



Wisconsin Compensation Rating Bureau

262-796-4540 ▲ Fax 262-796-4400 ▲ www.wcrb.org

P.O. Box 3080 ▲ Milwaukee, WI 53201-3080

Located at 20700 Swenson Drive, Suite 100, Waukesha, WI 53186

CIRCULAR LETTER 1045 – MAY 20, 2003

PROCEEDINGS OF THE WISCONSIN GOVERNING COMMITTEE

TO: MEMBERS OF THE BUREAU

Minutes of the Annual Meeting held in the premises of the Wisconsin Compensation Rating Bureau, 20700 Swenson Drive, Waukesha, WI 53186 on Wednesday, May 14, 2003. The meeting was called to order at 9:00 A.M. with the following members present:

ORGANIZATION

REPRESENTATIVE

FIREMANS FUND INSURANCE COMPANIES

Chris Ingram
Tom Schreiner

- American Automobile Insurance Company
- American Insurance Company
- Associated Indemnity Corporation
- Fireman’s Fund Insurance Company
- Fireman’s Fund Insurance Company of WI
- National Surety Corporation

CNA COMPANIES

Pat Williams

- American Casualty Company of Reading, PA
- Boston Old Colony Insurance Company
- Commercial Insurance Company of Newark, NJ
- Continental Casualty Company
- Continental Insurance Company
- Fidelity & Casualty Insurance Company of NY
- Firemans Insurance Company of Newark, NJ
- Glens Falls Insurance Company
- Kansas City Fire & Marine Insurance Company
- National-Ben Franklin Insurance Company of IL
- National Fire Insurance Company of Hartford
- Niagra Fire Insurance Company
- Transcontinental Insurance Company
- Transportation Insurance Company
- Valley Forge Insurance Company

EMC COMPANIES

Jim Pousha

- EMCASC0 Insurance Company
- Employers Mutual Casualty Company

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GENERAL CASUALTY COMPANIES

General Casualty Company of WI
General Casualty Company of IL
Regent Insurance Company
Winterthur International America Insurance Company

Jim Vandenberg
Tom Vanderbusch

LIBERTY INSURANCE GROUP

Atlas Assurance Company of America
Colorado Casualty Insurance Company
Consolidated Insurance Company
Employers Insurance of Wausau, A Mutual Company
First Liberty Insurance Company
Hawkeye Security Insurance Company
Indiana Insurance Company
LM Insurance Corporation
Liberty Insurance Corp
Liberty Insurance Underwriters Company
Liberty Mutual Fire Insurance Company
Liberty Mutual Insurance Company
The Midwestern Indemnity Company
Peerless Insurance Company
The Netherlands Insurance Company
Wausau Business Insurance Company
Wausau General Insurance Company
Wausau Underwriters Insurance Company

Steve Ginsburg

ST. PAUL COMPANIES

Northbrook Property & Casualty Company
St. Paul Fire & Marine Insurance Company
St. Paul Fire & Casualty Insurance Company
St. Paul Mercury Insurance Company
St. Paul Guardian Insurance Company

Debbie Towler

SECURA INSURANCE COMPANIES

Secura Insurance A Mutual Company
Secura Supreme Insurance Company

Scott Lueck

SENTRY COMPANIES

Dairyland Insurance Company
Middlesex Insurance Company
Patriot General Insurance Company
Sentry Insurance, A Mutual Company
Sentry Select Insurance Company

Bill Swarthout
Ellen Altenburg-Wadel

SOCIETY COMPANIES

Society Insurance A Mutual Company
Venture Insurance Company

Rick Levin

TRAVELERS INSURANCE COMPANIES

Automobile Insurance Company of Hartford

Alan Carpenter

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Charter Oak Fire Insurance Company
Farmington Casualty Company
Nippon Fire & Marine Insurance Company
Phoenix Insurance Company
Standard Fire Insurance Company
Travelers Casualty Company of CT
Travelers Casualty & Surety Company
Travelers Casualty & Surety of America
Travelers Casualty & Surety of IL
Travelers Commercial Insurance Company
Travelers Indemnity Company
Travelers Indemnity Company of America
Travelers Indemnity Company of CT
Travelers Indemnity Company of IL
Travelers Indemnity Company of MO
Travelers Insurance Company

UNITED HEARTLAND

Greenwich Insurance Company
United Wisconsin Insurance Company

Emil Pfenninger

West Bend Mutual Insurance Company

Pam Allison

Wisconsin Compensation Rating Bureau

Ralph Herrmann
Richard Colvin
Christine Siekierski
Nancy Kierzek
Donna Knepper

(To obtain a complete listing of Bureau members, please see the Wisconsin Compensation Rating Bureau 2002 Annual Report.)

Also Present:

Allied Construction Employers Association
Michael Best & Friedrich
Milliman USA
Office of the Commissioner of Insurance
Wisconsin Manufacturers & Commerce

Ed Hayden
Paul Riegel
Gary Josephson
Laura Andreasson
John Metcalf

The Chairperson read the following opening statement before convening the meeting:

“This Committee meeting has been called to discuss the items of mutual interest and concern to the members of the Wisconsin Compensation Rating Bureau. In accordance with both Federal and Wisconsin State Anti-trust Laws, this Committee is prohibited from any discussion or action which constitutes any form of boycott, coercion or intimidation.”

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1. Mr. Ralph Herrmann, President of the Wisconsin Compensation Rating Bureau, was advised that a quorum was established, and the meeting was declared open for business.
2. The reading of the minutes for the last Annual Meeting was waived, and the minutes were approved as published.
3. The next order of business was the submission of the President's report for the 2002 business year. Each member present was furnished with a copy of the 2002 Annual Report. Mr. Herrmann commented on portions of the Annual Report.

Mr. Herrmann's summary included:

- Growth of Spectrum Partners, LLC
- Web site enhancements
- Direct reporting of Unit Statistical Reports
- WCRB Subcommittee vacancies
- 2002 rate revisions
- Increase in the number of documents processed
- Substantial growth in the WWCIP
- Review of the WCRB income and expenditures
- Continued decline in the overall operating expense ratio

Mr. Herrmann expressed his appreciation to the entire membership for their continued support, and specifically thanked all members of the Governing Committee, the Rating Committee, the Pool Committee, and the several subcommittees for their commitment and hard work during 2002. He also acknowledged the assistance and cooperation of the Office of the Commissioner of Insurance, the Department of Workforce Development, Bureau legal counsel, the other Independent Bureaus, and the members of his staff for their dedication and hard work.

4. The next order of business was the election of companies to fill the vacancies of retiring committee members on both the Governing Committee and the Rating Committee. President Herrmann directed that the representatives of the stock and non-stock companies caucus separately for this purpose. Upon adjournment of the caucuses, the spokesperson for the stock and non-stock companies advised that the following companies had been elected to the Governing Committee and Rating Committee:

GOVERNING COMMITTEE

Fireman's Fund Insurance Company
Society Insurance A Mutual Company

RATING COMMITTEE

Employers Insurance of Wausau
General Casualty Insurance Company

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The Wisconsin Committees are now comprised of the following companies:

GOVERNING COMMITTEE

Employers Insurance of Wausau
Fire & Casualty Insurance Company of CT
Fireman's Fund Insurance Company
General Casualty Insurance Company
Secura Insurance A Mutual Company
Sentry Insurance A Mutual Company
Society Insurance, A Mutual Company
Travelers Insurance Company

RATING COMMITTEE

Continental Casualty Company
Employers Insurance of Wausau
Employers Mutual Casualty Company
General Casualty Insurance Company
Ed Hayden (Employer Representative)
John Metcalf (Employer Representative)
Sentry Insurance, A Mutual Company
Society Insurance, A Mutual Company
Travelers Insurance Company
United Wisconsin Insurance Company

5. The stock companies elected Travelers Insurance Company to Chair of the Governing Committee; the non-stock companies elected Society Insurance A Mutual Company to Chair the Rating Committee and Employers Insurance of Wausau to be Vice-Chair of the Governing Committee.
6. By unanimous consent of all members present, the following item was added to the agenda:

President Herrmann reported that there is an imbalance of representation in the following subcommittees:

- Actuarial – stock vacancy due to the recent resignation of Fire & Casualty Insurance Company of CT.
- Finance – non-stock vacancy.
- Investment – stock vacancy.

WCRB members are hereby notified of the aforementioned vacancies. Any members interested in participating on any of these subcommittees should contact the WCRB. The Actuarial Subcommittee vacancy will be discussed at the June 19, 2003 Rating Committee meeting. The Finance Subcommittee vacancy and Investment Subcommittee vacancy will be discussed at the June 20, 2003 Governing Committee meeting.

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The Committee also concurred with the recommendation to dissolve the Human Resources and the Operations Subcommittees, as there has been no activity.

There being no further business to transact, the meeting was adjourned.

Donna Knepper
Executive Secretary