

BOARD OF DIRECTORS AGENDA

Date Monday, June 22, 2026

Time: 1:00 – 2:00 PM

Location: Teams

Board Members:

*Ken Witt (Chair)	St. Croix County
*Richard Greenlee (Vice Chair)	Rock County
Brad Lovell	City of Madison
Kelly Thompson	City of Eau Claire
Kimberly Nass	Dodge County
Erik Weidig	Waukesha County
Megan Rogers	Walworth County

Action Items		Topic	Page	Presenter
1	Action	Call to Order & Roll Call Time: _____		Ken Witt
2	Discussion	Captive/Cell Update		Pallin Allen
3	Discussion	Future Agenda Items	-	Ken Witt
4	Action	Adjournment Moved: _____ Second: _____ Time: _____	-	Ken Witt

Reinsurance Options for \$12-15M Layer February 2026 Board Meeting Summary and Updates

Status

Currently WMMIC has insurance up to \$15M for liability with Munich Re covering the \$12-15M layer. The premium has increased significantly over the last three years (2024 = \$357,500, 2025 = \$385,000, 2026 = \$458,000). This is more than a 28% increase during that time. We would like to review our options with the WMMIC Board and Membership.

Considerations

- WMMIC has not experienced a loss in this layer
- The largest loss WMMIC has experienced is \$4.7M in 2014 (see loss table below for historical large loss data)
- Jury awards continue to increase
- Policy limits create advantages/disadvantages
- Other similar entities in WI have coverage up to \$10M
- Considering moving to payroll as a base versus GOE

Historical Large Loss Data

Year	Incurred	Status
2014	4,692,085.63	Closed
2015	3,953,767.71	Closed
2012	2,771,476.54	Closed
2016	2,140,963.58	Closed
2023	2,100,000.00	Open
2012	1,761,045.83	Closed
2016	1,646,046.52	Closed
2008	1,411,503.71	Closed

Options

- Status Quo – leave program as is
- Discontinue coverage for \$12-15M, premium savings returned to surplus
- Discontinue coverage for \$12-15M, premium savings used to build separate fund
- Find a different market for \$12-15M layer (although this was unsuccessful for 2026 renewal)
- Restructure with a \$5m x of \$10M layer
- Insure to an amount less than \$15M but more than \$12M
- Form a captive for this layer – often done for investment purposes
- **WMMIC quota share within the \$12-15M layer – New option**
- **Structured Excess Reinsurance – New option**
- Other ideas?

Challenges/Other Factors

- Reinsurance u/w are currently working on 7/1 renewals so it may be difficult to get quotes in the short term
- If we discontinue Munich Re policy we need to give notice by 10/3/2026
- Premium stability pro forma target completion date is end of July 2026, two weeks before the August board meeting
- If WMMIC takes any or all of the \$12-15M policy language is needed