

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

**July 19, 2007 – 8:30 a.m.**

Present: Stan Hollmann, Doug Olson, Jim Blumreich, Barb Kieffer, Steven Stoeger-Moore; Mike Lanser (via teleconference; signed off 11:08 a.m.)

Guests: Doug Ballweg, Nan Strennan; Strohm Ballweg, Jeff Carew; PMA (via teleconference 11:22 a.m.)

Recording Secretary: Geri Justinger (DMI Administrative Consultant)

**1. Call to Order**

Jim Blumreich, DMI President, called the meeting to order at 1:00 p.m.

**2. Statement of Public Notice**

The Board noted that it was in compliance with Wisconsin State Statutes 19.83 and 19.84. Notices of the meeting were posted at the respective colleges.

**3. New Board Member Introduction**

Mr. Blumreich introduced Barb Kieffer as the new Board member – serving a two-year term and stated that Mr. Hollmann was re-elected to a three-year term.

**4. Annual Election of Officers of the Board**

**Mr. Olson nominated Mr. Blumreich for the President – Mr. Lanser moved and Mr. Hollmann seconded the motion to close nominations – nominations closed. The election of Mr. Blumreich was unanimous.**

**Mr. Olson nominated Ms. Kieffer for Secretary – Mr. Olson moved, Mr. Lanser seconded the motion to close the nominations – nominations closed. The election of Ms. Kieffer was unanimous.**

**Mr. Blumreich nominated Stan Hollmann for Treasurer, Mr. Olson motioned, Ms. Kieffer seconded the motion to close the nominations – nominations closed. The election of Mr. Hollmann was unanimous.**

**5. Approval of Minutes from:**

April 26, 2007 – Board of Directors' Meeting. Mr. Ballweg asked that the word "municipal" be deleted from #5.

**Mr. Lanser moved, and Mr. Olson seconded, to approve the minutes as amended; motion carried unanimously.**

April 27, 2007 – Board of Directors' Meeting.

**Ms. Kieffer moved, and Mr. Olson seconded, to approve the minutes; motion carried unanimously.**

June 13, 2007 – Teleconference Board of Directors' Meeting.

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

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

Mr. Ballweg reviewed the quarterly check register(s) and other financials. He stated that general expenses were very consistent with similar quarters. Mr. Stoeger-Moore stated that he has additional detail on any check over \$3,000 issued from United Heartland. There were no questions from the Board regarding clarification of check payments. Mr. Ballweg stated that there were not any significant payments for either United Heartland or Midwest Claims.

Mr. Ballweg then reviewed the Quarterly Report and Executive Summary with the group. Ms. Strennan reviewed the premium receivables with the group. She stated that two of the Districts opted for the three-year payoff of capital – the others that owed capital opted to pay the entire amount. As of 7/18/07 – 15 of the 16 Districts had paid in full.

Mr. Ballweg then reviewed the budget for FY08.

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

The Board would like the minutes to reflect an appreciation of the excellent work that Ms. Strennan did for the 7/1/07 renewal.

Mr. Stoeger-Moore reviewed the claims data from United Heartland and Midwest Claims – per the request for this information at the last Board meeting. Beginning this August DMI has arranged for a review (via personnel from Gallagher) of all Workers' Compensation claims from United Heartland that reach \$10,000 or more in total expense.

**Ms. Kieffer moved, and Mr. Hollmann seconded to approve the claims data. The motion carried unanimously.**

\*Per the direction of Mr. Blumreich #7 will be tabled until 11:00 a.m. when Mr. Carew is scheduled to call in.

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

Mr. Carew reviewed the reports with the group. Mr. Carew suggested moving some additional dollars from the operating expenses into the capital account.

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

**8. DMI Code of Ethics / Conflict of Interest**

The forms were distributed to the group. Signed copies will be scanned and sent to the Board members for their records. Copies will be held at the DMI office.

**9. Executive VP Report****a. Amendment to the Articles of Incorporation**

Mr. Stoeger-Moore stated that the registered agent for DMI is currently listed as Robert Mulcahy (Michael Best Friedrich) – a few months back MBF made a corporate decision that they would not serve as registered agents for clients. Per the recommendation of Mr. Mulcahy – the revision lists Mr. Stoeger-Moore as the registered agent and the DMI corporate office as the address of the registered agent.

**Mr. Hollmann moved, and Ms. Kieffer seconded, to approve the amendment to the Article of Incorporation; motion carried.**

**b. Revised Premium Summary**

Mr. Stoeger-Moore reviewed the revised summary with the group. He explained some of the unique nuances to the aircraft coverage.

**c. OCI Letter**

Mr. Stoeger-Moore explained that with the assistance of Mr. Ballweg a letter was sent to OCI regarding the potential of returning capital to those Districts who “overpaid”. Peter Medley stated that he felt that was appropriate. Mr. Ballweg stated that he will provide a schedule of the proposed three-year re-payment for the next Board meeting.

**d. Workers’ Compensation and Disability Conference**

Mr. Stoeger-Moore stated that there is a very good conference held in Chicago on November 5-8, 2007. He stated that he felt this is a very worthwhile conference to attend. It was stated that Mr. Stoeger-Moore should plan to attend this conference.

**e. URMIA National Conference**

The National Conference will be held September 15-19, 2007 in Denver, Colorado. Mr. Stoeger-Moore stated that this is a conference that is specifically focused to the College environment and is very beneficial – and educational. The goal is to send one Board Member from the group at year. Ms. Kieffer stated that she is interested in attending this year. The Board approved travel expenses for Board member Kieffer and staff member Stoeger-Moore.

2007 location is Washington, DC – September, 10-14<sup>th</sup>. 2008 location is Nashville, TN – September 12-16<sup>th</sup>.

**f. Annual Audit Quotation**

Mr. Ballweg reviewed the quotation from Clifton Gunderson. This quote would not include a trip to Midwest Claims for a physical audit – it was stated that an audit could be done “electronically”. Mr. Ballweg stated that Clifton Gunderson has good background in the insurance industry. Mr. Stoeger-Moore will correspond to Virchow Krause – Mr. Ballweg stated that they will need to file letters from both VK and CG with the insurance department.

**Mr. Olson moved, and Mr. Hollmann seconded, to contract with Clifton Gunderson for three years as the annual auditor; motion carried unanimously.**

**g. Health Benefits Update**

The COBRA benefits that currently cover Mr. Stoeger-Moore expire at the end of this calendar year. Mr. Stoeger-Moore has been researching options. Mr. Blumreich asked Ms. Kieffer to assist Mr. Stoeger-Moore in finding alternatives.

**10. WCTC Request for Additional Named Insured Status**

Mr. Stoeger-Moore stated that there is a roster of Additional Named Insureds and no new parties can be added without approval of the Board. WCTC is establishing a trust to cover post-retirement benefits (OPEB) – the current College Board will be the Board for OPEB and Cary Tessmann will be the fiscal agent. It was not felt that this would affect the reinsurance rates.

**Mr. Olson moved, and Mr. Hollmann seconded, to approve adding the WCTC OPEB Trust as an additional named insured status; motion carried unanimously.**

#### **11. October 11, 2007 Strategic Planning Meeting Discussion**

Topics for the agenda should include:

- 1) Investment Strategy (resource person TBD)
- 2) Trends, hot topics, higher education risk management services (John McLaughlin – Higher Education Practice Group from Arthur J. Gallagher).
- 3) Dividends - Repayment of Capital – Increasing Limits of Certificates of Insurance (Steve Streff and Doug Ballweg – resource)
- 4) Liability coverage limits (resource TBD)

Start time for Strategic Planning will be 9:00 a.m. – BOD meeting 1:00 p.m. at the WTCS Foundation Office.

#### **12. Staffing – Loss Prevention Assistant**

The WTCS Trust made an offer to fund some services to DMI Members – the cyber risk evaluation and additional risk control services. Mr. Stoeger-Moore is in the process of researching someone to produce Best Practices and supply additional loss control services for DMI Members. It was suggested that this topic be continued in October to allow for additional research to be completed by Mr. Stoeger-Moore.

#### **13. Adjourn**

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

Mr. Blumreich adjourned the meeting at 11:50 a.m.

Approved by the DMI Board of Directors on October 11, 2007.

Respectfully Submitted,

---

Barb Kieffer  
DMI Board Secretary