

NATIONAL COUNCIL OF INSURANCE LEGISLATORS
BUDGET COMMITTEE
NEW ORLEANS, LOUISIANA
NOVEMBER 18, 2022
DRAFT MINUTES

The National Council of Insurance Legislators (NCOIL) Budget Committee met at The Sheraton New Orleans Hotel on Friday, November 18, 2022 at 4:30 p.m.

Senator Jerry Klein of North Dakota, NCOIL Chairman At Large, presided.

Other members of the Committee present were:

Rep. Deborah Ferguson, DDS (AR)
Asm. Ken Cooley (CA)

Rep. Matt Lehman (IN)
Asm. Kevin Cahill (NY)

Other legislators present were:

Sen. Paul Utke (MN)

Also in attendance were:

Will Melofchik, NCOIL General Counsel

MINUTES

Upon a Motion made by Rep. Matt Lehman (IN), NCOIL Immediate Past President, and seconded by Asm. Ken Cooley (CA), NCOIL President, the Committee voted without objection by way of a voice vote to adopt the minutes of the Committee's July 13, 2022 meeting.

CONSIDERATION OF 2023 BUDGET

Sen. Jerry Klein (ND), NCOIL Chairman at Large, thanked everyone for joining and noted that we're here today to consider the adoption of NCOIL's 2023 budget. For those who were at the Committee's last meeting in July, you'll recall that we discussed the proposed budget in detail and all questions and/or comments were resolved. A copy of the proposed budget is before you. Also, there is a separate handout before you which shows the "2022 Actual" financial numbers as of October 31. Those numbers are updated from the June 30 numbers which were the last numbers shown to the Committee at its July meeting. As you can see, NCOIL is having a good year. Some minor changes have been made to the proposed budget since we last met in July. I'll turn things over to Will Melofchik, NCOIL General Counsel, who can explain.

Mr. Melofchik stated that the change made since July relates to reclassifying certain Corporate & Institutional Partner (CIP) revenue. As stated in note 2 of the proposed budget before you, after consultation with the auditor, it was agreed that we should reflect revenue to where it is really attributable. Specifically, while the CIP revenue all comes in as dues, a portion of it covers the registration costs for CIP member attendance at NCOIL National Meetings. Accordingly, we are now breaking out that portion and moving that revenue portion out of dues and into National Meeting. The end result is that in the proposed budget before you, CIP revenue is reduced by \$115,000 and National Meeting revenue is increased by \$115,000 in the aggregate. Mr. Melofchik asked if there were any questions on that or anything else.

Asm. Cahill asked for clarification between note 1 in the proposed budget, which states that as of today, 28 states have paid 2022 NCOIL dues, and the current financial numbers which show NCOIL dues revenue at \$520,000. Asm. Cahill stated that if NCOIL state dues payments are \$20,000, the current revenue number should be \$560,000. Mr. Melofchik stated that discrepancy is due to the fact that some states, including NY, split the NCOIL dues payment between Chambers and if one of those states has only paid through one Chamber, that state is still included in the count of states that have paid NCOIL dues. NCOIL is still awaiting some of those state dues payments. Additionally, there are a small amount of states where only one Chamber pays dues at a reduced amount of \$10,000. Asm. Cahill asked if NY had submitted its full NCOIL dues payment. Mr. Melofchik replied yes.

Mr. Melofchik asked if there were any other questions or comments on anything. Hearing none, upon a Motion made by Rep. Lehman and seconded by Asm. Cahill, the Committee voted without objection by way of a voice vote to adopt the 2023 proposed budget.

ADJOURNMENT

Hearing no further business, upon a motion made by Rep. Lehman and seconded by Asm. Cahill, the Committee adjourned at 4:45 p.m.