



## DISTRICTS MUTUAL INSURANCE & RISK MANAGEMENT SERVICES

### BOARD OF DIRECTORS MEETING

Waukesha County Technical College, Pewaukee, WI

October 23, 2025

**Present:** John Will, Magan Perez, Michele Adams, Steven Stoeger-Moore

**Guest:** Erin Dawson (Strohm-Ballweg), Valerie Schroeder (Strohm Ballweg), Don Miller (Madison Investments), Lyn Roy (Gallagher), Kay Hannah (Gallagher)

**Recording Secretary:** Morgan Gurgul (WCTC Administrative Assistant)

1. **Call to Order** – J. Will called the meeting to order at 10:11 am.
2. **Statement of Public Notice** – J. Will read the Statement of Public Notice at 10:12 am.
3. **Roll Call and/or Declaration of Quorum** – M Gurgul called roll. J. Will, M. Perez, M. Adams were present. B. Riesterer and W. Hackbarth not present. A quorum was noted.
4. **Approval of Board of Directors Meeting Minutes – July 23, 2025** – M. Perez made a motion to accept the July 23<sup>rd</sup> meeting minutes. M. Adams seconded the motion. Vote: All in favor. Motion carried.
5. **Financial Report** – Financial Report – E. Dawson (Strohm Ballweg) reviewed the financial report, beginning with general expense check registers, citing payments over \$5,000 noting nothing unusual. Dawson went over the larger payment amounts, including Arthur Gallagher reinsurance installments, which were highlighted as the largest group of payments this quarter. Donations totaled approximately \$80,000 overall. Premiums have been stable with very little change. J. Will, S. Stoeger-Moore and M. Perez discussed out of state exposure costs/expenses in the state of Wisconsin. E. Dawson reviewed property and casualty claim payments during the quarter noting it was a typical quarter. Some of the claims with larger payments are still open. Falls are still the leading cause of WC claims. Dawson discussed the financial statements including premium levels and reinsurance installments. Policyholder surplus is up from December. Losses paid were lower due to the large subrogation recovery this year. Operating expenses overall are consistent with the prior year. May end the year with a net loss due to Risk Management Project Award and donations.
6. **Investment Report** – D. Miller spoke on Madison Investment's summary report. He noted current economic trends such as rates were higher in the first half of the year, compared to a significant drop in the last year; Purchases in the first half of the year were outstanding. Core and headline inflation increased to 2.9% and 3.1%. Rates have come down due to the inflation state of prices and weakness in employment. High inflation and the effects of tariffs both seem to be on their way down. Economically, we are expecting a slowdown, but it should start picking up in 2026. D. Miller reviewed the bond and stock portfolio. Miller expounded on tariff implications. Are tariffs deemed legal and we can keep the funds, it seems to be reducing the deficit by \$3-4 billion. Expectation is that interest rates are capped and there's satisfaction with bonds at 5-6%. Miller mentioned the S&P 500 was up 8.1 %, bringing the full year return to 14.8%. D. Miller finds the market is still narrow, with the interest in AI being the heavy push in solid equity returns (led by consumer discretionary, communication services & technology) of third quarter's performance. Overall, there were many positives in DMI's stock and bonds portfolios in the third quarter. Motion made by M. Adams to accept the Investment Report as provided by D. Miller. Motion seconded by M. Perez. Vote: All in favor. Motion carried. D. Miller left the meeting at 10:35 am.
7. **Approval for RMPA 2025-26 Funding Recommendations:** S. Stoeger-Moore briefly went through the RMPA total amount awarded to projects during 2025-2026 year. Total award since inception is over \$5.8 million. DMI

seeks recommended funding of \$500,000 to the board. Motion made by M. Adams to approve funds in the amount of \$500,000 for the 2025-2026 Risk Management Project Awards program. Motion seconded by M. Perez. Vote: All in favor. Motion carried.

8. **Cyber Risk Management Services Renewal:** S. Stoeger-Moore discussed the contract expiration of the Gallagher Cyber Defence Center services and the Gallagher VCISO Consultant renewal plan coming soon. S. Stoeger-Moore is seeking funding for a proposal of \$58,000 for the second year renewal. Motion made by M. Perez to fund a second year of services for the Gallagher Cyber Defence Center and VCISO consultant. Motion seconded by M. Adams. Vote: All in favor. Motion carried.
9. **Status of WTC Trust:** J. Will to provide more details at a later date.
10. **2024-25 Worker's Comp Payroll Audit Results:** S. Stoeger-Moore reviewed worker's comp payroll audit results. Midstate did the best job of estimating payroll. Some schools showed much higher refunds as well. While looking at refunds of six figures, S. Stoeger-Moore added that it was not unusual to see these kinds of high refunds. There is no action necessary.
11. **Commercial Insurance Marketplace Conditions:** S. Stoeger-Moore advised Quarter 3 market condition figures were not yet available. He noted reports showing an increase in Commercial Insurance, with an expected moderate rate increase for quarters 3 and 4. The commercial market for property is going to be dramatically impacted by natural disasters such as wildfires, floods and water. Property, liability and casualty show a challenging market. Cyber market is in a downward/stable trend right now due to growing markets.
12. **Virtual CISO Update:** S. Stoeger-Moore outlined the VCISO usage report. 24 days were purchased as of 10/2/25, and 23 days were used. Many schools are in the process of requesting a session, some are completed. No other information on this.
13. **URMIA Stipend Update:** M. Adams spoke on her experience while at the URMIA Annual Conference that took place on 10/12/25. Adams opted towards the contract language topics. She found that our systems and programs are truly doing well in keeping our campuses safe. Madison Area, MATC, Moraine Park, Northcentral, Western, Fox Valley and WCTC attended either in person or virtually. Overall, a very good experience with great topics. Next year's program will be held in Philadelphia, PA.
14. **Gallagher 2025 Strategic Review & 2024 Stewardship Report:** L. Roy and K. Hannah talked about what's done behind the scenes at Gallagher. Reinsurance renewals went super smooth; there was a decrease in the deadly weapons coverage. L. Roy mentioned there are two lines of coverage that have caused concern – property and liability. K. Hannah discussed her involvement with the statement of values and how it was tied in the appraisal process. This is very effective towards the underwriting process. S. Stoeger Moore and K. Hannah spoke on their partnership with renewals and updates. L. Roy asked the question of whether the ARCH program (property side) should come to an end – premiums have escalated quite high; there is a need for a plan B. She mentioned Gallagher went to the market for a new structure. Travelers provided a quote, but there is a big shift in coverage. Convinced Travelers to go to a \$750 million per occurrence. Will continue looking at contingency plans for the property program. On the liability side, Gallagher decided to selectively market to replace Genesis. Received quote from Safety National and settled at a 9% increase. Overall, we need to take more risks and have more discussions with other colleges on what we don't see right now. Incorporate strategy into the conversation (discuss what Gallagher does to keep the costs down).
15. **President's Report:** Stoeger-Moore talked about what DMI provides in comparison to every other carrier. DMI's estimated premium savings are \$22 million. A snapshot of DMI's value added services were reviewed – Almost \$12 million was spent on services to support the colleges. Such services included foundation donations, Risk Management Project Awards, Covid 19 Response and Recovery, and premium reduction initiatives. Stoeger-Moore went through the Underwriting Data from 2025-2026 and found there was an increase of change, such as

payroll (1.17%), property (2%), auto (3.35%) and students (3%). Total college claims from July of 2024 through June of 2025 were reviewed briefly.

16. **High Value Claims Review:** Mentioned briefly in Item #15. A spreadsheet with DMI's Open Claims over \$50,000 was briefly viewed.
17. **DMI Consultant Quarterly Reports:** J. Will and S. Stoeger-Moore advised members to read the Q3 DMI Consultant's reports at leisure.
18. **Adjourn:** A motion was made by M. Adams to adjourn the meeting. Motion seconded by M. Perez. Vote: All in favor. Motion carried. J. Will adjourned the meeting at 1:07 pm.

Respectfully Submitted,

Megan Perez  
DMI Board Secretary