

**Districts Mutual Insurance - Risk Managers Quarterly Meeting
Wisconsin Technical College Foundation, Waunakee, WI
January 27, 2007 – 10:00 a.m.**

Members Present: Dick Shikoski (BTC); Doug Olson (CVTC); Scott Kronenwetter (FVTC); Cindy Dross (LTC); Nelson Dahl (MSTC); Janice Falkenberg (MATC-Milwaukee); Mary Rapp (MATC-Madison); Bonnie Baerwald (MPTC); Tom Eckert (NATC); Rob Elliott (NTC); Jim Blumreich (NWTC); Stan Hollmann (SWTC); Jim Rehagen (WCTC); Amy Schmidt (WTC); John Will (WITC); Steven Stoeger-Moore (DMI)

Guests Present: Dan Hartstern (BTC); Tim Greene (WCTC); Paul Albrecht (WTC); Mike Carney (WTCS); Steve Lodarski, Peter Borth (Allianz); Rob Elliott (NTC); Linda Joski, Anne Ring (Arthur J. Gallagher); Dan Follmer (United Heartland); Steve Bear (RPS); Igor Steinberg (MATC-Madison) (arrived at 12:00 left at 12:40 p.m.), Cynthia Eghbalnia (MATC-Madison) (arrived 12:40 p.m.);

Recorder: Geri Justinger (DMI)

The meeting was called to order at 10:00 a.m.

1. Introductions

2. Claims Review

a. United Heartland – Dan Follmer

Mr. Follmer reviewed the claims with the group. He spoke about the difference between the medical only vs. indemnity claims (time loss associated with the loss) and stated that the 2006 numbers have gone down from 2005. He stated that the two highest numbers of claims are still slips, trips and falls and material handling injuries. He stated that the majority of material handling claims are originating from the maintenance/custodial staff. Anne Ring (AJG) suggested that UH do a “train the trainer” session on ergonomics for staff members at each District.

b. Midwest Claims

Mr. Stoeger-Moore reviewed claim data from Midwest Claims - he also reminded everyone that slips / trips / and falls are still the highest frequency of claims. Frequency of all claims remains relatively low and severity of claims (high \$ loss) has not thusly been an issue.

3. School Violent Acts

Mr. Stoeger-Moore stated that this continues to be a very “hot topic”. The next DMI Presents...will be held February 9th from 10:30 – 11:45 a.m. and will be a panel discussion. Each District received a book entitled, Not in My School! By Ted Hayes – Mr. Hayes is scheduled to be at the April 27th DMI meeting to give a presentation on school violent acts.

Mr. Stoeger-Moore further stated that everyone has a School Violence Application in their packet – in order to have this coverage each District MUST complete and return this application to be eligible – an e-form will be available on the website. This coverage will be available through GenRe. Linda Joski stated that it would cover – media coverage, bringing family to the area, monies for beefing up security and monies for counseling – all post-event – there is a limit of \$250,000. The only caveat to being eligible is that you must have an emergency response plan in place.

4. Allianz Loss Prevention Starter Kit – Peter Borth, Allianz

Mr. Stoeger-Moore introduced Steve Lodarski (the chief underwriter for DMI) and Peter Borth. Mr. Borth proceeded to go through his presentation – this presentation can be found on www.districtsmutualinsurance.com.

5. Underwriting Data for 7/1/07 Renewal

Linda Joski handed out Property Pro reports and asked all to contact her if they any questions about values, etc.

6. Additional Named Insured Update

The Additional Named Insured Endorsements were provided for the Members. Each Member packet contained these Endorsements for local records.

There was discussion regarding Builders' Risk - Mr. Stoeger-Moore stated that there is a limit of \$15M for builders' risk and that a form is needed for all new construction regardless of the value – no form is needed for renovation. Builders' Risk covers new construction – material on-site and value of building on-site until you take ownership of that structure. At the time of ownership the risk will be transferred to a property coverage. This form is available on the DMI website.

7. TULIP Program

TULIP = Tenant User Liability Insurance Program – this will be available from DMI through URMIA to cover “special events” that are currently excluded from DMI policies. Questions about or application for the TULIP program can be made through the DMI office.

8. Table Saw Safety

www.sawstop.com

9. Technical College “Local” Foundation Exposure

The statutory limit is \$50,000 (Liability - \$5,000 deductible) and D&O is not affected by Tort legislation (up to \$5M – less the \$100,000 occurrence). A question was asked if there is additional insurance available for special events or workers comp issues – Ms. Joski stated that there can be separate policies written for extended coverages. Mr. Stoeger-Moore will send out a written confirmation of these limits.

10. Net Diligence Report – Igor Steinberg, MATC-Madison

Mr. Steinberg stated that they participated in a level 0 evaluation from Net Diligence. There were approx. 109 work hours involved. There was one main recommendation of the survey was to obtain an Information Security Manager. Mr. Steinberg feels that “the jury is still out” on the process – he feels that although there was concern by high level management of the college the real proof is if a Security Manager is hired. He suggested that investing in assessments on a regular basis – and Districts shouldn't invest in a “higher-level” assessment unless you are ready. He further stated that this is a very critical area to have best practices in place.

11. Zurich Class Action Settlement Plan –

www.insurancebrokerageantitrustlitigation.com Mr. Stoger-Moore asked that all Members visit the website and fill out the application on behalf of their Districts. The period of time that is affected 8/94 – 9/05.

12. University of Washington Chemical Explosion

Mr. Stoeger-Moore stated that Jim Lang provided this as example of what could happen in any lab at any Technical College. It is suggested that you share this with all management at your locations.

13. Lessons Learned from the Workers Comp Payroll Audit

Renewal data will require each College to provide the 2007-08 projected payroll by class code. DMI will review the underwriting data and compare the submittal with the recently concluded payroll audit. This comparison is offered to assist each College with capturing accurate estimates of Workers' Comp payroll.

14. Best Practices

a. Field Trips

Mr. Stoeger-Moore provided three forms to the group to use – they will be found on the website under the “Forms” location.

b. Workers' Compensation Issues Pertaining to Student Practicum Programs

Mr. Stoeger-Moore stated that this “white paper” was produced by Gander Consulting. He recommends that all Districts use this as a guide. He stated that it is the opinion of Ms. Gander that the organization that receives the benefit of the service is responsible for the workers comp loss. He further stated that he encourages everyone to customize their Acknowledgment of Risk / Acceptance of Responsibility that for specific events.

c. Contract Review Checklist

Mr. Stoeger-Moore stated that this “white paper” was produced by Gander Consulting. He recommends that all Districts use this as a guide. He encourages everyone to review this document.

15. BOD

Mr. Blumreich spoke about the proceedings from the Board meeting held yesterday. He stated that they met with the investment company PMA and Strohm Ballweg and heard their reports. He stated that the non-Workers' Comp coverages will remain exposure-based per the recommendation by Steve Streff. He further stated there were four policies put forth by the Risk and Loss Control Committee that the Board adopted. He stated that a Nominating Committee will be formed to put forth two candidates for the Annual Meeting (CFO positions) – a volunteer from the risk manager group is needed to complete this committee. Capital Allocation Formula was presented to the ASC Group and approved by a 15-1 (abstention vote) – this will be presented to the President's Group at their meeting next week.

16. Other Topics from the Group

Motor Vehicle Record Checks will now be available for Out-of-State record holders from DMI – in the same time-frame for Wisconsin residents. The online Motor Vehicle Record Check form will have to be faxed or sent to Mr. Stoeger-Moore for all Out-of-State requests. For all in-State requests a spreadsheet or list is still fine. Tom Hinz passed out a copy of the NWTC Vehicle Use Policy. There has not been a fee for this service and the DMI BOD will take a formal position on this at their next meeting. The consensus of the group is that most Districts do Motor Vehicle Check for those who have driving as a condition of employment. Mr. Stoeger-Moore recommended that all Districts do checks for routine operators of motor vehicles and then set some sort of objective criteria for beyond that.

Cindy Dross stated that at the Wisconsin Insurance Trust Fund meeting they stated there is approx. \$300,000 in a fund that needs to be allocated. She was asked to bring it to the ASC and this group for suggestions for allocation. If anyone has suggestions please send the suggestions to Ms. Dross or Mr. Stoeger-Moore.

The Annual Meeting will be held at 9 a.m. on April 27th. The July meetings have been rescheduled for the 19th and 20th (changed from the 12th and 13th).

17. Adjourn at 2:20 p.m.

Respectfully submitted,

Gerri A. Justinger
DMI Administrative Consultant