



DISTRICTS MUTUAL INSURANCE & RISK MANAGEMENT SERVICES
BOARD OF DIRECTORS MEETING
VIRTUAL – GOTO MEETING
January 9, 2025

Present: John Will, Brenda Riesterer, Magan Perez, Wade Hackbarth, Steven Stoeger-Moore

Guest: Erin Dawson (Strohm-Ballweg), Valerie Schroeder (Strohm Ballweg), Don Miller (Madison Advisement), Robert Fitzgerald (CCMSI), John Zabrowski (CCMSI)

Recording Secretary: Suzette Harrell (DMI Administrative Assistant)

1. **Call to Order** - J. Will called the meeting to order at 10:00 am.
2. **Statement of Public Notice** - Read by S. Harrell - *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.*
3. **Roll Call and/or Declaration of Quorum** - S. Harrell called roll. John Will, Brenda Riesterer, Magan Perez, Wade Hackbarth were present. C. Kasubaski was not present. S. Harrell announced the meeting had quorum.
4. **Approval of Board Meeting Minutes - October 17, 2024** – No comments received. A motion was made by M. Perez to approve the minutes as presented. B. Riesterer seconded the motion. All voted in favor. Motion carried.
5. **Financial Report** - E. Dawson reviewed typical quarter vendor payments from DMI’s general check register. She talked through the CCMSI property and casualty insurance claim payments, saying they were typical for the quarter. The Board was apprised on Worker Comp. payments made during the quarter. She reported 11 claims in total, 9 open, and 2 closed. Slips, trips, and falls continue to be the leading cause of loss, with soft tissue claims indicative of an aging workforce. E. Dawson said financials figures were still coming in for December 2024. Her report presented figures to November 30, 2024. She reviewed several lines/figures of the Balance Sheet and Income Statement, commenting briefly on admitted assets, liabilities, surplus and other notable figures. W. Hackbarth motioned to accept the financial report as given by E. Dawson. M. Perez seconded the motion. All voted in favor. Motion Carried.
6. **Investment Report** - D. Miller provided an overview of current economic conditions. His report included treasury yield information, national debt impact on small businesses and the public, inflation (down to 2.8% - Fed targeting 2%), 3rd quarter 2024 GDP up 3.1% and stated concerns of recession are no longer a treat. D. Miller reviewed DMI’s highly diversified portfolio and its current bond and stock holdings, citing that on a performance basis the portfolio is doing well. D. Miller will be looking to increase bond book yields in 2025 and plans on investing in bonds to take advantage of higher interest rates. Graphs and figures were reviewed with the Board. He briefly talked about the GAAP Base Impairment report and Compliance Summary noting there are no OTTI concerns or out of compliance issues to report. He commented that bond losses seen are due to changing interest rates but doesn’t see a need to make an adjustment. Also the new Administration’s tariffs should not have an impact on the DMI investment portfolio. W. Hackbarth motioned to accept the investment report as given by D. Miller. M. Perez seconded the motion. All voted in Favor – Motion Carried.
7. **Late Fee Policy** – Further to the Board’s October 17, 2024 discussion to consider a premium late fee proposal/policy, a policy draft was presented for review and comments. Discussions ensued around extending the payment due date, putting college financial officers on notice of when payment will be due for budgeting and yearend financial consideration, multi-tiered collection approaches, etc. W. Hackbarth motioned to approve a 15 days past due date to start incurring a 2% APR late fee for premium balances due. Late fees will start to incur as of July 31 or August 1. This policy will be effective immediately, so it is applicable for the 7/1/25-26 policy year. M. Perez seconded the motion. All voted in favor. Motion Carried E. Dawson will update the draft policy and send it to S. Harrell.
8. **Medicare Premium Reimbursement Arrangement (Medicare PRA)** – S. Stoeger-Moore reviewed with the Board, how and why Medicare Premium Reimbursements were implemented by past Board of Director members. S. Stoeger-Moore is seeking approval for the 2025 Medicare Premium of \$1,183.80/month applicable for he and his spouse. No other DMI employee has Medicare coverage at this time and is not affected. For this year, no maximum or not to exceed amount is being considered. M. Perez motioned to approve reimbursement of \$1,183.80/month or actual amounts billed monthly in 2025 to S. Stoeger-Moore. B. Riesterer seconded the motion. All voted in favor. Motion carried.

9. **2025/26 Risk Management Project Award (RMPA) Funding Request** – S. Stoeger-Moore reviewed the RMPA program funding since inception. He asked the Board to consider funding the RMPA program again for 2025/26. He provided a brief overview of current RMPA funded projects and cited, three projects are statewide. He made a suggestion of funding the program at \$500,000. After continued discussion, M. Perez motioned to fund DMI's 2025/26 RMPA program in the amount of \$500,000. W. Hackbarth seconded the motion. All voted in favor. Motion Carried. S. Stoeger-Moore advised he would announce the program during the 1-10-25 Risk Managers Meeting.
10. **Life Insurance** – S. Stoeger-Moore advised the Board that Paychex offers DMI employees a 1x current salary life insurance policy as a benefit. When a person reaches age 65, the policy payout decreases. Quotes are being obtained to be brought to the April Board meeting for consideration of DMI staff salaries and current benefits. This topic has been tabled for discussion during the April Board meeting. No comments or discussions were made.
11. **WTCS Compliance Symposium – 3rd Annual Training Funding Request** – S. Stoeger-Moore told attendees that the colleges are compliant focused organizations. They are inundated with time consuming responses to organizations like the US Dept of Education. Gateway and Madison both have full time compliance officers on staff who have taken a leadership role in assisting the other colleges in managing compliance matters. These two colleges have put together a training symposium that is offered annually. S. Stoeger-Moore attended last year's symposium and found it was robustly attended by all of the WI Technical Colleges. He stated a lack of compliance can turn into a claim situation at any time. L. Klukas was tasked with preparing a proposal for the Board's consideration in providing funding for attendee registration fees (lunch included), to secure top subject matter experts, and other necessary training and materials (set up, food/beverages/marketing materials). Upon review and discussion of the proposal, M. Perez made a motion to fund \$6,000 for the WTCS Compliance Symposium's training in April 2025. B. Riesterer seconded the motion. All voted in favor. Motion carried.
12. **DMI Onboarding Process** – S. Stoeger-Moore presented a summary of actions and ways DMI reaches out to the colleges, when new staff members are hired and/or with current staff members. There is not a particular action or way (email, DMI presentation, phone call, introduction by consultants) that is used. DMI reaches out in various ways and by various DMI employees depending on the college employee's topical area. DMI provides numerous opportunities to communicate with college members, for instance there are DMI's quarterly meetings, DMI consultant's monthly virtual meetings, the monthly DMI newsletters and Topical Snapshot videos, consultant campus assessment visits/reports, regular phone calls and emails. DMI relies on the colleges to advise when staff changes are made, when new people join and when individuals leave. M. Perez stated she would like to review further with the colleges who provides DMI with contact information of new hires and staff changes. She feels this may be more of a college level issue (to contact DMI) and not a DMI issue for reaching out. She will report back to the Board on a way for continuity of reporting to DMI when new college members come onboard or maybe have a role or role change that could utilize DMI's services, resources, and support. J. Will agreed there could possibly be more that the Colleges can do to identify individuals (facilities, IT staff, etc.) who could use DMI support/resources and how the information can get to DMI for contact and communication.
13. **Role of WTC Trust and DMI** – LTC serves as the Fiscal Agent for the WTCS Trust. S. Stoeger-Moore identified the creation and the role of the Trust at inception to now. The role of the Trust has been diminishing. Upon further briefing, S. Stoeger-Moore said that DMI could support the Trust by taking over the logistics associated with underwriting, invoicing, accounts receivable/payable, policy review and issuance (with help from Gallagher) that are run through the Trust. Consideration and discussion of dissolving the Trust ensued. Especially since Gallagher/DMI could take on the logistics of insuring crime and ADD by issuing policies for each college individually for said coverages. No action at this time. J. Will suggested he have a conversation with John Lucas (Trust Chair) and Paul Carlson (Trust President) to discuss a strategy to possibly dissolve the Trust and allow DMI to handle the needed coverages and logistics.
14. **Act 10** – In a recent court case related to WI Act 10, a judge ruled that Act 10 is unconstitutional. Only Dane County is affected by the ruling at this time. However, other jurisdiction could potentially be affected by the ruling as well. S. Stoeger-Moore reached out to DMI's General Counsel for a review of what it would look like for the WI Technical Colleges if Act 10 was reinstated. S. Stoeger-Moore and J. Will discussed the matter and agreed to fund an amount not to exceed \$3,000 for DMI's General Counsel to review and give a position paper at the beginning of February on what could be expected by the colleges if Act 10 was reinstated. When the info is available, S. Stoeger-Moore will send it to the Board members. M. Perez said that Act 10 ruling was a topic of conversation during the December 4th

WTCS Human Resources meetings. Next meeting is in March. She will share DMI's General Counsel information with the WTCS Human Resources group and she will share what comes out of the meeting with DMI and the Board members.

15. **DMI Health Benefits** – S. Stoeger-Moore appraised Board members that DMI's employee health benefits were renewed as of 01-01-2025. It was a lateral renewal and United Healthcare and Paychex (Dental/Vision) are still being utilized. There was very little budget impact for the renewal. Single digit increase in health benefits.
16. **CCMSI Stewardship Report** – Rob Fitzgerald/John Zaborowski presented an overview to the Board Members of who CCMSI is, what they do, how long CCMSI has been in business, the number of offices and their locations, CCMSI's customer base, the CCMSI team, and the CCMSI relationship with DMI. They advised CCMSI has had zero debt since 2011, they don't revenue share, and they have solid vendor relationships. R. Fitzgerald talked about several online platforms that were created by and are offered to CCMSI customers for day to day claims management. One tool is the ICE platform – a real-time claims reporting platform. Then there is Clear, a tool used to bring legal counsel in for claims handling. They even have a CCMSI phone App for filing claims. All of these tools provide an ease of use that is much appreciated by clients. Several graphs and statics in claim handling were reviewed. S. Stoeger-Moore thanked R. Fitzgerald and J. Zaborowski for their efforts to facilitate and secure the strong partnership CCMSI has with DMI.
17. **DMI Business Continuity Plan Update** – S. Stoeger-Moore told Board attendees DMI's Business Continuity Plan is updated biennially. It will be due for an update in 2026.
18. **Commercial Insurance Marketplace Conditions** – 4th Quarter market conditions have not been released. Q3 conditions have been widely published and saw single digit increases across all lines of coverage. A composite increase of 3.8% was seen across the market place. Individually, there was an increase of 5.7% in Property, 7.3% in Commercial Auto, 4.3% in General Liability, 3.3% in Professional Liability, and for Workers' Comp an 11% decrease for the 07/01/2025 renewal. DMI reports class code 8868 – 95% of payroll and class code 9101 – 4% of payroll. If the College has no increase in payroll and no change in their MOD factor calculation then the college's premium will go down. S. Stoeger-Moore will provide the colleges with their current MOD factor during the 1/10/25 Risk Managers meeting. All of the college's Mod factors are below 1, which is not typical and a very significant achievement. He anticipates Q4 Marketplace condition figures will be similar to Q3. He is hoping to have Q4 results for use in setting premium rates by the Board during its April 2025 meeting.
19. **2023-2024 – Workers' Comp. Payroll Audit** – Payroll Audit results were viewed by the Board. S. Stoeger-Moore commented on the summary and advised refund checks (amounting \$60,447) were sent out and invoices for premium due (amounting \$129,652) were also sent. The Workers' Comp audit is done annually (August/September) and quantifies exactly the actual payroll from the previous policy.
20. **President's Report** – Gallager VCISO and the Cyber Defense Centre (CDC) have been working with the WI Technical College IT contacts. Login credentials for the CDC are in place for each of the Colleges. Tom Mooney (Virtual CISO) is working directly with College IT contacts in gathering information and sharing membership resources. The colleges are taking full opportunity to utilize the CDC's vulnerability tools for addressing potential risks in the Colleges networks and systems. Mid-State Technical College has truly embraced the service and has 13 devices currently being monitored for vulnerability. Need to ask for an IT contact correction - Kevin Becker's contact information is listed under WTC, and it should be listed under WCTC. S. Harrell will reach out and have this corrected.
Consultants Reports – to be reviewed at the Board of Directors leisure. One noted item, S. Stoeger-Moore has had conversations with the DMI consulting staff on continuing to further educate themselves in their topical areas. He cited current opportunities that each of the Consultants are participating in to sharpen their expertise for questions by the Colleges.
High Value Claims Reports – to be reviewed at the Board of Directors leisure. If desired, the Board members may reach out directly to S. Stoeger-Moore for more detailed conversations.
21. **Adjourn** - J. Will adjourned the meeting at 1:11 pm.

Respectfully Submitted,

Magan Perez