

**TEXAS ASSOCIATION OF HEALTH UNDERWRITERS
FULL BOARD MEETING MINUTES**

October 24, 2008

Sheraton Austin Hotel, Austin, Texas

I. CALL TO ORDER.

President Ron Buffum called the meeting to order at 10:00am.

A. Roll Call.

Executive committee members present: Ron Buffum, President; Carolyn Goodwin, Immediate Past-President; Rusty Rice, President-Elect; Louanne Trebing, First Vice President; Joanna Antongiovanni, Second Vice President; Misty Baker, Treasurer; Kelly Fristoe, Secretary.

Staff Present: Laura Firestone, Executive Director; Lee Manross, Lobbyist.

Committee chairs, local chapter presidents and trustees present: Mark Bellman, Bobby Clark, Cheryl Clark, Nedra Clingan, Tom Cottar, Darrel Delgado, Kelly Dills, Glen Fonner, Mark Hobgood, Mary Lou Hudman, Sandy Johnson, Lonnie Klene, Jack Knight, Mike McLaughlin, Rick Ott, Dave Prewitt, Colleen Pruitt, Nannette Richardson, Liz Rios-Carl, Jeff Sherrod, Tamela Southan, Gary Waldron, Luann Yarberry.

Committee chairs, local chapter presidents and trustees absent: Debbie Boyd, Patsy Hernandez, Danny Ketner, Rosendo Martinez, Linda New, Mike Rivera, Nicole Scott, Audra Sullivan

II. PRESIDENT'S OPENING REMARKS.

Ron Buffum welcomed all board members to the meeting. He shared with the board that membership retention has improved during the last quarter and Houston is 30 members away from becoming the largest chapter in NAHU.

He also discussed the disaster relief fund and encouraged board members to assist our members in the Houston and Galveston areas.

III. APPROVE MINUTES JULY MEETING.

Motion by Colleen Pruitt to accept the July meeting minutes as presented.
Second by Kelly Dills. Motion passes.

IV. REVIEW ACTION ITEM LIST AND TIMELINE.

The action list was reviewed and all open items were completed with the exception of the following: 1) The task force set up to review the legislative P&Ps continues to work on the details and are making progress but help is needed to formulate them. Ron and Carolyn will help Misty and her committee on their wording and structure, 2) the review of all P&Ps is ongoing and the first third will be discussed at this meeting today.

The timeline was reviewed and the following items were noted: : 1) Discussion of the 2010 convention proposals will be discussed later in this meeting, 2) Mailing of GRIP contribution notices to previous contributors has not been done, 3) Information for the 2009 Day at the Capitol and Convention is being worked on and the website will be updated soon.

V. TREASURER REPORT.

Misty Baker reviewed the financial report as of September 30, 2008 with the board. Motion by Misty Baker to approve the financial report. Second by Luann Yarberry. Motion passes.

- A. Rick Ott, Director of Legislative Affairs, reported that the participation on the legislative conference calls has included only 50% of the chapters. He continued to emphasize the importance of the upcoming legislative session and there will be a lot of issues to deal with and it's important that every chapter have a representative on each call. A full report is attached in the minute book.
- B. Gary Waldron, Director of Federal Affairs, summarized his visits with several legislators. He's been watching the races in Texas and will soon be working on federal capitol conference appointment spreadsheet once the elections are over. A full report is attached in the minute book.
- C. Cheryl Clark, Director of Legislative Activities, reported that the Incoming Freshman Reception will be at Carmelo's in Austin on January 22, 2009 and the Day at the Capitol will be at the Sheraton on March 2, 2009. The registration information will be updated on the website soon. She asked for help from board members with sponsorships and help tap into those relationships with various carriers. The registration fee for DATC will be \$100. Laura Firestone will email a history of the DATC sponsors to Cheryl and she will email to the board.
- D. Rosendo Martinez, Director of Fundraising, was absent and there was no report. Misty Baker encouraged all board members to contribute to the PAC. Currently, we do not have 100% participation.
- E. Jeff Sherrod, Director of Legislative Contacts, reported the key contact list has been updated and is on the website. He will be contacting the chapter presidents and legislative chairs to help assign key contacts with legislators. Sandy Johnson will set up a new email group keycontacts@tahu.org which will contain a current list of key contacts. A full report is attached in the minute book.
- F. Shirley Hutzler, Governmental Affairs Consultant, was absent and there was no report.
- G. Lee Manross, Lobbyist, provided a sample of the TAHU kit that will be delivered to legislators with their PAC checks. Lee has been traveling to many of the state chapters to present the Day at the Capitol In A Box and it has been well received. He summarized the activities at the TDI Academy Forum in Dallas in early October and how the focus is on recruiting young

people into the insurance business. There are some colleges that are developing programs to obtain a degree in insurance. Louanne Trebing will also be working on the development of a scholarship program through the Honorees Corporation to help bring people into the insurance industry. A full report is attached in the minute book.

- H. Colleen Pruitt, TAHUPAC Chair, reported on the contributions to legislators to date.
- I. Kelly Fristoe, HUPAC Chair, encouraged board members to contribute and work towards qualification of the triple-crown recognition.

VI. PRESIDENT'S REPORT.

- A. Nannette Richardson reminded the board to let her know of members who have suffered from an event in their lives as well as happy events and she will send cards and/or notes to them. A full report is attached in the minute book.
- B. Chapter Presidents Reports. Full reports are attached in the minute book.
 - 1. Austin, Mark Bellman.
 - 2. Coastal Bend, Nedra Clingan.
 - 3. Dallas, Tamela Southan.
 - 4. East Texas, Mark Hobgood.

VII. PRESIDENT-ELECT'S REPORT.

- A. Audra Sullivan, Convention Chair, was absent but Rusty reported on some of the things planned for convention. The committee is working on having Larry Hagman as the keynote speaker. There may also be an LTC track presented by Mike Smith. For non-members attending, their registration will be waived if they join TAHU. There will be a golf tournament sponsored by the Fort Worth chapter and the proceeds will be split between their charity and the TAHU Honorees Corporation, designated to the Carnall fund.
- B. Dave Prewitt, Hollis Roberson Committee Chair, reported that it will soon be time to nominate individuals for the 2009 Hollis Roberson award and encouraged everyone to send in submissions. The nomination forms will go out in the next couple of months.

VIII. FIRST VICE PRESIDENT'S REPORT.

- A. Liz Rios-Carl, Membership Growth Chair, reported on membership increases in the various chapters and how Houston is only 30 members away from being the largest in the country. The triple-crown drawing winner was Eric Johnson. A full report is attached in the minute book.
- B. Mary Lou Hudman, Membership Retention Chair, reported that we are now at a 82% retention rate. She reminded everyone that the grace period for lapsing members is changing to 60 days effective January 1. A full report is attached in the minute book.
- C. Mike McLaughlin, Chapter Support Chair, reported on how he and his committee have been working with the Panhandle chapter and establishing a mentoring program.

IX. OLD BUSINESS.

- A. Laura Firestone presented a summary of proposals received from Corpus Christi, Houston and Wichita Falls to host the 2010 convention. Board members from each of these areas also made a short presentation on why their area would be the best for the 2010 convention. An initial straw poll was taken and there were 15 votes for Corpus Christi, 10 votes for Houston and 1 vote for Wichita Falls. There was a lot of discussion of the pros and cons for each city. Motion by Kelly Fristoe to take a final vote for each city. Second by Rusty Rice. Motion passes. The final vote revealed 8 votes for Corpus Christi, 17 votes for Houston and 1 abstention. Houston won the vote and the board narrowed the hotels down to the Intercontinental Uptown and the Westin Galleria. Laura Firestone will need to make a site visit to each. Motion by Carolyn Goodwin to empower Laura Firestone to visit the hotels, refine the contract terms for the best deal and make a recommendation between the two. Second by Lonnie Klene. Motion passes.

X. CHAPTER PRESIDENTS REPORTS

- A. El Paso, Patsy Hernandez was absent and Liz Rios-Carl reported.
B. Fort Worth, Kelly Dills. A full report is attached in the minute book.
C. Heart of Texas, Debbie Boyd was absent and there was no report.
D. Houston, Tom Cottar. A full report is attached in the minute book.

XI. NEW BUSINESS.

- A. Jay Moyer with the Sapient Financial Group made a presentation to the board regarding the services their firm can offer. Motion by Lonnie Klene to form a finance committee to set policies and procedures, goals and objectives. Second by Carolyn Goodwin. Motion passes. Rusty Rice offered to develop the finance P&P and present to the board for approval at the January board meeting. Motion by Joanna Antongiovanni to retain Sapient Financial Group as the association's financial advisor. Second by Carolyn Goodwin. Motion passes.
- B. The individuals set to attend Cap Conference, March 30-April 1, 2009, will be the President, President-Elect, EC member over Lege, Director of Legislative Affairs and Director of Federal Legislative Affairs. Laura Firestone will coordinate the processing of the registration paperwork.
- C. The board agreed that there should not be a state dues increase for 2009.
- D. Carolyn Goodwin presented proposed revisions to P&Ps 1 – 7. There was a question on the revision of P&P #1 as it relates to a clarification of an item from Roberts Rules of Order and since it could not be answered immediately, the EC decided this P&P would be tabled until the next board meeting. Proposed revisions to P&P #2 included omitting "TAHU Officer" from the classification title, adding the phrase "...shall be eligible for nomination to serve as an officer" at the end of the second sentence and the phrase "nor is service required to be in concurrent years" at the end of the third sentence. The procedures were amended to state the distribution may be "by way of Association newsletters and/or electronic

mail.” It will also include the sentence “This policy shall be reviewed for language and application on a triennial basis following its last revision.” Motion by Louanne Trebing to accept the revised P&P 2. Second by Mary Lou Hudman. Motion passes. Proposed revisions to P&P #4 included changing the title to “Contracting Authority”, changing the purpose to read “To control contractual liabilities of the association”, adding the phrase “...at the direction of the Board of Directors” at the end of the first sentence under policy, and making minor grammatical corrections. It will also include the sentence “This policy shall be reviewed for language and application on a triennial basis following its last revision.” Motion by Misty Baker to accept the revised P&P 4. Second by Tom Cottar. Motion passes. Proposed revisions to P&P #5 adds “NAHU” to the policy title, makes minor grammatical corrections and adds the following under procedures “Application for reimbursement to TAHU Executive Director, with supporting documentation within 45 days of the close of the event.” It will also include the sentence “This policy shall be reviewed for language and application on a triennial basis following its last revision.” Motion by Rusty Rice to accept the revised P&P 5. Second by Bobby Clark. Motion passes. Amendment proposed to change the time limit for filing to 30 days. Rusty Rice and Bobby Clark accepted the amendment. Motion passes. Proposed revisions to P&P #6 adds “NAHU” to the policy title, makes minor grammatical corrections, adds the phrase “...excluding legislative receptions held after business hours” to the end of #1 under procedure, adds #2 under procedure as “Participation in meetings with Senators and Congressman from the appropriate districts” and adds #3 under procedure as “application for reimbursement to TAHU Executive Director with supporting documentation within 45 days of the close of the event.” It will also include the sentence “This policy shall be reviewed for language and application on a triennial basis following its last revision.” Motion by Misty Baker to accept P&P 6. Second by Luann Yarberry. Amendment to motion to take out word Active in procedure 2. Misty Baker and Luann Yarberry accepted the amendments. Motion passes. Proposed revisions to P&P #7 emphasizes the types of events that may be paid for via credit card and takes out specific fee percentages to allow for frequent changes in fees. It will also include the sentence “This policy shall be reviewed for language and application on a triennial basis following its last revision.” Motion by Mary Lou Hudman to accept P&P 7. Second by Kelly Dills. Amendment by Tom Cottar to add the word “debit” and by Mark Hobgood to delete the statement that the chapter will send a receipt to the cardholder. Amendment accepted by Mary Lou Hudman and Kelly Dills. Motion passes.

- E. Carolyn Goodwin reported that discussion of P&P 27 will be tabled until the next board meeting due to additional review needed.
- F. Ron Buffum reported on the issue of reimbursement to past presidents who serve as Texas delegates. Sandy Longacre was registered as an

alternate delegate to convention and she had to step in as a delegate. Therefore she should be entitled to reimbursement of her expenses in accordance with the budget and P&P. Laura Firestone will email her to submit her expenses for reimbursement.

- G. Ron Buffum distributed the proposed contract renewal with EMG, the public relations firm. The attorney proposed language additions and revisions and the EC is proposing to change the end date to coincide with the association's fiscal year end. Motion by David Prewitt to accept the proposed contract for renewal and submit to EMG for signature. Second by Tom Cottar. The question came up that what happens if EMG is not ok with the recommended changes. Amendment by Rick Ott to give the EC the authority to work through any problems that may arise between EMG and TAHU with regard to the proposed language. Amendment accepted by Dave Prewitt and Tom Cottar. Motion passes.
- H. Laura Firestone reported that the Bank of America CD matured on 10/22/08. The options for renewal include a CD for 7 months with an APY of 3.1% or a 9 month risk-free CD with an APY of 2.5%. Motion by Tom Cottar to renew the CD into the 7 month CD with a 3.1 APY. Second by Gary Waldron. All board members voted yes and one voted no (Misty Baker). Motion passes. Ron Buffum reported on the ratification of the Chase CD into the BofA CD for 9 months at 3.75% risk-free. Motion by Bobby Clark to ratify the EC's decision outside the board meeting. Second by Mike McLaughlin. All board members voted yes and one voted no (Tamela Southan). Motion passes. Motion by Kelly Fristoe to reconsider the decision to re-invest the CD into the 7 month CD. Second by Rusty Rice. All board members voted and 13 voted to not reconsider the motion and 9 voted to reconsider the motion. Motion denied.
- I. Lee Manross presented a proposal to the board which was approved by the Legislative Council that would allow for a margins tax credit to employers offering group health insurance. He's asking TAHU to support the position. Motion by Mike McLaughlin that TAHU support a credit against the margins tax paid by all taxpayers for the cost of group health insurance that is provided by the employer and make this recommendation to the board. Second by Joanna Antongiovanni. Motion passes.
- J. Ron Buffum brought up the issue of the Care Chair position not being a voting position. It was discussed that at the time the position was established, the intention was that it be a position of compassion. Motion by Gary Waldron to make the Care Chair a voting position. Second by Cheryl Clark. Motion passes.

XII. SECOND VICE PRESIDENT'S REPORT.

- A. Luann Yarberry, Awards, developed an awards timeline which will be consolidated with the general timeline. She reminded everyone that documentation of events either needs to be in meeting minutes or the chapter newsletter to qualify for points. She will continue to send out email reminders for award requirements.

- B. Audra Sullivan, Education Chair, was absent but Joanna reported that 7 chapters had submitted education reports and they have presented a lot of CE during the first quarter. Joanna will check with Audra on scheduling the Waco education roadshow and when will be the best time to have it.
- C. Darrel Delgado, Newsletter Chair, had to leave the meeting early but Joanna reported that the deadline to submit articles for the Fall newsletter is today. Chapter presidents should continue to submit their chapter braggin' articles and focus on future events.
- D. Lonnie Klene, ENews Chair, reported there has been improvement in submissions for the ENews and it's been running more smoothly.

XIII. SECRETARY'S REPORT.

- A. Sandy Johnson, SysOp, reported there are 171 subscribers. She will set up the email group for the key contacts.
- B. The Media Chair position is vacant and we are looking for a replacement. During the last quarter, activities included some media events in Lubbock and Wichita Falls. Ron Buffum and Lee Manross were interviewed by Fox News in Lubbock which appeared 1 time and by the NBC affiliate station in Wichita Falls, which appeared 4 times. Carolyn Goodwin prepared an article on Mental Health Parity which ran in the Dallas Business Journal and Dallas Morning News. Peter Stein from NAHU was quoted in the article in the Dallas Morning News. He also reported that Bud Kopczynski and Rand Wall were on the AM 650 radio show in Houston.
- C. Bobby Clark, Marketing Chair, reported the sponsor for last board meeting will be sponsoring the January meeting. He will also try to get another sponsor for the afternoon.

XIV. IMMEDIATE PAST PRESIDENT'S REPORT.

Carolyn Goodwin reported that Mike Rivera is helping her to review the P&Ps. The next batch will be reviewed and discussed at the January board meeting. She is also looking at several options of being able to conduct online officer elections.

Colleen Pruitt presented financial information on the TAHU Honorees Corporation. The marketing focus will be on the Disaster Relief Fund between now and the end of the year. Carolyn distributed contribution forms for board members to contribute towards the Disaster Relief Fund. Both she and Ron proposed that TAHU match dollar for dollar against individual contributions collected today up to a maximum of \$5000 and asked for the board's approval. Motion by Rusty Rice that the board approve the proposal for TAHU to match dollar for dollar against individual contributions collected up to a maximum of \$5000. Second by Joanna Antongiovanni. All board members voted yes and one abstained (Mike McLaughlin). Motion passes. Motion by Kelly Dills to place a deadline for collecting money of 30 days. Second by Lonnie Klene. Motion was withdrawn by Kelly Dills in order to keep fund contributions ongoing.

Colleen Pruitt also reported that Marc Blevens resigned from the Honorees Corporation due to relocation out of Texas. Ben Keel was nominated to replace him. Motion by Tom Cottar to accept the nomination of Ben Keel to replace Marc Blevens on the Honorees board. Second by Nannette Richardson. Motion passes.

XV. CHAPTER PRESIDENTS REPORTS.

- A. Lubbock, Glen Fonner
 - B. Panhandle, Jack Knight
 - C. San Antonio, Nicole Scott, was absent.
 - D. Texoma, Danny Ketner, was absent.
- Full reports are attached in the minute book.

XVI. NAHU REGION VI VICE PRESIDENT'S REPORT.

Colleen Pruitt reported that the NAHU Convention for 2010 has been changed to Chicago. She reported there is now a career center on the NAHU website. The Role of the Agent brochure can only be ordered. She also reported that NAHU is planning to set up virtual meetings with little avatar figures. This may also be an option for regional leadership meetings. The budget has been cut as NAHU is cutting back in many areas.

XVII. NEXT MEETING DATES.

EC/Strategic/Board Meetings – January 22-23, 2009, Sheraton Hotel, Austin
Incoming Freshman Reception – January 22, 2009, Carmelo's, Austin
TAHU Day at the Capitol – March 2, 2009, Sheraton Hotel, Austin
NAHU Capitol Conference – March 30-April 1, 2009, Washington DC
EC/Board Meetings – April 29-30, 2009, Fairmont Hotel, Dallas
TAHU Convention – April 30-May 2, 2009, Fairmont Hotel, Dallas
NAHU Convention – June 28-July 1, 2009, Marriott Marquis, New York

XVIII. ADJOURNMENT.

Meeting was adjourned at 3:15 pm.

ACTIONS TAKEN OUTSIDE THE EC AND BOARD MEETINGS IN OCTOBER.

None.