

**Districts Mutual Insurance - Board of Directors' Meeting  
Wisconsin Technical College Foundation Office - Waunakee, Wisconsin**

**January 22, 2009 – 2 p.m.**

Present: Stan Hollmann, Doug Olson, Jim Blumreich, Barb Kieffer, Steven Stoeger-Moore

Guests: Doug Ballweg, Erin Dawson – Strohm Ballweg; Jeff Carew – PMA (2:30 – 3:30 p.m.)

Recording Secretary: Geri Justinger (DMI Administrative Consultant)

**1. Call to Order**

Doug Olson, DMI President, called the meeting to order at 2:00 p.m.

**2. Statement of Public Notice**

*In accordance with the provisions set forth in the Wisconsin Open Meetings Law (Wisconsin State Statutes 19.83 and 19.84); notification of, as well as the agendas for, this meeting - have been sent to the sixteen (16) Wisconsin Technical College Districts; it is therefore considered properly noticed.*

**3. Approval of Minutes from:**

October 9, 2008 – BOD Meeting.

**Mr. Blumreich moved, and Mr. Hollmann seconded, to approve the minutes with the removal of Erin Dawson from attendees; motion carried unanimously.**

November 25, 2008 – BOD Teleconference Meeting.

**Mr. Blumreich moved, and Mr. Hollmann seconded, to approve the minutes; motion carried unanimously.**

**4. Financial Report – Doug Ballweg, Strohm Ballweg, LLP**

Ms. Dawson reviewed check registers with the group. There were several specific check disbursements that were discussed. The return of capital was disbursed this quarter. There was discussion regarding the audit for MATC-Milwaukee workers compensation.

Ms. Dawson reviewed the financial information with the group. She stated that there hasn't been anything unexpected. Mr. Ballweg spoke about reserves and how Steve Streff is feeling more comfortable relying upon DMI's actual case history.

**Mr. Blumreich moved, and Mr. Hollmann seconded to approve the financial report from Strohm Ballweg. The motion carried unanimously.**

**5. Investment Report – Jeff Carew, PMA**

Mr. Carew reviewed the reports with the group. Mr. Carew discussed the Quarterly Performance Report with the group. He further reviewed the Transaction Summary with the group. There was some discussion regarding the relevancy of tracking with the Lehman 1-3 – Mr. Carew stated that he would like to add the LGIP to the comparison. Mr. Carew will research other options for reference options.

There was some discussion regarding the future investments as there is a significant amount of “parked” capital needing direction for investment at this time. There was discussion about investing within the Technical College System. Mr. Carew will research the options for making this happen. Mr. Carew asked specifically about rating standards for making investments. Mr. Olson stated that if the investments are within the System he feels that the ratings are not as critical – he feels that this is part of the mission of DMI to help each of the Districts. Mr. Carew expressed concern that A1 bond vs AAA bond would likely be more difficult to sell in the marketplace. It was suggested to bring up this topic with the ASC. There was also discussion about investing with TRAN investments. Mr. Carew will be researching placement options for the “parked” funds. Mr. Carew invited the group to attend their new facility in Naperville, IL for the April meeting – Mr. Stoeger-Moore will be in touch with Mr. Carew to make possible arrangements.

**Mr. Blumreich moved, and Mr. Hollmann seconded to approve the Investment Report from PMA. The motion carried unanimously.**

#### **6. WCRB Rate Change for TRIPRA**

Mr. Stoeger-Moore spoke with the group regarding the revised TRIPRA. The recommendation from Mr. Stoeger-Moore is to leave the rate at \$0.03 but to specify that \$0.02 is for the TRIPRA component and that \$0.01 is for the catastrophic damage component.

**Ms. Kieffer moved, Mr. Hollmann seconded to make the proposed revision to the rate for 7/1/09. The motion carried unanimously.**

#### **7. Consortia Opinion letter from Michael Best & Friedrich**

Mr. Stoeger-Moore reviewed the opinion letter from Michael Best & Friedrich regarding insuring the consortia. It is the opinion that the consortia are not legal entities and not municipalities and therefore “uninsurable” by DMI. Generally, these entities are made up of members of the Wisconsin Technical Colleges and will be afforded covered vis-à-vis that association. Mr. Stoeger-Moore will request further opinion from MBF as to the ability of DMI to name Additional Named Insured.

**Mr. Hollmann moved, and Mr. Blumreich seconded to accept this opinion letter move forward procuring additional opinion on the ability of DMI to name Additional Named Insured – the motion carried unanimously.**

#### **8. Rate for High Value Vehicles**

Mr. Stoeger-Moore spoke with the group about the high value vehicles ratings. The list was “scrubbed” down to 16 remaining vehicles. The valuations will be returned later this week. The group decided that the going forward from 2009/2010 the premium rate for the first \$50,000 will be a flat rate to be determined annually, for vehicles valued in excess of \$50,000 an additional \$20 per \$1000/of vehicle value will be assessed.

**Mr. Blumreich moved, and Ms. Kieffer seconded the rate for High Value Vehicles. The motion carried.**

#### **9. Executive Vice President Performance Evaluation Process Review\***

Ms. Kieffer made a motion to move into closed session, Mr. Hollmann seconded Roll Call Vote: Mr. Olson - AYE, Mr. Hollmann - AYE, Mr. Blumreich - AYE, Ms. Kieffer – AYE

The group remained in closed session for item #10

**10. Risk and Loss Control Position Hiring Recommendations\***

Ms. Kieffer made a motion to move from closed session into open session, Mr.

Hollmann seconded

Roll Call Vote: Mr. Olson - AYE, Mr. Hollmann - AYE, Mr. Blumreich - AYE, Ms.

Kieffer - AYE

Ms. Kieffer made a motion to offer the position of the Risk and Loss Control position to the lead candidate subject to successful negotiations by Ms. Smith and Mr. Stoeger-Moore, seconded by Mr. Hollmann. Motion carried unanimously.

**11. Additional Named Insureds**

This was previously discussed.

**12. Claims Reports**

He stated this is very similar to what the group has seen in the past – he did not review them due to time restraints.

**13. Board Position (Stan Hollmann)**

Mr. Hollmann will be retiring at the end of the fiscal year (September 2009). Mr. Olson will speak with Mr. Clark about the ratification of the DMI by-laws to change the make-up of the Board. DMI will make the announcement of the opening(s) at the Risk Manager meeting tomorrow.

**14. Executive Vice President Report**

***Office Transition***

Mr. Stoeger-Moore stated that he feels things are still proceeding smoothly.

***District Visits***

Mr. Stoeger-Moore visited the state several times since the last Board meeting. He attended WCTC for the Safety Security Summit, LTC, MATC-Madison, WCTC, MATC-Milwaukee, Western, CVTC, WITC, NTC, and NWTC.

**15. Adjourn**

**Mr. Blumreich moved, and Mr. Hollmann seconded to adjourn; motion carried unanimously.**

Mr. Olson adjourned the meeting at 5:13 p.m.

Approved by the DMI Board of Directors on April 23<sup>rd</sup>, 2009.

Respectfully Submitted,

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Barb Kieffer  
DMI Board Secretary