29 South  
Alexandria, MN 56308  
Reservations: 1-800-596-2375

## 2010 SHORT COURSE REGISTRATION

Company Name: \_\_\_\_\_ Phone: \_\_\_\_\_

NAME (Delegate, Spouse)	Address	License #	Opt'l Meal Tickets		
			Bkfst \$35	Lunch \$45	Adj Hr \$40
_____	_____	_____	_____	_____	_____
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**NOTE:** Please attach questions for **Manager Only Roundtables & Computer Questions**, i.e. insurance applications, programs, email etiquette, etc. All questions will remain anonymous.



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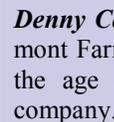
**2010 MAFMIC  
CALENDAR OF EVENTS**

Feb.	7-9	<b>115th Annual Convention</b> Bloomington Sheraton
Feb.	23-25	<b>Central MN Farm Show</b> St. Cloud Civic Center
March	17-18	<b>Short Course</b> Arrowwood Resort, Alexandria
March	18-20	<b>Owatonna Farm Show</b> Steele County Fairgrounds
April	21 & 22	<b>Spring Agents' Meeting</b> Mille Lacs and Morton
May	19 & 20	<b>Congressional Contact Visit</b> Washington D.C.

**In Sympathy**



**Truman Bondhus**, former manager of Westbrook Mutual for 26 years and Past Chairman of MAFMIC, passed away November 12, 2009 at the age of 95.



**Denny Cole**, loss control & claims adjuster for Fairmont Farmers Mutual passed away June 21, 2009 at the age of 53. Denny spent 6 years with the company.



**Levi Storm**, son of Southeast Mutual's IT/Computer Systems employee, Linda Meyer, passed away November 3rd, 2009 at the age of 35.

*MAFMIC wishes to express its sympathy to the friends and family of Truman, Denny and Levi.*

**HAVE EMAIL?** If you are currently receiving the hard copy Mutual Link and have an email address, MAFMIC would like to send you the electronic version of the Mutual Link. It's easy and convenient, not to mention environmentally friendly! Just get in touch with MAFMIC and we'll take care of the rest!

*To submit an article to be published in the Mutual Link please send them to Mutual Link, PO Box 880, St. Joseph, MN 56374, or email them to info@mafmic.org.*

