The April 8, 2014 General Meeting for the Central Missouri CPCU Society Chapter was called to order at 7:55 a.m. with Chapter President Jon Erickson presiding.

President Erickson mentioned the recent Board and Committee member meeting and thanked these members for their enthusiasm in helping the chapter reach our initiatives.

New member Scott Mackey, with Columbia Insurance Group (formerly of the Hawaii Chapter), was introduced.

**Company Spotlight** – Monica Pfeiffer introduced Matt Greer, Public Affairs Director, State Farm Insurance Companies. Mr. Greer shared information about State Farm, its products and market share. State Farm leads the US in Property & Casualty insurance and is the leading insurer of watercraft. State Farm ranks number 43 in Fortune 500 largest companies. There are 65,000 employees, 18,000 agents and about 50,000 agent team members or about 200,000 associates across the enterprise. State Farm continues to be a proud member of Columbia community and recently introduced some interesting changes for the company. There are currently 1,000 employees in Columbia which is the same as 7 years ago but job roles have changed. State Farm opened 3 major hubs in Atlanta, Dallas and Phoenix with 8,000 employees eventually working at each location. These hubs will provide support to State Farm’s efforts across the country and helps the company ensure business continuity. Matt shared information about the lease-back of the Columbia Operations Center and the roles that would be filled in this location. State Farm plans to continue their robust presence in Columbia. Company headquarters will remain in Bloomington with 15,000 employees at that location. State Farm is selling their Canadian Operations to the Desjardin Group which will move this group to the number two insurer in Canada. This transition will occur over 4 years. Matt also shared that he personally has a long history of family with State Farm. He ended stating the core of the State Farm business is to provide customers financial stability for the future and continue providing remarkable service.

**Program**

Karen Wilms introduced Elisabeth Sobczak for her presentation: *Rising Costs of Collision Repairs*. Elisabeth started her career working with cars in body shops and dealerships. This led to becoming an adjuster in New York City where she later opened her own business. In 2005 she volunteered for Katrina relief efforts and appeared on Oprah as a hero. She’s currently the Shelter Insurance physical damage specialist. Elisabeth has many certifications, education designations and is involved in numerous community organizations.

Elisabeth spoke about the mechanical and collision aspects of the rising costs of auto repairs. Average vehicle operation expenses have risen over the years from a low of 9 cents to a current rate of 60.8 cents per mile driven. Average expenses range from 46.5 cents for a small sedan per mile to 77.5 cents for a large SUV. She shared that depreciation occurs at 65% in first 5 years on average with most occurring in the first year. The current trend is that used vehicle sales up and recycling of salvage is up. The Auto industry is driving technological advancements which require more knowledge and education to complete repairs. The current average age of a passenger car is 11.4 years and 11.3 years for light duty truck which also lead to higher repair costs. The check engine light has become more of an issue on older vehicles as replacement parts are increasing for even simple parts. Parts relating to fuel efficiency are key. Environmental issues also drive up costs of repairs and equipment to use these new items. Raw material costs have also increased. A major concern is there are fewer workers with the skill set needed to repair technologically advanced vehicles. We have “part swappers” versus diagnosticians. Bio-fuels becoming more prevalent and will increase. Elisabeth explained the difference between winter and summer blends of gasoline and the reason a summer blend is more expensive. Third world countries are buying up our salvage which drives up our repair costs as parts are not available in the US market. Regulatory mandates also play a role. A video of collision impacts between a 1959 Bel Air and a 2009 Malibu was shown. Future technological advances such as cameras and projectors to remove the poor visibility from rain will also drive up costs. She encouraged everyone to maintain your vehicles to avoid costly repairs. Elisabeth entertained questions from attendees.

An honorarium will be presented to the Central Missouri Food Bank in memory of Chuck Wilms in Elisabeth’s name.

**Committee Reports**

I-Day Committee – Lori Meyer announced that the event will take place on Tuesday, August 26 at the University Hampton Inn and Suites.

Website Committee – Kirk Arnold distributed scavenger hunt questions so that members can discover the various contents of our website. Answers should be submitted through the “contact us” area of the website. Our Chapter is 10th in the country regarding activity on our website. Kirk challenged us to submit our answers and thus increase our activity ranking. Responses are due Wednesday, May 7 and winners will be randomly drawn and announced at our May meeting. President Erickson thanked the committee for their efforts.

President Erickson also thanked Matt Greer for his participation.

The attendance prize was awarded to Lynette Shrivner.

The meeting adjourned at 08:53 a.m.