

**Districts Mutual Insurance - Risk Managers Quarterly Meeting  
Wisconsin Technical College Foundation, Waunakee, WI  
October 13, 2006 – 10:00 a.m.**

**Members Present:** Dick Shikoski (BTC); Stan Bonk (CVTC); Barb Kieffer (FVTC); Cindy Dross (LTC); Nelson Dahl (MSTC); Janice Falkenberg (MATC-Milwaukee); Mary Rapp (MATC-Madison); Bonnie Baerwald (MPTC); Tom Eckert (NATC); Jim Blumreich (NWTC); Stan Hollmann (SWTC); Jim Rehagen (WCTC); Amy Schmidt (WTC); Chuck Levine (WITC); Steven Stoeger-Moore (DMI)

**Guests Present:** Kayla Betzig (BTC) [left at noon]; Scott Kronenwetter (FVTC); Cynthia Eghbalnia (MATC-Madison); Tim Greene (WCTC); Paul Albrecht (WTC); Jeff Noel (WTC); Mike Carney (WTCS); Jim Lang (Gallagher Bassett); Rob Elliott (NTC); Linda Joski, Leta Finch (Arthur J. Gallagher); Dan Follmer (United Heartland)

**Recorder:** Geri Justinger (DMI)

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

1. **Introductions**
2. **Blueprint for Pandemic Flu Preparedness Planning for DMI Members – Leta C. Finch – Gallagher Higher Education Practice Group**

Ms. Finch gave a history on why Pandemic Flu is a real threat in today's world. Dr. Webster (the creator of the commercial flu vaccine) stated that all pandemic flu has originated from birds. People get flu from birds via the process of genetic reassortment – this is where a mammal is infected with both the human influenza and the avian flu and the virus have “sex” to create a mutated strain that can be passed on to humans. The H5N1 (avian flu) virus attacks the healthy and young – unlike seasonal flu that attacks the elderly and ill. She reviewed what happened in Toronto, Canada with the SARS disease – devastating economic results.

The World Health Organization – <http://www.who.int/en/> has 10 things that everyone needs to know about pandemic influenza. It is estimated that the influenza of 1918 killed approx. 40-50,000,000 people worldwide if it further estimated that the avian flu will affect at least that many people.

The goals for preparedness are:

- To minimize hospitalizations and deaths.
- To preserve critical infrastructure.
- To minimize social disruption.

Worldwide there have been 200M birds have been culled. Indonesia is the largest threat to the world because of their diversity in political and social issues. It is estimated that the first human-to-human transfer has happened in Indonesia.

There are several reasons that people will not come to work during an outbreak – they are sick, they are caring for the sick, they are afraid to come to work, the “worried well” those who are well but are too worried about it to come to work, and those who do not

“valuable”. Ms. Finch stated that everyone needs to work on educating their employees as to their importance.

Management actions should include a liberal leave plan, split staff in shifts to minimize intra-employee contact and let employees work from home. Managers should think about their staff being decreased by 1/3 and then by another 1/3 and develop a plan based on having that number of staff. Be self-reliant as much as possible not only at work but at home.

With the May 2006 addition of OSHA as an enforcing body – it increases the liability issue for

An issue to consider is whether a College would be asked to close or should consider closing themselves. It was suggested that public areas will be looking to close sooner than later and that each location needs to determine the critical services that will need to continue. Ms. Finch stated that she reviewed the plan for the State of Wisconsin and said that she has seen better plans (Pennsylvania and Washington state for instance). The first wave of this outbreak could last up to 8 months and the second wave up to 3 months – financial concerns will be great. The CDC has advised that we will be very susceptible to a terrorist attack during an outbreak.

Personal protection points are:

- Everyone should get a seasonal flu shot so that that issue is eliminated if you get sick.
- Keep a three-foot radius of “social distancing”.
- Frequent and vigorous hand washing.
- Respiratory hygiene/cough etiquette.
- Refrain from shaking hands.
- Restrict travel to and in infected areas.
- Avoid contact with live or found dead fowl.

There was a question of if there is an estimation of time of “full blown” outbreak. There has not been a case of “easy transmission” – when that happens they estimate 3 months from that time. It is not a question of “if” but of “when” it will happen. Ms. Finch stated that the “Blueprint for Preparedness” is available in an editable format and can be customized for each location. She further stated that a corps of people a “command committee” should be established in which each department head needs to be involved. She stated that thought should be given of the ability of individuals to lead in crisis and to think of a “back-up”.

There was significant discussion about hand washing vs. hand sanitizer and that the safer practice is to wash hand with soap and water. It is estimated that 70% of the germs remain after using hand sanitizer.

Everyone was encouraged to continue (or begin) working on their plans and be in contact with your local health departments. It is critical to test your plan once they have been developed – and then re-test them to try to work out issues.

### **3. Material Handling Exposures – Dan Follmer – United Heartland**

Mr. Follmer reviewed a program that he created for MATC-Milwaukee's Book Store. This program can be found on DMI's website.

A question was asked about how other Districts were making sure that their staff was getting this information out and ensuring they utilize it. Cynthia Eghbalnia stated that their committee (Loss Control and Risk Management) is working on making interactive presentations for various topics.

All Districts were encouraged to involve United Heartland as much as possible in their own evaluations and planning. Mr. Blumreich stated that the Board is considering the work of Loss Control and Risk Management and providing as much information and resources as possible.

### **4. Claims**

Mr. Stoeger-Moore stated that Hartford Steam Boiler is involved with doing jurisdictional inspections at all locations. It was further stated that all contractors are required to report all new vessels/valves that would require inspection to the State.

#### **a. United Heartland – Dan Follmer**

Mr. Follmer reviewed the claims with the group. He stated that the group is still trending downward in frequency and cost and that this is good news. Mr. Levine stated that he was very impressed with United Heartland's service and level of expertise. Also commented on was the speed of the audit that was performed and completed recently.

#### **b. Midwest Claims**

Mr. Stoeger-Moore stated that there is not enough data to trend at this time (to create a rating model). Frequency of claims remains relatively low and severity of claims (high \$ loss) has not been an issue. He also reminded everyone that it is "slip / trip / and fall season" and to be very diligent in your work to reduce these types of claims.

### **5. Theft Losses**

Mr. Olson brought up this topic several weeks ago – Mr. Bonk asked the group if there were any policies in place regarding theft / breakage of equipment. Ms. Falkenberg stated that at MATC-Milwaukee has a policy that all persons that take control of College equipment sign an agreement that they must take reasonable measures to secure it and accept responsibility for it. Mr. Stoeger-Moore stated that he has some templates of this type of form which he can supply to anyone interested. Several locations stated that they have increased the amount of "locking up" that it does – MSTC is using Kensington locks on their electronic equipment which has helped.

### **6. School Violence**

Mr. Stoeger-Moore stated that this needs to move up on all Districts priority lists. Mr. Blumreich stated that there is a great need for counseling the students and faculty. Mr. Eckert stated that he just attended a conference where the topic of students with mental illness in the Technical College System – and how this will be an increasingly difficult situation. Tim Green will be presenting at a program on February 28<sup>th</sup> on putting together a counseling program. It was suggested that the next DMI Presents...should be on this topic.

**7. Auto Policy Change Request Form**

This form is located on the DMI website – all future changes should be forwarded to Steven Stoeger-Moore.

**8. Builders' Risk Worksheet**

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.

**9. TULIP Program**

This topic will be tabled for the next meeting.

**10. DMI BOD Report**

Mr. Blumreich stated that the BOD met with Steve Streff and he spoke regarding trending and the lack of data for the non-workers' comp side – and that he feels that he needs more experience to be able to bring down the loss reserves – but he does feel that happens.

Another topic discussed was content model valuation – and that the averages ranged from 50 – 70% of building value for content. The goal is to possibly apply a number to all District for future insuring.

Some preliminary news from the (non-workers' comp) reinsurance market is that they are interested in offering a multi-year contract which could reduce the "leg-work" necessary. The goal of these discussions is to maintain the terms and conditions of the policies.

**11. Other Topics from the Group**

Mr. Stoeger-Moore stated that the RIMS magazine and the GFOA magazine both ran articles in their August 2006 publications. Both of these articles can be found on DMI's website.

Mr. Dahl stated that he was looking for information on vehicle use policy especially on out-of-State travel.

Mr. Eckert stated that he is currently re-evaluating a 30-year old program of minimum security prisoners working at their facility.

Mr. Blumreich stated that they are implementing a vehicle use program November 1, 2006.

**12. Adjourn at 1:45 p.m.**

Respectfully submitted,

Geri A. Justinger  
DMI Administrative Consultant