



**2021 Session Review ~ Adam Axvig, MAFMIC CEO/President**



With the sheer volume of news happening every day, It's hard to believe that it has only been two months since the legislature adjourned for the summer.

The primary purpose of the odd-year budget session is to pass a biennial budget for the State of Minnesota. That task again took extra innings to accomplish this year. The \$52 billion budget that passed represented a significant increase over the previous biennium, with increases sprinkled across the many parts of state government, including the Department of Commerce. The end of session theatrics also included the legislature finally voting to remove the Governor's emergency powers as well as some modest police reform measures.

Pertinent to MAFMIC members, the NAIC Insurance Data Security Model Law was passed which codifies standards in state statute regarding the handling of consumers' data as well as how companies should handle data breaches. The Department of Commerce worked with legislative staff as well as their stakeholders (including MAFMIC) to hammer out a compromise deal that passed ultimately as an attachment to the Department of Commerce budget. Under the new law in Minnesota, companies with fewer than 25 employees are exempt from much of the bill. If you have questions regarding this legislation or other bills passing at the legislature, do not hesitate to reach out.

The legislature will be back at the capitol in September to allocate funds for frontline employees working through the pandemic. A legislative "Frontline Worker Pay Working Group" has been tasked with deciding who should receive the bonuses. That group has been meeting periodically over the last two months.

In other news coming out of the Capitol, the state finally received the long awaited census block-level population data from the U.S. Census Bureau. This is the official data the state legislature, or more likely the courts, will use to draw new district lines for all 201 of the state's legislative districts. The new data gave the state demographer the ability to map Minnesota's population growth among the townships and cities as well as within legislative districts. Unsurprisingly, the metro area outpaced rural Minnesota in terms of population growth. This means that legislative districts in rural areas will have to grow in physical size to pick up population to meet the new minimum population. You can see a map of legislative districts by population size [here](#).

That is it for pertinent news coming out of St. Paul. When the legislature reconvenes in September, be sure to watch your inbox as I look forward to keeping you up to date on what is happening at the Capitol.

MAFMIC CEO/President Article	1
Board Members	2
Member Profile	3
Short Course Registrations	4
Golf Outing Highlights	5-7
Farm Safety Article	8
Fire Prevention Article	9
Bad Faith Claims Article	10



**INSIDE  
this Issue**

Annual Review of Investments	11
Cyber Security Awareness	12
Human Resource Clique	13-14
2021 Scholarship Application	15-16
Announcements/ Nominations	17
Blast from the Past	18
Memorials/Calendar of Events	19



**Editorial Advisory Committee**

Roger Miller - *Chairman*, - Lake Park & Cuba Insurance Co.

Ben Berg - Headwaters Mutual

Alex Coulter - Schluchter Investment Group

Tammy Hansen - Palmyra Farmers Mutual

Dan McCue - Grinnell Mutual

John Neal - Willenbring, Dahl, Wocken & Zimmermann

Joel Peiffer - IMT Computer Services

Tom Olinger / Wendy Keenan - Abdo, Eick & Meyers, LLC

Teri Wermerskirchen -Buffalo Lake-New Auburn Mutual

Dani Hennen - *Staff Liaison* - MAFMIC

Arlette Twedt - *Staff Liaison* - MAFMIC

**MAFMIC Executive Board & District Directors**

Kevin Strandberg, *Chairman*,  
Kerkhoven & Hayes Mutual

Larry Johnson, *Chairman - Elect*  
North Star Mutual

Nick Hager, *Vice Chairman*,  
MinnValley Mutual

Greg Parent, *Secretary/Treasurer*,  
German Farmers Mutual

Dan Rupp, *Immediate Past Chairman*,  
RAM Mutual

Jackie Sirjord, *District 1*, Garfield Mutual

Angela Campbell, *District 2*, Chisago Lakes Mutual

Laurie Wellnitz, *District 3*, Agassiz & Odessa

Jenny Eiyneck, *District 4*, St. Joseph Mutual

Jen Visser, *District 5*, Bird Island-Hawk Creek

Paul Stueven, *District 6*, Fairmont Farmers

Karla Bauer, *District 7*, Great Rivers Mutual

Casey Gibbs, *Statewide*, Grinnell Mutual



**IMT**  
COMPUTER  
SERVICES®

**Complete Suite of Online Software**



**Mutual Tools**

Policy Maintenance  
AP / GL  
Claims  
Imaging

**Agency Tools**

Quoting  
Policy Search  
Agency Download  
...and more!

www.imtapps.com | marketing@imtapps.com | (800) 274-3531

## Member Profile ~ RAM Mutual - Manager Steve Knutson



RAM was founded in 1931 by a group of seven township mutual insurance companies. MAFMIC assisted with this initiative that provided the township mutual industry with a financial reinsurance backstop.

RAM is a regional mutual property and casualty insurance and reinsurance carrier. We write assumed reinsurance for 53 Chapter 67A township mutual insurance companies and package farm and homeowner policies with those companies.

We also write other personal and commercial lines products including homeowners, personal automobile, personal umbrella, business owners, commercial package policies, commercial automobile, commercial umbrella, and workers' compensation in Minnesota. RAM expanded our territory into North Dakota several years ago and writes homeowners, farm owners, personal automobile, personal umbrella, business owners, commercial package policies, commercial umbrella, and commercial automobile there.

RAM currently has 80 full time employees. We have appointed 636 independent agencies which have 2,294 agents that represent RAM in Minnesota and North Dakota.

RAM's philosophy and purpose is to serve others by providing superior products and services that protect against life's uncertainties. Our mission statement addresses both our customers and employees and reads, "to provide superior products and services for our customers and personal development and security for our employees".

RAM's goals for our company in five years would be to remain a financially strong regional mutual insurance company that focuses on our member companies, policyholders, agents, and business partners. We will continue to work collaboratively to support the Minnesota township mutual insurance industry.

Climate change and weather-related catastrophe loss events provide us with our biggest challenges. We are able to mitigate some of this exposure through a comprehensive catastrophe reinsurance program which is supported by long-term and financially strong reinsurance partners.

RAM is active in supporting our local community and the Esko Public Schools. We have organized a community involvement team whose mission is to encourage employees to work together outside the office to build relationships with each other and to provide the opportunity for community outreach and involvement. We provide financial support and encourage our staff by allowing them some paid volunteer time off. RAM also funds two \$1,000 college scholarships that are awarded to graduating Esko seniors annually.

If we had to describe our company in one word,  
it would be ~ Consistent.

RAM strives to consistently meet the needs of our members companies, policyholders, agents, and business partners in a professional manner!





# 2021 MAFMIC Short Course

November 17-18, 2021

Arrowwood Resort & Conference Center, Alexandria, MN

This educational seminar is for mutual 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 **7.0 hours** of non-company continuing education credits. We *do not give partial credit* for any portion of this seminar. **(APPROVAL IS PENDING)**

### Cost and Registration

**Early Bird Registration fee** ~ *BEFORE Friday, October 29th*: \$230 per member & \$280 per non-member.

**Late Registration fee** ~ *AFTER October 29th*: \$255 per member & \$310 per non-member.

**One Day Registration Fee** ~ Please call MAFMIC office for rate.

Meal tickets are included with your registration. Extra meal tickets are available for spouses wishing to attend only the meals. Spouses wishing to attend the sessions must pay the delegate rate and must be registered.

Make checks payable to MAFMIC.

### Cancellation Policy

**Cancellation notices received** ~ *On or before November 3, 2021* ~ 75% refundable.

~ *Cancellations made November 4-12, 2021* ~ 50% refundable.

**No refunds are available** ~ *After November 12, 2021.*

A company may substitute a participant at no additional charge. All registration cancellations and substitutions must be made in writing and sent to [dani@mafmic.org](mailto:dani@mafmic.org) or *FAX* to (320) 271-0912.

### Hotel Reservations

A block of rooms is being held until **October 26th** at the Arrowwood Resort with the rate of \$97 plus tax. Reservations can be made by calling the hotel directly at (320) 762-1124 or (866) 386-5263.

## 2021 SHORT COURSE REGISTRATION

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

### Extra Tickets

NAME (Delegate, Spouse)

Email Address

License #

FMDC

Extra Meal Tickets  
Bkfst Lunch Adj Hr  
\$45 \$50 \$50

NAME (Delegate, Spouse)	Email Address	License #	FMDC	Bkfst	Lunch	Adj Hr
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____



**MAIL:**  
PO Box 880  
St. Joseph, MN 56374

**MAFMIC PHONE:**  
320-271-0909

**MAFMIC FAX:**  
320-271-0912

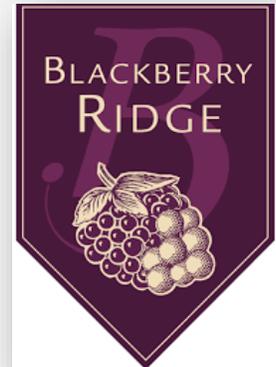
# MAFMIC Golf Outing Highlights

The 2021 MAFMIC Golf Outing  
took place at the Blackberry Ridge Golf Club, in Sartell, MN.

Contest winners include:

- Longest Drive: Casey Gibbs  
Longest Putt: Kyle Petersen  
Closest to the Pin: Jim Bryant  
Hit the Green Winner: Colin Emans  
Putting Contest Winner: Andrew Moch

Winners of Royal Renovations Game:  
Kevin Standberg, Bill Broberg, Alex Coulter and Wes Magnuson



*MAFMIC would like to thank everyone for their generosity and for making it a day full of fun. Also Thank You to Wayne Schluchter for taking photos and picking up some of the beverage cost.  
**Huge Thank You to all of our Sponsors!!***

## First Place Team

Aaron Grove, Kevin Johanson,  
Mark Fraki and Pete Hellie



## Second Flight Winners

Austin Quade, Bill Rogotzke,  
Ben Lohre, and Gary Schimbeno

## Third Flight Winners

Jay Kleven, Tim Radermacher  
Mike Knudson & Kyle Petersen

## Fourth Flight Winners

Boe Piras, Mikel Nelson  
And John Neal

## Golf Certificate for Free Golf 2022

Bill Broberg



*This year we hosted 21 teams and 85 golfers at the MAFMIC Annual Golf Outing in Sartell.*

## Speed Hole Winners on Hole 16

Cody Fruin, Eric Gesell, Dani Hennen,  
and Zach Pringle



# MAFMIC Golf Outing Highlights



Mark Nelson, Wade Boerboom,  
Ben Nemitz, Mark Noack



Bruce Kinnunen, Dan Meier,  
Tim Iverson, Steve Storm



Casey Gibbs, Vicki Carlson,  
Andrew Moch and Jeff Schiller



Fawn McNamara, Trent Athmann,  
Greg Mertens, Jen Visser



Dan Rupp, Scott Thole,  
Tim Spreiter, Butch Fluck



Craig Norland, Tom Sloan,  
Cory Hubbard, Travis Tjaden



Jay Klemmensen, Nicole Trostem,  
Tom Olinger, Jim Bryant



Rod Kraft, Don Hughes, Sheldon  
Wallmow, Jeff Swanson, Mike Guetter



Scott Engel, Steve Knutson,  
Jeremy Krumwiede, Colin Emans



John Derickson, Cameron Maurer,  
Brandt Baldry, Kerry Knakmuhs



Aaron Madison, Hallie Radloff,  
Andrea Nurmi, Brad Kullot



Larry Johnson, Ange Campbell,  
Kevin Nickelson, Dave Selness, Jim Froberg



2021 ~ 1st place  
Kevin Johanson,  
Aaron Grove, Pete Helliie,  
Mark Fraki



Steve Schauer, Dean Kerfeld,  
Linda & Michael Jaskowiak



Gary Schimbeno,  
Ben Lohre,  
Austin Quade,  
Bill Rogotzke



Winner of the Hit-the  
Green  
2022 Golf  
Certificate

Bill  
Broberg



Mike Knudson,  
Jay Kleven, Tim  
Radermacher,  
Kyle Peterson



John Neal,  
Mikel Nelson  
& Boe Piras



Alex Coulter  
Kevin Strandberg  
Bill Broberg  
Wes Magnuson



Teri  
Wermerskirchen,  
Justin Pape,  
Jim Williams,  
Sandy Walstrom



Todd Bossuyt, Mike Flugum,  
Gary Swearingen, Nick Hager



Cody Fruin,  
Zach Pringle,  
Dani Hennen,  
Eric Gesell

A group of real  
speedsters  
completing the  
16th hole  
Par 3 in **36:64**  
**SECONDS !**

**HOLE #16 \* SPEED HOLE**



# Farm Safety Week September 19-25, 2021

Article submitted by Dan McCue, Grinnell Mutual, Digital Marketing Strategist

## Sharing the road with farm equipment

Every spring and fall, farmers fill roads with tractors, combines, and other farm equipment. Some farm equipment can take up the whole road.

That's why both farmers and other drivers need to pay extra attention during those times of year.

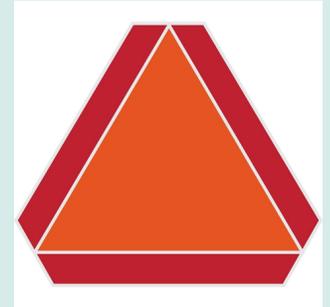
### Farmers

#### Know your equipment

Before you take farm equipment on public roads, take a moment to review the laws. Also, know how wide your equipment is. It could mean the difference between getting to a field safely versus hitting a bridge — or other drivers.

It's a good idea to perform an equipment inspection before using public roads, too. The [Upper Midwest Agricultural Safety and Health Center](#) offers these tips:

- Ensure lights, flashers, reflectors, and signals all work properly.
- Check wiring and connections.
- Make sure that the familiar [slow-moving vehicle sign](#) can be seen.
- See if hitched equipment obscures lights or signage. The drivers behind you may not realize you're making a left-hand turn if they can't see your signals.
- Make sure your load is balanced and securely mounted



#### Know your conditions

Remember that farm equipment does not operate at its best while on the road. That's why taking the time to evaluate your environment and conditions can help keep you and other drivers safe. The Minnesota Department of Transportation (MnDOT) has these tips:

- If possible, transport your farm equipment during low-traffic periods of the day. Avoid driving at night or in low light conditions.
- Consider waiting for good weather and a high visibility index to move your equipment. Drive with headlights on at all times.
- Be familiar with the road you'll be traveling. Mark where potholes, sharp curves, narrow bridges, loose gravel, or weak shoulders are and be prepared for them.

If you can muster a volunteer, have a follow vehicle travel with the equipment to warn oncoming traffic and create a buffer between the two. Check your local laws about what your follow vehicle would need.

### Other drivers

MnDOT offers these tips for motorists for driving in areas where farm equipment on the road is common:

- **Be alert** and always watch for slow-moving vehicles, which can be identified by the slow-moving vehicle emblem.
- **Slow down** as soon as you see farm equipment. It only takes seconds for a vehicle driving at 55 miles per hour to catch up to farm equipment that's 300–400 feet away.
- **Watch for turns.** A farmer may use hand signals as well as blinkers. Farm machinery makes wide turns, and often directly into a field, where there is no obvious road. Also, tractors may sometimes look like they're turning right or pulling over, when the farmer is swinging wide to make a turn. Never assume and try to pass when this happens.
- **Be patient.** Don't assume the equipment operator can move aside to let you pass. The shoulder may not be able to support a heavy farm vehicle.



# National Fire Prevention Week October 3-9 2021

Article submitted by Dan McCue, Grinnell Mutual, Digital Marketing Strategist

## Cook safely at home

According to the National Fire Protection Association (NFPA), cooking fires are the number one cause of home fires and injuries.

### How to prevent kitchen fires

The NFPA says that 53 percent of injuries in home fires happened while trying to put out a cooking-related fire. The best way to handle a kitchen fire is to prevent it in the first place.

- **Clear broilers and the stovetop area.** Remove oven mitts, utensils, packaging, towels, and paper products, and clean off food, grease, and oil residue before cooking.
- **Clean pots and pans.** Make sure they are free of grease and oil on the outside.
- **Make sure your smoke alarm works.** Replace batteries regularly.
- **Don't cook when you're impaired.** If you have been drinking, are exhausted, or are under the influence of mind-altering drugs or medication, don't cook.
- **Enforce a "kid-free" zone.** Do not let children or pets come within 3 feet of the stove, as they could knock something over or get too close to the burners and hurt themselves.
- **Cook carefully.** Place food in hot oils carefully to prevent splatter.
- **Check food regularly.** They say a watched pot never boils, but food that is being simmered, baked, roasted, or broiled should be checked often. Use a timer to remind yourself and others that food is in the oven.
- **Turn off all heating appliances when done.** If it's a small appliance, unplug it and let it cool down before storing.



### What to do if you have a kitchen fire

Grease fires occur when cooking oil get too hot and reaches its flash point — the point at which the oil vapors can ignite in air. Keep in mind that different oils and fats have different flash points, meaning that the oil you cook with can affect the likelihood of a grease fire.

[\(Watch a video of a cooking fire burn cell demonstration.\)](#)

- **Know the signs.** Oils will first boil, then start smoking (their smoke point), and then catch on fire. Many smoke detectors are calibrated to alert you of grease fires during the smoke stage. Turn off heat and remove the pan immediately if you smell or see smoke.
- **Turn off the heat.** Do not try to move the pot to avoid spilling the oil on yourself or other people.
- **Extinguish the fire.** Fire safety experts recommend that after cutting the heat source, you should cover the pan with a metal lid or baking pan. If that doesn't work, use a Class B dry chemical extinguisher, made especially for grease fires. Using a water-based extinguisher will only make the fire worse. And if you're really in a pinch, baking soda (NOT baking powder) can potentially smother the flames, but only if the fire is small and you use a large amount of baking soda.
- **DON'T: Use water, flour, baking powder, sugar, or salt, or a wet towel to put out the fire.** All of these could cause the fire to explode and escalate the situation.



- **Get out.** If you cannot extinguish a fire within 8–10 seconds, immediately leave the house. Close the door behind you to help contain the fire.
- **Call 911.** Explain the situation and do not go back inside.

## Bad Faith Claims

Submitted by: John Neal, Attorney, Willenbring, Dahl, Wocken & Zimmermann, PLLC



Insurance bad faith is defined by Minnesota law as (1) “the absence of a reasonable basis for denying” insurance benefits and (2) that “the insurer knew . . . or acted in reckless disregard of the lack of a reasonable basis for denying insurance benefits.” Minn. Stat. § 60A.18, subd. 2. A bad-faith violation can subject an insurer up to \$250,000 and reasonable attorney fees.

Fortunately, for most of the MAFMIC membership, this bad-faith statute does not apply as the legislature exempted policies written under Minn. Stat. § 67A.191. This includes our package policies of insurance, including both home and farm. Policies issued by 66A member companies and direct policies issued by member statewide carriers, however, may be subject to the bad-faith statute.

The recent Minnesota Supreme Court decision in *Peterson v. Western National Mut. Ins. Co.*, 946 N.W.2d 903 (Minn. 2020) provides insight on how to properly handle a claim to avoid bad-faith. The Court determined that the first prong of a bad-faith claim (*i.e.*, absence of a reasonable basis for denying a claim) is based on an “objective test”: “whether a reasonable insurer under the circumstances would not have denied the insured the benefits of the insurance policy.” *Id.* at 910. To this end, a jury or court must “consider the level of investigation a reasonable insurer would have conducted under the circumstances of the case and how a reasonable insurer would have evaluated the claims in light of that investigation.” *Id.* The evaluation must be “fair,” which “weighs all of the facts and circumstances that a reasonable insurer would consider relevant.” *Id.*

With respect to the second prong of a bad-faith claim (*i.e.*, whether the insurer knew or acted in reckless disregard in denying benefits), the *Peterson* Court stated that it is a subjective inquiry. *Id.* at 912. To this end, a jury or court must determine whether a claim “was properly investigated and whether the results of the investigation were subjected to a reasonable evaluation and review.” The second prong looks at how the insurer conducted its investigation, what it reviewed, and how it reached its determination.

For those companies subject to the bad-faith statute, the *Peterson* decision provides some guidance on how to handle first-party claims. Here are some things to consider:

**Claims file & investigation:** Assume every claim file may be reviewed by an independent party and subject to discovery in a future lawsuit. Be professional in any written documents/communication that end up in the file. Document and detail your review, including when the review was conducted and how a determination was made. Ensure that you conduct a timely and thorough review of the claim. The absence of documentation in the file could also be evidence of a bad-faith investigation.

**Documents requested from the insured:** If you request documents from an insured or third-party, review them and follow-up with any inquiries as soon as possible. The lack of a timely review of documents may be evidence of a bad-faith investigation.

**Experts & Opinions:** If experts are necessary to a proper determination of the claim, involve those experts as soon as possible. This helps demonstrate that a proper and timely investigation of the claim is being performed. If an expert, including an insured’s expert, offers an opinion contrary to your coverage determination, you must have documentation and reasons supporting your position.

**Protocol:** If you have an established protocol for handling claims, review that protocol to ensure it is in line with the *Peterson* decision. Assuming it is, ensure you follow that protocol, as failure to do so could be evidence of bad-faith. If you must deviate from the protocol, ensure there is an adequate explanation in the claims file for doing so.

**Peer Review:** Since the *Peterson* court set forth a reasonableness standard (*i.e.*, what would a reasonable insurer do under these circumstances), it may best to implement a neutral third-party review of the claim before any decisions are made. This review should be conducted by someone familiar with insurance claims and the insurance industry. If such a review is conducted, ensure a report is completed and placed in the file.

**Counsel:** If you have concerns, it is better to involve an attorney at the outset of the investigation instead of waiting until a lawsuit is conducted. Counsel can assist with ensuring the principles of the *Peterson* decision are being implemented throughout the investigation.

Bad-faith claims are avoidable. A proper investigation of the claim, including detailed documentation of the investigation and how a decision was reached, is a key ingredient to avoiding bad-faith claims.

### WILLENBRING, DAHL, WOCKEN & ZIMMERMANN, PLLC

PROUDLY REPRESENTING THE TOWNSHIP  
MUTUAL INDUSTRY FOR OVER 40 YEARS

320.685.3678



**John Neal**



**Boe Piras**

Fire Subrogation | Claims Handling | Policy Interpretation  
DOC Complaints | Mergers & Conversions | Employment

[www.willenbring.com](http://www.willenbring.com)

## Annual Review of Investments

*Alex Coulter, Senior Financial Associate ~ Schluchter Investment Group*

Life had essentially halted eighteen months ago. Businesses were not excluded from this disruption and ultimately forced to adapt to this change in life. Common business meetings were either transformed to digital meetings or postponed all together. Township Mutual Insurance companies were no exception to this disruption in business. As life and work begin to transition back to more standard practices, it is important to review aspects of the business that may have been postponed over the past eighteen months.

One vitally important aspect of a Township Mutual Insurance company is the investment portfolio. Township Mutual Insurance companies should review their investment portfolios at least annually. This annual review should take place with the board and the Township Mutual's Investment Advisor. Several topics to discuss would include overall performance of the account as well as how the portfolio performed in the volatile market of 2020. Asset allocation and liquidity of the portfolio to allow for claims paying should also be discussed. This annual review meeting is a great opportunity for the Board to review and understand how Policyholder Surplus is invested.

While reviewing the investment portfolio, make sure to review and reapprove the Investment Policy Statement. The Investment Policy Statement should also be reviewed at least annually. In addition to reviewing the Investment Policy Statement, indicate in the board minutes if the investment portfolio is in compliance with the Investment Policy Statement. The most common instance where an investment portfolio is not in compliance with the Investment Policy Statement is when a bond was investment grade at time of purchase but was later downgraded to below investment grade. If the Township Mutual is not in compliance with the Investment Policy Statement, indicate in the board minutes the action the board is taking.

As Township Mutual Insurance companies begin to conduct board meeting in person, make sure to not become lax with the process of reviewing investment portfolios. Schluchter Investment Group is happy to meet with your board to review the investment portfolio and to discuss annual investment review procedures.

**Investment and insurance products offered through RBC Wealth Management are not insured by the FDIC or any other federal government agency, are not deposits or other obligations of, or guaranteed by, a bank or any bank affiliate, and are subject to investment risks, including possible loss of the principal amount invested.**

RBC Wealth Management,  
a division of RBC Capital  
Markets, LLC, Member  
NYSE/FINRA/SIPC.



We support Minnesota mutual insurance companies, and we support Minnesota families.

We have spent the last 40 years providing financial advice to rural communities. We understand your unique situation and will take all those factors into consideration. Call us to learn how.

### Schluchter Investment Group

(320) 251-4213 | [www.schluchterinvestmentgroup.com](http://www.schluchterinvestmentgroup.com)  
1015 West Saint Germain, Suite 400 | St. Cloud, MN 56301

The Schluchter Investment Group



**Wealth  
Management**

**Investment and insurance products:** • Not insured by the FDIC or any other federal government agency  
• Not a deposit of, or guaranteed by, the bank or an affiliate of the bank • May lose value

© 2020 RBC Wealth Management, a division of RBC Capital Markets, LLC, Member NYSE/FINRA/SIPC.

20-SC-02371 (06/20)



With October being Cyber Security Awareness Month let's take a moment to talk about phishing attacks. Phishing is defined as "the fraudulent practice of sending emails purporting to be from reputable companies in order to induce individuals to reveal personal information, such as passwords and credit card numbers." Unfortunately no one is exempt from these attacks. They inevitably make their way into all of our inboxes at one time or another. We've all heard of the prince in Nigeria who knows your great-uncle's cousin and wants to *give you money*. While that story isn't quite as rational to most people, scammers today have become much more sophisticated and believable if one does not pay close attention. Many will even use the actual company logos and color schemes as the company they are trying to impersonate. Thankfully email providers today do a great job filtering out many of these emails to your junk folder, but they aren't able to catch them all.

So what are these scammers trying to accomplish? Their hope is that by posing as someone you may have an affiliation with, like Wells Fargo, Amazon or Netflix, that you'll be willing to give them information that they can use against you to access your accounts and identity. They will say things like they need you to verify an account, attach fake invoices or offer you discounted goods and services. They'll create a story in an attempt to get you to verify information such as: address, account passwords, social security numbers, etc. Here are a few tips on how you can proactively spot phishing attempts.

**Check the domain:** If an email says it is coming from Wells Fargo but the return address is @myguycy.com this should be a dead giveaway that it isn't from Wells Fargo. Try to verify the company domain first in all suspicious scenarios.

**Check the URL:** In the body of the email if they say click *here* you can hover over the hyperlink and view the URL at the bottom of the page to see where it will redirect you to.

**Sensitive Information:** Most reputable companies will not ask you to give away sensitive personal information via email. You can always go to their website and call the customer service phone number for the company.

If they need verification on any of your information then they can take it over the phone, just make sure you *don't dial* the phone number on the email.

So what should you do if you discover an email that is a phishing attack? First, DO NOT open any attachments or give them any information that they are asking for. After this you should flag the message as "Junk" or "Spam" in your email settings. You can also email the Anti-Phishing Working Group at [reportphishing@apwg.org](mailto:reportphishing@apwg.org). Lastly, if you think that you have mistakenly given any of your information away to a scammer you can go to Identity Theft.gov to report it and for information on the best course of action.



## PUTTING THE RE IN RELATIONSHIPS

Our focus on building trusted partnerships is the foundation of everything we do. Our unsurpassed support services and a commitment to shared success have made us the largest reinsurer of farm mutuals in North America. Reinsurance done right.

STRONG | STABLE | SECURE

[grinnellmutual.com](http://grinnellmutual.com)



Grinnell Re™ is a registered trademark of Grinnell Mutual Reinsurance Company.  
© Grinnell Mutual Reinsurance Company, 2021.

# Human Resource Clique

By Megan Schwanz, SHRM-CP

## What to Consider When Offering Employee Benefits

The benefits package you offer your employees is a key component of their compensation. It's also critical to your ability to recruit and retain top talent. This is especially true given the current job market: a recent Gallagher survey found that 52% of U.S. workers are considering a job change this year. But determining which benefits to provide and how to go about providing them—can be confusing. There are so many options, it can be hard to know where to start.

To help you take the right steps when offering benefits to your employees, here are a few best practices to follow.

### Know what your people want

When choosing benefit offerings, you can't simply assume what your employees want. Doing so puts you at risk of investing in benefits your employees won't value. And, as we all know, benefits are not cheap.

So, how do find out your employees' preferences for benefits? Ask them.

One of the best ways to do this is via an anonymous electronic survey. You can create one through online survey tools such as Google Forms, Microsoft Forms, and SurveyMonkey, to name a few.

Ideally, your survey should be specific and succinct—five to 10 questions at most. Use simple language but avoid questions that require a yes or no answer. Instead, ask employees to choose a preferred option from a list (e.g., would you rather have A, B, C, or D?) or to identify which of two options is more important. (When people are asked to select options they want, they tend to check all the boxes.) The goal of your survey should be to discover which benefits are *most important* to your people.

Something to consider: If you present employees with a survey, they will expect action to follow. For this reason, distribute a survey only if you plan to make a change to your employee benefits in the near future.

### Consider your options

As I mentioned, there are countless options for employee benefits that stretch beyond health, dental, and vision. This means you can be competitive—and creative—with what you offer. Here are some options to consider:

#### Common benefits

- Medical
- Health savings account (HSA)
- Dental
- Vision
- Life insurance
- Short-term and long-term disability
- Critical illness, accident, and hospital care
- Flex spending accounts (FSA): health, limited and/or dependent care
- Retirement
- PTO - Vacation, sick, holiday, bereavement
- Wellness programs/discounts
- Employee assistance programs (EAP)
- Telemedicine

#### Non-traditional benefits

- Volunteer paid time
- Flexible work arrangements
- Half-day Fridays
- Concierge services (e.g., dry cleaning, travel planning)
- Surprise holidays
- Family-inclusive benefits (i.e., paid +1 for conference travel)
- Birthday and anniversary celebrations
- Company-sponsored gatherings/food
- Meditation/quiet rooms
- Health insurance electives such as LGBTQ benefits (more than 4 in 10 offer domestic partner coverage), hearing aids, infertility services, or fertility treatments
- Pet insurance
- Vacation bonus
- Retirement support/financial advisor

## Don't forget about voluntary plans

An employer doesn't always have to pay the premium. Cost sharing or 100% voluntary benefit options allow your employees to decide what they want—and give you a way to offer a robust package. Offering this type of plan now, at a time when people want to feel protected and prepared, can be especially meaningful to your employees. Remember, Section 125 Plan Document allows for pre-tax deductions per the IRS. Even if your employees pay for a benefit in full, they will do so tax-free.

## Find the right insurance broker

Thankfully, you don't have to sort through your employee benefit options on your own. Your broker should absolutely lead you through the process. That said, it's important to work with the right broker—one who will act as your partner.

Your broker should go beyond understanding market data and trends; they should also have a firm grasp of your people, business goals, and budget. Only then will they be able to present you with a customized benefits package that adds value to your people and is worth the investment.

What's more, you need a broker who is proactive and creative. Your broker should come to you with options and take charge of open enrollment and employee education. When it comes time for renewal, your broker should give you plenty of options and be involved.

## Educate your employees

Are you seeing low employee participation? It could be the result of lackluster education. If your employees don't know what benefits are available, they aren't likely to use them. And they certainly won't value them. This is why it's so critical to educate your employees about their benefits—i.e., your investment. Ideally, education should take place in the form of a sit-down presentation and be focused on what employees get. It should be professional, exciting, and impactful. Your broker may even have a YouTube or Brainshark presentation they could share.

### *Opportunities for education:*

- Orientation and eligibility
- Open enrollment and renewal
- Year-round

While your agent should take care of the first two education opportunities, your Human Resources designee should manage education throughout the year. To accomplish this, consider setting a calendar of notifications to highlight employee benefits each month. For instance, during Mental Health Awareness Month, you could remind employees about the mental health support available through their EAP.

Employees also need a familiar resource they can go to with questions. If your agent isn't willing to fill this role, designate an internal staff member as your "in-house benefits expert." This individual must know the plans and coverage inside and out. If an employee has a question about their benefits, the answer should never be "I don't know."

Finally, be transparent about how much your benefits cost, so your employees know how much you value them. You can do this by providing employees with a detailed "total compensation package" that lists out their salary as well as the value of their benefits. Share this with each employee when they're hired and at the start of each year.

## Put your people first

Choosing an employee benefits package isn't easy. But offering one that makes your people feel engaged and valued can go a long way toward keeping them on board and attracting new talent. If you know what your people want, partner with a proactive broker, and educate your people, you're bound to create a positive employee experience. And that's what it's all about.

**PowerClaim** **PowerITV**

Claims Estimating and Property Valuation  
for residential, commercial and  
agricultural buildings in the Cloud

Hawkins Research, Inc. | 800.736.1246 | [www.powerclaim.com](http://www.powerclaim.com)  
[sales@powerclaim.com](mailto:sales@powerclaim.com)

## 2022 MAFMIC SCHOLARSHIP CRITERIA

This educational scholarship was established by the Board of Directors of the Minnesota Association of Farm Mutual Insurance Companies, Inc. (MAFMIC) for presentation to one or more Minnesota high school graduating seniors. There will be an additional Jim Barta Memorial Scholarship awarded to *one* graduating senior as well.

### Eligibility guidelines:

- The MAFMIC Scholarship will be presented to Minnesota high school graduating seniors.
- Applicant must be a resident of Minnesota.
- Applicant must be the son or daughter of a parent or legal guardian who is a policyholder from a qualifying mutual insurance company (MAFMIC Member Company).
- Applications must be submitted to the MAFMIC office through a qualified mutual member company. If you apply through an agency please let us know what MAFMIC mutual your agency writes with.
- Applicant must be graduating from a Minnesota high school.
- Applicant must have an accumulative grade point average of 2.5 for high school. **A certified copy of the highschool transcript must be included with the application.**
- Applicant must be beginning their post-secondary education (college, vocational school or community college) for the first time in the fall following high school graduation.
- Applicant must have been accepted to a post-secondary education facility (i.e. accredited college, university or technical school).
- Applicant must submit a typed essay (250 words or less) to the topic listed on the application.
- All applications must be **postmarked on or before March 18th, 2022** in the year of issue qualify.

### Selection guidelines:

Members of the Scholarship Selection Committee will review all applications to insure eligibility as an applicant.

Only one scholarship per year will be awarded through any single qualified mutual company.

Scholarship recipients will be notified prior to **May 1st**.

### Distribution guidelines:

One \$1,000 Jim Barta Memorial scholarship will be awarded to the highest qualified candidate and/or an emphasis in an Accounting Major.

Also, a minimum of one scholarship in the amount of \$500 will be awarded each year that there is a sufficient balance in the scholarship fund.

The scholarship award will be paid jointly to the educational institution and the recipient following the completion of the first semester and prior to the start of the second semester.

- Completed applications should be mailed to:  
Scholarship Selection Committee  
Minnesota Association of Farm Mutual Insurance Co.  
601 Elm Street East - PO Box 880  
St. Joseph, MN 56374  
Email: [info@mafmic.org](mailto:info@mafmic.org)  
Phone (320) 271-0909

# 2022 MAFMIC SCHOLARSHIP APPLICATION

Name \_\_\_\_\_ Telephone \_\_\_\_\_

Please print or type

Street Address: \_\_\_\_\_

City/State/Zip \_\_\_\_\_

Minnesota School Currently Attending \_\_\_\_\_

A certified copy of my high school transcript has been enclosed. YES NO

What post-secondary school do you plan to attend? \_\_\_\_\_

What do you plan to Major/Minor in? \_\_\_\_\_

Have you been accepted for admission to this school? YES NO

If not, please indicate reason: \_\_\_\_\_

Essay: On a separate sheet of paper please address the following topic in 250 typed words or less.

1) What are your best accomplishments and what did it mean to you to achieve them?

Parent's Name \_\_\_\_\_

Parent's Address \_\_\_\_\_

Parent's Insurance Co (Mutual) \_\_\_\_\_ Policy No \_\_\_\_\_

Agent's Name \_\_\_\_\_ Company phone \_\_\_\_\_

**Please read carefully before signing:** "I am applying for the MAFMIC Educational Scholarship and/or The Jim Barta Memorial Scholarship. I have read and understand the application criteria. I hereby certify that all the information provided by me on this application is true and accurate to the best of my knowledge. I understand that MAFMIC officials may verify information provided by me."

*Photo/Name Release. I hereby grant Minnesota Association of Farm Mutual Insurance Companies permission to use my name, photograph, video or, other digital media in any and all of its publications including, web-based publications without payment or other consideration.*

\_\_\_\_\_  
*Applicant Signature*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Parent Signature*

\_\_\_\_\_  
*Date*

Mail to : MAFMIC Scholarship Committee

601 Elm Street East - PO Box 880

St. Joseph, MN 56374

*Application must be postmarked by March 18th, 2022 to qualify.*

Office Use Only Date Received \_\_\_\_\_ Date Reviewed \_\_\_\_\_

Comments:

## Seipp Service Award Nominations

The Robert C. Seipp Service Award is awarded at the MAFMIC Annual Convention. Established in 1986 to honor past MAFMIC President Robert C. Seipp, this award recognizes professionalism and service to the Minnesota mutual insurance industry.

A successful nominee will have provided service and generously given his or her time and expertise to promote a professional image for MAFMIC and the mutual insurance industry; be a current or past employee, director, officer or agent of MAFMIC or a MAFMIC member company; and provided ten (10) or more years of service to MAFMIC and/or a MAFMIC member company.

If you know someone who is deserving of consideration, please submit a Seipp Service Award Application to the MAFMIC office

**No later than Friday, October 29th, 2021**

The nomination should include:

- Nominee's name, organization and contact information
- History of nominee's employment and/or offices held within MAFMIC
- Education (industry and other) and professional designations
- Awards and other recognitions
- Participation in MAFMIC and/or NAMIC
- How has the nominee served and enhanced that mutual insurance industry? Why is the nominee deserving of this award?

Contact information and position of person making nomination.



**Applications are available on the MAFMIC website**

**[www.mafmic.org](http://www.mafmic.org)**



## Nominations for Vice-Chairman & Secretary Treasurer

The MAFMIC Nominating Committee is asking for nominations from the membership for the offices of *vice-chairman and secretary-treasurer* of the association. The nominees will be presented to the membership for their approval at the next annual meeting. The nominating committee is chaired by the immediate past-chairman and includes current MAFMIC board members and past-chairmen. If you wish to suggest someone, or be considered yourself, please notify the nominating committee chairman.

**No later than October 15th, 2021**

Contact: Dan Rupp: [drupp@rammutal.com](mailto:drupp@rammutal.com)

SUN	MON	TUE	WED	THUR	FRI	SAT
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

## Calendar of Events

- Sept 19-22 **MAFMIC Annual Convention** Nashville TN & Virtual
- Sept 29-30 **MAFMIC CCP Visit - CANCELLED** Washington DC
- Nov 17-18 **MAFMIC Short Course** Arrowwood Resort, Alexandria

## 2022 Events

- Feb 6-8 **MAFMIC Annual Convention** Radisson Blu, Bloomington



**MAFMIC  
Hours  
October- April  
Office Open:**

**Mon-Thurs  
8:00am - 4:30pm  
Fridays  
8:00am - 2:00pm**



Director Bev Perreault Accepts Her Manual

THREE NEW MAFMIC DIRECTORS ELECTED  
AT 1979 FALL DISTRICT MEETINGS



Chairman Oachs Congratulates Tom Mrosla

AT THIEF RIVER FALLS -- Mrs. Beverly Perreault (above) was elected a Director to represent Dist. No. 1. Bev serves as Secretary of Gentilly Farmers Mutual at Red Lake Falls and now replaces Edgar Naplin on the MAFMIC Board.

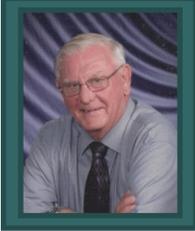
AT ST. CLOUD -- Tom Mrosla (right) is the new Director representing Dist. No. 4. He is Secretary of the Graham Mutual at St. Cloud and replaces Alfred (Porky) Backes who just concluded two 3-year terms as a director of the Association.

AT NORWOOD -- Warren Wendorff (left) was elected a Director representing Dist. 6. Warren has been Secretary of the Acoma & Lynn Mutual at Hutchinson for many years and replaces Sidney Sander, whose 3-year term had expired.



Chairman Oachs Welcomes Warren Wendorff

# IN SYMPATHY



**Richard "Dick" Bergquist, 77**, of Parkers Prairie, passed away Thursday, July 1, 2021 while vacationing in Las Vegas, Nevada. Richard was born on November 2, 1943, to Kenneth and Elizabeth (Korkowski) Bergquist in Parkers Prairie. He lived on the 1871 Bergquist

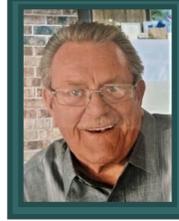
Homestead his entire life.

Dick was united in marriage to Diane Baumann on April 24, 1965, at St. Raphael's Catholic Church in Springfield. Following their marriage they resided on the dairy farm homestead where they raised daughter, Christine and son, Dirk.

After about 25 years of dairy farming, he decided to mainly harvest crops, and later rent out the land.

He ran several businesses and he also served on the Prairie Pine Mutual Insurance Company Board for nearly 50 years.

He was preceded in death by his wife Diane. Dick is survived by his daughter, Christine (Stan) Kegel of Lakeville; son, Dirk Bergquist of Parkers Prairie and three grandchildren; Chantell Bergquist, Levi Bergquist and Callista Bergquist



**Harris Haugen, 84** of Parkers Prairie passed away on July 21 2021. Harris Dwaine Haugen was born May 27, 1937, to Hans and Gladys in their farmhouse in Murray County.

On June 6, 1959, Harris married Phyllis Florene Green. In their first three years of marriage, they welcomed three children, Kevin, Vickie and Debora. Harris enjoyed working several jobs in his early years, **He made a career at RAM Insurance where he worked for many years until he retired in 2001.**

Harris is survived by his loving wife of 63 years, Phyllis; son, Kevin (Kathy) Haugen of Alexandria, daughter, Vickie (Brian) Andree of Waterville, daughter, Deb (Rick) Gappa of Parkers Prairie and several grandchildren and great-grandchildren.



**Arloa Knutson Larson, 89** passed away on Tuesday, July 6, 2021 at Lakeside Generations Healthcare in Dassel, Minnesota. She was 89 years old.

**Arloa is the mother of Steve Knutson, President of RAM Mutual.**

Arloa was born on December 7, 1931 to parents Elmer and Ella (Thompson)

Zahrbock in Otrey Township near Ortonville, MN. She was the oldest of five children.

On June 23, 1956, she married Harold Knutson at Eidskog Lutheran Church. They lived one mile from the Knutson home farm and Harold farmed with his father. In 1963 they moved to the home farm and lived there until Harold's sudden death in July 1998. After Harold's death, she met Les Larson and they were married on August 27, 2005. Les passed away on Christmas Day 2014.

Arloa and Harold had six children. Twins Kent and Kirk died shortly after birth in 1957 which was tragic. However, Kristi, **Steve**, Scott and Mike arrived over the next 9 years and filled them with their greatest joy. Family meant everything to Arloa!!

She is survived by children: Kristi (Randy) Quitney of Litchfield, Steven (Kari) Knutson of Esko, Scott (Jeanne) Knutson of Eden Prairie, and Michael (Jackie) Knutson of Soldotna, Alaska and many grandchildren and great grandchildren.

## Thank you to our Sponsors

