



THE NATIONAL GUARD ASSOCIATION OF ARKANSAS

P.O. BOX 663

NORTH LITTLE ROCK, ARKANSAS 72115

MEMORANDUM FOR RECORD

Officers Present: COL Damon Cluck (Exec Dir), MAJ Sharetta Glover (President), Lt Col Ryan Workman (1st Vice President), MAJ Trey Marable (2nd Vice President) Maj Seana Eason (Past President)

Others Present: Barbara Scott (Office manager/Secretary)

SUBJECT: Minutes from the May 5, 2020 NGAA Executive Committee meeting

1. The National Guard Association of Arkansas (NGAA) Board of Directors Executive Committee convened a meeting 5 May 2020.
 - a. All committee members were in attendance
2. COL Cluck discussed with the committee the state of the Association operating and reserve accounts
 - a. The Escrow Account, which is to serve as a cashflow account for premiums received from policyholders and then paid to the insurance underwriter and to the Association currently has a residual amount of approximately \$50,000 from previous insurance programs.
 - b. COL Cluck requested that the Association transfer the residual amount into the Association reserve accounts. Divided between the Set Aside account and the Strategic Fund.
 - c. COL Cluck officially requested that \$30,000 of the excess in Escrow go to the Strategic Fund.
 - i. The Strategic Fund is the account used to pay Insurance Claims within 24 hours/one business day of receipt. The Association fronts the money and is reimbursed by the underwriter when a death certificate is received.
 - ii. Currently the Strategic Fund has a balance of approximately \$95,000, which is not enough to pay two simultaneous claims of \$50,000 should that need ever arise. This transfer would increase the Strategic Fund to \$125,000.
 - d. COL Cluck's request is that the remaining \$20,000 from the residuals in the Escrow account be transferred into the Set Aside account which is the Association's primary reserve account.
 - i. Currently this account holds Corporate Membership money that is not immediately needed for operations as well as the Experience Refund from the Insurance Underwriter. Any shortfalls in income are absorbed by this account. It has a balance of \$64,782.27.
 - e. The committee had no further questions or discussion
 - f. MAJ Glover called a vote and the request was approved unanimously to transfer those residual funds.

3. COL Cluck recommends bringing the already requested funds from the NGAA Endowment maintained by the Arkansas National Guard Foundation into the budgeted income for FY 2020
4. COL Cluck requests \$6,500.00 to be transferred from the Set Aside account into the operating account to still make payroll and pay operating costs for May
 - a. The Association has less income this month due to the Arkansas National Guard not Drilling in April due to Covid-19 and allotments were not paid.
 - b. The allotments will catch up when Drill resumes and the plan is to return the money to the Set Aside account when the income is made up.
 - c. There is potential for a similar shortfall in the month of June due to reduced Drills and allotment collection in May.
 - d. There was no discussion or questions.
 - e. MAJ Glover called for a vote and the request was approved unanimously.
5. COL Cluck suggested that MAJ Glover consider appointing an Insurance Committee to begin reviewing the relationship the Association has with its current insurance underwriter, Lifeshield and potentially explore the idea of changing to a new insurance underwriter.
 - a. The Association has been approached by AFBA 5-Star as a potential replacement at this time
6. There were no other requests made or business discussed at this time.
7. MAJ Glover adjourned the committee meeting.