

**Polish Falcons of America
Executive Committee Meeting
August 29, 2022**

The Executive Committee met at 2:36 p.m.

In the office and on Zoom were:

Timothy Kuzma, National President
Patricia Del Busse, First National Vice President
Ryan Gregg, National Secretary/Treasurer

On Zoom were:

Daniel Michalak, Second National Vice President
Richard Federowicz, Legal Counsel

The meeting began with roll call and Czolem!

Minutes:

Minutes from the July Executive Committee meeting are posted and will stand approved as presented.

Financial Report:

July Financial Highlights

Druh Gregg presented the financial position for July 2022.

Balance Sheet

- As of 7/31/22, PFA's assets amount to \$41.01M and liabilities totaled \$39.57M with approx. surplus of \$1.44M

Summary of Operations

- Net premiums for July 2022 totaled \$327k vs. July 2021 of \$298k; YTD net premiums totaled \$1.6M vs. \$1.36M prior year.
- Net Investment income for July 2022 totaled \$149k vs. July 2021 of \$142k. YTD Investment income totals \$1.05M vs. prior year of \$956k.
- July 2022 IMR release totaled \$18k as it did in the PY; \$124k YTD vs. prior year of \$128k.
- July 2022 expense allowance totaled \$26k for current and PY; \$185k YTD vs. prior year of \$192k.

- July 2022 reserve credit increased \$123k vs. PY January increase of \$125k. YTD reserve credit decreased \$800k vs an increase of \$586k prior year. The significant difference is due to the large increase in gross annuity claims on the reinsured block YTD.
- YTD miscellaneous income totaled \$130k YTD vs. \$160k prior year to date.
- Total revenue for July 2022 totaled \$661k vs. \$616k in 2021. YTD revenue totaled \$2.29M vs. \$3.38M prior year to date.
- July 2022 death claims totaled approx. \$26k vs \$45k in July 2021. YTD death claims totaled \$390k vs. \$395k prior year. Death claims continue to flatten out, hopefully this trend continues throughout the remainder of the year.
- Surrender/Maturities totaled \$10k in July 2022 vs. \$2k in July 2021; YTD \$89k vs. \$52k prior year to date. The YTD uptick is due to the state escheatments of unclaimed matured policies.
- July 2022 net annuity claims totaled approx. \$30k vs \$64k in July 2021. YTD net annuity claims totaled \$727k vs. prior year to date of \$471k. Gross annuity claims totaled \$2.84M as of 7/31/22 with \$2.02M reinsured.
- July 2022 Med Supp claims totaled \$19k CY vs. \$24k in 2021. The recapture of the block occurred in July 2021, as such, we will have comparable data from month to month moving forward.
- July 2022 reserves increased \$417k vs. July 2021 increase of \$256k. YTD reserves have decreased \$7k vs. \$1.4M prior year to date increase. Overall if the change in reserve credit line is looked at cumulatively with this line, total reserves have increased \$793k YTD vs. 888k prior year.
- General insurance expenses for July 2022 totaled \$127k vs. \$97k July 2021. YTD general insurance expenses totaled \$845k vs. \$779k prior year to date displaying PFA's continued cost containment of controllable expenses. \$32k medicare supplement expenses were ceded in prior year, salaries have increased \$26k YTD vs. last year with Jared coming on board and fraternal activities have increased \$15k with camp being held this year.
- July 2022 Commissions totaled \$5k vs. \$19k prior year. YTD commissions totaled \$46k vs. \$56k prior year.
- Other expenses totaled \$19k in July 2022 vs \$34k in 2021; \$93k vs. \$114k PYTD.
- Total expenses for July 2022 amounted to \$653k vs. \$542k in 2021; \$2.34M vs. \$3.38 PYTD, mainly driven by the reduction in reserves.

- July 2022 net income \$8,044 vs. \$73,972 for July 2021; net income of \$62,758 YTD vs. net income of \$162,303 prior year to date.
- July 2022 surplus adjustments totaled approx. \$6k vs. July 2021 adjustments of \$(7k); YTD surplus adjustments totaled (\$50k) vs. PYTD of (\$122k).
- July 2022 total change in surplus totaled a gain of \$14,215 vs. July 2021 gain to surplus of \$66,971; YTD change in surplus amounted to a gain of \$12,637 vs. prior year to date gain to surplus of \$40,041.
- Surplus as of July 2022 stands at \$1,438,285.

Special Convention Update:

The Convention Secretary-Kristen Johns had submitted the minutes to us already. Druhna did an excellent job! The Executive Committee has already reviewed the minutes. The minutes were sent to the Board Members. President Tim asked that they submit their revisions by September 2.

President Tim is hoping to have the amendments sent to the PA Insurance Department by September 9.

Sales/Marketing Update:

We are now awaiting approval by the Interstate Compact on the revisions to our applications. Jared (Gostanczik) is ready to go once that is approved. He is planning to reach out to a few agencies.

National Golf Tournament:

Druhna Trish reported that there were 112 golfers participating in the event hosted by Nest 80, South Bend, IN. Three golfers had to withdraw due to Covid concerns and one's Mom passed away.

This event was wonderful! The weather was perfect, the folks at the golf course very easy to work with, the food at the club great! Simply a fabulous event! The woman (Tammy) in charge of food at the courses told us that they never sold so much food or beverages as they had the day the PFA was there.

Since there was no cart person, Sandy Czerniewski (Nest 45) and Dan Dolata (Nest 8) rode around the course and took care of our golfers. Both are golfers generally but due to personal surgeries were unable to golf but still came to support the tournament.

District VI Director Mark Albin and John Nicpon made scoring considerably easier this year. Druh Mark also took photos of each foursome.

Future Tournaments are planned:

- 2023 hosted by Nest 493, Batavia, NY
- 2024, the host will be Nest 336, Jackson (their tournament Chair Dennis Zaski was very pleased to see that I take care of all the golf logistics)
- 2025 either by Nest 146, New Castle or Nest 610, Erie, PA
- 2026 tournament will return to the "west" with Nest 564, LaPorte, IN as the host

A New Fraternal Award Program

The Nest/District COVID-19 Perseverance Award.

Druh Dan made a motion to have three categories with each winner receiving a cash prize of \$500.00. Druhna Trish seconded the motion.

- Nests with buildings
- Nests without a building
- Districts

Legion of Honor:

Druhna Trish reached out to all Commandery Members. There will be a Zoom meeting to elect a new Grand Master this Wednesday evening. The individual elected will hold the position of Grand Master until 2024, at which a new election will be held at the 2024 Convention.

Ukraine Donations Acknowledgements:

Druhna Trish spent the day sending out emails and letters thanking all who had donated to the Ukraine cause.

The Polish Falcons matched \$10,000.00 of the \$17,590.00 donated by Falcon Members. A check in the amount of \$27,390.00 was sent to the Polish American Congress who then forwarded the funds to the Council on Aid to Ukrainians & the Polish Red Cross.

Rob Kolesar and Rochelle Bolind helped with this project.

Future Leaders:

Druhna Chris is in the process of scheduling three regional Future Leaders meetings this fall. The meetings will be held in Erie, PA, Middletown, CT and LaPorte, IN.

The annual meeting held each spring is still planned.

LOMA Course:

President Kuzma has information including a course catalog which is quite extensive. He still has to research a group class. The PRCUA requires their Directors to take four courses.

Poland Trip Update:

There are 11 people paid and prepared to visit Poland. The group leaves the United States in two weeks.

Good of the Order:

Druh Dan gave an update on the New England Fraternal Alliance. Due to a death and Covid, the meeting will be postponed until November 4 & 5 and will be held at Nest 307, Southington, CT once again.

Druhna Trish will send in the forms for the PA Fraternal Alliance for she and Tim to attend in October in Hershey, PA.

Druhna is also in the process of writing up a nomination for Nest 610, President Bob Sulecki.

There are no PFA Members applying for the scholarship program.

With no other business, the meeting was adjourned at 3:15 p.m.

Czolem,

Druhna Patricia "Trish" Del Busse