



BOARD OF DIRECTORS MEETING
Waukesha County Technical College
Rm. C052
800 Main Street, Pewaukee, WI 53072
January 16, 2019

Present: Bonnie Baerwald, David Brown, Caleb White, Renea Ranguette

Roxanne Lutgen, Steven Stoeger-Moore

Public Attendee: Rick Gibbs – Holmes Murphy Insurance

Guests via Call In: Erin Dawson (Stroh Ballweg), Don Miller (Madison Scottsdale)

Recording Secretary: Suzette Harrell (DMI Administrative Assistant)

- 1) **Call to Order** - B. Baerwald, DMI Board Chair, called the meeting to order at 9:03 am.
- 2) **Statement of Public Notice** – Read into record.
- 3) **Public / Member Comments** – None received.
- 4) **Approval of Minutes from October 18, 2018 Board of Directors Meeting** – The minutes were reviewed by all, with additional commentary from S. Stoeger-Moore. He advised, as requested for Item 7, he spoke to Rob Mulcahy (Michael Best) regarding the Board suggested changes to DMI's By-laws and Hearing Appeal Procedures. Mr. Mulcahy provided a document with said changes (see Item #11) for the Board's final approval. S. Stoeger-Moore also advised invoices were sent out this week to sponsors of DMI's 15th Anniversary Conference; and the date for the Drug Free Schools and Communities Act training was February 21st at NWTC's campus.
- 5) **Approval of Minutes from November 30, 2018 Board of Directors Teleconference Meeting** – D. Brown made a motion to accept the October 18, 2018 and November 30, 2018 meeting minutes. R. Lutgen seconded. Motion Carried.
- 6) **Financial Report** – E. Dawson reviewed the general check register, touching on higher payment amounts. E. Dawson briefed members on DMI's Balance Sheet and Income Statement figures/values. Nothing out of the ordinary or unexpected was seen in the figures. Overall DMI remains in a strong financial position. R. Lutgen made a motion to accept the financial report as presented by E. Dawson. R. Ranguette seconded. Motion Carried.
- 7) **Investment Report** – D. Miller addressed the group with economic background information. Then he reviewed and expounded on DMI's Fixed Income Summary/performance, Equity Summary/performance, and 2018 purchases and sales of holdings. He discussed the mindset and factual results of utilizing Mid Cap Stocks to support continued growth in DMI's portfolio. He indicated the 2018 DMI portfolio stock/bond adjustment made in response to predicted mass asset re-evaluations put DMI in a good position for making future asset purchases. A motion was made by R. Ranguette to accept the investment report as presented by D. Miller. D. Brown seconded. All approved. Motion Carried.
- 8) **DMI Business Continuity Plan Service Provider Evaluations – OCI Recommendation** – In response to OCI's Audit review of DMI and its' recommendations, S. Stoeger-Moore, along with DMI consultant, Joe DesPlaines, prepared and conducted a service provider Business Continuity Plan evaluation. S. Stoeger-Moore outlined the criteria used in the evaluation process, along with sharing results with the Board. S. Stoeger-Moore remarked he would follow up with the service provider's lacking (0 rating) in areas of their Business Continuity Plans, for correction. There were only two zero scores. Overall, DMI reviewed criteria areas of service provider's Business Continuity Plans were "well addressed" and beyond minimum industry standards. A motion was made by R. Lutgen to accept the report as provided, with follow-up to be made by S. Stoeger-Moore as advised. C. White seconded. All approved. Motion Carried.

- 9) **2019 Foundation Donation Award Amount** – While this topic was addressed in past Board discussions, S. Stoeger-Moore asked the board to finalize an award approval amount. As DMI’s 15th year in business, it was previously suggested \$15,000 be presented to each College Foundation this year. Board members asked for clarification regarding the award itself and then discussed its effect as a direct betterment to each of the Technical Colleges. Conversations also touched on the “expectedness” of the award by Foundation staff. A motion was made by R. Lutgen to approve \$5,000/College Foundation for the 2019 Foundation Award. R. Ranguette seconded. All Approved. Motion Carried.
- 10) **Selection Criteria for Stipend Award to URMIA 2019 Annual Conference** - Based on the October 2018 meeting Board request, S. Stoeger-Moore introduced a selection criterion, an announcement, and application for the 2019 URMIA Annual Conference Award, to the Board. Two items on the application were questioned for validity of the selection process. Upon continued discussion, it was felt they were not necessary. The first was: “How long has the applicant been at his/her current College?” and the second, “Has any member of the applicant’s College attended an URMIA Annual Conference in the past?”. One Board member advised, not all College staff are allowed travel and expense approvals. While deemed not fully necessary, one suggestion was made, to add a signature area for College approval of travel or adding a question that would address the candidate having obtained prior travel approval. R. Lutgen motioned to approve the selection criteria as discussed for the URMIA conference. D. Brown seconded. All Approved. Motion Carried.
- 11) **Funding for CCRMC July 18/19, 2019 Stipend** – S. Stoeger-Moore asked Board members if they wanted to approve a continuation of the stipend to Technical College representatives to attend Gallagher’s Community College Risk Management Consortium (CCRMC), July 18/19, 2019 in Rolling Meadows, IL. Previously, the Board has approved \$200.00 per attendee stipends to be used for travel and lodging expenses. Gallagher implemented a \$100.00 registration fee to cover costs. Based on the additional fee, S. Stoeger-Moore asked if the board wanted to consider adjusting the award amount to absorb the additional registration fee. The Board felt it wasn’t necessary to do so. A motion was made by R. Ranguette to approve a \$200.00 stipend for WI Technical College attendees who go to the CCRMC program. C. White seconded. All approved. Motion Carried.
- 12) **Amend DMI By-Laws – Hearing Appeal Procedures** – Follow up review continued from the October 2018 BOD meeting regarding the proposed language changes to DMI’s By-Laws and Hearing Appeal Procedure. Once the revised By-Laws and Hearing Appeal Procedures are approved by the Board, DMI will advise the WI Office of the Commissioner of Insurance (OCI) of the revised By-Laws and post the to DMI’s website. The Hearing Appeal Procedure, it is an internal document. S. Stoeger-Moore said the Hearing Appeal Procedure will also be posted to the DMI’s website. The Revised By-Law and Hearing Appeal Procedures will be advised to Risk Managers during the April 2019 Quarterly meeting. D. Brown made a motion to approve the amended DMI By-Laws and Hearing Appeal Procedures as documented. R. Lutgen seconded. All Approved. Motion Carried.
- 13) **Issues and Opportunities*** - Topics deferred for discussion during executive session. – See Item 15.
- a. DMI President Evaluation Process and Timelines – Bonnie Baerwald
 - b. Mid-year Progress Report
 - c. Discussion of Reported Concerns
- 14) **President Report**
- a. **Claims Review **** – No Claims review during this meeting. Board members were advised the confidential claims reports would be sent to the board members via Sharefile, post meeting.
 - b. **Industry Benchmarking (Gallagher)** – S Stoeger-Moore outlined and discussed this report prepared by the Gallagher organization. The report is an annual survey results report comparing various lines and limits of coverage between industry peer groups. S. Stoeger-Moore pointed out Gallagher added response reporting on 2-Year Community and Technical Colleges. This is a new assessment provided to clients. The report provides macro and aggregate information with a perspective to compare DMI’s practices against its’ peers. The Board may want to review this report during the April board meeting for consideration of higher coverage limits. S. Harrell to include in the April 10, 2019 agenda and board support materials. When asked, S. Stoeger-Moore advised he did not see any “red flags” while reviewing the report.

- c. **2018 Risk Management Project Award Update** – SSM briefly talked about the current projects; noting Madison Area provided an excellent summary of their somewhat nebulous project.
- d. **Consultant Reports** – S. Stoeger-Moore cited, it has been an active quarter for the DMI Consultants (as seen in their reports). He advised Willie Henning joined the DMI team, with a start date of January 2, 2019. An onboarding/orientation meeting was held with S. Stoeger-Moore, Tim McNulty, Joe DesPlaines and Willie Henning in attendance. W. Henning is in daily contact with the DMI staff members. He has received annual safety audit reports from United Heartland (in the absence of Mr. Greene) and is working with UH to set up his auditing schedule for the remaining four technical colleges. He will be involved in Worker Comp. claims review and will be a participative in the 3-times per year reviews. Mr. Henning will shadow the DMI consultants and S. Stoeger-Moore to get a feel for what is expected and how things are done. He will participate in DMI’s Quarterly meetings. Additionally, he will be actively involved with DMI’s service partner, Hartford Steam Boiler (HSB), who provides jurisdictional inspections of the Technical Colleges. Mr. Henning has been scheduled to attend an HSB Forum held later this year. He is ready to get out and see the Colleges.

15) 2017-2018 Workers Comp Payroll Audit – S. Stoeger-Moore briefly reviewed the 2017-18 premium audit figures and advised the Colleges would receive a new worksheet for 2019-20 renewal payroll estimates. The historical data should allow College members to fine tune their payroll estimates for the coming policy year. Renewal documentation, deadlines, and procedures were advised. The Colleges will be required to turn in completed application data by February 8, 2019. The Active Shooter / Active Threat premium for 19-20 was discussed. DMI’s Board approved funding the additional premium cost for the first year, with the understanding the Colleges would be paying the full premium in future years. Board members wondered if Risk Managers were aware of the approximate \$6,500.00 premium increase for 2019-2020. S. Stoeger-Moore advised, Risk Managers were appraised at both the April 2018 and July 2018 Quarterly meetings. He was asked to mention it again during the January 2019 renewal webinar meeting. The Colleges’ cyber coverage with optional coverage layers were discussed. Board members were advised the optional coverage lines amounted to 7% of additional premium last year. Due to new/additional players in the marketplace this year, it is expected competition will drive that figure down. Renewal cyber applications include clarification regarding the optional cyber coverages has been sent out. So far, only 4-5 Colleges have opted to retain the optional coverages. S. Stoeger-Moore advised, clarifying narratives on “what is data restoration” were available and could be emailed to board members and upon request.

16) Adjourn – Prior to meeting adjournment, a motion was made by R. Lutgen to adjourn open session. R. Ranguette seconded. All approved. Open session adjourned at 11:15 pm. A motion was made by R. Lutgen to go into executive session. Seconded by C. White. All Approved. Board moved into executive session at 11:28 am. A motion was made by R. Lutgen and seconded by R. Ranguette to move into open session and adjourn the meeting. All approved. Meeting adjourned 1:30 pm.

Respectfully Submitted,

David Brown
DMI Board Secretary