

**Districts Mutual Insurance - Board of Directors' Meeting
Madison College – West Campus - Madison, Wisconsin**

July 20, 2011 – 9:00 am

Present: Jim Blumreich, Jim Rehagen, Mark Zlevor, Tom Eckert, Steven Stoeger-Moore

Via teleconference: Barb Kieffer

Guests: Russ Denk, Erin Dawson – Strohm Ballweg; Don Miller, Bill Fain – Madison
Scottsdale (10:00 am – 10:30 am); Dan Jacobson

Recording Secretary: Geri Justinger (DMI Administrative Consultant)

1. Call to Order

Barb Kieffer, DMI President, called the meeting to order at 9:00 am.

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. Public comments were asked for – *Mr. Stoeger-Moore thanked the group for their support and patience during this difficult time.*

4. Introduction of New Board Members

Mr. Stoeger-Moore introduced Tom Eckert who will be replacing Dr. Hytrek as the presidential representative.

5. Election of Officers

Barb Kieffer asked for nominations for the Secretary position:

Jim Blumreich nominated Jim Rehagen – seconded by Mark Zlevor. Motion Carried.

Barb Kieffer asked for nominations for the Treasurer position:

Jim Blumreich nominated Mark Zlevor – seconded by Tom Eckert. Motion Carried

Barb Kieffer asked for nominations for the President position:

Jim Blumreich nominated Barb Kieffer – seconded by Jim Rehagen. Motion Carried

6. Approval of Minutes from:

April 14, 2011 BOD Meeting – corrections needed to # 7 and #17.

April 15, 2011 BOD Meeting – correct as is.

May 11, 2011 BOD Meeting Teleconference – correct as is.

May 31, 2011 BOD Meeting Teleconference – correct as is.

Mr. Blumreich moved and Mr. Rehagen seconded, to approve the minutes as corrected; motion carried.

7. Financial Report – Strohm Ballweg, LLP

Erin Dawson reviewed check registers with the group. She stated that there is really nothing unexpected. A few of the larger payments were discussed in more detail.

She reviewed the other expenses with the group. Ms. Dawson reviewed the financials with the group. She stated that Mr. Streff has reevaluated the reserve levels (specifically workers' compensation) and has a high comfort level with the current amount. Ms. Dawson presented the proposed budget to the group.

Mr. Blumreich moved, and Mr. Zlevor seconded to approve the financial report and proposed budget. The motion carried.

8. Investment Report – Don Miller, Bill Fain – Madison Scottsdale

Don Miller stated that Madison Scottsdale likes to work in a team approach, he introduced Bill Fain. Mr. Miller spoke with the group regarding the current political, market, and economic conditions. He reviewed the performance for the quarter and some of the trends with the group. The intention is to enter the stock market to further diversify the portfolio. Contact with the Board and Madison Scottsdale was discussed – it was decided to have “in-person” contact at the October and April meetings and telephone contact in January and July.

Mr. Blumreich moved, and Mark Zlevor seconded to approve the Investment Report from Madison Scottsdale. The motion carried.

9. Code of Ethics / Conflict of Interest

Mr. Stoeger-Moore explained to the Board that there is a requirement for annual acceptance of these policies by DMI employees and Board Members. Signature sheets for both of these policies were distributed to the members of the Board. Ms. Justinger will scan the signed documents and e-mail to them to individuals.

10. Armed Officers on Staff (WI Concealed Carry Law)

Mr. Stoeger-Moore spoke with the group re: the liability ramifications of the new legislation. There was some discussion about the situation at NTC re: adding armed security officers. At this time the DMI policy specifically excludes armed security officers. Mr. Stoeger-Moore has spoken with the reinsurer and Steve Streff regarding the rates and rating for this type of coverage. The group decided that DMI should accept/insure this risk, begin to create a template policy / underwriting procedure / criteria and rating for coverage. Mr. Dan Jacobson (NTC) stated that they have posted their entrances with signage and that they are working on getting procedures in place for him to be armed.

Mr. Rehagen moved, and Mr. Zlevor seconded establishing criteria and rating for coverage for armed security officers on campus. The motion carried.

11. Campus Security Consultant Position

Mr. Stoeger-Moore spoke with the group about the possibility of adding the resources of an additional DMI staff member. There was some discussion about the benefits/drawbacks of hiring a staff person vs. contracting services. It was suggested to ask the group tomorrow for feedback on this topic. It was decided to table this topic for October.

12. Capital Adequacy Plan

Russ Denk spoke with the group as a follow-up to April Board discussion re: capital adequacy. He reviewed the memo from 2007 and an executive summary created from discussion between himself, Erin Dawson, and Steve Streff (in response to Board discussions). The group felt that the proposal was very well written. It was suggested that a “preliminary number” for “discretionary surplus” be provided to the Board at the January meeting and action be taken at the April Board meeting.

Mr. Zlevor moved, and Mr. Eckert seconded to approve the proposed recommendation for a policy. The motion carried.

13. Executive Vice President Goals

Mr. Stoeger-Moore asked the Board for feedback for goals for 2012/13. Several suggestions were given to Mr. Stoeger-Moore. Additional suggestions can be sent to him via e-mail.

14. Executive Vice President Report

a. Program Structure Reinsurance Chart

Mr. Stoeger-Moore briefly spoke to the group about the chart outlining coverages/deductibles levels for DMI policies.

b. DMI Shirts

Mr. Stoeger-Moore asked the Board if they would like to offer DMI logo shirts to the BOD members and Risk Manager/EHS members who did not receive one previously. The decision was to offer a shirt to those members.

c. Benchmarks for Rating Purposes

This item was tabled for the October meeting.

d. Claims Review* (United Heartland / Midwest Claims / High-Value Claims Report)

These reports were briefly discussed.

A motion was made to move into closed session pursuant to WI statute 19.85 (1)(f) by Mr. Blumreich seconded by Mr. Zlevor. A roll call vote was held to move into closed session – Mr. Blumreich – AYE; Mr. Eckert – AYE; Mr. Zlevor – AYE; Mr. Rehagen - AYE.

A motion was made to move back into open session by Mr. Zlevor, seconded by Mr. Eckert. A roll call vote was taken – Mr. Blumreich – AYE; Mr. Eckert – AYE; Mr. Zlevor – AYE; Mr. Rehagen - AYE.

e. URMIA National Conference - September 10-14, 2011

Mr. Stoeger-Moore asked if any Board member would like to attend this conference as the “early” registration date is approaching.

15. Thank you from Gayle Hytrek

Mr. Stoeger-Moore distributed a thank you card from Dr. Hytrek.

16. Adjourn

Mr. Rehagen adjourned the meeting at 12:40 p.m.

Approved by the DMI Board of Directors on October 20th, 2011.

Respectfully Submitted,

James Rehagen
DMI Board Secretary

**It is anticipated that these items will be discussed in Executive Session pursuant to WI statute 19.85 (1)(f) for the purposes of considering personal information and investigations.*